



BROKER/DEALER REQUEST FOR INFORMATION

**Coachella Valley Association of Governments
Coachella Valley Conservation Commission
Desert Community Energy**
Finance Department
74-199 El Paseo, Ste. 100
Palm Desert, CA 92260
760.346.1127

SECTION I: BACKGROUND INFORMATION AND SELECTION PROCESS

The Coachella Valley Association of Governments (CVAG) is a joint powers authority (JPA) that was formed in 1973 for the purpose of improving and coordinating the common governmental responsibilities and services across eastern Riverside County. CVAG manages a unique array of programs, such as coordinating improvements along the regional transportation network, funding interchange projects along Interstate 10 as well as the regional signal synchronization program CV Sync and the multi-modal pathway CV Link, spearheading a range of environmental programs that help create a more sustainable community, and operating a homelessness program that relies on local funding to house chronically homeless individuals. Through staffing agreements, CVAG also provides administrative support to three other joint powers authorities: the Coachella Valley Conservation Commission (CVCC), Desert Community Energy (DCE) and the Coachella Valley Power Agency (CVPA). While its programs are diverse, CVAG's mission is consistent: Invest in projects that make eastern Riverside County a better place to live, work and play to ensure the desert's unique environment is preserved for future generations. CVAG actively manages an operational portfolio in accordance with the California Government Code and the agency's Investment Policy. As of June 30, 2026, total assets of the portfolio were approximately \$57.5 million consisting of Local Government Investment Pools (LGIP) and Custodial Accounts. The investment policies referenced herein can be found at Cvag.org/proposals.

The Coachella Valley Conservation Commission (CVCC) was formed under California's Joint Powers Law on December 1, 2005 for the purpose of overseeing and administering the Coachella Valley Multiple Species Habitat Conservation Plan (the CVMSHCP), a regional habitat conservation plan which balances conservation of rare and endangered species and development on an area-wide and regional basis under Section 6500 et. seq. of the Government Code. CVCC actively manages an operational portfolio in accordance with the California Government Code and the agency's Investment Policy. As of June 30, 2026, total assets of the portfolio were approximately \$43 million consisting of Local Government Investment Pools (LGIP) and Custodial Accounts. The investment policies referenced herein can be found at Cvag.org/proposals.

Desert Community Energy (DCE) is a public joint powers agency located within the geographic boundaries of Riverside County, California formed via a JPA in October 2017 for the purpose of implementing and administering a Community Choice

Aggregation (CCA) program. DCE buys and/or develops power resources on behalf of the electricity customers in its jurisdiction to offer cleaner, competitively priced electricity while retaining local control, reinvesting revenues, encouraging local job creation, offering more renewable energy options, and reducing greenhouse gas emissions. DCE manages an operational portfolio in accordance with the California Government Code and the agency's Investment Policy. As of June 30, 2026, total assets of the portfolio were approximately \$41 million consisting of Local Government Investment Pools (LGIP) and Custodial Accounts. The investment policies referenced herein can be found at Cvag.org/proposals.

The previously mentioned CVAG, CVCC, and DCE are hereafter collectively referred to as the "Agencies". The Agencies only transact securities with broker/dealers that are on the Agencies' Authorized Broker/Dealer List. To select new broker/dealers, the Agencies use an open process to ensure all interested brokers may compete for placement on the Agencies' approved list. The Agencies are in the early stages of procuring custodial services, which are not yet in place. During this Request for Information (RFI), prospective brokers/dealers are required to provide information on their practice, financial condition, and other factors as noted below. The intent is to enter a long-term relationship, therefore, the integrity of the firm and the personnel assigned to the Agencies' account is of primary importance.

To be considered, broker/dealers must:

- Confirm that they are a member of the Financial Industry Regulatory Authority (FINRA), are registered with the Securities & Exchange Commission (SEC), and possess all other required licenses.
- State in writing their acceptance and understanding of the Agencies' written Investment Policy.
- Provide the Agencies with audited annual financial statements. All firms with whom the Agencies do business must have a stable financial condition.
- Can conduct transactions on a delivery vs. payment (DVP) basis.
- Have been in operation for more than five (5) years.
- Have adequate financial strength and capital to support the level of trading that is approved. Adequate financial strength will be assessed by a review of the balance sheet and income statement of the broker/dealer.
- Provide institutional or middle-market coverage. Retail-oriented offices without institutional client capabilities do not qualify.

- Be in compliance with the minimum net capital requirements of the United States SEC's Uniform Net Capital Rule and the New York Stock Exchange Rule 104.20 if applicable to their firm.
- Conduct their business with the Agencies in a manner that reflects the highest ethical standards.

It is important that the firm provide related services that will enhance the account relationship, which could include the items noted below. Please ensure your response to the RFI indicates which of these, if any, you offer.

- An active secondary market for its securities.
- Access to multiple broker/dealer inventories for competitive pricing.
- Internal credit research analysis on commercial paper, bankers' acceptances and other securities it offers for sale.
- Willingness to purchase securities from the Agencies' portfolio.
- Capability to provide market analysis, economic projections, portfolio analysis, interest earnings projections, and newsletters.
- An online platform for investment research, portfolio management, inventory availability, and/or trading.

SECTION II: APPLICATION DEADLINE AND REQUIRED DOCUMENTS

To be considered, each broker/dealer candidate must submit the completed application and all of the following required documents by **no later than 5pm on October 9, 2026.**

- A completed “Broker/Dealer Questionnaire and Certification.”
- A resume on each firm employee with whom the Agencies would be trading.
- Copy of the firm’s most recent Annual Reports and/or audited financial statements.
- Copy of the last two years of SEC form X-17A-5 for documentation of rule 15c3-1(net capital requirement for broker dealers).
- Confirmation that the account representative(s) and the firm are registered with the Securities & Exchange Commission and members of the Financial Industry Regulatory Authority (FINRA). Please include FINRA broker check reports.
 - If FINRA report has any Disclosure Events resolved within the last three years, or any which are still pending, please provide explanation of the findings and, if applicable, steps taken to avoid future occurrences.
- Samples of fixed-income research reports or market information that the firm regularly provides to public sector clients.

These documents may be delivered electronically to:

Gabriel Mason
Management Analyst I
Gmason@cvag.org

Claude Kilgore
Director of Finance
Ckilgore@cvag.org

Subject Line: Broker Dealer Request for Information Form

If a broker/dealer candidate fails to submit the above-referenced documents by the specified deadline, then the RFI may be deemed to have been automatically rejected by the Agencies.

SECTION III: SELECTION PROCESS

An initial screening will be performed to ensure the firm meets the Agencies' minimum requirements.

The applications of the broker/dealers that successfully pass the initial screening will be further reviewed for suitability by Agency staff and other appropriate personnel.

Final recommendations may be made to the respective governing bodies for approval to be added to the Authorized Broker/Dealer List.

Completion of this Request for Information is not a guarantee that a broker/dealer candidate will be authorized to provide financial service to the Agencies.

If selected for inclusion on the authorized broker/dealer list, the candidate will be notified accordingly.

SECTION IV: BROKER/DEALER QUESTIONNAIRE AND CERTIFICATION



BROKER/DEALER QUESTIONNAIRE AND CERTIFICATION

1. Name of Firm: _____
2. Physical Address of Trading Office: _____
Physical Address of Corporate Headquarters: _____
3. Telephone of Trading Office: () -
Telephone of Corporate Headquarters: () -
4. Broker's Representative(s) to the Agencies (attach resume(s)):
Name: _____
Title: _____
Telephone: (____) ____-_____
Email: _____
5. Manager/Partner-in-charge (attach resume):
Name: _____
Title: _____
Telephone: (____) ____-_____
Email: _____
6. Please indicate the staffing level for your office:
Management: _____
Trading: _____
Sales: _____
Operations/Clearing: _____

7. Which of the above personnel have read the Agencies' Investment Policy?

8. Which instruments are offered regularly by your local office? (Must equal 100%)

_____ % U.S. Treasuries

_____ % Repos

_____ % BA's

_____ % Reverse Repos

_____ % Commercial Paper

_____ % CMO's

_____ % CD's

_____ % Derivatives

_____ % Mutual Funds

_____ % Stocks/Equities

_____ % Agencies (specify):

_____ % Other (specify):

9. References -- Please identify your most directly comparable public sector clients in our geographical area.

Entity _____

Entity _____

Contact _____

Contact _____

Telephone (____) _____

Telephone (____) _____

Email _____

Email _____

Client Since _____

Client Since _____

10. Has your firm been subject to any litigation, arbitration, or regulatory proceedings, either pending, adjudicated, or settled, that involved allegations of improper, fraudulent, disreputable or unfair activities related to the sale of securities to or the purchase of securities from institutional clients? If so, explain.

11. Has your firm or your local office, or representatives assigned to this account, been subject to a regulatory or state/ federal agency investigation for alleged improper, fraudulent, disreputable or unfair activities related to the sale of securities or money market instruments that resulted in a suspension or censure? If so, explain.

12. Is your firm a member of the Financial Industry Regulatory Authority (FINRA)? List your FINRA/NASD Registration Number and attach current FINRA broker check report.

13. Are you aware of any current or pending complaints that are unreported to FINRA against you or your firm? If so, explain.

14. Explain your clearing and safekeeping procedures, custody and delivery process.

Who audits these fiduciary responsibilities?

Latest Audit Report Date _____

15. Describe the method your firm would use to establish capital trading limits for the Agencies.

16. Is your firm a member in the Securities Investor Protection Corporation (SIPC) insurance program?

Yes_____ No_____ If yes, explain primary and excess coverage and carriers.

17. Does your firm regularly report to the Market Reports Division of the Federal Reserve Bank of New York as a “primary dealer”?

Yes_____ No _____

18. Is your firm owned by a holding company?

Yes_____ No _____

19. Does your firm comply with the Federal Reserve Bank’s capital adequacy guidelines?

Yes_____ No _____

20. Does your firm offer investment training to clients?

Yes_____ No _____

21. Does your firm have professional liability insurance?

Yes_____ No _____

If yes, please provide the insurance carrier, limits and expiration date.

22. Do you have any relatives who work at the previously mentioned Agencies?

Yes_____ No _____

If yes, please provide their full name, position and department.

23. Is your firm currently licensed as a broker/dealer by the State of California?

Yes_____ License Number:_____ No _____

24. Do you maintain an office in the Coachella Valley or Riverside County?

Yes_____ No _____

25. In addition to applicable requirements under MSRB Rule G-37, the Agencies consider political contributions made to CVAG staff involved in treasury management and investment decisions when evaluating broker/dealer eligibility. Please disclose whether your firm, or any individual associated with your firm, has made any political contribution within the past four (4) years that exceeds the applicable MSRB Rule G-37 limit to any CVAG staff member, CVAG/DCE/CVCC governing board member, or candidate for such office. The agencies also wish to limit the receipt of honoraria,

gifts, and gratuities from advisors, brokers, dealers, bankers, or other persons with whom they conduct business. Please also disclose any honoraria, gifts, or gratuities that would be in excess of the same limit that applies under MSRB Rule G-37.

Yes_____ No_____If Yes, please explain:

26. If your firm intends to transact repurchase or reverse repurchase agreements with the Agencies, is your firm a reporting dealer to the Federal Reserve Bank of New York and willing and able to execute the applicable Agency's Master Repurchase Agreement, including Annex I, prior to conducting such transactions?

Yes_____ No_____If No, please explain:

27. Please enclose the following:

- Latest audited financial statements;
- Samples of reports, transaction confirmations and any other research/publications the Agencies would receive if you were approved;
- Any other relevant samples of research reports and/or publications that your firm regularly provides to clients; and
- Complete schedule of fees and charges for transactions.
- Signed Certification from the following page

SECTION V: ACKNOWLEDGEMENT and CERTIFICATION

My firm will notify the Agencies immediately, by telephone, and, in writing, in the event of a material adverse change in its financial condition, or of any violation of Municipal Securities Rulemaking Board Rule G-37.

CERTIFICATION

I hereby certify that I have personally read the Investment Policy of the Agencies and the California Government Codes pertaining to the investments of the Agencies. We have implemented reasonable procedures and a system of controls designed to prevent imprudent investment activities arising out of transactions conducted between our firm and the Agencies. All sales personnel will be routinely informed of the Agencies' investment objectives, horizons, outlooks, strategies and risk constraints whenever we are so advised by the Agencies. We pledge to exercise due diligence in informing the Agencies of all foreseeable risks associated with financial transactions conducted with our firm.

By signing this document, we authorize the Agencies to conduct any and all background checks and due diligence.

Under penalties of perjury, I certify that the responses to this questionnaire are true and accurate to the best of my knowledge and that I am authorized to execute this request for information.

Firm Name: _____

Broker Representative

Signature: _____ Print Name: _____

Date: _____

Title: _____

Sales Manager and/or Managing Partner

Signature: _____ Print Name: _____

Date: _____

Title: _____

*This form must be signed by a registered principal or an individual with signing authority on behalf of the firm.