

June 5, 2018

I. ROLL CALL AND MEETING CALLED TO ORDER

a. Talbert Bolling, Chairman of the IDA called the IDA to order followed by a moment of silence.

Susan Mullins, Chairman called the School Board to order with the pledge of allegiance.

Ron Peters, Chairman of the BOS called the Board of Supervisors to order.

Members in Attendance

b. **School Board: PRESENT** - Susan Mullins, Chairman; Rick Mullins, Vice-Chairman; Dr. Lurton Lyle; Haydee Robinson, Superintendent; Reba McCowan, Clerk; Scott Mullins, Attorney

ABSENT – Rocky Barton; Shanghai Nickles

Board of Supervisors: PRESENT - Jason Compton; Ron Peters, Chairman; David Yates; David Moore, County Administrator; Teresa Lyall, Clerk; Steven Mullins, Attorney

ABSENT – David Perry; Shelbie Willis

Industrial Development Authority: PRESENT – Ginger Senter; Allen Compton; Andrew Mullins; Talbert Bolling, Chairman; Danny Lambert; Mitzi Sykes; Kelly Gayle; Freddie Mullins, Attorney

ABSENT – Larry Yates

c. Approval of Agenda

Following a motion by Dr. Lurton Lyle and second by Rick Mullins the agenda for the Joint Meeting with the Board of Supervisors and IDA was approved.

Vote Results

Aye:	3	Dr. Lurton Lyle, Rick Mullins, Susan Mullins
No:	0	
Abstain:	0	
Not Cast:	0	

- ❖ Board of Supervisors and Industrial Development Authority approved their agenda.

II. ITEMS OF BUSINESS

a. Davenport Presentation

Roland Kooch, SVP, Davenport & Company LLC provided the Board a summary on the results of the RFP process for the Custodial Agent for investment of reimbursed grant funds for the school project with the goals of:

1. Safety of principal, liquidity and return on investment.
2. Implement a revolving line of credit for the new elementary school project.

The recommendation of Davenport and Company based upon competitive pricing, customer service capacity, and reporting capabilities was Bank of New York Mellon (BNY Mellon).

June 5, 2018

Attachment #1 – Results of the RFP Process: Custodial Agent for Investment of Reimbursed Grant Funds

Following discussion of the Boards the following action was taken.

Industrial Development Authority

Following a motion by Danny Lambert and second by Ginger Senter; Bank of New York Mellon was approved as the Custodial Agent Service for reimbursed grant funds.

Vote Results: Unanimous

Aye:	5	Talbert Bolling, Danny Lambert, Allen Compton, Andrew Mullins, Ginger Senter
No:	0	
Abstain:	0	
Not Cast:	0	

Board of Supervisors

Following a motion by David Yates and second by Jason Compton; Bank of New York Mellon was approved as the Custodial Agent Service for reimbursed grant funds.

Vote Results: Unanimous

Aye:	3	Ron Peters, David Yates, Jason Compton
No:	0	
Abstain:	0	
Not Cast:	0	

School Board

Susan Mullins, Chairman stated that due to the absence of two members and out of respect for them, the School Board wished to wait until their Special Called Meeting on Wednesday, June 13, 2018 to vote.

III. ADJOURNMENT: 5:52 p.m.

Following a motion by Dr. Lurton Lyle and second by Rick Mullins; the meeting was adjourned.

Susan Mullins

Chairman, Susan Mullins

Approved: June 27, 2018

Reba McCowan

Reba McCowan, Clerk

Results of the RFP Process

Custodial Agent for Investment of Reimbursed Grant Funds

Industrial Development Authority of Dickenson County/
Dickenson County, Virginia/
Dickenson County Public Schools



May 2, 2018

Background



Background

- Davenport & Company LLC (“Davenport”) and McGuireWoods LLP (“Bond Counsel”) have been engaged by Dickenson County, IDA of Dickenson County and Dickenson County Public Schools (collectively referred to as the “County”) to research and evaluate:
 1. Investment of Reimbursed Army Corps of Engineers Grant Funds (the “Reimbursed Grant Funds”): The ability for the County to invest the Reimbursed Grant Funds for the Ridgeview Middle/High School Project under its Army Corps of Engineers Grants (the “Grants”) with the goals of safety of principal, liquidity and return.
 2. Line of Credit: Simultaneously with the above, implement a revolving line of credit for the New Elementary School project to be completed under the Grants.

 - The County indicated that it desired to proceed with the investment of the Reimbursed Grant Funds prior to the implementation of the Line of Credit for the New Elementary School.
 - It is Davenport’s understanding that the construction of the New Elementary School Project is delayed and the Line of Credit is not necessary at this time.
 - In addition, Davenport has advised the County that if a Line of Credit cannot be obtained for the New Elementary School Project, the invested funds may need to serve as the potential liquidity for construction spending.

 - At the request of the County, Davenport distributed a Request for Proposals for Custodial Agent Services with respect to the investment of the Reimbursed Grant Funds (the “RFP”) on April 4, 2018.
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The RFP Process



The Process

- On April 17, 2018, Davenport received responses from the following Banking Institutions:

<u>Banking Institution:</u>	<u>Proposal Received</u>
– BNK Mellon Trust Co, N.A.	Yes
– US Bank, N.A.	Yes
– Wilmington Trust, N.A.	Yes
– Zions Bank, N.A.	Yes

- In addition, at the request of the County, Davenport sent the RFP to New Horizon Bank for their consideration.
 - New Horizon Bank declined to submit a response.

Comparison of Proposals Received



Comparison of Proposals

- The table below highlights key attributes of the Proposals received:

	BNY Mellon Trust Co, N.A.	US Bank, N.A.	Wilmington Trust, N.A.	Zions Bank, N.A.	
Acceptance Fee	\$500	Waived	\$0	Waived	
Annual Administration Fee	\$2,000 Minimum \$500 Per Quarter	\$5,000	\$3,300 Minimum \$3,000 Annual Fee	\$1,000	
Transaction Fees					
Security Transaction Fee (Buy/Sell)	\$25	Waived	\$10	Waived	
Wire/Check Fee	\$20	Waived	\$15	Waived	
Audit Confirm	\$50	Waived	NA	Waived	
Acct Manager Location	Jacksonville, FL	Richmond, VA	Wilmington, DE	Pittsburgh, PA	
L-T Ratings:					
Moody's	A1	A1	Aa3	Baa3	
S&P	A1	AA-	A	BBB	
Fitch	AA-	AA-	A+	NA	
Assets under Custodial Management:					
	2015	\$697.6	\$628.0	\$103.0	\$40.0
	2016	\$677.5	\$702.0	\$110.2	\$55.6
	2017	\$673.6	\$767.0	\$122.1	\$49.0
		(\$billions)	(\$billions)	(\$billions)	(\$billions)

Next Steps



- Follow up with Respondent selected by the County to clarify any additional questions.
 - Set up conference call with Respondent as necessary.

 - Selection of Custodial Bank.

 - Establish accounts.

 - Determine amounts, maturities and types of investments to be bid out.

 - Set up bid forms and time for bids to occur.

 - Bid investments with settlement and delivery to County's account at the Custodial Bank.
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DAVENPORT & COMPANY

May 2, 2017

To: Dickenson County, VA – County Board of Supervisors, IDA, and Schools

From: Roland Kooch, SVP, Davenport & Company LLC
R.T. Taylor, VP, Davenport & Company LLC

Date: June 5, 2018

Subject: Custodial Agent Request for Proposals (“RFP”) Results
Investment of Reimbursed Grant Funds

CC: David Rose, SVP/Manager, Davenport & Company LLC

Overview

Davenport & Company LLC (“Davenport”) has been engaged by Dickenson County, the Industrial Development Authority (the “IDA”) of Dickenson County, and Dickenson County Public Schools (collectively referred to as the “County”) to research and evaluate the ability for the County to invest Reimbursed Army Corps of Engineers Grant Funds (the “Reimbursed Grant Funds”) related to the Ridgeview Middle/High School Project with the goals of safety of principal, liquidity and return.

To that end and at the request of the County, Davenport conducted an RFP process for Custodial Agent Services on April 4, 2018. On April 17, 2018, Davenport received responses from the following Banking Institutions:

- Bank of New York Mellon Trust Co, N.A.;
- US Bank, N.A.;
- Wilmington Trust, N.A.; and
- Zions Bank, N.A.

In addition, at the request of the County, Davenport sent the RFP to New Horizon Bank for their consideration. New Horizon Bank declined to submit a response.

Highlights of RFP Results

In summary, the results of the RFP process yielded the following:

- Competitive pricing from all respondents.
- 3 of the 4 respondents were rated highly (in the “A”-range or higher) by the National Rating Agencies.
- All respondents have custody of assets in the billions of dollars, which reflects the experience and wherewithal to meet the County’s needs.
- All respondents have the appropriate depth of personnel to provide the County with the desired level of customer service.

With the guidance of County Staff, Davenport identified Bank of New York Mellon and Wilmington Trust as the Top 2 respondents. Davenport coordinated follow-up discussions and online demonstrations with both firms, County Staff, and Davenport personnel.

Recommendation

Based upon competitive pricing, customer service capacity, and reporting capabilities evidenced via the follow-up discussions/online demonstrations, Davenport and County Staff collectively recommend selecting Bank of New York Mellon as the winning proposer for Custodial Agent Services.