

**City of Isle of Palms, South Carolina
Request for Proposals (RFP 2021-02)
Fire Truck Lease**

In compliance with the City's Procurement Ordinance, the City of Isle of Palms, South Carolina is seeking proposals for lease purchase financing related to a fire pumper truck.

I. Scope of Work

This Request for Proposals (RFP) is being widely distributed to attract a diverse group of institutions that are most suited to providing equipment financing for the City. It is preferable that institutions have successfully completed similar financing arrangements for similar government entities.

- A. **LESSEE:** City of Isle of Palms, South Carolina
- B. **LEASED ASSET:** E-ONE Typhoon Pumper Engine Truck with a Aluminum Rescue Body. All prices, terms, conditions and selection are solely by Lessee.
- C. **TYPE OF FINANCING:** Tax-exempt Lease Purchase Agreement with no buyout amount required at the end of lease term. Said Lease Purchase Agreement shall be a net lease arrangement whereby lessee is responsible for all costs of operation, maintenance, insurance and taxes.
- D. **REIMBURSEMENT:** The proceeds of this financing will be used to finance the purchase of the truck which will occur in late August 2021.
- E. **BANK QUALIFIED:** Assume that the lessee will be issuing less than \$10 million in tax-exempt debt during calendar year 2021. Furthermore, assume that the lessee will designate this issue as a qualified tax-exempt obligation pursuant to Section 265(b)3 of the Internal Revenue Code of 1986, as amended (the "Code"). A portion of each Lease Payment allocated, as "interest" will be excludable from the gross income for federal income tax purposes pursuant to Section 103(a) of the Code.
- F. **FINANCED AMOUNT:** \$522,000.00 - Fire truck only
- Alternate 1: \$876,000.00 – Fire truck and add-on equipment
- G. **PAYMENT MODE/FREQUENCY:** Annual in advance, 1st payment at closing
- H. **TERM:** Ten (10) Years
- I. **INSURANCE:** The lessee shall furnish confirmation of all risk physical damage insurance coverage for the full cost of the property plus \$1 million combined single limit property damage and bodily injury insurance covering the property. Lessor shall be named as loss payee and additional insured on such coverage.

- J. **LEGAL TITLE:** Legal title to the equipment during the lease term shall vest in the lessee, with Lessor perfecting a first security interest through uniform commercial code filing or any other such instruments as may be required by law. Upon performance of the terms and conditions of the lease agreement, the lessee shall have full ownership of the equipment.
- K. **DOCUMENTATION:** Lessor shall provide Lease documentation.
- L. **PREPAYMENT OPTION:** So long as Lessee is not in default of the contract terms, Lessee shall have the option of paying off this transaction before the maturity date by paying the outstanding principal balance at the time of payoff plus two percent of such amount. Partial prepayments will not be permitted under this agreement.

II. **Submission Requirements**

Proposals will be reviewed for their completeness, attention to detail, content, qualifications, cost effectiveness, and overall presentation. Interested institutions should submit, and structure the response with, the following sections:

1. **Cover letter**
2. **References** - Provide a list of at least three current references that have relevant knowledge concerning the institution's past financing of similar leases, including names, addresses, and current telephone numbers.
3. **Proposed Amortization Schedule** - include an amortization schedule showing the proposed fixed rate and annual principal and interest payments for both proposed financing amounts.

III. **Proposal Evaluation**

The City will select a proposal based on the responsiveness of the institution to the RFP and information contained in the proposal, including:

- Interest rate
- References

The City reserves the right to reject any or all proposals received and to request additional information as deemed necessary and appropriate.

IV. **Proposal Requirements**

Proposals should be submitted to the following:

Desirée Fragoso
City Administrator
City of Isle of Palms
1207 Palm Boulevard
Post Office Box 508
Isle of Palms, South Carolina 29451

Deadline for Submission: The deadline for submission is 2:00 p.m., Friday August 13th, 2021. Proposals must be received at 1207 Palm Boulevard, Isle of Palms, South Carolina 29451 in a sealed envelope. Sealed envelopes must be clearly marked "Request for Proposals (RFP) 2021-02 Firetruck Lease" and include one (1) hard copy and one electronic copy in PDF format. It will be the responsibility of the proposers to verify and confirm receipt by the City.

Proposals may be delivered by hand or by mail, but no bid shall be considered which is not actually received by the City at the place, date and time appointed by the City and the City shall not be responsible for any failure, misdirection, delay or error resulting from the selection by any Proposer of any particular means of delivery of bids.

If an addendum is issued, proposers must acknowledge receipt of the addendum with their bids.

Proposers acknowledge and agree that the City will not be liable for any costs, expenses, losses, damages (including damages for loss of anticipated profit) or liabilities incurred by the respondent or any member of the respondent's organization as a result of, or arising out of, submitting a bid, negotiating changes to such bid, or due to the City's acceptance or non-acceptance of the bid or the rejection of any and all bids. Respondents are responsible for submission of accurate, adequate and clear descriptions of the information requests. Neither issuance of the RFP, preparation and submission of a response, nor the subsequent receipt and evaluation of any response by the City of Isle of Palms will commit the City to award a contract to any respondent even if all the requirements in the RFP have been met.

By signing its bid, Proposer certifies that it will comply with the applicable requirements of Title 8, Chapter 14 of the South Carolina Code of Laws and agrees to provide to the City upon request any documentation required to establish either: (a) that Title 8, Chapter 14 is inapplicable both to Proposer and its subcontractors or sub-subcontractors; or (b) that Proposer and its subcontractors or sub-subcontractors are in compliance with Title 8, Chapter 14. Pursuant to Section 8-14-60, "A person who knowingly makes or files any false, fictitious, or fraudulent document, statement, or report pursuant to this chapter is guilty of a felony, and, upon conviction, must be fined within the discretion of the court or imprisoned for not more than five years, or both." Proposer agrees to include in any contracts with its subcontractors language requiring its subcontractors to (a) comply with the applicable requirements of Title 8, Chapter 14, and (b) include in their contracts with the sub-subcontractors language requiring the sub-subcontractors to comply with the applicable requirements of Title 8, Chapter 14.

If the Proposer is a corporation, state your correct corporate name and State of incorporation. If Proposer is a partnership, state names and addresses of partners. If Proposer is a trust or other legal entity, state correct names and addresses of trustees or names and address of those legally authorized to bid and enter into contracts.