

RESOLUTION 19-22 – AUTHORIZES AN AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND J.P. MORGAN AND CITIGROUP GLOBAL MARKETS INC. TO PROVIDE MUNICIPAL BOND UNDERWRITING 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, Authority staff and its Financial Advisor monitor conditions in the debt markets to determine if savings could be achieved by refinancing outstanding debt; and

WHEREAS, the ownership and operation of the Facilities requires the issuance of new debt from time-to-time to fund capital improvements; and

WHEREAS, the Authority desires to retain the services of an investment banking firm(s) to provide underwriting services with respect to any proposed new debt issuance or refinancing (the “Services”); and

WHEREAS, the Authority wishes to enter into a Services Agreement (“Agreement”) with the selected investment banking firm(s); and

WHEREAS, the Agreement shall have a term for up to a five (5) year period, beginning upon the full execution of an initial Bond Purchase Agreement; and

WHEREAS, the Authority publicly advertised a Request for Proposals (“RFP”) for the required Services in compliance with Resolution 98-31, as amended, which governs the procedure for the procurement of professional services; and

WHEREAS, the Authority received and evaluated fifteen (15) proposals pursuant to the aforementioned public advertisement; and

WHEREAS, the Authority short-listed three (3) proposals and conducted oral interviews with each of the respective firms; and

WHEREAS, J.P. MORGAN was designated as the highest-ranking firm and CITIGROUP GLOBAL MARKETS was the second ranked firm following final evaluation; 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 evaluated the cost of the services proposed by J.P. MORGAN and determined the proposal to be fair and reasonable; and

WHEREAS, the Budget and Finance Committee has reviewed this recommendation and concurs; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Agreement with J.P. MORGAN AND CITIGROUP to provide the Services to the Authority and to have such Agreement, with the advice and consent of Counsel, executed by the Chairperson, Vice-Chairperson and Executive Director.

Resolution 19-22 Executive Summary Sheet

Resolution: Authorizes an agreement between the Authority and J.P. MORGAN AND CITIGROUP to provide municipal bond underwriting services

Committee: Budget and Finance

**Committee/
Board Date:** June 18, 2019

Purpose of Resolution:

To authorize an agreement with and J.P. MORGAN AND CITIGROUP to provide municipal bond underwriting services to the Authority.

Background for Resolution:

The proposed Resolution meets the requirements of Resolution 98-31, as amended, which governs the procedure for the procurement of professional services.

The Authority received and evaluated proposals submitted by the following fifteen (15) firms, and short-listed* three (3) of those firms:

American Veterans Group
Bancroft Capital, LLC
Bank of America Merrill Lynch*
Barclays Capital
Citigroup*
Drexel Hamilton, LLC
J.P. Morgan Securities, LLC*
Loop Capital Markets
Mischler Financial Group, Inc.
NW Financial Group, LLC
Raymond James
Stern Brothers
Stifel
UBS
Wells Fargo, N.A.

After an initial review and evaluation of all proposals, the Authority conducted oral interviews with the short-listed firms and utilized the final evaluation criteria to establish a final ranked list, with J.P. MORGAN AND CITIGROUP being identified as the first and second ranked firms respectively following the short-list interviews. The Authority conducted an

analysis of the proposed costs for the services and determined them to be fair and reasonable.