

**NORTH BAY VILLAGE, FLORIDA  
2023 LINE OF CREDIT  
REQUEST FOR PROPOSALS  
RFP#2023-006  
DATED JULY 25, 2023**

PFM Financial Advisors LLC (“PFM”) is distributing this request for proposals (the “RFP”) on behalf of North Bay Village, Florida (the “Village”) to identify the institution that can provide the Village with a Line of Credit (the “LOC”) at the lowest overall borrowing cost and terms most favorable to the Village, pursuant to certain conditions as determined by the Village, in an aggregate principal amount of not to exceed **\$10,000,000**. The Village will not provide a debt service reserve fund for the LOC. The LOC will be a directly placed loan to be held by the selected provider, and the Village will not prepare any offering documents or commit to provide any continuing disclosure information specific to the LOC.

The purpose of the Line of Credit (LOC) is to provide initial funding for the Village’s stormwater general obligation program, approved by referendum in 2022 for a total \$60 million. The general obligation bond program will finance the cost of capital projects for flood prevention and related roadway improvements to mitigate the effects of sea level rise and flooding. The Village has developed a Village-wide Stormwater Master Plan (SWMP) that will enable the Village to assess the existing stormwater infrastructure, evaluate current and future drainage conditions, determine allowable level of flooding and identify improvements to address future rain, flood, and water quality concerns based on scientifically-backed projections and state-of-the-art modeling tools. Stormwater Master Plan is available here:

[https://www.dropbox.com/s/rz01eb4akkfk32d/NBV\\_SWMP\\_REPORT\\_FINAL\\_2022-06-29%20RD.pdf?dl=0](https://www.dropbox.com/s/rz01eb4akkfk32d/NBV_SWMP_REPORT_FINAL_2022-06-29%20RD.pdf?dl=0)

A tentative calendar for the LOC is as follows:

July 25, 2023	RFP circulated
August 1, 2023	Questions related to RFP Due
<b>August 10, 2023</b>	<b>Responses due (2:00 p.m. ET)</b>
August 14, 2023	Village staff reviews responses
September 12, 2023	Village/City Commission Approval
On/prior to September 30, 2023	Closing

**The Village 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**

An electronic copy of your response should be emailed to Angela Atkinson, Chief Financial Officer ([AAtkinson@nbvillage.com](mailto:AAtkinson@nbvillage.com)) no later than **2:00 p.m. eastern time on August 10, 2023**. Please also send a copy of your response (via email) to the Village's Financial Advisor, PFM, addressed to Pete Varona ([varonap@pfm.com](mailto:varonap@pfm.com)) and Sergio Masvidal ([masvidals@pfm.com](mailto:masvidals@pfm.com)) by the submission deadline.

Any questions relating to the RFP must be submitted to PFM, addressed to Pete Varona ([varonap@pfm.com](mailto:varonap@pfm.com)) and Sergio Masvidal ([masvidals@pfm.com](mailto:masvidals@pfm.com)) in writing no later than August 1, 2023.

The following describes the Village's requirements in establishing the LOC:

1. Amounts: The Village is requesting a LOC for an amount up to \$10 million. The Village may draw up to the maximum amount of the LOC. The Village does not have a draw schedule in place at this time. That said, the LOC will be initiated with an initial planned draw at closing of approximately \$2,350,000.
2. Structure: The Village desires to have the flexibility to draw on the LOC for a period of twenty-four (24) months. At the end of the draw period, the line of credit will convert to a term loan with an amortization period of preferably 5 years, but no less than 3 years. Other options may be considered.
3. Interest Rate Options: The Village requests a variable rate loan based on SIFMA, SOFR, or a similar publicly available index. Provide a quote for a tax-exempt LOC. Please detail provisions for setting the interest rate upon conversion to a term loan at the end of the draw period.

It is the preference of the Village to avoid or minimize an unutilized fee. The Village will give preference to responses that feature no, or minor unutilized fee options.

4. Repayment Provisions: During the draw period, the Village expects to pay interest only. After the termination of the draw period, the Village would make principal and interest payments, with the outstanding principal to be amortized over a period of not less than three (3) years. Interest payments on the outstanding principal balance of the of the LOC will be fixed and calculated on a 30/360-day basis and will be paid semiannually on March 1 and September 1, beginning on the September 1 or March 1 after the first draw. Alternative payment frequencies (monthly, etc.) will be considered.
5. Prepayment Provisions: The LOC shall be prepayable with no prepayment penalty, in whole or in part at any time.
6. No Reserve: The Village will not fund a debt service reserve to secure the LOC.
7. CUSIP: No CUSIP Numbers or ratings will be obtained with respect to the LOC.

8. Security: In each fiscal year while the 2023 LOC is outstanding there shall be assessed, levied and collected an ad valorem tax, without limitation as to rate or amount, on all taxable property within the corporate limits of the Village (excluding exemptions as provided by applicable law), in addition to all other taxes, sufficient in amount to pay the principal of and interest on the 2023 Bond as the same shall become due and payable.

The ad valorem tax assessed, levied and collected for the security and payment of the 2023 LOC shall be assessed, levied and collected in the same manner and at the same time as other taxes are assessed, levied and collected and the proceeds of said tax shall be applied solely to the payment of the principal of and interest on the 2023 LOC.

The full faith, credit and taxing power of the Village will be irrevocably pledged to the punctual payment of the principal of, interest on and prepayment premium, if any, with respect to the 2023 LOC as the same shall become due and payable.

The Owner shall have a first lien on the ad valorem taxes pledged to secure the 2023 LOC (including the proceeds derived from the sale of tax certificates in the event of a delinquency in such payment of taxes) and the other monies, if any, on deposit in the funds and accounts created under the Bond Resolution, including all earnings thereon.

The Village will diligently enforce its right to receive tax revenues and will diligently enforce and collect such taxes. The Village will not take any action that will impair or adversely affect its rights to levy, collect and receive said taxes, or impair or adversely affect in any manner the pledge made under the Bond Resolution or the rights of the Owner.

To the extent the ad valorem revenues are comingled with other ad valorem revenues levied and collected to pay debt service on any other debt or obligation secured by or payable from ad valorem revenues, the Village agrees to pay the principal of and interest on the 2023 LOC on a pro rata basis with any other debt or obligation secured by or payable from the total ad valorem revenues collected for such purpose. Please see **Exhibit A** for a summary of the Village's finances.

9. Tax-Exemption: the Village will enter into such covenants as shall be necessary, in the opinion of Bond Counsel, to assure compliance by the Village with the Internal Revenue Code of 1986, as amended (the "Code"), and to qualify interest on the LOC for exclusion from gross income for federal income tax purposes as set forth in the opinion of Bond Counsel hereinafter mentioned. The Village requests offers without capital adequacy or other interest rate adjustment language with respect to changes to tax law. The only interest rate adjustment provision the Village will consider is one imposed as the result of a final, non-appealable ruling of the IRS or a court of competent jurisdiction declaring interest on the LOC to be includable in gross income of the holder thereof for federal income tax purposes and which results solely from the action or inaction of the Village.
10. Loan documents: Loan documents, including the form of LOC agreement embodying the terms hereof and of the accepted proposal, shall be prepared by Bond Counsel for the Village. Every effort shall be made to provide the Lender and its Counsel with drafts of the loan and closing documents for review and comment at least one week prior to closing.

11. Closing Documents: As a condition of closing the Village shall deliver to the Lender the following:
  - A. An Opinion of Bond Counsel, substantially to the effect that: 1) the Village is duly authorized and empowered under the laws of Florida to enter into the LOC; 2) the Resolution under which the LOC is authorized and secured has been duly adopted by the Village Commission and authorizes the issuance of the LOC; 3) interest on the LOC is not includible in gross income for Federal income tax purposes under Section 103(a) of the Code; and 4) the LOC agreement is a valid and binding obligation of the Village enforceable in accordance with the terms thereof, subject to standard exceptions for bankruptcy, creditors' rights and equitable principles;
  - B. If the Village has selected the tax-exempt LOC option, such other documents, certificates and instruments as shall be required by Bond Counsel, to evidence compliance with, or to comply with, the provisions of the Code, and applicable regulations thereunder, with respect to the exclusion of interest payable on the LOC from gross income for federal income tax purposes.
12. Closing: It is anticipated that closing for the LOC shall occur on or before September 30, 2023. Closing shall occur at a time and place mutually acceptable to the Village and the Lender. The award of the RFP by the Village does not obligate the Village to close on the LOC.
13. Rejection of Proposals: The Village 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 bank. The basis for acceptance of any proposal shall be that which is in the best interest of the Village as determined solely by the Village.
14. Amendment: Any time before responses are due the Village reserves the right to amend or modify this Request for Proposals by depositing in the United States mail or fax or email, addressed to each proposer which at the time has its name and address on file with the Financial Advisor, a copy of a written amendment or modification hereto.
15. Accredited Investor Letter: At closing, the financial institution providing the LOC may be required to execute and deliver to the Village an accredited investor letter in form and substance reasonably satisfactory to the Village and Bond Counsel.

### **INSTRUCTIONS TO PROPOSERS**

1. Proposers shall thoroughly examine and be familiar with the proposal specifications. Failure of any Proposer to receive or examine this document shall in no way relieve any Proposer of obligations pertaining to this RFP or the subsequent contract.
2. Any changes or modifications to the proposal specifications can result in the rejection of the proposal as not being responsive to this RFP.
3. The responsibility for emailing the proposal to the Village and PFM on or before the specified date and time will be solely and strictly the responsibility of the Proposer. The Village will in no

way be responsible for delays caused by transmission of the proposal or a delay caused by any other occurrence.

4. The response deadline shall be strictly observed. Under no circumstances will a proposal delivered after the time specified be considered.

5. Proposers will not be allowed to withdraw or modify their proposals for a period of ninety (90) days after the opening time and date.

6. The Village reserves the right to reject the proposal of any Proposer who has previously failed in the proper performance of a contract or to deliver on time other contracts similar in nature, or who is not in a position to perform properly under this RFP.

7. Federal, state, Village and local laws, ordinances, rules and regulations that in any manner affect the items covered herein apply. Lack of knowledge by the Proposer will in no way be a cause for relief from responsibility.

8. No successful Proposer may assign any portion of the contractual agreement between the parties without prior written authorization by the Village.

9. Changes to the RFP may be made by and at the sole discretion of the Village.

10. Warranties - The Proposer, in submission of its proposal, warrants to the Village that it will comply with all applicable federal, state and local laws, regulations and orders in providing the services under the proposed documents.

11. Collusion - The Proposer, by affixing its signature to this proposal, certifies that its proposal is made without previous understanding, agreement, or connection either with any previous firms or corporations offering a Proposal for the same subject matter of this RFP, or with the Village. The Proposer also certifies that its proposal is in all respects fair, without outside control, collusion, fraud or otherwise illegal action.

12. Discriminatory Vendor List - Pursuant to Section 287.134, Florida Statutes, an entity or affiliate who has been placed on the discriminatory vendor list may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity. By responding to this RFP, Proposer represents that it has not been placed on the discriminatory vendor list as provided in Section 287.134, Florida Statutes.

13. Public Entity Crimes - Pursuant to Section 287.133, Florida Statutes, a person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business

with any public entity in excess of the threshold amount provided in s. 287.017 for CATEGORY TWO for a period of 36 months following the date of being placed on the convicted vendor list. By responding to this RFP, Proposer represents that it has not been placed on the convicted vendor list as provided in Section 287.133, Florida Statutes.

14. Public Records - Proposer shall comply with all applicable requirements contained in the Florida Public Records Law (Chapter 119, Florida Statutes), including but not limited to any applicable provisions in Section 119.0701, Florida Statutes. To the extent an award of the RFP to Proposer is subject to the requirements in Section 119.0701, Florida Statutes, Proposer shall:

A. Keep and maintain public records required by the Village to perform the services provided hereunder.

B. Upon request from the Village's custodian of public records, provide the Village with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.

C. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed, except as authorized by law for the duration of the term of the resulting contract and following completion of the contract if Proposer does not transfer the records to the Village.

D. Upon completion of the resulting contract, transfer, at no cost, to the Village all public records in the possession of Proposer or keep and maintain public records required by the Village to perform the service. If Proposer transfers all public records to the Village upon completion of the contract, Proposer shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If Proposer keeps and maintains public records upon completion of the contract, Proposer shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the Village, upon request from the Village's custodian of public records, in a format that is compatible with the information technology systems of the Village.

E. If Proposer fails to comply with the requirements in this Section, the Village may enforce these provisions in accordance with the terms of the resulting contract. If Proposer fails to provide the public records to the Village within a reasonable time, it may be subject to penalties under Section 119.10, Florida Statutes.

### **OTHER INFORMATION**

1. The Village reserves the right to cancel the RFP, accept or reject, in whole or in part, any or all Proposals, to waive minor irregularities or technicalities in the Proposals or in the RFP process, to adjust the tentative schedule as needed, and to enter into negotiations with Proposers as determined to be in the best interests of the Village. A minor irregularity is defined as a variation from the RFP terms and conditions which does not affect the price of the RFP, give a Proposer

an unfair advantage over other Proposers, or adversely impact the interests of the Village. There is no obligation on the part of the Village to award the RFP to the Proposer offering the lowest price to the Village. The Village reserves the right to award the RFP to the firm whose Proposal is judged to be the most advantageous to the Village and to be in the best interests of the Village. The Village shall be the sole judge of which Proposal is in the best interests of the Village. The Village reserves the right to obtain and review any information deemed necessary to determine the ability of the Proposer to carry out its obligations required under this RFP or any subsequent contract, including but not limited to its relevant experience and qualifications, the quality of its past performance, the Proposer's current and prior compliance with all laws and regulations, its financial strength and capability to perform the requirements of this RFP.

2. In the event that the Proposer selected by the Village does not execute a contract within a timeframe acceptable to the Village, the Village may give notice of intent to award the LOC to the next most qualified Proposer or to call for new proposals and may proceed to act accordingly.

3. The Village will not be responsible and will have no liability whatsoever for any costs incurred by a Proposer in preparing or submitting its response to this RFP.

4. A cone of silence is hereby established for all competitive selection processes for the provision of goods and services. The cone of silence is designed to protect the integrity of the procurement process by shielding it from undue influences prior to the recommendation of contract award. This cone of silence shall be imposed on these procurements after advertisement of same.

"Cone of Silence," as used herein, means a prohibition on any communication regarding this Request for Proposal ("RFP"). Pursuant to Section 38.18 of the Village Code, the Cone of Silence remains in effect until the Village Manager has made a written recommendation to Village Commission. The cone of silence can be re-imposed if the Village Commission rejects the Manager's written recommendation.

During the Cone of Silence, the following is prohibited: Any communication (oral or written) regarding this solicitation between a potential vendor, service provider, Proposer, lobbyist, or consultant and the Village Commission, evaluation committee members or the Village Manager and the Manager's professional staff, unless permitted by one of exceptions.

Any written communications or inquiries, except for clarification of process or procedure already contained in the solicitation, are permitted provided the written communications are directed to Angela Atkinson, Chief Financial Officer, at [aatkinson@nbvillage.com](mailto:aatkinson@nbvillage.com). Such written inquiries or requests for information shall contain the requester's name, address, and telephone number. If transmitted by facsimile, the request should also include a coversheet with Proposer's facsimile number. The request may also be electronically sent to [aatkinson@nbvillage.com](mailto:aatkinson@nbvillage.com) or mailed to the Chief Financial Officer, 1666 Kennedy Causeway, Suite 300, North Bay Village, FL, 33141. Written communications to other Village officials or employees are prohibited until the Cone of Silence has been lifted.

**Proposal**  
**North Bay Village, Florida – 2023 General Obligation Line of Credit**

The Bank (the “Bank” or “Lender”) hereby agrees to extend a Line of Credit (the “LOC”), to the North Bay Village, Florida (the “Village”) subject to the terms and conditions set forth in the Request for Proposals dated July 25, 2023 (the “RFP”), which is attached hereto and incorporated herein by this reference. By submitting this proposal, the Bank agrees to be legally bound to such terms from the date of this Proposal to the closing date of the LOC. Lenders may submit offers for a \$10 million LOC.

**Interest Rate:** State the method of calculating the variable rate (index and spread). If there is a fee related to any unused balance or an upfront commitment fee, please detail – please note, that it is the strong preference of the Village to avoid/minimize these fees. If there are any applicable discounts related to the unused/unutilized fee in regard to the amount that is drawn, please detail this in your response. Finally, please detail provisions for setting the fixed interest rate upon conversion to a term loan at the end of the draw period.

The Village is requesting quotes for a tax-exempt LOC.

**Prepayment Provisions:** The LOC must be prepayable with no prepayment penalty, in whole or in part at any time.

**Other Fees & Expenses:** Describe in detail all fees and expenses, including fees and expenses of the Bank’s outside counsel, if any, which the Village will be responsible to pay. The fees stated in the proposal shall represent the maximum amounts payable to the Proposer by the Village. All fees and expenses in excess of those stated in the proposal shall be the sole responsibility of the Lender and will not be paid or reimbursed by the Village.

The Bank acknowledges that the Village reserves the right to reject any and all proposals received in connection with the RFP. The award of the RFP does not obligate the Village to close on the LOC.



## EXHIBIT A

Please see the Village's most recent audit and below for additional information on the Village's outstanding secured debt.

- Village FY 2022 Audit: <https://northbayvillage-fl.gov/finance-department/>

### NORTH BAY VILLAGE, FLORIDA STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	Major Funds					Total Governmental Funds
	General	Building Fees Fund	American Recovery Plan Act (ARPA) Fund	Capital Projects Fund - GOB 2022 Parks Project	Nonmajor Governmental Funds	
<b>REVENUES:</b>						
Taxes	\$ 7,213,958	\$ -	\$ -	\$ -	\$ 1,280,289	\$ 8,494,247
Grants	60,000	-	-	-	-	60,000
Licenses and permits	103,214	1,697,835	-	-	-	1,801,049
Franchise fees	528,447	-	-	-	-	528,447
Intergovernmental revenue	1,490,414	-	315,073	-	429,842	2,235,329
Charges for services	296,285	110	-	-	-	296,395
Fines and forfeitures	381,094	-	-	-	162,254	543,348
Interest income	3,122	-	-	14	986	4,122
Other	997,835	117,609	-	-	60,599	1,176,043
Total revenues	<u>11,074,369</u>	<u>1,815,554</u>	<u>315,073</u>	<u>14</u>	<u>1,933,970</u>	<u>15,138,980</u>
<b>EXPENDITURES:</b>						
Current:						
General government	2,335,120	-	-	59,000	-	2,394,120
Public safety	6,111,783	751	-	-	9,599	6,122,133
Public works	-	-	-	-	464,739	464,739
Building, planning and zoning	-	857,591	-	-	-	857,591
Recreation and human services	319,726	-	-	-	143,034	462,760
Capital outlay	384,227	-	-	9,994	836,447	1,230,668
Debt service:						
Principal	460,336	27,122	-	-	586,793	1,074,251
Interest	157,885	3,536	-	-	162,708	324,129
Total expenditures	<u>9,769,077</u>	<u>889,000</u>	<u>-</u>	<u>68,994</u>	<u>2,203,320</u>	<u>12,930,391</u>
Excess (deficiency) of revenues over expenditures	<u>1,305,292</u>	<u>926,554</u>	<u>315,073</u>	<u>(68,980)</u>	<u>(269,350)</u>	<u>2,208,589</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Issuance of debt	-	-	-	3,525,000	-	3,525,000
Other financing sources - lease obligations	236,306	-	-	-	-	236,306
Transfers in	-	-	-	-	3,235,394	3,235,394
Transfers out	(1,147,300)	-	(1,375,000)	-	(1,104,788)	(3,627,088)
Total other financing sources (uses)	<u>(910,994)</u>	<u>-</u>	<u>(1,375,000)</u>	<u>3,525,000</u>	<u>2,130,606</u>	<u>3,369,612</u>
Net change in fund balances	394,298	926,554	(1,059,927)	3,456,020	1,861,256	5,578,201
Fund balances - beginning	3,755,383	(289)	-	-	3,739,103	7,494,197
Fund balances - ending	<u>\$ 4,149,681</u>	<u>\$ 926,265</u>	<u>\$ (1,059,927)</u>	<u>\$ 3,456,020</u>	<u>\$ 5,600,359</u>	<u>\$ 13,072,398</u>