



AGENDA MEMORANDUM

Future Item for the City Council Meeting of October 31, 2017
Action Item for the City Council Meeting of November 7, 2017

DATE: October 31, 2017

TO: Margie C. Rose, City Manager

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<p>Financial Advisor Services for a One-Year Not-to-Exceed Amount of \$171,000.00, with Four One-year Options and a Total Potential Multi-Year Not-to-Exceed Amount of \$870,000.00</p>
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CAPTION:

Motion authorizing the City Manager or designee to execute a service agreement with FirstSouthwest, a Division of Hilltop Securities, Inc., Dallas, Texas for financial advisor services for the Finance Department, in accordance with RFP No. 1306, based on the best value proposal. The agreement will be for a not-to-exceed amount of \$171,000.00, which will be funded in FY2017-2018 primarily from bond proceeds. The term of the agreement is for one year, with four one year options subject to the sole discretion of the City, with a total potential multi-year not-to-exceed amount of \$870,000.00.

PURPOSE:

The purpose of this agenda item is to execute a contract for financial advisor services to assist the City with financial matters including but not limited to bond sales.

BACKGROUND AND FINDINGS:

The City has used the same financial advisor for a number of years and a determination was made that a new solicitation should be undertaken to pursue a new contract for these services. In anticipation of a number of bond sales in the near future staff issued the request for proposals (RFP). Seven proposals were received; however, one was deemed nonresponsive. The remaining six responsive proposals moved on in the process and were evaluated by an evaluation team against the published criteria in the RFP. Minimum qualifications were evaluated under a pass fail system and the firms experience and

understanding of the scope of work were evaluated on the published point system as outlined in the RFP. The firms were also interviewed and scored based on the same published criteria and a final score was developed for each firm. Pricing for each firm was then evaluated to determine the pricing scores. The Capital Improvement Program along with an estimated number of consulting hours was used as the basis for applying the pricing from each firm to determine the lowest cost for the City over the life of the contract. The staff recommends awarding a service agreement to FirstSouthwest for the financial advisor services for the City's Finance Department as the highest scoring proposer.

ALTERNATIVES:

Continue to utilize financial advisors on a per bond sale transaction as is currently being done.

OTHER CONSIDERATIONS:

No feasible considerations

CONFORMITY TO CITY POLICY:

This purchase conforms to the City's purchasing policies and procedures and State Statutes regulating procurements.

EMERGENCY / NON-EMERGENCY:

Non-emergency

DEPARTMENTAL CLEARANCES:

City Manager's Office and Financial Services Department

FINANCIAL IMPACT:

☐ Operating ☐ Revenue ☐ Capital X Not applicable

Fiscal Year: 2017-2018	Current Year	Future Years	TOTALS
Line Item Budget	\$	\$	\$
Encumbered / Expended Amount	\$	\$	\$
This item	\$	\$	\$
BALANCE	\$	\$	\$

Fund(s): N/A

Comments: The funding for this contract will be provided from bond proceeds for the general obligation, revenue and refunding bond sales and by various department budgets for the small consulting service component of the contract.

RECOMMENDATION:

Staff recommends approval of the Motion.

LIST OF SUPPORTING DOCUMENTS:

Service Agreement

RFP Matrix – Financial Advisor Services

Municipal Advisor Disclosure Statement