



**San Francisco Unified School District**

LEGAL DEPARTMENT

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**REQUEST FOR  
PROPOSALS FOR  
BOND COUNSEL SERVICES**

**I. OBJECTIVE**

The San Francisco Unified School District (District or SFUSD) is seeking proposals from qualified firms to serve as bond counsel, tax counsel, and disclosure counsel for the District’s current and future general obligation bond program, its TRAN program, and COP program. Proposals should be submitted as requested below and should include all elements described under “Contents of Proposal.”

The overall objective of this Request for Proposal is to permit firms the opportunity to submit their relevant school district legal experience, client references and proposed schedule of charges for consideration.

**II. INSTRUCTIONS**

Interested firms are invited to submit one original signed proposal and four (4) hard copies. The proposal shall be made in the format provided and the complete proposal, together with any and all additional materials, shall be enclosed in a sealed envelope addressed and delivered no later than 4:30 p.m. on Friday, May 6, 2016, to the following address:

San Francisco Unified School District  
Legal Department  
555 Franklin Street, 3<sup>rd</sup> Floor  
San Francisco, California 94102

The sealed envelope shall be marked on the outside lower left corner with the words “Bond Counsel Services RFP.” It is the Proposer’s sole responsibility to ensure that their proposal is received prior to the scheduled closing time for receipt of proposals. No corrected or resubmitted proposals will be accepted after the deadline.

This Request for Proposals does not commit the District to award a contract or pay any costs incurred in the preparation of a proposal responsive to this request. The District reserves the right to accept all or part of any proposal or to cancel in part or in its entirety this Request for Proposals. The District further reserves the right to accept the proposal that it considers to be in the best interest of the District.

All requirements must be addressed in your proposal. Non-responsive proposals will not be considered. All proposals, whether selected or rejected, shall become the property of the District. Firms are responsible for checking the website periodically for any updates or revisions to the RFP.

### **Requests for Information**

Questions related to this RFP should be submitted in writing to Danielle Houck, General Counsel prior to Friday, April 29, 2016. Specify “RFP for Bond Counsel Services” in the subject line. No questions will be considered after April 29, 2016. Responses to all questions received will be posted on the District’s website.

### **III. BACKGROUND**

SFUSD is the seventh largest school district in California, educating over 57,000 students every year. San Francisco is both a city and a county; therefore, the District administers both the School District and the San Francisco County Office of Education (COE). This makes SFUSD a “single district county.”

#### **Proposition A 2003**

In November 2003, San Francisco voters passed Proposition A 2003 and initiated the SFUSD bond program. Proposition A 2003 authorized SFUSD to issue up to \$295 million of general obligation bonds for:

- the modernization of 30 school sites;
- the creation of a green schoolyard program;
- partial funding for a new School of the Arts; and
- planning for future bond issues.

Highest priorities for work at the school sites went toward handicapped accessibility and making fire and life safety improvements.

#### **Proposition A 2006**

In November 2006, the voters of San Francisco approved Proposition A 2006. Proposition A 2006 authorized SFUSD to issue up to \$450 million of general obligation bonds for:

- modernization of 59 additional school sites;
- expansion of the green schoolyard program;
- further funding for a new School of the Arts; and
- planning for future bond issues.

Priorities for modernization are the same as for Proposition A 2003; however, the group of sites affected by Proposition A 2006 include early education centers, charter schools, leased sites, and non-academic, administrative sites.

### **Proposition A 2011**

In November 2011, the voters of San Francisco approved Proposition A 2011, which authorized SFUSD to issue up to \$531 million of general obligation bonds for:

- modernization at 65 additional school sites;
- expansion of the green schoolyard program;
- construction of at least one new school campus; and
- planning for future bond issue.

Priorities for modernization are similar to Proposition A 2003 and 2006.

Each year, the District issues Tax and Revenue Anticipation Notes (“TRANs”) to address its annual short term operating cash flow needs.

## **IV. SCOPE OF WORK**

It is anticipated that the successful firm will be asked to provide the following scope of services (not necessarily inclusive):

1. Provide an objective legal opinion with respect to the authorization and issuance of the bond and TRANs debt obligations and whether interest paid is tax-exempt under Federal and/or State laws and regulations.
2. Examine applicable state and federal laws, prepare authorizing documents, consult with parties to the transactions, review proceedings, and perform additional duties as necessary to render the opinion(s).
3. Provide continuing advice regarding any actions necessary to ensure that interest will continue to be tax-exempt.
4. Prepare and review all legal documents for the issuance, sale and delivery of a bond or TRANs financing, including necessary resolutions, closing documents and transcripts.
5. Review legal issues relating to the structure of a bond issue.
6. Draft enabling legislation if required.
7. Assist in presenting information to the bond rating agencies and credit enhancers relating to legal issues affecting the issuance of the bonds and TRANs.

8. Offer continuing legal advice, as needed, on issues related to the sale and the on-going administration of bond obligations.
9. Provide other legal opinions as required.
10. Provide all legal services in connection with a Proposition 39 election.
11. Participate in meetings, as requested, relating to the issuance of bonds, TRANs, and management of the District's financing programs.
12. Keep the District informed of rulings issued by Federal and State regulatory agencies, such as the U.S. Securities Exchange Commission and Municipal Securities Rulemaking Board, which impact the District's bond financing process.
13. Serve as disclosure counsel:
  - a. Prepare the preliminary and final official statements for any bond and/or TRANs transaction.
  - b. Provide the 10b-5 "Opinion" with respect to the preliminary and final official statements.

## **V. CONTENTS FOR PROPOSALS**

In order for proposals to be considered, said proposal must be clear, concise, complete, well organized and demonstrate both respondent's qualifications, and its ability to follow instructions. The quality of answers, not length of responses or visual exhibits is important in the proposal.

The proposal shall be organized in the format listed below. Respondents shall read each item carefully and answer each of the following items accurately to ensure compliance with District requirements.

### **A. Submittal Letter**

Include the RFP's title and submittal due date, the name, address, fax number and telephone number of the responding firm. Include a contact person and corresponding e-mail address. The letter shall state that the proposal shall be valid for a 60-day period and that the staff proposed is available immediately to work on this project. The person authorized by the firm to negotiate a contract with the District shall sign the cover letter.

### **B. Description of Firm**

This section should provide an overview and history of your firm, and its public finance practice in California; as well as the approach that will be used in meeting the needs of the District.

**C. References and Description of Experience**

This section should identify similar projects that the firm has completed as outlined in the RFP. Use this section to indicate the areas of expertise of your firm and how the firm’s expertise will enable the District to benefit from that expertise. Include at least four (4) school districts with similar program needs, along with the names of individuals familiar with your work that can be contacted by District staff.

**D. Team**

Please provide the names and résumés of staff who would be working with the District. Include those individuals who will be responsible for tax counsel and disclosure counsel work, and identify individuals by responsibility. Please indicate who the primary contact will be and who will be responsible for the day to day work with the District.

**E. Case Study**

Please provide at least two case studies that demonstrate your firm’s ability to problem-solve on behalf of a school district. Please explain the relevance of your case studies to the District.

**F. Project Overview**

This section should clearly convey the firm’s understanding of the nature of the work related to bond counsel, tax counsel, and disclosure counsel services and the general approach the firm will use in its ability to provide the services outlined in the Scope of Work (Section IV).

**G. Fees**

Please indicate the fees you would charge to serve as bond counsel, tax counsel and/or disclosure counsel as well as an estimate of expenses for a \$100,000,000 fixed rate, general obligation bond financing comprised entirely of current of current interest bonds. Please specify if there are fee differentials for different structures or different types of financing. All fees will be contingent upon the completion of a financing.

Please indicate the fees you would charge to serve as bond counsel, tax counsel and/or disclosure counsel as well as estimate of expenses for a TRANs financing in the range of \$60,000,000 to \$100,000,000. All fees will be contingent upon the completion of a financing.

The District is interested in achieving fees that are both in line with the specific services provided the District and are comparable to those paid by other school districts on similar transactions. Would your firm be willing to review fees in the context of data provided on

similar transactions by the California Debt and Investment Advisory Commission in advance of each proposed financings?

**H. Conflict of Interest**

Does your firm have any existing relationships with the District or with other related entities that might create a conflict of interest for your firm? If so, please describe.

**VI. SELECTION CRITERIA**

Firms submitting proposals are advised that all proposals will be evaluated to determine the firm deemed most qualified to meet the needs of the District. The selection criteria will include, but not be limited to, the items listed below:

1. Demonstrated understanding and responsiveness to the Request for Proposals
2. Experience of firm and personnel named in the proposal
3. Past experience in assisting California school districts with bond counsel services
4. Firm's commitment and ability to provide each item outlined in the Scope of Work (Section IV)
5. Satisfaction of previous clients
6. Fees

**VII. PROCESS FOR SELECTING FIRM**

A Selection Advisory Committee, chaired by the District's General Counsel, will review each firm's qualifications to determine which are most highly qualified to perform the required work. The Selection Advisory Committee may choose to interview any, all, or none of the respondents as may be in the best interest of the District. If interviews are held, the General Counsel will notify those firms selected as to place, date, and time. Firms that have not been selected shall be so notified in writing after the conclusion of the selection process.

**VIII. GENERAL TERMS AND CONDITIONS**

The following terms and conditions apply to agreements between the District and law firms.

**A. Non-Discrimination (Required by SFUSD Board Policies 0410 and 6141)**

1. The Firm understands and agrees that in providing services to the District, it is the Firm's obligation to comply with Board Policy 0410, which requires that all District programs, activities, and practices be free from discrimination based on race, color, ancestry, national origin, ethnic group identification, age, religion, marital or parental status, physical or mental disability, sex, sexual orientation, gender, gender identity or expression, or genetic information; the perception of one or more of such characteristics; or association with a person or group with one or more of these actual or perceived characteristics.
2. The Firm hereby represents and affirms that it is the Firm's policy that its programs, activities, and practices are free from discrimination based on race, color, ancestry, national origin, ethnic group identification, age, religion, marital or parental status, physical or mental disability, sex, sexual orientation, gender, gender identity or expression, or genetic information; the perception of one or more of such characteristics; or association with a person or group with one or more of these actual or perceived characteristics.
3. The Firm agrees that it will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, ancestry, national origin, ethnic group identification, age, religion, marital or parental status, physical or mental disability, sex, sexual orientation, gender, gender identity or expression, or genetic information; the perception of one or more of such characteristics; or association with a person or group with one or more of these actual or perceived characteristics.

**B. Prohibited Interests**

No officer, employee or agent of the District who is authorized in such capacity and on behalf of District to negotiate, make, accept, or approve, or to take part in negotiating, making, accepting or approving any agreement, shall become directly or indirectly interested financially in a contract between the Firm and the District or in any part thereof. No officer, employee, or attorney of or for District who is authorized in such capacity and on behalf of District to exercise any executive, supervisory or other similar functions shall become directly or indirectly interested financially in a contract between the District and the Firm or in any part thereof. Proposer shall receive no compensation and shall repay District for any compensation received by the Firm from the District as a result of the Firm's proposal, should Proposer aid, abet or knowingly participate in violation of this Article.

**C. Insurance**

1. The Firm shall maintain insurance in the following minimum amounts:
  - a. Commercial General Liability Insurance with limits not less than \$1,000,000 (one million dollars) each occurrence Combined Single Limit for Bodily Injury and Property Damage.

- b. Workers' Compensation Insurance, with Employer's Liability limits not less than \$1,000,000 (one million dollars) each accident.
  - c. Professional Liability (E & O) Insurance with limits not less than \$2,000,000.00 (two million dollars) each occurrence and in the aggregate. Coverage must at a minimum apply to negligent Errors and Omissions arising out of professional services, performed under the contract, with any deductible not to exceed \$100,000 each claim.
2. Commercial General Liability policy must provide the following:
- a. **Name as Additional Insured the San Francisco Unified School District, its Board, officers and employees.**
  - b. That such policy is primary insurance to any other insurance available to the Additional Insured, with respect to any claims arising out of a contract between the District and the Firm and that such policies apply separately to each insured against who claim is made or suit is brought.
3. If any policies are written on a claims-made form, the Firm agrees to maintain such insurance continuously in effect for three years following completion of the agreement or extend the period for reporting claims for three years following the completion of the agreement, such that occurrences which take place during the agreement period shall be insured for three years following completion of the agreement.
4. The Firm shall provide the District with the appropriate certificate(s) of insurance prior to commencing performance. The Firm shall also be obligated to notify the District in writing at least 30 (thirty) days in advance of any cancellation, non-renewal or reduction of any of its insurance policies required under the contract. The Firm also understands and agrees that the District may withhold payment for services performed for any violations of the insurance provisions of the agreement.

**D. Invoices and Payments**

Unless specified otherwise, the Firm shall render invoices for services performed under the contract to the District's Legal Department. Invoices shall be submitted in a timely manner.