



Request for Qualifications (RFQ)

Municipal Advisor Consulting Services

Issued: November 2, 2018

Submission Deadline: November 16, 2018, 4:00 PM

South Bayside Waste Management Authority (SBWMA)

Attention: John Mangini, Senior Finance Manager

610 Elm Street, Suite 202

San Carlos, Ca 94070

jmangini@rethinkwaste.org

Table of Contents

1. BACKGROUND	3
2. INTRODUCTION	3
3. PURPOSE	4
4. SCOPE OF WORK	5
5. QUALIFICATIONS	7
7. PROCEDURE FOR SUBMITTING QUESTIONS	7
8. SUBMITTAL REQUIREMENTS	8
Attachment A: Qualifications Certification	11
Attachment B: Client Reference Form	13

1. BACKGROUND

The South Bayside Waste Management Authority (SBWMA) is a joint powers authority formed in San Mateo County, California in 1982. Twelve (12) public agencies (the Cities of Atherton, Belmont, Burlingame, East Palo Alto, Foster City, Hillsborough, Menlo Park, Redwood City, San Carlos, and San Mateo, San Mateo County, and the West Bay Sanitary District, collectively known as the “Member Agencies”) comprise the membership of the SBWMA.

The SBWMA delivers waste reduction and recycling programs, owns and manages the facility (Shoreway Environmental Center) that receives recyclables, organics, and refuse collected in its service area, and manages the service providers that collect, process, recycle, compost, and dispose of materials for its Member Agencies.

Through issuance of this Request for Qualifications (RFQ), the SBWMA seeks an experienced and qualified municipal advisor to perform financial advisory services and assist the SBWMA with refunding the SBWMA’s 2009 Series Bond to realize financial savings by taking advantage of the current low interest rates.

Submittals to the SBWMA will be considered public records and will be made available for public review upon request after conclusion of this RFQ process.

2. INTRODUCTION

In March 2000, the SBWMA issued \$20,090,000 tax-exempt revenue bonds to fund the acquisition of its solid waste transfer station, recycling facilities and related equipment from BFI/Allied/Republic. In August 2009, the SBWMA redeemed those bonds in connection with the financing of improvements to the Shoreway Environmental Center and issued \$53.5 million of bonds (the “2009 Series Bonds”) to finance those improvements. \$44.685 million of the 2009 Bonds will remain outstanding on the first call date of June 1, 2019. The 2009 Series Bonds were sold during a high interest rate period during the Great Recession of 2008. Future interest rates on the 2009 Series Bonds range between 5% and 6.25%.

The SBWMA contracts with a private company, South Bay Recycling, for operation of the Shoreway Environmental Center, which handles over 450,000 tons of material (recyclables, organics and refuse) annually. In addition to processing materials for the SBWMA Member Agencies, the Shoreway Environmental Center also accepts and processes material from the public and third-party customers at gate rates.

3. PURPOSE AND GENERAL CONDITIONS

This RFQ provides information for interested municipal advisors to prepare a written response regarding their qualifications and approach to the proposed work.

ADDENDUMS. Should it be necessary for the SBWMA to issue addendums to during the proposal period, the SBWMA will endeavor to notify the known holders of this RFQ. The addendums will be posted on the SBWMA's web site for any interested parties to review. Proposal should include a notation that the municipal advisor is aware of all of the addendums which have been issued and has incorporated their provisions in their proposal.

ADDITIONAL INFORMATION. The SBWMA reserves the right, to request additional information or clarifications from municipal advisors where it may serve the SBWMA's best interest.

ADDITIONAL SERVICES. The Scope of Work describes the minimum work to be accomplished. Upon final selection of the individual or firm, the Scope of Work may be modified and refined during negotiations with the SBWMA.

AWARD OF PROPOSAL. The SBWMA reserves the right to negotiate final terms with the selected municipal advisor, if any. Award may be made to the municipal advisor offering the most advantageous proposal after consideration of all evaluation criteria.

COMPLIANCE WITH LAWS. All proposals shall comply with current federal, state, and other laws relative thereto.

CANCELLATION OF SOLICITATION. The SBWMA may cancel this solicitation at any time.

COSTS. The SBWMA is not liable for any costs incurred by municipal advisors before entering into a formal contract. Costs of developing the proposals, or any other such expenses incurred by the municipal advisor in responding to this RFQ, are entirely the responsibility of the municipal advisor, and shall not be reimbursed in any manner by the SBWMA. No reimbursable cost may be incurred in anticipation of award.

IRREGULARITIES. The SBWMA reserves the right to waive non-material irregularities if such would be in the best interest of the SBWMA as determined by the Executive Director.

NON-DISCRIMINATION. Municipal advisor represents and warrants that it does not and will not discriminate against any employee or applicant for employment because of race, religion, gender, color, national origin, sexual orientation,

ancestry, marital status, physical condition, pregnancy or pregnancy related conditions, political affiliation or opinion, age or medical condition.

OWNERSHIP. All data, documents and other products used or developed during the RFQ process become the property of the SBWMA upon submission.

NO OBLIGATION. The release of this RFQ does not obligate or compel the SBWMA to enter into a contract or agreement.

PROPOSAL, REJECTION OF. The SBWMA reserves the right to reject any or all proposals or any part of a proposal.

PUBLIC RECORD. All proposals submitted in response to this RFQ will become the property of the SBWMA upon submittal and a matter of public record pursuant to applicable law.

REPRESENTATIONS. Municipal advisors understand and acknowledge that the representations made in their submitted proposal are material and important, and will be relied on by the SBWMA in evaluation of the proposal. Municipal advisors' misrepresentation shall be treated as fraudulent concealment from the SBWMA of the facts relating to the proposal.

RFQ PART OF AGREEMENT. Should an agreement be awarded, this Request for Qualifications may become part of the agreement between the SBWMA and the successful municipal advisor.

SEVERABILITY. If any provisions or portion of any provision, of this Request for Qualifications are held invalid, illegal or unenforceable, they shall be severed from the Request for Qualifications and the remaining provisions shall be valid and enforceable.

VALIDITY. Proposal must be valid for a period of ninety (90) days from the due date.

4. SCOPE OF WORK

The SBWMA is interested in retaining a municipal advisor to perform financial advisory services, including the functions to refund the SBWMA's 2009 Series Bonds. It is expected that the municipal advisor will provide ongoing financial support and work closely with the SBWMA and the SBWMA's internal Finance Team to make recommendations and perform activities of the bond refunding.

The municipal advisor's scope of work is anticipated to include tasks in the following areas:

1. Prepare and distribute requests for qualification for bond counsel and disclosure counsel.
 - a. Evaluate bids and recommend award.
2. Prepare a plan of finance which would, at minimum, address:
 - a. Feasible financing structures and a recommendation, including method of sale (private placement, negotiated public sale, competitive public sale), fixed vs. floating rate, and pattern of realized savings;
 - b. The material risks, potential benefits, structure, and other characteristics of the recommended municipal securities transaction and any associated municipal financial products;
 - c. The basis upon which the municipal advisor reasonably believes that the recommended municipal securities transaction and/or municipal financial product is, or (as may be applicable in the case of a review of a recommendation) is not, suitable for the SBWMA.
3. Evaluate the SBWMA's credit quality and financial strength using typical industry standards.
4. Prepare a written report to the SBWMA regarding the feasibility of issuing the bonds and sufficiency of revenues and funds pledged to support the bonds.
5. Attend all organizational, document review, and special meetings related to bond financing.
6. Evaluate, advise and consult with the SBWMA and bond counsel regarding financial and non-financial bond covenants.
7. Assist with official statement review and preparation.
8. Recommend timing of bond sales.
9. Design and conduct on-line sale should the SBWMA decide to use competitive auctions for competitive marketing of bond sales.
10. Identify tasks, responsibilities, and dates for completing activities leading up to bonds sales. Develop schedules with key milestones and deliverables.
11. Assist in furnishing materials and data to rating agencies, bond insurers, and letter of credit providers.
12. Evaluate use and obtain bids for credit enhancement (if appropriate).

13. Evaluate potential underwriters for a negotiated sale or defined process for competitive sale.
14. Review pricing, underwriter roles, and allocation of bonds (negotiated sale).
15. Assist with closing arrangements.
16. Provide assistance on investment on bond proceeds (if appropriate).
17. Assist with presentation of recommendations to the SBWMA Board of Directors.
18. Provide advice related to compliance with arbitrage regulations.
19. Develop financial analyses and special reports, as requested.
20. Other related tasks, as requested.

5. QUALIFICATIONS

The municipal advisor must have familiarity with the SBWMA's mission and scope, the structure of, and the context of its work within County and State regulations and laws.

Proposals must contain a statement as to qualifications of the proposing firm, and identify the municipal advisor and other staff that would have assignments under this contract, and provide their resumes that fully describe their qualifications and experiences.

Proposals must contain a statement that the municipal advisor is registered with the Securities and Exchange Commission (SEC) and Municipal Securities Rulemaking Board (MSRB).

This section is also to include a list of other government agencies in California for which the firm is presently under contract to provide financial advisory services, and the name of the primary municipal advisor for each.

6. PROCEDURE FOR SUBMITTING QUESTIONS

All communications about this RFQ must be directed to John Mangini in writing via email at jmangini@rethinkwaste.org by November 9, 2018. The SBWMA will provide a written response to all questions in the form of an Addendum to this RFQ, by **November 13, 2018, if necessary.**

7. SUBMITTAL REQUIREMENTS

Municipal advisors must submit sufficient information, as outlined below, for the SBWMA to evaluate municipal advisors' qualifications. Selection will be based on a combination of the cover letter, firm and staff qualifications, cost, project understanding, project delivery schedule, and references.

To be deemed responsive to this RFQ, municipal advisors' submittals must be received by e-mail at jmangini@rethinkwaste.org no later than November 16, 2018, at 4 pm.

Please label the email subject line "Response to RFQ—Municipal Advisor Consulting Services."

Please include both a PDF version and the source file (e.g., Word or Excel file) of all documents submitted.

Submittals should be concise and responsive, based on these guidelines:

- A. Cover Letter** – In up to two (2) pages, include: firm description, date established, main services, key qualifications, and prior experience. The individual authorized to contractually bind the firm should sign the cover letter. Resumes for key proposed staff members and sub-consultants, if any, should be provided as an appendix, such that the municipal advisor demonstrates that it meets the required minimum qualifications above. While no limitation is placed on length or number of resumes, please note that submittals will be reviewed with attention to conciseness and responsiveness; unless otherwise specified herein, no other attachments or appendices are allowed.
- B. Description of Qualifications** – In up to ten (10) pages, describe firm's qualifications, expertise and prior specific related experience, and proposed use of subcontractors (if any). The SBWMA prefers that the municipal advisors explain their specific qualifications related to the anticipated scope of work in this section, and that a more general description of qualifications and experience be reserved for the cover letter.
- C. Approach** – The proposal must include in this section the approach to providing the items of work noted in the Scope of Work. The approach to the work plan shall be of such detail to demonstrate the municipal advisor's ability to accomplish the project objectives. In this section, include:
 - Innovative and successful approaches
 - Quality control measures
 - Strategy, phasing, and process of performing the work

D. References

- Provide the names, phone number, contact person and mailing address of at least five (5) references for which similar services have been provided in the last three (3) years.
- Also indicate for which of the references the proposed primary municipal advisor has provided services and the capacity of these services.

E. Legal Issue/ Conflict of Interest – Include information about:

- Violations of federal, state or local regulations/laws within the past three (3) years
- Pending or current litigation
- Arrangements with other firms that could pose a conflict of interest
- If none of the above apply, a statement to that effect

F. Costs

- Include all costs associated with providing the services described in the Scope of Work.
- Include cost by category for all major activities, including a bond issuance.
- Include the normal compensation method which may include minimum hourly rates for assigned personnel.
- The SBWMA's goal is to achieve the lowest total financing costs balanced with safety for the SBWMA and flexibility for the Board of Directors.

G. PROPOSAL QUALIFICATIONS CERTIFICATION – Complete Attachment A.

H. CLIENT REFERENCE FORM – Complete Attachment B.

8. RIGHT TO CONTRACT FOR SELECTED SERVICES

The SBWMA, at its sole option, will select the municipal advisor which best fulfills the requirements and provides the best value to the SBWMA and its Member Agencies.

The SBWMA reserves the right to contract for selected services relating to this proposal from any municipal advisor, in part or in whole. The SBWMA may select more than one individual or firm to provide all necessary services.

An evaluation panel will review all proposals submitted. Discussions may, at the SBWMA's option, be conducted with the most qualified municipal advisor.

Discussions may be for the purpose of clarification to assure full understanding of, and responsiveness to, the RFQ's requirements. Municipal advisors shall be accorded fair and equal treatment with respect to any opportunity for discussion and written revision of proposals. In conducting discussions, the SBWMA will not disclose information derived from proposals submitted by competing municipal advisors. There will be no public opening and reading of bids. Overall responsiveness to the RFQ is an important factor in the evaluation process.

Proposals will be evaluated on the basis of:

- The individual or firm's overall qualifications and experience in municipal finance, including on-line bond sales, with an emphasis in general municipal financing.
- The individual or firm's legal issues and conflicts of interest
- Qualifications of the proposed primary municipal advisor and other staff members, and experience providing financial advisory services to other public agencies of similar size and complexity as the SBWMA.
- Responsiveness to the RFQ process and general provisions, and understanding of the Scope of Work as evidenced by the services offered in the proposals, presentations, and ability/willingness to sign the SBWMA contract.
- References
- Costs

Attachment A: Qualifications Certification

CONSULTANT	
ADDRESS	
TELEPHONE	
CONTACT EMAIL	
CONTACT NAME, TITLE	

1. Municipal advisor certifies that neither the municipal advisor nor its principals are presently disbarred, suspended, proposed for disbarment, declared ineligible or voluntarily excluded from participation in this transaction by any federal department or agency, any California State agency, or any local governmental agency.

2. Municipal advisor certifies that municipal advisor did not receive unauthorized information from any SBWMA staff member, contractor, or Board member during the RFQ response period except as provided for in this RFQ package and through formal addenda, if any, issued by the SBWMA.

3. The municipal advisor certifies that municipal advisor does not have any conflicts of interest, whether actual or perceived, and has disclosed any such work in its response to this RFQ.

4. Municipal advisor certifies that the information and all accompanying documentation contained in municipal advisor’s submittal pursuant to this RFQ are true and correct.

5. Please check the appropriate box below:
 - If an *individual* submits a response to this RFQ, he or she shall sign it. If he or she is doing business under a fictitious name, the response shall so state.
 - If a response to this RFQ is submitted by a *partnership*, the full names and addresses of all members and the address of the partnership shall be stated and the response shall be signed for all members by one or more members thereof.
 - If a *corporation* submits a response to this RFQ, an authorized officer or officers of the corporation shall sign it in the corporate name.
 - If a *limited liability company (LLC)* submits a response to this RFQ, an authorized officer or officers shall sign it in the LLC’s name.
 - If a response to this RFQ is signed by a *joint venture*, the full names and addresses of all members of the joint venture shall be stated and a representative of each individual entity shall sign it.

Attachment A – Qualifications Certification (continued)

By signing below, the submittal pursuant to this RFQ shall be deemed a representation and certification by the municipal advisor that municipal advisor has investigated all aspects of the RFQ, that municipal advisor is aware of the applicable facts pertaining to the RFQ process, its procedures and requirements, and that municipal advisor has read and understands the RFQ.

Authorized Representative Name: (Signature)
Authorized Representative Name: (Printed name)
Authorized Representative Title and Entity: (Printed title and entity)
Complete any additional signatures below as required.
Authorized Representative Name: (Signature)
Authorized Representative Name: (Printed name)
Authorized Representative Title and Entity: (Printed title and entity)
Authorized Representative Name: (Signature)
Authorized Representative Name: (Printed name)
Authorized Representative Title and Entity: (Printed title and entity)

Attachment B: Client Reference Form

Please specify at least five (5) clients for which similar services have been provided in the last three (3) years.

For multiple references, please copy this form as appropriate.

Client Reference Form

Name of Company or Agency	
Address	
Contact Name(s), Address, Telephone Number(s), Email	
Description of work performed and dates of service:	