



Meeting: **Reservoir Committee & Authority Board**
Agenda Item 3.1

August 22, 2025

Subject: **Interim Bank Financing Request for Qualifications (RFQ)**

Requested Action:

Review and comment on preparations to issue a request for qualifications for Interim Construction Financing and related services.

Detailed Description/Background:

The Sites Project Authority (the “Authority” or “Sites”) is considering putting in place one or more programs for interim construction financing and refinancing. The Authority plans to use these programs to provide short- and medium-term financing during the planning, design, and construction phases of the Sites Reservoir Project (the “Project”). These programs are anticipated to be initiated at or around the start of Phase 3 (i.e. upon the Benefits and Obligations Contracts taking effect) and continue through operational completion. These financings plus the pay-go provided by certain Participants and the State and Federal Government will be the sources of cash necessary to support payments for goods and services during construction. How we structure these programs is still an open question and one that this solicitation will help answer. The Authority will then draw on the EPA and USDA loans and Authority issued revenue bonds to retire outstanding short and medium term debt obligations as construction is completed. Regular repayment of principal and interest on long-term debt would ensue thereafter.

The Authority is planning to establish a list of qualified financial firms to work with as the Project progresses and will be requesting Statements of Qualifications from interested firms that can provide various types of short-term financing. The initial funding need is currently expected to be approximately \$500,000,000. The RFQ is the first step in the two-step process to secure a firm or firms capable of providing the needed services to the Authority.

The Authority is expressing interest in receiving Statements of Qualifications for financial products including:

- Line of Credit.
- Bi-lateral loan or revolving loan agreement.
- Credit and liquidity support for Tax-Exempt and/or Taxable Commercial Paper Program (CP).
- Short and medium-term Notes (BANs or other notes maturing in less than five years).

In addition, Sites is seeking comments and suggestions regarding the form and terms of interim financing to inform the finalizing of the Benefits and Obligations Contract and Master Resolution.

Statements of Qualifications in response to this RFQ will be evaluated based on the following criteria (not listed in order of importance and each equally weighted in the evaluation):

- Qualifications and experience of firm
- Experience and qualifications of assigned personnel
- Ability to provide required services
- Scope and materiality of proposed changes to contract terms

In keeping with the Authority's Construction Workforce Policy, Local Area banks are being encouraged and given the opportunity to compete. The qualification criteria has been set to accommodate what we understand to be these firms capabilities, while not putting undue risk on the Authority.

The Board will recall that some Participants wish to consider "capitalizing interest" as part of financing construction. The short- and medium-term financing programs being solicited under this procurement will provide for this option.

Prior Authority Board Action:

None.

Fiscal Impact/Funding Source:

None.

Staff Contact:

Shayleen O'Connell/JP Robinette/Jerry Brown

Primary Service Provider:

None.

Attachments:

None.