



STATE OF DELAWARE
EXECUTIVE DEPARTMENT
OFFICE OF MANAGEMENT AND BUDGET

March 24, 2015

TO: ALL OFFERORS

FROM: MICHAEL BACU
STATE CONTRACT PROCUREMENT SUPERVISOR

SUBJECT: **ADDENDUM TO REQUEST FOR PROPOSAL
CONTRACT NO. GSS15059-MMLPA
Master Municipal Lease Purchase Agreement**

ADDENDUM #1

This Addendum is issued to answer vendor questions and provide greater contract detail regarding the referenced Request for Proposals. All other terms and conditions remain the same.

Q1. Is it possible to get a summary on the past three awardees that are delivering funds as needed?

ANSWER: The information for the most recent contract is available at
http://contracts.delaware.gov/contracts_detail.asp?i=49

Q2. I ask to see the name of the awardee, a brief on the pricing used, and the amounts taken so far.

ANSWER: Awarded vendor information and pricing can be found for the current contract at
http://contracts.delaware.gov/contracts_detail.asp?i=49

Q3. Appendix A
Tiered Leasing Rates – paragraph
Page 36

RFP state prices must be “fixed and binding” through July 16, 2015 and that DE reserves the right to request an extension. If such alternative provides for more attractive economics, is DE willing to accept a proposal in which pricing is based on a fixed formula linked to H-15 SWAPS and is set 3 days in advance of closing? Such a formula would obviate the need for bidders to include any “buffer” in their pricing to mitigate potential adverse rate movements.

ANSWER: The July 16, 2015 date is to allow for equitable bid evaluation in determining the awarded vendor(s). Please note RFP Appendix A, C. Tiered leasing Rates, page 38,

The Vendors are to price their submission as a specified percentage, or a multiplier, of the index selected. The Vendors should include pricing for terms at a minimum between one and seven years, and not to exceed 15 years. Vendors are encouraged to offer discounts for higher aggregate funding as well as incentives for increasing the repayment frequency.

The rate multiplier established in the Vendors submission will remain set for the life of the MMPLA contract. The rate for each individual lease within the MMPLA will be established and fixed for the term at the time of approval and commitment by the lessor, using the most recent weekly rate published.

Q4. Appendix A
Contract Value – paragraph
Page 36

Can DE please provide empirical usage data on schedule sizes for two most recent master lease contracts?

ANSWER: Aggregate historical spend is available at <http://bidcondocs.delaware.gov/GSS/usage/059.pdf>

Q5. Appendix A
Minimum Lease – paragraph
Page 37

Does DE have flexibility regarding the requested minimum schedule size of \$5,000?

ANSWER: No.

Q6. Appendix A
Economic Life – paragraph
Page 37

Is DE open to making leasing terms of respective asset classes subject to acceptance of the Lessor?

ANSWER: Individual lease acceptance is determined by the Lessor at time of the agency's funding request. Loan maturity cannot exceed 120% of Economic Life as permitted by the IRS for tax exempt securities.

Q7. Appendix A
Lease Pre-Payment – paragraph
Page 38

DE has stated its desire to retain prepayment flexibility. Is DE open to absorbing potential break-funding costs associated with the prepayments?

ANSWER: No. The Office of Management and Budget/Government Support Services shall not accept a proposal which stipulates pre-payment fees and/or penalties.

All other terms and conditions remain the same.



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