

RESOLUTION NO. 2018-27

AUTHORIZING CONTRACT NO. 2017-132 WITH PFM FINANCIAL ADVISORS, LLC TO PROVIDE FINANCIAL ADVISORY CONSULTING SERVICES FOR A PERIOD OF FIVE YEARS IN AN AMOUNT NOT TO EXCEED \$105,000.00 (GENERAL FUND, ACCOUNTING DEPARTMENT BUDGET)

WHEREAS, the Authority has a recurring need for financial advisory consulting services to assist in issuing debt and with other financial matters; and

WHEREAS, the proposal of PFM Financial Advisors, LLC, located at Plaza South One, 7251 Engle Road, Suite 115, Cleveland, Ohio 44130 to provide financial advisory consulting services for a period of five years, which may include the sale of bonds, was received on November 28, 2017; and

WHEREAS, after negotiations, the proposal of PFM Financial Advisors, LLC to provide financial advisory consulting services for a period of five years, for a total contract amount not to exceed \$105,000.00, was determined to be the most advantageous to the Authority, cost and other factors considered; and

WHEREAS, the CEO, General Manager/Secretary-Treasurer deems the negotiated offer of PFM Financial Advisors, LLC to provide financial advisory consulting services to be in the best interest of the Authority 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 PFM Financial Advisors, LLC, as negotiated, to provide financial advisory consulting services for a period of five years, be and the same is hereby accepted.

Section 2. That the CEO, General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to enter into a contract with PFM Financial Advisors, LLC to provide financial advisory consulting services for a period of five years.


Section 3. That said contract shall be payable out of the proceeds of the debt issuances in an amount not to exceed \$90,000.00 for the five year period and in an amount not to exceed \$15,000.00 from the General Fund, Accounting Department budget, for a total contract amount not to exceed \$105,000.00 for a period of five years.

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon future funding, compliance by the contractor to the Specifications and Addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution No. 2015-76; bonding and insurance requirements and all applicable laws relating to contractual obligations of the Authority.

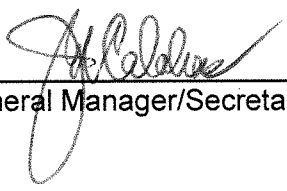
Section 5. That the Greater Cleveland Regional Transit Authority's Board of Trustees expects that PFM Financial Advisors, LLC will attempt to exceed the 0% minimum DBE goal assigned to this procurement.

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

Adopted: March 27, 2018



President

Attest: 

CEO, General Manager/Secretary-Treasurer



TITLE/DESCRIPTION: CONTRACT: FINANCIAL ADVISORY CONSULTING SERVICES FOR A PERIOD OF FIVE (5) YEARS VENDOR: PFM FINANCIAL ADVISORS, LLC AMOUNT: NTE \$105,000.00	Resolution No.: 2018-27
	Date: March 22, 2018
	Initiator: Accounting Department
ACTION REQUEST: <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 financial advisory consulting services, as required, for a period for five years.
- 2.0 **DESCRIPTION/JUSTIFICATION:** The Authority plans to issue approximately \$30,000,000 in general obligation bonds in 2018 and \$25,000,000 in both 2020 and 2022. The financial advisor will assist in those sales. In addition, this firm will participate in any other refunding or issues undertaken by the Authority during the term of the contract and may provide other financial services on an as-needed basis.
- 3.0 **PROCUREMENT BACKGROUND:** The Request for Proposals was posted on the procurement website and advertised in the local newspapers. Five proposals were received on November 28, 2017 in response to this solicitation. After evaluation by a panel of Authority employees in accordance with established Procurement Department policies and procedures, and after negotiations, the proposal of PFM Financial Advisors, LLC, to provide financial advisory consulting services for a period of five years, was selected as the most advantageous to the Authority. These services and related fees will be in connection with the sale of bonds, plus other refunding and/or debt issues required during the contract term. The financial advisor will also provide other financial services such as ratings updates and financial planning, on an as needed basis, for a total contract amount not to exceed \$105,000.00 for the five year term.

 PFM Financial Advisors, LLC has been providing independent financial and advisory services to the Authority since 1996. The transaction service fees for issuance of notes and/or bonds are based on negotiated rates and would be paid out of the proceeds of the sales. The financial advisory consulting services are based on an annual rate and would be paid from the General Fund. A cost analysis was performed and the Procurement Department has determined the negotiated price is fair and reasonable to the Authority.
- 4.0 **AFFIRMATIVE ACTION/DBE BACKGROUND:** All Affirmative Action requirements have been met. A DBE participation goal of zero (0%) percent was established for this procurement due to the lack of certified DBE firms.
- 5.0 **POLICY IMPACT:** Does not apply.
- 6.0 **ECONOMIC IMPACT:** This contract will be funded through the proceeds of the debt issuances in an amount not to exceed \$90,000.00 and from the General Fund, Accounting Department budget, in an amount not to exceed \$15,000.00, resulting in a total contract amount not to exceed \$105,000.00 for the five year term.

- 7.0 ALTERNATIVES: Reject this offer. Rejection of this offer will leave the Authority without critical financial advisory consulting services and may result in the Authority not being able to obtain funding as efficiently or economically.
- 8.0 RECOMMENDATION: This procurement was discussed by the Board of Trustees at the March 6, 2018 Organizational, Services & Performance Monitoring Committee meeting. It is recommended that the offer of PFM Financial Advisors, LLC, as negotiated, be accepted and the resolution passed authorizing the CEO, General Manager/Secretary-Treasurer 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.



FOR CEO, General Manager/Secretary-Treasurer