



REQUEST FOR PROPOSALS

City of Green Cove Springs, Florida
Electric Utility Revenue Refunding Note, Series 2021
\$9,800,000
Dated: April 21, 2021

The City of Green Cove Springs, Florida (the "City") is requesting proposals from financial institutions for a fixed rate, non-bank qualified, tax-exempt, bank loan in an amount not to exceed \$9,800,000. The Electric Utility Revenue Refunding Note, Series 2021 (the "2021 Note") will be a direct placement to be held by the selected provider(s), and the City will not prepare any offering documents or commit to provide any continuing disclosure information specific to the 2021 Note.

A tentative calendar for the review of responses is as follows*:

April 21, 2021	RFP circulated
May 14, 2021	Questions related to RFP Due
May 21, 2021	Proposals due (2:00 p.m. ET)
June 15, 2021	City Council Meeting Approval
June 21, 2021	Closing

**Preliminary; subject to change*

The City may, at its sole discretion, determine that none of the responses meet its goals and objectives and may elect to terminate or extend the evaluation process.

SUBMISSION REQUIREMENTS:

Each proposal shall include the interest rate, prepayment provisions, all fees and expenses, including bank's counsel fees, default rate, and other terms/conditions. **No later than 2:00 p.m. Eastern Time on May 21, 2021**, an electronic copy of each proposal must be emailed to **Jeremy Niedfeldt** (niedfeldtj@pfm.com) and **Aurora Pavlish-Carpenter** (pavlishcarpentera@pfm.com) at PFM with a copy to **Marlena Guthrie** (mguthrie@greencovesprings.com) at the City.

Any inquiries, requests for clarification or additional information shall be emailed to the City's Financial Advisor: **Jeremy Niedfeldt** (niedfeldtj@pfm.com) and **Aurora Pavlish-Carpenter** (pavlishcarpentera@pfm.com) no later than May 14, 2021 in order to provide adequate response time.

1. **Term:** The 2021 Note will have a stated maturity of July 1, 2033.
2. **Purpose:** The 2021 Note is being issued by the City for the purpose of (i) refunding, on a current basis, the Electric Utility Revenue Note, Series 2018 and (ii) paying the related costs of issuance of the 2021 Note.
3. **Principal Payments:** The principal related to the 2021 Note shall be fully amortized over the term of the loan as set forth in the attached Preliminary Loan Amortization Schedule (**Appendix A**).
4. **Interest Rate:** Interest on the 2021 Note shall be calculated on the basis of a 360-day year comprised of twelve 30-day months, payable semiannually on January 1 and July 1, commencing on July 1, 2021.
5. **Prepayment Options:** Describe any prepayment options available to the City. If a prepayment penalty is required, state the terms of the penalty. The City would prefer the option to prepay the principal without penalty at any time and in any amount.



6. **Draw-Down Flexibility:** The City has \$1.5 million in unspent proceeds from the 2018 Note. If the bank is willing to include 12-months of draw-down flexibility on \$1.5 million of the 2021 Note, please include that option and the interest rate adjustment (if any). The loan amortization would be adjusted (subject to bank approval) to solve for level annual P&I payments starting in 2022, instead of 2021 as shown in **Appendix A**.
7. **Security:** The 2021 Note is payable solely from and secured solely by a pledge of the net revenues of the City's Electric Utility System.
8. **Interest to be Tax-Exempt:** The City will enter into such covenants as necessary in the opinion of Bond Counsel to ensure compliance by the City with the Internal Revenue Code of 1986, as amended ("Code"), and to qualify interest on the 2021 Note for exclusion from gross income for federal income tax purposes as set forth in the opinion of Bond Counsel. The only interest rate adjustment provision the City willingly provides is one of taxability imposed by final judgment of the IRS and due from the holder which results solely from the City's actions or inactions.
9. **Financing Documents:** All loan documents shall be prepared by Bryant Miller Olive P.A., Bond Counsel for the City, who shall provide the Lender and its Counsel with drafts thereof for review and comment at least one week prior to loan closing. PFM will serve in the sole capacity as an Independent Registered Municipal Advisor to the City and not as a placement agent for the 2021 Note. The City will not accept any proposals that require acceleration upon an event of default other than payment defaults.
10. **Closing:** It is anticipated that closing for the 2021 Note shall occur on or shortly after June 21, 2021. The award of the RFP by the City does not obligate the City to close on the 2021 Note.
11. **Costs and Fees:** The City shall pay all costs relating to financing, preparing and printing the financing documents, and filing all required financing statements. The City shall also pay the Lender's reasonable Bank Counsel Fees included in the proposal submission. The City shall not be liable for any costs incurred by a Proposer associated with preparing the Proposal or negotiating the final terms of the 2021 Note.
12. **Financial Reporting:** The City shall remit to the Lender annual audited financial statements when available, and any other Lender requested information which the City deems reasonable.
13. **Rejection of Proposals/Negotiations:** The City expressly reserves the right to reject any and all proposals received in connection with this Request for Proposals and thereafter to negotiate with any proposer or other lender. As permitted by law, the City reserves the right to waive any irregularity or informality in any proposal. The basis for acceptance of any proposal shall be that which is in the best interest of the City as determined solely by the City. The City also reserves the right to negotiate terms and conditions with any proposers.
14. **Amendment:** The City reserves the right to amend or modify this Request for Proposals via email.
15. **Financial Information:** The City's Annual Financial Statements with Auditor's Reports can be found at <http://www.greencovesprings.com>. Other financial data is also available upon request.
16. **Certification:** At the time funding is made, the Proposer will be required to make certain certifications, including but not limited to certifications that:
 - You do not require the City to deliver any offering document and have conducted your own investigation, to the extent you deem satisfactory or sufficient, into matters relating to business affairs or conditions (either financial or otherwise) of the City.



- No inference should be drawn that you, in the acceptance of said Loan, are relying on the City Attorney as to any such matters other than the legal opinions which may be rendered by such counsel.
- You have made such independent investigation of the available revenues as you, in the exercise of sound business judgment, consider to be appropriate under the circumstances.
- You have knowledge and experience in financial and business matters and are capable of evaluating the merits and risks of your investment in the 2021 Note and can bear the economic risk of your investment in the 2021 Note.
- You are not acting as a broker or other intermediary, and are entering into the Loan as an investment for your own account and not with a present view to a resale or other distribution to the public.
- You are a bank, trust company, savings institution, insurance company, dealer, investment company, pension or profit-sharing trust, or qualified institutional buyer as contemplated by Section 517.061(7), Florida Statutes.

THE CITY EXPRESSLY RESERVES THE RIGHT TO REJECT ANY AND ALL PROPOSALS RECEIVED IN CONNECTION WITH THIS REQUEST FOR PROPOSALS AND THEREAFTER TO NEGOTIATE WITH ANY PROPOSER. AS PERMITTED BY LAW, THE CITY RESERVES THE RIGHT TO WAIVE ANY IRREGULARITY OR INFORMALITY IN ANY PROPOSAL. THE BASIS FOR ACCEPTANCE OF ANY PROPOSAL SHALL BE THAT WHICH IS IN THE BEST INTEREST OF THE CITY AS DETERMINED SOLELY BY THE CITY. THE CITY ALSO RESERVES THE RIGHT TO NEGOTIATE TERMS AND CONDITIONS WITH ANY PROPOSERS.

Any inquiries or requests for clarification or additional information shall be emailed to the City's Financial Advisor: Jeremy Niedfeldt (niedfeldtj@pfm.com).



Appendix A

***Preliminary Amortization Schedule**

Maturity Date	Amount
7/1/2021	740,000
7/1/2022	685,000
7/1/2023	695,000
7/1/2024	710,000
7/1/2025	720,000
7/1/2026	735,000
7/1/2027	750,000
7/1/2028	760,000
7/1/2029	775,000
7/1/2030	785,000
7/1/2031	800,000
7/1/2032	815,000
7/1/2033	830,000
	9,800,000

* Final amortization shall be set when the actual interest rate has been determined. The City reserves the right to amend the amortization schedule and size of the 2021 Note (within the not to exceed amounts). Final maturity of the 2021 Note shall not be later than July 1, 2033.



Appendix B: Lender's Certificate

This is to certify that _____ (the "Lender") has not required the City of Green Cove Springs, Florida (the "Issuer") to deliver any offering document and has conducted its own investigation, to the extent it deems satisfactory or sufficient, into matters relating to business affairs or conditions (either financial or otherwise) of the Issuer in connection with the issuance of the \$_____ City of Green Cove Springs, Florida Electric Utility Revenue Refunding Note, Series 2021 (the "Note"), and no inference should be drawn that the Lender, in the acceptance of the Note, is relying on Bond Counsel or Issuer's Counsel as to any such matters other than the legal opinion rendered by Bond Counsel, Bryant Miller Olive P.A. and by Issuer's Counsel, L. J. Arnold, III. Any capitalized undefined terms used herein not otherwise defined shall have the meaning set forth in a resolution adopted by the Issuer on June 15, 2021 (the "Resolution").

We are aware that investment in the Note involves various risks, that the Note is not a general obligation of the Issuer or payable from ad valorem tax revenues, and that the payment of the Note is secured solely from the sources described in the Resolution (the "Note Security").

We have made such independent investigation of the Note Security as we, in the exercise of sound business judgment, consider to be appropriate under the circumstances. In making our investment decision, we have relied upon the accuracy of information which has been provided to us by the Issuer.

We have knowledge and experience in financial and business matters and are capable of evaluating the merits and risks of our investment in the Note and can bear the economic risk of our investment in the Note.

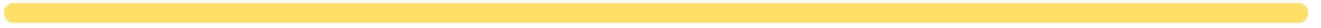
We acknowledge and understand that the Issuer has determined that the Resolution is not required to be qualified under the Trust Indenture Act of 1939, as amended, and that the Note is not required to be registered in reliance upon the exemption from registration under Section 3(a)(2) of the Securities Act of 1933, Section 517.051(1), Florida Statutes, and/or Section 517.061(7), Florida Statutes, and that the Issuer has further determined that neither the Issuer, Bond Counsel nor Issuer's Counsel shall have any obligation to effect any such registration or qualification.

We are not acting as a broker or other intermediary, and are purchasing the Note as an investment for our own account and not with a present view to a resale or other distribution to the public. We understand that the Note may be transferred only in Authorized Denominations.

We are a bank, trust company, savings institution, insurance company, dealer, investment company, pension or profit-sharing trust, or qualified institutional buyer as contemplated by Section 517.061(7), Florida Statutes. We are not purchasing the Note for direct or indirect promotion of any scheme or enterprise with the intent of violating or evading any provision of Chapter 517, Florida Statutes.

DATED this ___ of June, 2021.

[BANK]



By: _____