

Financial Affairs
Richard H. Hinds, Chief Financial Officer

**SUBJECT: REQUEST FOR QUALIFICATIONS AND PROPOSALS, UNDERWRITERS,
MASTER LEASE CERTIFICATES OF PARTICIPATION, SERIES 2002**

Staff is in the process of identifying and prioritizing projects for new classroom construction to be repaid from the two-mill levy and construction funded by Certificates of Participation. This issue, not to exceed \$180,000,000, is expected to be sold and close before June 30, 2002.

In order to select underwriters for the issuance of the Certificates of Participation the attached Request for Proposal is being presented to the Board for its consideration and approval, together with a proposed Selection Committee, including a member of the Investment Advisory Committee, which will recommend underwriters to the Superintendent for further consideration and approval by the School Board.

A list of the projects to be financed together with the authorizing resolutions will be included in the agenda for the Board's meeting scheduled on April 17, 2002.

RECOMMENDED: That The School Board of Miami-Dade County, Florida:

- a) Approve the Request for Proposal for selection of underwriters presented as Exhibit A,
- b) Appoint a School Board member to participate in the Selection Committee, and
- c) Approve the Selection Committee presented as Exhibit B.

**REQUEST FOR QUALIFICATIONS OF FIRMS
REQUEST FOR PROPOSAL FOR THE UNDERWRITING OF
THE MIAMI-DADE COUNTY SCHOOL DISTRICT
MASTER LEASE CERTIFICATES OF
PARTICIPATION
IMPACT FEES, SERIES 2002**

Issued:

February 14, 2002

MIAMI-DADE COUNTY PUBLIC SCHOOLS, FLORIDA

**MIAMI-DADE COUNTY SCHOOL DISTRICT
REQUEST FOR PROPOSAL FOR UNDERWRITERS**

Section I. Introduction

Miami-Dade County Public Schools is planning to finance new educational facilities through the issuance of a District series of Certificates of Participation. These Certificates of Participation will be issued by the Miami-Dade County School Board Foundation and will finance construction of certain facilities and will be included under a Master Lease Purchase Agreement. The Certificates of Participation will be issued as financing and construction needs warrant. This Request for Proposal seeks to identify and appoint the underwriting team for the sale, as deemed advisable by Miami-Dade County Public Schools.

The Certificates, in an amount of approximately \$180 million will include new educational facilities and ancillary facilities. Term and serial maturities on the Certificates of Participation will range up to 30 years.

The School District of Miami-Dade County, Florida has outstanding general obligation debt in the approximate amount of \$800 million and outstanding certificates of participation in the approximate amount of \$900 million. The District's general obligation debt is currently rated A2 by Moody's Investors Service and A+ by Standard & Poor's Corporation.

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.

Tentative Time Table

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

The following tentative time schedule will be followed in the selection process of the underwriters:

	February 14, 2002	RFP issued and distributed
	March 15, 2002	Proposals Due by 12:00 Noon
On or about	March 25, 2002	Evaluation of Proposals and Interviews of Firms (if necessary)
	April 17, 2002	Board Action

Section II. Questions

Please respond directly to the following questions using corresponding numbers for identification. Segregate any ancillary material into a separate appendix. Joint proposals or proposals including more than one firm will not be accepted.

1. Role

Please indicate the role(s) for which your firm wishes to be considered.

2. Experience of the Firm

A. Florida School District Lease Experience

Provide a description of the firm's underwriting experience within the last two years of negotiated lease financings for Florida School Districts of at least \$150 million. For each transaction please indicate the following.

- i. The name of the issuer
- ii. The par amount and date of issuance
- iii. The gross spread by component
- iv. The role your firm played, clearly specifying book running senior manager, co-senior manager, co-manager, underwriter or selling group member
- v. For senior managed transactions:

A minimum of three issuer references, including title, address and telephone number

Highlights of salient features of the transaction
- vi. Credit enhancement utilized

B. General Florida Lease Financing Experience

Provide a description of the firm's underwriting experience within the last two years of negotiated lease financings for other Florida government issuers of at least \$150 million. For each transaction please indicate the following.

- i. The name of the issuer
- ii. The par amount and date of issuance
- iii. The gross spread by component
- iv. The role your firm played, clearly specifying book running senior manager, co-senior manager, co-manager, underwriter or selling group member
- v. For senior managed transactions:
 - A minimum of three issuer references, including title, address and telephone number
 - Highlights of salient features of the transaction
- vi. Credit enhancement utilized

C. Provide any relevant public finance rankings for the past two years.

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

Please indicate what portion, if any, of the business ownership is Women, Hispanic or African American and indicate if the firm has been certified by the Miami-Dade County Public Schools Division of Business Development and Assistance. Please refer to Section III of this Request for Proposals for a full description of the District's Equal Employment Opportunity policy, Minority and Women Business Enterprise (M/WBE) Program.

4. Personnel

Identify the personnel who will be assigned to this transaction and specify the role of each individual. Include information regarding backup personnel. Please provide brief resumés of each individual.

Please identify the individual who will be the primary contact regarding this proposal. Include the name, address and telephone number of the individual who will serve as primary contact regarding this proposal.

5. Firm Capitalization

Please provide the following information for the past five years.

- A. Total capital
- B. Equity capital
- C. Excess net capital

6. Marketing

Describe the structure proposed for this sale and the firm's marketing plan to generate interest in the issue, including identifying the types of investors to be targeted.

7. Size and Composition of the Underwriting Group

Firms proposing to serve as book running manager should recommend the number and type of firms to serve in the underwriting group and the selling group.

8. Interest Rates and Compensation

Present interest rates as of the close of business on July 20, 2001. The District intends to use these interest rates as a firm indication of pricing levels and will use the Delphis Hanover Index as the primary means of evaluating the pricing of the transaction. The District reserves the right to negotiate interest rates, fees, expenses and takedown at the time of sale.

Firms proposing to serve as senior manager should propose a total compensation, detailed by component: management fee, expenses including underwriter's counsel, take down and underwriting fee, if any.

9. 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.

Section III. 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.

IV. Administrative Specifications

1. The original proposal with manual signature(s) and ten copies of the proposal must be received by 12:00 Noon on March 15, 2002. Late proposals will not be accepted. Proposals are to be forwarded to:

Mr. 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

Exhibit A

2.
 - A. The School Board reserves the right to reject any or all proposals, to further negotiate any proposals, to waive any irregularities or informality, to accept or reject any items or combination of items, to request clarification of information submitted in any proposal, and to request additional information from any proposer.
 - B. The School Board reserves the right to select one or more senior managers and co-managers.
 - C. The School Board 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.
 - D. The School Board will not be liable for any 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 School Board.
 - E. 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.
 - F. The School Board 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.
 - G. 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 School Board.
3. All proposals submitted will be valid for a period of ninety days from the date of submission.
4. All questions relating to this RFP must be directed to:

Eduardo A. Alfaro (305) 995-1684	Annette L. De Lara (212) 580-8768
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5. Only responses which provide complete information in accordance with the requirements of this request for proposal will be considered for evaluation.

Section 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 further recommendation to the School Board.

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

- The respondent's experience with similar lease-purchase (certificates of participation) transactions.
- The experience and qualifications of the personnel assigned to the School Board.
- Financial strength of the firm.
- 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.
- Capital available for underwriting purposes.

SELECTION COMMITTEE

Certificates of Participation Underwriters

**Mr. Mike Brown, Wometco Enterprises
Member of the Investment Advisory Committee**

Dr. Richard H. Hinds, Chief Financial Officer

**Dr. John Johnson II, Deputy Superintendent
Federal Programs and Grants Administration**

**Ms. Carol Cortes, Deputy Superintendent
Management and Accountability**

**Dr. Rose Barefield-Cox, Associate Superintendent
Bureau of Procurement and Materials Management**

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

School Board Member

Ms. Annette L. DeLara, Financial Advisor (Resource Person)