

# TOWN OF LOWELL, INDIANA



## REQUEST FOR INFORMATION

RELATED TO

## INVESTMENT OF FUNDS FROM THE SALE OF ITS WATER UTILITY

MAY 11, 2022

Town of Lowell  
501 E. Main Street  
Lowell, IN 46356  
Phone: (219) 696-7794  
Attention: Craig Hendrix, PE

## **INTRODUCTION**

The Lowell Town Council, Lowell, Indiana (“Lowell”) seeks information from financial institutions (“Respondent”) eligible to receive public funds of political subdivisions under Indiana Code § 5-13-8-1 to assist in the investment of public funds obtained through the sale of its water utility. The information sought and background details are further outlined in this Request for Information (“RFI”).

## **BACKGROUND INFORMATION**

In 2021, Lowell sold its potable water utility. The net proceeds after adjusting for debt obligations was approximately \$17.5M (“Sale Proceeds”). In accordance with the limitations contained in Indiana Code § 5-13-9-2, the Lowell Clerk-Treasurer has invested the Sale Proceeds primarily in obligations of the United States of America. Lowell is now in the process of considering alternatives with respect to the Sale Proceeds, with one goal being to earn a higher rate of return on the Sale Proceeds for the benefit of Lowell.

In March of 2022, Indiana Governor Holcomb signed House Enrolled Act No. 1011 (“Act”). This Act amended Indiana Code to allow Lowell more investment opportunities than would otherwise be allowed. Lowell intends to invest an initial principal amount not less than \$10M. Lowell would like to have the option to transfer the earned interest to Lowell’s general fund or reinvest all or a portion of earned interest. The Act requires Lowell to contract with a financial institution eligible to receive public funds of a political subdivision to assist in its investment program.

## **INFORMATION REQUESTED**

### 1. General Information

(a) Provide the name and title of the individual who is responsible for the response, including business mailing address, fax, telephone numbers and e-mail.

(b) Provide a brief description of your organization, its capabilities and how its selection would benefit Lowell.

(c) Provide relevant biographical information with respect to the individuals of the organization who would be assuming primary responsibility for any relationship with Lowell.

(d) Describe the size of your organization’s current portfolio and the type of donors and/or other organizations related to your portfolio.

### 2. Previous Experience

(a) Describe your organization’s previous experience with providing support to organizations such as Lowell. Have you provided services to a municipality receiving proceeds from the sale of a facility as described in Ind. Code § 5-13-9.3-3? Indicate the size of the accounts related to the referenced experiences and how much of your

organization's current portfolio these account for?

- (b) List any relevant experience your organization has with municipal entities.

3. Questions

- (a) Explain how your organization meets the requirements of Indiana Code § 5-13-8-1.

- (b) Explain your organization's understanding of Lowell's expanded investment opportunities pursuant to the Act.

- (c) How would you staff an arrangement with Lowell? Indicate the individuals from your organization that would be involved in providing related support, administrative and advisory services.

- (d) What fees would you charge for the support, administrative and advisory services to be provided if your organization were selected? List fees individually, and note any assumptions made to arrive at specific fees.

- (e) What would you propose as far as reporting to Lowell? Specify the type of information that would be reported, the frequency and how you would propose to communicate the information to Lowell.

- (f) How does your organization handle conflicts of interest, potential conflicts of interest and other related ethical issues? Does your organization have a written policy related to conflicts of interest?

- (g) Does your organization accept trailer fees, trailer commissions or any similar remuneration from investment, mutual or other funds or investments in which your organization places funds received from donors or others? Does your organization have any policies in place related to these types of commissions, and if so, please describe any such policy and provide a copy of it.

- (h) Describe the individuals your organization would utilize to provide the services. Please include number of years of experience, education and any other relevant biographical information.

- (i) Is there a key individual at your organization that would be responsible for providing services? Include brief biographical information related to the individual(s).

- (j) Indicate the returns Lowell could expect to receive if the full amount of the Sale Proceeds (\$17.5 M) were placed with your organization:

- (i) in an aggressive portfolio;
- (ii) in a moderate portfolio; and
- (iii) in a conservative portfolio.

Please specify the target rate of return at 10 years, 5 years, 3 years, 2 years and 1 year for each type of portfolio listed above. Include any relevant assumptions that went into your calculation of a potential return.

(k) Describe the type of services you could provide to Lowell and how the relationship between your organization and Lowell would function.

(l) Provide a list of references, along with a short summary of the work provided for such references.

(m) Provide your standard form of agreement for support, administrative and advisory services, if any.

(n) Indicate any other suggestions or items that you think Lowell should take into account or consider when evaluating prospective financial institutions.

**CONFIDENTIAL INFORMATION.**

Respondents are advised that materials contained in their responses are subject to the Indiana Public Records Act, Ind. Code § 5-14-3 et seq., and may be viewed and/or copied by any member of the public, including news agencies and competitors. Respondents claiming a statutory exception to the foregoing statutes must indicate on their response that confidential materials are included and specify which statutory exception applies. Any agreement resulting from this request shall represent the entire agreement between the parties. Prior negotiations, representations or agreements, either written or oral, between the parties relating to the subject matter of the agreement shall be of no force or effect.

Lowell reserves the right to make determinations of confidentiality. If Lowell does not agree with the information designated confidential under one of the disclosure exceptions to the foregoing statutes, it may either reject the response or discuss its interpretation of the allowable exceptions with the Respondent. If agreement can be reached, the response will be considered. If agreement cannot be reached, Lowell will remove the response from consideration.

**RESTRICTIONS ON COMMUNICATIONS.**

The contact named in the Respondent's submittal shall be the sole point of contact throughout the RFI process. All communications, oral and written (whether transmitted by regular mail, express mail, or electronic mail) concerning this process shall be addressed to:

Craig Hendrix, PE  
Town Manager  
501 E. Main Street  
Lowell, IN 46356  
phone: (219) 696-7794  
chendrix@lowell.net

OTHER THAN AS PROVIDED ABOVE, INQUIRIES RELATED TO THIS RFI ARE NOT TO BE DIRECTED TO ANY MEMBER OF THE COUNCIL OR OTHER TOWN OFFICIAL OR

EMPLOYEE. SUCH ACTION MAY DISQUALIFY THE RESPONDENT FROM FURTHER CONSIDERATION. RESPONDENTS MAY NOT RELY UPON VERBAL RESPONSES TO ANY INQUIRY. THE LAST DAY IN WHICH ANY INQUIRY MAY BE MADE ABOUT THIS RFI IS JUNE 8, 2022.

**ADMINISTRATIVE ITEMS.**

(a) Lowell may enter into a contract or other agreement for services without further discussion. This RFI is not an invitation to bid nor is it a request for proposal under the procurement provisions of the Indiana Code.

(b) Lowell creates no obligation, expressed or implied, of any kind or description in issuing this RFI or receiving a response. Neither this RFI nor the response shall be construed as a legal offer.

(c) Lowell will not assume any responsibility or liability for any expenses incurred by a Respondent, or prospective respondent, in connection with the preparation or delivery of a response, requested interview or any action related to the process of completing and submitting a response to this RFI.

(d) Respondent shall certify within the letter of transmittal that all information provided therein and in their response is accurate and complete, to the best of its knowledge, and that it understands that submission of any false or misleading information may result in disqualification of the proposing organization at Lowell's discretion.

(e) Respondent shall disclose any information that may materially impair the organization's ability to provide the level of service required.

(f) Lowell shall reserve the right to reject any and all submissions without cause; waive irregularities in all procedures related to this RFI; make inquiries of Respondents and their references regarding qualifications or information submitted as part of their responses as deemed necessary, and request and receive additional information as Lowell deems necessary.

(g) Lowell shall be deemed owner of all information and materials submitted by a Respondent.

(h) Provide details of any relevant criminal investigation or conviction, material pending litigation, or regulatory or civil enforcement action pending against your organization.

(i) Responses are due on Wednesday, June 15, 2022 at 12:00 p.m. Central Time.

(j) Response Format

(i) Each Respondent's response shall be accompanied by a signed letter of transmittal not to exceed two (2) pages in length.

(ii) Please limit responses to a maximum of fifteen (15) pages, not including background material on the organization and its principals.

(iii) Responses to this RFI should be delivered in hard copy format via hand delivery, U.S. Mail or other delivery services to:

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with an electronic copy of any response also submitted. Responses should be submitted in **both** hard copy format and electronic format.

**CALENDAR.**

The following calendar will generally be followed. Lowell reserves the right to alter this calendar, as it deems necessary.

1. May 18, 2022: The RFI is advertised and available for review.
2. June 8, 2022: Deadline to ask any clarifying questions of Lowell about this request. Questions posed by Respondents and Responses will be posted on the Lowell website (<http://www.lowell.net/>)
3. June 15, 2022: All responses to this RFI are due by 12:00 p.m. Central Time on this date. Responses received after the deadline will not be considered or reviewed. Lowell reserves the right to conduct interviews of any Respondent it deems necessary.