



REQUEST FOR PROPOSALS: RFP# 2021-12

TITLE: Installment Financing Contract

ISSUING AGENCY: CITY OF WILSON (Attn: Purchasing)
P.O. BOX 10
WILSON, NC 27894-0010

ISSUE DATE: September 15, 2021

OPENING DATE AND LOCATION: September 29, 2021 @ 2:00pm
City of Wilson Purchasing Department
1800 Herring Ave. E
Wilson, NC. 27893

SCOPE: The City of Wilson will open publicly, sealed proposals from qualified bidders to provide an Installment Financing Contract, as authorized by G.S. 160A-20, to finance the purchase of fire vehicles and equipment 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. Wednesday September 29, 2021 in the office of the Purchasing Manager, Operations Center, Purchasing Department / Warehouse, 1800 Herring Ave., Wilson, NC.

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

Direct all technical inquiries concerning this RFP to: Amy Staton
astaton@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 Purchasing Department, or if preferred, UPS and FedEx make daily deliveries to our office. 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# 2021-12**

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

| <i>Item</i> | <i>Equipment</i> | <i>Fund</i> | <i>Estimated Cost</i> | <i>Term (months)</i> |
|---|--|-------------|-----------------------|----------------------|
| 1 | Fire Aerial Ladder Truck and equipment | General | \$1,370,000 | 59 |
| 2 | Fire Pumper Truck and equipment | General | \$870,000 | 59 |
| Total Vehicle and Equipment Cost | | | \$2,240,000 | |

Key Assumptions:

Issuer: City of Wilson, NC

Tax Treatment: Tax-Exempt

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

Security: Installment Purchase Contract with a security interest in the Fire Truck(s) being financed.

Ratings: None applied for. The City's current G.O. credit ratings are Aa/AA- from Moody's and Standard & Poor's, respectively.

Amount: \$2,240,000

Payments: Monthly

Term: 59 months

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 November 30, 2021.

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.

Terms & Conditions:

- 1) The City of Wilson, North Carolina is a small issuer (under \$10 million dollars) for the 2021 calendar year, and therefore qualifies under Section 265 (b) (3) of the Internal Revenue Code of 1986 for the equipment shown in Section 1.
- 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 required time to build the specialized fire vehicles.
- 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 anytime without penalty. The City reserves the right to select a proposal with the most favorable prepayment terms.
- 5) 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.
- 6) 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.

- 7) The City reserves the right to judgmentally select the bidder offering the financing agreement that best meets the needs 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.
- 8) 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. This contract is made under and shall be governed and construed in accordance with the laws of the State of North Carolina.
- 9) 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.

The selected bidder will be presented to City Council on October 21, 2021. The City expects to close the contract no later than November 30, 2021.

All vendors (new, current or potential) must register 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>

Submission of a bid/proposal in response to a request constitutes acceptance of all terms and conditions and requirements contained in the request.

If further information is needed or if you have any questions regarding this Request for Proposal, please contact Amy Staton, Chief Financial Officer at 252.206.5260.