



State of Delaware

Department of Finance

Carvel State Office Building, 8th Floor
820 N. French Street
Wilmington, DE 19801

Request for Qualifications
to provide
Underwriting/Agent Services
to the
State of Delaware
and the
Delaware Department of Transportation

Bid Number: FIN-19001-U/W/Agent

Bid Closing: May 31, 2019, noon, EDT

REQUEST FOR QUALIFICATIONS
to provide
UNDERWRITING SERVICES
to the
STATE OF DELAWARE
and the
DELAWARE DEPARTMENT OF TRANSPORTATION

I. RFQ SCHEDULE

ID	Date/Time	Activity
1	May 10, 2019	Request for Qualification posted on https://bids.delaware.gov/
2	May 15, 2019	Published in The Bond Buyer
3	May 22, 2019	All Vendor questions regarding RFQ are due Please direct any questions regarding this request for information via e-mail to Geoff Stewart, stewartg@pfm.com .
4	May 24, 2019	State issues answers to questions regarding the RFQ via https://bids.delaware.gov/
5	May 31, 2019, noon (EDT)	RFQ Response due date Submissions should be e-mailed to Stephanie Scola, stephanie.scola@delaware.gov , and Geoff Stewart, stewartg@pfm.com , by noon (Eastern) on May 31, 2019.

Contact Information:

Stephanie Scola, Director Bond Finance
Department of Finance
State of Delaware
820 N. French Street, 8th Floor
Wilmington, DE 19801
P: (302) 577-8988
stephanie.scola@delaware.gov

Geoffrey Stewart, Managing Director
PFM Financial Advisors LLC
1735 Market Street, Floor 42
Philadelphia, PA 19103
P: (215) 557-1484
stewartg@pfm.com

II. OVERVIEW

The State of Delaware (the “State”) and the Delaware Department of Transportation (the “DelDOT”) are soliciting information from qualified firms interested in performing senior manager (“Senior Manager”), co-senior manager (“Co-Senior Manager”) or co-manager (“Co-Manager”) underwriting services pursuant to 29 Del. C. § 6982(b). Such services may be used for the sale of its general obligation bonds and/or its transportation revenue bonds, including GARVEE bonds and US 301 Project Toll Revenue Bonds, in any negotiated issuance through

fiscal 2023. The State and DeIDOT will develop a pool of pre-qualified firms for any negotiated transaction and will solicit pricing at a future date from those firms that qualify. Qualified firms will be determined based on the criteria outlined in Section VI and will be considered for any negotiated transaction during the referenced time period. If not selected for a specific transaction, a qualified firm will continue to be considered for other roles as well as for subsequent transactions.

For its ongoing capital programs, the State and/or DeIDOT will offer general obligation bonds and/or transportation revenue bonds and may select pre-qualified firm(s) to market a portion of its bonds to retail investors via a negotiated sale. The State may also consider refunding portions of its outstanding bonds for debt service savings provided the refunding meets or exceeds certain net present value debt service savings and refunding efficiency thresholds.

The selected firm(s) will work with the Department of Finance, the Department of Transportation, the Office of the State Treasurer, the Attorney General and other professionals selected by the State. The State reserves the right to select multiple firms for the same series of bonds or select a single firm for multiple series of bonds. Further, the State reserves the right to sell its bonds, or any portion of its bonds, on a competitive bid basis, as indicated by 29 *Del. C. c.* 74, and reserves the right to modify and/or cancel this solicitation at any time during this process.

Any Senior Manager selected will be required to provide some or all of the services identified below, at the request of the State or DeIDOT. Co-Senior Managers (if any), and Co-Managers shall provide information and assistance upon request and shall act as members of the underwriting syndicate.

III. SCOPE OF SERVICES

1. Recommend structures for each specific debt series being issued in order to minimize overall debt service costs;
2. Assist in drafting and reviewing relevant bond documents, including, but not limited to, official statements, bond resolutions, bond purchase agreements and escrow agreements;
3. Assist in preparation of materials, presentations or other communications with rating agencies and investors;
4. Identify financing opportunities available to the State;
5. Manage the underwriting process;
6. Commit capital to underwrite the bonds being issued;
7. Provide post-closing analysis of the debt issuance, including but not limited to pricing, orders, allotments;
8. Identify investment opportunities that provide savings and improve the efficiency or execution of a transaction;
9. Provide such underwriting and investment banking services as requested by the State or DeIDOT.

IV. REQUIRED COMPONENTS

Each firm submitting information to pre-qualify as a Senior Manager, a Co-Senior Manager or a Co-Manager must follow the instructions below. Each firm is advised to thoroughly read and follow all instructions and limit its response to a length of no more than 15 pages, plus appendices noted below. Please have your response for the order and format below.

1. Provide the name, title, business address, e-mail address, telephone number and fax number of the individual the State should contact regarding your proposal;
2. Provide a brief description of your firm and its ownership structure. Describe your firm's public finance and municipal sales, trading and underwriting departments including a discussion of your commitment to these areas;
3. Describe the team that will be assigned to cover the State with a discussion of their relevant public finance experience. Please include brief resumes in an appendix.
4. Provide your firm's capacity in terms of total capital, net capital, equity capital and excess net capital position as of the end of your most recent quarter;
5. Describe your firm's physical presence in the State of Delaware, including number of offices, number of employees and type of business activity conducted in the State;
6. Describe your firm's market experience with municipal bond sales and distribution capabilities nationally and within the State of Delaware, including retail, all types, and institutional sales. In an appendix, provide a list of your underwriting experience over the last five years including issuer, series name, par value, issue date, credit pledge, types of bond (fixed/variable).
7. Discuss your firm's support of the State's GO and transportation revenue bonds sold competitively. Include a list of bids submitted over the last five years and denote winning bids. Discuss your firm's support of the State's GO and transportation revenue bonds in the secondary market.
8. Describe the sales and pricing methodology your firm would employ to market and sell Delaware GO, transportation revenue and GARVEE bonds.
9. Identify any existing or potential conflict of interest, or any relationships that might be considered a conflict of interest, that may affect or involve transactions for the State;
10. Provide a summary of any ongoing investigations or litigation involving the firm, its directors, officers and principals and any individuals employed by the firm in the past five years. Include in such summary any censures, fines, indictments or prosecutions. Please include details in an appendix.
11. Provide as an appendix, the last two G37/38 reports your firm has filed.

V. TERMS AND CONDITIONS

1. The Senior Manager will be expected to execute a Bond Purchase Agreement which will include the usual and customary terms and conditions. The form and content of the agreement will be provided by the State of Delaware.
2. Underwriters' counsel must be selected from a pre-qualified list of firms which will be provided upon request.
3. The State or DeIDOT, in their discretion, reserve the right to reject any or all submissions and solicitations, to accept any proposal it considers most closely aligned with its interests, the right to waive minor irregularities in the procedures, and the right to reject all information and solicitations and seek new proposals.
4. The State or DeIDOT reserves the right to request clarification of information submitted and to request additional information from one or more respondents.
5. Neither the State nor DeIDOT will be liable for any vendor costs incurred in the preparation of responses to this request.
6. The State or DeIDOT reserves the right to conduct oral interviews with any or all respondents prior to selection and will not be liable for costs incurred in connection with such interview.

In accordance with Executive Order 44 (Ensuring Representation of Minority and/or Women Business Enterprises, Veteran-Owned Businesses and Businesses owned by Individuals with Disabilities in Delaware's Supplier Diversity Initiatives, and Rescinding Executive Order No. 14 and No. 29), the State of Delaware is committed to supporting its diverse business industry and population. The successful vendor will be required to report on the participation by qualified minority, women, veteran-owned business enterprises and businesses owned by individuals with disabilities.

The firm shall be properly licensed and authorized to transact business in the State of Delaware as provided in Section 2502 of Title 30 of the Delaware Code and other applicable statutes and regulations.

VI. SELECTION CRITERIA

All proposals shall be evaluated using the same criteria and scoring process. The following criteria will be used for evaluation purposes:

Marketing and sales experience in Delaware and nationally with Delaware bonds including GO, Transportation Revenue and GARVEE	30%
Experience underwriting Delaware bonds, including GO and Transportation Revenue	30%
Sales and Pricing Methodology	30%
Other	10%