

**CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM**

DEPARTMENT: Office Of The Comptroller

AGENDA DATE: June 13, 2017

CONTACT PERSON/PHONE: Pat Degman, Comptroller, (915) 212-1170
Bruce D. Collins, Purchasing & Strategic Sourcing Director, (915) 212-1181

DISTRICT(S) AFFECTED: All

STRATEGIC GOAL: NO. 6: Set the Standard for a Sound Governance and Fiscal Management

SUBJECT:

That in accordance with the City's Debt Management Policy, the List of Qualified Professional Underwriters compiled from Solicitation 2017-912R is hereby approved and the City Manager or his designee is authorized to select the appropriate underwriting firms to provide underwriting services for future City debt issuances or other financings from the List in rotating order. The selection and rotation of the underwriting firm will depend on the number of firms necessary for a particular issuance, which will vary based on the size and complexity of the issuance. All associated fees will be negotiated at the time of issuance. Said List shall remain in effect from June 13, 2017 through June 12, 2022. Although the City anticipates using this list as the basis for selecting underwriters for future use, the City reserves the right to solicit underwriters for certain future debt instruments that, in the sole opinion of the City, require additional consideration or specialty.

BACKGROUND / DISCUSSION:

A Request for Qualifications was issued on February 21, 2017 in order to solicit responses from firms that provide underwriter services. Sixty-three (63) firms were solicited, and 24 firms responded to the RFQ. The selection committee included the four representatives from fiscal functions within the City and one fiscal director from EPWU. Based on the evaluation process defined in the RFQ, fifteen (15) firms were selected to comprise the pool of underwriters. The selection and rotation of the firms will depend on the number of firms necessary for a particular debt issue, and the size and complexity of the debt issue. The City reserves the right to solicit underwriters for certain future debt instruments that, in the sole opinion of the City, require additional or specialty consideration.

The Purchasing & Strategic Sourcing Department and Office of Comptroller recommends that UMB Bank, N.A. be disqualified for violation of the Cone of Silence.

SELECTION SUMMARY:

Solicitation was advertised on February 21, 2017 and February 28, 2017. The solicitation was posted on City website on February 21, 2017. The email (Purmail) notification was sent out on February 23, 2017. Total of sixty-three (63) firms were solicited; no local firms were solicited. Twenty-four (24) proposals were received; none local.

PROTEST

Protest Received

- Purchasing & Strategic Sourcing and Legal reviewed the merits of the protest and advised the protester that their protest was denied.

COUNCIL REPRESENTATIVE BRIEFING:

Was a briefing provided? Yes or No

If yes, select the applicable districts.

- District 1
- District 2
- District 3
- District 4
- District 5
- District 6
- District 7
- District 8 Representative declined
- All Districts

PRIOR COUNCIL ACTION:

September 2011

AMOUNT AND SOURCE OF FUNDING:

Funded through future bond issuances or other debt instruments issued

BOARD / COMMISSION ACTION:

N/A

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD:

Pat Degman

Pat Degman, Comptroller

**COUNCIL PROJECT FORM
(RFQ)**

*******POSTING LANGUAGE BELOW*******

Please place the following item on the **REGULAR** agenda for the Council Meeting of **JUNE 13, 2017**.

STRATEGIC GOAL: NO. 6: SET THE STANDARD FOR A SOUND GOVERNANCE AND FISCAL MANAGEMENT

That in accordance with the City's Debt Management Policy, the List of Qualified Professional Underwriters compiled from Solicitation 2017-912R (see below) is hereby approved and the City Manager or his designee is authorized to select the appropriate underwriting firms to provide underwriting services for future City debt issuances or other financings from the List in rotating order. The selection and rotation of the underwriting firm will depend on the number of firms necessary for a particular issuance, which will vary based on the size and complexity of the issuance. All associated fees will be negotiated at the time of issuance. Said List shall remain in effect from June 13, 2017 through June 12, 2022. Although the City anticipates using this list as the basis for selecting underwriters for future use, the City reserves the right to solicit underwriters for certain future debt instruments that, in the sole opinion of the City, require additional consideration or specialty.

Barclays Capital, Inc.
BOK Financial Securities, Inc.
Citigroup Global Markets, Inc.
George K. Baum & Company
Goldman, Sachs & Co
J.P. Morgan Securities
Jefferies, LLC
Merrill Lynch, Pierce, Fenner & Smith Incorporated
Oppenheimer & Co., Inc.
Piper Jaffray & Co.
Ramirez & Co., Inc.
Raymond James & Associates, Inc.
RBC Capital Markets, LLC
Stifel, Nicolaus & Company Incorporated
Wells Fargo Bank,NA - Municipal Products Group

Additionally, it is requested that the City Attorney's Office review and that the City Manager be authorized to execute any related contract documents and agreements necessary to effectuate this award.

The Purchasing & Strategic Sourcing Department and Office of Comptroller recommends that UMB Bank, N.A. be disqualified for violation of the Cone of Silence.

Department: Office of Comptroller

*******ADDITIONAL INFO BELOW*******

RESOLUTION

WHEREAS, the El Paso, Texas City Council affirmed and updated its Debt Management Policy on July 26, 2016, setting forth the parameters for issuing new debt as well as managing the outstanding debt portfolio, identifying the types and amounts of permissible debt, and maintaining the current bond rating in order to minimize borrowing costs and preserving access to credit;

WHEREAS, in accordance with the Debt Management Policy, on February 21, 2017 the City of El Paso, Texas (the "City") issued a request for qualifications as Solicitation 2017-912R (Professional Underwriter Services) for the purpose of establishing a pool of credentialed and qualified professional underwriters for potential use by the City; and

WHEREAS, twenty-four (24) underwriters responded to the solicitation and a committee of professionals diligently evaluated the submissions received and compiled therefrom a list of fifteen (15) credentialed and qualified professional underwriters recommended by the Department of Purchasing and Strategic Sourcing for the City's use;

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That in accordance with the City's Debt Management Policy, the List of Qualified Professional Underwriters compiled from Solicitation 2017-912R (attached as "Exhibit A") is hereby approved and the City Manager or his designee is authorized to select the appropriate underwriting firms to provide underwriting services for future City debt issuances or other financings from the List in rotating order. The selection and rotation of the underwriting firm will depend on the number of firms necessary for a particular issuance, which will vary based on the size and complexity of the issuance. All associated fees will be negotiated at the time of issuance. Said List shall remain in effect from June 13, 2017 through June 12, 2022. Although the City anticipates using this list as the basis for selecting underwriters for future use, the City reserves the right to solicit underwriters for certain future debt instruments that, in the sole opinion of the City, require additional consideration or specialty.

(Signatures on the Following Page)

ADOPTED this 13th day of June, 2017


THE CITY OF EL PASO:

Oscar Leeser
Mayor

ATTEST:

Richarda D. Momsen
City Clerk

APPROVED AS TO FORM:



Karen Y. Dykes
Assistant City Attorney

APPROVED AS TO CONTENT



Bruce D. Collins, Director
Purchasing and Strategic Sourcing Dept.

**“EXHIBIT A”
LIST OF QUALIFIED PROFESSIONAL UNDERWRITERS**

Barclays Capital, Inc.
BOK Financial Securities, Inc.
Citigroup Global Markets, Inc.
George K. Baum & Company
Goldman, Sachs & Co
J.P. Morgan Securities
Jefferies, LLC
Merrill Lynch, Pierce, Fenner & Smith Incorporated
Oppenheimer & Co., Inc.
Piper Jaffray & Co.
Ramirez & Co., Inc.
Raymond James & Associates, Inc.
RBC Capital Markets, LLC
Stifel, Nicolaus & Company Incorporated
Wells Fargo Bank,NA - Municipal Products Group



COMMITTEE SCORE SHEET
REQUEST FOR QUALIFICATIONS
PROFESSIONAL UNDERWRITER SERVICES

SOLICITATION NO: 2017-912R

EVALUATION CRITERIA

	MAX POINTS	Merrill Lynch, Pierce, Fenner & Smith Incorporated Dallas, TX	Barclays Capital, Inc. New York, NY	Blaylock Beal Van, LLC New York, NY	BOK Financial Securities, Inc. Richardson, TX	Citigroup Global Markets, Inc. Dallas, TX
A. CAPABILITIES						
A1. Description of the company, identifying it as a national, regional or local firm or entity. (Part 3 Scope of Work, Page 13-R1)	5	4.20	4.60	3.80	3.80	4.40
A2. The firm's most recent capital position (e.g. total capital, net capital, and excess net capital) and the ability and willingness of the firm to purchase the entire offering of the issuer, if necessary, in the case of underwriting firms.(Part 3 Scope of Work, Page 13-R1)	10	9.00	9.20	5.80	6.60	9.00
A3. Description of company's capabilities, with major emphasis on sales, trading and underwriting expertise. Also include information on public finance expertise and technical expertise. (Part 3 Scope of Work, Page 13-R1)	10	8.80	8.60	5.40	7.80	8.40
A4. Description of the firm's understanding of the City of El Paso and any related experience (Part 3 Scope of Work, Page 13-R1)	5	4.00	4.40	1.20	2.80	4.40
SUBTOTAL EVALUATION FACTOR A:	30	26.00	26.80	16.20	21.20	26.20
B. EXPERIENCE						
B1. List bond issues for General Obligation (both taxable and tax exempt), Economic Development (including tax increment and special assessment), Airport Revenue Bonds, and other revenue bonds which the firm has served as underwriter since 2012, as well as 2017 to date; including the date, issuer, issue and par amount with annual subtotals and grand total, for: i. Senior Manager – All Underwritings ii. Senior Manager – Texas Underwritings iii. Senior Manager/Co-Manager – Municipality Underwriters iv. Senior Manager/Co-Manager – City of El Paso Underwriters Please include graphs of par amounts and total transactions per year in the presentation and included the list of transactions as an attachment.) Highlight those instances where the firm served as underwriter for issuers in El Paso City/County. (Part 3 Scope of Work, Page 13-R1)	20	17.80	17.00	10.40	14.00	17.00
B2. Relevant experience of the firm and the individuals assigned to the issuer including any experience individuals assigned have had with any municipal debt instruments (Part 3 Scope of Work, Page 13-R1)	3	2.40	2.20	1.00	1.20	2.40
B3. Describe two specific instances of municipal financings that demonstrate the value of our firm's underwriting services. (Part 3 Scope of Work, Page 13-R1)	4	3.20	3.20	1.40	2.60	3.40
B4. The analytic capability of the firm and assigned individuals. (Part 3 Scope of Work, Page 13-R1)	3	2.60	2.60	1.00	1.80	2.60
SUBTOTAL EVALUATION FACTOR B:	30	26.00	25.20	13.80	19.60	25.40
C. PERSONNEL						
C1. List all personnel assigned to staff this engagement, outline their roles with respect to this engagement and provide brief resumes which describe their qualifications for this engagement. For each of the personnel assigned to staff this engagement, describe their experience assisting cities in Texas. Specifically, identify situations relative to the personnel assigned to the City demonstrating a clear understanding of cities; (Part 3 Scope of Work, Page 13-R1)	20	17.80	18.40	11.20	15.40	16.80
C2. Identification of the individual in charge of day-to-day management and the percentage of time committed for each individual on the account. (Part 3 Scope of Work, Page 13-R1)	5	3.80	4.60	2.40	4.20	4.00
SUBTOTAL EVALUATION FACTOR C:	25	21.60	23.00	13.60	19.60	20.80
D. LOCAL SUPPORT AND KNOWLEDGE						
D1. Provide a brief description of the firm's presence and knowledge of the El Paso area tax-exempt bond market and resources dedicated to the El Paso area. The selected Underwriter will provide the location of the office responsible for the day-to-day contact, hours of operation, secondary offices and other contact support to be provided. (Part 3 Scope of Work, pages 13-R1 & 14-R1)	2	1.80	1.40	0.60	1.60	1.60
D2. Describe the Underwriter's experience and/or knowledge of the City's finances. Please provide any information that the City should consider in selecting an Underwriter. (Part 3 Scope of Work, pages 13-R1 & 14-R1)	4	3.40	2.60	0.80	3.40	2.60
D3. Provide three references from Municipal Financial Advisory firms indicating Underwriter's performance in underwriting services (Part 3 Scope of Work, pages 13-R1 & 14-R1)	4	2.48	1.34	1.34	2.68	2.68
SUBTOTAL EVALUATION FACTOR D:	10	7.68	5.34	2.74	7.68	6.88
E. OTHER CONSIDERATIONS						
E1. This criteria evaluated based on responses to "other considerations" found on pages 14-R1 & 15-R1.	5	4.00	4.40	2.40	3.60	4.80
SUBTOTAL EVALUATION FACTOR E:	5	4.00	4.40	2.40	3.60	4.80
Grand Total	100	85.28	84.74	48.74	71.68	84.08



**COMMITTEE SCORE SHEET
REQUEST FOR QUALIFICATIONS
PROFESSIONAL UNDERWRITER SERVICES**

SOLICITATION NO: 2017-912R

EVALUATION CRITERIA

	MAX POINTS	Estrada Hinojosa & Company, Inc. Dallas, TX	Fidelity Capital Markets A Division of National Financial Services, LLC Westlake, TX	Frost Bank San Antonio, TX	George K. Baum & Company Albuquerque, NM	Goldman, Sachs & Co. Houston, TX
A. CAPABILITIES						
A1. Description of the company, identifying it as a national, regional or local firm or entity. (Part 3 Scope of Work, Page 13-R1)	5	4.20	4.20	4.00	4.20	4.00
A2. The firm's most recent capital position (e.g. total capital, net capital, and excess net capital) and the ability and willingness of the firm to purchase the entire offering of the issuer, if necessary, in the case of underwriting firms. (Part 3 Scope of Work, Page 13-R1)	10	5.80	6.40	8.20	7.00	8.80
A3. Description of company's capabilities, with major emphasis on sales, trading and underwriting expertise. Also include information on public finance expertise and technical expertise. (Part 3 Scope of Work, Page 13-R1)	10	7.00	6.20	8.20	6.80	8.20
A4. Description of the firm's understanding of the City of El Paso and any related experience (Part 3 Scope of Work, Page 13-R1)	5	3.40	2.60	3.20	4.20	3.60
SUBTOTAL EVALUATION FACTOR A:	30	20.40	19.40	23.60	22.20	24.60
B. EXPERIENCE						
B1. List bond issues for General Obligation (both taxable and tax exempt), Economic Development (including tax increment and special assessment), Airport Revenue Bonds, and other revenue bonds which the firm has served as underwriter since 2012, as well as 2017 to date; including the date, issuer, issue and par amount with annual subtotals and grand total, for: i. Senior Manager – All Underwritings ii. Senior Manager – Texas Underwritings iii. Senior Manager/Co-Manager – Municipality Underwriters iv. Senior Manager/Co-Manager – City of El Paso Underwriters Please include graphs of par amounts and total transactions per year in the presentation and included the list of transactions as an attachment.) Highlight those instances where the firm served as underwriter for issuers in El Paso City/County. (Part 3 Scope of Work, Page 13-R1)	20	13.60	12.60	12.80	14.40	17.00
B2. Relevant experience of the firm and the individuals assigned to the issuer including any experience individuals assigned have had with any municipal debt instruments (Part 3 Scope of Work, Page 13-R1)	3	1.40	1.20	1.60	1.60	2.40
B3. Describe two specific instances of municipal financings that demonstrate the value of our firm's underwriting services. (Part 3 Scope of Work, Page 13-R1)	4	2.00	1.80	2.80	2.20	3.20
B4. The analytic capability of the firm and assigned individuals. (Part 3 Scope of Work, Page 13-R1)	3	1.80	1.40	2.00	2.60	2.60
SUBTOTAL EVALUATION FACTOR B:	30	18.80	17.00	19.20	20.80	25.20
C. PERSONNEL						
C1. List all personnel assigned to staff this engagement, outline their roles with respect to this engagement and provide brief resumes which describe their qualifications for this engagement. For each of the personnel assigned to staff this engagement, describe their experience assisting cities in Texas. Specifically, identify situations relative to the personnel assigned to the City demonstrating a clear understanding of cities; (Part 3 Scope of Work, Page 13-R1)	20	15.40	13.80	14.40	13.80	16.80
C2. Identification of the individual in charge of day-to-day management and the percentage of time committed for each individual on the account. (Part 3 Scope of Work, Page 13-R1)	5	4.00	2.00	2.20	3.40	3.80
SUBTOTAL EVALUATION FACTOR C:	25	19.40	15.80	16.60	17.20	20.60
D. LOCAL SUPPORT AND KNOWLEDGE						
D1. Provide a brief description of the firm's presence and knowledge of the El Paso area tax-exempt bond market and resources dedicated to the El Paso area. The selected Underwriter will provide the location of the office responsible for the day-to-day contact, hours of operation, secondary offices and other contact support to be provided. (Part 3 Scope of Work, pages 13-R1 & 14-R1)	2	1.20	1.40	1.20	1.60	1.60
D2. Describe the Underwriter's experience and/or knowledge of the City's finances. Please provide any information that the City should consider in selecting an Underwriter. (Part 3 Scope of Work, pages 13-R1 & 14-R1)	4	2.40	1.80	2.20	2.20	2.20
D3. Provide three references from Municipal Financial Advisory firms indicating Underwriter's performance in underwriting services (Part 3 Scope of Work, pages 13-R1 & 14-R1)	4	1.34	1.34	1.20	2.68	4.00
SUBTOTAL EVALUATION FACTOR D:	10	4.94	4.54	4.60	6.48	7.80
E. OTHER CONSIDERATIONS						
E1. This criteria evaluated based on responses to "other considerations" found on pages 14-R1 & 15-R1.	5	3.20	2.60	3.20	3.20	3.60
SUBTOTAL EVALUATION FACTOR E:	5	3.20	2.60	3.20	3.20	3.60
Grand Total	100	66.74	59.34	67.20	69.80	81.80



COMMITTEE SCORE SHEET
REQUEST FOR QUALIFICATIONS
PROFESSIONAL UNDERWRITER SERVICES

SOLICITATION NO: 2017-912R

EVALUATION CRITERIA

	MAX POINTS	Hutchinson, Shockey, Erley & Co. Houston, TX	Jefferies, LLC New York, NY	J.P. Morgan Securities Dallas, TX	Oppenheimer & Co., Inc. Houston, TX	Piper Jaffray & Co. Albuquerque, NM
A. CAPABILITIES						
A1. Description of the company, identifying it as a national, regional or local firm or entity. (Part 3 Scope of Work, Page 13-R1)	5	3.00	4.40	4.80	3.80	4.20
A2. The firm's most recent capital position (e.g. total capital, net capital, and excess net capital) and the ability and willingness of the firm to purchase the entire offering of the issuer, if necessary, in the case of underwriting firms. (Part 3 Scope of Work, Page 13-R1)	10	6.00	8.40	6.60	7.80	7.20
A3. Description of company's capabilities, with major emphasis on sales, trading and underwriting expertise. Also include information on public finance expertise and technical expertise. (Part 3 Scope of Work, Page 13-R1)	10	6.60	8.80	9.00	8.40	7.40
A4. Description of the firm's understanding of the City of El Paso and any related experience (Part 3 Scope of Work, Page 13-R1)	5	3.60	2.20	3.60	3.60	2.40
SUBTOTAL EVALUATION FACTOR A:	30	19.20	23.80	27.00	23.60	21.20
B. EXPERIENCE						
B1. List bond issues for General Obligation (both taxable and tax exempt), Economic Development (including tax increment and special assessment), Airport Revenue Bonds, and other revenue bonds which the firm has served as underwriter since 2012, as well as 2017 to date; including the date, issuer, issue and par amount with annual subtotals and grand total, for: i. Senior Manager – All Underwritings ii. Senior Manager – Texas Underwritings iii. Senior Manager/Co-Manager – Municipality Underwriters iv. Senior Manager/Co-Manager – City of El Paso Underwriters Please include graphs of par amounts and total transactions per year in the presentation and included the list of transactions as an attachment.) Highlight those instances where the firm served as underwriter for issuers in El Paso City/County. (Part 3 Scope of Work, Page 13-R1)	20	12.80	15.40	17.60	15.80	16.20
B2. Relevant experience of the firm and the individuals assigned to the issuer including any experience individuals assigned have had with any municipal debt instruments (Part 3 Scope of Work, Page 13-R1)	3	1.20	2.20	2.60	1.60	2.20
B3. Describe two specific instances of municipal financings that demonstrate the value of our firm's underwriting services. (Part 3 Scope of Work, Page 13-R1)	4	2.60	3.20	4.00	3.00	2.40
B4. The analytic capability of the firm and assigned individuals. (Part 3 Scope of Work, Page 13-R1)	3	1.60	2.20	2.80	2.00	2.60
SUBTOTAL EVALUATION FACTOR B:	30	18.20	23.00	27.00	22.40	23.40
C. PERSONNEL						
C1. List all personnel assigned to staff this engagement, outline their roles with respect to this engagement and provide brief resumes which describe their qualifications for this engagement. For each of the personnel assigned to staff this engagement, describe their experience assisting cities in Texas. Specifically, identify situations relative to the personnel assigned to the City demonstrating a clear understanding of cities; (Part 3 Scope of Work, Page 13-R1)	20	14.20	15.60	17.20	15.20	14.20
C2. Identification of the individual in charge of day-to-day management and the percentage of time committed for each individual on the account. (Part 3 Scope of Work, Page 13-R1)	5	3.40	3.80	4.20	3.00	3.40
SUBTOTAL EVALUATION FACTOR C:	25	17.60	19.40	21.40	18.20	17.60
D. LOCAL SUPPORT AND KNOWLEDGE						
D1. Provide a brief description of the firm's presence and knowledge of the El Paso area tax-exempt bond market and resources dedicated to the El Paso area. The selected Underwriter will provide the location of the office responsible for the day-to-day contact, hours of operation, secondary offices and other contact support to be provided. (Part 3 Scope of Work, pages 13-R1 & 14-R1)	2	1.00	1.00	1.80	1.40	1.60
D2. Describe the Underwriter's experience and/or knowledge of the City's finances. Please provide any information that the City should consider in selecting an Underwriter. (Part 3 Scope of Work, pages 13-R1 & 14-R1)	4	2.40	1.80	3.20	2.00	2.80
D3. Provide three references from Municipal Financial Advisory firms indicating Underwriter's performance in underwriting services (Part 3 Scope of Work, pages 13-R1 & 14-R1)	4	1.34	2.51	4.00	2.64	3.88
SUBTOTAL EVALUATION FACTOR D:	10	4.74	5.31	9.00	6.04	8.28
E. OTHER CONSIDERATIONS						
E1. This criteria evaluated based on responses to "other considerations" found on pages 14-R1 & 15-R1.	5	3.00	4.20	4.20	3.20	4.00
SUBTOTAL EVALUATION FACTOR E:	5	3.00	4.20	4.20	3.20	4.00
Grand Total	100	62.74	75.71	88.60	73.44	74.48



**COMMITTEE SCORE SHEET
REQUEST FOR QUALIFICATIONS
PROFESSIONAL UNDERWRITER SERVICES**

SOLICITATION NO: 2017-912R

EVALUATION CRITERIA

	<u>MAX POINTS</u>	Ramirez & Co., Inc. Austin, TX	Raymond James & Associates, Inc. Dallas, TX	RBC Capital Markets, LLC San Antonio, TX	Stephens, Inc. Little Rock, AR	Stern Brothers & Co. Saint Louis, MO
A. CAPABILITIES						
A1. Description of the company, identifying it as a national, regional or local firm or entity. (Part 3 Scope of Work, Page 13-R1)	5	4.20	3.80	4.60	3.60	3.80
A2. The firm's most recent capital position (e.g. total capital, net capital, and excess net capital) and the ability and willingness of the firm to purchase the entire offering of the issuer, if necessary, in the case of underwriting firms. (Part 3 Scope of Work, Page 13-R1)	10	7.00	6.80	9.00	6.60	5.80
A3. Description of company's capabilities, with major emphasis on sales, trading and underwriting expertise. Also include information on public finance expertise and technical expertise. (Part 3 Scope of Work, Page 13-R1)	10	7.20	6.00	8.60	6.00	6.40
A4. Description of the firm's understanding of the City of El Paso and any related experience (Part 3 Scope of Work, Page 13-R1)	5	4.20	4.80	4.60	2.80	2.80
SUBTOTAL EVALUATION FACTOR A:	30	22.60	26.40	26.80	19.00	18.80
B. EXPERIENCE						
B1. List bond issues for General Obligation (both taxable and tax exempt), Economic Development (including tax increment and special assessment), Airport Revenue Bonds, and other revenue bonds which the firm has served as underwriter since 2012, as well as 2017 to date; including the date, issuer, issue and par amount with annual subtotals and grand total, for: i. Senior Manager – All Underwritings ii. Senior Manager – Texas Underwritings iii. Senior Manager/Co-Manager – Municipality Underwriters iv. Senior Manager/Co-Manager – City of El Paso Underwriters Please include graphs of par amounts and total transactions per year in the presentation and included the list of transactions as an attachment.) Highlight those instances where the firm served as underwriter for issuers in El Paso City/County. (Part 3 Scope of Work, Page 13-R1)	20	16.00	17.00	16.80	12.80	12.20
B2. Relevant experience of the firm and the individuals assigned to the issuer including any experience individuals assigned have had with any municipal debt instruments (Part 3 Scope of Work, Page 13-R1)	3	2.00	2.80	2.60	1.00	1.60
B3. Describe two specific instances of municipal financings that demonstrate the value of our firm's underwriting services. (Part 3 Scope of Work, Page 13-R1)	4	3.20	3.60	3.20	1.20	2.80
B4. The analytic capability of the firm and assigned individuals. (Part 3 Scope of Work, Page 13-R1)	3	2.20	3.00	2.40	1.40	1.20
SUBTOTAL EVALUATION FACTOR B:	30	23.40	26.40	25.00	16.40	17.80
C. PERSONNEL						
C1. List all personnel assigned to staff this engagement, outline their roles with respect to this engagement and provide brief resumes which describe their qualifications for this engagement. For each of the personnel assigned to staff this engagement, describe their experience assisting cities in Texas. Specifically, identify situations relative to the personnel assigned to the City demonstrating a clear understanding of cities; (Part 3 Scope of Work, Page 13-R1)	20	16.20	18.20	17.60	12.40	13.20
C2. Identification of the individual in charge of day-to-day management and the percentage of time committed for each individual on the account. (Part 3 Scope of Work, Page 13-R1)	5	3.80	4.60	3.20	2.60	2.40
SUBTOTAL EVALUATION FACTOR C:	25	20.00	22.80	20.80	15.00	15.60
D. LOCAL SUPPORT AND KNOWLEDGE						
D1. Provide a brief description of the firm's presence and knowledge of the El Paso area tax-exempt bond market and resources dedicated to the El Paso area. The selected Underwriter will provide the location of the office responsible for the day-to-day contact, hours of operation, secondary offices and other contact support to be provided. (Part 3 Scope of Work, pages 13-R1 & 14-R1)	2	1.80	1.80	1.20	1.20	1.20
D2. Describe the Underwriter's experience and/or knowledge of the City's finances. Please provide any information that the City should consider in selecting an Underwriter. (Part 3 Scope of Work, pages 13-R1 & 14-R1)	4	3.20	3.20	3.20	2.00	2.20
D3. Provide three references from Municipal Financial Advisory firms indicating Underwriter's performance in underwriting services (Part 3 Scope of Work, pages 13-R1 & 14-R1)	4	2.68	2.64	2.51	1.34	3.08
SUBTOTAL EVALUATION FACTOR D:	10	7.68	7.64	6.91	4.54	7.38
E. OTHER CONSIDERATIONS						
E1. This criteria evaluated based on responses to "other considerations" found on pages 14-R1 & 15-R1.	5	3.80	4.40	4.20	2.60	3.40
SUBTOTAL EVALUATION FACTOR E:	5	3.80	4.40	4.20	2.60	3.40
Grand Total	100	77.48	87.64	83.71	57.54	82.98



COMMITTEE SCORE SHEET
REQUEST FOR QUALIFICATIONS
PROFESSIONAL UNDERWRITER SERVICES

SOLICITATION NO: 2017-912R

EVALUATION CRITERIA

	MAX POINTS	Stifel, Nicolaus & Company, Incorporated San Antonio, TX	UMB Bank, N.A. Dallas, TX	Wells Fargo Bank, NA - Municipal Products Group San Francisco, CA	William Blair & Company, LLC Austin, TX	
A. CAPABILITIES						
A1. Description of the company, identifying it as a national, regional or local firm or entity. (Part 3 Scope of Work, Page 13-R1)	5	3.60		4.00	3.40	
A2. The firm's most recent capital position (e.g. total capital, net capital, and excess net capital) and the ability and willingness of the firm to purchase the entire offering of the issuer, if necessary, in the case of underwriting firms. (Part 3 Scope of Work, Page 13-R1)	10	7.80		7.80	6.60	
A3. Description of company's capabilities, with major emphasis on sales, trading and underwriting expertise. Also include information on public finance expertise and technical expertise. (Part 3 Scope of Work, Page 13-R1)	10	8.00		7.80	6.60	
A4. Description of the firm's understanding of the City of El Paso and any related experience (Part 3 Scope of Work, Page 13-R1)	5	4.40		3.00	3.00	
SUBTOTAL EVALUATION FACTOR A:	30	24.00		22.60	19.60	
B. EXPERIENCE						
B1. List bond issues for General Obligation (both taxable and tax exempt), Economic Development (including tax increment and special assessment), Airport Revenue Bonds, and other revenue bonds which the firm has served as underwriter since 2012, as well as 2017 to date; including the date, issuer, issue and par amount with annual subtotals and grand total, for: i. Senior Manager – All Underwritings ii. Senior Manager – Texas Underwritings iii. Senior Manager/Co-Manager – Municipality Underwriters iv. Senior Manager/Co-Manager – City of El Paso Underwriters Please include graphs of par amounts and total transactions per year in the presentation and included the list of transactions as an attachment.) Highlight those instances where the firm served as underwriter for issuers in El Paso City/County. (Part 3 Scope of Work, Page 13-R1)	20	18.80	Disqualified	17.20	14.80	
B2. Relevant experience of the firm and the individuals assigned to the issuer including any experience individuals assigned have had with any municipal debt instruments (Part 3 Scope of Work, Page 13-R1)	3	2.80		2.40	1.40	
B3. Describe two specific instances of municipal financings that demonstrate the value of our firm's underwriting services. (Part 3 Scope of Work, Page 13-R1)	4	2.60		2.80	1.60	
B4. The analytic capability of the firm and assigned individuals. (Part 3 Scope of Work, Page 13-R1)	3	2.60		2.60	1.80	
SUBTOTAL EVALUATION FACTOR B:	30	24.80		25.00	19.60	
C. PERSONNEL						
C1. List all personnel assigned to staff this engagement, outline their roles with respect to this engagement and provide brief resumes which describe their qualifications for this engagement. For each of the personnel assigned to staff this engagement, describe their experience assisting cities in Texas. Specifically, identify situations relative to the personnel assigned to the City demonstrating a clear understanding of cities; (Part 3 Scope of Work, Page 13-R1)	20	17.00		17.00	13.20	
C2. Identification of the individual in charge of day-to-day management and the percentage of time committed for each individual on the account. (Part 3 Scope of Work, Page 13-R1)	5	4.40		3.40	3.40	
SUBTOTAL EVALUATION FACTOR C:	25	21.40		20.40	16.60	
D. LOCAL SUPPORT AND KNOWLEDGE						
D1. Provide a brief description of the firm's presence and knowledge of the El Paso area tax-exempt bond market and resources dedicated to the El Paso area. The selected Underwriter will provide the location of the office responsible for the day-to-day contact, hours of operation, secondary offices and other contact support to be provided. (Part 3 Scope of Work, pages 13-R1 & 14-R1)	2	1.40		1.60	1.00	
D2. Describe the Underwriter's experience and/or knowledge of the City's finances. Please provide any information that the City should consider in selecting an Underwriter. (Part 3 Scope of Work, pages 13-R1 & 14-R1)	4	2.80		3.00	2.60	
D3. Provide three references from Municipal Financial Advisory firms indicating Underwriter's performance in underwriting services (Part 3 Scope of Work, pages 13-R1 & 14-R1)	4	4.00		3.82	2.68	
SUBTOTAL EVALUATION FACTOR D:	10	8.20		8.42	6.28	
E. OTHER CONSIDERATIONS						
E1. This criteria evaluated based on responses to "other considerations" found on pages 14-R1 & 15-R1.	5	4.20		4.00	2.80	
SUBTOTAL EVALUATION FACTOR E:	5	4.20		4.00	2.80	
Grand Total	100	82.60		80.42	64.88	



**CITY OF EL PASO
REQUEST FOR QUALIFICATIONS TABULATION FORM**



Bid Opening Date: MARCH 29, 2017
Project Name: PROFESSIONAL UNDERWRITER SERVICES

Solicitation #: 2017-912R
Department: CITY MANAGER

MERRIL LYNCH, PIERCE, FENNER & SMITH INCORPORATED	DALLAS, TX
BARCLAYS CAPITAL INC.	NEW YORK, NY
BLAYLOCK BEAL VAN, LLC	NEW YORK, NY
BOK FINANCIAL SECURITIES INC.	RICHARDSON, TX
CITIGROUP GLOBAL MARKETS INC.	DALLAS, TX
ESTRADA HINOJOSA & COMPANY INC.	DALLAS, TX
FIDELITY CAPITAL MARKETS A DIVISION OF NATIONAL FINANCIAL SERVICES LLC	WESTLAKE, TX
FROST BANK	SAN ANTONIO, TX
GEORGE K. BAUM & COMPANY	ALBUQUERQUE, NM
GOLDMAN, SACHS & CO	HOUSTON, TX

NOTE: The information contained in this RFQ tabulation is for information only and does not constitute actual award/execution of contract.

APPROVED: *Alena Davy*

DATE: 3/30/17



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HUTCHINSON, SHOCKEY, ERLEY & CO.	HOUSTON, TX
JEFFERIES, LLC	NEW YORK, NY
J.P. MORGAN SECURITIES	DALLAS, TX
OPPENHEIMER & CO. INC.	HOUSTON, TX
PIPER JAFFRAY & CO.	ALBUQUERQUE, NM
RAMIREZ & CO. INC.	AUSTIN, TX
RAYMOND JAMES & ASSOCIATES, INC.	DALLAS, TX
RBC CAPITAL MARKETS, LLC	SAN ANTONIO, TX
STEPHENS INC.	LITTLE ROCK, AR
STERN BROTHERS & CO.	SAINT LOUIS, MO

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APPROVED: 

DATE: 3/30/17



**CITY OF EL PASO
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STIFEL, NICOLAUS & COMPANY, INCORPORATED	SAN ANTONIO, TX
UMB BANK, N.A.	DALLAS, TX
WELLS FARGO BANK, NA - MUNICIPAL PRODUCTS GROUP	SAN FRANCISCO, CA
WILLIAM BLAIR & COMPANY, L.L.C.	AUSTIN, TX

RFQs SOLICITED: 63 LOCAL RFQs SOLICITED: 0 RFQs RECEIVED: 24 LOCAL RFQs RECEIVED: 0 NO BIDS: 0

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APPROVED: DB

DATE: 3/30/17

BANK OF AMERICA MERRILL LYNCH
ATTN: KRISTIN BUTTON
600 NORTH PEARL ST – SUITE 2165
DALLAS, TX 75201

BANK OF AMERICA MERRILL LYNCH
ATTN: BRANDON WALKER
901 MAIN STREET, 11TH FLOOR
DALLAS, TX 75202

BARCLAYS CAPITAL INC.
ATTN: JOHN DANIEL
745 7TH AVENUE, 19TH FLOOR
NEW YORK, NY 10019

BARCLAYS CAPITAL INC.
ATTN: PARTICK SCOTT
1301 MCKINNEY SUITE 400
HOUSTON, TX 77010

BB&T CAPITAL MARKETS
ATTN: MARTHA MARTINEZ-
KARASCH
333 CLAY ST – SUITE 3800
HOUSTON, TX 77002

BLAYLOCK BEAL VAN LLC
ATTN: GAIL SCHAEFFER
600 LEXINGTON AVE 3RD FLOOR
NEW YORK, TX 10022

BOK FINANCIAL SECURITIES
ATTN: WILLIAM GUMBERT
333 WEST CAMPBELL SUITE 350
RICHARDSON, TX 75080

BOK FINANCIAL SECURITIES
ATTN: ALISON LONG
333 W. CAMPBELL SUITE 350
RICHARDSON, TX 75080

CABERA CAPITAL MARKETS, LLC
ATTN: MARTIN CABRERA
10 S. LASALLE ST, SUITE 1050
CHICAGO, IL

CITIGROUP CLOBAL MARKETS, INC.
ATTN: MARIO CARRASCO
100 CITIBANK DR, BLDG 2
SAN ANTONIO, TX 78245

CITIGROUP CLOBAL MARKETS, INC.
ATTN: HECTOR MATOS
100 CITIBANK DR, BLDG 2
SAN ANTONIO, TX 78245

CITIGROUP CLOBAL MARKETS, INC.
ATTN: DEVIN PHILLIPS
300 CRESCENT SUITE 940
DALLAS, TX 75201
RETURNED TO SENDER

COASTAL SECURITIES, INC
ATTN: JORGE RODRIGUEZ
14421 ROGERS RANCH PARKWAY,
SUITE 145
SAN ANTONIO, TX

COASTAL SECURITIES, INC
ATTN: DANIEL RODRIGUEZ
14421 ROGERS RANCH PARKWAY,
SUITE 145
SAN ANTONIO, TX

CREWS & ASSOCIATES, INC
ATTN: RICK CALHOUN
521 PRESIDENT CLINTON AVE
SUITE 800
LITTLE ROCK, AR 72201

CREWS & ASSOCIATES, INC. -
CAPITAL MARKETS
ATTN: SHERALD WOOD
120 N. MAIN ST. BRYAN, TX 77803

ESTRADA HINOJOSA & CO., INC.
ATTN: RUDY MEJIA
823 CONGRESS AVENUE, SUITE
1550
AUSTIN, TX 78701

FROST BANK CAPITAL MARKETS
ATTN: DON FOSTER
100 W. HOUSTON STREET - SUITE 110
SAN ANTONIO, TX 78205

FTN CAPITAL MARKETS
ATTN: ROGELIO RODRIGUEZ
9901 IH-10 WEST, SUITE 800
SAN ANTONIO, TX 78230

GEORGE K. BAUM & COMPANY
ATTN: BRAD ANGST
100 CONGRSS AVE SUITE 2100
AUSTIN, TX 78701

GEORGE K. BAUM & COMPANY
ATTN: MARK VALENZUELA
6501 A,EROCAS PARKWAY, N.E ONE
PARK SQUAE, SUITE 510
ALBUQUERQUE, NM 87110

GOLDMAN, SACHS & CO.
ATTN: COLLIN TEAGUE
200 WEST STREET 32ND FLOOR
NEW YORK, NY 10282

GOLDMAN, SACHS & CO.
ATTN: TERRY THORTON
1000 LOUISIANA 11TH FLOOR
HOUSTON, TX 77002

HUTCHISON, SHOCKEY, ERLEY & CO
PATRICIA RODRIGUEZ
4545 POAST OAK PLACE – SUITE 215
HOUSTON, TX 77027

HUTCHISON, SHOCKEY, ERLEY & CO
ATTN: MARK NITCOLAS
4545 POAST OAK PLACE – SUITE 215
HOUSTON, TX 77027

JEFFERIES LLC
ATTN: LISA PEPI
1777 NE LOOP 410, SUITE 600
SAN ANTONIO, TX 78217

JEFFERIES LLC
ATTN: MARK ELLIS
333 CLAY ST 9TH FLOOR
HOUSTON, TX 77002

LOOP CAPITAL MARKETS LLC
ATTN: CURTIS FLOWERS
440 LOUISIANA SUITE 900
HOUSTON, TX 77002

MORGAN STANLEY
ATTN: KIT CALDWELL
755 E. MULBERRY AVE SUITE 300
SAN ANTONIO, TX 78212

MUFG BANK OF TOKYO-MISUBISHI
UFJ, LTD.
ATTN: NICK BOYLE
500 N AKARD, SUITE 4200
DALLAS, TX 75201

OPPENHEIMER & CO. INC.
ATTN: CARLOS SHARPLESS
711 LOUISIAN, SUITE 1500
HOUSTON, TX 77002

PIPER JAFFRAY & CO.
ATTN: KIT CALDWELL
1177 WEST LOOP SOUTH SUITE
1500
HOUSTON, TX 77027

PIPER JAFFRAY & CO.
ATTN: KIM EDWARDS
7000 N. MOPAC EXPRESSWAY – SUITE
2102
AUSTIN, TX 78731

RAMIREZ & CO. INC
ATTN: LORRAINE PALACIOS
100 CONGRESS AVE SUITE 2000
AUSTIN, TX 78701

RAMIREZ & CO. INC
ATTN: KAREN PRICE
2068 IMPERIAL LANE
SUPERIOR, CO 80027

RAMIREZ & CO. INC
ATTN: ROBIN REDFORD
100 CONGRESS AVE SUITE 2000
AUSTIN, TX 78701

RAYMOND JAMES.
ATTN: BUDDY KEMPF
5956 SHERRY LANE SUITE 1900
DALLAS, TX 75225

RAYMOND JAMES.
ATTN: TOM OPPENHEIM
5956 SHERRY LANE SUITE 1900
DALLAS, TX 75225

RBC CAPITAL MARKETS
ATTN: RICHARD ACOSTA
303 PEARL PARKWAY SUITE 220
SAN ANTONIO, TX 78215

RBC CAPITAL MARKETS
ATTN: MATT BOLES
210 CRESCENT COURT SUITE 1500
DALLAS, TX 75201
RETURNED TO SENDER

RBC CAPITAL MARKETS
ATTN: MARK TARPLEY
200 CRESCENT COURT SUITE 600
DALLAS, TX 75201

ROBERT W. BAIRD & CO. INC.
ATTN: MORGAN CHAMPAGNE
1331 LAMAR SUITE 1360
HOUSTON, TX 77010

ROBERT W. BAIRD & CO. INC.
ATTN: BRIAN COLON
1331 LAMAR SUITE 1360
DENVER, CO 80206
RETURNED TO SENDER

ROBERT W. BAIRD & CO. INC.
ATTN: DICK DAVIS
5950 BERKSHIRE SUITE 1300
DALLAS, TX 75225

SAMCO CAPITAL MARKETS, INC
ATTN: STEVE SLEDGE
1700 PACIFIC SUITE 2000
DALLAS, TX 75201

SIEBERT CISNEROS SHANK & CO.
LLC
ATTN: JUSTIN RODRIGUEZ
454 SOLEDAD, SUITE 201
SAN ANTONIO, TX 78205

STEPHENS, INC
ATTN: ROBERT RIVERA
200 CRESCENT COURT SUITE 600
DALLAS, TX 75201

STEPHENS, INC
ATTN: ROBERT RIVERA
200 CRESCENT COURT SUITE 600
DALLAS, TX 75201

STEPHENS, INC
ATTN: ROBERT RIVERA
200 CRESCENT COURT SUITE 600
DALLAS, TX 75218

STIFEL NICOLAUS & COMPANY, INC
ATTN: MARISOL WARNKE
70 NE LOOP 410 – SUITE 295
SAN ANTONIO, TX 78216

STIFEL NICOLAUS & COMPANY, INC
ATTN: NORA CHAVEZ
RENAISSANCE PLAZA 70 NORTHEAST
LOOP 410, SUITE 295
SAN ANTONIO, TX 78216

STIFEL NICOLAUS & COMPANY, INC
ATTN: LIZZETH GAMBOA
RENAISSANCE PLAZA 70 NORTHEAST
LOOP 410, SUITE 295
SAN ANTONIO, TX 78216

THE GMS GROUP, LLC
ATTN: RHONDA DUPREE
5075 WESTHEIMER SUITE 1175
HOUSTON, TX 77056

UMB BANK
ATTN: TODD HOLDER
5910 N. CENTRAL EXPRESSWAY,
SUITE 1900
DALLAS, TX 75206

WELLS FARGO PUBLIC FINANCE
ATTN: GEORGE PEDRAZA
40 N.E. LOOP 410 SUITE 335
SAN ANTONIO, TX 78216

WELLS FARGO PUBLIC FINANCE
ATTN: JOHN YOUNG
1000 LOUISIANA SUITE 600
HOUSTON, TX 77002

WELLS FARGO SECURITIES
ATTN: LAURA POWELL
6100 BANDERA RD, SUITE 200
SAN ANTONIO, TX 78238

WILLIAM BLAIR & COMPANY
ATTN: AJAY THOMAS
6500 RIVER PLACE BUILDING 7
SUITE 250
AUSTIN, TX 78730

WILLIAM BLAIR & COMPANY
ATTN: JOHN HALL
9901 IH-10, WEST SUITE 800/OFFICE 8056
SAN ANTONIO, TX 78230

WILLIAM BLAIR & COMPANY
ATTN: DAVID TIFFIN
6500 RIVER PLACE BUILDING 7
SUITE 250
AUSTIN, TX 78730

JEFFERIES, LLC
ATTN: TILGHMAN NAYLOR
300 CRESENT COURT SUITE 500
DALLAS, TX 75201

JPMORGAN CHASE BANK, N.A
ATTN: RHETT BREDY
2200 ROSS AVE 3RD FLOOR
DALLAS, TX 75201

JPMORGAN CHASE BANK, N.A
ATTN: NANCY DE ANDA
500 E. BORDER ST – 3RD FLOOR
ARLINGTON, TX 76010



*Discussion and Action
on 2017-91R
Professional Underwriter
Services
June 2017*

Presented by:
Pat Degman, CGFM
Office of the Comptroller



*Discussion and Action
on 2017-91R
Professional Underwriter
Services
June 2017*

*Strategic Goal 6: Set the Standard for Sound
Governance and Fiscal Management*

Presented by:
Pat Degman, CGFM
Office of the Comptroller



Professional Underwriter Services

Solicitation

February 21, 2017 – 63 Firms

24 Responses – National and Regional

Closed March 22, 2017

Last time awarded – September 2011

Contract Term

36 months

2 optional one (1) year periods

City Manager or designee may extend



Professional Underwriter Services

- **Identify a team that works for the City for a successful issuance of debt**
 - **City Staff**
 - **Financial Advisor**
 - **Bond Counsel**
 - **Underwriters**

Assess the City's financial condition and the current market conditions to design the debt plan



Professional Underwriter Services

- **Underwriter**
 - **Establish the syndicate which creates the initial sales forces for the debt issuance through a negotiated sale**
 - **Syndicate purchases the initial bond issue from the City and offers it for resale to investors**
- **Provides sufficient capital to purchase the debt issue**



Professional Underwriter Services

Debt Management Policy (July 26, 2016)

- *Develop and maintain a sound debt management program*
- *Ensure high quality debt management decisions*
- *Ensure internal and external support for debt issuances*
- *Maintain current bond rating*
- *Minimize borrowing costs*



Professional Underwriter Services

Selection Committee – Independent Evaluation

Comptroller – Chair

DCM – Finance & Public Health Services

OMB Director

Treasurer

*EPWU - VP of Strategic, Financial & Mgt
Services*



Selection of Firms

Evaluation

Qualifications

Financial Capability

Experience / Personnel

Local Support & Knowledge

Top Ranked 15 Firms Selected

National / Regional



Rotation of the Pool of Firms

Debt Issue

Financial Advisor

New Money or Refinancing

GO Bond vs CO

Size of the Issue

Market & the Economy

Financial Capacity of the Firm(s)



Council Action

*Approve the Contract Award to the
15 Professional Firms
Recommended by the
Selection Committee
for 2017-91R
Professional Underwriter Services*



Questions