



November 8, 2011

**To: Commissioner Elisse Walters and Members of the Commission Staff who Attended Meeting with Public Financial Management, Inc., November 2, 2011**

**Through: Alicia Goldin, Esquire**

PFM appreciates having the opportunity to discuss with you, among other subjects, the extent to which brokers that give securities-design advice to municipal entities seek to enjoy a regulatory system that is different from that applicable to municipal advisors merely by claiming that they are "underwriters". We brought with us to our meeting, but did not have an appropriate occasion to leave with you copies of the enclosed recently-filed complaint of Fluvanna County, Virginia alleging, among others, that its longtime bond broker had misrepresented the financing options available to the County in order to obtain underwriting business for the broker. Of course, the enclosed complaint (as Exhibit "A") is just that, and we do not know what the evidence will show. But PFM could not have conceived of an episode which better would illustrate the reality of the universal tension, in various forms, between the interests of the broker and the interests of the municipal entity in the design of a financing vehicle.

Our discussion of brokers' resistance to the role of fiduciary was most timely as a result of the MSRB's contemporaneous issuance of Notice 2011-61. It is unfortunate that Notice 2011-61 was not available for discussion at our meeting, because in that publication the MSRB abandons the illusion that brokers do not give fundamental financing advice to municipal entities while claiming to be underwriters; reference to brokers' "recommendations" on financing vehicles appears 11 times in Notice 2011-61. The difference between independent financial advisors, on the one hand, and the brokers' lobby and the MSRB, on the other hand, is that financial advisors believe that Congress intended that brokers should bear a fiduciary duty for their advice, enforceable by the municipal entity, while the broker interests submit that their responsibilities end with disclosure of what the MSRB says "may" be conflicts of interest. The resolution of that difference is before the Commission.



PFM also appreciates having had the opportunity to refute recent, well publicized assertions that a financial advisor's assistance to a municipal entity that seeks to obtain bank financing without paying a fee to a broker renders the financial advisor a "broker". In our submission, the enactment of the Dodd-Frank Act - - which creates a class of SEC-registered municipal advisors that are subject to the same statutory regulations as municipal dealers in the exact same provisions of the Exchange Act - - serves as a Congressional direction, at least as respects municipal advisors, to discontinue the hunt for unregistered brokers. With that in mind, there would be no purpose served by presuming that the "broker" label should be attached to financial advisors by reason of service to municipalities who borrow directly from banks - - which certainly possess the highest expertise in assessing creditworthiness. Not only is concern for investor protection lacking, but such a presumption would disregard the statutory command to "protect \* \* \* municipal entities". At the least, municipal entities are entitled, if they wish, to obtain independent financial advice from firms which are unencumbered by a business orientation in which municipalities are perhaps more often counterparties than they are clients. Indeed, as we advised the Staff, numerous municipal entities want to have as advisors only firms which are not affiliated with brokers, and we are enclosing samples of RFPs of municipal entities which specify that condition (Exhibit "B"). In sum, we submit that there is no statutory direction to recharacterize the traditional functions of financial advisors so as to circumscribe the municipal entities' selection of advisors from a regulated class of municipal professionals.

Finally, as we discussed at our meeting, we are arranging through Ms. Goldin to make available to the Staff representatives of the PFM Pricing Group, which assists our clients in the negotiation of bond pricing in underwritten sales. We believe that the Pricing Group will be helpful to the Staff in discussing some of the anomalies in the distribution of new issues (such as "non-reoffered bonds") and our efforts to reduce our issuer clients' cost of capital.

Thank you for your courtesies and consideration.

F. John White  
Chief Executive

VIRGINIA:

IN THE CIRCUIT COURT OF FLUVANNA COUNTY

BOARD OF SUPERVISORS OF FLUVANNA COUNTY )

Plaintiff, )

v. )

DAVENPORT & COMPANY LLC )

Defendant. )

SERVE: Winfred Eddins, Jr., Registered Agent )  
901 E. Cary Street )  
Suite 100 )  
Richmond, Virginia 23219-0000 )

Case No. 11CL191

Servers & Research

COMPLAINT

The Board of Supervisors of Fluvanna County (the "Board"), by counsel, for its Complaint against Davenport & Company LLC ("Davenport"), states as follows:

Introduction

1. This is an action for damages caused by Davenport's gross violations of its duties to the Board, contractual and otherwise, in connection with investment advisory services generally and the issuance of nearly \$70 million in bonds specifically. As described in more detail below, Davenport, in its fiduciary capacity, knowingly or negligently misled the Board in order to increase its own revenues at the expense of the Board and Fluvanna County's taxpayers. These actions have significantly damaged Fluvanna County, Virginia ("Fluvanna County") and its taxpayers, for which the Board seeks herein compensatory damages, punitive damages, disgorgement of fees, pre- and post-judgment interest, costs and such further relief as the Court

may deem appropriate, including reasonable attorneys' fees to the extent permitted by Virginia law.

#### **Jurisdiction and Venue**

2. Fluvanna County is a rural Virginia county with an approximate 2010 population of 25,691.

3. Davenport, a limited liability company, is a Virginia-domiciled and licensed securities broker-dealer and registered investment advisor.

4. This Court has jurisdiction over the parties and the subject matter based on common law and on the Virginia Securities Act (the "Act").

5. Venue in this Court is proper because the causes of action in this Complaint accrued in Fluvanna County and because Davenport regularly transacts business in Fluvanna County.

#### **Facts Common to All Counts**

6. For more than fifteen years, Davenport has acted as the Board's financial advisor, for which it was duly compensated.

7. David P. Rose ("Rose"), Davenport's Senior Vice President and Manager of Davenport Public Finance, has been the key contact person on behalf of Davenport throughout this period. Other Davenport employees assisted Rose from time to time.

8. Each and every act or omission taken by Rose and his colleagues, with respect to the Board, was taken in the course and scope of their employment with Davenport and was either authorized in advance, or ratified, by Davenport.

9. The Board reasonably relied on Davenport's representations and recommendations. Such reliance was particularly reasonable in light of the long-standing

relationship between Davenport and the Board. Rose unlawfully exploited that relationship in order to enrich himself and Davenport at the expense of their client, the Board and Fluvanna County and its taxpayers.

10. During this period, Fluvanna County's population was growing and Fluvanna County thus needed to expand its infrastructure. The most costly infrastructure expansion was the construction of a new high school (the "Project").

11. The Board sought advice in connection with the financing of the Project and Davenport emphasized its expertise, its professionalism and its experience in working with Virginia governing bodies, particularly Fluvanna County.

12. At the time, Davenport was already the Board's financial advisor and it used its fiduciary position to persuade the Board to select Davenport for the Project.

13. The Board reasonably relied on Davenport's written and verbal representations in selecting Davenport. It later learned that many of these representations were knowingly false and were made solely for the purpose of securing Fluvanna County's business and enriching Davenport and Rose.

14. At Rose's urging, the Board issued stand alone bonds to finance the Project (the "stand alone bonds"), rather than participating in a pool of bonds (the "pool bonds") offered by the Virginia Public School Authority (the "VPSA") or seriously considering any other alternatives. A part of Rose's argument was that Fluvanna County could not refinance the bonds if it participated in the pool, a desirable action if interest rates dropped. This specific representation by Rose, on which the Board reasonably relied, was knowingly material and false.

15. On August 6, 2008, Davenport made a presentation to the Board showing that the estimated all-in borrowing cost for a stand alone issuance was 4.87 percent versus the pool

issuance at 4.81 per cent; a difference of only 6 basis points. This was last information that Davenport provided to the Board regarding the difference in the borrowing cost of the stand alone issuance and the pool issuance; and the Board thought this was the difference in borrowing cost when it issued the stand alone bonds on December 22, 2008.

16. At the time that the stand alone bonds were issued, interest rates were exorbitantly high. The stand alone bonds, issued on December 22, 2008, carried a true interest rate of 5.95 per cent. The pool bonds, issued only three weeks earlier, on December 1, 2008, carried a true interest rate of 4.75 per cent. Following the advice of Rose, the Board incurred borrowing costs that were 120 basis points higher than the costs available had it participated in the pool issuance through VPSA.

17. Davenport's failure to disclose the significant difference in borrowing cost between the stand alone bonds and the pool bonds prior to the Board's issuance of the stand alone bonds constitutes a willful and wanton omission of a material fact. Davenport was aware that if the Board knew of the difference in borrowing cost it would not have issued the stand alone bonds. As a fiduciary to the Board, Davenport had a duty to disclose to the Board that the true interest cost of the stand alone issue was 120 basis points higher than the VPSA pool issuance completed only weeks prior. As a minor underwriter for the VPSA pool issuance, Davenport was actually aware of the borrowing cost of the VPSA pool issuance; and, as the Board's financial advisor, Davenport had a duty to stay abreast of the borrowing cost of the County's financing alternatives for the Project.

18. Almost immediately after the stand alone bonds were issued, Rose urged the Board to refinance the bonds. Davenport continued to encourage the Board to consider

refinancing the stand alone bonds until its relationship with the Board and Fluvanna County was terminated by the Board in the beginning of 2010.

19. Davenport earned fees, both hourly and Project-specific, for its work related to the stand alone bonds and the potential refinancing of the bonds. It also simultaneously earned fees as the Board's financial advisor.

20. On information and belief, Rose personally received substantial compensation for his role in this series of transactions. Through his malfeasance, Davenport likewise earned substantial compensation.

21. As a fiduciary adviser to the Board, Davenport should not have recommended that the Board issue the stand alone bonds. Davenport should have recommended that Fluvanna County participate in the VPSA pool or wait until the market stabilized to issue the bonds or suggested some other reasonable alternative in the best interest of Fluvanna County and its taxpayers; however, doing so would have resulted in lower compensation for Davenport and, presumably, for Rose himself.

22. Through its malfeasance, Davenport has proximately caused the County to incur, over the life of the bond issue, nearly \$18 million in excess interest payments on the stand alone bonds. In addition, Fluvanna County paid excessive and redundant financial advisory and Project-specific fees to Davenport, for which it received deceptive, false and self-serving advice from Davenport.

23. In short, Davenport furthered its own interests and made material false representations to the Board and failed to disclose material information to the Board for its own benefit and at the expense of Fluvanna County. Davenport had a duty to bring these issues to the attention of the Board but remained silent.

24. Davenport is liable for all of the actions of Rose and Rose's team in connection with Fluvanna County.

**COUNT I: Breach of Fiduciary Duty**

25. The Board incorporates by reference paragraphs 1 through 24 of this Complaint as if set forth fully herein.

26. Davenport owed fiduciary duties to the Board, including the duty of care, the duty of loyalty, the duty of fidelity, and the duty to provide unbiased professional and truthful advice.

27. Davenport breached each of these duties as set forth in this Complaint and authorized and/or ratified Rose's actions.

**COUNT II: Actual Fraud**

28. The Board incorporates by reference paragraphs 1 through 27 of this Complaint as if set forth fully herein.

29. Fluvanna County had been enrolled to participate in the VPSA pool bond issuance to finance the Project, but withdrew from the pool on the specific advice of Rose. On information and belief, Davenport was a minor underwriter for the VPSA pool issuance and as such could not serve as the Board's financial advisor if Fluvanna County participated in the VPSA pool issuance due to certain professional rules relating to conflicts of interest; however, this fact was not disclosed to the Board. On information and belief, Rose advised that Fluvanna County withdraw from the pool because Davenport's fees would have been far lower had the County issued pool bonds instead of stand alone bonds as Davenport would have had to either step down as financial advisor or from serving as an underwriter for the VPSA pool issuance.

30. Rose claimed that pool bonds could not be refinanced. On November 24, 2008, just days before the pool issuance closed, a County Supervisor asked Rose why the County was

not taking advantage of the pool issuance. Rose stated that "it is impossible to refinance debt through the pool because everybody is linked to each other in the pool." This statement was knowingly false and material, as pool bonds may indeed be refinanced. But the Board reasonably relied on Rose's statement because Davenport was the Board's financial advisor.

31. Rose's materially false statement on November 24, 2008 was not his first. Instead, it was part of a pattern of materially false statements that Rose made to the Board. He knew that interest rates were very high and he urged the Board to issue stand alone bonds and almost immediately thereafter pushed to refinance the bond issue. In this way, Davenport and Rose could reap substantial fees on both the front end and the back end of the transaction. For example, on September 27, 2008, Rose told the Board: "I can't advise you to take a risk on future interest rates especially when we know that if interest rates go lower we can refinance downward. But if interest rates go higher we can't help it." In other words, Rose's plan all along was to dissuade Fluvanna County from acting in its best financial interest. Rather, he successfully sought to have stand alone bonds issued and then refinanced.

32. Similarly, on October 1, 2008, Rose told the Board that if he thought that the financing was a bad idea he would say something. Rose represented to the Board that the stand alone bonds were for the County's economic growth and fell within normal debt level and debt affordability. These statements were knowingly material and false, especially because Rose was pushing the Board to consider refinancing even before the stand alone bonds were issued. Rose made presentations to this effect on multiple occasions, including on January 7, 2009; July 1, 2009; and November 18, 2009.

33. Rose intended that the Board rely on all of his statements and the Board reasonably did so. Rose acted with actual malice for which an award of punitive damages should be made. Davenport authorized and/or ratified all of Rose's conduct.

**COUNT III: Gross Negligence**

34. The Board incorporates paragraphs 1 through 33 of this Complaint as if set forth fully herein.

35. Rose knew or should have known that his advice, his misrepresentations and his self-dealing would proximately cause a financial catastrophe for Fluvanna County. Rose knew that the Board would rely on his advice and representations and he intended that the Board do so.

36. Rose breached his duty of care to such an extent that he demonstrated an utter disregard for the County's financial status and integrity. Davenport's actions do not meet the standard of care for professional financial advisors. At the very least, Davenport's failure to supervise Rose and his team constitutes gross negligence.

37. Rose's actions, authorized and/or ratified by Davenport, constitute gross negligence in Davenport's capacity as a financial advisor generally and in connection with the Project specifically.

**COUNT IV: Constructive Fraud**

38. The Board incorporates by reference paragraphs 1 through 37 of this Complaint as if set forth fully herein.

39. Rose willfully omitted material information in advising the Board and negligently misrepresented and misadvised the Board, which, as Rose knew it would, reasonably relied on Rose.

40. Rose's actions, authorized and/or ratified by Davenport, were constructively fraudulent with respect to financial advice generally and the Project specifically.

**COUNT V: Unjust Enrichment/Disgorgement**

41. The Board incorporates by reference paragraphs 1 through 40 of this Complaint as if set forth fully herein.

42. At all relevant times, Davenport was paid by the Board up to \$250 per hour for financial advisory services purportedly provided to the Board.

43. In addition, Davenport drafted and induced the Board to sign an additional agreement on September 11, 2008, providing for a Project-specific "Financial Advisory Fee" of approximately \$167,500, plus expenses.

44. Fluvanna County has paid Davenport as billed by Davenport but has not received the benefit of Davenport's purported advice. To the contrary, Fluvanna County has been financially damaged by Davenport's actions and inactions and has paid Davenport redundant and duplicative fees.

45. Davenport has been unjustly enriched by the amount that it has received from Fluvanna County and this Court should exercise its equitable power to order disgorgement of all fees paid by the County to Davenport.

**COUNT VI: Breach of Contract**

46. The Board incorporates by reference paragraphs 1 through 45 of this Complaint as if set forth fully herein.

47. Until its termination in 2010, Davenport served as the Board's financial advisor generally in all Fluvanna County matters. Davenport has executed at least three written contracts with the Board, dated respectively, September 11, 2008; June 4, 2009; and November 18, 2009.

The first two contracts were drafted by Davenport; the third contract was drafted by the Board. These contracts included fiduciary duties to the Board in Davenport's provision of financial advisory services to the Board.

48. The September 11, 2008 contract includes an obligation for Davenport to provide to the County "multi-year financial planning" for the Project. As set forth in this Complaint, Davenport has materially breached this obligation and proximately caused Fluvanna County's damages.

49. The June 4, 2009 contract includes an obligation for Davenport to provide interim financial advisory services, specifically including "potential refunding opportunities" for the Project. As set forth in this Complaint, "refunding," or refinancing, would not have been necessary had Davenport met its common law obligations to the Board.

50. By its very premise, Davenport has breached the June 4, 2009 contract and proximately caused Fluvanna County's damages.

51. The November 18, 2009 contract is a form agreement for professional services to Fluvanna County. Among other things, this contract requires Davenport to provide financial advice in a number of substantive areas, including recommending debt issuance details; use of state pool programs versus stand alone bond issues; and discussion of pertinent market factors. In addition, this contract requires Davenport to perform "consistent with generally accepted standards for local government professional financial advisory services and related consultation." As set forth in this Complaint, Davenport has breached the November 18, 2009 contract and proximately caused the Fluvanna County's damages.

**COUNT VII: Breach of Virginia Securities Act**

52. The County incorporates by reference paragraphs 1 through 51 of this Complaint as if set forth fully herein.

53. The Act, Virginia Code Ann. section 13.1-500, et seq., prohibits the use of any device, scheme or artifice which would operate as a fraud or deceit in connection with the purchase or sale of securities. The bonds at issue in this Complaint are "securities" within the meaning of the Act and Davenport has breached the Act as set forth in detail in this Complaint. Davenport's breach of the Act has proximately damaged Fluvanna County.

54. Among other remedies, the Act permits the recovery of reasonable attorneys' fees. Fluvanna County has incurred, and will continue to incur, attorneys' fees and requests an award of attorneys' fees pursuant to the Act.

**Jury Demand**

**TRIAL BY JURY IS DEMANDED.**

WHEREFORE, the County respectfully requests that the Court enter an Order requiring Davenport to pay to the County: (a) \$18.5 million in compensatory damages; (b) \$350,000 in punitive damages; (c) reasonable attorneys' fees to the extent permitted by law; (d) disgorgement of all fees paid to Davenport; (e) pre-judgment interest; (f) post-judgment interest; and (g) costs. The County further respectfully requests that the Court provide to the County such further relief as the Court may deem appropriate.

A-12

**BOARD OF SUPERVISORS OF FUVANNA COUNTY**

By: 

Douglas M. Palais (VSB No. 19460)  
Jennifer E. Lattimore (VSB No. 71188)  
William D. Ledoux, Jr. (VSB No. 71198)  
ECKERT SEAMANS CHERIN & MELLOTT, LLC  
Eighth and Main Building  
707 East Main Street, Suite 1450  
Richmond, VA 23219  
Telephone: (804) 788-7751  
Facsimile: (804) 698-2950



## SOUTH FLORIDA WATER MANAGEMENT DISTRICT REQUEST FOR QUALIFICATIONS

<p><b>Responses Must Be Submitted To The Following Address:</b>          South Florida Water Management District          Attn: Procurement Department          B-1 Building, 2<sup>nd</sup> Floor West          3301 Gun Club Road          West Palm Beach, FL 33406</p> <p><b>Note:</b> Hand delivered response packages may be dropped off at the Procurement Kiosk located in the B-1 Building, 1<sup>st</sup> Floor</p>	<p><b>Number: 6000000462</b></p> <p><b>Original Issue Date: April 29, 2011</b>  <b>Revised Issue Date: May 9, 2011</b></p>
<p><b>Title: FINANCIAL ADVISORY SERVICES (OTHER THAN THE ISSUANCE OF LONG-TERM DEBT)</b></p>	
<p><b>Purpose:</b> The purpose of this Request for Qualifications (RFQ) is to identify firms that are capable of providing independent financial advisory services. <b>The scope of this RFQ is limited to all financial matters other than the issuance of long-term debt.</b> An independent financial advisory firm is defined as a company that does not act in an underwriting capacity in the purchase or sale of municipal bonds. It is the intent of the South Florida Water Management District (District) to solicit Qualification Statements from Respondents that have expertise in providing professional advice on all financial matters to public sector clients and place those firms on a Pre-Qualified Respondents List to receive future solicitations. <i>There is no work guaranteed to any applicant as a result of this pre-qualification.</i></p> <p>A more complete description of the technical requirements can be found in Part 4 of this Request for Qualifications.</p>	
<p><b>Inquiry Period:</b>  <b>April 29, 2011 through June 3, 2011</b></p> <p>Inquiries may be made between the hours of 8:00 A.M. and 5:00 P.M. weekdays.</p>	<p><b>Direct All Inquiries to:</b></p> <p><b>Procurement:</b> Catherine E. Richards, CPPB, Sr. Contract Specialist  <b>Telephone No:</b> (561) 682-2813  <b>E-Mail:</b> crichar@sfwmd.gov  <b>Fax No:</b> (561) 682-5009</p>
<p><b>Note:</b> All technical inquiries must be submitted in writing via Fax or E-Mail.</p>	
<p><b>Deadline For Request for Qualifications Submission:</b></p> <p><b>WEDNESDAY, JUNE 22, 2011 - 2:30 P.M.</b></p> <p><b>1 Original and 4 Copies to be Submitted</b>  <b>ALL RESPONSES <u>MUST</u> BE SUBMITTED IN A SEALED ENVELOPE OR BOX</b>          Confirmation of timely receipt may be made by calling (561) 682-6391</p>	
<p><b>Note:</b> All information submitted in response to this Solicitation is subject to the public records law in Chapter 119, Florida Statutes. Any material that a firm believes is exempt from public records must be clearly identified, with explicit notation of the applicable statutory exemption.</p>	
<p><b>This Request for Qualifications is Comprised of a Response Checklist and 5 Parts:</b></p> <p>Part 1. General Guidelines and Information          Part 2. Instructions for Preparing Responses          Part 3. Evaluation Criteria and Standards          Part 4. Statement of Qualifications</p>	

**REQUEST FOR QUALIFICATIONS  
FOR  
General Segment  
Financial Advisory Services  
RFQ No. 90**

PRE-SUBMITTAL CONFERENCE TO BE HELD ON  
July 17, 2006 at 10:00 a.m. (local time)  
at  
111 NW 1<sup>st</sup> Street, 19<sup>th</sup> Floor, Conf. Rm. A  
Miami, Florida

ISSUING DEPARTMENT:  
DEPARTMENT OF PROCUREMENT MANAGEMENT  
for  
Finance Department

Contracting Officer: Alberto Safille  
Telephone: (305) 375-3507  
E-mail: [asafill@miamidade.gov](mailto:asafill@miamidade.gov)

RESPONSES ARE DUE AT THE ADDRESS SHOWN BELOW  
NO LATER THAN  
**August 1, 2006** at 2:00 p.m. (local time)  
at  
CLERK OF THE BOARD  
STEPHEN P. CLARK CENTER  
111 NW 1<sup>st</sup> STREET, 17<sup>th</sup> FLOOR, SUITE 202  
MIAMI, FLORIDA 33128-1983

RESPONSES WILL BE OPENED PROMPTLY AT THE TIME AND PLACE SPECIFIED. RESPONSES RECEIVED AFTER THE FIRST RESPONSE HAS BEEN OPENED WILL NOT BE OPENED AND WILL NOT BE CONSIDERED. THE RESPONSIBILITY FOR SUBMITTING A RESPONSE TO THE CLERK OF THE BOARD ON OR BEFORE THE STATED TIME AND DATE IS SOLELY AND STRICTLY THE RESPONSIBILITY OF THE RESPONDENT. MIAMI-DADE COUNTY IS NOT RESPONSIBLE FOR DELAYS CAUSED BY ANY MAIL, PACKAGE OR COURIER SERVICE, INCLUDING THE U.S. MAIL, OR CAUSED BY ANY OTHER OCCURRENCE.

MIAMI-DADE COUNTY IS AN EQUAL OPPORTUNITY EMPLOYER AND DOES NOT DISCRIMINATE BASED ON AGE, GENDER, RACE OR DISABILITY.

VISIT THE COUNTY DEPARTMENT OF PROCUREMENT MANAGEMENT  
WEBSITE: <http://www.miamidade.gov/dpm>

REV 7/7/06

**SECTION 2.0 - SCOPE OF SERVICES**

**2.1 INTRODUCTION**

Miami-Dade County, hereinafter referred to as the County, as represented by the Miami-Dade County Finance Department, is soliciting responses from Qualified Financial Advisors (as defined in Section 2.2 below), to provide financial advisory services for general and special obligation debt transactions and services related to the issuance of bonds, notes, certificates or other financing instruments, and exclude swaps or derivative products, and on-going advisory services ("Financial Advisory Services") for the County's General Segment. The County has retained a swap advisor to provide financial advisory services for all swap and derivative products.

The County has separated all of its Financial Advisory Services into three "Segments" - Aviation Segment, General Segment, and the Enterprise Segment. The County is issuing three separate Request for Qualifications for each Segment. This RFQ is for the General Segment of the County. The General Segment includes all Financial Advisory Services for the County, other than Financial Advisory Services for its Peripheral Agencies, its Aviation Segment (Aviation Department) and Enterprise Segment (Seaport, Solid Waste, Transit and Water & Sewer Departments).

Limitations

- Subcontractors/Sub-consultants are **not** allowed to be utilized under any contract as a result of this RFQ;
- and
- Underwriters are **not** allowed to be utilized under any contract as a result of this RFQ.

Minimum Qualification Requirements

- i. The Respondent must be listed in the **Bond Buyer Municipal Marketplace Directory Spring 2006, "Red Book"** as Financial Advisers as of the Response Due Date for this RFQ; in case of a Joint Venture Respondent, at least one of the firms **shall** be listed in the Red Book as Financial Advisers as of the Response Due Date for this RFQ;
- and
- iii. The Respondent must have been in business performing financial advisory type services for at least two (2) years prior to the Response Due Date for this RFQ. With respect to Joint Venture Respondents, at least one of the firms **shall** have been in business for at least two (2) years, with the remaining firms each having a minimum of one (1) year experience, as of the Response Due Date for this RFQ.

The County anticipates awarding a contract for a three (3) year period, with two 2-year options to renew at the County's sole discretion.

**2.2 DEFINITIONS SPECIFIC TO THIS RFQ**

**The following defines terms used specifically for this RFQ:**

1. "Joint Venture" shall mean an association of two or more persons, partnerships, corporations or other business entities under a contractual agreement to conduct a specific business enterprise for a specified period with both sharing profits and losses (see Section 3.1 for Joint Venture limitations).
2. "Qualified Financial Advisor" shall mean firms that provide solely financial advisory services to governmental entities and do not underwrite governmental obligations, including bonds.
3. "Small Business Enterprise" shall mean a business entity certified by the Department of Business Development, providing goods or services, which has an actual place of business in Miami-Dade County and whose three year gross revenues does not exceed \$5 million, subject to the provisions of Ordinance No. 05-29.



# **City of Doral**

**Request for Qualifications**

## **FINANCIAL ADVISORY SERVICES**

**RFQ # 2009-19**

D. Develop a credit rating program. Furnish the rating services with all necessary and relevant documentation and information. Meet with analysts from the major rating services to present a rating program.

E. Provide assistance with developing strategies, brochures for presentations at public hearings and information to community.

F. Assist with the preparation of news releases about any proposed capital plans, as needed.

G. Assist with the preparation of presentation to municipal officials.

H. Assist and advise in negotiations with investment banking groups regarding pricing and final terms of any security offering and make definitive recommendations regarding any proposed offer to purchase an issue.

I. Advise in regard to an appropriate and advantageous method of selling debt securities (competitive, negotiated, private placement).

J. Assist in the preparation of the preliminary and final official statement in connection with the sale of securities.

K. Solicit and/or review Qualifications for construction fund investments.

## **5.8 QUALIFICATIONS**

A potential Financial Advisor should meet the following qualifications:

A. Previous experience in the business of providing financial advisory services to issuers of tax-exempt debt.

B. Experience with various debt instruments including bonds, notes, commercial paper, variable rate issues, swaps, leases, and conduit financings.

C. Experience with electric, water, wastewater credits.

D. Experience with obtaining credit supports and bond insurance.

E. Experience with rating agencies and familiarity with the credit rating process. Knowledge of the rating criteria used not only by the major credit rating agencies, but also the typical large institutional purchasers of tax-exempt debt.

F. Experience with refinancing and other negotiated underwritings, including underwriter selection and issue pricing.

G. Sufficient, qualified staff with previous municipal finance experience. Key staff members must be willing and available to respond to questions from the City's financial staff on a continuing basis.

H. Adequate technical support to meet the needs of the City.

I. Ability to testify in litigation and rate cases, including cases concerning the Public Utility Commission of Texas.

J. Ability to assist with management studies of various enterprises, perform fee analysis studies, assist in labor negotiations, conduct compensation analysis, assist with federal and state grant/loan applications, and other like tasks.

K. A firm that is independent of banking, underwriting or other interests to assure that the selected financial advisor can effectively represent the City in negotiations with bankers, underwriters, and other service providers needed for the issuance of debt.

**END OF SECTION**



**REQUEST FOR QUALIFICATIONS (RFQ)  
FOR  
DEBT MANAGEMENT AND CAPITAL FINANCING ADVISORY SERVICES**

**CONTROL NO. S11-300**

Issue Date: September 2, 2011

Pre-Response Conference: NONE

Pre-Response Question Deadline: September 12, 2011 2:00 PM Eastern Time  
E-mail: [purchasing.questions@wcaa.us](mailto:purchasing.questions@wcaa.us)  
(Reference Control No. S11-300 in all e-mails)

Response Deadline: September 28, 2011 at 2:00 PM Eastern Time  
Wayne County Airport Authority Procurement Division (Purchasing)  
Detroit Metropolitan Wayne County Airport  
L. C. Smith Building - Main Lobby (Northeast corner)  
Detroit, Michigan 48242

Procurement Contact: I. Missy Jones, CPPB, Solicitation Manager  
Phone: (734) 247-7900, Fax: (734) 955-5648

*NOTE: Detroit, Michigan 48242 is the mailing address of Detroit Metropolitan Wayne County Airport. The Detroit Metropolitan Wayne County Airport is physically located within the boundaries of the City of Romulus, Michigan.*

**DESCRIPTION:** Responses are being solicited for the purpose of selecting the best qualified Respondent to provide the Wayne County Airport Authority ("Airport Authority") with Debt Management and Capital Financing advisory services related to the financial operation of Detroit Metropolitan Wayne County Airport ("Airport") and various other related financial services. The contract will be for a term of up to six (6) years.

This solicitation may be downloaded by visiting the Michigan Intergovernmental Trade Network (MITN) website at [www.mitn.info](http://www.mitn.info). A link to this website is available on the Wayne County Airport Authority website [www.metroairport.com](http://www.metroairport.com) (select Business Opportunities on the left side of the page). (Special Note): Any and all Addenda issued by the Airport Authority may be viewed or downloaded from the above listed websites.

Copies of this solicitation document and any issued Addenda may also be obtained from the Procurement Division, Detroit Metropolitan Wayne County Airport, L.C. Smith Building, Main Lobby, Detroit, Michigan 48242, (734) 247-7900.

Responses must be time stamped by the Procurement Division by the exact date and time indicated above. Late Responses will not be accepted.

### SECTION 3 – SPECIAL REQUIREMENTS AND INSTRUCTIONS

- 1) **MINIMUM QUALIFICATIONS:** Respondents (specifically, the Business that will be contractually bound under the contract with the Airport Authority) will be deemed nonresponsible and rejected without any further evaluation if they as a Business, do not meet the following qualifications:
  - a) The Respondent's individual lead team member(s) proposed to be assigned to the Airport Authority engagement must have at least five (5) years experience in the provision of advisory services related to the management of airport debt and capital financing services for airports in the United States with operations comparable to those of Detroit Metro Airport and Willow Run Airport, and
  - b) The Respondent must be independent of any firm that serves as an underwriter with respect to the issuance of securities of types issued by the Airport Authority.

B - 9

**CITY OF RICHMOND  
DEPARTMENT OF PROCUREMENT SERVICES  
RICHMOND, VIRGINIA  
(804) 646-5716  
February 17, 2011**



Request for Proposal # W11223-1

Financial Advisory Services

Due Date: Friday March 11, 2011  
Time: 3:30P.M.

Receipt Location: City Hall, 900 East Broad Street, 11<sup>th</sup> floor, Room 1104

**Request for Proposal Prepared by:**

Name: Tillie W. Jackson

Title: Senior Contract Specialist

Telephone (804) 646-6008 Fax (804) 646-5989

Email: [tillie.jackson@richmondgov.com](mailto:tillie.jackson@richmondgov.com)

Department of Procurement Services

[www.RichmondGov.com/business/bids\\_proposals](http://www.RichmondGov.com/business/bids_proposals)

## 2.0 Requirements and Deliverables.

### 2.1 General Requirements.

The City of Richmond (the "City") wishes to engage the services of an independent financial advisor (an "FA", not affiliated with a bank or financial services firm) to provide the City with comprehensive financial consulting services with respect to debt management, credit rating management, debt issuance, utility rate structure, plans of finance, investments, and various special financial analysis projects. The successful bidder will recommend the adoption of the 'best practices' policies for debt and investment management. The selected firm will also participate in the issuance of all debt instruments and will help to facilitate rating agency presentations. The firm will also be available to assist the City Finance staff in preparing debt related financial presentations to Administrative leadership and City Council.

The successful bidder must have a thorough understanding of the City's operations including its Department of Public Utilities and Richmond Public School. It must also demonstrate knowledge of regulatory requirements and limitations with respect to debt and investments. A significant knowledge of the Richmond marketplace is required.

#### 2.1.1 Contract Specialist. The City's Contract Specialist for this contract is:

Tillie W. Jackson  
 Senior Contract Specialist  
 Department of Procurement Services  
 City of Richmond  
 900 East Broad Street, Room 1104  
 Richmond, Virginia 23219  
 Telephone: (804) 646-6008  
 Fax: (804) 646-5989  
 E-Mail: Tillie.jackson@richmondgov.com

#### 2.1.2 Technical Representative. The City's Technical Representative's information will be provided to the successful proposer upon contract award.

#### 2.1.3 Contact before Award. In accordance with the City's No Contact Policy (see Part II ("INSTRUCTIONS TO OFFERORS"), section 1.3 ("NO CONTACT POLICY")) no Offeror shall communicate with the Technical Representative on any matter relating to this solicitation prior to award of the contract.

#### 2.1.4 Delivery. Each deliverable shall be delivered in a timely manner and in accordance with the contract schedule to the Technical Representative with a copy to the Contract Specialist.

### 2.2 Scope of Work.

#### 2.2.1 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:

##### 2.2.1.1 Devise and recommend to the City a financing plan for obligations to be issued, including maturity scheduled and other terms and conditions;

##### 2.2.1.2 Work with the City's bond counsel and financing team in recommending size, structure, maturity, call provisions and specific terms and conditions of a debt issue. Advise on the appropriateness, of competitive, negotiated, or private placement of debt. Advise on any refunding opportunities;



**STATE OF ALASKA**  
Department of Revenue  
Division of Commissioner's Office, Stranded Gas Project  
333 Willoughby Avenue, 11<sup>th</sup> Floor  
Juneau, AK. 99801

## **Request for Proposals – Project Development and Financial Advisor**

**RFP Number 2005-0400-5530**

**Date of Issue: June 21, 2005**

**Stranded Gas Pipeline Financial Planning, Evaluation, and Analysis**

### **I - INTRODUCTION**

The Department of Revenue, Commissioner's Office – Stranded Gas Project is soliciting proposals from qualified firms to serve as financial advisor for the State's participation in the construction of a natural gas pipeline from Alaska's North Slope to either existing pipelines in Alberta, Canada for further distribution into the central United States markets, or to Valdez for liquification and shipment via tanker to the Western United States. Advisory services shall include collaboration with other State advisors and developing recommendations on structuring and funding State equity participation in, as well as analysis of overall project financing of, the construction of a stranded gas pipeline to transport natural gas from Alaska's North Slope to market. The assignment may also include providing assistance to the State in comparative financial analysis of certain aspects of the pipeline development proposals described below. The cost of the project is estimated to be between \$13 and \$20 billion, and will bring proven natural gas reserves of 30 trillion cubic feet and an estimated additional 100 trillion cubic feet of gas to market.

The location of work to be performed, completed and managed is likely to be Anchorage, Alaska, but could also include extended assignment in Calgary, Alberta, Houston, Texas, or another location in the western United States. The contractor shall include in their price

and cost information, will be held in confidence during the evaluation process and prior to the time a Notice of Award is issued. Thereafter, proposals will become public information. Trade secrets and other proprietary data contained in proposals may be held confidential if the offeror requests and the procurement officer agrees to do so. The state will not pay any cost associated with the preparation, submittal, presentation, or evaluation of any proposal.

Subcontractors may be used to perform work under this contract. If an offeror intends to use subcontractors, the offeror must identify in the proposal the names of the subcontractors and the portions of the work the subcontractors will perform.

Joint ventures are acceptable. If submitting a proposal as a joint venture, the offeror must submit a copy of the joint venture agreement which identifies the principles involved and their rights and responsibilities regarding performance and payment.

In either subcontractor or joint venture proposals the firms must be able to demonstrate the ability to work as a cohesive team. This ability would be shown best through prior collaboration of the firms included.

In all cases, the primary contracting firm shall be an independent financial advisor that does not underwrite bond sales. In instances where an independent financial advisor either subcontracts or joint ventures with a firm that does underwrite bond sales, the firm that underwrites bonds involvement with the contract shall be eliminated after negotiations with the selected stranded gas applicant have concluded. While the potential for conflicts of interest will need to be closely monitored, a firm will not automatically be excluded from competing for appointment in an underwriting role in underwriting appointments that are made following these negotiations.

By signature on the proposal, offerors certify that they comply with:

- (a) the laws of the State of Alaska;
- (b) all terms and conditions set out in this RFP;
- (c) that the offers will remain open and valid for at least 90 days; and

If any offeror fails to comply with [a] through [c] of this paragraph, the state reserves the right to disregard the proposal, terminate the contract, or consider the contractor in default.

Ten copies of the response should be addressed and delivered to:  
Steve Porter, Deputy Commissioner  
Alaska Department of Revenue  
State Office Building 11<sup>th</sup> Floor  
333 Willoughby  
Juneau, AK 99811-0400  
Telephone (907) 465-2300

**IV - GENERAL PROPOSAL INSTRUCTIONS AND CONDITIONS**