

# **CITY OF TEAGUE, TEXAS**



## **REQUEST FOR QUALIFICATIONS FOR BOND COUNSEL**

**REQUEST FOR QUALIFICATIONS STATEMENTS  
DUE BY 2:00 PM, WEDNESDAY, AUGUST 7, 2019**

**1. GENERAL**

- a. The City of Teague (the “City”) is requesting qualifications for bond counsel services.
- b. The City will accept qualification proposals either by mail or hand carried until **2:00 p.m., Wednesday, August 7, 2019**. Proposals received after the opening date and time will not be accepted and will be returned unopened to vendor. One (1) original, Five (5) copies and one (1) electronic (pdf format on flash/thumb drive) copy of the response are required for evaluation purposes. Offers may be hand carried or mailed in a sealed envelope/package clearly marked "Bond Counsel Qualification Proposal" with the offering company's name, return address, opening date and time, and email address and addressed to: City of Teague, Attention: Theresa Prasil, City Administrator / Secretary, 105 South 4th Avenue , Teague, Texas 75860.
- c. Timetable

Release RFQ	July 1, 2019
Deadline to Submit Questions	July 30, 2019
Deadline to Submit RFQ	August 7, 2019
Board of Aldermen Meeting to Discuss RFQs	August 19, 2019

**2. BOND ISSUES AND ELECTIONS:** The City anticipates holding a **general obligation bond election in May 2020**. The bond counsel would be charged with assisting the City with preparation for the potential bond election.

**3. SCOPE OF SERVICES:**

- a. The Board of Aldermen and Administration perceive that the bond counsel’s services include, but not be limited to, the usual and necessary legal services in connection with the authorization, issuance, sale, and delivery of general obligation or revenue bonds as well as legal assistance in the following areas:
  - 1. Provide advice and assistance on a continuing basis, as needed, on the legal requirements of various municipal financing structures, including, but not limited to, advice concerning tax issues, securities, and responsibilities of the City with respect to its debt issuances, including representations regarding whether bond counsel, to its knowledge, is aware of any facts or omissions of facts that would make the City’s disclosure untrue or misleading.
  - 2. Assist the City’s legal and financial staff and the City’s financial advisor in preparation of official statements, including, but not limited to preparing and/or reviewing preliminary official statements, and other documents necessary or appropriate to the authorization, issuance, sale or delivery of municipal securities.
  - 3. Prepare all necessary legal documents in connection with the authorization, issuance, sale and delivery of bonds, certificates, notes and other debt instruments, including reimbursement resolutions, notices of intent to issue, agenda notices, ordinances and resolutions authorizing issuance, bid documents, closing certificates, paying agent/registrars agreements, escrow agreements, trust indentures, and other documentation as required by the City, the Attorney General, the rating agencies and the insurance providers.

4. Render an opinion that the City's bonds are binding obligations of the City and are validly issued under Texas law and that the interest on the bonds is excludable from gross income tax under federal law.
  5. Produce and provide multiple copies of all bond transcripts, as requested, for City use.
  6. Attend meetings with City staff, attend Board of Aldermen briefings and meetings, bid openings and bond sales, and other meetings, including, but not limited to, meetings with potential investors, rating agencies and/or credit enhancement providers, as may be requested by the City Attorney or City Administrator.
  7. Provide legal advice concerning the restrictions on the expenditure of City bond funds. Keep the City abreast of federal and state law and federal tax developments which might be applicable to the City's financing program or tax-exempt status of City's proposed and outstanding bonds. This may include assistance in the development of alternative financing programs for potential capital projects, evaluating state and federal legislation for the City, and other tasks as required. Request and obtain approval of bond issues from the Texas Attorney General and any other required authorities.
  8. Request and obtain approval of bond issues from the Texas Attorney General and any other required authorities.
  9. Review bond proofs and supervise the execution and delivery of the bonds or other debt instruments.
  10. Assist in the preparation of a no-arbitrage certificate for the City in connection with its debt issuances and any other required IRS filings.
  11. Provide advice generally on compliance with securities laws.
  12. Provide any other legal services, advice or opinions as requested related to the City's financial reporting and financing program.
- 3. PROPOSAL EVALUATION:** The City will make its selection based upon the demonstrated competence, experience, knowledge and qualifications of the bond counsel firm.
- 4. PROPOSAL REQUIREMENTS:** The following is a list of information to be provided by each proposer. Failure to include all the information listed below may result in the disqualification of the Firm.
- a. Provide a proposal document to include complete description of your firm's ability to represent the City as bond Counsel which should include, but is not limited to, the following:
    1. Describe the legal services which your Firm could provide to the City. State whether your Firm can provide all of the services in the Scope of Services. Identify any services that your Firm cannot provide and propose how to fulfill the scope of services under those circumstances.
    2. State the names of the partners and associates who would be assigned to the City's account, describe the expected services to be provided by each attorney, provide their resumes and describe their anticipated commitment of time to the City's account. Identify the partner in charge and, for this partner, provide three (3) client references relating to engagements similar to the one described in this RFQ.

3. Describe your Firm's experience related to the City's Scope of Services to be provided in response to the RFQ, including a brief summary of any notable transactions, issues and/or matters handled by your Firm which best demonstrate your Firm's expertise and capabilities, including, but not limited to, your firm's specific experience related to:
  - Cities comparable in size to the City of Teague and comparable in types of financing represented by the City's outstanding and contemplated debt. Include any relevant experience with Texas cities.
  - Assisting municipal issuers with compliance with of various Dodd-Frank provisions and SEC requirements;
  - Identifying specific transactions for Texas cities your Firm has worked on as bond counsel in the last five (5) years, including, but not limited to, the date of the transaction, type of transaction, name of issuer, par amount of borrowing, description of the projects, the Firm's role in the transaction and whether the transaction was taxable or tax-exempt;
  - Approach to applicable federal securities laws and regulations;
  - Tax matters and the specialized tax advice beyond normal bond counsel services, if any. Identify those attorneys that practice full time in the area of public finance tax law;
  - Identifying the public finance practice areas in which your Firm has particular expertise or specialization.
4. Provide a detailed description of:
  - Any litigation or administrative proceeding in which the Firm was a party in any matter related to the professional activities of the Firm during five (5) years prior to the date of this RFQ;
  - Litigation, investigation, or proceeding in which a court or administrative agency is addressing any question relating to the professional activities of the Firm or its members.
  - Any notice of official action, administrative inquiries, or formal SEC, MSRB or IRS challenges pertaining to any public finance matter in which the Firm served as bond counsel, underwriter's counsel, disclosure counsel or other form of special counsel in a public or private financing transaction.
  - Any expertise that the Firm has in the areas of municipal, environmental, utilities regulation, pension and health benefits or securities law.
5. Describe the process, procedures and controls used by the Firm to control documents and subsequent changes. Describe your experience and abilities to coordinate with filing documents with EMMA.
6. Confirm that the Firm has and will maintain in full force and effect, during its representation of the City in work related to the City's Scope of Services, professional liability insurance in an aggregate amount of not less than \$10 million. The professional

liability insurance shall include coverage for practice in the field of federal and state securities and tax law.

7. Identify any relationships or activities that might present a conflict of interest if your firm is selected as bond counsel for the City's public finance transactions. Additionally, provide a detailed description of Firm's existing system for identifying conflicts of interest. A conflict would include, without being limited to, the representation of any party in a matter adverse to the City to which a waiver had not been previously granted by the City. Provide sufficient facts, legal implications, and possible effects so that the City may evaluate the significance of each potential conflict. Describe how the Firm proposes to resolve a conflict of interest situation that may arise during the Firm's representation of City as bond counsel.
  8. The name, email, and phone number of a single contact person for all correspondence and notifications;
- b. Provide samples of any pertinent documents if awarded the contract (i.e. sample contract with any markups).
  - c. Describe your firm's proposed compensation. Please provide detail on how fees would be structured and detail on estimated fees for performing all of the services described above.
    1. For the purposes of fairly comparing fees, assume a \$3 million, \$5 million, and \$10 million bond issuance authorized in 2019.
    2. In the event that the voters of the City do not approve bonds, list any preauthorized expenses for which reimbursement may be claimed.
4. **BOARD OF ALDERMEN:** An elected Mayor and five-member Board of Aldermen, serving two-year, staggered terms of office, governs the City. The Board of Aldermen employs Theresa Prasil as the City Administrator of the City and Regina Edwards, as its City Attorney.
  5. **CONFLICT OF INTEREST:** By submitting a proposal, each firm certifies that there exists no current or anticipated conflict of interest with the representation of the City as bond counsel.
  6. **INSURANCE:**
    - a. Provide information on the professional liability insurance (to cover errors and omissions, improper judgment, negligence, etc.) carried by your firm including amounts, deductibles, etc.
    - b. List any claims your firm is currently involved in or party to.
    - c. List any regulatory investigations or inquiries your firm is currently involved in or party to or enforcement or disciplinary actions taken within the past five years by any regulatory body.
  7. **TERMS OF AGREEMENT:** The City retains the right to negotiate all elements of the contract. The City also retains the right to terminate the contract for any reason and at any time upon written notice the payment of then earned fees and expenses. The bond counsel may resign at any time during the term of the contract with thirty (30) days' notice, except as provided for under Conflict of Interest.

## 8. CLARIFICATION AND DISCUSSION:

- a. The City is under no obligation to conduct discussions with any or all proposers. The City specifically reserves the right to award the contract with no discussions with proposers and based only on the written qualifications the City received by the deadline. The City further reserves the right to conduct discussions with selected proposers only.
- b. The City will notify proposers of the need for clarification of the information submitted and the City reserves the right to request additional information of one or more proposers as may be determined by the City.
- c. Representatives of firms interested in responding to this RFQ are prohibited from contacting and discussion of this RFQ with City including Board of Aldermen, administrators, or staff from the date of receipt of this notice through the date of Board of Aldermen action on an award of this contract, except when contacted by the City Finance Officer Theresa Prasil.
- d. Submittals shall include a cover letter and table of contents and each page of submission shall be numbered.

## 9. GENERAL TERMS AND CONDITIONS:

- a. Inquiries and requests for information affecting the RFQ must be in writing and shall be directed to Theresa Prasil, City Administrator / Secretary, via email to: [administrator@cityofteaguetx.com](mailto:administrator@cityofteaguetx.com). To provide the City sufficient time to adequately prepare responses to inquiries, all questions must be submitted at least eight (8) days (July 30, 2019) prior to the RFQ deadline date. Any prospective respondent detecting a conflict or ambiguity in the RFQ should notify the City Administrator / Secretary, in writing at [administrator@cityofteaguetx.com](mailto:administrator@cityofteaguetx.com), setting forth the grounds of the alleged conflict or ambiguity and request the issuance of a clarifying addendum by July 30, 2019. If the City believes that clarification is necessary or proper, a clarifying addendum will be distributed to all prospective vendors. The City will not be bound by any oral or other informal explanation of the requirements of the RFQ documents.
- b. Provide detailed explanations of any variances or exceptions the respondent has with any requirement or terms specified in this RFQ and thoroughly explain any alternate service offered.
- c. The City reserves the right to negotiate all elements, which comprise the Respondents offer to ensure the best possible consideration be afforded to all concerned and to reject any and all offers and to re-solicit for offers in such an event.
- d. The City is not responsible for any costs incurred by the firm for the preparation or distribution of the response to this RFQ, or any oral presentations required to supplement and/or clarify a proposal that may be required by the City.
- e. Respondents or other authorized representatives are expected to fully inform themselves as to all conditions, requirements, and specifications before submitting qualification proposals. Failure to do so will be at the respondent's own risk.
- f. Respondents are advised that Texas Government Code section 2270.002 prohibits a governmental entity from entering into a contract with a company for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract.

**10. PROPRIETARY INFORMATION:** Proprietary information, if any submitted to the City in response to this RFQ, should be identified as such. Any information identified as proprietary will be handled in accordance with the provisions of the Texas Public Information Act as it applies to such information. The City strictly complies with all statutes, court decisions, and opinions of the Texas Attorney General with respect to disclosure of RFQ information.

**11. GENERAL TERMS AND CONDITIONS:**

By my signature below, I certify that this proposal meets or exceeds the requirements of this RFQ. A signed copy of this RFQ must be included in your proposal.

AUTHORIZED SIGNATURE: \_\_\_\_\_

PRINTED NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_