

## Legislation Text

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**File #:** BILL NO. 18-08, **Version:** 1

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AN ORDINANCE APPROVING THE AWARD OF RFP NO. 2018-034 FOR A YEARLY AGREEMENT WITH FOUR POSSIBLE ONE-YEAR RENEWALS FOR FINANCIAL ADVISORY SERVICES WITH COLUMBIA CAPITAL MANAGEMENT, LLC BASED ON AMOUNTS SPECIFIED IN THE FEE SCHEDULE INCLUDED IN EXHIBIT A AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE SAME BY AND ON BEHALF OF THE CITY. (F&BC 1-8-18)

### Proposed Council Motion:

FIRST MOTION: I move for second reading of AN ORDINANCE APPROVING THE AWARD OF RFP NO. 2018-034 FOR A YEARLY AGREEMENT WITH FOUR POSSIBLE ONE-YEAR RENEWALS FOR FINANCIAL ADVISORY SERVICES WITH COLUMBIA CAPITAL MANAGEMENT, LLC BASED ON AMOUNTS SPECIFIED IN THE FEE SCHEDULE INCLUDED IN EXHIBIT A AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE SAME BY AND ON BEHALF OF THE CITY.

SECOND MOTION: I move for adoption of AN ORDINANCE APPROVING THE AWARD OF RFP NO. 2018-034 FOR A YEARLY AGREEMENT WITH FOUR POSSIBLE ONE-YEAR RENEWALS FOR FINANCIAL ADVISORY SERVICES WITH COLUMBIA CAPITAL MANAGEMENT, LLC BASED ON AMOUNTS SPECIFIED IN THE FEE SCHEDULE INCLUDED IN EXHIBIT A AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE SAME BY AND ON BEHALF OF THE CITY.

### Background:

The City uses the services of a financial advisor firm to assist in the issuance of debt obligations. Those duties include research, planning, and development for financing needs; consultation with City administrative staff, bond counsel, and rating agencies; and marketing services to determine the best timing and structure, compilation of required documents, advertising, etc. In addition, the selected advisor firm may be asked to assist with related projects such as overall financial analysis and planning, analysis of investment activities, and financial feasibility reviews for development projects.

The City has used the services of Springsted Inc. since December, 2009. A Request for Proposals #2018-034 was used to solicit interest from qualified service providers. The Procurement Division notified 20 firms directly and 587 firms via Public Purchase (an online electronic government bidding system). Records show that 71 firms reviewed the online documents. Three firms responded to the RFP by the October 27 deadline; Springsted Inc., Columbia Capital Management LLC, and Independent Public Advisors LLC. The three proposals were reviewed by a committee of six staff members including Conrad Lamb, Finance Director; Mark Dunning, Assistant City Manager of Development Services; Sid Marlow, Financial Analyst; Brent Boice, Water Utilities, Carole Culbertson, Parks Department; and Bette Wordelman, Deputy Finance Director. Five of the six committee members interviewed all three responding firms. The committee selected Columbia Capital Management LLC as the best proposal.

### Impact/Analysis:

The City typically issues one bond series of \$5 million each year. The cost of the financial advisor's services is

based on the size and type of the bond being issued. A \$5 million initial bond issue would require a fee of \$20,000; a \$10 million initial bond issue would require a fee of \$25,000. A \$10 million refunding bond issue would require a fee of \$25,000. Additional advisory services would be based upon an hourly service rate ranging from \$95 per hour to \$295 per hour depending upon the level of expertise needed.

Timeline:

It is anticipated that the contract would have a start date of April 1, 2018, with potential renewals extending the contract to April 1, 2024.

Presenter: Bette Wordelman

Committee Recommendation: A motion was made by Alternate DeMoro, seconded by Vice Chair Edson that this Ordinance be recommended for approval to the City Council. Motion passed 3 "Aye" (Councilmembers Binney, Edson and DeMoro) and 2 "Absent" (Councilmembers Mosby and Faith.)