



CAMINO REAL REGIONAL MOBILITY AUTHORITY

Request for Proposals
to provide
Underwriting Services

RFP Issue Date:	January 30, 2014
Questions Due:	3:00 PM (MST) February 5, 2014
Proposals Due:	3:00 PM (MST) February 19, 2014 At the electronic and physical addresses set forth herein
Selection Anticipated:	March 2014

**CAMINO REAL REGIONAL MOBILITY AUTHORITY
REQUEST FOR PROPOSALS TO PROVIDE UNDERWRITING SERVICES**

**PROPOSALS DUE: 3:00 PM (MST), FEBRUARY 19, 2014
AT THE ADDRESS SPECIFIED BELOW**

I. PURPOSE OF REQUEST

The Camino Real Regional Mobility Authority (“CRRMA”, the “Issuer”) is requesting proposals from qualified financial institutions to provide underwriting services in connection with the financing of various potential projects, which the CRRMA may elect to execute within the specified term of the engagement. The first engagement that CRRMA may undertake could involve a vehicle registration fee bond transaction tentatively scheduled for Spring 2014.

Any and all financial institutions selected to serve the CRRMA pursuant to this Request for Proposals (“RFP”) will serve as members of a pool of potential underwriters for the next five (5) years. From time to time, the CRRMA may select, from members of the pool, an underwriting syndicate to underwrite financings or provide other debt management related services. Inclusion in the underwriting pool does not guarantee participation in any or all CRRMA financings. CRRMA reserves the right to select any firm from the pool to serve as Senior, Co-Senior or Co-Manager at CRRMA’s sole discretion. Further, the CRRMA may, at its sole discretion, add or remove any member from participation in the pool or shorten or lengthen the period of time for which the pool is in place.

II. CRRMA BACKGROUND, PROPOSED PROJECT INFORMATION, AND ESTABLISHMENT OF VEHICLE REGISTRATION FEE

The City of El Paso, Texas (the “City”) filed a petition to form the CRRMA on February 28, 2006; the Texas Transportation Commission granted its approval to create the CRRMA on June 29, 2006; and the City adopted a resolution creating the CRRMA on March 13, 2007. The City also committed to provide resources and certain administrative support to the CRRMA.

The petition to form the CRRMA called for a board of directors of seven members, six to be appointed by the City, and the presiding officer to be appointed by the Governor of the State. The CRRMA held its first meeting in June of 2007. Since its creation, the CRRMA has developed and adopted numerous policies and procedures necessary to conduct its business, and has procured and retained the services of various consultants and professionals experienced in project finance, development, construction, and operations.

In 2013, El Paso County, the Texas Department of Transportation and the CRRMA developed the 2013 El Paso County Comprehensive Mobility Plan

("CMP") to include a list of 16 major highway and roadway projects that will mitigate traffic congestion and further regional mobility in the region [see attached Map]. The County Commissioners Court approved the CMP on December 16, 2013, while the CRRMA Board approved the CMP on January 22, 2014. The CMP includes approximately \$400 million of major transportation projects in the El Paso region and includes various proposed funding sources, including the local MPO, FHWA, TxDOT, El Paso County, the City of El Paso and other local municipalities, Transportation Reinvestment Zones, and optional Vehicle Registration Fees (described in more detail below). As the CMP is implemented by the various parties, there is a strong likelihood that bond financing will be required to develop and build one or more of the CMP projects. Additional information on the CMP may be found on the Projects Page of the CRRMA website: www.crrma.org.

In 2013, the Texas State Legislature passed HB 1198, which amended Section 502.402 of the Transportation Code to authorize El Paso County (the "County") to impose an optional vehicle registration fee of up to \$10 per registered vehicle to fund long-term transportation projects in the County. The Commissioners Court of the County by order imposed such additional fee, effective January 1, 2014, in the amount of \$10.00 per vehicle registered in the County. Under a previously approved Pledge Agreement with the CRRMA, the County has agreed to take all steps necessary and authorized under the law to continuously impose, collect and remit the optional vehicle registration fees during the term of the Pledge Agreement. The Pledge Agreement further provide that the CRRMA may issue bonds or make other contractual commitments that are secured by a pledge of the optional vehicle fee revenues.

Per the CMP, the CRRMA intends to issue Vehicle Registration Fee Bonds in the Spring of 2014, with such bond proceeds to be used to finance certain CMP projects.

III. RFP PROCESS DETAILS

Any contact with the Executive Director and members of the CRRMA Board of Directors concerning the business of the CRRMA while this procurement is pending is strictly prohibited. Violation of this prohibition is grounds for disqualification from the selection process.

The CRRMA shall not be liable for any expenses incurred in the preparation and presentation of the responses.

Questions arising from this RFP must be submitted via email to the CRRMA Executive Director, Raymond Telles, at tellesr@crrma.org by the date and time first noted on the cover page of this RFP.

Responses to questions will be posted on the Procurements Page of the CRRMA website: www.crrma.org. The CRRMA reserves the right to contact the

firm submitting a question in order to clarify the question received. The CRRMA further reserves the right to modify, summarize, or otherwise alter the content of questions so as to protect the identity of the requestor and to provide responses that the CRRMA deems, in its sole discretion, to best inform interested parties of potentially relevant information. The CRRMA further reserves the right to decline to answer questions.

Interested parties are responsible for monitoring the CRRMA website for updates or announcements concerning this procurement process.

Proposals must be delivered to the CRRMA by the date and time first noted on the cover page of this RFP and in the format identified below:

5 Hardcopies and 1 Electronic version (on CD-ROM) to:

Camino Real Regional Mobility Authority
300 N. Campbell, 2nd Floor
El Paso, Texas 79901
Attn: Mr. Raymond Telles
Executive Director

IV. PROPOSAL FORMAT

- A. Subject to the provisions below, the substantive portion of responses (i.e., the narrative response to the items set forth in Section V) must not exceed twenty (20) pages (8.5 x 11 inches with one-inch margins from all sides), type font size not less than 11-point and printed on one side. Submittals of information in response to the Section V content requirements greater than the specified twenty (20) pages will only be reviewed and scored up to the first twenty (20) pages. The twenty (20) page limit will be considered exclusive of professional résumés, cover sheets, fly leaves, brochures, table of contents, requested appendices and dividers, etc. These additional items should be limited to fifteen (15) pages and be directly applicable to this RFP. Additional material which you deem relevant must be submitted in the form of an attachment or appendix, but appendices and attachments may not be used to substitute for substantive responses within the 20-page limit.
- B. Please provide a response to every question or request for information identified in Section V below in the order requested, or indicate why no response is given.
- C. Proposals should be submitted by individual firms only; no proposal should be submitted on a joint basis. The CRRMA reserves the right to select and combine firms as it feels is appropriate to best meet its needs.
- D. Identify the question or request for information being answered in the introduction to each response.

E. Answer the question or request for information specifically and succinctly.

V. PROPOSAL CONTENT

Provide an executive summary (no longer than two (2) pages in length) identifying the key components of the Proposer's qualifications. (This summary will NOT be included in the page limit stated in Section IV.A.).

A. General Information

Please provide the following general information.

- (1) Name, address, telephone number, fax number, e-mail address, and title of the individual submitting the response for your firm and to whom questions or requests for additional data should be directed.
- (2) Firm's corporate address.
- (3) Firm's capital position (e.g., total capital, net capital and excess net capital) for the past three (3) years as of your fiscal year end and the most current reporting period. Please also include the average daily inventory in municipal securities excluding primary offerings.
- (4) State which of each subpart noted below, best describes your firm: (i) national or regional; (ii) minority/WBE or non-minority/WBE; and (iii) retail or institutional. Minority firms will be required to provide certification to the CRRMA.
- (5) State whether your firm wishes to be considered as Senior Manager. Stating NO to this question does NOT preclude your firm from being considered for a Co-Senior Manager or Co-Manager position, if any.
- (6) Number and location of all public finance offices and all underwriting/committing desks.
- (7) Number and location of all U.S. municipal fixed income employees, municipal institutional sales associates and retail sales associates.

B. Sales and Marketing Capabilities

- (1) Describe the sales and marketing capabilities of your firm, identifying any particular buyer base in which your firm specializes (institutional, retail, retail aggregators, etc.). Discuss your firm's municipal underwriting and trading resources nationally and within Texas.

C. Texas Presence

- (1) List all the offices your firm has within the State of Texas, and specifically within the El Paso area. These can incorporate all offices, including non-public finance offices. Please state the

number of and type of personnel in each office (i.e. public finance, retail, corporate, etc.).

D. Analysis

Without implying that any other requirements of this RFP will be waived, proposers should be aware that this section MUST be answered with substantive recommendations and suggestions for a firm to be considered for designation as a Senior Manager, but will also be considered for all other underwriting positions as well.

- (1) Discuss any suggestions regarding new or innovative financing techniques, which should be considered by the CRRMA. Your response should demonstrate your familiarity with the CRRMA and its finances.
- (2) Discuss your knowledge of and recommendations for future bond issuances utilizing such revenue streams as optional vehicle registration fees, Transportation Reinvestment Zones, and Coordinated Border Infrastructure Funds.

E. Experience

- (1) Discuss firm's overall qualifications and experience to serve the CRRMA. Specifically detail your experience serving as senior and/or co-manager, since January 1, 2010 for: (1) Texas negotiated deals, (2) El Paso area deals (3) Texas transportation deals, (4) sales tax/special tax/vehicle registration fee bonds, and (5) tax increment financing transactions. Whenever possible, detail the contributions made by the proposed lead and support bankers.
- (2) Regarding the proposed optional Vehicle Registration Fee bond issue, what are some of the specific credit issues that the rating agencies, credit enhancers and bond buyers in general will expect the CRRMA to address for this debut bond issue? Please include your firm's recommendation on how many ratings the CRRMA should apply for as well as which rating agencies. The CRRMA is also considering obtaining credit support from El Paso County for the optional Vehicle Registration Fee bond transaction, which could affect its ability to issue more bonds than a stand-alone financing. How would County credit enhancement affect bond ratings and borrowing costs?
- (3) List at least three (3) references that the CRRMA would be allowed to contact, two (2) or more should be related to a recent financing transaction shown above. Please provide name, title, affiliation,

address and telephone number. The CRRMA reserves the right to independently contact other references.

F. Personnel

Please submit the names, titles, educational background, professional certifications, geographic location and relevant experience of those key professional staff members that will be assigned to serve the CRRMA. Please also note that any changes to significant personnel assigned to the account, either before or during the term of appointment to the underwriting pool, must be provided in writing or email to the CRRMA. A firm must agree to ensure the continuity of the CRRMA approved main point of contact. In the event that such a replacement is necessary, by submitting a response to this RFP, the firm agrees that no replacement person shall begin work on any CRRMA project without the prior written approval of CRRMA. If a firm has been selected as Senior or Co-Senior Manager for any financing and replacement staff does not meet with CRRMA's approval, the firm will forfeit its position as Senior or Co-Senior Manager.

G. Case Studies

Provide three case studies of innovative structuring and/or marketing techniques that your firm has used to enhance the marketability of long-term obligations, particularly for transportation clients. Include client references for the lead and support bankers in the case studies.

H. Financial Condition

Provide a copy of your firm's most recent FINRA Quarterly Focus Report and 10k or annual audited financial statement. (This should be included as an attachment or appendix and will NOT be included within the 20-page limit **stated in Section IV.A.**)

I. Conflicts of Interest

Describe any current or potential relationship that could create a conflict of interest if your firm is selected. Also disclose any relationships you or your firm currently has, or has had within the past twelve (12) months, with TxDOT, the City of El Paso, the County of El Paso, the City of Socorro, and/or the City of Horizon City. Disclose all compensation/fee arrangements formal or informal that your firm, its related entities, or any individual(s) listed in the response to Section V.F currently has or within the past twelve (12) months has had, with any parties related to the CRRMA. In addition to the foregoing, respondents are responsible for compliance with the Conflict of Interest Policies for Financial Consultants

adopted by the CRRMA, and disclosure statements must be included with the responses (but will not count against the overall page limit). CRRMA conflict of interest policies may be viewed on the Policies Page of the CRRMA website: www.crrma.org.

J. Regulatory Compliance

Over the past three (3) years, has your firm or any of its affiliates or parent, or any officer or principal been involved in any material litigation, settlement of claims with any regulatory body, administrative proceedings, violation of or investigation for any regulatory agency rules (SEC, MSRB, FINRA, NYSE)? If so, provide an explanation and indicate the current status. If selected for the pool, you will be required to disclose such information within thirty (30) days after you know or should know of it. A failure to do so will be sufficient grounds for the CRRMA to remove a firm from the underwriting pool and from consideration for future underwriting pools.

VI. SELECTION PROCESS

A. Selection Committee

A selection committee, assisted by CRRMA's Financial Advisor, will review the proposals and recommend firms for inclusion in the underwriting pool to the CRRMA Board. However, the CRRMA Board will make the final decision, with regard to the underwriting pool selected, if any.

B. Criteria for Selection and Weighting

The selection committee will evaluate the proposals and forward recommendations to the CRRMA Board for final selection. Criteria to be used in the recommendations, and the weight assigned to each, are:

- (1) Approach to structuring and marketing that most effectively meets the CRRMA's objectives. (35%)
- (2) The financial stability, strength, and overall experience of the responding firm; particularly, the experience of the underwriter/dealer/investment banking team and sales/trading team in the development and active management of other established financing programs similar to the CRRMA. (30%)
- (3) Understanding of the financial structure of the CRRMA, and the use of creativity and successful innovations that are relevant to the CRRMA and its projects. (25%)

- (4) The responding firm's commitment to Texas issuers, based on past underwriting services provided, and the number of employees in Texas and the CRRMA region. (10%)

The selection committee will divide respondents into three categories, National firms, Regional firms, and Minority/WBE firms, and will rank each respondent in their respective category. Depending on the number of qualified responding firms, it is anticipated that the top three candidates in each category will constitute the list of firms that the selection committee recommends to the Board.

C. Recommendations to CRRMA Board

Those firms whose proposals and qualifications the selection committee determines meet the criteria described in VI.B. will be recommended to the Board for inclusion in the underwriting pool. The selection committee will also advise the Board of the recommended size of the underwriting pool and the composition of the underwriting syndicate for the Senior Lien Vehicle Registration Fee Revenue Bonds, Series 2014. However, the final decision regarding the size of the pool, the individual firms included in such pool, and the composition of the underwriting syndicate ultimately remains solely with the CRRMA Board.

[END OF RFP]