



OFFICE OF THE COMPTROLLER  
CITY OF ST. LOUIS



DARLENE GREEN  
Comptroller

212 City Hall  
(314) 622-3588  
FAX: (314) 622-4026

November 9, 2012

Dear Underwriter:

Enclosed for your consideration is a Request for Qualifications for underwriting firms interested in providing financing ideas related to the proposed current refunding of Lambert-St. Louis International Airport Revenue Refunding Bonds, Series 2003A.

The City seeks to establish a team of underwriters comprised of the most qualified firms to provide us a sound financing structure for the current refunding which maximizes cash flow savings to Lambert St. Louis International Airport.

We look forward to receiving your ideas and qualifications in writing per the attached Request for Qualifications.

Sincerely,

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

Darlene Green  
COMPTROLLER

Enclosure



**CITY OF ST. LOUIS, MISSOURI  
LAMBERT-ST. LOUIS INTERNATIONAL AIRPORT  
UNDERWRITER REQUEST FOR PROPOSAL  
FOR REVENUE REFUNDING BONDS SERIES 2013**

**A. INTRODUCTION**

The Honorable Darlene Green, Comptroller of the City of St. Louis, Missouri (the “City”) on behalf of the City and the Lambert-St. Louis International Airport (“Lambert” or the “Airport”) is seeking proposals from investment banking firms to provide underwriting services for the contemplated current refunding of its Series 2003A Bonds. The City plans to sell refunding bonds to take advantage of current market conditions.

**B. PROPOSAL SUBMITTAL AND EVALUATION**

Please submit a total of 5 sealed “hard” copies of your response no later than 12:00 pm Central Standard Time on **Tuesday, November 27, 2012** to the following individuals:

**Five (5) copies to:**

Ms. Ivy Neyland-Pinkston  
Deputy Comptroller for Finance and Development  
City of St. Louis Comptroller’s Office  
1520 Market Street  
Room 3005  
St. Louis, Missouri 63103

In addition, please transmit a copy of your proposal via email to both David Thomson at [dthomson@sbsco.com](mailto:dthomson@sbsco.com) and Nic Malas at [nmalas@sbsco.com](mailto:nmalas@sbsco.com) no later than 12:00 pm Central Standard Time on **Tuesday, November 27, 2012**.

Late proposals or faxed copies of your proposals will not be accepted. All material submitted in accordance with this solicitation becomes the property of the City and will not be returned. All costs incurred in the proposal process will be the sole responsibility of the submitter. **Joint proposals will not be accepted.**

**C. QUESTIONS ABOUT THIS RFP**

All questions related to this request for proposals should be directed by email to either David Thomson at [dthomson@sbsco.com](mailto:dthomson@sbsco.com) or Nic Malas at [nmalas@sbsco.com](mailto:nmalas@sbsco.com) no later than 12:00 pm (CST) on **Tuesday, November 20, 2012**.

Proposers are requested to refrain from contacting officials and officers of the City, Airport, or Feasibility Consultant regarding this proposal. No questions other than via email transmission will be accepted.

## **D. PROPOSAL CONTENTS**

The following questions should be answered in preparing your response to the RFP. Each question should be restated with the answer immediately following unless inclusion in an appendix is more practical. Proposals are limited to ten (10) pages, excluding cover letter, refunding cash flows in the appendix and other appendices. General marketing materials and firm boilerplate are strongly discouraged.

### **Section I. Background Information**

1. Role. Please indicate if your firm is proposing to be a Senior Manager or Co-Manager.
2. Description of Firm. Provide a description of your firm and its capabilities and organizational structure. Please describe how your firm's selection would benefit the City. In particular please describe your firm's:
  - a. Public finance department, its position and level of importance in the firm, and your organization's commitment to this area;
  - b. Municipal sales and distribution capabilities for both retail and institutional purchasers, including the number of offices and registered representatives nationally, and in Missouri; and
  - c. Any material changes occurring within the past twelve (12) months regarding ownership, management, and staff reductions or increases, if any, in your municipal trading and underwriting, sales, and investment banking departments.
  - d. Discuss your long-term commitment to the City, including services provided to the City during the last five years and your commitment to the City's financing team going forward.
3. Personnel. Please identify the name, title, role and office location, of the individual(s) assigned to work on the proposed transaction. Please provide a statement as to the availability and accessibility of the individuals assigned. Provide brief resumes of each team member in the appendix.
4. Capital/Liquidity. Please discuss your firm's capital structure including its total capital, equity capital, excess net capital for each of the last three (3) years.
5. Firm Experience in St. Louis. Please summarize your responding firm's negotiated underwriting experience with issuers within the City from January 2010 to date. For each issue, please list your responding firm's role (Senior Manager, Co-Senior Manager, or Co-Manager), the issuer, the overall size of the issue, the related pricing date, the orders placed by your firm, and the amount of bonds allotted to your firm.

6. Firm Experience with Airport Financings. Please summarize your responding firm's negotiated underwriting experience with airport transactions from January 2010 to date. For each issue please list your responding firm's role (Senior Manger, Co-Senior Manager, or Co-Manager), the issuer, the overall size of the issue, the related pricing date, the orders placed by your firm and the amount of bonds allotted to your firm.

## **Section II. Lambert-St. Louis Financial Strategy**

7. Marketing Plan.
  - a. Discuss your marketing strategy for this issue.
  - b. What are your expectations of the composition (%) of buyers of these bonds if the Lambert transaction were sold today?
  - c. Given Lambert's credit challenges what MMD spreads would you anticipate for this transaction?
8. Structuring Ideas. Please provide your proposed current refunding structure for the Series 2003A Bonds. Please assume costs of issuance of \$325,000; include your proposed underwriters discount and assume a delivery date of **June 27, 2013**. Please assume market conditions as of **November 20, 2012**. Please include your cash flows in the appendix and include only summary charts, graphs and text in the body of your proposal. Please do not include variable rate or swap related ideas as these are not of interest to the City at this time.
9. Escrow Negative Arbitrage. The City wants to maximize savings and to minimize escrow negative arbitrage. Do you recommend closing the bond issue on or about July 1 with a conditional redemption notice distributed upon execution of the Bond Purchase Contract (on or about June 1)? Any other timing considerations or suggestions that the City should be aware of?

## **Section III. Disclosure/Certifications**

10. In the interest of full disclosure, we ask that your firm describe any past (in the past three (3) years) or present civil or criminal legal investigations, pertinent litigation and/or regulatory action involving your firm or its employees that could impact on your role or ability to serve the City.
11. Pursuant to MSRB Rule G-38, please disclose any consulting arrangements your firm has for obtaining municipal business in the City. In addition, please disclose if your firm has been in violation of the MSRB Rule G-37.
12. Include, in an appendix, copies of your firm's most recent Equal Employment Opportunity form (EEO-1) and Affirmative Action policies.

**E. 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 may feel is necessary, and (3) to disqualify any firm and reject any proposals for failure to promptly provide such additional information.

BECAUSE OF THE FREQUENT CHANGES IN THE CREDIT MARKETS AND NUMEROUS CHANGES AFFECTING OUR INDUSTRY, THE COMPTROLLER EXPLICITLY RESERVES THE RIGHT TO REMOVE A FIRM OR FIRMS FROM THE LAMBERT UNDERWRITING TEAM FOR ANY REASON – INCLUDING, BUT NOT LIMITED TO, IF AN ASSIGNED BANKER LEAVES A PARTICULAR FIRM, OR A FIRM IS ACQUIRED BY ANOTHER ORGANIZATION OR NEGATIVE FINANCIAL INFORMATION ABOUT A PARTICULAR FIRM IS RELEASED IN THE FUTURE. OTHER UNDERWRITING FIRM(S) MAY OR MAY NOT BE ADDED TO THE UNDERWRITING TEAM IF SUCH AN EVENT OCCURS.