



## **City of Elk Grove Request for Proposals for Underwriting Services**

On behalf of the City of Elk Grove ("City"), Fieldman (the "Municipal Advisor") is soliciting proposals from qualified underwriting firms to establish a pool of underwriters for the City's future bond financings. Potential financing types may include, but are not limited to, Community Facilities District ("CFD") Special Tax Bonds, Lease Revenue Bonds ("LRBs"), and other obligations as determined by the City. The City has identified potential future bond issuance to help fund the Whitelock Freeway Interchange Project, Project Elevate and a new Corporation Yard in the next five (5) years.

Based on an evaluation of the proposals received, the City intends to establish a pool of qualified underwriters for a period of up to five (5) years. Selection to the pool does not guarantee participation in any financing. The City reserves the right, at its sole discretion, to select one or more underwriters from the pool for a given transaction based on which firm or firms best meets the requirements of that specific financing. Prior to selecting an underwriter(s) for a particular financing, the City also reserves the right to request a short-form proposal from among the pool members. The City reserves the right to refresh the pool at any time and to remove any firm if it no longer serves the City's best interests, including in the event of changes in assigned personnel or level of expertise.

### **SUBMITTAL INFORMATION**

Responses are to be delivered via e-mail by **3:00 pm PT, Thursday, May 7, 2026** to Un Chu Reardon at [ureardon@fieldman.com](mailto:ureardon@fieldman.com) or Dan Shaw at [dshaw@fieldman.com](mailto:dshaw@fieldman.com).

**Responses should be no more than ten (10) pages, excluding any appendices, cover page or table of contents, with font size no smaller than 11-point.**

### **ADDITIONAL INFORMATION**

All questions must be submitted via email no later than **3:00 pm PT, Wednesday, April 29, 2026** to Un Chu Reardon and Dan Shaw at the email addresses listed above. Please do not contact the City from the date the RFP was sent out, through the date the selection is complete.

**BACKGROUND**

The City is seeking to establish a pool of underwriters to support its capital financing program on an as-needed basis. The City's financing needs may include new money issuances and refinancings across multiple debt types. Selection to the underwriter pool does not guarantee participation in any such financing.

As an immediate pending financing, the City, through the Elk Grove Finance Authority (the "Authority"), anticipates issuing Special Tax Revenue Bonds (the "Laguna Ridge Bonds") this Summer to assist in financing certain improvements for Community Facilities District No. 2005-1 (Laguna Ridge) (the "District") and to refund outstanding Series 2016 (Outstanding Par of \$100,855,000) and Series 2018 Bonds (Outstanding Par of \$18,405,000) callable at par on September 1, 2026. The Series 2016 Bonds has a Reserve Fund cash balance of \$8,108,683 and the 2018 Bonds has a Reserve Fund cash balance of \$1,674,103. The City anticipates that the new money and refunding of the Laguna Ridge Bonds will be done as one transaction.

The District was formed in 2005 and now is substantially built out. As of May 1, 2025, property in the District subject to the Special Tax securing the Bonds consists of approximately 5,767 taxable parcels, the vast majority of which have been developed over the past 20 years into single family homes.

The Bonds are special obligations of the Authority, payable from and secured by Revenues of the Authority consisting primarily of payments received by the Authority from the City in connection with the Bonds. The Bonds will be secured on a parity basis with the Series 2016, 2018, 2020, 2021 and 2024 Bonds by Facilities Special Taxes levied against taxable property in the District.

The District's total bond authorization is \$225,000,000. To date, \$215,590,000 in new money bonds have been issued, leaving \$9,410,000 in remaining unissued authorization. The upcoming bonds will represent the sixth series and are being structured to achieve 110% debt service coverage, based on the maximum annual Facilities Special Taxes from Developed Property and Designated Developed Property, after deducting Priority Administrative Expenses. Both the Facilities Special Taxes and Priority Administrative Expenses are projected to escalate at an annual rate of 2%.

**LAGUNA RIDGE BONDS FINANCE TEAM**

Jones Hall is acting as Bond Counsel and Disclosure Counsel, Fieldman is serving as Municipal Advisor, and NBS is serving as Special Tax Consultant.

**LAGUNA RIDGE BONDS TENTATIVE SCHEDULE**

The schedule below summarizes the key dates that would allow the finance team to complete the financing.

|   |                      |
|---|----------------------|
| RFP questions due by 3:00 pm PT           | April 29, 2026       |
| RFP responses due by 3:00 pm PT           | May 7, 2026          |
| Underwriter selection completed           | Week of May 18, 2026 |
| City Council/Authority financing approval | July 22, 2026        |
| Price Bonds                               | +/- July 29, 2026    |
| Close Bonds                               | +/- August 12, 2026  |

**CONTENT OF RESPONSE TO REQUEST FOR PROPOSAL**

The selection of the firm or firms to serve on the City's underwriter pool will be based on responses to the questions below. The award and approval of the underwriting engagement will ultimately be made by the City. Responses should address the Laguna Ridge Bonds as the immediate pending financing and also reflect the firm's broader capabilities across the range of financing types described above.

**1. Firm Overview and Experience**

- Provide a brief description of your firm and its experience underwriting California CFD Special Tax Bonds and California Lease Revenue Bonds/Certificates of Participation since January 1, 2021. Include the total number and par amount of sole or senior managed transactions for each financing type.
- As an appendix, provide a list of this experience including:
  - Date of issuance
  - Issuer name
  - Par amount
  - Firm role
  - Method of sale
  - Underwriter's discount (\$/bond)
  - Key banking staff members and their roles

**2. Proposed Team**

Please provide brief biographies of your proposed team members. Identify a proposed lead banker, engagement manager/day-to-day contact, summarize what each person's role would be and who you propose to engage as Underwriter's Counsel for the pending Laguna Ridge Bonds and provide their contact information.

**3. Structuring Considerations for the Laguna Ridge Bonds**

Assuming the Laguna Ridge Bonds are sold according to the proposed timeline, provide a summary of your proposed bond structure in the body of your proposal and include the detailed cash flows as an appendix. Discuss any timing and market considerations and your thoughts on optional redemption features for the Laguna Ridge Bonds. Please discuss options for how the City can best use the existing Laguna Ridge cash-funded reserves to either enhance savings or provide new money to fund infrastructure.

**4. Marketing Considerations for the Laguna Ridge Bonds**

Considering the current conditions in the municipal marketplace, please discuss your marketing and sales strategy for the Laguna Ridge Bonds. Considering the City Council approval date, discuss how long of a marketing period is needed. What strategies would you plan to utilize to garner investor interest for the Laguna Ridge Bonds.

**5. Proposed Compensation for the Laguna Ridge Bonds**

Assuming a total par amount of \$128.660 million and a 26-year term, provide your proposed underwriter compensation. Provide proposed takedowns by maturity and a detailed breakdown of the expense components including the cost of underwriter's counsel. Please note that the estimated par amount provided herein should not influence your response to question 3.

**6. Proposed Compensation for future Lease Revenue Bonds**

Assuming a total par amount of \$50.0 million with an underlying AA rating and a 30-year term, provide your proposed underwriter compensation. Provide proposed takedowns by maturity and a detailed breakdown of the expense components including the cost of underwriter's counsel.

**7. Rating(s) Strategy**

Please discuss your rating(s) strategy for the City based on its existing outstanding General Fund debt and current rating. What are some of the most important considerations for maintaining or potentially upgrading the City's outstanding credit rating based on future issuance of Lease Revenue Bonds.

**8. References**

Provide three references for each of the following financing types where your firm served as underwriter: (a) CFD Special Tax Bond transactions, and (b) Lease Revenue Bond transactions. For each reference, include the agency name, contact information, and a brief description of the financing.

**9. Regulatory/Legal Issues**

Discuss recent developments in your firm's and/or assigned personnel's involvement in or pending regulatory investigation or litigation within the last three years. Please list any potential conflicts of interest your firm may have in acting as an underwriter for the City.

**10. Insurance Requirements**

Please review the Insurance Requirements provided an Exhibit A and include in your proposal a statement that you meet all the City's Insurance Requirements and will provide a Certificate of Insurance evidencing coverage prior to commencing any work.

**DISCLAIMER**

The City reserves the right to withdraw this Request for Proposals at any time without prior notice, to reject any and all proposals, and to waive informalities and minor irregularities in any proposal reviewed. Additionally, the City reserves the right to negotiate all final terms and conditions of any preliminary agreement entered into with the underwriter. All proposals submitted to the City in response to this Request for Proposals shall become the property of the City. The City makes no representations that any contract will be awarded to any respondent. Nothing in this Request for Proposals shall be deemed to commit the City to engage any underwriter or to proceed with the sale of the Bonds. All costs associated with any proposal shall be the sole responsibility of the proposer.

**EXHIBIT A**

**Insurance Requirements**

Prior to commencement of any work under this Contract, Consultant shall provide to the City proof of, and maintain in full force and effect at all times during the term of the Contract, at its sole cost and expense, policies of insurance as set forth herein. Consultant shall comply with all reporting and other provisions of the policies of insurance as set forth herein including, but not limited to, timely reporting of claims and suits. Further, should Consultant maintain any programs of self-insurance, Consultant shall comply with the applicable fulfillment of any self-insured retentions.

1. Errors and Omissions; Malpractice; Professional Liability:
  - a. Errors and omissions, malpractice, or professional liability insurance sufficiently broad to respond to the duties and obligations as is undertaken by Consultant in this Contract.
  - b. The limits of liability shall not be less than:

|                           |                                   |
|---------------------------|-----------------------------------|
| Each occurrence or claim: | One Million Dollars (\$5,000,000) |
| Aggregate:                | One Million Dollars (\$5,000,000) |
  - c. Both occurrence and claims-made policies are acceptable.
  
2. Cyber Liability:
  - a. Cyber Liability Insurance with Coverage sufficiently broad to respond to the duties and obligations as is undertaken by Consultant in this Contract and shall include, but not be limited to, claims involving invasion of privacy violations, private information theft, and release of private information. The policy shall provide coverage for breach response costs, regulatory fines and penalties as well as credit monitoring expenses. The policy shall provide coverage for third-party liability (claims against the City).
  - b. The limits of liability shall not be less than:

|                           |                                   |
|---------------------------|-----------------------------------|
| Each occurrence or claim: | One Million Dollars (\$1,000,000) |
|---------------------------|-----------------------------------|
  - c. Both occurrence and claims-made policies are acceptable. Upon termination of this Contract the same insurance requirements in Section 4 of this Exhibit will apply for a one (1) year period following such termination. A “tail” policy may be purchased as an alternative to satisfy this requirement.
  
3. Acceptability of Insurers: Insurance is to be placed with insurers with a **Bests' rating of no less than A:VII**.

4. Any deductibles, aggregate limits, pending claims or lawsuits that may diminish the aggregate limits, or self-insured retention(s), must be declared to, and approved by, the City.
5. Consultant shall furnish the City with certificates of insurance and original endorsements or insurance binders, signed by a person authorized by the insurer to bind coverage on its behalf, evidencing the coverage required by this Contract. At the written request of the City, Consultant agrees to furnish a duplicate original or certified copy of each required policy including the declaration pages, conditions, provisions, endorsements, and exclusions.
6. The City, due to unforeseen risk or exhaustion, failure, or dilution of Consultant's insurance coverage, at its discretion, may increase the amounts and types of insurance coverage required hereunder at any time during the term of the contract by giving 30 days written notice.
7. Consultant shall serve the City notice, in writing by certified mail, within 2 days of any notices received from any insurance carriers providing insurance coverage under this Agreement that concern the suspension, voidance, cancellation, termination, reduction in coverage or limits, non-renewal, or material changes of coverage proposed or otherwise.
8. If Consultant fails to procure or maintain insurance as required by this section, and any Supplementary Conditions, or fails to furnish the City with proof of such insurance, the City, at its discretion, may procure any or all such insurance. Premiums for such insurance procured by the City shall be deducted and retained from any sums due Consultant under the contract.
9. Failure of the City to obtain such insurance shall in no way relieve Consultant from any of its responsibilities under the contract.
10. The making of progress payments to Consultant shall not be construed as relieving Consultant or its Sub-Consultants or agents of responsibility for loss or direct physical loss, damage, or destruction occurring prior to final acceptance by the City.
11. The failure of the City to enforce in a timely manner any of the provisions of this section shall not act as a waiver to enforcement of any of these provisions at any time during the term of the contract.

- 12. The requirement as to types, limits, and the City’s approval of insurance coverage to be maintained by Consultant are not intended to, and shall not in any manner, limit or qualify the liabilities and obligations assumed by Consultant under the Contract.

**INSURANCE REQUIREMENTS SUMMARY**

| <b>TYPE</b>                                 | <b>SINGLE LIMIT / OCCURRENCE</b> | <b>AGGREGATE</b> | <b>ENDORSEMENTS***</b> |
|---|----------------------------------|------------------|------------------------|
| Professional Liability/Errors and Omissions | \$5,000,000                      | \$5,000,000      |                        |
| Cyber Liability                             | \$1,000,000                      | \$1,000,000      |                        |

\*\*\*Must be actual endorsements. Typed statements on Certificates of Liability are unacceptable.

This is a summary only. Please refer to the insurance section and/or exhibit of this contract for specific requirements.