



Town of Wethersfield

505 SILAS DEANE HIGHWAY
WETHERSFIELD, CONNECTICUT 06109

MICHAEL J. O'NEIL
FINANCE DIRECTOR

INVITATION TO BID – ADDENDUM #1

TAX-EXEMPT LEASE FINANCING

#2019-04

December 3, 2018

Prospective Bidders and all concerned are hereby informed that the following clarifications are made to and become part of the Bid documents:

Question 1. Section I of the Invitation to Bid says that the desired initial payment date is August 1, 2018. What is the correct date?

Answer 1. Bids should assume annual payment dates of August 1, beginning in 2019 in each case.

Question 2. What is the anticipated date of lease funding/closing for each piece of equipment?

Answer 2. Bid submissions should offer an interest rate guaranteed for a period of 30 days following the bid opening date. The Town prefers to close/fund each lease into escrow by the end of that 30 day period.

Question 3. What is the anticipated delivery date of each piece of equipment?

Answer 3. The Town expects to take delivery of all of the equipment from mid- to late 2019. We would like to fund/close each lease into escrow as described in Question 2 above, and receive reimbursements from the escrow as each item is purchased and delivered.

Question 4. Is this lease being designated as “Bank Qualified” or “Non-Bank Qualified”?

Answer 4. The Town has executed leases totaling \$2,361,000 during 2018. Except for the leases that are the subject of this Invitation to Bid, no other debt instruments, including bonds

and notes, will be issued during 2018. For 2019, except for the leases that are the subject of this Invitation to Bid, the Town expects to issue general obligation bonds for land acquisition totaling \$2,470,000. It is anticipated that the Town will execute leases for equipment in late 2019 or early 2020 in conjunction with appropriations for that purpose that would be approved for the budget year beginning July 1, 2019. We anticipate that the total amount financed for that purpose will be less than \$1,000,000. We do not anticipate issuing any other debt instruments, including bonds and notes, during 2019.

Question 5. Are the vehicles replacement units? If so, how old is the equipment each is replacing?

Answer 5. The Freightliner plow truck will replace a similar vehicle purchased in 2005. The police vehicles are regular replacements. These vehicles are typically in service for eight years, and are auctioned when removed from service. The fire engines will be replacing two units purchased in 1975 and 1989.

Question 6. Can you please confirm the final [assumed] payment dates for each vehicle?

Answer 6. The assumed final payment date for the items with 3-year terms is August 1, 2021. The assumed final payment date for the item with a 5-year term is August 1, 2023. The assumed final payment date for the item with a 7-year term is August 1, 2025. The assumed final payment date for the item with a 10-year term is August 1, 2028.

The deadline for bid submissions is December 5, 2018 at 2:00 p.m. local time.