



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

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Title: Issue purchase order and enter into an agreement with Acacia Financial Group, Inc., for Contract 20-RFP-03 Financial Advisory Services related to the District Financing Program, for a five-year period in an amount not to exceed \$157,375.00, Account 101-11000-612430, Requisition 1534258

Sponsors:

Indexes:

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Attachments: 1. Acacia WBE - Diversity memo, 2. FA Eligible List 2020

| Date | Ver. | Action By | Action | Result |
|-----------|------|------------------------|----------|--------|
| 10/1/2020 | 1 | Board of Commissioners | Approved | Pass |

TRANSMITTAL LETTER FOR BOARD MEETING OF OCTOBER 1, 2020

COMMITTEE ON PROCUREMENT

Mr. Brian A. Perkovich, Executive Director

Issue purchase order and enter into an agreement with Acacia Financial Group, Inc., for Contract 20-RFP-03 Financial Advisory Services related to the District Financing Program, for a five-year period in an amount not to exceed \$157,375.00, Account 101-11000-612430, Requisition 1534258

Dear Sir:

Authorization is requested to issue a purchase order and enter into an agreement with Acacia Financial Group, Inc., for financial advisory services related to the District financing program for a five-year period beginning as of the agreement date. The purpose of this contract is to provide the District with financial advisory services related to the District's financing program for the next five years, in accordance with the Securities and Exchange Commission's ("SEC") 2014 ruling which requires each bond issuer to have an Independent Registered Municipal Advisor ("IRMA") to review all advice and solicitation for business presented to the District. Therefore, the selected firm will provide the IRMA services and other financial consulting services as directed by the Treasurer.

One or more eligible advisory firm may be requested to provide financial advisory services for any bond sales which may take place in the next five years. The District has identified eligible firms from the qualified respondents to this request for proposal (RFP) to serve as financial advisors in any bond sale transactions during the five-year period; this list of firms can be found in the attached Appendix A. Any such financial advisors will be appointed at the time of each bond sale with approval by the Board of Commissioners. The District may extend the life of the eligible list for a period of up to one year at the conclusion of the five-year period.

The Request for Proposal 20-RFP-03 was advertised on January 8, 2020. Three (3) acceptable proposals were received by February 7, 2020. 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, Law, and Procurement and Materials Management Departments. Responses were evaluated according to the criteria defined in the RFP, and firms were ranked based on the numeric score calculated by the evaluation committee.

The committee reached a consensus that three proposers met the technical qualifications portion of the RFP. These firms were interviewed by the committee and requested to submit their best and final cost proposal offers. A final evaluation, including the interview evaluations and the best and final offers, resulted in an overall top ranking for Acacia Financial Group, Inc. This top overall ranking was based from the committee's individual evaluations for each firm's experience, qualifications, technical approach to the work, understanding of the project, financial stability, registration with the SEC as a Municipal Advisor, and cost of services.

Acacia Financial Group, Inc., is a firm with seventeen (17) public finance professionals and a strong presence in Illinois. The firm has extensive experience serving water and sewer utility clients across the U.S. and has consistently ranked among the top financial advisors in the nation and Illinois. Although no goals were set for these services, Acacia has been certified by the District Diversity Section as a Woman-owned Business Enterprise. Inasmuch as the firm Acacia Financial Group, Inc., possesses a high degree of professional skill, it is requested that the Director of Procurement and Materials Management be authorized to issue a purchase order and enter into an agreement for a five-year period beginning as of the agreement date, per Section 11.4 of the Purchasing Act, in an amount not to exceed \$157,375.00.

Appendix A did not apply as there are no subcontracting opportunities. Work is awarded directly by the District to each financial advisory firm appointed to participate in the bond sale. The scope of work for IRMA and other ongoing financial consulting services does not provide a practical or cost-effective opportunity for direct or indirect subcontracting; therefore, no goals were included for these services. Although no goals were set for these services, Acacia Financial Group, Inc., has been certified by the District Diversity Section as a Woman-owned Business Enterprise.

The estimated expenditures are \$5,246.00 for 2020, \$31,475.00 per year for 2021 through 2024, and \$26,229.00 for 2025. Funds for 2020 expenditures are available in account 101-11000-612430. Funds for 2021 through 2025 expenditures are contingent on the Board of Commissioners' approval of the District's budget for those years.

Requested, Mary Ann Boyle, Treasurer, MAB

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 October 1, 2020

Attachment