



LEE COUNTY

SOUTHWEST FLORIDA

Request for Proposals for Underwriting Services Stadium Financing Recovery Zone and Build America Bonds

Distributed: May 19, 2010

Due: June 8, 2010

**Distributed on behalf of Lee County, Florida by
Dunlap & Associates, Inc.**

Financial Advisors

1146 Keyes Avenue
Winter Park, FL 32789

407-678-0977
407-678-6240 fax

**LEE COUNTY, FLORIDA
REQUEST FOR PROPOSAL UNDERWRITER SERVICES**

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REQUEST FOR PROPOSAL UNDERWRITER SERVICES**

I. INTRODUCTION:

A. Objective

The objective of this Request for Proposal (the "RFP") is to select the firm(s) to serve Lee County, Florida (the "County") in the role of Senior and Co-Underwriters on the County's proposed fixed rate financing of the 2010 Stadium Project described above in Section I.A. The selected firm(s) will work with the County's designees and the Financial Advisor, Dunlap & Associates, Inc., in developing a comprehensive financing plan for the proposed financings.

B. Project

The new Lee County Boston Red Sox Spring Training facility scope of work will include construction of a major league Spring Training stadium on 126 acres located on Daniels Parkway, Lee County, Florida. The stadium will seat 10,000 people with an additional 1,000 standing room, for a total capacity of 11,000. The facility will include up to six full-sized practice fields, batting cages, maintenance compound and building, parking for 4,000 vehicles, six community soccer fields, and required storm-water management lakes.

C. Financing Details

Currently it is anticipated that the financings for the 2010 Stadium Project will be structured utilizing (i) the Recovery Zone allocation of approximately \$37.4 million and (ii) Build America Bonds or a combination of Build America Bonds and tax-exempt bonds for approximately \$47 million. The bond issues are to be structured to meet the revenue constraints as found in Attachment A and wrap around the outstanding Tourist Tax Bonds, Series 2004 which will be on parity with the proposed financings (fiscal year debt service can be found under Attachment B). The bond issues are to fund approximately \$75 million of project costs, a fully funded Debt Service Reserve Fund and Cost of Issuance relating to the financings.

The security for these financings will be a pledge of the full five cents of the County's Tourist Tax collections but will be paid from the one cent of Tourist Tax that is allocated to baseball by the County and lease and rental revenues collected for all stadiums as per Attachment A. Historical Tourist Tax revenues of the full five cents can be found under Attachment C.

II. INSTRUCTIONS TO PROPOSERS

A. SEALED PROPOSALS

Seven (7) copies and one (1) CD of the response to this RFP must be submitted prior to 2:00 p.m. ET, June 8, 2010. Proposals shall be opened at this date and time.

Lee County
Jim Lewin
2115 Second Street, 4th Floor
Fort Myers, FL 33901
Phone: (239) 533-2308

Two (2) additional copies to: (and an electronic copy)

J. Craig Dunlap
and Kelly Ryman
Financial Advisor to the
Lee County
Dunlap & Associates, Inc.
1146 Keyes Avenue
Winter Park, FL 32789
Phone: (407) 678-0977

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jcdunlap@dunlapandassociates.com
kryman@dunlapandassociates.com

1. **SEALED PROPOSALS:** All proposals must be executed and submitted in a sealed envelope (except if your response is e-mailed to Dunlap & Associates, Inc.). The face of the envelope shall contain, in addition to the address indicated below, the date and time of the proposal opening. All proposals are subject to the conditions specified herein. Those which do not comply with these conditions are subject to rejection.
2. **EXECUTION OF PROPOSAL:** Proposal must contain an original manual signature of authorized representative. Proposal must be typed or printed in ink. Use of erasable ink is not permitted.
3. **PROPOSAL OPENING:** Shall be public, on the date, location and the time specified. It is the proposer's responsibility to assure that his proposal is delivered at the proper time and place of the proposal opening. Proposals which for any reason are not so delivered will not be considered. Offers by fax or telephone are not acceptable. A proposal may not be revised, amended or otherwise altered after opening.
4. The County reserves the right to reject any and all proposals, to waive any informalities or irregularities not involving price in any proposals received, to readvertise for proposals, or take any other such actions and/or award contracts pursuant to this RFP that may be deemed to be in the best interest of the County. The County shall be the sole judge of the submittals that is in its best interest, and its decision shall be final. The County also reserves the right and sole discretion to REJECT any solicitation response at any time on grounds that include, without limitation, either that a response is nonresponsive to the competitive solicitation or is incomplete or irregular in any way, or that a solicitation response is not in the County's best interest.
5. Any submittal received after the above stated time and date shall not be considered. It shall be the sole responsibility of the Proposer to have its package, hand delivery, or any other method available to them; however, facsimile or telegraphic submittals will not be accepted. Delay in delivery shall not be the responsibility of the County. Submittals received after the deadline shall not be considered, and may be returned only at the Proposer's expense.
6. Each Proposer shall examine all documents and shall determine all matters relating to the interpretation of such documents.
7. Joint submittals are permitted.
8. The RFP shall clearly indicate the legal name, federal taxpayer identification number (FEIN), address and telephone number of the Proposer. The person signing the RFP on behalf of the Proposer shall have the authority to bind the Proposer to the submitted proposal. The County shall not be liable for any expenses incurred in the preparation or presentation of the proposals.
9. The successful firm(s) shall be required to execute an Agreement, in form and content, acceptable to the County.

B. QUESTIONS / ADDENDA

Proposers, their agents and/or associates shall refrain from contacting or soliciting any employee of the County or Lee County Board of County Commissioners regarding the RFP during the selection process. Failure to comply with this provision may result in disqualification of the proposer. All requests for clarifications or additional information should be directed in writing to:

Craig Dunlap or Kelly Ryman
Financial Advisor to
Lee County, Florida
Dunlap & Associates, Inc.
jcdunlap@dunlapandassociates.com
kryman@dunlapandassociates.com

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INTERPRETATIONS/DISPUTES: Any questions concerning conditions and specifications shall be directed in writing to the contact person designated herein for receipt no later than May 282010. Inquiries must reference the RFP and the date of bid opening. The County's responses will be provided to all known Proposers via an addendum in the County's and/or its Financial Advisor's discretion. Any such addendum may supplement, modify or interpret any portion of this Request for Proposal. No verbal or written information from any source should be relied on by proposers as representing the County other than the addenda issued pursuant to this RFP. Proposer's failure to return any and all addenda shall result in disqualification of that Proposer's Request for Proposal.

C. COMPLIANCE WITH APPLICABLE LAWS:

This RFP shall be conducted in accordance with applicable laws, any and all claims and disputes which may arise between person(s) submitting a bid response hereto and lack of knowledge by any proposer shall not constitute a valid defense against the legal effect thereof.

RFP responses received by the County pursuant to this RFP are a matter of public record and may be available for inspection or copying in accordance with Chapter 119, Fla. Stat.

E. CONTACT PERSON

Any questions concerning this RFP should be directed in writing to Financial Advisor, Craig Dunlap or Kelly Ryman Dunlap & Associates, Inc., telephone number (407) 678-0977 or (239) 693-5201, email icdunlap@dunlapandassociates.com or kryman@dunlapandassociates.com.

F. INDEMNIFICATION / INSURANCE:

Indemnification:

The selected proposer that enters into a contract with the County ("Contractor") shall agree to indemnify and hold free and harmless, and defend the County, Commissioners, staff and agents, from and against any and all actions, claims, liabilities, assertions of liability, losses, costs and expenses, which in any manner directly or indirectly may arise or be alleged to have arisen, or resulted or alleged to have resulted from the presence, activities and promotions of every kind and nature whatsoever of Contractor and/or Contractors' officers, employees, agents and contractors, in connection with the performance of the Contractor's scope of services.

The County is not obligated to make any award under or as the result of this competitive solicitation or to award such contract, if any, on the basis of lowest cost or highest commission proposed. The County reserves the right to award such contract, if any, to the Vendor(s) submitting a solicitation response that the County, in its sole discretion, determines is in the County's best interests.

III. Proposal Requirements

TAB 1: Firm's Introduction:

- a. Provide a brief firm history and overview including ownership, size, capital position, location of the office responsible for providing the required debt underwriter (trading) services and public finance offices, and how long the firm has been in business.
- b. Disclose any joint venture underwriting agreements and fee arrangements. If proposing a joint underwriting venture, provide a brief firm history and profile for each firm, indicating their skill areas and the role each will play, as well as the location of the office where the work will be performed and their qualification to practice in Florida. Indicate previous working relationships. Any lobbying or finders fee arrangements will not be accepted.

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- c. Include resumes for specific team members that will be assigned to this project. Please include anticipated responsibilities, current workload, and ability to appropriately service this account. Any experience outside your firm should be identified in the respective individual's resume.

TAB 2: Experience

- a. List relevant firm and individual experience with these specific types of transactions (Recovery Zone and Build America financings) and your individual professional experience with the aforementioned financings.
- b. Identify with specificity your relationships with credit enhancement providers and any innovative structures you have utilized in financing similar educational facilities in Florida that would be applicable to the County.
- c. List your sporting events-stadium related experience in Florida in which you individually or your firm has successfully provided underwriter services. Please include the bond issuance amount and your firm's specific role for each. Include any innovative structures relating to revenue pledges and debt service coverage structuring utilized, including credit ratings, if required.
- d. Provide three references from similar transactions. Include contact name, title, address, and phone number.
- e. Discuss any alternative financing structures for the stadium financing and your firm's experience in regard to each.

TAB 3: Underwriting Capabilities

- a. Comment on your distribution capabilities in Florida and the Southeastern United States. Summary statement should include the location and number of offices and financial consultants who will market the bonds.
- b. Provide the name of two (Underwriter Counsel) firms you propose and a not-to-exceed amount of their total compensation. The compensation for their services will be included in the gross spread quoted under the next question (Tab 4.a.). Bryant Miller Olive has been selected by the County as Disclosure Counsel and Nabors, Giblin & Nickerson as Bond Counsel.
- c. Identify likely purchasers of the bonds and the general percentage or breakdown by group (e.g. retail, institutional).

TAB 4: Plan of Finance

- a. For a fixed rate transaction (Recovery Zone and Build America financing), present your proposed management fee, expenses and all other components of gross spread, including take down for each financing. Assume the bonds are uninsured and receive an "A-" underlying rating. However also consider the feasibility of bond insurance and include as an alternative in your response. Scales should be written based on a current market reoffering. Assume that the County's cost of issuance (bond counsel, financial advisor, printing, rating agency fees, etc. is \$250,000) and a fully funded Debt Service Reserve Fund. (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. Your interest rate scales should reflect levels which your firm would, if necessary, be prepared to price and underwrite the bonds as of June 1, 2010. The issue will have debt service structured to meet the revenue constraints found as an attached and a final term of 30 years (October 1, 2040). **YOUR FIRM'S RESPONSE MUST INCLUDE A TRUE INTEREST COST PERCENTAGE WHICH REFLECTS THE TOTAL COST OF FUNDS AND A DEBT SERVICE SCHEDULE FOR THE RECOMMENDED FINANCING APPROACH.** In addition, underwriting candidates should submit a fixed price spread proposal expressed in dollars per thousand segregated as to management fee (if any), underwriting, takedown and expenses. Assume that the proposed bonds will be issued in book-

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entry form. Settlement will be expected in Federal Funds. Please provide the above requested information for the following scenarios.

- Recovery Zone Bonds and Build America Bonds combination
- Build America only
- Recovery Zone, Build America and Tax-Exempt combination
- Tax-Exempt only

Also provide an explanation and recommendation, in your firm’s best judgment, for the most efficient structure (i.e. Recovery Zone Bonds and Tax-Exempt or a combination of all three etc.) that will provide for the lowest Net Debt Service.

TAB 5. Additional Information

- a. Provide any additional information you feel will be helpful to the County in evaluating your qualifications to serve as Underwriter.
- b. Provide a statement of assurance that your firm has not been and is not presently in violation of any statutes or regulatory rules that might impact your firm’s operations. What is the present effective date of the G-38 provisions dealing with finders fees and provide assurance to the County that your firm has not employed a “finder” for this transaction.
- 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. Also include information on any pending litigation as well.

The Vendor is solely responsible for the accuracy and completeness of its solicitation response. The Vendor’s errors or omissions, if any, are solely at the risk of the Vendor and may be grounds for the County’s consideration of the solicitation response being non-responsive.

Any submitted solicitation response, shall in its entirety, remain a valid solicitation response for 120 calendar days after the response submission date.

By submitting a response to this Request for Proposal, Proposer acknowledges and agrees to be bound by each condition and requirement included in this Request for Proposal.

V. Selection Criteria

The County desires to select the Proposer that demonstrates the ability to provide the highest quality of service at the best value. To accomplish this goal, the County’s criteria for selection shall include, but not be limited to the following:

CRITERIA
1. Quality, quantity and relevance of Proposer's experience and resources
2. Ability to demonstrate the firm’s capabilities to meet the requirements of the proposal
3. Proposed Compensation
4. Creative Financing Structure
5. Client references.

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TO BE NOTIFIED OF AN ADDENDUM OR RESCHEDULING OF AN OPENING DATE OR ANY OTHER DATE IDENTIFIED IN THIS RFP, PLEASE PROVIDE DUNLAP & ASSOCIATES, INC. WITH THE FOLLOWING INFORMATION:

VENDOR
NAME _____

RFP NAME Underwriting Services – Stadium Financing

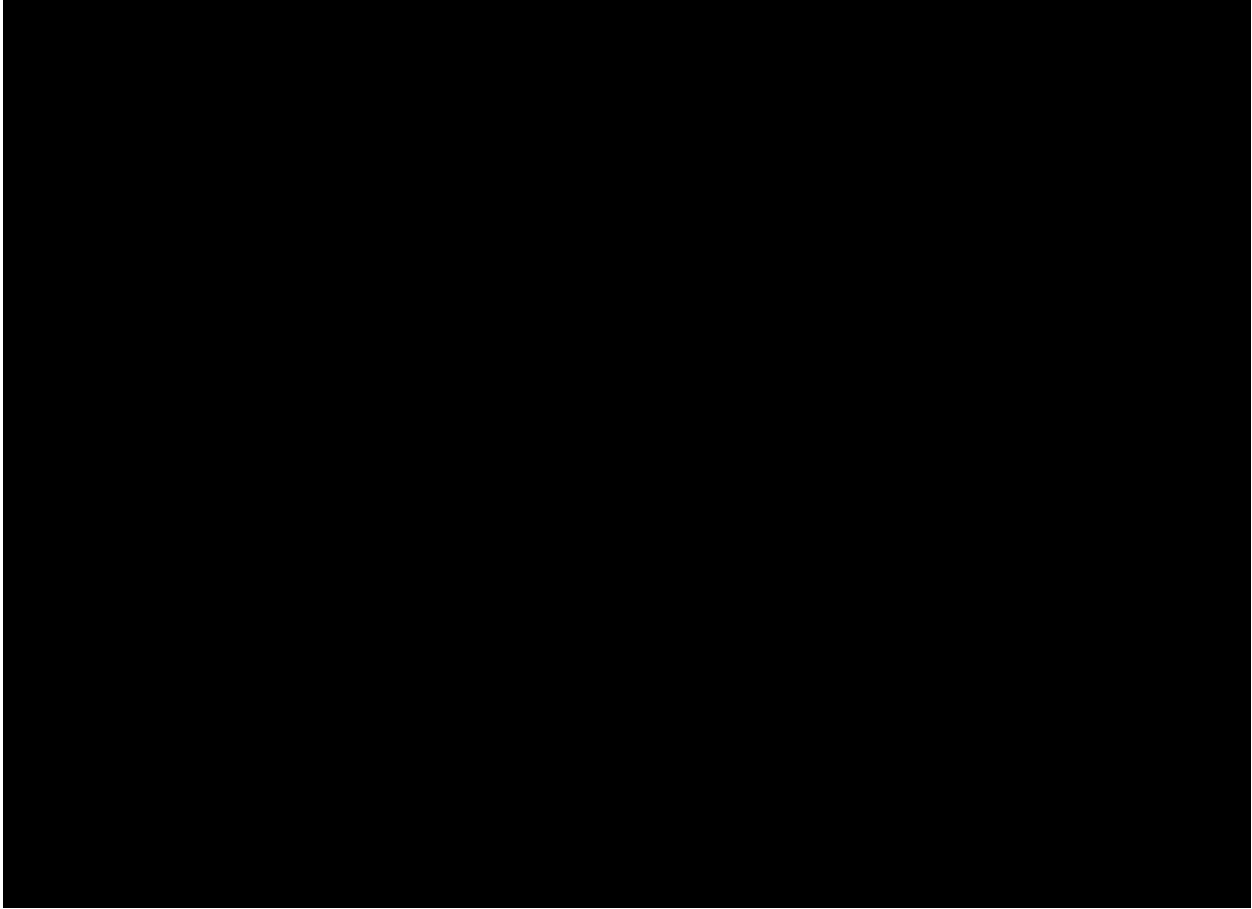
PHONE NO. _____

FAX NO. _____

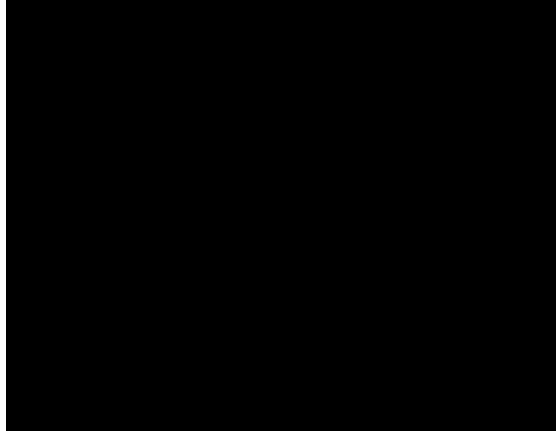
E-MAIL ADDRESS

FAX THIS FORM TO: DUNLAP & ASSOCIATES, INC.
ATTENTION: J. CRAIG DUNLAP
FAX NO. (407) 678-6240

ATTACHMENT A



ATTACHMENT B



**assumes that the FY 16-17 final debt service payment will be funded with the Debt Service Reserve Fund.

ATTACHMENT C

