

DAWN D. EVERS
Director



DOUGLAS COUNTY BOARD OF COMMISSIONERS
PURCHASING DEPARTMENT

8700 Hospital Drive • Douglasville, GA 30134
Telephone (770) 920-7390 • Fax (770) 920-7219

February 21, 2020

Subject: Douglas County, Georgia, Board of Commissioners
Invitation to Bid – Tax Anticipation Note (TAN)
Solicitation No. 20-005

Dear Gentlemen/Ladies:

Enclosed please find the Douglas County Board of Commissioners Invitation to Bid for a borrowing of \$25,000,000.00 Tax Anticipation Note.

The bid due date is March 12, 2020 at 10:00 AM ET, at the Douglas County Courthouse, Purchasing Conference Room, Third Floor, 8700 Hospital Drive, Douglasville, Georgia. You are invited to attend, or submit your bid prior to the deadline. Bids may be mailed or hand delivered. **Bids will be opened at 10:00 AM, ET.**

One (1) original and three (3) copies of the bids may be mailed or hand delivered to the Purchasing Director's Office at the address above no later than **10:00 a.m. ET, March 12, 2020**, so they may be included among those read at the Douglas County Courthouse. Each response should be marked: **"Sealed Bid – Solicitation No. 20-005 Tax Anticipation Note, March 12, 2020"**.

Please submit your bid on this requirement in accordance with the instructions contained herein. The TAN documents enclosed will be the official documents for this borrowing. All documents herein, including this letter are hereby a part of this Invitation to Bid Document.

Thank you in advance for your interest and we look forward to your participation.

Sincerely,

Dawn D. Evers
Purchasing Director

Attachments

Cc: Mark Teal, County Administrator
Jennifer Hallman, Finance Director

web site: CelebrateDouglasCounty.com

e-mail: devers@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).

DOUGLAS COUNTY, GEORGIA, BOARD OF COMMISSIONERS
Purchasing Department
INVITATION TO BID

TAX ANTICIPATION NOTE OR NOTES (TAN)
SOLICITATION NO. 20-005
February 2020

General Information

On March 27, 2020, the Douglas County Board of Commissioners will close a working capital borrowing of **\$25,000,000.00** in exchange for a Tax Anticipation Note or Notes (TAN), accompanied by appropriate County resolutions, legal opinions, and non-arbitrage certificate. The amount of the TAN has been calculated in accordance with IRS regulations and complies with Section 148 of the Internal Revenue Code of 1986, as amended. Attached as Exhibit A are the calculations supporting the amount of the TAN. The Bid Documents are available on the Douglas County website at www.celebratedouglascounty.com under the Purchasing Department.

Douglas County

The County's most recent Financial Reports can be found on the County's website at www.celebratedouglascounty.com under the Finance Department.

Terms of TAN

The TAN will bear interest at a fixed rate calculated on the basis of the actual number of days elapsed in a 360-day year. Both principal and interest will be paid on December 23, 2020. The TAN will not be bank qualified. The County's Finance Director will be the paying agent. The TAN will be evidenced by (a) a single Note in the principal amount of \$25,000,000.00 or (b) at the request of the purchaser, up to 25 Notes in authorized denominations of \$1,000,000 and integral multiples thereof. The purchaser may at its own expense apply for a cusip number. The TAN may at the request of the purchaser be DTC eligible. The County shall have the ability to prepay the TAN in whole or in part at any time without a penalty. The TAN will not be rated. The County is not preparing any disclosure document or official statement.

Bidders

In order to submit a proposal a bidder must be either (a) a bank that intends to hold the TAN to maturity or (b) a registered broker dealer acceptable to the County that certifies to the County that it is selling the TAN to no more than 25 persons each of whom the broker dealer reasonably believes (i) has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the TAN and (ii) is not purchasing for more than one account or with a view to distributing the TAN.

Questions

Questions regarding this Invitation to Bid should be submitted via email to the Purchasing Director at depurchasing@co.douglas.ga.us by Thursday, March 5, 2020 at 12:00 p.m. ET.

Instructions to Respondents

Bids may be mailed or hand delivered to the Purchasing Director’s Office in the Douglas County Courthouse, 8700 Hospital Drive, Douglasville, Georgia, no later than **10:00 AM, ET, on Thursday, March 12, 2020**, where they will be **publicly read at 10 AM, ET**. All bids must be marked, **“Sealed Bid - 2020 TAN, Solicitation No. 20-005 for Douglas County, 3/12/2020”**. All bids must include any and all fees and expenses of the bidder expected to be paid by the County. All bids shall be submitted using the bid response form attached hereto as Exhibit B. All bids shall be held firm for 30 days from due date.

TIME SCHEDULE	DATE
Issue Invitation to Bid	February 21, 2020
Deadline for Questions	March 5, 2020 by 12:00 p.m., ET
Addendum distributed if necessary	March 7, 2020
Bid Opening	March 12, 2020 at 10:00 a.m., ET
Formal Award	March 17, 2020
Notify vendor of Award	March 18, 2020
Close/Fund	March 27, 2020

Basis of Award

The County will award the TAN to the bidder with the lowest total interest cost (i.e., the interest rate on the TAN taking into account any fees and expenses expected to be paid by the County). In the event of equal bids, the Purchasing Director will ask the “equal” bidders to submit a best and final offer/rate.

Notwithstanding anything herein to the contrary, Douglas County reserves the right to waive informalities, to reject any and all bids, to accept portions of a bid, and to accept any bid which, in its opinion, may be in the best interest of the County.

Documents and Legal Opinions

Douglas County will provide all TAN Documents in association with this borrowing. These TAN Documents as provided by Douglas County will be the official documents for this borrowing. The County will also provide an opinion or opinions to the effect that the TAN is a valid and binding obligation of the County and that the interest on the TAX is excludable from gross income for federal income tax purposes and is exempt from Georgia income taxes.

Professionals Involved

Terminus Municipal Advisors, LLC is acting as the County’s financial advisor. Sherrod & Bernard, P.C. is acting as the County’s counsel, and Murray Barnes Finister LLP is acting as the County’s bond counsel.

EXHIBIT A

For Fiscal Year 2020

GENERAL FUND				
Month 2019	Beginning Balance	Cash Receipts	Cash Disbursements	Cumulative Surplus (Deficit)
January	\$ 18,908,899	7,808,221	(11,278,528)	\$ 15,438,592
February	15,438,592	5,349,400	(8,637,000)	12,150,992
March	12,150,992	3,695,800	(8,637,000)	7,209,792
April	7,209,792	5,135,700	(8,640,000)	3,705,492
May	3,705,492	4,423,300	(9,337,000)	(1,208,208)
June	(1,208,208)	4,221,400	(8,637,000)	(5,623,808)
July	(5,623,808)	4,324,900	(11,840,000)	(13,138,908)
August	(13,138,908)	4,571,500	(8,637,000)	(17,204,408)
September	(17,204,408)	4,390,300	(8,990,000)	(21,804,108)
October	(21,804,108)	22,678,200	(9,337,000)	(8,462,908)
November	(8,462,908)	30,740,600	(8,637,000)	13,640,692
December	13,640,692	13,659,000	(19,675,000)	7,624,692
		110,998,321	(122,282,528)	

Cumulative Surplus/Deficit for 2020 \$ (21,804,108)

PLUS Working Capital Reserve:

Gen Fund

2019 Expenditures \$ 95,108,000 5% \$ 4,755,400

Maximum Cumulative Cash Flow Deficit \$ 26,559,508

Finance Director's Recommendation \$ 25,000,000

EXHIBIT B

DOUGLAS COUNTY, GEORGIA, BOARD OF COMMISSIONERS
Purchasing Department
TAX ANTICIPATION NOTE OR NOTES (TAN)
Solicitation No. 20-005
INVITATION TO BID – BID SHEET
February 2020

The _____ wishes to submit the
(Proposing Institution)
following bid with regard to the March 27, 2020, Douglas County Tax Anticipation Note (TAN)
Invitation to Bid documents:

1. **Tax Anticipation Note**, dated March 27, 2020, maturing December 23, 2020.
Amount: **\$25,000,000.00** (Twenty-Five Million Dollars and No/100)
Bid: % _____
2. **Additional fees or expenses expected to be paid by the County:** _____

.....

Institution: _____

Authorized
Signature: _____

Printed Name: _____ Federal Tax ID # _____

Title: _____ Date: _____

Telephone/Email Address: _____

SEC Municipal Advisor – IRMA Exemption Notice

This notice has been prepared and made publicly available by Douglas County, Georgia 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

3330 Cumberland Boulevard

Suite 660

Atlanta, GA 30339

(404) 495-4722

(205) 585-6540 Cell

Matthew.arrington@smcterminus.com

www.smcterminus.com



Updated 2/12/20