

City of Lodi

Request for Proposals (RFP) Financing of Dispatch Consoles

The City of Lodi (City) is soliciting term sheet proposals in connection with the financing of five (5) dispatch consoles.

All proposals should be delivered by e-mail by **5:00 pm** on Wednesday, April 27, 2016 to the following City officials:

Jordan Ayers, Deputy City Manager/Internal Services Director

jayers@lodi.gov

Paula O'Keefe, Management Analyst

pokeefe@pd.lodi.gov

Tod Patterson, Chief of Police

tpatterson@pd.lodi.gov

Please contact Jordan Ayers at (209) 333-6700 for questions regarding this RFP.

GENERAL INFORMATION

The City is proposing to lease dispatch console equipment under a sole-source contract in the amount of approximately \$562,000 and seeks financing proposals for the lease of the equipment. A copy of the proposal from Motorola is attached.

The City's Police Department is funded by the City's General Fund. The financing described herein may be secured by the equipment and repayment will be from General Fund revenue streams.

EXPENSES

Any expenses incurred in responding to this RFP will be the sole responsibility of the respondent and not of the City. The City reserves the right to waive any irregularity in any proposal; reject any or all proposals; cancel, modify or re-issue this request; negotiate with any, all or none of the respondents; and solicit best and final offers from any, all or none of the respondents. In addition, this request does not commit the City to complete the transaction with any of the firms responding to this request. The City reserves the right not to proceed with this transaction.

TERM SHEET PROPOSAL REQUIREMENTS

Please provide:

- (1) Name of the firm and its key contact person, including title, address, telephone number and e-mail address;

- (2) A narrative description of your firm's experience as a lender in California and nationally with regard to municipal lease financing;
- (3) A proposed term sheet (using the attached form) including, in addition to the information below, any other information you believe to be relevant to the City in its consideration of your proposal; and
- (4) A copy of all documents the City will be expected to execute in association with the proposed financing.

PAR AMOUNT AND PURPOSE

The purpose of this transaction is to finance the acquisition of five (5) Motorola dispatch consoles. Any financing structure proposed shall be in accordance with the City's attached Debt Management Policy.

SECURITY

The financing described herein may be secured by the equipment with annual debt service payments to be paid from General Fund revenues.

PRE-PAYMENT

The City prefers to have the right to prepay the agreement at any time during the term of the agreement without premium or penalty. Any proposed pre-payment penalties or premiums must be clearly identified on the proposed term sheet.

TERM

The City is seeking proposals for terms of 3, 4, 5 and 7 years.

DEBT SERVICE STRUCTURE

The City is seeking to pay level annual debt service, with payments made no more frequently than quarterly.

INTEREST

The proposed interest rate shall be fixed for the entire period of the proposed financing and will include all financing costs. A payment schedule must be submitted with your proposal.

DEBT SERVICE RESERVE FUND

The City does not plan to fund a debt service reserve fund.

COSTS OF ISSUANCE

The City anticipates funding any costs of issuance out of proceeds.

CLOSING COSTS AND FEES

Please specify your closing costs and/or fees, if any, which will be reimbursed by the City, including the fees and expenses of your legal counsel. The City will pay all costs and fees associated with the financing from proceeds of the financing.

INSURANCE

The City will meet any insurance requirements through its self-insurance program.

RATING

The City is not planning to seek a rating for the proposed financing, or provide an official statement and/or disclosure document. Current City general obligation ratings are as follows: S&P: A+/Stable, Fitch: AA-/Stable.

Additional information regarding the City's latest Comprehensive Annual Financial Reports is listed below under "Additional Information."

ADDITIONAL INFORMATION

The City's Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended June 30, 2015 can be found at: <http://www.lodi.gov/finance/financials.html>.

ATTACHMENTS

Term Sheet

Motorola Equipment and Pricing Proposal

City of Lodi Debt Management Policy

City of Lodi

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TERM SHEET (2 of 2)

Firm Name: _____

Payment Term: _____ Years Frequency of Payments: _____

Fixed Annual Rate: _____ %

ATTACH PROPOSED DEBT SERVICE/PAYMENT SCHEDULE TO TERM SHEET

Costs of Issuance: \$_____ (if any, please describe below)

Closing Costs/Other Fees: \$_____ (if any, please describe below)

Pre-Payment Penalty or Premium: \$_____ (if any, please describe below)

Please provide any additional information relevant for City's consideration of your proposal. Ensure all proposed financing documents to be executed by the City are included with your submission.

