

RESOLUTION 2004- 102

**AUTHORIZING CONTRACT 2004-052 WITH PUBLIC FINANCIAL MANAGEMENT TO PROVIDE FINANCIAL ADVISORY CONSULTING SERVICES FOR A PERIOD OF ONE YEAR WITH TWO ONE-YEAR OPTIONS IN AN AMOUNT NOT TO EXCEED \$35,000.00 FOR THE BASE YEAR AND IN AN AMOUNT NOT TO EXCEED \$35,000.00 FOR EACH OPTION YEAR (SECRETARY-TREASURER DEPARTMENT BUDGET)**

**WHEREAS, the Authority has a recurring requirement to obtain financial advisory consulting services for use by the Authority in performing professional duties; and**

**WHEREAS, the proposal of Public Financial Management, located at 7251 Engle Road Cleveland, OH 44130 to provide financial advisory consulting services for a period of one year with two one-year options was received on June 14, 2004; and**

**WHEREAS, after negotiations, the proposal of Public Financial Management to provide financial advisory consulting services for a period of one year with two one-year options in an amount not to exceed \$35,000.00 for the base year and in an amount not to exceed \$35,000.00 for each option year was determined to be the most advantageous to the Authority, cost and other factors considered; and**

**WHEREAS, the General Manager/Secretary-Treasurer deems the negotiated offer of Public Financial Management to be in the best interest of the Authority, price and all other factors considered, and recommends acceptance thereof by the Board of Trustees.**

**NOW, THEREFORE BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:**

**Section 1. That the offer of Public Financial Management, as negotiated, to provide financial advisory consulting services, as required, for a period of one year with two one-year options be and the same is hereby accepted.**

**Section 2. That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to enter into a contract with Public Financial Management to provide financial advisory consulting services, as required, for a period of one year with two one-year options.**

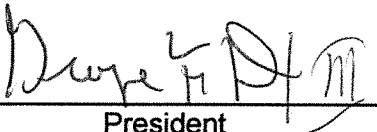
**Section 3. That said contract shall be payable out of the proceeds of the debt issue in an amount not to exceed twenty thousand & 00/100 dollars (\$20,000.00) for the base year and in an amount not to exceed twenty thousand & 00/100 dollars for each of the two option years; and from the General Fund, Secretary-Treasurer Department budget in an amount not to exceed fifteen thousand & 00/100 dollars (\$15,000.00) for the base year and in an amount not to exceed fifteen thousand & 00/100 dollars (\$15,000.00) for each of the two option years.**

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon appropriation of funds for amounts above the \$20,000.00 for the base year and each option year payable out of the proceeds of the debt issues; compliance by the contractor to the Specifications and Addenda thereto, if any, the Affirmative Action Plan adopted by the Board of Trustees in Resolution 2003-107; bonding and insurance requirements and all applicable laws relating to contractual obligations of the Authority.

Section 5. That the Greater Cleveland Regional Transit Authority's Board of Trustees expects Public Financial Management will attempt to exceed the 0% minimum DBE goal assigned to this procurement.

Section 6. That this resolution shall become effective immediately upon its adoption.

Adopted: July 20, 2004

  
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President

Attest:   
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CEO, General Manager/Secretary-Treasurer



<b>TITLE/DESCRIPTION:</b> AUTHORIZING CONTRACT 2004-052 WITH PUBLIC FINANCIAL MANAGEMENT TO PROVIDE FINANCIAL ADVISORY CONSULTING SERVICES FOR A PERIOD OF ONE YEAR WITH TWO ONE-YEAR OPTIONS IN AN AMOUNT NOT TO EXCEED \$35,000.00 FOR THE BASE YEAR AND IN AN AMOUNT NOT TO EXCEED \$35,000.00 FOR EACH OF THE OPTION YEARS (SECRETARY-TREASURER DEPARTMENT BUDGET)	<b>Resolution No.:</b> 2004-102
	<b>Date:</b> July 15, 2004
	<b>Initiator:</b> Finance and Administration Department
<b>ACTION REQUEST:</b> <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

1.0 **PURPOSE/SCOPE:** This action will allow the Authority to enter into a contract for providing financial advisory consulting services, as required, for a period of one year with two one-year options. This service and related fee of \$20,000.00 will be in connection with the sale of approximately \$25,000,000 of general obligation bonds in 2004 and any other debt issues or refundings during the term of this agreement. The Financial Advisor may also provide financial services that do not relate to debt issues, which is represented by the \$15,000.00 contingent amount.

2.0 **DESCRIPTION/JUSTIFICATION:** The Authority plans to sell approximately \$25,000,000 in general obligation bonds in 2004. The Financial Advisor will assist in that sale. In addition, this firm will participate in any other refundings undertaken by the Authority during the term of the contract and provide other financial services on an as-needed basis.

3.0 **PROCUREMENT BACKGROUND:** Two proposals were received in response to the request for proposals. After evaluation by a panel of Authority employees in accordance with established Procurement Department policies and procedures, and after negotiations, the proposal of Public Financial Management to provide financial advisory consulting services for a period of one year with two one year options was selected as the most advantageous to the Authority.

Public Financial Management was a former service provider for the Authority. In the past, they satisfactorily provided financial advisory consulting services for the Authority and their proposal met every required service parameter listed in the Scope of Services. Public Financial Management has been providing independent financial and investment advisory services since 1975. They have also been advising on the management of public sector and institutional funds since 1980. The transaction service fees for issuance of notes or bonds are based on negotiated rates and would be paid out of the proceeds of the sale. The Financial Advisory services are based on a hourly rate schedule and would be paid from the general fund.

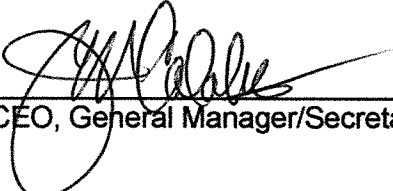
A cost analysis has been performed and the Procurement Department has determined that the pricing of Public Financial Management is fair and reasonable to the Authority.

4.0 **AFFIRMATIVE ACTION/DBE BACKGROUND:** All Affirmative Action requirements have been met. A 0% DBE goal was established for this procurement due to the lack of subcontracting opportunities.

5.0 **POLICY IMPACT:** Does not apply.

- 6.0 ECONOMIC IMPACT: This contract will be funded through the proceeds of the debt issue in an amount not to exceed twenty thousand & 00/100 dollars (\$20,000.00) for the base year and each of the two option years, and from the General Fund, Secretary-Treasurer Department budget, in an amount not to exceed fifteen thousand & 00/100 dollars (\$15,000.00) for the base year and each of the two options years for the financial advisory services.
- 7.0 ALTERNATIVES: Reject this offer. Rejection of this offer will leave the Authority without these critical financial advisory services and may result in the Authority not being able to obtain sufficient funding.
- 8.0 RECOMMENDATION: This procurement was reviewed by the Board of Trustees Finance Committee at their July 6, 2004 meeting and recommended for approval to the Board of Trustees. It is recommended that the offer of Public Financial Management be accepted and the resolution passed authorizing the General Manager to enter into a contract.
- 9.0 ATTACHMENTS: None.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement Requirements.

  
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CEO, General Manager/Secretary-Treasurer