



Legislation Text

File #: 20-1189, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the award of RFP 20-305, Financial Advisor Consulting Services, to Speer Financial for an amount not to exceed \$160,000 for a four-year term

DEPARTMENT: Finance Department

SUBMITTED BY: Rachel Mayer, Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

In August 2020, the Finance Department issued RFP 20-305 to hire a consulting firm to provide independent professional bond and borrowing related consulting services on a continuing basis.

The services will include the following:

1. independent financial advice based on the best interest of the City;
2. preparing public presentations to Council;
3. managing debt financing processes;
4. evaluating current debt structure;
5. recommending size and structure of new debt issues;
6. gathering financial and economic data to evaluate borrowing capacity;
7. assisting with the bond rating process;
8. preparing and reviewing statements, notices and forms; and
9. reviewing financial legal documents; managing the competitive or negotiated sale process; and providing support in preparation of the City's annual financial audit.

DISCUSSION:

Advertisement Date: 8/26/2020

Opening Date: 9/17/2020

Notices Sent: 84

Planholders: 8

Proposals Received: 4

Proposals were received from the following vendors:

1. Baker Tilly Municipal Advisors, LLC
2. PMA Securities, LLC
3. Raymond James & Associates Inc.
4. Speer Financial, Inc.

A selection team was comprised of staff from Finance and the Transportation, Engineering, and Development (TED) Business Group. The team evaluated the proposals and scored them against the criteria set forth in the RFP:

1. Capability, Capacity and Qualifications of the financial firm
2. Suitability and Quality of the Approach
3. Milestones and Deliverable
4. Outcomes to be Achieved

Following completion of proposal scoring, the selection team decided not to conduct interviews. The team believes the top scoring firm clearly understood that the goal of the procurement is to effectively manage debt to enhance the long-term financial stability of the City and that no new information would be gleaned in an interview. Per the RFP document, final award is recommended to the vendor with the highest qualification score, Speer Financial. A summary of qualification scores is provided in the table below.

Consultant Firm	Qualification Score
Speer Financial	83
PMA Securities LLC	77
Baker Tilly Municipal Advisors LLC	71
Raymond James and Associates Inc.	69

Speer is a municipal advisor in Illinois for long-term municipal new issues and ranked 12th most active advisor nationally for long-term competitive issues in 2019. Speer held the number one ranking in Illinois for more than 25 years. Speer Financial advised on 211 bond sales totaling over \$1.185 billion in principal amount in 2019.

The initial term of this contract will be January 1, 2021 through December 31, 2024, and may be extended for up to six additional years in increments of two years.

FISCAL IMPACT:

CIP: N/A

Municipal advisory services are expensed to the financial services accounts listed below. The City does not include fees related to bond issuances in the annual budget, as fees are reduced from bond proceeds. A total of \$13.32 million is tentatively budgeted for borrowing in 2021, pending Council approval.

Account Number	Fund Description	Total Budget Amount
15101100-531304	General Fund	\$233,670
15102300-531304	Bond Fund	\$0