

**URBAN COUNTY
PROGRAM**
Hidalgo County Commissioners' Court
Agenda Request Form

No. _____

Date: January 12, 2007


Meeting Date Request: January 23, 2007

Deadline for Action: January 23, 2007

Contact Person: Diana R. Serna

Department: Urban County Program

Phone: (956) 787-8127 Fax: (956) 787-5291


Diana R. Serna, UCP Director 

Caption:

Requesting authorization from Hidalgo County Commissioners Court to authorize a waiver request for pre-award costs to the U.S. Department of Housing and Urban Development.

Background:

The City of Sullivan City is requesting that the Urban County Program request authorization from the Hidalgo County Commissioners Court to submit a request for waiver of pre-award costs to the U.S. Department of Housing and Urban Development. The request is for the purchase of fire apparatus which are the following, (1) Pierce 2D KW T300 Tanker, (1) Pierce 4D GMC 5500 Contender Pumper mini truck and (1) pick up skid unit, nozzles, folding tank, support equipment fighting vehicles which are eligible under 24 CFR Part 507.201 (c), Public Facilities and Improvements and 24 CFR Part 570.207 (b) (l) (ii).

Manager: 

Finance: _____

Deputy Director _____

Please initial for approval:

Legal Counsel _____

Budget _____

Human Resources _____

Dept./Fund No. _____

Amt. Expended: \$ _____

Funds/Staffing Budgeted: Yes: _____ No: _____

Account Code: _____

Impact on Future Budget: Yes _____ No _____

Comments:

Action taken by Commissioner's Court:

Approved _____ Tabled _____ Denied _____ Motion made by _____ Seconded _____ Vote _____



City of Sullivan City

Mayor Gumaro "Maro" Flores
Mayor Pro-Tem Reynaldo "Rey" Ruiz
Commissioner Ginger Villarreal
City Manager Rolando Gonzalez

January 4, 2007

Mr. Oscar Garza
Program Coordinator
Urban County Program
1916 Tesoro Blvd.
Pharr, TX 78577

Dear Mr. Garza:

Please let this letter serve as a formal request for guidance and approval for pre-award costs for the purchase of fire fighting apparatus with up-coming funding from the Urban County Program.

Attached please find the amortization schedule as provided by Siddons Fire Apparatus, Inc. The City Commission approved the proposal from Siddons with a ten pay-off. The purchase will be thru the H-GAC Buy Board. The City is asking for approval from the Commissioners Court to request approval from the U.S. Department of Housing and Urban Development to award pre-award costs for the City of Sullivan City. Thank you for your help and consideration.

Sincerely,

Rolando Gonzalez
City Manager

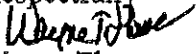
Addendum: January 12, 2007 for Sullivan City Proposal dated December 6, 2006

Hidalgo County Urban Cities Program
Oscar Garza, Program Coordinator
1917 Tesoro Blvd.
Pharr TX 78577

Dear Mr. Garza:

Per your request and advisement of a Commissioners Court agenda item of January of 23, 2007 and the pending review by HUD, Siddons Fire Apparatus agrees to hold pricing until 1 March 2007.

Respectfully



Wayne Flowers
Siddons Fire Apparatus



Siddons Fire Apparatus, Inc.

P.O. Box 2461 • Houston, Texas 77252-2461 • (866) 334-0737 • Fax (281) 219-2560

Texas Dealer A5853; P48884

PROPOSAL 1007/6737

December 6, 2006

Sullivan City/Hidalgo County Urban Cities Program

PO Box 249

Sullivan City TX 78595

Rolando Gonzalez, City Manger

Siddons Fire Apparatus, Inc. hereby proposes to furnish the following apparatus under its own power as described hereinafter to Sullivan City TX, within 1-2 months from date of final drawing approval by the purchaser. Apparatus will be constructed by Pierce Manufacturing, Inc. in Bradenton, FL and meets the applicable requirements of the National Fire Protection Association (NFPA) as stated in current edition at time of contract execution, except where amended by your specifications. Unit will comply with all specifications attached and made a part of this proposal.

Description	Price
(1) Pierce® 2D KW T300® Tanker, Dry-Side, Alum Waterous 500gpm, Side-Control, 1800 gal Poly, Foam Pro 1600 Single	\$184,481.00
(1) Pierce 4D GMC mini pumper, Waterous 500 gpm,side control 200 gal tank ,Foam Pro 1600 Single agent foam system with Honda generator and light	\$152,777.00
Buy Board Coop Fee (contract 245-06-5)	\$1,500.00
Pick up skid unit ,nozzles, folding tank, support equipment	\$20,000.00
Total	\$358,758.00

The unit proposed is a stock truck, stock no.5575658/18313, and subject to purchase from anyone at any time by the first buyer. Availability of this unit is not guaranteed until the time of order. This proposal and price is valid and guaranteed for 30 days. Siddons is an authorized sales and service dealer for Pierce Mfg., an authorized service center for Waterous, Hale, and Darley fire pumps, and an OEM distributor for all major fire equipment accessories. Siddons Fire Apparatus provides the very best sole source product and service solutions to the fire service of Texas. The opportunity to place this Pierce apparatus in your department is greatly appreciated and we are certain it will fulfill your every requirement. We look forward to working for you.

Please sign and return one copy of this letter as your acknowledgement of acceptance.

Sincerely,

Wayne Flowers
Siddons Fire Apparatus, Inc.

ACCEPTANCE

Sullivan City/Hidalgo County Urban Cities
Program

Date



December 13, 2006

SALES ORGANIZATION: Siddons Fire- Wayne Flowers
 LESSEE: Sullivan City, TX
 TYPE OF EQUIPMENT: Pierce KW tanker, Mini Pumper and Skid Unit
 EQUIPMENT COST: \$ 357,258.00
 CUSTOMER DOWNPAYMENT: \$0.00
 TRADE-IN: \$0.00
 DELIVERY TIME: Standard
 PAYMENT MODE: Annual In Arrears
 FIRST PAYMENT DUE DATE: 1 year after lease commencement
 LEASE COMMENCEMENT DATE: Upon contract signing with Pierce

Term	Number of Payments	Payment Amount
5 years	5 annual	\$ 80,956.39
10 years	10 annual	\$ 45,212.60
12 years	12 annual	\$40,269.24
15 years	15 annual	\$35,235.66

The above listed payment(s) reflect all program discounts available exclusively through Oshkosh Capital. There are no documentation or closing costs associated with the completion of this financing.

TYPE OF FINANCING: Tax-exempt Lease Purchase Agreement with a \$1.00 buy out option at end of lease term. Said agreement shall be a net lease arrangement whereby lessee is responsible for all costs of operation, maintenance, insurance, and taxes.

BANK QUALIFICATION: This proposal assumes that the lessee will not be issuing more than \$10 million in tax-exempt debt this calendar year. Furthermore, it is assumed that the lessee will designate this issue as a qualified tax-exempt obligation per the tax act of 1986.

LEGAL TITLE: Legal title to the equipment during the lease term shall vest in the lessee, with Oshkosh Capital perfecting a first security interest

AUTHORIZED SIGNORS: The lessee's governing board shall provide Oshkosh Capital with its resolution or ordinance authorizing this agreement and shall designate the individual(s) to execute all necessary documents used therein.

LEGAL OPINION: The lessee's counsel shall furnish Oshkosh Capital with an opinion covering this transaction and the documents used herein. This opinion shall be in a form and substance satisfactory to Oshkosh Capital.

VOLUNTEER FIRE DEPARTMENTS: If Lessee is a Volunteer Fire Department, a public hearing under the requirements of Section 147(f) of the Internal Revenue Code of 1986 shall be conducted to authorize this transaction. It is recommended that a notice of the public hearing be published 10 to 14 days in advance of the public hearing.

This proposal will be valid for thirty (30) days from the above date and is subject to final credit approval by Oshkosh Capital and approval of the lease documents in Oshkosh Capital's sole discretion. To render a credit decision, lessee shall provide Oshkosh Capital with their most recent two years' audited financial statements, copy of their most recent interim financial statement, and current budget.

Accepted by:

Proposal submitted by:

Kim Simon

Lessee

Date

Kim Simon



Oshkosh Capital
 Locator 16-0056
 155 East Broad Street
 Columbus, OH 43215
 Phone: (800) 820-9041, ext. 1 / Fax: (800) 678-0602

Wayne Flowers

From: Simon, Kim (Oshkosh Capital) [Kim.Simon@oshkoshcapital.com]
Sent: Friday, December 08, 2006 3:49 PM
To: Wayne Flowers
Subject: RE: Sullivan City

5 yrs - 4.69
10 yrs - 4.72
12 yrs - 5.15
15 yrs - 5.49

Kim

Oshkosh Capital
Kim Simon
Locator 16-0056
155 East Broad Street
Columbus, OH 43215
(O) 1-800-820-9041
(F) 1-800-678-0602

From: Wayne Flowers [mailto:wayne@siddonsfire.com]
Sent: Fri 12/8/2006 4:43 PM
To: Simon, Kim (Oshkosh Capital)
Subject: RE: Sullivan City

What are the annual rates?

Wayne F. Flowers
Product Specialist
Siddons Fire Apparatus
210-213-1362

From: Simon, Kim (Oshkosh Capital) [mailto:Kim.Simon@oshkoshcapital.com]
Sent: Friday, December 08, 2006 11:42 AM
To: wayne@siddonsfire.com
Subject: Sullivan City

Let me know if you need any else.

Kim

Oshkosh Capital

12/13/2006



**GOVERNMENT CAPITAL
CORPORATION**

December 7, 2006

Mr. Wayne Flowers
Siddons Fire Apparatus

REF: Sullivan City Fire Department

Dear Wayne:

Thank you for the opportunity to present proposed financing. The transaction would be as follows:

LESSOR:	Government Capital Corp.
LESSEE:	City of Sullivan City
FINANCING STRUCTURE:	Public Property Finance Act Contract
APPROX. FINANCED AMOUNT:	\$357,258.00

TERM:	5 Ann. Payments	10 Ann. Pay.	15 Ann. Pay.
INTEREST RATE:	5.6%	5.6%	5.6%
PAYMENT AMOUNT:	\$83,549.98	47,648.67	35,994.95
1ST PAYMENT DUE:	Oct. 1, 2007	Oct. 1, 2007	Oct. 1, 2007
BUYOUT:	\$1.00	\$1.00	\$1.00

The above proposal is subject to audit analysis and reflects current market conditions. Rate adjustment on the 5th & 10th anniversary equal to the current spread of maturity treasuries. If closing occurs more than 30 days from proposal issue date, we reserve the right to index to current market.

If you have any questions regarding other payment terms or conditions, please feel free to call me.

With Best Regards,

Bobby R. Stuart
Vice President, Public Finance