



DeKalb County Government

Manuel J. Maloof Center
1300 Commerce Drive
Decatur, Georgia 30030

Agenda Item

File ID: 2022-2365

Substitute

10/25/2022

Purchasing Type: Request for Proposals (RFP)

Public Hearing: YES NO

Department: Purchasing & Contracting

AGENDA ITEM:

Commission District(s): ALL

RFP - Request for Proposals No. 22-500623 Financial Advisory Services (3 Year Multiyear Contract with 2 Options to Renew): for use by the Finance Department. Consists of providing financial advisory services in connection with various financing transactions and programs. Services will also require acting as the County's "municipal advisor" as contemplated by the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank") and the Securities and Exchange Commission's Rule 15bA-1 (the "Municipal Advisor Rule"). Recommend award to: PFM Financial Advisors, LLC. Amount Not To Exceed: \$1,664,500.00.

Information Contact: Michelle Butler, Procurement Manager

Phone Number: (404) 371-3581

PURPOSE:

Consists of providing financial advisory services in connection with various financing transactions and programs. Services will also require acting as the County's "municipal advisor" as contemplated by the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank") and the Securities and Exchange Commission's Rule 15bA-1 (the "Municipal Advisor Rule"). Three (3) proposals were received.

RECOMMENDATION:

Recommend award to the highest scoring proposer with:

PFM Financial Advisors LLC, 1735 Market Street, 42nd Floor, Philadelphia, PA 10103

Amount Not To Exceed: \$1,664,500.00

and authorize the Chief Executive Officer to execute the change order and all associated documents.

Evaluation Committee Scores

Firm:

First Tryon Securities, LLC dba

Score:

88

First Tryon Advisors



DeKalb County Government

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Davenport & Company, LLC	92
PFM Financial Advisors, LLC	97

After evaluation of the technical and cost proposals, the recommendation is to award to the highest scoring, responsive and responsible proposer.

ADDITIONAL INFORMATION:

1. Contract Effective Date:	Date of Contract Execution
2. Contract Expiration Date:	December 31, 2025
3. Amount Spent On Previous Contract:	\$301,809.98
4. Funding:	General and Enterprise

AGENDA NOTES

Solicitation Name and Number	Financial Advisory Services RFP 22-500623
Senior Procurement Agent	Jennifer Schofield, NIGP-CPP
Date Solicitation bid prices expires.	December 17, 2022
Solicitation Name, Number and Contract Number of expiring/expired contract	Financial Advisory Service RFP 15-500334 Contract No. 977680 (expired December 31, 2018)
Previous Contract Number, Contractor Name and Award Amount	\$1,248,435.00
Previous Amount Spent on Expiring/Expired Contract	\$301,809.98
Prime Contractor Information and LSBE – Subcontractor	<p><u>PFM Financial Advisors, LLC (Prime)</u> 1735 Market Street, 42nd Floor Philadelphia, PA 10103 Years in Business: 6 Years Doing Business with DeKalb: 7</p> <p>*Note: PFM Financial Advisors, LLC is formerly known as Public Financial Management, Inc. Public Financial Management, Inc has withdrawn registration with the GA Secretary of State as of July 29, 2022. PFM Financial Advisors, LLC is registered with the GA Secretary of State since June 21, 2016.</p> <p>LSBE Participation: Demonstrated Good Faith Efforts Approved</p>
Attachments	<ul style="list-style-type: none"> • User Department Recommendation Form • Cumulative Score Report • Evaluation Summary • Market Survey

22-500623, Financial Advisory Services

User Department's Recommendation

User Department Name Finance

Recommended Proposer: PFM Financial Advisors LLC

Project Amount: \$1,664,500

Funding:

General Enterprise 3 Digit Fund Code 100, 511, 512, 513

CIP Line Item No. (if applicable): _____

Justification if recommendation of award is to a firm other than the highest scoring proposer:

The Municipal Advisor's (MA) function is to assist the County Finance Dept in making the most prudent (optimum structure and most cost effective) financing decisions for major borrowings. In the past the County has issued Tax Anticipation Notes (TANS); Certificates of Participation (COPS) ; W&S bonds; GO bonds; Authority bonds, WIFIA loans; GEFA loans & Vehicle Leases. County .

The majority of the dollars fund County capital project initiatives.

Our current estimate of funds required over the 5 years is \$1,664,500.

Dianne
McNabb
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McNabb
Date: 2022.10.24
16:09:27 -04'00'

Name, Title _____ Date _____

Dianne
McNabb
Digitally signed by Dianne
McNabb
Date: 2022.10.24
16:09:14 -04'00'

Department Director _____ Date _____

CUMULATIVE SCORE SHEET

DeKalb County - Department of Purchasing and Contracting
RFP 22-500623, Financial Advisory Services

Prepared by:
Jennifer Schofield, NIGP-CPP, Procurement Agent Senior

DATE OF OPENING: August 19, 2022 **TIME:** 3:00 p.m.

PROPOSERS:			Davenport & Company	First Tryon Advsiors	PFM Financial Advisors
CRITERIA		MAXIMUM POINTS AVAILABLE			
Methodology		40	37.2	34.8	39.2
Expertise of Assigned Personnel		30	27.4	24.8	28.8
Firm References and Capacity to Serve		20	18.6	16.2	18.8
Cost		10	7.0	10.0	8.0
DeKalb First Ordinance Participation	LSBE-DeKalb	10			
	LSBE-MSA	5			
	Good Faith Effort (GFE)	2	2.0	2.0	2.0
Total Points		110	92.2	87.8	96.8
Interview (Bonus Points)		10			
Total Points		120	92	88	97

Number of Responses Received: 3

Recommend award to the highest scoring proposer: PFM Financial Advisors LLC, 1735 Market Street, 42nd Flr, Philadelphia, PA 10103

DEPARTMENT OF PURCHASING AND CONTRACTING

RFP Number: 22-500623

RFP Name: Financial Advisory Services (3 Year Multiyear Contract with 2 Options to Renew)

EVALUATION SUMMARY

Criteria	Vendors		
	Davenport & Company	Firsty Tryon Advisors	PFM Financial
Financial Advisor Methodology	<p>a. compliant;</p> <p>b. adequate technical support for modeling and structuring;</p> <p>c. good innovative case studies;</p> <p>d. the firm is primarily an underwriting (400+ employees) with only 30 public finance employees and staff in four offices, with includes both investment banking and MA.</p> <p>e. the County would be served from their office in Roswell;</p> <p>f. good approach to structuring and pricing;</p> <p>g. mediocre case study tailored to the County;</p> <p>h. training available on request, no formal training program;</p> <p>i. well-documented plan of advisement.</p>	<p>a. compliant;</p> <p>b. adequate technical support;</p> <p>c. the first two cases are adequate but they are only co-MA on the third case;</p> <p>d. the firm has only 37 professionals, which includes non-MA professionals spread among nine offices, none in Atlanta;</p> <p>e. the County would be served from an office in Charlotte, NC.;</p> <p>f. adequate approach to structuring and pricing;</p> <p>g. case study mediocre;</p> <p>h. training developed as requested, no formal training program;</p> <p>i. well-documented plan of advisement.</p>	<p>a. compliant;</p> <p>b. PFM has a pricing desk for robust pricing information and a dedicated quant group for flexible and sophisticated structuring alternatives. PFM offers clients formal training;</p> <p>c. good innovative case studies;</p> <p>d. PFM has been the #1 ranked MA firm in the nation since 1998, with 300 MA employees in 30 offices nationwide;</p> <p>e. PFM would be serving the County from their office in Atlanta;</p> <p>f. exceptional approach to structuring and pricing;</p> <p>g. excellent and extensive case study, which included financial policies, credit ratings and investor relations;</p> <p>h. formal client training opportunities with many years of training experience;</p> <p>i. plan of advisement brief but adequately covered in previous sections.</p>
Expertise of Assigned Personnel	<p>a. project lead is identified but located out of state, not in the Roswell office;</p> <p>b. staff qualifications are good;</p> <p>c. very good Georgia experience but mostly in the last five years;</p> <p>d. they did not identify the experience of the project lead;</p> <p>e. the firm provided only their regional experience, which is good but not national;</p> <p>f. the firm's understanding of the County's financial position was mostly extracted from ratings report, nothing from financials;</p> <p>g. adequate knowledge of local issues;</p> <p>h. adequate analytical capabilities</p>	<p>a. project leads are identified but located out of state;</p> <p>b. staff qualifications are good;</p> <p>c. good Georgia experience but mostly in the last five years;</p> <p>d. they did not provide the Georgia experience of the co-project leads;</p> <p>e. the firm has good regional experience, not national;</p> <p>f. the firm's understanding of the County's financial position was extracted mostly from ratings report, nothing from financials;</p> <p>g. limited knowledge of local issues;</p> <p>h. adequate analytical capabilities</p>	<p>a. project leads are identified with the primary lead located in Atlanta and a DeKalb resident;</p> <p>b. staff qualifications are good;</p> <p>c. exceptional Georgia experience with an Atlanta office since 1984;</p> <p>d. good Georgia experience of the co-project leads;</p> <p>e. the firm has exceptional national and regional experience, #1 in the nation since 1998;</p> <p>f. the firm's understanding of the County's financial position was extracted mostly from ratings report, nothing from financials;</p> <p>g. solid knowledge of local issues with a project lead resident in DeKalb, and including the new infrastructure act and ESG considerations;</p> <p>h. exceptional analytical capabilities with a required three-month training program in Philadelphia for all newly hired professionals.</p>
Firm References and Capacity to Serve	<p>a. compliant and adequate financial position;</p> <p>b. compliant but did not distinguish MA from public finance, which includes underwriting; public finance since 1998;</p> <p>c. very good references;</p> <p>d. n/a;</p> <p>e. compliant;</p> <p>f. compliant;</p> <p>g. compliant</p>	<p>a. provided balance sheet only and small firm;</p> <p>b. compliant; MA since 2009;</p> <p>c. very good references but only two;</p> <p>d. attempted</p> <p>e. compliant;</p> <p>f. compliant;</p> <p>g. compliant</p>	<p>a. compliant and adequate financial position;</p> <p>b. compliant; MA since 1975;</p> <p>c. very good references;</p> <p>d. n/a;</p> <p>e. compliant;</p> <p>f. compliant;</p> <p>g. compliant</p>

RFP Number: 22-500623

DEPARTMENT OF PURCHASING AND CONTRACTING
RFP Name: Financial Advisory Services (3 Year Multiyear Contract with 2 Options to Renew)

EVALUATION SUMMARY

Criteria	Vendors		
	Davenport & Company	Firsty Tryon Advisors	PFM Financial
Cost	<p>\$36,000.00 annual retainer (covers 150 hours; blended rate of \$240/hr)</p> <p>Hourly rates for non-transactional assignments which extend beyond the 150 hours included in retainer SVP: \$300/hr First VP: \$275/hr VP: \$250/hr Associate VP: \$225/hr Other Professional: \$200/hr</p> <p>Less than \$50Million (Per 1,000 of bonds) - Flat Fee \$50,000.00 Incremental over \$50million (Per 1,000 of bonds) - \$.75 Minimum Fee (Per Transaction) - \$50,000.00</p> <p>TANs: Public Sale - Flate Fee: \$50,000.00 Direct Loan or Placement - Flat Fee \$35,000.00</p> <p>Other Fees/Out-of-Pocket Expenses: costs of travel, meals, lodging, etc. and disbursements incurred in connection with the financial advisory services but not including local milage reimbursement. Propose to cap expenses at \$4,000.00 per year. This cap would not include any expenses required for rating agency meetings held outside of the State of Georgia.</p>	<p>No Annual Retainer</p> <p>Hourly rates for non-transactional services: Managing Director: \$325/hr Director: \$300/hr VP: \$280/hr Associate: \$225/hr Analyst: \$125/hr</p> <p>Transaction Fees with debt transactions Issuance less than \$50Million: \$1.5 per bond Incremental over \$50Million: \$.50 per bond Minimum Fee for Non-Tans (per Transaction): \$30,000.00 Surcharge for Competitive Sale: \$0.00 Surcharge for Refunding: \$0.00</p> <p>Maximim Fee for TANs only: \$30,000.00 Other Transaction Fees: N/A</p> <p>Other Fees/Out of Pocket Expenses: Reimbursed for out-of-pocket expenses. Customary expenses included, without limitation, costs of travel, meals, lodging, printing/copying, etc. First Tryon will bill the client for such expenses at cost with no mark-up</p>	<p>\$1,200 per month (DeKalb calculation \$14,400.00/year) Four (4) hours per month at blended rate of \$300/hr). Fee include services related to serving as County's IRMA, answering general questions between financing transactions.</p> <p>Hourly Fees: Managing Director: \$325/hr Director: \$300/hr Senior Managing Consultant: \$280/hr Senior Analyst: \$255/hr Analyst: \$225/hr Associate: \$125/hr</p> <p>*Most work should fall under the annual retainer or transaction related services, however, the County may request that PFM prepare or assist in the preparation of County financial data or schedules to be provided to rating agencies, potential investors, and/or included in the Official Statemtion or other transactional services not reflected in the scope of services at a blended hourly rate of \$300 or for a fixed fee negotiated by the County at the time of the transaction.</p> <p>Transaction Fees: Less than \$50Million (Per 1,000 of bond proceeds) - \$1.00 Incremental over \$50million (Per 1,000 of bond proceeds) - \$.85 Minimum Fee (Per Transaction) - \$25,000.00 Maximum Fee: \$25,000 for TANs</p> <p>*There will be no surcharges depending on type of issuance (refunding vs new money) or method of sale.</p> <p>PFM will NOT bill for local travel expenses and will only bill for actual cost incurred in connection with any out of town travel required and approved by the County. PFM also will NOT bill for expenses such as copies, conference calls, package delivery, printing and binding, etc.</p>



MARKET SURVEY

RFP NUMBER: 22-500623

PROJECT NAME: Financial Advisory Services

DEPARTMENT: Chief Executive Office / Board of Commissioners

PREPARED BY: Jennifer Schofield, NIGP-CPP, Procurement Agent Senior

COMPANY CONTACT PERSON	CONTACT #	NON-RESPONSE JUSTIFICATION	Bid in Future
CBI International	Sherlyn Parker cbuzz.bus@gmail.com 404-315-9889	Looking to subcontract	Maybe
Security Capital Brokerage, Inc	Nathan Lewis nathan@securitycapital.net 404-230-8475	Did not receive RFP, was waiting for it to be sent to him	Yes
Jackson Consulting	Tamika Jackson info@jacksonllc.com 678-765-9719	Providing subcontracting services through a Prime	Yes
Virtual Accounting Group	Faye Glemaud faye@virtualaccountinggroup.com 866-436-2262	No response received	Maybe

Summary:

Based on the responses above, three (3) of the proposers were looking to obtain subcontracting opportunities as the scope of work was such that a skilled, certified Prime would be required to perform the services and they would potentially be able to support. One (1) potential proposer indicated that he would be interested in potentially providing services after review of the scope.