



Legislation Text

File #: O-404-22, **Version:** 1

DPU081622FinancialConsulting
Utilities Admin
Ed Moore (x1845)
Revised

Authorizing the mayor to execute a two (2) year professional services agreement with PFM Financial Advisors LLC (PFM) for debt consulting services; waiving the competitive bidding requirements of TMC 187; authorizing the expenditure of an annual amount not to exceed \$35,750 from the Water Operating Fund and an annual amount not to exceed \$35,750 from the Sewer Operating Fund subject to appropriation; authorizing expenditure of funds in an amount not to exceed the sum of \$1.00 for each \$1,000 in debt issued, based upon bond proceeds, with a minimum fee of \$25,000 plus customary and reasonable expenses in payment of said obligations; and declaring an emergency.

SUMMARY & BACKGROUND:

The Department of Public Utilities requires professional consulting services regarding the issuance of debt and the review, creation and development of rate structures and projection models. Ordinance 336-12 and Ord 253-17 previously authorized Public Financial Advisors LLC (PFM) to be the professional consultant. PFM has also assisted in the issuance of debt for the plant improvements to the Water Treatment Plant and would like to continue their services. Funding these services will be available and appropriated either from future debt proceeds or annual appropriation measures as approved by City Council. This ordinance authorizes a professional services agreement with PFM for consulting services and waives the competitive procurement provisions of the TMC Chapter 187 in order to maintain consistency and the level of excellence and professionalism currently rendered by PFM to the City of Toledo.

NOW, THEREFORE, Be it ordained by the Council of the City of Toledo:

SECTION 1. That the mayor is authorized to enter into a two (2) year professional services agreement with Public Financial Advisors LLC (PFM) for debt consulting, financial planning and rate model development services, upon terms and conditions approved by the Law Director and the mayor, in an amount not to exceed \$71,500 per year for water (\$35,750) and sanitary sewer (\$35,750) consulting services; PFM shall further be paid \$1.00 per \$1,000 of bonded indebtedness, based on bond proceeds generated, issued by either the water, sanitary sewer utility or storm water subject to a \$25,000 minimum fee plus customary expenses.

SECTION 2. That this City Council finds it in the best interest of the city to waive the competitive procurement requirements of Toledo Municipal Code Chapter 187 for the reason that it ensures uninterrupted specialized knowledge-based services provided by PFM.

SECTION 3. That the expenditure in an amount not to exceed \$35,750 per year over the life of the agreement is authorized from the Water Operating Fund, Account Code 6060-31000-4000511STDSTD and authorizing expenditure in an amount not to exceed \$35,750 per year over the life of the agreement from the

Sewer Operating Fund, Account Code 6070-31000-400508STDSTD, subject to appropriation.

SECTION 4. That an amount not to exceed the sum of \$1.00 for each \$1,000 in debt issued, based on bond proceeds with a \$25,000 minimum plus customary and reasonable expenses, in payment of said obligations subject to appropriation from future debt proceeds or annual appropriation measures as approved by City Council.

SECTION 5. That the Finance Director is authorized to issue warrant or warrants against the above account codes listed in Section 3 above in an amount not to exceed \$71,500 in payment of the above authorized obligation upon presentation of the proper voucher or vouchers.

SECTION 6. That this Ordinance is hereby declared to be an emergency measure and shall take effect and be in force immediately from and after its passage. The reason for the emergency lies in the fact that this Ordinance is necessary for the immediate preservation of the public peace, health, safety and property, and for the further reason that this Ordinance must be immediately effective to efficiently issue debt for the Department of Public Utilities.

Vote on emergency clause: yeas 12, nays 0.

Passed: August 16, 2022 as an emergency measure: yeas 12, nays 0.

Attest:

Gerald E. Dendinger
Clerk of Council

Matt Cherry
President of Council

Approved:

August 16, 2022
Wade Kapszukiewicz
Mayor