



REQUEST FOR PROPOSALS

DATE: Monday, September 19, 2022
TO: Bank and Finance Partners
FROM: Cameron Arial, Municipal Advisor, on Behalf of the District
RE: \$18,130,000 USDA Interim Financing Request for Proposals

Dear Friend,

The Eastern Idaho Regional Solid Waste District (EIRSWD or District) is in the process of constructing a four-county solid waste landfill project. The District has secured long-term financing with the United States Department of Agriculture-Rural Development (USDA-RD) and is seeking proposals for two-year Interim/Construction Financing only.

Responses are due on or before 3:00 pm MDT on Friday, October 14, 2022. Responses must be emailed directly to carial@clearwaterfinancial.biz. If you have any questions on any aspect of this bid, please email them by 3:00 pm MDT on Friday, September 30, 2022. Questions and responses will be distributed to all parties that have identified themselves as interested parties by October 5, 2022. It is anticipated the District Board will make a selection at its November Board meeting.

Included in this proposal are the submission criteria, list of questions, scoring metric, and response form for your response. Also included as attachments are other pieces of information to assist you in your credit review. This information and District background can be found at <https://eirswd.org/>.

Please note the District welcomes innovations and alternative forms of financing. Thank you for your ongoing support of Idaho municipalities and the District.

Sincerely,

Cameron Arial, MAP, PhD
President



SUBMISSION CRITERIA

All proposals submitted for evaluation must include, but are not limited to, the following information. This information should be submitted in **5 pages or less**.

Proposals will be evaluated based on responses to the questions below. A recommendation will then be presented to the District for consideration and approval. A scoring metric with weighting is also provided below.

1. Assigned Professionals and Firm Description

- a. Please provide the name, title, address, telephone, and e-mail of the representative who will serve as your firm's lead contact. Please include a brief resume for this individual.
- b. Please provide the name, title, address, telephone, and e-mail of any other individuals who will be involved in the process.
- c. If applicable, disclose any conflicts of interest, as stated in MSRB Rule G-17, including finder's fees, fee splitting, or other contractual arrangements of the firm that could present a real or perceived conflict of interest.
- d. Additionally, the firm should disclose any pending investigations, enforcement or disciplinary actions imposed on the firm within the past three years by the SEC or other regulatory bodies.

2. Municipal Finance Experience and Banking Capability

- a. Provide a list of Idaho municipal financings your firm has assisted with since January 1, 2019. Include the total dollar amount of this list.
- b. Provide a list of municipal financings outside of Idaho your firm has assisted with since January 1, 2019. Include the total number of financings.

3. Timing, Structure, and Terms

- a. Par Amount. The District's Interim Financing will be approximately \$18,130,000 to fund the land purchase note payoff with Madison County, construction of the site and related facilities and equipment, and costs of issuance.
- b. Term. The Interim Financing will be a maximum of a two-year term.
 - i. The District would like the option to extend the term, should unforeseen circumstances delay completion of the project.
- c. Payment Dates. The District would prefer that the principal and interest payment be made at maturity or upon redemption.
- d. Redemption. It is anticipated that the Interim Financing will be subject to redemption without penalty in whole or in part, at the discretion of the District at any time after 18 months from closing at a price of 100% of the principal amount of the Interim Financing, plus accrued interest. The District is open to other standard redemption requirements.
- e. Structure. The District would prefer the Interim Financing in the form of a construction loan or rolling line of credit, where the District is only accruing



interest on the funds it borrows. The District is open to other standard short-term financing structures and encourages the creativity of the respondent for structures that would meet the District's needs.

- f. The District would like to close this financing on or before Thursday, December 1, 2022. Please discuss any concerns or suggestions you may have regarding the timing of this closing.
- g. The District anticipates receiving updated project cost estimates that may impact the borrowing amount. Please discuss any concerns or suggestions with adjusting the borrowing amount by +/- \$200,000.

4. Interest Rate and Fees

- a. Provide proposed interest rate and structure.
- b. If any, provide a detailed breakdown of fees and expenses.

5. Other

- a. Provide any insight into the Idaho and broader municipal finance market or any additional information the District should consider. This may include other financing options, retail banking services or reinvestment options.

WRITTEN AGREEMENT REQUIRED

The selected firm must be willing to enter into a written Purchase Agreement with the District. Such Agreement between the District and the selected responder will be dependent upon the successful closing of the financing.

CONTRACT AND PROPOSAL INFORMATION

Submitting a proposal acknowledges your firm has read, understands, and agrees to be bound by and fulfill the requirements and terms and conditions of this RFP and response.

- 1. **Firm Pricing:** All fees and expenses as detailed in the proposal are to remain firm through the closing. Any proposal that does not offer to remain firm for the required period shall be non-responsive.
- 2. **Conflict of Interest:** Any officer, employee, agent, representative or member of the council, board, committee, or commission of the responder must disclose any interest or conflict they have in their proposal.
- 3. **Cover Letter:** The proposal shall have a cover letter indicating the firm's willingness to enter into an agreement with the District. An officer of the company who has the authority to commit the firm to the proposed engagement must sign this letter. Proposals will include the full name, legal status (corporation, state of incorporation, partnership, proprietorship, etc.), business address of the responder, and telephone number. The proposal must be signed by a principal of the business who is authorized to execute any subsequent contract.



4. **Costs:** All costs associated with the preparation of the proposal, as well as any other related materials and delivery will be borne by the responder. All proposals become the property of the District. The District is not responsible for said costs in any event, including but not limited to, termination of the project in whole or in part, rejection of a proposal as non-responsive, or rejection of the responder as unqualified. The entire response to this RFP shall be considered a public record as defined by chapter 1, title 74, Idaho Code.
5. **Changes or Modifications:** Any changes or modifications to the RFP will be accomplished in writing by addendum. Responders submitting a proposal based on any information other than that contained in this RFP, or any addendum thereto, do so at their own risk
6. **Modifying or Withdrawing Proposals:** Responders may modify or withdraw their proposals at any time prior to the submittal deadline mentioned above. The District requests that any desire to retrieve a proposal for the purpose of withdrawing or to modify a proposal must be submitted in a written request to the District. Responders may withdraw their offer if the District and the successful responder cannot agree on contract terms.
7. **Rejection of Proposals:** The District reserves the right to reject any or all proposals. The District may waive any minor irregularity or technical error in the form of a proposal or in compliance with the instructions of the bank. The District may alter the selection process at any time it is considered to be in the best interest of the District. Any proposal containing significant deviations from the specifications of the RFP shall be rejected as non-responsive. Responders claiming minor irregularities or technical errors must assume the burden of identifying them and justifying them to the District in order for the proposal to receive consideration.
8. **Free and Competitive Selection:** Any agreement or collusion among prospective responders to fix a price or limit competition shall render the proposal void, and such conduct may be unlawful and subject to further proceedings. By submitting a proposal, responders certify that neither the responder nor anyone in its firm or company has either directly or indirectly restrained free and competitive selection, participated in any collusion, or otherwise taken any action unauthorized by the District or applicable law.
9. **Release and Waiver:** Responses shall include the Release and Waiver signed by the representative of the responder authorized to bind the responder.



SCORING METRIC

EASTERN IDAHO REGIONAL SOLID WASTE DISTRICT					
\$18,130,000 USDA Interim Financing, Series 2022					
RFP Response Form					
Question		Possible	Weight	Raw Score	Weighted Score
1. Professionals/Firm Description					
a. Lead banker name and contact information		1-5	2%		0.00
b. Financial institution name		-	-		-
c. Disclosure of conflicts of interest		-	-		-
Subtotal		5	2%		0.00
2. Experience/Capacity					
a. List of Idaho municipal financings (\$)		1-5	3%		0.00
b. List of Idaho municipal financings (#)		1-5	3%		0.00
Subtotal		10	5%		0.00
3. Timing/Structure/Terms					
a. Timely closing (November 2022 closing)		1-5	1%		0.00
b. Amortization (2-year)		1-5	3%		0.00
c. Prepayment (Callable at anytime without penalty)		1-5	15%		0.00
d. Adjustment of Borrowing Amount (+/- \$200,000)		1-5	1%		0.00
Subtotal		20	20%		0.00
4. Interest Rate/Fees					
a. Rate (%)		1-5	60%		0.00
b. Fees and Expenses		1-5	10%		0.00
Subtotal		10	70%		0.00
5. Other					
a. Municipal market insights and other considerations		1-5	3%		0.00
Subtotal		5	3%		0.00
TOTAL		50	100%		

FORM OF PROPOSAL

EIRSWD Debt Service				
Maturity Date	Principal	Rate	Interest*	Total P&I
11/01/2024	\$ 18,130,000			

*Please calculate interest based on a complete draw-down or delivery of proceeds at closing. This will be used for bid comparison only.

Fees and other costs	
	\$ -
	\$ -
	\$ -

Terms**

**Please describe any terms related to your proposal including but not limited to: interest calculations, prepayment provisions, draw-down provisions, security provisions, etc.



EXECUTIVE SUMMARY

The Eastern Idaho Regional Solid Waste District (District) was created in 2010 with the sole purpose of creating a solid waste management solution for the region. The District is a regional municipal government comprised of Madison, Fremont, Clark and Teton Counties (Member Counties). The District has also received membership or customer interest from neighboring Bingham County, Idaho and Teton, County, Wyoming.

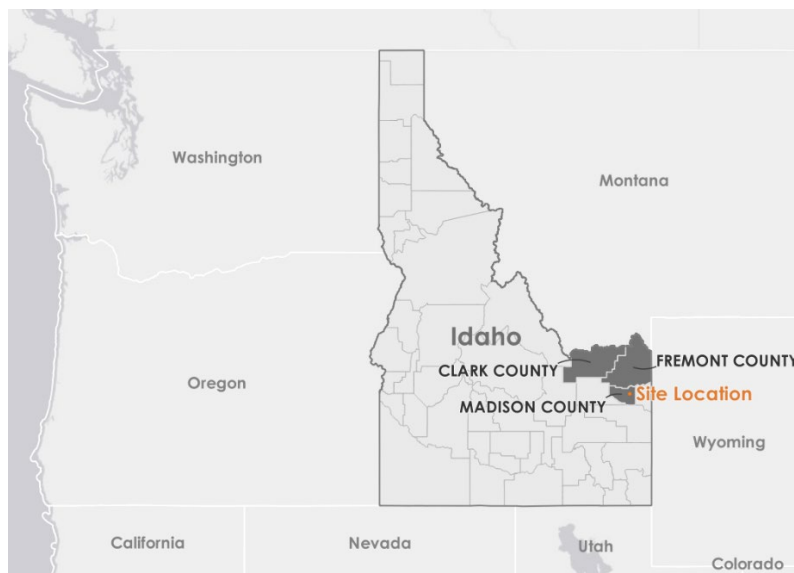
The District also anticipates usage of the landfill from other governments and customers over time as cost, availability and proximity play an ever-increasing role in how these entities seek sustainable solid waste solutions. Each of the Member Counties currently haul most of their waste to the Circular Butte Landfill in Jefferson County, where they are charged for out-of-county waste at a higher tipping fee. Fremont and Clark Counties currently own landfills that are in the process of being decommissioned.

THE DISTRICT

The District, a political subdivision duly organized and existing under and by virtue of the Laws of the State of Idaho (State), has a combined population of 78,721. The following map provides some definition of the District. More than 99% of the District is considered rural.

The District's designated function is to provide solid waste disposal services, facilities and equipment to those residing and conducting business in the Member Counties. The services provided by the District include, but are not limited to: waste reduction, transfer, recycling, storage, and other solid waste treatment programs.

REGION MAP





SERVICE AREA

The Member Counties are located in the northeast corner of Idaho and incorporate approximately 4,585 square miles. A brief description of each County is discussed below.

Madison County, Idaho. Formed in 1913, Madison County holds the county-seat in the City of Rexburg. It is surrounded by four counties: Fremont, Teton, Bonneville, and Jefferson. The County is home to Brigham Young University-Idaho that has a student population of approximately 26,963. As of 2020, Madison County has an estimated population of 52,913 people and contains an area of 473 square miles.

Fremont County, Idaho. Formed in 1893, Fremont County holds the county-seat in the City of St. Anthony. It is surrounded by four counties: Clark, Madison, Jefferson, and Teton. It is also adjacent to the State of Montana to the north and the State of Wyoming to east. The County's proximity to Yellowstone National Park makes it an international destination that makes its visitation increase substantially. As of 2020, Fremont County has an estimated population of 13,388 people and contains an area of 1896 square miles.

Clark County, Idaho. Formed in 1919, Clark County holds a county-seat in the City of Dubois. It is surrounded by four counties: Lemhi, Jefferson, Butte, and Fremont. It is also adjacent to the State of Montana to the north. Clark County is also adjacent to the Idaho National Laboratory. As of 2020, Clark County has an estimated population of 790 people and contains an area of 1,765 square miles.

Teton County, Idaho. Formed in 1915, Teton County holds the county-seat in the City of Driggs. It is surrounded by three counties: Fremont, Madison, and Bonneville. It is also adjacent to the State of Wyoming to the east. Teton County is named after the nearby Teton Mountains to the east and is part of the Jackson, WY-ID MSA. As of 2020, Clark County has an estimated population of 11,630 people and contains an area of 451 square miles.

HISTORY

The Idaho Legislature determined that the disposal of solid waste and domestic septage within the State of Idaho is an important public purpose, and that the creation of independent regional districts to administer solid waste disposal is an efficient and cost-effective method of meeting the State's solid waste disposal needs. Title 31, Chapter 49 of Idaho Code enables counties to establish regional solid waste districts for the purpose of providing a regional solution to solid waste disposal through the operation and maintenance of a regional solid waste system.

A regional solid waste district is formed when any two or more counties elect, by resolution of the commissioners of such counties, to become participating counties of such district. The boundaries of the regional solid waste district are coterminous with the boundaries of the participating counties. Counties within a district need not be contiguous to each other.

The District was formed to operate all solid waste infrastructure currently provided by each of the Member Counties, which will include all solid waste collection, transportation, and disposal



operations. All of these facilities are currently permitted to accept municipal as well as construction and demolition waste streams for transportation or disposal.

DISTRICT BOARD OF DIRECTORS

The Board of Directors (Board) sets the policies and procedures of the District, which are implemented by the Executive Director of the District under the direction of the Board. Following is a list of current Board members, their occupations, and their terms of office.

Name	Position	Occupation	Service Began
Todd Smith	President Madison County Commissioner	Real Estate	Jan. 2021
Scott Kamachi	Vice-President Fremont County Commissioner	Retired Business Owner	Jan. 2021
MaCoy Ward	Board Member Clark County Commissioner	Farmer	Jan. 2016
Michael Whitfield	Board Member Teton County Commissioner	Non-Profit Executive	Aug. 2022

Source: The District

KEY ADMINISTRATIVE OFFICIALS

Executive Director. The Executive Director is hired by the Board and handles the day-to-day administration and operation of the District.

Darby Pozenel is the District’s Executive Director. Darby has served as the Madison County Director of Solid Waste for the past 18 years and has extensive experience managing solid waste systems. Darby holds the following Solid Waste Association of North America (SWANA) certifications: Manager of Landfill Operations, Transfer Station Management, and Construction and Demolition (C & D) Debris Management.

Other Employees. The District expects to employ approximately five full-time employees and two part-time employees. The District is in communication with Member Counties to share personnel when it is advantageous for the District and a Member County to do so.

Engineers and Municipal Advisor. Forsgren and Associates, Inc. and Great West Engineering assist the District with the environmental review, site certification and site facility design of the landfill. The District also relies upon the financial advisory services of its Municipal Advisor, Clearwater Financial, LLC.

PROJECT AND SOLUTION

The District was created to develop a regional solution for Member Counties ever-increasing solid waste needs. The Member Counties face increasing costs, explosive population growth, decreasing capacity of landfill space, as well as expanding regulatory compliance restrictions. The District’s purpose is to address these concerns and provide sustainable and regulatory-compliant waste management solutions for the region. The project is meant to provide a solution to the District’s ongoing sanitation problems by developing a landfill that the District



- Eastern Idaho Public Health (EIPH) Support: EIPH is responsible for the daily operational inspection of landfills within its eight-county area and is also supportive of the District's proposal for similar reasons (Letters of Recommendation – EIPH).
- Regional Taxpayer Benefit: This project will directly benefit the taxpayers of the Member Counties by reducing land fill costs and consolidating services regionally. Its centralized location will also provide convenience and cost savings to taxpayers.
- Counties Support: The County commissioners of each Member County and other nearby counties are highly supportive of District's regional solid waste management solution (Letters of Recommendation – Counties).
- Public Notice: The District has held numerous public meetings and an open house regarding its plans to develop the site. The District has also contacted the few neighboring property owners and is in consistent communication with them and has cooperatively created a plan to mitigate their concerns.
- Reclaim Site: At the completion of each cell, the District has plans in place to reclaim the land. The land will be reclaimed as a wildlife habit or other permitted use.
- Long-Term Solid Waste Solution: The District's project will provide a long-term solution to the region's solid waste needs for decades to come.

Permitting. With the passage of Idaho Solid Waste Facilities Act, Title 39, Chapter 74 (Act), IDEQ received approval from EPA in September 1993 to manage municipal solid waste landfills (MSWLFs) in the state. The Act prescribes municipal solid waste disposal standards and procedures and a process for the development, operation, and oversight of MSWLFs in Idaho.

The Act establishes a system of prior approvals and conditions for the siting of a new facility. Facilities can be subject to four phases of approvals. The first is a site certification by IDEQ. All sites must go through this certification process. The next phase is approval by IDEQ of the design, which includes design of the landfill unit and the groundwater monitoring system. The third phase, which can occur simultaneously with review and approval of design by IDEQ, is approval of the operations plan by the local Health District. The final phase, which can also occur simultaneously with review and approval of design by IDEQ and operations plan by the Health District, is the approval of closure/post-closure plan also approved by the Health District. The estimated time frame to complete all four phases of approval is approximately one to three years. The District has all of the site certification approvals and is now to the financing and construction phase of the project.

The site certification procedure assures that a facility has complied with the location restrictions Title 39-7407, Idaho Code. The District officially owns the landfill property, and the site is fully certified by the IDEQ. The landfill property is secured by a note with Madison County and the note will be paid off with Interim Financing proceeds.

Environmental Resources Present. Forsgren and Associates, Inc. and Great West Engineering prepared a preliminary engineering report, landfill master development plan, and site certification package to meet the requirements of National Environmental Policy Act for



facilities of the District. For each existing landfill facility and the proposed regional landfill facility, they determined that there are no significant environmental resources present and no necessary mitigation efforts were identified.

Estimated Project Costs

Forecast Summary		FY 2023	FY 2024
Expenses			
General			
R2	Loan Covered Payments		
	Land Purchase	\$ 3,238,000	\$ -
	Site Reconnaissance / Site Certification / Master Development Plan / Financial Pro-Forma	\$ 120,000	\$ -
	Preliminary Engineering Report (PER) / Environmental Assessment (EA) / RD Funding App.	\$ 117,000	\$ -
	Hydrogeologic / Geotechnical Investigation and Characterization / Reporting / Monitoring Well Network	\$ 645,000	\$ -
	Prelim Design Plan / MSWLF Permit Application	\$ 67,000	\$ -
	Final Design Report / Bidding Documents / Permit to Construct	\$ 90,000	\$ -
	Bidding Support / Construction Contract Administration (CA)	\$ -	\$ 98,000
	Post Construction Services / Regulatory Plans / Permit to Operate	\$ -	\$ 34,000
	Construction (Cell A, Leachate Ponds, and Support Infrastructure)	\$ 1,500,000	\$ 5,373,000
	Construction Contingency	\$ -	\$ 1,446,000
	Sales Taxes (6% on materials only – estimated)	\$ -	\$ 238,000
	Landfill Equipment	\$ 3,370,429	\$ -
	Hauling Equipment	\$ 2,797,000	\$ -
	ARPA Eligible Expenses Redistribution		
Total		\$ 11,944,429	\$ 7,189,000

Source: The District, Forsgren Associates, Inc. and Great West Engineers; Preliminary estimates

Anticipated System Growth. Each Member County is growing and is projected to continue to grow at a consistent rate. In evaluating growth rates for solid waste generation, the planning unit can either be interpreted by weight or volume for materials that enter the waste stream, and is calculated prior to recycling, composting or final disposal or diversion. For planning purposes, the District’s planning unit will be defined by weight (tonnage). Based on current waste generation rates, the regional landfill will process approximately 50,000 tons per year, which will provide an estimated life expectancy for the regional landfill of approximately 43 years or 2066 based on current growth projections (Great West). This capacity is specific to the initial 50-acre landfill site. The land owned by the District has capacity for additional cells to be built in the future.

The population growth projections are based on historical patterns and were developed by the Idaho Department of Labor from reports and research conducted by various state agencies. The tables list the expected population by Member County. Population projections indicate a continuing pattern of steady growth. Population projections combined with tonnage projections produces revenue projections for the District. Sensitivity of 15% on both sides of the baseline projections is also provided (SEE ATTACHMENT 9 - Financial & Economic Information).

Security of District Facilities. The District will control access to the proposed landfill site which will not service the general public. The general public will be directed to and be serviced at the local landfill facilities and waste will then be transferred by the District to the regional landfill.

LAND USE AND DEVELOPMENT

Land use policy determines land use within Madison County where the landfill site is located. The property is owned by the District. The District has an outstanding note due to Madison County that will be repaid with proceeds of the interim financing. The District is in the process



of obtaining a conditional use permit which allows for the District's intended landfill use under the Madison County zoning code. The District will obtain the permit prior to closing the interim financing.

BUDGETARY PROCESS

The District's fiscal year (Fiscal Year) begins October 1 and ends September 30 of the following year. After reviewing service levels from the previous Fiscal Year and a forecast of revenues is conducted, the Board analyzes draft budget requests during June. The Executive Director is responsible for preparing a draft budget for the Board. The budget is prepared by fund, function, and activity and includes information on the past year, current year estimates, and requested appropriations for the next Fiscal Year. Prior to the first Monday in August, the Executive Director submits the proposed budget to the Board for review. The Board holds a public hearing and may change the proposed budget. On or before August 15, the budget is approved by the Board and certified by each Member County. Such approvals and certifications are binding upon all Member Counties and on the District itself.

The allocation of costs to each Member County will be determined by allocating the actual costs incurred, net of revenue received by the District within each individual Member County to that Member County, along with a proportional share of the cost of the regional landfill as determined by the weight of the solid waste generated within each Member County, together with a proportional share of the debt service and all other District-wide costs.

REVENUE SOURCES

The revenues of the District include all earnings, revenues and moneys received by the District from or on account of the operation of the System, including revenue received from its Member Counties. A separate ad valorem tax levy is not authorized for the payment of the principal and interest on the Interim Financing as the District does not have taxing authority. While it is anticipated the District will receive sufficient revenues from the operation of its solid waste facilities, Member Counties are also responsible for their pro rata share of the District's annual expenses including debt service.

The District has also been awarded a \$3,000,000 American Rescue Plan Act grant through the Department of Environmental Quality. The district will use these funds to purchase materials needed in construction of the landfill. This grant revenue will not be pledged as security for the short-term financing.

FINANCING SUMMARY

The District plans to finance approximately \$18.13MM to pay off an outstanding note with Madison County for the land, construct the landfill and related facilities, procure and operate a hauling fleet, and purchase other necessary equipment. The interim financing will be paid off with the USDA-RD loan for \$18.13MM (Loan). The Loan is approved (See Attachment 1). The District is seeking a two-year Interim Financing to fund the construction of the project and procure the necessary equipment. This Interim financing will be taken out by the USDA Loan upon the completion of the project.



The District has the legal authority to issue bonds based on Idaho Code 31-4910. Per Idaho Code 31-4908, the costs for operation of the District are allocated to the Member Counties on a per capita, weight or volume basis, or any combination thereof. Each Member County can choose to finance its share of the costs through property taxes, user fees, current revenues, or other means as outlined in 31-4404 of Idaho Code. The Member Counties are obligated to pay their share of the District's annual budget, including debt service. If the District's tipping fee and hauling fee revenues are insufficient to pay for its operations including debt service, the Member Counties are obligated to pay their pro rata share of these remaining expenses.

The District has a short history of financial performance. Recently, the District's efforts have centered around the identification, analysis, and procurement of an appropriate landfill site. Once the landfill is operational, the District will earn revenue primarily from tipping fees charged for tonnage delivered to the landfill. Hauling fee revenues are also anticipated. The primary tonnage to the District will come from the Member Counties. Additionally, the District does anticipate some revenue from surrounding non-member counties and other customers that will use the landfill for overage, proximity, and access during poor weather. While the District itself does not have a history of revenue, the Member Counties do have financial history for their individual waste management solutions. Revenues that were used to support individual Member Counties' waste management operations, will flow instead to the District.

PURPOSE OF THE INTERIM FINANCING

The Interim Financing is being issued to finance (1) the repayment of note used to purchase real property for the site of the District landfill operations, (2) the deposit of funds into required funds, (3) construction of the site, facilities, and infrastructure; (4) procure equipment for the District to conduct its mandated operations, and (5) paying the costs of issuing the Interim Financing.

AUTHORIZATION FOR ISSUANCE

The Interim Financing will be entered into pursuant to a resolution of the District adopted by the Board of Directors of the District and under and in accordance with the laws and provisions of the State, including Chapters 44, 45, and 49, Title 31, and Chapter 2 and Chapter 9, Title 57, Idaho Code.

SECURITY FOR THE INTERIM FINANCING

The Interim Financing represents a revenue obligation of the District. The District will also pledge proceeds from the long-term USDA-RD Loan to secure the Interim Financing. All revenues and fees collected by the District are pledged to the payment of the Interim Financing. The revenues include all earnings, revenue and moneys received by the District from or on account of the operation of the District, including revenue received from its Member Counties. The site will also be pledged as collateral to the Interim Financing. A separate ad valorem tax levy is not authorized for the payment of the principal and interest on the Interim Financing as the District does not have separate taxing authority. The Interim Financing is not an obligation of the State or any political subdivision thereof other than the District.



SECURITY INFORMATION

The Interim Financing is secured by a pledge payable solely from the Net Revenues of the District. Net Revenues are defined as the Gross Earnings and Revenues of the District less Operating Expenses. Gross Earnings and Revenue include all earnings and revenues received by the District, including but not limited to disposal fees, tipping fees, and other fees. The Interim Financing is not a general obligation of the District, nor the full faith and credit of the District, the Counties, or the State of Idaho.

APPOINTMENT OF ANNUAL COSTS TO MEMBER COUNTIES

Pursuant to Idaho Code 31-4908, annual costs of the District shall be allocated to the Member Counties in accordance with the annual budget approved by the District Board not later than August 15 of each Fiscal Year. Any Member County is authorized to finance its share of costs in accordance with Idaho Code 31-4404. It is the duty of each Member County to remit its apportioned amount not later than September 30 of each Fiscal Year to the District as specified in the annual budget approved by the District Board.

The allocations of costs to each Member County will be determined by allocating the costs incurred for the previous Fiscal Year within each individual Member County to that Member County, along with a proportional share of the cost of the regional landfill for the previous Fiscal Year as determined by the weight of the solid waste generated (tonnage) within each Member County, together with a proportional share of the debt service and all other District-wide costs. Accordingly, the payment from each Member County at the beginning of each Fiscal Year will reimburse the District for the costs incurred by that Member County for the previous Fiscal Year. The District covenants to collect the allocation of costs from each Member County for each Fiscal Year.

As set forth in Idaho Code 31-4918, each Member County is liable for the payment of its allocated costs from all legally available and unrestricted revenue. Member Counties are prohibited by Idaho Code 31-4920 from withdrawing from the District unless the withdrawal is approved by two-thirds of the remaining Member Counties. Idaho Code 31-4921 prohibits the District from dissolving if the District has outstanding indebtedness unless provision for the payment of all such indebtedness is made.

SOURCE OF PAYMENT

In connection with the issuance of the Interim Financing, the District has the power to pledge all of its fees and revenues from any source for the repayment of the Interim Financing. Currently, the primary source of revenue for the District is the annual payment made by each Member County for the costs of operating solid waste facilities within the member County, the costs of operating the proposed regional landfill, the costs of debt service, and the general operation costs of the District. The District also anticipates fully funding all of its operations and future facility needs through tipping fee and hauling revenues, once it is operational.



ADDITIONAL COVENANTS

For the protection and security of the Interim Financing, the District is open to performing the following covenants:

- A. Annual Budget and Collection of Apportionment. The District shall complete its budget no later than August 15 of each year and shall apportion amounts of the budget to each Member County. The District covenants to collect from each Member County its apportioned share of the budget no later than September 30 of each year.
- B. Complete Project. The District will complete the construction of the Project, with all practical dispatch and in a sound and economical manner.
- C. Operate System. The District will operate the system in an efficient and economical manner and prescribe, revise, and collect such charges in connection therewith so that the services, facilities, and properties of the System may be furnished at the lowest possible cost consistent with sound economy and prudent management.
- D. Good Repair. The District will operate, maintain, preserve, and keep the System and every part thereof in good repair, working order, and condition.
- E. Preserve Security. The District will preserve and protect the security of the Interim Financing.
- F. Service Interim Financing. The District will pay and cause to be paid punctually the principal of the Interim Financing and the interest thereon on the date or dates and at the place or places and in the manner mentioned in the Interim Financing.
- G. Pay Claims. The District will pay and discharge any and all lawful claims for labor, materials, and supplies which, if unpaid, might by law become a lien or charge upon the revenue of the system, or any part of said revenue, prior or superior to the lien of the Interim Financing or which might impair the security of the Interim Financing, to the end that the priority and security of the Interim Financing shall be fully preserved and protected.
- H. Encumbrances. The District will not mortgage or otherwise encumber, sell, lease, or dispose of the site, system or any part thereof, nor enter into any lease or agreement which would impair or impede the operation of the system or any part thereof necessary to secure adequate revenues for the payment of the principal of and interest on the Interim Financing, nor which would otherwise impair or impede the rights of the financier of the Interim Financing with respect to the revenues of the operation of the system without provisions for the retirement or defeasance of the Interim Financing then outstanding from the proceeds thereof.
- I. Insurance. The District will procure and keep in force insurance upon all buildings and structures of the system and the machinery and equipment therein, which are usually insured by entities operating like property, in good and responsible insurance companies. The amount of the insurance shall be such as may be required to adequately protect it and the financier from loss due to any casualty, and in the event of any such loss, the proceeds shall be used to repair or restore the system, or the payment of the Interim Financing issued in the future Interim Financing resolution.



- J. *Fidelity Bonds*. The District will procure suitable fidelity bonds covering all of its officers and other employees charged with the operation of the system and the collection and disbursement of revenues therefrom.
- K. *Engineers*. The District will employ consulting engineers of acknowledged reputation, skill, and experience in the improvement and operation of the system for any unusual or extraordinary items of maintenance, repair, or betterments as shall be required from time to time. All reports, estimates, and recommendations of such consulting engineers will be filed with the District and furnished to the financier upon request.
- L. *Accounts*. The District will keep proper and separate accounts and records in which complete and separate entries shall be made of all transactions relating to the system and will furnish financial audits in accordance with a future Information Reporting Agreement.

TAX-EXEMPT STATUS OF THE INTERIM FINANCING; QUALIFIED TAX-EXEMPT OBLIGATIONS

In the opinion of MSBT, LLC, District and Bond Counsel, assuming continuous compliance with certain covenants, interest on the Interim Financing is not included in gross income under present federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and interest on the Interim Financing is not included in alternative minimum taxable income, as defined in Section 55(b)(2) of the Code. Interest on the Interim Financing is not included in Idaho taxable income under present Idaho income tax laws.

NO OUTSTANDING INDEBTEDNESS

The District has no other long-term debt or capital leases outstanding, with the exception of the outstanding note with Madison County for the purchase of the land.

NO DEFAULTED OBLIGATIONS

The District has never failed to pay any of its financial obligations.

COMMUNITY REINVESTMENT ACT

Given the rural nature of the District, it is likely the Interim Financing qualifies for Community Reinvestment Act credit, which may be of value to a Bank or potential investors.

SUPPORTING DOCUMENT LINKS

[**Addendum A**](#), issued September 30, 2022

[**Addendum B**](#), issued October 5, 2022

1. [USDA-RD Approval Letter](#)
2. [DEQ Grant Award Letter](#)
3. [DEQ Site Certification Letter](#)
4. Letters of Recommendation
 - a. [Department of Environmental Quality](#)
 - b. [Eastern Idaho Public Health District](#)



- c. [Bonneville County](#)
- d. [Fremont County](#)
- e. [Madison County](#)
- f. [Teton County](#)
5. District [FY 2022](#) and [FY 2023](#) Budgets
6. Member Counties' FY 2022 Budgets
 - a. [Clark County](#)
 - b. [Fremont County](#)
 - c. [Madison County](#)
 - d. [Teton County](#)
7. Member Counties' Audited Financials
 - a. Clark County [2019](#), [2020](#), [2021](#)
 - b. Fremont County [2019](#), [2020](#), [2021](#)
 - c. Madison County [2019](#), [2020](#), [2021](#)
 - d. Teton County [2019](#), [2020](#), [2021](#)
8. [Master Development Plan](#) and [Site Certification Package](#)
9. [Financial & Economic Information](#)
10. [District Financial Assessment](#) and [Technical Memorandum and Hauling Fleet Pro Forma](#)
11. [Preliminary Environmental Report](#)



REQUEST FOR PROPOSALS

DATE: Monday, September 19, 2022
TO: Bank and Finance Partners
FROM: Cameron Arial, Municipal Advisor, on Behalf of the District
RE: \$18,130,000 USDA Interim Financing Request for Proposals

Dear Friend,

The Eastern Idaho Regional Solid Waste District (EIRSWD or District) is in the process of constructing a four-county solid waste landfill project. The District has secured long-term financing with the United States Department of Agriculture-Rural Development (USDA-RD) and is seeking proposals for two-year Interim/Construction Financing only.

Responses are due on or before 3:00 pm MDT on Friday, October 14, 2022. Responses must be emailed directly to carial@clearwaterfinancial.biz. If you have any questions on any aspect of this bid, please email them by 3:00 pm MDT on Friday, September 30, 2022. Questions and responses will be distributed to all parties that have identified themselves as interested parties by October 5, 2022. It is anticipated the District Board will make a selection at its November Board meeting.

Included in this proposal are the submission criteria, list of questions, scoring metric, and response form for your response. Also included as attachments are other pieces of information to assist you in your credit review. This information and District background can be found at <https://eirswd.org/>.

Please note the District welcomes innovations and alternative forms of financing. Thank you for your ongoing support of Idaho municipalities and the District.

Sincerely,

Cameron Arial, MAP, PhD
President



SUBMISSION CRITERIA

All proposals submitted for evaluation must include, but are not limited to, the following information. This information should be submitted in **5 pages or less**.

Proposals will be evaluated based on responses to the questions below. A recommendation will then be presented to the District for consideration and approval. A scoring metric with weighting is also provided below.

1. Assigned Professionals and Firm Description

- a. Please provide the name, title, address, telephone, and e-mail of the representative who will serve as your firm's lead contact. Please include a brief resume for this individual.
- b. Please provide the name, title, address, telephone, and e-mail of any other individuals who will be involved in the process.
- c. If applicable, disclose any conflicts of interest, as stated in MSRB Rule G-17, including finder's fees, fee splitting, or other contractual arrangements of the firm that could present a real or perceived conflict of interest.
- d. Additionally, the firm should disclose any pending investigations, enforcement or disciplinary actions imposed on the firm within the past three years by the SEC or other regulatory bodies.

2. Municipal Finance Experience and Banking Capability

- a. Provide a list of Idaho municipal financings your firm has assisted with since January 1, 2019. Include the total dollar amount of this list.
- b. Provide a list of municipal financings outside of Idaho your firm has assisted with since January 1, 2019. Include the total number of financings.

3. Timing, Structure, and Terms

- a. Par Amount. The District's Interim Financing will be approximately \$18,130,000 to fund the land purchase note payoff with Madison County, construction of the site and related facilities and equipment, and costs of issuance.
- b. Term. The Interim Financing will be a maximum of a two-year term.
 - i. The District would like the option to extend the term, should unforeseen circumstances delay completion of the project.
- c. Payment Dates. The District would prefer that the principal and interest payment be made at maturity or upon redemption.
- d. Redemption. It is anticipated that the Interim Financing will be subject to redemption without penalty in whole or in part, at the discretion of the District at any time after 18 months from closing at a price of 100% of the principal amount of the Interim Financing, plus accrued interest. The District is open to other standard redemption requirements.
- e. Structure. The District would prefer the Interim Financing in the form of a construction loan or rolling line of credit, where the District is only accruing



interest on the funds it borrows. The District is open to other standard short-term financing structures and encourages the creativity of the respondent for structures that would meet the District's needs.

- f. The District would like to close this financing on or before Thursday, December 1, 2022. Please discuss any concerns or suggestions you may have regarding the timing of this closing.
- g. The District anticipates receiving updated project cost estimates that may impact the borrowing amount. Please discuss any concerns or suggestions with adjusting the borrowing amount by +/- \$200,000.

4. Interest Rate and Fees

- a. Provide proposed interest rate and structure.
- b. If any, provide a detailed breakdown of fees and expenses.

5. Other

- a. Provide any insight into the Idaho and broader municipal finance market or any additional information the District should consider. This may include other financing options, retail banking services or reinvestment options.

WRITTEN AGREEMENT REQUIRED

The selected firm must be willing to enter into a written Purchase Agreement with the District. Such Agreement between the District and the selected responder will be dependent upon the successful closing of the financing.

CONTRACT AND PROPOSAL INFORMATION

Submitting a proposal acknowledges your firm has read, understands, and agrees to be bound by and fulfill the requirements and terms and conditions of this RFP and response.

- 1. **Firm Pricing:** All fees and expenses as detailed in the proposal are to remain firm through the closing. Any proposal that does not offer to remain firm for the required period shall be non-responsive.
- 2. **Conflict of Interest:** Any officer, employee, agent, representative or member of the council, board, committee, or commission of the responder must disclose any interest or conflict they have in their proposal.
- 3. **Cover Letter:** The proposal shall have a cover letter indicating the firm's willingness to enter into an agreement with the District. An officer of the company who has the authority to commit the firm to the proposed engagement must sign this letter. Proposals will include the full name, legal status (corporation, state of incorporation, partnership, proprietorship, etc.), business address of the responder, and telephone number. The proposal must be signed by a principal of the business who is authorized to execute any subsequent contract.



4. **Costs:** All costs associated with the preparation of the proposal, as well as any other related materials and delivery will be borne by the responder. All proposals become the property of the District. The District is not responsible for said costs in any event, including but not limited to, termination of the project in whole or in part, rejection of a proposal as non-responsive, or rejection of the responder as unqualified. The entire response to this RFP shall be considered a public record as defined by chapter 1, title 74, Idaho Code.
5. **Changes or Modifications:** Any changes or modifications to the RFP will be accomplished in writing by addendum. Responders submitting a proposal based on any information other than that contained in this RFP, or any addendum thereto, do so at their own risk
6. **Modifying or Withdrawing Proposals:** Responders may modify or withdraw their proposals at any time prior to the submittal deadline mentioned above. The District requests that any desire to retrieve a proposal for the purpose of withdrawing or to modify a proposal must be submitted in a written request to the District. Responders may withdraw their offer if the District and the successful responder cannot agree on contract terms.
7. **Rejection of Proposals:** The District reserves the right to reject any or all proposals. The District may waive any minor irregularity or technical error in the form of a proposal or in compliance with the instructions of the bank. The District may alter the selection process at any time it is considered to be in the best interest of the District. Any proposal containing significant deviations from the specifications of the RFP shall be rejected as non-responsive. Responders claiming minor irregularities or technical errors must assume the burden of identifying them and justifying them to the District in order for the proposal to receive consideration.
8. **Free and Competitive Selection:** Any agreement or collusion among prospective responders to fix a price or limit competition shall render the proposal void, and such conduct may be unlawful and subject to further proceedings. By submitting a proposal, responders certify that neither the responder nor anyone in its firm or company has either directly or indirectly restrained free and competitive selection, participated in any collusion, or otherwise taken any action unauthorized by the District or applicable law.
9. **Release and Waiver:** Responses shall include the Release and Waiver signed by the representative of the responder authorized to bind the responder.



SCORING METRIC

EASTERN IDAHO REGIONAL SOLID WASTE DISTRICT					
\$18,130,000 USDA Interim Financing, Series 2022					
RFP Response Form					
Question		Possible	Weight	Raw Score	Weighted Score
1. Professionals/Firm Description					
a. Lead banker name and contact information		1-5	2%		0.00
b. Financial institution name		-	-		-
c. Disclosure of conflicts of interest		-	-		-
	Subtotal	5	2%		0.00
2. Experience/Capacity					
a. List of Idaho municipal financings (\$)		1-5	3%		0.00
b. List of Idaho municipal financings (#)		1-5	3%		0.00
	Subtotal	10	5%		0.00
3. Timing/Structure/Terms					
a. Timely closing (November 2022 closing)		1-5	1%		0.00
b. Amortization (2-year)		1-5	3%		0.00
c. Prepayment (Callable at anytime without penalty)		1-5	15%		0.00
d. Adjustment of Borrowing Amount (+/- \$200,000)		1-5	1%		0.00
	Subtotal	20	20%		0.00
4. Interest Rate/Fees					
a. Rate (%)		1-5	60%		0.00
b. Fees and Expenses		1-5	10%		0.00
	Subtotal	10	70%		0.00
5. Other					
a. Municipal market insights and other considerations		1-5	3%		0.00
	Subtotal	5	3%		0.00
	TOTAL	50	100%		

FORM OF PROPOSAL

EIRSWD Debt Service				
Maturity Date	Principal	Rate	Interest*	Total P&I
11/01/2024	\$ 18,130,000			

*Please calculate interest based on a complete draw-down or delivery of proceeds at closing. This will be used for bid comparison only.

Fees and other costs	
	\$ -
	\$ -
	\$ -

Terms**

**Please describe any terms related to your proposal including but not limited to: interest calculations, prepayment provisions, draw-down provisions, security provisions, etc.



EXECUTIVE SUMMARY

The Eastern Idaho Regional Solid Waste District (District) was created in 2010 with the sole purpose of creating a solid waste management solution for the region. The District is a regional municipal government comprised of Madison, Fremont, Clark and Teton Counties (Member Counties). The District has also received membership or customer interest from neighboring Bingham County, Idaho and Teton, County, Wyoming.

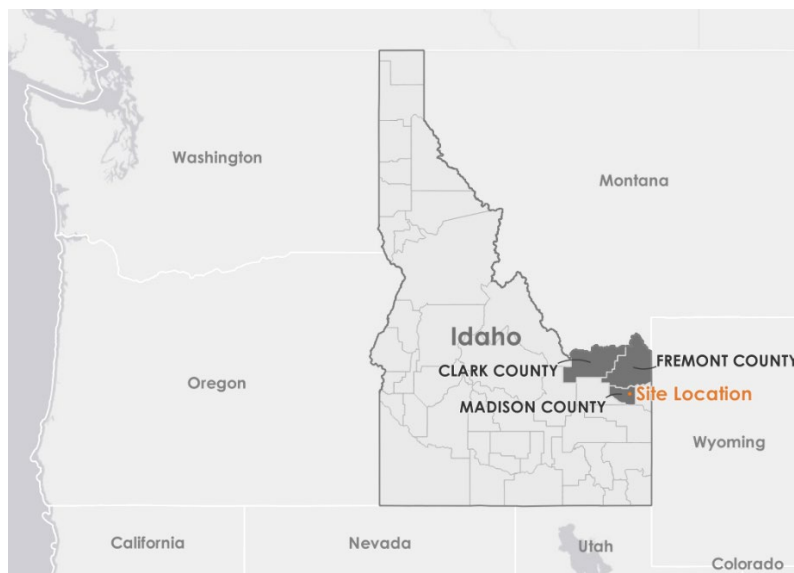
The District also anticipates usage of the landfill from other governments and customers over time as cost, availability and proximity play an ever-increasing role in how these entities seek sustainable solid waste solutions. Each of the Member Counties currently haul most of their waste to the Circular Butte Landfill in Jefferson County, where they are charged for out-of-county waste at a higher tipping fee. Fremont and Clark Counties currently own landfills that are in the process of being decommissioned.

THE DISTRICT

The District, a political subdivision duly organized and existing under and by virtue of the Laws of the State of Idaho (State), has a combined population of 78,721. The following map provides some definition of the District. More than 99% of the District is considered rural.

The District's designated function is to provide solid waste disposal services, facilities and equipment to those residing and conducting business in the Member Counties. The services provided by the District include, but are not limited to: waste reduction, transfer, recycling, storage, and other solid waste treatment programs.

REGION MAP





SERVICE AREA

The Member Counties are located in the northeast corner of Idaho and incorporate approximately 4,585 square miles. A brief description of each County is discussed below.

Madison County, Idaho. Formed in 1913, Madison County holds the county-seat in the City of Rexburg. It is surrounded by four counties: Fremont, Teton, Bonneville, and Jefferson. The County is home to Brigham Young University-Idaho that has a student population of approximately 26,963. As of 2020, Madison County has an estimated population of 52,913 people and contains an area of 473 square miles.

Fremont County, Idaho. Formed in 1893, Fremont County holds the county-seat in the City of St. Anthony. It is surrounded by four counties: Clark, Madison, Jefferson, and Teton. It is also adjacent to the State of Montana to the north and the State of Wyoming to east. The County's proximity to Yellowstone National Park makes it an international destination that makes its visitation increase substantially. As of 2020, Fremont County has an estimated population of 13,388 people and contains an area of 1896 square miles.

Clark County, Idaho. Formed in 1919, Clark County holds a county-seat in the City of Dubois. It is surrounded by four counties: Lemhi, Jefferson, Butte, and Fremont. It is also adjacent to the State of Montana to the north. Clark County is also adjacent to the Idaho National Laboratory. As of 2020, Clark County has an estimated population of 790 people and contains an area of 1,765 square miles.

Teton County, Idaho. Formed in 1915, Teton County holds the county-seat in the City of Driggs. It is surrounded by three counties: Fremont, Madison, and Bonneville. It is also adjacent to the State of Wyoming to the east. Teton County is named after the nearby Teton Mountains to the east and is part of the Jackson, WY-ID MSA. As of 2020, Clark County has an estimated population of 11,630 people and contains an area of 451 square miles.

HISTORY

The Idaho Legislature determined that the disposal of solid waste and domestic septage within the State of Idaho is an important public purpose, and that the creation of independent regional districts to administer solid waste disposal is an efficient and cost-effective method of meeting the State's solid waste disposal needs. Title 31, Chapter 49 of Idaho Code enables counties to establish regional solid waste districts for the purpose of providing a regional solution to solid waste disposal through the operation and maintenance of a regional solid waste system.

A regional solid waste district is formed when any two or more counties elect, by resolution of the commissioners of such counties, to become participating counties of such district. The boundaries of the regional solid waste district are coterminous with the boundaries of the participating counties. Counties within a district need not be contiguous to each other.

The District was formed to operate all solid waste infrastructure currently provided by each of the Member Counties, which will include all solid waste collection, transportation, and disposal



operations. All of these facilities are currently permitted to accept municipal as well as construction and demolition waste streams for transportation or disposal.

DISTRICT BOARD OF DIRECTORS

The Board of Directors (Board) sets the policies and procedures of the District, which are implemented by the Executive Director of the District under the direction of the Board. Following is a list of current Board members, their occupations, and their terms of office.

Name	Position	Occupation	Service Began
Todd Smith	President Madison County Commissioner	Real Estate	Jan. 2021
Scott Kamachi	Vice-President Fremont County Commissioner	Retired Business Owner	Jan. 2021
MaCoy Ward	Board Member Clark County Commissioner	Farmer	Jan. 2016
Michael Whitfield	Board Member Teton County Commissioner	Non-Profit Executive	Aug. 2022

Source: The District

KEY ADMINISTRATIVE OFFICIALS

Executive Director. The Executive Director is hired by the Board and handles the day-to-day administration and operation of the District.

Darby Pozenel is the District’s Executive Director. Darby has served as the Madison County Director of Solid Waste for the past 18 years and has extensive experience managing solid waste systems. Darby holds the following Solid Waste Association of North America (SWANA) certifications: Manager of Landfill Operations, Transfer Station Management, and Construction and Demolition (C & D) Debris Management.

Other Employees. The District expects to employ approximately five full-time employees and two part-time employees. The District is in communication with Member Counties to share personnel when it is advantageous for the District and a Member County to do so.

Engineers and Municipal Advisor. Forsgren and Associates, Inc. and Great West Engineering assist the District with the environmental review, site certification and site facility design of the landfill. The District also relies upon the financial advisory services of its Municipal Advisor, Clearwater Financial, LLC.

PROJECT AND SOLUTION

The District was created to develop a regional solution for Member Counties ever-increasing solid waste needs. The Member Counties face increasing costs, explosive population growth, decreasing capacity of landfill space, as well as expanding regulatory compliance restrictions. The District’s purpose is to address these concerns and provide sustainable and regulatory-compliant waste management solutions for the region. The project is meant to provide a solution to the District’s ongoing sanitation problems by developing a landfill that the District



- Eastern Idaho Public Health (EIPH) Support: EIPH is responsible for the daily operational inspection of landfills within its eight-county area and is also supportive of the District's proposal for similar reasons (Letters of Recommendation – EIPH).
- Regional Taxpayer Benefit: This project will directly benefit the taxpayers of the Member Counties by reducing land fill costs and consolidating services regionally. Its centralized location will also provide convenience and cost savings to taxpayers.
- Counties Support: The County commissioners of each Member County and other nearby counties are highly supportive of District's regional solid waste management solution (Letters of Recommendation – Counties).
- Public Notice: The District has held numerous public meetings and an open house regarding its plans to develop the site. The District has also contacted the few neighboring property owners and is in consistent communication with them and has cooperatively created a plan to mitigate their concerns.
- Reclaim Site: At the completion of each cell, the District has plans in place to reclaim the land. The land will be reclaimed as a wildlife habit or other permitted use.
- Long-Term Solid Waste Solution: The District's project will provide a long-term solution to the region's solid waste needs for decades to come.

Permitting. With the passage of Idaho Solid Waste Facilities Act, Title 39, Chapter 74 (Act), IDEQ received approval from EPA in September 1993 to manage municipal solid waste landfills (MSWLFs) in the state. The Act prescribes municipal solid waste disposal standards and procedures and a process for the development, operation, and oversight of MSWLFs in Idaho.

The Act establishes a system of prior approvals and conditions for the siting of a new facility. Facilities can be subject to four phases of approvals. The first is a site certification by IDEQ. All sites must go through this certification process. The next phase is approval by IDEQ of the design, which includes design of the landfill unit and the groundwater monitoring system. The third phase, which can occur simultaneously with review and approval of design by IDEQ, is approval of the operations plan by the local Health District. The final phase, which can also occur simultaneously with review and approval of design by IDEQ and operations plan by the Health District, is the approval of closure/post-closure plan also approved by the Health District. The estimated time frame to complete all four phases of approval is approximately one to three years. The District has all of the site certification approvals and is now to the financing and construction phase of the project.

The site certification procedure assures that a facility has complied with the location restrictions Title 39-7407, Idaho Code. The District officially owns the landfill property, and the site is fully certified by the IDEQ. The landfill property is secured by a note with Madison County and the note will be paid off with Interim Financing proceeds.

Environmental Resources Present. Forsgren and Associates, Inc. and Great West Engineering prepared a preliminary engineering report, landfill master development plan, and site certification package to meet the requirements of National Environmental Policy Act for



facilities of the District. For each existing landfill facility and the proposed regional landfill facility, they determined that there are no significant environmental resources present and no necessary mitigation efforts were identified.

Estimated Project Costs

Forecast Summary		FY 2023	FY 2024
Expenses			
General			
R2	Loan Covered Payments		
	Land Purchase	\$ 3,238,000	\$ -
	Site Reconnaissance / Site Certification / Master Development Plan / Financial Pro-Forma	\$ 120,000	\$ -
	Preliminary Engineering Report (PER) / Environmental Assessment (EA) / RD Funding App.	\$ 117,000	\$ -
	Hydrogeologic / Geotechnical Investigation and Characterization / Reporting / Monitoring Well Network	\$ 645,000	\$ -
	Prelim Design Plan / MSWLF Permit Application	\$ 67,000	\$ -
	Final Design Report / Bidding Documents / Permit to Construct	\$ 90,000	\$ -
	Bidding Support / Construction Contract Administration (CA)	\$ -	\$ 98,000
	Post Construction Services / Regulatory Plans / Permit to Operate	\$ -	\$ 34,000
	Construction (Cell A, Leachate Ponds, and Support Infrastructure)	\$ 1,500,000	\$ 5,373,000
	Construction Contingency	\$ -	\$ 1,446,000
	Sales Taxes (6% on materials only – estimated)	\$ -	\$ 238,000
	Landfill Equipment	\$ 3,370,429	\$ -
	Hauling Equipment	\$ 2,797,000	\$ -
	ARPA Eligible Expenses Redistribution		
Total		\$ 11,944,429	\$ 7,189,000

Source: The District, Forsgren Associates, Inc. and Great West Engineers; Preliminary estimates

Anticipated System Growth. Each Member County is growing and is projected to continue to grow at a consistent rate. In evaluating growth rates for solid waste generation, the planning unit can either be interpreted by weight or volume for materials that enter the waste stream, and is calculated prior to recycling, composting or final disposal or diversion. For planning purposes, the District’s planning unit will be defined by weight (tonnage). Based on current waste generation rates, the regional landfill will process approximately 50,000 tons per year, which will provide an estimated life expectancy for the regional landfill of approximately 43 years or 2066 based on current growth projections (Great West). This capacity is specific to the initial 50-acre landfill site. The land owned by the District has capacity for additional cells to be built in the future.

The population growth projections are based on historical patterns and were developed by the Idaho Department of Labor from reports and research conducted by various state agencies. The tables list the expected population by Member County. Population projections indicate a continuing pattern of steady growth. Population projections combined with tonnage projections produces revenue projections for the District. Sensitivity of 15% on both sides of the baseline projections is also provided (SEE ATTACHMENT 9 - Financial & Economic Information).

Security of District Facilities. The District will control access to the proposed landfill site which will not service the general public. The general public will be directed to and be serviced at the local landfill facilities and waste will then be transferred by the District to the regional landfill.

LAND USE AND DEVELOPMENT

Land use policy determines land use within Madison County where the landfill site is located. The property is owned by the District. The District has an outstanding note due to Madison County that will be repaid with proceeds of the interim financing. The District is in the process



of obtaining a conditional use permit which allows for the District's intended landfill use under the Madison County zoning code. The District will obtain the permit prior to closing the interim financing.

BUDGETARY PROCESS

The District's fiscal year (Fiscal Year) begins October 1 and ends September 30 of the following year. After reviewing service levels from the previous Fiscal Year and a forecast of revenues is conducted, the Board analyzes draft budget requests during June. The Executive Director is responsible for preparing a draft budget for the Board. The budget is prepared by fund, function, and activity and includes information on the past year, current year estimates, and requested appropriations for the next Fiscal Year. Prior to the first Monday in August, the Executive Director submits the proposed budget to the Board for review. The Board holds a public hearing and may change the proposed budget. On or before August 15, the budget is approved by the Board and certified by each Member County. Such approvals and certifications are binding upon all Member Counties and on the District itself.

The allocation of costs to each Member County will be determined by allocating the actual costs incurred, net of revenue received by the District within each individual Member County to that Member County, along with a proportional share of the cost of the regional landfill as determined by the weight of the solid waste generated within each Member County, together with a proportional share of the debt service and all other District-wide costs.

REVENUE SOURCES

The revenues of the District include all earnings, revenues and moneys received by the District from or on account of the operation of the System, including revenue received from its Member Counties. A separate ad valorem tax levy is not authorized for the payment of the principal and interest on the Interim Financing as the District does not have taxing authority. While it is anticipated the District will receive sufficient revenues from the operation of its solid waste facilities, Member Counties are also responsible for their pro rata share of the District's annual expenses including debt service.

The District has also been awarded a \$3,000,000 American Rescue Plan Act grant through the Department of Environmental Quality. The district will use these funds to purchase materials needed in construction of the landfill. This grant revenue will not be pledged as security for the short-term financing.

FINANCING SUMMARY

The District plans to finance approximately \$18.13MM to pay off an outstanding note with Madison County for the land, construct the landfill and related facilities, procure and operate a hauling fleet, and purchase other necessary equipment. The interim financing will be paid off with the USDA-RD loan for \$18.13MM (Loan). The Loan is approved (See Attachment 1). The District is seeking a two-year Interim Financing to fund the construction of the project and procure the necessary equipment. This Interim financing will be taken out by the USDA Loan upon the completion of the project.



The District has the legal authority to issue bonds based on Idaho Code 31-4910. Per Idaho Code 31-4908, the costs for operation of the District are allocated to the Member Counties on a per capita, weight or volume basis, or any combination thereof. Each Member County can choose to finance its share of the costs through property taxes, user fees, current revenues, or other means as outlined in 31-4404 of Idaho Code. The Member Counties are obligated to pay their share of the District's annual budget, including debt service. If the District's tipping fee and hauling fee revenues are insufficient to pay for its operations including debt service, the Member Counties are obligated to pay their pro rata share of these remaining expenses.

The District has a short history of financial performance. Recently, the District's efforts have centered around the identification, analysis, and procurement of an appropriate landfill site. Once the landfill is operational, the District will earn revenue primarily from tipping fees charged for tonnage delivered to the landfill. Hauling fee revenues are also anticipated. The primary tonnage to the District will come from the Member Counties. Additionally, the District does anticipate some revenue from surrounding non-member counties and other customers that will use the landfill for overage, proximity, and access during poor weather. While the District itself does not have a history of revenue, the Member Counties do have financial history for their individual waste management solutions. Revenues that were used to support individual Member Counties' waste management operations, will flow instead to the District.

PURPOSE OF THE INTERIM FINANCING

The Interim Financing is being issued to finance (1) the repayment of note used to purchase real property for the site of the District landfill operations, (2) the deposit of funds into required funds, (3) construction of the site, facilities, and infrastructure; (4) procure equipment for the District to conduct its mandated operations, and (5) paying the costs of issuing the Interim Financing.

AUTHORIZATION FOR ISSUANCE

The Interim Financing will be entered into pursuant to a resolution of the District adopted by the Board of Directors of the District and under and in accordance with the laws and provisions of the State, including Chapters 44, 45, and 49, Title 31, and Chapter 2 and Chapter 9, Title 57, Idaho Code.

SECURITY FOR THE INTERIM FINANCING

The Interim Financing represents a revenue obligation of the District. The District will also pledge proceeds from the long-term USDA-RD Loan to secure the Interim Financing. All revenues and fees collected by the District are pledged to the payment of the Interim Financing. The revenues include all earnings, revenue and moneys received by the District from or on account of the operation of the District, including revenue received from its Member Counties. The site will also be pledged as collateral to the Interim Financing. A separate ad valorem tax levy is not authorized for the payment of the principal and interest on the Interim Financing as the District does not have separate taxing authority. The Interim Financing is not an obligation of the State or any political subdivision thereof other than the District.



SECURITY INFORMATION

The Interim Financing is secured by a pledge payable solely from the Net Revenues of the District. Net Revenues are defined as the Gross Earnings and Revenues of the District less Operating Expenses. Gross Earnings and Revenue include all earnings and revenues received by the District, including but not limited to disposal fees, tipping fees, and other fees. The Interim Financing is not a general obligation of the District, nor the full faith and credit of the District, the Counties, or the State of Idaho.

APPOINTMENT OF ANNUAL COSTS TO MEMBER COUNTIES

Pursuant to Idaho Code 31-4908, annual costs of the District shall be allocated to the Member Counties in accordance with the annual budget approved by the District Board not later than August 15 of each Fiscal Year. Any Member County is authorized to finance its share of costs in accordance with Idaho Code 31-4404. It is the duty of each Member County to remit its apportioned amount not later than September 30 of each Fiscal Year to the District as specified in the annual budget approved by the District Board.

The allocations of costs to each Member County will be determined by allocating the costs incurred for the previous Fiscal Year within each individual Member County to that Member County, along with a proportional share of the cost of the regional landfill for the previous Fiscal Year as determined by the weight of the solid waste generated (tonnage) within each Member County, together with a proportional share of the debt service and all other District-wide costs. Accordingly, the payment from each Member County at the beginning of each Fiscal Year will reimburse the District for the costs incurred by that Member County for the previous Fiscal Year. The District covenants to collect the allocation of costs from each Member County for each Fiscal Year.

As set forth in Idaho Code 31-4918, each Member County is liable for the payment of its allocated costs from all legally available and unrestricted revenue. Member Counties are prohibited by Idaho Code 31-4920 from withdrawing from the District unless the withdrawal is approved by two-thirds of the remaining Member Counties. Idaho Code 31-4921 prohibits the District from dissolving if the District has outstanding indebtedness unless provision for the payment of all such indebtedness is made.

SOURCE OF PAYMENT

In connection with the issuance of the Interim Financing, the District has the power to pledge all of its fees and revenues from any source for the repayment of the Interim Financing. Currently, the primary source of revenue for the District is the annual payment made by each Member County for the costs of operating solid waste facilities within the member County, the costs of operating the proposed regional landfill, the costs of debt service, and the general operation costs of the District. The District also anticipates fully funding all of its operations and future facility needs through tipping fee and hauling revenues, once it is operational.



ADDITIONAL COVENANTS

For the protection and security of the Interim Financing, the District is open to performing the following covenants:

- A. Annual Budget and Collection of Apportionment. The District shall complete its budget no later than August 15 of each year and shall apportion amounts of the budget to each Member County. The District covenants to collect from each Member County its apportioned share of the budget no later than September 30 of each year.
- B. Complete Project. The District will complete the construction of the Project, with all practical dispatch and in a sound and economical manner.
- C. Operate System. The District will operate the system in an efficient and economical manner and prescribe, revise, and collect such charges in connection therewith so that the services, facilities, and properties of the System may be furnished at the lowest possible cost consistent with sound economy and prudent management.
- D. Good Repair. The District will operate, maintain, preserve, and keep the System and every part thereof in good repair, working order, and condition.
- E. Preserve Security. The District will preserve and protect the security of the Interim Financing.
- F. Service Interim Financing. The District will pay and cause to be paid punctually the principal of the Interim Financing and the interest thereon on the date or dates and at the place or places and in the manner mentioned in the Interim Financing.
- G. Pay Claims. The District will pay and discharge any and all lawful claims for labor, materials, and supplies which, if unpaid, might by law become a lien or charge upon the revenue of the system, or any part of said revenue, prior or superior to the lien of the Interim Financing or which might impair the security of the Interim Financing, to the end that the priority and security of the Interim Financing shall be fully preserved and protected.
- H. Encumbrances. The District will not mortgage or otherwise encumber, sell, lease, or dispose of the site, system or any part thereof, nor enter into any lease or agreement which would impair or impede the operation of the system or any part thereof necessary to secure adequate revenues for the payment of the principal of and interest on the Interim Financing, nor which would otherwise impair or impede the rights of the financier of the Interim Financing with respect to the revenues of the operation of the system without provisions for the retirement or defeasance of the Interim Financing then outstanding from the proceeds thereof.
- I. Insurance. The District will procure and keep in force insurance upon all buildings and structures of the system and the machinery and equipment therein, which are usually insured by entities operating like property, in good and responsible insurance companies. The amount of the insurance shall be such as may be required to adequately protect it and the financier from loss due to any casualty, and in the event of any such loss, the proceeds shall be used to repair or restore the system, or the payment of the Interim Financing issued in the future Interim Financing resolution.



- J. Fidelity Bonds. The District will procure suitable fidelity bonds covering all of its officers and other employees charged with the operation of the system and the collection and disbursement of revenues therefrom.
- K. Engineers. The District will employ consulting engineers of acknowledged reputation, skill, and experience in the improvement and operation of the system for any unusual or extraordinary items of maintenance, repair, or betterments as shall be required from time to time. All reports, estimates, and recommendations of such consulting engineers will be filed with the District and furnished to the financier upon request.
- L. Accounts. The District will keep proper and separate accounts and records in which complete and separate entries shall be made of all transactions relating to the system and will furnish financial audits in accordance with a future Information Reporting Agreement.

TAX-EXEMPT STATUS OF THE INTERIM FINANCING; QUALIFIED TAX-EXEMPT OBLIGATIONS

In the opinion of MSBT, LLC, District and Bond Counsel, assuming continuous compliance with certain covenants, interest on the Interim Financing is not included in gross income under present federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and interest on the Interim Financing is not included in alternative minimum taxable income, as defined in Section 55(b)(2) of the Code. Interest on the Interim Financing is not included in Idaho taxable income under present Idaho income tax laws.

NO OUTSTANDING INDEBTEDNESS

The District has no other long-term debt or capital leases outstanding, with the exception of the outstanding note with Madison County for the purchase of the land.

NO DEFAULTED OBLIGATIONS

The District has never failed to pay any of its financial obligations.

COMMUNITY REINVESTMENT ACT

Given the rural nature of the District, it is likely the Interim Financing qualifies for Community Reinvestment Act credit, which may be of value to a Bank or potential investors.

SUPPORTING DOCUMENT LINKS

Addendum A, issued September 30, 2022

- 1. [USDA-RD Approval Letter](#)
- 2. [DEQ Grant Award Letter](#)
- 3. [DEQ Site Certification Letter](#)
- 4. Letters of Recommendation
 - a. [Department of Environmental Quality](#)
 - b. [Eastern Idaho Public Health District](#)
 - c. [Bonneville County](#)



- d. [Fremont County](#)
- e. [Madison County](#)
- f. [Teton County](#)
- 5. District [FY 2022](#) and [FY 2023](#) Budgets
- 6. Member Counties' FY 2022 Budgets
 - a. [Clark County](#)
 - b. [Fremont County](#)
 - c. [Madison County](#)
 - d. [Teton County](#)
- 7. Member Counties' Audited Financials
 - a. Clark County [2019](#), [2020](#), [2021](#)
 - b. Fremont County [2019](#), [2020](#), [2021](#)
 - c. Madison County [2019](#), [2020](#), [2021](#)
 - d. Teton County [2019](#), [2020](#), [2021](#)
- 8. [Master Development Plan](#) and [Site Certification Package](#)
- 9. [Financial & Economic Information](#)
- 10. [District Financial Assessment](#) and [Technical Memorandum and Hauling Fleet Pro Forma](#)
- 11. [Preliminary Environmental Report](#)



REQUEST FOR PROPOSALS

DATE: September 30, 2022
TO: Financial Partners
FROM: Cameron Arial, Municipal Advisor, Eastern Idaho Regional Solid Waste District (EIRSWD)
RE: \$18,130,000 USDA Interim Financing Request for Proposals Addendum A

Dear Financial Partners,

EIRSWD received the following questions and is providing responses in the form of this Addendum A.

Sincerely,

Cameron Arial

ADDENDUM A

- Does the District issue annual financial statements? I see the budget and the links for the member counties, but do not see District financials.

THE DISTRICT IS NOT NEW, BUT ITS MEANINGFUL OPERATIONS ARE. THAT SAID, IT HAS NOT HAD A COMPLETED AUDIT. THE DISTRICT IS IN THE PROCESS OF COMPLETING THEIR FY 2021 AUDIT, WHICH IS THEIR INITIAL AUDIT. WE WILL SUPPLY THIS AS SOON AS IT IS COMPLETED.

- Did the District agree on the conditions set forth in the letter from USDA, Sep 7, 2022, and return forms related to the Request for Obligation of Funds?

THE DISTRICT HAS AGREED TO ALL OF THE CONDITIONS AND THE USDA HAS FULLY OBLIGATED FUNDS.

- Please share the anticipated timeline for the obligation of USDA funds.

THE OBLIGATION OF FUNDS WILL OCCURE ONCE THE PROJECT IS COMPLETE. IT IS ANTICIPATED THE PROJECT WILL BE COMPLETED SEPTEMBER 2024. USDA TYPICALLY REQUIRES 30 DAYS TO PAYOFF INTERIM FINANCINGS ONCE THE PROJECT IS COMPLETE. THIS WOULD RESULT IN AN OCTOBER 2024 USDA TERM FINANCING CLOSING DATE.

Table 7-5 – Project Milestone Schedule

Activity	Milestone
Loan Approval by USDA-RD	July 2022
A/E Design Services	July / August 2022 – May 2023
Permit Approval by DEQ	May 2023
Bidding	June 2023
Award / Selection	July 2023
Notice to Proceed	August 2023
Construction (with winter shutdown – see below)	August 2023 – July 2024
Winter Shutdown	December 2023 – April 2024
Restart of Construction Work	May 2024
Substantial Completion / Certificate of Occupancy	July 2024
Permit to Operate by the DEQ / Health Dept	August 2024
Project Final Completion / Project Closeout	September 2024
First Payment Due (1 Year later)	September 2025

Notes:

¹ Schedule assumes one bidding period followed by subsequent award without protest.

- Who serves as bond counsel on this transaction?

STEPHANIE BONNIE, WITH THE LAW FIRM MSBT IS SERVING AS BOND COUNSEL. STEPHANIE'S EMAIL ADDRESS IS: SJB@MSBTLAW.COM.



CLEARWATER
— FINANCIAL —

- Is it permissible to propose an option that includes a longer maturity or term in order to meet the District's desire to extend the term, should unforeseen circumstances delay completion of the project?

THE DISTRICT WOULD ENCOURAGE CREATIVE STRUCTURES, IDEAS, AND TERMS TO MEET IS FINANCING OBJECTIVES.



REQUEST FOR PROPOSALS

DATE: October 5, 2022
TO: Financial Partners
FROM: Cameron Arial, Municipal Advisor, Eastern Idaho Regional Solid Waste District (EIRSWD)
RE: \$18,130,000 USDA Interim Financing Request for Proposals Addendum B

Dear Financial Partners,

EIRSWD received the following questions and is providing responses in the form of this Addendum B.

Sincerely,

Cameron Arial



ADDENDUM B

- Top 10 users/taxpayers of each county?

THE TOP USERS IN EACH OF THE COUNTIES ARE THE CITIES LOCATED WITHIN THE RESPECTIVE COUNTIES, PSI, COMMERCIAL HAULERS (EDGE, DUMP IT, EAGLE ROCK SANITATION, ETC.) AND THE PUBLIC AT-LARGE.

- Tax collections past 5 years for each county?

THIS INFORMATION CAN BE FOUND IN EACH OF THE AUDITED FINANCIAL STATEMENTS OF THE MEMBER COUNTIES FOUND ON THE DISTRICT'S WEBSITE. https://eirswd.org/?page_id=20

- What is the ownership share for each member County?

EACH COUNTY IS AN EQUAL MEMBER OF THE DISTRICT.

- What is their current demand/volume by County?

THIS INFORMATION CAN BE FOUND IN THE FINANCIAL ASSESSMENT (TONS TAB) AND THE PRELIMINARY ENVIRONMENT REPORT (SECTION 3.4). https://eirswd.org/?page_id=20

- How much is each County currently paying to dispose of waste annually?

THIS INFORMATION CAN BE FOUND IN EACH OF THE AUDITED FINANCIAL STATEMENTS OF THE MEMBER COUNTIES ON THE DISTRICT'S WEBSITE. https://eirswd.org/?page_id=20

- What happens if a Member County wants to exit the District? Can this happen?

THIS INFORMATION CAN BE FOUND IN THE RFP (PAGE 14, SECTION APPOINTMENT OF ANNUAL COST TO MEMBER COUNTIES). https://eirswd.org/?page_id=20

- Clarification on budget and allocation of Costs. Under budget appropriations you refer to "requested appropriations". Does each County have to appropriate for an estimated share of costs going into the next fiscal year?

YES, ONCE THE LANDFILL IS OPERATIONAL.



- How does cash flows work between the member counties and the District? Is there a monthly bill sent to each county for disposal or are fees paid at the time waste is delivered to the site? Just hoping to better understand timing of cash flows to the District from the Counties.

ONCE OPERATIONAL THE DISTRICT WILL INVOICE THE MEMBER COUNTIES ON A REGULAR BASIS, INCLUDING CHARGES FOR TIPPING FEES FOR TONAGE DELIVERED AND HAULING COSTS. THIS IS SIMILAR TO THEIR CURRENT PROCESS.

- In the event of a shortfall, how will the shortfall be allocated to each County? Average waste delivered to date, average waste delivered last year? Just want to understand what metric would be used.

THIS INFORMATION CAN BE FOUND IN THE RFP (PAGE 14, SECTION APPOINTMENT OF ANNUAL COST TO MEMBER COUNTIES). https://eirswd.org/?page_id=20

- How has Covid-19 affected each County?

COVID 19 HAS HAD MINIMAL EFFECT ON THE MEMBER COUNTIES' SOLID WASTE DEPARTMENTS. THE MEMBER COUNTIES HAVE SEEN INCREASED TONNAGE DURING COVID-19. THERE HAVE BEEN CHALLENGES WITH A FEW MEMBER COUNTIES HIRING EMPLOYEES. IT IS UNCLEAR IF THIS IS DIRECTLY RELATED TO COVID-19.

- Can you send the District Financial Assessment? The link in the document did not work.

THIS INFORMATION CAN BE FOUND ON THE DISTRICT'S WEBSITE.

https://eirswd.org/?page_id=20

- In a couple areas it lists Teton as a Member and in another section it says they have indicated interest in joining.

TETON COUNTY WAS NOT AN ORIGINAL MEMBER OF THE DISTRICT. SOME OF THE DOCUMENTATION WAS CREATED PRIOR TO THEIR JOINING THE DISTRICT. TETON COUNTY IS NOW A MEMBER OF THE DISTRICT.



- The Madison County link for the 2021 Audit takes me to Fremont County. I wasn't able to find the audit on Madison County's website nor on EMMA. Are you able to send that to me?

THIS INFORMATION CAN BE FOUND ON THE DISTRICT'S WEBSITE.

https://eirswd.org/?page_id=20

- Lastly, upon completion, will all Member Counties current solid waste/landfill revenues flow to the District or will any maintain their current usage of its own landfills?

IT IS THE INTENT OF EACH MEMBER COUNTY TO SEND ALL OF THEIR SOLID WASTE TO THE DISTRICT ONCE THE LANDFILL IS OPERATIONAL. FREMONT COUNTY DOES OPERATE A SMALL LANDFILL IN ISLAND PARK THAT IS SCHEDULE TO CLOSE IN THE NEXT 5-8 YEARS. THE ISLAND PARK AREA WILL USE THIS LANDFILL UNTIL IT IS CLOSED.