



Meeting: **Reservoir Committee & Authority Board Agenda
Item 2.2**

August 21, 2026

Subject: **Underwriting Services Request for Proposals for the 2027 Short Term
Notes**

Requested Action:

Reservoir Committee and Authority Board authorize issuance of the Request for Proposals for underwriting services for the proposed Short-Term Notes to the 13 firms in the Authority's underwriting pool to be secured in 2027 after initiation of Phase 3/4/5.

Detailed Description/Background:

On August 25, 2025, the Authority issued a Request for Qualifications (RFQ) soliciting firms interested in providing interim/short-term financing for phase 3/4/5 of the Project. The Authority received a robust response from the marketplace, with fourteen firms submitting their qualifications and suggestions. All of the firms submitting were determined to be qualified within the areas of their expressions of interest and were determined to be eligible to be considered for future financial services.

The following 13 firms, from the 14 shortlisted firms, were determined to be qualified to provide underwriting services:

Barclays	PNC Bank
Blaylock Van, LLC	Raymond James & Associates
Bank of America	RBC
Goldman Sachs	US Bank
JP Morgan	Truist
Loop Capital	Wells Fargo
Morgan Stanley	

Proceeding with the procurement of underwriting services at this time is necessary to be ready in early 2027 with the cash needed to fund the 2027 Budget. The RFP is clear that should there be delays in the schedule to initiate Phase 3/4/5 (e.g. due to the water right or investor commitment) that the procurement would either be delayed or terminated. There is no obligation to proceed with the borrowing if initiation of Phase 3/4/5 does not occur within a reasonable timeframe.

The Authority needs to proceed with securing firms to provide underwriter services for short term notes funding which will be the primary funding mechanism for the cash necessary to cover expenses upon the initiation of Phase 3/4/5. The Authority plans to offer tax-exempt bond anticipation notes or other notes maturing in five years or less (the "2027 Notes") that will provide up to approximately \$500 million of

tax-exempt interim funding. The \$500m amount corresponds with the total Participant spend to occur prior to the Resolution to Construct that is contemplated in Section 3.2.2.

The 2027 Notes are anticipated to be repaid either by refinancings from other short term debt or with proceeds from publicly issued long-term Authority revenue bonds or draws on a Water Infrastructure Finance and Innovation Act (WIFIA) loan. The 2027 Notes are intended to provide short-term financing during the planning, design, and construction phases of the Sites Reservoir Project.

Submitted information will be evaluated by a selection committee determined by the Executive Director and they will ascertain and rank firm or firms as best meeting the needs of the Authority. The RFP identifies the following selection criteria:

- Proposed approach to structuring and other ideas
- Qualifications and experience of firm and key personnel
- Fees
- Submittal quality, organization and completeness

Only to the 13 firms in the Authority's pre-qualified list above will be eligible. Submission of proposals will be accepted only through PlanetBids which is the Authority's standard approach.

Anticipated RFP Schedule

- RFP issued – August 2026
- Proposals due – September 2026
- Proposal Review and Interviews (if needed) – September 2026
- Board and Reservoir Committee approve selection of Firm or Firms for Underwriting Services – October 2026

Prior Action:

October 2025: Staff Report 03-01, Interim Funding RFQ: Review and comment on the fourteen firms deemed qualified to provide interim financing for the next phase of the Sites Project and eligible to continue in the next steps of the procurement process.

Fiscal Impact/Funding Source:

There are sufficient funds within the approved FY26 Budget to cover the costs of securing underwriting services.

Staff Contact:

Shayleen O'Connell / Brian Thomas

Primary Service Provider:

Stradling, Montague DeRose

Attachments:

None