



CONTRACT AMENDMENT

**Materials Management
Procurement**
9875 N. 85th Ave., 2nd Fl.
Peoria, AZ 85345
Telephone: (623) 773-7115
Fax: (623) 773-7118
Buyer: Jennifer Miller

Solicitation No. P14-0031 Page 1 of 1
Description: Underwriting Services
Amendment No. Three (3) Date: 8/9/16

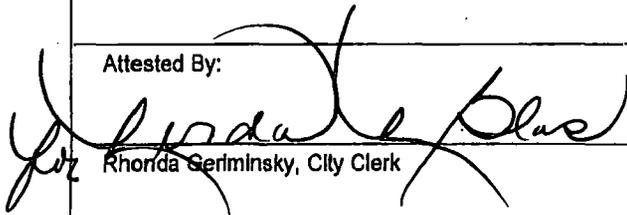
In accordance with the Contract Special Terms and Conditions, Contract Extension, the above referenced contract shall expire on 10/31/16.

The New Contract Term Is: 11/1/16 to 10/31/17

Contractor hereby acknowledges receipt and agreement. A signed copy shall be filed with the City of Peoria, Materials Management Division.

	<u>12/9/16</u>	Mark Reader Senior Vice President Managing Director	Stifel, Nicolaus & Company, Inc.	
Signature	Date	Typed Name and Title	Company Name	
<u>2325 E. Camelback Rd., Ste. 750</u>		<u>Phoenix</u>	<u>AZ</u>	<u>85016</u>
Address		City	State	Zip Code

Attested By:


Rhonda Germinsky, City Clerk


Director: Brent Mattingly, Chief Financial Officer

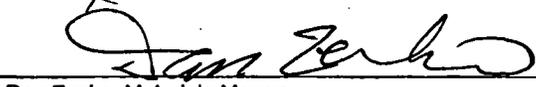

Project Manager: Sonia Andrews, Financial Services Manager

Approved as to Form:


City Attorney

The above referenced Contract Amendment is hereby Executed:

Dec. 13 2016 at Peoria, Arizona


Dan Zenko, Materials Manager



City Seal
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City of Peoria, Arizona

CC Number

ACON51413C
Contract Number



CONTRACT AMENDMENT

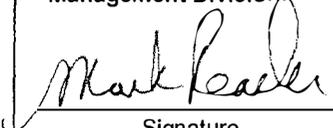
Solicitation No. P14-0031 Page 1 of 1
 Description: Underwriting Services
 Amendment No. Two (2) Date: 8/3/15

Materials Management Procurement
 9875 N. 85th Ave., 2nd Fl.
 Peoria, AZ 85345
 Telephone: (623) 773-7115
 Fax: (623) 773-7118
Buyer: Jennifer Miller

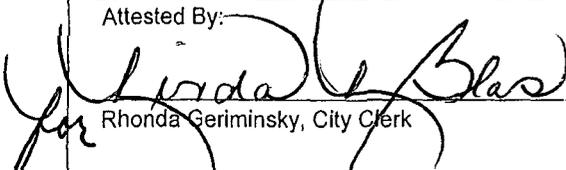
In accordance with the Contract Special Terms and Conditions, Contract Extension, the above referenced contract shall expire on 10/31/15.

The New Contract Term Is: 11/1/15 to 10/31/16

Contractor hereby acknowledges receipt and agreement. A signed copy shall be filed with the City of Peoria, Materials Management Division.

	<u>8/28/15</u>	Mark Reader Senior Vice President Managing Director	Stifel, Nicolaus & Company, Inc.	
Signature	Date	Typed Name and Title	Company Name	
<u>2325 E. Camelback Rd., Ste. 750</u>		<u>Phoenix</u>	<u>AZ</u>	<u>85016</u>
Address		City	State	Zip Code

Attested By:


 Rhonda Geriminsky, City Clerk


 Director: Brent Mattingly, Chief Financial Officer


 Project Manager: Katie Gregory, Deputy Director for the Finance and Budget Department

Approved as to Form:

 Stephen M. Kemp, City Attorney

The above referenced Contract Amendment is hereby Executed:
Sept. 30, 2015 at Peoria, Arizona


 Dan Zenko, Materials Manager



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ACON51413B



CONTRACT AMENDMENT

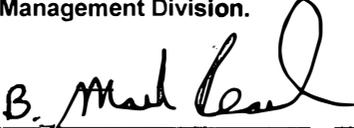
Materials Management Procurement
 9875 N. 85th Ave., 2nd Fl.
 Peoria, AZ 85345
 Telephone: (623) 773-7115
 Fax: (623) 773-7118
Buyer: Jennifer Miller

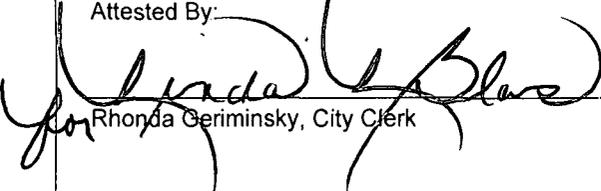
Solicitation No. P14-0031 Page 1 of 1
 Description: Underwriting Services
 Amendment No. One (1) Date: 8/5/14

In accordance with the Contract Special Terms and Conditions, Contract Extension, the above referenced contract shall expire on October 31, 2014.

The New Contract Term Is: 11/1/14 to 10/31/15

Contractor hereby acknowledges receipt and agreement. A signed copy shall be filed with the City of Peoria, Materials Management Division.

		Mark Reader Senior Vice President Managing Director	Stifel, Nicolaus & Company, Inc.	
Signature	Date	Typed Name and Title	Company Name	
2325 E. Camelback Rd., Ste. 750		Phoenix	AZ	85016
Address		City	State	Zip Code

Attested By:

 Rhonda Geriminsky, City Clerk



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 City of Peoria, Arizona

CC Number

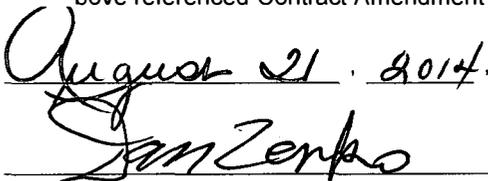
 ACON51413A
 Contract Number


 Director: Brent Mattingly, Chief Financial Officer


 Project Manager: Katie Gregory, Deputy Director for the Finance and Budget Department

Approved as to Form:

 Stephen M. Kemp, City Attorney

Above referenced Contract Amendment is hereby Executed:

 August 21, 2014, at Peoria, Arizona
 Dan Zenko, Materials Manager

ACON51413A



**City of Peoria, Arizona
Notice of Request for Proposal
for Professional Services**



Request for Proposal No	P14-0031	Proposal Due Date	October 15, 2013
Services	Underwriting Services	Proposal Time	5:00 P.M. AZ Time
		Purchasing Agent	Jennifer Miller
Location	City of Peoria, Materials Management	Phone	(623) 773-7115
Mailing Address	9875 N 85 th Avenue 2 nd Floor Peoria AZ 85345		

In accordance with City of Peoria Procurement Code competitive sealed proposals for the services specified will be received by the City of Peoria Materials Management at the specified location until the date and time cited above. Proposals shall be in the actual possession of the City of Peoria Materials Management on or prior to the exact date and time indicated above. Late proposals will not be considered except as provided in the City of Peoria Procurement Code. **Proposals shall be submitted in a sealed envelope with the Request for Proposal number and the offeror's name and address clearly indicated on the front of the envelope.** All proposals shall be completed in ink or typewritten. Offerors are strongly encouraged to carefully read the *entire* Request for Proposal Package.

OFFER

To the City of Peoria: The undersigned on behalf of the entity (firm, company, partnership, or other legal entity listed below) offers on its behalf to the City a proposal that contains all terms, conditions, specifications and amendments in the Notice of Request for Proposal issued by the City. Any exception to the terms contained in the Notice of Request for Proposal must be specifically indicated in writing, and are subject to the approval of the City prior to acceptance. The signature below certifies your understanding and compliance with Paragraph 1 of the City of Peoria Standard Terms and Conditions (form COP 202) contained in the Request for Proposal package issued by the City.

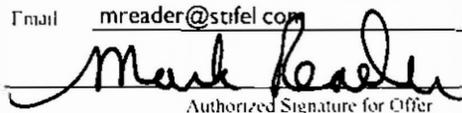
For clarification of this offer contact

Telephone (602) 794-4011 Fax (602) 794 4046

Name Mark Reader

Email mreader@stifel.com

Stifel Nicolaus & Company Incorporated


Authorized Signature for Offer

Company Name

2325 E Camelback Road Suite 750

Mark Reader

Address

Printed Name

Phoenix Arizona 85016

Senior Vice President / Managing Director

City State Zip Code

Title

ACCEPTANCE OF OFFER AND CONTRACT AWARD (For City of Peoria Use Only)

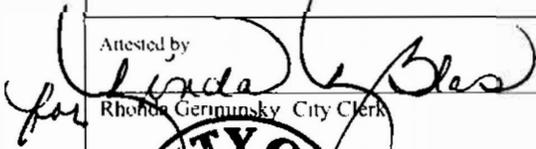
Your offer is accepted by the City, subject to approval of each written exception that your proposal contained. The contract consists of the following documents: 1) Request for Proposal issued by the City; 2) Your offer in response to the City's Request for Proposal; and 3) This written acceptance and contract award.

As the awarded professional service provider, you are now legally bound to provide the services listed by the attached award notice, based on the solicitation of proposals, including all terms, conditions, specifications, amendments and your offer as now accepted by the City. The professional service provider shall not commence any billable work or provide any services under this contract until the professional service provider receives an executed Purchase Order or a Notice to Proceed.

Attested by

City of Peoria, Arizona

Effective Date Oct 30, 2013


Rhonda Germinsky, City Clerk

Approved as to form


Stephen M. Keup, City Attorney

CC _____

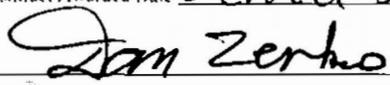
Contract Number

ACON 51413

Contract Award Date

October 29, 2013

Official File _____


Dan Zenko, Materials Manager



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REQUEST FOR PROPOSAL

INSTRUCTIONS TO OFFEROR

Materials Management Procurement

9875 N 85th Avenue
Peoria, Arizona 85345-6560
Phone (623) 773-7115
Fax (623) 773-7118

1 PREPARATION OF PROPOSAL

- a. All proposals shall be on the forms (if any) provided in this *Request For Proposal* package. It is permissible to copy these forms if required. Telegraphic (facsimile) or mailgram proposals will not be considered.
- b. The Offer and Contract Award document (COP Form 203) shall be submitted with an original ink signature by a person authorized to sign the offer.
- c. Erasures, interlineations, or other modifications in the proposal shall be initialed in original ink by the authorized person signing the Offer sheet.
- d. If price is a consideration and in case of error in the extension of prices in the proposal, the unit price shall govern. No proposal shall be altered, amended, or withdrawn after the specified proposal due date and time.
- e. Periods of time stated as a number of days shall be calendar days.
- f. It is the responsibility of all Offerors to examine the entire *Request For Proposal* package and seek clarification of any item or requirement that may not be clear and to check all responses for accuracy before submitting a bid. Negligence in preparing a Proposal confers no right of withdrawal after proposal due date and time.

2. **INQUIRIES** Any question related to the *Request For Proposal* shall be directed to the purchasing agent whose name appears on the front. The Offeror shall not contact or ask questions of the department for which the requirement is being procured. Questions should be submitted in writing when time permits. The purchasing agent may require any and all questions be submitted in writing at the Buyer's sole discretion. Any correspondence related to a *Request For Proposal* should refer to the appropriate *Request For Proposal* number, page, and paragraph number. However, the Offeror shall not place the *Request For Proposal* number on the outside of any envelope containing questions since such an envelope may be identified as a sealed proposal and if so, will not be opened until after the official *Request For Proposal* due date and time.

3. **PROSPECTIVE OFFERORS CONFERENCE** A prospective offerors conference may be held if scheduled, the date and time of this conference will be indicated within this document. The purpose of this conference will be to clarify the contents of this *Request For Proposal* in order to prevent any misunderstanding of the City's position. Any doubt as to the requirements of this *Request For Proposal* or any apparent omission or discrepancy should be presented to the City at this conference. The City will then determine if any action is necessary and may issue a written amendment to the *Request for Proposal*. Oral statements or instructions will not constitute an amendment to this *Request for Proposal*.

4. **LATE PROPOSALS** Late Proposals will not be considered except as provided by the City of Peoria Procurement Code. A professional service provider submitting a late proposal shall be so notified.

5. **WITHDRAWAL OF PROPOSAL** At any time prior to the specified proposal due date and time, a professional service provider (or designated representative) may withdraw the proposal. Telegraphic (facsimile) or mailgram proposal withdrawals will not be considered.

6. **AMENDMENT OF PROPOSAL** Receipt of a Solicitation Amendment (COP Form 207) shall be acknowledged by signing and returning the document prior to the specified proposal due date and time.

7. **PAYMENT** The City will make every effort to process payment for the purchase of services within thirty (30) calendar days after receipt of services and a correct notice of amount due, unless a good faith dispute exists as to any obligation to pay all or a portion of the account. Any proposal that requires payment in less than thirty (30) calendar days shall not be considered.

8. **DISCOUNTS** Payment discount periods will be computed from the date of receipt of service or correct invoice, whichever is later, to the date Buyer's payment is mailed. Unless freight and other charges are itemized, any discount provided will be taken on full amount of invoice. Payment discounts of thirty (30) calendar days or more will be deducted from the proposal price in determining the low bid. However, the Buyer shall be entitled to take advantage of any payment discount offered by the Offeror provided payment is made within the discount period.

9. **TAXES** The City of Peoria is exempt from Federal Excise Tax, including the Federal Transportation Tax. Sales tax, if any, shall be indicated as a separate item.

10. **VENDOR REGISTRATION** After the award of a contract, the successful Offeror shall have a completed Vendor Registration Form (COP Form 200) on file with the City of Peoria Materials Management Division.

11 AWARD OF CONTRACT

- a. Notwithstanding any other provision of this *Request For Proposal*, The City expressly reserves the right to:
 - (1) Waive any immaterial defect or informality, or
 - (2) Reject any or all proposals, or portions thereof, or
 - (3) Reissue a *Request For Proposal*.
- b. A response to a *Request For Proposal* is an offer to contract with the City based upon the terms, conditions, and specifications contained in the City's *Request For Proposal* and the written amendments thereto, if any. Proposals do not become contracts unless and until they are accepted by the City Council. A contract is formed when written notice of award(s) is provided to the successful Offeror(s). The contract has its inception in the award document, eliminating a formal signing of a separate contract. For that reason, all of the terms and conditions of the procurement contract are contained in the *Request For Proposal*, unless modified by a Solicitation Amendment (COP Form 207) or a Contract Amendment (COP Form 217).



STANDARD TERMS AND CONDITIONS

**Materials Management
Procurement**
9875 N 85th Avenue
Peoria, Arizona 85345-6560
Phone (623) 773-7115
Fax (623) 773-7118

THE FOLLOWING TERMS AND CONDITIONS ARE AN EXPLICIT PART OF THE SOLICITATION AND ANY RESULTANT CONTRACT

- 1 **CERTIFICATION** By signature in the Offer section of the Offer and Contract Award page (COP Form 203), the Professional Services Provider, (Consultant), certifies
 - a The submission of the offer did not involve collusion or other anti-competitive practices
 - b The Consultant shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246
 - c The Consultant has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip favor, or service to a public servant in connection with the submitted offer. Failure to sign the offer, or signing it with a false statement, shall void the submitted offer or any resulting contracts, and the Consultant may be debarred
- 2 **GRATUITIES** The City may, by written notice to the Consultant, cancel this contract if it is found by the City that gratuities, in the form of entertainment, gifts or otherwise, were offered or given by the Consultant or any agent or representative of the Consultant, to any officer or employee of the City with a view toward securing an order, securing favorable treatment with respect to the awarding, amending, or the making of any determinations with respect to the performing of such order. In the event this contract is cancelled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold from the Consultant the amount of the gratuity. Paying the expense of normal business meals which are generally made available to all eligible city government customers shall not be prohibited by this paragraph.
- 3 **APPLICABLE LAW** In the performance of this agreement, contractors shall abide by and conform to any and all laws of the United States, State of Arizona and City of Peoria including but not limited to federal and state executive orders providing for equal employment and procurement opportunities, the Federal Occupational Safety and Health Act and any other federal or state laws applicable to this agreement.

Contractor specifically understands and acknowledges the applicability to it of the Americans with Disabilities Act, the Immigration Reform and Control Act of 1986, and the Drug Free Workplace Act of 1989. In addition, if this agreement pertains to construction, Contractor must also comply with A R S § 34-301, as amended (Employment of Aliens on Public Works Prohibited) and A R S § 34-302, as amended (Residence Requirements for Employees).

Under the provisions of A R S § 41-4401, Contractor hereby warrants to the City that Contractor and each of its subcontractors ("Subcontractors") will comply with, and are contractually obligated to comply with, all Federal immigration laws and regulations that relate to their employees and A R S § 23-214(A) (hereinafter, "Contractor Immigration Warranty").

A breach of the Contractor Immigration Warranty shall constitute a material breach of this agreement and shall subject Contractor to penalties up to and including termination of this agreement at the sole discretion of the City. The City may, at its sole discretion, conduct random verification of the employment records of Contractor and any Subcontractors to ensure compliance with the Contractor Immigration Warranty. Contractor agrees to assist the City in regard to any random verifications performed.

Neither Contractor nor any Subcontractor shall be deemed to have materially breached the Contractor Immigration Warranty if Contractor or the Subcontractor establishes that it has complied with the employment verification provisions prescribed by §§ 274A and 274B of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A R S § 23-214(A).

The provisions of this Paragraph must be included in any contract Contractor enters into with any Subcontractors who provide services under this agreement or any subcontract. "Services" is defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

Contractor warrants, for the term of this agreement and for six months thereafter, that it has fully complied with the requirements of the Immigration Reform and Control Act of 1986 and all related or similar legal authorities.



STANDARD TERMS AND CONDITIONS

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This contract shall be governed by the City and Contractor shall have all remedies afforded each by the Uniform Commercial Code, as adopted in the State of Arizona, except as otherwise provided in this contract or in statutes pertaining specifically to the City. This contract shall be governed by the laws of the State of Arizona and suit pertaining to this contract may be brought only in courts in the State of Arizona.

This contract is subject to the provisions of ARS §38-511, the City may cancel this contract without penalty or further obligations by the City or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the City or any of its departments or agencies, is at any time while the contract or any extension of the contract is in effect, an employee of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract.

- 4 **LEGAL REMEDIES** All claims and controversies shall be subject to resolution according to the terms of the City of Peoria Procurement Code.
- 5 **CONTRACT** The contract between the City and the Consultant shall consist of (1) the Solicitation, including instructions, all terms and conditions, specifications, scopes of work, attachments, and any amendments thereto, and (2) the offer submitted by the Consultant in response to the solicitation. In the event of a conflict in language between the Solicitation and the Offer, the provisions and requirements in the Solicitation shall govern. However, the City reserves the right to clarify, in writing, any contractual terms with the concurrence of the Consultant, and such written contract shall govern in case of conflict with the applicable requirements stated in the Solicitation or the Consultant's offer. The Solicitation shall govern in all other matters not affected by the written contract.
- 6 **CONTRACT AMENDMENTS** This contract may be modified only by a written Contract Amendment (COP Form 217) signed by persons duly authorized to enter into contracts on behalf of the City and the Consultant.
- 7 **CONTRACT APPLICABILITY** The Offeror shall substantially conform to the terms, conditions, specifications and other requirements found within the text of this specific Solicitation. All previous agreements, contracts, or other documents, which have been executed between the Offeror and the City are not applicable to this Solicitation or any resultant contract.
- 8 **PROVISIONS REQUIRED BY LAW** Each and every provision of law and any clause required by law to be in the contract will be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the contract will forthwith be physically amended to make such insertion or correction.
- 9 **SEVERABILITY** The provisions of this contract are severable to the extent that any provision or application held to be invalid shall not affect any other provision or application of the contract which may remain in effect without the invalid provision or application.
- 10 **RELATIONSHIP TO PARTIES** It is clearly understood that each party will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. The Consultant is advised that taxes or Social Security payments will not be withheld from any City payments issued hereunder and that the Consultant should make arrangements to directly pay such expenses, if any.
- 11 **INTERPRETATION-PAROL EVIDENCE** This contract represents the entire agreement of the Parties with respect to its subject matter, and all previous agreements, whether oral or written, entered into prior to this contract are hereby revoked and superseded by this contract. No representations, warranties, inducements or oral agreements have been made by any of the Parties except as expressly set forth herein, or in any other contemporaneous written agreement executed for the purposes of carrying out the provisions of this contract. This contract may not be changed, modified or rescinded except as provided for herein, absent a written agreement signed by both Parties. Any attempt at oral modification of this contract shall be void and of no effect.
- 12 **NO DELEGATION OR ASSIGNMENT** Contractor shall not delegate any duty under this Contract, and no right or interest in this Contract shall be assigned by Contractor to any successor entity or third party, including but not limited to an affiliated successor or purchaser of Contractor or its assets, without prior written permission of the City. The City, at its



STANDARD TERMS AND CONDITIONS

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option, may cancel this Contract in the event Contractor undertakes a delegation or assignment without first obtaining the City's written approval. Contractor agrees and acknowledges that it would not be unreasonable for the City to decline to approve a delegation or assignment that results in a material change to the services provided under this Contract or an increased cost to the City.

13 SUBCONTRACTS No subcontract shall be entered into by the Consultant with any other party to furnish any of the material, service or construction specified herein without the advance written approval of the City. The prime Consultant shall itemize all sub-contractors which shall be utilized on the project. Any substitution of sub-contractors by the prime Consultant shall be approved by the City and any cost savings will be reduced from the prime Consultant's bid amount. All subcontracts shall comply with Federal and State laws and regulations which are applicable to the services covered by the subcontract and shall include all the terms and conditions set forth herein which shall apply with equal force to the subcontract and if the Subcontractor were the Consultant referred to herein. The Consultant is responsible for contract performance whether or not Subcontractors are used.

14 RIGHTS AND REMEDIES No provision in this document or in the Consultant's offer shall be construed, expressly or by implication, as waiver by the City of any existing or future right and/or remedy available by law in the event of any claim of default or breach of contract. The failure of the City to insist upon the strict performance of any term or condition of the contract or to exercise or delay the exercise of any right or remedy provided in the contract, or by law, or the City's acceptance of and payment for materials or services, shall not release the Consultant from any responsibilities or obligations imposed by this contract or by law, and shall not be deemed a waiver of any right of the City to insist upon the strict performance of the Contract.

15 INDEMNIFICATION To the fullest extent permitted by law, the Consultant shall defend, indemnify and hold harmless the City, its agents, representatives, officers, directors, officials and employees for costs or damages for which the Consultant is legally responsible or for which the City is vicariously liable on account of the Consultant's willful or negligent acts, error or omissions.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

16 OVERCHARGES BY ANTITRUST VIOLATIONS The City maintains that, in practice, overcharges resulting from antitrust violations are borne by the purchaser. Therefore, to the extent permitted by law, the Consultant hereby assigns to the City any and all claims for such overcharges as to the goods and services used to fulfill the Contract.

17 FORCE MAJEURE Except for payment for sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term *force majeure* means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God, acts of the public enemy, war, acts of terror, hate crimes affecting public order, riots, strikes, mobilization, labor disputes, civil disorders, fire, floods, lockouts, injunctions-intervention-acts, or failures or refusals to act by government authority, events or obstacles resulting from a governmental authority's response to the foregoing, and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence. The force majeure shall be deemed to commence when the party declaring force majeure notifies the other party of the existence of the force majeure and shall be deemed to continue as long as the results or effects of the force majeure prevent the party from resuming performance in accordance with this Contract.

Force majeure shall not include the following occurrences:

- a Last minute failure of office equipment is not force majeure
- b Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this Force Majeure term and Condition

Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure. If either party is delayed at any time in the progress of the work by force majeure, then the delayed party shall notify the other party.



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in writing of such delay within forty-eight (48) hours commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be hand delivered or mailed *Certified-Return Receipt* and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing. The time of completion shall be extended by contract modification for a period of time equal to the time that the results or effects of such delay prevent the delayed party from performing in accordance with this contract.

- 18 RIGHT TO ASSURANCE** Whenever one party to this contract in good faith has reason to question the other party's intent to perform he may demand that the other party give a written assurance of this intent to perform. In the event that a demand is made and no written assurance is given within five (5) days, the demanding party may treat this failure as an anticipatory repudiation of the Contract.
- 19 RIGHT TO AUDIT RECORDS** The City may, at reasonable times and places, audit the books and records of any Contractor as related to any contract held with the City. This right to audit also empowers the City to inspect the papers of any Contractor or Subcontractor employee who works on this contract to ensure that the Contractor or Subcontractor is complying with the Contractor Immigration Warranty made pursuant to Paragraph 3 above.
- 20 RIGHT TO INSPECT** The City may, at reasonable times, inspect the part of the place of business of a Consultant or Subcontractor which is related to the performance of any contract as awarded or to be awarded.
- 21 WARRANTIES** Consultant warrants that all services delivered under this contract shall conform to the specifications of this contract. Consultant warrants that all services shall be performed in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. Additional warranty requirements may be set forth in the solicitation.
- 22 INSPECTION** All services are subject to final inspection and acceptance by the City. Services failing to conform to the specifications of this Contract will be held at Consultant's risk and may be returned to the Consultant. If so returned, all costs are the responsibility of the Consultant. The City may elect to do any or all:
- a Waive the non-conformance
 - b Stop the work immediately
 - c Bring material into compliance
- This shall be accomplished by a written determination for the City.
- 23 TITLE AND RISK OF LOSS** The title and risk of loss of service shall not pass to the City until the City actually receives the service at the point of delivery, unless otherwise provided within this Contract.
- 24 NO REPLACEMENT OF DEFECTIVE TENDER** Every tender of materials shall fully comply with all provisions of the Contract. If a tender is made which does not fully conform, this shall constitute a breach of the Contract as a whole.
- 25 DEFAULT IN ONE INSTALLMENT TO CONSTITUTE TOTAL BREACH** Consultant shall deliver conforming materials in each installment of lot of this Contract and may not substitute nonconforming materials. Delivery of nonconforming materials or a default of any nature, at the option of the City, shall constitute a breach of the Contract as a whole.
- 26 LICENSES** Consultant shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Consultant as applicable to this Contract.
- 27 PATENTS AND COPYRIGHTS** All services, information, computer program elements, reports and other deliverables, which may be patented or copyrighted and created under this contract are the property of the City and shall not be used or released by the Consultant or any other person except with the prior written permission of the City.
- 28 PREPARATION OF SPECIFICATIONS BY PERSONS OTHER THAN CITY PERSONNEL** All specifications shall seek to promote overall economy for the purposes intended and encourage competition and not be unduly restrictive in satisfying the City's needs. No person preparing specifications shall receive any direct or indirect benefit from the utilization of specifications, other than fees paid for the preparation of specifications.



STANDARD TERMS AND CONDITIONS

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- 29 **COST OF PROPOSAL PREPARATION** The City shall not reimburse the cost of developing presenting or providing any response to this solicitation. Offers submitted for consideration should be prepared simply and economically, providing adequate information in a straightforward and concise manner.
- 30 **PUBLIC RECORD** All offers submitted in response to this solicitation shall become the property of the City and shall become a matter of public record available for review, subsequent to the award notification, in accordance with the City's Procurement Code. However, subsequent to the award of the contract, any information and documents obtained by the City during the course of an audit conducted in accordance with Paragraph 19 above for the purpose of determining compliance by Contractor or a Subcontractor with the Contractor Immigration Warranty mandated by Paragraph 3 above shall remain confidential and shall not be made available for public review or produced in response to a public records request, unless the City is ordered or otherwise directed to do so by a court of competent jurisdiction.
- 31 **ADVERTISING** Consultant shall not advertise or publish information concerning this Contract, without prior written consent of the City.
- 32 **DELIVERY ORDERS** The City shall issue a Purchase Order for the services covered by this contract. All such documents shall reference the contract number as indicated on the Offer and Contract Award (COP Form 203).
- 33 **FUNDING** Any contract entered into by the City of Peoria is subject to funding availability. Fiscal years for the City of Peoria are July 1 to June 30. The City Council approves all budget requests. If a specific funding request is not approved, the contract shall be terminated.
- 34 **DISCLAIMER** The City of Peoria, Arizona provides current and complete solicitation information for registered Plan Holders only. Updates, amendments and related information regarding the solicitation contained herein will be delivered only to registered Plan Holders. The City assumes no liability or duty to so update or send any update to persons who are not Plan Holders. Any person who acquires these documents from any source other than the City website or directly from the Materials Management Division, has no assurance that the solicitation is valid. No person may amend this document, nor may any person publish it without this disclaimer.
- 35 **PAYMENT** A separate invoice shall be issued for each service performed, and no payment will be issued prior to receipt of services and correct invoice.
- 36 **PROHIBITED LOBBYING ACTIVITIES** The Offeror, his/her agent or representative shall not contact, orally or in any written form any City elected official or any City employee other than the Materials Management Division, the procuring department, City Manager, Deputy City Manager or City Attorney's office (for legal issues only) regarding the contents of this solicitation or the solicitation process commencing from receipt of a copy of this request for proposals and ending upon submission of a staff report for placement on a City Council agenda. The Materials Manager shall disqualify an Offeror's proposal for violation of this provision. This provision shall not prohibit an Offeror from petitioning an elected official after submission of a staff report for placement on a City Council agenda or engaging in any other protected first amendment activity after submission of a staff report for placement on a City Council agenda.
- 37 **PROHIBITED POLITICAL CONTRIBUTION** Consultant during the term of this Agreement shall not make a contribution reportable under Title 16, Chapter 6, Article 1, Arizona Revised Statutes to a candidate or candidate committee for any city elective office during the term of this Agreement. The City reserves the right to terminate the Agreement without penalty for any violation of this provision.



SPECIAL TERMS AND CONDITIONS

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- 1 **Purpose** Pursuant to provisions of the City Procurement Code, the City of Peoria, Materials Management Division intends to establish a contract for **Underwriting Services**
- 2 **Authority** This Solicitation as well as any resultant contract is issued under the authority of the City. No alteration of any resultant contract may be made without the express written approval of the City Materials Manager in the form of an official contract amendment. Any attempt to alter any contract without such approval is a violation of the contract and the City Procurement Code. Any such action is subject to the legal and contractual remedies available to the City inclusive of, but not limited to, contract cancellation, suspension and/or debarment of the Consultant.
- 3 **Offer Acceptance Period** In order to allow for an adequate evaluation, the City requires an offer in response to this Solicitation to be valid and irrevocable for sixty (60) days after the opening time and date.
- 4 **Eligible Agencies** Any contract resulting from this Solicitation shall be for the exclusive use of the City of Peoria.
- 5 **Contract Type** Fixed Price
- 6 **Term of Contract** The term of any resultant contract shall commence on the first day of the month following the date of award and shall continue for a period of one (1) year thereafter, unless terminated, cancelled or extended as otherwise provided herein.
- 7 **Contract Extension** By mutual written contract amendment, any resultant contract may be extended for supplemental periods of up to a maximum of forty-eight (48) months.
- 8 **Affirmative Action** It is the policy of the City of Peoria that suppliers of goods or services to the City adhere to a policy of equal employment opportunity and demonstrate an affirmative effort to recruit, hire, and promote regardless of race, color, religion, gender, national origin, age or disability. The City of Peoria encourages diverse suppliers to respond to solicitations for products and services.
- 9 **Proposal Format** Proposals shall be submitted in one (1) original and three (3) copies on the forms and in the format as contained in the Request for Proposal. Proposals shall be on 8 1/2" & 11" paper with the text on one side only. All submitted information must contain data for only the local office(s) which will be performing the work. The proposals should be submitted in the maximum length of five (5) pages, not including forms provided in this RFP document.
 - a Overall Firm Experience
 - i Review of past clients and CFD projects in Arizona over past ten (10) years and your firm's role in the transaction (such as underwriter, financial advisor or placement agent). Indicate size of transaction and whether transaction was competitive, negotiated, direct placement or a combination thereof.
 - ii Plan and method of approach to accomplish the Scope of Work.
 - iii Type of bond issues (competitive, negotiated, direct placements, etc.)
 - iv Experience with and presentations to rating agencies.
 - v Years of experience (firm), local presence.
 - b Staff Assignments and Qualifications
 - i Qualifications and experience of the specific staff person assigned to the project. i.e. the individual attending meetings and working directly with staff.
 - ii Specific role and "value added" with past projects.
 - iii Specific role and experience with Arizona CFD financings over past ten (10) years.
 - c Cost Considerations
 - i Comprehensive schedule of fees based on type of sale including a competitive sale, negotiated sale, and direct placement based on a cost per \$1,000 with a transaction range of \$1 million to \$15 million. Include all minimum and maximum fees and include an itemized list with projected amounts for other costs of issuance and incidental expenses the City is expected to bear.
 - ii Other potential fees for other services such as rating presentations, training or educational services.
 - iii Cost per hour per staff member (not blended).



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- d Conformance to Request for Proposal
1 All information provided in the form and format as requested
- 10 **Evaluation** In accordance with the City of Peoria Procurement Code, awards shall be made to the responsible offeror whose proposal is determined in writing to be the most advantageous to the City, based upon the evaluation criteria listed below. The evaluation factors are listed in their relative order of importance
- a Firm's Experience/Similar Projects (250points)
 - b Staff's Assignments and Qualifications (550 points)
 - c Cost (150 points)
 - d Conformance to Request for Technical Proposals (50 points)
- 11 **Discussions** In accordance with the City of Peoria Procurement Code, after the initial receipt of proposals, discussions may be conducted with offerors who submit proposals determined to be reasonably susceptible of being selected for award
- 12 **Interview Guidelines** During any requested interview, which would be scheduled in the future, be prepared to discuss your firm's proposal, staff assignments, project approach and other pertinent information. The presentation shall be approximately 30 minutes, allowing 30 minutes for a question and answer session. The Consultant's Project/Team Manager shall lead the presentation team and answer questions on behalf of the Consultant. If work involves a major sub-consultant, the firm's Project/Team Manager's presence may also be requested (by the City) at the interview
- 13 **Interviews** If interviews are needed, the final selection scoring will start over and be based on the presentation and interview scores only
- a Presentation (500 points)
 - b Interview Questions and Answers (500 points)
- 14 **Proposal Opening** Proposals shall be submitted at the time and place designated in the request for proposals. All information contained in the proposals shall be deemed as exempt from public disclosure based on the City's need to avoid disclosure of contents prejudicial to competing offerors during the process of negotiation. The proposals shall not be open for public inspection until after contract award. **PRICES SHALL NOT BE READ**. After contract award, the successful proposal and the evaluation documentation shall be open for public inspection
- 15 **Performance Warranty** This section does not relieve Consultant from its obligation to provide Work and Materials/Design Materials appropriate to the purposes of this Project. Nothing in this Agreement creates any contractual liability between the City of Peoria and any Subcontractor, however, the City of Peoria is an intended third-party beneficiary of all contracts for services, all Subcontracts, purchase orders and other agreements between the Consultant and third parties. The Consultant must incorporate the obligations of this Agreement into its respective Subcontracts, supply agreements and purchase orders
- 16 **Permits and Approvals** Consultant agrees and undertakes to obtain necessary permits and approvals, as per the scope of work, from all local, state and federal authorities for the project. In all other cases, the consultant agrees to assist the city to obtain all necessary permits and approvals from all local, state, and federal authorities for the project
- 17 **Scope of Work Deliverable** The successful Consultant shall prepare and provide a detailed Scope of Work for the project. The finalized Scope of Work shall include the agreed upon approach, method, format, and timing to complete the project
- 18 **Inspection** All work shall be subject to inspection, surveillance, and test by the City at reasonable times during the performance of the contract. The Consultant shall provide and maintain an inspection system which is acceptable to the City
- 19 **Document Ownership** Original design notes, and original tracings of the plans, as instruments of service shall remain the property of the Consultant. The Consultant shall provide the City with duplicate reproducible of original tracings on stable base (mylar) material, and two (2) sets of prints of the final tracings, without cost to the City. Final as-built plans will be on 4 mil, 24 x 36" double matte non-wash off photo mylar with no adhesive or sticky back attached. Original field notes (survey) and copy of design calculations and computer disc of the same shall be provided to the City



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- 20 **Investigation of Conditions** The Consultant warrants and agrees familiarity of the work that is required, is satisfied as to the conditions under which is performed and enters into this contract based upon the Consultants own investigation
- 21 **Acceptance** Determination of the acceptability of work shall be completed in a responsive and professional manner and in accordance with the specifications, schedules, or plans which are incorporated in the Scope of Work
- 22 **Compensation** Compensation for services shall be based upon fees negotiated, including all approved costs and expenses incurred in connection with the project, including but not limited to, telephone and other communications, reproduction of documents, special consultants (as approved by the City) and computer costs
- 23 **Invoices** The Consultant shall submit invoices to the City of Peoria Accounts Payable Department, 8401 W Monroe St, Peoria AZ 85345 Invoices may also be submitted electronically to accountspayable@peoriaaz.gov
- 24 **Payments** The City shall pay the Consultant monthly, based upon work performed and completion to date, and upon submission of invoices All invoices shall document and itemize all work completed to date The invoice statement shall include a record of time expended and work performed in sufficient detail to justify payment
- 25 **Insurance Requirements** The Consultant, at Consultant's own expense, shall purchase and maintain the herein stipulated minimum insurance with companies duly licensed, possessing a current A M Best, Inc Rating of A-, or approved unlicensed in the State of Arizona with policies and forms satisfactory to the City

All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily completed and formally accepted, failure to do so may, at the sole discretion of the City, constitute a material breach of this Contract

The Consultant's insurance shall be primary insurance as respects the City, and any insurance or self-insurance maintained by the City shall not contribute to it

Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect the City

The insurance policies, except Workers' Compensation, shall contain a waiver of transfer rights of recovery (subrogation) against the City, its agents, representatives, directors, officers, and employees for any claims arising out of the Consultant's acts, errors, mistakes, omissions, work or service

The insurance policies may provide coverage which contain deductibles or self-insured retentions Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to the City under such policies The Consultant shall be solely responsible for the deductible and/or self-insured retention and the City, at its option, may require the Consultant to secure payment of such deductibles or self-insured retentions by a Surety Bond or an irrevocable and unconditional letter of credit

The City reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and endorsements The City shall not be obligated, however, to review same or to advise Consultant of any deficiencies in such policies and endorsements, and such receipt shall not relieve Consultant from, or be deemed a waiver of the City's right to insist on, strict fulfillment of Consultant's obligations under this Contract

The insurance policies, except Workers' Compensation and Professional Liability, required by this Contract, shall name the City, its agents, representatives, officers, directors, officials and employees as Additional Insureds

26 **Required Insurance Coverage**

a Commercial General Liability

Consultant shall maintain Commercial General Liability insurance with a limit of not less than \$1,000,000 for each occurrence with a \$2,000,000 Products/Completed Operations Aggregate and a \$2,000,000 General Aggregate Limit The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Contract which coverage will be at least as broad as Insurance Service Office, Inc Policy Form CG 00011207 or any replacements thereof The coverage shall not exclude X, C, U



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Such policy shall contain a severability of interest provision, and shall not contain a sunset provision or commutation clause, nor any provision which would serve to limit third party action over claims

The Commercial General Liability additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc's Additional Insured, Form B, CG 20370704, and shall include coverage for Consultant's operations and products and completed operations

If required by this Contract the Consultant subletting any part of the work, services or operations awarded to the Consultant shall purchase and maintain, at all times during prosecution of the work, services or operations under this Contract, an Owner's and Consultant Protective Liability insurance policy for bodily injury and property damage, including death, which may arise in the prosecution of the Consultant's work, service or operations under this Contract Coverage shall be on an occurrence basis with a limit not less than \$1,000,000 per occurrence, and the policy shall be issued by the same insurance company that issues the Consultant's Commercial General Liability insurance

b Automobile Liability

Consultant shall maintain Commercial/Business Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence with respect to the Consultant's any owned, hired, and non-owned vehicles assigned to or used in performance of the Consultant's work Coverage will be at least as broad as coverage code 1, "any auto", (Insurance Service Office, Inc Policy Form CA 00010306, or any replacements thereof) Such insurance shall include coverage for loading and off loading hazards

c Workers' Compensation

The Consultant shall carry Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Consultant's employees engaged in the performance of the work or services, and, Employer's Liability insurance of not less than \$100,000 for each accident, \$100,000 disease for each employee, and \$500,000 disease policy limit

In case any work is subcontracted, the Consultant will require the Subcontractor to provide Workers' Compensation and Employer's Liability to at least the same extent as required of the Consultant

d Professional Liability

The Consultant retained by the City to provide the work or service required by this Contract will maintain Professional Liability insurance covering acts, errors, mistakes and omissions arising out of the work or services performed by the Consultant, or any person employed by the Consultant, with a limit of not less than \$1,000,000 each claim

27 Certificates of Insurance Prior to commencing work or services under this Contract, Consultant shall furnish the City with Certificates of Insurance, and formal endorsements as required by the Contract, issued by Consultant's insurer(s), as evidence that policies providing the required coverages, conditions and limits required by this Contract are in full force and effect

In the event any insurance policy(ies) required by this contract is(are) written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of the Consultant's work or services and as evidenced by annual Certificates of Insurance

If a policy does expire during the life of the Contract, a renewal certificate must be sent to the City fifteen (15) days prior to the expiration date

All Certificates of Insurance shall be identified with bid serial number and title A \$25.00 administrative fee will be assessed for all certificates received without the appropriate bid serial number and title

28 Cancellation and Expiration Notice Insurance required herein shall not expire, be canceled, or materially changed with respect to coverage or rating of carrier All other changes shall be with thirty (30) days prior written notice to the City

29 Independent Contractor

a General



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- i The Consultant acknowledges that all services provided under this Agreement are being provided by him as an independent Consultant, not as an employee or agent of the City Manager or the City of Peoria
- ii Both parties agree that this Agreement is nonexclusive and that Consultant is not prohibited from entering into other contracts nor prohibited from practicing his profession elsewhere

b Liability

- i The City of Peoria shall not be liable for any acts of Consultant outside the scope of authority granted under this Agreement or as the result of Consultant's acts, errors, misconduct, negligence, omissions and intentional acts
- ii To the fullest extent permitted by law, the Consultant shall defend, indemnify and hold harmless the City, its agents, representatives, officers, directors, officials and employees for costs or damages for which the Consultant is legally responsible or for which the City is vicariously liable on account of the Consultant's willful or negligent acts, errors or omissions

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph

c Other Benefits

The Consultant is an independent Consultant, therefore, the City Manager will not provide the Consultant with health insurance, life insurance, workmen's compensation, sick leave, vacation leave, or any other fringe benefits. Further, Consultant acknowledges that he is exempt from coverage of the Comprehensive Benefit and Retirement Act (COBRA). Any such fringe benefits shall be the sole responsibility of Consultant.

30 Key Personnel It is essential that the Consultant provide adequate experienced personnel, capable of and devoted to the successful accomplishment of work to be performed under this contract. The Consultant must agree to assign specific individuals to the key positions.

- a The Consultant agrees that, once assigned to work under this contract, key personnel shall not be removed or replaced without written notice to the City.
- b If key personnel are not available for work under this contract for a continuous period exceeding 30 calendar days, or are expected to devote substantially less effort to the work than initially anticipated, the Consultant shall immediately notify the City, and shall, subject to the concurrence of the City, replace such personnel with personnel of substantially equal ability and qualifications.

31 Confidential Information

- a If a person believes that a bid, proposal, offer, specification, or protest contains information that should be withheld, a statement advising the Materials Supervisor of this fact shall accompany the submission and the information shall be identified.
- b The information identified by the person as confidential shall not be disclosed until the Materials Supervisor makes a written determination.
- c The Materials Supervisor shall review the statement and information and shall determine in writing whether the information shall be withheld.
- d If the Materials Supervisor determines to disclose the information, the Materials Supervisor shall inform the bidder in writing of such determination.

32 Identity Theft Prevention The Contractor shall establish and maintain Identity Theft policies, procedures and controls for the purpose of assuring that "personal identifying information," as defined by A.R.S. § 13-2001(10), as amended, contained in its records or obtained from the City or from others in carrying out its responsibilities under the Contract, is protected at all times and shall not be used by or disclosed to unauthorized persons. Persons requesting such information should be referred to the City. Contractor also agrees that any "personal identifying information" shall not be disclosed other than to employees or officers of Contractor as needed for the performance of duties under the Contract. Contractor agrees to



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maintain reasonable policies and procedures designed to detect, prevent and mitigate the risk of identity theft. Contractor is required under this contract to review the City of Peoria's Identity Theft Program and to report to the Program Administrator any Red Flags as defined within that program. At a minimum, the contractor will have the following Identity Theft procedures in place:

- a. Solicit and retain only the "personal identifying information" minimally necessary for business purposes related to performance of the Contract.
- b. Ensure that any website used in the performance of the contract is secure. If a website that is not secure is to be used, the City shall be notified in advance before any information is posted. The City reserves the right to restrict the use of any non-secure websites under this contract.
- c. Ensure complete and secure destruction of any and all paper documents and computer files at the end of the contract's retention requirements.
- d. Ensure that office computers are password protected and that computer screens lock after a set period of time.
- e. Ensure that offices and workspaces containing customer information are secure.
- f. Ensure that computer virus protection is up to date.

33 **Confidentiality of Records**. The Consultant shall establish and maintain procedures and controls that are acceptable to the City for the purpose of assuring that information contained in its records or obtained from the City or from others in carrying out its functions under the contract shall not be used or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under the contract. Persons requesting such information should be referred to the City. Consultant also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of Consultant as needed for the performance of duties under the contract. These provisions shall not restrict the Design Professional from giving notices required by law or complying with an order to provide information or data when such order is issued by a court, administrative agency or other authority with proper jurisdiction.

34 **Ordering Process**. Upon award of a contract by the City of Peoria, Materials Management Division may procure the specific service awarded by the issuance of a purchase order to the appropriate Consultant. The award of a contract shall be in accordance with the City of Peoria Procurement Code and all transactions and procedures required by the Code for public bidding have been complied with. A purchase order for the awarded service that cites the correct contract number is the only document required for the department to order and the Consultant to deliver the service.

Any attempt to represent any service not specifically awarded as being under contract with the City of Peoria is a violation of the contract and the City of Peoria Procurement Code. Any such action is subject to the legal and contractual remedies available to the City inclusive of, but not limited to, contract cancellation, suspension and/or debarment of the Consultant.

35 **Billing**. All billing notices to the City shall identify the specific item(s) being billed and the purchase order number. Items are to be identified by the name, model number, and/or serial number most applicable. Any purchase/delivery order issued by the requesting agency shall refer to the contract number resulting from this solicitation.

36 **Licenses**. Consultant shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Consultant as applicable to this Contract.

37 **City of Peoria Business License**. Peoria City Code requires that all persons conducting business in the City of Peoria must first obtain a license. This includes businesses within the Peoria city limits, or those outside the limits who conduct business or perform services within Peoria. For business license questions or to obtain a license, please contact the City of Peoria Sales Tax & License Division at (623) 773-7160 or via email at salestax@peoriaAZ.gov.

38 **Cancellation**. The City reserves the right to cancel the whole or any part of this contract due to failure by the Consultant to carry out any obligation, term or condition of the contract. The City will issue written notice to the Consultant for acting or failing to act as in any of the following:

- a. The Consultant provides material that does not meet the specifications of the contract,



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- b The Consultant fails to adequately perform the services set forth in the specifications of the contract,
- c The Consultant fails to complete the work required or to furnish the materials required within the time stipulated in the contract,
- d The Consultant fails to make progress in the performance of the contract and/or gives the City reason to believe that the Consultant will not or cannot perform to the requirements of the contract

Upon receipt of the written notice of concern, the Consultant shall have ten (10) days to provide a satisfactory response to the City. Failure on the part of the Consultant to adequately address all issues of concern may result in the City resorting to any single or combination of the following remedies:

- a Cancel any contract,
- b Reserve all rights or claims to damage for breach of any covenants of the contract,
- c Perform any test or analysis on materials for compliance with the specifications of the contract. If the results of any test or analysis find a material non-compliant with the specifications, the actual expense of testing shall be borne by the Consultant,
- d In case of default, the City reserves the right to purchase materials, or to complete the required work in accordance with the City Procurement Code. The City may recover any actual excess costs from the Consultant by:
 - i Deduction from an unpaid balance,
 - ii Or any other remedies as provided by law

- 39 **Project Travel Reimbursable Expenses** If travel expenses are allowed as part of the contract the reimbursable expenses will be as follows. All expenses will be billed to the City at cost without markup. Copies of bills for expenses are to be submitted with the invoice. Travel time to and from job site is excluded from this contract. There will be no allowances for parking or personal car mileage. No incidentals for travel of any kind are allowed under this contract.

The following is a list of allowable travel expenses under this contract agreement:

- a Transportation
 - i Air Transportation – coach class fares, minimum 14 days advanced purchase, unless otherwise agreed upon
 - ii Car Rental – mid size car, gas for rental car (City assumes no liability regarding additional insurance costs)
- b Lodging and Meals
 - i Meals – three meals per day, at the current federal per diem rate for Maricopa County
 - ii Lodging – not to exceed the current federal rate for Maricopa County. Vendors are encouraged to stay in hotels located within the City of Peoria when practical. A listing of accommodations within Peoria can be found on the following website: <http://www.peoriaaz.gov/NewSecondary.aspx?id=51353>

- 40 **Protest Policy and Procedures** The City of Peoria protest policy and procedures are available for review at the following public websites as per ARS 34-603 C 2(f):

- a The City of Peoria Protest Policy and Procedures are available online at

<http://www.peoriaaz.gov/content2.aspx?ID=2071>

The policy is contained within the City of Peoria Procurement Code, Chapter 2- Administration, section 2-321 Procurement Code Protests, Informal and Formal

- b The specific protest procedures are contained in the Materials Management “Administrative Guidelines” and can be accessed at <http://www.peoriaaz.gov/content2.aspx?ID=2141> under the “Learn more About” box on the right side of the web page



SCOPE OF WORK

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I Introduction

The City of Peoria is seeking Requests for Proposals for underwriting services associated with the development of one or more community facilities districts and the structuring of district financings. The selected firm will be expected to add significant value in discussions regarding the formation, financial structure, risk, feasibility analysis, timing, structuring, etc. of the district(s). The city will be responsible for assembling other members of the financing team which may include developers, developer's financial representatives, bond counsel, financial advisor, and tax consultant, etc. as required. The city also requests the ability to approve the underwriter's counsel.

The selected underwriter will participate with the city's internal financing team consisting of the Chief Financial Officer, City Attorney or his representative, and other city staff as required. All members of the financing team will structure financings that are in the best interest of the city.

II Scope of Services

The underwriter will assist the city's financing team in the formation of the community facilities district(s) and related development agreement(s) and other required legal documents, and assist in the structuring, marketing and sale of district bonds. The bonds for the district may be issued as general obligation and/or assessment bonds and will most likely be issued as an unrated transaction.

Because of the complexity of the district(s) and the related bond transaction(s), significant and specific experience and expertise related to community facilities district transactions within the state of Arizona will be required of the firm selected. It is imperative that the specific staff person assigned to this contract likewise have significant experience and expertise related to community facility districts with the state of Arizona. An office presence in the Phoenix metro area is strongly preferred.

Services expected of the underwriter and assigned staff member will include the following:

- A Participate in person in all financing team meetings with the developer, their representatives, and city staff to structure the community facilities district(s), including the preparation of development agreement(s) and other required legal documents.
- B Assist in the structuring of the bond issue(s), including capitalizing interest, redemption provisions, serial versus term bonds and other additional bond tests. Assist in the review and preparation of legal documents to result in a completed financing.
- C Marketing and underwriting and/or direct placement of the bonds. The city will expect the underwriter to recommend a marketing plan that results in the most favorable bond terms to the City, and prepare a pre-pricing analysis document for timely discussion prior to the bond sale. The marketing plan should address current outstanding market conditions such as an assessment of the current Arizona market, investors' perception of the financing and any other market concerns prior to the time of the sale.
- D Assist in evaluating risk, financial options, and alternative revenue sources to support financing and address risk, and merits of general obligation bond and/or assessment bond issues.



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9875 N 85th Avenue
Peoria, Arizona 85345-6560
Phone (623) 773-7115
Fax (623) 773-7118

- E Assist in preparation of applicable offering documents, continuing disclosure agreements and other necessary bond disclosure documents
- F Provide support in developing the structuring and timing of the debt issue(s) and other financial options including advice on current trends for similar types of projects
- G Attend and participate in meetings as requested including due diligence and presentations to city council
- H Assist in the ongoing administration of the District's affairs as required

ORIGINAL

PROPOSAL TO



CITY OF PEORIA, ARIZONA

REQUEST FOR PROPOSAL

SOLICITATION NUMBER P14-0031

TO PROVIDE UNDERWRITING SERVICES FOR

DEVELOPMENT OF COMMUNITY FACILITIES DISTRICTS
AND
STRUCTURING OF DISTRICT FINANCINGS

DUE TUESDAY, OCTOBER 15, 2013 AT 5 00 P M (MST)

STIFEL CONTACTS

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STIFEL

STIFEL

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October 14 2013

Ms Jennifer Miller Purchasing Agent
City of Peoria
Materials Management Procurement
9875 N 85th Avenue 2nd Floor
Peoria Arizona 85345 6560

Dear Ms Miller

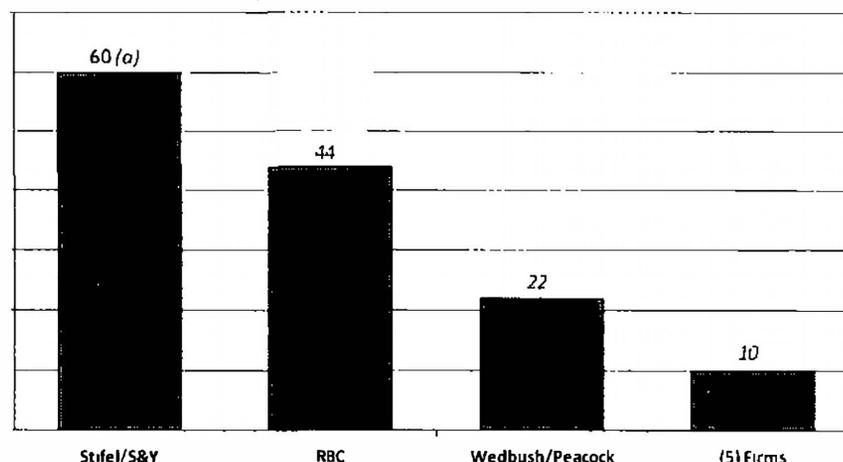
On behalf of Stifel Nicolaus & Company Incorporated (Stifel or the Firm) we are pleased and appreciative to respond to the City of Peoria Arizona (the City) Request for Proposal #P14-0031 (RFP) to provide underwriting services associated with the development of one or more Community Facilities Districts (CFDs or Districts) and the related structuring and underwriting of district financings As outlined herein over the past ten years our Arizona Public Finance banking team has become a leader in structuring managing underwriting and privately placing CFD land secured bond transactions as a result of having worked on a significant majority of the CFDs formed and the subsequent issuance of bonds for those Districts The experience gained on these transactions (outlined herein) will enable our Firm to provide each CFD with an unmatched level of technical advice underwriting and placement capability

As further detailed in our proposal please consider the following attributes

- **Arizona Leader in CFD Land-Secured Finance** Over the past 10 years Stifel has served as underwriter placement agent or financial advisor to (14) Arizona Cities/Towns out of a total of (17) who have formed CFDs or 77% of the total This list includes Buckeye Coolidge Florence Fountain Hills Goodyear Litchfield Park Marana Prescott Prescott Valley Sahuarita Scottsdale Show Low Surprise and Wickenburg (in process) This list does not include cities such as Avondale and Oro Valley who retained our Firm to assist with evaluating CFD proposals but which for various reasons did not move towards formation A few of our Arizona CFD highlights include
 - ✓ Structured managed and underwrote the largest non-rated Arizona CFD bond issue in State history (\$49 000 000 Special Assessment Bonds Series 2005 Buckeye Arizona)
 - ✓ Assisted in the development of the first special assessment – installment purchase structure
 - ✓ Underwriter or Placement Agent to the Festival Ranch CFD (Buckeye AZ)
 - ✓ Underwriter or Placement Agent to the Merrill Ranch CFD No 1 & No 2 (Florence AZ) including annual assistance with managing a consistent \$3 25 tax rate for each District located adjacent to each other
 - ✓ Managed first investment grade credit ratings for Festival Ranch & Merrill Ranch CFDs (early stages of development)
 - ✓ Managed (Financial Advisor) a \$26 4 million Verrado CFD GO Bonds Series 2013 (Buckeye AZ)

The following chart reflects the Firm s leadership position in the Arizona CFD market

**Arizona CFD Bond Transactions - 10 year History
(based on number of transactions)**



Source Thompson Reuters (includes underwriting financial advisor and private placements)

(a) Includes 15 Private Placements & Installment Purchase Structures completed by Stifel not included in the Thompson Reuters database

Ms Jennifer Miller Purchasing Agent City of Peoria
Materials Management Procurement

- **National Leader in Land-Secured Finance** Stifel is the leading underwriter of land-secured bonds nationally. Since 2010 the Firm underwrote 145 separate land-secured bond issues totaling more than \$1.9 billion. Although a lot of this experience is concentrated in California, the State that generates the most land-secured bonds, the Firm has important, diverse experience throughout the country, including the first ever community facilities district bond in the State of Hawaii and a \$3.9 million special assessment bond for the City of Boise. Harris Ranch CFD and four series of refunding special assessment bond issues for Las Vegas, Henderson and Clark County, Nevada, as well as projects in Arizona, Texas, Illinois, Missouri, Michigan, Ohio, Virginia, and Kansas. Mr. Reader was the co-lead banker to the City of Boise, Idaho, in connection with the first CFD completed in Idaho. Stifel's bankers and underwriters know this market better than our competition and therefore we are better able to create and implement an aggressive pricing of the District's Bonds.

- **Commitment to Arizona Municipal Finance** Our Arizona Public Finance banking staff is one of the largest in the State of Arizona where we consistently manage 40 – 60 transactions per year, more than any other Firm by number of transactions (Financial Advisor, Underwriter or Placement Agent). We have thirteen employees dedicated to serving all sectors of the municipal market, including cities/towns/counties, special districts, universities, state agencies and public schools (K-12). By way of example, Stifel has served as Underwriter to the Peoria Unified School District for many years.

Why Stifel? First, our bankers, underwriters and sales professionals work on more land-secured bond issues in Arizona and the country than any other investment bank and are therefore able to quickly identify credit challenges and structuring opportunities. Secondly, investors in land-secured bonds know and respect our Firm from the bankers who due diligence the credit, to the underwriters and sales professionals who establish the primary market pricing levels, to the research department that updates the credit routinely through the maturation of the District and finally to the traders that make a secondary market for the bonds. All of these things together will combine to create a smooth and efficient market entry for a transaction.

Through the combination of these attributes, Stifel is uniquely situated to work with the City and its CFDs to develop and implement a financing program that best meets your financing objectives. We have good relationships with Mr. Mattingly, Mr. Hocking (Financial Advisor) and Mr. Cafiso (Bond Counsel) and are confident we would work well together in the development of a CFD financing.

Thank you for the consideration of Stifel as underwriter to the City's future CFD bond transactions. We have long desired the opportunity to work with the City of Peoria and remain excited about the opportunity to work on these very important financings. If selected, we pledge to provide a high level of responsiveness, customer service and collaboration which will result in successful underwritings.

Sincerely yours,

Stifel Nicolaus & Company Incorporated



Mark Reader
Managing Director /
Senior Vice President



Michael LaVallee
Managing Director /
Senior Vice President



Erika S. Miller
Assistant Vice President



CITY OF PEORIA ARIZONA

A Overall Firm Experience

Included below is a summary of our Arizona CFD experience over the past ten years. All transactions were negotiated or private placement sales as early stage CFD bond transactions do not lend themselves to competitive bid sales – due to the complexity of the transactions (in general). While we understand the City's RFP is for CFD underwriting services, our role as Financial Advisor (as well as underwriter and placement agent) has enabled us to develop a significant expertise in this specialized sector of municipal bond finance. Our response to each question in the RFP is Arizona focused. As summarized briefly herein, Stifel has a significant national practice which we can draw from and provide additional information if that is important to the City in evaluating our qualifications.

Year	Stifel Role	Sale Type	Security Type	City/Town	Issue Description	Par Amount	Stifel Banker
In Process	PA	N	GO	Sahuarita	Rancho Sahuarita CFD General Obligation Bonds	\$3,000,000	Reader/Miller
In Process	FA	N	GO	Buckeye	Sundance CFD General Obligation Bonds	\$10,000,000	Reader/LaVallee
In Process	UW	N	GO	Buckeye	Festival Ranch CFD General Obligation Bonds	\$1,600,000	Reader/LaVallee
In Process	UW	N	GO	Florence	Merrill Ranch CFD No. 2 General Obligation Bonds	\$1,800,000	Reader/Miller
2013	PA	PP	GO	Prescott Valley	Quailwood Meadows CFD General Obligation Refunding Bonds	\$5,810,000	Casillas/LaVallee
2013	PA	PP	SA	Buckeye	Festival Ranch CFD Special Assessment Revenue (AD #8)	\$186,000	Reader
2013	FA	N	GO	Buckeye	Verrado CFD No. 1 GO and GO Refunding Bonds	\$26,400,000	Reader/LaVallee
2013	UW	IP	SA	Florence	Merrill Ranch CFD No. 1 Special Assessment (Area 6)	\$413,000	Reader/Miller
2013	PA	IP	SA	Florence	Merrill Ranch CFD No. 2 Special Assessment (Area 5 Unit 22A 22B)	\$556,500	Reader/Miller
2012	PA	PP	GO	Florence	Merrill Ranch CFD No. 1 General Obligation Bonds	\$900,000	Reader/Miller
2012	PA	PP	GO	Florence	Merrill Ranch CFD No. 2 General Obligation Bonds	\$500,000	Reader/Miller
2012	PA	PP	SA	Florence	Merrill Ranch CFD No. 1 Special Assessment Bonds (Area 5 Unit 17B)	\$189,000	Reader/Miller
2012	UW	N	GO	Buckeye	Festival Ranch CFD District General Obligation Bonds	\$5,400,000	Reader/LaVallee
2012	PA	PP	SA	Florence	Merrill Ranch CFD No. 1 Special Assessment Revenue (Area 4 Unit 18)	\$318,500	Reader/Miller
2012	UW	IP	SA	Florence	Merrill Ranch CFD No. 1 Special Assessment (Area 4)	\$290,500	Reader/Miller
2011	PA	PP	SA	Buckeye	Festival Ranch CFD Special Assessment (AD #7)	\$404,000	Reader/LaVallee
2011	PA	PP	GO	Show Low	Show Low Bluff CFD General Obligation Bonds	\$450,000	Reader/Miller
2010	UW	N	GO	Florence	Merrill Ranch CFD No. 2 District General Obligation Bonds	\$3,560,000	Reader/Miller
2010	PA	PP	SA	Florence	Merrill Ranch CFD No. 1 Special Assessment Revenue (Area 3 Unit 17A)	\$290,500	Reader/Miller
2010	FA	N	GO	Marana	Gladden Farms CFD GO Bonds (Bank Qualified)	\$1,000,000	Reader/LaVallee
2010	PA	PP	SA	Florence	Merrill Ranch CFD No. 2 Special Assessment (Assessment Area 4)	\$203,000	Reader/Miller
2009	PA	PP	SA	Florence	Merrill Ranch CFD No. 2 Special Assessment (Assessment Areas 2 & 3)	\$829,000	Reader/Miller
2009	PA	PP	SA	Florence	Merrill Ranch CFD No. 1 Special Assessment (Assessment Area 2)	\$353,500	Reader/Miller
2009	UW	N	GO	Buckeye	Festival Ranch CFD District General Obligation Bonds	\$5,435,000	Reader/LaVallee
2009	UW	N	GO	Buckeye	Festival Ranch CFD Taxable GO Qualified Build America Bonds	\$2,165,000	Reader/LaVallee
2009	PA	PP	SA	Buckeye	Festival Ranch CFD Special Assessment Revenue Bonds (AD #6)	\$356,000	Reader/LaVallee
2008	UW	N	GO	Show Low	Show Low Bluff CFD General Obligation Bonds	\$395,000	Reader
2008	Co-UW	N	GO	Surprise	Marley Park CFD General Obligation Bonds	\$3,395,000	Reader/Maas
2008	UW	N	GO	Florence	Merrill Ranch CFD No. 1 General Obligation Bonds	\$4,390,000	Reader
2008	UW	N	SA	Prescott Valley	Southside CFD No. 1 Special Assessment Revenue Bonds	\$3,025,000	Casillas
2008	UW	N	GO	Goodyear	Centerra CFD District General Obligation Bonds	\$965,000	Reader
2007	UW	N	SA	Goodyear	Estrella Mtn Ranch CFD Special Assessment Revenue (Golf Village 2)	\$6,928,000	Reader
2007	UW	N	GO	Scottsdale	Scottsdale Waterfront Commercial CFD GO Bonds	\$3,805,000	Hamil/LaVallee
2007	Lead	N	GO	Goodyear	Estrella Mountain Ranch CFD District GO Bonds	\$12,750,000	Hamil/Casillas
2007	FA	N	SA	Buckeye	Festival Ranch CFD Special Assessment Revenue (Nos 4 & 5)	\$1,784,000	Reader
2007	UW	N	GO	Show Low	Show Low Bluff CFD General Obligation Bonds	\$480,000	Reader
2007	FA	N	GO	Buckeye	Festival Ranch CFD General Obligation Bonds	\$1,535,000	Reader/LaVallee
2007	FA	N	GO	Buckeye	Tartesso West CFD District General Obligation Bonds	\$8,750,000	Reader
2007	Co-UW	N	GO	Surprise	Marley Park CFD General Obligation Bonds	\$3,950,000	Reader/Maas
2007	FA	N	GO	Marana	Gladden Farms CFD General Obligation Bonds	\$3,075,000	Reader/LaVallee
2007	FA	N	GO	Buckeye	Westpark CFD General Obligation Bonds	\$2,480,000	Reader
2007	UW	N	SA	Show Low	Show Low Bluff CFD Special Assessment Lien Bonds (Area One)	\$2,014,000	Reader
2007	FA	N	SA	Buckeye	Festival Ranch CFD Special Assessment Revenue (AD Nos 2 & 3)	\$1,868,000	Reader/LaVallee
2006	UW	N	GO	Goodyear	Centerra CFD General Obligation Bonds	\$620,000	Reader
2006	FA	N	GO	Buckeye	Festival Ranch CFD General Obligation Bonds	\$800,000	Reader/LaVallee



CITY OF PEORIA ARIZONA

Year	Stifel Role	Sale Type	Security Type	City Town	Issue Description	Par Amount	Stifel Banker
2006	UW	N	GO	Prescott Valley	Parkway CFD No. 1 General Obligation Bonds	\$3 425 000	Casillas
2006	FA	N	GO	Buckeye	Westpark CFD District General Obligation Bonds	\$4 420 000	Reader
2006	Co-UW	N	GO	Surprise	Marley Park CFD General Obligation Bonds	\$1 365 000	Hanwill/Casillas
2006	FA	N	GO	Marana	Gladden Farms CFD General Obligation Bonds	\$3 250 000	Reader/LaVallee
2006	UW	N	SA	Florence	Merrill Ranch CFD No. 1 Special Assessment Lien Bonds (Area One)	\$2 464 000	Reader
2006	UW	N	SA	Florence	Merrill Ranch CFD No. 2 Special Assessment Lien Bonds (Area One)	\$2 555 000	Reader
2006	FA	N	GO	Sahavanta	Quail Creek CFD General Obligation Bonds	\$12 660 000	Reader
2005	FA	N	GO	Buckeye	Westpark CFD General Obligation Bonds	\$690 000	Reader
2005	FA	N	GO	Buckeye	Sundance CFD General Obligation Bonds	\$6 000 000	Reader
2005	UW	N	SA	Buckeye	Watson Road CFD Special Assessment Revenue Bonds	\$49 000 000	Reader/LaVallee
2005	FA	N	SA	Buckeye	Festival Ranch CFD Special Assessment Rev Bonds (AD No. 1)	\$1 448 000	Reader/LaVallee
2005	FA	N	SA	Buckeye	Westpark CFD Special Assessment Revenue Bonds (AD No. 1)	\$3 800 000	Reader
2004	UW	N	GO	Prescott Valley	Quailwood Meadows CFD General Obligation Bonds	\$6 940 000	LaVallee/Casillas
2004	FA	N	SA	Buckeye	Sundance CFD Special Assessment Revenue Bonds (AD No. 3)	\$2 050 000	Reader
2004	FA	N	GO	Buckeye	Sundance CFD General Obligation Bonds	\$5 000 000	Reader
2004	FA	N	GO	Prescott Valley	Pronghorn Ranch CFD General Obligation Bonds	\$4 000 000	Casillas
2004	FA	N	GO	Marana	Gladden Farms General Obligation Bonds	\$2 105 000	Reader
2003	UW	N	SA	Prescott Valley	Eastridge CFD Special Assessment Lien Bonds	\$2 500 000	LaVallee/Casillas
2003	FA	N	SA	Buckeye	Sundance CFD Special Assessment Revenue Bonds (AD No. 2)	\$7 175 000	Reader/LaVallee

*Ms. Miller was involved in the transactions working at Wedbush/Peacock.

Total 64

**Transaction priced October 10th and expected to close on October 25th 4.3% coupon with liquidation of previously funded deb service reserve fund

Total Par Amount: \$256 265 500

ROLE UW = Underwriter PP = Private Placement Agent FA = Financial Advisor IP = Installment Purchase Structure (no bonds sold)

Plan and Method of Approach to Accomplish the Scope of Work

When retained to assist with structuring and underwriting a CFD financing our approach starts with communicating with staff financial advisor and bond counsel to develop a thorough understanding of the project (including a site visit) the developer(s)/homebuilder(s) and the public policy objectives of the City including a thorough review of the City's CFD policy. Unlike some firms we do not prefer to communicate with the developer in advance of a CFD transaction without the City present or without their permission.

Upon developing a sound understanding of the transaction and objectives we would work closely with the City and their team in the development of various financing alternatives and work together to develop an approach which works for the CFD and the developer taking into account market tested structures and financings driven by public policy requirements and precedent setting financings structured to minimize the CFD's risk. As underwriter our job is to work closely with the CFD and TL Hocking & Associates in the development of sophisticated financial models based on conservative assumptions. These analyses will be helpful in evaluating the conceptual size of the financing plan including type of bond structure(s) and timing of sales which will be useful to the City in negotiations and with controlling developer expectations. Once the CFD's internal financing team has a good understanding of how a CFD will be conceptually structured we would meet with the developer's to educate them further on what should be incorporated into their Application for Formation or related request for a CFD bond financing. Our experience over the years suggests that many developers/homebuilders lack understanding of how CFD land secured bond transactions work in Arizona and are sometimes influenced by outside consultants who have a different perspective on what is acceptable from a policy and security perspective. Meeting with them in advance of the submission of the Application or financing request can facilitate communication between all parties involved so again expectations can be controlled.

While our preferred approach is outlined above we were recently asked by an Arizona Town client to assist in educating the developer on how CFDs work in Arizona (using previous experience and case studies) and provide him with unbiased information relative to the conceptual structuring of a potential CFD bond transaction. As a result of the education process with the developer the preliminary Application for Formation submitted to the Town was all-in all well received. Our role to the CFD (if formed) relative to the initial sale of bonds is placement agent.

Once an agreement is reached between the CFD and the developer on a financing plan we have often participated in productive study sessions with the CFD Board to educate them on the process of issuing bonds and how the CFD has minimized to the extent possible its risk in a possible transaction. If requested we are glad to assist with this and can



CITY OF PEORIA, ARIZONA

share previous presentation materials which have been well received if the CFD and TL Hocking and Associates feels we can add value

As it relates to Stifel's general marketing strategy the Firm will focus on educating potential investors on the CFD and its finances security for the Bonds and the strength of the proposed bond structure Our underwriting and marketing accomplishments are demonstrated in the dramatically lower interest rates that we have been able to achieve relative to our competitors for similar credits and is largely attributable to our ability to communicate the nuances of land-secured credits with a broad spectrum of potential buyers To that end we have undertaken comprehensive marketing campaigns that have tapped traditional retail professional retail and institutional market participants These distinct buyer segments require a different level of focus and attention to communicate credit features engage in pricing discussion and ultimately generate orders Our vast and unparalleled land secured experience makes us uniquely positioned to market the Bonds and assist the District in generating the lowest cost of funds

Rating Agency CFD Experience

Managing the rating agency process for CFD bond transactions is very important in Arizona due to the capital cost differential of having an investment grade credit rating compared to selling bonds on a non-rated basis – driven primarily by an investor letter requirement which impacts liquidity and the type of qualified investors we are required to target Our experience indicates possible investment grade credit ratings can be achieved once development progress approaches 20%–25% of absorption depending upon other factors such as financial position and property tax rates assessment burden direct and overall net debt levels debt service reserve levels debt service reserve fund (if incorporated) and other factors We have successfully assisted the following Districts in obtaining investment grade credit ratings in the relatively early stages of development Merrill Ranch CFD No 1 & No 2 (BBB- S&P) Festival Ranch CFD (BBB S&P) Sundance CFD (BBB S&P A3 Moody's) We are currently in the process of underwriting bonds for both Festival Ranch and Merrill Ranch CFD No 2 and are managing the rating agency presentation meetings in the coming weeks

If a standby contribution agreement/depository agreement is structured into the transactions (to be determined) it also requires additional strategy on how to approach the rating agencies We recently went through this experience with the \$26 000 000 Verrado CFD (Buckeye) transaction and would be glad to share the experience with the team if retained Once we understand all details relative to how a CFD bond transaction would be structured we would collaborate with the District and TL Hocking and Associates to develop a rating agency strategy (if applicable)

Years of Experience, Local Presence

Stifel is a publicly held company traded on the New York Stock Exchange under the ticker symbol SF Today with more than 5 400 full time employees and over \$140 billion in client assets under management Stifel Nicolaus is one of the largest full service broker dealers off Wall Street providing public finance and corporate finance investment banking and advisory services brokerage trading and sales investment advising and related financial services to individuals institutions governments and corporations

In the public finance arena Stifel acquired privately held Stone & Youngberg LLC (an 80 year old fixed income specialist headquartered in California with a major presence in Arizona) on October 1 2011 The acquisition underscores Stifel's dedication to Public Finance generally and to core issuer clients in Arizona California Nevada and New Mexico where the Firm had no presence The merger represents a significant enhancement to our municipal banking underwriting and trading activities as well as our distribution and overall resources

As of June 30 2013 Stifel had total capital of over \$11 billion and excess net capital of \$411 million Stifel maintains net capital and excess net capital positions that rank as one of the highest among top investment banks Our low level of capital leverage not only ensures financial stability but also gives us significant capacity to commit capital to underwrite unsold balances Our underwriters are free to allocate our net capital and excess net capital as they see fit there are no predefined divisions of capital allocations Our confidence in buying unsold bonds is strengthened by our fixed income distribution capabilities With our extensive reach and interaction with such buyers we are better able to access points of the market with a demonstrated history of buying land secured bonds

B Staff Assignments and Qualifications

The Stifel Arizona banking team assigned to the City of Peoria CFD account includes veteran public finance bankers Mark Reader Managing Director Mike LaVallee Managing Director and Erika Miller Assistant Vice President all of whom have significant CFD experience and would add value to each transaction Mr Reader will serve as the lead banker responsible



CITY OF PEORIA ARIZONA

for attending meetings and working directly with staff and Mr Hocking working closely with Ms Miller and Mr LaVallee as required The following represents brief resumes

Mark Reader, Managing Director (Role Lead Banker)

Mark Reader has over 25 years of Arizona public finance experience Prior to the Stifel acquisition of Stone & Youngberg in 2011 Mr Reader was an S&Y equity partner who helped build the Firm s Arizona public finance practice into a market leader Approximately 12 years ago he started to devote a significant amount of his time structuring managing and underwriting CFD bond transactions due to the growth in Arizona and interest by the cities/towns he represented on traditional bond transactions Mr Reader now devotes a significant portion of his public finance practice to the CFD land secured sector and currently works on most CFD transactions being completed in Arizona either as underwriter placement agent or financial advisor As summarized on page 1 and 2 herein he has been the lead banker on 53 CFD transaction totaling approximately \$200 million over the past 10 years

His primary Arizona City/Town CFD clients include the Town of Buckeye and the Town of Florence both of which are active issuers of CFD general obligation and special assessment bonds due to the successful master planned communities of Festival Ranch (Pulte) Verrado (DMB) Sundance (Meritage Homes Pulte) Merrill Ranch (Pulte) Additional clients include Marana (Gladden Farms CFD) Show Low (Show Low Bluff CFD) Goodyear (Centerra CFD) Surprise (Marley Park CFD) and the Town of Sahuarita (Robson Ranch CFD) who is also in the process of considering the formation of a new CFD (Rancho Sahuarita) and which both Mr Reader and Ms Miller are actively engaged in His role and value added services to each of his CFD clients include working closely with all team members on the technical structuring of a transaction that works for the CFD investors and for the landowner/applicant He is especially adept at working collaboratively with all parties in the early stages of developing a master financing plan that incorporates general obligation bonds special assessment bonds installment purchase special assessments or a combination thereof

Mr Reader graduated from the University of Arizona with a bachelors of science degree in financing and accounting He holds his Series 7 and Series 63 licenses Mr Reader is a University of Arizona Eller Associate where he participates in mentoring/interviewing undergraduate business students and is on the Board of Directors and a Manager/Coach for Cactus Little League He is also a member of GFOA GFOAz and the Arizona City Manager s Association

Michael LaVallee, Managing Director (Role Co-Lead Banker)

Michael LaVallee has approximately 17 years of Arizona public finance experience Prior to the Stifel acquisition of Stone & Youngberg in 2011 Mr LaVallee was an S&Y partner who helped build the Firm s public finance practice into a market leader in Arizona Mr LaVallee was the co lead banker with Mr Reader on the successful underwriting of a \$49 000 000 (Town of Buckeye Az) Special Assessment Bond issue in 2005 the largest and one of the more complicated non rated special assessment bond in State history This CFD consisted of 2 100 acres 18 separate landowners/developments and 6 homebuilders Proceeds were used to construct a 1 5 mgd expansion of the wwtp and the construction of collection lines and to fund a rate stabilization fund Some examples of other CFD transactions he has managed or co-managed include

- ✓ \$26 000 000 General Obligation Bonds Series 2013 Verrado CFD (Buckeye) Role Financial Advisor
- ✓ \$7 600 000 General Obligation Bonds Series 2009 Festival Ranch CFD (Buckeye) Role Underwriter

Mr LaVallee is currently working closely with the Town of Wickenburg staff in connection with the recent submission of an Application for Formation for a potential CFD

Mr LaVallee is an active member and frequent speaker of the Arizona Association of School Business Officials He is also a member of Government Finance Officers Association of Arizona the Arizona City Managers Association the Arizona Fire District Association and the Arizona Superintendents Association Mr LaVallee serves on the Board of Downtown Urban Community Kids (DUCK) an organization providing after-school programs and other resources to urban Phoenix children He is an Arizona native and a graduate of Arizona State University with a Bachelor of Arts Degree in Finance

Erika Miller, Assistant Vice President (Role Technical Banker – Financial Modeling Analysis & Support)

Erika Miller joined Stone & Youngberg (now Stifel) in November 2009 and has nine years of Arizona public finance expertise providing analytical and transactional support for issuers throughout the State of Arizona Ms Miller has experience with a wide variety of credit types and financing vehicles She contributes to all stages of the debt issuance process including evaluation of structuring options preparation and review of offering documents closings election pamphlets and execution of bond sales and is an expert in sophisticated financial modeling including complex CFD transactions

Ms Miller works closely with Mr Reader on several CFDs including Merrill Ranch CFD No 1 and Merrill Ranch CFD No 2 (Florence) and most recently with the Town of Sahuarita Arizona in connection with the possible formation of a new



CITY OF PEORIA ARIZONA

1 000 acre CFD currently being considered by the Town where she has completed sophisticated financial models and credit analysis which has been helpful to staff in negotiations with the developer She has experience with structuring general obligation bonds special assessment bonds installment purchase transactions rating agency presentation and negotiations preparation of and assistance with the Application for Formation Feasibility Reports sophisticated financial modeling and managing the numerical analyses during the important underwriting process

Ms Miller is an Arizona native and a graduate of the Barrett Honors College at Arizona State University with a BA in journalism and a minor in business She also holds a Master s degree in public administration with an emphasis in urban management from Arizona State University She holds her Series 7 and Series 63 regulatory licenses Ms Miller is a member of Arizona Association of School Business Officials (AASBO) and Government Finance Officers Association of Arizona (GFOAz) She s also an active member in the Junior League of Phoenix where she currently serves as the Finance Vice President

C Cost Considerations

Providing a comprehensive schedule of fees based on a private placement or negotiated sale (competitive bids are not an option for early stage CFD bond transactions) is difficult without knowing all of the economics (final deal structure) of a transaction including development progress value-to-lien and appropriate MAI appraisal methodology (special assessment bonds) experience sophistication and financial capability of the developer(s) and homebuilder(s) competition financial condition of the developer and the applicant (often different) amortization structure full cash value/assessed value necessity to incorporate a standby contribution agreement/depository agreement and type of corporate backing or letter of credit requirement temperament and cooperation of developer and their financial and legal consultants independent absorption analysis/report indemnification language tax rate and amount of assessment to name a few That being said we have outlined herein a summary of estimated fees assuming a sound financial structure with positive development progress/investment, which we trust is helpful to the City (subject to final negotiations based on the economics and time invested in the financing/project by Stifel)

\$15,000,000 Non-rated CFD Bond Issue	
Stifel Sole Underwriter	
Component	\$ per bond
Average Takedown ^(a)	\$ 8 50
Management Fee ^(b)	8 00
Expenses ^(c)	0 16
Underwriter s Counsel ^(d)	2 00
TOTAL	\$ 18 66

- (a) The Take down component represents the commissions paid to fairly compensate the sales and underwriting department of the Firm for their work in underwriting and selling the bonds to investors once the bonds are structured and offered for sale Stifel would work closely with the District s Financial Advisor TL Hocking & Associates and our Underwriter (Mike Imhoff) to establish the appropriate take downs based on the final maturity structure of the issue The above assumes a 20 year level debt service structure averaging approximately \$8 50 per \$1 000 Setting take downs at the appropriate levels is important to sell bonds at the lowest possible cost and are therefore subject to negotiation based on the final transaction and market conditions at the time of sale
- (b) The Management Fee component represents revenue paid to the Firm s public finance department to complete the Scope of Services outlined in the RFP This component is also subject to negotiations based on the complexity of each transaction cooperation and demands of the developer and the amount of time involved in structuring and managing the underwriting Includes time and effort associated with any rating agency presentations discussions and negotiations There would be no extra fees for any training or educational services
- (c) Fee amounts for clearance related expenses will depend on size of fixed rate transaction please see the current fees at the time of submitting this proposal (CUSIP \$158 for initial CUSIP with \$20 for each additional *Ipreo Bookrunning System* \$0 031/bond for sole manager add \$0 031/bond if there are co managers *Ipreo Wire Fees* \$30 per wire for each participating syndicate member (including selling group members) *Ipreo Electronic Order Entry* \$0 if sole manager \$250 for \$50 million par (maximum \$500 per deal) *Ipreo Order Monitor* \$0 015/bond and *DTC* \$500 flat fee) Blue Sky non GO Bonds \$500 flat fee
- (d) Estimated underwriter s counsel fee of \$30 000 for a \$15 000 000 underwriting Subject to negotiation based on the type and complexity of the transaction If selected we will as outlined in the RFP discuss which firm would be retained

As it relates to smaller transactions around \$1 000 000 our philosophy is to charge reasonable fees Our fees generally range from 2% to 3% of the par amount and less if Stifel is retained to serve as Placement Agent (subject to negotiation) By way of example last week we privately placed the \$5 8 million Quail Creek CFD Refunding Bonds with a fee of 1 2%

Our Arizona Public Finance practice does not charge on a hourly basis However if the City was interested in retaining our Firm to complete a project/analysis/study outside the Scope of Services outlined in the RFP our billing rates would be \$250 00 per hour for a Managing Director and \$150 00 for an Assistant Vice President

All fees are contingent upon a successful closing of a transaction Our Firm does not want to lose the opportunity to serve as CFD Underwriter over fees Therefore if necessary we are open to further negotiation on final fees



QUESTIONNAIRE

Solicitation Number **P14-0031**

Materials Management Procurement

9875 N 85th Avenue
Peoria Arizona 85345-6560
Phone (623) 773-7115
Fax (623) 773-7118

Please list a minimum of three (3) owner references from similar projects whom the Materials Management Division may contact

- | | |
|---|---|
| 1 | <p>Company <u>Town of Buckeye Arizona</u></p> <p>Contact <u>Mr. Larry Price District Treasurer</u>
<u>Ms. Kim Sandstrom, CFD Sr. Accountant</u> Phone <u>(623) 349-6164</u></p> <p>Address <u>Mr. Stephen Cleveland District Manager</u></p> <p>Description of Work <u>530 E Monroe Avenue, Buckeye, AZ 85326</u>
<u>Senior/Sole Managing Underwriter or Financial Advisor to all (7) CFD's formed by the Town Comprehensive assistance with Rating Agency presentations/analysis and negotiations.</u></p> |
| 2 | <p>Company <u>City of Avondale Arizona</u></p> <p>Contact <u>Mr. Kevin Artz CPA Finance & Budget Director</u> Phone <u>(623) 333-2011</u></p> <p>Address <u>11465 W Civic Center Dr Suite 250 Avondale AZ 85323</u></p> <p>Description of Work <u>CFD Application for Formation Review & Analysis</u></p> |
| 3 | <p>Company <u>Town of Sahuarita Arizona</u></p> <p>Contact <u>Mr. Daniel Hochuli Town Attorney</u>
<u>Mr. Kelly Udall, District Manager</u> Phone <u>(520) 822-8830</u></p> <p>Address <u>Mr. AC Marriotti CPA Finance Director</u></p> <p>Description of Work <u>375 W Sahuarita Center Way Sahuarita AZ 85629</u>
<u>Financial Advisor to Quail Creek CFD (First CFD formed) Underwriter or Placement Agent - Rancho Sahuarita CFD (in process)</u></p> |



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4 Company Town of Florence Arizona
 Contact Mr Mike Farina District Treasurer
Ms. Lisa Garcia, Deputy Town Manager/ Phone (520) 386-7505
 District Clerk
 Address _____
 Description of 775 N Main Street, P O Box 2670 Florence Arizona 85132
 Work Underwriter Private Placement Agent since inception/formation of both Districts (2003)

Note Mr Farina is new to the Town/District We are currently working with him on the Merrill Ranch CFD No 2 Bond Sale outlined herein. Mr. Himanshu Patel, former Town Manager/District Manager, is now with Pinal County He can be reached at 520-866-6221 Mr Reader worked on (14) CFD Financings with Mr Patel from 2005 - 2013

5 Company City of Show Low, Arizona
 Contact Mr Doug Sandstrom Show Low Bluff CFD District Treasurer (623) 341-2596
Mr Ed Muder, District Manager Phone (928) 532-4024
 Address 180 N 9th Street Show Low Arizona 85901
 Description of Underwriter, Private Placement Agent General Obligation Bonds & Special
 Work Assessment Bonds

Company Pulte Homes
 Contact Daniel Bonow P E Project Manager Phone (480) 391-6003
Mike Bruz, P.E., Vice President of Planning Phone (480) 391-6198
 & Development
 Address _____
 Description of 16767 N Perimeter Drive Suite 100 Scottsdale Arizona 85260
 Work Work closely with Pulte and the Towns of Buckeye and Florence in connection with the preparation of Feasibility Reports Rating Agency Meetings & Sale of Bonds



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Offerors are to indicate below any exceptions they have taken to the Terms, Conditions, or Scope of Work

- No Exceptions
- Offeror takes the following Exceptions



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Has your firm been certified by any jurisdiction in Arizona as a minority or woman owned business enterprise? Yes _____, No X

If yes, please provide details and documentation of the certification