



REQUEST FOR PROPOSALS: RFP# 2023-63

TITLE: Installment Financing Contract

ISSUSING AGENCY: CITY OF WILSON (Attn: Chief Financial Officer)
P.O. BOX 10, 208 Nash Street NE
WILSON, NC 27894

ISSUE DATE: March 8th, 2024

DUE DATE AND SUBMITTAL LOCATION: March 28th 2024 @ 2:00pm
City of Wilson (Attn: Purchasing Manager)
1800 Herring Ave.
Wilson, North Carolina, 27893

SCOPE: The City of Wilson will receive sealed proposals from qualified bidders to provide an Installment Financing Contract, as authorized by G.S. 160A-20, to finance the purchase of listed equipment and as shown on the chart below.

Instructions to Bidders: Indicate FIRM NAME, TITLE (above), and RFP number (above) on the front of each sealed proposal envelope or package, along with the date for receipt of proposals specified below.

Sealed proposals, subject to the entirety of this document made a part hereof will be received until 2:00 p.m. on the Due Date and Submittal Location above.

SEND ALL PROPOSALS DIRECTLY TO THE ISSUSING AGENCY ADDRESS SHOWN ABOVE.

Direct all technical inquiries concerning this RFP to: **Ricky Wilson, Purchasing Manager**
rvwilson@wilsonnc.org

The envelopes containing the proposals should be sealed and clearly identified on the front as to the contents. The City will not accept bids by fax or by electronic email.

Bidders may hand deliver RFPs to the submittal location above or if preferred, UPS and FedEx make daily deliveries to our offices. If using any other delivery method allow ample time for delivery as late bids will not be accepted.

Request for Proposals Installment Financing Contract

RFP# 2023-63

Below are the items to be financed along with the Estimated Cost and Term:

Item	Equipment	Fund	Estimated Cost	Term (months)
1	Fire Truck	General	\$1,698,445	59
2	Generator	Electric	\$2,263,000	59
3	Bucket Truck	Electric	\$371,835	36
4	Dual Axle Truck	Electric	\$318,726	36
5	Rear Loader	General	\$244,844	36
Total Equipment Cost			\$4,896,850	

Key Assumptions:

Issuer: City of Wilson, NC

Tax Treatment: Tax-Exempt

Bank Qualified: The City is interested in receiving a **Non-bank Qualified** interest rate.

Security: Installment Purchase Contract with a security interest in the equipment being financed.

Ratings: The current Standard and Poor’s bond rating is AA- and Fitch’s rating is AA and Moody’s is Aa3.

Amount: \$4,896,850

Payments: Monthly

Term: 59 months for Fire Truck and Generator, items (1-2); 36 months for “other equipment”, items (3-5)

Interest Rate: A fixed rate quote for the entire amortization is required. The City requests that interest rate quotes be held firm thru the closing date, anticipated to be no later than May 10, 2024.

While the city prefers no such conditions, please indicate any conditions or circumstances (e.g. changes to tax rates, capital requirements or other factors)

that may impact your proposed fixed rate over the term of the Installment Purchase Contract and proposed language related to these conditions, if any.

- Documentation: The City anticipates the winning lender will provide required financing documents.
- Lender Closing Cost: None anticipated to be paid by the City. Specify exceptions.
- Lender's Counsel: If Lender's Counsel is to be engaged, specify the firm and a not-to-exceed fee in the event the fee is to be paid by the City.
- Other Fees: None anticipated to be paid by the City. Specify exceptions.
- Ongoing Disclosure: The City will provide annual financial statements within a time period mutually agreed upon by the City and the Lender. Audited financial statements are available on the City's website. Specify any additional requirements.
- e-Verify Certificate: The winning bidder must certify as to compliance with section 64-25(5) of the NCGS with respect to use of "E-Verify" to the extent required by law.

The City of Wilson is inviting your proposal to provide the financing, and to offer your lowest interest rate with the following conditions:

- 1) The City of Wilson, North Carolina is NOT a small issuer (under \$10 million dollars) for the 2024 calendar year, and therefore DOES NOT qualify under Section 265 (b) (3) of the Internal Revenue Code of 1986 for the equipment shown in Section 1. The City maintains high ratings from three major national bond rating agencies reaffirming confidence in the City's financial management and its economic outlook. The current Standard and Poor's bond rating is AA-, Fitch's rating is AA and Moody's is Aa3.
- 2) The proposal should clearly stipulate how Contractors will be paid (draw-downs) and what type of escrow account is being proposed. The escrow account must be held in a North Carolina financial institution approved by the Local Government Commission and designated as public funds. The bidder should address how funds shall be invested and any fees associated with the administration and execution of the escrow account and the installment financing contract. In addition, the successful bidder also agrees to file, on behalf of the City of Wilson, any Internal Revenue Service documentation required by the U.S. Treasury.
- 3) Bidders should provide amortization schedules showing principal and interest costs calculated with the first payment scheduled one month after the inception date. The City agrees to make monthly payments with interest calculated in arrears to the bidder. A portion of each installment payment shall be allocated to interest. Funds are needed immediately and are estimated to be expended within eighteen (18) months depending on the delivery time of the equipment. All equipment has been ordered.
- 4) There must be a non-appropriation clause in the contract. Non-substitution clauses are not permitted. There can be no deficiency judgment nor can the taxing power be pledged. The City desires prepayment of principal at any time without penalty. The City reserves the right to select a proposal with the most favorable prepayment terms.
- 5) Bidders should show the interest rate as fixed. The terms are listed in the chart above. The interest rate contained in the bid must be guaranteed for a minimum of thirty (30) days from the submittal due date and until the expected closing date.

- 6) The City will have the right to remove items on the Installment Financing Contract without penalty prior to closing on the contract, if needed. The City will have the right to modify the financed cost if needed upon agreement with the financial institution.
- 7) The City prefers that the successful bidder has completed a successful North Carolina G.S. 160A-20 financing within the past three years. Provide a list of successful G.S. 160A-20 financings. If multiple G.S. 160A-20 financings have been completed, list should be limited to the most recent three.

The City reserves the right to judgmentally select the bidder offering the financing agreement that best meets the needs of the City of Wilson. The selection will be judged on the interest rate and fee structure that is proposed as well as experience with similar financings in North Carolina. **The envelopes containing the bids should be sealed and clearly identified on the front as to the contents. The City will not accept bids by fax or by electronic email.**

The City Council will award the contract based on the information noted above. The recommendation of award by city council represents a preliminary determination and not a legally binding acceptance of the bid or proposal until the city has executed a written agreement in a form agreeable by an authorized city official. All qualified proposals will be evaluated and award made to the firm(s) whose proposal is deemed to be in the best interest of the City of Wilson, all factors considered. The City of Wilson reserves the right to reject any and all offers if determined in its best interest.

All vendors (new, current or potential) must register and or verify with our Vendor Registration system through Vendor Registry at the following link. <https://vrapp.vendorregistry.com/Vendor/Register/Index/city-of-wilson-nc-vendor-registration>

Proposals are to be submitted to the City of Wilson Purchasing Manager, by **Mail to:** P.O. Box 10, Wilson, NC. 27894-0010 or **Hand Deliver to:** City of Wilson Purchasing Manager, 1800 Herring Avenue, Wilson, North Carolina, 27893, not later than 2:00 p.m. on March 28, 2024. Any proposals received after this date and time will not be considered. The selected bidder will be presented to City Council on April 18, 2024. The City expects to close the contract no later than May 10, 2024.