

CITY OF SOUTH SALT LAKE REDEVELOPMENT AGENCY

REQUEST FOR PROPOSAL FOR UNDERWRITER SERVICES

A. INTRODUCTION

The City of South Salt Lake Redevelopment Agency, Utah (the "Issuer", or "Agency") is seeking proposals from qualified municipal bond underwriting firms in connection with the issuance of approximately \$9,295,000¹ Excise Tax and Tax Increment Revenue Refunding Bonds, Series 2020 (the "Series 2020 Bonds") to be sold on or about **October 27, 2020** as market conditions permit. The Issuer anticipates that the Series 2020 Bonds will receive an underlying investment grade rating of **A+** or **AA-** from Standard & Poor's Global Rating.

The Series 2020 Bond proceeds will be used to refund the Agency's currently outstanding Excise Tax and Tax Increment Revenue Bonds, Series 2010 for economic savings. The closing for the Series 2020 Bonds is anticipated to be on or about **November 2, 2020**.

B. SCOPE OF SERVICES

The firm selected will serve as underwriter in the sale of the Issuer's Excise Tax and Tax Increment Revenue Bonds, Series 2020 and work with the Agency, the Agency's financial advisor, Lewis Young Robertson & Burningham, Inc., and Bond Counsel to accomplish the sale in accordance with the stated time schedule.

C. SELECTION PROCESS AND INTERVIEWS

The Selection Committee, as appointed by the Agency's Purchasing Department shall, at a minimum, consist of the Agency's Finance Director, the Agency's Redevelopment consultant, and a representative of the RDA's legal department, in consultation with the Agency's Financial Advisor, Lewis Young Robertson & Burningham, Inc. ("LYRB").

Currently, the Agency does not anticipate a need for oral interviews. However, during the evaluation process the Selection Committee may request a telephone interview with one or more respondents. The final selection is planned to be made on or about **October 2, 2020**.

D. TERM OF CONTRACT

The contract for underwriter services shall be limited to the issuance of the Series 2020 Bonds unless extended at the sole discretion of the Agency.

E. SUBMISSION OF PROPOSALS AND INQUIRIES

Electronic proposals shall be submitted no later than **2:00 p.m. MDT on Wednesday, September 30, 2020**. Please submit electronic proposals with a received and read receipt to indicate that all proposals have been received. Late faxed or electronic bids will not be accepted.

The electronic submissions shall be submitted to the South Salt Lake City Recorder as follows:

CRAIG BURTON, CITY RECORDER
EMAIL: CBURTON@SSL.C.COM

¹ Maximum par amount of the Bonds not to exceed \$11,000,000 pursuant to a Parameters Resolution planned to be adopted by the RDA's Governing Board on September 23, 2020.

Failure to submit proposals as instructed above will result in the rejection of the respondent for consideration as underwriter. The Agency reserves the right to accept or reject any or all proposals received, or any or all parts of a proposal, to waive minor defects or technicalities and to request new proposals.

F. CONTACT WITH THE AGENCY

All questions and inquiries regarding this RFP shall be directed by electronic transmission to Craig Burton (cburton@sslc.com). (LYRB will set up pre-approved calls with potential respondents).

Any questions regarding this RFP of a substantive nature must be submitted electronically to Mr. Craig Burton, City Recorder at least three days prior to the bid deadline. All information given to one candidate will be sent to all candidates who have received this RFP, or who have contacted the City Recorder's office and requested to be placed on a list of interested parties.

Questions of a procedural nature (forms necessary, confirming deadline, format of papers, etc.) shall not be forwarded to all candidates.

No contact regarding this RFP, except scheduled telephone calls pre-approved by the Agency and including at least one representative from the Agency, the City of South Salt Lake, and the Financial Advisor, shall be made with the Agency staff, City staff or Agency officials. Any such contact will result in the immediate disqualification of the respondent.

G. INCURRING COSTS

The Issuer will not be liable for any costs which respondents incur in preparation and delivery of a proposal.

H. PROPRIETARY INFORMATION

Please mark any specific information contained in your firm's proposal, which is not to be disclosed to the public, or used for purposes other than the evaluation of the proposals. Pricing and service elements of any proposal will not be considered proprietary. All material becomes the property of the Agency and may be returned only at the Agency's option. Proposals submitted may be reviewed and evaluated by any persons at the discretion of the Agency.

I. CONTENTS OF PROPOSAL

Proposals responsive to this RFP are limited in length to no more than twelve(12) pages exclusive of a one-page cover letter and the list of transactions requested in item #5 below.

The response to the RFP should address the following:

1. Short summary résumé for the lead banker and head municipal trader. Please note any relevant experience of the individuals assigned to the underwriting.
2. Information about your firm's municipal sales force noting how many salespeople are dedicated solely or primarily to selling municipal bonds along with a statement as to how many years of experience the individuals have.
3. Please describe your firms' capital structure and a short recent example where your firm's capital was utilized to underwrite bond balances remaining unsold at the end of the order period.
4. How many sole-managed negotiated sales has your firm underwritten in the past twelve months, and what was the average par amount of those transactions?

5. Please provide a list of the excise tax and/or tax increment revenue bonds, with par amounts between \$5M and \$20M your firm has underwritten as senior or sole manager during the past three (3) years, including name of issuer, rating, par amount, date priced, final maturity date and your role in the underwriting (senior or sole underwriter).
6. The Series 2010 Bonds will be refunded via traditional tax-exempt refinancing. Noting that the Agency seeks to maximize savings on the Series 2020 Bonds, please provide your firm's approach to help the Agency achieve the highest level of savings on the Series 2020 Bonds.
7. Please describe your thoughts regarding ratings and the number of ratings you anticipate the Agency needing for optimal sale results.
8. What transaction in the last year, where your firm served as senior or sole underwriter, would you suggest that the Agency look to as being most comparable to the transaction the Agency is contemplating and note what similarities and differences exist that would impact pricing. Please include name and contact information for a primary contact at the issuer for the transaction you reference.
9. Making note of two pertinent facts; (i) the scheduled pricing date is within a relatively short time frame, and (ii) the information provided will be used as a specific guide on the pricing date if your firm is selected; please provide indicative pricing as of **September 29, 2020** for the proposed Series 2020 Bonds. Please include coupon scenarios, including yield structure and proposed call feature for two scenarios. The first scenario to be based on an assumed rating of **A+**. The second scenario to be based on an assumed rating of **AA-**. Both scenarios should be based upon the preliminary maturity schedule detailed on the following page. The scales should assume that the bonds will be bank qualified.
10. Provide a proposed underwriter's discount with detail as to the component that will be paid to the sales force noting that it is the Agency desires to provide reasonable compensation to the municipal sales force so as to motivate them to market the bonds aggressively.
11. Keeping within the page limits prescribed, you may include other information you consider pertinent for the Agency to consider in making its decision.

J. EVALUATION CRITERIA

The Selection Committee will review the proposals received in accordance with the general criteria defined below. Proposals shall specify each item as set forth in this RFP. Failure to fully comply with the requirements of the RFP may be grounds for rejection of the proposal. The sole objective of the Selection Committee will be to select the proposal most responsive to the Agency's needs, based on the following criteria:

1. Adequacy, completeness, and responsiveness of the Proposal with regard to the information required by the RFP,
2. Demonstrated competence and professional qualifications necessary for satisfactory performance of the work required by the Agency,
3. Recent experience in successfully providing underwriting services for similar bond issue,
4. Background and related experience of the specific individuals to be assigned to the Agency's Series 2020 Bonds,

Responsiveness to the RFP:	35%
Qualifications/Previous Experience:	35%
Pricing and Fee Elements:	30%

PRELIMINARY MATURITY SCHEDULE

DATE (NOVEMBER 1)	PRINCIPAL *
2021	\$465,000
2022	485,000
2023	500,000
2024	520,000
2025	545,000
2026	565,000
2027	585,000
2028	610,000
2029	635,000
2030	660,000
2031	685,000
2032	715,000
2033	745,000
2034	775,000
2035	805,000
Total:	\$9,295,000

** Preliminary, subject to change. Maturity schedule shown above is based on LYRB's current assumption for the coupon/yield structure.*