

Financial Affairs
Richard H. Hinds, Chief Financial Officer

SUBJECT: REQUEST FOR PROPOSAL (RFP) FOR UNDERWRITERS

COMMITTEE: FINANCIAL AFFAIRS

Recent tax-exempt interest rates have decreased to a level which may make a refinancing for economic gains feasible upon short notice.

Both outstanding Certificates of Participation and General Obligation Bonds could be refinanced for a gain of several million dollars, depending on the refunded debt. Savings would decrease the need of funding for debt service and/or lease payment purposes, increase money available for construction projects and/or give relief to the General Fund. Savings will be no lower than 3% of the remaining payments on a present value basis.

The RFP would produce the selection of one or more underwriting teams which would act as promptly as interest levels permit.

The proposed selection committee is as follows:

Board Member appointed by Chair

Mr. Andres Bolaños, Jr.
Investment Advisory Committee Member

Dr. Richard H. Hinds, Chief Financial Officer

Mr. Paul Philip, Chief of Staff

Mr. Eduardo A. Alfaro, Treasurer
Office of Treasury Management

Ms. Suzanne Marshall, Administrative Director
Facilities Planning & Construction

Ms. Patricia Freeman, Director I
Business Development & Assistance

The Board's financial advisor will support the committee as needed. The proposed RFP is attached as Exhibit A.

- RECOMMENDED:** That The School Board of Miami-Dade County, Florida,
- a) approve the issuance and dissemination of the RFP presented as Exhibit A;
 - b) approve the selection committee listed hereon; and
 - c) approve the chair's appointment of a Board Member to participate in the selection committee.

**REQUEST FOR PROPOSAL (RFP)
FOR THE REFUNDING OF:
THE MIAMI-DADE COUNTY SCHOOL DISTRICT**

**CERTIFICATES OF PARTICIPATION
AND/OR
GENERAL OBLIGATION BONDS**



**Issued:
August 21, 2002**

MIAMI-DADE COUNTY PUBLIC SCHOOLS, FLORIDA

MIAMI-DADE COUNTY SCHOOL DISTRICT (the "District")
REQUEST FOR PROPOSAL FOR UNDERWRITERS

I. Introduction

The School Board of Miami-Dade County, Florida has outstanding several series of Certificates of Participation and General Obligation Bonds issued to finance construction of schools and the acquisition of equipment and school buses. The District is considering refunding outstanding Certificates and Bonds upon which interest rate savings may be achieved. A present value savings level of at least 3% of the refunded Certificates is reasonable and expected by the District before proceeding with any refunding. By this Request for Proposal the District is seeking investment banking firms to serve as managing underwriters for possible refunding. Forward delivery contracts, swaptions, call waivers and partial refundings, among other alternatives, will also be considered.

The District intends to select one or more teams of underwriters to execute the refundings when savings as described above become possible.

The District has outstanding Certificates of Participation in the amount of \$809,062,236 and General Obligation Bonds in the amount of \$710,735,000 as of June 30, 2002. The District's general obligation debt is currently rated A2 by Moody's Investors Service and A+ by Standard & Poor's Corporation. Please see Appendix A for a description of the outstanding Certificates and Bonds which appear to be candidates for refunding.

In order to maintain a fair and impartial competitive process, the School Board members will avoid private communications with prospective proposers. Members of the Selection Committee will also avoid private communications with prospective proposers during the duration of the selection process. Cooperation in this respect will be appreciated.

It is expected that the selected senior managing underwriter(s) will be available immediately upon selection to work with the School Board's staff, its financial advisors and special tax counsel to finalize the financial structure and begin development of the preliminary official statement.

The School Board is expected to appoint underwriters shortly after the due date for the proposals.

II. Proposal Requirements

A. Experience

1. Florida School Certificates of Participation (COP) and General Obligation Bonds Refunding Expertise

Provide a description of your experience within the last two years as underwriter of negotiated COP and General Obligation Bonds refundings in excess of \$25,000,000 for Florida school districts. Indicate your firm's role, whether senior manager or co-manager, and clearly delineate book running manager as appropriate. For each transaction summary please indicate the following:

- a. The name of the issuer
- b. The par amount and sale date
- c. The gross spread (by component)
- d. For senior managed transactions only:
 - 1) A minimum of two references from previous transactions in excess of \$25,000,000, including addresses and telephone numbers of person(s) to be contacted.
 - 2) Highlights of salient features of the transaction, including presale efforts.
- e. Net savings as a percentage of refunded bonds
- f. References

B. Proposed Plan of Refunding

1. General Obligation
 - a. Proposed structure, including all fees and expenses
 - b. Pre-Sale/Marketing/Rating Plans
 - c. Legal/Tax Issues
 - d. Examples of similar transactions
 - e. References

2. Certificates of Participation
 - a. Proposed structure, including all fees and expenses
 - b. Pre-Sale/Marketing/Rating Plans
 - c. Legal/Tax Issues
 - d. Examples of similar transactions
 - e. References
- C. Personnel to be Assigned
 1. General Obligation Proposal
 2. Certificates of Participation
- D. Affirmative Action Requirements
(See Section V.)

III. Administrative Specifications

- A.
 1. The District reserves the right to select one or more senior managers and, if so desired, co-managers. In addition, the School Board may choose firms in any capacity.
 2. The District reserves the right to designate the percentage of participation of each member of the underwriting group in terms of management fee (if any) and allocation/retention of certificates and bonds.
 3. The District will not be liable for any costs incurred by respondents in the preparation and production of a proposal, or for the costs incurred by respondents in the preparation and production of a proposal, or for the costs of any services performed prior to the selection of a provider. All proposals and materials submitted in conjunction with the proposals will become the property of the District.
 4. By submitting a proposal, respondent covenants that it will not make any claims for, or have any right to damages as a result of any misrepresentation or misunderstanding or lack of information.
 5. The District reserves the right from time to time to add or delete members of the underwriting group and to change the designation of the senior manager within the group.

6. All information contained within the proposals is open to public inspection in accordance with Chapter 119, Florida Statutes. All proposals become the property of the District.
 7. All proposals submitted will be valid for a period of ninety days from the date of submission.
- B.
1. All questions relating to this RFP must be directed to:

Eduardo A. Alfaro, Treasurer
Miami-Dade County Public Schools
(305) 995-1684

Annette L. De Lara
Financial Advisor
(212) 580-8768
 2. Only responses which provide complete information in accordance with the requirements of this request for proposal will be considered for evaluation.
- C. Joint proposals or proposals including more than one firm will not be considered.

IV. Selection Criteria

A selection committee will review all proposals received and may conduct a question and answer session with a short list of proposers. Any firm included in the short-list not present for the session will be automatically disqualified. The Committee will recommend a firm or firms to the Superintendent for recommendation to the School Board for its further consideration.

The Selection Committee will evaluate responses based on the following criteria:

- The respondent's experience with similar transactions.
- The experience and qualifications of the personnel assigned to the District.
- The verification of references.
- Costs of services (subject to negotiation).
- Proposed structuring and marketing plan.
- Completeness of proposal.
- Ability to meet administrative specifications.
- Documented evidence of affirmative action and minority business enterprise experience.

V. **Affirmative Action Requirements and MBE Participation**

1. Equal Employment Opportunity

It is the policy of The School Board of Miami-Dade County, Florida, to ensure the equal employment of all and that no one discriminates against any employee or applicant for employment because of race, religion, color, gender, age, ancestry, marital status, physical handicap, place of birth or national origin.

Each firm shall be required to indicate its equal employment policy and provide a detailed breakdown by ethnicity, gender, and occupational categories of its work force.

2. Minority/Women Business Enterprise (M/WBE) Participation

The School Board of Miami-Dade County, Florida has an active Minority/Women Business Enterprise Program to affirmatively increase the level of M/WBE participation to the maximum percentage of total annual expenditures. In order to achieve its assistance levels, the Board provides the maximum opportunity for M/WBE participation.

In keeping with this policy, each firm will be required to state its M/WBE utilization. If a minority firm, which is woman-owned and operated, Hispanic-owned and operated, or African American-owned and operated, is utilized in conjunction with the scope of work, the firm is to indicate the scope of the minority firm's work, experience in this type of services, and experience of staff who will participate. All Minority/Women firms must be certified by the Division of Business Development and Assistance prior to contract award.

A quarterly report documenting efforts undertaken by the proposer to maintain the stipulated M/WBE participation will be required. The report shall include the names of the firms, contact persons and expenditures paid to date. The report shall be submitted to the Division of Business Development and Assistance, 1450 Northeast Second Avenue, Room 456, Miami, Florida 33132.

VI. Submission Proposal

An original and ten copies of the proposal must be delivered by 12:00 noon on September 3, 2002 to:

Eduardo A. Alfaro, Treasurer
Office of Treasury Management
The School Board of Miami-Dade County, Florida
1450 Northeast Second Avenue, Room 615
Miami, Florida 33132

The original must bear the manual signature of an authorized officer of the firm.

VII. Litigation

Please identify any litigation or claims against your firm which could have a material effect on the firm's capital position.

Please indicate if your firm or any members of your firm have been or currently are the subject of an investigation by the SEC or any other regulatory organization or the subject of any other investigation.

REFINANCING CANDIDATES

ADVANCE REFUNDINGS

General Obligation Bonds Series 1994

General Obligation Bonds Series 1994A

General Obligation Bonds Series 1995

General Obligation Bonds Series 1997

CURRENT REFUNDINGS (AS OF 2003)

Certificate of Participation Series 1993

General Obligation Refunding Bonds Series 1993