



CITY OF SAN ANTONIO

P. O. BOX 839966
SAN ANTONIO TEXAS 78283-3966

ADDENDUM I

SUBJECT: Tax Exempt Equipment Lease/Purchase Financing Request For Bid, due April 6, 2011

FROM: Finance Department

DATE: March 30, 2011

QUESTION RECEIVED BY CITY STAFF IS ANSWERED AS FOLLOWS:

1. **Question:** Regarding the equipment to be financed, please advise as to whether this is replacement equipment or additional equipment. If the equipment is an addition, please provide the rationale for the equipment acquisition and advise how this equipment will assist the City in meeting its objectives.

Response Exhibit I:

All equipment will be additional equipment.

- Due to the diversity of the population of San Antonio, the Police Department strives to provide the best and highest level of police professionalism during traffic stops. The City determined that obtaining an In-Car digital system to record the officer/citizen interaction would provide more definitive proof of what transpired and benefit the City in the following manner: a) reduce the difficulty in providing independent evidence during court proceedings for these traffic stops, b) reduce the court time needed to prosecute these cases, and c) reduce the officers' time and cost of appearing on an overtime basis.

Response Exhibit II:

All equipment will be additional equipment.

- The Phillips MRX is a 12 lead EKG unit. The 12 lead EKG is mandated by the Department of State Health Service to qualify San Antonio Fire Department medic units as Advanced Life Support (ALS) ambulances. The MRX is crucial piece equipment used in delivery of care to medical and trauma patients.
 - The Infusion Pump will allow field paramedics to deliver several of the new medications added to the City's EMS system as part of this years improvement in an effort to provide the patient with a higher standard of care and immediate medical interventions. These interventions are dependent on the use of the infusion pump in order to calculate critical dosages for the patient.
 - The Video Airway device will assist paramedics with the invasive skill of intubation on patients that would be difficult or impossible under normal circumstances due to associated trauma, medical or on scene conditions. Airway Intubation is the standard of care for patients who are compromised and unable to maintain respirations on their own.
2. **Question:** Please advise if this equipment will be installed in new vehicles or if in existing vehicles, what is the age of the equipment in which the equipment will be installed?

Response Exhibit I:

- There are 529 vehicles in patrol that the in-car system will be installed into. All of the vehicles in patrol are 2009 models and newer.

Response Exhibit II:

- All three items are portable and will not be installed; however, the average age of an EMS unit is 3.2 years old.

3. **Question:** Please provide the name of the manufacturer(s) of the equipment.

Response Exhibit I:

- The manufacturers of the equipment are Coban, EMC/Isilon, and Dell.

Response Exhibit II:

- The manufacturers of the equipment are Phillips, B Braun, and Pentax.

4. **Question:** The bid advises that there will be one lease agreement with two separate amortization schedules; is this one master lease with two separate lease schedules; one for the police equipment and one for the fire equipment?

Response: Yes, that is correct.

5. **Question:** The bid indicates that interest rates need to be valid from the bid date until the anticipated date of funding, May 24, 2011. Would the city be willing to execute a forward rate lock agreement to lock in the rate from the award date until the funding date? Note that the City would sign the Agreement and if the City does not close by the agreed upon Closing date, the City would pay the lessor any break funding amounts owed pursuant to the Agreement.

Response: The City would not be willing to execute a forward rate lock agreement to lock in the rate from the date of the award until the funding date and will not execute any agreement related to this matter prior to City Council action to approve such transaction.

6. **Question:** Is it the intention of the City to provide the lessor with an opinion of bond counsel as to the federal tax exempt status of the lease in addition to the validity opinion as to the legal, valid, and binding status of the obligation?

Response: Yes, the City's Bond Counsel will provide a legal opinion as to the legal authority of the City to enter into the Leases and the tax-exempt status of the lease obligations.