

Request for Proposal Independent Financial Advisor

INTRODUCTION

The County of Erie, New York Comptroller's Office is soliciting firms through this Request for Proposal to act as financial advisor in conjunction with bond issues and/or revenue anticipation note (RAN) issues that will take place in 2006 and possibly subsequent years. The County Comptroller is the chief fiscal officer of Erie County, and the Comptroller's Office has the primary role in the structuring and issuance of general obligation bonds.

For 2006 it is anticipated that a bond issue will be for approximately \$40 to \$55 million, of which about \$22 million will be issued on a tax-exempt basis for general public improvements, and the remaining \$18 to \$33 million will be issued on a taxable basis to finance the settlement of litigation with the Erie County Medical Center Corporation.

The general public improvement bonds and legal settlement bonds will be general obligations of the County, secured by its faith and credit. The payment of principal and interest on the bonds shall be supported by the County's power and statutory authority to levy ad valorem taxes on all taxable property in the County, without limitation as to rate or amount.

It is also anticipated that a RAN estimated at \$90 - \$110 million will be issued in 2006.

GENERAL REQUIREMENTS IN ORDER TO PROPOSE

Proposing firms must have experience in providing financial advisory services to New York municipal bond issuers for both negotiated and competitive transactions closing during the period August 1, 2003 to December 31, 2005.

PROPOSAL SUBMISSION

Please submit three copies of your proposal no later than 3:00 PM on Wednesday, March 22, 2006 to:

Mark C. Poloncarz, Comptroller
Erie County Comptroller's Office
95 Franklin Street, 11th Floor
Buffalo, New York 14202

Packages must be marked: Request for Proposal – Financial Advisor

No changes or corrections will be allowed after proposals are opened. Any questions concerning this Request for Proposal should be directed to the County Comptroller (716-858-8404).

Proposals received after the deadline for receipt will not be considered.

SCOPE OF SERVICES

Financial advisory services to be provided in conjunction with the bond issue may include, but not necessarily be limited to, the following:

- Make recommendations regarding the timing, structure, conditions and form of the sale, competitive or negotiated sale, including evaluation of bond insurance costs.
- Assist, as requested, in the post offering responsibilities for each sale, including ensuring County compliance with continuing disclosure filing requirements and providing a post transaction summary report.
- Assist in the development and evaluation of requests for proposals and other bidding documents for various services for the transaction, including procurement of bond insurance.
- Assist the communicating with rating agencies and addressing their requirements for improvement and maintenance of the County's ratings.
- Assist in the preparation of official statements or other necessary financing documents.
- Assist in the negotiation of the terms or the evaluation of bids with bond purchasers including preparations for and participation in discussions and meetings with underwriters.
- Assist, if requested, in the closing of the transaction.
- Prepare bond amortization schedules at the level necessary to calculate future debt service payments and satisfy accounting, budgetary and borrowing requirements.

PROPOSAL CONTENT

The general purpose of the proposal is to demonstrate the qualifications, competence and capacity of the proposer to undertake the responsibilities of serving as financial advisor to the County.

The proposal should include a transmittal letter that will be considered an integral part thereof, and shall be signed by the individual or individuals authorized to contractually bind the firm.

The following specific information should be included in your proposal:

- A list showing your firm's direct prior experience in providing financial advisory services to governmental entities in conjunction with the issuance of general obligation new money bonds during the period August 1, 2003 to December 31, 2005. Information to be provided includes the name of the issuer; the size of the issuance; the date of closing; and a brief summary of the services provided.

- The qualifications and experience of any staff members that will serve as advisors for this transaction, and a description of the function each would perform.
- The names, titles, addresses, telephone numbers and e-mail addresses of three current clients that the County can contact for reference purposes.
- The proposed compensation for providing the requested services. Note – the fee must be a discrete dollar amount (i.e., it cannot be percentage based).

EVALUATION/ACCEPTANCE/REJECTION

Proposals will be reviewed by the Erie County Comptroller. The County reserves the right to seek additional information and/or clarification from any proposer, the right to reject any and all responses received with or without cause, the right to negotiate with any proposer that submits a response and also to waive any irregularity or informality if deemed to be in the best interest of the County.

The County specifically may choose other than the lowest cost proposal in order to provide the requisite services under terms and conditions that, in its sole judgment, are deemed to be in the best interest of the County.

MISCELLANEOUS

- Responses should be prepared simply and economically, and should be both straightforward and concise.
- The County shall not be liable for any expenses incurred in the preparation or presentation of your reply.
- Proposers must be in full compliance with federal, State, County and local laws, ordinances, rules and regulations that in any manner affect the items covered herein. Lack of knowledge by the proposer shall in no way be cause for relief from responsibility.
- 3 copies of your response.