

Town of Paradise

Finance Department

REQUEST FOR PROPOSAL FOR MUNICIPAL LEASE PURCHASE

I. INTRODUCTION

Request for Proposal (RFP). The Town of Paradise (“Town”) is currently seeking proposals from qualified financing companies interested in providing a municipal lease purchase of budgeted equipment replacement for the 2016/17 fiscal year. The primary objective of requesting proposals is for the Town to determine which financing company can offer the best financing terms for the items it will lease purchase.

The Town of Paradise is a full service City with over 26,000 residents. The Town provides a wide range of municipal services, including police and fire protection, community planning, building and safety, street maintenance, and onsite wastewater monitoring services. The Town is managed under the Council/Town Manager form of government. The annual operating and capital budget total approximately \$19 million with a work force of 58 full-time and 18 part-time employees.

The local community has recently voted to approve a 0.50% six year transaction and use tax which will generate about \$1.1 million a year in additional revenues. The tax took effect April 1, 2015 and will provide funding for about half of the items the Town proposes to lease purchase this 2016/17 fiscal year.

II. PROPOSAL PROCEDURES

The Town has made every effort to include enough information within this proposal request for a financing company (“company”) to prepare a responsive proposal. If additional information is required, the Town will respond promptly to questions from company representatives and, is prepared to complete lease applications upon request. Also, if deemed necessary, additional information will be provided to all proposers. The schedule of the proposal process is as follows:

- a. **Distribution of Request for Proposals.** Requests for Proposals will be mailed on **August 12, 2016** to financing companies:
- b. **Proposal Submission.** Proposals must be signed by an individual who is authorized to bind the financing company to all commitments made in the RFP and received by the Town of Paradise in a sealed envelope by the RFP deadline of **5:00 P.M., September 1, 2016**, at the following address:

**Town of Paradise
Attn: Town Clerk
5555 Skyway
Paradise, CA 95969**

The proposal must be submitted and the outside of the envelope marked: **"MUNICIPAL LEASE PURCHASE"**. Proposals will not be opened until after the closing date and time indicated. Late submission after the deadline or proposals delivered via FAX will not be accepted.

- c. **Proposal Review.** Town staff will evaluate each proposal submitted. Selected proposers may be requested to answer questions or clarify their proposals verbally. Those proposers will be notified to arrange specific times.
- d. **Notification.** The Town anticipates sending written notification to all companies regarding the outcome of the review and contract award process by **September 16, 2016**.

The Town will make every effort to administer the proposal process in accordance with the terms and dates discussed in the request for proposal. However, the Town reserves the right to modify the proposal process and dates as deemed necessary.

III. MINIMUM QUALIFICATIONS

To be considered for selection, proposing companies must have at least the following qualifications:

1. Be a reputable municipal lease purchase company operating within the United States of America.
2. Be capable of providing the municipal lease purchase options sought by the Town (including credit approval).
3. Have experience in providing municipal lease purchase services for other municipalities.
4. Be sufficiently capitalized to accommodate the Town's lease purchase needs.

IV. LEASE PURCHASE REQUIREMENTS

The Town is seeking lease purchase terms that align with funding sources and that do not exceed the optimal useful life of the equipment lease purchased. The Town desires to make one payment in advance at the time of financing and quarterly payments thereafter for the years and equipment indicated below:

5 Year – 20 Payments

Equipment Description	Estimated Purchase Price
1. (3) 2016 or 2017 Ford Explorer 4-Door Police Patrol Vehicles	\$87,500
2. Items to equip 3 Ford Explorer Police Patrol Vehicles including consoles, cages, emergency equipment and in car computer	58,000
3. (1) 2016 or 2017 Chevy Colorado Extended Cab Truck or Equivalent	31,000
4. (1) Commercial Grade Tree/Brush Chipper	40,000
Total 5 Year	<u>\$216,500</u>

V. Other Information

The most recent Town of Paradise Financial Statements with Independent Auditor’s Report is posted on the Town’s website at www.townofparadise.com under finance department. In addition to the audit, the 2016/17 Operating and Capital Budget and other interim financial reports are also available on the Town’s website.

The Town has begun collecting quotes and bids for the equipment it will purchase. Copies of these bids can be requested.

VI. FORMAT AND CONTENT OF PROPOSAL

In order for Town staff to adequately compare and evaluate proposals objectively, all proposals **MUST** be submitted in accordance with the following format. The proposal should complete the blanks in the format below, providing straight-forward and concise information as requested.

LEASE QUOTE:	Amount	Rate	Payments	Factor	Pmts/Yr.	Term	Adv./Arr.
5 YEAR Police Vehicles and equipment, Truck and Tree/brush Chipper	\$216,500				4	5- years	Advance

VII. EVALUATION OF PROPOSALS

The proposals will be evaluated by Town Staff directly and indirectly responsible for administering the Town's lease purchase activities. The Town, at its sole discretion, will determine whether to hold discussions with the proposers who are in a "competitive range" or to recommend that the contract be awarded without discussion on the basis of the proposal submitted

IX. FINAL COMMENTS

The Town reserves the right to reject any and all proposals, cancel all or part of this RFP, waive any minor irregularities and to request additional information from proposing companies. By requesting proposals, the Town is in no way obligated to award a contract or pay expenses of

the proposing companies in connection with the preparation or submission of a proposal.

The Town truly appreciates the effort all the companies and their respective staffs will put forth in responding to the Municipal Lease Purchase Proposal for the Town of Paradise.

Request for additional information or assistance relative to the Request for Proposal should be directed to: ***Gina Will, Finance Director/Town Treasurer, (530) 872-6291 x 119 or gwill@townofparadise.com.***