

REQUEST FOR PROPOSAL NO. 02C-001S-RFP FOR UNDERWRITERS

DATE: August 24, 2005

PRESENTED TO BOARD: October 19, 2005

CONTRACT PERIOD: December 13, 2005 through March 12, 2006 (90 Day Extension)

DEPARTMENT: 9450 FUNCTION: 8102 OBJECT: 3501 FUND: 0100

FUNDING SOURCE: Debt Services Budget-Underwriter Fee

REQUESTING DEPARTMENT: Treasury Office

FINANCIAL IMPACT

The estimated expenditure is sufficient to cover this extension. No additional funds are requested.

Purchase orders processed from July 18, 2002 through July 11, 2005 total \$ 255,115.

CONTRACT EXTENSION

Term Contract No. 02C-001S-RFP was awarded by Board action on July 18, 2005, AG Edwards & Son, Inc., Jackson Securities, Paine Webber, Inc., Raymond James & Associates, Salomon Smith Barney, William Hough & Co., for three years from December 13, 2001 through December 12, 2004, with the option to renew for two additional one-year periods.

The first option to renew was exercised on December 8, 2004, for the period December 13, 2004 through December 12, 2005.

Per Special Condition 5.1, Term of Contract, this contract may be extended for 90 days. This contract will be extended for 90 days in order to develop new specifications and resolicited. This is a fixed fee contract for Underwriters Services. These companies agreed to honor this condition when they signed their original proposal.

A G Edwards, Bear Stearns & Company Inc., Citigroup Inc., (formerly Solomon Smith Barney), Jackson Securities, RBC Dain Rauscher, (formerly William R. Hough & Co.), UBS Financial Services, (formerly Paine Webber), have agreed to honor terms, conditions and pricing of existing contract for the extension period.

RECOMMENDATION: Based on satisfactory performance during the past contract period, it is recommended that the term contract for Underwriters be extended with AG Edwards & Son, Inc., Bear Stearns & Co., Inc., Citigroup, Jackson Securities, RBC Dain Rauscher, UBS Financial Services for the period December 13, 2005 through March 12, 2006.

Note: Original RFP document is available upon request.


SS:DP:MK:ksb

REQUEST FOR PROPOSAL NO. 02C-001S - RFP FOR Underwriters

DATE: November 13, 2004
 PRESENTED TO BOARD: December 8, 2004
 CONTRACT PERIOD: December 13, 2004 through December 12, 2005
 FUNDING SOURCE: Debt Services Budget - Underwriter Fee
 REQUESTING DEPARTMENT: Treasury Office

FINANCIAL IMPACT	Issuances will be budgeted when authorization is made by the Board.
Underwriting expenses from 1/1/02 – 11/30/04 were \$4,047,186. Remarketing fees associated with variable debt was \$434,854. The District plans no new COP issues and does not anticipate any refunding transactions during the course of the next year.	

CONTRACT RENEWAL

Request for Proposal No. 02C-001S was awarded by Board action on December 12, 2001, to A G Edwards, Bear Stearns & Company Inc., Solomon Smith Barney, Jackson Securities Inc., William Hough & Co., Paine Webber, for three years from December 13, 2001 through December 12, 2004 with the option to renew for two additional one-year periods.

The first option to renew is now being exercised for the period December 13, 2004 through December 12, 2005.

A G Edwards, Bear Stearns & Company Inc., Citigroup Inc., (formerly Solomon Smith Barney), Jackson Securities, RBC Dain Rauscher, (formerly William R. Hough & Co.), UBS Financial Services, (formerly Paine Webber), have agreed to honor terms, conditions and pricing of existing contract for the forthcoming contract period.

William R Hough & Company has recently been purchased by RBC Dain Rauscher.

Services to be provided are Underwriter Services.

RECOMMENDATION: Based on satisfactory performance during the past contract period, it is recommended that the RFP for Underwriter Services be renewed with A G Edwards, Bear Stearns & Company Inc., Citigroup, Jackson Securities Inc., RBC Dain Rauscher, UBS Financial Services, for the period December 13, 2004 through December 12, 2005.

Note: Original RFP document is available upon request.

SS: DG: NK: hms

REQUEST FOR PROPOSAL NO. 02C-001S - RFP FOR UNDERWRITERS

DATE:	November 15, 2001	DATE ADVERTISED:	October 26, 2001
DATE SOLICITED:	October 15, 2001	DATE OPENED:	November 9, 2001
PRESENTED TO BOARD:	December 12, 2001	DATE POSTED:	November 16, 2001

CONTRACT PERIOD: December 13, 2001 through December 12, 2004
 FUNDING SOURCE: Debt Services Budget – Underwriter Fee
 REQUESTING DEPARTMENT: Treasury Office
 27 RFPs Solicited, 11 Responses (10 RFPs, 1 No Proposal) 16 No Response
 4 M/WBEs Solicited, 2 M/WBE Responses (2 RFPs, 0 No RFPs) 2 M/WBE No Response

FINANCIAL IMPACT
Issuances will be budgeted when authorization to issue is made by the Board.
Actual costs were \$ 730,702 for the April COPS issue, \$ 907,540 for June COPS issue and \$408,875 for the September 2001 General Obligation Bond.

Services to be provided include underwriter services.

The Selection Committee recommends the rotation of senior management responsibilities between two investment banking firms: Salomon Smith Barney and UBS Paine Webber. These firms will be responsible for the “new money” capital offerings over the next three years. One book running senior manager will be selected for each market offering at the discretion of the District. The other senior manager will server as Co-Senior Manager on the issuance.

Four other firms have been selected as co-managers: AG Edwards, Raymond James, William R. Hough, and Jackson Securities. These firms will participate as co-managers for the “new money” capital offerings over the next three years.

For refundings and unique / proprietary financing any of the six firms can act as the book running senior manager with the remaining firms serving as co-managers.

<u>VENDOR</u>	<u>MINORITY STATUS</u>	<u>INVESTMENT BANKING SELECTION</u>	<u>TOTAL POINTS AWARDED</u>
AG Edwards & Sons, Inc.	--	Co-Manager	<u>85</u>
Bear, Stearns & Co.,	--	--	78
Commerce Capital Market	--	--	--
Guzman & Company	3	--	--
Jackson Securities	2	Co-Manager	<u>80</u>
Morgan Stanley / Dean Witter	--	--	75
Painewebber, Inc.	--	Senior Manager	<u>84</u>
Raymond James & Associates	--	Co-Manager	<u>80</u>
Salomon Smith Barney	--	Senior Manager	<u>93</u>
William Hough & Co.	--	Co-Manager	<u>81</u>

LEGEND:

_____ = Award

() = Reject

MINORITY - (2-Black, 3-Hispanic, 4-Indian/Alaska, 5-Asian, 6-Women, 7-Disabled, 8-Other)

EXCEPTIONS:

Commerce Capital Market and Guzman & Company – Proposals were not considered due to failure to meet minimum qualifications and Scope of Services.

CONSIDERATION OF INDEMNIFICATION: Awardee(s) recognizes that in order to comply with FS 725.06 the District must include an amount paid to the awardee(s) in consideration for the awardee(s) agreeing to indemnify the District. The amount of TEN DOLLARS (\$10) to be included on the awardee(s) initial invoice, per Special Condition, Indemnification and Hold Harmless, as consideration for this contract.

RECOMMENDATION: I recommend contract award be made to the highest rated responsive, responsible proposers based on the evaluation criteria outlined in the RFP.

RFP Protest

Failure to file a protest within the time prescribed in s. 120.57(3), Florida Statutes, shall constitute a waiver of proceedings under Chapter 120, Florida Statutes. Offers from the vendors listed herein are the only offers received timely as of the above opening date and time. All other offers submitted in response to this solicitation, if any, are hereby rejected as late.

If a proposer wishes to protest a RFP, they must do so in strict accordance with the procedures outlined in FS 120.57(3). Any person who files an action protesting a decision or intended decision pertaining to this RFP pursuant to FS 120.57(3)(b), shall post with the Purchasing Department, at the time of filing the formal written protest, a bond secured by an acceptable surety company in Florida payable to the School District of Palm Beach County in an amount equal to 1 percent (1%) of the total estimated contract value, but not less than \$500 nor more than \$5,000. Bond shall be conditioned upon the payment of all costs that may be adjudged against the protester in the administrative hearing in which the action is brought and in any subsequent appellate court proceeding. In lieu of a bond, a cashier's check, certified bank check, bank certified company check or money order will be acceptable form of security. If, after completion of the administrative hearing process and any appellate court proceedings, the District prevails, it shall recover all costs and charges included in the final order of judgment, including charges by the Division of Administrative Hearings. Upon payment of such costs and charges by the protester, the protest security shall be returned. If the protest prevails, he or she shall recover from the District all costs and charges, which shall be included in the final order of judgment.

SS:DN:SB:LE;jm

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Evaluation Criteria	AG EDWARDS & SONS, INC.	BEAR, STEARNS & CO., INC.	COMMERCE CAPITAL MARKET	GUZMAN & COMPANY	JACKSON SECURITIES
1. Experience and Qualifications					
Senior Manager	No	Yes	No	No	No
Co-Manager	Yes	--	No	No	Yes
2. Experience of the Primary Individual (Points Available: 25)	24	22	--	--	19
3. Responses to Section 11.0 Questions (Points Available: 50)	42	42	--	--	37
4. Cost of Services (Points Available: 15)	14	14	--	--	14
5. Minority/Women Business Participation (Points Available: 10)	5	0	--	--	10
GRAND TOTAL	85	78	--	--	80

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Evaluation Criteria	MORGAN STANLEY / DEAN WITTER	PAINWEBBER, INC.	RAYMOND JAMES & ASSOCIATES	SALOMON SMITH BARNEY	WILLIAM HOUGH & CO.
1. Experience and Qualifications					
Senior Manager	No	Yes	No	Yes	No
Co-Manager	Yes	--	Yes	--	Yes
2. Experience of the Primary Individual (Points Available: 25)	21	23	22	25	22
3. Responses to Section 11.0 Questions (Points Available: 50)	40	47	44	49	44
4. Cost of Services (Points Available: 15)	14	14	14	14	15
5. Minority/Women Business Participation (Points Available: 10)	0	0	0	5	0
GRAND TOTAL	75	84	80	93	81