

TOWN COUNCIL OF THE TOWN OF SELLERSBURG, INDIANA

RESOLUTION NO. 2021- *R-005*

**AUTHORIZING THE AWARD OF A PUBLIC-PRIVATE AGREEMENT AND
AUTHORIZING CERTAIN MATTERS RELATED THERETO, PURSUANT TO
INDIANA CODE SECTION 5-23 REGARDING A POTENTIAL ROAD PROJECT IN
SELLERSBURG, INDIANA**

WHEREAS, Indiana Code § 5-23 (the “Act”) authorizes political subdivisions to consider and authorize the entry into public-private agreements or BOT Agreements (as defined in the Act) pursuant to the provisions of the Act; and

WHEREAS, the Town Council of the Town of Sellersburg, Indiana (the “Council”) has adopted the provisions of Indiana Code Section 5-23 by Resolution 2020-R-002, which was adopted and approved by the Council on March 30, 2020 (the “Resolution”); and

WHEREAS, the Sellersburg Redevelopment Commission (the “Commission”), pursuant to the Resolution and the Act, is authorized to issue requests for proposals for public-private projects and agreements related thereto; and

WHEREAS, the Commission, on November 2, 2020, adopted Resolution No. 4 which authorized the issuance of a request for proposals, in accordance with the Act and in collaboration with the Town Manager, for the design, construction, operation, management, maintenance, and/or financing of a new road connecting County Road 311 to Highway 60 (the “Project”); and

WHEREAS, the Town published public notice of the request for proposals in *The News & Tribune* on November 10, 2020 and November 19, 2020; and

WHEREAS, after the Commission and the Town Manager received and reviewed all of the responses to the request for proposals, accorded fair and equal treatment for all respondents, and further negotiated best and final offers; and

WHEREAS, the Commission recommended a public hearing to be held by the Council pursuant to the Act and recommended the award of a public-private agreement related to the Project on November 12, 2021;

WHEREAS, on November 13, 2021, the Town published notice of a public hearing with respect to the Commission’s recommendation and potential award of a public-private agreement to GM Development Companies LLC (the “Offeror”) related to the Project in *The News & Tribune*, and, on November 22, 2021, held such public hearing and considered all public comments with respect to the Commission’s recommendation; and

WHEREAS, the Offeror’s proposal is attached hereto as Exhibit A (the “Proposal”); and

WHEREAS, after the public hearing and on the basis of such recommendation of the Commission, the Town agreed to enter into a public-private agreement whereby the Offeror will design, develop, construct, and finance the Project, and, if applicable, lease the Project to the Town and at the end of such lease term, transfer ownership of the Project to the Town; and

WHEREAS, the Town Council now desires (i) to authorize and approve the Project and the Proposal and (ii) to approve the award of a public-private agreement and such other related documents, each in a form to be approved upon by the President of the Council and/or the Clerk-Treasurer of the Town (collectively, the "Transaction Documents"), and to ratify such procedures related thereto.

NOW, THEREFORE, BE IT RESOLVED BY THE SELLERSBURG TOWN COUNCIL AS FOLLOWS:

SECTION 1. Award. Pursuant to the Act, the Council hereby authorizes and approves the Project, the Proposal, the award of a public-private agreement and the Project in amounts not to exceed \$4,500,000 to the Offeror pursuant to and in accordance with the terms set forth in the Transaction Documents. The Town Council further approves and ratifies the request for proposals and all processes and actions related thereto as conducted by the Commission and its agents.

SECTION 2. Findings. The Council hereby finds that the execution of the Transaction Documents, including the public-private agreement, will serve the public purposes of the Town and is in the best interests of the Town and its residents. The Council further finds and confirms that the terms of the public-private agreement will be based on the value of the facilities leased (if applicable) and will not create a debt of the Town for purposes of the Constitution or laws of the State of Indiana.

SECTION 3. Authorization of Transaction Documents. The Council hereby approves the negotiation and execution of public-private agreement and the Transaction Documents related thereto. The President of the Council and/or the Clerk-Treasurer are further authorized and directed to execute and deliver the public-private agreement and each of the Transaction Documents on behalf of the Town with such changes as the President of the Council and/or the Clerk-Treasurer deem appropriate and consistent with this Resolution, their approval to be evidenced by their execution thereof.

SECTION 4. Notice of Execution of Public-Private Agreement. The Council hereby authorizes the preparation of and publishing of a notice of execution of the public-private agreement in accordance with Indiana Code § 6-3.6-10-4(d). Pursuant to such section, any action to contest such public-private agreement must be brought within thirty (30) days' following such publication.

SECTION 5. Other Actions. The President of the Council, the Clerk-Treasurer, and any other appropriate Town representative are hereby authorized to take any and all actions and execute any documents that such officers deem necessary or desirable to effect the foregoing resolutions

and the transactions contemplated by the Transaction Documents. Any such actions taken or documents executed and delivered are hereby ratified, confirmed and approved.

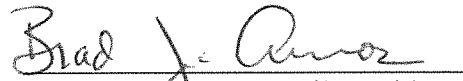
SECTION 6. No Conflict. All ordinances, resolutions, and orders or parts thereof in conflict with the provisions of this Resolution are to the extent of such conflict hereby repealed. After the issuance of the public-private agreement and so long as the public-private agreement remains in effect, except as expressly provided herein, this Resolution shall not be repealed or amended, nor shall the Town adopt any law, ordinance or resolution which in any way adversely affects this Resolution.

SECTION 7. Severability. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

SECTION 8. Interpretation. Unless the context or law clearly requires otherwise, references herein to statutes or other laws include the same as modified, supplemented or superseded from time to time.

SECTION 9. Effectiveness. This Resolution shall be in full force and effect from and after its passage.

Passed by the Town Council of the Town of Sellersburg on the 22nd day of November, 2021 by a vote of 5 to 0.


BRAD AMOS, Council President
Presiding Officer

Attest:



MICHELLE D. MILLER
Clerk-Treasurer

EXHIBIT A

The Proposal of the Offeror

(See Attached)



RFPQ RESPONSE

**Road/Infrastructure Project for the
Town of Sellersburg, Indiana**

**Provided by:
GM Development Companies**

December 4, 2020



December 4, 2020

Sellersburg, Indiana
Attn: Nick Lawrence, Owner's Representative
316 E. Ulica Street
Sellersburg, IN 47172

Dear Mr. Lawrence and the RFPQ Committee:

Thank you for the opportunity to submit this proposal to provide development, financing, and construction services for your road project. We are not submitting for engineering services, as we are proposing to work with your selected engineer Jacobi, Toombs, and Lanz. Per the requirements of the RFPQ, we have included several examples of past projects, references, a proposed schedule, and proposed financing strategy.

We are offering our services to help complete the remaining due diligence processes and finalize a budget. We are willing to manage this due diligence process free of charge in hopes that we can work with your selected engineer as they prepare design-development drawings, which will allow us to provide a guaranteed budget and enter into a project/financing agreement with the Town immediately thereafter. The schedule in this document outlines our proposed next steps which will lead to budget finalization, closing on financing, and groundbreaking next year.

Our proposal is intended to take as much risk and responsibility off of the Town as possible. If selected as your development partner, we will work with you and your selected engineer through every step of the process to make the project as burden-free as possible.

Should you have any questions about our proposal, please feel free to call me at (317) 417-5094 or email me at greg@gm-development.com. I will respond with answers immediately.

Thank you again for this opportunity, and we look forward to the potential of working with you over the next year.

Best regards,

A handwritten signature in cursive script, appearing to read "Greg W. Martz".

Greg W. Martz
Managing Partner
GM Development Companies



PROPOSED PROJECT TEAM



Proposed Project Team

Developer/Financing:	GM Development Companies LLC Greg Martz, Managing Partner 8561 N 175 E. Springport, IN 47386 Phone: (317) 417-5094 Email: greg@gm-development.com
Contractor:	Dan Cristiani Excavating Co. Inc. Joe Wood, Estimator 1221 Hwy 31 E. Clarksville, IN 47129 Phone: (812) 282-9866 Email: joew@dcexc.com
Experience:	We have developed more projects under Indiana Code 5-23 than all other companies combined. Please see attached company overview for further details.
Financial Capacity:	We have developed approximately \$300 million of similar projects over the past five years, and we have ample capability to finance/construct the proposed project.

ABOUT
GM DEVELOPMENT COMPANIES



GM Development's sole focus is to develop municipal projects, and we are uniquely qualified to provide financing and development services for this project. To our knowledge, we are the only development company in the State of Indiana whose sole focus is developing municipal projects. Additionally, our proprietary financing model has been refined over many years and has been reviewed by multiple law firms throughout the State.

Our projects have included some of the most unique, complex, and risky types of public projects, including projects that have required 24-month permitting processes from all levels of government, simultaneous projects requiring precise schedule sequencing, and fully guaranteed budgets with a myriad of unknown risks. Despite these challenges, every project has been completed within budget, and our municipal clients have not received a contractor-directed change order in our entire company history.



100%
Percent of Projects Located in Indiana



100%
Percent Completed On Time & Within Budget



0
Total Cumulative Change Orders



\$300M+
Total Project Value in the Past Three Years



\$4,128,227
Average Project Size



\$200K - \$47M
Range of Project Size



SIMILAR PROJECTS AND REFERENCES



References

We are providing multiple references (the RFPQ required three) below for your review. All of these projects were similarly sized road/utility/infrastructure projects delivered/financed under IC 5-23, and each were unique and complex in varying ways. Please feel free to discuss these projects with our clients. Additionally, we are providing a list of all of the projects that we have developed under IC 5-23 on the following pages.

Purdue Research Foundation— Gateway Infrastructure I

Cost of work: \$2,000,000

Reference: Greg Napier (Director of Parks) 765-491-6406

Purdue Research Foundation— Gateway Infrastructure II

Cost of work: \$1,022,000

Reference: Greg Napier (Director of Parks) 765-491-6406

Alexandria State Road 9 Infrastructure

Cost of work: \$664,286

Reference: Warren Brown (Executive Director) 765-278-7345

Alexandria Willows Infrastructure

Cost of work: \$885,714

Reference: Warren Brown (Executive Director) 765-278-7345

New Albany Daisy Lane Extension

Cost of work: \$3,856,950

Reference: David Duggins (RDC Director) 812-493-4430

Petersburg Infrastructure and Main Extension

Cost of work: \$857,000

Reference: RC Klipsch (Mayor) 812-582-8096

Van Buren Infrastructure and Main Extension

Cost of work: \$721,546

Reference: Michelle Sexton (Clerk-Treasurer) 765-934-3991

Battle Ground Infrastructure, Land Acquisition and Utility Installation

Cost of work: \$2,500,000

Reference: Georgia Jones (Clerk-Treasurer) 765-567-2603

Hartford City Infrastructure Extension and Utility Installation

Cost of work: \$1,000,000

Reference: Dan Eckstein (Mayor) 765-348-0412

Waterloo Infrastructure, Land Acquisition and Utility Installation

Cost of work: \$1,750,000

Reference: Pam Howard (Town Manager), 260-837-7428



Recent Municipal Projects Financed/Developed by GM Development in Indiana

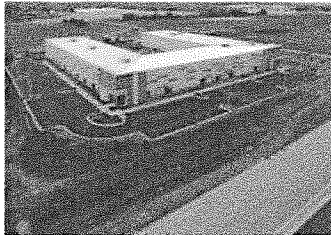


1. Purdue Research Foundation, Childcare Facility	\$5,115,437
2. Sullivan Community Building	\$2,375,000
3. Hammond Fire Station	\$3,750,000
4. Hebron Fire Station	\$750,000
5. Hobart Fire Station	\$1,150,000
6. Lake Ridge Fire Station	\$1,650,000
7. Milan Township, Allen County Fire Station	\$1,345,000
8. New Albany Fire Station 1 - new construction	\$3,351,330
9. New Albany Fire Station 2 - renovation	\$97,278
10. New Albany Fire Station 3 - renovation	\$844,613
11. New Albany Fire Training Facility	\$876,800
12. Purdue Research Foundation Flood Mitigation, Regional Detention, and Todd's Creek Relocation	\$4,000,000
13. Alexandria Lift Station 1/Sewer	\$664,286
14. Alexandria Lift Station 2/Sewer	\$885,714
15. Batesville Lift Station/Sewer	\$337,201
16. Monroe County Public Parking Garage and Correctional Facility	\$9,300,000
17. Austin Property Acquisition and Demolition	\$1,300,000
18. Batesville Property Acquisition and Demolition	\$222,500
19. Batesville Industrial Road	\$1,165,000
20. Batesville Shell Industrial Building	\$2,632,702
21. Muncie WWTP Solar	\$3,400,000



Recent Municipal Projects Financed/Developed by GM Development in Indiana

23



22. Purdue Research Foundation Office
Headquarters Expansion \$12,698,915

23. Purdue Research Foundation Composite Lab
Indiana Manufacturing Institute \$13,301,038

24. Purdue Research Foundation Office -
Rolls Royce/Purdue \$14,950,000

25. Purdue Research Foundation
White Peterman Headquarters \$460,842

26. Purdue Research Foundation, Pearson Labs Office \$351,435

27. Purdue Research Foundation, Utility Installation \$2,000,000

28. New Albany Road Extension \$3,500,000



29. Franklin Shell Industrial Building \$2,392,000

30. Petersburg Fire Station \$828,475

31. Brownsburg Public Parking Garage \$4,500,000

32. Hobart Public Works Maintenance Facility \$1,450,000

33. New Chicago Public Works Maintenance Facility \$700,000

34. Seymour City Park \$3,500,000

35. Fishers Police Headquarters \$10,724,765

36. Fishers Parking Garage \$5,774,913



37. Southport City Hall and
Police Department Headquarters \$1,000,000

38. Yorktown Town Hall and Police
Department Headquarters \$2,850,000

39. Charlestown Police Headquarters \$1,299,500

40. Van Buren Sewer Installation \$721,546

41. Battle Ground Water Tower 1 \$1,250,000

42. Miami County Shell Industrial Building \$2,850,000

43. Hammond Public Sportsplex \$6,000,000

44. Pike County Water Main Extension \$857,000



50.



52.



61.



63.



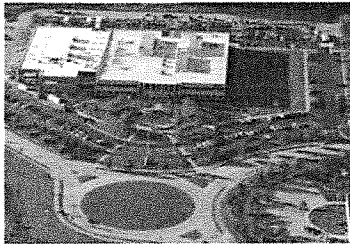
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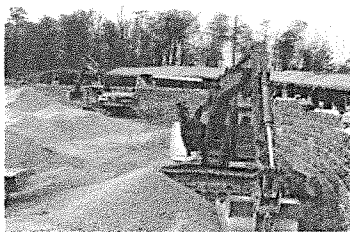
45. White River Township Firehouse	\$750,000
46. Van Buren Township (Monroe County) Firehouse	\$1,457,300
47. Olive Township Firehouse	\$1,200,000
48. Clinton Firehouse	\$1,189,000
49. Delaware County Jail	\$44,455,000
50. Rushville Mixed-use/Incubator	\$700,000
51. Sullivan Mixed-use/Incubator	\$525,000
52. MADE@Plainfield Higher Ed Facility	\$36,000,000
53. Plainfield Town Hall and Performing Arts Center	\$30,000,000
54. Plainfield Parking Structure	\$7,090,000
55. Mooresville Shell Building	\$4,175,000
56. Whitestown Police Dept. Headquarters	\$3,500,000
57. Whitestown Fire Dept. Headquarters	\$5,500,000
58. Whitestown Parks Land Acquisition	\$6,000,000
59. West Lafayette Parks Headquarters	\$683,875
60. Pike County Parks Shelter House	\$232,858
61. Jefferson Township (Pike County) Firehouse	\$888,000
62. New Albany Flood Control District	\$3,900,000
63. West Lafayette Fire Station #3	\$2,500,000
64. Lafayette Parking Structure (in design)	\$1,900,000
65. Johnson County Parks (multiple in design)	\$5,000,000
66. Speedway Town Hall and Police Dept HQ	\$8,500,000
67. Brookville Municipal Pool	\$3,700,000
68. Clay Township (Morgan County) Firehouse	\$370,000
69. Haymaker Road Extension (Mooresville)	\$550,000



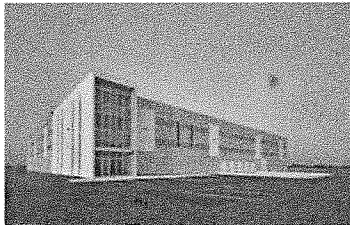
22.



28.



42.



70. Muncie EDC	\$3,500,000
71. Johnson County Parks Playground	\$335,000
72. West Lafayette Water Line Installation	\$160,000
73. Van Buren Township Firehouse Addition	\$264,000
74. Scottsburg Sewage Treatment Plant (in design)	\$13,000,000
75. Hartford City Historic Redevelopment	\$450,000
76. Hartford City Water and Sewer Extension	\$500,000
77. Van Buren Township Firehouse Renovation	\$280,000
78. Purdue Research Foundation Gateway Utility II	\$1,022,000
79. Waterloo Sewer Extension	\$1,750,000
80. Tippecanoe Community Corrections (in design)	\$15,000,000
81. Battle Ground Water Tower 2	\$1,156,000
82. Warren Township Firehouse	\$3,500,000
83. Plainfield Mill Street Asset Relocation	\$237,000
84. Clarksville Public Works Campus	\$7,100,000
85. Henry County Shell Building	\$2,600,000
86. Daleville Town Hall and Police HQ	\$4,300,000



SCHEDULE



Procurement Period

- 12/4/2020—RFPQ responses are received by selection committee
- 12/7/2020—Selection committee notifies the apparent best offeror and enters into scoping period with selected offeror.
- Engineer begins (or continues) design process.

Scoping Period

- Selected developer works collaboratively with Engineer to study design/construction solutions for the project.
- Preliminary project budget is formulated based on identified solution.
- A preferred solution is recommended by Engineer based on findings.
- Approximately 6-8 weeks after scoping period begins, Developer receives preliminary design deliverables from the engineer.
- At 60% completed design, developer provides a guaranteed budget and bank credit approval. This will likely take the engineer approximately 6-8 additional weeks to complete this level of design, and it will take the Developer approximately 3 weeks to provide the guaranteed budget upon receiving the design.
- Construction drawings (i.e.—100% completed drawings) continue through the budgeting process.
- Selection committee receives budget and financing deliverables from developer, makes a written recommendation to the Town Council on final budget/financing solution, and Town Council publishes notice of public hearing seven days prior to the hearing (IC 5-23-5-8).
- Financing and budget is ratified via resolution at public hearing, financing is closed, and project is funded.

Construction Period

- Design is 100% complete
- Permitting
- Construction begins (Spring 2021 Target)
- Construction complete (Likely 6-8 months after construction begins depending on final project scope)
- All improvements are transferred to the Town immediately upon construction completion



PROJECT/FINANCING APPROACH



Project Approach

Turn-Key Solution

Our proposal should be considered a turn-key solution for construction and financing.

Design Support

We will provide all expertise and knowledge to support your selected engineer by:

1. Examining the engineer's proposed solutions
2. Determining the budget for their recommended solution
3. Ensuring the design will meet the budget
4. Providing a code-compliant project
5. Delivering a quality project that will last for many decades

We will listen to you, ensure that your needs are interpreted in the engineer's drawings, and will work diligently until the project is completed to your satisfaction and within our promised budget. We will provide the expertise, but you will have the "final say" on all decisions.

Project Management Approach

Our approach to the Project is to involve the Town in all important decisions (with the understanding that the Town will always have final decision-making authority), but balance this with a "get it done" mentality. We will manage all aspects of the Project in a manner that will ensure delivery by the stated delivery date and final budget. Simply put — if we are chosen as your development partner, this Project will be delivered on time and on budget.

Availability

We are ready to start immediately if we are selected as your development partner. We will immediately provide support services to your selected engineer to begin identifying a cost-effective solution.

Town Workforce

If desired as a cost-saving measure, your Town staff can perform as much or as little of the Project construction as they would like. We can still finance the entire project no matter how much of the work they would like to complete themselves.



Approach to Financing

Bank:

We have worked with dozens of banks in the past. We will work with you to select the list of banks that we invite to bid on the project.

Process:

We will provide full project financing for the project. The proposed financing method is a BOT Agreement by which the Town will pledge appropriate revenues for repayment via resolution or ordinance. Upon finalizing the project scope and budget, we will seek credit terms from multiple banks and present those terms to the Town. We will be able to close on the financing as soon as the Town Council has adopted the authorizing resolution to pledge appropriate revenues for repayment. Closing will occur immediately upon receiving authorization from the Town Council to do so.

BOT Agreement:

Under the terms of the BOT Agreement, we are responsible for delivering the Project for a guaranteed price.

Ownership:

The Town will own all improvements immediately upon construction completion. The land does not need to be conveyed to us at any time. We simply need a temporary construction easement to grant permission to construct the Project.

Funding Sources:

The Project will be 100% financed through the bank. No equity or upfront cash is needed from the Town.

Budget Risk:

Our team will assume 100% of the construction risk. There will be no change orders.



Advantages of our Proprietary Delivery/Financing Model

1. Reduction of risk to the Town

- The Project budget is guaranteed, but the Town will still retain final authority to approve the project design.
- There will be no mortgage or other lien on the project at any time.
- The Town will retain ownership of the land throughout the Project. No land lease or land sale is required.
- This financing/delivery method has been used by numerous other municipalities throughout Indiana. We have used this financing model on over eighty public projects throughout Indiana.
- The Town will own the Project without having to accelerate any payments.
- We will insure the Project with a performance bond and payment bond.

2. Timing

- Closing will occur immediately after the resolution to approve the financing is adopted by the Town.
- The completed Project will be conveyed to the Town immediately upon construction completion.
- We are ready to commence development/budgeting services immediately upon being selected by the Town.

3. Cost Savings

- The agreed upon Project budget is guaranteed and we will assume 100% of the construction risk (i.e. - 0% chance of change orders to the Town).
- There is no debt service reserve requirement.
- Issuance costs, including bank fee, bank counsel, special tax counsel, and developer counsel, will be very low (usually less than \$30k).
- We charge nothing for the scoping period, which will allow you to determine your best solution without any cost.
- We charge absolutely no markup or developer profit on the payments or financing. Our only profit center is on the construction of the project.



SCOPING PERIOD FEES



Scoping Period Fees

We understand that the Town cannot effectively make a decision to move forward with the Project without understanding the scope of the Project, understanding the options available, and understanding how much the proposed solution will cost. We also understand that, per the RFPQ, we will be expected to utilize a scoping period to investigate the scope of the Project, provide solutions, provide design assistance to the engineer, and prepare budgets for the engineer's proposed solution. We are willing and able to support your selected engineer to provide these services. We will charge **\$0** to provide these deliverables during the scoping period. Our only profit center will be on the construction of the Project if/when you decide to move forward with our team after we deliver the guaranteed budget and financing terms as part of the Scoping Period deliverables.