

10538. RESOLUTION 12-20 – AUTHORIZES A CONTRACT BETWEEN THE AUTHORITY AND CITI AND J.P.MORGAN TO PROVIDE BOND UNDERWRITER SERVICES

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is a bi-state Authority created by Compact for the purpose of owning, and operating both Crossing and non-Crossing facilities (the “facilities”); and

WHEREAS, the ownership and operation of the Crossing facilities requires prudent levels of debt issuance from time to time to fund capital improvements; and

WHEREAS, the Authority and its Financial Advisor monitor conditions in the debt markets to determine if any savings could be achieved by refinancing any currently outstanding debt; and

WHEREAS, the Authority desires to retain the professional services of an outside, independent Bond Underwriter(s) to provide a review of current market conditions and make recommendations as to any new money and proposed refinancing alternatives and scenarios; and

WHEREAS, the term of such services is for two (2) new money and/or debt refunding issuances, but in no event longer than five (5) years; and

WHEREAS, the Authority publicly advertised and issued a Request for Proposal (RFP) for the required bond underwriter services in compliance with Resolution 98-31, as amended by Resolution 09-52, which governs the procedure for the procurement of professional services; and

WHEREAS, the Authority received a total of ten (10) proposals; and

WHEREAS, the Authority evaluated the proposals pursuant to the aforementioned requirements; and

WHEREAS, the Authority short-listed four (4) firms and conducted oral interviews; and

WHEREAS, CITI and J.P.Morgan were designated first and second respectively on the preference list; and

WHEREAS, it is in the best interest of the Authority to retain and utilize the services of both firms for the issuance of debt; and

WHEREAS, the Authority’s Budget and Finance Committee reviewed the recommendation and concurs with the evaluation.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to retain and utilize CITI and J.P.Morgan to provide Bond Underwriter Services and have such Agreement(s), authorized upon the review and authorization to issue debt by the Delaware River and Bay Authority Board of Commissioners.

A motion to approve Resolution 12-20 was made by Commissioner Smith, seconded by Commissioner Dorn, and approved by a roll call vote of 8-0.

Resolution 12-20 Executive Summary Sheet

Resolution: Authorizing the Authority to enter into an agreement with CITI and J.P.Morgan for Bond Underwriter Services.

Committee: Budget & Finance Committee

Committee Date: June 19, 2012

Board Date: June 19, 2012

Purpose of Resolution: The Authority utilizes a combination of cash and debt to fund its capital improvement program. In 2012, the Authority intends to issue new debt in order to continue the funding of the approved CIP. The Authority has selected CITI and J.P.Morgan to provide Bond Underwriter Services relating to proposed new money issuances and/or the refinancing of outstanding Authority debt issuances.

Background for Resolution:

The Authority received ten (10) written proposals; and short-listed and conducted oral interviews with four (4) of the firms as indicated the by the “*” below:

Bank of America
CITI*
Edward Jones
J.P.Morgan*
Piper Jaffray
PNC
Raymond James
RBC*
TD Securities
Wells Fargo*

CITI and J.P.Morgan were the first and second ranked firms respectfully following the oral interviews. The Authority compared their rates with the rates of the other short-listed

proposers, and with the advice of its Financial Advisor negotiated rates were fair and reasonable.

The term of such services is for two (2) new money and/or debt refunding issuances, but in no event longer than five (5) years.