

## **REQUEST FOR PROPOSAL (RFP) 2018-3076**

Martin County Board of County Commissioners  
2401 S.E. Monterey Road  
Stuart, Florida 34996  
(772) 288-5481

**E-mail: [pur\\_div@martin.fl.us](mailto:pur_div@martin.fl.us)**  
**[www.martin.fl.us](http://www.martin.fl.us)**

The Board of County Commissioners, Martin County, Florida (the “County”), will receive sealed proposals for:

### **NORTH RIVER SHORES (PHASE 2) MUNICIPAL SERVICE BENEFIT UNIT (MSBU) SPECIAL ASSESSMENT REVENUE BOND, SERIES 2018 IN AN AMOUNT UP TO \$5,050,000**

Sealed proposals will be received by the Information Desk on the 1<sup>st</sup> Floor at the address above until **2:30 PM** local time, on **Wednesday, August 15, 2018**. Proposals received after the designated time and date will not be considered.

The RFP is available at [www.martin.fl.us](http://www.martin.fl.us). Type “bids” in the Search field then click on Bid Search.

The RFP may also be downloaded from [www.publicpurchase.com](http://www.publicpurchase.com) (online bidding site).

Martin County is an equal opportunity/affirmative action employer.

By order of the Board of County Commissioners of Martin County, Florida.

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Bidders must register with the online bidding site in order to receive all required documents and notification of addenda.

This document includes:

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Proposals must be submitted to the County at the Information Desk on the 1st Floor, 2401 SE Monterey Rd., Stuart, FL 34996 by the deadline shown on Page 1 (or via e-bidding). Proposals received after the stated date and time will not be accepted or considered. No faxed or e-mailed offers will be considered. No offers will be accepted or received in any other County office.

### **Links to Martin County CAFR, Budget, and CIP**

#### **Comprehensive Annual Financial Reports (CAFR)**

[http://www.martinclerk.com/index.asp?SEC=1F8D3B06-5D1E-4379-9CB7-61E1DAEC9977&Type=B\\_BASIC](http://www.martinclerk.com/index.asp?SEC=1F8D3B06-5D1E-4379-9CB7-61E1DAEC9977&Type=B_BASIC)

#### **Budget**

[https://www.martin.fl.us/sites/default/files/meta\\_page\\_files/fy18adopted\\_for\\_gfoa.pdf](https://www.martin.fl.us/sites/default/files/meta_page_files/fy18adopted_for_gfoa.pdf)

#### **Capital Improvement Plans (CIP)**

[https://www.martin.fl.us/sites/default/files/meta\\_page\\_files/fy18\\_adopted\\_cip.pdf](https://www.martin.fl.us/sites/default/files/meta_page_files/fy18_adopted_cip.pdf)

## A. PURPOSE

The County shall accept and review proposals from qualified bidders and select the financing that provides the lowest overall borrowing cost and meets the financing requirements of the County. The County is seeking proposals for a Non-Bank Qualified, tax-exempt fixed rate loan (the “Loan” or the “Bond”) based upon the financing structure in Section B. Hilltop Securities Inc. (“HilltopSecurities”), Orlando, Florida, as the County’s Financial Advisor, will be assisting the County with the Loan.

The primary purpose of the proposed Loan is to provide funding, along with other available sources of the County, to fund the Project. The Project includes, without limitation, the facilities required for the County to provide wastewater collection services to property located in the North River Shores (Phase 2) Municipal Service Benefit Unit, including the installation of a vacuum wastewater collection system, including required lift stations, interconnections and other related facilities.

## B. STRUCTURE OF FINANCING

Amount:	Up to \$5,050,000
Settlement Date:	Estimated September 18, 2018
Interest Rates:	Non-Bank Qualified, Tax-exempt Fixed Rate
Prepayment:	The County requests the ability to prepay the Loan without penalty in whole or in part at any time. Other prepayment terms may be considered, but must provide for partial prepayments without penalty from prepaid assessments.
Final Maturity:	Option A: July 1, 2038 Option B: July 1, 2039
Interest Payments Dates:	Semi-annually on January 1 <sup>st</sup> and July 1 <sup>st</sup> commencing on January 1, 2019
Interest Compounding:	None
Interest Day Count Method:	Please specify in proposal
Principal Payment Dates:	Annually, commencing on July 1, 2020
Debt Service Structure:	Please refer to Section I below

## C. SECURITY FOR THE LOAN

The Loan shall be secured by special assessments imposed against properties located within the North River Shores (Phase 2) MSBU, and there are a total of 303.5 equivalent residential units (ERC’s). Annual assessments are to be levied at a maximum annual rate of \$965.11 per ERC for a period of 20 years, commencing in November 2019. Furthermore, the Loan will additionally be

secured by the County's covenant to budget and appropriate from legally available non-ad valorem revenues of the County (CB&A) in amounts sufficient to repay the principal and interest of the Loan. The Loan will not be secured by a debt service reserve fund. The Series 2018 Master Resolution is attached to this RFP for reference.

Such CB&A shall not prohibit the County from pledging such legally available non-ad valorem revenues, or any portion thereof, to secure other debt issued in the future. The loan shall not be considered a general obligation of the County. Neither the full faith and credit nor taxing power of the County, State of Florida or any political subdivision thereof will be pledged to the payment of the loan. Until such monies are budgeted, appropriated and deposited, the obligations of the County shall not be construed as a pledge of or a lien on all or any legally available non-ad valorem revenues of the County, subject to the availability of legally available non-ad valorem revenues after satisfaction of funding requirements for obligations having an express lien on or pledge of such revenues and funding requirements for essential governmental services of the County.

#### **D. LOAN PROVISIONS**

The County's preference is not to include capital adequacy or yield maintenance provisions within the Loan. Should the Bidder require any provisions whatsoever that would create the ability for the Lender to increase the rate on the Loan to the County, please provide the required provisions. Acceleration is not provided as a remedy for an event of default in the Series 2018 Master Resolution.

#### **E. TAX-EXEMPT OBLIGATION**

The County will agree to take such actions as may be required by Treasury regulations in order to maintain the tax-exempt status of the Loan.

#### **F. DOCUMENTATION**

Bryant Miller Olive P.A., as Bond Counsel, shall prepare the documentation to close the Loan. The selected bidder(s) will be furnished, without charge, the opinion of Bond Counsel, approving the legality of the Loan, together with the closing certificates and documents related to the transactions. HilltopSecurities will also assist the County in structuring the loans to meet the financing objectives of the County.

At the closing of the Loan(s), the bidder(s) will be required to make certain representations, including, but not limited to, representations that:

1. It is making the Loan(s) for its own account, does not currently intend to syndicate the Loan(s), will take no action to cause the Loan(s) to be characterized as a security, and will not treat the Loan(s) as a municipal security for purposes of the securities law;
2. it is not acting as a broker or other intermediary, and is funding the Loan(s) from its own capital for its own account and not with a present view to a resale or other distribution to the public;
3. the Loan(s) will not be used in the future on a securitized transaction or be treated as a municipal security;

4. it understands that the Loan(s) is evidenced by a Bond(s) and is issued in a single denomination equal to the aggregate principal amount of the Loan(s) and may not be transferred except in whole and will not be transferred to any kind of trust under any circumstances, and confirming that it understands the Loan(s) may not be transferred in denominations less than \$100,000 even in whole;
5. the Loan(s) will only be sold to a Permitted Lender in whole, in a denomination of not less than \$100,000, with the County's consent. The "Permitted Lender" means any bank, trust company, savings institution or insurance company that is engaged as a regular part of its business in making loans authorized to do business in the State of Florida;
6. the bidder is a bank, trust company, savings institution, insurance company, dealer, investment company, pension or profit-sharing trust, or qualified institutional buyer as contemplated by Section 517.061(7), Florida Statutes;
7. it is not funding the Loan for the direct or indirect promotion of any scheme or enterprise with the intent of violating or evading any provision of Chapter 517, Florida Statutes;
8. it understands that the Loan(s) is not a municipal security and that no filing may be made with respect to the Loan with EMMA, the Municipal Securities Rulemaking Boards continuing disclosure site;
9. it has in its possession or has had access to all material information concerning the security and sources of payment of the Loan(s), and, as a result thereof, is thoroughly familiar with the nature and risks of an investment in the Loan(s). It has been afforded access to all material information and has had sufficient opportunity to discuss the business of the County and the projects financed with the proceeds of the Loan(s), with its officers, employees and others, and has been permitted to make an investigation of the County and its operations. It does not require any further information or data concerning the County;
10. in making the Loan(s), it has relied solely upon its own investigation, examination, and evaluation of the County and other relevant matters, and has not relied upon any statement or materials which have not been supported by its own investigation and examination;
11. it has knowledge and experience in financial and business matters, particularly in taxable obligations, and is capable of evaluating the merits and risks of its investment in the Loan(s) and has determined that it can bear the economic risk of its investment in the Loan(s);
12. it acknowledges that the County, its counsel and its advisor bear no responsibility for the accuracy or completeness of any information with respect to the County and the proposed project financed with the proceeds of the Loan(s) contained in any document related to the purchase of the Loan(s);
13. it acknowledges the understanding that the Loan(s) is/are not being registered under the Securities Act of 1933, as amended (the "1933 Act") or Chapter 517, Florida Statutes, and that the County shall have no obligations to effect any such registration or qualification. It also acknowledges that it is an "accredited investor" within the meaning of Chapter 517, Florida Statutes, and Regulation D of the 1933 Act;
14. there will be no CUSIPs obtained on the Loan(s); and
15. there will be no credit rating obtained on the Loan(s).

The bidder shall also be required to execute such additional certifications or acknowledgments as are customary on similarly structured municipal finance transactions in Florida, as reasonably determined by Bond Counsel and counsel to the bidder.

## **G. MISCELLANEOUS**

- (1) Proposals will be evaluated on the basis of cost and the structure that best meets the financing requirements of the County. The award will be to the bidder(s) whose response best complies with the requirements set forth in this RFP and whose proposal(s), in the opinion of the County and Financial Advisor, is in the County's best interest, taking into consideration all aspects of the bidder's response. The proposal(s) shall include:
  - a. The legal name of the Bank and the primary Bank contact person(s) (include address, telephone number, facsimile number, and e-mail address).
  - b. Fixed Interest Rates for the full term of the Loan for Option A and/or Option B. The bidder shall give a stated time in which the proposed rate will be held as well as the index in which the rate shall be calculated should the stated time elapse.
  - c. Describe prepayment terms.
  - d. Describe in detail all fees and expenses which the County will be responsible to pay to the Bank, including its legal counsel. The County has retained the law firm of Bryant Miller Olive P.A. to prepare the tax opinion on the Loan, the validity opinions for the Loan, and the authorizing resolution/loan documents for the Loan. The amounts stated in the proposal shall represent the maximum amounts payable to the Bank and its Counsel by the County. All fees and expenses, with the exception of those of Bond Counsel and HilltopSecurities, in excess of those stated in the proposal shall be the sole responsibility of the Bank and will not be paid or reimbursed by the County.
  - e. A listing of all conditions, representations, covenants (affirmative and negative), terms or restrictions, other than those specified in this RFP, which would be a condition to your commitment to provide the loan. Please list any exceptions to representations listed in Sections E.
  - f. Other required terms and conditions, if any.
- (2) Changes to this RFP may be made by and at the sole discretion of the County.
- (3) The County will not accept proposals with reserve requirements or other restrictions to revenues or requirements to maintain minimum balances in any bank account as a condition for the Loan(s).
- (4) The County reserves the right, in its sole discretion, to accept or reject any and all proposals, to waive any irregularities or informalities in any proposal or in the bidding, and to accept or reject any items or combination of items. Further, the County has the right to reject any proposal not meeting the requirements of this RFP. Moreover, if the County rejects all proposals, the County reserves the right to negotiate with any of the proposers or any other entity to secure the intended financing. The County reserves the right at any time, including after the opening and review of the proposals, to ask Proposers questions and seek clarification and additional information in regards to the proposals submitted. If a bank financing proposal is selected, the award will be to the bidder whose response best complies with the requirements set forth in this RFP and whose bid, in the opinion of the County and Financial Advisor is in best interest of the County, taking into

consideration all aspects of the proposers' response. The County is not obligated to accept the lowest proposal. The award is subject to approval by the Board of County Commissioners and contingent upon execution of a Loan(s), resolution and other closing documents acceptable to the County. The County reserves the right, for any reason, to rescind any award prior to the execution of a Loan(s) and resolution without liability to the County. Cost of the submittal is considered an operational cost of the proposal and shall not be passed on to or borne by the County.

- (5) Proposals must be submitted in a sealed envelope, plainly marked on the outside with the Lender's name, RFP number and proposal due date.
- (6) The bidder is required to conduct its own investigation and evaluation of the creditworthiness of the Loan(s). The Proposal has provided a link to the County's website (<https://www.martin.fl.us/>) which has information regarding the County and its financial statements. Additional financial information will be provided upon request by the bidder and is NOT in any way intended to relieve the bidder of its responsibility to investigate all relevant or material facts in reaching a credit decision with respect to the loan.
- (7) All requests for clarification or additional information must be directed to the Martin County Purchasing Division. The County prohibits any discussion by a proposer with any County employee or agent of the County regarding this Contract outside the Purchasing Division including, but not limited to the County Administrator and County Commissioners from the time of advertisement until proposal award except during public meetings. Violation of this policy shall result in disqualification of the Proposer.
- (8) Federal, State, City and local laws, ordinances, rules and regulations that in any manner affect the items covered herein apply. Lack of knowledge by the Bank will in no way be a cause for relief from responsibility.
- (9) No successful offeror may assign any portion of the contractual agreement between the parties without prior written authorization by the County.
- (10) The offeror, in submission of its proposal, warrants to the County that it will comply with all applicable federal, state and local laws, regulations and orders in providing the services under the proposed documents.
- (11) Public Records Law. In accordance with Chapter 119, Florida Statutes, the Public Records Act, all Proposers should be aware that this Request for Proposals and Proposals submitted in response thereto are made in the public domain and are subject to disclosure, except to the extent expressly exempted or made confidential under the Public Records Act. In accordance with Section 119.071(1)(b), Florida Statutes, Proposals submitted in response to this Request for Proposals are temporarily exempt from public disclosure until such time as the County provides notice of an intended decision or until thirty (30) days after opening the Proposals, whichever occurs earlier. The Proposal submitted by you may contain information, which is designated "confidential" or "exempt" from disclosure under the Public Records Act and other applicable laws. If your Proposal contains such information, you are required to advise the County with the applicable law making those provisions exempt or confidential from disclosure. A generic notation that information is "exempt" or "confidential" will not suffice. Failure to provide a detailed explanation and justification including statutory cites and specific reference to your Proposal detailing what provisions, if any, you believe are exempt from



disclosure, may result in your Proposal or any portion thereof, being subject to disclosure in accordance with Chapter 119 of the Florida Statutes. If the County determines that the cited provisions of law are inapplicable or otherwise do not justify exemption or confidentiality, the County shall have the right to release such information and records for public inspection and copy in accordance with the Public Records Act. By submitting a proposal, the Proposer holds the County and its officers, officers, employees, attorneys and agents harmless concerning the disclosure of information contained within the Proposal.

- (12) **Public Entity Crimes:** Pursuant to Florida Statutes section 287.133(2)(a), all Proposers are hereby notified that a person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Florida Statutes section 287.017 for CATEGORY TWO (currently \$25,000) for a period of 36 months from the date of being placed on the convicted vendor list. A "Public entity crime" means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with the State of Florida, any of its departments or agencies, or any political subdivision of the State of Florida, or with an agency or political subdivision of any other state or with the United States, including, but not limited to, any bid or contract for goods or services, any lease for real property, or any contract for the construction or repair of a public building or public work, involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

#### **H. TENTATIVE SCHEDULE**

The County will attempt to adhere to the following preliminary schedule:

July 17, 2018	Distribute Bank Loan RFP
August 15, 2018	Bank Loan Proposal Responses Due
September 11, 2018	County Commission Approval
September 18, 2018	Closing

#### **I. PRELIMINARY AMORTIZATION SCHEDULE**

<b>Preliminary/Subject to Change</b>		
<b>Payment Date</b>	<b>Option A Principal</b>	<b>Option B Principal</b>
7/1/2020	\$176,000	\$163,000
7/1/2021	183,000	170,000
7/1/2022	191,000	177,000
7/1/2023	199,000	185,000
7/1/2024	208,000	193,000
7/1/2025	216,000	201,000
7/1/2026	226,000	209,000
7/1/2027	235,000	218,000
7/1/2028	245,000	228,000
7/1/2029	256,000	237,000

7/1/2030	267,000	247,000
7/1/2031	278,000	258,000
7/1/2032	290,000	269,000
7/1/2033	302,000	280,000
7/1/2034	315,000	292,000
7/1/2035	328,000	305,000
7/1/2036	342,000	318,000
7/1/2037	357,000	331,000
7/1/2038	372,000	345,000
7/1/2039	0	360,000
	<b>\$4,986,000</b>	<b>\$4,986,000</b>