

EXECUTIVE SUMMARY

First Amendment to Agreement and Renewal RFP 14-012V – Investment Banking Services

The District's current underwriting team consists of six (6) investment banking firms: three (3) of the firms (Citigroup Global Markets Inc., J.P. Morgan Securities LLC, and Morgan Stanley & Co. LLC) are Senior Managers, and rotate for each bond financing (i.e., new issuance and refunding). The other three (3) firms (RBC Capital Markets, LLC; PNC Capital Markets LLC; and Wells Fargo Bank, N.A. Municipal Product Group) are the Co-Managers for each bond financing. When one firm is servicing as the senior manager in the rotation, the other two (2) senior managers serve as co-managers, along with the other awarded co-managers. The senior manager firm works closely with the District to determine the offering price of the bonds, purchases them from the District, and sells them to investors in the open market.

Under RFP 14-012V - Investment Banking Services, the District entered into a three (3) year agreement with the above six (6) firms from December 3, 2013, through July 31, 2016. The existing agreement allows for two (2) additional one-year renewal periods and an additional 180 days, if necessary.

In the next twelve (12) months, the District is anticipating to complete two (2) refundings, which are expected to generate additional debt service savings to the District. During the current agreement, the District's underwriting team was able to complete four (4) refundings and achieve approximately \$76 million in present value savings.

District staff is recommending to exercise the first of the two (2) one-year renewal periods to ensure continuity of these vital services and the continued successful issuances of future refundings and other various financings.