



**SUMMARIZED MINUTES OF THE  
PUBLIC FINANCING ADVISORY COMMITTEE  
Thursday, February 21, 2013 at 1:30 P.M.  
Hall of Administration  
Planning Commission Room**

**Committee Members:** Carl Groner, Vice Chairman, Committee Member; John J. Moohr, Committee Member; Wallace Rodecker, Committee Member, Shari Freidenrich, Treasurer Tax-Collector; Frank Kim, Interim Chief Financial Officer; Jan Grimes, Chief Deputy Auditor-Controller

**Absent:** Chairman Thomas Hammond; Lisa Hughes

**County Representatives Present:** Angie Daftary, County Counsel, CEO/Public Finance; Suzanne Luster, Public Finance Manager; Richard Mendoza, Louis McClure, Laurie Sachar, Anil Kukreja, Alex Martinez

- 1. Call to Order:** The meeting was called to order at 1:30 P.M by Vice Chairman, Carl Groner.
- 2. Approval of Minutes of January 10, 2013:** Committee Member Freidenrich moved to approve the minutes. The minutes were approved.
- 3. Approval of Bond Counsel firm for proposed Tustin Regional Park financing project:** Richard Mendoza presented item #3.

Committee Member Freidenrich commended staff on including the fees for the respective firms. Committee Member Rodecker inquired if nine firms were invited to participate in the RFP and how they received the invitation. Mr. Mendoza responded that the County's procurement process involves two stages. The first is called a Request for Qualifications (RFQs), or a Statement of Qualifications, and involves solicitation of a nationwide pool of prospective candidates. This pool is reviewed by an evaluation panel to establish a qualified list of consultants that is used for the second phase. The second phase is called Request for Proposals (RFPs) and is used to solicit bids when actual financings are proposed. In both, RFQ and RFP, processes approval is obtained from both PFAC and the Board. Mr. Mendoza stated that this particular PFAC item involved the second phase: An RFP that was distributed specifically for bond counsel services for the Tustin Regional Park financing project.

Committee Member Freidenrich inquired if all nine of the firms invited were on the Bond Buyer Red Book. Mr. Mendoza stated, "yes."

Committee Member Groner asked to speak with Mr. Bob Whalen of Stradling Yocca Carlson and Rauth. Mr. Groner asked what the fees proposed by Stradling include. Mr. Whalen responded that one is a fixed fee contingent upon the financing, which means if there's no financing, there's no fee paid. Additionally, there are arrangements with issuers on an hourly basis for services not directly related to the

financing. Committee Member Groner inquired about the level of billings in the past. Mr. Whalen stated, "a couple thousand dollars per month." Committee Member Moohr inquired what staffing Stradling had proposed as far as experience for the Tustin project. Mr. Whalen stated that he would be the primary person that his tax partner, Carol Lew, who is the Section 103 IRS expert, would also be involved, and, in addition, an associate and a paralegal would comprise the Stradling team.

Ms. Luster advised that the comments were a good segway into an example of how the County has used Stradling on an hourly basis. Ms. Luster continued that recently, three of our bond issues were audited by the IRS this past year and the tax partner at Stradling, Carol Lew, was extremely valuable in assisting County staff in navigating through that process. The end result for each of those three IRS audits was a close out with no findings. Committee Member Freidenrich moved to approve the item. The motion was seconded by Committee Member Groner. Item 3 was approved unanimously.

**4. Public Comment:** There was no public comment.

**Additional Comment:** Ms. Luster commented that Richard Mendoza had mentioned that we were going to launch an RFQ for our underwriter slate of qualified consultants. Ms. Luster mentioned that staff is looking to form an evaluation panel, and would like to have a PFAC member volunteer if anyone is available. Mr. Moohr responded that he would volunteer to be a member of the RFQ review team.

**Adjournment:** The meeting was adjourned at 1:56 p.m.