



Open Session Item

**SUBJECT:** Contract Award (PUR-1570) - Bond Counsel Services

**PRESENTATION DATE:** October 11, 2022

**PRESENTATION BY:** Brandi Naugle, CPPB, Buyer, Purchasing Department; Kelcee Mace, Interim Chief Financial Officer of Budget and Finance.

**RECOMMENDED MOTION:** Move to award the contract for Bond Counsel Services to the responsive, responsible firm of Funk & Bolton, P.A., Attorneys at Law, of Baltimore, Maryland, for the total proposal value of \$107,100 plus out-of-pocket expenses related to bond issues and for all other work.

**REPORT-IN-BRIEF:** Attached is an excerpt from the Request for Proposal (RFP) document of the "Scope of Services" to be rendered under this contract. The RFP was advertised in the local newspaper, on the County's web site, and on the State's "eMaryland Marketplace Advantage" web site. Sixteen (16) persons/companies registered/downloaded the bid document on-line. The following persons served as members on the Coordinating Committee: Interim Chief Financial Officer of Budget and Finance (Committee Chairman), County Buyer, County Attorney, Director of Budget & Finance and Senior Accountant.

Five (5) firms were represented at the pre-proposal conference/teleconference. Four (4) proposals were received for the subject services. The Qualifications & Experience/Technical Proposals of the four (4) firms were considered to be responsive by the Committee and their Price Proposal was opened for evaluation as shown on the attached Fee Schedule.

The initial term of this contract is anticipated to be for a one (1) year period tentatively commencing November 1, 2022 and ending October 31, 2023, with an option by the County to renew for up to four (4) consecutive one (1) year periods, thereafter, based on the annual lump sum fees proposed by the successful firm.

**DISCUSSION:** N/A

**FISCAL IMPACT:** Capital Improvement Plan (CIP) – Bond Issuance Cost, Account No. 501095-30-10500-ADM001 and other operating accounts will be utilized to cover costs if needed.

**CONCURRENCES:** As recommended by the Coordinating Committee that included the County Attorney.

**ALTERNATIVES:** N/A

**ATTACHMENTS:** Bid Matrix Tabulation

**AUDIO/VISUAL NEEDS:** N/A

## **SCOPE OF SERVICES:**

All firms responding to this proposal shall demonstrate the capabilities and experience to conduct the following scope of services if requested:

- A. Assist in the planning of the financing and structuring of the debt issue.
- B. Review the transcripts of proceedings taken to date to authorize the debt and determine whether there is legal authority to issue debt.
- C. Assist with the bond sale proceedings, including preparation of documents necessary or appropriate for the authorization, issuance, sale, and delivery of the bonds or other debt.
- D. Prepare the appropriate resolutions authorizing the issuance of the debt and determine if the debt was legally sold or placed.
- E. Assist in various aspects of preparing the official statements or other disclosure documents to be disseminated in connection with the issuance of debt.
- F. Obtain from governmental authorities such approvals, rulings, permissions, and exemptions as bond counsel determines are necessary or appropriate with respect to the issue.
- G. Render legal opinions approving the validity of the debt. In this capacity, bond counsel shall inform the County through the approving opinion of the nature of the security for the debt; the legality, validity and tax-exempt status of the securities; and the legality and validity of the requisite documentation and procedures.
- H. Render legal opinions on such related matters as:
  - 1. the applicability of particular provisions of federal and state securities laws;
  - 2. the applicability of tax law provisions governing estate and gift taxation;
  - 3. the eligibility of the debt for investment by various fiduciaries and other regulated investors;
  - 4. the status of the debt and related obligations under laws relating to creditors' rights; and
  - 5. the validity and enforceability of security agreements, indentures, and other documents related to the debt and its security.
- I. Assist in preparing information for submission to rating agencies and bond insurers.
- J. Assist in other specified activities related to debt such as special taxing districts and tax increment financing.
- K. Advise the County on legal considerations relating to financing alternatives within the context of statutory and constitutional constraints.

- L. Answer questions about the debt by prospective purchaser in the secondary market or by public officials.
- M. Answer questions about the application of “arbitrage” and other federal tax regulations, the County’s obligations contained in covenants securing outstanding debt, the investment and expenditure of proceeds, and the collection, investment and application of funds used to pay debt.
- N. Attend various conferences and meetings, including public hearings and meetings of the Board of County Commissioners for the reception of bids and adoption of awarding resolutions.
- O. Perform all other requested legal services necessary and appropriate to the completion of County transactions concerning debt and reviewing related responsibilities.

**Fees for Annual Bond Issue and Supplemental Services (if required)**

	<b>Funk &amp; Bolton, P.A.</b>		<b>McGuireWoods LLP</b>		<b>McKennon Shelton &amp; Henn LLP</b>		<b>Whiteford, Taylor &amp; Preston LLP</b>	
Bond Counsel Fees for FY '23	\$17,800.00		\$27,500.00		\$25,000.00		\$35,000.00	
Bond Counsel Fees for FY '24	\$17,800.00		\$27,500.00		\$26,250.00		\$37,500.00	
Bond Counsel Fees for FY '25	\$17,800.00		\$30,000.00		\$27,562.00		\$40,000.00	
Bond Counsel Fees for FY '26	\$17,800.00		\$30,000.00		\$28,940.00		\$42,500.00	
Bond Counsel Fees for FY '27	\$17,800.00		\$32,500.00		\$30,387.00		\$45,000.00	
Attorney - 100 Hours (annual estimated quantity)	\$175.00/ Hour	\$17,500.00	\$450.00/ Hour	\$45,000.00	\$275.00/ Hour	\$27,500.00	\$225.00/ Hour	\$22,500.00
Paraprofessional - 10 Hours (annual estimated quantity)	\$60.00/ Hour	\$600.00	\$195.00/ Hour	\$1,950.00	\$160.00/ Hour	\$1,600.00	\$100.00/ Hour	\$1,000.00
<b>Total Price Proposal</b>	<b>\$107,100.00</b>		<b>\$194,450.00</b>		<b>\$167,239.00</b>		<b>\$223,500.00</b>	

**Schedul of Professional Hourly Rates for Supplemental Services, if required by Washington County**

	<b>Funk &amp; Bolton, P.A.</b>	<b>McGuireWoods LLP</b>	<b>McKennon Shelton &amp; Henn LLP</b>	<b>Whiteford, Taylor &amp; Preston LLP</b>
Attorneys	\$175.00	\$450.00	\$275.00	\$225.00
Paraprofessional	\$60.00	\$195.00	\$160.00	\$100.00
Other (Specify)	N/A	N/A	None Specified	None Specified

**REMARKS / EXCEPTIONS**

<b>Funk &amp; Bolton, P.A.</b>	<b>McGuireWoods LLP</b>	<b>McKennon Shelton &amp; Henn LLP</b>	<b>Whiteford, Taylor &amp; Preston LLP</b>
<p>For a conduit revenue transaction, tax increment and/or special taxing district issue, or other financing structure in which the County is not responsible for payment of its counsel's fees, Funk &amp; Bolton reserves the right to negotiate higher hourly rates with the County's consent (which may be granted or withheld in the County's sole discretion), including scenarios where a party other than the County agrees to pay such fees whether or not the issue closes.</p>	<p>NONE</p>	<p>NONE</p>	<p>NONE</p>