

## A G E N D A



## Recommendation for Council Action (Purchasing)

Austin City Council

Item ID:

15870

Agenda Number

31.

Meeting Date:

June 7, 2012

Department:

Purchasing

### Subject

Authorize the negotiation and execution of bond purchase agreements with 31 firms in Exhibit A to provide professional underwriting transaction services for negotiated municipal bond sales for the Financial Services Department, Treasury Office, for a period of three-years, with two 12-month extension options.

### Amount and Source of Funding

Funding for these services will be available as part of each bond sale transaction.

### Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:

RFQS - Qualification statements were received from eight (8) national, sixteen (16) regional, and seven (7) minority/women owned firms for a total of 31 responses

Prior Council Action:



For More Information:

Jeff Dilbert, 974-2021

Boards and  
Commission Action:

Related Items:

This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

MBE / WBE:

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### Additional Backup Information

Pursuant to Texas Government Code, Sections 1201.027 and 2254.003, the City of Austin issued this RFQS for underwriting services for the purpose of establishing municipal bond underwriters to assist the City in marketing future municipal bond issuances. Approval of this item will allow the city to complete transactions with these 31 firms from June 2012 thru May 2017. The previous five year authority ended in May 2012.

The City typically conducts 3-5 negotiated municipal bond sales per year. The City may select one or more firms or teams of firms with which to contract for the management of these negotiated bond sales. With each municipal bond transaction, an underwriting team and senior manager is established from the 31 firms. The practice has been to rotate both the senior manager and team for each deal. Underwriting policies and procedures have been established to insure an adequate allocation of bonds to all team members. The policies and procedures address adherence to Municipal Securities Rulemaking Board rules, agreement among underwriters, liability, fees and expenses, use of a selling group, bond allocation plan, retention and takedown policies, discussion of marketing plan, pricing procedures, and post-sale support.

Qualification statements were received from eight (8) national, sixteen (16) regional, and seven (7) minority/women owned firms for a total of 31 responses. Responses were reviewed and scored by a committee with representatives from Austin Energy, Austin Water, Financial Services – Treasury, Financial Services – Controller's, and the City's Legal department. Evaluation criteria included categories for experience, qualified personnel, ideas, financial condition, Austin bond experience and references.

The 31 recommended underwriting firms are listed in the attached Exhibit A.