



**CITY OF SAN DIEGO**  
**PURCHASING & CONTRACTING DEPT.**  
1200 Third Avenue, Suite 200  
San Diego, CA 92101-4195

**REQUEST FOR STATEMENT OF QUALIFICATIONS (RFSQ) COVER SHEET**

**Subject: Furnish the City of San Diego with Qualifications for Municipal Advisory Services  
through April 18, 2021**

**Solicitation Number: 10069000-16-B**

**Solicitation Issue Date: March 29, 2016**

**Initial Closing Date and Time (Closing Date): April 12, 2016 at 2:00 p.m.**

**Final Closing Date and Time (Closing Date): October 16, 2020 at 2:00 p.m.**

**Initial Questions/Comments Due Date: April 5, 2016 at 12:30 p.m.**

**City Contact Name and Information: Marisa Blancarte, Procurement Specialist,  
(619) 235-5742, MBlancarte@sandiego.gov**

**Respondent's Information:**

Respondent Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone No. and E-Mail: \_\_\_\_\_

Address: \_\_\_\_\_

Website: \_\_\_\_\_

Authorized Representative Name and Title: \_\_\_\_\_

Representative's Original Signature: \_\_\_\_\_

Date Signed: \_\_\_\_\_

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**TO BE CONSIDERED, RESPONDENT MUST:**

- 1) Provide all requested information identified in this Cover Sheet.**
  - 2) Submit all requested information described in the RFSQ.**
  - 3) Submit all requested information on or before Closing Date.**
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## **I. INTRODUCTION**

### **A. BACKGROUND**

The City of San Diego (City)'s Debt Management Department conducts planning, structuring, and issuance activities for all City financings to provide funds for capital projects and to fund cash flow needs. The City's core financing programs include General Fund-backed Lease Revenue Bonds, Water and Sewer Revenue Bonds (Enterprise Funds), Land Secured Financings (Community Facilities District and Assessment District Issuances), Tax Allocation Bonds, General Obligation Bonds, Tax and Revenue Anticipation Notes (TRANs), and Commercial Paper Notes. Other potential financing tools include Energy Conservation Financings, other Revenue Bonds, Enhanced Infrastructure Financing Districts, Green Bonds, and Public/Private Partnerships. Additional information regarding city financings is located on the City's investor information website:

<http://www.sandiego.gov/investorinformation/>

### **B. REQUEST FOR STATEMENT OF QUALIFICATIONS**

This RFSQ is issued for purposes of determining the interest of potential participants, hereinafter referred to as "Respondents," and to establish a Pool of Municipal Advisors for the City's bond issuance programs (Pool) based on the qualifications and experience demonstrated by Respondents. Appointments to the Pool will be memorialized in a letter issued by the City's Purchasing Agent to the selected Respondents.

The term of the Pool is for a period of five (5) years, beginning April 19, 2016, through April 18, 2021.

This RFSQ describes the required general scope of services and the form and content of responses from interested Respondents. Once the Pool is established, the City expects to periodically solicit for specific project needs via a Request for Proposals (RFP). The City will exercise sole authority for selecting Municipal Advisors for each bond offering or project. The City does not intend to award a contract on the basis of information received in response to this RFSQ. However, the City may, in its sole discretion, consider the information submitted in response to this RFSQ during the development of a future competitive solicitation. Inclusion in the Pool does not offer any assurance that a Respondent will be selected to provide municipal advisory services to the City. A specific identified financing does not exist at this time.

Notwithstanding the selection of Respondents for the Pool under this RFSQ, the City reserves the right, in its sole discretion, to engage other Firms at any time during the term covered by this RFSQ for future financings (new money or refunding) or projects through alternative means, and other requests for proposals and/or qualifications. The City shall not be responsible for any costs incurred by Respondents in the preparation of responses to this RFSQ.

## C. SCOPE OF SERVICES

The scope of services required by the City in this RFSQ covers services related to bond/note financings, general municipal advisory services, and other services on an as needed basis. The Municipal Advisor will work closely with the City's Debt Management Department to provide some or all of the general scope of services listed below (the actual scope will depend on the needs of the financing or project which will be provided through a project specific RFP):

### CATEGORY 1

#### **Bond/ Note Financings Services**

1. Assist with selection of the underwriting team. Assist the City as needed and participate in the selection of the underwriting team, including reviewing proposals and advising on the selection.
2. Assist with City syndicate policies. Advise the City on forming a syndicate policy which will accomplish the City's objective of achieving the broadest possible distribution at the lowest price while equitably rewarding syndicate members for sales performance.
3. Advise the City on structure and terms. Evaluate as needed the City's financing plan, structure, sizing, terms, and other technical matters.
4. Review and comment on all documents for the financing. Review and comment on all legal and disclosure documents in connection with any financing. If requested, the Municipal Advisor shall provide satisfactory certifications to the City's Disclosure Practices Working Group in connection with any debt issuance.
5. Procure requisite services. Assist with the procurement of requisite services, which may include, but are not limited to, the trustee, printer for the Preliminary Official Statement and Official Statement, bidding agent, verification agent, and other services deemed necessary by the City related to the financing.
6. Provide bond pricing services. Actively advise and participate in the pricing process by providing substantial pricing analysis and support, and by advocating on behalf of the City for the best price for the bonds under prevailing market conditions. Outreach to potential investors to increase participation in bidding, if competitive sale.
7. Advise on rating agency matters and strategies. Assist with agency meetings including, if requested, the preparation of material in final form for inclusion in a briefing book for agencies, synopsis of likely analyst concerns, and potential questions and answers.
8. Assist in closing. Assist with the completion of required tasks, including printing, preparation of closing documents, and arrangement for the efficient transfer and investment of funds.
9. Provide post-issuance services. If requested, provide a post-sale analysis that includes details about market conditions, results of bond pricing, and participation of the syndicate members. If requested, provide advice on investment of bond proceeds or assist in the procurement of an

investment broker. Recommend investment strategies that optimize investment earnings without sacrificing the security of the principal.

10. Other services. Provide any other needed services in connection with bond/note municipal advisory services.

## **CATEGORY 2**

### **General Municipal Advisory Services**

1. New project structuring and sizing analysis;
2. Provide indicative interest rates and market assessments;
3. Develop and recommend strategies for credit analyses;
4. Evaluate trends of the local economy and the City's financial data, and assist with long term strategic financial planning;
5. Provide review and advice when requested by City regarding financial products or financing options presented to the City by third parties;
6. Review and provide input on investment of bond funds and assist with procurement of requisite services; and
7. Any other municipal advisory services requested by the City.

## **CATEGORY 3**

### **Other Services**

The City may access the Pool for other services in addition to bond/note financings and general municipal advisory services, which may include, but are not limited to the following:

1. Various feasibility and fiscal analyses;
2. New revenue feasibility analyses;
3. Ballot measure initiatives; and
4. Other special project services.

## II. RFSQ SUBMITTAL PROCESS

### A. TIMELINES, QUESTIONS, OPENING, AND DISCLOSURE

1. Timely Submission. Qualifications must be submitted as described herein in a sealed envelope to the Purchasing & Contracting Department (P&C) located at 1200 Third Avenue, Suite 200, San Diego, CA 92101. The Solicitation Number and Closing Date must be referenced in the lower left-hand corner of the outside of the envelope.

2. Questions and Comments. Written questions and comments must be electronically mailed (e-mailed) to the City Contact identified on the Cover Sheet. Initial questions and comments must be submitted no later than the date specified on the Cover Sheet. Only written communications relative to the RFSQ shall be considered. E-mail is the only acceptable method for submission of questions. It is incumbent upon Respondents to verify that the City has received their questions and/or comments. All questions will be answered in writing. The City will distribute questions and answers without identification of the inquirer(s) to all Respondents who are on record as having received this RFSQ. No oral communications can be relied upon for this RFSQ. Addenda will be issued addressing questions or comments that are determined by the City to cause a change to any part of this RFSQ.

3. Future Competitive Solicitations. Respondents are not prohibited from submitting one or more proposals should the City competitively bid the goods or services described herein. Respondent should familiarize itself with the City's General Terms and Conditions, available on the City's website, as such terms and conditions will be incorporated by reference into any resulting contract between City and Respondent.

4. Contact with City Staff. Unless otherwise authorized herein, Respondents who are considering submitting a response to this RFSQ, or who submit a response to this RFSQ, are prohibited from communicating with City staff or evaluation committee members about this RFSQ from the date this RFSQ is issued until a contract is awarded.

5. RFSQ Opening and California Public Records Act. Submittals to this RFSQ will not be opened in public. Note, however, that any information submitted in response to a RFSQ is a public record subject to disclosure unless the City determines that a specific exemption in the California Public Records Act (CPRA) applies. If a Respondent submits information clearly marked confidential or proprietary, the City may protect such information and treat it with confidentiality to the extent permitted by law. However, it will be the responsibility of the Respondent to provide to the City the specific legal grounds on which the City can rely in withholding information requested under the CPRA should the City choose to withhold such information. If the Respondent does not provide a specific and detailed legal basis for requesting the City to withhold the Respondent's confidential or proprietary information at the time a submittal is submitted, the City will release the information as required by the CPRA and Respondent will hold the City, its elected officials, officers, and employees harmless for release of this information. It will be the Respondent's obligation to defend, at Respondent's expense, any legal actions or challenges seeking to obtain from the City any information requested under the CPRA withheld by the City at the Respondent's request. Furthermore, the Respondent shall indemnify and hold harmless the City, its elected officials, officers, and employees from and against any claim or liability, and defend any action brought against the City, resulting from the City's refusal to release information requested under the CPRA which was withheld at Respondent's request.

## **B. SUBMITTAL FORMAT AND CONTENT**

1. To be considered responsive, Respondents' submission must address all questions and provide all information requested in this RFSQ. Failure to provide a thorough and complete submittal may render the submittal non-responsive.
2. The contents of the submittal must be clear, concise, and complete. Respondents must submit one bound original, five (5) copies of the original, and one "high quality" digital PDF file of the original (on CD). All printed materials must be double-sided to the maximum practicable extent.
3. Each section of the submittal must be tabbed according to the letter system shown below to aid in expedient information retrieval.
  - a. Cover Page. Respondents must complete and sign the RFSQ Cover Page with an original signature acknowledging any addenda. Failure to submit this signed document may result in rejection of the qualification.
  - b. Table of Contents. Include a complete and clear listing of headings and pages to allow easy reference to key information.
  - c. Qualifications. The format and requirements as specified in Section II.D "Qualifications" must be followed and included for this item in the same order as they appear in this Section.
  - d. Additional Information and Forms. This includes the Contractor Standards Pledge of Compliance Form, affirmative statement referenced in Section II.C "Minimum Requirements", and Exhibits A-1, A-2, and A-3.

## **C. MINIMUM REQUIREMENTS**

In order to be considered, Respondents must meet certain minimum requirements which are summarized below:

1. Respondent must hold and maintain all current Federal and State licenses and registrations required to offer municipal advisory services; and
2. Respondent must maintain compliance with all current Federal and State rules, regulations, and provisions that set standards for municipal advisors when engaging in municipal advisory services.
3. An affirmative statement confirming compliance with the minimum requirements above must be included in your response.

## **D. QUALIFICATIONS**

### **1. Cover Letter.**

Include a brief letter detailing the qualifications and indicating the name, address, and telephone number of the person(s) authorized to sign for and make representations on behalf of Respondent. The cover letter should describe the type of services Respondent seeks to provide.

### **2. Firm Description**

Provide a brief overview of your Firm, including organizational structure, location of the Firm's headquarters, and other office locations, total number of employees, major services provided, and ownership.

### **3. Firm's Qualifications and Experience (35 points)**

a. Briefly illustrate your Firm's primary role in providing municipal advisory services to local governments in the State of California and nationally. Justify how your Firm will be able to fulfill the role of a Municipal Advisor for the City.

b. Describe your Firm's experience and qualifications as they relate to the scope of services described in Section I.C "Scope of Services". Identify one (or more) of the three service categories for which you would like to be considered.

c. Complete Exhibits A-1, A-2, and A-3 to identify municipal advisory services which your Firm has provided during the past twenty-four months. Please distinguish the credits your Firm specializes in and would be interested in providing services to the City.

d. Provide at least one brief case study from the list of transactions or services in Exhibits A-1, A-2, and A-3 that best demonstrates how your Firm will be able to fulfill the role of municipal advisor to the City. To the greatest extent possible, if the service or transaction is related to a bond/note financing, the case study should be relevant to one of the City's core financing programs listed in Section I.A "Background". Also, the case study should be a core service that your Firm offers for that credit.

e. Describe your Firm's approach to the bond pricing process and pricing support capabilities; include any attributes and/or resources (e.g. technological, institutional, etc.) that your Firm possesses. Provide one (or more) case studies which empirically demonstrate "value-added" at pricing.

### **4. Staff Qualifications and Experience (35 points)**

a. Provide the name(s) and title(s) of the principal members who would work with the City. Provide office location, phone number, and email address for each. Identify the contact person who will have primary account responsibility and summarize their background, and expertise. Indicate if staff assignments will vary based on the financing categories listed under Exhibits A-1, A-2, and A-3.

b. Provide a description of the specific expertise and qualifications of these professionals,

including brief summaries of experience in the financing categories listed in Exhibits A-1, A-2, and A-3 and any other municipal advisory services each individual has been involved in, and which you believe appropriate to this RFSQ. Highlight their California experience, where applicable.

5. Special Firm Qualifications (15 points)

Indicate whether your Firm possesses special qualifications that can add value to services provided for specific financing categories listed under Exhibits A-1, A-2, and A-3. Include attributes that distinguish your Firm from others offering similar services, such as innovative financing services, ideas, and structures developed by your Firm.

6. References (5 points)

Provide contact information (name, agency, phone number, and email address) for two (2) clients for which your Firm served as a municipal advisor during the past twenty-four (24) months. References should be relevant to the City's primary financing programs listed in Section I.A "Background". Please ensure each client has agreed to provide a reference in advance.

7. Other Considerations and Requirements

a. Within the past twenty-four (24) months, has your Firm and/or any of its principals been the subject of any investigation relating to the municipal securities industry or any other State or Federal organization that oversees, regulates, licenses or is otherwise responsible for the municipal securities industry?

b. Within the past twenty-four (24) months, has your Firm and/or any of its principals been involved in any litigation, arbitration, disciplinary or other actions arising from the Firm's municipal advisory services, management or handling of municipal securities?

c. If the answer is yes to (a and/or b) above, has your Firm settled on, pleaded guilty to, or entered a response of "no contest" to any litigation, arbitration, or disciplinary action?

d. Does there exist any relationship between your Firm and any other non-affiliated Firm(s) or individual(s) involving any compensation arrangement that may be associated with your possible engagement to assist with the City's proposed bond issues?

e. Does there exist any conflicts of interest that would preclude your Firm from providing municipal advisory services on behalf of the City or any of its related entities?

f. Provide a list of all instances within the past five (5) years where a complaint was filed or pending against your Firm in a legal or administrative proceeding alleging that your Firm discriminated against its employees, subcontractors, vendors, or suppliers, and a description of the status or resolution of that complaint, including any remedial action taken.

g. For each type of insurance listed below, provide the level of insurance carried:

i. Commercial General Liability

- ii. Automobile Liability
- iii. Workers Compensation
- iv. Professional Liability covering risk of errors and omissions, negligent acts and cost of claims/litigation, including investigation and court costs

**E. SELECTION PROCESS**

The Purchasing Agent will establish an Evaluation Committee to review and evaluate responsive submittals.

**F. EVALUATION CRITERIA**

The following elements represent the evaluation criteria that will be considered during the evaluation process. Written submittals provided pursuant to this RFSQ will be evaluated using the following criteria to select Respondents for the Pool that best meet the needs of the City.

1. Firm Qualifications and Experience (35 points)
2. Staff Qualifications and Experience (35 points)
3. Special Firm Qualifications (15 points)
4. References (5 points)

**G. PLACEMENT IN POOL**

Based on the number of points received by means of the evaluation criteria as stated in this RFSQ, qualified Respondents (those receiving at least a minimum point requirement of 60 points) will be considered for placement in the Pool.

**H. SELECTION AND AWARD FROM THE POOL**

The City will apply additional criteria to select firm(s) from the Pool for specific projects. This may be accomplished through a project specific RFP, and the criteria may include, but are not limited to, project specific considerations, negotiations, pricing, and Equal Opportunity Contracting business status criteria.

**I. MATERIAL CHANGE**

Subsequent to being selected to participate in the Pool, a consequential change in a Firm's operational and/or financial condition "Material Change" is to be construed to include the following:

1. An addition or removal of any staff identified in Respondent's submittal to this RFSQ;
2. An improvement or deterioration in Respondent's commitment to offering municipal advisory services to municipalities;

3. Any legal action brought against Respondent subsequent to the initial disclosure provided in Respondent's submittal to this RFSQ; and
4. Failure to continue to meet the minimum requirements listed under Section II.A "Minimum Requirements".

**J. NOTIFICATION REQUIREMENT DURING THE CONTRACT PERFORMANCE PERIOD**

All Firms selected to the Pool are required to promptly notify the City of any Material Change, as defined in Section II.I "Material Change", within three weeks (21 days) of occurrence throughout the term of the Pool including any extensions thereto.

Firms selected to the Pool that gain any new transactional experience or other municipal advisory services that is unique from the experience previously provided in the Firm's original submission, may wish to notify the City of such new experience.

Notifications for material changes are to be addressed to:

City of San Diego, Debt Management Department  
Attention: Debt Management Director  
Subject: Change- RFSQ for Municipal Advisory Services  
DMSupport@sandiego.gov

Approval of any material changes shall be issued in writing by the Purchasing Agent.

**K. REMOVAL FROM POOL**

A Respondent that has been selected to participate in the Pool may be considered for removal from the Pool at the City's discretion under the following circumstances:

1. Failure to follow the notification requirements under Section II.J "Notification Requirement during the Contract Performance Period".
2. Any adverse material change which, in the City's opinion, significantly reduces Respondent's experience, expertise, capitalization, and/or ability to provide underwriting services.
3. Unacceptable performance providing similar services as determined by the City.

**L. ADDITIONS TO POOL**

A Respondent that was not selected to participate in the Pool may re-submit its Statement of Qualifications and justification for re-examination. Justification is to be provided via an addenda to Respondent's original submittal to this RFSQ describing one or more beneficial Material Change(s) possibly meriting addition into the Pool.

Additionally, a firm that did not initially submit a Statement of Qualifications may submit a submittal to this RFSQ at any time during the term of the Pool. If such Respondent is notified that it has not been selected to

participate in the Pool based on the same criteria used to establish the Pool, Respondent may re-submit its Statement of Qualifications in accordance with this Section I.I.L “Additions to Pool”.

Notifications for requests for additions to the Pool are to be addressed to:

City of San Diego  
Purchasing & Contracting Department  
Attn.: Marisa Blancarte  
1200 Third Avenue, Suite 200  
San Diego, CA 92101-4195

**M. ACCEPTABILITY OF SUBMITTALS**

The City shall determine which Respondents have met the requirements of this RFSQ. City’s determination that Respondent has failed to comply with any mandatory requirement will render the submittal non-responsive. The City may waive or permit to be cured minor irregularities or minor informalities in submittals that are immaterial or inconsequential in nature, whenever it is determined to be in the City’s best interest. The City may reject in whole or in part any and all submittals if such is in the City’s interest.

**N. CITY’S UNILATERAL RIGHT**

The City reserves the unilateral right to: cancel this RFSQ, in whole or in part, or reject all submittals submitted in response to this RFSQ when City determines such submittal is in the City’s best interests; select a Respondent’s submittal in whole or in part; select one or more Respondents; waive or permit cure of minor irregularities; and conduct discussions with Respondents in any manner necessary to serve the City’s best interests.