

MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY

REQUEST FOR PROPOSALS

FINANCIAL ADVISORY SERVICES

September 8, 2021

I. Introduction

The Massachusetts State College Building Authority (the “Authority”) seeks proposals from qualified firms interested in providing financial advisory services to the Authority. Firms certified by the Supplier Diversity Office are encouraged to submit proposals.

II. Background

Established in 1963, the Authority is a public instrumentality of the Commonwealth and is charged with financing, designing, constructing, and overseeing the management of housing, dining, athletic, parking and other student activity facilities (“Projects”) for the nine Massachusetts State Universities: Bridgewater, Fitchburg, Framingham, Salem, Westfield, and Worcester State Universities, Massachusetts College of Liberal Arts, Massachusetts Maritime Academy, and Massachusetts College of Art and Design. The Authority provides similar services to the fifteen Massachusetts Community Colleges: Berkshire, Bristol, Bunker Hill, Cape Cod, Greenfield, Holyoke, Massachusetts Bay, Massasoit, Middlesex, Mount Wachusett, North Shore, Northern Essex, Quinsigamond, Roxbury, and Springfield Technical. Annually, the Authority sets rents and fees sufficient to provide for the payment of all costs of its facilities, including maintenance, operation, administration, reserves and to pay debt service on revenue bonds issued to finance its Projects.

As of August 31, 2021, the Authority had 23 State University Program bond issues outstanding totaling approximately \$1.2 billion, and 2 Community College Program bond issues outstanding totaling approximately \$6 million. The Authority typically sells new money bonds once a year or every other year and may sell current refunding bonds when it is economically compelling. We are exploring a tax-exempt refunding of the 2012C Bonds in the winter of 2022, and will consider whether it makes sense to issue taxable refunding bonds for the 2014A, 2014B, 2014C, and 2015A series. The Authority’s foreseeable new money bond issuances will be one issue annually or every other year of from \$10 to \$25 million each. We expect to issue approximately \$10 million of new money bonds in the winter of 2022. The Authority’s outstanding debt is 100% fixed rate with no associated swaps or derivative products. The Authority is rated Aa2/AA-.

For more information on the Authority and its debt, see mscba.org.

III. Schedule of Selection Process

The following is the anticipated schedule for the financial advisor selection process.

Financial Advisory Services RFP issued..... September 8, 2021
Deadline for questions..... September 15, 2021 (4 P.M.)
Proposals due..... September 22, 2021 (4 P.M.)

IV. Scope of Services

The scope of requested services includes the following specific services, and such other services as may be reasonably requested.

1. Review and critique of the Authority's current debt management practices and outstanding debt structure.
2. Assist and make recommendations on all aspects of financings (whether new money or refundings), including: document preparation, method of sale, selection of financing team, timing of sale, economic considerations, market conditions, maturity structures, interest rates, redemption provisions, debt service requirements, evaluation of bond pricing, evaluation of underwriter performance, and any post-sale services as may be reasonably requested.
3. Assist in development and analysis of projections for new money, potential refundings, and cash defeasance. These analyses will include cash flow, debt service, reserves, revenues, flow of funds and will be by specific project, by project-type, by campus and by bond issue. In connection with refunding bond issues, this assistance will include developing different structuring and savings scenarios on a campus-specific and project-specific basis for consideration by the Authority and each of the affected campuses.
4. Assist in development and evaluation of a multi-year financing plan.
5. Assist in the preparation and presentation of information for credit rating agencies, investors, the Authority's board, and other constituents.
6. Advise on arbitrage rebate, private activity, investments and other analyses and services related to current or prospective debt issuance, as requested.
7. Review green bond and social bond guidelines.
8. As requested services: Provide financial advisory services on post issuance compliance and debt management –related special projects as may arise.

V. Fee

Provide a fee schedule and estimate for the advisory services described herein, including fees for debt issuance, defeasance, and hourly consulting services. Provide assumptions behind your fee proposal.

VI. Term of Contract

The Authority expects to qualify a pool of advisors to provide services over the next few years, and may enter into a 3-year agreement with the successful firm(s) with extensions at the option of the Authority.

VII. Minimum Qualifications

1. The Authority will only consider MSRB-Registered Municipal Advisor Firms and the individuals assigned to the Authority must be Series 50 Qualified Representatives.
2. Evidence of satisfaction of all required business, industry, etc. registrations and/or licensing at the firm level or at the individual (to be assigned to the Authority) level.
3. The principal leading the engagement on behalf of the firm must have at least five (5) years of relevant experience providing municipal advisory services and/or as a municipal finance officer.

VIII. Evaluation Criteria

Evaluation and selection will be based on written qualification and oral presentations, if deemed necessary, with emphasis on the following general criteria:

1. Demonstrated experience in providing municipal advisory services to issuers with similar credit structure and financing needs as the Authority.
2. Technical ability, analytic capabilities and capacity of the firm to provide financial advisory services as described herein.
3. The knowledge, skills, experience and professional credentials of the key personnel to be assigned to the Authority.
4. Massachusetts Supplier Diversity Office and/ or recognized third party certifications that promote diversity, equity, and inclusion.
5. Approach to municipal advisory services and overall responsiveness to RFP.
6. Proposed cost for services to be provided.

IX. Submission Requirements

All proposing firms must submit the following information and materials:

1. Certification in the form and substance of Attachment A.
2. Description of the firm and its relevant experience, including a statement of the date of establishment or incorporation under the present management structure. Statement describing the full extent of the responding firm's business, including all parent and subsidiary entities.
3. Description of the firm's experience performing the type of services requested in this RFP, including description of current and recent arrangements with other clients for which similar services are performed.
4. Description of the firm's understanding of the Authority's credit.
5. Description of the firm's approach to providing the type of services sought by the Authority.
6. Description of the software and analytic capabilities of the firm.
7. Identification of the proposed municipal advisory team, including the principal-in-charge who will have overall responsibility for the direction and supervision of the team, and a description of the responsibilities of each team member. Provide short biographies of team members describing at a minimum education, and professional experience and related credentials.
8. Three (3) references of clients or other entities that are familiar with the work of your firm in providing services of the type requested by the Authority with current contact information for each reference, and three (3) references of persons familiar with the work and professional skill of the proposed principal-in-charge. The references for the firm and the principal-in-charge may, but need not, be the same.
9. Identification of any material litigation, administrative proceedings or investigations regarding your firm or team member that is ongoing or has been settled or otherwise concluded during the past two years. Identification of any conflict of interest related to this proposal.

X. Questions regarding this RFP

Questions regarding this RFP must be submitted via e-mail to the person indicated below no later than 4:00 P.M. September 15, 2021. Oral questions will not be

permitted. Authority may issue response, if any, in writing and will post such response to its website. Please note that the Authority may decline to answer any question.

No other employee or agent (including bond counsel, rating agencies and trustee) of the Authority and no member of the Authority's Board or employee of the State Universities should be contacted until the RFP process has concluded and firms have been notified of the outcome. Failure to adhere to this may result in disqualification of the RFP response.

XI. Proposal submittal

Proposals must be received by the Authority no later than **4:00 p.m., September 22, 2021** at the e-mail address indicated below. Proposals must be limited to ten 8 ½" x 11" pages. Firms shall submit the proposal in PDF format to the e-mail address below.

Jennifer Gonzalez
Deputy Director, Administration and Finance
Massachusetts State College Building Authority
10 High Street, Suite 201
Boston, Massachusetts 02110
jgonzalez@mscba.org

XII. Other Information

1. The Authority reserves the right to seek additional information from any responding party and to schedule interviews with one or more of the responding firms.
2. The Authority reserves the right to reject any and all Proposals, to waive any minor informality in the Proposals or to enter into any contract deemed by the Authority to be in its best interest.
3. The Authority reserves the right to amend this RFP at any time and negotiate the scope of services and/or fee terms with one or more of the responding firms.

Certification Form

Proposal to Provide Municipal Advisory Services
to Massachusetts State College Building Authority

I, the _____ (Title) of _____(Firm), affirm that I have the authority to contractually bind (Firm). I also affirm that:

1. (Firm) will act in accordance with all applicable federal and state laws.
2. (Firm) warrants that all information and statements in the proposal submitted in response to this RFP are complete and true. Any statement or claim found to be incomplete, misleading, or false will be grounds for immediate disqualification or dismissal and may be subject to legal action.
3. (Firm) will be responsible for any error or omission on its part.
4. (Firm) is prohibited from assigning any interest in this contract to any other party, were it to be granted to (Firm), without the written consent of the Authority.

Name of person signing this letter (print or type)

Authorized signature of person signing this letter

Address

Telephone(s)

E-mail