



# **Request for Proposal**

**For**

**Installment Loan Financing**

**By**

**Village of Bald Head Island, North Carolina**

**December 11, 2023**

*Due Date: January 5, 2024 by*

*3:00 PM*

**106 Lighthouse Wynd  
Bald Head Island, North Carolina 28461  
BRUNSWICK COUNTY, NORTH CAROLINA  
REQUEST FOR PROPOSAL  
INSTALLMENT LOAN FINANCING**

The Village of Bald Head Island, North Carolina (hereinafter called the "Village") desires to enter into an installment financing agreement pursuant to N.C. General Statute §160A-20 in the principal amount not to exceed \$380,000 for the purpose of financing the cost of the purchase described below. The Village is soliciting your proposal to provide the necessary financing for this purchase, subject to the terms and conditions set forth in this Request for Proposal.

**A. PERTINENT INFORMATION**

The Village invites proposals from qualified institutions and resources to finance the purchase of one complete ambulance inclusive of specified equipment for the Village of Bald Head Island.

This financing will be bank eligible under Section 265 of the Internal Revenue Code of 1986.

This purchase is considered a motor vehicle and does not require LGC approval.

**B. CONTRACT SPECIFICATIONS**

1. The desired amount of the financing is an amount not to exceed \$380,000.
2. The desired term of the financing agreement is ten (10) years. The Village desires the debt service payment schedule to reflect amortization over a ten (10) year fiscal period. The Village's fiscal year begins July 1 and runs through June 30.
3. Installment payments are to be made quarterly (both principal and interest in arrears).
4. The interest rate shall be fixed for the term.
5. The interest rate proposed must be guaranteed until February 28, 2024.
6. Prepayment terms will be negotiated between the Village and the successful bidder. The Village requires prepayment terms to allow prepayment of principal at any time without penalty.
7. The Village's obligations under the installment financing agreement will be secured by a security interest in all or a portion of the ambulance being purchased, inclusive of specified equipment being financed as negotiated between the Village and the successful bidder. No deficiency judgment may be rendered against the Village for breach of a contractual obligation under the Installment Financing Agreement, and the taxing power of the Village will not be pledged to secure payment thereunder.

8. The Installment Financing Agreement must not contain a non-substitution clause and there must not be a non-appropriation clause in the Agreement.

### **C. SUBMISSION OF PROPOSAL**

Responses to this Request for Proposal must be submitted no later than 3:00 PM on Friday January 5, 2024. Responses may be either mailed or emailed; however, electronic delivery is recommended due to mail delivery challenges to the Island. Please address your Response to the attention of:

Zachary Hewett, Finance Director  
Village of Bald Head Island  
106 Lighthouse Wynd  
Bald Head Island, NC 28641  
[zhewett@villagebhi.org](mailto:zhewett@villagebhi.org)

Proposals must specify, at a minimum, the following information:

1. The term of the financing.
2. The interest rate and total interest cost of the financing.
3. The terms of repayment (please attach a proposed amortization schedule showing the interest and principal payments due over the five (5) year fiscal period).
4. Proposed terms for optional prepayment. Please also conspicuously state whether you would allow a prepayment without penalty.
5. A list of all additional costs to be associated with this transaction, including origination or placement fees, escrow fees, counsel fees, and any other expenses. State whether or not any of such fees or expenses can or will be capped or waived.
6. A statement acknowledging and confirming that your institution agrees to the contract specifications set forth in Part B of this Request for Proposal.
7. A description of the collateral you propose/require to secure financing and the method for creating the lien or security interest in such collateral.
8. Bids should be based on gross funding of the Project (without consideration of investment earnings).

The Village reserves the right to request additional information from the bidders and reserves the right to reject all proposals and to waive any irregularity or informality. Although the lowest total financing cost (including both interest cost and upfront fees and expenses) will substantially influence the Village's selection, the Village reserves the right to select the bidder that best meets the needs of the Village as determined by the Village in its sole discretion.

Your proposal should address the matters set forth in Rider A attached hereto.

If further information is needed or if you have any questions regarding this Request for Proposal, please email your questions to Zachary Hewett, Finance Director at [zhewett@villagebhi.org](mailto:zhewett@villagebhi.org).

Thank you in advance for your consideration of this Request for Proposal.

Sincerely,

Zachary Hewett, MBA, CLGFO  
Finance Director

RIDER A TO REQUEST FOR PROPOSAL FOR  
TAXABLE INSTALLMENT LOAN FINANCING BY  
VILLAGE OF BALD HEAD ISLAND, NORTH CAROLINA  
December 8, 2023

Legal counsel for the Village, will either (1) review documents prepared by the chosen bank/lender or (2) draft such documents for the bank/lender's review. For the Village to take the most cost-effective action, please indicate your fees associated with (1) the bank/lender drafting/processing the documents for the Village's legal counsel to review and (2) your fees in the event if the Village's legal counsel drafts the documents for the bank/lender's review.