

# Request for Proposals

## ***Installment Purchase Contract (Lease/Purchase) Financing for “Energy Performance Contract” for Putnam County, New York***

Fiscal Advisors & Marketing, Inc. at the request of:  
Putnam County, New York (the “County”)

1. Requests for Proposals (the “Proposal”) for an Installment Purchase Contract (Lease/Purchase) Financing (the “Lease”) are due via email no later than **Friday, March 27, 2020 at 11:00 o’clock A.M. EST** at the office of:

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Fiscal Advisors & Marketing, Inc.  
Corporate Headquarters  
120 Walton Street – Suite 600  
Syracuse, New York 13202  
Attn: Keith Korycinski  
(For financing questions call (315) 752-0051 Ext. 342)  
**Email: [kkorycinski@fiscaladvisors.com](mailto:kkorycinski@fiscaladvisors.com)**

2. The principal amount of the Lease will be **\$4,184,693** on the basis of an 18-year term.
3. The Lease will be used to finance certain energy conservation services and installations of the County, as defined in “ATTACHMENT-B - Scope of Services and Equipment” attached to this Request for Proposals.
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. **All bids shall remain in effect for 45 days from the day quotes are due. It is anticipated that funds will need to be available on or about April 15, 2020.** All quotes should be based upon this estimated timeline.
6. Any proposed Lease shall define the purpose and objective of the financing and the rights and obligations of each party to the financing. Further, the Lease will specify the applicable interest rate, as well as standard contractual terms and conditions. The form of the lease purchase agreement, and any related documents must be submitted with the proposal. Proposers must satisfy themselves that credit approval will be granted prior to submitting a proposal. All finance documents are subject to negotiation and modification by the County’s counsel. All agreements and contractual conditions are required to conform with the laws and regulations of the State of New York, including but not limited to New York General Municipal Law, Local Finance Law, and the Office of the New York State Comptroller. The County’s attorneys will review and approve all documents before consideration and/or approval by the County. Each bid should be accompanied by a repayment schedule listing principal, interest and total annual payments. **No award is final until approved by the County.** The County Legislature is expected to consider a resolution authorizing the Lease at its April 7, 2020 meeting. If approved by a 2/3 majority of the County Legislature, and pursuant to the County Charter, such resolution must thereafter be approved by the County Executive. Upon verbal or written notification of successful bid award, the successful bidder (the “Lessor”) shall be required to promptly deliver the proposed forms of the leasing documents to Fiscal Advisors & Marketing, Inc. (address listed above) and to Bond Counsel and the County’s Local Counsel at:

**Bond Counsel:**

Hawkins, Delafield & Wood LLP  
Attention: Daniel G. Birmingham, Esq.  
7 World Trade Center  
250 Greenwich Street - 41st Floor  
New York, New York 10007-2442  
Email: [dbirmingham@hawkins.com](mailto:dbirmingham@hawkins.com)

**Local Counsel:**

Jennifer S. Bumgarner, Esq.  
County of Putnam  
County Attorney  
40 Gleneida Avenue  
Carmel, New York 10512  
Email: [jennifer.bumgarner@putnamcountyny.com](mailto:jennifer.bumgarner@putnamcountyny.com)

7. Proposals will be evaluated based on total cost, ability to perform, requirements of the bidder, experience, and any other terms or conditions stipulated in each proposal. During the evaluation process, the County reserves the right, where it may serve the County’s best interest, to request additional information or clarifications from proposers, or to allow corrections of error or omissions. The County reserves the right to reject any or all bids/quotes, to waive any or all informalities, to request new proposals, and to award based upon the overall best interests of the County. 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 County. The County reserves the right to rescind an award due to failure of successful negotiation of the parties to agree to the terms and conditions thereof.

8. 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 County.
9. The Proposal must state that County will have the right, at its option, to prepay the principal portion outstanding on the Lease, in whole or in part, at any time following 30 days written notice to the Lessor. The Proposal must disclose additional fees and terms, if any, that are required upon the execution of this prepayment right, in addition to interest payable. The Proposal must also disclose how such amounts are to be calculated in the event that the County exercises its right of partial or whole prepayment. The proposal shall include an option to prepay without penalty.
10. Moody's Investors Service ("Moody's") has assigned their rating of "Aa1" to the County's outstanding general obligation bonds. The rating reflects only the view of the Moody's and an explanation of the significance of such rating may be obtained from Moody's.
11. Links to select financial information and operating data of the County is provided below:
  - A copy of the County's most recent Official Statement can be found here:  
<https://emma.msrb.org/ER1257523-ER982613-ER1384450.pdf>
  - A copy of the County's December 31, 2018 Comprehensive Annual Financial Report can be found here:  
<https://emma.msrb.org/ES1287033-ES1007334-ES1408767.pdf>
  - A copy of the County's December 31, 2017 Comprehensive Annual Financial Report can be found here:  
<https://emma.msrb.org/EP1030754-EP798707-EP1200224.pdf>
  - A copy of the County's December 31, 2016 Comprehensive Annual Financial Report can be found here:  
<https://emma.msrb.org/EP1009936-EP783040-EP1184769.pdf>
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 in the name of County. Interest earnings will begin to accrue to the County 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 County. The escrow agent (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 New York State which is stated in the proposed Escrow Contract. Investments shall be made solely at the direction of the County and shall be made in accordance with the requirements of State law, including Sections 10 and 11 of the General Municipal Law and the County's formal investment policy. The County is not authorized to invest in mutual funds or similar liquid investment vehicles. All monies held in the escrow fund are monies of the County 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 principal amount of the Lease financing will be in the amount of **\$4,184,693**.

There shall be **eighteen (18) annual principal payments** and such principal payments shall be due and payable on April 15 in each of the years 2021 through 2038, inclusive. Interest payments shall be due and payable on April 15 in each year to maturity, commencing April 15, 2021. The annual Lease debt service shall be in amounts so as to provide for debt service that is substantially level or declining, pursuant to Section 21.00(d) of the New York State Local Finance Law.

For illustrative purposes, please assume a closing date of April 15, 2020 when developing an amortization schedule.

**The County reserves the right to modify the above principal payments post sale, in any amounts as deemed necessary to achieve substantially level annual payment and/or equal annual payments.**
14. There shall be no additional fees or charges (including any Escrow Agent Fees) to the County other than the annual debt service payments.
15. Lease Termination: Upon termination of a Lease through exercise of Lessee's option to prepay or through payment by Lessee of all Rental Payments and other amounts due with respect to such particular Equipment, Lessor's security interest in such Equipment shall terminate, and Lessor shall execute and deliver to Lessee such documents as Lessee may reasonably request to evidence the termination of Lessor's security interest in such Equipment.
16. All manufacturers' warranties, expressed or implied with respect to the Equipment acquired shall be assigned by the Lessor to the County.

17. The Lease shall be subject to cancellation by the County 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 County the County 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 County beyond the amount of such monies. The financing contract is not a general obligation of the County. Neither the full faith and credit nor the taxing power of the County 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 County 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 County 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 Lease. 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 County 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 County 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 Lessor shall be responsible for all of the Lessor’s legal, issuance, CUSIP identification numbers (if applicable) and closing costs.
21. Annual Appropriation: The annual lease payments are subject to appropriation each year by the County.
22. UCC Filing: The County will not provide a legal description for each County property in connection with this financing. 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.
23. Purchase Price and Certificate: The Lessor must submit to the County a certificate satisfactory to Bond Counsel, prior to the delivery of the Lease, assuming the Lessor does not reoffer the Lease to the general public, which states, among other things, that the Lessor has purchased the Lease for its own account and not with a view to distribution or resale and not in the capacity of a bond house, broker or other intermediary, and the price or prices at which such purchase was made, or which states the issue price, if reoffered, in such form and including such additional information as the County and Bond Counsel shall reasonably require.
24. Tax Status: The Lease shall qualify as a tax-exempt lease financing, that is, the interest component of the Lease will be exempt from Federal, New York State and, where applicable, New York City taxation. **The Lease will NOT be designated as “bank qualified” pursuant to Section 265(b)(3) of the Internal Revenue Code.** The County will not defend or hold the Lessor harmless from any adverse changes in the tax status of the transaction, after tax yield or cash flows resulting from changes in the Federal or State tax codes or regulations.
25. Tax Opinion: The successful proposer will be furnished without cost with the opinion as to tax exemption of the law firm of Hawkins Delafield & Wood LLP (“Bond Counsel”). The opinion of Bond Counsel shall contain statements to the effect that, in the opinion of said law firm, under existing statutes and court decision and assuming continuing compliance with certain tax certifications described in the Tax Certificate of the County, (i) the portion of the rental payment designated as and constituting interest paid by County and received by successful proposer during the term of the lease is excluded from successful proposer’s gross income for federal income tax purposes under Section 103 of the Code; and (ii) such interest component is not treated as a preference item in calculating the alternative minimum tax under the Code. The Tax Certificate of the County, which will be delivered concurrently with the delivery of the lease will contain provisions and procedures relating to compliance with applicable requirements of the Code.
26. Opinion of County Attorney: At closing, the County shall furnish a validity opinion of the County’s Attorney, dated the closing date, including a statement to the effect that there is no controversy or litigation of any nature pending or threatened to restrain or enjoin the execution or delivery of the Lease financing agreement.
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 County that supersede or contradict the terms set forth in this Request for Proposals.

## ATTACHMENT-A

### PROPERTY DESCRIPTION

The following buildings, facilities, and areas, which are owned and operated by Customer, (the "Property") are included in the Scope of Services detailed in Attachment B:

Facility	Address
Sheriff's Department/Correctional Facility	3 County Center, Carmel, NY, 10512
New Putnam County Courthouse	20 County Center/20 Gleneida Avenue, Carmel, NY, 10512
David D. Bruen County Office Building	40 Gleneida Avenue, Carmel, NY, 10512
1812 Courthouse	44 Gleneida Avenue, Carmel, NY, 10512
121 Main Street	121 Main Street/68 Marvin Avenue, Brewster, NY, 10512
Putnam National Golf Club - Clubhouse	187 Hill Street, Mahopac, NY, 10512
Emergency Operations Center/TOPS	112 Old Route 6, Carmel, NY, 10512
Donald B. Smith Government Campus - Building 1	110 Old Route 6, Carmel, NY, 10512
Donald B. Smith Government Campus - Building 2	110 Old Route 6, Carmel, NY, 10512
Donald B. Smith Government Campus - Building 3	110 Old Route 6, Carmel, NY, 10512
Kern Building - Health Dept/DMV/WIC	1 Geneva Road, Brewster, NY, 10512
William Koehler Senior Center	180 Route 6, Mahopac, NY, 10512
Putnam Valley Senior Center	117/200 Town Park Lane, Putnam Valley, NY, 10512
Putnam Family & Community Services - 1808	1808 Route 6, Carmel, NY, 10512
Highway Department - Building 1 Admin	842-846 Fair Street, Carmel, NY, 10512
Highway Department - Building 2 Sign Shop	842-846 Fair Street, Carmel, NY, 10512
Highway Department - Building 3 Dispatch/Garage	842-846 Fair Street, Carmel, NY, 10512
Highway Department - Building 4 Garage	842-846 Fair Street, Carmel, NY, 10512
Transit Facility/Planning Department	841 Fair Street, Carmel, NY, 10512
Board of Elections	25 Old Route 6, Carmel, NY, 10512
Senator Vincent Leibell Veterans' Home	9 Drew Lane, Carmel, NY, 10512
Putnam Family & Community Services - 1816	1816 Route 6, Carmel, NY, 10512
Burchetta Building (Law Dept) - 48 Gleneida	48 Gleneida Avenue, Carmel, NY, 10512
Tilly Foster Farm Building #8	100 ROUTE 312, Carmel, NY, 10512



# QUOTE PROPOSAL FORM

## *Installment Purchase Contract (Lease/Purchase) Financing for “Energy Performance Contract” for the County of Putnam, New York*

Fiscal Advisors & Marketing, Inc.  
Corporate Headquarters  
120 Walton Street – Suite 600  
Syracuse, New York 13202  
Attn: Keith Korycinski  
(Call with questions: (315) 752-0051 Ext. 342)  
Email: [kkorycinski@fiscaladvisors.com](mailto:kkorycinski@fiscaladvisors.com)

March 27, 2020

In response to the County of Putnam, New York (the “County”) Request for Proposals (“RFP”), the undersigned, an authorized representative of \_\_\_\_\_ commits said firm to enter into a Lease-Purchase Agreement to provide the required financing of the equipment listed under “ATTACHMENT-B – Scope of Services and Equipment”

We understand that this Lease-Purchase Agreement is subject to the approval of the County. The submission of this Response Form indicates that we have read the County’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.

<b>Principal Amount of Lease</b>	<b>Term without Prepayment Penalty</b>	<b>Term with Prepayment Penalty</b>
\$4,184,693	%	%

Other Required Fees (if any): \_\_\_\_\_

Proposing Firm: \_\_\_\_\_

Address: \_\_\_\_\_

Phone No. \_\_\_\_\_ Fax No. \_\_\_\_\_

E-mail address: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

### **PLEASE ATTACH A REPAYMENT SCHEDULE WITH YOUR QUOTE**

Upon verbal or written notification of successful bid award, the successful bidder shall be required to promptly deliver the leasing documents to both Fiscal Advisors & Marketing, Inc., Bond Counsel and the County’s Local Counsel at:

Fiscal Advisors & Marketing, Inc. Corporate Headquarters Attn: Christina R. Kennedy 120 Walton Street • Suite 600 Syracuse, NY 13202  Email: <a href="mailto:kkorycinski@fiscaladvisors.com">kkorycinski@fiscaladvisors.com</a>	Hawkins, Delafield & Wood LLP Attn: Daniel G. Birmingham, Esq. 7 World Trade Center 250 Greenwich Street - 41st Floor New York, NY 10007-2442  Email: <a href="mailto:dbirmingham@hawkins.com">dbirmingham@hawkins.com</a>	County Attorney County of Putnam Attn: Jennifer S. Bumgarner, Esq. 40 Gleneida Avenue Carmel, New York 10512  Email: <a href="mailto:jennifer.bumgarner@putnamcountyny.com">jennifer.bumgarner@putnamcountyny.com</a>
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