



CITY OF LITTLE ROCK, ARKANSAS

INVITATION TO BID

FOR

LOAN TERMS ON A PROMISSORY NOTE

BID #15143

ITB Issue Date:

5/21/15

Responses Due By:

2:00 p.m. on June 11th, 2015

Pre-Bid Meeting:

None

NOTICE OF NOTE SALE

BID 15143

\$5,910,000*

**City of Little Rock, Arkansas
Promissory Note
(Gross Revenue Pledge)
Series 2015**

The City of Little Rock, Arkansas (the “City”) is accepting bids from financial institutions regarding terms on a general obligation promissory note with a five-year term to be issued by the City under the authority of Amendment 78 to the Constitution of the State of Arkansas. You are most cordially encouraged to submit a bid for purchase of the Note on the form attached hereto.

NOTE DETAILS

By the adoption of Ordinance No. 21,033 (the “Authorizing Ordinance”) on May 5, 2015, the City’s Board of Directors has authorized the issuance of a promissory note in the principal amount of \$5,910,000 (the “Note”) for the purpose of funding the acquisition of police vehicles and equipment and the acquisition, construction and equipping of a West Central Community Center (collectively, the “Project”).

The Note is to have a term of five years and shall be repaid in five substantially equal annual amortized installments of principal and interest, commencing one year from the date of issue of the Note and continuing on the same date of each year thereafter, with the final installment due on the fifth anniversary of the date of issue of the Note.

The Note will be issued by the City under the authority of Amendment 78 to the Constitution of the State of Arkansas. The total principal and interest payments due on the Note in each fiscal year of the City shall be charged against and paid from the general revenues of the City. The Note will not be secured by a mortgage on or security interest in any real or personal property comprising the Project. The Note shall be prepayable at any time, without penalty, at the option of the City.

Copies of the Authorizing Ordinance, the forms of the Note, Note Purchase Agreement and Approving Opinion referenced herein, the City’s audited financial statements for the year ended December 31, 2014, and the City’s 2015 Budget Ordinance may be obtained by visiting the City’s webpage www.littlerock.org. Please click on the link “Online Bids” and select Bid 15143 for copies of the Authorizing Ordinance, Note and Approving Opinion. The financial reports are found via the City Departments/Finance link.

* The City reserves the right to modify the principal amount of the Note being offered for sale and to reschedule the receipt and opening of bids, and to otherwise modify this Notice of Note Sale, in which case notice will be given to prospective bidders.

BIDDING PROCEDURE

Interested parties are invited to submit their bid in the form attached hereto via hand delivery or U.S. mail not later than 2:00 p.m. on Thursday, June 11th, 2015. Any bid received through other means will be disregarded.

Bids should be addressed as follows:

**Abdoul Kabaou, Purchasing Manager
City of Little Rock
500 West Markham, Room 300
Little Rock, Arkansas 72201**

Bidders are required to submit unconditional bids specifying the rate of interest at which the bidder will purchase the entire principal amount of the Note at par. Bids will be opened at the time specified above, and the Note, subject to the reservations set forth below, will be sold to the bidder offering to purchase the same at the lowest interest cost. The successful bidder will be required to execute a Note Purchase Agreement.

The City reserves the right to reject any and all bids for the Note and to waive any irregularity or informality in any submitted bid. The City further reserves the right to postpone the date and time established for the receipt of bids.

A good faith deposit will not be required in connection with the submission of a bid for the Note, nor will a good faith deposit be required from the winning bidder.

CLOSING DETAILS

It is anticipated that the proceeds of the Note will be required to be advanced to the City within ten (10) business days of award of the bid thereon.

The purchaser of the Note will receive a certified transcript of the legal proceedings relating to the Note issuance, which will include an opinion of Kutak Rock LLP (the "Approving Opinion") to be delivered at the expense of the City. Although the interest on the Note will be excludable from gross income for federal and Arkansas income tax purposes, as described in the aforementioned opinion, it should be noted that the Note will not be a "qualified tax-exempt obligation" nor "bank-qualified" within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended.

Thank you for your interest in the City of Little Rock.

The date of this Sale Notice is May 21st, 2015.

CITY OF LITTLE ROCK, ARKANSAS

By /s/ Sara C. Lenehan
Finance Director

BID FOR LOAN TERMS ON A PROMISSORY NOTE
CITY OF LITTLE ROCK, ARKANSAS
DUE 2:00 P.M., June 11th, 2015

Interest rate on 5-year promissory note: _____%

I, _____, am authorized to
submit this bid on the behalf of _____,
located at _____.

By _____

Title _____

(Notary language)

TERMS AND STANDARD CONDITIONS
CITY OF LITTLE ROCK, ARKANSAS
PLEASE READ CAREFULLY

1. When submitting an "Invitation to Bid," the bidder warrants that the commodities covered by the bid shall be free from defects in material and workmanship under normal use and service. In addition bidder must deliver new commodities of the latest design and model, unless otherwise specified in the "Invitation to Bid."
2. Prices quoted are to be net prices, and when an error is made in extending total prices, the City may accept the bid for the lesser amount whether reflected by extension or by the correct multiple of the unit price.
3. Discounts offered will be taken when the City qualifies for such. The beginning date for computing discounts will be the date of invoice or the date of delivery and acceptance, whichever is later.
4. When bidding other than the brand and/or model specified in the "Invitation to Bid," the brand and/or model number must be stated by the item in the "Invitation to Bid," and descriptive literature be submitted with the bid.
5. The City reserves the right to reject any and all bids.
6. The Purchasing office reserves the right to award items, all or none, or by line items (s).
7. Quality, time and probability of performance may be factors in making an award.
8. Bid quotes submitted will remain firm for 30 calendar days from bid opening date; however, the prices may remain firm for a longer period of time if mutually agreeable between bidder and the City Purchasing Division.
9. Bidder must submit a completed, signed copy of the front page of the "Invitation to Bid," and must submit any other information required in the "Invitation to Bid".
- 10. As a condition for doing business with the City of Little Rock, the contractor shall not discriminate on the basis of race, color, creed, religion, sex, national origin, age, disability, marital status, sexual orientation, gender identity, or genetic information and shall require such compliance in agreements with subcontractors and sub-subcontractors.**
11. Sales or Use Tax is not to be included in the bid price, but is to be added by the vendor to the invoice billing to the City. Although Use Tax is not to be included in the bid, vendors are to register and pay tax direct to the Arkansas State Revenue Department.
12. Prices quoted shall be "Free on Board" (F.O.B.) to destination at designated City facility in Little Rock. Charges may not be added after the bid is opened.
13. In the event of two or more identical low bids, the contract may be awarded arbitrarily or for any reason to any of such bidders or split in any proportion between them at the discretion of the Purchasing Division.

14. Specifications furnished with this Invitation are intended to establish a desired quality or performance level, or other minimum dimensions and capacities, which will provide the best product available at the lowest possible price, other than designated brands and/or models approved as equal to designed products shall receive equal consideration.
15. Samples of items when required must be furnished free, and, if not called for within 30 days from date of bid opening, will become property of the City.
16. Bids received after stated time for opening will not be considered.
17. Guarantees and warranties should be submitted with the bid, as they may be a consideration in making an award.
18. CONSTRUCTION
 - A. When noted, the Contractor is to supply the City with evidence of having and maintaining proper and complete insurance, specifically Workman's Compensation Insurance in accordance with the laws of the State of Arkansas, Public Liability and Property Damage. All premiums and cost shall be paid by the Contractor; in no way will the City be responsible in case of accident.
 - B. When noted, a certified check or bid bond in the amount of 5% of total bid shall accompany bid.
 - C. A Performance Bond equaling the total amount of any bid exceeding \$20,000 must be provided for any contract for the repair, alteration or erection of any public building, public structure or public improvement (pursuant to Act 351 or 1953 as amended by Act 539 of 1979).
19. Liquidated Damages shall be assessed beginning on the first day following the maximum delivery or completion time entered on the bid form and/or provided for by the plans and specifications.
20. Any ambiguity in any bid as the result of omission, error, lack of clarity or non-compliance by the bidder with specifications, instructions and all conditions of bidding shall be construed in the light most favorable to the City.
21. The bid number should be stated on the face of the sealed bid envelope. If it is not, the envelope will have to be opened to identify.
22. Attention is called to the fact that not less than the minimum prevailing salaries and wages as set forth in the contract documents must be paid on the project if applicable.
23. The City of Little Rock encourages participation of small, minority, and woman own business enterprises in the procurement of goods, services, professional services, and construction, either as a general contractor or sub-contractor. It is further requested that whenever possible, majority contractors who require sub-contractors, seek qualified small, minority, and woman businesses to partner with them.