

Purchase Request #15
Regular Board Meeting August 12, 2024
Consideration of Approval to Contract for Bond Underwriting Services

ADMINISTRATION RECOMMENDATION/REPORT

The administration recommends that the Board of Trustees approve a pool of firms for bond underwriting services for the College's fiscal affairs department.

BACKGROUND

Over the next five years, the College may issue new bonds to update infrastructure, security, and technology; renovate existing facilities; and construct new buildings at Generation Park or other campuses, where warranted. In addition, market conditions may present an opportunity to generate potential cost savings through the refinancing of existing bonds. The process of issuing bonds in either scenario requires the college to select a syndicate of underwriters to sell the bonds in the public market to investors.

Request for qualifications (RFQ) #24-28 was issued on May 30, 2024, to procure bond underwriting services, which are classified as professional services pursuant to Texas Government Code §2254 and are exempt from the competitive bidding per Texas Education Code §44.031(f). Professional services are selected based on demonstrated competence and qualifications to perform the service.

Eighteen responses were received and evaluated by a team comprised of representatives from the finance department and the College's contracted financial advising firm, PFM Financial Advisors LLC. Based on the evaluation scores, it was determined that the College's needs would be best served by awarding to the following fourteen firms:

- BOK Financial Securities, Inc.
- Cabrera Capital Markets
- Estrada Hinojosa & Company, Inc.
- Frost Bank,
- Jeffries LLC,
- J.P. Morgan Securities LLC
- Mesirov Financial, Inc.
- Piper Sandler & Co.
- PNC Capital Markets LLC
- Ramirez & Co., Inc.
- Raymond James & Associates, Inc.
- RBC Capital Markets, LLC
- Siebert Williams Shank & Co.
- Stifel, Nicolaus & Company, Inc.

IMPACT OF THIS ACTION

The approval of underwriters will allow the administration to issue bonds to fund projects, and potentially refinance existing bonds to generate savings based on current market conditions. Currently there are no planned bond issues, but any future recommendations to issue bonds will be brought to the Board for discussion and formal approval.

BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)

All expenses related to the underwriting service will be included as an allowable financing cost of the bond issuance, as allowed by applicable Texas statutes and regulations.

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MONITORING AND REPORTING TIMELINE

The five-year award term will commence on August 13, 2024 through August 12, 2029. At the College's discretion, the term of the pool may be extended.

ATTACHMENTS

Attachment 1 – Tabulation

RESOURCE PERSONNEL

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RFQ #24-28
Bond Underwriting Services
Attachment 1 – Tabulation

QUALIFICATIONS

#	Vendors	Section 1: Firm and Personnel Experience	Section 2: Project Understand ing	Section 3: Institutional and Retail Capabilities	Section 4: Exceptions to Terms and Conditions	Total Points
	<i>Total Points</i>	<i>40</i>	<i>35</i>	<i>20</i>	<i>5</i>	<i>100</i>
1	Raymond James & Associates, Inc.	40.00	33.53	18.00	4.75	96.28
2	RBC Capital Markets, LLC	37.00	33.88	19.70	5.00	95.58
3	J.P. Morgan Securities LLC	37.82	32.03	20.00	5.00	94.85
4	Jefferies LLC	38.00	32.25	19.00	4.00	93.25
5	Piper Sandler & Co.	36.80	32.50	18.90	5.00	93.20
6	Siebert Williams Shank & Co.,	36.00	33.02	17.80	5.00	91.82
7	Stifel, Nicolaus & Company, In	34.00	32.88	18.90	5.00	90.78
8	Estrada Hinojosa & Company, In	37.50	32.25	14.90	4.75	89.40
9	Ramirez & Co., Inc.	35.60	31.26	16.00	5.00	87.86
10	Frost Bank	34.00	28.12	17.70	5.00	84.82
11	Mesirow Financial, Inc.	33.50	29.87	16.20	5.00	84.57
12	PNC Capital Markets LLC	32.66	29.75	18.00	4.13	84.54
13	Cabrera Capital Markets	32.00	31.50	15.50	5.00	84.00
14	BOK Financial Securities, Inc.	33.10	28.88	17.00	5.00	83.98
15	Loop Capital LLC	33.60	27.13	15.00	5.00	80.73
16	Crews & Associates, Inc.	27.00	28.88	15.20	5.00	76.08
17	Blaylock Van, LLC	27.60	28.00	15.40	5.00	76.00
18	Essex Securities LLC	22.00	20.13	9.50	5.00	56.63