

Request for Proposal

Financial Advisory Services

Proposals Due on October 30, 2024 by 4:00 PM Eastern Time

Rhode Island Infrastructure Bank (the “Bank”) is soliciting proposals from qualified firms to serve as the Bank’s financial advisor as further outlined in the scope of services below for the term of January 1, 2025 through December 31, 2028.

Proposal Submission: Electronic submission is required. Proposals should be submitted in PDF format to:

Joanna L’Heureux
CFO
Rhode Island Infrastructure Bank
RE: RFP – Financial Advisory Services
rfp@riib.org

Respondents’ Questions

If respondents have questions, they should submit those to Joanna L’Heureux no later than 4:00 P.M. EST on October 8, 2024. Questions and the Bank’s responses will be aggregated and posted publicly on the “Requests for Proposals” landing page found under the “Doing Business with Us” dropdown menu at www.riib.org. The Bank will not answer questions verbally or individually during the RFP process.

I. Introduction, Background, and Purpose

The Bank was established in 1989 as a quasi-public state agency and is a component unit of the State of Rhode Island. Over its more than three decades of existence, the Bank’s core mission has evolved and expanded. Consistent with the Bank’s mission of serving as Rhode Island’s central hub for financing infrastructure improvements for municipalities, businesses, and homeowners, the Board and management are focused on delivering innovative financing for an array of infrastructure-based projects.

In addition to the Bank’s drinking- and clean water state revolving fund programs (including clean water’s companion residential-based lending for the community septic system loan program and the sewer tie-in loan fund), the Bank has financial administration and oversight responsibilities for the Municipal Road and Bridge program, the Efficient Buildings Fund (energy efficiency and renewable energy) program, brownfield remediation, water quality protection lending,

stormwater management, Municipal Infrastructure Grant Program, and climate resiliency-related infrastructure projects.

For reference, the following firms presently comprise the Bank's financing team:

- Clifton, Larson, Allen – independent auditor
- BondLink – investor relations
- Harrington & Vitale – general counsel
- Hinckley Allen – bond counsel
- U.S. Bank National Association – trustee

The Bank intends to use this RFP process to select one or more professional advisory firms to provide financial advisory services. In addition to providing balance sheet management services, the selected firm(s) will:

1. Coordinate issuance of new and refunding bonds and redemptions;
2. Coordinate issuance of conduit bonds;
3. Prepare and present to the Board of Directors certain credit review memoranda to underwrite and opine on borrower requests of credit from the Bank;
4. Assist in the analysis and bidding of investments of available bond proceeds, other program funds and Bank operating funds, at the Bank's request, and
5. Other activities including the development of additional Bank financing programs.

The firm(s) selected to provide financial advisory services will be required to enter into a multi-year agreement with the Bank and will be similar in scope to the services listed below.

II. Scope of Services

The scope of services to be provided will include, but not be limited to, the following:

1. Advise Bank management on its overall approach to its financings, working with the Bank's finance team noted above and other issuance participants including underwriters, underwriters' counsel, rating agencies, trustees, et al.
2. Assist with financings, including specific advice on current market dynamics, syndicate policies, issue price and structure.
3. Assist in the bidding of services and coordination of vendors required for bond issuances, including for production of official statements, trustee or paying agent services, verification agent, etc.).
4. Assist management in the development and presentation of information to rating agencies including supporting analysis and default tolerance analysis and assist with responses to annual rating agency surveillance questionnaires.
5. Assist in the evaluation of the availability and economics of credit enhancements.
6. Assist management in developing and implementing investor relations and marketing plans with the Bank's financings.



7. Prepare credit review memoranda for borrower applications. Present credit reviews and recommendations to Bank's Board of Directors.
8. Evaluate proposals on new products, refunding opportunities and other financing ideas that the Bank receives from time to time.
9. Provide independent recommendations on the management of the Bank's debt including, but not limited to, refunding and redemption including evaluation of debt defeasance opportunities.
10. Assist in the review and analysis of State and Federal legislation pertaining to the Bank's financing programs.
11. Provide market information and respond to other information requests on a regular basis.
12. Provide advice and assistance in the development of long-range budgets, forecasts, and financing plans of the Bank, including analyses of program capacity.
13. Assist management with special projects relating to debt issuance, debt management and debt reporting, assist with pricing of loans, et al.
14. Assist in the analysis and bidding of investments of bond proceeds, other program funds, and operating funds, as requested.
15. Assist management in its compliance with IRS arbitrage rebate regulations for tax-exempt securities. The advisor will provide a written report describing the calculation methods used and deliver appropriate supporting documentation for the rebate calculations. The advisor will provide IRS Form 8038-T (or applicable form) when a penalty/rebate payment is due and a statement summarizing the determination of the amount to be paid to the IRS at such time as required by law. Complete annual rebate calculation within 30 days of the Bank's fiscal year end.
16. Assist the Bank in meeting its Continuing Disclosure requirements.
17. Other projects related to the development of current or new Bank programs, including but not limited to program development for funding of resiliency projects.

III. Requested Information

Part A: General Information – Responses to Part A must not exceed 12 pages

1. Provide the name, title and contact information for the primary contact.
2. Provide a summary of the key strengths and qualifications of your firm
3. Provide a brief description of your firm, its affiliate and subsidiary corporations, its history in providing financial advisory services and its ownership structure. Describe any changes in ownership over the past three years. Discuss the location(s) of the office(s) from which the primary work on this engagement is to be performed. Detail the staffing levels of your firm including managing directors, senior vice presidents, associates and analysts as of the date of your proposal. Explain any significant changes in staffing and/or organization of your firm during the previous three years. Describe how your firm is strategically positioned to cope with the changes in the public finance industry over the past several years. Indicate whether the firm has a master price agreement (MPA) with the State of Rhode Island.

4. Provide summary resumes with the background and qualifications of the individuals who would be assigned to work on the engagement, including tenure with your firm. Specify the person who will serve as the primary day-to-day contact and discuss the primary roles of other assigned members of your team. Indicate how the quality and availability of the staff over the term of the contract will be maintained.
5. Provide, in tabular form, information on the employee composition of your firm indicating the total number of employees and the total number and percentages of minorities and women employed as managing directors, senior vice presidents, vice presidents, associates, analysts and clerical/technical support. Provide a summary description of your firm's equal opportunity and affirmative action policy. This policy description may be included as an Appendix to your proposal.
6. Provide the name, title, address and telephone number of three client references we may contact, including at least one reference from an entity that administers a State Revolving Fund, if available. Include length of relationship and a summary of your experience with each client. Detail and explain any terminated relationships over the past three years.
7. Specifically identify your firm's analytical resources and quantitative capabilities.
8. Outline where your firm obtains capital markets information and what assurances you have that such information is accurate, current, and derived from a reliable source. Disclose your affiliation or relationship with any broker dealer, including describing the firm's dependence or reliance on other broker dealer firms or underwriting firms to obtain information on market interest rates, other factors of the bond market, and in the pricing of issues by financial advisory clients.
9. Disclose any material agreements, relationships, retainers or other employment that your firm or any employee of your firm has with any other financial advisory firm, investment banking firm, law firm, or other person or entity that conducts business in the municipal securities industry.
10. Please describe any pending and ongoing criminal or civil investigation, pertinent litigation and/or regulatory action involving your firm or members of your firm.
11. Please describe your proposed fee structure for new money revenue bonds, any refunding bonds, the arbitrage calculations as specified in Part C, and the fee arrangement for other assignments.

Part B: Revenue and Refunding Bonds – Responses to Part B must not exceed 5 pages

1. Summarize in tabular format your financial advisory experience with tax exempt and taxable public issuers since January 2020. Separately identify your experience with Rhode Island issuers, and any experience with other agencies which administer State Revolving Funds. The table should include the name of issuer, issue size and name, date of sale, negotiated or competitive and rating.
2. Describe at least two financial advisory assignments involving your firm over the last two years that are most relevant to this RFP. Please indicate the name of the issuer, a

description(s) of the transaction(s), the individual(s) from your firm involved and the value added by your firm.

3. In your view, what are the most important challenges and opportunities facing the Bank over the next two years? How will your firm help management in addressing these issues?
4. How would your firm assist management in communicating with the rating agencies and investors?

Part C: Arbitrage Consulting Services – Responses to Part C must not exceed 5 pages

1. Summarize the firm’s experience in arbitrage rebate consulting. Provide references for at least three governmental agencies for which the firm has provided arbitrage calculations. Identify the individual(s) in the firm who will be performing the rebate calculations and working with Bank personnel. Provide a brief description of their background and experience, location and accessibility, and at least two references. Please provide at least two sample arbitrage calculation reports prepared by the firm.
2. Provide a breakdown of all estimated fees and costs for the proposed arbitrage consulting services. Separately identify fees for:
 - Annual rebate/yield restriction calculation;
 - Interim rebate/yield restriction calculation (less than 12 months);
 - IRS Computation Date rebate/yield restriction calculation;
 - Please specify whether there is an additional fee, and the amount of this fee, for providing the Bank with the IRS Form 8038-T when penalty/rebate payments are due. Also, please state whether lower fees apply in cases where the construction or project funds have already been depleted. If fees are quoted on an hourly basis, specify a “not- to-exceed” figure along with your estimate of the time required. Please indicate whether your fee is negotiable and if the Bank can qualify for any discounts.
3. Outline a schedule and typical time frame for completion of compliance with arbitrage rebate regulations. Provide in detail the information and assistance that will be required of the Bank and other interested parties in the arbitrage calculations.
4. Describe the legal expertise available to the firm, particularly with arbitrage rebate provisions of the Internal Revenue Code. Describe the assurances that will be provided to the Bank that the work performed is consistent with federal tax law and other applicable law. The Bank may not require that a legal opinion be provided in conjunction with the arbitrage report(s), but if such an opinion is available from the firm, please provide a form of the opinion and the additional costs, if any, of providing such an opinion.
5. Describe opportunities, investment or otherwise, which your firm might recommend to the Bank relating to arbitrage regulations which could minimize the Bank’s exposure to negative arbitrage.

Part D: Other Assignments-Responses to Part D must not exceed 5 pages

1. Provide examples of special projects or unique services provided to similarly situated clients. Please provide experience with providing assistance with IRS Direct Pay Tax Credit programs and any other programs under the Inflation Reduction Act.



2. Outline your firm's in-house resources and discuss how they can benefit the Bank.

IV. Fees and Best and Final Offers

Fees are a material element in awarding the contract. The Bank and/or its agents reserve the right to negotiate fees and request best and final offers. Fees, however, are only one of several factors used to evaluate proposals and the Bank may rely on factors other than the lowest level of fees in awarding the contract pursuant to this RFP.

V. Selection Process Schedule

RFP Issued	September 23rd
Deadline for questions	October 8 th
Response to questions	October 16 th
Responses due	October 30 th
Evaluations/interviews, if necessary	November 13 th and 14 th
Financial Advisor selection (anticipated)	November/December

VI. Submission of Responses

1. To be considered, all proposals must be clearly marked “RFP – Financial Advisory Services” and include the following:
 - a. Cover letter signed by an individual authorized to commit the firm to a financial advisory agreement with the Bank;
 - b. Responses to the questions asked and information requested in this RFP; and
 - c. Letter from the firm’s Chief Executive Officer or managing partner, certifying that the firm and individuals representing the firm have not engaged in direct or indirect unauthorized communication with Bank officials regarding this RFP.
2. Proposals may not exceed the page limits specified. Page limits are given for each Part A through Part D. Excluded from these page limits are the cover letter, the firm’s affirmative action policy description and the no unauthorized communication certification. Brief and concise responses which keep boiler plate information to a minimum are encouraged. Page limits are intended to set limits; not targets.
3. Joint proposals will not be considered.
4. The Bank reserves the right, in its sole discretion, to reject any and all responses, to waive any minor irregularities or informalities in a response and to enter into any agreement deemed by the State to be in its best interest. The Bank may select one or more financial advisors to provide the services outlined in this RFP.

VII. Evaluation of Responses

The Financial Advisor will be selected based upon an assessment of the respondent’s ability to provide the services as described above and the respondent’s proposal. The selection process will consider the relevant experience of the respondent, the strength of the proposal, the

demonstrated ability and willingness of the respondent to structure the best possible delivery of services, and the cost of the proposed services.

During the evaluation process the Bank reserves the right to request additional information or clarification from those submitting responses. Respondents may be asked to participate in a virtual interview, an in-person interview in Rhode Island or an on-site visit at the respondent's place of business.

The RFP does not commit the Bank to make any selection or to pay any costs incurred in the preparation of the responses or attendance at interviews and the Bank in its sole discretion, reserves the right to accept or reject any or all responses received as a result of this RFP, to waive any nonconformity with the provisions hereof, to negotiate with any qualified source, or to cancel this RFP, in part or in its entirety. All proposals shall become the property of the Bank and shall be subject to public records request under Rhode Island General Laws § 38-2-1 et seq. (Rhode Island Access to Public Records Act, hereinafter "APRA").

VIII. Evaluation Criteria

Firms will be evaluated based on their written responses, additional written information requested by the Bank and oral interviews, if any, utilizing the following criteria (not necessarily in order of importance):

1. Experience, Competence, Expertise
 - a. Experience of the firm in serving as financial advisor to large issuers including the firm's understanding and level of competence in structuring and marketing debt offerings and in developing innovative or alternative financing structures.
 - b. General character and resources of the firm, including, but not limited to key strengths, qualifications, employee's backgrounds, references, past or pending investigations and/or litigation and other factors listed in Section III, part A above.
 - c. Financial quantitative analytical ability of the firm and professionals assigned.
 - d. Qualifications of the financing team including the experience and availability of the primary contact and the breadth and depth of the other professionals available to provide financial advisory services to the Bank.
2. Organizational Characteristics and Administration
 - a. Demonstrated understanding of the Bank, its mission, its capital structure, financing plans, economy, legal constraints, bureaucratic organization, legislative process and other relevant factors.
 - b. Team organization and approach, including the ability of the firm to adequately staff and complete time-sensitive transactions and to interact effectively with bond and disclosure counsels, underwriters, underwriters' counsel, trustees and other professionals involved in the Bank's financings
 - c. Resources and ability to provide full scope of services with in-house personnel and assets.



- d. Equal employment opportunity (Rhode Island General Laws Chapter 28-5.1) record as evidenced by the composition of firm personnel and the firm's affirmative action and equal employment opportunity policies and practices. The Bank encourages MBE/WBE/DisBE participation in the RFP in accordance with Chapters 2.2 and 14.1 of Title 37 of the Rhode Island General Laws and reserves the right to apply additional consideration to qualified firms. The Respondent should be aware of the State's Minority Business Enterprise (MBE) requirements which address the State's goal of ten percent (10%) participation by MBE's in all procurements. For further information, see www.mbe.ri.gov.
 - e. Overall quality of the written proposal, and oral presentation, if any.
3. Fees
 - a. Yearly Retainer Fee
 - b. Bond Issuance Fees
 - c. Non-debt related services (include an hourly rate structure for program development)
 - d. Other

IX. Additional Information

1. The Bank reserves the right to request and consider additional information and/or supplements to proposals or to proposals after the deadline for initial proposals, until a contract with a particular respondent is finalized.
2. The Bank will not reimburse for any expenses incurred relating to responding to this RFP.
3. The Bank insists upon full compliance with Chapter 27 of Title 17 of the Rhode Island General Laws, Reporting of Political Contributions by State Vendors. This law requires State Vendors entering into contracts to provide services to an agency such as the Bank, for the aggregate sum of \$5,000 or more, to file an affidavit with the State Board of Elections concerning reportable political contributions. The affidavit must state whether the State Vendor (and any related parties as defined in the law) has, within 24 months preceding the date of the contract, contributed an aggregate amount in excess of \$250 within a calendar year to any general officer, any candidate for general office, or any political party.

X. Confidentiality

1. The Bank may treat all information submitted as public information following the conclusion of the selection process unless the respondent properly identifies and specifies certain information be treated as confidential at the time of submitting the bid proposal. The release of information is governed by APRA. Respondents are encouraged to familiarize themselves with this law before submitting a proposal.
2. Any request for confidential treatment of information must be included in the transmittal letter with the Respondent's bid proposal. In addition, the respondent must enumerate the specific grounds under APRA or other applicable law which support treatment of the material

as confidential and explain why disclosure is not in the best interest of the public. The request for confidential treatment of information must also include the name, address, and telephone number of the person authorized by the respondent to respond to any inquiries concerning the confidential status of the materials.

3. Any bid proposal submitted which contains confidential information must be conspicuously marked on the outside as containing confidential information. Identification of the entire bid proposal as confidential will be deemed non-responsive.
4. If the respondent designates any portion of the proposal as confidential, the respondent must submit one additional copy of the bid proposal from which the confidential information has been excised or redacted. The confidential material must be excised in such a way as to allow the public to determine the general nature of the material removed and to retain as much of the bid proposal as possible.

XI. Termination of Financial Advisor

1. After engagement by the Bank, the Financial Advisor may be terminated for reasons which include, but are not limited to, the following:
 - a. Unacceptable performance, as determined by the Bank.
 - b. Being the subject of disciplinary action by the Department of Business Regulation or any other federal or state governmental regulatory agency.
 - c. Filing for protection under federal or state bankruptcy laws or the transfer or liquidation of all or substantially all of the entity's assets.
 - d. Any falsifications or misrepresentations made in responding to this RFP, including but not limited to the responses to the Certifications (Section XII) Section of this RFP.

XII. Certifications/Disclosures

Include in your submission a completed copy of the Certifications/Disclosures form attached as Exhibit A.

Exhibit A – Certifications/Disclosures
Rhode Island Infrastructure Bank

Please respond with a Yes (“Y”) or No (“N”) to each of the following. Please attach any additional information needed on an additional page.

___ 1. The Respondent will immediately disclose, in writing, to the Bank any potential conflict of interest which may occur during the term of any contract awarded.

___ 2. The Respondent possesses all applicable licenses and anyone who will perform any work will possess all licenses required by applicable federal, state, and local law necessary to perform the requirements of any contract awarded and will maintain all required licenses during its term. In the event that any required license shall lapse or be restricted or suspended, the Respondent shall immediately notify the Bank in writing.

___ 3. The Respondent will maintain all required insurance during the term of any contract pursuant to this solicitation. In the event that any required insurance shall lapse or be canceled, the Respondent will immediately notify the Bank in writing.

___ 4. The Respondent understands that falsification of any information in its RFP response or failure to notify the Bank of any changes in any disclosures or certifications in this Certification may be grounds for suspension, debarment, and/or prosecution for fraud.

___ 5. The Respondent has not paid and will not pay any bonus, commission, fee, gratuity, or other remuneration to any employee or official of the Bank or the State of Rhode Island or any subdivision of the State of Rhode Island or other governmental authority for the purpose of obtaining an award of a contract pursuant to this RFP. The Respondent further certifies that no bonus, commission, fee, gratuity, or other remuneration has been or will be received from any third party or paid to any third-party contingent on the award of a contract pursuant to this RFP.

___ 6. The Respondent, including any of its owners, stockholders, members, partners, principals, directors, managers, officers, employees, or agents has not in any way colluded, conspired, or agreed, directly or indirectly, with any other Respondent or person to submit a collusive response to the solicitation or to refrain from submitting response to the solicitation, or has in any manner, directly or indirectly, sought by agreement or collusion or other communication with any other Respondent or person to fix the price or prices in the response or the response of any other Respondent, or to fix any overhead, profit, or cost component of the price in the response or the response of any other Respondent, or to secure through any collusion, conspiracy, or unlawful agreement any advantage against the Bank or the State of Rhode Island or any person with an interest in the contract awarded pursuant to this solicitation.

___ 7. The Respondent: (i) is not identified on the General Treasurer’s list created pursuant to R.I. Gen. Laws § 37-2.5-3 as a person or entity engaging in investment activities in Iran described in § 37-2.5-2(b); and (ii) is not engaging in any such investment activities in Iran.

___ 8. State whether the Respondent, or any officer, director, manager, stockholder, member, partner, or other owner or principal of the Respondent or any parent, subsidiary, or affiliate has had any contracts with a federal, state, or municipal governmental authority terminated for any reason within the previous 5 years.

___ 9. State whether any officer, director, manager, stockholder, member, partner, or other owner or principal of the Respondent is serving or has served within the past two calendar years as either an appointed or elected official of any state governmental authority or quasi-public corporation, including without limitation, any entity created as a legislative body or public or state agency by the general assembly or constitution of this state.

___ 10. Does any Rhode Island “Major State Decision-Maker,” as defined below, or the spouse or dependent child of such person, hold (i) a ten percent or greater equity interest, or (ii) a Five Thousand Dollar or greater cash interest in the Vendor/Contractor’s business?

For purposes of this question, “Major State Decision-maker” means:

- a. All general officers; and all executive or administrative head or heads of any state executive agency enumerated in § 42-6-1 as well as the executive or administrative head or heads of state quasi-public corporations, whether appointed or serving as an employee. The phrase “executive or administrative head or heads” shall include anyone serving in the positions of director, executive director, deputy director, assistant director, executive counsel or chief of staff;
- b. All members of the general assembly and the executive or administrative head or heads of a state legislative agency, whether appointed or serving as an employee. The phrase “executive or administrative head or heads” shall include anyone serving in the positions of director, executive director, deputy director, assistant director, executive counsel or chief of staff;
- c. All members of the state judiciary and all state magistrates and the executive or administrative head or heads of a state judicial agency, whether appointed or serving as an employee. The phrase “executive or administrative head or heads” shall include anyone serving in the positions of director, executive director, deputy director, assistant director, executive counsel, chief of staff or state court administrator.

If your answer is “Yes,” please identify the Major State Decision-maker, specify the nature of their ownership interest to the Bank, and provide a copy of the annual financial disclosure required to be filed with the Rhode Island Ethics Commission pursuant to R.I.G.L. §36-14-16, 17 and 18.

Name of Corporate Respondent

/s/ _____

Name: _____

Title: _____

Date: _____