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BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508
County of Cook and State of Illinois

Financial Advisory Services
Office of Finance
District Office

THE CHANCELLOR

REPORTS

that the District seeks to engage Gardner, Underwood & Bacon to perform financial advisory services to develop strategies to address the fiscal challenges of declining revenues, escalating expenses, capital needs and technology requirements by evaluating various financial long and short term alternatives, debt management services, and multi-year capital projection models; and

that Gardner, Underwood & Bacon may also participate as financial advisor to the District in financings, including the refinancing of outstanding taxable Refunding Revenue Bonds, Series 1995 issued December 1, 1995 for \$36,245,000 since interest rates have declined significantly by evaluating the various options provided in the Bond Warrant Agreement, prepare and review documents, assist with the presentation of information to the Board, rating agencies and credit enhancers as well as monitor the pricing and closing; and

that Gardner, Underwood & Bacon has the expertise to act as financial advisors to evaluate various structures for bond refinancing as well assist the District with financial strategies; and

that this professional service is exempt from the District's competitive bidding requirements; and

that the Office of M/WBE Contract Compliance has reviewed the above referenced financial advisory opportunity and found that Gardner, Underwood & Bacon has direct participation with certified MBE and WBE firms specializing in financial advisory services, it has been determined that they are in compliance with the Board approved Participation Plan.

THE CHANCELLOR

RECOMMENDS

that the Board of Trustees authorize the Chairman to enter into an agreement with Gardner, Underwood & Bacon, and Chicago, Illinois to provide financial advisory services and participate in the bond refinancing. Proposed fees for a competitive or negotiated bond sale are not to exceed \$70,000 and various hourly fees for analyses, studies and consulting services. Final terms of payment will be negotiated based on a per project basis for the term period of November 1, 2005 until October 31, 2006.

FINANCIAL

Not to exceed \$ 70,000 Working Cash Fund - 85001-4530000

Respectfully submitted,

Wayne Watson
Chancellor

November 3, 2005 Office of Finance/CFO