

**TOWN OF CAVE CREEK
37622 N. Cave Creek Road
Cave Creek, Arizona 85331**

**NOTICE OF REQUEST FOR PROPOSAL
March 28, 2019**

PROPOSAL: Financial Advisory Services

DUE DATE: May 2, 2019 – 4:00 pm

LOCATION: Town of Cave Creek, Attention: Robert Weddigen, Finance Director
37622 N. Cave Creek Road, Cave Creek, AZ 85331

The Town of Cave Creek issues this Request for Proposals for a financial advisor to provide municipal financial advisory services to evaluate the current and prospective financial needs of the Town, its current debt, with the possibility of negotiating terms with existing creditors and/or assisting in the issuance of bonds. The Financial Advisor is expected to be independent and not affiliated or owned by any bank or other financial institution. The expected length of this engagement is expected to be approximately one (1) to two (2) years starting no later than July 1, 2019. The firm or individual must have the required capabilities and an in-depth understanding and working knowledge of municipal finance, operations, local, state and federal laws, regulations, ordinances, codes, and standards for municipalities within Arizona.

Information regarding the Town can be found on the Town’s website www.cavecreek.org. The Town’s current outstanding debt is approximately \$40 million with an annual debt service of approximately \$4.1 million. Additional financial information including the most recent financial statement and budget documents for the current fiscal year can be found at <http://www.cavecreek.org/index.aspx?nid=24>.

Competitive proposals for the services specified in this notice will be received by the Town of Cave Creek at the above specified location until the time and date cited. Proposals must be in the actual possession of the Town of Cave Creek on or prior to the exact time and date indicated above. Late proposals will not be considered. The preparation of the RFP response will be at the expense of the respondent. The Town will not reimburse the respondent for any costs associated with the preparation or submission of any proposal. All RFP responses become the sole property of the Town of Cave Creek.

Proposals must be submitted and labelled “Financial Advisory Services” and include the Offeror’s name and address clearly indicated on the envelope. All proposals must be completed in ink or typewritten and a complete Request for Proposal data must be returned

along with the proposal by the time and date cited above. Additional instructions for preparing a proposal are provided with this notice.

I. INSTRUCTIONS TO BIDDERS

A. Preparation of Proposals:

1. All proposals shall be on the Offeror's letterhead and the forms provided in this Request for Proposal package. It is permissible to copy these forms if required. Facsimile transmittal, E-mail attachments or similarly transmitted proposals will be accepted.
2. The proposal documents and the Proposal Data Sheets (see Section VI) and Cost/Pricing Proposal Form must be submitted with an original ink signature by the person authorized to sign the offer.
3. Erasures, interlinear markings or other modification in the proposal shall be initialed in original ink by the authorized person signing the offer.
4. No proposal or data sheets shall be altered, amended, or withdrawn after the specified due time and date.
5. In addition to the Proposal Data Sheet all proposals must include the following information:
 - a. Describe the firm as it relates to public sector services: the number of employees involved, the number of clients that the firm provides solely advisory services, the number and volume of debt issued in the last four (4) years (2015-2018) broken down by type of debt while serving as the financial advisor for the entity. Identify the location of the base office that the individual(s) assigned to fulfill the obligations of the RFP and the number of professionals in that location who also serve as financial advisors to public sector entities.
 - b. Address each requirement of the Required Services, see section II. Provide evidence that demonstrates the firm's ability to provide the required services.
 - c. The proposed approach to provide the required services. Including steps the firm would follow in assessing the Towns financial condition and needs. The technical and legal support services available to the firm and how they might be utilized. The firms experience and use of alternative financing mechanisms in developing a financing plan. Indicate the

circumstances in which the firm would recommend competitive versus negotiated sales of debt issues and its experience with both methods.

- d. The qualifications of the personnel expected to be assigned to provide the required services. Provide a brief biographical account of each that contains their educational background, work history, professional licenses/certifications and past responsibilities serving in similar financial advisory roles. If more than one person may be assigned then each of their expected role(s) in performing the required services.
- e. Describe and explain any significant changes in organizational structure, ownership or management that occurred during the last 4 years.
- f. Business relationships with other entities: Disclose all compensation/fee arrangements (formal or informal) that your firm, its related entities or an proposed personnel currently has, or within the past 12 months has had, with any other potential parties to contemplated financings in which your firm was engaged in any capacity. Such parties include, but are not limited to, swap providers, investment contract providers, verification agents, financial advisory firms, investment banking firms, any other consultants or financial institutions, and law firms.
- g. An affirmation or documentation that the Offeror is registered with the Municipal Securities Rulemaking Board (MSRB).
- h. Provide any information on the firm and/or the individuals assigned to provide the required services have ever been sanctioned, fined or any other legal or license action has been taken and whether any of those issues would prohibit the individuals assigned and/or firm's ability to fulfill the required services provisions of this RFP.
- i. Provide information if the firm has been involved in any litigation related to the types of service needed to fulfill this RFP in the last three years, if so please describe the nature of the suit and the monetary amount involved.
- j. Describe any additional feature, value added service, attributes or conditions, that the Town should consider in selecting your firm. Such as experience with underwriting, in arbitrage rebate or penalty computations, and assistance with federal tax filings if needed.
- k. Attach proof of insurance - professional liability.

- I. Cost of Services: See Cost of Services under Proposal Data Sheets. Complete the form and if necessary provide in writing the differences in fee structures in the case of a competitive sale versus a negotiated sale. Provide options for various alternative-financing methods.
6. It is the responsibility of all Offerors to examine the entire Request for proposal package and seek clarification of any item or requirement that may not be clear and check all responses for accuracy before submitting a bid. Negligence in preparing a Proposal confers no rights of withdrawal after due time date.
7. Offerors are expected to make available the personnel assigned to fulfill the obligations of the RFP to present their proposal, at the firms cost, at the Town to the Town Manager and Town staff.

B. Inquiries:

Any question(s) related to this solicitation must be directed to the Town Finance Director and/or, the Town Manager. Questions should be submitted in writing. Any correspondence related to a solicitation should refer to the Request for Proposal page and paragraph number.

C. Late Offers:

Late offers will not be considered. An Offeror submitting a late proposal shall be so notified.

D. Withdrawal of Offer:

At any time prior to the specified proposal due time and date an Offeror (or designated representative) may withdraw their proposal, facsimile transmittals E-mail or similarly transmitted withdrawals will be considered.

E. Amendment of Proposal:

Receipt of solicitation amendment must be acknowledged by signing and returning the document(s) prior to the specified proposal due time and date.

II. REQUIRED SERVICES

It is expected that the firm retained by the Town as the service provider shall enter into a contract with the Town to provide the required services at a fair and reasonable compensation. For such compensation the service provider will be expected to provide part or all the following services.

1. Be able to meet with and thoroughly review with the Town Manager, Finance Director and key staff, current and future financial needs and analyze the Town's financial condition.
2. From that analysis, recommend in writing whether or not any action is required in addressing those needs.
3. Based on direction by the Town Manager, if recommending any refinancing/borrowing activities, as appropriate:
 - a. Present several refinancing/borrowing alternatives, and describe the strengths and weaknesses of each approach or combination of approaches. This will include the amounts, types and terms of debt considered (such as general obligation bonds, revenue bonds, lease financings, the use of the Town's municipal property corporation, as well as other various borrowing and repayment options and any combination of the above) and the feasibility of each approach and the sufficiency of revenues and funds pledged to support the debt payments. The optimal plan assures that adequate financial resources are maintained, as determined through analysis, contains early call provisions, and keeps the overall borrowing costs as low as possible. This may include presenting these alternatives and/or meeting with the Mayor and/or Council Members as determined as appropriate by the Town Manager.
 - b. Upon review and direction of the Town Manager of one or more of the proposed approaches the Financial Advisor will propose a detailed plan that will specify maximum interest rate parameters, maturities, early call provisions and any other technical requirements to ensure that the Town receives the lowest possible costs of issuance, debt service costs, and negative arbitrage.
 - c. Prepare requests for proposals as appropriate for other professional services needed, such as: bond counsel, underwriter, paying agent/registrar, printer, and trustee.
 - d. Develop a sale calendar that describes the responsibilities of each participant.
 - e. Assist bond counsel with the development of any documents required to authorize the issuance of debt.
 - f. If election is required, assist the Town with preparation of any required schedules and ballot information.

- g. Attend all organizational, document review, and special meetings related to a bond financing.
 - h. Coordinate the request for ratings and/or credit enhancements, making recommendations as needed. Assist in the preparation of any materials needed including disclosure statements.
 - i. Works with bond counsel to ensure that all legal requirements for the issue, such as advertising, waiting periods, etc., are satisfied.
 - j. Advise Town on competitive versus negotiated sale process. Take appropriate action as needed with regard to the sale process to inform and advise the Town on its options and opportunities that will ensure successful completion and financing goals are met.
 - k. Advise on the condition of the municipal bond market and on the time for the marketing of the Town's bonds in order to obtain a sale on the best terms available.
 - l. Attend the scheduled bond sale, verify accuracy of bids, calculates interest cost on the bids submitted, and provide detailed information on the status of the general bond market and current cost of comparable bonds sold. In the case of a negotiated sale, the financial advisor will work closely with the underwriter and the Town to: establish initial pricing, monitor the order activity, and assist in any repricing and make recommendations as to final purchase terms.
 - m. Coordinate, review or assist as appropriate the sale, pre-closing and closing to ensure that all documents contained in each transaction reflect the Town's understanding of terms of the transactions.
- 4. Financial Advisor will respond to questions and ad-hoc reports or analysis in a timely manner.
 - 5. The financial advisor may perform other tasks or duties as determined to be required and appropriate in relation to purpose of fulfilling their duties as financial advisor.

III. ADDITIONAL CONSIDERATIONS

- A. Each firm(s) or individual(s) assigned to conduct the duties resulting from this RFP process shall meet the following minimum requirements:

1. Reporting to Management: Firm(s) or individual(s) submitting proposals shall be able to report to Town staff and Town Council if directed by the Town Manager.
 2. Office and Staffing Requirements: Firm(s) or individual(s) shall provide all workspace, personnel, equipment and supplies necessary to complete professional services set forth in the scope of work.
 3. Independent Contractor: Respondent to the RFP is and will be at all times during the term of this agreement an independent contractor and not an employee of the Town. As such the contractor is responsible for all taxes and insurances as required.
 4. Professional Conduct: Firm(s) or individual(s) shall demonstrate professional conduct at all times.
 5. Compliance: Firm(s) or individual(s) shall demonstrate compliance with all federal, state and local laws including obtaining training and certifications as required by law throughout the term of the contract.
 6. Insurance: Firm(s) or individual(s) must be able to provide documentary proof of insurance coverage as requested. Insurance coverage will include as appropriate, automobile liability, commercial general liability, workers compensation, and professional liability. Professional liability insurance shall be with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit. Respondents to this RFP agree to maintain appropriate insurance coverage throughout the contract period.
 7. References: Firm(s) or individual(s) must be able to provide at least three (3) professional references from other cities or towns or other appropriate related experience.
- B. Upon awarding the contract, to assist the contractor, the Town can make the following information available:
1. Documentation concerning current debt.
 2. Documentation and commentary regarding possible future capital needs.

IV. AWARD OF CONTRACT

- A. The Town of Cave Creek Town will award a contract for services to the firm which best meets the needs of the Town as demonstrated by the proposals as submitted.

- B. Notwithstanding any other provision of this Request for Proposal, the Town expressly reserves the right to:
1. Waive any defect or informality; or
 2. Reject any or all offers, or portions thereof; or
 3. Reissue a Request for Proposal; or
 4. Withhold the award for any reason; or
 5. Extend the deadline for the Proposal.
- C. A response to a Request for Proposal is an offer to contract with the Town based upon the terms, conditions, and specifications contained in this Town of Cave Creek's Request for Proposal prepared by the Offeror. Proposals do not become contracts unless and until they are accepted by the Town. A contract is formed when the Town provides a signed copy of a contract to the successful Offeror. The successful contracts inception is the signing of the contract by the appropriate Town official. All terms and conditions and information contained in this Request for Proposal will be incorporated for reference and made a part of the contract, unless modified by a solicitation amendment or a contract amendment signed by the authorized Town official.

V. TERMS AND CONDITIONS

- A. Proposal Opening: Proposals shall be opened publicly at the time and place designated on the cover page of this document. The name of each Offeror shall be read publicly, and recorded. All other information contained in proposals shall be confidential so as to avoid disclosure of contents prejudicial to competing Offerors during the process of negotiation. Prices will not be read. Proposals will not be subject to public inspection until after contract award.
- B. Offer Acceptance Period: Proposals are an irrevocable offer for 90 days after the opening time and date. Pricing and payment terms: Pricing and payment terms must be submitted on an all-inclusive basis and shall include all taxes and other related cost factors associated with providing the services described in this document. Ideally, hourly fee services will be paid in monthly installments over the period of the contract.
- C. Contract: Any contract entered into pursuant to accepting the proposal shall be valid from the date of award for a period of two years with the option of two one year extensions.

- D. Cancellation Notice: The Town reserves the right to cancel the whole or any part of the subsequent contract without cause. The Town will issue a written thirty (30) day notice of such cancellation. Any subsequent contract must include such a clause.

- E. Evaluation: In accordance with Town policy, an award shall be made to the responsible Offeror whose proposal is determined to be the most advantageous to the Town taking into consideration the evaluation factors set forth in this Request for Proposal. After reviewing and evaluating the written materials submitted, finalists will be invited to an oral interview. The Town will contact the finalists to schedule those interviews.

Evaluation criteria shall include:

1. Firm's demonstrated experience, competence and qualifications to perform the required services as determined based on the written response to this RFP.

2. Cost.

3. For the finalists: An interview/presentation to be made after the initial review of the written responses with the Town Manager and Finance Director.

VI. PROPOSAL DATA SHEETS

Firm Name: _____

Address of office that would serve this account:

Business Phone: _____

Type of organization (check the appropriate line as indicated and provide indicated information)

_____ A corporation organized and existing under the laws of the State of Arizona

_____ A partnership, if so, please list partners who will work on or have responsibility for this contact.

Partners responsible for this contract:

Name Area of Expertise

Name Area of Expertise

Name Area of Expertise

_____ Check if an Individual (sole proprietor) responsible for this contract:

Name Area of Expertise

Number of years in business: _____

Managers assigned to oversee this contract:

Organization	Area of Experience Provided	Date
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Employees assigned to this contract:

Name	No. of Years Employed	Area of Experience
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Please list all current public sector clients in Arizona(add additional sheets, if required):

VII. OFFER

TO THE TOWN OF CAVE CREEK, ARIZONA

The undersigned hereby offers and agrees to provide the services at the price(s) set forth in this Request for Proposal in compliance with all terms, conditions, specifications and amendments in the solicitation and any written exceptions in the offer.

Name: _____

Phone: _____

_____	_____
Company Name	Authorized Signature
_____	_____
Address	Printed Name
_____	_____
City, State, Zip	Title

COST/PRICING PROPOSAL FORM

FINANCIAL ADVISORY SERVICES RFP - TOWN OF CAVE CREEK

Fee for other services, hourly services not leading to the sales of bonds notes, or certificates. Hourly fee to be inclusive of all costs, out of pocket and/or indirect costs/expenses:

\$ _____ Per Hour - for general financial advisory services

Fees on a Per Bond Transaction Basis, inclusive of General Obligation Bonds and Revenue Bonds. Proposer's fees for professional financial advisory services rendered in relation to transactions leading to the sales of bonds, notes or certificates are based on an amount per \$1,000 of the face amount issued paid by bond proceeds.

A. MINIMUM FEE PER TRANSACTION:

\$ _____ For General Obligation Bonds and/or Revenue Bonds

B. GENERAL OBLIGATION BONDS:

Item	Bond Par Amount Proposer to identify amount ranges below.	Fee Per \$1,000 Par
1	\$0 to \$ _____ \$ _____ to \$ _____ \$ _____ to \$ _____ \$ _____ to \$ _____	\$ _____
2	Plus for amounts from \$0 to \$ _____ \$ _____ to \$ _____ \$ _____ to \$ _____ \$ _____ to \$ _____	\$ _____
3	Plus for amounts greater than \$ _____	\$ _____

B. REVENUE BONDS:

Item	Bond Par Amount Proposer to identify amount ranges below.	Fee Per \$1,000 Par
1	\$0 to \$ _____ \$ _____ to \$ _____ \$ _____ to \$ _____ \$ _____ to \$ _____	\$ _____
2	Plus for amounts from \$0 to \$ _____ \$ _____ to \$ _____ \$ _____ to \$ _____ \$ _____ to \$ _____	\$ _____
3	Plus for amounts greater than \$ _____	\$ _____

D. ANY OTHER FEES OR CHARGES NOT COVERED ABOVE:

DESCRIPTION	BASIS	AMOUNT