



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

#19-0200

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

FROM: Chris Lagerbloom, ICMA-CM, City Manager

DATE: February 19, 2019

TITLE: Motion to Approve Agreement for Financial Advisory Services – PFM
Financial Advisors LLC – \$37,500 plus debt issue fees

Recommendation

It is recommended that the City Commission approve a three-year Agreement for Financial Advisory Services, in substantially the form attached, with PFM Financial Advisors LLC., for a fixed annual fee of \$12,000 and out of pocket expenses not to exceed \$500 per year for a total fixed fee of \$36,000 and not-to-exceed expenses of \$1,500 for the initial three-year period, plus fees associated with debt issues as provided for in the agreement. Staff also requests approval for the City Manager to approve two, one-year renewal options contingent upon appropriation of funds.

Background

The City of Fort Lauderdale ("City") solicited and evaluated proposals from qualified firms to provide financial advisory services. The Financial Advisor plays an active role in the design and execution of the City's financing strategies. Requested financial advisory services may include, but are not limited to, assisting the City in review of debt policies, provide as-needed financial advice regarding market conditions and trends, participate in rating agency presentations, preparation of official statements, and provide other financial services as requested.

- In September 2018, the Procurement Services Division issued Request for Proposals ("RFP") No. 12184-695 – Financial Advisory Services.
- In October 2018, the RFP closed with the five firms below submitting proposals:
 - Frasca & Associates LLC
 - Hilltop Securities Inc. ("Hilltop")
 - Masterson Advisors LLC ("Masterson")
 - PFM Financial Advisors LLC ("PFM")
 - Public Resources Advisory Group

- In November 2018, the following three firms were shortlisted:
 1. PFM
 2. Masterson
 3. Hilltop
- In January 2019, presentations were held with the shortlisted firms. After presentations, the committee requested that we conduct Best and Final offers (BAFOs) before final evaluation. After receipt of the BAFOs combined with scoring from the presentations, the firms were ranked as follows:
 1. PFM
 2. Masterson
 3. Hilltop

Based on possible future debt issuances of approximately \$450 million, the contract price for PFM may potentially be \$286,125. The City will receive a new client discount of 50% off the first debt issuance completed with PFM. Staff recommends approval of an Agreement for Financial Advisory Services with PFM Financial Advisors LLC.

Resource Impact

There will be a fiscal impact to the City in the amount of \$6,500 for FY2019. Funds for future debt issuances will be paid from debt proceeds contingent on Commission approval. Funds for this purchase in the total amount of \$6,500 are available in the FY 2019 Operating Budget in the account listed below:

<i>Funds available as of February 5, 2019</i>					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
001-FIN040101-3199	Treasury Accounts Receivable	Other Professional Services	\$651,100	\$557,497	\$6,500
TOTAL AMOUNT →					\$6,500

Strategic Connections

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

- Goal 12: Be a leading government organization, managing resources wisely and sustainably.

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

Attachments

Exhibit 1 – Agreement
Exhibit 2 – Final Ranking
Exhibit 3 – Solicitation
Exhibit 4 – PFM Proposal & BAFO
Exhibit 5 – Masterson Proposal & BAFO
Exhibit 6 – Hilltop Proposal & BAFO
Exhibit 7 – Frasca & Associates LLC Proposal
Exhibit 8 – Public Resources Advisory Group Proposal
Exhibit 9 – BAFO Tabulation

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