



CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

ALL

Item Creation Date: 9/6/2024

Doc1047861584 - Financial Advisory Services (Masterson Advisor, LLC) - ORDINANCE

Agenda Item#:

Background:

Request for Proposals received June 6, 2024, for P15-Doc1047861584 - Approve an ordinance awarding a contract to Masterson Advisors, LLC in the maximum contract amount of \$4,485,000.00 for financial advisory services for three-year with two one-year options for the Finance Department.

Specific Explanation:

The Director of the Finance Department and the Chief Procurement Officer recommend that City Council approve an ordinance awarding a **three-year contract, with two one-year options** to **Masterson Advisors, LLC** in the maximum contract amount not to exceed **\$4,845,000.00** for financial advisory services for the Finance Department. The Director of Finance may terminate this contract at any time upon thirty (30) days written notice to the contractor.

The scope of work requires the contractor to provide financial advisory services including, but not limited to, new-money and refunding bonds sold on a competitive and negotiated basis, pre-pricing and post-pricing analysis of competitive and negotiated sales, refunding analysis and other debt restructurings, managing the process for securing and negotiating new credit facilities, re-investment analysis, development of debt management policies and procedures, monitoring of secondary-market activities, training, assistance in the procurement of debt management-related services, and analysis of debt management-related fees.

The Request for Proposals (RFP) was advertised in accordance with the requirements of the state of Texas bid laws and as a result, proposals were received from Frasca Associates, LLC, Masterson Advisors, LLC, and PFM Financial Advisors, LLC. The evaluation committee consisted of employees from the Finance Department, Houston Airport System, the City Controller's Office, Houston Public Works, and Houston First Corporation.

The proposals were evaluated based upon the following criteria:

1. Responsiveness
2. Technical Competence
3. Price Proposal

Masterson Advisors, LLC received the highest overall score and was deemed the most qualified to perform the required services as outlined in the RFP.

M/WBE Subcontracting:

The RFP solicitation was advertised with a **6%** goal for M/WBE participation. Masterson Advisors, LLC has submitted a plan indicating that it will utilize itself for 3% at the prime level and will utilize the below-named company as its certified M/WBE subcontractor.

Vendor Name	Type of Work	Percentage
Masterson Advisors, LLC	Financial Advisor	3%
TKG & Associates	Co-Financial Advisor	12%
Total		15%

Pay or Play Program:

The proposed contract requires compliance with the City's 'Pay or Play' ordinance regarding health benefits for employees of City contractors. In this case, the contractor will provide health benefits to eligible employees in compliance with City policy.

Hire Houston First (HHF):

The proposed contract requires compliance with the City's 'Hire Houston First' ordinance that promotes economic opportunity for Houston businesses and supports job creation. In this case, Masterson Advisors, LLC is a designated HHF company; however, they were the successful awardee without application of the HHF preference.

Fiscal Note:

Funding for this item is included in the FY25 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

9/11/2024

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Jedediah Greenfield, Chief Procurement Officer

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Department Approval Authority

9/16/2024

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Estimated Spending Authority:			
Department	FY2025	Out Years	Total
General Gov't	\$293,000.00	\$1,172,000.00	\$1,465,000.00
Houston Airport System	\$293,000.00	\$1,172,000.00	\$1,465,000.00
Houston Public Works	\$293,000.00	\$1,172,000.00	\$1,465,000.00
Convention and Entertainment	\$90,000.00	\$360,000.00	\$450,000.00
Total	\$969,000.00	\$3,876,000.00	\$4,845,000.00

Amount and Source of Funding:

- \$1,465,000.00 – General Debt Service Admin Fund (3000)
- \$1,465,000.00 – HAS Revenue Fund (8001)
- \$1,465,000.00 – HPW Combined Utility System Gen Pur Fund (8305)
- \$450,000.00 – C&E – Civic Center Facility Revenue Fund (8601)
- \$4,845,000.00 - Total**

Contact Information:

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- Candice Gambrell, Assistant Director Finance/SPD (832) 393-9129
- Jedediah Greenfield, Chief Procurement Officer Finance/SPD (832)393-9126

ATTACHMENTS:

Description	Type
Ownership Form	Backup Material
Clear Tax Report	Backup Material
CIQ Endorsement	Backup Material
COF - Finance	Financial Information
MWBE Contract Specific Request	Backup Material
Secretary of State1	Backup Material
Secretary of State2	Backup Material
Drug Forms - Masterson	Backup Material
Certificate of Insurance	Backup Material
POP 1	Backup Material
POP 2	Backup Material
POP 3	Backup Material
MWBE Participating Plan	Backup Material