



AGENDA MEMORANDUM

Action Item for the City Council Meeting June 15, 2021

DATE: May 26, 2021

TO: Peter Zaroni, City Manager

FROM: Heather Hurlbert, Director of Finance
HeatherH2@cctexas.com
(361) 826-3227

Financial Underwriting Services

CAPTION:

Resolution approving the addition of Robert W. Baird & Co. Incorporated to the City's pool of financial underwriters to be used on as needed rotational basis for issuance of bonds with compensation to firms through the bond proceeds at the time of sale.

SUMMARY:

This motion authorizes the addition of RW Baird to the list of financial underwriters for use in bond issuances.

BACKGROUND AND FINDINGS:

Underwriting firms provide debt underwriting services, including but not limited to assisting in the structuring of financing transactions to minimize the authority's overall cost of funds, developing and coordinating marketing efforts for the bond issuance, managing the sale of bonds, including directing the underwriting syndicate and running the books during the pricing, and assisting in the preparation of the preliminary and final official statements.

The Contracts and Procurement Department conducted a Request for Qualifications (RFQ) process to obtain qualified firms for underwriting services in early 2020. On May 12, 2020 twenty-six (26) firms were approved to be included as authorized underwriters for the City of Corpus Christi. At that time, information was included in the background that in the event a firm approaches the City with an offer of a unique type of service or product or with an opportunity to restructure our debt with an exceptional savings, but the firm is not on the approved list, upon verification of qualifications, staff will bring before the City Council a recommendation to add that firm to the authorized list of financial underwriters.

Robert W. Baird & Co. Incorporated has met with the City and provided valuable analysis on opportunities that the City would like to consider. The firm is well qualified, and staff is recommending that RW Baird be added to the authorized list of underwriters.

ALTERNATIVES:

The alternative would be to not add Robert W. Baird & Co. Incorporated to the approved underwriter list.

FINANCIAL IMPACT:

The funding for these contracts will be provided from bond proceeds for the general obligation, revenue and refunding bond sales.

Funding Detail:

Fund:	N/A
Organization/Activity:	N/A
Mission Element:	N/A
Project # (CIP Only):	N/A
Account:	N/A

RECOMMENDATION:

Staff recommends approval of the resolution as presented.

LIST OF SUPPORTING DOCUMENTS:

Resolution
List of Current Financial Underwriters