



**AFFILIATED AGENCIES**

*Orange County  
Transit District*

*Local Transportation  
Authority*

*Service Authority for  
Freeway Emergencies*

*Consolidated Transportation  
Service Agency*

*Congestion Management  
Agency*

May 15, 2024

Ladies/Gentlemen:

**SUBJECT: REQUEST FOR QUOTATION (RFQ) 4-2257  
“Municipal Bond Structuring Software/System Solution”**

The Orange County Transportation Authority (Authority) requests quotes to provide Municipal Bond Structuring Software/System Solution.

The budget for this effort is \$72,000 for a one (1)-year term.

Quotes must be submitted on **Exhibit C, entitled “Price Summary Sheet”** at or before **11:00 a.m., May 28, 2024**, via email to [nvahabzadeh@octa.net](mailto:nvahabzadeh@octa.net) specifying the following on the subject line:

**“RFQ 4-2257, Municipal Bond Structuring Software/System Solution”**

Quotes received after the date and time specified will not be accepted. Questions, clarifications and approved equal requests shall be submitted in writing to [nvahabzadeh@octa.net](mailto:nvahabzadeh@octa.net) no later than 5:00 p.m., May 20, 2024. On the email subject line, please specify: **“RFQ 4-2257 - Written Questions”**. Responses will be posted no later than May 23, 2024.

All firms interested in doing business with the Authority are required to register their business on-line at CAMM NET. The website can be found at <https://cammnet.octa.net/>.

The successful firm will be required to comply with all applicable Equal Employment Opportunity Laws and Regulations.

Firms must submit pricing on all line items on Exhibit C in order to be considered responsive.

Any contract or purchase order awarded as a result of this RFQ 4-2257 will be to the overall lowest responsive and responsible firm. If you have any questions, please contact Negar Vahabzadeh, Senior Contract Administrator, at [nvahabzadeh@octa.net](mailto:nvahabzadeh@octa.net).

Enclosures:

- Exhibit A – Scope of Work
- Exhibit B – Quotation Form
- Exhibit C – Price Summary Sheet
- Exhibit D – General Provisions

**Scope of Work  
Municipal Bond Structuring Software/System Solution**

The Orange County Transportation Authority (OCTA) requires a qualified company to provide system/software solution to structure and/or size municipal bond issues for both new issuances and refunding purposes. The system shall also calculate debt service and perform refunding analyses.

**Software/System Required Functionalities:**

***I. New Money***

- Easily accommodates multiple delivery dates, distinct interest payment or maturity frequencies and overlapping and bifurcated maturities.
- Supports automatic payment date adjustments for weekends and holidays.
- Supports irregular interest payment date overrides at any time during the term of a bond.
- Supports all bond types, including CABS, convertible CABS, twenty-six (26)-week, thirty-five (35)-day and twenty-eight (28)-day auction rate bonds, variable rate, multi-mode, convertible option, taxable and tax-exempt bonds, AMT and non-AMT bonds, stepped-coupon, and zero-coupon bonds.
- Automatically prices bonds to “worst call date” per MSRB rules G-33 and G-15.
- Call dates are calculated and reported individually for pricing and arbitrage purposes.
- Generates issue-level as well as maturity-level statistics, including YTM, YTC, WAL, duration to maturity, duration to call.
- Bonds subject to optional redemption are redeemed at the call date producing the lowest arbitrage yield, per 26 CFR 1.148-4(b)(3).
- Deep-discount term bond sinking funds redemptions are valued at their accreted value, per 26 CFR 1.148-4(b)(2).
- Supports the “safe-harbor” test on fixed yield bonds callable within five years of issuance.
- Sizes project funds based on additional proceeds or defined draw weights if desired.
- Populates IRS 8038-G forms in PDF format with relevant bond statistics including yield, weighted average maturity, uses of proceeds.
- Optimizes which maturities to insure given two (2) scales and a bond insurance premium.
- Performs insurance break-even analysis.
- Calculates expenses based on a formula or fixed dollar amount. Expenses can be up-front or ongoing.
- Expenses may be flagged to be included in the arbitrage yield of the entire issue as well as the arbitrage yield per maturity.
- Directs investment earnings to other funds or to pay for debt service. For example, excess reserve fund earnings can be directed first to net fund CAPI and then to pay debt service.
- Sizes investments based on deposits of future revenues.
- Calculates monthly set-asides of principal and interest to the bond debt service account.
- Handles formulas that can reference deposits to or draws from reserve or project funds, as well as expenses.

- Models fixed-to-floating as well as floating-to-fixed interest rate swaps.
- Handles formulas based on new bonds, existing bonds, costs of issuance, underwriter discount, escrow cost, outstanding debt service or forecasted revenues.
- Supports non-level guarantee fee amortization for arbitrage yield.
- Build America Bonds are easily handled.
- Supports changing the type of bond solution over time (e.g. a “fill” solution in certain years with level debt service in the remaining years).
- Wrap new bond debt service around existing issues.
- Allows dynamic import of key assumptions from Excel, as well as dynamic export of results to Excel spreadsheets.
- Allow reports to be saved in Excel and HTML formats.
- Determines the value of call options based on zero-coupon yield curve or current-interest yield curve, which may optionally be imported directly from MMD.
- Can download yield curves from MMD, and set the pricing yield of each bond as a spread to the selected MMD curve. Downloadable curves must include tax-exempt and/or taxable.
- Allows custom reports to be defined and shared with colleagues.
- Has been verified for mathematical accuracy and compliance with current arbitrage regulations and municipal bond market standards.

## ***II. Refundings***

- Analyzes current, advance, crossover, and forward delivery refunding issues.
- Models full and partial defeasances easily, including principal or interest only escrows.
- Allows call date and call price to be defined per refunded maturity.
- Targets refunding savings to a specific range of fiscal years, if desired.
- Refunding par may be limited to the refunded par and an equity contribution can be sized for the overage, if desired.
- Uses Batch Runs to perform interest rate sensitivity analysis by varying the bond and escrow yields by specified increments; savings results are summarized in one easy-to-read report.
- Runs multiple what-if scenarios efficiently.
- Manages multiple escrows, bifurcated escrows, transferred proceeds and funds on hand for proper allocation to escrow accounts.
- Computers transferred proceeds automatically on old reserve funds spent pro-rata in the escrow.
- Structures linear optimized SLGS, OMS or hybrid escrow portfolios using one or more sources of funds, each with its own investment parameters.
- Calculates float contracts or zero coupon rollovers for escrows with timing inefficiencies.
- Can solve for yield-restricted OMS and SLGS portfolios without the use of 0% SLGS rollovers.
- Creates XML files for uploading subscriptions to SLGSafe.

**QUOTATION FORM**

REQUEST FOR QUOTES (RFQ):	4-2257
DESCRIPTION OF WORK:	Municipal Bond Structuring Software/System Solution
BIDDER'S NAME AND ADDRESS	<div></div> <div></div> <div></div>
NAME OF AUTHORIZED REPRESENTATIVE	<div></div> <div></div>
TELEPHONE NUMBER	<div></div>
EMAIL ADDRESS	<div></div>

Purchase Order

Effective for a one-year term from July 1, 2024 through June 30, 2025 for licensing and maintenance of a municipal bond structuring software/system solution for the Authority's Treasury & Public Finance Department.

By submitting a Quote, Firm agrees to the terms and conditions as stated in Exhibit D "General Provisions" which by this reference are incorporated herein.

Evaluation for Award

The Authority shall award to the lowest, responsive, responsible Firm.

Firm must quote all items on Exhibit C, Price Summary Sheet, or shall be deemed non-responsive.

### PRICE SUMMARY SHEET

Prices quoted shall remain firm for the term of the contract and shall include taxes, direct costs, indirect costs, and profits.  
Firm must quote on all items or shall be deemed non-responsive.

Product/Copies	One-time License Fee	Annual Maintenance Fee
<b>DBC Finance: 1 copy/concurrent user</b> <i>Debt/Size and Refund Modules</i>	\$ _____	\$ _____
<b><u>Lump Sum Total</u></b>		\$ _____

This quotation shall remain firm for \_\_\_\_\_ days from the date of quote.  
(Minimum 120)

AUTHORIZED TO BIND QUOTE: \_\_\_\_\_

PRINT SIGNATOR'S NAME AND TITLE: \_\_\_\_\_

DATE SIGNED: \_\_\_\_\_

**IF NOT QUOTING, PLEASE LIST REASON(S) BELOW**

**Orange County Transportation Authority - GENERAL PROVISIONS**

1. **INSPECTION AND ACCEPTANCE** - All items are subject to final inspection and acceptance by AUTHORITY at destination notwithstanding any payment, passage of title, or prior inspection or test at SELLER's facilities. Final inspection will be made within a reasonable time after receipt of items hereunder. SELLER shall notify AUTHORITY of any known nonconforming product that is expected to be delivered or has been delivered. AUTHORITY shall have authority to approve or refuse identified nonconforming product. Defective goods may be returned at SELLER's expense.
2. **CHANGES** - By written notice or order, AUTHORITY may, from time to time, order work suspension and/or make changes in quantities, drawings, designs, specifications, place of delivery or delivery schedules, methods of shipment and packaging, and property and services furnished by SELLER. If any such change causes an increase or decrease in the price of this agreement or in the time required for its performance, SELLER or AUTHORITY shall promptly notify the other party thereof and assert its claim for adjustment within thirty (30) days after the change is ordered, and an equitable adjustment shall be made. However, nothing herein shall excuse SELLER from proceeding immediately with the agreement as changed.
3. **DEFAULT AND EXCESS REPROCUREMENT LIABILITY** - AUTHORITY may terminate this agreement if a federal or state proceeding for the relief of debtors is undertaken by or against SELLER, or if SELLER makes an assignment for the benefit of creditors, or if SELLER fails after reasonable notice by AUTHORITY to cure a deficiency in performance or lack of progress thereto. AUTHORITY shall have such additional remedies as may be available whether or not it so terminates this agreement, including, but not limited to, payment by SELLER to AUTHORITY of expenses incurred by AUTHORITY in reprocurring elsewhere the same or similar items or services defaulted by SELLER hereunder, provided SELLER's reprocurement expenses obligation shall be limited to the excess costs above the price specified herein for such items or services.
4. **INDEMNIFICATION** - SELLER shall indemnify, defend, and hold harmless AUTHORITY from and against any and all claims (including attorneys' fees and reasonable expenses for litigation or settlement) for any loss, damage, claim, or harm for bodily injuries, including death or damage to property caused by SELLER or its employees, subcontractors, or suppliers in connection with the performance of this agreement.
5. **ASSIGNMENTS AND SUBCONTRACTS** - Neither this agreement nor any interest herein nor claim hereunder may be assigned by SELLER, either voluntarily or by operation of law, nor may all or substantially all of the agreement be subcontracted by SELLER without AUTHORITY's prior written consent. AUTHORITY's withholding of consent shall not be deemed to relieve SELLER of its obligations to comply fully with the requirements hereof.
6. **FEDERAL, STATE, AND LOCAL LAWS** - SELLER warrants that, in the performance of this agreement, it shall comply with all applicable Federal, State and local laws and ordinances and all lawful orders, rules and regulations thereunder.
7. **INFRINGEMENT INDEMNITY** - In lieu of any other warranty by AUTHORITY or SELLER against infringement, statutory or otherwise, it is agreed that SELLER shall defend, at its expense, any claim or suit against AUTHORITY based on a claim that any item furnished under this agreement or the normal use or sale thereof infringes any United States Letters patent or copyright, and SELLER shall pay all costs and damages finally awarded in any such suit or claim, provided that SELLER is notified in writing of the suit or claim and given authority, information, assistance at SELLER's expense for the defense of same. If the use or sale of said item is enjoined as a result of such suit, SELLER, at no expense to AUTHORITY, shall obtain for AUTHORITY the right to use and sell said item, or shall substitute an equivalent item acceptable to AUTHORITY, and extend this patent indemnity hereto.
8. **TITLE AND RISK OF LOSS** - Unless otherwise provided in this agreement, SELLER shall have title to and bear the risk of any loss of or damage to the items purchased hereunder until they are delivered in conformity with this agreement at the F.O.B. point specified herein, and upon such delivery, title shall pass from SELLER, and SELLER's responsibility for loss or damage shall cease, except for loss or damage resulting from SELLER's negligence. Passing of title upon such delivery shall not constitute acceptance of the item by AUTHORITY.
9. **NOTICE OF LABOR DISPUTE** - Whenever SELLER has knowledge that any actual or potential labor dispute may delay this agreement, SELLER shall immediately notify and submit all relevant information to AUTHORITY. SELLER shall insert the substance of this entire clause in any subcontract hereunder as to which a labor dispute may delay this agreement. However, any subcontractor need give notice and information only to its next higher-tier subcontractor.

10. **EQUAL EMPLOYMENT OPPORTUNITY** - In connection with the execution of this agreement, the SELLER shall not discriminate against any employee or applicant because of race, religion, color, sex or national origin. The SELLER shall take affirmative action to ensure that applicants are employed, and that employees are treated during their employment without regard to their race, religion, color, sex or national origin. Such actions shall include pay, or other forms of compensation and selection for training, including apprenticeship.
11. **TERMINATION FOR CONVENIENCE** - AUTHORITY may terminate this agreement for its convenience at any time, in whole or in part, by giving written notice to SELLER of such termination, effective on the date of such notice. Upon receipt of said notice, SELLER shall immediately take action not to incur any further obligations, costs, or expenses, except as may be reasonably necessary to terminate its activities. AUTHORITY shall pay SELLER its allowable costs incurred to date of termination and those costs determined by AUTHORITY to be reasonably necessary to effect such termination. All finished or unfinished documents and other materials procured or produced by SELLER hereunder shall, at the option of AUTHORITY, become AUTHORITY property upon the date of such termination.
12. **AUDIT AND INSPECTION OF RECORDS** - SELLER shall provide AUTHORITY such access to SELLER's books, records, and facilities as may be deemed necessary to examine, audit, and inspect all work data, documents, and activities related to the goods or services described herein. SELLER shall maintain such books, records, data and documents on a generally accepted accounting basis and shall clearly identify and make such items readily accessible to such parties during SELLER's performance hereunder and for a period of four (4) years from the date of final payment by AUTHORITY hereunder.
13. **TIME IS OF THE ESSENCE** - Time is of the essence in the performance of this agreement. SELLER's delivery of the items and related data and/or documentation and/or performance of required services in accordance with the schedule are a material requirement of this agreement.
14. **WARRANTY** - SELLER warrants to AUTHORITY, its successors and customers that all items furnished to AUTHORITY will be free from defects in material and workmanship, will conform to applicable drawings, designs, specifications and samples, will meet all functional and performance requirements and, to the extent this order calls for services to be performed, that such services will be free from defects in workmanship, will meet all of the requirements of this agreement and will be performed to the highest standards of workmanship in the industry. These warranties are in addition to all other warranties, express, implied or statutory. In addition, the warranties set forth in this section shall survive any inspection, delivery, acceptance or payment by AUTHORITY.
15. **FORCE MAJEURE** - Either party shall be excused from performing its obligations under this agreement during the time and to the extent that it is prevented from performing by an unforeseeable cause beyond its control, including but not limited to: any incidence of fire, flood; acts of God; commandeering of material, products, plants or facilities by the federal, state or local government; national fuel shortage; or a material act or omission by the other party; when satisfactory evidence of such cause is presented to the other party, and provided further that such nonperformance is unforeseeable, beyond the control and is not due to the fault or negligence of the party not performing.
16. **GOVERNING LAW** - The laws of the State of California and applicable local and federal laws, regulations and guidelines shall govern this agreement.
17. **SEVERABILITY** - If any term, provision, covenant or condition of this agreement is held to be invalid, void or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the remainder of this agreement shall not be affected thereby, and each term, provision, covenant or condition of this agreement shall be valid and enforceable to the fullest extent permitted by law.
18. **NOTICES** - All notices hereunder and communications regarding the interpretation of the terms of this agreement, or changes thereto, shall be effected by delivery of said notices in person or by depositing said notices in the U.S. mail, registered or certified mail, return receipt requested, postage prepaid to the addresses set forth in the agreement.
19. **COMPLETE AGREEMENT** - This agreement, the purchase order, and any attachments thereto or referenced therein, constitute the complete and exclusive statement of the term(s) and condition(s) of this agreement between SELLER and AUTHORITY and supersede all prior representations, understandings, and communications.