

Request for Proposals

Installment Purchase Contract (Lease/Purchase) Financing for “Energy Performance Contract”

Fiscal Advisors & Marketing, Inc. at the request of:

**Mahopac Central School District
Putnam County, New York
(the “School District”)**

1. Requests for written or email bids for providing Installment Purchase Contract (Lease/Purchase) Financing are due no later than **Thursday, July 29, 2021 at 11:00 A.M. EST.** at the office of:

Fiscal Advisors & Marketing, Inc.
250 South Clinton Street, Suite 502
Syracuse, NY 13202
Phone: (315) 752-0051 Ext. 325
Fax: (315) 752-0057
Email: nmousaw@fiscaladvisors.com
Attn: Natalie Mousaw
(For financing questions contact Beth Ferguson at (845) 447-2214 Email: bferguson@fiscaladvisors.com)

2. The principal amount of the installment purchase contract will be **\$3,914,967.**
3. The lease purchase financing will be used to fund various projects of the School District as defined in “Scope of Work” attached as “EXHIBIT – A” to this Request for Proposals. The project cash flow is attached as “EXHIBIT – B.” The energy service company is Ameresco Inc.
4. The interest rate quoted will be fixed as of the time of the bid and will remain constant throughout the lease term and will include any and all fees or expenses associated with this financing.
5. The financing entity will be provided with an opinion of Bond Counsel to the effect that the interest component of payments to be made by the School District pursuant to the financing contract (“interest”) is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The opinion set forth in the preceding sentence will be subject to the condition that the School District comply with all requirements of the Internal Revenue Code of 1986, as amended (the “Code”) that must be satisfied subsequent to the date of the financing contract in order that interest be, or continue to be, excluded from gross income for federal income tax purposes. The School District will covenant to comply with all such requirements. Failure to comply with all such requirements may cause the interest to be included in gross income for federal income tax purposes retroactive to the date of closing. Bond Counsel will not express an opinion regarding other federal tax consequences arising with respect to the lease and the related documents. **The installment purchase contract will NOT be designated by the School District as a “qualified tax-exempt obligation” pursuant to the provisions of Section 265 of the Code.**
6. **All bids shall remain in effect for 30 days from the day quotes are due. It is anticipated that funds will need to be available on or about August 19, 2021. All quotes should be based upon this estimated timeline.**
7. Each bid should be accompanied by a repayment schedule listing principal, interest and total annual payments. Total annual payments are expected to provide for substantially level or declining annual debt service. **In addition, each bidder is required to submit their standard sample form of lease purchase agreement and proposed escrow bank sample form of escrow agreement. No award is final until formally approved by the Board of Education at its meeting currently scheduled for August 12, 2021.** Upon verbal or written notification of successful bid award, (which shall be conditional upon successful negotiation of all transactional documents and opinions), the successful bidder shall be required to deliver the proposed forms of the leasing documents to Fiscal Advisors & Marketing, Inc.
8. The School District requires the ability to prepay the proposed lease purchase agreement (the “Agreement”) in full or in part on any date without prepayment penalty, upon 10 days written notice to the Lessor. Respondents to this Request for Proposals shall clearly define their methodology used for such prepayment of principal prior to maturity if any prepayment penalty is proposed. Determination of award will be based in part on the prepayment penalty, if any, which is most favorable to the School District.
9. The current Moody’s Investors Service rating of the School District is “Aa2”.

10. The School District's Continuing Disclosure and Material Event filings related to SEC Rule 15c2-12 can be found on the Electronic Municipal Market Access system of the Municipal Securities Rulemaking Board.
 - a. A copy of the School District's most recent Continuing Disclosure Statement for fiscal year ending June 30, 2020 can be found here:
<https://emma.msrb.org/P11435122-P11113160-P11523071.pdf>
 - b. A copy of the School District's fiscal year ending June 30, 2020 audited financial statements can be found here:
<https://emma.msrb.org/P11435124-P11113162-P11523073.pdf>
 - c. The School District's Material Event filings can be found here:
<https://emma.msrb.org/IssuerHomePage/Issuer?id=14F6391991908E5F8A06F4869D00CE5D>
11. Among other factors, the low bid/quote will be determined by the lowest amount indicated for a total of payments with the requirement that the quote will meet all other conditions listed herein that are not affirmatively waived by the School District.
12. Prior to complete delivery of equipment, it will be necessary to make partial payment to vendor(s). In this case, unexpended funds shall be held in an interest bearing escrow fund account established by the winning bidder (the "Lessor") in the name of School District. Interest earnings will begin to accrue to the School District on the date of the deposit to the escrow fund. All interest earnings shall be applied to reduce the last scheduled payment(s) at the end of the financing term. Any unexpended funds after payment to all vendors shall be recalculated to reduce remaining payment amounts equally unless otherwise authorized by the School District. The escrow agent must be a bank or trust company located in and authorized to do such business in New York State. The bank must have an office in New York State which is stated in the proposed Escrow Contract. Investments shall be made solely at the direction of the School District and shall be made in accordance with the requirements of General Municipal Law Sections 10 and 11 and the School District's formal investment policy. The School District is not authorized to invest in mutual funds or similar liquid investment vehicles. All monies held in the escrow fund are monies of the School District and shall not be subject to levy, attachment or lien of the escrow agent. All charges of the escrow agent shall be paid by the Lessor.
13. The installment purchase contract financing will be in the amount of **\$3,914,967**.

Financing term for the lease will be 15 years.

Interest will be payable semi-annually on February 15 and August 15 commencing on August 15, 2022.

Principal will be payable semi-annually on February 15 and August 15 commencing on February 15, 2023 through and including February 15, 2036.

The School District reserves the right to modify the principal payments post sale, in any amounts as deemed necessary to achieve substantially level or declining annual debt service.

14. There shall be no additional fees or charges (including any Escrow Agent Fees) to the School District other than the annual debt service payments.
15. There shall be a \$1 (one dollar) buyout option in favor of the School District at lease expiration, in addition to optional prepayment described in section #8 above.
16. All manufacturers' warranties shall be assigned by the Lessor to the School District.
17. The Agreement shall be subject to cancellation by the School District annually and shall include the following paragraph:

"Pursuant to the requirements of General Municipal Law section 109-b, the financing contract shall contain the appropriate executory clause which shall state that should financing contract payments not be appropriated by the School District the School District will not be obligated to pay the amounts due beyond the end of the last funded fiscal year. The financing contract shall be deemed executory only to the extent of monies appropriated and available therefor, and no liability on account thereof shall be incurred by the School District beyond the amount of such monies. The financing contract is not a general obligation of the School District. Neither the full faith and credit nor the taxing power of the School District are pledged to the payment of any amount due or to become due under the financing contract. In the case of a failure to appropriate, the sole security shall be the improvements that are the subject of the financing contract. It is understood that neither this contract nor any representation by any public employee or officer creates any legal or moral obligation to appropriate or make available monies available for the purpose of the financing contract. In the event that no funds or insufficient funds are appropriated by the School District the financed improvements may be acquired and sold by or on behalf of the financing entity entitled to receive payments, provided that any excess proceeds from such a sale, after deduction for and payment of fees, expenses and any taxes levied on the sale, shall be paid to the School District as provided in section 109-b of the General Municipal Law."

18. The sole security shall be the equipment, machinery or apparatus financed pursuant to the Agreement. In the event insufficient funds are appropriated to pay this obligation, such equipment, machinery and apparatus may be sold on behalf of the Lessor entitled to receive such payments, provided that any excess proceeds from such a sale shall be paid to the School District after deduction of obligations, taxes or other expenses of the Lessor.
19. Payments by the escrow agent shall be made only at the written direction of the School District and may likely require multiple payments. Payments may be required by either check or electronic wiring depending on equipment vendor requirements. All associated costs for these services must be included in the quote.
20. The installment purchase contract financing will be for upgrade, replacement, purchase and installation of energy management equipment and management and control systems.
21. Proposals will be evaluated based on total cost, ability to perform, requirements of the bidder, experience in New York State, and any other terms or conditions stipulated in each proposal.
22. The School District reserves the right to reject any or all bids/quotes, to waive any or all informalities, to request new proposals, negotiate with the lowest bidder and to award based upon the overall best interests of the School District. The attached Quote Proposal Form must be completed and included with each quote. The proposed forms of the lease purchase agreement, escrow contract and related documents must be submitted with the bid. Closing is subject to successful negotiation and approval of all such documents by counsel to the School District. The School District reserves the right to rescind an award due to failure of successful negotiation of the parties to agree to the terms and conditions thereof.
23. All agreements and contractual conditions are required to conform with the laws of the State of New York, including, but not limited to, the General Municipal Law, the Local Finance Law, the Energy Law, the Education Law, and regulations of the State Education Department and the Office of the State Comptroller. The School District's legal counsel will review and approve all documents on behalf of the Board of Education.
24. The Lessor shall be responsible for all of the Lessor's legal, issuance and closing costs.
25. Annual Appropriation: The annual lease payments are subject to appropriation each year by the Board of Education of the School District.
26. The School District will not provide a legal description for each School District property in connection with this financing. The School District will provide the Section, Block and Lot number for each school building. In the event the Lessor requires this information for the purposes of making a fixture filing pursuant to the applicable provisions of the Uniform Commercial Code, the Lessor may obtain such information at its own effort and expense.
27. By submitting a bid/quote, each bidder is agreeing to abide by all provisions of this Request for Proposals. No terms or conditions of the Lessor may be imposed on the School District that supersede or contradict the terms set forth in this Request for Proposals.
28. Summary of Estimated Dates

RFP sent to providers:	July 22, 2021
Proposal and Response Form Due: 11:00 a.m.	July 29, 2021
Selected Lessor Tentatively Approved: *	July 29, 2021 *
Draft Lease Documents Delivered:	July 29, 2021
Credit Approval Completed:	August 6, 2021
Board of Education Meeting Date: Lease approved	August 12, 2021
Closing of Lease:	August 19, 2021

* Subject to Board of Education approval

The District reserves the right to modify these dates.

Dated: July 22, 2021

MAHOPAC CENTRAL SCHOOL DISTRICT

SCOPE OF WORK

Building	Ecm #	ECM Name	Total Project Costs	Expected Life
Austin	1	Lighting System Improvements	\$ 71,423	15.00
Falls	1	Lighting System Improvements	\$ 106,068	15.00
Fulmar	1	Lighting System Improvements	\$ 107,283	15.00
Lake	1	Lighting System Improvements	\$ 141,292	15.00
HS	1	Lighting System Improvements	\$ 387,384	15.00
MS	1	Lighting System Improvements	\$ 221,066	15.00
Admin	1	Lighting System Improvements	\$ 6,707	15.00
Garage	1	Lighting System Improvements	\$ 10,404	15.00
Austin	2	Exterior Lighting Improvements	\$ 18,981	15.00
Falls	2	Exterior Lighting Improvements	\$ 17,804	15.00
Fulmar	2	Exterior Lighting Improvements	\$ 12,969	15.00
Lake	2	Exterior Lighting Improvements	\$ 13,829	15.00
HS	2	Exterior Lighting Improvements	\$ 40,781	15.00
MS	2	Exterior Lighting Improvements	\$ 23,433	15.00
Admin	2	Exterior Lighting Improvements	\$ 1,828	15.00
Garage	2	Exterior Lighting Improvements	\$ 15,658	15.00
Austin	3	Lighting Controls	\$ 4,851	15.00
Falls	3	Lighting Controls	\$ 6,552	15.00
Fulmar	3	Lighting Controls	\$ 3,002	15.00
Lake	3	Lighting Controls	\$ 6,760	15.00
HS	3	Lighting Controls	\$ 18,188	15.00
MS	3	Lighting Controls	\$ 13,344	15.00
Admin	3	Lighting Controls	\$ 476	15.00
Garage	3	Lighting Controls	\$ 242	15.00
Austin	4	Energy Management Systems	\$ 45,805	15.00
Falls	4	Energy Management Systems	\$ 113,465	15.00
Fulmar	4	Energy Management Systems	\$ 42,169	15.00
Lake	4	Energy Management Systems	\$ 213,027	15.00
HS	4	Energy Management Systems	\$ 303,182	15.00
MS	4	Energy Management Systems	\$ 83,793	15.00
Admin	4	Energy Management Systems	\$ 65,435	15.00
Falls	5	Exterior Door Replacements	\$ 102,744	30.00
Lake	5	Exterior Door Replacements	\$ 314,965	30.00
Lake	6	Steam Trap Replacements	\$ 80,685	5.00
Austin	8	Building Envelope	\$ 92,089	30.00
Lake	8	Building Envelope	\$ 4,287	30.00
MS	8	Building Envelope	\$ 4,331	30.00
Lake	9	Solar Photovoltaic System	\$ 373,538	25.00
Austin	9	Solar Photovoltaic System	\$ 825,125	25.00
			\$ 3,914,967	19.84

MAHOPAC CENTRAL SCHOOL DISTRICT

PROJECT CASH FLOW

Mahopac Central School District - Pro-Forma

Initial Project Costs:	
District A/E Design and Specifications	\$ 280,306
Implementation costs for the energy efficiency measures	\$ 3,634,661
Total Initial Project Costs	\$ 3,914,967
Estimated Initial Incentives	\$ 177,549
Net Project Costs after rebates	\$ 3,737,418

Financial Assumptions	
Improvements excluded from State Aid	\$ 1,131,099
Term of Project (yrs)	18.0 yrs
Term of Financing (yrs)	15.0 yrs
Gross Financing Rate	3.90%
Resulting annual payments	see below
Discount Rate	4.00%
SED contribution ratio	47.0%
Energy escalation rate (annual)	3.00%
Cost escalation rate (annual)	3.00%
Project Simple Payback	16.92

Pro-forma		Year									
	Initial Values	1	2	3	4	5	6	7	8	9	10
1 Annual energy costs without improvements	\$ 971,545	\$ 1,000,691	\$ 1,030,712	\$ 1,061,633	\$ 1,093,482	\$ 1,126,286	\$ 1,160,075	\$ 1,194,877	\$ 1,230,724	\$ 1,267,645	\$ 1,305,675
2 Annual energy costs with improvements	\$ 748,038	\$ 770,479	\$ 793,593	\$ 817,401	\$ 841,923	\$ 867,181	\$ 893,196	\$ 919,992	\$ 947,592	\$ 976,020	\$ 1,005,300
3 Annual energy cost savings (1-2)	\$ 223,507	\$ 230,212	\$ 237,118	\$ 244,232	\$ 251,559	\$ 259,105	\$ 266,879	\$ 274,885	\$ 283,132	\$ 291,625	\$ 300,374
4 O&M Savings	\$ 8,419	\$ 8,671	\$ 8,932	\$ 9,200	\$ 9,476	\$ 9,760	\$ 10,053	\$ 10,354	\$ 10,665	\$ 10,985	\$ 11,314
5 Additional PV Incentives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6 Total Project Savings	\$ 231,926	\$ 238,883	\$ 246,050	\$ 253,431	\$ 261,034	\$ 268,865	\$ 276,931	\$ 285,239	\$ 293,796	\$ 302,610	\$ 311,688
7 Payments for financing equipment	\$ -	\$ 285,382	\$ 291,930	\$ 298,674	\$ 318,022	\$ 325,549	\$ 333,301	\$ 341,287	\$ 349,512	\$ 357,983	\$ 366,709
8 Payments for on-going services	\$ 11,019	\$ 11,349	\$ 11,690	\$ 12,041	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9 Annual PV Maintenance Costs	\$ 9,008	\$ 9,278	\$ 9,557	\$ 9,843	\$ 10,139	\$ 10,443	\$ 10,756	\$ 11,079	\$ 11,411	\$ 11,753	\$ 12,106
10 [reserved]	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11 Net annual benefits ((6 - (7+8+9+10)) without State financial assistance	\$ (67,126)	\$ (67,126)	\$ (67,126)	\$ (67,126)	\$ (67,126)	\$ (67,126)	\$ (67,126)	\$ (67,126)	\$ (67,126)	\$ (67,126)	\$ (67,126)
12 State financial assistance	\$ 96,228	\$ 96,228	\$ 96,228	\$ 96,228	\$ 96,228	\$ 96,228	\$ 96,228	\$ 96,228	\$ 96,228	\$ 96,228	\$ 96,228
13 Net annual benefits (11 + 12) with State financial assistance	\$ 29,101	\$ 29,101	\$ 29,101	\$ 29,101	\$ 29,101	\$ 29,101	\$ 29,101	\$ 29,101	\$ 29,101	\$ 29,101	\$ 29,101
14 Cumulative cash flow with State financial assistance	\$ 1,542,190	\$ 29,101	\$ 58,203	\$ 87,304	\$ 116,406	\$ 145,507	\$ 174,609	\$ 203,710	\$ 232,811	\$ 261,913	\$ 291,014
15 Net Present Value of cash flow with State financial assistance	\$ 891,034										
16 Interest Rate	3.90%										
17 Discount Rate	4.00%										

Line #	Year								Totals
	11	12	13	14	15	16	17	18	
1	\$ 1,344,845	\$ 1,385,190	\$ 1,426,746	\$ 1,469,548	\$ 1,513,635	\$ 1,559,044	\$ 1,605,815	\$ 1,653,990	\$ 23,430,611
2	\$ 1,035,459	\$ 1,066,523	\$ 1,098,519	\$ 1,131,474	\$ 1,165,419	\$ 1,200,381	\$ 1,236,393	\$ 1,273,484	\$ 18,040,331
3	\$ 309,385	\$ 318,667	\$ 328,227	\$ 338,074	\$ 348,216	\$ 358,663	\$ 369,422	\$ 380,505	\$ 5,390,280
4	\$ 11,654	\$ 12,003	\$ 12,363	\$ 12,734	\$ 13,116	\$ 13,510	\$ 13,915	\$ 14,333	\$ 203,037
5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	\$ 321,039	\$ 330,670	\$ 340,590	\$ 350,808	\$ 361,332	\$ 372,172	\$ 383,338	\$ 394,838	\$ 5,593,317
7	\$ 375,696	\$ 384,953	\$ 394,488	\$ 404,309	\$ 414,425	\$ -	\$ -	\$ -	\$ 5,242,219
8									\$ 35,080
9	\$ 12,469	\$ 12,843	\$ 13,228	\$ 13,625	\$ 14,034	\$ 14,455	\$ 14,889	\$ 15,335	\$ 217,244
10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	\$ (67,126)	\$ (67,126)	\$ (67,126)	\$ (67,126)	\$ (67,126)	\$ 357,717	\$ 368,449	\$ 379,502	\$ 98,775
12	\$ 96,228	\$ 96,228	\$ 96,228	\$ 96,228	\$ 96,228	\$ -	\$ -	\$ -	\$ 1,443,415
13	\$ 29,101	\$ 29,101	\$ 29,101	\$ 29,101	\$ 29,101	\$ 357,717	\$ 368,449	\$ 379,502	\$ 1,542,190
14	\$ 320,116	\$ 349,217	\$ 378,319	\$ 407,420	\$ 436,521	\$ 794,239	\$ 1,162,687	\$ 1,542,190	
15									
16									

Notes:

- 1 This Proforma Cash Flow reflects an estimated tax exempt lease rate of 3.9%. The actual rate will increase or decrease based on market conditions at the time of lease funding.
- 2 Energy unit prices are estimated based on utility rate structures and information provided for purposes of this RFP

Quote Proposal Form:
***Installment Purchase Contract (Lease/Purchase) Financing for
“Energy Performance Contract”
Mahopac Central School District
Putnam County, New York***

Fiscal Advisors & Marketing, Inc.
827 Route 82, Suite 10231
Hopewell Jct, NY 12533
Attn: Beth Ferguson
(For financing questions call (845) 447-2214
Email: bferguson@fiscaladvisors.com

The undersigned, is an authorized representative and commits said firm to enter into a Lease to provide the required financing to fund the cost of Equipment. It is understood that this Lease is subject to the approval of the District's Board of Education. The submission of this Response Form indicates that we have read the District's RFP and are fully informed as to the extent and character of this request and we can satisfactorily comply with all specifications of the RFP. It is further understood the lease shall be funded following the approval of the District's Board of Education.

The proposal terms set forth below are good for 30 days from the date hereof.

Bidding Firm _____

Address: _____

Phone No. _____ Fax No. _____

E-mail address: _____

Contact Person/Title: _____

Annual Interest Rate: _____

Payment Amounts Years 1-15 _____

Total of Payments: _____

Prepayment Terms: _____

Signature: _____ Date: _____

*****NOTE: PLEASE ATTACH A REPAYMENT SCHEDULE WITH YOUR QUOTE*****