

Request for Qualifications

**The City of Bastrop, Texas has authorized sealed proposals to
be received for:**

Financial Advisor Services



SEALED PROPOSALS DUE: MAY 24, 2018, 3:00 P.M. CDT

PART I

GENERAL

The City of Bastrop, Texas (“City”) is requesting Statements of Qualifications from firms desiring to provide advice and make professional recommendations to the City for any capital financing or refinancing as may be necessary. Any firm desiring to provide any form of service that is subject to procurement under Title 10, Subtitle F, Chapter 2254, Subchapter A of the Government Code of Texas are invited to submit. A qualified firm shall be approved by the City Council for a period of five (5) years with one (1) possible five-year annual renewal.

The City encourages Disadvantaged Business Enterprises to participate. Bastrop is an equal opportunity employment provider and does not discriminate on the basis of race, color, national, origin, gender, religion, age or disability in employment or the provisions of services. Bastrop reserves the right to accept or reject any or all submittals, to waive technicalities, and to take whatever action is in the best interest of the City and its citizens.

There is no expressed or implied obligation for the City to reimburse responding firms for any expenses incurred in preparing responses to this request.

By submission of a statement of qualifications, each firm certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or excluded from participation in this procurement process by local, state or federal agency or other governing body.

The City encourages the use of certified minority and women business enterprises (MWBE). Respondents agree to use good faith efforts in its selection of sub-consultants, as applicable, for projects that are awarded from this request for qualifications.

Lobbying or engaging in any conduct to influence City staff, City Manager, or City Council Members will not be permitted or tolerated during this process and may result in disqualification of the firm from this solicitation and for a period of two years following.

1. PURPOSE

The City is experiencing growth and with that comes challenges for how to finance the needed infrastructure. This may require creative methods of financing to accomplish our goals.

Our intent is to establish an agreement for the services of an independent Financial Advisor to serve as a Consultant and Advisor in the implementation of financing for operating and capital improvement programs and in the conduct of business transactions with financial institutions.

2. CITY PROFILE

The City is a home-rule town with a “Council-Manager” form of government. Known as the “Heart of

the Lost Pines”, Bastrop is a unique community that couples historic small-town charm with big-city amenities and an exceptional quality of life. The City covers approximately 9.4 sq. miles and is the county seat. With a current population of approximately 8,600 citizens, Bastrop proudly preserves its historic past while embracing the challenges of modern-day growth and economic needs. As part of a greater metro area of more than 2 million people, Bastrop has experienced tremendous growth and is poised for future growth and development. The City is proactively addressing its growth and maintenance of existing infrastructure through development of several master plans and a Capital Improvement Plan.

3. CONFLICT OF INTEREST

Firm must comply with the disclosure reporting requirements of HB 1295 and complete and submit a Certificate of Interested Parties form 1295 prior to submitting signed contract.

4. CITY CONTACT

All responses for Request for Qualifications (RFQ), as well as any questions, clarifications or requests for general information are to be directed to:

Tracy Waldron
Chief Financial Officer
1311 Chestnut St.
P.O. Box 427
Bastrop, TX 78602
(512) 332-8823
twaldron@cityofbastrop.org

PART II **INSTRUCTIONS**

1. PROPOSAL SCHEDULE

It is the City’s intention to comply with the following schedule:

- 1.1. RFQ released **April 30, 2018**
- 1.2. Deadline for questions due before May 10, 2018 @ 3:00 p.m.
- 1.3. City response to all questions/addendums by May 15, 2018 @ 3:00 p.m.
- 1.4. Submittals due on May 24, 2018 at 3:00 p.m.

All interested parties will be provided with a copy of the questions submitted and the City’s response.

2. **ADDENDUMS**

All formal addendums to said solicitation will be posted on the City's website at www.cityofbastrop.org. We recommend all prospective firms monitor the City's website for any such updates. **Failure to sign and include all issued addendums will disqualify submitted proposals.**

3. **PROPOSAL DUE DATE**

3.1. Sealed submittals are due no later than 3:00 p.m. on May 24, 2018 to the Finance Office. Mail or carry sealed proposals to:

**Tracy Waldron
Chief Financial Officer
1311 Chestnut St.
P.O. Box 427
Bastrop, TX 78602**

- 3.2. Properly identify sealed responses with RFQ title, due date, and mark clearly as "Do Not Open" as well as firm's return address.
- 3.3. Properly identified late submittals will not be considered and will be returned to submitter unopened, if return address is provided.
- 3.4. Facsimile or electronically transmitted proposals are **not acceptable**.
- 3.5. Each proposal shall be submit one (1) original, one (1) copy of original, and one (1) copy of original saved on flashdrive.

4. **EVALUATION CRITERIA**

All submittals received shall be evaluated based on the best value for the City. In determining best value, the City may consider:

- 4.1. Organization (20%)
- 4.2. Personnel (20%)
- 4.3. Technical Expertise (25%)
- 4.4. Reporting
- 4.5. Fees (5%)
- 4.6. References (20%)
- 4.7. Disclosure of Litigation (10%)

5. EVALUATION PROCESS

All submittals shall be evaluated based on the following process:

- 5.1. A team will review the submittals to the RFQ and develop a list of one or more firms;
- 5.2. At the City’s sole discretion, interviews may be conducted with each of the firms to discuss the firm’s qualifications, resources, availability, and commitment to provide the services requested; and
- 5.3. The City will not provide compensation or defray any cost incurred by any firm related to the response to this request. The City reserves the right to negotiate with all persons or firms. The City also reserves the right to reject any or all proposals, or to accept any proposal deemed most advantageous, or to waive any irregularities or informalities in the proposal received.

6. CONFIDENTIALITY OF CONTENT

All submittals in response to this RFQ shall be held confidential until a contract is awarded. Following the contract award, submittals are subject to release as public information unless the proposal or specific parts of the proposal can be shown to be exempt from the Texas Public Information Act. Firms are advised to consult with their legal counsel regarding disclosure issues and take the appropriate precautions to safeguard trade secrets or any other proprietary information. The City assumes no obligation or responsibility for asserting legal arguments on behalf of potential firms.

7. CLARIFICATION OF SUBMITTALS

The City reserves the right to request clarification or additional information specific to any submittal after all have been received.

8. CONTRACT NEGOTIATIONS

The selected respondent will be required to enter a contractual relationship with terms and conditions pursuant to standard contracting procedures of the City of Bastrop.

PART III
SPECIFICATIONS

1. SCOPE OF WORK

This RFQ is to solicit proposals from interested qualified professionals to provide strategic financial planning, analysis of market conditions, recommend investments of bond proceeds, and provide recommendations to the City for any financing, capital projects and refinancing of current debt. The City reserves the right to accept or reject any or all proposals for any reason it finds to be in the best interest of the City of Bastrop, Texas.

2. MINIMUM SCOPE OF SERVICE REQUIRED

The Financial Advisor is responsible for all duties and services necessary or advisable to facilitate the issuance of bonds and other obligations, including but not limited to:

- 2.1. Devise and recommend to the City a financing plan for obligations to be issued, including maturity schedules and other terms and conditions;
- 2.2. Determine the form, size, timing, and method of sale of the issue;
- 2.3. Participate in document preparation and assist bond counsel in the coordination of the issue;
- 2.4. Prepare information for rating agency presentations, schedule and assist in the presentations, and act as liaison with agencies, providing information as needed;
- 2.5. Coordinate preparation of official statements for each issue, including arranging for printing and mailing to prospective investors;
- 2.6. Advise the City concerning the need for credit enhancement and assist in the procurement and negotiation of related agreements;
- 2.7. At any time upon request of the City, the Financial Advisor shall recommend to the City in writing those actions that the City should consider to maintain or improve its current credit ratings (as rated by Moody's Investors Service, Fitch and Standard and Poor's Corporation);
- 2.8. Respond to questions or requests for additional information from prospective investors;
- 2.9. Coordinate bond sale bid openings or electronic bid verifications and recommend acceptance or rejection of bids. Evaluate reception of the bonds relative to the market and other comparable securities;
- 2.10. Monitor and control fees and expenses incurred in connection with the issuance of bonds, including soliciting bids for the printing of bond offering documents, ratings, trustee and paying agent fees and related services when necessary;
- 2.11. Assist in closing details and post-closing duties. Maintain debt service records on all outstanding City obligations;
- 2.12. Monitor and advise the City on refunding opportunities and other financial products that would benefit the City;
- 2.13. Provide advice and assistance in complying with disclosure requirements;
- 2.14. Provide assistance in the development of voted bond programs, including working with citizens' committees;
- 2.15. Evaluate the City's financial policies related to effective administration of a capital program;
- 2.16. Advise the City of current issues in the securities industry and financial markets, including the impact of pending legislation at the state and federal levels;
- 2.17. Advice regarding the investment of bond proceeds;
- 2.18. Assist the City in long-range financial planning as needed;
- 2.19. Assist the City in such non-debt offering areas of financial management as the City may request;
- 2.20. Provide technical financial analysis related to financing options for various economic development projects as they pertain to the City's credit ratings;
- 2.21. Assist in all other matters necessary or incidental to the issuance and administration of debt

- obligations;
- 2.22. Procure and maintain an Employee Dishonesty Bond for the staff members assigned to this project; and
 - 2.23. Procure and maintain a certificate of professional liability (E&O) insurance coverage of not less than one million dollars (\$1,000,000).

3. TECHNICAL EXPERTISE

- 3.1. Demonstrated experience in providing financial advisory services to issues of tax-exempt obligations, including experience in assisting Texas issuers;
- 3.2. Demonstrated experience with various financing options, including long and short-term debt, fixed and variable-rate debt, lease-purchase obligations, swaps, and conduit financings;
- 3.3. Demonstrated experience in the acquisition of funding through state and federal programs, such as those administered by the Texas Water Development Board;
- 3.4. Demonstrated experience in financing projects and improvements supported by various revenue sources, including general obligation, water utility, convention center, pension obligation, public improvement districts, and tax increment reinvestment zones;
- 3.5. Demonstrated experience in obtaining credit enhancement such as letters of credit;
- 3.6. Demonstrated knowledge of the credit rating process, including the criteria used by the nationally recognized rating services and institutional purchasers of tax-exempt obligations;
- 3.7. Demonstrated experience in negotiated financings, including underwriter selection and issue pricing, as well as competitive sales;
- 3.8. Demonstrated experience of staff assigned to the City in all of the areas listed above. The Financial Advisor must provide sufficient, qualified staff that is able to meet with and respond to City staff on a continuing basis;
- 3.9. Demonstrated technical capabilities to meet the needs of the City;
- 3.10. Demonstrated experience in assistance with management studies of various types, including analyzing funding strategies for the City's capital improvement program by firms, corporations, individuals or partnerships normally engaged in the sale and distribution of commodity or providing the services as specified herein; and
- 3.11. Have adequate organization, facilities, equipment and personnel to ensure prompt and efficient service to the City.

4. RESPONSE FORMAT

To facilitate comparisons between responding firms, please format your response to this request in the following order:

4.1. **Organization**

- 4.1.1. Describe the organization, date founded, and ownership of your firm as well as any subsidiaries and affiliates relevant to the City of Bastrop;
- 4.1.2. Provide details on the qualifications of the firm, including documentation of the firm's experience with similar work; experience with major rating agencies, financial institutions and investors during the past two years. Include firms size, structure, location of management and charter authorization and licensed to do business in the State of Texas. In addition, include firm's national, statewide and local service capabilities, including skilled technical and market resources of the firm;
- 4.1.3. Describe the experience of the firm in serving as investment advisor for municipalities and other public entities;
- 4.1.4. Identify the types of accounts primarily sought by your firm;
- 4.1.5. Describe any SEC or regulatory censure or litigation involving institutional business your firm conducts with governmental investors at this time or within the past three (3) years;
- 4.1.6. Describe why accounts, if any, have dropped the firm in the past three (3) years;
- 4.1.7. Provide audited financial statements for the past three (3) years;
- 4.1.8. The **Request for Qualifications** document with any addenda acknowledgements completed and signed as required. The person that signs the submittal shall have the authority to negotiate the full scope of services on behalf of the organization and shall be authorized to bind the contract to the terms and conditions of this RFQ.

4.2. **Personnel**

- 4.2.1. Identify the size of the firm's staff commitment to the public sector and the credentials of key personnel;
- 4.2.2. Identify the investment professionals who will be directly involved in providing services to the City. Describe their relationship to your firm, their responsibilities, their experience in the investment business (specifically related to the public-sector investment management), and the number of years they have been associated with your firm;
- 4.2.3. **Provide a resume** of key personnel who will be assigned to handle this contract. "Lead" (primary) and "backup" (alternate) personnel shall be clearly identified;
- 4.2.4. **Provide a statement of availability** of key personnel. If offices are not maintained in the immediate local area, include a statement to address accessibility;
- 4.2.5. Disclose if any of the above personnel have ever been investigated for alleged improper, fraudulent, or unfair activities related to the sale of securities? If so, provide details;
- 4.2.6. Describe efforts your firm undertakes to keep its investment professionals informed of developments relevant to government investment managers.

4.3. **Technical Expertise:**

- 4.3.1 Describe specific projects that show the required technical expertise as outlined in sections 3.1-3.11.

4.4. Reporting

4.4.1. Describe and submit samples of the reports that would be provided and their frequency. Include the methods and formulas used to calculate yield and performance.

4.5. Fees

4.5.1. Provide the firm's Financial Advisory fee schedule for services related to debt issuance (contingent on bond sale) and for services unrelated to debt issuance (not contingent on bond sale) and describe the basis on which the fees are calculated. Details of any alternate method of compensation such as hourly fees, per bond basis, or annual retainers your firm will consider; and

4.5.2. List all expenses pertaining to an issue that will be reimbursable by the City. Examples include but are not limited to: bond printing, bond counsel, official statement printing, bond election expenses, bond ratings and related expenses, etc.

4.6. References

4.6.1. Provide a list of your firms' three (3) largest public-sector clients, three (3) mid-size public-sector clients, and three (3) small public-sector clients. Include contact person and telephone number; and

4.6.2. Provide information to demonstrate the firm's **experience** in the areas described in the Scope of Services including general information about the firm, and its recent experience in providing comparable services performed for state and local governments.

4.7. Disclosure of Litigation

4.7.1. Each proposer shall include in its proposal a complete disclosure of any civil or criminal litigation or investigation pending which involves the proposer or in which the proposer has been judged guilty; and

4.7.2. Significant losses or settlements involving the proposer's software or its implementation efforts shall also be disclosed. This is a continuing disclosure requirement.

SIGNATURE PAGE

As a part of the submittal for the RFQ, a signature page is requested. Please use the format below as your guide for this page.

Company Name	
Mailing Address	
Physical Address	
City, State, Zip Code	
Phone Number	
Fax Number	
Email Address	
Signature of Authorized Agent	
Printed Name of Authorized Agent	
Title	
Date	