



380 JACKSON STREET, SUITE 450, ST. PAUL, MN 55101

Main Phone: 651.296.4690 Fax: 651.297.5751

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Request for Qualifications / Request for Proposal  
To Provide  
Municipal Advisor Services

The Minnesota Higher Education Facilities Authority (“MHEFA” or “Authority”) is requesting your consideration of providing a response to this Request for Qualifications / Request for Proposal (herein “RFP”) to provide Municipal Advisor (“MA”) services to the Authority.

The Authority has historically engaged a single MA for all Authority financings. To enhance the level of professional services available to Authority borrowers and to reduce real or perceived conflicts of interest, the Authority plans to select and maintain a roster of multiple MA firms to serve as a resource for the Authority. This permits firms to serve as the Authority’s MA on select Authority financing transactions while allowing them to serve as Underwriter or in another capacity on other Authority financing transactions. In the event an MA in the roster has a conflict working with an Authority borrower, the Authority has the flexibility to substitute an MA from the roster.

The Authority retains the right to engage any firm for any assignment when it is deemed in the Authority’s best interest to do so, depending on the Authority’s needs and areas of expertise of the firms. However, the Authority may choose to identify one firm as its primary consultant for market information, financial and strategic planning, debt issuance (new or refunding), and post-issuance consulting services including arbitrage rebate calculation service.

I. General Information Regarding the Authority

A. Principal Contact

For the purpose of the RFP, the primary contact will be Executive Director Barry W. Fick. The proposal should be emailed to [bwf@mnhefa.org](mailto:bwf@mnhefa.org).

## B. Background Information

The Authority is authorized by Minnesota Statutes to provide capital project financing assistance to private higher education institutions in the State of Minnesota. The Authority has operated since 1971. Additional information about the Authority, its history, mission, and schools served by the Authority may be found at the Authority's website, <https://mnhefa.org/>

### II. Schedule

#### A. Proposal Calendar Summary

Send out request for proposals:	October 14, 2020
Notice of intent to respond due:	October 21, 2020
Pre-proposal questions due:	October 27, 2020
Answers to questions distributed:	November 3, 2020
Proposals submittal due date:	November 17, 2020
Tentative interview dates:	December 2 - 4, 2020
Approval by Authority Board	December 16, 2020

#### B. Notification of Intent to Respond and Pre-Proposal Questions

The Authority asks that you notify Barry Fick by October 21, 2020 via email at [bwf@mnhefa.org](mailto:bwf@mnhefa.org) of your intent to respond with a proposal. The primary purpose of this notification is to obtain an email address to mail responses to proposer questions as outlined in the next paragraph. If you do not notify the Authority of your intent to respond, you are not precluded from responding to the RFP by the due date; however, you may not receive answers to the proposer questions, and the Authority will bear no liability for not communicating to you the responses to the proposer questions.

In lieu of a pre-proposal conference, the Authority will take written questions regarding the content of the RFP, the form or content of proposals, and/or information pertinent to preparing proposals, from those interested in responding to the RFP. Questions should be submitted by email to Barry Fick no later than October 27, 2020. Responses to all questions received will be emailed by November 3, 2020 to all who have submitted a notice of intent to respond to the RFP.

The Authority is inviting proposals for the purpose of selecting a firm for a three (3) year initial period beginning January 1, 2021. The Authority may extend the engagement by up to two (2) one (1) year extensions for a total engagement period of five (5) years. The independent MA(s) will be expected to perform services as required by the Authority in a professional and timely manner.

III. Scope of Services

Services sought through this RFP include, but are not limited to the following.

A. Financial Planning and Debt Management Services:

1. Reviewing and analyzing the Authority's long-term financial plans.
2. Advising the Authority on amendments to policies and procedures.
3. Reviewing and analyzing alternatives for financing the Authority's capital requirements.
4. Estimating revenue, financing requirements, and bond payment structures.
5. Prepare bond or note feasibility schedules and refunding feasibility reports as requested;
6. Advising on related fiscal and credit rating impacts.
7. Proactively review outstanding Authority issued debt for refunding, restructuring or defeasance opportunities.
8. Keeping Authority updated on current market conditions or potential legislative initiatives which may affect Authority operations or issuance or viability.
9. Being available for presentation to Authority Board on Public Finance matters relevant to the Authority.

B. Debt Issuance Development and Oversight Services:

1. Planning and Development:
  - (a) Analyzing alternatives for financing to strengthen marketability, including bond financings and private purchases.
  - (b) Recommending best bond sale method (competitive, negotiated, private placement, other) based on current economic and market conditions, the borrowing entity, and the character of financing.

- (c) Coordinating legal review with the Authority's bond counsel and other professionals when necessary to ensure legal requirements are met.
  - (d) Consulting on credit rating strategy and work with rating agencies on the proposed financing and assisting the Authority in obtaining a credit rating.
2. Structuring, Documentation, and Marketing:
- (a) Advising the Authority on appropriate terms, conditions, covenants, and timing of bond sales as well as formats for bidding (if competitive sale).
  - (b) Reviewing or preparing the Authority's official statements, offering memorandums or other disclosure documents; report and coordinate the update of Authority information with Authority staff, ensuring compliance with full disclosure requirements and conformance to market guidelines (indicate if you would draft official statements or if your role would be to review and comment on drafts prepared by other parties).
  - (c) Advising the Authority on disclosure requirements and conformance to timelines.
  - (d) Assisting the Authority in publicizing bond sales.
  - (e) Assisting the Authority in conducting competitive sales, including analyzing results, compiling, and ranking bids received, and recommending award of sales.
  - (f) Assisting the Authority in negotiated bond sales: help develop requests for proposal for professional services, negotiating terms of sale, marketing, preparing marketing analysis, evaluating flow of orders, review and comment on final pricing and terms of sale, recommending final issue structure and assisting in the execution of the bond purchase agreement.
3. Post-Pricing and Bond Closing
- (a) Assisting in the bond closing process, including reviewing all documents and preparing necessary calculations.
  - (b) Verifying bond pricing and debt structure.
  - (c) Assisting with investment of bond proceeds, reserve funds, including conducting competitive bidding for such investments if you provide or facilitate such services.
4. Continuing Disclosure
- (a) Assisting as requested in compiling reports that meet continuing disclosure requirements.

- (b) Monitoring for Material Events such as delinquencies or defaults that must be disclosed.
- (c) Assisting as requested to complete required continuing disclosure documents and filing on the MSRB's Electronic Municipal Market Access (EMMA).
- 5. Arbitrage Rebate Management – any arbitrage agreement will be separate from and not a contingency for the MA engagement.
  - (a) Advising on arbitrage and/or rebate provisions.
  - (b) Monitoring funds subject to arbitrage restrictions.
  - (c) Preparing calculations necessary to determine any liability.
- 6. Post Issuance Compliance
  - (a) Advising on guidelines and procedures for post issuance compliance monitoring systems.
  - (b) Ensuring that issuance of obligations meets with appropriate documentation and filing requirements.
  - (c) Assisting Authority borrowers as requested and reviewing the use of debt-financed facilities for compliance with private activity limitations.
  - (d) Advising and assisting the Authority in the compilation and retention of all records necessary to support its actions related to debt issuance and to defend itself in matters of post issuance compliance.
- 7. Providing other financial services as required.

#### IV. Organization of the Request for Proposals

##### A. Technical Proposal

Proposal should include responses to each of the following items. Please construct your proposal with responses in the same order as listed below to facilitate review comparison by the review committee. The Authority prefers that your proposal be delivered by email in Word or PDF format. In the alternative, the document may be delivered by a delivery service or by USPS.

Brevity and plain language are encouraged in preparing your firm's proposal. The use of appendices is encouraged to illustrate or detail your basic response to the questions to be answered as part of your response to this RFQ/RFP.

1. Provide a general profile of the firm.
2. Demonstrate your experience working with conduit issuing authorities or private higher education institutions that have comparable characteristics to the Authority or its borrowers.
3. Outline your firm's experience in providing the Scope of Services outlined above.
4. Identify the professional staff who will be specifically assigned to work with the Authority, indicating the lead representative. Include resumes for each individual listing professional experience, qualifications, education, and relevant professional licenses and certifications. The description of professional experience should specifically list the number of years and type of experience directly in the field of public finance.
5. Include a reference list of not more than three (3) client conduit issuers for higher education or individual higher education institution clients where related services were provided by the professionals itemized in (4) immediately above along with the name and telephone number of a person who may be contacted at such issuers and at conduit clients for whom services were provided.
6. Include a history or outline of previous or current services provided to the Authority, if any.
7. Explain any other relevant qualifications and experience you would like the Authority to be aware of.
8. Discuss any potential, real or perceived conflicts of interest and how you would mitigate any conflict.
9. All proposals must include evidence of professional liability insurance.

#### B. Fee Schedule

1. A schedule of fees must be submitted in a separate document. The Authority is interested in selecting firms that provide the Authority with optimal services in the highest

professional manner yet are cost-effective. Firms will be selected for interviews based upon their overall credentials and their ability to service the Authority. The lowest fee is not the Authority's weightiest criterion.

2. In a separate document, respondents must submit a Fee Schedule Proposal for all services including fees for incidental expenses. This document may be delivered either by email or by delivery service or the USPS.
3. The Authority will not be responsible for expenses incurred in preparing or submitting the technical proposal or the fee schedule.
4. The following information should be included in the Fee Schedule Proposal:
  - (a) Name of firm.
  - (b) Certification that the firm has authorized the person signing the proposal to submit the proposal and to sign a contract with the Authority if the firm is selected.
  - (c) Rates by Position (i.e. Principal, Municipal Advisor, Specialist, Supervisory, Support Staff, etc.')
  - (d) A schedule of professional fees and expenses for the following services:
    - i. Debt Issuance
      - Type of debt (bonds, private purchases, other)
      - Competitive versus Negotiated Sale
      - Refundings
    - ii. Continuing Disclosure
    - iii. Arbitrage Reporting
    - iv. General Advisory Services – hourly rate or retainer
    - v. Other

C. The Authority plans to interview proposers whose submissions best meet the needs of the Authority. Interviews will be conducted virtually, using Zoom and telephone conference call service. At the conclusion of the interviews, the Authority will select and rank firms according to qualifications and may desire to negotiate more specific terms of compensation.

#### D. Terms & Conditions

1. The Authority reserves the right to reject any or all proposals. If the accepted proposer does not execute a contract within thirty (30) days after the award of the proposal, the Authority may award the contract to the next most qualified proposer(s).
2. The proposals should be emailed to the following address no later than 4:30 p.m. Central time November 17, 2020: [bwf@mnhefa.org](mailto:bwf@mnhefa.org). Multiple emails are acceptable if required for file size. If you choose to send the fee schedule by USPS or delivery service, the envelope should be addressed to: Executive Director, Minnesota Higher Education Facilities Authority, 10546 202<sup>nd</sup> St W, Lakeville, MN 55044-9301 for receipt by that same date.
3. All proposals shall become the property of the Authority.
4. The Authority may, at its option, request interviews/oral presentations prior to selection. Notification by email or telephone will be given if such meetings are requested. A listing of firms presenting proposals will be available. Communications with other Authority staff or with Authority Board members will constitute automatic rejection of that firm's proposal.
5. The Authority reserves the right to request clarification of the information submitted and to request additional information of one or more proposers.
6. Any proposal may be withdrawn up to the proposal deadline. Any proposals not withdrawn shall constitute an irrevocable offer, for a period of ninety (90) days beginning on the proposal submission date, to provide the Authority with the services set forth in such proposals.
7. If, through any cause, an MA shall fail to fulfill in timely and proper manner the obligations agreed to, the Authority shall have the right to terminate its contract by specifying the



date of termination in a written notice to such MA at least thirty (30) calendar days before the termination date. In this event, the firm shall be entitled to just and equitable compensation for any satisfactory work completed.

8. Any agreement or contract resulting from the acceptance of a proposal shall be on forms either supplied by or approved by the Authority and shall contain, at a minimum, applicable provisions for the terms of this RFP. The Authority reserves the right to reject any agreement that does not conform to the RFP or any Authority requirements for agreements and contracts.
9. Contracted MA(s) shall not subcontract or assign any interest in the contract and shall not transfer any interest in the contract without prior written consent of the Authority.
10. No reports, information, or data given to or prepared by an MA under contract shall be made available to any individual or organization by such MA without the prior written approval of the Authority.
11. All data, documents, and other information provided to the Authority by any proposer as a result of this RFP shall become the property of the Authority.
12. All costs associated with the preparation or submission of a proposal in response to the RFP shall be the responsibility of the proposer.
13. Proposers must return an executed copy of the Respondent Guarantees and Respondent Warranties, attached to this RFP (Appendix A).
14. MA(s) will be expected to meet with Authority officials, either at the Authority office, by video conference or by telephone conference as needed during service engagements and as allowed under public health guidelines.

15. The Authority expects its MA(s) to respond by phone on a complimentary basis to routine questions that do not require considerable research.
16. Should an MA merge or be purchased by another individual or firm, contract continuation will be at the Authority option.
17. As this is an RFP and not a bid, the Authority reserves the right to negotiate with any party and on any manner.

The proposer agrees that if the contract is awarded to their firm, the firm shall defend, indemnify and hold harmless the Authority, as appropriate, and its officials, agents, and employees from and against all claims, damages, losses, and expenses, including attorney's fees arising out of or by reason of the execution or performance of the work or services provided by the successful proposer, including their officials, agents, employees and subcontractors, and further agrees to defend at its sole cost and expense any action or proceeding commenced for the purpose of asserting any claim of whatsoever character arising hereunder.

18. Any MA shall secure and maintain such insurance as will protect the MA from claims under the Workers' Compensation Acts, automobile liability, and from claims for bodily injury, death, or property damage which may arise from the performance of services under this Agreement. Such insurance shall be written for amounts not less than:

Commercial General Liability (or in combination with an umbrella policy)

- \$2,000,000 Each Occurrence
- \$2,000,000 Products/Completed Operations Aggregate
- \$2,000,000 Annual Aggregate

The following coverages shall be included:

Premises and Operations Bodily Injury and Property Damage  
Personal and Advertising Injury

Blanket Contractual Liability

Products and Completed Operations Liability

Automobile Liability

\$2,000,000 Combined Single Limit – Bodily Injury & Property Damage  
Including Owned, Hired & Non-Owned Automobiles

Workers Compensation

Workers' Compensation insurance in accordance with the statutory requirements of the State of Minnesota, including Employer's Liability with minimum limits are as follows:

- \$500,000 – Bodily Injury by Disease per employee
- \$500,000 – Bodily Injury by Disease aggregate
- \$500,000 – Bodily Injury by Accident

The Authority shall be named as an additional insured on the general liability and umbrella policies on a primary and non-contributory basis.

The MA shall secure and maintain a professional liability insurance policy. Said policy shall insure payment of damages for legal liability arising out of the performance of professional services for the Authority, in the insured's capacity as a consultant, if such legal liability is caused by a negligent act, error or omission of the insured or any person or organization for which the insured is legally liable. The policy shall provide minimum limits of \$2,000,000 with a deductible maximum of \$125,000 unless the Authority agrees to a higher deductible.

Before commencing work, the MA shall provide the Authority a certificate of insurance evidencing the required insurance coverage in a form acceptable to the Authority.

19. It is agreed that nothing herein contained is intended or should be construed in any manner as creating or establishing the relationship of co-partners between the parties hereto or as constituting the MA as the agent, representative or employee of the Authority for any purpose or in any manner whatsoever. The MA is to be and shall remain an independent contractor with respect to all services performed under this contract. The

proposer represents that it has, or will secure at its own expense, all personnel required to perform services under this contract. Any and all personnel of the proposer or other persons while so engaged, and any and all claims whatsoever on behalf of any such person or personnel arising out of employment or alleged employment including, without limitation, claims of discrimination against the proposer, its officers, agents, contracts or employees shall in no way be the responsibility of the Authority; and the proposer shall defend, indemnify and hold the Authority, its officers, agents and employees harmless from any and all such claims regardless of any determination of any pertinent tribunal, agency, board, commission or court. Such personnel or other persons shall not require nor be entitled to any compensation, rights or benefits of any kind whatsoever from the Authority, including, without limitation, tenure rights, medical and hospital care, sick and vacation leave, Workers' Compensation, Unemployment Compensation, disability, severance pay and PERA.

20. The Authority hereby notifies all proposers that businesses owned and controlled by minorities or women will be afforded maximum feasible opportunity to submit proposals. The Authority also notifies all persons that no one will be subjected to discrimination on the basis of race, color, creed, religion, national origin, sex, disability, sexual orientation, age, marital status, or status with regard to public assistance, under the Minnesota Human Rights Act, Minnesota Statutes, Chapter 363A.
21. The contract time shall commence on the date stated in the contract. The contract expiration date shall be the earlier of that date stated in the contract or upon completion of all the terms stated in the contract unless otherwise agreed by the parties.
22. The person submitting a proposal thereby affirms that they are authorized on behalf of the proposer to make representations and sign on its behalf. The person signing the proposal also affirms that the proposal has been compiled independently and without collusion or agreement or understanding with any other vendor. The proposer also affirms that the contents of this proposal have not been communicated by the proposer or its agents to any person not an employee or agent of the proposer.

23. The proposer agrees to comply with the Americans with Disabilities Act and not discriminate on the basis of disability in the admission or access to, or treatment of employment in its services, programs, or activities. Upon request, accommodation will be provided to allow individuals with disabilities to participate in all services, programs, and activities. The Authority has designated a coordinator to facilitate compliance with the Americans With Disabilities Act of 1990 (ADA), as required by Section 35.107 of the U.S. Department of Justice regulations, and to coordinate compliance with Section 504 of the Rehabilitation Act of 1973, as mandated by Section 8.53 of the U.S. Department of Housing and Urban Development regulations.

For information contact: Amanda Lee, Operations Manager, at [agl@mnhefa.org](mailto:agl@mnhefa.org).

The proposer agrees to hold harmless and indemnify the Authority from costs, including but not limited to damages, attorney's fees, and staff time, in any action or proceeding brought alleging a violation of ADA caused by the proposer.

24. All books, records, documents, and accounting procedures and practices of the successful proposer relevant to the contract shall, pursuant to Minnesota Statutes, Section 16C.05, subd. 5, be subject to examination at all times by the Authority's Internal or External Auditors, and/or by the Legislative Auditor or State Auditor.

Unless otherwise provided in the contract documents, the initial term of the MA contract shall be a period of three years, followed by two optional one-year extensions. Upon termination of this initial three-year term, the contract may be renewed on an annual basis for two years thereafter if such extension is approved by the MA and the standard of service is satisfactory to the Authority. The Authority shall contact the MA prior to the contract termination date to determine whether or not the Authority will allow an extension of the contract.

25. If the MA refuses or fails to furnish goods or services in accordance with the requirements of the contract and within the time limitations contained in the contract, the Authority

may purchase such goods or services from other sources until such time as the MA is able to perform under the terms of the contract.

26. The proposer agrees that this document and the contract, if awarded to the proposer, shall be construed, and governed by the laws of the State of Minnesota.
27. The proposer agrees to at all times observe and comply with all laws, ordinances, regulations, and codes of the federal, state and local government which may in any manner affect the preparation of proposals or the performance of the contract.

#### D. Interviews

The Authority may select two or more firms for oral presentations. Each firm will have the opportunity to give a 15-minute presentation summarizing their qualifications and their approach to the engagement. The presentation will be followed by a question and answer period. The individuals who will be assigned to the project will be expected to make the oral presentation. It is anticipated that presentations will be made by video conference.

#### E. Evaluation of Proposals

An evaluation committee shall be used to evaluate the proposals and conduct interviews based upon the following criteria:

1. Quality of the statements and completeness of response to the RFP.
2. Experience of staff assigned to serve the Authority.
3. Experience and creativity in providing municipal advisory services to entities of comparable characteristics to the Authority.
4. Proven ability to provide other financial and management advisory services.
5. References.

APPENDIX A  
Request for Proposals

RESPONDENT GUARANTIES

The Respondent certifies it can and will provide and make available, as a minimum, all services set forth in Section III, Scope of Services.

RESPONDENT WARRANTIES

- A. Respondent warrants that it is willing and able to comply with State of Minnesota laws with respect to foreign (non-State of Minnesota) corporations.
- B. Respondent warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees, or agents thereof.
- C. Respondent warrants that it will not delegate or subcontract its responsibilities under an agreement without the prior written permission of the Minnesota Higher Education Facilities Authority.
- D. Respondent warrants that all information provided by it in connection with this proposal is true and accurate.

Signature of Official: \_\_\_\_\_

Name (printed or typed): \_\_\_\_\_

Title: \_\_\_\_\_

Firm: \_\_\_\_\_

Date: \_\_\_\_\_