



CITY OF SAN ANTONIO

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

ADDENDUM III

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

FROM: Finance Department

DATE: April 4, 2011

QUESTION RECEIVED BY CITY STAFF IS ANSWERED AS FOLLOWS:

1. **Question:** Can you provide a little more information on the equipment that is being procured by the Police Department? How is the equipment to be used? Is this a system you have had in the past? If so, is this an upgrade or an additional roll out? How long did the previous system last? Could you provide the name of the vendor so that we can get a better understanding of the equipment application from them?

Response: See responses to questions 1-3 on Addendum I, which is posted online at the City's website via the following link:

<http://www.sanantonio.gov/RFPListings/>

2. **Question:** Has the City ever non-appropriated or defaulted on a lease purchase obligation?

Response: No, the City has not non-appropriated or defaulted on a lease purchase obligation.

3. **Question:** Have funds been budgeted and appropriated in the current fiscal year for these projects?

Response: Yes, funds have been budgeted and appropriated in the current fiscal year for these projects.

4. **Question:** Is the City willing to consider alternatives to the Return on Equipment section?

Response: See response to question 2 on Addendum II, which is posted online at the City's website via the following link:

<http://www.sanantonio.gov/RFPListings/>

5. **Question:** Is the City willing to negotiate requirements for the escrow agreement among the City, Frost Bank and Lessor?

Response: The City will discuss/negotiate requirements for the escrow agreement with the selected Bidder.

6. **Question:** Is the City willing to consider an indexed rate, allowing a Lessor to provide a more competitive bid?

Response: Per the Interest Rate/Cost section of the RFB, the City will not entertain a reset or variable rate component on the interest rate for either of the amortization schedules. Since this is a one-time financing, these interest rates shall not expire and will be fixed from the Bid submittal date through the anticipated funding date of May 24, 2011, with the interest rate relating to each amortization schedule remaining constant for the term of the Lease.

7. **Question:** When does the City anticipate notifying the winning Bidder? When is the award date?

Response: See response to question 5 on Addendum II, which is posted online at the City's website via the following link:

<http://www.sanantonio.gov/RFPListings/>