

TOWN OF INDIAN SHORES, FLORIDA
INSTRUCTIONS TO PROPOSERS AND GENERAL PROVISIONS
MUNICIPAL CENTER LOAN
RFP # 100 - 2010

Purpose

Proceeds from the Municipal Center Loan will be used to construct a 32,683 square foot building with three stories over parking that will replace the existing Town Hall. The Town is providing \$2,500,000 of construction funds that will be supplemented by the Municipal Center Loan. The project financing will not exceed \$2,000,000 and will be outstanding for a period of not to exceed fifteen (15) years and will be secured by a pledge of the Town's Local Option Sales Tax revenue (Penny for Pinellas). The security for the Municipal Center Loan is further discussed herein.

Definitions

- a. The term "Request for Proposal" means a solicitation of proposals.
- b. The acronym "RFP" means Request for Proposal.
- c. The term "proposal" means the offer of quantitative and qualitative items by the proposer.
- d. The term "proposer" means the firm making a proposal.
- e. The term "Change Order" means a written order signed by the Town Mayor or authorized representative directing the proposer to make changes to a contract or purchase order resulting from the RFP.
- f. The term "Town" means the Town of Indian Shores, Florida.
- g. The term "Town Council" means the governing body of the Town of Indian Shores.

Preparation of Proposals

- a. Proposers are expected to examine the specifications and all special and general conditions stated in the RFP. Omission on the part of the proposer to make the necessary examinations and investigations or failure to fulfill in every detail the requirements of the contract document will not be accepted as a basis for varying the requirements of the Town or the compensation to the proposer. Failure to do so is at the proposer's risk. Each proposer must furnish the information required in the RFP. The proposer shall sign the RFP proposal form and print or type his/her name, address and contact information on the face page.
- b. Silence regarding any specifications as to any details or the omission of a detailed

description concerning any specifications will be regarded as meaning that the best commercial practices are to prevail. All interpretations of the specifications shall be made upon the basis of this statement.

- c. Proposals shall be submitted on the Proposal Summary Form submitted with the required specifications. Other formats will be rejected. Proposals must include one (1) proposal marked ORIGINAL and two (2) proposals marked COPY for evaluation purposes.
- d. The firm should retain a copy of all documents for future reference.
- e. All proposals must be signed by a person with the authority to bind the proposer.
- f. Failure to follow the instructions in the Request for Proposal is cause for rejection of and or all proposals.

Submission and Receipt of Proposals

- a. Proposals must be received before the specified time as designated in the RFP. A list of firms who submitted proposals will be furnished upon request.
- b. Proposals must be submitted in a sealed envelope. The envelope must show the RFP number, the hour and date specified for receipt of RFP and the name and address of the firm.
- c. The Town of Indian Shores is not responsible for the US Mail or private couriers in regard to mail being delivered by the specified time so that a proposal can be considered.
- d. Email and Facsimile (FAX) proposals will not be considered; however, proposals may be modified by email and FAX, provided such notices are received prior to the hour and date specified.
- e. Late proposals will be rejected.
- f. Proposals having any erasures or corrections must be initialed by the proposer in ink. Proposals shall be signed in ink. All amounts shall be typewritten or completed in ink.

Acceptance of Proposal

The signed proposal shall be considered an offer on the part of the proposer. Such offer shall be deemed accepted upon issuance by the Town of a Purchase Order or other contractual document.

The contract will be awarded to the lowest responsible and responsive proposer whose proposal meets the specifications, requirements and criteria set forth in this RFP. The Town reserves the right to accept or reject any and all proposals or parts of proposals, or waive minor

abnormalities. The Town reserves the right to accept the proposal that best serves the interest of the Town of Indian Shores.

Discrepancies, Errors and Omissions

Any discrepancies, errors, or ambiguities in the Request for Proposals or addenda (if any) should be reported in writing to the Director of Finance. Should it be found necessary, a written addendum will be incorporated in the RFP and will become part of the contract documents. The Town will not be responsible for the accuracy or completeness of any non-written instructions, clarifications or other communications.

Proposal Verification and Evaluation

The successful proposal will be verified by the Town, which may consist of reference checks, interviews and site visits. Proposals will be evaluated by the Town based on, but not limited to, the following criteria:

- a. Proposer's capability to provide the loan.
- b. Proposer's experience on similar Florida-based proposals.
- c. Experience and qualifications of proposer's assigned personnel.
- d. References provided for similar Florida-based proposals.
- e. Terms and conditions, including administrative requirements.
- f. Net cost of borrowing.

Right to Reject Proposal

The right is reserved by the Town to reject any or all proposals and to disregard typographical, mathematical, or obvious errors. The Town will not pay costs incurred by any proposer in the preparation of proposals.

Conflicts of Interest

The proposer certifies that, to the best of his/her knowledge or belief, no elected or appointed official or employee of the Town of Indian Shores, a spouse thereof or other person residing in the same household, is financially interested, directly or indirectly, in providing the services specified in this RFP. Financial interest includes: ownership of more than five percent of the total assets or capital stock of the proposer or being an officer, director, manager, partner, proprietor or agent of the proposer submitting the proposal.

The proposer must disclose, on firm letterhead, any relative, other than those already specified, of an elected or appointed official or employee of the Town of Indian Shores who has a financial interest, as defined herein, in providing the services specified in the proposal. The Town, at its sole discretion, will determine whether a conflict of interest exists and whether to accept or reject a proposal based on any conflict.

References

References should include only governmental entities served within the last twelve months.

Public Entity Crimes

A person or affiliate who has been placed on the convicted vendor list following a conviction for 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 Section 287.017, for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list.

Options

The Town requests all proposers to provide a cost breakdown for each option proposed. The Town reserves the right to decide, at its discretion, which options shall be selected.

Failure to Submit Proposal

Any firm not wishing to submit a proposal should return the RFP and state the reason for not submitting a proposal. Firms not submitting a reason may be removed from the Town's mailing list for future projects.

Default of Proposer

In case of default by the proposer, the Town may procure the loan from other sources and hold the proposer responsible for any excess costs occasioned or incurred as a result of the default.

Modification for Changes

No agreement or understanding to modify this RFP and resultant purchase order or contract shall be binding upon the Town unless made in writing by the Director of Finance.

Order of Precedence

In the event of an inconsistency between provisions of the RFP, the inconsistency shall be resolved by giving precedence in the following order: (a) Instructions to Proposers and General Provisions; and, (b) the Specifications.

Examination of Records

The proposer shall keep adequate records and supporting documentation applicable to the subject matter of this RFP. All records and documentation shall be retained by the proposer for a minimum of one year from the date the contract is completed and accepted by the Town.

If any litigation is started before the expiration of the one year period, the proposer's records and documentation shall be retained until all litigation, claims, or audit findings involving the records or documentation have been resolved, unless otherwise instructed by the Town. Should any questions arise concerning this contract, the Town and its authorized agents shall have the right to review, inspect, and copy all such records and documentation during the record retention period stated above, provided, however, such activity shall be conducted only during normal business hours and shall be at Town expense. Proposers shall be authorized to retain microfilm or digital copies in lieu of original records, if desired.

Hold Harmless and Indemnification

The parties recognize that the proposer is an independent contractor. The proposer agrees to assume liability for and indemnify, hold harmless and defend the Town, its councilors, mayor, officers, employees, agents and attorneys of, from and against all liability and expense, including reasonable attorney's fees, in connection with any and all claims, demands, damages, actions, causes of action and suits in equity of whatever kind or nature, including claims for personal injury, property damage, equitable relief or loss of use, to the extent caused by the negligence, recklessness or intentionally wrongful conduct of the proposer, its agents, officers, contractors, subcontractors, employees or anyone else employed or utilized by the proposer in providing the loan.

Subject to the limitations set forth in this Section, proposer shall assume control of the defense of any claim asserted by a third party against the Town and, in connection with such defense, shall appoint lead counsel, in each case at the proposer's expense. The Town shall have the right, at its option, to participate in the defense of any third party claim, without relieving proposer of any of its obligations hereunder. If the proposer assumes control of the defense of any third party claim in accordance with this paragraph, the proposer shall obtain prior written consent of the Town before entering into any claim settlement.

Notwithstanding anything to the contrary in this Section, the proposer shall not assume or maintain control of the defense of any third party claim, but shall pay the fees of counsel retained by the Town and all expenses, including experts' fees, if (i) an adverse determination with respect to the third party claim would, in the good faith judgment of the Town, be detrimental in any material respect to the Town's reputation; (ii) the third party claim seeks an injunction or equitable relief against the Town; or (iii) the proposer has failed or is failing to prosecute or defend vigorously the third party claim. Each party shall cooperate, and cause its agents to cooperate, in the defense or prosecution of any third party claim and shall furnish or cause to be furnished such records and information, and attend such conferences, discovery proceedings, hearings, trials, or appeals, as may be reasonably requested in connection therewith.

Proposer Qualifications

A proposer may be required to show, to the complete satisfaction of the Town, that he/she has the necessary facilities, equipment, ability and financial resources to provide the loan in a satisfactory manner within the time specified before the award of any contract.

Proposer Disqualification

Any or all proposals will be rejected if there is any reason for believing that collusion exists among the bidders, and participants in such collusion will not be considered in future proposals for the same work.

Compliance with Laws and Regulations

The proposer must fully comply with all Federal and State Laws and County and Municipal Ordinances and Regulations in any manner affecting the loan.

Additional Information

Additional information may be obtained from the Office of the Director of Finance, (727) 595-4020 Ext. 29,

**TOWN OF INDIAN SHORES, FLORIDA
SPECIFIC PROPOSAL REQUIREMENTS
MUNICIPAL CENTER LOAN
RFP # 100 - 2010**

Format

To assure consistency and facilitate evaluation, all proposals must conform to the following format:

1. Cover Letter
2. Table of Contents
3. Sections:
 - A. Introduction
 - B. Qualifications
 - C. Other Information
 - D. References
 - E. Net Cost of Borrowing and Time

Section A - Introduction

This section should include a brief description of the proposer's experience and background, including experience in providing this type of loan, number of years in business, etc.

Section B - Qualifications

This section should include the qualifications of key personnel assigned to this contract.

Section C - Other Information

This section should include any other information necessary for the Town to develop a full understanding of the firm's qualifications and capability to provide the required loan.

Section D - References

This section should contain governmental references only, including the government's name, contact person, contact phone number and description of loans and/or lending arrangements. Up to three references should be provided for similar transactions completed within the last year.

Section E – Net Cost of Borrowing and Time

This section must clearly state the net cost of the loan and the agreement to provide the loan within the required time.

**TOWN OF INDIAN SHORES, FLORIDA
MINIMUM REQUIREMENTS/SPECIAL CONDITIONS FOR
MUNICIPAL CENTER LOAN
RFP # 100 - 2010**

Scope of Services

Proposers are requested to present up to two sets of proposals that result in the lowest net cost of borrowing to the Town. The Town reserves the right to select the proposal that fulfills the best interest of the Town. All proposals are to be inclusive of all costs of issuance of the proposer.

The Town is interested in Bank Qualified proposals and/or other taxable or tax exempt proposals, such as Build America Bonds (BAB), that results in the lowest net cost to the City. Qualitative factors will also be considered in the evaluation process, including the financial covenants proposed and the time required administering the loan.

Two separate sets of proposals may be made for each type of loan proposed using the proposal criteria below, not to exceed four proposals. For example, two separate proposals could be submitted for a bank qualified loan proposal (Criteria #1 & #2) and two proposals could be submitted for a BAB proposal.

Proposal Criteria #1 – A total of \$ 2 million will be drawn as needed based on the estimated schedule of uses of funds provided below. All draws will occur at the end of each month. During the drawdown period Funds will be borrowed with the interest accruing on the amounts drawn at a variable interest rate with interest only payments paid monthly. At the conclusion of construction the loan will be converted to a fixed interest rate with payments of principal and interest on a monthly or quarterly basis.

Proposal Criteria # 2 – A total of \$ 2 million will be borrowed and drawn in full at the time of the loan closing and amounts borrowed will be delivered to the Town and invested until needed, in accordance with the estimated schedule of uses of funds provided below. The loan will bear a fixed interest rate with payments on a monthly or quarterly basis.

The Town will provide Bond Counsel services including an opinion through Bryant, Miller and Olive, PA and the Town's Town Attorney, James Yacavone, with such costs to be funded by the Town from the loan proceeds.

The following estimated uses of funds must be used as a basis for all proposals (Total - \$ 2.0 million).

ESTIMATED USE OF FUNDS (\$ THOUSANDS)

2010	Aug	Sep	Oct	Nov	Dec	Jan
Costs	\$400	\$350	\$350	\$300	\$300	\$300

Loan Proceeds, Loan Payments and Loan Period

To facilitate proposal comparisons, proposers must use August 31, 2010 as the date of the first loan draw or the date of the loan being fully funded, depending on the option provided.

The Town desires to make payments monthly, or quarterly. To facilitate proposal comparisons, proposers must use February 28, 2011 as the earliest payment due date, for monthly payments, and April 29, 2011 for quarterly payments, with a final payment due date no later than February 28, 2026.

Payments must be in equal, level amounts, including principal and interest. The final payment amount may vary from all other payments to adjust for rounding differences.

Loan Security

The loan is issued pursuant to the provisions of Chapter 166, Florida Statutes, Chapter 202, Florida Statutes, and the Charter of the Town and other applicable provisions of law. The loan will be a limited obligation of the Town payable from and secured by specific pledged revenues as described below. The loan will be a debt of the Town of Indian Shores, Florida; however, the loan will not be secured by the full faith and credit of the Town of Indian Shores nor the taxing power of the Town or the State of Florida.

The loan will be secured by the Town's portion for the One Cent Local Option Sales Surtax (Penny for Pinellas, specifically "Penny Three"). The Town is also willing to covenant in the Loan documents to appropriate other non-ad valorem revenue legally available for such purpose. The Infrastructure Tax (Penny for Pinellas) will expire on December 31, 2019, unless extended by voter referendum. The Town does not anticipate significant fluctuations in this revenue source and none of the Town's Penny Three revenue is specifically pledged for other purposes.

The Town has been involved for many years in the planning of the Gulf Boulevard Streetscape/Utility Undergrounding Project that has been coordinated through the BIG-C (Barrier Islands Governmental Council) and Pinellas County. On June 22, 2009, the Pinellas County Board of County Commissioners reviewed their FY 2010 - 2015 Capital Improvement Plan that included a revised allocation of anticipated revenue from Penny for Pinellas Local Option Infrastructure Tax receivable 2010 - 2020.

The Board of County Commissioners had previously approved \$35 million dollars for this project in 2006 and it was reduced by 25% in 2009 due to economic trends to \$26,250,000. These funds are scheduled to be disbursed between FY 2013 - 2015 to eligible recipients based on a formula of linear footage of Gulf Boulevard within municipal limits. The Town of Indian Shores is eligible for reimbursement of work completed in 2007 (undergrounding of utilities).

An Interlocal Agreement on disbursement methodology for the original \$35 million dollars was approved by the Pinellas County Board of County Commissioners in a Workshop on June 10, 2010. For the Town of Indian Shores the allocation would be for \$801,677 for five years beginning in FY2010/2011.

The Town would like to have the ability under the loan documents to prepay principal on the loan from any monies received from Pinellas County as a reimbursement for the prior project without prepayment penalty.

The following schedule presents a history of One Cent Sales Tax revenue collections (Penny One and Penny Two) and projections of revenues over the next ten year period (Penny Three), which are subject to change. Projections were prepared by the Town and have not been verified by an independent source.

**Town of Indian Shores, Florida
Local Option Sales Surtax Revenue**

<u>Penny One</u>		<u>Penny Two</u>		<u>Penny Three (Estimated)</u>	
<u>FY</u>	<u>Amount</u>	<u>FY</u>	<u>Amount</u>	<u>FY</u>	<u>Amount</u>
1990*	\$29,014	2000	\$126,395	2010	\$136,834
1991	85,320	2001	127,447	2011	142,307
1992	72,252	2002	121,134	2012	147,999
1993	75,081	2003	124,027	2013	153,919
1994	83,166	2004	133,079	2014	158,537
1995	87,964	2005	140,872	2015	163,293
1996	96,489	2006	154,485	2016	168,192
1997	97,969	2007	149,417	2017	171,556
1998	108,787	2008	134,123	2018	174,987
1999	<u>106,240</u>	2009	<u>131,571</u>	2019	178,487
				2020**	<u>45,514</u>
	<u>\$842,282</u>		<u>\$1,342,550</u>		<u>\$1,641,625</u>

* 1990 represents approximately 7 months revenue.

** 2020 represents approximately 3 months revenue.

Note: There are overlaps of receipts between each "Penny", due to the timing of receipts.

Loan Costs & Interest Rate

All of the proposer's costs associated with the loan should be clearly listed, including, but not limited to placement fees, loan processing fees, bank attorney fees, etc., if any.

The Town of Indian Shores is interested in establishing a fixed interest rate, which is equal to the lesser of:

- (1) the quoted fixed rate, or
- (2) a quoted fixed rate as adjusted by an indexed formula

Net Cost

The Town's goal is to achieve the lowest overall cost (net cost) over the life of the loan. Proposers may offer any lending proposal that mitigates net cost; however, the anticipated schedule of uses of funds must be used for construction draw loan proposals in order to facilitate proposal comparisons. Qualitative factors will also be considered in the evaluation process, including the financial covenants and the time required to administer the loan.

Reinvestment proposals may be submitted that generate interest earnings on the investment of funds borrowed, based on the estimated schedule of uses of funds. Reinvestment proposals must be separated so that total interest costs on the Loan and total reinvestment earnings on the proceeds are clearly distinguishable. Net interest costs shall also be provided. The Town reserves the right to select the best proposal, excluding reinvestment earnings, if it is deemed to be in the best interest of the Town.

Loan Pre-payment

The Town is requesting that pre-payment be allowed for the principal indebtedness at any time and from time to time before the final due date without penalty. Please clearly state all pre-payment terms, restrictions, conditions and penalties, if any.

Amortization Schedule

An amortization schedule for each proposal option must be provided.

Other Debt Issuance

The Town has not issued any debt during calendar year 2010. The Town does not anticipate issuing any additional debt in 2010. The Town's Bond Counsel will provide the legal documentation for the Loan and issue the legal opinion as to the tax exempt status of the interest payments and that the loan is bank qualified.

Proposer Responsibilities

The proposer shall conduct its own investigation to the extent it deems satisfactory or sufficient, into matters relating to the business affairs or conditions of the Town (financial or otherwise) in connection with the issuance of its Loan. No offering statement will be provided on the basis that the successful purchaser is a sophisticated investor purchasing the Loan for its own account. Prior to closing, the successful proposer must (1) complete a Disclosure Statement and a Truth -in-Lending statement and (2) indicate whether such proposer has paid any finder's fee to any person in connection with this Loan in accordance with Florida Statutes.

The Town of Indian Shores received an unqualified audit opinion for the last fiscal year audited (FYE September 30, 2009).The Town's current external auditors are Davidson, Jamieson & Cristini, P.L., Dunedin.

Proposal Exceptions, Qualifications or Additions

All exceptions, qualifications or additions to the requirements outlined in this RFP must be clearly stated and disclosed, including related costs, if any.

Qualified Public Depository

Proposals reflecting an upfront issuance of the total Loan proceeds at closing are advised that the proceeds by the Town must be secured through a Qualified Public Depository.

Authorization to Borrow

The Indian Shores Town Council initially authorized the borrowing on June 8, 2010 by Resolution No. 8 - 2010 in an amount not to exceed \$2.0 million. A Copy of the Resolution is attached. The recommended award of proposal, if any, will be made on at the based on the Administration's recommendation.

RFP Schedule

Thursday, June 17, 2010 - RFP Issued

Thursday, July 01, 2010 - Pre-proposal Conference, 10am, Indian Shores Town Hall, Conference Room, 19305 Gulf Boulevard, Indian Shores, Florida 33785.

Town Hall is located at 19305 Gulf Boulevard. Turn North (right) on Gulf Boulevard at the end of S.R. 699, Park Boulevard and the Town Hall is .33 miles ahead on the right hand side of the road.

Attendance at the pre-proposal conference is not mandatory, but the Town prefers all questions to be asked at the pre-proposal conference.

Questions asked after the pre-proposal conference must be made in writing through email or by letter and copies will be provided to all proposers along with the answers. Individual meetings will not be held with any proposers.

- Thursday, July 15, 2010 - Proposals due, 3pm, Indian Shores Town Hall, Attention Mary Karayianes, Finance Director, 19305 Gulf Boulevard, Indian Shores, Florida 33785.
- Friday, July 23, 2010 - Award Recommendation by Town Administration
- Tuesday, July 27, 2010 - RFP Award, Special Town Council Meeting, 7pm, Indian Shores Town Hall
- Tuesday, August 10, 2010 Approve Loan Documents and signing of Loan Papers

**TOWN OF INDIAN SHORES, FLORIDA
PROPOSAL FORM FOR
MUNICIPAL CENTER LOAN
RFP # 100 - 2010**

Proposals shall be submitted in the following format to facilitate comparison between proposals. Please make copies of this Proposal Form if additional proposals are submitted.

	<u>OPTION #1</u>	<u>OPTION #2</u>
Total Interest Costs	_____	_____
Total Issuance Costs	_____	_____
Reinvestment Earnings (if any)	_____	_____
Net Cost	_____	_____
Effective Interest Rate*	_____	_____

*Effective interest rate must include all issuance costs of lender's proposal.

THE PROPOSAL MUST BE SIGNED BY A PERSON AUTHORIZED TO ACT FOR THE PROPOSER.

The undersigned does hereby agree to furnish the Town of Indian Shores, Florida, the items listed in accordance with the Specifications shown by the Request for Proposal for the price indicated.

Name (printed or typed) _____

Title (printed or typed) _____

Signature _____

Firm Name _____

Mailing Address _____ City _____

State _____ Zip _____

Physical Address _____ City _____

State _____ Zip _____

Email _____

Telephone _____ Fax _____

Mobil Telephone _____ Date _____