

Agenda Report



MEETING DATE: Tuesday, October 22, 2024

TO: City Council

FROM: ADMINISTRATIVE SERVICES DIRECTOR DURAN

SUBJECT: PROFESSIONAL SERVICES WITH URBAN FUTURES INC. FOR
MUNICIPAL FINANCIAL ADVISORY SERVICES

RECOMMENDED ACTION:

It is recommended that the City Council approve a Resolution awarding a contract to Urban Futures, Inc. for municipal advisory services, in an amount not to exceed \$300,000 and authorizing the City Manager to execute the contract.

BACKGROUND:

On July 31, 2023, the City of Watsonville issued a Request for Proposals (RFP) seeking qualified firms to provide objective, independent municipal advisory services to the City. The City is looking for municipal advisory services. Urban Futures, Inc. has been chosen to review our city audits, budgets and capital improvement plan and other related financial data to develop a comprehensive long-term financial forecast/plan and potential debt issuance. The City received eight proposals in response to the RFP, with Urban Futures, Inc., being one of the firms that submitted. While the contract was initially awarded to NHA, that decision has since been rescinded.

DISCUSSION:

The primary objective is to review the City's long-range needs, particularly with respect to its capital improvement program, and develop alternative strategies for meeting those needs. Our aim is to be able to have alternative strategies for managing the City's current or future debt, ensuring optimal value for our taxpayers and residents. The firm will examine and interpret legislation to identify economic or financial opportunities and potential impact on the City. The firm may also help in facilitating the issuance of debt.

STRATEGIC PLAN:

4-Fiscal Health

Approving this contract will ensure the City can develop a long-range financial plan and issue debt if necessary to meet its financial goals.

FINANCIAL IMPACT:

The contract is a 3-year contract, renewable for an additional year if needed. The funds have been appropriated and allocated in Measure R.

ALTERNATIVE ACTION:

The City Council has the option to reject the contract.

ATTACHMENTS AND/OR REFERENCES (If any):

None.