



May 31, 2018

Request for Proposals

To: Prospective Note Providers
From: PFM Financial Advisors on behalf of Village of El Portal, Florida
Re: Request for Bank Note Proposals

As financial advisor to the Village of El Portal, Florida (the "Village") PFM Financial Advisors, LLC ("PFM") is seeking proposals on behalf of the Village in the form of a fixed-rate, bank-qualified loan to be evidenced by a promissory note of the Village (the "Note"). The Note will be issued primarily to provide funds to the Village for the financing of clean-up, collection and disposal of solid waste or other permitted costs from damage that occurred during the 2017 hurricane season. The Note will be awarded based on overall borrowing cost and terms most favorable to the Village, in the Village's sole discretion. The financing will be issued via a resolution to be approved by the Village Council (the "Resolution"). Additional terms, not inconsistent with the Resolution, may be set forth in separate a loan agreement.

The Note is expected to be issued as a tax-exempt bank-qualified note in an amount not-to-exceed **\$1.6 million**. The Village is asking potential respondents for proposals for both a three (3) and a five (5) year term.

Payments of the principal and interest on the Note will constitute special, limited obligations of the Village. The Note will be secured solely by and payable from (i) federal, state or municipal grant moneys, receipts or reimbursements received by the Village relative to the clean-up, collection and disposal of debris caused by the 2017 hurricanes and (ii) a covenant to budget and appropriate legally available non-ad valorem revenues of the Village. Noteholders shall have a lien upon any amounts actually deposited into the pledged funds and accounts created under or pursuant to the Resolution.

THE NOTE SHALL BE A SPECIAL, LIMITED OBLIGATION OF THE VILLAGE AND SHALL BE PAYABLE SOLELY IN THE MANNER AND TO THE EXTENT SET FORTH IN THE RESOLUTION AND LOAN AGREEMENT, IF ANY. THE NOTE SHALL NOT BE OR CONSTITUTE A GENERAL OBLIGATION OF THE VILLAGE WITHIN THE MEANING OF THE CONSTITUTION OF THE STATE OF FLORIDA BUT SHALL BE PAYABLE SOLELY FROM AND SECURED BY A LIEN UPON AND A PLEDGE OF THE PLEDGED FUNDS AND ACCOUNTS IN THE MANNER AND TO THE EXTENT PROVIDED IN THE RESOLUTION. NO NOTEHOLDER SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE VILLAGE OR TAXATION IN ANY FORM ON ANY REAL OR PERSONAL PROPERTY TO PAY SUCH NOTE OR THE INTEREST THEREON, NOR SHALL ANY NOTEHOLDER BE ENTITLED TO PAYMENT OF SUCH PRINCIPAL OR INTEREST FROM ANY OTHER FUNDS OF THE VILLAGE OTHER THAN AS PROVIDED IN THE RESOLUTION. FURTHERMORE, NO NOTEHOLDER SHALL EVER HAVE A LIEN ON ANY PROJECT FINANCED WITH THE PROCEEDS OF THE NOTE OR ANY OTHER REAL OR PERSONAL

PROPERTY OF THE VILLAGE, EXCEPT FOR THE PLEDGED FUNDS IN THE MANNER AND TO THE EXTENT PROVIDED IN THE RESOLUTION.

Below is a link to additional financial information regarding the Village:
 Financial Reports & Budget - <http://elportalvillage.com/departments/finance-department/>

Tax-exempt Note:

- Interest Payment Dates: July 1 and January 1, commencing January 1, 2019
- Principal Payment Dates: July of each year, commencing July 1, 2019
- Final Maturity Date: July 1, 2021 (3-Year) or July 1, 2023 (5-Year)
- 30/360 Day Count Basis
- Preliminary Amortizations:

Series 2018 Preliminary Amortization Average Life: 2.0 Years	
Date	Principal
7/1/2019	515,000
7/1/2020	535,000
7/1/2021	550,000
Total	1,600,000

Series 2018 Preliminary Amortization Average Life: 3.05 Years	
Date	Principal
7/1/2019	300,000
7/1/2020	310,000
7/1/2021	320,000
7/1/2022	330,000
7/1/2023	340,000
Total	1,600,000

Calendar of Events:

- May 31, 2018 – RFP released
- June 15, 2018 – RFP Proposals due
- July 24, 2018 – Village Council meeting to adopt resolution, award Note
- August 1, 2018 – Closing

The Village is requesting proposals be submitted by **Friday, June 15, 2018 at 2:00 PM Eastern Time** to the Village and to the Village’s Financial Advisor (PFM) at the following email addresses: Irwin Williams, Chief Financial Officer (iwilliams@villageofelportal.org), Sergio Masvidal (masvidals@pfm.com), and Pete Varona (varonap@pfm.com). Each proposal shall include the interest rate (either actual interest rate if fixed, or an index if the rate is to be locked), prepayment provisions, fees, and other terms/conditions. If the rate is subject to a rate lock, please provide a form-of rate lock for review by the Village. **The Note will be issued under covenants detailed in the Resolution. The Note will not contemplate funding a debt service reserve fund. Please keep in mind when submitting proposals that the Village will not accept any offer with capital adequacy or other interest rate adjustment language with respect to further**

changes to tax code or banking regulations. The Village will also not accept language that grants acceleration of the Note, or language constituting or similar to a Most Favored Nations clause.

The successful proposer will be required to deliver certain certificates at closing including one to the effect that it is a “qualified institutional investor” and an “accredited investor” having sufficient knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of the Note, that it has been provided access to and has reviewed such information concerning the Village as it has deemed necessary, that it understands the Note is not a general obligation of the Village, but is payable solely from the revenues to be budgeted and appropriated for such payment and deposited into the funds and accounts described in the Resolution and loan agreement, if any, and that it is not relying on disclosures from the Village or its advisors. The successful proposer must also represent, certify and covenant at closing that it is purchasing the Note for its own account and without any present intent to distribute the Note. The Note may be transferred in whole but not in part and only to qualified institutional buyers with prior written consent of the Village.

The Village has appointed Counsel for the Note who will prepare all financing documents and render the approving opinion, and bank counsel’s role will be review only. PFM will serve in the sole capacity of financial advisor to the Village and not in the role as placement agent for the Note. Any inquiries or requests concerning clarification or solicitation for additional information shall be submitted to PFM at the email addresses above.

THE VILLAGE RESERVES THE RIGHT TO REJECT ANY OR ALL PROPOSALS AND RESERVES THE RIGHT TO WAIVE, IF PERMITTED BY LAW, ANY IRREGULARITY OR INFORMALITY IN ANY PROPOSAL.