

## **Request for Proposals: Municipal Advisory Services**

The City of Burlington, Vermont (“City”) is seeking proposals from qualified, independent municipal advisory firms to perform municipal advisory services in connection with the City’s debt and capital investment programs. The services will include performing the role of Independent Registered Municipal Advisor (IRMA) for the City, in accordance with SEC Dodd-Frank – related regulations. Firms must be capable of providing a range of value-added services, including but not limited to those outlined in the Scope of Services below.

### **I. GENERAL INFORMATION & SCHEDULE**

Date of Issuance: September 2, 2019  
Issued by: City of Burlington

Due Date for Questions: September 17, 2019 by 5PM ET  
Reponses will be available by 5PM ET September 21, 2019

Due Date for Responses: October 3, 2019 by 3PM ET  
Contact: Rich Goodwin, Director Financial Operations  
City of Burlington  
149 Church Street, 2nd Floor  
Burlington, VT 05401  
[rgoodwin@burlingtonvt.gov](mailto:rgoodwin@burlingtonvt.gov)

Questions concerning this RFP must be made via email per the schedule above. Responses to all submitted questions will be posted at <https://www.burlingtonvt.gov/RFP>.

### **II. BACKGROUND AND SCOPE**

#### **The City of Burlington**

Burlington is a full service community, offering police, fire and EMS, code enforcement, public works, and parks and recreation services. The City of Burlington is the most populous city in the State of Vermont. The 2013 census estimates approximately 42,284 residents with a density of approximately 4,121.5/square mile. It covers approximately 15.5 square miles (10.3 square miles land). The City includes approximately 101 miles of streets and 134 miles of sidewalks.

In addition to traditional municipal services, the City operates over 35 parks, a marina, a campground, water and wastewater systems, an international airport, and an electric department. Additional information is available at [www.burlingtonvt.gov](http://www.burlingtonvt.gov)

#### **Form of Government**

Burlington was incorporated as a City in 1865. On November 7, 2000, voters approved amendments to the City Charter which provided for direct Mayoral appointment of department heads with City Council confirmation, clarified the Mayor's authority as the City's Chief Executive Officer, established the position of Chief Administrative Officer, and provided that City commissions would become advisory except when authority was re-delegated by the City Council.

### **Scope of Services**

The City is seeking to retain a qualified financial advisor firm to provide advice and services related to the sale of bond and notes. It is expected that the financial advisor will work closely with the Director of Financial, including making recommendations and performing activities related to the issuance of debt and maintenance of the City's Credit rating. The City expects to award a contract for a three-year team with a two-year option to renew. The City prefers that the Contract be a fixed price but may allow for cost escalation as determined by an agreed – upon price index. Specifically, the financial advisor may:

- Review and evaluate the City's existing capital financing plans and work closely with the Director of Finance to determine whether current borrowing strategy needs to be amended.
- Assist the City in reviewing opportunities to refinance and restructure its existing debt in order to reduce costs or to otherwise implement the City's financial objectives.
- Advise on methods of debt sales (where appropriate).
- Recommend timing of bond sales.
- Identify tasks, responsibilities, and dates for completing activities leading up to bond sales. Assist with coordinating all tasks associated with a sale, including preparation of the offering statement. • Design or actively participate in the design of debt structure.
- Provide advice on approaches to ratings and assist with rating presentations and the preparation of the presentation.
- Assist in preparing and reviewing documents, including preliminary and final official statements.
- Conduct pre-marketing of issues (competitive sale).
- Evaluate bids, including accuracy of TIC calculation, and recommend award (competitive sale).
- Review pricing, underwriter roles, and allocation of bonds (negotiated sale).
- Coordinate closing arrangements with the City, bond counsel and underwriter. Assist the Director of Finance in coordinating receipt and disbursement of funds on the settlement date.
- Provide assistance on investment of bond proceeds (if appropriate).
- Provide advice related to compliance with arbitrage regulations.
- Prepare and update a debt amortization schedule for new and existing debt at the request of the Director of Finance.

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- Assist the City in securing, or providing, Paying Agency services for bonds and notes.
- Should circumstances require municipal bond insurance, assist the City in coverage qualification and, if necessary, making presentations to municipal bond insurance companies. Analyze premium costs and the impact on the financing rate.
- Preparation of analytical data and/or projections related to internal evaluations of capital projects and City liabilities including outstanding indebtedness.
- Assist in developing capital financing plans for equipment and other assets; and
- Develop financial analyses and special reports as requested.

The Municipal Advisors must be registered with the Securities and Exchange Commission (SEC) and Municipal Securities Rulemaking Board (MSRB) and meet professional and testing standards. Issuers should be aware that MSRB Rule G-23 prohibits a broker-dealer firm that also provides financial advisory services. The selection and use of municipal advisor will expect a minimum of ten years' experience as the Principle or Director with municipal market knowledge, expertise, and experience of the issuer's staff. It will be expected that we will receive signed oath of non-collusion of staff.

The relevant experience of the individuals to be assigned to the issue, identification of the individual in charge of day-day management, and the percentage of time committed for each individual account will be included with the response to this RFP.

The City bonds for Water Resources, Burlington Electric Department, Burlington International Airport, the Burlington School District, and special funds to include Tax Incremental Financing and a Traffic Fund.

### **Strategy Review**

**The following provides more specific detail to the scope of services to be provided to the City:**

- Will work with City to prepare the annual Fiscal Stability Report to determine gross and net present value savings generated by the overall improvement of the City's credit ratings.
- Will work with City to determine budget and tax impact of bonding scenarios, debt capacity analysis, and credit benchmarks.
- Work with City to update its debt policy to reflect new debt, plans, and market changes.

### **Bond Sales**

- Coordinate the tasks, responsibilities, and dates for completing activities leading up to a bond sale with the City's financing team;
- Attend in person or by phone all organizational, document review, and special meetings related to a bond financing;
- Evaluate, advise, and consult with the City and bond counsel regarding financial and non-financial bond covenants of the bond issue;

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- Assist in furnishing materials and data to rating agencies, bond insurers, and letter of credit providers;
- Assist in structuring bond transactions;
- Assist in team discussions in conjunction with bond counsel on form, content, and sufficiency of information in the official statement;
- Assist in the creation of the OS;
- Prepare preliminary and final official statements in conjunction with bond counsel;
- Coordinate paying agent, escrow, advertising, and any other services necessary for the bond sale;
- Provide advice on approaches to ratings and facilitate the presentations to ratings agencies; and
- Evaluate the use and obtain bids for credit enhancements, when appropriate.

### **Competitive Sales**

- Coordination of pre-sale publicity, call for bids, evaluation of bids, recommendations regarding sufficiency of bids and awarding of bonds.

### **Negotiated Sales**

- Coordinate pricing meetings and offerings of negotiated issues;
- Recommend structure of underwriting teams; i.e., co-managers, selling group, syndicate, etc.;
- Recommend timing of bond pricing; and
- Review, monitor and advise the City regarding proposed negotiated interest rates, spreads and underwriter compensation.

### **Bond Closing**

- Prepare closing memorandum with bond counsel to confirm activities at the closing and role of each party;
- Assist in evaluating the investment of bond proceeds (where applicable) for construction fund, debt service, fund, escrow, etc.; and
- Assist with the allocation of debt service principal and interest from a bond sale to the underlying borrowings at high level.

### **Public Meetings**

- Prepare and deliver presentations designed to facilitate an understanding of public sector financing and its implications to public officials and residents.

### **Post-Issuance Assistance**

- Review the City's CAFR for adequacy of meeting continuing disclosure requirements;
- Provide advice related to compliance with arbitrage regulations.

### **Policy Development**

- Assist staff by evaluating program proposals or changes in policy.
- Monitoring of rating.
- Review of practices and policies and recommended steps that can be taken to improve city's fiscal health and programs.

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- Assist with benchmarking against other municipalities.
- Coordinate relationship with rating agencies.

### III. ANTICIPATED SCHEDULE

The City reserves the right to amend dates. Changes in the timeline will be posted to <https://www.burlingtonvt.gov/RFP>. Interested parties are encouraged to register for updates at that page.

- September 2, 2019 RFP issued
- September 17, 2019 RFP-related questions due
- September 21, 2019 Question responses to be posted
- October 3, 2019 RFP closed
- November 2, 2019 Target Notice of Award

### IV. RFP SUBMITTAL

Responses to this RFP should address how your firm would provide the services outlined. Responders are encouraged to be creative in their proposed approach and solution. Responses to this RFP must be not more than 24 pages in length (12 double-sided or 24 single-sided pages). Responses should address the questions outlined above, and must include the following:

- 1) Qualifications Detail consisting of:
  - a) Cover letter including statement of understanding of the services being requested and any other information that would assist the City in making a selection. A person legally authorized to bind the firm to a contract sign the letter must.
  - b) Appendix A (provided in this RFP): Signed by a representative of the firm attesting that all terms, conditions and procedures outlined in this RFP are understood and have been followed.
  - c) Organizational Overview: A description of the applicant's organization, years in existence, structure and composition.
  - d) Proposed Project Team Members: Clearly indicate the applicant has designated team leader for the relationship, as well as the specific individuals who will be assigned to the work, their primary role(s), years with your firm, and their respective expertise in such work, as well as any professional affiliations or credentials.
    - Please also identify staff from other locations and/or specialties within your firm that are available for consultation.
    - A statement of what guarantee you can provide for the long-term consistency of this team, and your approach to assigning new team members where required by termination or transfer.
    - Please identify which office will service this account, who heads that office, and the local office size.
    - Number of CPCU, ARM, AIC, CIC and other designations employed at the local office.
  - e) Qualifications: Provide a summary of the key strengths and qualifications of your firm and an overview of the capabilities your firm would offer in delivering the requested

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services and scope. Specifically identify your firm's analytical resources and quantitative capabilities. Specific Project Experience: Description of familiarity with and years of service to municipal, public entity, and local government clients, particularly those of similar size and scope.

- f) Partners: An explanation of any partnering arrangements that have been or will need to be made in order to complete the work.
- g) List of References:
  - o Provide a minimum of three (3) client references with which the applicant has provided similar services within the last three (3) years: at least two references must be municipal or state government entities of similar size and scope of operations. Include the name, email, and telephone number of the contact person and a description of the role and services provided to that contact.
- h) Financial Stability:
  - o Please provide a copy of your most recent audited financials.
- i) Insurance: Provide detail current insurance carried to protect your company and your clients. Please provide Limits and Insurer for the following (if available):
  - Insurance Broker's Errors and Omissions
  - Professional Liability
  - General Liability
  - Auto Liability
  - Bonds – Employee
  - Workers' Compensation
  - o If selected as, you must provide a Certificate of Insurance that meets our minimum insurance requirements and comply with the applicable sections of our standard Terms & Conditions below.
  - o Registered Municipal Advisor Series 50): Please state whether the employees of your firm who will be assigned to serve the City are registered municipal advisors.

## 2) Cost Proposal:

- a) Provide the fee schedule that your firm will use to charge the City for providing services as outlined in the Scope of Services. This schedule should include a description of the manner in which compensation to the firm would be determined for services rendered as Financial Advisor for complete financing as well as advice and consulting services not directly related to any specific financing program as detailed in the Scope of Services section.
- b) Provide a list of services that covered by the proposer's fee (out of pocket services) for a typical general obligation bond sale. Examples of out of –pocket services may include, but are not limited to, rating services fees, printing and mailing of the Offering Statement, publishing notices of bond sales, travel costs, and any other expenses to be paid by the City in connection with any bond or note sales.
- c) Any additional fees or costs for the services identified in this RFP that are not included in the flat fee presented.

Responses to this RFP must be received per the schedule on Page 1 to be considered. Proposals must be submitted in both digital (PDF) and printed formats. Provide two (2) print copies of the

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proposal in addition to the digital file, which may be emailed or submitted on a CD or USB drive. Please ensure that the document is easily printable in an 8.5x11 or 8.5x14 format.

Additional requirements are as follows:

- Applicants are solely responsible for ensuring that proposals arrive on time.
- Each applicant **MUST** provide his or her submittal electronically as a PDF.
- Additional details beyond the contents described above **WILL NOT** be considered.
- Accept faxed proposals **WILL NOT** be considered.
- Late replies **WILL NOT** be considered.

The City of Burlington does not tolerate unlawful harassment or discrimination on the basis of political or religious affiliation, race, color, national origin, place of birth, ancestry, age, sex, sexual orientation, gender identity, marital status, crime victim status, veteran status, disability, HIV positive status or genetic information.

The City is also committed to providing proper access to services, facilities, and employment opportunities.

The successful firm must comply with all provisions of state law and they will have to comply with the city's livable wage and union deterrence ordinances, copies of which are available on the city's website (or may be supplied on request).

### Questions

Questions may be submitted by email to the address and by the deadline identified above. Any revisions, addendums and answers to questions that are received by the due date for questions will be posted to the City's website at <https://www.burlingtonvt.gov/RFP>.

### Proposal Evaluation

In compliance with the City of Burlington's Procurement Policy, City staff will evaluate all complete proposals from qualified Consultants. Consultants will be scored up to a maximum of 100 points based on the following criteria:

- 1) **Experience & Qualifications** of firm and key personnel (20 pts)
- 2) **Ability to provide services** as outlined in RFP (25 pts)
- 3) **Budget & Value** as related to proposed and additional costs (15 pts)
- 4) **References** (15 pts)
- 5) **Level of Experience** with clients of similar size, structure and complexity (15 pts)
- 6) **Quality, Clarity & Completeness** of submittal package (10 pts)

Responses will be reviewed by City staff, and possibly its consultants, based upon the information provided in the proposal. Additional information may be requested prior to final selection. The City intends to accept the proposal it determines to be in the best interests of the City, based on the overall proposal, not exclusively on cost or any other specific factor. The City reserves the right to amend, modify, reject, negotiate, or accept any proposal in whole or in part at its sole discretion. It is anticipated that a decision will be made within 20 days of the due date.

## V. TERMS & CONDITIONS

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It will be necessary for responding parties to comply fully with the following terms and conditions outlined in this document if they are to be considered. A letter attesting that the respondent has read, understands, and followed all procedures is a part of this RFP must be included as part of the final submittal (see Attachment A).

The successful Consultant, prior to being awarded a contract, shall apply for registration with the Vermont Secretary of State's Office to do business in the State of Vermont, if not already so registered. The registration form may be obtained from the Vermont Secretary of State, 128 State Street, Montpelier, VT 05633-1101, PH: 802-828-2363, Toll-free: 800-439-8683; Vermont Relay Service – 711; web site: <https://www.sec.state.vt.us/>. The contract will not be executed until the Consultant is registered with the Secretary of State's Office. The successful Consultant will be expected to execute sub-agreements for each sub-consultant named in the proposal upon award of this contract.

Prior to beginning any work, the Consultant shall obtain Insurance Coverage in accordance with the Burlington Consultant Conditions (attachment A in this RFP). The certificate of insurance coverage shall be documented on forms acceptable to the City.

The selected consultant will be required to execute a contract with the City on the terms and conditions required by the City, including but not limited those in the Burlington Consultant Conditions (Attachment C) and the attached Draft Agreement.

### Communications

It is extremely important that all respondents be given clear and consistent information. Therefore, all respondents are required to submit any questions related to this project or RFP process via email. Responses to all submitted questions will be posted on the City of Burlington website at: <https://www.burlingtonvt.gov/RFP>. Questions concerning this RFP must be received via email per the schedule outlined on page 1. Inquiries received after this date will not be considered or answered.

Respondents should not communicate with any City department or employee during the submission process except as described above. In addition, no communications should be initiated by a respondent to any City Official or persons involved in evaluating or considering the statement of qualifications or proposals. Communication with any parties for any purpose other than those expressly described herein may cause an individual firm, or team to be disqualified from participating.

### General Compliance with Laws

The Consultant shall comply with all applicable Federal, State and local laws, including but not limited to the Burlington Livable Wage Ordinance, Union Deterrence Ordinance, Non-Outsourcing Ordinance, and City insurance requirements. A certificate of compliance with these ordinances will be required. The Livable Wage ordinance can be found at the following link: <http://www.burlingtonvt.gov/CT/Livable-Wage-Ordinance/>. Provisions of the resulting Agreement shall be interpreted and implemented in a manner consistent with each other and using procedures that will achieve the intent of both parties. If, for any reason, a provision in the Agreement is unenforceable or invalid, that provision shall be deemed severed from the

Agreement, and the remaining provisions shall be carried out with the same force and effect as if the severed provisions had never been a part of the Agreement.

#### OWNERSHIP OF DOCUMENTS

Proposals, plans, specifications, and other documents prepared and submitted under this RFP shall become the property of the City.

#### PUBLIC RECORDS

Any and all records submitted to the City, whether electronic, paper, or otherwise recorded, are subject to the Vermont Public Records Act. The determination of how those records must be handled is solely within the purview of City. All records the responding party considers to be trade secrets, as that term is defined by subsection 317(c)(9) of the Vermont Public Records Act, or that the responding party otherwise seeks to have the City consider as exempt must be identified clearly and specifically at the time of submission. It is not sufficient to merely state generally that a proposal is proprietary, contains a trade secret, or is otherwise exempt. Particular records, pages, and sections which are believed to be exempt must be specifically identified as such and must be separated from other records with a convincing explanation and rationale sufficient to justify each exemption from release consistent with Section 317 of Title 1 of the Vermont Statutes Annotated.

#### OTHER TERMS

Costs for preparing your proposal in response to this request are solely the responsibility of the respondent. The City of Burlington, Vermont assumes no responsibility and liability for costs incurred by parties responding to this RFP or responding to any further requests for interviews, additional data, etc., prior to the issuance of the contract. The City of Burlington reserves the right to accept or reject any or all Statement(s) of Qualifications or proposals, with or without cause, and to waive immaterial defects and minor irregularities in responses. All decisions related to this solicitation by the City will be final. The City reserves the right to request clarification of information submitted and to request additional information of one or more respondents. All materials submitted in response to this RFP will become the property of the City upon delivery. This solicitation in no way obligates the City of Burlington to award a contract.

#### REGISTRATION:

A successful Consultant must be registered with the Vermont Secretary of State's Office as a business entity doing business in the State of Vermont at all times the contract is effective. This registration must be complete prior to the execution of a contract.

#### INDEMNIFICATION

Any party responding to this Request for Proposals is acting in an independent capacity and not as an officer or employee of the City. Any party responding to this Request for Proposals will be required to indemnify, defend, and hold harmless the City, its officers, and employees from all liability and any claims, suits, expenses, losses, judgments, and damages arising as a result of the responding party's acts and/or omissions in or related to the submission of the response.

#### RELATIONSHIP

The parties agree that Consultant is an independent contractor. To that end, the Consultant shall determine the method, details, and means of performing the work, but will comply with all legal requirements in doing so. Neither the City of Burlington nor its departments shall provide Consultant with specific instructions or training in how to provide the required services, except to the extent required by law or regulation. Consultant shall provide its own tools, materials or equipment. In providing services under this Agreement, Consultant shall perform in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances at the same time and in the same or similar locality. The parties agree that neither Consultant nor its officers or employees are employees of the City of Burlington or any of its departments, agencies, or related entities. The parties also agree that neither Consultant nor its officers or employees are entitled to any employee benefits from the City of Burlington. Consultant understands and agrees that it and its officers and employees have no right to claim any benefits under the Burlington Employee Retirement System, City's worker's compensation benefits, health insurance, dental insurance, life insurance or any other employee benefit plan offered by City. Consultant agrees to execute any certifications to the best of its knowledge, information and belief, or other documents and provide any certificates of insurance required by City and understands that this contract is conditioned on its doing so, if requested.

Consultant understands and agrees that it is responsible for the payment of all taxes on the above sums and that the City of Burlington will not withhold or pay for Social Security, Medicare, or other taxes or benefits or be responsible for any unemployment benefits.

#### RESERVATION OF RIGHTS

It is the intent of the City to select the proposal that it deems to be in the best interests of the City. To that end, the City reserves the following rights:

1. To accept any proposal in whole or in part;
2. To accept multiple proposals if doing so is in the best interests of the City;
3. To reject any or all proposals in whole or in part;
4. To waive any informalities, omissions, or irregularities in any proposal;
5. To terminate and reissue this RFP for any reason;
6. To remedy any error in the RFP process without reissuing it; and/or
7. To change or negotiate any specifications in the City's sole discretion.

**APPENDIX A**

City of Burlington RFP: **Municipal Advisory Consultant Services**

Understanding of RFP Procedures, Terms and Conditions

***This page to be returned with submission***

I acknowledge that I have read and understand all procedures and requirements of the above reference RFP and have complied fully with the general terms and conditions outlined in the RFP.

Firm Name: \_\_\_\_\_

Representative's Printed Name: \_\_\_\_\_

Representative's Title: \_\_\_\_\_

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

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