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MAYOR PRO TEM
Jeffrey L. Goodall

TOWN MANAGER
Joseph A. Fivas



Town of
INDIAN TRAIL
north carolina

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Peggy S. Piontek

TO: MAYOR AND TOWN COUNCIL
FROM: JOSEPH A FIVAS
CC: MARSHA SUTTON
SUBJECT: BOND ADVISOR SELECTION
DATE: 5/5/2011

In January, the Town Council gave direction to staff to move forward with gathering information regarding the bond process. Staff and I began this process and determined the Town would be well served to solicit the expert advice of a Bond Advisor. We have spoken with and evaluated several presentations and are recommending Council approve the selection of Davenport & Company, LLC for Bond Advisor services.

The role of the bond advisor in this process would be to help us analyze our financing alternative, help structure the bond issue, manage or verify pricing and analytics, and analyze interest rate management structures. However, the most important use to the Town would be to assist in the preparation of documents necessary to obtain the most favorable bond rating. The bond advisor works closely with staff and management.

The four presentations evaluated were: 1) FirstSouthwest, 2) DEC Associates, Inc., 3) First Tryon Advisors, and 4) Davenport & Company LLC. The presentations were evaluated by me and staff.

Recommendation/Requested Action

We are recommending Council approve the selection of Davenport & Company LLC as the Town of Indian Trail's Bond Advisor. Davenport & Company has agreed to work "at risk and no fee is owed to our firm if a referendum fails or debt is not issued." The fee for the bond advisor would be paid at the time of closing of the bond issue using bond proceeds.