



CITY OF  
**HAYWARD**  
HEART OF THE BAY

**Issued – August 19, 2010**

**CITY OF HAYWARD, CALIFORNIA**



**REQUEST FOR LEASE PURCHASE FINANCING PROPOSALS  
RFP# 08171011  
FOR CITY VEHICLES WITH A VALUE OF  
\$3,170,081.59**

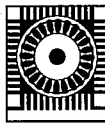
**PROPOSALS ARE DUE BY:  
3 P.M. THURSDAY, SEPTEMBER 02, 2010**

**PLEASE NOTE THE RFP# 08171011  
ON THE OUTSIDE OF YOUR ENVELOPE**

**Mail to:  
Debra Auker/Finance Director  
City of Hayward – Finance Dept. 3<sup>rd</sup> floor  
City Hall – 777 “B” Street,  
Hayward, CA 94541  
Fax: (510) 583-3600**

Department of Finance  
Purchasing Division

777 B Street, Hayward, CA 94541-5007  
Tel: 510/583-4800 Fax: 510/583-3600



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**August 19, 2010**  
**RFP# 08171011**

Banks/Leasing Corporations:

The City of Hayward invites your proposal for firm, fixed- rate lease-purchase financing for the following City vehicles. Our requirements are detailed below. Please provide your proposal rates on this form below, AND in additional supplemental attachments no later than by 3 PM. **THURSDAY, SEPTEMBER 02, 2010**. Quotes must be firm and fixed from the due date unless otherwise specified.

Acquisition costs *include* our local sales tax of 9.75%.

<u>Qty</u>	<u>Equipment</u>	<u>Acquisition \$</u>	<u>Est. Delivery</u>	<u>Term</u>
<b>Equipment, All 2010 or current year model</b>				
3 ea	Seagrave Fire Engine, Model: M II, (including outfitting of radios) To be used by the City's Fire Department.	\$1,991,524.05	300 days ARO	10 Yrs
1ea	International 7400, 10 yard Dump Truck International chassis' may be substituted with similar chassis' from Ford, etc. To be used by the Maintenance Services Department.	\$ 125,000.00	90-120 days ARO	7/10 Yrs
1 ea.	International 7400, 5 yard Dump Truck International chassis' may be substituted with similar chassis' from Ford, etc. To be used by the Maintenance Services Department.	\$ 105,000. 00	90-120 days ARO	7/10 Yrs
1 ea.	International 7400, Flat Bed with short dump bed International chassis' may be substituted with similar chassis' from Ford, etc. To be used by the Maintenance Services Department.	\$ 105,000. 00	90-120 days ARO	7/10 Yrs
1 ea	International 7400, Flat Bed with long dump bed International chassis' may be substituted with similar chassis' from Ford, etc. To be used by the Maintenance Services Department.	\$ 115,000. 00	90-120 days ARO	7/10 Yrs

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- 2 ea Tymco, Model: 600 Regenerative Air Sweeper. \$ 368,557.54 30-90 days ARO 7 Yrs  
 To be used by the City's Street Sweeping Division.
- 10 ea. Dodge Charger with Police Package,( including outfitting) \$360,000.00 90-120 days ARO 4 Yrs  
 To be used by the City's Police Department.

**Note: Fire Engines are 10 year terms. International trucks will be either 7 or 10 year term, Sweepers are 7 year term and Police cars are 4 year terms.**

Fund a total acquisition cost of (inclusive of sales tax) of \$ **3,170,081.59** for 8 payments (4 years), 14 payments (7 years) and 20 payments (10 years), semiannually, in arrears.

**Your proposal interest rate and payments must be indicated below, on this form, for scanning and tabulation purposes. You may clearly fill in the amounts by pen/ink. In addition, you should attach a letter confirming this information with elaboration and supplemental information.**

**Proposal to the City of Hayward**

**Lease Option#1a; all vehicles, including Seagrave Fire Engines for the term of 10 years:**

20 equal payments of \$ \_\_\_\_\_

Total dollar value of payments \$ \_\_\_\_\_

APR of \_\_\_\_\_% **If this is tied to an index; you must provide the index and the spread on your supplemental information. Preference will be given to firm, fixed rates for the duration of this Request and term.**

**Lease Option#1b: All vehicles, excluding Seagrave Fire Engines for the term of 10 years:**

20 equal payments of \$ \_\_\_\_\_

Total dollar value of payments \$ \_\_\_\_\_

APR of \_\_\_\_\_% **If this is tied to an index; you must provide the index and the spread on your supplemental information. Preference will be given to firm, fixed rates for the duration of this Request and term.**



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**Lease Option#2a: All vehicles, for the term of 7 years:**

14 equal payments of \$ \_\_\_\_\_

Total dollar value of payments \$ \_\_\_\_\_

APR of \_\_\_\_\_% If this is tied to an index; you must provide the index and the spread on your supplemental information. Preference will be given to firm, fixed rates for the duration of this Request and term.

**Lease Option#2b: Tymco Sweeper vehicles only, for the term of 7 years:**

14 equal payments of \$ \_\_\_\_\_

Total dollar value of payments \$ \_\_\_\_\_

APR of \_\_\_\_\_% If this is tied to an index; you must provide the index and the spread on your supplemental information. Preference will be given to firm, fixed rates for the duration of this Request and term.

**Lease Option#3: All Police vehicles, for the term of 4 years:**

8 equal payments of \$ \_\_\_\_\_

Total dollar value of payments \$ \_\_\_\_\_

APR of \_\_\_\_\_% If this is tied to an index; you must provide the index and the spread on your supplemental information. Preference will be given to firm, fixed rates for the duration of this Request and term.

Rates firm for: \_\_\_\_\_ calendar days from receipt of proposals by the City (due date) unless another date must be otherwise specified. City highly prefers a minimum of 45 days due to the scheduling of our City Council meetings during the month of September. Anticipated Council meeting date is September 14, 2010 with forms executed September 21, 2010. Ability to hold rates will be a factor in selecting a firm.

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Interest rate of escrow bank account into which proceeds are deposited: \_\_\_\_\_%

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Lease Proposal Offered by: \_\_\_\_\_  
Company Name  
\_\_\_\_\_  
Signature  
\_\_\_\_\_  
Printed Name  
\_\_\_\_\_



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**Specifications/Requirements of the City:**

Financing shall be a tax exempt state and municipal government lease with the title to the equipment passing to the City. This is a new lease under which the City pays all costs, including insurance, maintenance and taxes, for the term of the lease. No fees shall be charged for the transaction, unless indicated clearly as part of the proposal cost pages.

Provide your credit information/ratings.

Escrow: The escrow account in which the financing proceeds are deposited shall be an interest bearing in account in the name of the City. No fees shall be charged for this account.

The interest component of the payments is exempt from federal income tax.

Assumes drawdown of entire principal amount at closing. Interest to accrue from the time funds are constructively received by the City. First payment due 6 months from date of closing. Payment mode: semiannually in arrears.

Please specify requirements regarding disposition of funds after drawdown and before expenditure, e.g. establish escrow, etc. The City's preference in descending order of acceptability is the following:

Drawdown of 100% of funds at closing, funds commingled for investment purposes with the City's cash portfolio, accounted for separately. Disbursements made via the City's accounts payable system, with each disbursement subject to the approval of the Lessor.

Drawdown of 100% of funds at closing, funds deposited in a "bond account" with the State of California Local Agency Investment Fund.

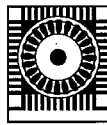
Drawdown of 100% of funds at closing for deposit in an escrow fund managed by the Lessor. Escrow depository shall be acceptable to both the City and Lessor. Lessor to make/provide timely approval of invoices submitted by the City and render timely payments to vendors. There shall be no fees paid by the City for such an escrow account.

NOTE: If Lessor prefers this option please specify

- a) 7 day yield on deposits in the escrow account, and
- b) timeframe for processing payments from receipt of approved vendor invoice from the City to mailing of check to vendor.

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The Equipment will secure the lease, City to own the equipment outright at the end of the lease term. If a final buyout is required, the buyout amount shall not exceed One Dollar (\$1.00) per item of equipment. Such buyout shall be noted on the schedule of payments submitted with your response. Respondent shall furnish the schedule of lease payments and identify annual prepay buyout amounts. Lessor shall agree to accept additional principal payments without penalty, and shall reduce the principal amount outstanding and adjust subsequent payment schedule accordingly. (Please note, however that the City has not elected to prepay any existing or previous leases). The lease shall include a non-appropriation clause.

Please note the following: **The City WILL NOT consider overfunding or underfunding of the amount requested herein. The City will not consent to creation or sale of partial or total undivided interests in any agreement or payment resulting from the financing of the equipment described herein, or created as a result of assignment of the lease agreement. The City will not consent to creation of certificates of participation, and shall not be required to prepare an Official Statement or other similar disclosure document in connection with any agreement arising from this transaction, or assignment of such agreement.**

Please quote using rates as of August 19, 2010 . If rate quoted is tied to an index, please specify the index used and the spread.

NOTE: The City of Hayward **-IS NOT- bank qualified** in CY 2010.

The City will evaluate proposal responses based upon the following factors: interest rate; the ability to hold the rate for a period sufficient for the City to complete its internal approval processes, approximately six weeks; history of successful completion of similar transactions with other municipal agencies in California; the financial capability to successfully complete the transaction; the City's acceptance of, or input toward selection of an escrow/paying agent; and the ability to comply with the requirements of this proposal as well as the City policies and requirements attached. The City shall have the sole right and responsibility to evaluate proposals and determine their appropriateness in meeting the needs of the City.

Please be advised that any proposal is subject to internal review and approval by the City Attorney as well as final approval by the City Council at a regularly scheduled meeting. It is estimated that this process will require six weeks. To expedite processing please include a copy of the lease agreement with your proposal.

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\*Please fax and/or overnight mail your proposal, together with a completed list of references and a copy of your audited financial statement for the most recent reporting period, as soon as possible, but **NOT LATER than 3:00 pm, Tuesday, September 2, 2010** to:

Your package should be clearly marked "LEASE PURCHASE-RFP# 08171011" **DUE 3 PM. SEPTEMBER 02, 2010**

Debra C. Auker, Finance Director  
City of Hayward- City Hall  
777 B Street, 3<sup>rd</sup> floor  
Hayward, CA 94541  
Phone (510) 583-4010; FAX (510) 583-3600

If you need immediate assistance, you may also contact Ms. Maria Carrillo, Purchasing Assistant, at (510) 583-4800; Email: [maria.carrillo@ci.hayward.gov](mailto:maria.carrillo@ci.hayward.gov).

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REFERENCE LIST

Please list five California references for proposed municipal lease on this form or on your own forms/letterhead:

CLIENT \_\_\_\_\_

CONTACT \_\_\_\_\_ PHONE # \_\_\_\_\_

CLIENT \_\_\_\_\_

CONTACT \_\_\_\_\_ PHONE # \_\_\_\_\_

CLIENT \_\_\_\_\_

CONTACT \_\_\_\_\_ PHONE # \_\_\_\_\_

CLIENT \_\_\_\_\_

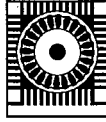
CONTACT \_\_\_\_\_ PHONE # \_\_\_\_\_

CLIENT \_\_\_\_\_

CONTACT \_\_\_\_\_ PHONE # \_\_\_\_\_

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CITY OF  
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August 25, 2010  
RFP# 08171011

**Addendum No. 1**

**ITEM BID: REQUEST FOR LEASE PURCHASE FINANCING PROPOSAL**

The following changes, additions, deletions and corrections hereinafter set forth shall apply to the Bid Documents for this project and shall be made a part thereof and subject to all the requirements thereof, as if originally specified and/or shown.

**ADDITIONAL INFORMATION:**

An inquiry was received regarding the following sentence on Page 7:

**NOTE:** The City of Hayward -IS NOT- bank qualified in CY 2010

**INQUIRY:**

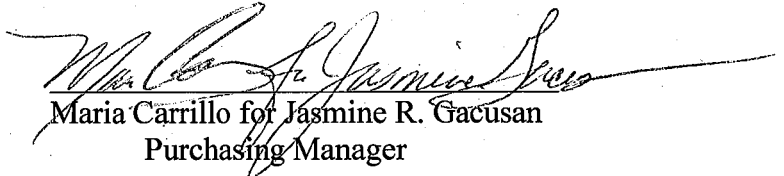
The RFP indicated the City will be NBQ (Not Bank Qualified) in CY2010. As a point of clarification, the BQ (Bank Qualified) limit has been raised for \$30,000,000.00 in CY 2010. Please confirm that the City of Hayward, CA anticipates to issue more than \$30,000,000.00 in new tax-exempt debt and leases in CY 2010.

**RESPONSE:**

No, the City will NOT issue more than \$30,000,000.00 in new tax-exempt debt and leases by December 31, 2010.

End of Addendum

When submitting your bid, please be sure to acknowledge the receipt of all addenda on the form of proposal.

  
Maria Carrillo for Jasmine R. Gacusan  
Purchasing Manager

Department of Finance  
Purchasing Division

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CITY OF  
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August 30, 2010

RFP# 08171011

**PLEASE READ**  
**Addendum No. 2**

**ITEM BID: REQUEST FOR LEASE PURCHASE FINANCING PROPOSAL**

The following changes, additions, deletions and corrections hereinafter set forth shall apply to the Bid Documents for this project and shall be made a part thereof and subject to all the requirements thereof, as if originally specified and/or shown.

An inquiry was received regarding the difference in due date and the missing page between the original soft copy sent and the hard copy received:

**INQUIRY:**

Question #1) What is the due date for this lease? Your scanned copy states September 8, 2010 and the hard copy mailed out states September 2, 2010.

Question #2) I don't see Page #4 in the soft copy of the RFP but the hard copy contains this. Which one is correct?

**RESPONSE:**

Question #1) Due to the difference of dates specified, the due date for this RFP will be extended to: **WEDNESDAY, SEPTEMBER 8, 2010 at 3:00 PM.**

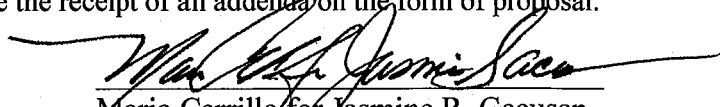
Question #2) The hard copy received is correct, please discard the soft copy received on August 19, 2010 and replace with the hard copy mailed to you on that date or found on the City's website at [http://www.hayward-ca.gov/departments/finance/documents/2010/RFP08171011-Lease\\_Finance.pdf](http://www.hayward-ca.gov/departments/finance/documents/2010/RFP08171011-Lease_Finance.pdf).

**ADDITIONAL INFORMATION:**

This is a three tiered lease (4, 7 and 10 years); the City wants the titles of the vehicles released as the terms specify. Please address on your proposal if all vehicles will be placed on one master lease with multiple releases or whether your bank will propose three separate leases, in order to comply with this request.

End of Addendum

When submitting your bid, please be sure to acknowledge the receipt of all addenda on the form of proposal.

  
Maria Carrillo for Jasmine R. Gacusan  
Purchasing Manager

Department of Finance  
Purchasing Division

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