

BZN Bozeman Yellowstone INTERNATIONAL AIRPORT

REQUEST FOR PROPOSALS
BOND REFINANCE
THE GALLATIN AIRPORT AUTHORITY
850 GALLATIN FIELD ROAD, SUITE 6
BELGRADE, MT 59714

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The Gallatin Airport Authority (the "Authority") is soliciting proposals from qualified banking institutions (the "Bank" or "Respondent") to refinance bond debt.

Scaled Proposals must be received in the Airport Administration Office at the address above no later than 1:00 PM MDT on Tuesday April 2, 2019. Late Proposals will not be accepted.

INFORMATION FOR RESPONDENTS

The Authority operates Bozeman Yellowstone International Airport. The Authority is governed by a five (5) member Board appointed by the Gallatin County Commissioners. The Airport is largest airport in Montana in terms of passengers and operations and is served by the following commercial airlines: Alaska, Allegiant, American, Delta, Frontier, JetBlue, and United. Total passengers were 1,342,290 and total operations 90,502 in calendar year 2018.

The Authority currently has one outstanding debt:

- 1) **2009 Passenger Facility Charges (PFC) Supported Revenue Bonds** with a final maturity of June 1, 2034. Principal outstanding balance as of May, 2019 will be \$12,250,000

Bonds were issued under the terms of Authority Board Resolution No. 2009-4, dated October 8, 2009 pursuant to Montana Code Annotated, Title 67, Chapter 11, Parts 1-3, as amended. Bonds were issued as part of the financing for a 125,000 square foot addition to the existing terminal building. Construction was completed in 2011. This debt will be retired with the proceeds from this bank financing.

Summary:

The Authority is seeking bids for bond refinancing, in the amount of \$12,250,000, with a seven (7) or ten (10) year pay-off option and the first two (2) years of the loan interest only, remaining balance amortized over the remaining term of the loan; expected loan closing date, June 1, 2019. Financing will be used to retire bond debt.

Source of Repayment

The Lender will have 1st Lien on net revenues of the Authority and a pledge of Passenger Facility Charges of the Authority. The Passenger Facility Charge (PFC) Program allows the collection of PFC fees up to \$4.50 for every enplaned passenger at commercial airports controlled by public agencies. PFCs are capped at \$4.50 per flight segment with a maximum of two PFCs charged on a one-way trip or four PFCs on a round trip, for a maximum of \$18 total. Airports use these fees to fund FAA-approved projects that enhance safety, security, or capacity; reduce noise; or increase air carrier competition.

DISADVANTAGED BUSINESS ENTERPRISES

The Authority has established an Airport Disadvantaged Business Enterprise (“ACDBE”) program in accordance with regulations of the U.S. Department of Transportation (“DOT”), 49 CFR Part 26. It is the policy of the Authority to ensure that DBEs, as defined in Part 26, have an equal opportunity to receive and participate in airport opportunities. It is also our policy:

1. To ensure non-discrimination in the award and administration of opportunities;
2. To create a level playing field on which DBEs can compete fairly for opportunities at the airport;
3. To ensure that only firms that fully meet Part 26’s eligibility standards are permitted to participate as DBEs at our airport;
4. To help remove barriers to the participation of DBEs in opportunities at our airport; and
5. To provide appropriate flexibility to our airport in establishing and providing opportunities for DBEs.

The Authority will never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract on the basis of race, color, sex or national origin.

The successful Respondent shall not discriminate on the basis of race, color, national origin, or sex in the performance of any contract entered into as a result of this RFP.

If the Respondent is a certified Disadvantaged Business Enterprise (“DBE”), please provide evidence of certification with your submission. For information about DBE certification, please contact the Montana Department of Transportation or review the information at: www.mdt.mt.gov/business/contracting/civil/dbe.shtml.

INSTRUCTIONS TO RESPONDENTS

Respondents should read, review and understand this RFP, along with and any addenda issued. Each Proposal must contain a completed Bid Form (Exhibit A) in accordance with instructions given.

The proposal should be prepared as specified herein regarding form, content and sequence. **Sealed Proposals must be received in the Bozeman Yellowstone International Office at 850 Gallatin Filed Road, Suite 6 Belgrade, Montana 59714 no later than 1:00 PM MDST Tuesday April 2, 2019.** Any proposal received after the exact time specified for receipt will not be considered.

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FORMAT FOR SUBMISSIONS

Answers should be complete with all requested information included. Each Respondent should provide as much information as it feels is necessary to properly convey its terms, and when applicable, provide any relevant information. The response must include the following:

- (A) **Cover Page:**

Briefly provide lenders experience providing bank debt, private placements, or other similar structures to municipal airports, other municipalities in the State of Montana, or other related municipalities.

(B) Proposed Term Sheet:

1. Please set forth all fees, rates, and terms the Bank proposes
2. Please include legal and other out-of-pocket expenses, expressed in terms of a not-to-exceed cap, and drawing fees and administrative costs, including wire fees.
3. Please indicate the number of days upon receipt of the proposal that the proposed interest rates are locked, and after the expiration date, the methodology for determining a new rate.
4. Please indicate the frequency of interest and principal payments that the Bank desires (ie. annual, semi-annual, monthly, etc.).
5. Please indicate any alternative structures, pricing, interest rates or terms that the Bank would be willing to offer.
6. Please include any early payoff penalty.
7. Indicate the number of days required to receive final credit approval after being notified of the Bank's selection and describe the credit approval requirements and process.

(C) Completed Exhibit A Request for Proposal Gallatin Airport Authority

EVALUATION OF SUBMISSIONS

This RFP will be awarded to the responsible Bank whose proposal, in the Authority's sole judgment, is deemed most advantageous to the Authority. Airport staff shall evaluate submissions and make a recommendation to the Airport Authority Board. The Airport Authority Board shall make the final selection. The -Authority reserves the right to reject any and all proposals, to waive informalities and to accept the proposal that best serves the interest of the public and the Gallatin Airport Authority.

Each submission received will be evaluated based on the information required as set forth above, pursuant to the following selection criteria and rating system.

Selection Criteria and Numerical Rating

Selection Criteria	Rating Points
Bank's experience providing bank debt, private placements, or other similar structures to municipal airports, other municipalities in the State of Montana, or other related municipalities.	20
Proposed terms of financing	60
Respondent's past history, if any, with the Authority	20
TOTAL POINTS	100

Questions regarding this RFP should be directed to Troy Watling, Assistant Director-Finance troy.watling@bozemanairport.com (406) 388-6632 ext.111.

**EXHIBIT A (BID FORM)
BOND REFIANCING
GALLATIN AIRPORT AUTHORITY**

This form must be completed in full. Indicate "N/A" where applicable.

1. Respondent:

Name of Respondent: _____

Db a if applicable: _____

Contact Name: _____

Contact Title: _____

Address: _____

Business Phone Number: _____

E-mail: _____

2. Signature of Contact Person

Please provide the signature of the Contact Person provided in the Response to the RFP. This will bind the Bank to the terms offered herein.

The undersigned having (1) examined carefully the RFP document (2) become familiar with all terms and conditions specified in the RFP document and Professional Services Agreement; and (4) completed answers to all forms and responded fully to the RFP document requests for information.

Acknowledgment of the Proposal

The undersigned represents and warrants to the Authority as follows: (a) the undersigned person(s) are authorized representatives of Respondent; (b) all information submitted by Respondent in the Proposal package is complete, accurate, and truthful. (Note: If Respondent is a joint venture, all joint venture partners must sign; if Respondent is a corporation, at least Respondent's president and secretary must sign.)

_____ Title _____

Printed Name _____