

Special Council Meeting

DRAFT

December 27, 2023

A duly warned special meeting of the Newport City Council was held on Monday, December 27, 2023, in the council room in the Newport Municipal Building. Present were Mayor Linda Sullivan, Council President John Wilson, Council Members Kevin Charboneau, Chris Vachon, and Clark Curtis, City Clerk/Treasurer James D. Johnson, Comptroller Rebecca Therrien, Police Chief Travis Bingham, Public Works Director Tom Bernier, Interim Fire Chief Kevin LaCoss, members of the Press and Public.

Mayor Sullivan called the meeting to order at 8:30 AM

Additions, Deletions to the Agenda

Mr. Curtis moved to add authorization to sign an agreement with a city employee. Seconded by Mr. Wilson, motion carried unanimously.

Comments by the Public

Jennifer Bjurling spoke on the budget and the form of City Government.

Fire Department Extraction Equipment Order (attached)

Mr. Vachon moved to discuss Fire Department extrication equipment. Seconded by Mr. Charboneau motion carried unanimously.

Interim Fire Chief Kevin LaCoss and Chuck Newton presented a request to purchase 2023 Extrication Equipment.

Mr. Wilson moved to purchase 2023 model extrication equipment under option 2 (7 years). Seconded by Mr. Curtis, motion carried unanimously.

Mr. Curtis moved to sign the financial agreement for the 2023 extrication equipment with Municipal Leasing Consultants. Seconded by Mr. Wilson, motion carried unanimously.

Ratify ANR Categorical Recycling Facility Certification Application

Mr. Vachon moved to ratify the ANR Categorical Recycling Facility Certification Application. Seconded by Mr. Wilson motion carried unanimously.

Authorization to Sign Agreement with a City Employee Potential Executive Session 1 V.S.A. 313(a)(1)

Mr. Curtis moved to enter executive session to discuss an agreement with a city employee. Seconded by Mr. Wilson, motion carried unanimously.

In open session, Mr. Curtis moved to authorize the mayor to sign an agreement with a city employee. Seconded by Mr. Wilson, motion carried unanimously.

New Business

None

Old Business

Mayor Sullivan read a statement for the new year (attached)

Adjournment

Mr. Charboneau moved to adjourn at 9:32 AM. Seconded by Mr. Curtis, motion carried unanimously.

Attested _____ This _____ Day of January 2024

_____ Mayor



Municipal
Leasing
Consultants



T: 802.372.8435 F: 802.372.4775
powerofleasing.com
powerofenergyfinancing.com

December 22, 2023

Rebecca Therrien
Comptroller/Programs Director
City of Newport
222 Main Street
Newport, VT 05855

Dear Rebecca,

Municipal Leasing Consultants, an independent woman-owned business, is pleased to present the following proposal to lease certain capital equipment pursuant to the following terms and conditions:

- LESSOR:** Municipal Leasing Consultants, its Agents or Assignee
- LESSEE:** City of Newport, VT
- EQUIPMENT:** Jaws of Life Equipment
- EQUIPMENT COST:** \$110,102.00 approximate
- PAYMENT STRUCTURES:**
 - Option 1: Tax Exempt Lease Purchase**
Five (5) Years – Annual/Advance
Five (5) Annual Payments of \$24,592.58
First payment of \$24,592.58 due at closing and Annual thereafter
(i.e. $\$110,102.00 \times .223362 = \$24,592.58$)
 - RATE:** 5.85%
 - Option 2: Tax Exempt Lease Purchase**
Seven (7) Years – Annual/Advance
Seven (7) Annual Payments of \$18,543.58
First payment of \$18,543.58 due at closing and Annual thereafter
(i.e. $\$110,102.00 \times .168422 = \$18,543.58$)
 - RATE:** 5.87%
 - Option 3: Tax Exempt Lease Purchase**
Ten (10) Years – Annual/Advance
Ten (10) Annual Payments of \$14,053.71
First payment of \$14,053.71 due at closing and Annual thereafter
(i.e. $\$110,102.00 \times .127643 = \$14,053.71$)
 - RATE:** 5.89%

Please initial and circle the desired option.

As part of the proposal process, we encourage you to contact us to discuss the intricacies of our proposal and your specific goals. There are many variations available to our proposed financing structure, which can be "fine-tuned" as our dialog progresses.

The preceding costs are estimates and thus, the payment amount would be changed in proportion to the actual cost. The Vendor(s) will be paid upon the Lessee's authorization and the execution of mutually acceptable documentation.

THE ABOVE QUOTES ARE FIXED FROM **DECEMBER 22, 2023 TO JANUARY 19, 2024** IN ANTICIPATION OF **CLOSING / FUNDING** BY THIS DATE. THEREAFTER, THE RATE WILL FLOAT AND NOT BE LOCKED IN UNTIL DOCUMENTS ARE PREPARED FOR CLOSING AND WILL BE BASED ON THE LIKE TERM SWAP RATES.

EQUIPMENT ACCEPTANCE DATE:

This proposal is based on both the assumption and the condition that any, and all equipment will be delivered to and accepted by Lessee prior to December 22, 2024.

OPTION AT LEASE EXPIRATION:

At the lease expiration, the Lessee shall have the right to purchase the equipment for One dollar (\$1.00), assuming the lease is not in default and all terms and conditions of the lease have been met.

NET LEASE:

This lease will be a net lease transaction with maintenance, acceptable insurance coverage, taxes and any legal fees the responsibility of the Lessee.

LEASE AMORTIZATION SCHEDULE:

Amortization schedules with separate principal and interest cost breakdown will be provided with the final documentation.

WARRANTIES:

Lessor is bidding only as to the provision of lease purchase financing for the purchase cost of the equipment and will have no responsibility to the Lessee or any other person for the selection, furnishing, delivery, servicing or maintaining of the equipment. All equipment manufacturer or vendor warranties will be passed to the Lessee under the agreement.

NON-APPROPRIATION:

The lease payments shall be subject to annual appropriation for each fiscal year.

BANK OR NON-BANK QUALIFICATION:

Lessee reasonably anticipates the total amount of tax-exempt obligations (other than private activity bonds) to be issued by Lessee during calendar year 2023, will not exceed ten million (\$10,000,000.00) dollars.

FINANCIAL STATEMENTS:

If applicable, Lessee shall furnish Lessor with its financial statement for the last three (3) fiscal years and its current year fiscal budget.

AUTHORIZED SIGNORS:

The Lessee's governing board shall provide MLC with its resolution or ordinance authorizing this Agreement and shall designate the individual(s) to execute all necessary documents used therein.

LEGAL OPINION:

If applicable, the Lessee’s counsel shall furnish MLC with an opinion of counsel letter covering this transaction and the documents used herein.

REIMBURSEMENT:

If Lessee intends to be reimbursed for any equipment cost associated with this agreement, intent for reimbursement from the proceeds of this Agreement must be evidenced and must qualify under the Treasury Regulation Section 1.150.2.

DOCUMENTATION:

All documentation will be provided by Lessor, its Agents or Assignee, and must be satisfactory to all parties concerned.

ESCROW FUNDING:

- If applicable, an escrow account will be established to make disbursements at a cost of \$550.

We will need the following prior to disbursements from escrow:

1. Payment Request and Acceptance Certificate signed by authorized signer
2. Vendor Invoice with payment instructions (wire or check)
3. W-9 for Vendor
4. Vehicles – Front and Back of Certificate of Origin listing the bank as lien holder (This will be given to the customer and vendor after final credit approval.
5. Serial numbers for any attachments (plow, dump, sander, spreader, etc.)
6. Insurance Certificate – Listing the applicable property and liability coverage and listing the lease number, equipment and any VIN#'s or serial numbers.

PREPAYMENT OPTION:

The Lessee will have the option to prepay on any payment date for 102% of the remaining balance.

BASIS OF PROPOSAL:

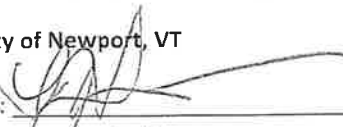
This proposal is based upon financing being provided by Lessor and should not be construed nor relied upon as a commitment. Such a commitment is subject to formal credit review, approval, and execution of mutually acceptable documentation. The contract, and not the proposal, will set forth the agreement between the parties.

We appreciate the opportunity to provide this proposal and look forward to working with you in the future. If the foregoing meets with the City’s approval, please date, and sign the acceptance below and return the signed proposal to the undersigned via email or fax to 802-372-4775 and subsequently remit payment of \$895.00 for the Documentation Fee. Failure to consummate this transaction once credit approval is granted will result in a \$895.00 fee being assessed to the City. Formal credit approval will be pursued upon receipt of the signed proposal and complete credit package. **Credit approval normally takes ten (10) to fourteen (14) business days.**

If you have any questions or need further information, please do not hesitate to contact me at 802-372-8435.

The foregoing is acknowledged and accepted as of the 27th day of December, 2023.

City of Newport, VT

By:  _____
 Title: Mayor _____

Sincerely,
Renee

Reneé M. Piché
President

Newport - 7 yrs

Compound Period : Annual

Nominal Annual Rate : 5.870 %

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	01/19/2024	110,102.00	1		
2 Payment	01/19/2024	18,543.58	7	Annual	01/19/2030

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

Date	Payment	Interest	Principal	Balance
Loan 01/19/2024				110,102.00
1 01/19/2024	18,543.58	0.00	18,543.58	91,558.42
2024 Totals	18,543.58	0.00	18,543.58	
2 01/19/2025	18,543.58	5,374.48	13,169.10	78,389.32
2025 Totals	18,543.58	5,374.48	13,169.10	
3 01/19/2026	18,543.58	4,601.45	13,942.13	64,447.19
2026 Totals	18,543.58	4,601.45	13,942.13	
4 01/19/2027	18,543.58	3,783.05	14,760.53	49,686.66
2027 Totals	18,543.58	3,783.05	14,760.53	
5 01/19/2028	18,543.58	2,916.61	15,626.97	34,059.69
2028 Totals	18,543.58	2,916.61	15,626.97	
6 01/19/2029	18,543.58	1,999.30	16,544.28	17,515.41
2029 Totals	18,543.58	1,999.30	16,544.28	
7 01/19/2030	18,543.58	1,028.17	17,515.41	0.00
2030 Totals	18,543.58	1,028.17	17,515.41	
Grand Totals	129,805.06	19,703.06	110,102.00	

