



REQUEST FOR PROPOSALS (RFP)

Trustee Services for Airport Revenue Bonds for Syracuse Regional Airport Authority

August 6, 2021

OVERVIEW

The Syracuse Regional Airport Authority (the “Authority”), a New York public benefit corporation, was established to operate the Syracuse Hancock International Airport (the “Airport”) and to foster the development of safe, secure and efficient aviation services at the Airport and in the Upstate New York Region. The Authority is committed to promoting the growth and success of the Syracuse Hancock International Airport by providing fiscal responsibility, regional marketing, and job creation in the aviation industry, and those industries that support aviation. The Authority was established under the Public Authorities Law of the State of New York (the “State”). The Authority will receive proposals from qualified financial institutions to serve as the Trustee and Paying Agent under a new Master Resolution.

RFP SCHEDULE

Questions: Questions to this RFP must be submitted no later than **1:00 PM EDT August 13, 2021** via e-mail to kcushine@frascallc.com.

Interested proposers to this RFP should send an email to kcushine@frascallc.com to receive any Addenda to this RFP including responses to questions received.

Proposal Due Date: Proposal must be submitted no later than **1:00 PM EDT August 20, 2021** via email to:

- watkinsr@syraairport.org
- kcushine@frascallc.com

No proposals will be accepted after that time unless such date or time is extended pursuant to a written addendum issued by the Authority. Frasca & Associates, LLC serves as municipal advisor to the Authority.

OBJECTIVE & SCOPE OF SERVICES

I. OBJECTIVE

The Authority is seeking one qualified bank or financial institution to serve as both Trustee and Paying Agent for the issuance of its Senior Lien Airport Revenue Refunding Bonds (the “2021 Refunding Bonds”) which are expected to be issued in October 2021 as well as any future parity bonds that may be issued. The 2021 Refunding Bonds are being issued to refund the City of Syracuse’s (the “City”) Series 2011 General Obligation bonds which were issued to fund Airport improvements and are paid with Airport revenues, including Passenger Facility Charges (“PFCs”), as well as the refunding in full of a direct bank loan entered into by the Authority and Key Government Finance, Inc. in 2019 (“Key

Bank Loan”). Following the issuance of the Refunding Bonds, they will be the only outstanding Bonds of the Authority.

II. SUBMISSION OF PROPOSALS

All communications regarding this solicitation must only be through email as stated above. No communication is to be directed to any other Authority personnel. Failure to comply may result in the disqualification of proposer’s submittal.

III. ADDENDA

In the event it becomes necessary to revise, change, modify or cancel this RFP or to provide additional information, addenda will be issued to all recipients of this RFP.

IV. MINIMUM QUALIFICATIONS

Proposals must demonstrate that proposer meets the following minimum qualifications to provide the Trustee and Paying Agent Services to the Authority. Proposals, which, in the sole discretion of the Authority, do not meet the minimum qualifications, will be deemed nonresponsive and not evaluated any further.

1. **Prior Experience.** Each proposer must be a bank/financial institution that is a federally or state-chartered bank with trust powers. Proposers must have acted as trustee and paying agent on at least five issuances of tax-exempt or taxable general obligation or revenue bonds of at least \$30 million in original par amount within the past three years, all of which were publicly sold by negotiation. Proposed personnel for the proposer’s work for the Authority must have been involved in most or all of those transactions.
2. **Offeror’s Capacity.** Each proposer must have had, for each of its last five fiscal years’ capital and surplus exceeding \$125 million.
3. **Statutory Requirements.** Each proposer must be qualified to provide services as trustee and paying agent as described in the Master Resolution within New York.
4. **Closing Through DTC.** Each proposer must be qualified for the Depository Trust Company ("DTC") and have the ability to utilize DTC "fast" closing.

The Authority recognizes the need to promote the employment of minority and women owned businesses (MWBE) and service-disabled veterans (SDVOB) and to ensure they have opportunities for maximum feasible participation in the performance of SRAA contracts. The Authority’s goals and reporting requirements can be reviewed at syrssraa.com/MWBE-program. Please provide information on your firm’s qualifications under the MWBE or SDVOB programs

V. SCOPE OF SERVICES

The successful proposer (“Trustee”) must provide the following general responsibilities and services as trustee and paying agent under the Master Resolution. This list is not intended to be all inclusive and any prospective trustee and paying agent should review the Master Resolution before submitting a proposal.

The draft Master Resolution included with this RFP as Attachment A, is in substantially final form. The Authority anticipates that the selected Trustee will review the Master Resolution and provide substantive comments if any by September 1, 2021. The Authority will review the Trustee’s comments to determine whether to incorporate them into the final draft of the Master Resolution.

A. Duties of the Trustee and Trustee Services

- 1) Establish and manage the funds and accounts as set forth in Article V of the Master Resolution in accordance with the requirements of the Resolution and in compliance with federal tax law. This includes the depositing and disbursement of funds as well as the holding and investing of funds in accordance with the requirements of the resolution.
- 2) Maintain records and provide detailed reporting related to all funds and accounts as may be requested by the Authority. This would include but not be limited to monthly reporting inclusive of market valuation of investments within six days of month end as well as online access to daily detailed account and investment information including transaction, balances and other information as required to account for and monitor the funds and accounts on an ongoing basis.
- 3) Monitor fund and accounts and taking actions on behalf of bondholders in accordance with the provisions of the Master Resolution.
- 4) Comply with all requirements for collateralization of any cash balances in for the investment or reinvestment of funds and bond proceeds and any other activities intended to secure bondholders in accordance with the Master Resolution.
- 5) Perform the other duties required of the Trustee pursuant to Article VIII of the Master Resolution.

B. Duties of the Paying Agent

Under the Master Resolution, the Trustee shall serve as the Paying Agent. The Master Resolution also allows for the appointment of additional Paying Agents. The rights, duties and responsibilities of the Paying Agent are limited to those set out in the Master Resolution and any Applicable Supplemental Resolution or Certificate of Determination created with respect to the Refunding Bonds or any additional Series of Bonds. The Authority anticipates that the payment of principal and interest and the establishment of records relating to ownership of the Bonds will occur initially through DTC.

TO THE EXTENT PROVIDED FOR IN AN AGREEMENT WITH DEPOSITORY TRUST COMPANY AND SUBJECT TO THE APPROVAL OF THE AUTHORITY, THE DUTIES DESCRIBED BELOW MAY BE PERFORMED IN PART BY DTC.

- 1) Keep or cause to be kept, at its designated corporate trust office, sufficient books and records for the registration, exchange, replacement and transfer of the Refunding Bonds, the recording of principal and interest payments to holders of the Refunding Bonds and containing such other information as may be reasonably required by the Authority or as may be required for compliance with applicable state and federal laws and regulations all as subject to such reasonable regulations as the Authority and the Trustee may prescribe.
- 2) Provide all reporting as necessary to carry out the duties of Paying Agent.
- 3) Provided that adequate collected funds have been provided to it for such purpose by or on behalf of the Authority, pay on behalf of the Authority the principal of, premium (if any) and interest on each Refunding Bond at its stated maturity date, redemption date or interest payment date.
- 4) Provide services necessary to issue the Refunding Bonds under the book-entry system of the Depository Trust Company, New York, NY.

VI. PROPOSAL FORMAT

All Proposals submitted must address all required components in order. The aim of the required format is to simplify the Proposal preparation and evaluation processes and to ensure that all Proposals receive the same orderly review.

Submissions will be limited to ten (10) total pages, single sided (minimum 11 point font); including cover pages (if any), table of contents (if any), charts, graphs, exhibits, cover letter, attachments and other material.

Information should be presented as requested, in the order listed in the following section. If the Proposer fails to provide the requested information, the Proposal may be deemed non-responsive and may not be further considered.

VII. PROPOSAL REQUIREMENTS

All Proposals must include the following components in the order set out below:

7.1 Transmittal Letter / Executive Summary:

A letter of transmittal, not exceeding one page in length, which includes the address and legal form of the proposer as well as the name, address, e-mail address and telephone number of the proposers' representative(s) to be contacted regarding your response. The letter should be signed by a person in your firm who is authorized to negotiate terms, render binding decisions, and commit the firm's resources.

7.2 Financial Information

Indicate whether your institution is a federally or state chartered bank with trust powers and has capital surplus aggregating at least \$125,000,000. Attach or provide electronic or hyperlinks to copies of your firm’s income statements and balance sheets for the last three years, as well as bond ratings and any other indicator of your firm’s financial condition. Confirm that your institution meets the minimum qualification of Section IV.

7.3 Composition, Experience and Qualifications of Proposed Personnel

How would your work with the Authority be organized and staffed? Which individual would have overall responsibility? Who would have day-to-day responsibility, if different? From which office would you provide the services requested under this RFP? Provide, in the tabular format provided below, the requested information. Please list only those professionals who are reasonably expected to interact with the Authority in a meaningful way during the transaction and in servicing the account on an ongoing basis. Provide resume/qualifications of key personnel.

Name	Title	Role	Experience (years)	Office Location

7.4 Firm’s Experience on Bond Transactions

Provide a brief (one-page) description of your relevant Trustee and Paying Agent experience that would show that you have experiences on at least five issuances of tax-exempt or taxable general obligation or revenue bonds of at least \$30 million in original par amount within the past three years, all of which were publicly sold by negotiation. Please also indicate which of the proposed personnel were involved in these issuances.

7.5 Approach to Services

7.5.1 Collateralization/End of Day Sweep Vehicle

What short-term investment vehicle or interest bearing account does the bank/financial institution propose to use for the uninvested balances in the account (i.e. collateralized bank deposits or money market mutual funds as set forth in the Master Resolution)? If the bank/financial institution is proposing a money market mutual fund, 1) provide a copy of the current prospectus and identify the class of shares by providing the ticker symbol or CUSIP and 2) Indicate if it is an end of day sweep or a next day sweep.

7.5.2 Reporting Capabilities.

a. Describe the frequency and format of your reporting and ability to provide customized reporting. Describe online reporting capabilities including the types of reports and information available from your online site and the ability to download information. Describe capabilities to provide current day and month-to-date information as it relates to fund balances, investment balances, investment types and daily activity.

b. Market Valuation: Describe your capabilities to provide market valuations what pricing sources does the bank/financial institution use for market valuation of

securities? Will the bank/financial institution obtain market value pricing for zero coupon bonds (e.g., commercial paper, federal discount notes)? If not, what will the Firm report on the monthly statements?

c. Describe your ability to provide historical statements covering several years (5 or more) and any additional cost the Authority would incur to receive this information (for arbitrage rebate compliance purposes).

d. Discuss your ability to provide customized Governmental Accounting Standards Board ("GASB") reporting. Include sample reports.

e. Does the bank/financial receive a Service and Organization Controls (SOC) 1 report covering its Trustee Services?

7.5.3 Disbursements

a. How do you handle invoices to be paid from bond funds? How do you ensure that invoices receive the necessary approval and are paid timely?

b. What is your turnaround time for processing disbursement requests? What is your preferred method to make disbursement (i.e. check, ACH, wire). Indicate your firm's ability to wire funds and any related fees, costs or time constraints.

7.5.4 Other. How do you track important dates related to bond issues (interest/principal dates, arbitrage calculation dates)?

7.6 Conflict of Interest and Regulatory

a. Describe any lines of business conducted by your firm that could conflict with your role as Trustee and Paying Agent for the Authority.

b. Describe any pending, concluded or threatened litigation, administrative proceedings or federal or state investigations or audits, subpoenas or other information requests of or involving your firm or employees. Describe the nature and status of the matter and the resolution, if any.

c. Describe any sanctions or penalties brought against your firm or any of its personnel (including suspension or disbarment) by any regulatory or licensing agencies. Include a description of the reasons for the sanction or penalties and whether such sanctions or penalties are subject to appeal.

7.7 References

Provide references of three clients for whom you have performed services within the last five years similar to those to be performed under this RFP. The reference information must include:

- The name of the client;
- The proposer's primary contact and that person's address, telephone number, and e-mail address;
- The nature of the services including a description of type of bonds issue; and,

- The dates and duration of services.

7.6 Cost Proposal

Provide in tabular form a schedule of rates you propose for the provision of Trustee and Paying Agent services. Include any upfront fees, annual fees or transactions fees or other ongoing fees that may be charged to or incurred by the Authority in connection with the services proposed. Indicate any upfront fees and annual fees that may be applicable to any subsequent transaction going forward. Indicate how long you will guarantee the proposed fees and any escalation for the proposed fees.

7.7 Attach a form of agreement or engagement letter you propose to provide the basis for your relationship with the Authority. Choice of law and forum in all documents related to this engagement must be the State of New York.

EVALUATION / SELECTION PROCESS

The evaluation of proposals will be in accordance with this RFP. The evaluation will be based on a judgment evaluation of several key elements in the proposals submitted. In alphabetical order, these include but are not limited to:

- o Approach to the services provided
- o Cost proposal
- o Firm experience & qualifications
- o Proposed personnel experience and qualifications