



## City of Charleston

Procurement Division  
75 Calhoun St. Suite 3500  
Charleston, SC 29401  
Ph: (843) 724-7312 Fax: (843) 720-3872

### INVITATION FOR BID

**Date:** January 15, 2016

**Solicitation Number:** 16-B005C

**Closing Date/Time:** February 3, 2016 @ 11:30am  
**Location:** 75 Calhoun St., Suite 3500, Charleston, SC 29401

**Procurement:** 2016 Lease Purchase Financing Services

The City of Charleston, South Carolina requests proposals from qualified and eligible Offerors interested in providing financing services for the acquisition of commodities/equipment under a master lease agreement.

Subject to the terms, conditions, provisions, and the enclosed specifications, responses to this solicitation will be received at this office until the stated date and time. After which, only the names of the respondents will be publicly announced. Responses received after the scheduled due date and time will be rejected. ***Proposals must be submitted in a sealed package marked on the outside with the Offeror's name, address, and the solicitation name and number.***

This solicitation does not commit the City of Charleston to award a contract, to pay any costs incurred in the preparation of proposals submitted, or to procure or contract for the services. The City reserves the right to accept or reject or cancel in part, or in its entirety offers received as a result of this request if deemed to be in the best interest of the City of Charleston to do so.

**Questions regarding this solicitation must be submitted in writing** to Gary Cooper **no later than 11:00 a.m. on January 25, 2016**. Questions may either be faxed to 843-720-3872 or emailed to [cooperg@charleston-sc.gov](mailto:cooperg@charleston-sc.gov).

**Direct all inquires to:**

\_\_\_\_\_  
Gary Cooper  
Director of Procurement

## INSTRUCTIONS TO BIDDERS

1. **Submittal must include a letter of interest, one (1) original proposal clearly marked as original, and four (4) complete copies of the Offeror's proposal.** Responses must be in a sealed container/package. Responses received by fax or other electronic means (e-mail, CD, etc.) will be rejected. For identification purposes, all containers/packages must contain the solicitation name and number.

Individual signing the response must be an Agent legally authorized to bind the company.

2. Show solicitation number on the outside of mailing package. The City of Charleston assumes no responsibility for unmarked or improperly marked envelopes.
3. It is the Offeror's sole responsibility to insure that solicitation responses, amendments thereto or withdrawal requests are submitted by the scheduled due date and time.
4. Offeror must clearly mark as "Confidential" each part of their response, which they consider to be proprietary information that could be exempt from disclosure under Section 30-40(C) Code of Laws of South Carolina, 1976, Freedom of Information Act. The City reserves the right to determine whether this information should be exempt from disclosure and legal action may not be brought against the City or its agents for its determination in this regard.
5. **RESPONSE FORM:** All responses shall be printed in ink or typewritten. When required, additional pages may be attached.

A **"No Response"** qualifies as a response, however it is the responsibility of the vendor to notify the Procurement Office if you receive solicitations that do not apply. Failure to respond to three (3) solicitations during the calendar year may result in removal from source/vendors list.

## TERMS AND CONDITIONS

1. **COMPETITION:** This solicitation is intended to promote full and open competition. If any language, specifications, terms and conditions, or any combination thereof restricts or limits the requirements in this solicitation to a single source, it shall be the responsibility of the interested vendor to notify the Procurement Division in writing no later than five (5) business days prior to the scheduled due date and time.
2. **BIDDERS QUALIFICATION:** The City reserves the right to request satisfactory evidence of their ability to furnish services in accordance with the terms and conditions listed herein. The City further reserves the right to make the final determination as to the Offerors ability to provide said services.
3. **PROPOSAL WITHDRAWAL:** Any responses may be withdrawn prior to the established closing date and time, but not thereafter with proper approval from the Procurement Director.
4. **REJECTION:** The City of Charleston reserves the right to reject any and all bids, to cancel or withdraw this solicitation, and to waive any technicality if deemed to be in the best interest of the City.
5. **WAIVER:** The City reserves the right to waive any Instruction to Bidders, General or Special Provisions, General or Special Conditions, or specifications deviation if deemed to be in the best interest of the City.
6. **RESPONSE PERIOD:** All responses shall be good for a minimum period of 90 calendar days.
7. **DEVIATIONS FROM SPECIFICATIONS:** Any deviation from specifications indicated herein must be clearly pointed out; otherwise, it will be considered that items offered are in strict compliance with these specifications, and successful bidder will be held responsible therefore. Deviations must be explained in detail on separate attached sheet(s). The listing of deviations, if any, is required but will not be construed

as waiving any requirements of the specifications. Unidentified deviations found during the evaluation of the response may be cause for rejection.

8. **AMENDMENTS:** All amendments to and interpretations of this solicitation shall be in writing and issued by the Procurement Director of the City of Charleston.
9. **GRATUITIES AND KICKBACKS:**
  - A. **Gratuities.** It shall be unethical for any person to offer, give or agree to give any employee or former employee, or for any employee or former employee to solicit, demand, accept, or agree to accept from another person a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter pertaining to any program requirement of a contract or subcontract, or to any solicitation or proposal therefore.
  - B. **Kickbacks.** It shall be unethical for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor, or to hire any subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order.
10. **DEFAULT:** In case of default by the Offeror, the City reserves the right to purchase any or all items in default in the open market, charging the Offeror with any excessive costs. Should such charge be assessed, no subsequent solicitation response of the defaulting Offeror will be considered until the assessed charge has been satisfied.
11. **NON-APPROPRIATION / SUBSTITUTION PERMITTED:** If the City of Charleston Council fails to appropriate or authorize the expenditure of sufficient funds to provide the continuation of this contract or if a lawful order issued in, or for any fiscal year during the term of the agreement, reduces the funds appropriated or authorized in such amounts as to preclude making the payments set out therein, the agreement shall terminate on the date said funds are no longer available without any termination charges or other liability incurring to City. Following any such non-appropriation, the master lease agreement shall contain no limitation on the City's ability to replace the equipment financed with any other equipment.
12. **INDEMNIFICATION:** Except for expenses or liabilities arising from the negligence of the City, the Offeror hereby expressly agrees to indemnify and hold the City harmless against any and all expenses and liabilities arising out of the performance or default of any resulting agreement or arising from or related to the Work as follows:

Offeror expressly agrees to the extent that there is a causal relationship between its negligence, action or inaction, or the negligence, action or inaction of any of its employees or any person, firm, or corporation directly or indirectly employed by the Offeror, and any damage, liability, injury, loss or expense (whether in connection with bodily injury or death or property damage or loss) that is suffered by the City and its employees or by any member of the public, to indemnify and save the City and its employees harmless against any and all liabilities, penalties, demands, claims, lawsuits, losses, damages, costs, and expenses arising out of the performance or default of any resulting agreement or arising from or related to the equipment. Such costs are to include defense, settlement and reasonable attorneys' fees incurred by the City and its employees. This promise to indemnify shall include bodily injuries or death occurring to Offeror's employees and any person, directly or indirectly employed by Offeror (including without limitation any employee of any subcontractor), the City's employees, the employees of any other independent contractor, or occurring to any member of the public. When the City submits notice, Offeror shall promptly defend any aforementioned action.

The prescribed limits of insurance set forth herein shall not limit the extent of the Offeror's responsibility

under this Section. The terms and conditions contained in this Section shall survive the termination of any resulting agreement or the suspension of the Work hereunder.

**Additionally the City will not provide indemnity to the successful bidder. Failure to comply with this section may result in your bid to be deemed non-responsive.**

13. **FORCE MAJEURE:** The Offeror shall not be liable for any excess costs if the failure to perform the resulting agreement arises out of causes beyond the control and without fault or negligence of the Offeror. Such causes may include, but are not restricted to acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case the failure to perform must be beyond the control and without the fault or negligence of the contractor. If the failure to perform is caused by default of a subcontractor, and if such default arises out of causes beyond the control of both the Offeror and subcontractor and without excess costs for failure to perform, unless the supplies or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the contractor to meet the required delivery schedule.
14. **ARBITRATION:** Under no circumstances and with no exception will the City of Charleston act as arbitrator between the Offeror and any subcontractor.
15. **PUBLICITY RELEASES:** Offeror agrees not to refer to award of this contract in commercial advertising in such a manner as to state or imply that the products or services provided are endorsed or preferred by the City. The Offeror shall not have the right to include the City's name in its published list of customers without prior approval of the City. With regard to news releases, only the name of the City, type and duration of any resulting agreement may be used and then only with prior approval of the City. The Offeror also agrees not to publish, or cite in any form, any comments or quotes from the City's staff unless it is a direct quote from the Public Information Officer.
16. **GOVERNING LAWS:** Any agreement arising from this solicitation shall be governed by the laws of the State of South Carolina and any and all disputes arising out of said agreement shall, if litigation is necessary, be litigated only in a Circuit Court for the Ninth Judicial Circuit sitting in Charleston, South Carolina. The prevailing party shall be entitled to attorney's fees and all costs of said litigation.
17. **ASSIGNMENT:** The Offeror shall not assign in whole or in part any agreement resulting from this Request for Proposals without the prior written consent of the City.  
  
The Offeror shall not assign any money due or to become due to him under said agreement without the prior written consent of the City.
18. **AFFIRMATIVE ACTION:** The successful Offeror will take affirmative action in complying with all Federal and State requirements concerning fair employment and treatment of all employees, without regard or discrimination by reason of race, color, religion, sex, national origin or physical handicap.
19. **CONTRACT AWARD:**

- A. This solicitation and submitted documents, when properly accepted by the City of Charleston shall constitute an agreement equally binding between the successful Offeror and the City.

No oral statement of any person shall modify or otherwise change, or affect the terms, conditions or specifications stated in the resulting agreement. The City shall not be legally bound by any amendment or interpretation that is not fully executed by both parties in writing.

- B. The successful Offeror shall be required to execute a formal agreement with the City's Procurement Office within five (5) business days after issuance of the Notice of Award.

20. **CONTRACT ADMINISTRATION:** Questions or problems arising after award of an agreement shall be directed to the Director of Procurement by calling (843) 724-7312. Copies of all correspondence concerning this solicitation or resulting agreement shall be sent to the Procurement Division, 75 Calhoun St, Suite 3500, Charleston, SC 29401.
21. **CONTRACT TERM / EXTENSION OPTION:** The initial term of the resulting agreement shall be for a period of 18 months from date of execution. The City reserves the right to extend the agreement if deemed to be in the City's best interest; said extension will be on an annual basis and shall not exceed four (4) additional one (1) year periods.
22. **RATE CHANGES:** Any request for changes in rates shall be submitted in writing no less than sixty (60) calendar days prior to the end of the existing contract period. Any request for an increase shall be accompanied by supporting documentation.

The City reserves the right to accept or reject, in full or in part, any request(s) for rate change. The City will return its written intent to extend within thirty (30) days from receipt of request. No change shall be effective until the Procurement Director has given written approval.

All requests must be sent certified mail to ensure delivery.

## FINANCING SERVICES

- I **SCOPE:** The City (Lessee) proposes to establish an agreement with a qualified and eligible financial institution to provide financing services for the acquisition of commodities/equipment under a master lease purchase agreement as described herein. The agreement shall be between the Lessee and the successful Offeror (Lessor).
- II. **GENERAL:**
- A. The City estimates funding approximately **\$5,381,996.00** under this program over an eighteen (18) month period effective from the date of execution of approved agreement. Actual expenditures may vary.
- B. The City shall have the option to fund equipment and/or refinance existing equipment under the agreement using an escrow account or through direct payment.
- C. Equipment shall include, but is not limited to, vehicles, and other such other items deemed necessary by the City of Charleston as permitted by state law.
- D. The City is requesting semi-annual payment in arrears; three (3) and four (4) years are required as follows:
- **3 years** useful life: approximately **\$1,400,00.00**  
(Police items as shown on 2016 Lease Purchase Schedule)
  - **4 years** useful life: approximately **\$3,981,996.00**  
(Non-police items/equipment as shown on 2016 Lease Purchase Schedule)
- \*\*\* **All payments must be computed on a semi-annual compounding basis.**
- E. **Purchase Options:** The City will build equity in the equipment with each lease payment and will have the option to purchase the equipment as specified herein. The City will own the equipment free and clear of Lessor's lien after the last lease payment.

- F. All obligations, costs, and responsibilities associated with ownership of the equipment will be borne by the Lessee to include, but is not limited to, insurance, maintenance, and applicable taxes,
- G. The City reserves the right to have funds transferred in whole to an escrow agent chosen by the City whereby dispersing of such funds will be the sole responsibility of the City.
- H. **The City shall have the right to prepay, without penalty, in whole at any time by paying (a) all amounts then due and payable, (b) all interest accrued and unpaid to the prepayment date, and (c) 100% of the outstanding principal amount. Also, the City will have the right to pre-pay, without penalty, on the balance of any totaled vehicle. This section also specifically includes “transfers upon completion,” whereby the City will not be subject to a prepayment fee upon any return of the balance of remaining monies at the end of the lease.**
- I. The City will provide audited 2014 financial statements. Since the City has a December 31 fiscal year, 2015 and 2016 interim statements will not be available.
- J. **The City will not pay escrow, investment or any other associated fees.**
- K. The Lessee will carry liability coverage of \$600,000; the Lessor **will not** be named as “Additional Insured” on the policy. The Lessor shall be named as “Loss Payee” on the property coverage.
- L. Anticipated lease closing date is April 1, 2016.

### III. **REFERENCE INFORMATION (LESSEE):**

- General Obligation Rating: AAA (Standard and Poor’s); and Aaa (Moody’s)
- The financing will not be a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986.

### **SUBMITTALS:**

- Letter of Interest;
- Rate Proposals (Use enclosed Proposal Form);
- Current Financial Reports for the most recently completed Fiscal Year;
- **Master Lease Agreement with option to purchase and consistent with enclosed Terms and Conditions including paragraphs numbered 11 and 12.**  
**Note: The City reserves the right to seek legal counsel on agreement.**
- Documents/Certificates to evidence and carry-out transactions  
(i.e. representations, warranties, and indemnities which are deemed appropriate by the City and the Lessor, etc.);
- A minimum of three (3) references funded during the 2014 and 2015 calendar years; to include name, address, telephone number, and Master Lease Agreement.
- Three and four year amortization schedules.

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## PROPOSAL RESPONSE FORM

Solicitation Number: **16-B005C**

Closing Date/Time: **February 3, 2016 @ 11:30 am**

Location: **75 Calhoun St., Suite 3500, Charleston, SC 29401**

Procurement: **2016 Lease Purchase Financing Services**

**1. New Purchases:** 3 Year: \_\_\_\_\_% 4 Year: \_\_\_\_\_%

**Preferred Funding Date:** **April 1, 2016** **Offeror's Funding Date:** \_\_\_\_\_

Please provide in detail any additional costs or fees the City would incur under your proposal, such as legal fees for your counsel or any administrative charges you might impose. Please see II.B. under the section headed "Financing Services" in the Invitation for Bid. The reason for this requested information is to enable the City to compare proposals received on a consistent basis.

Details: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Company Name

Authorized Signature

NOTE: The attached Certificate of Familiarity must be returned with solicitation response.

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## CERTIFICATE OF FAMILIARITY

The undersigned, having fully familiarized himself with the information contained within this entire solicitation and applicable amendments, submits the attached response, and other applicable information to the City, which I verify to be true and correct to the best of my knowledge. I further certify that this response is made without prior understanding, agreement, or connection with any corporation, firm or person submitting a response for the same materials, supplies or equipment, and is in all respects, fair and without collusion or fraud. I agree to abide by all conditions set forth in this solicitation and certify that I have signature authority to bind the company listed herein.

**MINORITY BUSINESS:** Are you a minority business?

► **Yes** \_\_ ( \_\_ Women-owned / \_\_ Disadvantaged) If yes, please submit a copy of your certificate with your response.

► **No** \_\_

## MAILING ADDRESS

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
City, State, Zip

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Telephone Number / \_\_\_\_\_  
Fax Number

## REMITTANCE ADDRESS

\_\_\_\_\_  
Company Name  
(As registered with the IRS)

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Address

\_\_\_\_\_  
E-Mail Address

\_\_\_\_\_  
City, State, Zip

\_\_\_\_\_  
Fax Number

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Toll-Free Number if available

\_\_\_\_\_  
Federal Tax ID Number

\_\_\_\_\_  
SC Sales Tax Number

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Solicitation #: **16-B005C**  
Closing Date/Time: **February 3, 2016 @ 11:30am**  
Procurement: **2016 Lease Purchase Financing Services**

## "NO RESPONSE" FORM

To submit a **"No Response"** for this project, this form must be completed for your company to remain on our bidders list for commodities/services referenced. If you do not respond your name may be removed from this bidders list.

Please check statement(s) applicable to your **"No Bid"** response --

- ☐ Specifications are restrictive; i.e. geared toward one brand or manufacturer only (explain below).
- ☐ Specifications are ambiguous (explain below).
- ☐ We are unable to meet specifications.
- ☐ Insufficient time to respond to the solicitation.
- ☐ Our schedule would not permit us to perform.
- ☐ We are unable to meet bond requirements.
- ☐ We are unable to meet insurance requirements.
- ☐ We do not offer this product or service.
- ☐ Remove us from your vendor list for this commodity/service.
- ☐ Other (specify below).

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

\_\_\_\_\_  
Company Name (as registered with the IRS)

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Correspondence Address

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
City, State, Zip

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Telephone

/ \_\_\_\_\_  
Fax