



# City of Newark

City Hall  
920 Broad Street  
Newark, New Jersey 07102

## Legislation Text

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File #: 22-1148, Version: 1

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**Dept/ Agency:** Finance

**Action:** (X) Ratifying (X) Authorizing ( ) Amending

**Type of Service:** Professional Service Contract

**Purpose:** To provide Financial Advisory Services.

**Entity Name:** PFM Financial Advisors, LLC

**Entity Address:** 1735 Market Street, Floor 43, Philadelphia, Pennsylvania 19103

**Contract Amount:** Not to exceed \$350,000.00

**Funding Source:** Bond Proceeds

**Contract Period:** May 26, 2022 through May 25, 2023

**Contract Basis:** ( ) Bid ( ) State Vendor (X) Prof. Ser. ( ) EUS

(X) Fair & Open (X) No Reportable Contributions (X) RFP ( ) RFQ

( ) Private Sale ( ) Grant ( ) Sub-recipient ( ) n/a

**Additional Information:**

This contract will not exceed \$350,000.00 amongst three (3) vendors.

The vendors will be paid from Bond Proceeds.

No Certification of Funds is required.

**WHEREAS**, the City of Newark (the "City") is in need of financial advisors to counsel and assist the City with regards to bond and note issuance, sales and auctions; and

**WHEREAS**, such financial advisors are part of a highly regulated financial industry, licensed by various regulatory authorities; as such, those services are professional services, excluded from the requirements of public bidding, pursuant to the Local Public Contracts Law, more specifically, N.J.S.A. 40A:11-5(1)(a)(i); and

**WHEREAS**, the City advertised a Request for Proposal (RFP) for Financial Advisory Services on May 11, 2022; and

**WHEREAS**, four (4) proposals were received from NW Financial Group, LLC, 2 Hudson Place, Hoboken, New Jersey 07030; Phoenix Advisors, LLC, 625 Farnsworth Avenue, Bordentown, New Jersey 08505; PFM Financial Advisors, LLC, 40 Wall Street, 49<sup>th</sup> Floor, New York, New York 10005; and Public Resource Advisors Group, Inc., 117 Gayley Street, Suite 200, Media, Pennsylvania 19063; and

**WHEREAS**, the City wishes to enter into a professional services contract with PFM Financial Advisors, LLC, 1735 Market Street, Floor 43, Philadelphia, Pennsylvania 19103, and two (2) additional vendors, for an amount not to exceed Three Hundred Fifty Thousand Dollars and Zero Cents (\$350,000.00) among all three (3) vendors. It is expressly agreed that the City is not obligated to expend any monies or incur any expenses under this contract. For specific financing such as bond and/or note issues, the fee will be calculated at a rate of, including a fee or commission calculated at a rate of \$1.00 per \$1,000.00 of par value for New Money Bonds Financings and \$1.15 per \$1,000.00

of par value for refundings. For Notes the rate of \$0.25 per \$1,000.00 of par value of the principal and a base fee of \$10,000.00 payable at the closing of the proposed issuance in accordance with the term of sale, as provided in the contract for a period from May 26, 2022 through May 25, 2023; and

**WHEREAS**, the Local Public Contracts Law (N.J.S.A. 40A:11-1 et seq.) requires that notice of the award of contracts for “Professional Services” without competitive bidding must be published in a local newspaper; and

**WHEREAS**, PFM Financial Advisors, LLC has completed and submitted a Business Entity Disclosure Certification, which certifies that PFM Financial Advisors, LLC has not made any reportable contributions to a political or a candidate committee in the City of Newark in the previous one (1) year, and that the contract will prohibit PFM Financial Advisors, LLC from making any reportable contributions through the term of the contract; and

**WHEREAS**, this contract is being awarded as a Fair and Open Contract, pursuant to N.J.S.A. 19:44A-20.5, in compliance with the State’s Pay to Play Statutory requirements, and the City of Newark’s Pay to Play Ordinance, R.O. 2:4-22C.1.

**NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:**

1. The Mayor of the City of Newark and/or his designee, the Director of the Department of Finance are hereby authorized and directed on behalf of the City of Newark to enter into and execute a contract with PFM Financial Advisors, LLC, 1735 Market Street, Floor 43, Philadelphia, Pennsylvania 19103, to provide Professional Financial Advisory Services, for a period from May 26, 2022 through May 25, 2023.
2. The contract shall be for an amount not to exceed Three Hundred Fifty Thousand Dollars and Zero Cents (\$350,000.00) among three (3) vendors combined. It is expressly agreed that the City of Newark is not obligated to expend any monies or incur any expenses under this contract. For specific financing such as bond and/or note issues, the fee will be calculated at a rate of, including a fee or commission calculated at a rate of \$1.00 per \$1,000.00 of par value for New Money Bonds Financings and \$1.15 per \$1,000.00 of par value for Refundings. For Notes the rate of \$0.25 per \$1,000.00 of par value of the principal and a base fee of \$10,000.00 payable at the closing of the proposed issuance in accordance with the term of sale, as provided in the contract for a period from May 26, 2022 through May 25, 2023. Funds to be utilized for this contract will be from bond proceeds.
3. This contract is awarded without competitive bidding as a “Professional Service” in accordance with N.J.S.A. 40A:11-5(a)(i) of the Local Public Contracts Law because the performance of the service required must be performed by someone who is a licensed financial advisor in the State of New Jersey.
4. This contract is being awarded pursuant to the Fair and Open Procedures of the State’s Pay to Play Law (N.J.S.A. 19:44A-20.5) and is in compliance with the City of Newark’s Pay to Play Ordinance, R.O. 2:4-22C.1.

5. The contract is hereby ratified from May 26, 2022 until the date of adoption of this Resolution.
6. This contract is an open-ended contract to be used as needed during the term of the contract. Thus, for any and all expenditures against this contract, a certification of the availability of sufficient funds, as required by N.J.A.C. 5:30-5.5(b)(2), shall be executed before a contractual liability is incurred each time an order is placed, covering the amount of the order.
7. PFM Financial Advisors, LLC has completed and submitted a Business Entity Disclosure Certificate, which shall be placed on file with the Resolution in the Office of the City Clerk, certifying that Public Resources Advisory Group, Inc., has not made any reportable contributions to a political or a candidate committee in the City of Newark in the previous one (1) year, and the contract will prohibit Public Resources Advisory Group, Inc., from making reportable contributions through the term of the contract.
8. There shall be no advance payments made against this contract in accordance with N.J.S.A. 40A:5-16.
9. A copy of the fully executed contract herein authorized shall be filed in the Office of the City Clerk by the Director of the Department of Finance and shall be made available for public inspection.
10. A notice of this action shall be published in the newspaper authorized by law to publish a legal advertisement and as required by law within ten (10) days of the adoption of this Resolution.

### **STATEMENT**

This Resolution ratifies and authorizes the Mayor of the City of Newark, and/or his designee, the Director of the Department of Finance, to enter into and execute a professional service contract with PFM Financial Advisors, LLC, 1735 Market Street, Floor 43, Philadelphia, Pennsylvania 19103, to provide financial advisory services for the period of May 26, 2022 through May 25, 2023, for an amount not to exceed \$350,000.00 among three (3) vendors.