THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

REQUEST FOR QUALIFICATIONS OF FIRMS
REQUEST FOR PROPOSALS NO. 030-KK10

UNDERWRITING SERVICES

I. NAME AND ADDRESS OF REQUESTER

Miami-Dade County Public Schools
Office of Treasury Management
1450 N. E. Second Avenue, Room 615
Miami, Florida 33132

II. PURPOSE OF REQUEST FOR PROPOSALS

The School Board of Miami-Dade County, Florida (the "School Board") requests sealed proposals for duly qualified and eligible entities (the "Proposers") prepared to underwrite either Certificates of Participation under the District's Master Lease Program or other planned financings. This Request for Qualification of Firms and Proposals seeks to identify and appoint an Authorized Underwriters List as deemed advisable by Miami-Dade County Public Schools for the next two years planned financings. Underwriting teams for particular financings to be issued by the District over the next two years will be selected from this approved list. The Authorized Underwriters List may be extended for one additional year and firms may be added or deleted as the need arises.

Proposers are requested to provide the best financing plan under this Request for Proposal. Also from time to time additional request for proposed financing plans may be solicited from the Authorized Underwriters List. Selection for inclusion in the School Board's Authorized Underwriters List under this Request for Proposals does not guarantee any role in any particular financing of the Board. The District may select one or more firms to provide underwriting services that may include but are not limited to, either on a competitive, negotiated basis or private placement the following debt issuances:

General Obligation Bonds
Certificates of Participation
Revenue Anticipation Notes
Master Equipment/Technology Leases
Tax Anticipation Notes
Forward Purchase & Remarketing Agreements
Debt Refundings & Restructurings
Public Private Partnerships
Derivatives/Swaps

Pertinent financial documents may be found on the following addresses:

District Debt Management Policies
http://ehandbooks.dadeschools.net/policies/156.pdf

Comprehensive Annual Financial Report
http://financialaffairs.dadeschools.net/CAFR_09/index.htm

Other Financial Documents are available on the District Web Site
http://financialaffairs.dadeschools.net/manuals.asp

The latest Offering Statement for debt issued by the District (COP 09B Qualified School Construction Bonds) is available through the DAC website.

III. INSTRUCTIONS FOR SUBMISSION OF PROPOSALS

Fifteen copies of the proposal in three-ring binders, one of which shall be an original, and a copy of the proposal on a CD ROM in PDF format, must be received by 2:00 p.m. (Eastern Standard Time) April 13th, 2010, at:

The School Board of Miami Dade County, Florida
Bid Clerk, Division of Procurement Management Services
1450 Northeast Second Avenue, Room 352
Miami, Florida 33132

The responsibility for submitting this proposal to the District on or before the stated time and date will be solely and strictly the responsibility of the Proposer. The District will in no way be responsible for delays caused by the United States mail or any other delivery service or caused by any other occurrence. The proposal must be submitted in a sealed envelope or box marked "**UNDERWRITING SERVICES**."

It is anticipated that a proposal may be presented to The School Board of Miami-Dade County, Florida, for acceptance on or about May 12, 2010. If accepted, notification to the successful proposer(s) will be on or about May 12, 2010. The Board reserves the right to accept or reject any and all proposals.

IV. INFORMATION ON THE DISTRICT CAPITAL FINANCING PROGRAM

The District's debt outstanding totals $3.2 Billion as of April 1, 2010 exclusive of the State Board of Education Bonds; see Appendix A for a listing of the District's debt issuance since 1988. The School Board's ratings for outstanding Certificates of Participation under its Master Lease Purchase Agreement are "A3" by Moody's Investors Service, Inc., and "A" by Standard & Poor's Corporation**.** The District's general obligation debt ratings are "A2" by Moody's Investors

Service, Inc. and "A+" by Standard & Poor's Corporation. Moody's has provided a negative outlook for both the COPs and GOB ratings. S&P has provided a stable outlook for both the COPs and GOB ratings.

Information on the District's Five Year Capital Plan can be found on the District Web Site at http://facilities.dadeschools.net/capital/index.asp. An update on District's FY 2010/11 – 2014/15 Capital Funds Anticipated Revenues and Appropriations Projections including 3/1/10 State Ad Valorem Revenue Estimating Conference projections is included in Appendix B.

V. REQUIRED INFORMATION TO BE SUBMITTED BY PROPOSER

Proposers must adhere to this section's requirements for proposal content and format so that the evaluation and selection process can be conducted in an orderly and timely manner. Proposers must ensure that their proposal closely follows the sequence and organizational outline in this section. Brevity and concise responses are encouraged throughout the proposal and should be single spaced with no smaller than 12 point type.

Responses for 1-4 should be included in separate Appendices. Responses for 5-7 should not exceed 15 pages in total. If need be include supporting schedules or analysis in additional appendices or exhibits.

Each page in the proposal must be numbered consecutively, including all appendices, exhibits and attachments to facilitate reference and review.

Proposers should not include confidential information in their proposals. The District operates under the Sunshine Laws, of Florida.

Proposers wishing to submit a proposal in response to this RFP shall complete and submit the following:

1. Experience of the Firm

   A. Florida School District Financing Experience

   Provide a description of the firm's underwriting experience within the last two years of financings for Florida School Districts. For each transaction please indicate the following.

   1) The name of the issuer
   2) The par amount and date of issuance
   3) Note whether Certificates of Participation (COPs) or other type of structure, and the gross spread by component
   4) Note whether competitive, negotiated or private placement
   5) Credit enhancement utilized
   6) Experience with Qualified School Construction Bonds
   7) If debt refunding or restructuring was utilized provide highlights of salient points

8) The role your firm played, clearly specifying Senior Manager (book running), Co-senior Manager, Co-manager, Underwriter or Selling Group member
9) Indicate whether the firm is requesting to be considered for the Senior Manager role, and if so provide the following:

- A minimum of three issuer reference letters, including title, address and telephone number, where the firm has performed the Lead/Senior Manager (book running) role.
- Highlights of salient features of the transaction

B. Other Large School District or Large Local Government Lease Financing Experience

Provide a description of the firm's underwriting experience for issuance over $50 million within the last two years of negotiated lease financings for other government issuers. For each transaction please indicate the following.

- The name of the issuer
- The par amount and date of issuance
- The gross spread by component
- Note whether competitive, negotiated or private placement
- The role your firm played, clearly specifying Senior Manager (book running), Co-senior Manager, Co-manager, Underwriter or Selling Group member
- Credit enhancement utilized
- Experience with Build America Bonds
- If debt refunding or restructuring was utilized provide highlights of salient points.

C. Public Private Partnership Financing Experience

Provide a description of the firms experience with Public Private Partnership Financing for school districts and other similar general governmental buildings over the past 2 years, and do not include PPP Financings for enterprise-type transactions (i.e., toll roads, utilities, transit, airport, seaport, etc.)

D. Provide any relevant public finance rankings for the past two years.

2. Personnel

Identify the key personnel who will be assigned to this transaction and specify the role of each individual. Include information regarding backup personnel. Please provide brief resumés of each individual.

Please identify the individual who will be the primary contact regarding this proposal. Include the name, address and telephone number of the

individual who will serve as primary contact regarding this proposal.

For firms requesting the role of Lead/Senior Managers include resume of personnel in charge of the underwriting desks.

3. Firm Capitalization & Ratings

- Total capital for the past five years
- Equity capital for the past five years
- Excess net capital for the past five years
- Credit ratings for the past five years

4. Litigation

Please list and briefly describe:

A. Any litigation or administrative proceedings to which proposer's firm is a party and which would either:
   - Materially impair your ability to perform the services enumerated herein and for which this RFP was issued; or
   - If decided in an adverse manner, materially affect the financial condition of your firm;

B. All settlements, verdicts, judgments or sanctions in any administrative proceedings or civil suits within the past five years or ongoing litigation:
   - With respect to your firm, on any matter;
   - With respect to all employees in the firm, as to those individuals' performance of professional duties;

C. Any pending administrative proceedings, investigations and civil suits against the firm relating to the firm's performance of its professional duties.

D. U.S. Department of Justice probe: Please identify if your firm or any of its current or former employees is either a subject or a target of the current Department of Justice investigation into bid rigging and price fixing in the market for municipal swaps and investment products.

5. Recommended financing plan strategies, terms and conditions, and/or structure of individual issues, that addresses the following:

A. **$95.4M COP 2010 Qualified School Construction Bonds**

- Approach and methodology for structuring issue
- Rating agency strategies
- Marketing plan
- Any innovative services, products or other capital funding methods to be employed
- If proposing to serve as Lead/Senior Manager (book running), should recommend the number and type of firms to serve in the underwriting

group and the selling group. Please provide a recommendation regarding the allocation of bonds to the underwriting group
- Firms proposing to serve, as Lead/Senior Manager (book running) should propose a total compensation, detailed by component: management fee, expenses including underwriter's counsel, take down and underwriting fee, if any.

B. **$57.4M COP 2008C Letter of Credit (expiring 8/1/10) or other financing alternatives, see Appendix C**

- The District expects the firms comprising its underwriting team to be willing to commit resources in order for the District to fulfill its capital program. As such, please provide a statement indicating your firm's willingness to commit to providing the District with a direct-pay letter of credit for the 2008C COPs, $57.4M currently outstanding, or other financing alternatives. Additionally, to be submitted and evaluated as part of this RFP process, please complete the response form included in Appendix C. Please review the existing documents related to the 2008C COPs when responding to this question and completing the form.
- Approach and methodology for structuring, pricing and terms for other financing alternatives.

C. **$127.6M COP 2003B with mandatory put 5/1/11**

- Approach and methodology for structuring issue
- Rating agency strategies
- Marketing plan
- Any innovative services, products or other capital funding methods to be employed
- If proposing to serve as Lead/Senior Manager (book running), should recommend the number and type of firms to serve in the underwriting group and the selling group. Please provide a recommendation regarding the allocation of bonds to the underwriting group
- Firms proposing to serve, as Lead/Senior Manager (book running) should propose a total compensation, detailed by component: management fee, expenses including underwriter's counsel, take down and underwriting fee, if any.

Provide a comparison of interest rates/index & spread proposed to AAA MMD, as of the close of business on April 21, 2010 for above transactions. The April 21st rates will be used as an indication of pricing levels. The District reserves the right to negotiate interest rates, fees, expenses, takedowns and terms prior to completing the sale.

6. <u>FY 2010/11 – 2014/15 Capital Funds Anticipated Revenues and Appropriations Projections, Appendix B</u>

Delineate possible strategies to provide cash flow relief and/or revenue

generating options the District may employ to address the $2.1 billion in deferred maintenance back log and decline in projected revenues for FY 2011/12 & 2012/13, i.e. GO or Surtax Referendum, debt restructuring, etc. If debt restructuring or public private partnership financing is recommended, provide debt affordability analysis, along with risk & credit assessment for the District's debt management program.

7. Derivative Products or Services:

The District is not seeking to add any derivative products; however, possible strategies for reducing risks on the District's outstanding swaps should be delineated, including all proposed terms, conditions and indicative pricing. Included in Appendix D are excerpts from the District's 6-30-10 CAFR on outstanding swaps and terms of the Purchasing Agreement for the associated 2002A&B COPs. The associated 2002A&B COPs were converted to variable rate mode currently based on SIFMA plus 0.75% under a Private Placement with predetermined reset terms.

VI. EVALUATION OF PROPOSALS

Representatives of the School District will evaluate proposals in order to ascertain which proposals best meets the needs of the School Board. A committee consisting of the Treasury Advisory Committee in addition to the following staff will evaluate proposals on or about April 26, 2010:

Chief Facilities Officer or designee
Representative from the Office of Compliance and Business Services
Representative from the Office of Procurement Management (Non-Voting)

Evaluation consideration will include, but not be limited to, the following:

- The responsiveness of the proposal in clearly stating an understanding of the work to be performed.

- The financial strength of firm indicating sufficient capital available for underwriting purposes.

- The experience and qualifications of the personnel assigned to the School Board.

- Expertise with similar lease-purchase (certificates of participation) transactions or other proposed financing instruments proposed.

- Costs of services (subject to negotiation).

- Structure and marketing plans of proposed financings.

- Preferences may be provided to firms with financial relations with the

School Board, i.e. Swap counterparties, banks employed under a Master Banking Services Agreement or Master Equipment Lease Agreement, etc. The Authorized Underwriters List may be amended depending on the changes in financial relations. .

Any additional materials the proposer may wish to include must be presented in appendix form.

The School Board reserves the right to reject any or all proposals, to further negotiate any proposals, to waive any irregularities or informalities, to accept or reject any items or combination of items, to request clarification of information submitted in any proposal, and to request additional information from any proposer.

When the final selection is made and approved by the School Board, the District will select from the Authorized Underwriters List specific team assignments, as it deems appropriate. The District will entertain any and all future financings proposals from the approved underwriting list exclusively for a period of two years beginning on the date after Board approval.

Competitive bidding will be utilized whenever possible, if it's deemed in the best interest of the District. However, firms will be allowed to match winning bids and allocations will take into consideration when a firm has provided innovative financing ideas utilized by the District. Firms providing innovative and/or proprietary financing ideas will also be given special consideration in assignments for negotiated sales.

No debriefing or discussion will be held with unsuccessful proposers.

VII. EQUAL EMPLOYMENT OPPORTUNITY AND M/WBE PARTICIPATION

Equal Employment Opportunity

A. It is the policy of the School Board that no person will be denied access, employment, training, or promotion on the basis of gender, race, color, religion, ethnic or national origin, political beliefs, marital status, age, sexual orientation, social and family background, linguistic preference or disability, and that merit principles will be followed.

B. Each firm is requested to indicate its equal employment policy and provide a detailed breakdown by ethnicity, gender and occupational categories of its work force. (**ATTACHMENT E)**

Minority/Women Business Enterprise (M/WBE) Participation

The School Board has an active Minority/Women Business Enterprise (M/WBE) Program, to increase contracting opportunities for M/WBE's. In keeping with this policy, if a minority firm, which is Woman or African American-owned and

operated, is to perform a scope of work, provide documentation to substantiate the experience of the M/WBE and its staff in providing this type of service. The Division of Business Development and Assistance must certify all M/WBE's, prior to contract award. The M/WBE Application may be accessed through the following link:

http://procurement.dadeschools.net/pdf/3920.pdf

VIII. IMPLEMENTATION SCHEDULE

The planned schedule for implementation of this Request For Proposals, is as follows:

Procurement Contract Review Committee……March 11, 2010

Mailing of Request For Proposal……March 26, 2010

Deadline for Questions……April 8, 2010

Opening of Proposals……..……April 13th, 2010

Evaluation of Proposals ……on or about April 26th, 2010

Recommendation for Award……May 12th, 2010

IX. ADDITIONAL INFORMATION

Specific information concerning this RFP should be e-mailed prior to the deadline for questions, referencing the RFP by page number and paragraph, no later than 4:00 p.m., on April 8, 2010, to:

Ms. Barbara D. Jones, CPPB
Procurement Management Services
1450 N.E. Second Avenue, Room 352
Miami, Florida 33132
(305) 995-2348
E-mail bjones@dadeschools.net

The School Board of Miami-Dade County, Florida will issue responses to inquires and any other corrections or amendments it deems necessary in written addenda issued prior to the proposal due date. Proposers should not rely on any statements other than those made in this RFP or in any addendum to this RFP. Where there appears to be a conflict between the RFP and any addenda issued, the last addendum issued will prevail.

Responses to questions will be posted to M-DCPS' website and it is the responsibility of the proposers(s) to monitor this site for posting of response(s). The website link is the following:

http://procurement.dadeschools.net/bidsol/asp/ENACT.asp