



CITY MANAGER'S OFFICE
CITY OF NEWARK

220 South Main Street · Newark, Delaware 19711
302.366.7000 · Fax 302.366.7035 · www.newarkde.gov

VENDOR: _____

RFP NO. 23-02

MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT FOR THE
PURPOSE OF FINANCING MOTOR VEHICLES AND OTHER EQUIPMENT

CITY OF NEWARK
DELAWARE

RFP NO. 23-02

MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT FOR THE PURPOSE OF FINANCING MOTOR
VEHICLES AND OTHER EQUIPMENT

NOTICE

The City of Newark will accept sealed proposals for RFP 23-02 (MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT FOR THE PURPOSE OF FINANCING MOTOR VEHICLES AND OTHER EQUIPMENT FOR THE CITY OF NEWARK, DELAWARE) until 2:00 p.m., prevailing time, on Tuesday, April 4, 2023.

A PDF copy of proposal responses to RFP 23-02 will be received by the City Purchasing Division at contracts@newark.de.us until the timeline noted above. Alternatively, six (6) sealed proposal copies can be mailed to the Purchasing Division (220 South Main Street; Newark, DE 19711) by the deadline. The City's preference is a single PDF copy by email in order to keep this process environmentally friendly.

Regardless of the proposal submission option, one sealed envelope containing basis for fees documents (as outlined in the "BASIS FOR FEES SUBMISSION" section on page 11 of RFP 23-02) shall be submitted by mail by the above deadline.

All questions/requests for information regarding this RFP must be submitted via email to Geoffrey Stewart, PFM, at stewartg@pfm.com AND contracts@newark.de.us by 5:00 p.m. on Friday, March 24, 2023 to allow staff sufficient time to develop answers to questions deemed appropriate. Please submit all questions/requests for information in bulk (e.g., in a PDF document attachment to an email) to limit the total number of emails received.

Copies of this request may be obtained from the City's website at www.newarkde.gov/bids.

CITY OF NEWARK
Delaware

RFP 23-02

Master Equipment Lease/Purchase Agreement for the Purpose of Financing Motor Vehicles and
Other Equipment

A. PURPOSE & OVERVIEW

The City of Newark is soliciting pricing and terms for the establishment of a Master Equipment Lease/Purchase Agreement (the “Master Lease”) for the purpose of financing motor vehicles and other equipment (collectively, the “Equipment”) to be used by various City departments in performing essential government functions. Such Equipment includes, but are not solely limited to, police vehicles, refuse trucks, light duty and heavy-duty pickup trucks, mowers, street sweepers, and trucks with knuckle booms.

B. CITY BACKGROUND

The City of Newark was chartered in 1758 and is approximately nine square miles in size. Per the Delaware Population Consortium (DPC), the City’s population is approximately 34,000 residents, making Newark the third most populous municipality in the State of Delaware. The city boasts a thriving downtown with a quintessential Main Street, an active economic climate, and strong development activity, with an abundance of top-rated parks and recreation programs and facilities. Newark is also home to the University of Delaware, which is currently the City’s largest employer.

Newark is a full-service municipality, operating electric, sewer, water, and stormwater utilities for its service territories, as well as a nationally recognized Police Department and Alderman’s Court in the Newark Municipal Center (220 South Main Street; Newark, DE 19711). Newark functions through a Council-Manager form of government, with a non-partisan elected Mayor and six Councilmembers. City Council meetings occur on the first four Mondays of each month, excluding City recognized holidays. For additional information about the City of Newark, please visit the City’s website at www.newarkde.gov.

C. MINIMUM VENDOR AND PROPOSAL QUALIFICATIONS

Offerors must demonstrate that they have the resources and capability to provide the materials and services described herein. All offerors must submit the documentation indicated below within their proposal. Failure to provide any of the required

documentation may be cause for the proposal to be deemed non-responsible and rejected.

The written proposal shall, at a minimum, include the following information in order to be eligible for this contract:

1. The vendor/offeror's name and contact person, together with the address, telephone number, and email address of the office from which the services will be provided. Corporate office information shall also be provided, if applicable.
2. A brief history of the vendor/offeror (limit two pages), including organization structure, location of management, and evidence that the firm is authorized to do business in the State of Delaware.
3. Examples of at least three (3) comparable projects with similar scope in design and operation in progress or completed within the past five years for other governmental agencies.
4. A list of references the City may contact to assist in the evaluation of your past performance. For each reference listed, the information provided should consist of the following:
 - a. Name and mailing address of the governmental entity.
 - b. Name and telephone number of your contact person within said governmental entity.
5. Information on the nature and magnitude of any litigation or proceeding whereby, during the past three (3) years, a court or any administrative agency has found fault, held proceedings, or ruled against the proposer in any matter related to the professional activities of the proposer. Similar information shall be provided for any current or pending litigation or proceeding.
6. Fees or fee structure as may be appropriate for the designated service (SUBMITTED SEPARATELY as outlined on page 11).
7. A description of the manner in which the City account and/or project would be administered.
8. Any additional information that you feel will be beneficial to the City in evaluating your qualifications to provide in response to the RFP.

D. GENERAL REQUEST FOR PROPOSAL INFORMATION & PROVISIONS

1. Questions - All questions/requests for information regarding this contract (proposal process, scope of service, etc.) must be submitted via email to stewartg@pfm.com AND contracts@newark.de.us by 5:00 p.m. on Friday, March 24, 2023 to allow staff sufficient time to develop answers to questions deemed appropriate. Please submit all questions/requests for information in bulk (e.g., in a Word document attachment to an email) to limit the total number of inquiries received. All questions deemed necessary and appropriate will be answered via formal addendum on the City's website (see below for more information).
2. Award - The City Manager's designee will review each of the proposals submitted and make a recommendation to the City Council on the disposition of the proposals. The City shall have the full authority to award projects to the firm who, in the sole judgment of the City, best meets the specifications and conditions of this RFP. All proposals shall remain firm for ninety (90) calendar days after the opening of proposals.
3. Rejection of Proposals - The City reserves the right, at its sole discretion, to reject any or all proposals if deemed to be in the best interest of the City to do so. The City may also waive any irregularities, defects, informalities, technical defects, and/or clerical errors, as well as accept any portion or all items in a proposal, if deemed in the best interest of the City.
4. Multiple Contracts - The City reserves the right to enter into contract with more than one firm in order to avoid potential conflict of interest issues and to ensure that the City receives adequate representation to perform the scope of services involved with each project.
5. Revisions to RFP/Addendum - In the event it becomes necessary to revise any part of the RFP, revisions will be provided to all firms which received the initial RFP in the form of an addendum. All addenda shall also be posted on the City's website at www.newarkde.gov/bids. Firms are responsible to confirm receipt of all addenda prior to or with proposal submittal.
6. Cancellation of RFP – The City of Newark reserves the right, at its sole discretion, to cancel this RFP in whole or in part prior to the execution of a contract.
7. Assignment – The firm shall not assign any interest in the contract and shall not transfer any interest in the same without the prior written consent of the City.

8. Acceptance of Proposal Content - The contents of the proposal of the successful firm will become a part of any agreement as a result of these specifications.
9. Proposal Changes or Withdrawals - Any proposal may be withdrawn, modified, and/or resubmitted prior to the proposal submission deadline by written request, signed in the same manner and by the same person who signed the proposal. Any proposals not so withdrawn shall constitute an irrevocable offer to sell to the City the services indicated for a period of ninety (90) calendar days after the opening of proposals, or until one or more of the proposals have been accepted by the City of Newark, whichever occurs earlier.
10. Termination of Contract - If through any cause, the firm selected shall fail to fulfill the obligations agreed to in a timely and efficient manner, the City shall have the right to terminate the contract by specifying the date of termination in a written notice to the firm at least thirty (30) days before the termination date. In this event, the firm shall be entitled to just and equitable compensation for the work satisfactorily completed.
11. Accounting Records – Any individual task orders or material costs will be negotiated based on the submitted “Basis for Fees.”
12. Ownership of Material - All documents prepared and submitted pursuant to this RFP or contract shall be property of the City upon submittal and will be subject to staff and public review and discussion in association with our public bidding and formal proposal process. Any information or documents deemed proprietary shall be so marked at time of submittal and limited to detail where the disclosure of contents could be prejudicial to competing offerors during the process of negotiation, and any commercial or financial information of a privileged or confidential nature.
13. Compliance with Terms and Conditions of RFP – The successful proposer shall comply with all the specifications, terms, and conditions of this RFP, as outlined herein. Proposers are further required to complete/submit all information requested in this RFP. Furthermore, vendors shall thoroughly examine and be familiar with the City's specifications as outlined herein. The failure or omission of any vendor to examine this document shall in no way relieve the vendor of obligations with respect to this proposal or the subsequent contract. The submission of a proposal shall be taken as prima facie evidence of compliance with this paragraph.
14. Approval – In the event that City Council is required to approve the award of a contract based on this RFP, the selected Firm(s) may be required to attend the Council Meeting to address any questions. Costs for attendance shall be incorporated in the proposal.

15. Advertisements - Any firm submitting a proposal will not use the name of the City in any advertisement without first obtaining the written consent of the City Manager or their designee. All such requests must be submitted in writing to contracts@newark.de.us.
16. EEO and Business Licenses – The firm submitting a proposal shall possess all required business or other licenses to do business in Newark and Delaware and also shall be a fair and equal opportunity employer. Specifically, the firm shall comply with all current federal and state nondiscrimination and equal opportunity status and policies and agrees to not hold the City of Newark liable for any inadvertent action by the firm which conflicts with such statutes and/or policies.
17. Non-collusion - The firm submitting the proposal shall not, either directly or indirectly, enter into any agreement, participate in any collusion, or otherwise take any action in restraint of free competitive bidding in connection with the contract.
18. Term of Contract – The length of the contract will be for one year, commencing in 2023 and concluding in 2024. By mutual consent of the contracted firm and the City, the contract may be renewed or extended for an additional one (1) year renewal period. This option shall be exercised only if agreed to in writing by both parties and approved by the City Manager and/or City Council where applicable.
19. Time of Completion and Liquidated Damages - The City will work with the selected firm to establish an agreed-upon time schedule for the completion of each task prior to the issuance of individual purchase orders. Liquidated damages may be assessed to the contractor for each day the contract is extended beyond the completion date agreed upon by both parties. Such damages shall be payable to the City immediately upon notice of a breach of contract completion timelines. Liquidated damages shall not be considered a penalty, but rather a reasonable estimate of the damages that would be suffered by the City in the event of a breach. The City and the contractor shall acknowledge that the actual damages resulting from a breach may be difficult to ascertain and that this provision represents a reasonable estimation of such damages. This provision shall not limit the City's right to pursue any other remedies available under law or equity.
20. Amendment - This contract may be modified or amended if made in writing and signed by all parties. Any agreed-upon additional items and/or services or other additions or modifications to this agreement, together with estimated prices current at the time of change where possible, shall be agreed to in writing.

21. Omissions – The firm recognizes that the City of Newark is not in the business of preparing specifications, and any omissions in this request for proposal must be strictly addressed by the firm with the submittal of its proposal.
22. Indemnity – The firm shall solely be responsible and liable for the accuracy and completeness of all work performed and shall agree to indemnify, defend and hold harmless the City of Newark, its officers, agents and employees, from and against any and all claims, actions, suits and proceedings arising out of, based upon or caused by negligent acts, omissions or errors of or the infringement of any copyright of patent, by the firm, its officers, agents, employees in the performance of the contracted agreement.
23. Force Majeure Occurrence – Upon the occurrence of a force majeure event, the City of Newark shall immediately notify the awarded vendor. In this instance, the City shall be excused from any further financial or contractual obligations for as long as such circumstances prevail. As used in this document, a “force majeure occurrence” means acts of God; acts of the public enemy; acts of the State and any other governmental entity in its sovereign or contractual capacity; fires; floods; epidemics or pandemics; quarantine restrictions; strikes or other labor disputes; freight embargoes; unusual weather; or other unusual events outside of the reasonable control of a party hereto that prevents a party to this Agreement from performing its contractual obligations.
24. Severability – If any provision of this contract (general, special, technical, or other) shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this contract is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.
25. Cyber Security Requirements:
 - a. The awarded vendor shall, at a minimum, comply with all applicable security-related federal, state, and local laws.
 - b. In general, the term “data breach” shall mean a compromise of the security, confidentiality, or integrity of, or the loss of, computerized data for the City of Newark that results in, or there is a reasonable basis to conclude results in:
 - i. The unauthorized acquisition of personally identifiable information (PII), or
 - ii. Access to PII that is for an unauthorized purpose, or in excess of

authorization.

- c. The term “data breach” does not include any investigative, protective, or intelligence activity of a law enforcement agency of the United States, a State, or a political subdivision of a State, or of an intelligence agency of the United States.
- d. Personally identifiable information (PII) is defined herein as information or data, alone or in combination, that identifies or authenticates a particular individual. Such information or data may include (without limitation): name, date of birth, full address, phone numbers, passwords, PINs, federal or state tax information, biometric data, other unique identification numbers (driver’s license numbers, SSNs, etc.), criminal history, citizenship status, medical information, financial information, usernames, answers to security questions, other personal identifiers, and/or information or data that meets the definition ascribed to the term “personal information” under §6809(4) of the Gramm-Leach-Bliley Act or other applicable law of the State of Delaware.
- e. In the event of a data breach, the vendor shall:
 - i. Notify the City of Newark without unreasonable delay. Such notification is to include the nature of the breach, the number of records potentially affected, and the specific data potentially affected.
 - ii. Take all reasonable and necessary means to mitigate any injury or damage that may arise out of the data breach and shall implement corrective action as determined appropriate by the City. In the event of an emergency, the awarded vendor may take reasonable corrective action to address the emergency prior to City approval (the corrective action will not be considered final until approved by the City, however).
 - iii. Provide the City a preliminary written report detailing the nature, extent, and root cause of any such data breach no later than three (3) business days following notice of the breach.
 - iv. Meet and confer with appropriate City representatives regarding required remedial action in relation to any such data breach without unreasonable delay.
 - v. Reimburse the City for all costs and damages as a result of the data breach, including all costs associated with the investigation, response, and recovery from the data breach.
- f. Notwithstanding any other provision of this contract, there shall be no monetary

limitation of the awarded vendor’s liability for the vendor’s data breach that results in any unauthorized public dissemination of PII.

E. SCOPE OF SERVICES

All proposals must be made on the basis of, and either meet or exceed, the requirements contained herein:

Facility Amount Up to \$4.0 million Master Equipment Lease/Purchase Facility, with an option for an additional \$1 million at the City’s request.

Term of Commitment One year commitment with an option to renew for an additional year subject to mutual consent of Lessor and City.

Lease Schedule Terms 5, through 7 years, depending on the type of equipment to be leased. Small equipment would be 5 years, and large equipment over \$100,000 would be leased for 6 or 7 years.

Lease Schedule Size Please confirm if there is a minimum size requirement for individual lease schedules.

Lease Schedule Amortization Monthly payments of principal and interest structured such that annual debt service is level.

Tax Status The City anticipates entering both taxable and tax-exempt lease schedules depending on the eligibility for tax-exempt financing.

Utilization Below is the expected timeline for vehicle acquisitions.

Date *	Amount *
4/15/2023	\$1,200,000
6/15/2023	\$1,040,000
7/15/2023	\$150,000
8/15/2023	\$215,346
10/15/2023	\$528,235
12/15/2023	\$400,000
3/15/2024	\$484,915
Total	\$4,018,496

** Preliminary, subject to change*

End of Lease Purchase Option The City will purchase the Equipment for \$1 at end of lease term.

Rate

Please provide indicative pricing as of market close [March 24, 2023], for tax-exempt and taxable terms of 5, 6 and 7 years. Please confirm the variable rate pricing index and the tax-exempt ratio and spreads that applies in the calculation of the lease rate for each lease term listed in the table below.

TAXABLE				
Term	%	Index	Spread	Indicative Rate
5 Year	100			
6 Year	100			
7 Year	100			
TAX-EXEMPT				
Term	%	Index	Spread	Indicative Rate
5 Year				
6 Year				
7 Year				

Bank Counsel If you plan to engage outside counsel, please confirm the firm and estimated fee.
 Bond Counsel Saul Ewing Arnstein & Lehr LLP serves as bond/lease counsel.

Payments due under the Master Lease will be subject to annual appropriation.

F. EVALUATION CRITERIA

A Selection Committee, as designated by the City Manager’s Office, will review and score proposals and make a recommendation to City Council. The City reserves the right to reject any/all proposals received and to award the contract to the firm that the City believes will offer the best value for the scope of work. Decisions of the selection committee shall be final, subject only to the approval of the City Manager, Mayor, and City Council.

Proposals will be evaluated according to the following criteria with a maximum score of 100 points:

1. Reputation and experience of the firm in connection with services related to the scope of work.
Point Range: 0-20

2. Responsiveness of the written proposal in clearly stating an understanding of the work to be performed, as outlined in the scope of services portion of this request for proposals.

Point Range: 0-20

3. Overall Pricing.

Point Range: 0-60

Maximum Points: 100

G. PRESENTATIONS

After the proposals are evaluated, the highest-ranked offerors may be required to prepare and deliver a presentation and demonstration to the evaluation committee at the City Municipal Building. The number of vendors selected to participate in the presentation stage is at the sole discretion of the evaluation committee.

H. EVALUATION COMMITTEE

The proposals will be evaluated by a Committee comprised of the following:

1. City Manager or designee
2. Finance Director
3. Chief Procurement and Projects Officer
4. Representative from PFM Financial Advisors LLC

I. BASIS FOR FEES SUBMISSION

In a separate envelope (see below), the firm shall provide "Basis for Fees" documentation including sufficient detail to provide the broad array of services anticipated in this solicitation. The Basis for Fees shall be broken down to separate all requested services. Fee-related information shall not be submitted within the actual proposal submitted.

If the City requests that the selected vendor render services other than those specifically covered in the contract resulting from this RFP, such additional services shall be compensated separately on terms agreed upon between the selected vendor and the City.

J. DEADLINE FOR SUBMISSION AND NUMBER OF COPIES REQUIRED

1. As a PDF file, send the RFP response proposal titled 'RFP 23-02: Master Equipment Lease/Purchase Agreement for the purpose of financing motor vehicles and other equipment for the City of Newark, Delaware' to contracts@newark.de.us. Alternatively, in one sealed envelope, provide six (6) copies of the proposal marked 'RFP 23-02: Master Equipment Lease/Purchase Agreement for the purpose of financing motor vehicles and other equipment for the City of Newark, Delaware.'
2. In a separate and sealed envelope, provide three (3) copies of the firm's Fee Schedule marked 'BASIS FOR FEES: RFP 23-02: Master Equipment Lease/Purchase Agreement for the purpose of financing motor vehicles and other equipment for the City of Newark, Delaware.'
3. Emailed PDFs and mailed items must be received by the Purchasing Division on or before 2:00 p.m. on Tuesday, April 4, 2023. Again, the email address PDFs of RFP 23-02 proposals must be sent to is contracts@newark.de.us and the mailing address sealed basis for fees documents (and, optionally, paper copies of RFP 23-02 responses) is:

City of Newark
Purchasing Division
220 South Main Street
Newark, Delaware 19711