



**CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING**

#16-0595

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Lee R. Feldman, ICMA-CM, City Manager

DATE: June 21, 2016

TITLE: Motion to Approve Purchase of Cemetery Trust Fund Services – SunTrust
Bank - \$362,500

Recommendation

It is recommended that the City Commission approve a five-year contract, in substantially the form attached, for the purchase of cemetery trust fund services with SunTrust Bank in the estimated amount of \$362,500.

Background

The Parks and Recreation Department solicited proposals from qualified, experienced and licensed firms, to provide trust custodial services to act as trustee and provide investment management services for the Municipal Cemetery Perpetual Care Trust Fund based on objectives of the City's Investment Policy.

The background of the solicitation process includes the following:

- March 1, 2016 – Request for Proposals (RFP) 565-11701 was issued for cemetery trust fund services.
- March 29, 2016 – The RFP closed with a total of four firms submitting proposals including:
 - SunTrust
 - Key Bank
 - Chandler Asset Management in partnership with Landmark Bank
 - Janney Management
- April 19, 2016 – The evaluation committee consisting of Stacy Spates, Administrative Assistant II; Vicki Mowrey, Cemetery Board Trustee; Mark Van Rees, Cemetery Board Trustee; Jeff Lowe, Treasurer; and Pamela Winston, Senior Accountant met with AnnDebra Diaz, Senior Procurement Specialist, and Laurie Platkin, Procurement Specialist II, to evaluate and rank the firms based on the evaluation criteria shown below:

EVALUATION CRITERIA	WEIGHT
Understands overall needs of the City	30%
Ability to produce meaningful reports on a monthly basis	20%
Their investment philosophy and hypothetical investment strategy	20%
Cost to the City for five years	30%
Total	100%

The four firms were ranked as follows:

SunTrust Bank (1st Place)

Key Bank (2nd Place)

Chandler Asset Management/Landmark Bank (3rd Place)

Janney Management (4th Place)

The committee's recommendation was discussed at the Cemetery Board of Trustees meeting on May 12, 2016. The Cemetery Board of Trustees approved the committee's recommendation of SunTrust as the provider with an 8-0 vote. See Exhibit 8 for the Cemetery Board of Trustees draft minutes.

Over the last few months there have been discussions regarding the use of a more passive investment strategy for several of the City's investment portfolios. The City Commission has already directed that the City employ a passive strategy for the Other Post-Employment Benefits Trust. However, this new strategy was not used in this most recent solicitation for the Cemetery Trust Fund. Therefore, staff will have discussions with the Cemetery Board of Trustees at its September 8, 2016 meeting regarding employing a passive strategy. Subsequently, the determination recommended by the Board will be discussed with the City Commission at its October 5, 2016 Conference Meeting. Should a determination be made to change the current strategy, the City will issue a new solicitation.

Resource Impact

There will be a current fiscal impact to the City for the fourth quarter in the amount of \$18,125. Future expenditures are contingent upon approval and appropriation of the annual budget.

<i>Funds available as of April 27, 2016</i>					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB- OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
627-CEM020101-3113	Cemetery Perpetual Care	Services & Materials/ Fin & Bank Services	\$860,000	\$694,250	\$18,125
TOTAL AMOUNT ►					\$18,125

Strategic Connections

This item is a *Press Play Fort Lauderdale Strategic Plan 2018* initiative, included within the Internal Support Cylinder of Excellence, specifically advancing:

- Goal 12: Be a leading government organization, managing resources wisely and sustainably.
- Objective 1: Ensure sound fiscal management.

This item advances the *Fast Forward Fort Lauderdale 2035 Vision Plan: We Are United*.

Attachments

Exhibit 1 – Solicitation

Exhibit 2 – Final Rankings

Exhibit 3 – SunTrust Bank Proposal

Exhibit 4 – Key Bank Proposal

Exhibit 5 – Landmark Bank Proposal

Exhibit 6 – Janney Management Proposal

Exhibit 7 – Agreement

Exhibit 8 - Cemetery Board of Trustees Meeting Draft Minutes

Exhibit 9 – SunTrust Confidential Retraction Statement

Exhibit 10 – Key Bank Confidential Retraction Statement

Prepared by: Stacy Spates, Parks and Recreation
 AnnDebra Diaz, Finance
 Linda Blanco, Finance

Department Directors: Phil Thornburg, Parks and Recreation
 Kirk Buffington, Finance