

RFP for Financial Advisor Services

The Board of Trustees awarded a contract for financial advisor services to Lewis Young Robertson & Burningham, Inc. on June 28, 2018.

Evaluation committee recommendation: Lewis Young Robertson & Burningham, Inc.

Score received: 89

Other scores:

Offeror A – 86.3 points

Justification Statement:

Criterion 1 – Demonstrated qualifications and ability to provide financial advisor services: Lewis Young Robertson & Burningham, Inc. (Lewis Young) scored 27.2 out of 30 points for this category. While all proposals received showed more than adequate qualifications and expertise, Lewis Young’s qualifications and expertise were rated “good” or “excellent” by all members of the evaluation team. All members of the support team proposed by Lewis Young are located within the company and within Utah; all members, including analysts, have more than 10 years of experience.

Criterion 2 – Responsiveness of the work plan: Lewis Young received 27.6 out of 30 possible points for this section. Lewis Young delivered a well written and succinct proposal that indicated an understanding of the key issues surrounding the District. All offerors submitted appendices that exceeded the page limit, however Lewis Young had the fewest number of excess pages and appendices.

Criterion 3 – Past performance: Lewis Young received 22.5 out of the maximum 25 points possible on this section. Lewis Young has extensive experience with public water districts of similar size and situation to the District, including with state agencies managing federal water projects.

Criterion 4 – Cost proposal: Lewis Young received 11.7 out of 15 maximum points possible on its cost proposal. Since Lewis Young’s proposal was more than 5% higher than that of the lowest cost proposal received, an informal cost-benefit analysis was performed per Utah Code 63G-6a-708. It was determined that Lewis Young was justified in being awarded the contract.

Cost-Benefit Analysis:

Offeror A had the lowest priced proposal. However, the evaluation committee believes that the cost difference in the hypothetical bonding and water rate proposal submitted by Lewis Young is outweighed by the benefits the District would receive due to the following reasons:

- With the exception of cost, Lewis Young consistently scored higher in the evaluation criteria than did Offeror A. Both teams were well qualified, but Lewis Young's work plan and related experience better matched the District's needs.
- With respect to past performance (criterion 3), Lewis Young was the District's previous financial advisor, and the team proposed consists primarily of individuals that the District has worked with in the past. The time requirements by District staff to educate a new advisor on the history of the District, its unique water rate system, and present and future concerns would be significant, especially for the first bond issue and water rate study. The District also increased its bond rating from A2/AA to AA+/AAA under Lewis Young's tenure.
- Lewis Young's pricing model is a flat fee plus travel for each bond issuance. Offeror A's model is a fee plus out-of-pocket expenses, though they stated those costs are generally under \$1,000 plus travel.
- Lewis Young has worked with federal repayment projects across several different districts, including those of similar size to the District. Given how often questions about the federal repayment contract arise during bond issuances and how the District's contracts with the federal government have various tax implications with bond issuances, the evaluation committee feels experience with this criterion is very important and can have large financial impacts on the District.