

REQUEST FOR PROPOSALS

SENIOR MANAGING UNDERWRITER 2022 GENERAL OBLIGATION AND SEWER BONDS

RFP # 2022-033VF

May 25, 2022

**Erie County, New York
Office of the Erie County Comptroller
95 Franklin Street, 11th Floor
Buffalo, New York 14202**

The County of Erie, New York (the "County") is inviting underwriting firms to submit proposals to serve as book-running senior manager in connection with the issuance of 2022 General Obligation Bonds (the "Bonds") for the County. The County reserves the right to also engage a co-manager (s) for this transaction. Proposals are due by 3:00 p.m. Eastern Daylight Time on June 10, 2022.

There is no expressed or implied obligation for the County to reimburse responding firms for any expenses incurred in preparing proposals in response to this request. The County reserves the right to reject any or all proposals submitted. Proposals must be submitted by e-mail to Timothy Callan, Erie County Deputy Comptroller, at Timothy.Callan@erie.gov and also sent to the County's Municipal Advisors. Steven Kantor and Kayla MacEwen, at steven.kantor@mastersonadvisors.com and kayla.macewen@mastersonadvisors.com.

During the evaluation process, the County reserves the right, where it may serve the County's best interest, to request additional information or clarifications from proposers ("Proposers"), or to allow corrections of errors or omissions. At the discretion of the County, firms submitting proposals may be requested to make oral presentations as part of the evaluation process. These presentations might be made in-person, or virtually via WebEx, Microsoft Teams or Zoom.

The County reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in a contract between the County and the firm selected.

All qualified applicants will be afforded equal opportunity without discrimination because of race, creed, color, national origins, sex age, disability or marital status

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I. CALENDAR OF EVENTS

Issuance of RFP:	May 25, 2022
Deadline for RFP Questions:	June 1, 2022
Responses to Questions:	June 3, 2022
Deadline for Submission of Proposals:	June 10, 2022
Notice of award:	To be determined; expected in Summer 2022

II. INTRODUCTION

Erie County, New York (the "County") is soliciting firms through this Request for Proposals ("RFP") to act as senior managing underwriter for the issuance of the 2022 General Obligation Bonds for the County. This will include a series for the County's General capital bonds totaling between \$35-\$40 million and a series for the County's Sewer Districts totaling approximately \$1.4 million.

III. ADMINISTRATIVE INFORMATION

Firms receiving this RFP or that receive access to this RFP from a source other than the County should contact Timothy Callan at 716-858-8853 or Timothy.Callan@erie.gov and Kayla MacEwen at 646-483-4941 or kayla.macewen@mastersonadvisors.com to ensure that their correct contact information is listed. This will ensure that they receive all updates and/or amendments/addendums to this RFP.

The following administrative requirements will apply to this RFP. Failure to comply fully with these requirements may result in disqualification of your proposal.

A. Restrictions on Communications

From the date this RFP is issued until the contract award has been announced, no Proposer-initiated contact with any County official shall be permitted regarding this RFP, other than written inquiries, as described in this Section. This prohibition includes, but is not limited to, any lobbying of individuals considered to have any influence over proposal evaluation and selection. Violation of this provision may be grounds for immediate disqualification.

B. Inquiries

There will be an opportunity available for submission of written questions. All questions or requests for clarification regarding this RFP must be submitted via email to the County contacts as indicated in Section III (A), no later than June 1, 2022, 3:00 p.m. EDT, citing the particular RFP page, section, and paragraph number where applicable. Questions or requests for clarification received after such time and date will not receive a response from the County. Answers to all questions, as well as copies of the questions, will be distributed to all firms that were granted access to this RFP, in accordance with the Calendar of Events in Section I.

C. Modifications to the RFP

The County may modify any part of the RFP prior to the deadline for submission of proposals by issuance of addendum to all recipients of this RFP. Any addendum issued by the County will be posted to the County website and email notification of such posting will be distributed to all firms that have been granted access to this RFP.

D. Conflicts of Interest/Non-Collusion

Proposers must disclose with their proposals the name of any officer, director, or agent of Proposer who is also an employee of the County, the State of New York or any entity of the State of New York, including any State agency or State public authority. Proposers must disclose the name of any State employee who owns, directly or indirectly, an interest of five percent or more in the Proposer.

The Proposer, by signing the proposal, does hereby warrant and represent that any ensuing agreement has not been solicited, secured or prepared directly or indirectly, in a manner contrary to the laws of the State of New York and the County of Erie, and that said laws have not been violated and shall not be violated as they relate to the procurement or the performance of the agreement by any conduct, including the paying or the giving of any fee, commission, compensation, gift, gratuity or consideration of any kind, directly or indirectly, to any County employee, officer or official.

E. Minority- and Woman-Owned Business Enterprise (MWBE) Requirements

In accordance with the provisions of Article 15-A of the Executive Law and the State Finance Law and Erie County Local Law, it is the intention of the County to provide real and substantial opportunities for certified MWBE firms on all contracts.

F. Errors and Omissions

If a recipient discovers any ambiguity, conflict, discrepancy, omission, or other error in this RFP, he/she shall immediately notify the County (See Section III (A), Restrictions on Communications) of such error in writing and request clarification or modification of the document.

Prior to the deadline for submission of proposals, the County will provide any necessary clarifications by email notice to all firms that have been granted access to this RFP. If, prior to the deadline for submission of proposals, a Proposer fails to notify the County of a known error or an error that reasonably should have been known, the Proposer shall assume the risk of proposing. If awarded the contract, the Proposer shall not be entitled to additional compensation by reason of the error or its correction.

G. The County's Rights as To All Proposals

The County reserves the right to, but is not limited to, the following:

1. Reject any and all proposals received in response to this RFP.

2. Waive any immaterial deviation or defect in a proposal. A waiver of immaterial deviation or defect shall in no way modify the RFP documents or excuse the Proposer from full compliance with the RFP requirements.

3. Reject any proposal that contains false or misleading statements, or which provides references that do not support an attribute or condition claimed by the Proposer.

4. All proposals will become the property of the County and may be disclosed or used by the County to the extent permitted by law. The County may disclose a proposal to any person for the purpose of assisting in evaluating the proposal or for any other lawful purpose. All proposals will become County records, which, in accordance with the Freedom of Information Law, will be available to the public after the contract award. Any portion of the proposal that a Proposer believes constitutes a trade secret entitled to confidential handling, as an exception to the Freedom of Information Law, must be clearly and specifically designated in the proposal. If the County agrees with the trade secret claim, the designated portion of the proposal will be withheld from public disclosure. Blanket assertions of trade secret material will not be accepted, and failure to specifically designate trade secret material will be deemed a waiver of any right to confidential handling of such material.

H. Confidentiality of Proposals

The content of each proposal and all communications will be held in confidence and no details will be divulged to any other Proposer during evaluation.

I. Important Information Affecting Proposers

1. By submitting a proposal, the Proposer agrees not to make any claims for or have a right to damages because of any misrepresentations or misunderstanding of the specifications or because of any lack of information.

2. The County reserves the right to modify any part of this RFP, including but not limited to, the date and time for which proposals must be submitted and received by the County, at any time prior to the deadline for submission of proposals. Modifications to this RFP will be made by issuance of addendum. Any addendum issued by the County will be posted to the County website and email notification of such posting will be distributed to all firms that received access to this RFP. The County also reserves the right to cancel this RFP, in whole or in part, and to reject any and all proposals. See also Section III (C) and (G).

3. The County reserves the right to correct any arithmetical errors in any proposal and, in the event that the fees or costs in two or more proposals are not comparable, to make appropriate adjustments to render the fees and costs comparable. The County also reserves the right to require a Proposer to clarify his/her proposal to assure a full understanding of the proposal and to request revisions to all proposals from Proposers susceptible of award of the contract. Any request for clarification or revisions is solely at the discretion of the County.

4. Proposers shall not discuss this RFP with employees of the County prior to the County's decision to award a contract.

5. New York State law requires that a proposal shall not be considered for award if the price in the proposal was not arrived at independently without collusion, consultation, communication, or

agreement with any other Proposer or with any competitor. In addition, a Proposer is generally prohibited from making multiple proposals in a different form, i.e., as a prime Proposer or as a subcontractor to another Proposer.

6. By submitting a proposal, the Proposer certifies that if selected, it can and will provide and make available, at a minimum, all services set forth in this RFP.

7. By submitting a proposal, the Proposer warrants that all information provided in connection with the proposal is true and accurate.

8. By submitting a proposal, the Proposer warrants that, if selected, it will execute an Agreement of Confidentiality wherein it agrees to protect, from unauthorized disclosure, confidential information accessed during the contract.

9. The successful Proposer must agree to provide the County with access to records related to this contract on request during the term of the contract and for six years thereafter.

IV. SERVICES REQUIRED OF A SENIOR MANAGING UNDERWRITER

The County is seeking proposals from a nationally recognized, qualified Underwriter. In addition to being nationally recognized, the firms must meet the following Mandatory Requirements and provide the Mandatory Services listed in Section IV (B).

A. Mandatory Requirements to Propose

The proposing firm must:

1. Have experience in providing senior managing underwriting services to New York municipal bond issuers on transactions closing during the period of January 1, 2019 through June 1, 2022.
2. Have experience in structuring and marketing general obligation bonds for issuers in New York.

Proposers not meeting the Mandatory Requirements to Propose will be disqualified.

B. Mandatory Services

The Underwriter will perform the following mandatory services:

1. Make recommendations for the structure, conditions, and terms of the County's Bond issuance.
2. Participate in meetings with the municipal advisor, bond counsel, and rating agencies, if requested.
3. Assist in the preparation of the County's official statement, and other necessary financing documents.
4. Be prepared to execute a bond purchase agreement with the County.

V. PROPOSAL CONTENT - INFORMATION TO BE PROVIDED BY PROPOSERS

Following is a listing of the information required to be provided by the Proposer. A proposal that does not provide all the information requested below may be subject to rejection. Your proposal must contain sufficient information to assure the County of its accuracy.

All technical proposal items are to be placed in a binder, with tabs numbered to match the specific information requested, separate from the cost and administrative proposals. No information beyond that specifically requested is required and firms are requested to keep their submission to the shortest length consistent with making a complete presentation of qualifications.

A. Technical Proposal Content

The purpose of the Technical Proposal is to demonstrate the qualifications, competence, and capacity of the Proposer to undertake the responsibilities of serving as Senior Managing Underwriter while complying with applicable laws and the requirements of this RFP. The Technical Proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to provide services described in this RFP.

A proposal that is incomplete in any material respect may be eliminated from consideration.

The following outlines the required information to be provided by Proposers. The information requested should be provided in the prescribed format. Responses that do not follow the prescribed format may be eliminated from consideration. All responses to the RFP will be subject to verification for accuracy.

1. Cover Letter

The cover letter shall be considered an integral part of the proposal, and shall be signed by the individual or individuals authorized to bind the Proposer contractually. The cover letter must indicate that the signer is so authorized and the title or position the signer holds in the Proposer's firm. An unsigned proposal will be rejected.

2. Table of Contents

The Table of Contents should clearly identify the material, by section and page number, included in the proposal.

3. Qualifications for Senior Managing Underwriter

The following items are designed to elicit information important to the County in determining the selection of a Senior Managing Underwriter.

- a. Provide a brief description of your firm including relevant lines of business.
- b. List the contact information for the person responsible for submitting this proposal. Include any additional offices from which work will be performed.
- c. A list (in the form of Appendix A with the grand total for all issuances) of the direct prior experience of your firm with all New York governmental entities relating to Senior Managing Underwriter for bond

issues closing during the period of January 1, 2019 through June 1, 2022. Limit this list to assignments of this type. Provide the following information:

- 1.. the name of the issuer;
2. the type of issuance;
3. the size of the issuance;
4. the date of closing; and
5. a description of the services rendered.

d. Provide three (3) current client references, containing contact persons, their titles, addresses, telephone numbers, email addresses, and a brief description of the relationship between the firm and the reference and why the reference would be relevant to the appointment.

e. Resumes of the individuals of your firm who would be directly assigned and a description of the specific function each would perform. The information should additionally identify their qualifying experience to perform the services identified and state their number of years of experience in the financial industry as well as their number of years with your firm. A statement as to the availability of the lead person(s) for consultation with the County, including but not limited to, his or her willingness to meet (virtually or in-person) with County officials.

f. Provide a brief marketing plan and targeted investors.

g. Provide your firm's price view for a \$35-\$40 million General financing and a \$1.4 million Sewer financing, with market prices as of the close of business on June 6, 2022. Is your firm willing to guarantee the spread to MMD that is included in your proposal? (Assume cost of issuance of \$300,000 and underwriter's counsel fee of \$20,000). Refer to Appendix B for the format in which your firm should provide its price view.

h. The County traditionally requests a rating from S&P & Kroll for its bond transactions. Please provide your recommendation as to which rating agency(s), if any, should the County request rating(s) on the County's proposed financings. Include the number of rating agencies, identify the agency, and the rationale for the selection.

B. Fee Proposal Content

- Management Fee (if any) (Management fee is due to the senior manager only)
- Takedown
- Expenses (Provide a breakdown of expenses and assume underwriter's counsel fee of \$20,000)

VI. PROPOSAL SUBMISSION

All proposals must be submitted via email by 3:00 p.m. EDT on June 10, 2022. Proposers should email their submissions to Timothy Callan, Erie County Deputy Comptroller, at Timothy.Callan@erie.gov and also to the County's Municipal Advisors, Steven Kantor and Kayla MacEwen, at steven.kantor@mastersonadvisors.com and kayla.macewen@mastersonadvisors.com.

Proposals received after the deadline for submission of proposals may be rejected.

Proposers may withdraw a proposal at any time prior to the deadline for submission of proposals by written notification to the County as set forth in Section III. A. of this RFP. An authorizing agent of the firm must sign the notice of withdrawal.

The proposal may thereafter be resubmitted, but not after the deadline for submission of proposals. Modification, offered in any other manner, oral or written, will not be considered.

Proposals received after the deadline for receipt of proposals will be disqualified and returned to the Proposer.

VII. EVALUATION OF PROPOSALS

A. Evaluation of Proposals

The County will evaluate proposals using the evaluation methods, procedures, and criteria contained in this section based upon the “best value” approach. The best value approach identifies the successful firm as the responsive and responsible Proposer that receives the highest overall ranking based upon the total weighted score for all evaluation criteria, i.e., the most beneficial combination of quality and costs for the services being requested.

B. Final Recommendation for Award

Following the completion of the evaluations, the County’s Evaluation Committee will make the award for underwriter subject to final approval by the County’s Comptroller.

VIII. AWARD OF CONTRACT

A. Notification of Selection

The successful Proposer(s) will be advised of selection by the County. Proposers not selected will also be notified.

After selection of the successful proposer, a formal written agreement will be prepared by the County and will not be binding until signed by both parties and, if necessary, approved by the Erie County Legislature, the Erie County Fiscal Stability Authority, the Office of the County Attorney and the Erie County Executive. NO RIGHTS SHALL ACCRUE TO ANY PROPOSER BY THE FACT THAT A PROPOSAL MAY BE SELECTED BY THE COUNTY FOR SUBMISSION TO THE ERIE COUNTY LEGISLATURE AND/OR THE ERIE COUNTY FISCAL STABILITY AUTHORITY FOR APPROVAL. THE APPROVAL OF SAID LEGISLATURE AND/OR AUTHORITY MAY BE NECESSARY BEFORE A VALID AND BINDING CONTRACT MAY BE EXECUTED BY THE COUNTY.

B. Termination

The County reserves the right to terminate the services of the underwriter chosen upon thirty (30) days written notice for any reason, or immediately for cause. In the event of such termination, the firm(s) shall be entitled to compensation for acceptable services performed through the date of termination

IX. INDEMNIFICATION

The Proposer accepts and agrees that language in substantially the following form will be included in the contract between the Proposer and the County:

In addition to, and not in limitation of the insurance requirements contained herein:

“The Consultant agrees that except for the amount, if any, of damage contributed to, caused by, or resulting from the negligence of the County, the Consultant shall defend, indemnify and hold harmless the County, its officers, employees, and agents from and against the Consultant’s proportional share of liability, damage, claim, demand, cost, judgment, fee, attorneys’ fees, or loss which the County may sustain, be subject to, or be caused to incur because of or as a result of (a) any wrongful act, error, or omission of the Consultant or third-parties under the direction or control of the Consultant; or (b) any willful misconduct of the Consultant or third parties under the direction or control of the Consultant; or (c) any infringement of any claimed copyright or patent right of designs, plans, drawings, or specifications furnished by the Consultant or its subconsultant. Nothing contained herein shall create or give to third parties any claim or right of action against the County or the Consultant beyond such as may legally exist without regard to this provision.”

X. COMPLIANCE WITH LAWS

By submitting a proposal, the proposer represents and warrants that it is familiar with all applicable federal, state and local laws and regulations and will conform to said laws and regulations. The preparation of proposals, selection of proposers and the award of contracts are subject to provisions of all Federal, State and County laws, rules and regulations.

APPENDIX A

RESPONSE FORM – SECTION V (A) (3) (c)

Firm Name: _____

List the direct prior experience of this firm with all New York governmental entities relating to serving as senior managing underwriter for the issuance of General Obligation Bonds closing during the period of January 1, 2019 through June 1, 2022.

(Add or delete rows as necessary) in the form below.

Name of Issuer	Type of Issuance	Size of Issuance	Date of Closing	Services Provided
Grand Total of All Issuances: \$				

APPENDIX B

RESPONSE FORM – SECTION V (A) (3) (I)

List your firm's price views in the table provided below for an approximate \$35-\$40 million General financing and a \$1.4 million Sewer financing, with market prices as of the close of business on June 6, 2022.

Maturity	Par Amount	Coupon	Yield	Spread to MMD