

**COMMONWEALTH OF VIRGINIA**  
**DEPARTMENT OF THE TREASURY**  
**On Behalf of the**  
**Virginia Public Building Authority (VPBA)**

**REQUEST FOR PROPOSALS # VPBA 08-010**

for

**FINANCIAL ADVISOR**

**J. BRAXTON POWELL**

**STATE TREASURER**

Kelley Denton

Procurement Officer

**April 30, 2008**

**NOTE: This public body does not discriminate against faith-based organizations in accordance with the Code of Virginia, §2.2-4343.1 or against an offeror because of race, religion, color, sex, national origin, age disability, or any other basis prohibited by state law relating to discrimination in employment.**

# REQUEST FOR PROPOSALS

## Cover Sheet

RFP #: **VPBA 08-010**  
Issue Date: **April 30, 2008**  
Title: **Financial Advisor**

Issuing State Agency: Virginia Department of the Treasury  
Attn: Kelley Denton  
Procurement Officer  
Commonwealth of Virginia  
Department of the Treasury  
P.O. Box 1879  
Richmond, Virginia 23218-1879

Using Agency Department of the Treasury on behalf of  
Virginia Public Building Authority ("the Authority")

Initial Period Of Contract: From July 1, 2008 Through June 30, 2011 With The Option To Renew For Two Additional One-Year Terms At The Option Of the Authority And In Accordance With The Terms Noted Herein.

Sealed Proposals Will Be Received Until **1:00 p.m. on May 16, 2008** For Furnishing The **Financial Advisor Services** Described Herein. Offerors names shall be read aloud.

All Inquiries For Information Should Be Directed To: Kelley Denton at (804) 786-4741

If Proposals Are Mailed, Mail Directly To Issuing Agency Shown Above, Adding One Line To The Top Of The Address As Follows: **Proposal for Financial Advisor for the Virginia Public Building Authority, RFP VPBA 08-010**. If Proposals Are Hand Delivered, Deliver To: **Proposal for Financial Advisor , RFP VPBA 08-010**, Commonwealth of Virginia, Department of the Treasury, James Monroe Building - 3rd Floor, 101 North 14th Street, Richmond, Virginia 23219, Attn: Kelley Denton.

In Compliance With This Request For Proposals And To All The Conditions Imposed Therein And Hereby Incorporated By Reference, The Undersigned Offers And Agrees To Furnish The **Financial Advisor Services** for the Virginia Public Building Authority In Accordance With The Attached Signed Proposal Or As Mutually Agreed Upon By Subsequent Negotiations.

NAME AND ADDRESS OF FIRM:

DATE: \_\_\_\_\_

\_\_\_\_\_

BY: \_\_\_\_\_

(Signature in ink)

\_\_\_\_\_

NAME: \_\_\_\_\_

(Please Print)

\_\_\_\_\_ Zip Code: \_\_\_\_\_

TITLE: \_\_\_\_\_

FEI/FIN NUMBER: \_\_\_\_\_

FAX NUMBER: \_\_\_\_\_

TELEPHONE NUMBER: \_\_\_\_\_

## **TABLE OF CONTENTS**

<b>SECTION I: PURPOSE .....</b>	<b>1</b>
<b>SECTION II: BACKGROUND .....</b>	<b>2</b>
<b>SECTION III: SCOPE OF SERVICES .....</b>	<b>3</b>
<b>SECTION IV: PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS .....</b>	<b>5</b>
<b>SECTION V: EVALUATION AND AWARD CRITERIA.....</b>	<b>8</b>
<b>SECTION VI: GENERAL TERMS AND CONDITIONS.....</b>	<b>9</b>
<b>SECTION VII: SPECIAL TERMS AND CONDITIONS.....</b>	<b>16</b>
<b>SECTION VIII: METHOD OF PAYMENT .....</b>	<b>19</b>
<b>SECTION IX: PRICING SCHEDULE.....</b>	<b>20</b>
<b>SECTION X: APPENDICES.....</b>	<b>21</b>

Commonwealth of Virginia  
RFP # VPBA 08-010 for Financial Advisor  
Due: May 16, 2008

SECTION I: PURPOSE

The purpose of this Request for Proposals ("RFP") is to solicit sealed proposals from qualified firms to establish a contract through competitive negotiations for the provision of services as financial advisor (the "Contractor") for the Virginia Public Building Authority.

## SECTION II: BACKGROUND

The Virginia Public Building Authority (the “Authority” or the “VPBA”) is a political subdivision of the Commonwealth of Virginia, authorized to issue bonds under the Virginia Public Building Authority Act of 1981, Article 6, Chapter 22, Title 2.2 of the *Code of Virginia* of 1950, as amended (the “Act”). The Authority was created by the Act for the purpose of financing or refinancing cost of capital projects that benefit the Commonwealth and its agencies, instrumentalities and political subdivisions; and financing or refinancing of reimbursements to localities or regional jail authorities for the Commonwealth’s share of cost for approved regional jail and juvenile detention projects. The Authority is governed by a seven-member board (the “Board”) comprised of the State Treasurer, the State Comptroller and five citizen members appointed by the Governor. The Department of the Treasury serves as staff to the Board.

The Authority created the 1997 Indenture of Trust, which utilizes a single payment agreement to provide for semi-annual debt service payments, thereby, replacing the individual lease agreement structure used under the 1988 Indenture. Debt service payments are subject to General Assembly appropriation. Title to projects financed under the 1997 Indenture remains with the Commonwealth.

The bonds are limited obligations of the Authority, secured by and payable from funds appropriated by the General Assembly of the Commonwealth. The Authority has no taxing power. Bonds issued by the Authority are rated Aa1, AA+, and AA+ from Moody’s, S&P, and Fitch, respectively. The Authority has historically issued at least one series of bonds annually.

In an effort to diversify the Authority’s debt portfolio, the Authority issued its 2005D Variable Rate Public Facilities Revenue Bonds. The Bonds were issued as variable rate demand bonds with interest rates reset weekly and interest paid monthly. A copy of the 2005D offering statement is available upon request.

The most recent VPBA official statement for the Series 2007A Revenue Bonds is available upon request.

### SECTION III: SCOPE OF SERVICES

Financial advisory services provided by the Contractor shall include, but are not limited to, the following:

#### **For all bond transactions**

- A. Assist and advise Authority staff as needed in developing the most appropriate approach to structuring securities to ensure the lowest cost to the issuer;
- B. Recommend timing, manner of the sale, and details of bond issues, call features, security provisions, maturity schedules, etc;
- C. Assess current market conditions and assist in the marking and sale of securities;
- D. Assist in the preparation of disclosure documents, sale documents, security documents, and other relevant marketing or bond documents; make recommendations concerning form and content to enhance marketability and comply with primary and secondary disclosure guidelines;
- E. Prepare written analysis of the results of such sale, including an analysis of market conditions;
- F. On competitive sales, recommend bidding parameters, verify bids and determine that bid specifications are met; and
- G. Assist with closing and delivery of the bonds and advise on investment of bond proceeds.

#### **Upon request of the issuing Authority**

- H. Assist in the evaluation, procurement and selection of underwriters, escrow agents, trustees, verification agents, remarketing agents, liquidity providers etc., as needed;
- I. On negotiated transactions, serve as advocate for the Authority in negotiating the terms with the underwriter(s) by: (i) reviewing the proposed pricing, (ii) evaluating the marketing efforts of underwriters, (iii) reviewing other terms recommended by the managing underwriter, and (iv) recommending acceptance or rejection of the underwriting proposal;
- J. Analyze projects proposed for financing including evaluation of financing options;
- K. Advise on investor relations issues, including requesting ratings and/or making presentations to rating agencies or investors;
- L. Attend working group, board and other appropriate meetings;
- M. Coordinate preparation of the POS and OS;
- N. If required for refunding issues, coordinate the purchase of securities (open market or SLGS) for the escrow portfolio; and
- O. Review and/or comment on proposed legislation related to Authority programs and any policies procedures, regulations or guidelines relating to its programs.

#### **Needs specific to the VPBA**

- P. Advise the Authority on new industry developments and assist with implementation of new industry standards or requirements;  
Provide monitoring and periodic updates to staff on potential refunding opportunities.
- Q. Assist the VPBA Staff with analysis and calculation of jail reimbursement payments pursuant to the VPBA Regional Jail Guidelines;
- R. Provide ongoing analysis, monitoring and recommendations related to the VPBA Variable Rate Financing Program; and
- S. Assist VPBA staff in the analysis of legislation and project proposals as requested, including the analysis of unsolicited proposals submitted for projects to be undertaken under the Public Private Partnership Education & Infrastructure Act.

Commonwealth of Virginia  
RFP # VPBA 08-010 for Financial Advisor  
Due: May 16, 2008

Further, the Authority may request the Contractor to provide services beyond those itemized above but within the scope of this Agreement. Compensation for such additional services shall be in accordance with the terms of the Contractor's proposal and/or amendments to that proposal which will constitute the contract between the Board and the Contractor. All financial advisory services will be provided only as the Board or staff to the Board may request.

SECTION IV: PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS:

A. GENERAL REQUIREMENTS

1. RFP Response:

- a. *Number and Medium of Copies.* In order to be considered for selection, Offerors must submit a complete response for the Authority. One (1) original and three (3) hard copies of each proposal must be submitted to the purchasing agency along with 1 electronic copy contained on a CD. The Offeror shall make no other distribution of the proposal. Additional copies may be requested.

2. Proposal Preparation:

- a. *Submission of Materials.* Proposals shall be signed by an authorized representative of the Offeror. All information requested should be submitted. Failure to submit all information requested may result in the purchasing agency requiring prompt submission of missing information and/or giving a lowered evaluation of the proposal. Proposals that are substantially incomplete or lack key information may be rejected by the purchasing agency. Mandatory requirements are those required by law or regulation or are such that they cannot be waived and are not subject to negotiation.
- b. *Clarity of Proposal.* Proposals should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.
- c. *Organization of Proposal.* Proposals should be organized in the order in which the requirements are presented in the Specific Proposal Requirements section of the RFP. All pages of the proposal should be numbered. Each paragraph in the proposal should reference the paragraph number of the corresponding section of the RFP. It is also helpful to cite the paragraph number, subletter, and repeat the text of the requirement as it appears in the RFP. If a response covers more than one page, the paragraph number and subletter should be repeated at the top of the next page. The proposal should contain a table of contents. Information which the offeror desires to present that does not fall within any of the requirements of the RFP should be inserted at the end of the proposal and designated as additional material. Proposals that are not organized in this manner risk elimination from consideration if the evaluators are unable to find where the RFP requirements are specifically addressed.
- d. *Single Volume.* Each copy of the proposal should be bound or contained in a single volume where practical. All documentation submitted with the proposal should be contained in that single volume.
- e. *Ownership of Materials.* Ownership of all data, materials and documentation originated and prepared for the RFP shall belong exclusively to the State and be subject to public inspection in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by an Offeror shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the Offeror must invoke the protections of Section 2.2-2673 of the Code of Virginia, in writing, either before or at the time the data or other material is submitted. The written notice must specifically identify the data or materials to be

protected and state the reasons why protection is necessary. The proprietary or trade secret material submitted must be identified by some distinct method such as highlighting or underlining and must indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary information. The classification of an entire proposal document, line item prices and/or total proposal prices as proprietary or trade secrets is not acceptable and will result in the rejection of the proposal.

3. Oral Presentation:

Offerors who submit a proposal in response to this RFP may be required to give an oral presentation of their proposal to the Authority. This provides an opportunity for the Offeror to clarify or elaborate on the proposal. This is a fact finding and explanation session only and does not include negotiation. Treasury will schedule the time and location of these presentations.

B. SPECIFIC PROPOSAL REQUIREMENTS:

Offerors are required to submit the following items, separated by tabs within the proposal:

TAB 1: The RFP, the RFP cover sheet and addenda, if any, completed and signed as required.

TAB 2: General Qualifications

- a. Briefly describe your firm's organizational structure, history and the relative emphasis on client development versus retention.
- b. Describe your firm's experience as financial advisor, with emphasis on state level experience (i.e., states, state boards, and/or authorities) and provide a listing of financings on which you served as financial advisor or co-financial advisor from January 1, 2006 to present. Specify your role and include in the listing:
  - i) Name of issuer
  - ii) Type of financing (i.e., bonds, notes, commercial paper, etc.)
  - iii) Amount
  - iv) Purpose of the issue (i.e., new money, refunding)
  - v) Method of sale (i.e., competitive, negotiated)
  - vi) Ratings
  - vii) Credit structure (i.e., GO, Appropriation, Lease Revenue, etc.)
- c. Provide a list of all clients lost within the last three years including:
  - i) A contact name and telephone number
  - ii) Length of service on the account
  - iii) Reason for the loss
- d. Identify, by name and title, the individuals who will be primarily responsible for this engagement. Describe the role of each individual, provide summary resumes for all individuals listed and identify the individual who will be the primary day-to-day contact for the Authority.

- e. List any senior level financial advisory employees who have left the firm since June 30, 2006.
- f. If your firm also serves as financial advisor to localities or regional jail authorities that receive reimbursements under the Authority's correction & detention facility reimbursement programs, describe how you plan to avoid any conflicts of interest.

TAB 3: Plans for Providing Services

- a. Briefly describe your approach to providing financial advisory services and how you propose to meet the needs of the Authority given the scope of services requested.
- b. What types of changes could be made to improve (i) marketability of the bonds, (ii) investor relations, and (iii) secondary market disclosure? Of these changes, which would you recommend the Authority consider?
- c. Describe your experience or exposure to methods used by municipal issuers to encourage syndicate leaders to seek participation of small, minority or women owned firms within competitive underwriting syndicates.
- d. Briefly describe your firm's experience with the use of variable rate securities and experiences with use of swaps and other contractual products by municipal issuers along with specific examples of how the VPBA may benefit from the use of such products.
- e. Describe your understanding of EMMA (Electronic Municipal Market Access) and how you would assist the Authority in its implementation.
- f. The Commonwealth occasionally receives unsolicited proposals for projects to be undertaken under the Public Private Partnership Education & Infrastructure Act of 2002. Such proposals typically contain a financing component. Describe how your firm would assist VPBA staff in the analysis of such project proposals as requested, including the analysis of the financing component.
- g. Describe any other creative ideas or changes you would suggest for consideration by the VPBA.

**SECTION V: EVALUATION AND AWARD CRITERIA:**

All proposals received will be reviewed and evaluated by a Selection Committee. The Committee will recommend proposals that most closely meet the requirements of the Authority . The following will be used in making the selection:

A. **EVALUATION CRITERIA:** Proposals will be evaluated using the following criteria:

	<b>POINT VALUE</b>
1. Qualifications/Experience	30
2. Plans for Providing Services – Approach for Meeting Needs of the Authority and Understanding Scope of Work	30
3. Price	20
4. Small Business Subcontracting Plan (see Appendix D)	<u>20</u>
<b>TOTAL</b>	<b>100</b>

B. **AWARD OF CONTRACT:** The Authority may elect to award two contracts. One contractor may be designated in a primary role, while the other in a back-up or secondary role. In addition, the Authority may allocate or reallocate duties to the contractors as it deems appropriate.

SECTION VI: GENERAL TERMS AND CONDITIONS:

- A. **VENDORS MANUAL:** This solicitation is subject to the provisions of the Commonwealth of Virginia *Vendors Manual* and any changes or revisions thereto, which are hereby incorporated into this contract in their entirety. The procedure for filing contractual claims is in section 7.19 of the *Vendors Manual*. A copy of the manual is normally available for review at the purchasing office and is accessible on the Internet at [www.dgs.state.va.us/dps](http://www.dgs.state.va.us/dps) under "Manuals."
- B. **APPLICABLE LAWS AND COURTS:** This solicitation and any resulting contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The agency and the contractor are encouraged to resolve any issues in controversy arising from the award of the contract or any contractual dispute using Alternative Dispute Resolution (ADR) procedures (*Code of Virginia*, § 2.2-4366). ADR procedures are described in Chapter 9 of the *Vendors Manual*. The contractor shall comply with all applicable federal, state and local laws, rules and regulations.
- C. **ANTI-DISCRIMINATION:** By submitting their proposals, offerors certify to the Commonwealth that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and § 2.2-4311 of the *Virginia Public Procurement Act (VPPA)*. If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (*Code of Virginia*, § 2.2-4343.1E).

In every contract over \$10,000 the provisions in 1. and 2. below apply:

1. During the performance of this contract, the contractor agrees as follows:
  - a. The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
  - b. The contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer.
  - c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting these requirements.
2. The contractor will include the provisions of 1. above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

- D. **ETHICS IN PUBLIC CONTRACTING:** By submitting their proposals, offerors certify that their proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other offeror, supplier, manufacturer or subcontractor in connection with their proposal, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.
- E. **IMMIGRATION REFORM AND CONTROL ACT OF 1986:** By submitting their proposals, offerors certify that they do not and will not during the performance of this contract employ illegal alien workers or otherwise violate the provisions of the federal Immigration Reform and Control Act of 1986.
- F. **DEBARMENT STATUS:** By submitting their proposals, offerors certify that they are not currently debarred by the Commonwealth of Virginia from submitting bids or proposals on contracts for the type of goods and/or services covered by this solicitation, nor are they an agent of any person or entity that is currently so debarred.
- G. **ANTITRUST:** By entering into a contract, the contractor conveys, sells, assigns, and transfers to the Commonwealth of Virginia all rights, title and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the Commonwealth of Virginia under said contract.
- H. **MANDATORY USE OF STATE FORM AND TERMS AND CONDITIONS FOR RFPs:** Failure to submit a proposal on the official state form provided for that purpose may be a cause for rejection of the proposal. Modification of or additions to the General Terms and Conditions of the solicitation may be cause for rejection of the proposal; however, the Commonwealth reserves the right to decide, on a case by case basis, in its sole discretion, whether to reject such a proposal.
- I. **CLARIFICATION OF TERMS:** If any prospective offeror has questions about the specifications or other solicitation documents, the prospective offeror should contact the buyer whose name appears on the face of the solicitation no later than five working days before the due date. Any revisions to the solicitation will be made only by addendum issued by the buyer.
- J. **PAYMENT:**
1. To Prime Contractor:
    - a. Invoices for items ordered, delivered and accepted shall be submitted by the contractor directly to the payment address shown on the purchase order/contract. All invoices shall show the state contract number and/or purchase order number; social security number (for individual contractors) or the federal employer identification number (for proprietorships, partnerships, and corporations).
    - b. Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 30 days, however.

- c. All goods or services provided under this contract or purchase order, that are to be paid for with public funds, shall be billed by the contractor at the contract price, regardless of which public agency is being billed.
  - d. The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or the date of offset when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act.
  - e. **Unreasonable Charges.** Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, contractors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges which appear to be unreasonable will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced charges are not reasonable, the Commonwealth shall promptly notify the contractor, in writing, as to those charges which it considers unreasonable and the basis for the determination. A contractor may not institute legal action unless a settlement cannot be reached within thirty (30) days of notification. The provisions of this section do not relieve an agency of its prompt payment obligations with respect to those charges which are not in dispute (*Code of Virginia*, § 2.2-4363).
2. To Subcontractors:
- a. A contractor awarded a contract under this solicitation is hereby obligated:
    - (1) To pay the subcontractor(s) within seven (7) days of the contractor's receipt of payment from the Commonwealth for the proportionate share of the payment received for work performed by the subcontractor(s) under the contract; or
    - (2) To notify the agency and the subcontractor(s), in writing, of the contractor's intention to withhold payment and the reason.
  - b. The contractor is obligated to pay the subcontractor(s) interest at the rate of one percent per month (unless otherwise provided under the terms of the contract) on all amounts owed by the contractor that remain unpaid seven (7) days following receipt of payment from the Commonwealth, except for amounts withheld as stated in (2) above. The date of mailing of any payment by U. S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier contractor performing under the primary contract. A contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Commonwealth.
3. Each prime contractor who wins an award in which provision of a SWAM procurement plan is a condition to the award, shall deliver to the contracting agency or institution, on or before request for final payment, evidence and certification of compliance (subject only to insubstantial shortfalls and to shortfalls arising from subcontractor default) with the SWAM procurement plan. Final payment under the contract in question may be withheld until such certification is delivered and, if necessary, confirmed by the agency or institution, or other appropriate penalties may be assessed in lieu of withholding such payment.

- K. **PRECEDENCE OF TERMS:** The following General Terms and Conditions *VENDORS MANUAL*, *APPLICABLE LAWS AND COURTS*, *ANTI-DISCRIMINATION*, *ETHICS IN PUBLIC CONTRACTING*, *IMMIGRATION REFORM AND CONTROL ACT OF 1986*, *DEBARMENT STATUS*, *ANTITRUST*, *MANDATORY USE OF STATE FORM AND TERMS AND CONDITIONS*, *CLARIFICATION OF TERMS*, *PAYMENT* shall apply in all instances. In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this solicitation, the Special Terms and Conditions shall apply.
- L. **QUALIFICATIONS OF OFFERORS:** The Commonwealth may make such reasonable investigations as deemed proper and necessary to determine the ability of the offeror to perform the services/furnish the goods and the offeror shall furnish to the Commonwealth all such information and data for this purpose as may be requested. The Commonwealth reserves the right to inspect offeror's physical facilities prior to award to satisfy questions regarding the offeror's capabilities. The Commonwealth further reserves the right to reject any proposal if the evidence submitted by, or investigations of, such offeror fails to satisfy the Commonwealth that such offeror is properly qualified to carry out the obligations of the contract and to provide the services and/or furnish the goods contemplated therein.
- M. **TESTING AND INSPECTION:** The Commonwealth reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.
- N. **ASSIGNMENT OF CONTRACT:** A contract shall not be assignable by the contractor in whole or in part without the written consent of the Commonwealth.
- O. **CHANGES TO THE CONTRACT:** Changes can be made to the contract in any of the following ways:
1. The parties may agree in writing to modify the scope of the contract. An increase or decrease in the price of the contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the contract.
  2. The Purchasing Agency may order changes within the general scope of the contract at any time by written notice to the contractor. Changes within the scope of the contract include, but are not limited to, things such as services to be performed, the method of packing or shipment, and the place of delivery or installation. The contractor shall comply with the notice upon receipt. The contractor shall be compensated for any additional costs incurred as the result of such order and shall give the Purchasing Agency a credit for any savings. Said compensation shall be determined by one of the following methods:
    - a. By mutual agreement between the parties in writing; or
    - b. By agreeing upon a unit price or using a unit price set forth in the contract, if the work to be done can be expressed in units, and the contractor accounts for the number of units of work performed, subject to the Purchasing Agency's right to audit the contractor's records and/or to determine the correct number of units independently; or
    - c. By ordering the contractor to proceed with the work and keep a record of all costs incurred

and savings realized. A markup for overhead and profit may be allowed if provided by the contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The contractor shall present the Purchasing Agency with all vouchers and records of expenses incurred and savings realized. The Purchasing Agency shall have the right to audit the records of the contractor as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the Purchasing Agency within thirty (30) days from the date of receipt of the written order from the Purchasing Agency. If the parties fail to agree on an amount of adjustment, the question of an increase or decrease in the contract price or time for performance shall be resolved in accordance with the procedures for resolving disputes provided by the Disputes Clause of this contract or, if there is none, in accordance with the disputes provisions of the Commonwealth of Virginia *Vendors Manual*. Neither the existence of a claim nor a dispute resolution process, litigation or any other provision of this contract shall excuse the contractor from promptly complying with the changes ordered by the Purchasing Agency or with the performance of the contract generally.

- P. **DEFAULT:** In case of failure to deliver goods or services in accordance with the contract terms and conditions, the Commonwealth, after due oral or written notice, may procure them from other sources and hold the contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the Commonwealth may have.
- Q. OMITTED
- R. OMITTED
- S. OMITTED
- T. **INSURANCE:** By signing and submitting a proposal under this solicitation, the offeror certifies that if awarded the contract, it will have the following insurance coverage at the time the contract is awarded. For construction contracts, if any subcontractors are involved, the subcontractor will have workers' compensation insurance in accordance with §§ 2.2-4332 and 65.2-800 et seq. of the *Code of Virginia*. The bidder or offeror further certifies that the contractor and any subcontractors will maintain these insurance coverage during the entire term of the contract and that all insurance coverage will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

MINIMUM INSURANCE COVERAGES AND LIMITS REQUIRED FOR MOST CONTRACTS:

1. Workers' Compensation - Statutory requirements and benefits. Coverage is compulsory for employers of three or more employees, to include the employer. Contractors who fail to notify the Commonwealth of increases in the number of employees that change their workers' compensation requirements under the *Code of Virginia* during the course of the contract shall be in noncompliance with the contract.
2. Employer's Liability - \$100,000.
3. Commercial General Liability - \$1,000,000 per occurrence. Commercial General Liability is to include bodily injury and property damage, personal injury and advertising injury, products and

completed operations coverage. The Commonwealth of Virginia must be named as an additional insured and so endorsed on the policy.

4. Automobile Liability - \$1,000,000 per occurrence. (Only used if motor vehicle is to be used in the contract.)
- U. **ANNOUNCEMENT OF AWARD:** Upon the award or the announcement of the decision to award a contract over \$50,000, as a result of this solicitation, the purchasing agency will publicly post such notice on the DGS/DPS eVA web site ([www.eva.virginia.gov](http://www.eva.virginia.gov)) for a minimum of 10 days.
- V. **DRUG-FREE WORKPLACE:** During the performance of this contract, the contractor agrees to (i) provide a drug-free workplace for the contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the contractor that the contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.
- For the purposes of this section, “*drug-free workplace*” means a site for the performance of work done in connection with a specific contract awarded to a contractor, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.
- W. **NONDISCRIMINATION OF CONTRACTORS:** A bidder, offeror, or contractor shall not be discriminated against in the solicitation or award of this contract because of race, religion, color, sex, national origin, age, disability, faith-based organizational status, any other basis prohibited by state law relating to discrimination in employment or because the bidder or offeror employs ex-offenders unless the state agency, department or institution has made a written determination that employing ex-offenders on the specific contract is not in its best interest. If the award of this contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or disbursements from an alternative provider.
- X. **eVA Business-To-Government Vendor Registration:** The eVA Internet electronic procurement solution, website portal [www.eVA.virginia.gov](http://www.eVA.virginia.gov), streamlines and automates government purchasing activities in the Commonwealth. The eVA portal is the gateway for vendors to conduct business with state agencies and public bodies. All vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution either through the eVA Basic Vendor Registration Service or eVA Premium Vendor Registration Service. All bidders or offerors must register in eVA; failure to register will result in the bid/proposal being rejected.
- a. **eVA Basic Vendor Registration Service:** \$25 Annual Registration Fee plus the appropriate order Transaction Fee specified below. eVA Basic Vendor Registration Service includes electronic

order receipt, vendor catalog posting, on-line registration, electronic bidding, and the ability to research historical procurement data available in the eVA purchase transaction data warehouse.

- b. VA Premium Vendor Registration Service: \$25 Annual Registration Fee plus the appropriate order Transaction Fee specified below. eVA Premium Vendor Registration Service includes all benefits of the eVA Basic Vendor Registration Service plus automatic email or fax notification of solicitations and amendments.
- c. For orders issued prior to August 16, 2006, the Vendor Transaction Fee is 1%, capped at a maximum of \$500 per order.
- d. For orders issued August 16, 2006 and after, the Vendor Transaction Fee is:
  - (i) DMBE-certified Small Businesses: 1%, capped at \$500 per order.
  - (ii) Businesses that are not DMBE-certified Small Businesses: 1%, capped at \$1,500 per order.

Y. AVAILABILITY OF FUNDS: It is understood and agreed between the parties herein that the agency shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement.

SECTION VII: SPECIAL TERMS AND CONDITIONS:

- A. **AUDIT:** The Contractor hereby agrees to retain all books, records, and other documents relative to this contract for five (5) years after final payment, or until audited by the Commonwealth of Virginia, whichever is sooner. The agency, its authorized agents, and/or State auditors shall have full access to and the right to examine any of said materials during said period.
- B. **BID ACCEPTANCE PERIOD:** Any bid in response to this solicitation shall be valid for 90 days. At the end of the 90 days the bid may be withdrawn at the written request of the Bidder. If the bid is not withdrawn at that time it remains in effect until an award is made or the solicitation is canceled.
- C. **CANCELLATION OF CONTRACT:** The purchasing agency reserves the right to cancel and terminate any resulting contract, in part or in whole, without penalty, upon 30 days written notice to the Contractor. Any contract cancellation notice shall not relieve the Contractor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation.
- D. **IDENTIFICATION OF BID/PROPOSAL ENVELOPE:** If a special envelope is not furnished, or if return in the special envelope is not possible, the signed bid/proposal should be returned in a separate envelope or package, sealed and identified as follows:

From _____	_____	_____
Name of Bidder/Offeror	Due Date	Time
_____	_____	_____
Street or Box Number	RFP No.	
_____	_____	
City, State, Zip Code	RFP Title	
Name of Contract/Purchase Officer or Buyer		

- The envelope should be addressed as directed on the Cover Sheet of the solicitation. If a bid/proposal not contained in the special envelope is mailed, the Bidder/Offeror takes the risk that the envelope, even if marked as described above, may be inadvertently opened and the information compromised which may cause the bid/proposal to be disqualified. Bid/proposals may be hand delivered to the designated location in the office issuing the solicitation. No other correspondence or other bids/proposals should be placed in the envelope.
- E. **RENEWAL OF CONTRACT:** This contract may be renewed by the Commonwealth upon written agreement of both parties for two additional one year terms, under the terms of the current contract, and at a reasonable time (approximately 30 days) prior to the expiration.
  - F. **SUBCONTRACTS:** No portion of the work shall be subcontracted without prior written consent of the purchasing agency. In the event that the Contractor desires to subcontract some part of the work specified herein, the Contractor shall furnish the purchasing agency the names, qualifications and experience of their proposed subcontractors. The Contractor shall, however, remain fully liable and responsible for the work to be done by its subcontractor(s) and shall assure compliance with all requirements of the contract.
  - G. **UNDERWRITING OF SECURITIES:** The Contractor, or any of its affiliates, may not submit a proposal to the Authority or serve as a member of any syndicate or as a member of a selling group for the purchase of any securities described herein while they serve as financial advisor to the Authority for the issuance of such securities.
  - H. **DISCLOSURE:** The Contractor must disclose to the Authority the names, role and compensation

arrangements for any individuals or firms used by the firm, directly or indirectly, to obtain or retain municipal securities business which may relate to obligations issued by the Authority. Further, the Contractor must disclose any relationship(s) which may be a conflict of interest for the firm serving as financial advisor to the Authority.

- I. **TRANSFER OF NON-PROPRIETARY DATA:** The Contractor agrees to provide to the Authority non-proprietary data compiled and/or maintained by the Contractor in electronic or other form (e.g., coverage tables) upon termination or expiration of the contract.
- J. **LATE PROPOSALS:** To be considered for selection, proposals must be received by the Department of the Treasury by the due date and time designated on the cover page of this RFP. Proposals received by Treasury after the due date and time are automatically disqualified and will not be considered. **Treasury is not responsible for delays in the delivery of mail by the U.S. Postal Service or private couriers. It is the sole responsibility of the Offeror to ensure that its proposal reaches Treasury by the designated due date and time.**
- K. **AWARD TO MULTIPLE OFFERORS:** Selection shall be made of two or more offerors deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors included in the Request for Proposals, including price, if so stated in the Request for Proposals. Negotiations shall be conducted with the offerors so selected. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each offeror so selected, the agency shall select the offeror which, in its opinion, has made the best proposal, and shall award the contract to that offeror. The Commonwealth reserves the right to make multiple awards as a result of this solicitation. The Commonwealth may cancel this Request for Proposals or reject proposals at any time prior to an award, and is not required to furnish a statement of the reasons why a particular proposal was not deemed to be the most advantageous (*Code of Virginia*, § 2.2-4359D). Should the Commonwealth determine in writing and in its sole discretion that only one offeror is fully qualified, or that one offeror is clearly more highly qualified than the others under consideration, a contract may be negotiated and awarded to that offeror. The award document will be a contract incorporating by reference all the requirements, terms and conditions of the solicitation and the contractor's proposal as negotiated.
- L. **SMALL BUSINESS SUBCONTRACTING AND EVIDENCE OF COMPLIANCE:**
- A. It is the goal of the Commonwealth that 40% of its purchases be made from small businesses. This includes discretionary spending in prime contracts and subcontracts. All potential bidders/offerors are required to submit a Small Business Subcontracting Plan. Unless the bidder/offeror is registered as a DMBE-certified small business and where it is practicable for any portion of the awarded contract to be subcontracted to other suppliers, the contractor is encouraged to offer such subcontracting opportunities to DMBE-certified small businesses. This shall not exclude DMBE-certified women-owned and minority-owned businesses when they have received DMBE small business certification. No bidder/offeror or subcontractor shall be considered a Small Business, a Women-Owned Business or a Minority-Owned Business unless certified as such by the Department of Minority Business Enterprise (DMBE) by the due date for receipt of bids or proposals. If small business subcontractors are used, the prime contractor agrees to report the use of small business subcontractors by providing the purchasing office at a minimum the following information: name of small business with the DMBE certification number, phone number, total dollar amount subcontracted, category type (small, women-owned, or minority-owned), and type of product/service provided.

- B. Each prime contractor who wins an award in which provision of a small business subcontracting plan is a condition of the award, shall deliver to the contracting agency or institution on a quarterly basis, evidence of compliance (subject only to insubstantial shortfalls and to shortfalls arising from subcontractor default) with the small business subcontracting plan. When such business has been subcontracted to these firms and upon completion of the contract, the contractor agrees to furnish the purchasing office at a minimum the following information: name of firm with the DMBE certification number, phone number, total dollar amount subcontracted, category type (small, women-owned, or minority-owned), and type of product or service provided. Payment(s) may be withheld until compliance with the plan is received and confirmed by the agency or institution. The agency or institution reserves the right to pursue other appropriate remedies to include, but not be limited to, termination for default.
- C. Each prime contractor who wins an award valued over \$200,000 shall deliver to the contracting agency or institution on a quarterly basis, information on use of subcontractors that are not DMBE-certified small businesses. When such business has been subcontracted to these firms and upon completion of the contract, the contractor agrees to furnish the purchasing office at a minimum the following information: name of firm, phone number, total dollar amount subcontracted, and type of product or service provided.
- M. **eVA Business-To-Government Contracts and Orders:** The solicitation/contract will result in multiple purchase order(s) with the eVA transaction fee specified below assessed for each order.
- a. For orders issued prior to August 16, 2006, the Vendor Transaction Fee is 1%, capped at a maximum of \$500 per order.
- b. For orders issued August 16, 2006 and after, the Vendor Transaction Fee is:
- (i) DMBE-certified Small Businesses: 1%, Capped at \$500 per order.
  - (ii) Businesses that are not DMBE-certified Small Businesses: 1%, Capped at \$1,500 per order.

The eVA transaction fee will be assessed approximately 30 days after each purchase order is issued. Any adjustments (increases/decreases) will be handled through eVA change orders.

Internet electronic procurement solution, website portal [www.eva.virginia.gov](http://www.eva.virginia.gov), streamlines and automates government purchasing activities in the Commonwealth. The portal is the gateway for vendors to conduct business with state agencies and public bodies.

Vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution and agree to comply with the following:

If this solicitation is for a term contract, failure to provide an electronic catalog (price list) or index page catalog for items awarded will be just cause for the Commonwealth to reject your bid/offer or terminate this contract for default. The format of this electronic catalog shall conform to the eVA Catalog Interchange Format (CIF) Specification that can be accessed and downloaded from [www.eVA.virginia.gov](http://www.eVA.virginia.gov). Contractors should email Catalog or Index Page information to [eVA-catalog-manager@dgs.virginia.gov](mailto:eVA-catalog-manager@dgs.virginia.gov).

Commonwealth of Virginia  
RFP # VPBA 08-010 for Financial Advisor  
Due: May 16, 2008

**SECTION VIII: METHOD OF PAYMENT:**

Invoices should provide a detailed description of the services provided, rates charges and amounts due. The Authority will provide payment, subject to Section VI. Y. Availability of Funds, within 30 days from the date of receipt of the invoice and acceptance of services rendered.

SECTION IX: PRICING SCHEDULE:

Provide the pricing schedule you will use to charge the Authority for outlined services. Completely describe all fixed and variable expenses and the hourly rates of personnel involved in the engagement, estimated expenses, estimated total, etc.

Fee per bond issue (new money)	\$ _____
Fee per bond issue (refunding or combined refunding/new money)	\$ _____
Blended hourly rate for projects other than bond issues	\$ _____
Preparation of Official Statement (POS/OS) (1)	\$ _____
Bidding Escrow Portfolio	\$ _____
Estimated Out of Pocket Expenses (Detail components (i.e., travel, lodging, meals, FedEx, etc.)	\$ _____
Other Expenses (describe)	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

(1) In addition to applicable fee.

Commonwealth of Virginia  
RFP # VPBA 08-010 for Financial Advisor  
Due: May 16, 2008

SECTION X: APPENDICES AND ATTACHMENTS:

APPENDIX A - Standard Contract  
APPENDIX B - [Virginia Public Building Authority 1997 Indenture of Trust](#)  
APPENDIX C - [Virginia Public Building Authority 20<sup>th</sup> Supplemental Indenture](#)  
APPENDIX D – Small Business Subcontracting Plan

APPENDIX A  
FORM OF COMMONWEALTH OF VIRGINIA CONTRACT

Appendix A represents the proposed Contract which the Commonwealth would expect the Contractor to sign.

COMMONWEALTH OF VIRGINIA  
Department of the Treasury  
**FINANCIAL ADVISOR for the Virginia Public Building Authority**  
Contract Number **VPBA 08-010**

This Contract is entered into this \_\_ day of \_\_\_\_, 2008, by\_\_\_\_\_, hereinafter called the "Contractor", and the Commonwealth of Virginia Department of the Treasury, hereinafter called the "Purchasing Agency".

WITNESSETH that the Contractor and the Purchasing Agency, in consideration of the mutual covenants, promises, and agreements herein contained, agree as follows:

SCOPE OF CONTRACT: The Contractor shall provide the services to the Commonwealth as set forth in the Contract Documents.

PERIOD OF CONTRACT: From **July 1, 2008 through June 30, 2011** with the option to renew for two additional one-year terms under the terms and conditions stated herein.

CONTRACT DOCUMENTS: The Contract Documents shall consist of:

- (1) This signed Contract;
- (2) The following portions of the Request for Proposals dated April 30, 2008 \_\_\_\_\_:
  - (a) The Statement of Needs
  - (b) The General Terms and Conditions
  - (c) The Special Terms and Conditions, together with any negotiated modifications of those Special Conditions; and
- (3) The Contractor's proposal dated [ \_\_\_\_\_, 2008] and all written modifications to the Proposal, all of which documents are incorporated herein.

Any contractual claims shall be submitted in accordance with the contractual dispute procedures set forth in the Commonwealth of Virginia's *Vendor's Manual*.

IN WITNESS WHEREOF the parties have caused this Contract to be duly executed intending to be bound thereby, and certify they are authorized to sign this Contract for the Contractor or the Commonwealth.

**CONTRACTOR**

**PURCHASING AGENCY**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Date)

APPENDIX B

[I:\Master Indenture - 1997.pdf](#)

(Use the link above to access this document)

APPENDIX C

[I:\VPBA 2007A-Twentieth Supplemental Indenture Final.pdf](#)

(Use the link above to access this document)

## APPENDIX D

### SMALL BUSINESS SUBCONTRACTING PLAN

#### Definitions

**Small Business:** "Small business " means an independently owned and operated business which, together with affiliates, has 250 or fewer employees, or average annual gross receipts of \$10 million or less averaged over the previous three years.

Note: This shall not exclude DMBE-certified women- and minority-owned businesses when they have received DMBE small business certification.

**Women-Owned Business:** Women-owned business means a business concern that is at least 51% owned by one or more women who are citizens of the United States or non-citizens who are in full compliance with United States immigration law, or in the case of a corporation, partnership or limited liability company or other entity, at least 51% of the equity ownership interest is owned by one or more women who are citizens of the United States or non-citizens who are in full compliance with United States immigration law, and both the management and daily business operations are controlled by one or more women who are citizens of the United States or non-citizens who are in full compliance with the United States immigration law.

**Minority-Owned Business:** Minority-owned business means a business concern that is at least 51% owned by one or more minority individuals or in the case of a corporation, partnership or limited liability company or other entity, at least 51% of the equity ownership interest in the corporation, partnership, or limited liability company or other entity is owned by one or more minority individuals and both the management and daily business operations are controlled by one or more minority individuals.

**All small businesses must be certified by the Commonwealth of Virginia, Department of Minority Business Enterprise (DMBE) by the due date of the solicitation to participate in the SWAM program. Certification applications are available through DMBE online at [www.dmbv.virginia.gov](http://www.dmbv.virginia.gov) (Customer Service).**

**Offeror Name:** \_\_\_\_\_

**Preparer Name:** \_\_\_\_\_ **Date:** \_\_\_\_\_

#### Instructions

- A. If you are certified by the Department of Minority Business Enterprise (DMBE) as a small business, complete only Section A of this form. This shall not exclude DMBE-certified women-owned and minority-owned businesses when they have received DMBE small business certification.
- B. If you are not a DMBE-certified small business, complete Section B of this form. For the offeror to receive credit for the small business subcontracting plan evaluation criteria, the offeror shall identify the portions of the contract that will be subcontracted to DMBE-certified small business in this section. Points will be assigned based on each offeror's proposed subcontracting expenditures with DMBE certified small businesses for the initial contract period as indicated in Section B in relation to the offeror's total price.

#### Section A

If your firm is certified by the Department of Minority Business Enterprise (DMBE), are you certified as a (**check only one below**):

- \_\_\_\_\_ Small Business  
\_\_\_\_\_ Small and Women-owned Business  
\_\_\_\_\_ Small and Minority-owned Business

Certification number: \_\_\_\_\_ Certification Date: \_\_\_\_\_

**Section B**

Populate the table below to show your firm's plans for utilization of DMBE-certified small businesses in the performance of this contract. This shall not exclude DMBE-certified women-owned and minority-owned businesses when they have received the DMBE small business certification. Include plans to utilize small businesses as part of joint ventures, partnerships, subcontractors, suppliers, etc.

**B. Plans for Utilization of DMBE-Certified Small Businesses for this Procurement**

<b>Small Business Name &amp; Address</b>  <b>DMBE Certificate #</b>	<b>Status if Small Business is also:</b> <b>Women (W),</b> <b>Minority (M)</b>	<b>Contact Person, Telephone &amp; Email</b>	<b>Type of Goods and/or Services</b>	<b>Planned Involvement During Initial Period of the Contract</b>	<b>Planned Contract Dollars During Initial Period of the Contract</b>

Totals \$					
-----------	--	--	--	--	--