



OFFICE OF THE COMPTROLLER
CITY OF ST. LOUIS



DARLENE GREEN
Comptroller

June 15, 2012

1200 Market St.
212 City Hall
St. Louis, Missouri 63103
(314) 622-3588
Fax: (314) 622-4026

RE: Request for Qualifications to Serve As an Airport Financial Advisor

Dear Sir/Madam:

The Office of the Comptroller of the City of St. Louis (the "City") is soliciting responses from financial advisors ("Firms") to serve as Airport Financial Advisor with respect to the Lambert-St. Louis International Airport.

Interested Firms are requested to respond to the attached Request for Qualifications, according to all guidelines and time frames therein.

Questions should be directed via email to Candice Gordon, Accounting Officer, Office of the Comptroller, at gordonc@stlouis-mo.gov. No phone calls please.

The City appreciates your interest and response to this Request for Qualifications.

Sincerely,

A handwritten signature in cursive script that reads "Darlene Green".

Darlene Green
COMPTROLLER



**CITY OF ST. LOUIS
OFFICE OF THE COMPTROLLER
REQUEST FOR QUALIFICATIONS (RFQ)
FOR AIRPORT FINANCIAL ADVISORY SERVICES**

I. Introduction/Background

The purpose of this Request for Qualifications (“RFQ”) is to solicit responses from qualified financial advisory firms to provide financial advisory services to Office of the Comptroller of the City of St. Louis (“City”) in conjunction with the management of Lambert-St. Louis International Airport (“Airport”) debt, long-term financial plans, ratings, notes, certificates or other financing instruments, associated investor relations matters and website (including updates and design).

The term of the engagement shall be for a period of five (5) years from the date of execution of the contract subject to appropriation with an option, at the sole discretion of the City, for three (3) additional one (1) year renewals (subject to appropriation also).

II. Procedures and Provisions

- A. Six (6) copies of a firm’s qualifications must be submitted in a sealed envelope marked “Qualifications for Airport Financial Advisor” and delivered no later than noon (Central), on **Monday, July 2, 2012**, to:

City of St. Louis
Comptroller’s Office
1520 Market Street, Suite 3005
St. Louis, MO 63103

ATTN: Ivy Neyland-Pinkston, Deputy Comptroller – Finance & Development

- B. Qualifications shall be limited to twelve (12) pages, including cover letter and appendices.
- C. Each question shall be repeated immediately preceding a firm’s response.
- D. Qualifications which do not comply with the conditions herein may be rejected.
- E. Joint qualifications / responses **WILL NOT** be accepted.
- F. The City is not responsible for expenses in connection with the selection process or cost of any services performed by any firm prior to execution of a contract.

- G. The City may investigate the qualifications of a firm, negotiate modifications to any items proposed in a response, request additional information, reject any and all qualifications if in the best interest of the City or waive any irregularities which do not interfere with the City's decision making process.
- H. The City does not envision conducting oral interviews although they may be scheduled at the option of the City.
- I. Firms are prohibited from engaging in activities in connection with financial advisory services for the City which produce direct or indirect financial gain for the firm other than for agreed upon compensation without the City's consent after being fully informed of such activities.
- J. Questions regarding this RFQ should be sent via email by June 25, 2012 to:

Candice Gordon
Accounting Officer
gordonc@stlouis-mo.gov

NO PHONE CALLS PLEASE.

III. Scope of Service of Airport Financial Advisor

For all bond transactions:

- A. Planning and structuring debt issues. Assist and advise City/Airport in developing the most appropriate approach to financing projects and structuring securities to ensure the lowest cost to the City/Issuer;
- B. Recommend timing, manner of sale, and details of bond issues (e.g. security provisions, flow of funds, call features, maturity schedules, etc.);
- C. Assess prevailing market conditions;
- D. Attend meetings and prepare various presentation materials;
- E. Assist in preparation of disclosure documents, sale documents and other relevant bond or marketing documents; make recommendations concerning form and content to enhance marketability and comply with disclosure guidelines;
- F. Review drafts of bond and offering documents for accuracy and appropriateness;
- G. Assist in the solicitation and evaluation of underwriters, verification agents, credit enhancers, printers, etc., as needed;

- H. In conjunction with negotiated sales, serve as advocate for the City in negotiating best possible terms with underwriter(s) by: (i) reviewing the proposed pricing; (ii) evaluating marketing efforts of the underwriter(s); reviewing other terms proposed by the underwriter(s) (e.g. firm participation, gross spread, etc.); (iii) recommending acceptance or rejection of the underwriting proposal; and (iv) minimizing use of bond insurance if not cost effective.
- I. Assist in preparation for closing and delivery of the bonds, including review of all closing documents; and
- J. Review all documents prepared in conjunction with investment of bond proceeds.

Other Services

- A. Provide written analysis and financial analysis of various projects and proposals relating to the Airport's debt portfolio and/or other cash outlays (including capital plans, development projects, etc...) impacting the financial status of the Airport;
- B. Assist the City/Airport in rating agency and investor relations matters including design and maintenance of City website;
- C. Provide examples of your firm's experience with the development of rating agency and investor presentations from concept to completion. Discuss your strategy for (1) maintenance and upgrade of the Airport's credit ratings, and (2) enhancing the marketability and cost efficiency of City issued Airport revenue bonds. List all tools available for production of rating, insurer and investor presentations and website, plus semi-annual and post-refunding debt service schedules;
- D. Ongoing monitoring of Airport's debt portfolio for savings opportunities and enhanced financial flexibility;
- E. Provide general advice regarding debt, revenue enhancement, budgetary matters, modeling advice, capital planning and multi-year financial plans to the Comptroller's Office, which may include advice related to airline use agreements, Airport budgeting, and long-term financial viability of Airport;
- F. Advise and assist the City in strategic budget management including, but not limited to, capital programs related to the Airport;
- G. Advise and assist the City in analysis of debt issuance, debt management, debt affordability, long term debt planning, and arbitrage, including advising and assisting the development of and annually updating policies for the management of Airport debt;

- H. Advise and assist the City in utilizing City developed and managed cash flow models to analyze and report periodically on the cash position of the Airport;
- I. Advise and assist the Airport/City in developing and annually updating policies for the use of debt service stabilization fund, Airport development fund, capital funds and passenger facility charges and grant funds;
- J. Participate in meetings, presentations, and strategic planning as requested by the City and Airport.

Further, the City may request the Airport Financial Advisor to provide services beyond those itemized above but within the scope of the Airport Financial Advisor Contract. Compensation for such additional services shall be in accordance with the terms and conditions of the Airport Financial Advisor Contract. All Airport financial advisory services will be provided only as the City may request.

IV. Required Responses

- A. Provide a brief description of your firm and its ownership structure. Please specifically state whether your firm is an independent financial advisory firm or is an investment bank which engages in municipal sales, trading and underwriting activities. Please include dollar volume of financial advisory engagements and rankings over the past five years.
- B. Relevant Experience (no more than 3 pages)

Describe, in detail, the scope of services your firm has provided for at least three Airport clients you believe are relevant in preparing your firm for the role of financial advisor to the City of St. Louis during the past two (2) years. Specifically address your firm's experience in (i) debt issuance, debt management and reserve optimization, (ii) cash flow modeling and analysis; (iii) revenue enhancement and budgetary matters; (iv) arbitrage rebate analysis; (v) non-airline revenue optimization; and (vi) various operational consulting services, including the identification and implementation of new debt reduction initiatives and capital program reforms.
- C. Describe the experience, qualifications and other relevant information of all key individuals who will be assigned to work with the City. Identify the person who will serve as primary day-to-day contact and the roles of other members of the Airport financial advisory team from your firm providing services under this contract, including references for each team member.
- D. Describe your firm's approach to the delivery of Airport financial advisory services.

- E. Provide a list of major municipal issuers that your firm has represented as an Airport financial advisor for at least five years.
- F. Provide a summary of the key strengths and qualifications of your firm to serve as Airport financial advisor to the City in two pages or less.
- G. Identify and discuss your view of the most important challenges and opportunities facing the Airport over the next two years.
- H. Provide examples of your firm's experience with the development of rating agency and investor presentations. Discuss your strategy for maintenance of and future upgrade of the Airport's credit ratings, as well as the enhanced marketability of Airport bonds during periods of intense investor scrutiny.
- I. Discuss your firm's financial advisory experience with special facility and Airport revenue bonds, plus ARRA bond issuers during the past three years. Provide no more than three case studies including a discussion of any innovative financing ideas recommended by your firm. Provide the name of the issuer, description of transaction(s), and the key personnel from your firm involved and the value added by your firm as an Airport financial advisor.
- J. Describe innovative products or ideas the firm has developed for other clients, which may be applicable to the Lambert-St. Louis International Airport financing program, including revenue enhancement programs for the Airport.
- K. Provide client references from three (3) Airport revenue bond issuers, including a summary of types of financings completed for each over the last three years.
- L. Disclose any material agreements, relationship retainers or employment that your firm or any other employee of your firm has with any other financial advisory firm, investment banking firm, law firm, escrow agencies, or other person(s) or entity(s) that may create a conflict of interest or the appearance thereof.
- M. Please indicate whether your firm or any employees of your firm have been (in the past three years) or are currently the subject of an investigation by the MSRB, SEC, NASD or any other state or federal entity related to financial advisory services. If so, describe the nature of the investigation, pertinent litigation and any penalties paid for violations and/or waivers granted. Pursuant to MSRB Rule-G38, please disclose any consulting arrangements your firm has for obtaining municipal business in the City of St. Louis. Compliancy with rules of MSRB, SEC and NASD is expected.
- N. Provide a brief description of your firm and its ownership structure. Please include volume (US \$) and rankings over the past five years. Cite percentage ownership by women and minorities. Include, in an appendix, copies of your

firm's most recent Equal Employment Opportunity Form (EEO-1) and Affirmative Action policies.

- O. Provide a proposed fee schedule to provide Airport financial advisor services to the City. List hourly rates for each key individual assigned to the City.

V. Selection Process

The City reserves the right to (1) reject any and all proposals with or without cause; (2) request additional information as the City deems necessary and (3) to disqualify any firm and reject any proposals for failure to promptly provide such additional information. The City intends to evaluate each proposal received and select one or more financial advisory firms.

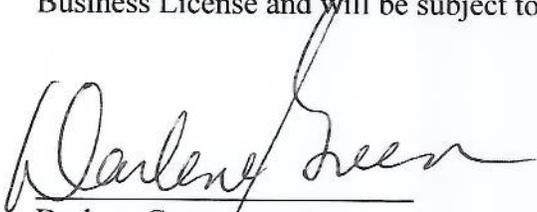
VI. Legal Disclosure Certification

To ensure the continued qualification of Airport financial advisory firm(s) which are selected, the Comptroller's Office is requiring that these firms update this office semi-annually (within 30 days after June 30 and December 31) regarding any changes to the disclosure information submitted in the proposal. This includes disclosure of any new actions, which have been brought against a firm subsequent to its initial disclosure at the time of applying. This also includes any new criminal indictments or convictions and any material pending legal actions, settlements, or judgments involving a claim of fraud, whether civil or criminal. Finally, this also includes ownership and executive management changes related to this contract. If no changes or new actions have occurred, please state so in the semi-annual report to the Comptroller's Office.

Each firm should execute the attached Legal Disclosure Certification (Attachment A) agreeing to provide disclosure of this information to the Comptroller's Office on a semi-annual basis.

VII. Required License/Earnings Tax

Selected firm(s) will be required to obtain and maintain a valid City of St. Louis Business License and will be subject to the City's one percent earnings tax.



Darlene Green
COMPTROLLER

(Firm's Name)

LEGAL DISCLOSURE CERTIFICATION

I, _____, Partner, certify as follows:
(Partner's Name)

I am a Partner of _____ (the "firm") and am authorized to execute this Certification on its behalf.

The firm is interested in providing financial advisory services to the City of St. Louis and has submitted a Request for Qualifications to the Comptroller's Office in order to be considered to provide financial advisory services.

In the Request for Qualifications, the firm has responded to questions regarding legal proceedings against the firm, as specified, in connection with offerings of municipal securities nationwide.

The Request for Qualifications requires that the firm provide a semi-annual update to the Comptroller's Office regarding changes to the legal information submitted with the Request for Qualifications, as well as information about legal proceedings originating after submission of the Request for Qualifications.

I certify that I have reviewed the requirements for updating the Comptroller's Office regarding legal proceedings as outlined in the Request for Qualifications, and I agree, on behalf of the firm, to fulfill the requirements outlined therein.

Date: _____

(Partner's Signature)

(Partner's Printed Name)