



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 14-0361, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF APRIL 17, 2014

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Issue purchase order and enter into an agreement with A.C. Advisory, Inc. for contract 14-RFP-07, Financial Advisory Services Related to the District Financing Program for a three-year period, in an amount not to exceed \$160,000.00, Account 101-11000-601170, Requisition 1369669 (Deferred from Board Meeting of April 3, 2014)

Dear Sir:

Authorization is requested to issue a purchase order and enter into an agreement with A.C. Advisory, Inc. for financial consulting services related to the District's financing program for a three-year period ending April 30, 2017. These services exclude the bond sale transaction services for which authorization to appoint A.C. Advisory, Inc. as the lead financial advisor will be requested at the time of each District bond sale during the three-year period. Financial consulting services include providing advice and assistance on the following: develop rating agency strategies and ongoing communications outside of the bond sale transactions, review and evaluate financing proposals received from underwriters in accordance with the requirements of the new SEC Municipal Advisor Rule, review and assist in the development of financial models, review and assist in the development of a loan and grant program to aid local governments in the District's service area with flood control solutions, and other projects as requested by the District. The Request for Proposal 14-RFP-07 was advertised on December 4, 2013. One hundred- six(106) firms were notified, and thirty-eight(38) firms requested proposal documents. Ten(10) acceptable proposals were received on January 17, 2014.

The RFP process was coordinated through the Director of Procurement and Materials Management. The evaluation committee which reviewed and evaluated the submitted RFP's consisted of staff from the Treasury, Finance, Law, and Procurement and Materials Management Departments. Responses were evaluated according to the criteria defined in the RFP. Firms were ranked based on the numeric score calculated by the evaluation committee.

The committee reached a consensus that seven proposers met the technical qualifications portion of the RFP. These firms were interviewed by the committee and requested to submit their best and final offers. A final evaluation matrix, including the interview evaluations and the best and final offers, resulted in an over-all top ranking for A.C. Advisory, Inc. A.C. Advisory, Inc.'s top overall ranking was based on a composite evaluation score which was calculated from the committee's individual evaluations for: understanding of the project, technical competence, approach to the work, financial stability, proof of registration with the SEC as a municipal advisor, the interview evaluations, and the cost of services. The co-financial advisors were recommended to the eligible list based upon the technical score received on the technical qualifications portion of the RFP (See Attachment A).

Appendix A was not included in this contract because the services do not provide practical or cost-effective opportunities for direct or indirect subcontracting.

A.C Advisory, Inc. has served as financial advisor to the District on bond sale transactions in excess of \$1.3 billion. During the 2006 District bond sale, the firm outlined and executed a strategy that resulted in the District's upgrade to AAA by Standard and Poor's Rating Service. A.C Advisory, Inc. is a Minority-Owned (MBE) and Women-Owned (WBE) business enterprise.

Inasmuch as the firm A.C Advisory, Inc. possesses a high degree of professional skill, it is recommended that the Director of Procurement of Materials Management be authorized to issue a purchase order and enter into an agreement for a three-year period per Section 11.4 of the Purchasing Act, in an amount not to exceed \$160,000.00.

Funds for 2014 in the amount of \$60,000.00 are available in 101-11000-601170. Funds are being requested in 2015 in the amount of \$50,000.00 and 2016 in the amount of \$50,000.00 in Account 101-11000-601170 are contingent upon the Board of Commissioners' approval of the District's budget for those years.

Requested, Mary Ann Boyle, Treasurer, MAB:st

Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management

Respectfully Submitted, Barbara J. McGowan, Chairman Committee on Procurement

Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for April 17, 2014

Attachment