

LEE COUNTY, FLORIDA

REQUEST FOR PROPOSALS:

BOND UNDERWRITING SERVICES

**TRANSPORTATION FACILITIES REFUNDING REVENUE BONDS,
SERIES 2024**



ISSUING DATE: 3-28-24

RESPONSES DUE: 5-14-24

AT 2:00 P.M.

Anticipated Closing Date: 10-9-24

NOTICE TO PROPOSERS

Notice is hereby given that the Lee County, Florida (the “County”) is seeking proposals for:

Transportation Facilities Refunding Revenue Bonds, Series 2024

Proposals will be accepted until 2:00 P.M. May 14, 2024. **One (1) electronic copy** shall be sent via email to the County’s Financial Advisor at:

J. Craig Dunlap and Sylvia Dunlap
Dunlap & Associates, Inc.
Craig@dunlapandassociates.com
Sylvia@dunlapandassociates.com

For additional information, please contact J. Craig Dunlap or Sylvia Dunlap, Financial Advisor to the County at (407) 493-9393 or (407) 493-9392 and by email: Craig@dunlapandassociates.com or Sylvia@dunlapandassociates.com.

The County reserves the right to reject any and all proposals; to waive any and all informalities or irregularities and to reject all or any part of any proposal as it may deem to be in the best interest of the County.

“Cone of Silence” as used herein, means a prohibition on any communication regarding a particular Request for Proposal (“RFP”).

During the Cone of Silence, which begins March 28, 2024, and ends the date of the Underwriter selection, the following is prohibited: Any communication regarding this proposal between a potential vendor, service provider, proposer, lobbyist, or consultant and the County professional staff, and the County Commission members. All communication regarding this proposal should be sent in writing to only the Financial Advisor, J. Craig Dunlap, Craig@dunlapandassociates.com, and/or Sylvia Dunlap, Sylvia@dunlapandassociates.com.

I. INTRODUCTION

Background:

The County is requesting proposals to refund its outstanding Transportation Facilities Revenue Bonds, Series 2014, (the Bonds) maturing after October 1, 2024. Typically, the County allows the refunding of an issue if the refunding issue archives a net present value savings (NPV) of refunded bonds of 3% or greater.

Purpose:

The County will receive proposals for the purpose of selecting an underwriting firm to refund the bonds outstanding after the October 1, 2024, principal and interest payment of its Transportation Facilities Revenue Bonds, Series 2014 (principal maturities include the 2025 through 2035 amounts). The proceeds of the Bonds will be used to refund the Outstanding Bonds in the amount of \$52,305,000, and to pay the cost of issuance.

Statement of Credit Worthiness

The County's audited financial statements for the fiscal year ended September 30, 2022, can be found at:

<https://www.leeclerk.org/departments/finance/financial-reports/comprehensive-annual-financial-reports-cafr>

BOND UNDEWRITING QUESTIONS

The Series 2024 Bonds will be payable solely from and secured by a lien upon and pledge of the "Net Revenues" of the Sanibel Bridge, Cape Coral Bridge, and the Midpoint Memorial Bridge Facilities (the "Pledged Funds"). It is anticipated that the Series 2024 Bonds will fully defease the Series 2014 Bonds

A. Firm's Introduction:

- a) Provide a brief overview of the Firm including ownership, size, and capital position as of the most recent fiscal year. Include the location of the office responsible for providing the underwriting services and the public finance professionals' offices.
- b) Identify the primary individual(s) that will provide underwriting and investment banking services to the County. Include individuals who will serve as the senior syndicate underwriter. Include a resume for each individual and the location of these professionals.

B. Experience: (Limit to 3 pages)

- a) Provide a listing of the senior managed Transportation Facilities Refunding Revenue Bonds since January 1, 2022, and identify the role of each individual responsible for the transaction while employed at the Firm submitting the proposal. The listing should include Issuer, Date of issue, Par amount, All-in-TIC, Underlying ratings, and underwriter's gross spread.
- b) The selection of underwriter's counsel shall be at the discretion of the senior managing underwriter. The County requests that each candidate for senior managing underwriter identify Firm(s) which it would consider for this role. The County expects the Firms considered to be listed in the Bond Buyer's Municipal Marketplace Directory (the "Red Book") and the current National Association of Bond Lawyers directory. It is assumed that the Firms being considered will accept the compensation level specified in the expense portion of your Firm's fixed price spread proposal. The County's bond counsel is Nabors Giblin & Nickerson, and disclosure counsel is Bryant Miller Olive P.A.

C. Underwriting Capabilities: (Limit 3 pages)

- a) Describe your Firm's distribution capabilities. Specify your National and Florida Transportation Rankings and distribution capabilities including sales professionals, location and number of offices and financial consultants who will market the bonds.
- b) Identify likely purchasers of the bonds and the general percentage or breakdown by group (e.g., retail, institutional).

- c) Please provide details of your Firm's total capital and maximum underwriting capability as of your Firm's latest fiscal year end or most recent information on the latest quarterly filing with the Securities Exchange Commission.

D. Plan of Finance – Bond Issue Scenario, Transportation Facilities Revenue Bonds, Series 2024

- a) Provide a breakdown of the gross spread proposed, including management fee, average takedown, and expenses. Please specify in the dollar amount, the costs you expect to incur for underwriters' counsel fees and provide a budget for all other elements of underwriting expenses. Assume that the proposed bonds will be fixed rate obligations and issued in book-entry form. The principal maturities between 2025 through 2035 are being refunded. The refunding issue will be structured to produce approximately level savings. The anticipated closing date is October 9, 2024.
- b) Provide the All-in-TIC. Interest rate scales should be written based on the market as of May 7, 2024, and SLGS rates as of that day. Assume that the County's cost of issuance (bond counsel, disclosure counsel, financial advisor, printing, rating agency fee, etc.) is \$252,750. Your "fees," along with yields in the competitive market, will be used to establish a pricing index that will be important to the County in considering scales proposed at the actual time of sale. Include an Interest Rate Scale with spreads to MMD as of May 7, 2024. Assume the Escrow will be gross funded with SLGS Securities as of May 7, 2024, and will be for a period of 90 days. Any excess proceeds of the bonds will be returned to the County.
- c) Principal shall be payable annually, commencing on October 1, 2025, and interest shall be payable semi-annually, on each April 1 and October 1, commencing on April 1, 2025, on a 30/360-day count basis, with a final maturity of October 1, 2035. The assumed structure will not extend the maturities of refunded bonds.
- d) Provide the Net Present Value of Savings in percentage and dollars. Provide the fixed price spread proposal expressed in dollars per thousand. Provide a full set of refunding debt retirement schedules.
- e) Provide your input regarding the use of only one credit rating and any implications. What is your recommendation?
- f) The County is considering "modernizing" its existing Composite Transportation Facilities Revenue Bond Resolution as amended and restated through October 2014, which is attached to this RFP. Provide any suggested changes favorable to the County that will not affect negatively the credit rating on the bonds.
- g) Provide your recommendation regarding the use of insurance and surety for the Debt Service Reserve. The County is contemplating a per Series structure.

E. Additional Information (Limit 2 pages)

- a) Provide any additional information you feel will be helpful to the County in evaluating your qualifications to serve as underwriter on the County's financing.

- b) Provide a statement of assurance that your Firm is not presently in violation of any statutory or regulatory rules that might impact your Firm's operations.
- c) Provide information on the nature and magnitude of any litigation in which your Firm has been a party during the past three (3) years. Include information on any pending litigation.

Attachments:

Composite Transportation Facilities Revenue Bond Resolution as amended and restated through October 2014

**SWORN STATEMENT UNDER SECTION 287.133 (3) (A)
FLORIDA STATUTES, ON PUBLIC ENTITY CRIMES**

This form must be signed in the presence of a Notary Public or other Officer authorized to administer oaths.

1. This sworn statement is submitted to:

(Print name of the Public Entity.)

by:

(Print individual's name and title.)

for:

(Print name of Entity submitting sworn statement.)

whose business address is:

and, if applicable, its Federal Employer Identification Number (FEIN) is

(If the Entity has no FEIN, please include the Social Security Number of the individual signing this sworn statement):

2. I understand that a "public entity crime" as defined in Section 287.133 (1) (g), Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or of the United States, including but not limited to, any bid or contract for goods or services to be provided to any public entity or an agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.
3. I understand that "convicted" or "conviction" as defined in Section 287.133 (1) (b), Florida Statutes, means a finding of guilt or a conviction of a public entity crime, with or without an adjudication of guilt, in any federal or state trial court of record relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.
4. I understand that an "affiliate" as defined in Section 287.133 (1) (a), Florida Statutes, means:
 - a) A predecessor or successor of a person convicted of a public entity crime; or,

b) An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The ownership by one person of shares constituting a controlling interest in another person, or a pooling of equipment or income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.

5. I understand that a "person" as defined in Section 287.133 (1) (e), Florida Statutes, means any natural person or entity organized under the laws of any state or of the United States with the legal power to enter into a binding contract and which bids or applies to bid on contracts for the provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.
6. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. *(Please indicate which statement applies.)*

_____ Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the entity, nor any affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

_____ The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

_____ The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. However, there has been a subsequent proceeding before a Hearing Officer of the State of Florida, Division of Administrative Hearings, and the Final Order entered by the Hearing Officer determined that it was not in the public interest to place the entity submitting this sworn statement on the convicted vendor list. *(Please attach a copy of the final order.)*

I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPH ONE (1) ABOVE IS FOR THAT PUBLIC ENTITY ONLY AND, THAT THIS FORM IS VALID THROUGH DECEMBER 31 OF THE CALENDAR YEAR IN WHICH IT IS FILED. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THE PUBLIC ENTITY PRIOR TO ENTERING INTO A CONTRACT IN EXCESS OF THE THRESHOLD AMOUNT PROVIDED IN SECTION 287.017, FLORIDA STATUTES, FOR CATEGORY TWO OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.

Signature

Transportation Facilities Refunding Revenue Bonds, Series 2024

Date _____

STATE OF _____

COUNTY OF _____

PERSONALLY APPEARED BEFORE ME, the undersigned authority, _____ who, after first being sworn by me, affixed his/her signature in *(Name of individual signing.)*

the space provided above on this _____ day of _____, 20__

NOTARY PUBLIC

My commission expires: