



Request for Proposal
for
Trustee/Paying Agent/Registrar/Dissemination Agent Services

\$65,000,000*

Livermore Valley Water Financing Authority

2018 Water System Revenue Bonds

(Alameda County Flood Control and Water Conservation District,
Zone 7 Water Agency)

*Preliminary, subject to change

January 16, 2017

To All Interested Parties:

On behalf of the Livermore Valley Water Financing Authority and the Alameda County Flood Control and Water Conservation District, Zone 7, collectively referred to as "Zone 7", Sperry Capital Inc. (Sperry) in its capacity as Independent Registered Municipal Advisor to Zone 7, hereby solicits proposals from qualified institutions for bond trustee/paying agent/registrar/dissemination agent services.

It is anticipated that Zone 7 will issue approximately \$65,000,000* in Water Revenue Bonds in the 1st quarter of 2018.

TERM OF SERVICE

It is expected that the institution selected pursuant to this Request for Proposals will serve as trustee/paying agent and registrar for the **2018 Water Revenue Bonds** and any other subsequent issues as provided for under the Trust Indenture. Zone 7 cannot provide assurance as to the number of issues or timing of any future issues. Zone 7 reserves the right, at its sole discretion, to terminate the agreement with any institution selected pursuant to this RFP.

ELIGIBILITY REQUIREMENTS

Only those institutions who meet the following minimum criteria are eligible to serve as Trustee for Zone 7:

1. Be a corporation that is subject to federal supervision and audited by independent public accountants on an annual basis; and
2. Have equity capital and surplus of at least \$250 million; and
3. Describe at least 3 years' experience as trustee for California local agency bond issues.

GUIDELINES AND INSTRUCTIONS

Proposals are due by 5:00 pm, Friday, January 26, 2018.

Please send your proposal by email to:

Osborn Solitei, Treasurer/Assistant General Manager
osolitei@zone7water.com

and,

Martha Vujovich
Sperry Capital Inc.
Email: mvujovich@sperrycapital.com

Questions regarding this proposal may be directed to Sperry Capital:
Martha Vujovich at 415-339-9202, or Garth Salisbury, at 415-339-4441, email: gsalisbury@sperrycapital.com

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SCOPE OF SERVICES

The trustee selected will be responsible for providing the following services:

1. Account for required flows of funds, investments and yield tracking as required by the applicable trust indenture;
2. Be available to attend Zone 7 bond closings, and to execute bonds as needed;
3. Transact all receipts and disbursements under the 2018 Trust Indenture as directed by Zone 7, including ACH and other electronic funds transfers, wire transfers and checks;
4. Reconcile and confirm cash balances, investments and bonds outstanding;
5. Prepare and confirm bond redemption calculations and monitor key dates and reporting requirements;
6. Furnish current market information relating to Zone 7's assets in trust.
7. Provide annual Dissemination Agent services including redemption notices and other notices, including filing the Annual Report, Audited Financial Statement and any notice of material event to the Electronic Municipal Market Access ("EMMA") as required under the Securities and Exchange Commission ("SEC") secondary market disclosure rules;
8. Provide all trust transaction information in electronic format. Train Zone 7 staff on utilization of all electronic transaction and/or reporting systems;
9. Provide monthly trust statements in electronic format;
10. Perform paying agent functions including disbursement of funds and payment of all bond interest and principal payments to The Depository Trust Company ("DTC"), any other successor depository or to bondholders in the event the services provided by DTC are discontinued for any reason;
11. Furnish trust transaction and balance information in electronic format to financial advisors, bond underwriters, rebate analysts and independent auditors as directed by Zone 7;
12. Furnish annual audited financial statements and annual Service Organization Control (SOC 1) Report, or equivalent information;
13. Respond to Zone 7 electronic messages or telephone calls and resolve any Zone 7 questions on a timely basis; and
14. Furnish any other trustee services or miscellaneous fees which may be incurred by Zone 7 not specifically covered in this Scope of Services.

STRUCTURE AND CONTENT OF PROPOSAL

Respondents interested in providing trustee services to Zone 7 should submit the following information:

- A. Cover Letter stating that (a) the information submitted in and with the proposal is true and accurate and (b) the person signing the letter is authorized to submit the proposal on behalf of the proposer.
- B. Institution Information. Description of institution and experience in providing trust services, rating of the institution, location of the office which will perform the trust services, and any ownership changes in the last three (3) years.
- C. Contact person and staffing. Provide the name, mailing address, telephone number, fax number, and email address of the primary contact person regarding this proposal and the primary contact person for day-to-day

operations regarding Zone 7's account. List personnel and location of staff that would be assigned to perform the services required. Please attach relevant resumes *or* give brief descriptions of the experience of the personnel who would be responsible for the Zone 7 account.

D. References – provide 3 references for primary account officer for similar types of services provided in the last 3 years.

FEES

Please provide a schedule of all upfront fees and expenses and annual fees/transaction fees to act as Trustee/ Paying Agent/Registrar/Dissemination Agent for bond related services. If an external legal counsel is retained by your institution, please include the fees and related expenses that will be payable upon the closing of the transaction.

Thank you in advance for your proposal. We appreciate your interest in Zone 7.