

**NASSAU HEALTH CARE CORPORATION
a/k/a the NuHealth System**

Request for Proposals for

**Letters of Credit
2019-003**

Contacts and Submission:

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Anticipated Schedule:

- **Issue RFP** **April 3, 2019**
- **Deadline for Questions** **April 12, 2019 by 12 noon EDT**
- **Proposals Due (Via Email)** **April 24, 2019 by 3 PM EDT**

Dates indicated above are subject to change at the sole discretion of Nassau Health Care Corporation.

DESCRIPTION OF SERVICES SOUGHT

Please read the full text of this Description of Services Sought and Appendix I for important information concerning the terms of this Request for Proposals and additional required information.

1. Nassau Health Care Corporation

The Nassau Health Care Corporation, also known as the NuHealth System (the “Corporation” or “NHCC”), is a New York State public benefit corporation created by the New York State Public Authorities Law. NHCC operates Nassau University Medical Center, a 530-bed tertiary care teaching hospital (“NUMC”) and the A. Holly Patterson Extended Care Facility (“AHP”), a 589-bed skilled nursing facility. In addition to its own extensive medical and surgical capabilities, NUMC is affiliated with the Northwell Health System. NHCC also co-operates various Community Health Practices in partnership with Long Island FQHC, Inc., a non-profit, consumer-driven organization created to help address the health needs of the region’s most vulnerable populations.

NUMC has been the primary source of medical care for millions of Nassau County residents since 1935. As the region's premier Level I trauma center, NUMC treats many of the County's most critically injured patients, and has long carried the responsibility of being the region’s “safety net” hospital. Additionally, NUMC maintains a strong commitment to medical education. NHCC is academically affiliated with the Northwell Health System, the Health Sciences Center of the State University of New York at Stony Brook, the New York College of Osteopathic Medicine, the New York College of Podiatric Medicine, the American University of the Caribbean School of Medicine, and the Hofstra Northwell School of Medicine.

2. Scope of Services

The Scope of Services (“Scope”) outlined below has been established for the purpose of achieving and implementing program goals and objectives described in this document. Although the Scope is intended to serve as a reference in the preparation of the proposal, forthcoming proposals may offer additional services which support the goals of this RFP.

3. Introduction

The Nassau Health Care Corporation is seeking proposals from qualified firms to provide a Direct Pay Letter of Credit (“LOC”) for certain series of its outstanding 2009 Variable Rate Demand Bonds (“VRDBs”) (Nassau County Guaranteed). The outstanding debt is summarized below. You may propose on all series or selected series.

Series	Remarketing Agent	Outstanding Par	Current Mode	Maturity
2009 A – Taxable	BofA Merrill Lynch	\$12,555,000	Weekly	8/1/2022
2009 B1 – Tax- Exempt	TD Securities	\$33,295,000	Weekly	8/1/2029
2009 B2 – Tax-Exempt	BofA Merrill Lynch	\$33,225,000	Weekly	8/1/2029
2009 C1 – Tax-Exempt	Wells Fargo	\$29,735,000	Weekly	8/1/2029
2009 C2 – Tax-Exempt	JP Morgan	\$28,035,000	Weekly	8/1/2029
2009 D1– Tax-Exempt	JP Morgan	\$26,240,000	Weekly	8/1/2029
2009 D2– Tax-Exempt	BofA Merrill Lynch	\$24,505,000	Weekly	8/1/2029
Total Par Outstanding		\$187,590,000		

Security for the Bonds. The Series 2009 Bonds are secured by a guarantee from Nassau County, New York (the “County”) pursuant to the County Guaranty. The faith and credit of the County is irrevocably pledged to the obligations of the County under the County Guaranty. Pursuant to the County Guaranty, the County guarantees, absolutely, irrevocably and unconditionally, to the Trustee, and the Owners, from time to time, of the Series 2009 Bonds, the full and prompt payment of the principal of any Series 2009 Bond (either at the stated maturity or by any advancement of maturity pursuant to a mandatory sinking fund installment) and interest on the Series 2009 Bonds. The County Guaranty does not secure the payment of the Purchase Price of any tendered Series 2009 Bond. Payments under the County Guaranty are required to be made directly by the County to the Trustee three Business Days prior to the due dates for principal of and interest on the Series 2009 Bonds. The most recent County Audited Financial Statement is available on the Nassau County web site. The NHCC General Resolution, the 2009 Nassau County Guaranty, and the most recent Nassau County Official Statement are available upon request.

Ratings. The County’s general obligation bonds are currently rated “A2” (stable outlook) by Moody’s, “A+” (stable outlook) by S&P and “A” (stable outlook) by Fitch.

Administrative Parameters. Following the review of the written proposals, the Corporation may engage in individual discussions and negotiations with one or more institutions that submit proposals. The Corporation reserves the right to accept or reject any or all proposals received and to waive any irregularities, as deemed in the best interest of the Corporation. Moreover, the Corporation reserves the right to request additional information as required.

The Corporation will use its best efforts to answer any questions and provide additional information requested in connection with responses to this Request for Proposals. Should you have any questions concerning this RFP, please contact Tracey Keays or Lila Berry at PFM Financial Advisors LLC (financial advisor to the Corporation). Their contact information is below.

Tracey Keays
keayst@pfm.com

Lila Berry
berryl@pfm.com

4. Proposal/Process To Be Followed

NHCC is requesting proposals for the services described in this Request for Proposals (“RFP”). Proposals shall be prepared and submitted as outlined below; proposals that do not conform to these requirements may be disqualified.

This RFP is available to interested parties through the NHCC or PFM contacts designated in this RFP. It may also be downloaded by clicking on the “Doing Business with NuHealth” link found on the NHCC website at www.numc.edu. All requests for information concerning this RFP should be directed to the contacts designated above in writing by 12 noon EDT on April 12, 2019.

Please submit your response via email to the following three email addresses:

- jmaher@numc.edu (John Maher)
- keayst@pfm.com (Tracey Keays)
- mryan@numc.edu (NHCC Legal Department)

Each proposal must include all information outlined in this RFP, including completion and submission of the forms attached in Appendix I to this RFP. The selected Proposer will enter into negotiations with NHCC regarding the specific terms of an appropriate agreement. If agreement cannot be reached with a selected Proposer within a reasonable time, NHCC may reject that Proposer and commence negotiations with one or more other Proposers.

Proposals are to be prepared in such a way as to provide a straightforward, concise description of capabilities to satisfy the requirements of this RFP. Emphasis should be concentrated on conformance to the RFP instructions, responsiveness to the RFP requirements, and on completeness and clarity of content.

5. Confidential Information

The New York State “Freedom of Information Law,” Public Officers Law Article 6, permits access to government records and may permit public access to proposals submitted in response to this RFP. To protect any portion of responses that constitutes technical, financial or other data whose public disclosure would cause substantial injury to a Proposer’s competitive position, or would constitute disclosure of a trade secret, a Proposer must designate any sections of its proposal that meet those criteria. NHCC assumes no responsibility for disclosure of unmarked data for any purpose. NHCC will review such designations in making its determination whether disclosure is required, which determination shall be binding on the Proposer.

6. Anti-discrimination and MWBE Participation

It is the policy of NHCC to comply with all federal, state and local laws, policies, orders, rules and regulations which prohibit unlawful discrimination because of race, creed, color, national origin, sex, sexual orientation, age, disability, or marital status, and to take affirmative action in working with contracting parties to ensure that Minority and Women-owned Business Enterprises (MWBEs) share in the economic opportunities generated by NHCC's participation in projects or initiatives, and/or use of NHCC funds. NHCC's anti-discrimination or other policies that promote equal opportunities shall apply to this initiative and MWBEs are encouraged to submit proposals.

Pursuant to New York State Executive Law Article 15-A, NHCC recognizes its obligations under the law to promote opportunities for maximum feasible participation of MWBEs and the employment of minority group members and women in the performance of NHCC contracts.

7. Procurement Law Requirements

State Finance Law §§ 139-j and 139-k (collectively, the "Procurement Requirements") apply to this RFP. The Procurement Requirements (1) govern permissible communications between potential Proposers and NHCC with respect to this RFP during the procurement process; and (2) establish sanctions for knowing and willful violations of the provisions of the Procurement Requirements, including disqualification from eligibility for an award of any contract pursuant to this solicitation.

Compliance with the Procurement Requirements requires (a) that all communications regarding this RFP, from the issuance of this RFP through final award and approval of any resulting contract (the "Restricted Period"), be conducted only with the contact person(s) listed; and (b) the completion by Proposers of the Disclosure of Prior Non-Responsibility Determination. The Procurement Requirements also require NHCC employees to obtain and report certain information when contacted by prospective Proposers during the Restricted Period, make a determination of the responsibility of Proposers and make all such information publicly available in accordance with applicable law. If a prospective Proposer is found to have knowingly and willfully violated the State Finance Law provisions, that prospective Proposer and its subsidiaries, related or successor entities will be determined to be a non-responsible Proposer and will not be awarded any contract issued pursuant to this RFP.

All potential Proposers are solely responsible for full compliance with the Procurement Requirements.

8. Selection Criteria

Proposals from responsible parties will be reviewed and evaluated from the point of view of overall cost, qualifications, references and other appropriate factors relevant to: (i) the Proposer's ability to provide the services; (ii) the anticipated quality of the services to be provided; and (iii) financial and other benefits to NHCC.

9. Terms and Conditions

A. This RFP constitutes an invitation to make proposals to NHCC. Accordingly, this RFP does not commit NHCC to award a contract, or to procure, or to contract for services or supplies. Notwithstanding any other provisions of this RFP, NHCC reserves the right to award this contract to the vendor(s) that best meet the requirements of the RFP, and not necessarily to the lowest proposer. NHCC reserves the right to accept or reject any or all proposals received as a result of this request; to negotiate with all qualified sources; or to cancel in part or in its entirety this RFP if it is in the interests of NHCC to so do. NHCC reserves and, in its sole discretion, may exercise any or all of the following rights and options with respect to this RFP, any proposals and any related agreements, without incurring any liability to Proposers:

1. NHCC reserves the right to disqualify any and all proposals that fail to meet the requirements specified in this RFP.
2. NHCC reserves the right to determine whether to interview some or all of the Proposers, and to conduct such interviews privately.
3. NHCC reserves the right to select and enter into a contract with the Proposer whose proposal best satisfies NHCC's overall interests.
4. Because this RFP is not a "competitive bid" process, the Proposer submitting the lowest cost proposal, or the proposal projecting the greatest financial benefit to NHCC, may not necessarily be selected. NHCC instead reserves the right to select the proposal it believes to be most beneficial to NHCC, with financial terms not being the sole determinative factor. NHCC's decision-making and selection process will be discretionary and will be based on a variety of factors. By submission of its proposal, each Proposer expressly understands, acknowledges and accepts that this is not a "competitive bid" process, and that NHCC is under no obligation to award a contract through competitive bidding, or at all.
5. NHCC reserves the right to waive or extend deadlines.
6. NHCC reserves the right to accept proposals in whole or part.
7. NHCC reserves the right to conduct investigations with respect to the qualifications of each Proposer, to make field investigations with respect to such proposals (including visits to the Proposer's business offices or field operations).
8. NHCC reserves the right to request additional information from any Proposer and to rely upon any information obtained through NHCC's own investigations.
9. NHCC reserves the right to cancel this RFP at any time whatsoever, with or without the substitution of another RFP.
10. NHCC reserves the right to supplement, amend or otherwise modify this RFP.
11. NHCC reserves the right to issue additional or subsequent RFPs with regard to the subject matter of this RFP.

12. NHCC reserves the right to negotiate with any Proposer, or with all or none of the Proposers. NHCC has no obligation to offer Proposers the opportunity to meet or exceed terms negotiated with a selected Proposer.
 13. NHCC reserves the right to discontinue negotiations at any time and in NHCC's sole discretion.
 14. NHCC reserves the right to request new or revised proposals, including monetary terms from any Proposer at any time.
- B. Preparation of a response to this RFP will be at the sole cost, expense and risk of the Proposer, with the express understanding and agreement of the Proposer, irrespective of whether it is selected, that it waives all claims whatsoever for reimbursement from NHCC for any cost or expense incurred in the preparation of its proposal and any subsequent contract negotiation.
- C. Each and every submitting Proposer expressly understands and agrees that this RFP is not, and shall not be construed as, an offer or an enforceable contract.
- D. NHCC intends to enter into contract negotiations with the Proposer or Proposers selected, who shall be required to enter into a written contract with NHCC in a form approved by Legal Counsel for NHCC. The contract usually includes, without limitation, the standard clauses set forth in Schedule "B" and Exhibit "JC" attached hereto. This RFP and the Proposal, or any part thereof, may be incorporated into and made a part of the contract. The contract may contain provisions not contained herein.

NHCC reserves the right to negotiate the terms and conditions of the contract with the selected Proposer(s), if any. These negotiations could include all aspects of services and fees. Neither the selection of a Proposer nor the negotiation of the contract with such Proposer(s) shall constitute NHCC's acceptance of a proposal or a binding commitment on behalf of NHCC to enter into a contract with such Proposer(s), as any binding arrangement must be set forth in the contract signed by both parties and is subject to all requisite approvals.

The contract, if any that is negotiated with a selected Proposer shall constitute the entire agreement between NHCC and the selected Proposer, and shall set forth all the terms and conditions applicable to the subject matter of this RFP. In the event of a conflict between this RFP and that contract, that contract shall control.

- E. No Proposer who has submitted a proposal to NHCC shall have the right to assign its submitted proposal to a third party or the right to enter into an agreement with third parties to perform the services on Proposer's behalf without the prior written consent of NHCC, which consent may be withheld in NHCC's sole discretion.
- F. This RFP shall be construed in accordance with and governed by the laws of the State of New York, without regard to conflicts of law principles. All actions or proceedings relating, directly or indirectly, to this RFP shall be litigated only in courts located within Nassau County or in the United States District Court for the Eastern District of New

York. Each Proposer (by virtue of the submission of its proposal), submits itself, its successors and/or assigns (if any) to the personal jurisdiction of such court, and waives any right to trial by jury.

- G. **The proposal shall be signed by an official authorized to bind the Proposer.** The proposal shall also provide the name, title, address, and telephone number of the individual(s) with authority to negotiate and contractually bind the Proposer, and who also may be contacted during the period of contract.
- H. Proposals submitted become the property of NHCC. By submitting a proposal, the Proposer agrees not to make any claims for or have any right to damages because of any misunderstanding, misrepresentation or lack of information.

Appendix I

Form A: General Information

Please provide the following information.

1. Name of Bank
2. Primary Contact with Complete Contact Information
3. Description of Firm and Project Team (please be brief)

4. Credit Ratings:

Please provide both the short-term and long-term credit ratings of your letter of credit from all rating agencies currently maintaining such ratings. Please indicate if any of your current ratings are under review by any credit rating agency and whether there is any reason why the bonds backed by the letter of credit would not receive the same rating as the letter of credit. Please describe any changes in rating and/or rating outlook for your firm during the past three years.

Rating Agency	Short-Term Rating	Long-Term Rating	Outlook
Moody's Investors Service			
Standard & Poor's			
Fitch Ratings			

5. Please provide any additional information that you regard as relevant to your proposal. (optional)

Form B: Direct-Pay Letter of Credit Terms

If your firm is interested in providing an LOC, please provide the following information:

1. Maximum LOC Commitment Amount:
2. Fee Schedule:

Term	Annual Facility Fee
1-Year	
2-Year	
3-Year	
Other	
Payment (semi./qtr./advance/arrears)	

	Letter of Credit
Drawing Fee for Bank Purchases	
Bank Bonds / Default Rate	
Term-Out Loan Rate / Period	
Upfront / Commitment Fee	
Closing Costs & Legal Fees (Capped)	
Proposed Legal Counsel Firm	
Amendment Fee	
Substitution / Transfer Fee	
Renewal Fees	
Expenses	
Other	

3. Downgrade Fee - Describe any modification to the LOC fee as a result of a Nassau County rating downgrade.
4. Breakage Fee - Describe any breakage or other fee for early termination of the letter-of-credit.
5. Renewal Provisions - Describe the terms and procedure for renewal and substitution of the facility.
6. Other Conditions - Indicate any other conditions that would be required of the Corporation. Please define any terms necessary to understand these conditions.
7. Timing- Indicate the Bank's timing to receive internal credit approval upon receipt of mandate.
8. Conflicts of Interest - Describe any conflicts of interests that could impact the contemplated transaction.

