



Recommendation for Action

File #: 21-3809, **Agenda Item #:** 30.

1/27/2022

Posting Language

Authorize negotiation and execution of 18 contracts with various contractors to provide professional underwriter and investment banking services for negotiated bond sales, each for a term of five years.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the services required for this solicitation, there were no subcontracting opportunities therefore, no subcontracting goals were established).

Lead Department

Financial Services Department.

Client Department(s)

Financial Services Department.

Fiscal Note

Expenditure of funds is contingent on future bond sales. A fiscal note is not required. Funding will be available from future bond sale proceeds.

Purchasing Language:

The Financial Services Department issued a Request for Qualification Statements (RFQS) 7400 JTH4000REBID for these services. The solicitation was issued on June 14, 2021 and it closed on July 29, 2021. Of the 38 offers received, the recommended contractors submitted the best evaluated responsive offers. A complete solicitation package, including a log of offers received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=135492)
<https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=135492>.

For More Information:

Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Persons: Jim Howard, at 512-974-2031 or jim.howard@austintexas.gov
<<mailto:jim.howard@austintexas.gov>> or Leyla Mammadova at 512-978-1519 or leyla.mammadova@austintexas.gov <<mailto:leyla.mammadova@austintexas.gov>>.

Additional Backup Information:

These contracts, managed by the Financial Services Department, will provide the City with underwriter and investment banking services to assist the City in marketing future municipal bond financing transactions. Specifically, responsibilities of the underwriting firms will be to prepare marketing plans, assess bond market condition and strategies for local, regional and national markets; assist with preparation of the preliminary and final official statement to fully comply with all disclosure rules and requirements; assist with evaluation and preparation of the bond indenture and/or other agreements; manage co-managing underwriters to include maintenance of records of the account and associated book-running and prepare post-sale and closing

documents. The City typically conducts three to five bond sales per year. With such transactions, an underwriting team with a senior manager will be established from the 18 firms identified below:

- Barclays Capital, Inc.
- CitiGroup Global Markets Inc.
- Estrada Hinojosa & Company, Inc. (HUB certified)
- Hilltop Securities Inc.
- Jefferies LLC
- Loop Capital Markets, LLC
- Mesirow Financial, Inc.
- Morgan Stanley
- Piper Sandler & CO, LLC
- Ramirez & CO., Inc.
- Raymond James and Associates, Inc.
- RBC Capital Markets, LLC
- Rice Securities, LLC
- Robert W. Baird & CO, Inc.
- Siebert Williams Shank & CO, LLC
- Stifel, Nicolaus & Company, Incorporated
- UBS Financial Services Inc.
- Wells Fargo Bank NA

Firms will be assigned transactions on a modified rotational basis, typically with one senior manager and a few co-managers. The City will make every effort to assign transactions in an equitable manner, keeping detailed assignment records throughout the contract term to aid in the assignment processes.

An evaluation team with expertise in this area evaluated the offers and scored the above listed contractors as the best to provide these services based on business organization, background and prior experience, personnel qualifications, innovations, financial viability, and references.

Strategic Outcome(s):

Government that Works for All.