

RFP 33B-2011



RFP INFORMATION: FINANCIAL ADVISORY SERVICES

Purchasing Telephone: 360-778-7750
Issue Date: April 18, 2011

CLOSING INFORMATION

Date: May 11, 2011
Time: 11:00 AM
Location: Purchasing Office
Mailing Address: 2221 Pacific Street
Bellingham, WA 98229

REQUEST FOR PROPOSALS

Notice is hereby given that proposals will be received by the City of Bellingham, Washington for:

FINANCIAL ADVISORY SERVICES

Interested vendors may view the solicitation documents on the City of Bellingham's website at <http://www.cob.org/services/business/purchasing.aspx> or in person at the Purchasing Office, 2221 Pacific Street, Bellingham WA 98229 between the hours of 8:00 AM and 4:00 PM, Monday through Friday. Questions can be addressed to the Purchasing Office at the above address or by calling 360-778-7750, 2221 Pacific Street, Bellingham, WA 98229

The Purchasing Office, 2221 Pacific Street, Bellingham WA 98229 must receive sealed bids/quotes/proposals no later than **11:00 AM** on **05/11/2011**. The sealed bids/quotes/proposals will be opened and read after the 11:00 **AM** deadline. The City reserves the right to postpone making the award for a reasonable length of time, to reject all bids/quotes/proposals or parts of bids/quotes/proposals as may be in the best interest of the City.

Proposals submitted after the due date will not be considered. A detailed Request for Proposal (RFP) information packet including general information, requested services, submittal requirements, and evaluation process is available on the City's website at the City of Bellingham reserves the right to reject any and all submittals and to waive irregularities and informalities in the submittal and evaluation process. This RFP does not obligate the City to pay any costs incurred by respondents in the preparation and submission of their proposals. Furthermore, the RFP does not obligate the City to accept or contract for any expressed or implied services.

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Dated this 18 day of April, 2011.

Joan Cady
Purchasing Superintendent

City of Bellingham

Request for Proposals

<u>Request for Proposals Information:</u>		<u>Submit Proposals to:</u>	
RFP Number:	RFP # 33B-2011	Mailing	Purchasing Office
RFP Title	Financial Advisory Services	Address:	2221 Pacific Street Bellingham, WA 98229
Date Issued:			
Contact	April 18, 2011		
Persons:	John Carter		
Email Address:	jcarter@cob.org		
Proposals Due:	May 11, 2011 @ 11:00 AM		
		DO NOT ADDRESS YOUR PROPOSAL TO AN INDIVIDUAL	

GENERAL INFORMATION

All inquiries related to this Request for Proposal are to be directed, in writing to the following. Information obtained from any other source is not official and should not be relied upon. Inquiries and responses will be recorded and will be distributed to all proponents by an addendum. Questions related to the proposal process should be addressed to the Purchasing Office, 2221 Pacific Street, Bellingham, WA 98229. Questions concerning the proposal should be address to John Carter, Finance Director, 210 Lottie Street, Bellingham, WA. 98225.

- **PURPOSE:** The purpose of this Request for Proposal is to solicit competitive proposals from qualified firms for providing bond/debt advisory services to the City of Bellingham. Upon review and evaluation of the proposals, a recommendation will be submitted to the City Manager's Office and City Council for award of a contract.
- **BRIEF SCOPE OF SERVICES:** (Additional details listed in Attachment "A"): Serve as Financial Advisor to the City on evaluating and supporting debt issues during the contract period. The firm selected will be expected to provide:
 - 1) all the duties of a Financial Advisor related to issuance of debt; and
 - 2) specialized financial analysis and services related to general municipal finance.
- **QUALIFICATIONS:** This project will require the firm to have the following qualifications:
 - o Five (5) or more years experience working with municipalities comparable to Bellingham performing all of the normal duties associated with providing financial advisory services related to issuance of short-term debt, long-term debt and other financing obligations the city may enter into.

- o Provide expert advice on financing options available to the city, and working with the Finance Director in developing financial options and recommendations for project funding. Be able to provide recommendations regarding the most advantageous financing terms, including timing, sizing, maturity schedules, call provisions and other details of debt issuances.
- o Experience in reviewing and/or preparing resolutions, ordinances, indentures, agreements, official statements and other documents necessary for issuance of debt financing by the city. Be capable of representing the city's interest with bond underwriters, financial entities, bond counsel, rating agencies and other financial services suppliers.
- o Familiarity with the State of Washington Constitution, the Revised Code of Washington (RCW) and the Washington Administrative Code (WAC) related to debt issuance and debt limitations.
- o Experience in attending City Council meetings and any other special meetings and/or conference calls with City officials, financial advisors, underwriters, bond insurers, and rating agencies.
- o Strong written, verbal and interpersonal communication skills.
- o Ability to meet required deadlines as demonstrated by prior project history.

• **RFP SCHEDULE:**

Event	Date
RFP Release	April 18, 2011
Vendor Questions (if any) Due	May 4, 2011 by 5 PM
Responses to Vendor Questions posted on internet	May 6, 2011
Responses Due	May 11th
Potential Interviews (shortlist) approximately	May 23 rd -May 27 th , 2011
Contract approval by council	June, 2011

- **SUBMITTAL REQUIREMENTS:** Responses to this RFP must include the following information:
 - o A cover letter/statement of interest indicating the firm's interest in offering these services and highlighting its qualifications to perform bond counsel services;
 - o A description of the firm's experience working with municipalities performing all of the normal duties associated with providing financial advisory services;
 - o Résumé's of key personnel who would be assigned to this contract;

- o A statement of professionals to be assigned to this project describing each members roles and responsibilities;
- o A list of specific debt issues within the last five (5) years for which your firm has served as financial advisor;
- o A description of all applicable fees and charges (see Attachment “C and C1” for detail);
- o A minimum of three (3) references relating to the services being requested with full name, title, address, phone and email addresses or fax numbers; and
- o Four (4) bound and one (1) unbound sets of the proposal. Proposals shall be no more than ten (10) double-sided pages (a total of 20 pages).

The RFP shall be submitted double sided, on recycled paper, stapled in the upper left hand corner. Do not use plastic covers or bindings of any kind. Proposals shall be in black and white no color

Submittals shall be delivered in an envelope clearly marked with: **RFP #33B-2011: Financial Advisory Services** by the deadline listed above.

• **EVALUATION CRITERIA:**

Proposals will be evaluated by the Selection Committee. This Committee will consider the completeness of a firm’s proposal and how well the proposal meets the needs of the City. In evaluating the proposals, the City will be using a criteria evaluation process which reflects a wide range of considerations. While cost is important, other factors are also significant. Consequently, the City may select other than the lowest cost proposal. The objective is to choose a firm capable of providing quality services that will assist the City in achieving the goals and objectives of the requested services within a reasonable budget.

Evaluations of proposals will be based on the criteria listed below.

- o The firm’s demonstrated qualifications to carry out the contract, which include but are not limited to the following considerations:
 - Recent experience in financial advisory services and general knowledge of municipal finance.
 - The adequacy of the firm’s resources devoted to financial advisory services.
 - The qualifications of the staff to be assigned to this contract.
 - The quality of performances by the firm of previous and similar contracts.
- o The firm’s approach to the project, which includes but is not limited to the following considerations:
 - The assignment and time commitment of staff for this contract.
 - The firm’s proposed sequence of activities to address the scope of work in this RFP.

- The firm's availability to City staff (including a local presence) for consultation as issues arise, and any other methods to ensure accountability and responsiveness to City staff.
 - o Responsiveness to interview questions:
 - The ability, capacity and skill of the firm and the skills and experience of the specific individuals to be assigned to the City to perform the services required.
 - The ability of the firm to present professional and innovative responses to interview questions.
 - o The firm's proposed fee (as described in Attachment C) which includes the expected total amount as well as hourly rates or other components of the total fee. Although competitive fees are an important component of the evaluation of proposals, proposed fees will be weighted with other factors described here.
 - o References.
- **QUESTIONS:** Questions regarding this project may be directed in writing to the RFP coordinator via e-mail at jcarter@cob.org **no later than May 4, 2011**. Questions regarding the RFP process should be directed to the Purchasing Division at 2221 Pacific Street, Bellingham WA. 98229. Unauthorized contact regarding this RFP with other City employees may result in disqualification. Any oral communications will be considered unofficial and non-binding on the City. Questions will be answered in the form of an addendum issued by the Purchasing Office. It is the responsibility of individual firms to check the website for any amendments to this RFP.
- **REJECTION OF PROPOSALS:** The City reserves the right to reject any and all proposals and to waive irregularities and informalities in the submittal and evaluation process. This RFP does not obligate the City to pay any costs incurred by respondents in the preparation and submission of their proposal. Furthermore, the RFP does not obligate the City to accept or contract for any expressed or implied services.
- **CONTRACT AWARD:** The City reserves the right to make an award without further discussion of the proposals. The vendor selected as the apparently successful vendor will be expected to enter into a contract with the City. Following consultant selection, the successful vendor shall prepare a proposal and scope of work for review by the City. Once the City and vendor have reached an agreement on the scope of services, a final contract will be prepared by the City. The foregoing should not be interpreted to prohibit either party from proposing additional contract terms and conditions during the negotiations of the final contract. If the selected vendor fails to sign the contract within ten (10) business days of delivery of the final contract, the City may elect to negotiate a contract with the next-highest ranked vendor. The City shall not be bound, or in any way obligated, until both parties have executed a contract. No party may incur any chargeable costs prior to the execution of the final contract.

The City reserves the right to award multiple contracts to multiple vendors for this scope of service if it is in the best interest of the City.

- **CONTRACT NEGOTIATIONS:** The City reserves the right to negotiate all elements of the submittals, proposals, terms and conditions, and/or scope of services as part of the contract negotiation process prior to any formal authorization of the contract by the City. All parties understand that if any adjustments are made to the original scope as a result of contract negotiations, a resulting change in price/cost may be necessary.
- **PUBLIC RECORDS:** Under Washington state law, the documents (including but not limited to written, printed, graphic, electronic, photographic or voice mail materials and/or transcriptions, recordings or reproductions thereof) submitted in response to this RFP (the "documents") become a public record upon submission to the city, subject to mandatory disclosure upon request by any person, unless the documents are exempted from public disclosure by a specific provision of law. If the city receives a request for inspection or copying of any such documents it will promptly notify the person submitting the documents to the city (by U.S. mail and by fax if the person has provided a fax number) and upon the written request of such person, received by the city within five (5) days of the mailing of such notice, will postpone disclosure of the documents for a reasonable period of time as permitted by law to enable such person to seek a court order prohibiting or conditioning the release of the documents. The city assumes no contractual obligation to enforce any exemption.

ATTACHMENT "A"

RFP # 33B-2011: FINANCIAL ADVISORY SERVICES

SCOPE OF SERVICES

The firm selected will be expected to perform all of the normal duties associated with providing financial advisory services and all debt issues during the contract period. At the request of the City, the firm will also provide specialized expertise related to general municipal finance.

A. Specialized Services

1. Provide financial advisory to the City on issues related to general municipal finance and make presentations as needed to City staff, City Council, or other interested parties.
2. Recommend financial or management policies to assure financial best practices and compliance with applicable laws.
3. Provide material as requested for the City's effort to upgrade or maintain its bond rating and attend any meetings as needed with bond rating agencies.
4. Assist in the selection of other debt-related services such as escrow or paying agent, underwriter, trustee, etc.
5. Advise concerning options for financing of specific capital projects including private/public partnerships and for specific non-capital projects requiring long term financing.
6. Assist in interpreting requirements for both annual and material event reporting for existing debt instruments.
7. At the City's option, assist the City and legal counsel in any litigation related to debt offerings of the City.

B. Services at the time of Debt Issuance

1. Advise the City concerning the procedural and substantive operational and legal requirements governing the issuance and sale of debt and lease obligations.
2. Review, evaluate and comment on adequacy of financial forecasts studies, and the capacity of the City to issue debt. Assist in building cash flow forecasts for proposed capital improvement projects of the City. Provide expert advice to the City regarding the financing capacity and capabilities of the City.

3. Assist the City in the selection of underwriters or in the case of a competitive sale assist in defining and managing the bond bidding and sale process. Coordinate any pre-sale publicity, pricing meetings, calls for bids, and evaluation of bids for purchase of city debt. With regards to a negotiated sale, review and monitor proposed negotiated interest rates, fees and spreads.
4. Assist the City in the selection of rating agencies, bond insurers and other service providers necessary for completion and issuance of debt instruments of the City.
5. In concert with appointed bond counsel prepare or review City-drafted resolutions, ordinances, indentures, agreements, notices, and other documents and proceedings, for the authorization, issuance, sale and delivery of bonds and notes by the City.
6. Consult with and provide assistance to City staff, bond counsel, underwriters, etc. in the preparation of official statements, bond purchase contracts, investment agreements, and other documents in connection with the sale of City bonds.
7. Assist City Staff regarding the bond issue structure, timing of sale, and provide advice regarding the ramifications of proposed financial and non-financial debt covenants
8. Advise and assist concerning state and federal securities laws relating to the necessary disclosure of factual and legal information with respect to such bond sales. This work would include due diligence review of the official statement and information relating to it to the extent deemed necessary to protect the interests of the City and all parties concerned in connection with the issuance of bonds and notes.
9. Provide material as requested for bond rating agency review presentations, and attend any meetings as needed with bond rating agencies.
10. Attend meetings as requested and make presentations regarding the debt issue to City staff, City Council or other interested parties.
11. Advise regarding compliance with yield restrictions and arbitrage regulations.
12. Assist in interpreting federal and state requirements for both annual and material event reporting.

13. Review debt closing memorandum's with bond counsel and assists the city in evaluating and investing of bond proceeds including construction and debt service funds as well as any escrow accounts.

RFP # 33B-2011 FINANCIAL ADVISORY SERVICES

Fee Schedule Form Attachment "C"

1. Each Firm shall provide a complete statement of fees with the basis of charging those fees (e.g., per hour with a not to exceed total, per bond sale, etc.). For cost comparison purposes provide a schedule of fees by service category for the attached fee examples and the cost per unit within each category (Schedule C-1).
2. An authorized signature in the space below commits us (firm) to the Fee Schedule (attached) for the duration of the contract, plus extensions. The basis for future fee increases, if any, must be described under "exceptions" below.

Exceptions:

Firm Name:

By:

Authorized Signature

Title

Date

**Fee Schedule Form
Attachment "C-1"**

Service Category	Amount: Fixed Fee or Hourly Rate
A. <u>Specialized Services</u> – 1. Development of project financing plans 2. Development and implementation of rating upgrade strategy 3. Review of financial information provided by third parties 4. General advice, recommendations ¹⁾ 5. Other services if on a different basis ²	
B. <u>Services at Time of Issuance</u> 1. Complete following fee matrix (B)	
C. <u>Overhead and Travel</u>	
D. <u>Other Fees</u> ²⁾	

B. Services at Time of Issuance: Size of Bond Issue	LID Bonds	GO Bonds	Revenue Bonds
Short term Revenue Notes or Loans			
Less than \$500,000 ³⁾			
\$500,000 to \$1,000,000 ³⁾			
Less than \$1,000,000 ⁴⁾			
\$1,000,000 to \$5,000,000			
\$5,000,000 to \$10,000,000			
\$10,000,000 and over			

¹⁾ Specifically, the City desires clarification regarding the basis for charges when City staff request general advice or recommendations that are not related to a specific bond issue.

²⁾ Where a differing level of service is proposed, the firm shall provide a description of the service and the proposed fee schedule.

³⁾ LID Bonds only.

⁴⁾ GO Bonds and Revenue Bonds only.