

BILL C. PEACOCK
Director - Purchasing



DOUGLAS COUNTY BOARD OF COMMISSIONERS
PURCHASING DEPARTMENT

8700 Hospital Drive • Douglasville, GA 30134
Telephone (770) 920-7247 • Fax (770) 920-7219

Douglas County Board of Commissioners
Purchasing Department

Underwriting Services

REQUEST FOR QUALIFICATIONS
Solicitation No. 17-005

January 27, 2017

Dear Sir or Madam,

Douglas County (the "County") is soliciting qualifications from qualified underwriting firms to underwrite the County's bond issue(s). The Douglas County SPLOST Program was approved by Douglas County voters on November 8, 2016 for the purpose of funding the building of parks, schools, roads, and other public facilities. The proposed SPLOST would last for six (6) years with projected revenues from approximately \$130 million to \$160 million. Douglas County's portion, per agreements with the cities of Villa Rica, Douglasville, and Austell, is projected anywhere from \$96 million to \$115 million depending on sales tax revenues.

The County, with the input of its Municipal Advisor, Terminus Municipal Advisors, LLC (see attached IRMA notice) is seeking to issue bonds to fund some of the projects. While a specific amount has yet to be determined, the County has the option to issue bonds in an amount not to exceed \$110 million.

The timing and structure for each bond issue will be determined by the County in consultation with the County's independent financial advisor based upon the facts and circumstances at the time.

Restriction of Communication. From the issue date of this RFQ until a successful respondent(s) are selected and the selection is announced, respondents are not allowed to communicate about this solicitation with any member of the County, County staff or County consultants, except for submission of questions as instructed herein, or during the proposer's conference (if applicable), or as provided by any existing work agreement(s). For any violation of this provision, the County reserves the right to reject the submission of the offending respondent.

Scope of Services

The services to be provided include, but are not limited to, the following:

- Assume primary responsibility for all activities associated with marketing and selling of the Bonds, including the development of a marketing plan;

web site: CelebrateDouglasCounty.com

e-mail: bpeacock@co.douglas.ga.us

Persons With Hearing Or Speech Disabilities Who Need To Contact Douglas County May Place Their Call Through The Georgia Relay Center At (800) 255-0056 (Text Telephone) Or (800) 255-0135 (Voice Telephone).

- Assist as required in the preparation of preliminary and final official statements and such other documentation as may be required to issue, market and sell the bonds
- Supervise as required the preparation of a bond purchase agreement and agreement among underwriters, if applicable;
- Underwrite any unsold maturities of bonds;
- Provide a report of orders and proposed allotments for County approval;
- Provide a final report summarizing the sale of the bonds.
- Assist in preparation of any and all resolutions authorizing the issuance and sale of any bonds, notes, or execution of investment agreements.
- Assist in preparation of documents necessary to bond issues/financial transactions including form of sale, opinions, and amendments.
- Assist in preparation of the Preliminary Official Statement, the Official Statement and any other documents which may be distributed in connection with any sale or investments.
- Upon closing, assist in the timely filing and delivery of all appropriate documentation to the Internal Revenue Service and other agencies as required.

Criteria for Evaluation

The County reserves the right to use judgmental factors in determining which proposal shall be in the County's best interest and the exercise of that judgment by the County shall be final and binding upon all firms submitting proposals. The following evaluation criteria will be used as the basis for the evaluation of proposals. The criteria are listed in order of importance. **No weighting or scoring for each criteria will be included with this RFQ.**

- A. Overall Public Finance Experience
- B. Experience with Douglas County and like municipalities
- C. Experience of Personnel Assigned
- D. Past or Present Investigations/Litigation
- E. Approach to Fees and Expenses (specific costs for this project shall not be included)

Qualifications and Criteria

Please provide the following:

Please limit your response to 15 pages. This page limitation does not apply to the detail information that may be included in appendices. Joint proposals are not permitted.

1. Transmittal Letter.
2. Firm information, including the name of your firm, address and telephone number for the firm's headquarters and website address. Please provide the Primary contact information, including the name, title, address, telephone and email address of the person responsible for the firm's service to the County. Please provide a detailed list of the experience of the lead banker and proposed financing team in the last 5 years.
3. A firm resume depicting previous experience in serving as Book-Running Underwriter in connection with any public finance transactions in Georgia within the past 5 years. Please provide

a summary of your firm's experience in serving nationally as Book-running manager on a negotiated basis within the past 5 years

4. Please provide any previous experience your firm and its professionals have working with Douglas County or any of its municipalities since 2010.
5. Provide a description of your firm's corporate or ownership structure. Include the size and components of the firm's capital position and how much the firm is authorized to underwrite in bonds.
6. Provide three (3) references of Georgia County Issuers that your firm has served within the past 5 years. Please include the contact information for each issuer.
7. Are there any pending or threatened investigations or litigation by the United States Securities and Exchange Commission (SEC), other Federal Agency, or any other regulatory body or court (local, state or federal) or other state agencies regarding your firm and its management? Have there been any such investigations or litigation or threats that have been resolved within the past three years? Please provide the same information for personnel that would be assigned to the County for the same time period. If necessary, provide a summary within the body of the qualification document and provide the detail in an appendix.
8. Please provide at least two examples, during the past year (2016), which demonstrates your firm's ability to sell bonds and underwrite public finance transactions similar those anticipated by the County. Please highlight transactions where underwriting of balances was necessary.

This is not a cost proposal. Please provide your approach to your fees and expenses. Provide an example of the fees your firm would charge assuming G.O. bond sizes of \$50, \$75 and \$100 million. Include the basis of the fees and expenses (e.g., \$/per \$1,000 or fixed amount) and the totals for each bond size above. Include the description and method of calculation of all expenses for which you would expect reimbursement. *Note – fees will be paid only upon a successful closing of the financing. The County will not pay any fee or charge that is not disclosed prior to the pricing of any bond issue. Additionally, the County will not reimburse any expenses for out of town travel unless previously approved by the County and directly related to the bond issuance.*

The County is currently rated Aa2 and AA by Moody's and S&P, respectively. Please give your firm's overall view of the County's credit profile and proposed transactions. Discuss the proposed sales strategy/marketing plan and likely purchasers of the bonds. Discuss any specific credit issues applicable to the County's credit profile that you believe should be addressed when preparing the transaction for the rating agencies and the investor community. Please provide your overall thoughts, ideas and improvements to the anticipated transaction structure and strategies the County should consider enhancing its long-term credit profile.

Submission

The selected firm or firms will agree to perform all of the underwriting services requested in connection with the engagement with the standard of care normally given to matters of this nature.

All information for interested firms and qualifications documents may be obtained at the office of the Douglas County Purchasing Department, located on the third floor of the Douglas County Courthouse, at 8700 Hospital Drive, Douglasville, Georgia or by email at bpeacock@co.douglas.ga.us.

Sealed Qualifications in response to this Request will be received by the:

Douglas County Purchasing Director
8700 Hospital Drive
Douglasville, Georgia 30134

The Qualifications due date is February 10, 2017, no later than 2:00 PM EST. Qualifications will be opened at 2:00 PM EST on the Qualifications Due Date in the Purchasing Qualifications Opening Room on the third floor of the Courthouse. You are invited to attend, or submit your Qualifications prior to the deadline. Each response should be marked on the outside of the envelope with: "Sealed Qualifications for Underwriting Services, Solicitation No. 17-005".

Douglas County reserves the right to waive any informalities, to reject any and all Qualifications, to evaluate Qualifications, to accept portions of any Qualifications and to accept any Qualifications, which in its opinion, may be in the best interest of the County. The County reserves the right to add to or delete from the contract after the contract has been awarded.

No Qualifications will be received or accepted after the above specified date and time of the Qualifications opening. Qualifications submitted after the designated date and time will be deemed invalid and returned unopened to the firm.

No Qualifications may be withdrawn within thirty (30) days after the Qualifications opening and all Qualifications shall remain firm during this period.

Sincerely,


Bill C. Peacock
Purchasing Director

Attachment

Attachment 1

SEC Municipal Advisor – IRMA Exemption Notice

This notice has been prepared and made publicly available by Douglas County (the “County”) in light of the Securities and Exchange Commission’s (“SEC”) “Municipal Advisor Rule” pursuant to Section 975 of Title IX of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act”).

The County engages in an ongoing dialogue with potential transaction parties, and is aware of the amendments to Section 15B of the Securities Exchange Act of 1934 effectuated by Section 975 of the Dodd-Frank Act, as well as the SEC Release No. 34-70462 (September 20, 2013). In this regard, please note that the County considers discussions with potential transaction parties to be arms-length negotiations.

The County recognizes that third parties have financial and other interests that differ from ours, and as such we do not consider a fiduciary relationship to arise. The County has engaged an independent registered municipal advisor (“IRMA”) with the intent of relying (i.e., taking into careful consideration, along with any other information deemed relevant or appropriate, but not necessarily following) on that IRMA for advice related to any potential transactions, financial products (the “Covered Advice”), and consequently to allow third parties to qualify for the exemption provided by 17 CFR §240.15Ba1-1(d)(3)(vi) (the “IRMA exemption”). If you intend to avail yourself of the IRMA exemption, we request that you supply written materials setting forth the material contents of your presentation to our IRMA concurrently with, or prior to, discussing it with us. Additionally, our IRMA will respond to whatever requests you may have to determine if they are “independent.” Underwriters may rely on this notice with respect to Covered Advice.

The name and contact information of the County’s IRMA, which is registered as a municipal advisor with the Securities and Exchange Commission and the Municipal Securities Rulemaking County, is as follows:

Matthew R. Arrington
President
Terminus Municipal Advisors, LLC
3715 Northside Parkway NW
Suite 4-220
Atlanta, GA 30327
(404) 495-4722
(205) 585-6540 Cell

 **TerminusMunicipalAdvisors™**
www.smcterminus.com