

CITY COUNCIL:  
BARBARA G. VOLK  
Mayor  
STEVE CARAKER  
Mayor Pro Tem  
JERRY A. SMITH, JR.  
JEFF MILLER  
RON STEPHENS

# CITY OF HENDERSONVILLE

*The City of Four Seasons*

FINANCE DEPARTMENT  
Lisa A. White, CPA, CGFO  
Finance Director

OFFICERS:  
JOHN F. CONNET  
City Manager  
SAMUEL H. FRITSCHNER  
City Attorney  
TAMMIE K. DRAKE  
City Clerk

January 9, 2017

Re: Request for Proposal for Installment Financing Agreement – **DUE MARCH 1, 2017**

The City of Hendersonville, North Carolina (“the City”) desires to enter into an installment financing agreement in the principal amount not to exceed \$644,621.00 for the purpose of purchasing the capital equipment listed below. The City is currently rated AA- by Moody’s Investors Service and A+ by Standard & Poor’s Ratings Services. The City is soliciting your proposal to provide the necessary financing for this project, subject to the terms and conditions set forth in this Request for Proposal.

A. Pertinent Information

The items to be purchased with estimated costs are:

Fire Truck	2017 Pierce Ultimate Configuration Pumper Truck	\$572,875.00
NFPA Equipment	Loose Equipment to be installed	\$ 71,746.00
<b>Total Amount to be Financed:</b>		<b>\$ \$644,621.00</b>

In order to take advantage of the vendor prepayment discount, City Council passed a financing reimbursement Resolution# 16-0618 on June 2, 2016. On July 21, 2016, the City paid the vendor, Atlantic Emergency Solutions \$571,581 as a prepayment and the truck was ordered. The above amount shown for the NFPA required equipment is an estimate, the requested loan amount may change dependent on the actual cost of the equipment. The Fire Truck is currently under construction and is expected to be completed in March or April 2017.

The financing will be bank eligible under Section 265 of the Internal Revenue Code of 1986.

B. Contract Specifications

1. The desired amount of the financing is not to exceed \$644,621.00
2. The desired term of the financing is 15 years. The City desires the debt service payment schedule to reflect amortization over a 15 fiscal year period, with payments of both principal and interest beginning July 1, 2017. The Cities fiscal year is July 1- June 30.
3. Level installment payments are to be made semi-annually (both principal and interest), and July 1 and December 31 of each year for a total of 30 payments.
4. The interest rate(s) shall be fixed for the term.

5. The City requests that the lender waive any recording fees, document preparation fees, UCC fees or originations fees.
6. The interest rate(s) proposed must be guaranteed for at least forty-five (45) days from the date of the RFP due date, March 1, 2017. The City Council will consider the proposed contract with the selected bidder at its regularly scheduled meeting on Thursday, April 6, 2017. The City desires to close the transaction on or after April 7, 2017.
7. Prepayment terms may be negotiated between the City and the successful bidder. The City desires prepayment of principal at any time without penalty.
8. The City will pledge its full faith and credit and taxing power for the payments to be made. No deficiency judgment may be rendered against the City for breach of a contractual obligation under the Installment Financing Agreement.
9. The Installment Financing Agreement must not contain a non-substitution clause and there must be a non-appropriation clause in the installment financing agreement.

C. Submission of Proposal

Your written proposal must be received by **2 pm on Wednesday, March 1, 2017** at the office of Lisa White, Finance Director, 145 Fifth Avenue East, Hendersonville NC 28792-4328. Proposals must be submitted by mail or in person in a **sealed** envelope marked "Capital Financing RFP". **No emailed proposals will be accepted.**

Proposals must specify at a minimum the following information:

1. The term of the financing.
2. The interest rate and total interest cost.
3. The terms of repayment. Please attach a proposed amortization schedule, showing the first interest and principal payment due July 1, 2017. Schedule must also show total interest cost.
4. A list of all additional costs to be associated with this transaction. State whether or not any of such fees or expenses can or will be capped or waived.
5. A statement to the effect that the bank/lender agrees to the contract specifications set forth in Part B of this Request for Proposal.

The City reserves the right to request additional information from the bidders and reserves the right to reject all proposals and to waive any irregularities or informalities. Although the selection will be based substantially on lowest total financing cost (including both interest cost and upfront fees and expenses), the City reserves the right to select the bidder that best meets the needs of the City.

Thank you in advance for your consideration of this proposal. If you have any questions please contact:  
Lisa White at [lwhite@hvlnc.gov](mailto:lwhite@hvlnc.gov)

Sincerely,



Lisa A. White, CPA  
Finance Director

**HENDERSONVILLE, NORTH CAROLINA  
DECLARATION OF OFFICIAL INTENT TO REIMBURSE**

**BE IT HEREBY RESOLVED** by the City Council of the City of Hendersonville, North Carolina this declaration (the "Declaration") is made pursuant to the requirements of the United States Treasury Regulations Section 1.150-2 and is intended to constitute a Declaration of Official Intent to Reimburse under such Treasury Regulations Section.

The undersigned is authorized to declare the official intent of HENDERSONVILLE, North Carolina (the "Issuer") with respect to the matters contained herein.

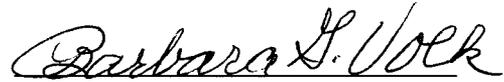
**Expenditures to be Incurred.** The Issuer anticipates incurring expenditures (the "Expenditures") for THE ACQUISITION, CONSTRUCTION, AND INSTALLATION OF THE FIRE ENGINE REPLACEMENT PROJECT, ORDINANCE #16-0617 (the "Project").

**Plan of Finance.** The Issuer intends to finance the costs of the Project with the proceeds of debt to be issued by the Issuer (the "Borrowing"), the interest on which is to be excluded from gross income for Federal income tax purposes.

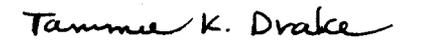
**Maximum Principal Amount of Debt to be Issued.** The maximum principal amount of the Borrowing to be incurred by the Issuer to finance the Project is **\$644,621.00**.

**Declaration of Official Intent to Reimburse.** The Issuer hereby declares its official intent to reimburse itself with the proceeds of the Borrowing for any of the Expenditures incurred by it prior to the issuance of the Borrowing.

**ADOPTED** by the City Council of the City of Hendersonville, North Carolina, on this second day of June, 2016.

  
Barbara G. Volk, Mayor

ATTEST:

  
Tammie K. Drake, City Clerk



# CITY OF HENDERSONVILLE

*The City of Four Seasons*

## FIRE DEPARTMENT

JOSEPH VINDIGNI, FIRE CHIEF

The fire apparatus that the City of Hendersonville Fire Department will be purchasing is a 2017 Pierce Ultimate Configuration Pumper with an enforcer chassis and independent front suspension. It will have a 450 horse power Cummins engine and Allison transmission. The apparatus will have a pump capacity of 1500 gallons per minute with a pump and roll feature. It will have a 750 gallon water tank and 30 gallon foam tank as well as a Husky foam system, hydraulic generator, LED lights, and large storage capacity.

The total cost of the apparatus is: \$ 592,700.00

Pierce offers a discount if the fire department decides to pay for the apparatus at the time of order placement. The City of Hendersonville decided to pay for the apparatus at the time of order and take advantage of this cost savings.

**Discount was in the amount of \$ 21,119.00**

Making the total of the apparatus \$ 571,581.00

Minor modifications were made after the date of the order adding an additional \$ 1,294.00 to the total cost of the apparatus

After final modifications the total cost of the apparatus is \$ 572,875.00

The apparatus does not include the required NFPA loose equipment and must be purchased before the apparatus can be placed in service. This equipment is outlined in NFPA 1901, 2016 edition, section 5.9.3 and 5.9.4. Also, radio equipment, a Knox box, and other various equipment will also need to be purchased. The total of this equipment \$71,746.00

**This makes the total of the apparatus with equipment \$ 644,621.00**

**Estimated time of arrival – April/May 2017**

CITY OF HENDERSONVILLE FIRE DEPARTMENT  
632 SUGARLOAF ROAD  
HENDERSONVILLE, NC 28792  
828-697-3024



Atlantic Emergency Solutions  
 NOVA Service Center  
 12351 Randolph Ridge Lane  
 Manassas, VA 20109  
 703.393.9911  
<http://www.atlanticemergency.com>

6/27/2016 2:18:21 PM FireDept approved by jvindigni

Sales Order Number: 560  
 Sales Order Date: 06/17/16  
 Page: 1

Sold  
 To: Hendersonville Fire Dept  
 145 5th Ave East  
 Hendersonville, NC 28792

Ship  
 To: Hendersonville Fire Dept  
 145 5th Ave East  
 Hendersonville, NC 28792

Ship Via  
 Ship Date 06/17/16

Customer ID 20975  
 P.O. Number  
 P.O. Date 06/17/16

Terms On Receipt

SalesPerson Frank Suggs

Item No.	Description	Unit	Quantity	Unit Price	Total Price
	Pierce Enforcer PUC Pumper				
	100% Prepayment		1	571,581.00	571,581.00

Reference City of Hendersonville  
 PO#2017002-00

Amount Subject to Sales Tax	0.00	Amount Exempt from Sales Tax	571,581.00	Subtotal:	571,581.00
				Invoice Discount:	0.00
				Total Sales Tax:	0.00
				Total:	571,581.00