

RESOLUTION NO. 2020 - 09

**RESOLUTION OF THE TOWNSHIP OF LITTLE EGG HARBOR,
COUNTY OF OCEAN, STATE OF NEW JERSEY, APPOINTING
PHOENIX ADVISORS, LLC AS FINANCIAL CONSULTANT FOR
DEBT SERVICE MATTERS FOR THE TOWNSHIP OF LITTLE
EGG HARBOR**

WHEREAS, there exists the need for a financial consultant to assist the Chief Financial Officer, the Finance Department, and the Office of the Treasurer for the Township of Little Egg Harbor; and

WHEREAS, although the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq., authorizes the award of contracts for “Professional Services” without competitive bids, the Township issued a request for proposals for professional service contracts in accordance with the competitive negotiation procedure as delineated within Section 40-8 of the Township Code of the Township of Little Egg Harbor, entitled “Fair and open process utilized to award contracts with anticipated value in excess of \$17,500”; and

WHEREAS, a determination of value has been made by the Township that said contract shall be a value in excess of \$17,500; and

WHEREAS, said competitive negotiation procedure satisfies the requirements of a fair and open process under N.J.S.A. 19:44A:20.2 et seq.; and

WHEREAS, all proposals were to be submitted to the Office of the Township Clerk by November 13, 2019; and

WHEREAS, Phoenix Advisors, LLC is extremely active in assisting municipalities with their cash flow and borrowing needs, issuing bond anticipation notes, along with identifying and capturing opportunities to refinance outstanding debt, particularly in light of difficult economic conditions and increased State regulation; and

WHEREAS, it is the desire of the Mayor and Township Committee to appoint Phoenix Advisors, LLC as Financial Consultant for Debt Service Matters for the Township of Little Egg Harbor; and

WHEREAS, the amount of the contract to be awarded under this resolution is determined to be \$17,500.00, which sum is reasonably estimated based upon such financial services as may be required over the contract term to be awarded under this resolution, including, but not limited to, the amount spent for such services from the previous calendar year, the costs of compensation under the contract to be awarded, and any projected increase or decrease in services anticipated versus the prior year, and which sum the Township of Little Egg Harbor is under no obligation to spend and which may be exceeded; and

WHEREAS, the Chief Financial Officer has certified that there are funds available for this contract, which certification is annexed hereto; and

WHEREAS, the Local Public Contracts Law, N.J.S.A. 40A:11-1 *et seq.*, authorizes the award of contracts for “Professional Services” and requires that the resolution and contract be made available for public inspection.

NOW, THEREFORE, BE IT RESOLVED, by the governing body of the Township of Little Egg Harbor, County of Ocean, State of New Jersey as follows:

1. That Phoenix Advisors, LLC is hereby appointed as Financial Consultant for Debt Service Matters for the Township of Little Egg Harbor, commencing January 1, 2020 and ending December 31, 2020 and shall be paid for all services as set forth on Schedule A attached hereto and made a part hereof.

2. That the Mayor is hereby authorized to execute and the Township Clerk to attest to the attached agreement with Phoenix Advisors, LLC.

3. That the agreement shall be an open-ended contract with funds being encumbered contingent upon the availability of funds in the budget year. A certificate of availability of funds executed by the Chief Financial Officer is annexed hereto. The following is the line item appropriation[s], which constitute the availability of funds for this contract: 0-01-20-705-020 / various capital ordinances.

4. That this agreement is awarded as a "Professional Service" in accordance with N.J.S.A. 40A:11-5(1)(a)(i) of the Local Public Contracts Law because it is for services to be performed by a person(s) authorized by law to practice a recognized profession.


5. That a notice of this action shall be printed once in the official newspaper of the Township of Little Egg Harbor.

6. That this resolution shall take effect January 1, 2020.

7. That a certified copy of this resolution, together with a copy of the contract between the parties, shall be provided by the Township Clerk to the Chief Financial Officer and Phoenix Advisors, LLC.

CERTIFICATION

I, **DIANA K. MCCRACKEN, RMC**, Municipal Clerk of the Township of Little Egg Harbor, do hereby certify that the foregoing resolution was duly adopted by the Township of Little Egg Harbor Township Committee at a meeting held on the **1st** day of **January, 2020**.


DIANA K. MCCRACKEN, Township Clerk
Township of Little Egg Harbor

CERTIFICATE OF AVAILABILITY OF FUNDS

I, **RODNEY R. HAINES**, Chief Financial Officer for the Township of Little Egg Harbor, do hereby certify that adequate funds are available for an open-ended contract with Phoenix Advisors, LLC as Financial Consultant for Debt Service Matters.

The amount of the contract to be awarded under this resolution is determined to be \$17,500.00, which sum is based on a reasonable estimate of the financial services required over the contract term, the Township of Little Egg Harbor is not obligated to spend this amount and is permitted to exceed this amount during the course of performance of this contract.

The funds which are available for this open-ended contract are found in the following line item appropriation[s]: 0-01-20-705-020 / various capital ordinances



RODNEY R. HAINES, Chief Financial Officer
Township of Little Egg Harbor



a. Please state your fee proposal for the scope of work as financial advisor as described in Attachment A. Please document any key assumptions made in developing the fee proposal and any other contingencies we should be aware of.

b. Is there a separate charge for attendance at Township meetings which are not part of an otherwise specific Township engagement?

c. Please indicate any fees or hourly rates for special projects.

Cost Proposal

Phoenix Advisors, LLC's value-added services and our work as an SEC and MSRB registered municipal advisor in the structuring, issuance, and management of long-term and short-term financing, save you time, effort and, importantly, cost. Further, our debt management advice will position you to plan appropriately for future market access.

Our services encompass the full life cycle of your financing -- from early planning, to public or third-party approval, to rating agency strategy, to development of your offering documents, to closing and post-issuance requirements. When you have retained Phoenix Advisors, you have enlisted an experienced, independent municipal advisor with a fiduciary duty to put your interests first in all matters relating to our engagement.

Phoenix Advisors' compensation is typically **all-inclusive**. We do not charge for out-of-pocket expenses, fees for travel time, or attendance at meetings unless specifically delineated. Out-of-pocket expenses are always difficult for a client to monitor and can ultimately be significant, so this is an important and beneficial feature of Phoenix Advisors' compensation arrangement. Third party charges paid through Phoenix Advisors are relayed at our cost. This regularly results in cost savings to clients due to our volume pricing discounts. Moreover, any costs associated with an issuance are customarily built into the issuance and are not current budget expenses for the issuer.

We work toward long, enduring relationships with our clients, and, therefore, collect our debt issuance fee only after the financing closes, unless specifically stated otherwise.

The compensation for municipal advisory services relating to this engagement, which remains unchanged since last year and will not be exceeded without prior notification to you, is:

- Bond Issuance:
 - \$9,500 plus \$0.50 per \$1,000 issued¹
- Note Issuance:
 - \$1,500 plus \$0.20 per \$1,000 issued¹

¹ Per transaction.



- Hourly rates²:
 - Chief Executive Officer \$175 per hour
 - Senior Managing Director/Managing Director/Director \$150 per hour
 - Associate/Analyst \$ 90 per hour

² Hourly rates are only if applicable for specialized work outside of a bond or note issuance.