

**ARKANSAS DEVELOPMENT FINANCE AUTHORITY
REQUEST FOR PROPOSALS FROM
TRUSTEES
FOR
ARKANSAS DEPARTMENT OF COMMUNITY
CORRECTION
(Central Headquarters Project)**

+/- \$18,000,000

SPECIAL NOTE: YOUR IMMEDIATE ATTENTION IS CALLED TO SECTION I.C. YOU NEED TO SEND TO US AN E-MAIL ADDRESS FOR TRANSMISSION OF NOTICES OF INQUIRIES.



April 10, 2018

**Arkansas Development Finance Authority
900 West Capitol, Suite 310
Little Rock, AR 72201
(501) 682-5900**

SECTION I: INSTRUCTIONS TO PROPOSERS/ GENERAL INFORMATION

A. PURPOSE.

The Arkansas Department of Community Correction (ACC) has been working with ADFA and the Arkansas Division of Building Authority (DBA) on the acquisition, renovation and equipping of existing buildings in North Little Rock. The project will also include the construction of a new building. The cost of the project is expected to not exceed \$18,000,000. ADFA will own the property, lease to the DBA, who will then sublease to ACC. The team of bond professionals that is being assembled will need to assist ACC, DBA and ADFA in developing an optimal financing plan.

Currently, ACC is leasing space at various locations, with annual obligations of approximately \$1,434,000. It is expected that these locations would be vacated when the proposed location is ready for occupancy. Approximately \$4,265,000 of the bond proceeds would be used for acquisition immediately after closing, with the balance being used for construction and renovation over the next 18 months.

Brief Discussion of Statutory Responsibilities and Primary Activities of ACC

ACA 12-27-125 established under the supervision, control, and direction of the Board of Corrections, a Department of Community Correction. Arkansas Community Correction (ACC) provides statewide adult parole and probation services and operates community-based residential and non-residential treatment programs. The “mission of ACC is to enhance public safety by enforcing state laws and court mandates through community partnerships and evidence-based programs that are cost efficient and hold offenders accountable while engaging them in opportunities to become law-abiding, productive citizens.” Central administration includes the director’s office, interstate compact for adult offenders, public information, legislative affairs, internal investigations, legal counsel, reentry services, transportation team, EEO/Grievance office, human resources, payroll services, employee benefits, purchasing, training, policy development, research and evaluation, grants, accreditation, information technology, budget preparation, and fee collection. Field operations include 5 residential treatment centers, supervised sanctions centers, contracted reentry centers for men and women and statewide probation supervision services for 13 circuit courts, and parole supervision services in 53 locations.

B. SUBMISSION OF PROPOSALS. Written proposals responding to the questions and requests for information in the manner specified in this Request For Proposal (“RFP”) should be submitted to the following:

rfp@adfa.arkansas.gov

To be considered, one (1) copy of the proposal should be delivered to ADFA not later than May 2, 2018 by 12:00 p.m., via email. Late proposals will not be accepted. ADFA reserves the right to reject any or all proposals.

C. ADDITIONAL INFORMATION. It is the responsibility of the proposer to inquire about and clarify any aspect of the RFP. Questions should be directed to Ro Arrington, Public Finance Officer, 501-682-5910 (Robert.Arrington@adfa.arkansas.gov). Substantive questions and answers will be documented in letter form and will be sent by electronic mail to all the proposers who provide us with an e-mail address. **IN ORDER TO BE ON THE DISTRIBUTION LIST FOR INTERNET TRANSMISSION OF ALL RESPONSES TO INQUIRIES, YOU MUST IMMEDIATELY ADVISE RO ARRINGTON OF ADFA, THE INTERNET E-MAIL ADDRESS TO WHICH YOU WANT ALL SUCH TRANSMISSIONS SENT.**

D. PROPERTY OF ADFA. Any information or materials submitted as a response to this RFP shall become the property of ADFA and will not be returned. All submitted materials will be available for public review.

E. RESPONSE TO REQUEST FOR PROPOSAL. Investment banking firms wishing to respond to this RFP may contact Ro Arrington (501) 682-5910 (Robert.Arrington@adfa.arkansas.gov) Chair of the Staff Professional Selection Committee. **NO CONTACT WITH ADFA BOARD MEMBERS IS ALLOWED AND ANY SUCH CONTACT WILL BE GROUNDS FOR IMMEDIATE REJECTION OF A FIRM'S PROPOSAL.**

F. SELECTION TIMETABLE.

April 10, 2018	Request for Proposal Issued
May 2, 2018	Proposals Due @ 12:00 p.m.
TBA	Oral Presentations (if necessary)
May 17, 2018	Board Action (Appoint/ratify appointment of Trustee, authorizes the President of ADFA to negotiate fees)
TBD	Submission to Legislative Committee for contract review (if required)

G. SELECTION PROCESS. The ADFA Staff Professional Selection Committee will review the submitted proposals. Proposals will be evaluated based on (1) responses to specifics outlined in the Proposal Format section of this RFP and (2) the selection criteria. Proposals which omit any of these items may be rejected as non-responsive. From this review, a select group of firms may be chosen for oral presentations. All proposing firms will be advised of the firms selected for oral interviews. After conducting oral interviews, if necessary, the Board Professional Selection Committee, in consultation with the Review Committee, will make its decision on a recommendation for selection which will be reported to the Board of Directors of the Authority at its regular meeting. The final selection will be made by a vote of Board members.

ADFA may, at any time prior to the selection of a firm or firms, reject any and all proposals and cancel this RFP, without liability therefore, upon finding that there is good cause for rejecting all proposals and that it would be in its interest to cancel the solicitation. Further, regardless of the number and quality of proposals submitted, ADFA shall under no circumstances be responsible for any proposer costs and expenses incurred in submitting a response to this RFP. Each proposer who submits a response does so solely at the proposer's cost, risk and expenses. ADFA accepts no responsibility for the return of successful or unsuccessful proposals. This RFP in no way obligates ADFA to select a firm(s).

Any firm selected will be required to complete a disclosure form in compliance with Governor's Executive Order 98-04.

H. SELECTION CRITERIA. The proposals will be reviewed by the Staff Professional Selection Committee composed of selected members of ADFA staff. The committee generally will use the following criteria to rank all acceptable proposals and to develop recommendations to be presented to the ADFA Board Professional Selection Committee; however, ADFA reserves the right to evaluate the ranking of proposals based on factors beyond the listed criteria.

Criteria

1. Firm's prior experience as trustee for:
 - a. ADFA bond issues.
 - b. Other revenue bond issues.
 - c. Other state general obligation bond issues.
2. Ability to handle daily receipts and payments.
3. Experience with accounts and transactions of the State Treasurer.
4. Timeliness and clarity of transaction reporting.
5. Qualifications of staff to be assigned. (Position in firm and years and type of experience will be considered.)
6. Responsiveness of written proposals to the purpose and scope of services.
7. Reasonableness of proposed fee.

SECTION II: SCOPE OF SERVICES AND REQUIREMENTS

The trust indenture for this series of bonds, when adopted by the ADFA Board of Directors and accepted by the trustee, shall be deemed to be and shall constitute a contract between ADFA and the trustee. The indentures will require the trustee to perform services normally associated with being trustee for a revenue bond program, including, but not limited to:

1. Authenticate and deliver the bonds authorized by the trust indenture.
2. Maintain registry books of ADFA showing the person in whose name the Bonds are registered, if applicable.
3. Hold and maintain trust funds pursuant to the trust indentures.
4. Apply or deposit all bond proceeds, pledged funds and pledged revenues pursuant to the trust indentures.
5. Invest or reinvest moneys held in accounts pursuant to the trust indentures.
6. Maintain accurate records of all trust fund transactions.
7. Provide monthly and annual trust statements/activity, detailing all account activity, preferably both in paper form and via online or internet access.
8. Select bonds to be redeemed in such manner as prescribed in the trust indenture.
9. Give notice, in the name of ADFA, of redemption of Bonds at the time and in the manner required by the trust indentures.
10. Send copy of all unscheduled bond redemptions occurring prior to maturity to the ADFA Finance Manager.
11. Serve as Material Event Disclosure Dissemination Agent for ADFA - report all material events to EMMA on behalf of ADFA. ADFA should be notified and copied on all correspondence relating to disclosure to EMMA on ADFA bond issues.
12. File continuations of any UCC's related to the financing, on the behalf of ADFA, if applicable.
13. Prepare and forward, to borrower, UCC terminations, if applicable.
14. Prepare and forward, to borrower, any mortgage or lien terminations, if applicable.
15. Cancel note evidencing debt, if applicable.
16. Respond to inquiries of the Authority, Legislative Audit, DFA, Treasurer's Office, etc., regarding trust activity as needed.

SECTION III: STATEMENT OF QUALIFICATIONS

An updated statement of qualifications should be maintained on file at ADFA for all firms submitting proposals as trustee.

SECTION IV: PROPOSAL FORMAT

A. TRANSMITTAL LETTER. A one page transmittal letter prepared on the proposer's business stationery should accompany the submitted proposal.

B. PROPOSAL. The proposal should be labeled “Proposal to serve as Trustee for the ACC Building Project.” The submission must contain sufficient information to enable the ADFA Staff and Board Professional Selection Committees to evaluate the proposal. It should be prepared in a clear and concise manner and should address each of the following subsections:

1. Experience. Give a brief summary of your firm’s prior experience as trustee for:
 - a) ADFA Bond issues.
 - b) Other revenue bond issues.
 - c) Other state general obligation bond issues.
2. Staffing and Qualifications. Give a brief summary of the qualifications and experience of the trust officer and staff who will be assigned to this account.
3. Daily Processing and Reporting. Please give a brief description of your computer systems and programs utilized in the Trust Division and their capabilities. Comment on your ability to handle daily receipts, daily payments and the timeliness and clarity of transaction reporting. Also discuss what account accessibility via the Internet you offer as well as any experience you have with electronic interfaces between your trust systems and your customer’s accounting software.
4. Scope of Services. Elaborate on the services you propose to perform as trustee for the proposed financing. In what way do you expect the scope of services to differ from those listed in Section II?
5. Financial Strength. Please comment on your company’s financial condition and any issues that might impact your ability to carry out this assignment.
6. Trustee Fee & Reimbursable Expenses. Complete the attached Proposed Trustee Fee Schedule, and, if necessary, use a narrative description to present the basic assumptions on which your firm’s fee proposal is predicated and any factors that would change the proposed fee. List all anticipated expenses to be incurred by your firm for which you expect reimbursement. This includes any wire fees or sweep fees you anticipate to be charged on the account. If applicable, give an estimated per unit cost and a total cost for the item.
7. Equal Opportunity Statement. Please submit your Equal Opportunity Policy to ADFA in accordance with Arkansas Act 2157 of 2005. This act requires any firm wishing to respond to an RFP or submit a proposal or statement of qualifications to provide ADFA with your Equal Opportunity Policy.

8. Acceptance. Submission of proposals, in response to this Request for Proposal, constitutes acceptance of all conditions, requirements and limitations described in this document.

ARKANSAS DEVELOPMENT FINANCE AUTHORITY

Proposed Trustee Fee Schedule

1. Acceptance Fee and Registration Fee.
\$

1. Trustee Counsel Fee – At Issuance (if any).
\$

2. Annual Administration Fee:
() Fixed annual fee
() Percent of bonds outstanding
() Other basis (Explain)

Fee payable for early redemption of bonds (please specify when this fee applies – partial redemptions, etc):

\$

3. Additional Fees or Charges (Brief description and estimated \$ amount). Wire fees and sweep fees should be included here:

\$

\$

\$

\$

Presented on behalf of:

By:

Title:

Phone: