

CITY OF NORTH LITTLE ROCK, ARKANSAS
COMMERCE DEPARTMENT
Mary Beth Bowman, Director
Amy Smith, Assistant Director for Procurement
Crystal Willis, Admin. Secretary/Asst. Purchasing Agent



120 MAIN STREET
P.O. BOX 5757
NORTH LITTLE ROCK, AR 72119
501-975-8881 Phone
501-975-8885 Fax

REQUEST FOR QUALIFICATIONS

Bid Number: _____ 16-3395 _____ Date Issued: _____ Monday, July 18, 2016

Date & Time Bid Opening: _____ Wednesday, August 10, 2016 @ 4:00 p.m.

RFQ NOTICE

THE CITY OF NORTH LITTLE ROCK IS REQUESTING QUALIFICATION STATEMENTS FROM UNDERWRITER SERVICES TO:

Underwrite revenue bonds during 2016 to refinance 2011 North Little Rock Electric Revenue Bonds outstanding balance of about 14.6 million.

For general instructions and/or comments, please contact Karen Scott at 501-975-8802 or kscott@nlr.ar.gov

Specific requests and/or questions must be submitted in writing to Mrs. Scott prior to 10:30am on Tuesday, August 2, 2016. The City will provide the answers to the questions and/or requests on the City's website: www.nlr.ar.gov

Note: FAILURE TO FILL OUT AND SIGN THE INVITATION TO BID SHEET WILL RESULT IN REJECTION OF THE BID.

EXECUTION OF BID

Upon signing this page, the organization certifies that they have read and agree to the requirements set forth in this RFQ/RFP/BID including conditions set forth and pertinent information requests.

Name of Firm: _____ Phone No.: _____

Arkansas Tax Permit No.: _____

Business Address: _____

Signature of Authorized Person: _____

Title: _____ Date: _____

UNSIGNED COVER SHEETS WILL BE REJECTED.

REQUEST FOR QUALIFICATIONS

BOND UNDERWRITING SERVICES for REFUNDING ELECTRIC UTILITY DEBT

Background

The City of North Little Rock owns and operates a municipal utility referred to as North Little Rock Electric. North Little Rock Electric provides electric services to North Little Rock residents and businesses as well as customers outside of the City of North Little Rock.

The City of North Little Rock (the "City") pursuant to the adoption of Resolution No. 9014 by the City Council of North Little Rock is soliciting proposals from qualified firms for underwriting services in connection with the refinancing of \$14.6M in Electric System Revenue Bonds, Series 2011.

The City confirmed the aggregate principal amount, maturity, interest rate schedules and redemption features of the 2011 Electric Revenue Bonds.

On May 23, 2016, the City's Investment Advisory Board recommended that the 2011 Electric Revenue Bonds should be refinanced in order to reduce annual interest expense of approximately \$175,000.

The City finds that refinancing the 2011 Electric Revenue Bonds would benefit the City and ratepayers of the North Little Rock Electric Department by reducing annual debt payments.

Scope of Work

The following scope of work is provided in order to solicit proposals for underwriter services:

Underwrite revenue bonds during 2016 to refinance 2011 North Little Rock Electric Revenue Bonds outstanding balance of about \$14.6 million;

- Assist in preparation and dissemination of the preliminary and final official statement and other necessary disclosure documents;
- Assist in the preparation of rating agency presentations to ensure that Electric Utility's credit standing is being presented accurately and completely:
 - Rating by S&P is currently an A rating

- Assist in the preparation and evaluation of alternative financing scenarios; this might include comparing and contrasting traditional tax exempt bonds and any other alternatives in the market;
- Provide pricing information and make recommendations on aspects of financing including, but not limited to, the timing of the sale, maturity schedule and call provisions;
- Assume primary responsibility for all activities associated with the purchase and marketing of securities in a manner that results in the most favorable bond terms to the City;
- Assist in the preparation and execution of closing documents associated with this refinancing; and
- Throughout the process, work with the City's Finance Director and the City's Investment Advisory Board to effect this refinancing.

Proposal Preparation and Format

Each underwriter proposal shall be prepared by individuals qualified to fulfill the needs required by the scope of services for this RFQ.

The contents of written proposals shall be arranged or presented in the following sequence to facilitate evaluation:

1. Cover letter

The cover letter should introduce and summarize the proposal, and indicate to whom all proposal communications shall be addressed, including an email address.

2. Company and staff/qualifications

- a) Name of firm and mailing address, phone and fax number of the proposer's principal place of business.
- b) Names and positions of persons to be assigned to this financing by underwriter.
- c) Overall company experience in utility infrastructure financings or debt refunding. Include a brief history of your firm, including ownership, size, capital position, number of offices nationally and accounts in Arkansas.

- d) Include a description of your firm's municipal sales and distribution capabilities, including the volume of tax-exempt bonds sold to investors in the last five years, and your role as senior manager, co-manager, etc.
- e) Describe your relationships with credit enhancement providers and any innovative structures you have utilized to improve credit ratings of issuers you have served in the past three years.

3. Work plan

This section should give an introduction and overview of the approach your firm would use in fulfilling the obligations set forth in the Scope of Work of this RFQ.

As of close of business, July 22, 2016, please indicate, by maturities of one through twenty years, an estimate of where the City of North Little Rock:

- Tax exempt revenue bonds would price relative to municipal market data for its electric utility with an A credit rating.

Please describe specific marketing ideas and efforts that you would engage in as part of your service as underwriter to assure the City would get the best pricing possible.

4. Data Request

This section of the proposal shall itemize all documents or data the underwriter expects the City to provide in carrying out this financing.

5. Scope Exclusions/Addenda

In reviewing this RFQ, underwriting firms may encounter tasks, which, in the opinion of some firms, may be unnecessary, or, may have been omitted. At the Proposer's discretion, the underwriter may identify such tasks and either comment on why they should or should not be included as part of this RFQ.

6. Deliverables

Deliverables are material products such as the sales of bonds named in the Scope of Work.

7. Schedule

The City prefers the underwriter to recommend timing of sales such that it renders the greatest benefit to the issuer. Underwriter proposal should include a brief description of factors to consider in making decision about when to price and sell bonds.

8. Other Client Commitments

Underwriting firm shall attest to the availability of key staff to fulfill the obligations of this engagement in a professional and timely manner. If there are any scheduling issues of concern, then underwriting firm shall disclose those other commitments in its Proposal to the City and indicate how such other commitments will be addressed to mitigate their effect on services rendered to the City.

9. Other

This section should contain any additional information the underwriting firm feels will strengthen the proposal or be of interest to the City.

General Instructions

1. City of North Little Rock's Point of Contact

Upon release of this RFQ, all proposer communications concerning this process must be directed to the City's point of contact for this RFQ:

Karen Scott
Finance Director
Department of Finance
120 Main Street
North Little Rock, AR 72114
Telephone: (501) 975-8802
Facsimile: (501) 975-8810
Email: kscott@nlr.ar.gov

2. Proposer Requests and Questions

Specific requests and questions concerning this RFQ shall be submitting in writing to the RFQ Point of Contact prior to 10:30 a.m. on Tuesday, August 2, 2016. The City will provide the answers to the questions or requests on the City's website: www.nlr.ar.gov

(Click on Government, go to the Commerce Department, Click on Bids and find this RFQ listed and you should see any addendums or responses to any questions related to this RFQ.)

Any oral communications shall be considered unofficial and non-binding on the City of North Little Rock.

3. Pre-Proposal Meeting

Given the standard nature of this study, no Pre-Proposal meeting is scheduled for this RFQ process.

4. Submittal Address and Deadline

Three original hardcopies of the respondent's proposal in its entirety must be received by the City of North Little Rock no later than 4:00 p.m. on Wednesday, August 10, 2016, at the following address:

Mary Beth Bowman
Director of Commerce
City of North Little Rock
120 Main Street
North Little Rock, AR 72114

MARK ON YOUR PROPOSAL ENVELOPES "RFQ FOR UNDERWRITER SERVICES FOR ELECTRIC REVENUE BONDS"

5. Terms of Withdrawal

All proposals shall be firm and may not be withdrawn for a period of ninety (90) days following the deadline dated for submission of proposals noted herein.

6. Disposition of Proposals

All proposals submitted to the City in response to this RFQ will become the property of the City and will not be returned. All expenses incurred in preparing and submitting proposals shall be at the sole cost and expense of the Proposer. The City reserves the right to reject any and all proposals submitted in response to this RFQ for cause or not for cause.

Selection Criteria

Selection of underwriter services will be based on evaluation of the various proposal elements, and the following will be of primary importance:

- a) Experience and qualifications of firm and assigned staff
- b) Sales and pricing strategy and methodology
- c) Fees and expenses
- d) Other proposal aspects including references

Notes

Each firm that submits a Statement of Qualifications should disclose all relevant material facts regarding significant financial or influential interest with City employees and City Council Members and all contracts and/or transactions that might reasonably be construed to be adverse to the City's interests.

The City has a policy of non-discrimination and abides by all laws, rules, and executive orders governing equal employment opportunity. As employers, City contractors and service providers may not discriminate on the basis of age, sex, race, religion, color, national origin, handicap, or veteran status. The City encourages its contractors and service providers to accept the goal of having a workforce that generally reflects the demographic composition of the community in which the contractors and service providers are located.

Proposal Approval and Agreement Execution

The successful Proposer will be required to enter into a professional service agreement with the City which incorporates by reference the negotiated Work Statement and payment schedule. The following summarize “anticipated” approval process and requirements for issuance of notice to proceed:

1. City's Investment Advisory Board/City Council Approval

The City anticipates that award of contract for this engagement will be made on August 22, 2016. The City's Investment Advisory Board/City Council may reject any and all proposals or may waive irregularities or informalities in any proposal if it is in the public's best interest. After approval of award by the City's Investment Advisory Board/City Council, the Mayor and City Clerk will be authorized to sign the contract.

2. Underwriter to Obtain Insurance

The awarded firm shall provide to the City the worker's compensation, and the professional liability insurance coverages, endorsements and certifications specified in the attached same contract.

3. Underwriter to Execute Contract

The contract agreement shall be signed by the underwriting firm in triplicate and three originals shall be returned together with the insurance within 15 calendar days from the date of receipt of notice of award. No contract shall be binding upon the City until completely executed by the underwriting firm and the City and approved by the City Attorney. Failure to execute the contract agreement and file acceptable insurance within the time limit may be just cause for annulment of the award.

4. Purchase Order and Notice to Proceed

Following receipt by the City of executed agreement and insurance documents, City of North Little Rock will issue a Notice to Proceed to the underwriting firm and return a signed contract to underwriter. These documents will provide final approval and authorization for the underwriting firm to commence work.

I certify that I have read and agree to abide by all terms and conditions of this solicitation and that I am authorized to sign for the Proposer. I certify that the response submitted is made in conformance with all requirements of the solicitation.

Business Name: _____ FEIN: _____

Address: _____

City, State, Zip Code: _____

Email Address: _____

Authorized Signature: _____ Date: _____

Printed Name: _____ Title: _____

ACKNOWLEDGMENT

STATE OF _____)

)SS

COUNTY OF _____)

BE IT REMEMBERED, that on this day before the undersigned, a Notary Public, personally appeared _____, who acknowledged him/herself to be the _____ of _____, and that he/she is authorized to execute the foregoing instrument for the consideration and purposes therein contained.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this _____ day of _____, 2016.

Notary Public

My Commission Expires:

(SEAL)

Attachment A

**CITY OF NORTH LITTLE ROCK, ARKANSAS
STANDARD CONTRACT RFQ**



This contract entered into this ____ day of _____ 2016, by _____ hereinafter called the "Contractor" and City of North Little Rock, AR, called the "Owner".

WITNESSETH that the Contractor and the Owner, in consideration of the mutual covenants, promises and agreements herein contained, agree as follows:

SCOPE OF CONTRACT: The Contractor shall provide the goods/services to the Owner as set forth in the Contract Documents.

PERIOD OF PERFORMANCE: From _____ through _____.

The contract documents shall consist of:

1. This signed form;
2. The entire Request for Proposal dated: _____

Addenda #1, Dated: _____

3. The Contractor's Proposal dated _____ and the following negotiated modifications to the Proposal, all of which documents are incorporated herein.
4. All required Insurance Policies and Certificates

IN WITNESS WHEREOF, the parties have caused this Contract to be duly executed intending to be bound thereby.

Signatures on next page

City of North Little Rock

Contractor

By: _____
Joe A. Smith, Mayor

By: _____

Name/ Title

ATTEST:

Diane Whitbey, City Clerk

**TERMS AND STANDARD CONDITIONS
CITY OF NORTH LITTLE ROCK, ARKANSAS**

PLEASE READ CAREFULLY

1. When submitting an "Invitation to Bid," the bidder warrants that the commodities covered by the bid shall be free from defects in material and workmanship under normal use and service. In addition, bidder must deliver new commodities of the latest design and model, unless otherwise specified in the "Invitation to Bid."
2. Prices quoted are to be net process, and when an error is made in extending total prices, the City may accept the bid for the lesser amount whether reflected by extension or by the correct multiple of the unit price.
3. Discounts offered will be taken when the City qualifies for such. The beginning date for computing discounts will be the date of invoice or the date of delivery and acceptance, whichever is later.
4. When bidding other than the brand and/or model specified in the "Invitation to Bid," the brand and/or model number must be stated by that item in the "Invitation to Bid," and descriptive literature be submitted with the bid.
5. The City reserves the right to reject any and all bids.
6. The Purchasing office reserves the right to award items, all or none, or by line item(s).
7. Quality, time and probability of performance may be factors in making an award.
8. Bid quotes submitted will remain firm for 30 calendar days from bid opening date; however, the prices may remain firm for a longer period of time if mutually agreeable between bidder and the Department of Commerce and Governmental Relations.
9. Bidder must submit a completed signed copy of the front page of the "Invitation to Bid" and must submit any other information required in the "Invitation to Bid."
10. In the event a contract is entered into pursuant to the "Invitation to Bid," the bidder shall not discriminate against any qualified employee or qualified applicant for employment because of race, sex, color, creed, national origin or ancestry. The bidder must include in any and all subcontracts a provision similar to the above.
11. Sales or use tax is not to be included in the bid price, but is to be added by the vendor to the invoice billing to the City. Although use tax is not to be included in this bid, vendors are to register and pay tax direct to the Arkansas State Revenue Department.
12. Prices quoted shall be "Free on Board" (F.O.B.) to destination at designated facility in North Little Rock. Charges may not be added after the bid is opened.
13. In the event of two or more identical low bids, the contract may be awarded arbitrarily or for any reason to any of such bidders or split in any proportion between them at the discretion of the Department of Commerce and Governmental Relations.
14. Specifications furnished with this Invitation are intended to establish a desired quality or performance level, or other minimum dimensions and capacities, which will provide the best product available at the lowest possible price. Other than designated brands and/or models approved as equal to designated products shall receive an equal consideration.
15. Samples of items when required, must be furnished free, and, if not called for within 30 days from date of bid opening, will become property of the City.
16. Bids will not be considered if they are: 1. Submitted after the bid's opening time. 2. Submitted electronically or faxed (unless authorized by Purchasing Agent).
17. Guarantees and warranties should be submitted with the bid, as they may be a consideration in making an award.
18. **CONSTRUCTION**
 - A. Contractor is to supply the City with evidence of having and maintaining proper and complete insurance, specifically Workman's Compensation Insurance in accordance with the laws of the State of Arkansas, Public Liability and Property Damage. All premiums and cost shall be paid by the Contractor. In no way will the City be responsible in case of accident.
 - B. When noted, a Certified check or bid bond in the amount of 5% of total bid shall accompany bid.
 - C. A Performance Bond equaling the total amount of any bid exceeding \$10,000.00 must be provided for any contract for the repair, alteration or erection of any public building, public structure or public improvement (pursuant to Act 351 or 1953 as amended by Act 539 of 1979).
19. **LIQUIDATED DAMAGES** - Liquidated damages shall be assessed beginning on the first day following the maximum delivery or completion time entered on this bid form and/or provided for by the plans and specifications.
20. **AMBIGUITY IN BID** - Any ambiguity in any bid as the result of omission, error, lack of clarity or non-compliance by the bidder with specifications, instructions, and all conditions of bidding shall be construed in the light most favorable to the City.
21. The bid number should be stated on the face of the sealed bid envelope. If it is not, the envelope will have to be opened to identify.
22. Whenever a bid is sought seeking a source of supply for a specified period of time for materials and services, the quantities of usage shown are estimated ONLY. No guarantee or warranty is given or implied by the participants as to the total amount that may or may not be purchased from any resulting contracts. These quantities are for the bidders information ONLY and will be used for tabulation and presentation of bid and the participant reserves the right to increase or decrease quantities as required.
23. The City of North Little Rock reserves the right to reject any and all bids, to accept in whole or in part, to waive any informalities in bids received, to accept bids on materials or equipment with variations from specifications in those cases where efficiency of operation will not be impaired, and unless otherwise specified by the bidder, to accept any item in the bid. If unit prices and extensions thereof do not coincide, the City of North Little Rock may accept the bid for the lesser amount whether reflected by the extension or by the correct multiple of the unit price.
24. Additional information or bid forms may be obtained from:
COMMERCE DEPARTMENT, 120 Main Street, P.O. Box 5757, North Little Rock, Arkansas 72119 (501) 975-8881 www.nlr.ar.gov

Bidding documents must be submitted on or before the bid's opening date and time. Unless noted, sealed bids must be submitted to the Commerce Department at 120 Main Street, North Little Rock, AR 72114 or PO Box 5757, North Little Rock, AR 72119