

# **Request for Proposal for Underwriter Refunding Revenue Bonds and Project Note Approximately \$22 Million Marin Emergency Radio Authority Public Safety and Emergency Radio System**

On behalf of the Marin Emergency Radio Authority (MERA or Authority), Bartle Wells Associates (BWA) requests proposals for underwriting services from a limited number of underwriters for a proposed sale of refunding revenue bonds in the amount of approximately \$22 million. The refunding revenue bonds will refund all outstanding debt including the 1999 Revenue Bonds and the 2007 Operating Project Note. The refunding issue is anticipated to be a fixed rate for a term not exceeding 12 to 13 years.

## **Submittal Due Date**

Your proposal must be submitted as an Adobe PDF document via e-mail by no later than 4:00 p.m., Wednesday, October 14, 2009. Proposals are limited to three (3) pages. Please e-mail your proposal to:

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## **General Information and Overview of MERA**

MERA is a joint exercise of powers agency created in 1998 by and among Marin County, all 11 Marin cities, and six other special districts including the Marin Municipal Water District. The authority owns and operates a county-wide 480 MHz band emergency radio system. The system has been operational for at least five years and interconnects all police and fire protection agencies and many of the public works agencies in Marin County.

We expect that MERA will engage Jeff Stava as bond counsel. Sean Tierney served as underwriter's counsel for the 1999 Revenue Bonds. MERA has requested that BWA

assist with the selection of an underwriter on this transaction. Underwriter proposals will be evaluated by BWA and MERA management, but the MERA Board must eventually approve the final selection. Thomas Gaffney serves on the MERA Board and is providing his services as a member of the MERA Finance Committee without compensation.

## **Proposal Requirements and Format**

Please submit the following information in the format specified below:

- Provide a brief description of your firm.
- Identify the key people that would be managing the refunding.
- Provide a review of their availability and an estimate of the schedule required to complete the transaction.
- Describe how you would plan to market the issue.
- Describe your firm's retail and institutional sales capacity, including retail sales capacity in California.
- Provide resumes of the key people that would be managing the proposed COP issue. (Not included in the 3-page limit)
- Provide estimates of all costs related to underwriting services, including any management fee, cost of underwriter's counsel, other expenses, and underwriter's discount.

## **Refunding Information**

1999 Revenue Bonds - \$26,949,000 original issue. \$19,035,000 outstanding. Interest payable on February 15 and P&I payable on August 15. Bonds are currently callable on any interest payment date and at 101% on February 15, 2010. A bond reserve of about \$2,133,000 is held by Rabobank and is subject to a high penalty for early withdrawal, even for a refunding. A scan of the OS cover page is included with this request for proposals.

2007 Operating Project Note - \$2,250,000 original amount, about \$2,030,000 outstanding. Interest payable on February 15 and P&I payable on August 15. Interest rate is 4.43% on all principal. Note is not callable until August 15, 2011. Thereafter, the note is callable on any date with no prepayment penalty. There is no reserve fund. A scan of the note maturity schedule is included with this request for proposal.

The obligation of member agencies to make debt payments is secured by a special intercept mechanism of the ad valorem property taxes of the members by the Marin County tax collector. There is no cross-collateralization among member agencies.

## **Evaluation by BWA and MERA Management**

Proposals will be evaluated on the basis of the following criteria (not listed in order of importance).

- Qualifications and experience of the firm.
- Qualifications, perceived abilities, and experience of the personnel assigned to the financing.
- Retail and institutional sales capacity.
- Suggested approach to underwriting the bonds.
- Ability to complete the bond issuance within a reasonable amount of time.
- Fee and expenses

Selection will be based on the submitted proposal, possible telephone interview, and fee. The engagement is for professional services and will not necessarily be awarded to the firm submitting the lowest estimated fee, but fee will be an important consideration.

### **Submittal Schedule (Tentative Subject to Change)**

- Request for Proposal issued: October 8, 2009
- Proposals Due: **October 14, 2009 by 4:00 p.m. by e-mail.**
- RFP Review, possible interview & selection: October 15 or 16, 2009
- Underwriter begin October 19, 2009
- MERA Board approval – Board Meeting December 9, 2009

MERA management and BWA may wish to interview one or more of responding firms via telephone. BWA will arrange any necessary interview.

All materials submitted in response to this request for proposal become the property of MERA and will not be returned. The materials will be a public record subject to the disclosure provisions of the California Public Records Act.

*MERA reserves the right to reject all proposals, waive any proposal irregularities and negotiate final terms and conditions with the selected firm. Note that Adobe PDF is the only acceptable format for your proposal and should be submitted via e-mail.*