



Hidalgo County Regional Mobility Authority

Request for
Qualifications to
provide Underwriting
Services
2019 - 07

RFQ Issue Date:	October 31, 2019
RFQ Responses Due	December 2, 2019 4:00 P.M. CDT At the physical address set forth herein Selection
Anticipated:	February, 2020

HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY REQUEST FOR QUALIFICATIONS TO PROVIDE UNDERWRITING SERVICES

**PROPOSALS DUE: 4:00 PM (CDT), DECEMBER 2, 2019
AT THE ADDRESS SPECIFIED BELOW**

I. PURPOSE OF REQUEST

Hidalgo County Regional Mobility Authority (“HCRMA” or the “Authority”) is requesting proposals from qualified financial institutions to provide underwriting services in connection with the financing of various potential projects that HCRMA may elect to execute within the specified term of the engagement.

Any and all financial institutions selected to serve HCRMA pursuant to this Request for Qualifications (“RFQ”) will serve as members of a pool of potential underwriters for the next four (4) years. From time to time, HCRMA may select, from members of the pool, an underwriting syndicate to underwrite financings or provide other debt management related services. Inclusion in the underwriting pool does not guarantee participation in any or all HCRMA financings. HCRMA reserves the right to select any firm from the pool to serve as Senior, Co-Senior or Co-Manager at HCRMA’s sole discretion. HCRMA may, at its sole discretion, add or remove any member from participation in the pool or shorten or lengthen the period of time for which the pool is in place.

II. HCRMA CREATION

On April 21, 2005, the Hidalgo County Commissioners Court (“the County”) authorized the County Judge to file a petition to the Texas Transportation Commission to create a regional mobility authority for the Hidalgo County area. The petition was approved by the Texas Transportation Commission on November 17, 2005. The County formally approved the conditions set forth by the Texas Transportation Commission for the Authority and subsequently appointed the Directors of the Authority.

The purpose of the Authority is to provide the area with an opportunity to significantly accelerate needed transportation projects and have a local entity in place that will make mobility decisions that will benefit the community, while enhancing the economic vitality and quality of life for the residents in the County and surrounding area.

The Authority assists the citizens of the County and surrounding area by providing congestion relief, traffic safety, enhanced mobility, and viable alternative routes. The Authority works with the numerous cities in the County to construct projects at a much more rapid pace. The Authority is working very closely with the Texas Department of Transportation (“TXDOT”) on several on-going projects in the County.

III. RFQ PROCESS DETAILS

Any contact with members of the Board of Directors while this procurement is pending (from the release date to the selection date, except that respondents may be invited to make a presentation to the Board at the selection meeting) is strictly prohibited. Violation of this prohibition is grounds for disqualification from the selection process.

HCRMA shall not be liable for any expenses incurred in the preparation and presentation of the responses.

Questions arising from this RFQ must be submitted via email to the HCRMA Financial Advisor, Hilltop Securities Inc. to richard.ramirez@hilltopsecurities.com and colby.eckols@hilltopsecurities.com.

Seal proposals must be received at the office of Celia Gaona, 203 W. Newcombe Ave, Pharr, Texas, 78577, by **4:00 PM (CDT), December 2, 2019**, for consideration. Each firm should submit three (3) complete hardcopy sets and one PDF version on a flash drive of their proposal to the Authority no later than this date and time in a sealed envelope indicating that its contents are in response to the Request for Qualifications for **“Underwriting Service – HCRMA – 2019-07”**.

Additional copies delivered (in pdf format) electronically to:

Richard.ramirez@hilltopsecurities.com
Colby.eckols@hilltopsecurities.com
Daniel.rodriquez@hilltopsecurities.com

IV. PROPOSAL FORMAT

- A. Response must not exceed fifteen (15) pages (8.5 x 11 inches with one-inch margins from all sides), type font size not less than 11-point and printed on one side. Submittals of information in response to this RFQ greater than the specified fifteen (15) pages will only be reviewed and scored up to the first fifteen (15) pages. The fifteen (15) page limit shall be exclusive of professional résumés, cover sheets, fly leaves, brochures, table of contents, requested appendices and dividers, etc. These additional items should be limited and directly applicable to this RFQ. Additional material which you deem relevant must be submitted in the form of an attachment or appendix. **However, no response in excess of thirty (30) pages shall be accepted or reviewed by HCRMA.**
- B. Please provide a response to every question or request for information identified in Section V below in the order requested, or indicate why no response is given.
- C. Proposals should be submitted by individual firms only; no proposal should be submitted on a joint basis. HCRMA reserves the right to select and combine firms as it feels is appropriate to best meet its needs.

- D. Identify the question or request for information being answered in the introduction to each response. Answer the question or request for information specifically and succinctly.

V. **PROPOSAL CONTENT**

Provide an executive summary (no longer than one (1) page in length) identifying the key components of the Proposer's qualifications. (This summary will NOT be included in the fifteen (15) page limit).

A. General Information

Please provide the following general information.

- (1) Name, address, telephone number, fax number, e-mail address, and title of the individual submitting the response for your firm and to whom questions or requests for additional data should be directed.
- (2) Firm's corporate address.
- (3) Firm's capital position (e.g., total capital, net capital and excess net capital) for the past three (3) years as of your fiscal year end and the most current reporting period. Please also include the average daily inventory in municipal securities excluding primary offerings. Additionally, please provide recent examples of willingness to underwrite and commit capital for unsold balances for the current year only.
- (4) State which of each subpart noted below, best describes your firm: (i) national or regional; (ii) minority or non-minority; and (iii) retail or institutional. Minority firms will be required to provide certification to HCRMA.
- (5) State whether your firm wishes to be considered as Senior Manager. Stating NO to this question does NOT preclude your firm from being considered for a Co-Senior Manager or Co-Manager position, if any.
- (6) Number and location of all public finance offices and all underwriting/committing desks.
- (7) Number and location of all U.S. municipal fixed income employees, municipal institutional sales associates and retail sales associates.

B. Sales and Marketing Capabilities

- (1) Describe the sales and marketing capabilities of your firm, identifying any particular buyer base in which your firm specializes (institutional, retail, retail aggregators, etc.). Discuss your firm's municipal underwriting and trading resources nationally and within Texas.

C. Texas Presence

- (1) List all the offices your firm has within the State of Texas. These can

incorporate all offices, including non-public finance offices. Please state the number of and type of personnel in each office (i.e. public finance, retail, corporate, etc.).

D. Experience

- (1) Discuss your firm's overall qualifications and experience to serve HCRMA. Specifically detail your experience serving as senior and/or co-manager, since January 1, 2017 for: (i) Texas negotiated deals, and (ii) Texas transportation deals. Whenever possible, detail the contributions made by the proposed lead and support bankers.
- (2) List at least three (3) underwriting references that HCRMA would be allowed to contact, two (2) or more should be related to a recent financing transaction shown above, preferably for an RMA or Texas toll agency. Please provide name, title, affiliation, address, email address and telephone number. HCRMA reserves the right to independently contact other references.

E. Personnel

Please submit the names, titles, educational background, professional certifications, geographic location, and relevant experience of those key professional staff members that will be assigned to serve HCRMA. Please also note that any changes to significant personnel assigned to the account, either before or during the term of appointment to the underwriting pool could jeopardize the firm's appointment to a syndicate or cause removal from a syndicate at HCRMA's discretion.

F. Case Studies

Provide three (3) case studies of innovative structuring and/or marketing techniques that your firm has used to enhance the marketability of long-term obligations, particularly for toll road transportation clients. Include client references for the lead and support bankers in the case studies.

G. Financial Condition

Provide a copy of your firm's most recent FINRA Quarterly Focus Report and 10k or annual audited financial statement. (This should be included as an attachment or appendix and will NOT be included within the page limit.)

H. Conflicts of Interest

Respondents are responsible for compliance with the Conflict of Interest Policies for Financial Consultants adopted by HCRMA.

HCRMA has adopted a conflict of interest policy for consultants (the

“Policy”). Under this Policy, any individual, firm, or team (including individual team members) submitting a proposal to HCRMA shall disclose the existence of any current or previous (defined as terminating within twelve (12) months prior to the submission of the proposal) business relationship with any of HCRMA’s personnel or outside consultants (the “Key Personnel”). This disclosure shall include information on: (i) the nature of the relationship, (ii) the current status, and (iii) the date of termination (or expected termination if known) of the relationship. Failure to make the disclosure required is grounds for rejection of the proposal and disqualification from further consideration for the project or work which is the subject of the proposal.

Describe any current or potential relationship that could create a conflict of interest if your firm is selected. Disclose all compensation/fee arrangements formal or informal that your firm, its related entities, or any individual(s) listed in the response to Section E currently has or within the past twelve (12) months has had, with any potential parties related to HCRMA. In addition, disclose all relationships with entities doing business with HCRMA including private and public entities.

Respondents must disclose conflicts of interest by identifying each and every matter in which the respondent has, within the past three calendar years, represented any entity or individual with an interest adverse to the HCRMA, Federal Highway Administration, or the Texas Department of Transportation, or to the State of Texas or any of its boards, agencies, commissions, universities, elected or appointed officials, or Hidalgo County. Respondent must complete and submit EXHIBIT A, Conflict of Interest Questionnaire (Form CIQ), with the proposal

I. Regulatory Compliance

Over the past three (3) years, has your firm or any of its affiliates or parent, or any officer or principal been involved in any material litigation, administrative proceedings, violation of or investigation for any regulatory agency rules (SEC, MSRB, FINRA, NYSE)? If so, provide an explanation and indicate the current status. If selected for the pool, you will be required to disclose such information within thirty (30) days after you know or should know of it. A failure to do so will be sufficient grounds for HCRMA to remove a firm from the underwriting pool and from consideration for future underwriting pools.

J. Other

Provide any other information that you deem important for HCRMA to consider for your firm to be selected.

VI. SELECTION PROCESS

A. Selection Committee

A staff committee, assisted by HCRMA's Financial Advisor, will review the proposals. This committee will make a recommendation to the Board. The HCRMA Board will make the final decision, with regard to the underwriting pool selected, if any. There has been no determination made as to whether or not oral interviews will be conducted.

B. Recommendations to the HCRMA Board

Firms whose qualifications the selection committee deems to be most advantageous to HCRMA will be recommended to the Board for inclusion in the underwriting pool. The selection committee will also advise the Board of the recommended size of the underwriting pool. However, the final decision regarding the size of the pool and the individual firms ultimately included in such pool remains solely with the HCRMA Board.

[END OF RFQ]

EXHIBIT A
CONFLICT OF INTEREST QUESTIONNAIRE (FORM CIQ)

CONFLICT OF INTEREST QUESTIONNAIRE

For vendor doing business with local governmental entity

FORM CIQ

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 Name of vendor who has a business relationship with local governmental entity.

2 Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 Name of local government officer about whom the information is being disclosed.

Name of Officer

4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

Yes No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

Yes No

5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.

6 Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7

Signature of vendor doing business with the governmental entity

Date