



Joseph P. Bort MetroCenter  
 101 Eighth Street  
 Oakland, CA 94607-4700  
 TEL 510.817.5700  
 TDD/TTY 510.817.5769  
 FAX 510.817.7848  
 E-MAIL [info@mtc.ca.gov](mailto:info@mtc.ca.gov)  
 WEB [www.mtc.ca.gov](http://www.mtc.ca.gov)

## *Memorandum*

TO: BATA Oversight Committee

DATE: February 1, 2012

FR: Executive Director

W.I. 1254

RE: Investment Bank Co-Managers and Selling Syndicate Selection

Staff recommends that the Committee approve the list of investment banking firms to act as co-managers and selling group members for the next five years. Compensation for these firms is derived from the sale of bonds; therefore, there is no budgetary impact on BATA.

BATA utilizes a series of senior and co-managing bankers to underwrite and sell bonds for its projects. Senior managing bankers are utilized to plan, design and structure the BATA financings in coordination with the approved BATA financing plan. Co-managing and selling group firms are used to help sell bonds directly to the public. Due to personnel changes and consolidation in the financial industry, it is necessary for BATA to solicit new co-managing underwriters and a selling group.

A qualification and proposal solicitation process was directed and carried out by BATA's financial advisors, Public Financial Management (PFM). The solicitation established the following minimum qualifying standards:

- Ten years experience providing investment banking services to government agencies.
- Five years as senior or co-managing banker with at least twenty transactions per year.
- Senior or co-managing banker on at least three transactions of \$300 million over the past 5 years with at least one toll-related transaction.
- Ten different California clients.
- Maintained at least one California office for the past 5 years.
- Sufficient number of qualified staff.
- Demonstrated institutional and retail sales capability.

Twenty-five firms responded. After careful review, 18 firms were selected for final recommendation and are broken down into recommendations for co-manager and selling group participants. Co-managing firms are the next level after the senior bankers and are used for some structuring concepts, as well as their ability to sell bonds on the open market. Selling group members are used primarily to sell bonds to retail and institutional investors.

As a financing team, our bankers allow BATA to distribute large numbers of bonds at very cost effective prices.

Staff requests that the Committee approve the following list of firms to provide these banking support services over the next five years:

**Co-Managers**

- De La Rosa & Company
- Fidelity Investments
- Loop Capital Markets
- RBC Capital Markets
- Ramirez & Company, Inc.
- SiebertBranfordShank & Company
- Wells Fargo Securities
- William Blair & Company

**Selling Group Members**

- Backstrom McCarley Berry & Company, LLC
- Cabrera Capital Markets, LLC
- Edward Jones
- Estrada Hinojosa & Company, Inc.
- Greencoast Capital Partners
- Jefferies & Company, Inc.
- Mesirow Financial Public Finance
- M.R. Beal & Company
- Piper Jaffray
- U.S. Bancorp



---

Steve Heminger

SH/bm