



704 BROADWAY • ALEXANDRIA, MN 56308 • PH (320)763-6678 • FAX (320)763-3511 www.alexandriamn.city

REQUEST FOR PROPOSALS MUNICIPAL FINANCING FOR FIRE RESCUE

The purpose of this Request for Proposal (“RFP”) is to solicit bids from qualified firms to enter into an agreement with City of Alexandria, MN for the financing of the purchase of a new Fire Rescue.

The Fire Rescue will be used by the Alexandria Fire Department for public safety services. The estimated project amount is approximately \$688,000. This financing should be bid as Bank Qualified Borrowing.

Authority for capital purchases is contained in the City’s approved budget. The terms of the financing to be anticipated would be a 15-year agreement for approximately \$688,000 with equal annual principal and interest payments, level annual debt service, with funds anticipated to be transferred from the financier to the City or direct to the vendor upon receipt of the Fire Rescue in June 2023.

All financing proposals should be calculated with annual payments in arrears and shall include ‘non-appropriation”, or “failure to fund” clauses as mandated for this type of government borrowing. The annual interest rate, the annual payment amount, and the total payment amount should be included in the bid.

Failure to provide all documentation required to execute the financing with the proposal will result in the proposal being considered unresponsive.

Because of the length of time between when the financing proposals are due (i.e., May 10, 2023), and when funds are expected to be transferred (i.e., after June 12, 2023), the City requests that the proposals include a fixed rate bid that is good for 30 business days from the quote due date of May 10, 2023. The Respondent’s Proposal needs to specify the basis for the recalculation of the rate should the timeline of closing the loan exceed 30 business days past the quote due date of May 10, 2023. The fixed rate bid is requested in order to allow sufficient time to obtain the City Council’s approval of the Respondent’s fixed rate bid proposal and close the financing.

The City’s annual financial reports are found on the City’s website: <https://alexandriamn.city/city-financial-reports/>

If you have questions regarding this RFP, e-mail your questions to jblade@alexandriamn.city.

**TERM SHEET
MUNICIPAL FINANCING TRANSACTION FOR
FIRE RESCUE
CITY OF ALEXANDRIA, MN
DUE DATE: 3:00 PM CST Wednesday, May 10, 2023**

Borrower: City of Alexandria

Total Transaction Amount: \$688,000 (subject to change)

Structure: Municipal Financing Subject to Annual Appropriation; Level Debt Service

Method of Sale: Private Placement

Term: 15 Years

Security: The Equipment

Anticipated Delivery of Equipment: June, 2023

Use of Proceeds: The proceeds will be used to finance the purchase of Fire equipment for the sole purpose of fulfilling essential public safety functions. The equipment is expected to remain in service for a minimum of twenty years. This equipment is replacing equipment which serves the same function and has been in service for approximately twenty-five years. Financing payments will be funded by annual tax levy.

Terms and Conditions: The City has the right to reject any and all quotes; and to negotiate with one or more bidders to further modify the proposals. Submittal of a quote does not create any right in or expectation to a contract with the City. The City has the right to reduce the amount to be financed; to utilize alternative financing mechanisms; to disqualify any quotes not meeting the RFP due dates; The City will not incur a financial obligation for any costs incurred by any company in preparing their Proposals. The City reserves the right to request clarification of submitted information and to request additional information from Respondents.

Proposals on the attached quote form, including amortization schedule and proforma financing agreement, must be received by 3:00 PM CST on Wednesday, May 10, 2023.

Quotes must be emailed to: jblade@alexandriamn.city

The City has the right to extend or waive timelines, but if it does so, will provide the same extension or waiver to all bidders.

Bidders warrant that no elected or appointed official or employee of the City will benefit personally from this contract. The City reserves the right to refuse to award any contract to or rescind any contract entered into with any bidder who offers any gratuity of any kind to a public official to induce the City to enter into this agreement.

Bidders are required to comply with all applicable provisions of federal, state or local law.

**OFFICIAL QUOTE FORM
TAXABLE FINANCING TRANSACTION
FIRE RESCUE
CITY OF ALEXANDRIA, MN**

Transaction Size: \$688,000 (subject to change)

Term: 15 years

Structure: Annual payments of principal and interest in arrears.

Annual level debt service

Funds are estimated to be required in June, 2023.

First payment will be February 1, 2024.

Proposers should provide their all-in cost of financing.

FIXED RATE RESPONSE

Interest Rate: _____%

(This is a fixed rate bid that is good through June 21, 2023. Specify the basis for the recalculation of the rate should the loan closing occur past the proposed close date of June 21, 2023):

Payment Structure:

Total Principal Payment	\$	688,000*
Issuance Cost	\$	_____
Total financing	\$	_____
Total Interest Cost Over Term	\$	_____
Annual Payment Amount	\$	_____

*subject to change

Firm Name _____

Contact Person: _____

Email Address: _____

Telephone Number: _____

ATTACH AMORTIZATION SCHEDULE AND PROFORMA FINANCING AGREEMENT