

RESOLUTION NO. 11-927

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF MIAMI LAKES, FLORIDA, AUTHORIZING A CONTRACT WITH ESTRADA HINOJOSA & COMPANY, INC., FOR INVESTMENT ADVISORY SERVICES IN AN AMOUNT NOT TO EXCEED \$15,000.00, FOR INVESTMENT ADVISORY SERVICES FOR THE TOWN'S VARIOUS FUNDS AND ACCOUNTS; AUTHORIZING THE TOWN MANAGER TO TAKE ALL NECESSARY STEPS TO IMPLEMENT THE TERMS AND CONDITIONS OF THE CONTRACT; AUTHORIZING THE TOWN MANAGER TO EXPEND BUDGETED FUNDS; AUTHORIZING THE TOWN MANAGER TO EXECUTE THE CONTRACT; PROVIDING FOR INCORPORATION OF RECITALS; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, during the past three years, the Town has increased its available cash funds, and pursuant to Resolution No. 01-18, the Town has invested a portion of those funds with the State Board of Administration ("SBA"), and the balance with the Town's banking service provider, Wells Fargo Bank; and

WHEREAS, the rate of interest has been decreasing for the last two years on the Town's demand deposit held at Wells Fargo Bank (formerly Wachovia), and since the formal conversion to Wells Fargo, the rate of return has declined considerably; and

WHEREAS, the Town must now identify alternative investment opportunities and develop a formal Council-approved investment policy; and

WHEREAS, the Town Council desires to authorize the Town Manager to enter into a contract with Estrada Hinojosa & Company, Inc. for one (1) year, in an amount not to exceed \$15,000.00, for investment advisory services for the Town's various funds and accounts.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF MIAMI LAKES, FLORIDA, AS FOLLOWS:

Section 1. **Recitals.** The foregoing Recitals are true and correct and incorporated herein by this reference.

Section 2. **Purchasing Procedure.** Pursuant to Section 2.I.(2) of the Town's Purchasing Procedures, contracts for professional services under \$25,000.00 are exempt from competitive bidding.

Section 3. **Approval of the Contract.** The Town Council hereby approves entering into a contract with Estrada Hinojosa & Company, Inc. for one (1) year, in an amount not to exceed \$15,000.00, for investment advisory services, with four (4) one (1) year renewal options.

Section 4. **Authorization of Town Manager.** The Town Manager and/or his designee and the Town Attorney are authorized to take all steps necessary to implement the terms and conditions of the Contract.

Section 5. Authorization of Fund Expenditure. The Town Manager is authorized to expend budgeted funds to implement the terms and conditions of the Contract, for one (1) year, for investment and advisory services for the Town's various funds and accounts.

Section 6. Execution of the Contract. The Town Council authorizes the Town Manager to execute a contract with Estrada Hinojosa & Company, Inc. in an amount not to exceed \$15,000.00, for one (1) year, for investment advisory services with four (4) one (1) year renewal options.

Section 7. Effective Date. This Resolution shall take effect immediately upon adoption.

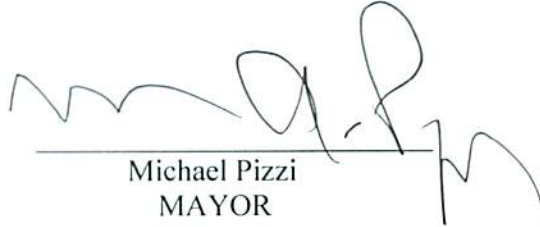
PASSED AND ADOPTED this 13 day of September, 2011.

Motion to adopt by Councilmember Collins, second by Mayor Pizzi.

FINAL VOTE AT ADOPTION

Mayor Michael Pizzi	<u>Yes</u>
Vice Mayor Nick Perdomo	<u>Yes</u>
Councilmember Mary Collins	<u>Yes</u>
Councilmember Tim Daubert	<u>Yes</u>
Councilmember Nelson Hernandez	<u>Yes</u>
Councilmember Ceasar Mestre	<u>Yes</u>
Councilmember Richard Pulido	<u>Yes</u>

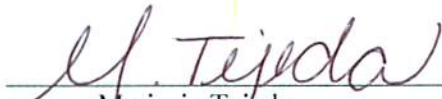
Resolution No. 11- 927



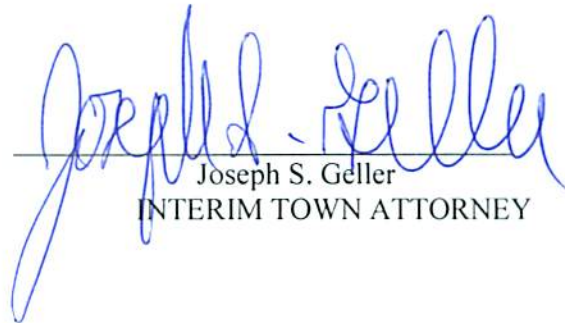
Michael Pizzi
MAYOR

Attest:

Approve as to Form and Legal Sufficiency



Marjorie Tejeda
TOWN CLERK



Joseph S. Geller
INTERIM TOWN ATTORNEY

- prior to entering into this written contract,
2. ___ Investor received a written copy of Part II of Form ADV at the time of entering into this contract and has the right to terminate this contract without penalty within five business days after entering into this contract, or
 3. ___ Investor is renewing an expiring contract and has received in the past, and offered annually, a written copy of Part II of Form ADV.

VII.

This agreement shall become effective at the date of acceptance by the Investor set out herein below and remain in effect for one year, with options to renew annually for four additional one year periods. This agreement may also be terminated with or without cause by the Investor upon thirty (30) days' written notice. In the event of such termination, it is understood and agreed that only the amount due to the Advisor for services provided and expenses incurred to the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement. In the event this Agreement is terminated, all investments and/or funds held by the Advisor shall be returned to the Investor as soon as practicable. In addition, the parties hereto agree that upon termination of this Agreement the Advisor shall have no continuing obligation to the Investor regarding the investment of funds or performing any other services contemplated herein.

This Agreement is submitted in triplicate originals. When accepted by the Investor, it, together with Appendix A attached hereto, will constitute the entire Agreement between the Investor and the Advisor for the purposes and the considerations herein specified. Acceptance will be indicated by the signature of authorized officials of the Investor together with the date of acceptance on all three copies and the return of all copies to the Advisor.

Respectfully submitted,

ESTRADA HINOJOSA & COMPANY, INC.

By: 


This agreement is accepted by the Investor this day of 9/13/11.

TOWN OF MIAMI LAKES, FLORIDA

By: 

ATTEST:

By:  Secretary

Approved as to form:

Notary Attorney

APPENDIX A

PROFESSIONAL FEES

In consideration for the services rendered by Advisor in connection with the services provided to the Investor, it is understood and agreed that its fee will be an annual fee equal to annual fee of 8 basis points (0.08%) of the book value of assets under management with a \$10,000 annual minimum accumulated fee. Said fee shall be calculated and billed at the end of each investment quarter. During the first year, the annual fee shall be capped at \$15,000.

Should the Investor issue debt, and if the selected investment strategy incorporates a flexible repurchase agreement or other structured investment, fees will be determined by any applicable I.R.S. guidelines and industry standards.

Any other fees (including flexible repurchase agent fees) retained by Advisor in the performance of its duties shall be disclosed to the Investor.

The Investor will be billed each quarter an amount which will include a fee calculated as described above as well as costs, expenses, and travel expenses, where applicable, incurred in performance of these duties. The Investor may incur transactional expenses in the execution of its investment strategy. The Advisor will assist the Investor in minimizing all such transactional expenses or any other normal business expenses that might be incurred, by the Investor, in the management of its funds.

The obligation of the Advisor to pay expenses shall not include any costs incident to litigation, mandamus action, test case, or other similar legal actions.