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- San Bernardino County Transportation Commission
 - San Bernardino County Transportation Authority
 - San Bernardino County Congestion Management Agency
 - Service Authority for Freeway Emergencies
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REVISED AGENDA ITEM NO. 10

General Policy Committee Meeting

August 14, 2013

9:00 a.m.

Location:

SANBAG

Super Chief Conference Room

1170 West 3rd St., 2nd Floor

San Bernardino, CA

DISCUSSION CALENDAR

Administrative Matters

10. Award Bond Counsel and Disclosure Counsel Services Contracts

1. That the Committee recommend the Board acting in its capacity as the San Bernardino County Transportation Authority award Contract No. C14005 to **Orrick, Herrington & Sutcliffe LLP** for Bond Counsel Services for a five (5) year contract term with two (2) one-year options **in the amount of \$600,000.**

2. That the Committee recommend the Board acting in its capacity as the San Bernardino County Transportation Authority award Contract No. C14006 to **Fulbright & Jaworski LLP a member of Norton Rose Fulbright** for Disclosure Counsel Services for a five (5) year contract term with two (2) one-year options **in the amount of \$200,000.** **Eileen Monaghan Teichert**

This report was revised to provide the names of the law firms selected after interviews of potential bond and disclosure counsel were conducted August 6, 2013. The report also was revised to explain the basis upon which the law firms were selected and to include the amounts of the contracts with each of the selected law firms for the five year contract terms. Changes are noted in bold.



- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
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Minute Action

REVISED AGENDA ITEM: 10

Date: August 14, 2013

Subject: Award Bond Counsel and Disclosure Counsel Services Contracts

- Recommendation:***
1. That the Committee recommend the Board acting in its capacity as the San Bernardino County Transportation Authority award Contract No. C14005 to **Orrick, Herrington & Sutcliffe LLP** for Bond Counsel Services for a five (5) year contract term with two (2) one-year options **in the amount of \$600,000.**
 2. That the Committee recommend the Board acting in its capacity as the San Bernardino County Transportation Authority award Contract No. C14006 to **Fulbright & Jaworski LLP a member of Norton Rose Fulbright** for Disclosure Counsel Services for a five (5) year contract term with two (2) one-year options **in the amount of \$200,000.**

Background: The San Bernardino Associated Governments acting in its capacity as the San Bernardino County Transportation Authority (SANBAG) requires the services of a Bond Counsel and Disclosure Counsel. The Bond Counsel will provide their knowledge, expertise and recommendation to representatives of SANBAG, including General Counsel ("Issuer Counsel"), financial advisor, and disclosure counsel with respect to the timing, terms and legal structure of the proposed Bonds. The selected firm will be also be responsible for preparing all necessary documents to be adopted or entered into by SANBAG required for the authorization, sale and issuance of the Bonds, including preparation of the Bond resolution, Indenture and Supplemental Indenture (the "Major Legal

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Approved
General Policy Committee

Date: _____

Moved: _____ Second: _____

In Favor: _____ Opposed: _____ Abstained: _____

Witnessed: _____

COG	X	CTC	X	CTA	X	SAFE	X	CMA	X
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Check all that apply.

Documents"). The firm will review any swap and/or investment agreements entered into at or prior to closing, and the procedures by which bids are solicited, in each case including review for compliance with federal tax laws related to tax-exemption of interest on the Bonds, and issuance of bond opinion letters.

Disclosure Counsel will be responsible for performing the requisite "due diligence" in connection with state and federal securities laws applicable to the Issuance of the Indebtedness, prepare the official statement or offering memorandum and any other disclosure documents relating to the Issuance of the Indebtedness required by law or regulation, and deliver its opinion to SANBAG. The firm will draft the dealer agreements or bond purchase agreement between SANBAG and the investment banks acting as dealers or bond purchasers.

On June 13, 2013, SANBAG's Executive Director approved the release of a Request for Proposals (RFP) 14005 for Bond Counsel Services and 14006 for Disclosure Counsel Services. The RFPs were posted on SANBAG's website, published in *The San Bernardino Sun* newspaper and RFP notifications were sent to approximately sixty-one vendors who specialize in these services. A pre-proposal meeting was conducted on June 20, 2013, and two firms were in attendance. One Addendum was issued in response to written questions received prior to the deadline specified in the RFP and those received during the pre-proposal meeting. On July 9, 2013, seven proposals were received by the date and time specified in the RFP for Bond Counsel Services. Eight proposals were received by the date and time specified in the RFP for Disclosure Counsel Services. A review was conducted for all of the proposals received by the deadline. All of the proposals were found to be responsive to the RFP.

An Evaluation Committee, consisting of the City Attorney from the City of Redlands and SANBAG's General Counsel, Assistant General Counsel and Chief Financial Officer, reviewed the proposals. The proposals were evaluated based on the following criteria, which was identified in the RFP:

- Qualifications, Related Experience and References
- Proposed Staffing and Project Organization
- Work plan
- Price

Four firms demonstrated significant experience in providing Bond Counsel Services and Disclosure Counsel Services to the public sector. The Evaluation Committee agreed to interview four firms which are listed below in alphabetical order:

- Fulbright & Jaworski LLP a member of Norton Rose Fulbright
- Kutak Rock LLP
- Nossaman LLP
- Orrick, Herrington & Sutcliffe LLP

On August 6, 2013, the Evaluation Committee conducted an oral interview of the four firms selected. The interviews allotted fifty minutes and consisted of an opening presentation followed by a thirty-minute questions and answer session. The Evaluation Committee evaluated the four firms and based on their interview and proposal rankings, they selected a firm for Bond Counsel Services, and a firm for Disclosure Counsel Services.

The Committee considered all four law firms qualified to perform the work specified in the Request For Proposals. The highest ranked firm for Bond Counsel Services, Orrick, Herrington & Sutcliffe LLP (Orrick) and Disclosure Counsel Services, Fulbright & Jaworski LLP a member of Norton Rose Fulbright (Fulbright) were selected for the following reasons: Orrick demonstrated excellent qualifications and experience in working as bond counsel for transportation sales tax revenue bonds, in structuring financings in the best interests of SANBAG that are federal tax law-compliant, and in fostering effective and efficient working relationship amongst financing team members. Orrick provided excellent bond counsel services for SANBAG's previous financings. Fulbright showed proven qualifications and experience as disclosure counsel for numerous transportation sales tax revenue bond and other complex transportation financings. Fulbright exhibited a high level of attention to detail and sensitivity to the needs of a small agency by providing thorough work product to the client.

As a result of the scoring, the evaluation committee respectfully recommends that the contracts to perform the scope of work as outlined in the Request For Proposals 14005, be awarded to Orrick and the Request For Proposals 14006, be awarded to Fulbright. Orrick ranked first in technical score and overall score for Bond Counsel Services and Fulbright ranked first in overall score for Disclosure Counsel Services. Both firms clearly demonstrated a thorough understanding of the scope of work and proposed an overall solid team. Evaluation forms and reference checks are located in the Contract Audit File.

The contracts will be for a five (5) year term with two (2) one-year options to Orrick for Bond Counsel Services and Fulbright for Disclosure Counsel Services.

Financial Impact: This item is consistent with SANBAG's Fiscal Year 2013/2014 budget.

Reviewed By: This item is not scheduled for review by any other policy committee or technical advisory committee. SANBAG General Counsel and Contract Administrator have reviewed this item as to form.

Responsible Staff: Eileen Monaghan Teichert, General Counsel