

BOARD OF LIQUIDATION CITY DEBT

REQUEST FOR PROPOSAL TO SERVE AS BOND COUNSEL

RESPONSE DEADLINE:
Wednesday, December 14, 2011 by 4:00 P.M.CDT

Board of Liquidation, City Debt
1300 Perdido Street
City Hall , Room 8E17
New Orleans, Louisiana 70112
Contact: Mr. David W. Gernhauser
Phone: 504-658-1410
Facsimile: 504-658-1411

REQUEST FOR PROPOSAL (RFP) FOR BOND COUNSEL SERVICES

BACKGROUND

The Board of Liquidation, City Debt (Board) was created by the Louisiana Legislature in 1880, and made a “body corporate,” separate and distinct from the City of New Orleans in 1890. The Board has exclusive control and direction of all matters related to the issuance and repayment of the City’s general obligation bonds. Because the Board exists, the repayment of New Orleans’s general obligation bonds is separated and excluded from the City’s operating budget, and a dedicated source and security for the payment of the City’s general obligation bonds is maintained. All *ad valorem* taxes levied by the City for the payment of its general obligation bonds are transferred to the Board. These property tax receipts must be applied exclusively to the payment of debt service on the City’s outstanding general obligation bonds and cannot be applied to pay the City’s operating expenses or for any other purpose. The Board has never defaulted in the payment of the City’s general obligation bonds.

The Board also serves as custodian for special tax accounts and outstanding bonds for the Sewerage & Water Board of New Orleans; Audubon Park Commission; and Downtown Development District of New Orleans. The Board also services and administers the issuance and repayment of Revenue Bonds of the Sewerage & Water Board of New Orleans.

INTRODUCTION

Purpose: The Board of Liquidation, City Debt requests proposals from law firms to be one of up to three law firms that are used to provide bond counsel and related services to the Board. The firm or firms selected will be expected to act as bond counsel for the Board on and for all aspects of bond issues, as assigned, for a period of up to three years beginning on or about January 1, 2012 through December 31, 2014. Such services would be expected to include, but need not be limited to:

- (a) Negotiating, preparing, reviewing, and delivering any documents related to financings, including but not limited to project financing agreements, participation agreements, trust indentures, bond purchase agreements, and tax regulatory agreements, and advising on appropriate covenants for inclusion in agreements between the Board and other involved parties.
- (b) Preparing or reviewing preliminary official statements, official statements, and other disclosure documents necessary or appropriate to the authorization, issuance, sale, or delivery of bonds.
- (c) Rendering an objective opinion with respect to any authorization and issuance of the bond programs.
- (d) Preparing , reviewing, or advising the Board with regard to resolutions, notices, and other documents or procedures required in connection with financings.

- (e) Advising on federal tax law arbitrage rebate requirements, as appropriate.
- (f) Participating in meeting and phone conferences with the Board (board members), rating agencies, underwriters and other parties, as necessary or appropriate.
- (g) Drafting, analyzing, advising , or commenting on federal and state legislation, regulations and rules, and other matters which may have an impact on the financing program.

INSTRUCTIONS

Two (2) printed copies and one (1) electronic version of the completed proposal with length not to exceed 10 pages must be submitted no later that 4PM CDT, Wednesday, December 14, 2011 to:

David W. Gernhauser
Secretary
Board of Liquidation, City Debt
1300 Perdido Street
Room 8E17
New Orleans, LA 70112

Fax and emailed copies will be accepted if immediately followed by an original.

Fax 504.658.1411
Email david.gernhauser@boardofliquidation.com

Website www.boardofliquidation.com

Respondents are advised that all submissions may be made available to the public on request upon completion of the process and award of an Agreement. Each page of the proposal should state the name of the proposer, and the page number. Each offer should be submitted using the most favorable cost and technical terms. The Board reserves the right to request additional data or material to support proposals. All material submitted in response to this RFP will become the property of the Board.

GENERAL INFORMATION

- (a) Provide a description of your firm that includes the location of the firm's office(s), the length of time your firm has been in business, the number of partners and associates in the public finance group in the firm and in tax subgroup therein.
- (b) State the names of the partners, associates, and paralegals who would be assigned to the Board's account, provide their resumes, and the location of their primary office.

(c) Describe the experience and expertise of the firm in dealing with arbitrage and rebate issues arising under the Internal Revenue Code with respect to public financings.

(d) Describe the experience of the firm in obtaining rulings from the Internal Revenue Service on bond issuance-related matters.

(e) Describe any subjects related to bond counsel services in which you feel your law firm has special expertise and the nature of that special expertise.

(f) State whether the firm has participated as counsel on the Board's proceedings offers. If so, state the particulars thereof.

(g) Describe the type of word processing equipment to be utilized, and its ability to interface with other off-site equipment for electronic mail purposes (both sending and receiving).

(h) Identify the nature of any potential conflict of interest your firm might have in providing bond counsel services to be Board.

(i) Identify any litigation or administrative proceedings to which you or your firm are a party and which would either materially impair you or your firm's ability to perform the services enumerated herein and for which this RFP was issued or, if decided in an adverse manner, materially adversely affect the financial condition of you or your firm.

(j) Describe either you or your firm's status as a minority or woman owned firms or describe any relationships that you or your firm has with law firms regarding proposed co-bond counsel relationships and/or fee splitting arrangements, including the involvement of any minority or woman owned firms that would assist in any capacity with services to be provided to the Board; if you or your firm has a co-bond counsel relationship and/or fee splitting arrangement with minority or woman-owned firm, provide detailed information about you or your firm's proposed financial and work sharing arrangement with these firms. If none are described, confirm that you or your firm will provide all services described above without the involvement or assistance of any other firm or lawyers.

COSTS

The bond counsel fees are set forth by the State of Louisiana Bond Commission Guidelines as follows:

Maximum fees allowable for comprehensive legal and coordinate professional work in the issuance of **General Obligation** and **Special Tax Bonds** of whatever nature are as follows:

General Obligation Bonds and Special Tax Bonds

<u>MORE THAN</u>	<u>AND NOT MORE THAN</u>	<u>FEE</u>
\$0	\$13,500,000	\$35,370
\$13,500,000	-	\$35,370 plus 0.05% of all over 13,500,000

Maximum fees allowable for comprehensive legal and coordinate professional work in the issuance of **Revenue Bonds** of what ever nature are as follows:

<u>MORE THAN</u>	<u>AND NOT MORE THAN</u>	<u>FEE</u>
\$0	\$1,350,000	\$1.5% of face amount of the issue
\$1,350,000	\$2,700,000	\$20,250 plus 0.75% of all over 1,350,000
\$2,700,000	\$6,750,000	\$30,375 plus 0.30% of all over 2,700,000
\$6,750,000	\$13,500,000	\$42,525 plus 0.20% of all over 6,750,000
\$13,500,000	-	\$56,025 plus 0.075% of all over 13,500,000

MISCELLANEOUS

If you desire additional information or clarification you may contact David W. Gernhauser, Secretary of the Board. All questions must be in writing. All responses will also be in writing and will be available to any party that request copies thereof.

Contact with the Staff

Prior to final selection, the Board reserves the right to contact any or all respondents by phone or email as may be necessary and appropriate to clarify certain information provided by the respondent in the proposal.

Modification to Proposals

Respondents may not modify or correct its Proposal any time after the Proposal Due Date, except in direct response to a request from the Board for clarification.

Revisions to this RFP

In the event that it becomes necessary to revise any part of the RFP, the Board will provide an addendum to each firm receiving this RFP. Any addition information required to clarify portions of this RFP will be issued in the form of an addendum.

Review and Selection Process

All proposals will be reviewed by the Board’s President and Secretary, they will develop recommendations and present those recommendations to the Board’s members for consideration

and selection. The Board may, at its option, request one or more respondents to make an oral presentation. This presentation will be at the expense of the respondent.

Expenses Relating to Proposals

The Board shall not be liable for any expenses incurred by respondents in replying to this Request.

Rejection and Negotiation

The Board reserves the right to reject any or all proposals, to request additional information, or to negotiate the terms of the agreement with the selected respondent(s). The Bond Counsel Services Agreement will be awarded to the firm(s) which, in the opinion of the Board, is (are) the best qualified to provide such services.

RFP REVIEW AND SELECTION CRITERIA

Proposals will be evaluated on a variety of factors, including:

1. The firm's willingness to follow the guidelines in this RFP.
2. Experience and qualifications of both the firm and the staff to be assigned to these financings, as evidenced by formal training; education; appropriate professional licensing and related experience.
3. The firm's ability to provide the required services on a timely basis in light of the anticipated workload, and the availability of adequate personnel and resources of the firm.
4. The firm's experience during the past three years as bond counsel on various bond financings
5. The firm's expertise in the area of tax law.
6. Involvement and accessibility of staff to be assigned to the bond financings.
7. Organization, size and structure of the firm.
8. The firm's inclusion of minority and women participation, including the firm's employees and/or any participation with a minority or women-owned firm.
9. Related investigations and regulatory proceedings involving the firm will be taken into account, depending upon the nature and significance of the proceedings. .