



CITY OF HOUSTON
Underwriting Services
S67-00425
NOTICE OF REQUEST FOR INFORMATION

**STRATEGIC
PURCHASING DIVISION**
901 Bagby Street
Concourse Level
Houston, Texas 77002

GENERAL INSTRUCTIONS

The City of Houston is requesting information for the purpose of assisting the City's consideration of firms to provide underwriting services for negotiated issuances for the following credits until June 30, 2016: General Obligation, Combined Utility System, Houston Airport System and Convention & Entertainment Facility. Interested firms shall respond to this RFI by the date and time designated below.

RFI INSTRUCTIONS

Please submit the requested information by email to Brenda Chagoya at brenda.chagoya@houstontx.gov.

SUBMISSION FORMAT

1. The City desires to minimize the submission of unnecessary RFI material. Interested firms are instructed to fill in their responses on the forms attached and email them to Brenda Chagoya. Include the identification number **S67-00425** in the subject line.
2. The deadline for submissions in response to this request for information is **Monday March 16, 2015 by 5:00 P.M. Central Time**. The City reserves the right to cancel, amend or extend the deadline for the RFI at its' sole discretion.
3. All costs directly or indirectly related to the preparation of a response to this RFI shall be the sole responsibility of and shall be borne by the underwriter responding.
4. Information submitted in response to this RFI will not be released by the City prior to the selection of a firm to provide lead underwriting services.
5. Questions and comments regarding this RFI are to be directed by email to brenda.chagoya@houstontx.gov.



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REVIEW CRITERIA

A Working Group will review the underwriters responses to “Questions for Underwriters” based on the following criteria:

1. Demonstrated competence to underwrite.
2. Experience underwriting based on the pools specified in the Review & Selection Process,
3. Knowledge of the City of Houston municipal bond credits.

REVIEW & SELECTION PROCESS

The City will review the submissions received in response to this RFI. The goal of this process is to promote fairness, objectivity and transparency. The selection committee shall report results of the RFI process to Budget and Fiscal Affairs Committee. The City does not commit to engage an underwriter for any or all of the described matters as a result of this RFI. The City reserves the right to disregard submissions and/or to solicit additional information.

- The City will make decisions regarding the scope of services, the term of the agreement and related matters after receipt of responses to this RFI. The City’s decision on these matters is final.
- The City reserves the right to select an underwriter or underwriters for a specific purpose or purposes or for any combination of specific purposes, and to defer or not select any underwriter and use another method of sale or use an alternative financing method, or execute the anticipated financing in one or more series at the City’s choosing. Furthermore, the City reserves the right to select and determine syndicate composition and underwriting liabilities and designation policy at its choosing.

The City will utilize the information provided to establish the following underwriter pools:

- Lead Tax-Exempt Underwriter > \$500 million
- Lead Tax-Exempt Underwriter \$200-500 million
- Lead Tax-Exempt Underwriter < \$200 million
- Lead Taxable Underwriter
- Senior Co-Manager > \$200 million
- Senior Co-Manager < \$200 million
- Co-Managers



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QUESTIONS FOR UNDERWRITERS

GENERAL INFORMATION:

Firm Name:	
Address:	
Representative:	
Location of Main Office:	
Location of Houston Office and length of time open:	
Number of Personnel in Houston Office:	



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UNDERWRITING QUALIFICATIONS AND EXPERIENCE:

a. Summarize relevant experience of the firm utilizing the following tables:

TABLE 1: Summary of National Negotiated Tax-Exempt Transactions

Year	1. # Senior Managed Issues	2. Par Amount	3. # Co-Managed Issues	4. Liability Portion of Par Amount	5. TOTAL Par Amount
2012					
2013					
2014					
Total					

1. Number of issues where your firm served as a book runner
2. 100% of par amount on issues where your firm served as a book runner
3. Number of issues where your firm served as anything other than a book runner
4. Liability percentage multiplied by the total par amount where your firm served as anything other than a book runner.
5. The total of columns #2 and #4

TABLE 2: Summary of Texas Negotiated Tax-Exempt Transactions

Year	1. # Senior Managed Issues	2. Par Amount	3. # Co-Managed Issues	4. Liability Portion of Par Amount	5. TOTAL Par Amount
2012					
2013					
2014					
Total					

1. Number of issues where your firm served as a book runner
2. 100% of par amount on issues where your firm served as a book runner
3. Number of issues where your firm served as anything other than a book runner
4. Liability percentage multiplied by the total par amount where your firm served as anything other than a book runner.
5. The total of columns #2 and #4



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TABLE 3: Summary of National Negotiated Taxable Transactions

Year	1. # Senior Managed Issues	2. Par Amount	3. # Co-Managed Issues	4. Liability Portion of Par Amount	5. TOTAL Par Amount
2012					
2013					
2014					
Total					

1. Number of issues where your firm served as a book runner
2. 100% of par amount on issues where your firm served as a book runner
3. Number of issues where your firm served as anything other than a book runner
4. Liability percentage multiplied by the total par amount where your firm served as anything other than a book runner.
5. The total of columns #2 and #4

TABLE 4: Summary of Bonds "Taken Down" for January 1, 2012 through December 31, 2014

ISSUE	YOUR FIRM'S ROLE	TOTAL PAR AMOUNT TAKEN DOWN	PAR AMOUNT TAKEN DOWN BY YOUR FIRM
Add additional lines as necessary			

- b. Summarize the investment banker(s) and other individual(s) assigned to the issuer by credit, their experience and analytic capabilities.
- c. Describe the firm's bond distribution capabilities including the experience of the individual primarily responsible for underwriting bond issuances and any agreements with outside firms for distribution. The firm's ability to access both retail and institutional investors and different tiers of investors should be described.

Please complete the following tables:

Summary of Sales Professionals	
Type of Sales Professionals	Full-time Equivalents Dedicated to Public Finance
Retail	
Institutional	
Traders	
Underwriters	



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Summary of Senior Managed National Negotiated Tax-Exempt Transactions

Year	# Senior Managed Issues	Par Amount	Priority Orders	Member Orders
2012				
2013				
2014				
Total				

Summary of Senior Managed Texas Negotiated Tax-Exempt Transactions

Year	# Senior Managed Issues	Par Amount	Priority Orders	Member Orders
2012				
2013				
2014				
Total				

Summary of Co-Managed National Negotiated Tax-Exempt Transactions

Year	# Co-Managed Issues	Liability Portion of Par Amount	Priority Orders	Member Orders
2012				
2013				
2014				
Total				

Summary of Co-Managed Texas Negotiated Tax-Exempt Transactions

Year	# Co-Managed Issues	Liability Portion of Par Amount	Priority Orders	Member Orders
2012				
2013				
2014				
Total				

- d. Demonstrate the firm's understanding of the issuer's financial situation by credit, including ideas on how the issuer should approach financing issues such as bond structures.
- e. Discuss how each of the City's credits should approach credit rating strategies.
- f. Discuss how each of the City's credits should approach investor marketing strategies.
- g. Demonstrate the firm's knowledge of local political, economic, legal or other issues that may affect proposed financings.



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- h. Document the underwriter's participation in the issuer's recent competitive sales or the competitive sales of other issuers in the same state;
- i. Summarize access to sources of current market information to provide bond pricing data before, during, and after the sale;
- j. Describe any finder's fees, fee splitting, or other contractual arrangements of the firm that could present a real or perceived conflict of interest, as well as any pending investigation of the firm or enforcement or disciplinary actions taken within the past three years by the Securities and Exchange Commission, the Municipal Securities Rulemaking Board, or any other regulatory agency.
- k. Is your firm a participant in any litigation involving a Texas Issuer? Is your firm the subject of an investigation or has it been subpoenaed by any State Attorney General regarding matters related to the distribution of securities of any type? If so, please describe the circumstances to the extent possible.
- l. Is any individual in your public finance group a participant in any litigation involving a Texas Issuer? Is any individual in your public finance group the subject of an investigation or been subpoenaed by any State Attorney General regarding matters related to the distribution of securities of any type? If so, please describe the circumstances to the extent possible.
- m. Describe any other factors pertaining to your firm's ability to serve as a Senior and/or Co-Managing Underwriter that may be relevant to this solicitation.