



TOWN OF READFIELD

8 OLD KENTS HILL ROAD • READFIELD, MAINE 04355

Tel. (207) 685-4939 • Fax (207) 685-3420

Email: Readfield@roadrunner.com

REQUEST FOR PROPOSALS - FIRE TRUCK FINANCING

GENERAL PROVISIONS

The Town of Readfield (the "Town") invites proposals for alternate financing options for the purchase of a fire truck in a principal amount not to exceed \$426,000. The Town wishes to consider both a General Obligation Bond (Option 1) and a Lease Purchase Agreement (Option 2). We recognize that some institutions may be interested in bidding on both options, and some on one option exclusively. We welcome all bids regardless of whether they include one or both options.

Interested institutions must submit proposals by 12:30 p.m. on Monday, May 2, 2016, when they will be opened publicly. Any proposal received after this scheduled opening time shall not be considered. Each proposal should be submitted to Eric Dyer, Town Manager, 8 Old Kents Hill Rd. Readfield, ME 04355 in a sealed envelope marked "Fire Truck Financing Proposal" or via email to readfield.tmgr@roadrunner.com with the subject line reading "Fire Truck Financing Proposal". Proposals will be considered by the Select Board at its meeting convening at 6:30 p.m. on the evening of May 2, 2016 at the Town Office and it is currently expected that an acceptance of a proposal by vote of the Select Board will be made at that meeting. Information regarding the Town's finances can be obtained by calling Finance Officer Teresa Shaw during business hours at (207) 685-4939. Questions regarding this Request For Proposals should be directed toward the Town Manager.

The Town has engaged the firm of Preti Flaherty Beliveau & Pachios LLP to act as Bond Counsel in connection with this borrowing, and, if required, the successful bidder will be provided with an opinion from Bond Counsel regarding the authorization and tax exempt status of the Bond or the Lease at the time of the closing. The usual and customary fees associated with obtaining this opinion will be paid by the Town. The Town will certify that the debt is a qualified tax-exempt obligation within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code.

Proposals must disclose the interest rate to be charged, the amount of any fees or other charges relating to the debt, any other terms or conditions and the other information specified in the Proposal Form at the end of this document. Proposals shall set forth any deadline for acceptance by the Town which shall be not earlier than 4:00 p.m., May 3, 2016. The Town reserves the right to accept or reject any or all proposals, to waive any informality in the proposals and to exercise its judgment in evaluating the proposals.

OPTION 1 - GENERAL OBLIGATION BOND

The Town invites Proposals for a General Obligation Bond in a principal amount of not to exceed \$426,000, without premium or discount, to fund the purchase of a fire truck. The Bond will be dated not later than June 10, 2016 and Bond proceeds will be taken as a lump sum on that date. Payment of the Bond will be made over seven (7) years in fourteen (14) semiannual installments of principal and interest payable June 1 and December 1, commencing December 1, 2016. Proposals must permit the Town to prepay the Bond at the election of the Town without penalty at any time.

OPTION 2 - LEASE-PURCHASE

The Town invites Proposals for a Lease-Purchase Agreement in a principal amount of not to exceed \$426,000, without premium or discount, for the purchase of a fire truck. The Lease will be dated not later than June 10, 2016 and Lease proceeds will be taken as a lump sum on that date. Payment of the Lease will be made over seven (7) years in fourteen (14) semiannual installments of principal and interest payable June 1 and December 1, commencing December 1, 2016. Proposals must permit the Town to prepay the Lease at the election of the Town without penalty at any time.

End of Request For Proposals

FIRE TRUCK FINANCING PROPOSAL FORM

Name and Address of Institution: _____

Representative's name: _____

The undersigned Institution proposes to provide the following financing options for the purchase of a fire truck as described in the Request For Proposals:

OPTION 1 - General Obligation Bond

Interest Rate: _____ Comments: _____

Total Interest Payments assuming \$426,000 principal and equal semiannual principal payments:
\$ _____

Total Interest Payments assuming \$426,000 principal and equal semiannual debt service payments:
\$ _____

All relevant schedules, terms, and conditions, including proforma amortization schedules, are attached to this Proposal Form.

OPTION 2 - Lease Purchase Agreement

Interest Rate: _____ Comments: _____

Total Interest Payments assuming \$426,000 principal and equal semiannual principal payments:
\$ _____

Total Interest Payments assuming \$426,000 principal and equal semiannual debt service payments:
\$ _____

All relevant schedules, terms, and conditions, including proforma amortization schedules, are attached to this Proposal Form.

Signed and dated: _____

End of Proposal Form



DRAFT

TOWN OF READFIELD

8 OLD KENTS HILL ROAD • READFIELD, MAINE 04355

Tel. (207) 685-4939 • Fax (207) 685-3420

Email: Readfield@roadrunner.com

MEMO

To: Readfield & Wayne Boards of Selectmen
From: Eric Dyer, Readfield Town Manager
Aaron Chrostowsky, Wayne Town Manager
Date: March 18, 2016
Re: Town Of Fayette Inclusion Options for the Readfield & Wayne Transfer Station

Background:

In early 2016 Mark Robinson, Manager of the Town of Fayette inquired about the possibility of bringing their solid waste and recycling to the Readfield and Wayne Transfer Station following the anticipated end of their contract with the Town of Jay for these services.

Currently the Town of Fayette pays four distinct fees for these services. Households individually pay an estimated \$300 per year in mandatory collection fees for waste collection and transport to Jay. The Town of Fayette pays an access fee for each resident. The waste is tipped in Jay and the Town of Fayette is billed separately for Solid Waste (MSW) and Recyclables. Residents are able to bring bulky waste to Jay for a fee, or free to a seasonal collection in Fayette. They are also able to deliver Construction and Demolition Debris (CDD) to Jay for a fee. Their cost structure and current costs are included in the table below. The combined costs for services paid to the Town of Jay are \$39,374.77. The cost of collection to households is an estimated \$147,300:

Fee	Units	Unit Cost	Total Cost
Waste Collection	491 Households	\$300/year	\$147,300
MSW	374.26 Tons	\$91.66/ton	\$34,304.67
Recycling	38.54 Tons	\$65.00/ton	\$2,505.10
Access	1140 Residents	\$2.25 /resident	\$2,565
		TOTAL	\$186,647.77

The Towns of Readfield and Wayne currently share operational expenses for the Transfer Station equally. Residents pay for the bulk of these services through taxes but also pay several per item fees. Trash collection is available but not mandatory in these towns and most residents deliver to the Transfer Station to avoid the cost and take advantage of additional services. Residents can deliver bulky waste and CDD for a fee, brush for free, and have access to the "Swap Shop" for depositing and collecting items for re-use. The fee schedule is not included here, but a breakdown of the operating costs for the Readfield and Wayne Transfer Station is estimated to be \$215,995 for the coming fiscal year.

Options:

In considering the options available to the Towns of Wayne and Readfield it seemed appropriate to look at a scenario that would keep Fayette "whole" in that they could maintain the same system they have and pay the same price (or very near it) and also look at a scenario where the Town of Fayette

participated in the Readfield and Wayne Transfer station as a partner, proportionally sharing the cost of operations. The financial breakdown of these scenarios are presented below:

OPTION 1

Fee	Units	Unit Cost	Total Cost
Waste Collection	491 Households	\$300/year	\$147,300
MSW	375 Tons	\$71.00/ton	\$26,625
Recycling	39 Tons	\$60.00/ton	\$2,340
Access	1140 Residents	\$10.00 /resident	\$11,400
		TOTAL	\$187,665

In option 1 the cost of transporting and tipping of waste would be provided at cost to the Town of Fayette so that variations in volumes or disposal costs would not result in a profit or loss for any town, and the Towns of Readfield and Wayne would split a modest revenue to provide the service at the cost currently being Paid by Fayette. However, the option 1 would result in an inequitable distribution of the costs of waste disposal such that residents of Fayette would be paying much less per ton for disposal than residents of the other two towns using the same facility by essentially avoiding most overhead costs. This was a concern for both Managers in Readfield and Wayne and the Joint Solid Waste and Recycling Committee when they considered the various proposals.

Option 2 would provide the residents of Fayette with full access to the Transfer Station at a cost proportional to their share of the net operating expenses of the facility using the State of Maine valuation of each participating Town as a basis. In short, the additional estimated costs of accepting Fayette's waste were added to the anticipated net operating expenses for the Transfer Station and the total was divided by a State Valuation percentage. In this scenario both costs and benefits would be equitably shared by all participating towns. The cost of services for resident of Fayette provided through tax dollars would increase, but the overall cost to Fayette residents could significantly decrease by removing the mandate for paid collection services. If 20% of Fayette households opted to bring their waste to Readfield the net impact would be a savings of \$29,460, which would more than offset the \$26,623.89 increase in municipal fees. In short, residents would have the benefits of access to a full-service transfer station with a small increase in their tax bill (we estimate less than \$30 for the median property assessment) but would have the option of saving \$300.

OPTION 2

Town	Units	Operating Cost	Total Cost
Readfield	43% of total valuation	\$253,841	\$109,151.63
Wayne	31% of total valuation	\$253,841	\$78,690.71
Fayette	26% of total valuation	\$253,841	\$65,998.66
		TOTAL	\$253,841.00

Option 2 would result in a slight increase in the cost of services for Readfield and a sizable decrease in the cost of services for Wayne, each previously paying an estimated \$108,000. The distribution would be fair however, which was a recurring theme in our discussions. The system as a whole would also become more stable with more participation and would make better use of facility resources such as staff. The installation of a scale at the Transfer Station would help in the operation, but would not be required under option 2. Under option 1 a scale would be required.

Recommendation:

The Managers of Wayne and Readfield, as well as the Joint Solid Waste and Recycling Committee unanimously recommend that the Select Boards of Readfield and Wayne present Option 2 to the Select Board of Fayette for consideration and further discussion.

To whom it may concern

March 21, 2015

My mother Margaret (Webb) Pierce passed away on February 16, 2016. She had been hospitalized over the Christmas holidays with COPD complications that turned to pneumonia. She slowly recovered with nursing care and was released back home on New Years eve. She never fully got her strength back though, and passed away peacefully in her sleep. My mother had lived with me in my home in Monmouth since her husband Patrick Pierce passed away in 2008. She refused to deal with any issues regarding his estate, she was very depressed and had some signs of mild dementia. In the fall of 2000, my brother became suddenly ill and died unexpectedly while in Texas, I believe that the shock of this affected her greatly. I did the best I could to care for her.

Now that she has passed, I am trying to settle both his estate and hers. I have submitted to the State of Maine Treasury department for the contents of her safe deposit box, where I believe there to be a will regarding her estate. (After Pat's death, we had looked there for a will for his estate, but there was not one). Being her only remaining child, I would be considered the heir to her estate. She does have some bills to settle up, this tax bill to the Town of Readfield, also back taxes to the town of Sidney where she has a home. She also has assets that would easily settle these past due debts.

I have set forth to claim her life insurance from the Maine Public Employees Retirement System. I have sent them an additional letter asking them to review if my mom had ever claimed her husband's life insurance after his death. I am awaiting the settlement for her (and possibly Pat's) Life insurance policies to pay off any debts my mother owed upon her passing. I fully intend to take care of all her outstanding issues. There are funds in her estate to cover the debts, I just need time to be able to settle her estate. If the Town of Readfield would be able to grant me a small extension on my mother's overdue bill, I will do my best to pay it as quickly as I can, and I will keep you apprised of any delays in the processing of her estate as soon as I know about them.

As far as my ability to pay this bill in the future, I have been steadily employed at Annabessacook Veterinary Clinic for the past 20 years and I have no intention of changing employment in the future. I may look into selling some of her properties, but I don't know for sure that is what I want to do at this time. I have included documentation to support my claims of this letter, showing that there are sufficient funds in her estate to fully cover all her debts.

Thank you for your consideration in this distressing time.



Heather Urquhart