

## REQUEST FOR PROPOSALS

### INVESTMENT SERVICES/PORTFOLIO MANAGEMENT SERVICES

#### ST. LOUIS REGIONAL CONVENTION AND SPORTS COMPLEX AUTHORITY

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#### **INTRODUCTION:**

The St. Louis Regional Convention and Sports Complex Authority, a body politic and corporate and public instrumentality duly organized and existing under the laws of the State of Missouri (“the Authority”), is requesting proposals to provide investment/portfolio management services for the Authority for certain funds primarily consisting of the Authority’s portion of net funds paid to the Authority, plus interest accrued at any time, in connection with the settlement of the lawsuit brought by the Authority, the City of St. Louis, and St. Louis County (“the Plaintiffs”) against the National Football League and other defendants (collectively “the Defendants”).

#### **BACKGROUND INFORMATION:**

The Authority was established by enabling State legislation in May 1989 as an independent public entity authorized to have 11 Commissioners appointed on a bipartisan basis. Five Commissioners are appointed by the State of Missouri; three Commissioners are appointed by the City of St. Louis; and three Commissioners are appointed by St. Louis County.

On or near December 23, 2021, the Defendants caused the transfer of funds in the approximate amount of \$512,611,529 to an Interest on Lawyer Trust Account account of Dowd Bennett LLP, one of the law firms jointly representing the Plaintiffs (that amount plus accrued interest referred to herein as “the Settlement Funds”). The Plaintiffs reached an agreement in which approximately \$70,000,000 of the Settlement Funds will be transferred to the Authority. The transfer is expected to take place in mid-January 2023.

This Request for Proposals (“RFP”) is soliciting proposals for investments of the Authority’s portion of the Settlement Funds consistent with legal and prudential requirements of investments for the Authority.

The Authority may reject any or all proposals or refrain from making a selection until such time it deems appropriate.

#### **INVITATION TO SUBMIT A PROPOSAL:**

Firms are invited to submit a proposal to provide investment services for the Authority. Although this RFP primarily addresses the Authority’s portion of Settlement Funds, the Authority may choose to assign other accounts or assets for management to the successful firm. The Authority may also choose to deposit only the Authority’s portion of Settlement Funds with

the selected firm. Firms may propose to serve singly or jointly with a disadvantaged business enterprise.<sup>1</sup>

### **REQUIREMENTS:**

Firms desiring to respond to this Request must meet the following requirements in order to be considered:

- ✓ Have managed similar portfolios for other political subdivisions with a value of at least \$20,000,000.
- ✓ Been in the investment management business for at least 10 years and be duly registered in the State of Missouri to perform investment services/portfolio management. The successful firm must name a specific contact who will become the contact of record for the Authority.
- ✓ Be able to meet with and advise the Authority's executives and Board of Commissioners as required.
- ✓ Be an SEC Registered Investment Adviser.

### **DESIRED SCOPE OF SERVICES:**

The following activities are representative of services required:

1. Invest/manage the Authority's portion of the Settlement Funds in a portfolio consisting of securities rated AAA/Aaa, the highest ratings provided by Standard & Poor's and Moody's Investor Services.
2. Manage the portfolio duration to a duration band in order to take advantage of interest rate trends, positioning with a shorter bias when rates are rising and longer when rates are falling. Conduct a continuous program of investment, evaluation and, when appropriate, sale and reinvestment of the Client's Managed Funds.
3. Work closely with the Authority staff to monitor assets and liabilities to enable the portfolio manager to take advantage of various opportunities available in the market.
4. Provide arbitrage calculations on all Authority investments with the firm. (Please describe your firm's experience advising or managing the proceeds of tax exempt bonds in accordance with the Arbitrage Rebate Regulations and requirements of the Tax Reform Act of 1986.) Provide additional investment services as requested and any additional services that may be requested.
5. Act as the Advisor and authorized agent of the Authority to give instruction to the depository designated by the Client as its custodian as to deliveries of securities and

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<sup>1</sup> The word "firm" in this RFP includes any entity that is legally authorized to perform the services referenced in this RFP and is not intended to be limited to any entities with any particular state or federal corporate form or charter.

payments of cash for the Authority's accounts. Provide statistical information and reports with respect to investments of the Managed Funds.

6. Seek the most favorable execution and price of all securities purchased taking into account all applicable laws, rules and regulations.

#### **OTHER REQUIREMENTS:**

1. The firm selected must maintain all working papers and records relating to its performance as investment adviser and manager. These records must be made available at all reasonable times at no charge to the Authority for three (3) years from the date of their creation or until six (6) months after the termination of the engagement.
2. The Authority shall have the right to reproduce and/or use any products derived from the firm's work without payment of any royalties or other fees.
3. The Authority or its authorized representative(s) shall at all times have the right to audit any and all records pertaining to the representation of the Authority.
4. All work performed in conjunction with the investment services for the Authority shall be deemed the property of the Authority for whatever use and/or disposition the Authority may find appropriate.

#### **CONTENTS OF PROPOSAL AND INSTRUCTIONS:**

The proposal must include the following information:

1. **Transmittal Letter.** All firms shall prepare a transmittal letter summarizing the principal points of the proposal. The letter shall be signed by an officer of the firm who would serve as the primary contact for this engagement and include that person's address, telephone number, fax number and email address.
2. **Experience.** Describe your firm's experience representing other public bodies. Also, briefly indicate your firm's experience with other government level organizations in Missouri. Explain how your firm is organized to provide the requested services to the Authority in a timely fashion. Provide details of any principal losses related to defaults or write downs of securities held in client portfolios that may have resulted from investment advice your firm may have given to similar political bodies or political subdivisions that have been clients of your firm in the last three (3) years.
3. **Sample Statements.** Sample monthly and other accounting reports should be included with the proposal.
4. **Personnel.** Identify each of the persons proposed to serve the Authority, specify their role and include a brief resume for each. Information presented should highlight the previous relevant experience of these individuals. Include your minority representatives as well.

5. **References.** Preference may be shown to firms that have previous experience serving as Investment Manager for public bodies.

If your firm's experience is relevant, we recommend you provide the name, title and telephone number of three public officials who have specific knowledge of your firm's experience with their organizations.

6. **General Information About the Firm.** Please identify any SEC, IRS, MSRB or state law enforcement agency litigation or investigation in which your firm is currently involved, or has been involved, since January 1, 2017. Provide full disclosure of any relationships with financial institutions, investment managers or securities brokerage firms that may affect, or appear to affect, investment advice to be provided to the Authority. Identify the firm's total assets under management by asset type (fixed income, equity, etc.).
7. **Contractual Requirements.** It is expected that the selected firms will enter into a two-year contract with the Authority, with three one-year extensions possible. Each party to the contract has the discretion to terminate the contract, at any time, after serving a thirty (30) day notice of the severance. The Authority's obligation in this regard is to only compensate for services rendered prior to agreeing to or serving notice of the termination of the contract.
8. **Compliance With Public Entity Investment Requirements or Guidelines.** Responses should explain how your firm will take into account and/or adhere to (a) Missouri Public Fund Investment Guide, published by the Treasurer of the State of Missouri and available at [treasurer.mo.gov](http://treasurer.mo.gov), (b) the Authority's Investment Policy available at <http://www.stlrsa.org/RSA%20Investment%20Policy.pdf>, and (c) all applicable statutory or other legal requirements.
9. **Suggested Investments.** Responses shall provide suggestions for potential types of investments for the funds.
10. **Fees.** Each proposal must include a specific, all-inclusive description of proposed fees and other costs, if any, that may be charged. The Authority must approve, beforehand, any expenses not included in the hourly fees.
11. **Additional Terms.** If there are terms and conditions in addition to those described herein that your firm would require in an engagement agreement, they should be included in your proposal.
12. **Minority Participation.** Proposals should address the Missouri statute relating to the Authority's contracts.<sup>2</sup>

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<sup>2</sup> See RSMo Section 67.653(3): "The authority shall grant or award at least fifteen percent of all contracts, employment opportunities, professional services and all other special contracts to persons who are members of a racial minority group, as defined in section 37.013."

**SUBMISSION OF PROPOSALS:**

Proposals may be submitted by email, hardcopy, or both, and are to be sent to:

St. Louis Regional Convention & Sports Complex Authority  
901 North Broadway  
St. Louis, Missouri 63101  
Attn: Martin Finn, Executive Director, finn@stlrso.org

**SCHEDULE:**

Proposals are due in the Authority office by **Noon on Thursday, December 29, 2022.**  
Interviews may or may not be scheduled.

**QUESTIONS:**

Questions regarding this RFP may be sent in writing to:

Martin Finn, Executive Director of the Authority, at finn@stlrso.org

**CRITERIA FOR SELECTION:**

After determining responsiveness, proposals will be evaluated in accordance with the following criteria:

- Experience, demonstrated knowledge and acceptable performance history.
- Relevant expertise and accessibility of personnel assigned to this engagement.
- Service delivery capabilities for governmental entities.

**RESERVATION OF RIGHTS:**

The Authority reserves the right to consider historic information and facts, whether gained from the firm's proposal, question and answer conferences, references, or other sources, in the evaluation process. The Authority reserves the right to reject any or all responses or take no action on any responses.