

LEON COUNTY, FLORIDA



REQUEST FOR PROPOSALS

FOR

2011 BANK LOAN

BANK TERM LOAN

Due Date: Thursday, February 10, 2011

Due Time: 3:00 PM

**REQUEST FOR PROPOSALS
2011 Bank Loan**

**BANK TERM LOAN
LEON COUNTY, FLORIDA**

I. INTRODUCTION

A. Objectives

Leon County, Florida (the “County”) distributes this request for proposals (the “RFP”) to identify financial institutions that can provide a 2.5-yr fixed rate term loan in an aggregate amount not to exceed \$7,950,000. The County desires to procure the 2011 Term Loan (“Term Loan” or “Loan”) on a Bank-Qualified basis.

The term loan will be awarded to the bidder who provides the County with the lowest overall borrowing cost and most favorable terms pursuant to certain conditions as determined by the County. The financing will be a private placement to be held by the bank awarded the bid. Because the financing will be privately placed, the County will not prepare any disclosure documents.

The County will use proceeds of the Term Loan to refinance the outstanding portion of the 1998B Capital Improvement Bonds and pay associated costs of issuance. The term loan will be secured on a Junior lien basis, with an irrevocable lien on Pledged Revenues. The County will adopt a resolution (the “Resolution”) that details the security pledge for the proposed Term Loan, and will covenant to include debt service on the 2011 Bank Loan in the additional bonds test for any additional bonds issued on parity or on a senior lien basis.

B. Bidding Instructions

1. Proposal

An electronic response (or paper copy, if preferred) to this RFP should be submitted on or before **3:00 P.M. EDT on Thursday, February 10, 2011** to the following:

Jeremy Niedfeldt
Senior Managing Consultant
Public Financial Management, Inc.
300 S. Orange Ave, Suite 1170
Orlando, FL 32801
Phone 407-648-2208
niedfeldtj@pfm.com

The County reserves the right to reject any and all proposals, to waive any informalities or irregularities in any proposals received, or to take any other such actions that may be deemed to be in the best interest of the County.

2. Bid Response

Each proposal should address all pertinent areas, be specific, and clearly state any conditions. Proposer's failure to disclose substantive terms, conditions and covenants may be considered cause for the proposal to be rejected by the County.

Please propose a fixed interest rate along with the proposed financing terms. If an indicative rate is provided, please provide the formula as a function of the yield for the U.S. Government Treasury obligation (or other nationally recognized index) having a maturity closest to the weighted average maturity of the Term Loan.

3. Questions, Additional Information

Proposers, their agents and/or associates shall refrain from contacting or soliciting any staff member or County Commissioner or the County's Financing Team, except PFM, regarding this RFP during the selection process. Failure to comply with this provision may result in the disqualification of the Proposer. All requests for clarifications or additional information should be directed to PFM, the County's Financial Advisor, at the above address no later than February 9, 2011.

4. Tentative Schedule

The County will attempt to adhere to the following schedule:

January 20, 2011	RFP Issued
February 9, 2011	Deadline for questions to PFM
February 10, 2011 (3:00 pm)	Bids Due - Only Electronic Required
February 22, 2011	Selection of Term Loan Provider (pending Commission Board approval)
March 15, 2011	Award of the Term Loan by County Commission Board
March 17, 2011 (tentative)	Approximate closing on Term Loan

The County reserves the right to alter scheduled dates if necessary.

C. Security for the Term Loan

The 2011 Bank Loan will be issued on a Junior Lien basis, with no debt service reserve fund. The County will covenant to include debt service on the 2011 Bank Loan in the additional bonds test for any additional bonds issued on parity or on a senior lien basis.

Pledged Revenues

The “Pledged Revenues” are composed of (i) the local government Half-Cent Sales Tax, (ii) the Guaranteed Entitlement portion of State Revenue Sharing funds available to the County, (iii) the Second Guaranteed Entitlement revenues received by the County and (iii) Additional State Revenue Sharing.

The Loan is not a debt, liability or obligation of the State of Florida or any political subdivision thereof (except for the County, to the limited extent described herein) and neither the faith and credit nor the taxing power of the State of Florida or any political subdivision (except for the County, to the limited extent described herein) are pledged to the payment of the principal of the Loan or any interest or redemption premiums thereon.

D. Structure of the Financing

The following describes the County’s requirements in establishing the Term Loan:

1. Amount: Not to exceed principal amount of \$7,950,000.
2. Term: Please provide a 2.5-year fully amortized term option based on level debt service.
3. Rate: Fixed Interest Rate quoted: on a Bank-Qualified basis. The rates quoted may not exceed the maximum rate permitted under Florida Statute 215.84 applicable at the time of sale.
4. Repayment Provisions: Interest payments on the outstanding principal balance of the Term Loan will be calculated on a 30/360 day-count basis and will be paid semiannually on April 1 and October 1, of each year, beginning October 1, 2011. The principal amount of the Term Loan will be payable annually on October 1 of each year beginning October 1, 2011 and ending on October 1, 2013.

The Term Loan will be structured to achieve level annual debt service over the life of the financing. A sample principal repayment schedule for the term loan is outlined below:

Sample Principal Amortization Schedule	
Date	2.5-year
10/1/2011	2,550,000
10/1/2012	2,675,000
10/1/2013	2,725,000
Total Amount	7,950,000
Average Life	1.56 years

II. EVALUATION OF PROPOSALS - CRITERIA

Proposals will be evaluated on the basis of cost and compliance with the proposed structure and terms of the Term Loan as outlined in this RFP.

A. Proposal Format

In order to streamline the review process, each proposal shall be prepared utilizing the following format and headings:

1. Contact Information - State the legal name of the financial institution or firm, current principal business address, contact person, telephone, email and facsimile numbers.
2. Rate Proposal - State fixed interest rate proposed for a tax-exempt bond on a bank-qualified basis. Please provide rate quotes assuming level debt service (principal plus interest).

The Bank Qualified rate may be expressed as a function of the yield for the U.S. Government Treasury obligation (or other nationally recognized index) having a maturity closest to the weighted average maturity of the Term Loan. Please specify whether the proposed rate will be held until closing or if it will be set three (3) business days prior to closing. If the rate is subject to a future rate lock, provide the formula used to calculate the rate. Also, indicate pricing for a rate lock through March 24 if not included in the bid.

3. Fees and Expenses - Describe in detail all fees and expenses which the County will be responsible for under the bank's proposal. The amounts stated in the proposal shall represent the maximum amounts payable to the proposer by the County. All fees and expenses in excess of those stated in the proposal shall be the sole responsibility of the proposer and will not be paid or reimbursed by the County. Bond Counsel fees and Financial Advisor fees will be paid by the County from proceeds derived from the Term Loan. The County's Bond Counsel, will prepare the documents and deliver an opinion regarding the excludability of interest from gross income for federal income tax purposes on the Term Loan.
4. Conditions - Provide a listing of all conditions, terms or restrictions, other than those specified in this RFP, which would be included in your commitment to provide the Term Loan. The County is not interested in proposals that involve the use of interest rate swaps or other derivative products.

III. INSTRUCTIONS TO PROPOSERS

- A. Proposers shall thoroughly examine and be familiar with the bid specifications. Failure of any proposer to receive or examine this document shall in no way relieve any proposer of obligations pertaining to this bid or the subsequent contract.
- B. Any changes or modifications to the bid specifications can result in the rejection of the bid as not being responsive to this RFP.
- C. The responsibility for delivering the proposal to the County on or before the specified date and time will be solely and strictly the responsibility of the proposer. The County will in no way be responsible for delays caused by the United States Post Office or a delay caused by any other occurrence.
- D. The response deadline shall be strictly observed. Under no circumstances will a proposal delivered after the time specified be considered. Such proposals will be returned to the proposer unopened.
- E. Proposers will not be allowed to withdraw or modify their bids without approval by the County for a period of sixty (60) days after the opening time and date.
- F. The County reserves the right to reject the bid of any proposer who has previously failed in the proper performance of a contract or to deliver on time other contracts similar in nature, or who is not in a position to perform properly under this contract.
- G. Federal, state, county, and local laws, ordinances, rules and regulations that in any manner affect the items covered herein apply. Lack of knowledge by the Proposer will in no way be a cause for relief from responsibility.
- H. No successful Proposer may assign any portion of the contractual agreement between the parties without prior written authorization by the County.
- I. Changes to the RFP may be made by and at the sole discretion of the County.
- J. Warranties - The proposer, 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.
- K. Collusion - The Proposer, by affixing its signature to this proposal, certifies that its proposal is made without previous understanding, agreement, or connection either with any previous firms or corporations offering a Proposal for the same items, or with the County. The Proposer also certifies that its proposal is in all respects fair, without outside control, collusion, fraud or otherwise illegal action.
- L. Discrimination – Pursuant to Section 287.134(2)(a), Florida Statutes, an entity or affiliate who has been placed on the discriminatory vendor list may not submit a bid or proposal on a contract to provide any goods or services to a public entity, may not submit a bid or proposal on a contract with a public entity for the construction or repair of a public building or public work, may not submit bid or proposal 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.

IV. OTHER INFORMATION

- A. The County reserves the right to accept or reject any and all bids, to waive any irregularities or informalities in any bid or in the bidding, and to accept or reject any items or combination of items. The award will be to the institution whose response complies with all of the requirements set forth in this RFP and whose bid, in the sole opinion of the County, is best taking into consideration all aspects of the Proposer's response.

- B. In the event that the successful proposer does not execute a contract within a timeframe acceptable to the County, the County may give notice of intent to award the bid to the next most qualified proposer or to call for new bids and may proceed to act accordingly.