



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 21-00433

City Council

6/17/2021

LEGISLATIVE ACTION ITEM

SPONSOR: Grover C. Robinson, IV, Mayor

SUBJECT:

FINANCIAL ADVISOR, BOND COUNSEL AND DISCLOSURE COUNSEL CONTRACTS

RECOMMENDATION:

That City Council approve the execution of a contract for financial advisor services with RBC Capital Markets, LLC. Further that City Council ratify the contract for bond counsel with Bryant Miller Olive, PA, and the contract for disclosure counsel with Locke Lord, LLP. Finally, that City Council authorize the Mayor to take all actions necessary to execute the contract.

HEARING REQUIRED: No Hearing Required

SUMMARY:

The City of Pensacola's Financial Planning and Administration Policy requires contracts for the City's financial advisor, bond counsel and disclosure counsel be presented to City Council for approval. These three services make up the essential members of the City's bond financing team.

RBC Capital Markets, LLC currently serves as municipal advisor to the City of Pensacola. Municipal advisers assist in the structuring and issuance of bonds whether through a competitive or a negotiated sale process.

Bryant Miller Olive, PA currently serves as bond counsel to the City of Pensacola. Bond counsel renders an opinion on the validity of the bond offering, the security for the offering, and whether and to what extent interest on the bonds is exempt from income and other taxation. In addition, the bond council typically prepares all resolutions and other instruments authorizing and securing the bonds.

Locke Lord, LLP currently serves as disclosure counsel to the City of Pensacola. Disclosure counsel assist with federal securities law and disclosure documents related to public bond issuances and continuing disclosures.

In order to maintain consistency in the bonding process, staff recommends maintaining long term relationships with its financial advisor, bond counsel and disclosure counsel. As such, the newest contracts for services are through September 30, 2023. The bond counsel and disclosure counsel contracts are for two years and six months and the contract for financial advisor is for two years and three months (rather than three years) in order to align the contracts with the City's fiscal year. There

are no assurances given by the City that there will be any financings during the term of the contract.

PRIOR ACTION:

March 1, 2018 - The City entered into a three (3) year contract Bryant Miller Olive, PA for bond counsel legal services.

March 30, 2018 - The City entered into a three (3) year contract Locke Lord, LLP for disclosure counsel legal services.

June 26, 2018 - The City entered into a three (3) year contract RBC Capital Markets, LLC for municipal advisor services.

FUNDING:

N/A

FINANCIAL IMPACT:

In the year of financing, there will be a corresponding fee as outlined in the contracts.

LEGAL REVIEW ONLY BY CITY ATTORNEY: Yes

5/24/2021

STAFF CONTACT:

Keith Wilkins, City Administrator
Amy Lovoy, Finance Director

ATTACHMENTS:

- 1) Financial Advisor Draft Contract
- 2) Bond Counsel Contract
- 3) Disclosure Counsel Contract

PRESENTATION: No