

FLORIDA PORTS FINANCING COMMISSION

FINAL SELECTIONS:

The following firms have been chosen by the FPFC to provide services to the FPFC. The Commission sought proposals from underwriting and bank loans for a public bond issuance option for refunding the STTF Bonds and Intermodal Bonds. The determination to proceed with the proposed loans outlined herein were made subsequent to receipt and review of proposals received for each separate request.

STTF Bank Loan: State Street

Intermodal Bank Loan: Truist Bank

Pursuant to Section 120.57(3), Florida Statutes, and Rule Chapter 28-110, Florida Administrative Code, any person adversely affected by the agency decision or intended decision shall file with the agency both a notice of protest in writing and bond within 72 hours after the posting of the notice of decision or intended decision, or posting of the solicitation with respect to a protest of the terms, conditions, and specifications contained in a solicitation and will file a formal written protest within ten days after the filing of the notice of protest. The required notice of protest and bond, and formal written protest must each be timely filed with the Florida Ports Financing Commission 502 East Jefferson St. Tallahassee FL 32309.

Failure to file a notice of protest or formal written protest within the time prescribed in section 120.57(3), Florida Statutes, or failure to post the bond or other security required by law within the time allowed for filing a bond shall constitute a waiver of proceedings under Chapter 120 Florida Statutes.

IMPORTANT NOTICE

All Prime Consultants and all Subvendors/subconsultants/subcontractors must register with the State's web-based e-Procurement system -"MyFloridaMarketPlace." Professional Services acquired in accordance with Chapter 287.055 Florida Statutes, are exempt from the 1% transaction fee. You can also sign up to attend a vendor registration training session or call 1-866-352-3776 for assistance.

COMPLETED

Florida Ports Financing Commission

REQUEST FOR BANK LOAN PROPOSALS:

LOAN #1 - IN AN AMOUNT NOT TO EXCEED \$85,000,000

LOAN #2 - IN AN AMOUNT NOT TO EXCEED \$80,000,000

TAXABLE BANK LOANS

RFP Issue Date: November 20, 2020

Proposal Due Date: December 15, 2020 @ 3:00 pm Eastern

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LINKS

Financial Statements

FYE 2019 - <https://emma.msrb.org/ES1357465-ES1057859-ES1463442.pdf>

FYE 2018 – <https://emma.msrb.org/ER1217875-ER953448-ER1354455.pdf>

FYE 2017 - <https://emma.msrb.org/ES1129907-ES884189-ES1285467.pdf>

A. THE FLORIDA PORTS FINANCING COMMISSION

The Florida Ports Financing Commission (the “Commission”) was created pursuant to an interlocal agreement among several ports within Florida. The Commission has established financing programs pursuant to which the Commission previously issued its Refunding Revenue Bonds (State Transportation Trust Fund), Series 2011A (NON-AMT) & Series 2011B (AMT) (together the “STTF Bonds”), which are currently outstanding in the amount of \$81,305,000, and its Refunding Revenue Bonds (State Transportation Trust Fund – Intermodal Program), Series 2011A (NON-AMT) & Series 2011B (AMT) (together the “Intermodal Bonds”), which are currently outstanding in the amount of \$72,010,000. As provided in the indentures for the STTF Bonds and Intermodal Bonds, the Commission appointed the Florida Ports Council as the Administrator.

At this time, the Commission is seeking loan proposals to refund its outstanding STTF Bonds and Intermodal Bonds for savings purposes. Separately, the Commission is seeking proposals from underwriting firms for a public bond issuance option for refunding the STTF Bonds and Intermodal Bonds. The determination to proceed with the proposed loans outlined herein or a separate public bond issuance for one or both refundings will be made subsequent to receipt and review of proposals received for each separate request.

B. LOAN REQUEST #1 – STTF BONDS REFUNDING

Overview of Loan

The Commission is seeking proposals from qualified financial institutions to provide a taxable fixed rate bank loan (the “STTF Loan” or the “STTF Bond”), at the lowest overall borrowing cost, pursuant to certain conditions. The proceeds of the Loan will be used, along with other available money of the Commission if any, to refund the Commission’s outstanding STTF Bonds and to fund the cost of issuance associated with the STTF Loan.

Structure of Financing

Amount:	Not-to-Exceed \$85,000,000
Closing Date:	On or about February 1, 2021, which closing date may be subject to change
Rate:	Taxable fixed rate for the entire term of the Loan.
Prepayment:	The Commission requests the ability to prepay the Loan without penalty in whole or in part, but alternative prepayment options will be considered.

Final Maturity:	June 1, 2027
Interest Payments Dates:	Semiannually on June 1 st and December 1 st , commencing June 1, 2021.
Interest Compounding:	None
Interest Day Count Method:	Please specify in proposal
Principal Payment Dates:	Annually, commencing June 1, 2021
Debt Service Structure:	See Appendix A for the preliminary principal amortization schedule.

Security for the Loan

Overview. The Loan will be solely and exclusively a special and limited obligation of the Commission payable solely from and secured by (a) all right, title and interest of the Commission under the Loan Agreements (excluding fees and expenses payable to, or on behalf of, the Commission and rights of the Commission to indemnity and notices thereunder and excluding any payments made by the Borrowers to comply with the rebate provision of Section 148(f) of the Code, (b) all moneys and securities from time to time held by the Trustee under the terms of the Indenture (except for moneys and securities held in the Rebate Fund and the Administrative Expense Fund), including any investment earnings thereon, all in accordance with the provision of the Indenture and (c) all of the Revenues (other than the Additional Payments), as and for additional security therewith, by the Commission or any other person on its behalf or with its written consent.

Loan Agreements. Pursuant to the respective loans with the Borrowers (Ports), each Borrower is required to pay to the Trustee, for the account of the Commission, among other payments, semiannual payments of principal and interest (Basic Payments) on each June 1 and December 1. Basic Payments shall be applied by the Trustee to pay principal of and interest on the proposed Loan as the same become due and payable. Basic Payments are required to be paid by the Borrowers solely from moneys due to the Borrowers from revenues derived from the Motor Vehicle License Taxes deposited annually to the State trust fund under provisions of Section 320.20(3) F.S. Under the Borrowers’ Loan Agreements, each Borrower assigned to the Trustee, on behalf of the Commission, all its rights, title and interest in such money due the Borrowers from the State Transportation Trust Fund pursuant to Section 320.20(3) to repay the loan.

Motor Vehicle License Tax Revenues. There is levied in Florida an annual license tax for the operation of motor vehicles which must be paid to and collected by the State Department of Highway Safety and Motor Vehicles. Under Section 320.20 F.S., the revenue derived by the State from the registration of such motor vehicles, including any delinquent fees and excluding those revenues collected and distributed under Section 320.081 F.S., relating to mobile homes and park trailers and to travel trailers and fifth-wheel trailers exceeding 35 feet in body length must be distributed monthly, as collected, as follows:

- (1) the first proceeds must be deposited to the School District and Community College District Capital Outlay and Debt Service Fund,

- (2) \$25,000,000 per year of such revenues must be deposited in the State Transportation Trust Fund, with priority use assigned to completion of the interstate highway system
- (3) \$15,000,000 annually shall be deposited in the State Transportation Trust Fund solely for purposes of funding the FSTED as provided in Section 311 of the F.S. Such revenues are to be distributed on a 50-50 matching basis to any port listed in Section 311.09(1) F.S. Such revenues were pledged as a trust for the repayment of principal and interest on the Commission’s STTF Bonds and will be pledged as a trust for the payment of the principal and interest on STTF Loan.

Additional Parity Debt

The Commission will not accept proposals that require the Bank’s approval before additional debt may be issued. The Commission may issue additional parity debt if the maximum annual amount of moneys available in the State Transportation Trust Fund pursuant to Section 320.20(3) F.S. including the obligations or additional debt proposed to be issue will be sufficient for such purpose (1.0x). The Commission additionally reserves the right to issue refunding obligations provided such refunding results in no increase in debt service in each year.

C. LOAN REQUEST #2 - INTERMODAL BONDS REFUNDING

Overview of Loan

The Commission is seeking proposals from qualified financial institutions to provide a taxable fixed rate bank loan (the “Intermodal Loan” or the “Intermodal Bond”), at the lowest overall borrowing cost, pursuant to certain conditions. The proceeds of the Loan will be used, along with other available money of the Commission if any, to refund the Commission’s outstanding Intermodal Bonds and to fund the cost of issuance associated with the Loan.

Structure of Financing

Amount:	Not-to-Exceed \$80,000,000
Closing Date:	On or about February 1, 2021, which closing date may be subject to change
Rate:	Taxable fixed rate for the entire term of the Loan.
Prepayment:	The Commission requests the ability to prepay the Loan without penalty in whole or in part, but alternative prepayment options will be considered.
Final Maturity:	October 1, 2029

Interest Payments Dates:	Semiannually on April 1 st and October 1 st , commencing April 1, 2021.
Interest Compounding:	None
Interest Day Count Method:	Please specify in proposal
Principal Payment Dates:	Annually, commencing October 1, 2021
Debt Service Structure:	See Appendix A for the preliminary principal amortization schedule.

Security for the Loan

Overview. The Loan will be solely and exclusively a special and limited obligation of the Commission payable solely from and secured by (a) all right, title and interest of the Commission under the Loan Agreements (excluding fees and expenses payable to, or on behalf of, the Commission and rights of the Commission to indemnity and notices thereunder and excluding any payments made by the Borrowers to comply with the rebate provision of Section 148(f) of the Code, (b) all moneys and securities from time to time held by the Trustee under the terms of the Indenture (except for moneys and securities held in the Rebate Fund and the Administrative Expense Fund), including any investment earnings thereon, all in accordance with the provision of the Indenture and (c) all of the Revenues (other than the Additional Payments), as and for additional security therewith, by the Commission or any other person on its behalf or with its written consent.

Loan Agreements. Pursuant to the respective loans with the Borrowers (Ports), each Borrower is required to pay to the Trustee, for the account of the Commission, among other payments, semiannual payments of principal and interest (Basic Payments) on each April 1 and October 1. Basic Payments shall be applied by the Trustee to pay principal of and interest on the Loan as the same become due and payable. Basic Payments are required to be paid by the Borrowers solely from moneys due to the Borrowers from revenues derived from the Motor Vehicle License Taxes deposited annually to the State trust fund under provisions of Section 320.20(4) F.S. Under the Borrowers’ Loan Agreements, each Borrower assigned to the Trustee, on behalf of the Commission, all its rights, title and interest in such money due the Borrowers from the State Transportation Trust Fund pursuant to Section 320.20(4) to repay the loan.

Motor Vehicle License Tax Revenues. There is levied in Florida an annual license tax for the operation of motor vehicles which must be paid to and collected by the State Department of Highway Safety and Motor Vehicles. Under Section 320.20 F.S., the revenue derived by the State from the registration of such motor vehicles, including any delinquent fees and excluding those revenues collected and distributed under Section 320.081 F.S., relating to mobile homes and park trailers and to travel trailers and fifth-wheel trailers exceeding 35 feet in body length must be distributed monthly, as collected, as follows:

- (1) the first proceeds must be deposited to the School District and Community College District Capital Outlay and Debt Service Fund,

- (2) \$25,000,000 per year of such revenues must be deposited in the State Transportation Trust Fund, with priority use assigned to completion of the interstate highway system
- (3) \$15,000,000 annually shall be deposited in the State Transportation Trust Fund solely for purposes of funding the FSTED as provided in Section 311 of the F.S. Such revenues are to be distributed on a 50-50 matching basis to any port listed in Section 311.09(1) F.S. Such revenues were pledged as a trust for the repayment of principal and interest on the Commission's STTF Bonds and will be pledged as a trust for the payment of the principal and interest on STTF Loan.
- (4) \$10,000,000 annually shall be deposited in the State Transportation Trust Fund solely for purposes of funding the FSTED as provided in Section 311 of the F.S. Such revenues are for funding seaport intermodal access projects of statewide significance, and shall be distributed to any port listed in Section 311.09(1) F.S. Such revenues were pledged as a trust for the repayment of principal and interest on the Commission's Intermodal Bonds and will be pledged as a trust for the payment of the principal and interest on the Intermodal Loan.

Additional Parity Debt

The Commission will not accept proposals that require the Bank's approval before additional debt may be issued. The Commission may issue additional parity debt if the maximum annual amount of moneys available in the State Transportation Trust Fund pursuant to Section 320.20(4) F.S. including the obligations or additional debt proposed to be issue will be sufficient for such purpose (1.0x). The Commission additionally reserves the right to issue refunding obligations provided such refunding results in no increase in debt service in each year.

D. NO ACCELERATION AND NO INTEREST RATE INCREASE ON LOANS

The Commission's proposed Loans are payable from annually appropriated revenue streams of \$15 million and \$10 million for the STTF Loan and Intermodal Loan respectively, and are structured such that these revenue streams will produce approximately 1.0x coverage on each of the proposed loans. **The Commission will not accept Loan proposals that include the ability for the lender to accelerate principal repayment in any circumstance, including default, or that provide for the ability to increase the interest rate on the Loan under any circumstance, including a default rate.**

E. DOCUMENTATION

Nabors, Giblin & Nickerson, P.A. ("Bond Counsel") shall prepare the documents to close the Loan(s). The selected bank will be furnished, without charge to the bank, the opinion of the Commission's Bond Counsel, approving the legality of the Loan(s) together with the closing certificates and documents related to the transaction. HilltopSecurities will also assist the Commission in meeting its financing objectives.

At the closing of the Loan(s), the financial institution will be required to make certain certifications, including, but not limited to, signing a closing certificate that:

- a. It is making the Loan for its own account, does not currently intend to syndicate the Loan, will take no action to cause the Loan to be characterized as a security, and will not treat the Loan as a municipal security for purposes of the securities law;
- b. it is not acting as a broker or other intermediary, and is funding the Loan from its own capital for its own account and not with a present view to a resale or other distribution to the public, and currently intends to hold the Loan to the earlier of maturity or redemption;
- c. the Loan will not be used in the future on a securitized transaction and is not a municipal security;
- d. it understands that the Loan is evidenced by a bond and the bond is issued in a single denomination equal to the aggregate principal amount of the Loan and may not be transferred except in whole and will not be transferred to any kind of trust under any circumstances, and confirming that it understands the Loan may not be transferred in a denomination less than \$100,000 even in whole;
- e. the Loan will only be transferred to a Permitted Lender in whole, in a denomination of not less than \$100,000. A "Permitted Lender" means any bank, trust company, savings institution or insurance company that is engaged as a regular part of its business in making loans and is authorized to do business in the State of Florida;
- f. the Lender is a bank, trust company, savings institution, insurance company, dealer, investment company, pension or profit-sharing trust, or qualified institutional buyer as contemplated by Section 517.061(7), Florida Statutes, and is an "accredited investor";
- g. It has in its possession or has had access to all material information concerning the security and sources of payment of the bond, and, as a result thereof, is thoroughly familiar with the nature and risks of making the Loan and purchasing the bond. It has been afforded access to all material information and has had sufficient opportunity to discuss the business of the Commission and the projects financed with the proceeds of the bond, with its officers, employees and others, and has been permitted to make an investigation of the Commission and its operations. It does not require any further information or data concerning the Commission. In making the Loan and purchasing the bond, it has relied solely upon its own investigation, examination, and evaluation of the Commission and other relevant matters, and has not relied upon any statement or materials which have not been supported by its own investigation and examination. It has knowledge and experience in financial and business matters, including tax-exempt obligations, and is capable of evaluating the merits and risks of making the Loan and purchasing the bond and has determined that it can bear the economic risk of making the Loan and purchasing the bond.
- h. it is not funding the Loan for the direct or indirect promotion of any scheme or enterprise with the intent of violating or evading any provision of Chapter 517, Florida Statutes;
- i. it understands that the Loan is not a municipal security and that, unless otherwise required, no filing may be made with respect to the Loan with EMMA, the Municipal Securities Rulemaking Board continuing disclosure site;
- j. there will be no CUSIPs obtained on the Loan; and
- k. there will be no credit rating obtained on the Loan.

F. PROPOSAL FORMAT – SELECTION CRITERIA

Proposals will be evaluated on the basis of cost and the structure that best meets the financing requirements of the Commission. In order to assist the Commission in reviewing the responses, each proposal should include the following information.

- (1) The legal name of the Bank and the primary Bank contact person(s) (include address, telephone number, facsimile number, and e-mail address).
- (2) A taxable fixed interest rate for the full term of STTF Loan and/or Intermodal Loan. The proposal shall give a stated time in which the proposed rate(s) will be held as well as the index in which the rate shall be calculated should the stated time elapse. The proposal should acknowledge the preliminary amortization schedules for the proposed Loans provided in Appendix A, and acknowledge there may be adjustments to the preliminary amortization schedules in order to achieve the desired debt service structure based upon the final interest rate and Loan size for each Loan.
- (3) Describe in detail all fees and expenses which the Commission will be responsible to pay to the Bank including its legal counsel. The Commission has retained the law firm Nabors, Giblin & Nickerson, P.A. to prepare the Loan documents. The amounts stated in the proposal shall represent the maximum amounts payable to the Bank by the Commission. All fees and expenses, with the exception of those of Bond Counsel and HilltopSecurities, in excess of those stated in the proposal shall be the sole responsibility of the Bank and will not be paid or reimbursed by the Commission.
- (4) A listing of all conditions, covenants, terms or restrictions, other than those specified in this RFP, which would be included in your commitment to provide the Loan. Note that exceptions may be deemed non-responsive to this request.

G. MISCELLANEOUS

- (1) The Commission will not accept proposals with reserve requirements or other restrictions to revenues or requirements to maintain minimum balances in any bank account as a condition for the Loan.
- (2) The Commission reserves the right, in its sole discretion, to accept or reject any and all proposals, to waive any irregularities or informalities in any proposal or in the proposal process, and to accept or reject any items or combination of items. If the Commission determines to move forward with either of the proposed loans, the award will be to the financial institution whose proposal best complies with the requirements set forth in this RFP and whose proposal, in the opinion of the Commission and Financial Advisor, is best, taking into consideration all aspects of the offeror's response.
- (3) Changes to this RFP may be made by and at the sole discretion of the Commission.
- (4) The Commission will not be liable for any expenses incurred in connection with the preparation of a response to this RFP.

- (5) Proposers, their agents, or associates shall refrain from contacting or soliciting any members of the Commission or members of the Florida Ports Council directly or indirectly regarding this RFP and during the selection process. Failure to comply with this provision may result in the disqualification of the Proposer. All requests for clarification or additional information should be made in writing to:

Casey Grigsby, Florida Ports Council
Casey.Grigsby@flaports.org

-AND-

Joel Tindal, Hilltop Securities Inc.
Joel.Tindal@hilltopsecurities.com

- (6) Federal, State, and local laws, ordinances, rules and regulations that in any manner affect the items covered herein apply. Lack of knowledge by the Bank will in no way be a cause for relief from responsibility.
- (7) No successful proposer may assign any portion of the contractual agreement between the parties without prior written authorization by the Commission.
- (8) Warranties – The proposer, in submission of its proposal, warrants to the Commission that it will comply with all applicable federal, state and local laws, regulations and orders in providing the services under the proposed documents.
- (9) Public Entity Crime; Florida Statutes, 287.133(2)(a): 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.

H. TENTATIVE SCHEDULE*

November 20, 2020	Issue Request for Proposal (RFP)
December 15, 2020	Bank Proposals Due Prior to 3:00 P.M. Eastern
January/2021	Commission Meeting / Approval of Loan(s)
February 1, 2021**	Closing of the Loan(s)

*Preliminary/subject to change.

**On or about, which closing date may be subject to change.

I. RFP INSTRUCTIONS

All bids must be submitted via e-mail (in PDF format) directly the Commission with a copy to HilltopSecurities at the e-mail addresses below for receipt no later than 3:00 PM Eastern Time on December 15, 2020:

Florida Ports Financing Commission

Casey Grigsby, Casey.Grigsby@flaports.org

---with a copy to:---

HilltopSecurities

Joel Tindal, joel.tindal@hilltopsecurities.com

APPENDIX A
Preliminary Loan Principal Amortizations

Preliminary Loan Principal Amortization*			
STTF Loan		Intermodal Loan	
Payment Date	Amount	Payment Date	Amount
6/1/2021	\$4,350,000	10/1/2021	\$365,000
6/1/2022	14,000,000	10/1/2022	8,960,000
6/1/2023	14,175,000	10/1/2023	9,090,000
6/1/2024	14,350,000	10/1/2024	9,225,000
6/1/2025	14,525,000	10/1/2025	9,360,000
6/1/2026	14,715,000	10/1/2026	9,495,000
6/1/2027	7,400,000	10/1/2027	9,635,000
		10/1/2028	9,780,000
		10/1/2029	9,915,000
Total	\$83,515,000	Total	\$75,825,000

*Preliminary and subject to change.

APPENDIX B
Historical Motor Vehicle License Tax Revenues

Fiscal Year	Total Motor Vehicle License Tax Revenue	Distribution Amount to Education	Distribution Amount to Interstate Highway	Distribution Amount to Section 320.20(3) Bond Program (1)	Distribution Amount to Section 320.20(4) Bond Program (2)
2015	694,995,022	121,273,623	25,000,000	15,000,000	10,000,000
2016	708,829,701	132,154,816	25,000,000	15,000,000	10,000,000
2017	736,034,741	114,217,505	25,000,000	15,000,000	10,000,000
2018	765,464,806	126,342,607	25,000,000	15,000,000	10,000,000
2019	790,328,079	126,685,822	25,000,000	15,000,000	10,000,000

- (1) Represents annual appropriation from the Motor Vehicle License Tax Revenues in relation to the STTF Loan, which is subsequent to exemptions provided in Section 320.081 F.S., the Distribution Amount to Education, and Distribution Amount to Interstate Highway.
- (2) Represents annual appropriation from the Motor Vehicle License Tax Revenues in relation to Intermodal Loan, which is subsequent to exemptions provided in Section 320.081 F.S., Distribution Amount to Education, Distribution Amount to Interstate Highway, and Distribution pursuant to Section 320.20(3) F.S. related to proposed STTF Loan.