

REQUEST FOR PROPOSAL
TO PROVIDE
FINANCIAL ADVISORY SERVICES

COBB COUNTY BOARD OF COMMISSIONERS
COBB COUNTY, GEORGIA

ISSUED BY: The Cobb County Finance Department
Brad Bowers, CPA, Director/Comptroller

PROPOSAL DUE BY: _____, 2008, 12:00 Noon

**COBB COUNTY BOARD OF COMMISSIONERS
REQUEST FOR PROPOSAL TO PROVIDE FINANCIAL ADVISORY SERVICES**

TABLE OF CONTENTS

SECTION I:	PURPOSE OF REQUEST.....	1
SECTION II:	INSTRUCTIONS TO PROPOSERS.....	1
SECTION III:	SELECTION PROCESS AND CRITERIA.....	2
SECTION IV:	PROPOSAL FORMAT.....	3
SECTION V:	FIRM'S ASSUMPTIONS AND EXPECTATIONS OF THE COUNTY.....	4
SECTION VI:	TERMS AND CONDITIONS.....	6
SECTION VII:	CONFLICT OF INTEREST/CONTINGENCY FEES/ CERTIFICATION BY SUBCONTRACTORS.....	7
SECTION VIII:	SCOPE OF SERVICES.....	8

EXHIBITS:

- Exhibit A - Bonds and TANs Currently Outstanding
- Exhibit B - Cobb County Water System Financial Planning Model
- Exhibit C - Cobb County Financial Debt Model
- Exhibit D - Compensation Bid Form

**COBB COUNTY BOARD OF COMMISSIONERS
REQUEST FOR PROPOSAL TO PROVIDE FINANCIAL ADVISORY SERVICES**

I. PURPOSE OF REQUEST

The Board of Commissioners of Cobb County (the “County”) through this Request for Proposal (“RFP”), invites written proposals from qualified firms (the “firm”) wishing to serve as the County’s financial advisor. Proposals should be submitted as instructed in Section II and in the format described in Section IV.

The term of the contract will be three years with one two-year option at the sole discretion of the County, contingent upon annual appropriations of funds by the Cobb County Board of Commissioners.

II. INSTRUCTIONS TO PROPOSERS

- A. Each firm will submit only one proposal, six copies of which should be delivered in a sealed envelope bearing the “Deliver To” label provided with this RFP.

- B. All proposals must be delivered prior to 12:00p.m., Thursday, _____, 2008. Requests for extension of time to submit will not be granted. Late proposals will be rejected. Requests to modify or withdraw a proposal after its submission will not be considered. Proposals will be opened on that same day at the County Purchasing Department, 1772 County Services Parkway, Marietta, GA, 30008, at 2:00p.m.

- C. It is the sole responsibility of the firm to insure that the proposal arrives on time and bears the handwritten signature of an official duly authorized to sign on all five copies. The name, office address and office telephone number of the person to contact must be clearly identified. All preparation costs are the responsibility of the firm.

- D. Any questions about the RFP should be directed in writing to:

Mr. Rick Brun, Director
Purchasing Department
1772 County Services Parkway
Marietta, GA 30008
770-528-8400

- E. The County has set the following tentative schedule for the selection process:

_____, 2004	Request for Proposal issued
_____, 2004	Deadline for Proposal submission
_____, 2004	Recommend Financial Advisor to Board
_____, 2004	Notification of all proposers

F. No bid may be withdrawn for a period of ninety (90) days after the proposal submission deadline.

III. SELECTION PROCESS AND CRITERIA

The County will form a Proposal Evaluation Committee to evaluate all proposals during which time they may ask questions of a clarifying nature from the firm(s) and/or contact any references provided. The Committee will then prepare a written recommendation to the County Manager and the Board of Commissioners. All proposers will be notified of the results of the selection process.

The County reserves the right to reject any or all proposals, to waive any informality in a proposal and/or to accept that proposal which, in the judgment of the Committee, is in the best interest of the County.

The selection process used for determining the most successful proposal is best described as a “Competitive Proposal” process in which pricing is one of the most important criteria but not the only criteria. The factors in the evaluation process include:

- A. Experience of the firm. Number of years and type of experience will be considered, as well as specific experience (verifiable through references) in the State of Georgia.
- B. Organization, size, and structure of the firm.
- C. Qualifications of the staff to be assigned. Education, position in firm, and years and types of experience will be considered, based on the information provided in the proposal.
- D. Location and accessibility of the firm and of the staff to be assigned.
- E. Responsiveness of the written proposal to the scope of services outlined in the County’s request and adherence to the proposal format.
- F. Proposed fee schedule.

IV. PROPOSAL FORMAT

All proposals must be prepared in the standard format described below, in order to

facilitate comparison and evaluation. Failure to follow the format or to address an area adequately may cause the proposal to be deemed unresponsive and excluded from consideration. Any proposed deviations from the requested scope of services must be noted and fully explained.

A. COVER LETTER

Prepare and submit a cover letter of transmittal. Include the name, address, and telephone number of the primary representative to be contacted regarding your proposal.

B. QUALIFICATIONS

Address the following areas:

1. Organization of firm and how its resources can be put to work for the County.
2. List most recent financial advisory relationships within the State of Georgia including the names, addresses, and phone numbers of contact persons for reference purposes. Briefly describe the work performed, including the dollar amount of the financings. Please try to confine these relationships to counties and cities.
3. Describe any innovations the firm has developed or worked on for tax-exempt security issues, briefly outlining the problem, your firm's solution, and the results.
4. Outline your firm's experience during the past two years with the major rating agencies. Discuss this experience and its potential applicability to the County.
5. Please attach a recent representative example of a municipality's official statement in which you acted as financial advisor.

C. PERSONNEL

1. Individuals who would be assigned to the County. Please include brief resumes.
2. Location and availability of these individuals.
3. Availability of other personnel resources to the County.

D. RESPONSE TO SCOPE OF SERVICES

Address those areas indicated in Section VIII.

-3-

E. COMPENSATION

Utilize Exhibit D, COMPENSATION, when responding to this section to facilitate review of all proposals.

Please explain the firm's proposed fee schedule for the work proposed and for

various financing alternatives. If the firm proposes that the County bear the cost of incidental expenses associated with any service such as travel, courier, postage, etc., clearly state what type of incidental expenses the County will be expected to bear. If any billing would be done on an hourly basis, indicate the hourly rate of personnel to be assigned.

V. **FIRM'S ASSUMPTIONS AND EXPECTATIONS OF THE COUNTY**

----SPECIAL NOTE TO PROPOSERS----

THERE WILL BE A REFERENDUM IN THE NOVEMBER 2008 GENERAL ELECTION REQUESTING THAT THE VOTERS OF THE COUNTY DECIDE WHETHER TO AUTHORIZE THE ISSUANCE OF A \$40,000,000 GENERAL OBLIGATION PARK BOND. IF SO AUTHORIZED, THIS ISSUE WOULD OCCUR IN EARLY 2009.

Notwithstanding the above, the firm selected will be expected to provide financial advisory services related to all Bonds and Tax Anticipation Notes ("TANs") currently in existence as well as any Bond and/or TANs issues which may be proposed and issued from time to time during the period covered by this contract. A listing of the County's currently issued and outstanding Bonds and TANs is attached hereto as Exhibit A. (Certain of these issues refunded and defeased previously outstanding bonds which are not included in the Exhibit.)

In considering your fee proposal, you should assume the following:

1. All Bonds and TANs issued by the County are sold on a competitive basis and are marketed via a Notice of Sale ("NOS"), Preliminary Official Statement ("POS") and Official Statement ("OS").
2. County staff and the County's Bond Counsel (currently Butler, Snow, O'Mara, Stevens & Cannada, PLLC) actively participate in the preparation of the POS, NOS and OS. Generally, the Cobb County Finance Department handles all word processing functions relating to the TANs POS/NOS/OS and prepares and distributes drafts of them to all parties for review, comment and approval. Depending on the complexity of the various documents, either Cobb County or Bond Counsel handles word processing functions of the documents for other Bond issues, preparing and distributing drafts of them to all parties for review, comment and approval.

-4-

3. The financial advisor will be responsible for providing guidance to the County and Bond Counsel in preparation of these documents.
4. The financial advisor will be responsible for providing language for sections of the

documents which a financial advisor would normally be expected to generate including, but not limited to, document summaries, summaries of sections describing the Bonds/Notes and redemption and registration matters.

- 5 The financial advisor will be responsible for the electronic posting of the POS/NOS/OS using a nationally recognized firm such as www.onlinemuni.com or www.e-dealprospectus.com and for the emailing of the documents to local firms who specifically request to be included in the bidding process.
- 6 The financial advisor will be responsible for overseeing the bidding process that may include hand-delivery, faxed delivery and/or electronic delivery of the bids via the PARITY system or equivalent. Evaluation of the bids will take place immediately after the bid deadline and advice will be given to the County’s Finance Director regarding the acceptance of the winning bid.
- 7 The financial advisor will be responsible for evaluating existing bonds for possible refunding opportunities and determining the sizing and timing of such issues. These opportunities will be determined in accordance with the County’s stated policy that provides for refunding if the net present value of cashflow savings is greater than 3% of the par value of the bonds being refunded.
- 8 The financial advisor will be responsible for bidding out certain services including paying agent, escrow agent and printing services on behalf of the County, as appropriate.
- 9 Officials of the County will execute the normal certificates expected of elected and appointed officials regarding the POS, NOS, and OS and other documents as would normally be expected in connection with the competitive sale of a Bond or Note issue.
10. The County’s finances are conservatively managed and the County feels it has excellent relationships with the three major rating agencies, Moodys, Standard & Poor’s and Fitch Ratings. Current ratings on the County’s debt are as follows:

	<u>TANs</u>	<u>Gen. Ob.</u>	<u>Revenue</u>
Moody’s	MIG1	Aaa	Aaa
Standard & Poor’s	SP-1+	AAA	AAA
Fitch Ratings	F1+	AAA	AAA

-5-

11. In any Bond or TAN issue the successful proposer will be excluded from acting in the capacity of underwriter.

VI. TERMS AND CONDITIONS

1. The County reserves the right to reject any or all proposals, or to award the contract to the next most qualified firm if the selected firm does not execute a contract within thirty (30) days after the award of the proposal.
2. The County reserves the right to request clarification of information submitted and to request additional information from applicants.
3. Any proposal submitted will constitute an irrevocable offer, for a period of ninety (90) days, to sell to the County the services set forth in the enclosed specifications.
4. If, through any cause, the firm shall fail to fulfill in timely and proper manner the obligations agreed to, the County shall have the right to terminate its contract by specifying the date of termination in a written notice to the firm at least thirty (30) days before the termination date. In this event, the firm shall be entitled to just and equitable compensation for any satisfactory work completed.
5. Any agreement or contract resulting from the acceptance of a proposal shall be on forms either supplied by or approved by the County and shall contain, at a minimum, applicable provisions of the RFP. The County reserves the right to reject any agreement that does not conform to the RFP and to any County requirements for agreements and contracts.
6. The firm shall not assign any interest in the contract and shall not transfer any interest in the same without prior written consent of the County.
7. No reports, information, or data given to or prepared by the firm under the contract shall be made available to any individual or organization by the firm without the prior written approval of the County.

-6-

VII. CONFLICT OF INTEREST/CONTINGENCY FEES/CERTIFICATION BY SUBCONTRACTORS

The RFP requires responding firms and their subcontractors to state that to the best of their knowledge there are no circumstances that shall cause a conflict of interest in performing

services for Cobb County. The successful firm will be required to sign as part of the terms and conditions of their being engaged by the County the following statements regarding conflict of interest and contingency fees.

Conflict of Interest Statement:

“As a duly authorized representative of _____ I, _____, titled _____ certify that to the best of my knowledge no circumstances exist which will cause a conflict of interest in performing services for Cobb County Government, that no employee of Cobb County Government, nor any public agency official or employee affected by this Request for Proposals has any pecuniary interest in the business of this Firm, associates or consultants of this Firm, or the Firm’s parent firm, subsidiary, or other legal entity of which this Firm is a part, and that no person associated with or employed by this Firm has any interest that would conflict in any manner or degree with the performance of services for Cobb County Government. I further certify that should I become aware of any circumstances that may cause a conflict of interest during the term of this contract, I will immediately notify the Cobb County Government. I understand that if Cobb County Government determines a conflict of interest exists, it may require the Firm to take action to remedy the conflict of interest or terminate the agreement without liability. Cobb County Government shall have the right to recover any fees paid to the Firm for services rendered which were performed while a conflict of interest existed or during a time after which the Firm did not notify the County within one week of becoming aware of the existence of the conflict of interest.”

Prohibition Against Contingent Fees Statement:

“The Firm warrants that it has not employed or retained any company or person other than a bona fide employee working solely for the Firm to solicit or secure this Agreement and that it has not paid or agreed to pay any person, company, corporation, individual, or firm other than a bona fide employee working solely for the Firm any fee, commission, percentage, gift or other consideration contingent upon or resulting from the award of this Agreement. For any breach or violation of this provision, the County shall have the right to terminate the Agreement without liability and, at its discretion, to deduct from the price, or otherwise recover, the full amount of such fee, commission, percentage, gift, payment or consideration.”

VIII. SCOPE OF SERVICES

1. Participate annually in the County’s TAN issue (estimated to be in the \$90-\$100 million range) including, but not limited to the following responsibilities:
 - A. Assist County staff in creating a calendar of events supporting the issue.
 - B. Assist in the preparation, review and publication of draft and final versions of NOS, POS, OS and any other pertinent documents.

- C. Competitively bid, on behalf of the County, related services including financial printing and paying agent.
- D. Maintain list of qualified underwriting firms and provide mailing labels to the printer for purposes of mailing POS and NOS preparatory to the competitive sale of the Notes.
- F. Place appropriate advertisements in Bond Buyer prior to bids.
- G. Evaluate all bids received and verify and notify the winning bidder.
- H. Prepare “settlement letter” for all parties effected.
- I. Attend Board meetings with County staff when actions are necessary regarding the issue.
- J. Be available on settlement date for signing of documents, and verification of settlement, if necessary.
- K. Advise County staff as to the most beneficial means to reinvest proceeds of the annual Note issue.

2. For any bond issue,

- A. Perform all functions enumerated in the TAN discussion above.
- B. Additionally, working in consultation with County officials and staff, outside auditors, engineering consultants, the County’s Bond Counsel, and other effected parties, develop a financing plan most advantageous to the County. The plan will be based on engineering and feasibility studies relating to the proposed project(s), studies pertaining to revenue projections and the corporate, financial, and legal structure of the County.

existing

3. Periodically evaluate financing options and advise staff as to the most beneficial method available among alternatives. Examples might include lease vs. purchase analysis and taking the lead role in bidding out master lease arrangements, generally for contracts of one to three years duration.

4. Periodically review the County’s financial models for the water system and general obligation debt (attached hereto as Exhibits C and D, respectively), critically assessing logic and formulae employed and the results of the model.

assessing

5. Advise and assist the County staff in maintenance of its high quality credit ratings including:

- A. Assisting in the development and planning of periodic presentations to the rating agencies.
- B. Monitoring the County’s operations and financial status to determine potential problem areas that could negatively affect ratings and suggest action plans for their improvement.

**COBB COUNTY BOARD OF COMMISSIONERS
SUMMARY OF NOTES/BONDS OUTSTANDING
AS OF AUGUST 1, 2008**

EXHIBIT A

\$31,640,000 General Obligation Refunding Bonds, Series 2003, due in remaining annual installments of \$4,960,000 and \$5,220,000 through 1/1/2010; interest at 5.00%; amount outstanding--\$10,180,000.

\$18,345,000 General Obligation Refunding Bonds, Series 2005, due in remaining annual

installments of \$1,555,000 to \$2,200,000 through 1/1/2017; interest at 3.00% to 5.00%; amount outstanding--\$16,635,000.

\$25,000,000 General Obligation Park Bonds, Series 2007, due in annual installments of \$3,060,000 to \$4,130,000 through 1/1/2017; interest at 4.25% to 5.00%; amount outstanding--\$25,000,000

\$15,000,000 General Obligation Park Bonds, Series 2008 (Private Placement), due in annual installments of \$1,690,000 to \$2,185,000 through 1/1/2018; interest at 2.42.% to 3.63%; amount outstanding-- \$15,000,000.

\$7,795,000 Cobb County Recreation Authority Revenue Refunding Bonds, Series 1997, due in remaining annual installments of \$450,000 to \$570,000 through 1/1/2014; interest at 4.80% to 5.00%; amount outstanding--\$3,040,000.

\$6,055,000 Downtown Marietta Development Authority Revenue Refunding Bonds, Series 1997, due in remaining annual installments of \$200,000 to \$320,000 through 1/1/2019; interest at 4.70% to 5.00%; amount outstanding--\$2,795,000.

\$19,285,000 Cobb County Solid Waste Management Authority Revenue Refunding Bonds, Series 2004, due in remaining annual installments of \$1,910,000 to \$2,050,000 through 1/1/2015; interest at 2.75% to 5.00%; amount outstanding--\$13,910,000.

\$100,000,000 Cobb County Water and Sewerage Revenue Improvement Bonds, Series 2003, due in remaining annual installments of \$5,135,000 to \$8,740,000 through 7/1/2023; interest at 4.00% to 5.00%; amount outstanding--\$100,000,000.

\$57,000,000 Cobb-Marietta Coliseum and Exhibit Hall Authority Revenue Bonds Series 2004, due in remaining annual installments of \$1,120,000 to \$4,525,000 through 1/1/2029; interest at 2.50% to 5.00%; amount outstanding--\$53,235,000.

EXHIBIT B

COBB COUNTY WATER SYSTEM FINANCIAL PLANNING MODEL

**COBB COUNTY BOARD OF COMMISSIONERS
FINANCIAL ADVISORY SERVICES REQUEST FOR PROPOSAL**

EXHIBIT D

COMPENSATION BID FORM

COBB COUNTY PURCHASING DEPARTMENT
BID OPENING DATE
MAY 27, 2004 @ 2:00p.m.

Cobb County will receive Sealed Bids at its Purchasing Department, 1772 County Services Parkway, Marietta, GA 30008-4012, on or before 12:00p.m., Thursday, May 27, 2004 for a Request for Proposal to Provide Financial Advisor Services for the Finance Department (Sealed Bid #_____). Bids will be opened on that same day by the Purchasing Department at its above-referenced location at 2:00p.m. Bids received after 12:00p.m. on Thursday, May 27, 2004 will not be considered. No bid may be withdrawn for a period of ninety (90) days after the date of the bid opening. The competency and responsibility of bidders as well as pricing of services will be considered by Cobb County in making its award. Cobb County reserves the right to reject any and all bids, to waive informalities and technicalities and to award the contract to the proposer whose response is deemed to be in the County's best interest and in conformance with appropriate state and local laws. For additional information contact the Cobb County Purchasing Department, Mr. Samuel Young, Director, 770-528-8400.

Advertise: May 14, 2004
May 21, 2004