

County of Edgecombe
Request for Qualifications
For
Financial Advisor
March 20, 2013



201 St. Andrew St.
Tarboro, North Carolina

**EDGECOMBE COUNTY, NORTH CAROLINA
REQUEST FOR QUALIFICATIONS
FINANCIAL ADVISOR**

The Board of Commissioners of Edgecombe County (hereinafter called the “County”) invites qualified independent Financial Advisors (hereinafter called “Advisors”) to submit proposals to provide Financial Advisory Services for the “Biotech and Medical Simulation” project to be occupied by Edgecombe Community College.

BACKGROUND

Edgecombe County desires pursuant to NC Statutes to develop, finance, construct and deliver on budget, on time and in accordance with plans and specifications a 46,000 square foot Biotech and Medical Stimulation center for Edgecombe Community College on the Rocky Mount campus. The County plans on utilizing the Construction Manager at Risk method of contracting and delivery of this project. The County will finance the project and pay the debt service out of the collection of the ¼ cent sales tax that was approved by voters in November of 2012. The estimated collection allows for approximately \$600,000 in annual debt service payments. The County is interested in incorporating creative financing solutions to lower its cost of capital amount borrowed and the amount needed from the sales tax revenues to finance this project.

The contemplated financial structure seeks to incorporate public funds, new market tax credits; potential subsidies and grants along with Edgecombe Community College private investment dollars.

Proposed Budget:

<u>Source</u>	<u>Amount</u>	<u>Uses</u>	<u>Amount</u>
Golden Leaf Grant	\$1,000,000	A&E	\$931,982
		EquPmt	\$2,000,000
NMTC	\$2,382,288	Construction	\$8,554,570
ECC Equity	\$2,000,000	Construction	
		Soft Cost	\$462,601
County Bonds	\$7,146,865	Cost of	
		Issuance	\$580,000
Total	\$12,529,123		\$12,529,153

Additional Consideration
20 year lease payments

SCOPE OF SERVICES

Edgecombe County is soliciting for a Financial Advisor to assemble a team, structure the financing, integrate other grants/subsidies and serve as the Project Manager/"Quarterback" from the pre-development, to financing and closing thru successful delivery. The County reserves the right to reject any and all proposals.

The Financial Advisor will serve the County for both capital initiative and financing transactions described below. The Advisor will provide the traditional financial advisory services in connection with securing the financing for the 46,000 square foot Biotech Center and overlaying any subsidies. The advisor will serve as the County's project manager. Collectively, these initiatives will be described hereafter as "The Project." The proposed services provided to the Project Team by The financial Advisor will include, but not limited to:

- 1) Serve as the project manager/"quarterback" defined as the key special advisor for all four phases:
 - a. **Pre-Development:** Providing developer services such as team selection, RFP development/process, cash flow projections, budgeting, and determining the appropriate and best structure for procurement delivery methodology and design/construction along with financial analysis.
 - b. **Financing:** Completing the steps from pre-application to closing.
 - c. **Construction:** Representing the County with Edgecombe Community College at the owner/architect/contractor meetings; reporting monthly to the project team on budget, schedule and other issues.
 - d. **Post Close:** Ensure construction completion, make recommendations on final draws to close out loans, reconcile budgets and institute compliance reporting as required.
- 2) As financial advisor completing the necessary budgets, modeling, reporting, financial projections and analysis as required by the County, LGC and Financial Institution.
- 3) Solidify a financial structure that meets predetermined financial objectives.
- 4) Oversee design, and monthly County meetings.
- 5) Represent the County in key meetings, recap discussions and ensure timelines and deliverables are met by all parties.
- 6) Coordinate directly with the County Manager and selected designee to obtain information required for implementation of directives in a timely manner including but not limited to MBE and local participation goals of 30% each.

The Financial Advisor shall perform the following tasks:

- Serve as the County's consultant on debt financing of the project;
- Provide independent financial advice and serve solely the interest of the County;
- Manage the bond financing process and negotiate key business points to accomplish the County's objectives;
- Analyze County's current capital structure as compared with existing and projected sources of pledged revenues for debt service coverage. Consultant will assess the potential impact of debt on the County's financial condition and its ability to maintain or enhance its current bond ratings;
- Develop a plan of finance and prepare a financing schedule. This will include considering various potential financing techniques, including but not limited to public versus privately-placed debt, fixed versus variable rate debt, tax-exempt versus taxable, long-term versus short term amortization, and call features;
- Review legal documents related to scope of work;
- Analyze and report on the advantages and disadvantages of each proposed financing;
- Keep County staff updated on information that affects the County including but not limited to:
 - Changes and impending changes to federal & state rules and regulations that could affect the County's ability to insure tax-exempt debt or would impact its outstanding debt,
 - Current bond market information, and
 - Current economic data;
- Review interlocal and other agreements as they are being drafted to determine potential impacts, if any, on the proposed financing and make appropriate recommendations to the County's financing team;
- Assist the County in selection (RFP Process) or formation of financing team, including preparing a list of services required of underwriters, trustee, verification agent and other professionals as agreed upon;
- Advise the County's financing team on areas of industry specific knowledge that affects the financing and marketing of the project's debt;
- Coordinate the preparation and review of financing documents, including but not limited to, feasibility studies, bond indentures/covenants, preliminary and final official statements and advise the County on content and implementations of major documents. Assist the County in ascertaining material facts and circumstances to include in Official statements;
- Assist in negotiations with bond insurers and/or letter of credit providers. This shall include any securing and negotiating the terms of any necessary credit enhancement for a determined financing structure, including but not limited to, bond insurance, surety reserve policies, standby bond purchase agreements and direct-pay letters of credit.

- Provide a post-pricing evaluation and meet with staff to discuss;
- Advise the County on various investment alternatives including project, capitalized interest and reserve funds to proceeds pending expenditure. Work closely with the County to develop and structure a specialized investment program as necessary to ensure that financing proceeds are invested in an appropriate manner;

CONSIDERATIONS:

During this agreement the County will notify key partners of the Financial Advisors designation to represent the County in these related matters as Program Manager (PM), Financial Advisor (FA) and strategic advisor or quarterback. Additionally, the County will provide all necessary access to timely and accurate information to ensure successful analysis and conclusions along with weekly status calls/meetings with the County Manager. The County acknowledges that advice and recommendations involve professional judgment and that the results cannot be and are not guaranteed.

ENGAGEMENT PERIOD AND TIMELINE:

The expected pre-development period will occur between March 2013 and August 2013. The Phase I financial transaction is expected to take place in September 2013 and Phase II by December 2013. Construction is projected to commence by January 2014 with a projected delivery date of January 2015. Projected management services will be provided thru December 2015 to ensure quality control.

Projected Timetable:

March 2013	RFP Issued
April 2013	Due Date for Proposal
May 2013	Staff selects bid for recommendation
June 2013	Finance Committee reviews Advisor for bid award
July 2013	Recommended bid accepted by County Commissioners
August 2013	Contract details finalized and signed

Deliverables:

- Complete assignments as directed – Initial Projects:
 - Select the development team to collaborate with the design and CMR teams
- Serve as financial advisor to structure and facilitate financing for both financings closing the Phase I tax-exempt bonds and Phase II the refinancing and overlay of any subsidies/grants.
- Coordinate and present with the County Manager at all meetings as required including joint approval meetings of the County Commissioners and ECC Board of Trustees (BOT).
- Monthly updates with a minimum of three in person updates over the 18-month period.

Proposal Submittal Requirements

The following should be included in your Proposal. The proposal shall not be more than 25 single sided pages. 1 original and 3 copies for a total of 4 proposals shall be submitted.

- Describe your approach and understanding of the project. The proposed approach for dealing with the tasks and issues of the project must be described.
- Provide three references for whom you have served as financial advisor providing similar services in North Carolina in the most recent 3 years. Please include name of unit, contact name and contact information. In addition, consultant shall provide links to official statements for the most relevant 3 previous financings.
- Provide background and experience working with State of North Carolina Local Government Commission
- Qualifications of the firm and training for this type of work. Cite specific certifications or accreditations.
- Resumes of the team that will be used on the project and what their roll will be. Changes in the members of the team will require advance approval from the County.
- Name, address, phone number of any sub consultant and co proposers as well as the organizational structure that will be used to manage this project along with their qualifications for the project and resumes of any key personnel.
- The Consultant shall disclose any professional or personal financial interest which could be a possible conflict of interest in representing the County.
- A completed signed proposal sheet (included in proposal document)

DESCRIPTION OF SELECTION PROCESS

The evaluation of the proposals will be based on the items listed above as well as compliance to applicable laws and regulations and overall clarity and completeness of response to the proposal.

Four (4) copies of the proposal will be received up to the hour of 4:00PM on Wednesday March 20, 2013. The proposals should be mailed to:

Edgecombe County
Finance Department
201 St. Andrew St
P. O. Box 10
Tarboro, NC 27886
Attn: Dee Waters, Purchasing Manager

Copies of the proposal should be submitted at the time and place indicated above. Please provide a clear identification (table of contents) of all materials submitted with your proposal by section number and page number. The proposal can be delivered by U. S. Postal Service, Commercial Carrier or by Hand.

Terms and Conditions

- a. Submission of a proposal indicates acceptance by the agency of the conditions contained in this request for proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the County and the agency selected.
- b. Edgecombe County reserves the right without prejudice to reject any or all proposals, to waive any non-material irregularities or informalities in any RFQ, to accept or reject any item or combination of items, and to request clarification of proposals, and to be the sole judge of suitability of the services for its intended use and further specifically reserves the right to make the award in the best interest of the County. Edgecombe County also reserves the right to request additional information from proposing firms.
- c. All proposals received become the property of the County and information included therein or attached thereto, shall become public record upon their delivery to the County. Any information deemed by the bidding agency to be protected as a trade secret shall be submitted separately in a sealed envelope along with a statement supporting this assertion.
- d. Any and all costs associated with the preparation of a response to this request are the responsibility of the proposer, and are not to be passed on to the County.

- e. By submitting an executed proposal, the signer certifies that this proposal is submitted competitively and without collusion, that none of the officers, directors, or owners of an unincorporated business entity has been convicted of any violations of the General Statutes, the Securities Act of 1933, or the Securities exchange Act of 1934.
- f. This RFQ can only be changed by written addendums. Any oral comments by anyone shall have no effect on these instructions and specifications. If a bidder knows or should have known of an error in the RFQ, but fails to notify the County of the error, the bidder shall bid at its own risk and if awarded the contract, shall not be entitled to additional compensation or time by reason of the error or its later correction.

All submittals must be valid for one-hundred-twenty (120) days from opening date. Submissions received after the specified time will be considered late and returned unopened.

Failure to respond to any requirements outlined in the RFQ, or failure to enclose copies of the required documents, may disqualify the bid.

Inquiries: All questions and requests for clarification concerning this RFQ shall be made to Dee Waters, Purchasing Agent, at 252-641-7888 or dee.waters@co.edgecombe.nc.us. Questions will be received until March 19, 2013 at 5:00PM.

**REQUEST FOR QUALIFICATIONS
FINANCIAL ADVISOR
PROPOSAL SHEET**

Please provide the following information on your company:

By (Signature) _____

TITLE: _____

COMPANY: _____

ADDRESS: _____

TELEPHONE: _____

FAX NUMBER: _____

EMAIL: _____

Is your company a minority owned company? _____ Yes _____ No

If so, is it _____ MBE _____ WBE _____ HUB _____ DBE

Is your company certified? _____ Yes _____ No If so, Certifying

Agency _____

Bidder's company is _____ Corporation _____ Partnership/Proprietorship

If corporate name is different from above, please show in full:

What state is corporation incorporated in? _____

Taxpayer I.D. No. (if non-corporate) _____

Company has an Affirmative Action Plan _____ Yes _____ No

Plan in writing _____ Yes _____ No