



# City of League City, TX

300 West Walker  
League City TX 77573

## Text File

File Number: 19-0448

**Agenda Date:** 8/27/2019

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**Status:** Agenda Ready

**In Control:** Finance

**File Type:** Agenda Item

### Title

Consider and take action on a resolution authorizing an amendment to the agreement with FirstSouthwest, a Division of Hilltop Securities Inc. for municipal advisory services to extend the term of the agreement by twelve (12) months (Director of Finance)

### ..Background:

Approval of this item will authorize the City Manager to execute an amendment with FirstSouthwest to extend the term of the agreement by twelve (12) months.

Public entities engage municipal advisors to assist in the planning, issuance and monitoring of debt. Municipal advisors work with the City staff to minimize the cost of debt through the proper timing and structure of bond sales. The firm will also work with staff to maximize the City's opportunity for credit rating improvement, further reducing the cost of debt. By monitoring outstanding debt relative to market conditions on an ongoing basis, the municipal advisor will look for opportunities to refund (refinance) that debt at lower interest rates to further reduce costs. An ever increasing role of the municipal advisor is to assist staff in monitoring federal compliance and reporting issues related to municipal debt.

In 2014, the City released a request for proposal (RFP) for municipal advisory services and received nine (9) responses. On August 12, 2014, the City Council approved a three-year contract with FirstSouthwest. The original proposal included an option for a two-year renewal.

On July 11, 2017, the City Council approved a two-year renewal with FirstSouthwest. This proposed action will extend the agreement an additional 12 months to allow the City to seamlessly issue the upcoming bond debt and take advantage of certain market conditions. The City intends to issue a new request for proposals (RFP) prior to the end of this twelve-month extension.

The fee for municipal advisory services is based on the scale included in the contract and determined by the par value of the bonds issued.

### Attachments:

1. Data Sheet
2. Proposed Resolution
3. Exhibit A - First Amendment with FirstSouthwest
4. Resolution 2017-111 - Original Agreement with FirstSouthwest

CONTRACT ORIGINATION: Reviewed and approved by the City Attorney's Office

### FUNDING

{x } Funds are available from Account #1400000-53050 for Accounting Professional Services