Written materials relating to an item on this agenda that are distributed to the legislative bodies within 72 hours before the item is to be considered at its regularly scheduled meeting will be made available for public inspection at the City Clerk's Office, 300 West Third Street 4th Floor during customary business hours. Agenda reports are also on the City of Oxnard web site at www.oxnard.org.

CITY OF OXNARD CALIFORNIA

AGENDA
OXNARD CITY COUNCIL
FINANCE AND GOVERNANCE COMMITTEE
Council Chambers, 305 West Third Street
November 12, 2019
Regular Meeting - 9:30 to 10:45 AM

A. ROLL CALL, POSTING OF AGENDA, FLAG SALUTE

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

At this time, the legislative body will consider public comments for a maximum of fifteen minutes. A person may address the legislative body only on matters not appearing on the agenda and within the subject matter jurisdiction of the legislative body. Speaker cards will not be accepted after the beginning of the general public comment period. Based on the number of speaker cards submitted, the presiding officer may impose time limits per speaker. Typically, speakers are limited to two minutes, but shorter time may be established as deemed necessary. A person not able to address the legislative body at this time because the fifteen minutes expires may do so just prior to adjournment of the meeting. The legislative body cannot enter into a detailed discussion or take action on any items presented during public comments at this time. Such items may only be referred to the City Manager for administrative action or scheduled on a subsequent agenda for discussion.

C. CONSENT AGENDA

1. City Clerk Department

   SUBJECT: Approval of Minutes.

   RECOMMENDATION: That the Finance and Governance Committee approve the minutes of the October 22, 2019 regular meeting as presented.

   Contact: Michelle Ascencion, (805) 385-7805

D. REPORTS

1. City Manager Department

   SUBJECT: Selection of Firms for 4-Year Underwriting Pool. (5/5/5)

   RECOMMENDATION: That the Finance and Governance Committee:

   1. Receive and file a report on the outcome of the request for proposals for Municipal Bond Underwriting Pool ("RFP"); and

   2. Receive and file a report on the selection of firms to be included in the underwriter pool that may participate in future bond financing and refunding transactions.

   Contact: Shiri Klima, (805) 385-7487

In compliance with the Americans with Disabilities Act, if you require special assistance to participate in a meeting, please contact the City Clerk's Office at 385-7803. Notice at least 72 hours prior to the meeting will enable the City to reasonably arrange for your accessibility to the meeting.

Agenda Item time estimates: (Staff Presentation / Committee Discussion / Public Comment)

2. City Attorney Department

   SUBJECT: Council Committee Bylaws. (5/5/5)

   RECOMMENDATION: That the Finance and Governance Committee recommend the City Council consider and adopt a resolution setting forth bylaws to establish regular meeting schedules for, powers and duties of, and types of business to be reviewed by the City Council committees established by Oxnard City Code Section 2-1.1.

   Contact: Stephen Fischer, (805) 385-7483

E. ITEMS FOR FUTURE AGENDAS

F. ADJOURNMENT

M I N U T E S
OXNARD CITY COUNCIL
FINANCE AND GOVERNANCE COMMITTEE
Regular Meeting
October 22, 2019

A. ROLL CALL, POSTING OF AGENDA, FLAG SALUTE

At 9:34 a.m., Chair Flynn called to order the regular meeting of the Oxnard City Council Finance and Governance Committee in the City Hall Council Chambers at 305 W. Third Street, Oxnard, California. The City Clerk called the roll and announced the posting of the agenda. Members Gabriela Basua, Bert Perello, and Chair Tim Flynn were present.

Staff members present were Shiri Klima, Deputy City Manager; Stephen Fischer, City Attorney; Kevin Riper, Chief Financial Officer; and Michelle Ascencion, City Clerk.

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA (None received.)

C. CONSENT AGENDA

City Clerk Department

1. SUBJECT: Approval of Minutes.
RECOMMENDATION: That the Finance and Governance Committee approve the minutes of the October 8, 2019 regular meeting as presented.

It was moved by Member Perello, seconded by Member Basua, to approve the minutes as presented. VOTE: Basua, Flynn, and Perello voted in favor; the motion carried 3-0.

D. REPORTS

Finance Department

1. SUBJECT: Refinancing Opportunity for the Gas Tax Revenue Certificates of Participation (2007 Street Improvement Program).
RECOMMENDATION: That the Finance and Governance Committee:
1. Provide direction to staff regarding whether to pursue a refinancing opportunity for the Gas Tax Revenue Certificates of Participation (the “2007 COPs”);
2. If “yes” on #1 above, direct staff and financing team to return to the full City Council for approval of the 2019 Gas Tax Revenue Refunding Bonds (the “2019 Bonds”) once financing documents and the preliminary official statement are completed.

The Chief Financial Officer and Mike Meyer of NHA Advisors gave a report. Discussion ensued among the Committee and staff.

It was moved by Member Perello, seconded by Member Basua, to approve the recommended actions as presented. VOTE: Basua, Flynn, and Perello voted in favor; the motion carried 3-0.

City Attorney Department

2. SUBJECT: Council Procedures Manual Update.
   RECOMMENDATION: That the Finance and Governance Committee review the updated redline of the Council Procedures Manual, provide any further direction and recommend that the City Council consider and adopt the updated Council Procedures Manual pursuant to such final direction.

The City Attorney gave a report. Discussion ensued among the Committee and staff.

It was moved by Member Basua, seconded by Member Perello, to approve the recommended action as presented. VOTE: Basua, Flynn, and Perello voted in favor; the motion carried 3-0.

E. ITEMS FOR FUTURE AGENDAS

Member Perello requested an update on a lost opportunity for interest investment due to a bank issue.

F. ADJOURNMENT

There being no further business on the agenda, and without objection, Chair Flynn adjourned the meeting at 10:12 a.m.

MICHELLE ASCENCION, CMC
City Clerk

TIM FLYNN
Chair

CITY OF OXNARD CALIFORNIA

FINANCE AND GOVERNANCE COMMITTEE
AGENDA REPORT

REPORTS
AGENDA ITEM NO. D.1.

DATE: November 12, 2019

TO: Finance & Governance Committee

FROM: Shiri Klima, Deputy City Manager, (805) 385-7487, shiri.klima@oxnard.org

SUBJECT: Selection of Firms for 4-Year Underwriting Pool. (5/5/5)

RECOMMENDATION

That the Finance and Governance Committee:
1. Receive and file a report on the outcome of the request for proposals for Municipal Bond Underwriting Pool ("RFP"); and
2. Receive and file a report on the selection of firms to be included in the underwriter pool that may participate in future bond financing and refunding transactions.

BACKGROUND

The City of Oxnard maintains a total debt portfolio of approximately $450 million across 22 bond transactions. In anticipation of future capital project financing needs or a refinancing for interest rate savings, the City released the RFP on August 21, 2019. The solicitation was posted on the City's procurement site, and the City also worked with its Municipal Advisor to contact about 15 of the more active firms in the State to ensure that they received the City's solicitation. The objectives of the RFP are listed below:
• Solicit and receive comprehensive proposals from various California underwriting firms
• Establish a pool of "pre-qualified" firms to educate about City financial needs and streamline the process for future bond financings
• Ensure that the pool includes multiple highly qualified firms for all financing structures utilized by the City
• Guarantee competitive pricing for all future underwritings
• Cultivate environment for "idea" sharing and relationship building by pool participants that will ultimately benefit the City and its residents

The City has traditionally issued bonds through a single firm or under a "co" structure from firms selected by City staff based on the specific financing needs. The purpose of the RFP is to develop a fixed number of firms who are pre-qualified for the different bond structures, work with each to develop the necessary education and understanding of the City's financial needs and then have a select number "compete" for each financing as it is identified. Instead of conducting a single solicitation each time a financing is needed, the pre-qualified underwriting pool will allow for a more efficient selection process which will save two months of staff time. In a volatile and rapidly changing interest rate environment, this will allow the City to react quickly to refinancing opportunities, potentially saving hundreds of thousands of dollars in interest cost. Working with a select number of firms will also provide the City with more impactful responses as the firms will already understand the needs of the City through their continued relationship with the City. In addition to saving time and making the process more efficient, the City will also ensure a transparent and competitive process amongst pool participants, ensuring that the City will receive aggressive pricing and a continued "flow of ideas" that will benefit the City and its residents. More detail on the process of hiring specific underwriters from the pool for each future transaction can be found in the following section.

The RFP evaluation criteria (established prior to its release), are as follows:
• Responsiveness to RFP and Understanding of City Requirements (15% weight)
• Qualifications, Relevant Experience and Ideas and Contributions/Dedication to the City (60% weight)
• Cost as Represented by Indicative Underwriting Fees (25% weight)

It is important to note that indicative fees are truly "indicative." While the recommendation and scoring does take these into account, it is important to note that any fees for a bond financing are negotiated with the underwriter (led by the City's staff with assistance from the City's Municipal Advisor) at a time closer to the pricing. The key transaction specifics such as credit rating, bond size, municipal market trends at time of issuance, legal structure are important considerations when negotiating the best fee for services. Just as State law does not allow engineers and architects to be selected purely on lowest cost, so too is it critical for the City to select underwriters based on their professional qualities since the underwriter can impact the price of the bonds and a small reduction in the price can more than offset the underwriters' fees. Legally speaking, the terms of the underwriter compensation are included in the bond purchase agreement, which must be approved by the City Council and is only executed if the underwriter is able to sell the City's bonds. If there is no transaction (or another firm is selected), there is no agreement and thus no obligation of the City to compensate the firm. City staff will also work with its Municipal Advisor to research other transactions and the underwriting costs to make sure the terms of the bond purchase agreement are at market rates.

The City received eleven responses to the RFP from Barclay, Cabrera, Citigroup, Hilltop Securities, JP Morgan, Piper Jaffray, Ramirez, Raymond James, RBC, Stifel Nicolaus, and Wells Fargo. The responses were evaluated by a committee comprised of the City's Risk Manager, Assistant CFO, and the Assistant Treasurer. In addition, the City's municipal advisor, NHA Advisors, provided an independent technical review of the 11 proposals to assist City staff in the evaluation process (although NHA's memorandum did not score the responses). Each firm was evaluated based on the criteria listed above and across the seven different types of bond financings listed below.

1. Gas Tax COP Refunding Bonds
2. Successor Agency Tax Allocation Bond Refunding Bonds
3. Utility Revenue Bonds (Water, Sewer and Solid Waste)
4. Short-term financing needs, including line of credit services
5. Pension Obligation Bonds
6. General Fund-backed lease revenue bonds
7. Land secured financings

Assessing the qualifications of respondents across all types of potential financings the City could feasibly undertake in the future will ensure that the City's pool will be versatile – and allow the City to work with highly qualified firms no matter what type of deal arises.

SELECTING FIRMS FROM POOL FOR SPECIFIC FINANCINGS

Staff has selected seven firms for the underwriting pool. As financing opportunities are identified, City staff will work with the Municipal Advisor to develop a focused proposal to solicit a response from a "limited" number of qualified firms (as determined by the independent evaluation of the Review Panel) for that type of financing. At that point in time, more specifics for the financing will be known and it will be appropriate to solicit a “not to exceed” fee bid from each participant, its recommendations for optimal structuring, as well as its thoughts on legal, rating and other ideas/strategies for that specific project. The Municipal Advisor estimates this “limited” solicitation will take 1 to 2 weeks and will not impact the financing timeline. It is anticipated that depending on the financing structure and size, multiple firms may be selected to assist the City with the financing. For certain transaction types that all pool participants are active with and qualified for, all or a large majority of the pool may be solicited. For more unique/complex and/or specialized transaction types (i.e. a pension bond secured by a tax override or a real estate land secured deal), there may only be two or three firms solicited. The City anticipates maintaining this pool for four years before reissuing another RFP for underwriting services.

UNDERWRITER POOL SELECTION

Staff is including the following seven firms in the underwriter pool, listed alphabetically:

- Hilltop Securities
- JP Morgan
- Piper Jaffray
- RBC
- Raymond James
- Ramirez
- Stifel Nicolaus

STRATEGIC PRIORITIES

This agenda item is a routine operational item or does not relate to the four strategic plans adopted by City Council on May 17, 2016.

FINANCIAL IMPACT

Underwriting fees are paid directly from the financing proceeds and do not impact the City’s budget or cash position (they are built into the financing). The City’s obligation to pay only occurs if there is an execution of the bond purchase agreement. While the firms provided indicative fees as part of their responses, City staff intends to have subsequent fee quotes provided on a project-by-project basis as financings are identified. There is no financial impact in the selection of the underwriter pool, and the City Council will have final approval of a specific underwriter, their not-to-exceed fee and all terms and conditions of the bond purchase agreement with the firm(s) selected for each transaction.

Prepared by: Donna Ventura, Assistant Chief Financial Officer, NHA Advisors

ATTACHMENTS

1. RFP FN 20-15 Municipal Bond Underwriting Pool
2. Underwriter Pool RFP PowerPoint

City of Oxnard
Request for Proposal (RFP)

Municipal Bond Underwriting Pool

Bid Close Date: September 4, 2019 by 5:00 p.m. PT uploaded via the following e-procurement website:

Solicitation opportunities: https://www.oxnard.org/rfps-and-rfqs/

Purchasing Division, Finance Department
City of Oxnard
300 West Third Street
Oxnard, CA 93030
City Website: https://www.oxnard.org/

TABLE OF CONTENTS

Attention Proposers: please complete Tabs B through G in a separate document. More details included under Tab G – Proposer Attachment.

1. TIMELINE OF EVENTS

Proposers will be responsible to carefully examine the requirements contained herein.

Proposed Timeline

DATE	ACTIVITY
August 21, 2019	Release of Solicitation
September 4, 2019	Submission of the Proposal is due to the City of Oxnard Purchasing Division by **5:00 p.m. PST**
September 5- September 13, 2019	Review of Proposals
September 17, 2019	Firms notified of results

The above dates are tentative and are subject to change as necessary.

2.0 PERIOD OF PERFORMANCE

Underwriting services to be provided through June 30, 2023.

3.0 INTRODUCTION

The City of Oxnard ("Oxnard" or the "City") is soliciting proposals for bond underwriting services. The City intends to select one or more firms to serve as underwriter on one or more future bond financings. As each specific financing project arises during the next four (4) years the City intends to select (from the approved pool determined by this RFP) one or more firms to underwrite it.

Proposals will be reviewed by the City's Purchasing Division, Chief Financial Officer, Assistant Chief Financial Officer and the City's Municipal Advisor (NHA Advisors, LLC). Various pieces of financial information related to the City's outstanding debt obligations and budget (debt profile, rating reports, credit presentations, budget/CIP, actuarial report, etc.) and referenced in the RFP can be downloaded using the following link: https://nha.egnyte.com/fl/D7atWV4i9C

4.0 BACKGROUND OF THE CITY OF OXNARD AND SELECTION CRITERIA

4.1 CITY BACKGROUND

Oxnard, a vibrant and growing community of 210,000 people, is located on the beautiful Southern California coast and is the most populous city in the County of Ventura. Nestled about 60 miles northwest of Los Angeles and 35 miles south of Santa Barbara, Oxnard prides itself on its rich diversity and culture. Incorporated as a general law city in 1903, Oxnard is a full-service city under the council-manager form of government. The City Council is composed of seven (7) members.

This city by the Pacific Ocean is an ideal place to raise a family; Oxnard residents enjoy a spirit of community pride. With its attractive residential areas located among tree-lined streets, parks and beaches, Oxnard provides a wide variety of housing choices.

4.2 DEBT PROFILE SUMMARY

The City currently has 28 long-term obligations outstanding, totaling over $451 million in par. As detailed in the debt profile summary, this includes approximately $79 million of General Fund Lease/COP debt, $164 million of Water Enterprise debt, $98 million of Wastewater Enterprise debt, $49 million of Land Secured (CFD/AD) debt, $21 million of Gas Tax Revenue Bonds, and $33 million of Successor Agency Tax Allocation Bonds.

In April of 2018, the City issued $29 million of fixed-rate Lease Revenue Bonds, Series 2018 to refund the City's 2003B and 2006 Lease Revenue VRDBs and terminate the swaps associated with each of those transactions. In November of 2018, the City issued $25 million of wastewater revenue refunding bonds to refund the City's 2004 and 2006 transactions and terminate the swap associated with the 2004 Bonds. Also in November 2018, the City issued $40 million of water revenue refunding bonds to refund the City's 2006 Bonds. All of the City's long-term debt is now fixed rate.

4.3 CREDIT RATINGS

The most recent rating report from Standard & Poor's for each of the City's primary credits can be found in the link provided above, and summarized below:

- General Fund: "A-" ("A" ICR) Stable Outlook
- Water Enterprise Fund: "A" Stable
- Wastewater Enterprise Fund: "A-" Stable
- Gas Tax Revenue Fund: "A" Stable
- Successor Agency TABs: "A" Stable

2018 was a successful year for the City in terms of stabilizing its rating outlook (due in part to the resolution of Measure M litigation uncertainty) and obtaining a multiple notch rating upgrade for the wastewater enterprise. The City hopes to work with its Municipal Advisor and underwriting team to continue implementing strategies and bond structures that will lead to continued rating improvements.

4.4 FY 2019/20 BUDGET

City's most recent budget and capital improvement plan are available in the download link. Facing a projected $9.2 million operating deficit in the General Fund, the City recently made staffing cuts of more than 2% to help stabilize General Fund expenditures. Improving the health of the City's General Fund in the near term and ensuring long-term fiscal sustainability is one of the highest priorities for City Council and staff.

4.5 CURRENT AND POTENTIAL BOND ISSUES

The City will soon be engaging an underwriter to execute a forward-delivery refunding of the City's 2011 Lease Revenue Bonds, which is scheduled to close in December 2019; this refinancing is not within the scope of this RFP. The City also intends to promptly explore a refunding of its 2007 Gas Tax COPs but has not yet engaged an underwriter. The eligible underwriter(s) for the Gas Tax COPs are expected to be procured through this RFP process, and the City is prepared to work with the selected underwriter(s) to close the transaction expeditiously. The City also has significant capital funding needs over the next several years, some of which are detailed in the recent budget and capital improvement plan. More detail on some of the potential refunding opportunities and new money needs for which the City seeks underwriters is shown below.

- **Gas Tax COP Refunding** – The City recently received approval from the State Controller to refund the 2007 Gas Tax COPs using the same current bond structure and would like to take advantage of current market conditions to generate savings through a refinancing.

- **Successor Agency TAB Refinancing** – the City is currently evaluating refinancing opportunities for its three outstanding TAB issues. There are currently unspent proceeds associated with the 2006 TABs that the City has encumbered for capital projects over the next few years. It is not anticipated that the City will execute this refinancing until the prior proceeds are expended. The City will seek to maximize the ability to issue tax-exempt bonds for the refinancing, but acknowledges there may be portions issued on a taxable basis.

- **Utility Fund Financing** – The City's utility funds encompass the Water, Wastewater and Environmental Resources (solid waste) enterprises. The City envisions over $100M of capital funding needs for these funds over the next five years and will evaluate all funding options available, including grants, WIFIA, SRF, other loans and traditional revenue bonds. The City will soon be updating its rate study for the water utility.

- **Pension** – The City is in the preliminary stages of evaluating the feasibility of issuing pension obligation bonds to generate General Fund savings and take advantage of other benefits that can be achieved through leveraging its Pension Property Tax Override. The pension property tax override report produced by the City's actuary is included in the download link.

- **Land Secured** – While no current projects have been identified, the City may have funding needs for new development, redevelopment of existing parcels or infrastructure that could require special tax bonds or assessment bonds.

- **Enterprise Resource Planning Software (ERP) Project** – The City plans to implement a new ERP system, which is estimated to cost about $15 million over a multi-year implementation. The City is already evaluating the initial financing plan for the ERP, but as the project moves forward, the City will likely evaluate short- and long-term financing options for the subsequent phases of this project.

4.6 SELECTION CRITERIA AND EVALUATION OF PROPOSALS

Your proposal will be evaluated in accordance with your responses to the proposal requirements. Proposals will be evaluated based on the qualifications of the firm and assigned personnel, prior contributions/commitment to the City, thoughtfulness of ideas for consideration, understanding of the scope of work, conciseness and relevance of response and indicative fees. The selection committee described in the second paragraph above will evaluate the proposals received according to the following criteria:

Responsiveness to RFP and Understanding of City Requirements	Qualifications, Relevant Experience and Ideas and Contributions/Dedication to the City	Cost as Represented by Indicative Underwriting Fees
15%	60%	25%

4.7 PROPOSAL DELIVERY

Proposals must be received by 5:00 pm PST on September 4th, 2019. Please upload a PDF of your proposal to the City's E-Procurement Website "Public Purchase".

4.8 PUBLIC PURCHASE

As a Public Entity, the City of Oxnard (City) adheres to the transparent public bidding process, and utilizes the online web services of Public Purchase, www.publicpurchase.com, a third-party electronic bidding website that allows vendors to register for specific goods and services by selecting a National Institution of Governmental Purchasing (NIGP) code as the commodity part number. Upon registration with Public Purchase, registered Bidder(s) will receive e-mail notifications of upcoming bidding opportunities for the items your company identified. Registered bidder(s) will also be able to view all the open bids, electronically respond to the bids, and see bid results when they are awarded. Additionally, registered bidder(s) will receive notices of any addendums to those bids, as well as have the opportunity to post questions and receive answers pertaining to that bid. All questions and answers are posted on-line so that all bidders have access to the same information regarding the bid.

Completion of this process will allow your business to participate in future City business bidding opportunities. It also provides the ability to maintain your data as your business grows or changes.

There is NO CHARGE to register for this service. Public Purchase has other services available for a fee, but that is solely at your discretion and not required to do business with the City.

Just a couple helpful hints before starting your registration:

- First, bid notifications are based on registered e-mail addresses, hence, it is recommended you use a generic e-mail address for your company, if you have one, and a second email address for a specific individual, if available. That way, if personal e-mail addresses change, your organization still receives notification of bidding opportunities.

- Secondly, make sure your company has saved the user-name and password in a secure location, so that it is accessible when you are not available.

A third party web based e-Procurement service provider utilized by the City for solicitations. It will take only minutes to register and it is free.

During the RFP process, no potential respondent may contact City Council members of the City. Bidders must submit their questions online at www.publicpurchase.com and must be in written format. All responses to Bidder's questions will be posted online at www.publicpurchase.com.

The City cannot guarantee you will receive notice of every opportunity to sell to the City; it is encouraged to visit our Purchasing website at https://www.oxnard.org/rfps-and-rfqs/ for Bidding Opportunities on a regular basis for a listing of current bid solicitations.

Tab A – Proposal Checklist

Instructions:

a) This section must be filled in and each item checked off to ensure all items requested by the City in this solicitation have been submitted.

b) Follow the instructions in each section of this solicitation.

c) Present all requested items in the index tabs ordered A through G as shown. Responses to Tabs B through G (Question 1 through 14) should be provided in a separate PDF attachment as described in Tab G.

d) Label each item presented and include additional items on your table of contents.

e) All proposals must include a detailed description of each proposed service to be provided.

f) Proposers that do not follow the bid instructions found in the separate document titled "**Terms and Conditions"** may be found to be "non-responsive" and disqualified from the bid process.

Name of Company: ____________________

Service to provide: Municipal Bond Underwriting

Main Point of Contact: ____________________

E-mail: ____________________ **Phone:** ____________________

Tab A Proposal Submission Checklist

General Proposer Information

Please provide one copy of the following items in your proposal. Indicate the page number where the item is located.

Page Number

- ☐ Tab A: Proposal Checklist *(this page)* .... _____
- ☐ Tab B: Company Profile/ Experience .... _____
- ☐ Tab C: Acknowledgements .... _____
- ☐ Tab D: Scope of Services .... _____
- ☐ Tab E: References .... _____
- ☐ Tab F: Cost/Budget Narrative .... _____
- ☐ Tab G: Proposer Attachment .... _____

CERTIFICATION

I, the undersigned, certify and declare I have read and know the contents of the proposal the proposer listed below is submitting to the City of Oxnard ("City"). I certify under penalty of perjury that the preparer(s) of this proposal has/have provided only complete and truthful information to the City in this proposal. I understand that any misrepresentations or material omissions within this proposal will be grounds for potentially disqualifying the proposer or not awarding the contract to the proposer. Additionally, any misrepresentations or material omissions within this proposal are considered breaches of the contract (should the proposer be awarded that contract); the City shall have the right to terminate the contract immediately without consequences, and the City retains all other legal rights available to the City for breach of contract.

I, the undersigned, hereby give permission to the City and its employees and agents to contact references—including those references' officials, employees, and agents (collectively, "References")—of the proposer and its officers, managers, members, general partners, limited partners, or other owners of at least ten percent (10%) of the business, or if the business is a corporation or s-corporation, of its stock (collectively, "Owners"), and request information from other clients—including those clients' officials, employees and agents (collectively, "Other Clients"). I further give permission for the City to review any criminal records of the Owners and obtain public records regarding the Owners, such as records of arrests, indictments, convictions, civil judicial actions, tax liens, and outstanding judgments. I have authority to waive, and I do waive, any and all rights and claims by the proposer, the Owners, and all of their heirs and assigns against the City and its officials, employees and agents, the References, and the Other Clients regarding any actions taken pursuant to, related to or incidental to, the authorization given in this paragraph. Furthermore, I agree that the City and its officers, employees and agents may but have no obligation to share any such information.

I am executing this proposal on behalf of the proposer. I warrant and represent under penalty of perjury that I have the authority to execute this proposal on behalf of the proposer and I have the authority to bind the proposer to the answers provided in this proposal. If any information provided herein becomes inaccurate, I will immediately notify the City and provide updated accurate information in writing, under penalty of perjury.

CERTIFICATIONS

I, ______________________________, a duly authorized agent of ______________________________
Printed Name of Agent/Officer **Name of Organization**

hereby certify that ______________________________ by submission of this proposal in response to the
Name of Organization

solicitation agree upon contract award to carry out the requirements specified and obligations set forth therein.

Signature: ______________________________ Date: ______________

Title of Agent/Officer: ______________________________

Execution hereof is certification that the undersigned has read and understands the terms and conditions hereof, and that the undersigned's principal is fully bound and committed.

Tab B - Company Profile/Experience

This section of the proposal is designed to establish the proposer as an entity with the ability and experience to operate the program as specified in the solicitation. The company profile should be concise and clear, including descriptive information regarding service delivery. The following information must be provided as follows:

1. Business name and legal business status (i.e. partnership, corporation, etc.).

   PROPOSER'S RESPONSE:

2. Company overview and disclosure of services or activities performed, including:

   a. The City of Oxnard is a public agency with a City Council composed of elected officials. The elected officials are restricted from voting on any action concerning a contract whose owners have made a campaign contribution of $250 or more in the previous 12 months. To assist them in their decision making process, please indicate the owners of the company and if any contributions were made to any elected officials.
   b. Briefly describe the organizational structure and experience of your firm as it relates to providing services to California agencies for projects that are relevant to the City of Oxnard.
   c. The number of years in business under the present business name, as well as prior business names, and the number of years of experience providing the proposed, equivalent or related services.
   d. Location of the office from which the work under this contract will be provided and the staff allocation at that office.

   a. ***PROPOSER'S RESPONSE:***

   b. ***PROPOSER'S RESPONSE:***

   c. ***PROPOSER'S RESPONSE:***

   d. ***PROPOSER'S RESPONSE:***

3. Provide any financial interests in any other business. Individuals who are personally performing the contracted services and governmental agencies are exempt from this requirement. If exempt, please indicate with an "N/A" in the box below.

   PROPOSER'S RESPONSE:

4. An explanation of any litigation during the past 10 years involving the proposer or any principal officers thereof in connection with any contract. Is your firm, or the principals associated with your firm, under investigation, being sued, suing, or affiliated in any lawsuit or alternative dispute resolution with any governmental agency? If so, please provide details.

PROPOSER'S RESPONSE:

5. List the members of your organization who would be authorized to sign a bond purchase agreement. Please provide an email address for each individual listed.

PROPOSER'S RESPONSE:

6. **Credentials/Resumes/Certifications/Licenses:**

This section shall state all employees/subcontractors responsible for administering or providing services. Provide a summary list of the organizational personnel that will actively participate and contribute their skills to this project. Include in this list the individual's name, job title, work location and relevant experience in projects of similar size and complexity. (Responses may be up to one page per individual.)

Proposer shall specifically provide the following information on all employees to be providing services related to this solicitation:

a. Current Responsibilities
b. Qualifications/experiences
c. Education
d. Certifications/licenses, if applicable
e. List other pertinent information that will assist in evaluating Proposer's qualifications.

a. ***PROPOSER'S RESPONSE:***

b. ***PROPOSER'S RESPONSE:***

c. ***PROPOSER'S RESPONSE:***

d. ***PROPOSER'S RESPONSE:***

e. ***PROPOSER'S RESPONSE:***

f. ***PROPOSER'S RESPONSE:***

Proposer can add as many sections to this response box as it needs to state all employees providing services.

Tab C - Acknowledgement

7. **Clarifications, Exceptions, or Deviations**

All proposers shall describe any exception or deviation from the requirements of the solicitation. Each clarification, exception, or deviation must be clearly identified. If your company/firm/sole proprietorship has no clarifications, exceptions, or deviations, a statement to that effect shall be included in this section.

Do you have any other exceptions/deviations? If so, please identify the exception and provide an explanation:

PROPOSER'S RESPONSE:

Tab D - Scope of Services and Relevant Qualifications/Ideas

Services to be provided to the City may include, but are not limited to, the following:

- Assist City staff, Bond/Disclosure Counsel and the Municipal Advisor in structuring financial transactions.
- Participate in the review of all legal documents for authorization, issuance and sale/placement of the transaction.
- Review City cash flow statements and prepare variance analysis consistent with expected questions from rating and investor credit analysts.
- Review appropriate taxable and tax-exempt market supply and demand variables in connection with the transaction.
- Assist the City and financing team in securing credit ratings.
- Monitor market conditions and provide recommendations regarding the timing of the transaction pricing.
- Assist the City with investor outreach calls and meetings with principal retail/institutional investors.
- Advise staff on matters relevant to the scope of work and transaction underwriting, prepare and present reports to City staff, the City Council's Finance and Governance Committee, and the full City Council.
- Assist with due diligence and disclosure processes.
- Provide other customary underwriting services for short- and long-term debt.

Summary of Services

8. Provide a brief synopsis of the firm's understanding of the City's needs and how the firm plans to meet these needs.

PROPOSER'S RESPONSE:

Contributions and Dedication to the City

9. Please describe the firm's or assigned bankers' previous (if any) underwriting experience for the City of Oxnard. Please include any transactions underwritten and any other meetings with staff, work completed, or ideas proposed that demonstrate your contributions to the City.

PROPOSER'S RESPONSE:

Relevant Experience and Ideas

10. Please describe your experience with the following types of transaction listed below and include any information/ideas that may be applicable to the City of Oxnard for these types of financings. Please limit your discussion to experience since January 1, 2016.

    a. Gas Tax COP Refunding Bonds
    b. Successor Agency Tax Allocation Bond Refunding Bonds
    c. Utility Revenue Bonds (Water, Sewer and Solid Waste)
    d. Short-term financing needs, including line of credit services
    e. Pension Obligation Bonds
    f. General Fund-backed lease revenue bonds
    g. Land secured financings

PROPOSER'S RESPONSE:

Tab E - References

11. All proposer(s) must include present and past performance information with a minimum of three (3) references of recent similar projects. References cannot include City staff as a reference. However, references can include other governmental agencies. Please verify that all reference information is correct.

Reference 1	
Company name:	
Address:	
Contact person:	
Email address:	
Telephone address:	
Project name:	
Dates worked performed:	
Summary of scope of services:	
Project cost:	

Reference 2	
Company name:	
Address:	
Contact person:	
Email address:	
Telephone address:	
Project name:	
Dates worked performed:	
Summary of scope of services:	
Project cost:	

Reference 3	
Company name:	
Address:	
Contact person:	

Email address:	
Telephone address:	
Project name:	
Dates worked performed:	
Summary of scope of services:	
Project cost:	

Tab F - Cost Proposal/Budget Narrative

12. Please include indicative underwriting fees for the following types of transactions. While we understand that market conditions at the time of pricing will ultimately dictate underwriting fees, please provide your indicative fees based on the par values assumed below and the current City ratings. Please also note in the comments column how and why fees will vary from the figures stated below and how you plan to ensure/demonstrate that the fees negotiated with the City on potential future financings are fair and in line with comparable transactions in the market.

Deal Type	Assumed Par	Proposed UW Fee ($/Bond)	Comments
TE Gas Tax COP Refunding Bonds	$18 Million		
TE & Taxable Refunding TABs	$25 Million		
Taxable Pension Obligation Bonds	$150 Million		
TE Utility Revenue Bonds	$20 Million		
TE Lease Revenue Bonds	$15 Million		
TE CFD Bonds	$50 Million		

Tab G – Proposal Attachment and Cover Letter

Proposers should include all responses to Tabs B thru G (Questions 1 through 12) in a separate PDF document. A cover letter (2 pages maximum) should also be included that concisely summarizes Proposer's response.

SELECTION OF FIRMS FOR MUNICIPAL BOND UNDERWRITER POOL

Presentation to Finance & Governance Committee

Donna Ventura, Assistant CFO

November 12, 2019

BACKGROUND

In anticipation of future financing / refinancing needs, the City released a Request For Proposal (RFP) on August 21, 2019 for municipal bond underwriting services

The purpose of the RFP is to develop a pre-qualified underwriter pool based on the City's current and projected financing structures

Instead of conducting a single solicitation each time a financing is needed, the pre-qualified underwriting pool will allow for a more efficient selection process so the City can react quickly to refinancing opportunities, potentially saving hundreds of thousands of dollars in interest cost

OBJECTIVES OF THE RFP

- Solicit comprehensive proposals from various California underwriting firms
- Establish a pool of "pre-qualified" firms to educate about City financial needs and streamline the process for future bond financings
- Ensure that the pool includes multiple highly qualified firms for all financing structures utilized by the City
- Guarantee competitive pricing for all future underwritings
- Cultivate environment for "idea" sharing and relationship building by pool participants that will ultimately benefit the City and its residents

RFP EVALUATION CRITERIA

Responsiveness to RFP and understanding of City requirements	15% weight
Qualifications, relevant experience and ideas and contributions/dedication to the City	60% weight
Cost as represented by indicative underwriting fees	25% weight

ELEVEN FIRMS SUBMITTED RESPONSES FOR EVALUATION

- Evaluation committee comprised of the City's Risk Manager, Assistant Treasurer and Assistant CFO
- The City's municipal advisor, NHA Advisors, LLC, provided an objective, independent technical review of the 11 proposals to assist City staff in the evaluation process
- Each firm was evaluated based on the criteria across the seven different types of bond financings:
  - Gas Tax COP Refunding Bonds
  - Successor Agency Tax Allocation Bond Refunding Bonds
  - Utility Revenue Bonds (Water, Sewer and Solid Waste)
  - Short-term financing needs, including line of credit services
  - Pension Obligation Bonds
  - General Fund-backed lease revenue bonds
  - Land secured financings

CITY OF OXNARD CALIFORNIA 5

SEVEN OF ELEVEN FIRMS ARE RECOMMENDED FOR THE POOL

✓ Hilltop Securities	✗ Barclay
✓ JP Morgan	✗ Cabrera
✓ Piper Jaffray	✗ Citigroup
✓ Ramirez & Co.	✗ Wells Fargo
✓ Raymond James	
✓ RBC	
✓ Stifel Nicolaus	

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UNDERWRITER SELECTION FROM THE POOL

- As financing opportunities are identified, staff will work with NHA Advisors to develop a focused proposal to solicit a response from the most qualified firms in the pool for that type of financing.
- A “not to exceed” fee bid will be solicited from each selected participant, along with their recommendations for optimal structuring, legal, rating and other ideas/strategies for that specific project.
- This process should take 1 – 2 weeks, much shorter than a full RFP process, and therefore will allow City to respond to opportunities more quickly

RECOMMENDATION

That the Finance and Governance Committee:

1. Receive and file a report on the outcome of the request for proposals for Municipal Bond Underwriting Pool (“RFP”); and

2. Receive and file a report on the selection of firms to be included in the underwriter pool that may participate in future bond financing and refunding transactions.

Questions

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CITY OF OXNARD CALIFORNIA

FINANCE AND GOVERNANCE COMMITTEE AGENDA REPORT

REPORTS
AGENDA ITEM NO. D.2.

DATE: November 12, 2019

TO: Finance & Governance Committee

FROM: Stephen Fischer, City Attorney, (805) 385-7483, stephen.fischer@oxnard.org

SUBJECT: Council Committee Bylaws. (5/5/5)

RECOMMENDATION

That the Finance and Governance Committee recommend the City Council consider and adopt a resolution setting forth bylaws to establish regular meeting schedules for, powers and duties of, and types of business to be reviewed by the City Council committees established by Oxnard City Code Section 2-1.1.

BACKGROUND

As part of the transition from the Mayor plus four Councilmembers-at-large model to the Mayor plus six Councilmembers-by-district model following the November 2018 election, the Council adopted Ordinance No. 2949, which reorganized the Council meeting structure and replaced existing Council committees and task forces with five committees. Oxnard City Code Section 2-1.1, codified by Ordinance No. 2949, established the five Council committees, set forth the days and location for regular committee meetings, and provided that City Council would set meeting times by resolution and adopt bylaws setting forth the powers and duties of the Council committees.

Since commencing regular meetings in January of this year, the Council committees have served an advisory role, each reviewing items within their particular subject areas and making recommendations for action by the full City Council. With the recent review of the Internal Auditor program by the Finance and Governance Committee, delegation of authority beyond an advisory role is proposed. If Council wishes to make such a delegation, it should do so by resolution in accordance with OCC Section 2-1.1.

The attached proposed Council resolution would adopt bylaws to (a) formalize the regular meeting schedule that has been utilized since the Council committees were created, (b) set forth the powers and duties of each committee, and (c) provide guidance to staff regarding when items should be reviewed by the appropriate committee(s) prior to being considered by the City Council.

STRATEGIC PRIORITIES

This agenda item is a routine operational item or does not relate to the four strategic plans adopted by City Council on May 17, 2016.

FINANCIAL IMPACT

There is no financial impact.

Prepared by: Stephen Fischer, City Attorney

ATTACHMENTS

1. Council Committee Bylaws Reso.F&G_agenda

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO. ____________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD APPROVING BYLAWS FOR COUNCIL COMMITTEES

WHEREAS, City Code Section 2-1.1 establishes the following City Council committees ("the Committees") consisting of three city council members per committee, appointed by the mayor and approved by at least four city councilmembers: Finance and Governance Committee; Public Works and Transportation Committee; Public Safety Committee; Housing and Economic Development Committee; and Community Services Committee; and

WHEREAS, City Code Section 2-1.1 establishes the second and fourth Tuesdays of every month in the city council chambers as the regular meeting dates and location for Committee meetings and provides that the City Council shall set meeting times by resolution; and

WHEREAS, City Code Section 2-1.1 further provides that the City Council shall adopt bylaws setting forth the powers and duties for each Committee.

NOW, THEREFORE**,** the City Council of the City of Oxnard resolves to adopt the bylaws attached hereto as Exhibit A to set forth times of Committee meetings and setting forth the powers and duties for each Committee, to be effective immediately.

PASSED and ADOPTED this _____ day of _______, 2019, by the following vote:

AYES:

NOES:

ABSENT:

____
Tim Flynn, Mayor

ATTEST:

____
Michelle Ascencion, City Clerk

APPROVED AS TO FORM:

____
Stephen M. Fischer, City Attorney

EXHIBIT A

BYLAWS FOR THE FINANCE AND GOVERNANCE, PUBLIC WORKS AND TRANSPORTATION, PUBLIC SAFETY, HOUSING AND ECONOMIC DEVELOPMENT, AND COMMUNITY SERVICES COMMITTEES

Article I
Application/Definition

A. The following bylaws shall apply to the following standing City Council Committees: Finance and Governance, Public Works and Transportation, Public Safety, Housing and Economic Development, and Community Services.

B. Throughout these bylaws:

1. "COMMITTEE" refers to each individual committee.

2. "MEETING" or "MEETINGS" refers to a COMMITTEE meeting.

3. "MEMBER" refers to a COMMITTEE member.

4. "CHAIR" refers to the appointed chairperson of a COMMITTEE.

Article II
Powers and Duties

A. The Finance and Governance Committee shall consider items of concern to the City Manager's Office and to Finance, City Treasurer, Human Resources, City Clerk, and Information Technology departments. The Finance and Governance Committee and its CHAIR are also delegated authority to oversee and coordinate Internal Auditor services as specifically set forth by separate Council resolution.

B. The Public Works and Transportation Committee shall consider items of concern to the Public Works Department.

C. The Public Safety Committee shall consider items of concern to the Police and Fire departments.

D. The Housing and Economic Development Committee shall consider items of concerns to the Housing and Economic Development departments, including the Housing Authority and Successor Agency.

E. The Community Services Committee shall consider items of concern to the Cultural and Community Services Department.

F. Items within the purview of a particular COMMITTEE as described in this Article are scheduled before the COMMITTEE under the following guidelines:

1. A brand new item should go to COMMITTEE, then forward to Council with COMMITTEE's recommendation.
2. An item already approved by Council that has continuing work can go straight to Council. If an ongoing item requires significant, substantive changes it should go back to COMMITTEE, then forward to Council with COMMITTEE's recommendation.
3. Routine items, such as adopting the State's newest building codes, can go straight to Council.
4. Public Hearings go straight to Council.
5. There are exceptions for urgency items, such as public safety reasons, items that have external deadlines imposed on the City (that the City learned of recently), items that have significant financial impact and a short deadline to respond, or new mandates from higher government authority requiring quick responses, which can go straight to Council.

G. Unless specifically provided in this Article or by separate Council resolution, the powers and duties of a COMMITTEE shall be limited to receiving reports for which no formal action is required and providing recommendations on items of business to be formally acted upon by the City Council.

Article III
Membership

A. Each COMMITTEE shall consist of three City Councilmembers appointed by the Mayor, and approved by at least four City Councilmembers.

B. The term of a MEMBER shall be two years.

Article IV
Officers

A. For each COMMITTEE, the Council shall appoint one MEMBER as the CHAIR.

B. The duties of the CHAIR shall be as follows:

1. To preside at all MEETINGS;
2. Preserve strict order and decorum at all MEETINGS;
3. Announce the COMMITTEE's decision on all matters; and
4. Decide all questions of order, subject however, to an appeal by any MEMBER to the COMMITTEE as a whole, in which event a majority vote of the COMMITTEE shall govern and conclusively determine questions of order.

C. Vice-Chair – If the CHAIR is absent from a MEETING, one of the MEMBERS shall act as the CHAIR for purposes of that MEETING.

Article V
Meeting Schedule/Quorum

A. The City Council by ordinance has established the COMMITTEE's regular MEETING dates as the 2nd and 4th Tuesday of each month, in the Council Chambers, at 305 West Third Street. The regular MEETING times for each COMMITTEE are as follows:

1. Finance and Governance: 9:30 a.m. - 10:45 a.m.
2. Public Works and Transportation: 11:00 a.m. - 12:15 p.m.
3. Public Safety: 2:00 p.m. - 3:15 p.m.
4. Housing and Economic Development: 4:30 p.m. - 5:45 p.m.
5. Community Services: 6:00 p.m. - 7:15 p.m.

B. Special MEETINGS may be called by the CHAIR or a majority of the COMMITTEE in compliance with the Brown Act and the City's Sunshine Ordinance. At a special MEETING, no business other than that officially noticed may be discussed.

C. Two MEMBERS shall constitute a quorum for the transaction of business. When there is no quorum, any MEMBER shall adjourn such MEETING or, if no MEMBER is present, the City Clerk shall adjourn the MEETING.

Article VI
Placing Items on the Agenda

A. Items are typically placed on a COMMITTEE agenda by City staff, or by the City Clerk following a Councilmember request made in accordance with the Procedures Manual of the Oxnard City Council.

B. A MEMBER requesting an item to be placed on a future agenda may (1) briefly announce their request during the "Items for Future Agendas" portion of a MEETING, (2) submit a detailed request in writing to the City Clerk, or (3) both. If a majority of the MEMBERS determine the COMMITTEE should consider the item, the City Manager will determine when to place the item on a future COMMITTEE agenda based on time necessary to research the item, staff workload considerations, and the effect on City Council established priorities.

Article VII
Coordination with City Council

The City Manager shall as soon as possible inform the City Council of recommendations made by the COMMITTEE.

Article VIII
Rules of Order

The latest version of the revised edition of "Rosenberg's Rules of Order" shall govern the conduct of COMMITTEE MEETINGS.

Article IX
Amendments

The City Council must approve amendments to these bylaws.

Article X
Minutes

The City Clerk shall prepare and maintain the minutes of each MEETING in a book as a record of each particular type of business transacted. The City Clerk shall be required to make a record only of such business as was actually passed upon by a vote of the COMMITTEE and shall not be required to record any remarks of MEMBERS or of any other person except at the special request of a MEMBER.