

Resolution 2023-24: 15

Phase 3 Underwriting Services Contract Award

By Board Member Kim Jones

WHEREAS, the Rochester School Facilities Modernization Program Act (“Act”) established the Rochester Joint Schools Construction Board (“RJSCB” or “Board”), a seven voting member board consisting of equal representation by the City of Rochester (“City”) and the Rochester City School District (“District”), as well as a member jointly selected by the City and the District; and

WHEREAS, under the Act, the RJSCB has certain enumerated powers to act as agent for the District, the City, or both; and

WHEREAS, the New York State Legislature amended the Act by enacting Chapter 533 of the Laws of 2014 (“Amended Act”), thereby providing alternative financing mechanisms for the reconstruction of up to 26 projects for a total cost of \$435,000,000 for Phase II; and

WHEREAS, the New York State Legislature amended the Amended Act by enacting Chapter 614 of the Laws of 2021 (“Second Amended Act”) to authorize additional oversight, transparency, and accountability by the New York State Education Department to ensure projects are completed on time and within budget, and to provide alternative financing mechanisms for the reconstruction of up to 12 projects for a total cost of \$475,000,000 for Phase III; and

WHEREAS, the RJSCB Chair and the Program Manager have determined a need for Underwriting Services to assist the RJSCB and District in complying with the requirements of Phase 3 of the RSMP; and

WHEREAS, Citigroup Global Markets Inc. (“Citi”) was awarded the Phase 1 and 2 Underwriting Services contracts through a competitive selection process and has worked closely with the City, the RCSD and the RJSCB to create the necessary financial structures and has provided Underwriting Services for the RJSCB in Phases 1 and 2 of the RSMP; and

WHEREAS, the Board, pursuant to its procurement policies, has the right to, among other things, not issue a request for proposals and waive the request for proposals process as it relates to Underwriting Services if it is in the best interest of the public, the Board and the RSMP; and

WHEREAS, the Chair and the Program Manager determined that it was in the best interest of the public, the Board and the RSMP to engage in negotiations with Citi to provide Underwriting Services for Phase 3 of the RSMP because of the quality of Citi’s services, institutional knowledge, timing and cost savings to the RSMP; and

WHEREAS, Citi’s proposal to provide Underwriting Services for Phase 3 of the RSMP was submitted on October 30, 2023; and

WHEREAS, the RJSCB considered and discussed the details of the proposed engagement of Citi to provide Underwriting Services for Phase 3 and waiving the request for proposals process at its December 11, 2023, and after due deliberation and further consideration of Citi’s proposed engagement, the RJSCB now acts as follows.

THEREFORE, BE IT RESOLVED:

1. The RJSCB hereby determines that it is in the best interests of the public, the Board and the RSMP to waive the request for proposals process for the Underwriting Services contract for Phase 3 of the RSMP; and
2. The RJSCB hereby awards Phase 3 Underwriting Services contract to the firm of Citigroup Global Markets Inc. for the compensation set forth in the Underwriter Services Agreement presented at the meeting on December 11, 2023, and subject to the terms and conditions of that Agreement; and
3. The RJSCB Chair is hereby authorized, in the name and on behalf of the RJSCB, to execute and deliver the Underwriter Services Agreement with Citigroup Global Markets Inc., in substantially the form presented at the meeting on December 11, 2023, with such changes as the Chair may approve (his signature thereon being conclusive evidence of such approval) upon the advice of the RJSCB's general counsel.

Second by: Jesse Dudley

Adopted: 7-0