

December 14, 2010

# 16087

To: Honorable Board of Acquisition & Contract

From: Ann Marie Berg  
Commissioner of Finance

Re: **Resolution Authorizing the County of Westchester (“County”) to exercise an option to renew its agreement with Public Financial Management, Inc. for financial consulting services for an amount not to exceed \$20,000.00**

On September 24, 2009 your Honorable Board authorized the County to enter into an agreement (the “Agreement”) with Public Financial Management, Inc. (“PFM”) to provide financial consulting services with regard to financial matters relating to the Westchester County Health Care Corporation (“WCHCC”) for a term commencing September 14, 2009 and expiring September 13, 2010, in an amount not-to-exceed Fifty Thousand (\$50,000.00) Dollars. The September 24, 2009 resolution provided the County with the sole option to renew the Agreement for one (1) additional year. An agreement was duly executed on or about October 15, 2009.

As you are aware, WCHCC has restructured its outstanding debt. The debt restructuring transaction required an amendment to the Cooperation Agreement between the County and WCHCC, which amendment was authorized by your Honorable Board on November 23, 2010. In order to ensure that the County’s participation in the transaction was in the best interest of the County, it was necessary to seek guidance from a financial advisor. WCHCC’s plan of financing was time sensitive and required the County to issue its approval in an expeditious manner. As PFM already had familiarity with the relationship between the County and WCHCC, and had already reviewed the relevant documents and formulas related thereto, it made sound business sense to continue to utilize PFM to provide the County with an evaluation and critique of WCHCC’s debt restructuring plan.

Accordingly, the County would like to exercise its option to renew its Agreement with PFM, expand the scope of services and increase the amount of the contract to cover the additional financial advisory services requested by the County. The attached resolution, if approved by your Honorable Board, authorizes the County to exercise its renewal option with PFM for a term commencing September 14, 2010 and expiring September 13, 2011, amend the contract to expand the scope of services to cover the additional financial advisory services, and increase the amount not-to-exceed of the contract by Twenty Thousand (\$20,000.00) Dollars pursuant to an approved rate schedule.

Your Honorable Board will recall that WCHCC agreed to reimburse the County the reasonable fees paid to Hawkins, Delafield and Wood LLP and also PFM with respect to their work for the County related to the WCHCC's debt restructuring.

Accordingly, your favorable action on the annexed proposed Resolution is respectfully requested.

AMB/TSA  
Attachment

APPROVED BOARD OF ACQUISITION & CONTRACT - 12-30-2010 - JOMARY VIEIRA, SECRETARY

**RESOLUTION**

Upon a communication from the Commissioner of Finance, be it hereby

**RESOLVED**, that the County of Westchester (“County”) is authorized to (i) exercise its option to renew the agreement dated October 15, 2009 with Public Financial Management, Inc. (“Agreement”) for financial consulting services with regard to the debt restructuring transaction undertaken by the Westchester County Health Care Corporation, for a term commencing September 14, 2010 and expiring September 13, 2011, and (ii) amend the Agreement to expand the scope of services to cover the additional financial advisory services requested by the County and increase the amount not-to-exceed by Twenty Thousand (\$20,000.00) Dollars pursuant to an approved rate schedule, increasing the total contract to an amount not-to-exceed to Seventy Thousand (\$70,000.00) Dollars; and be it further

**RESOLVED**, that all other terms and conditions of the Agreement shall remain the same; and be it further

**RESOLVED**, that this Agreement is subject to County appropriations; and be it further

**RESOLVED**, that this Agreement is also subject to further financial analysis of the impact of any New York State Budget (the “State Budget”) proposed and adopted during the term of this Agreement. The County shall retain the right, upon the occurrence of any release by the Governor of a proposed State Budget and/or the adoption of a State Budget or any amendments thereto, and for a reasonable period of time after such release(s) or adoption(s), to conduct an analysis of the impacts of any such State Budget on County finances. After such analysis, the County shall retain the right to either terminate this Agreement or to renegotiate the amounts and rates approved herein. If the County subsequently offers to pay a reduced amount to the consultant, then the consultant shall have the right to terminate this Agreement upon reasonable prior written notice; and be it further

**RESOLVED**, that the County Executive or his authorized designee is authorized and empowered to execute and deliver all instruments and take all actions necessary or appropriate to effectuate the purposes hereof.

Original Agreement \$ 50,000.00  
 First Amendment \$ 20,000.00  
 TOTAL \$ 70,000.00

Account to be Charged/Credited

Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub-Object	Trust Account	Dollars
101	15	1000	4420		\$20,000.00

Budget Funding Year(s) 2010-11 Start Date 9/14/10 End Date: 9/13/11  
 (must match resolution)  
 Funding Source Tax Dollars \$20,000  
 State Aid \_\_\_\_\_  
\$20,000 Federal Aid \_\_\_\_\_  
 (must match resolution) Other \_\_\_\_\_