



Junaluska Sanitary District
P.O. Box 35
Lake Junaluska, NC 28745
828-452-1178
www.jsdwater.org

RFP – INSTALLMENT FINANCING AGREEMENT

February 5, 2024

Junaluska Sanitary District (JSD) desires to enter into an installment agreement pursuant to N.C. G.S. 160A-20 and requests proposals from financial institutions for a commercial loan not to exceed \$850,000 (tax-exempt) for the purpose of financing the cost of the project described below. JSD is soliciting your proposal to provide the necessary financing for this project, subject to the terms and conditions set forth in this Request for Proposal.

JSD is a body of politic and a corporate unit of local government of the State of North Carolina. JSD is a sanitary district established pursuant to North Carolina General Statute section 130A-47 et seq.

A. Pertinent Information

1. The project consists of purchasing a building and property and renovations of the existing building in order to relocate our public office.
2. The financing will be bank eligible under Section 265 of the Internal Revenue Code of 1986.
3. JSD expects to obtain Local Government Commission approval of the installment financing agreement on **April 2, 2024**.

B. Contract Specifications

1. The desired amount of financing is not to exceed \$850,000.00. The financing amount is to purchase the existing property and make improvements to the building to accommodate administrative operations and customer access.
2. The desired term of the financing is 15 or 20 years. JSD desires the debt service payment schedule to reflect amortization over a 15 year and a 20-year period. JSD will evaluate these two options and choose one for financing.
3. JSD desires and requests (3) proposed repayment schedules:
 - i. Quarterly installments on or after May 2, 2024
 - ii. Semi-Annual installments on or after May 2, 2024
 - iii. Annual installments on or after May 2, 2024
4. The interest rate(s) should be fixed for the term.
5. The interest rate(s) proposed must be guaranteed for at least ninety (90) days. JSD desires to close the transaction by the middle of April 2024.
6. Prepayment terms will be negotiated between JSD and the successful bidder. JSD desires prepayment of principal at any time without penalty.
7. The agreement will be secured by a security interest in the building to be financed with the proceeds of the Agreement. No deficiency judgment may be rendered against JSD for breach of a contractual obligation under the Installment Financing Agreement, and the taxing power of JSD will not be pledged to secure repayment thereunder.
8. The Installment Financing Agreement must not contain a non-substitution clause and there must be a non-appropriation clause in the installment financing agreement.

9. JSD's Attorney will be the District's legal advisor and bond counsel will not be retained for this transaction.

C. Submission of Proposal

Proposals must specify at minimum the following information.

1. The term of financing.
2. The interest rate.
3. The terms of repayment. Please attach a sample debt service schedule.
4. Proposed terms for optional repayment, including whether you would allow a prepayment without penalty from excess construction proceeds.
5. A list of all additional costs to be associated with this transaction, including origination or placement fees, escrow fees, counsel fees and expenses. State whether or not any of such fees or expenses will be capped.
6. A statement to the effect that the bank agrees to the contract specifications as set forth in Part B of this Request for Proposal.
7. Proposed collateral to secure financing and the method for creating the lien or security interest in such collateral.
8. Bids should be based on gross funding of the Project (without consideration of investment earnings).
9. A statement that the bidder can meet a proposed closing date of April 10, 2024 (following the LGC approval process).

JSD reserves the right to request additional information from the bidders and reserves the right to reject all proposals and to waive any irregularity or informality. Although the selection will be based substantially on the lowest total financing cost (including both interest cost and upfront fees and expenses), JSD reserves the right to select the bidder that best meets the needs of the District.

D. Additional Information and Submission Instructions

1. Audited Financial Statements and Budget Information are available. Please contact the office at 828-452-1178 and they will be emailed to you.
2. An original of this proposal must be received by JSD's Finance Officer by 10:00am on February 16, 2024. Please address your response to the attention of:
Josh Nickol, GM / Finance Officer
Junaluska Sanitary District
P.O. Box 35
Lake Junaluska, NC 28745
(physical location for drop-off is 558 Old Clyde Rd, Clyde, NC 28721)
3. If you have further questions regarding the RFP, please contact us.
By email (info@jسدwater.org)
By phone, 828-452-1178 (Lara Feinberg)

Thank you in advance for your consideration of this Request for Proposal.

Sincerely,

Josh Nickol
GM/Finance Officer
Junaluska Sanitary District