



**CITY OF LONGVIEW  
PURCHASING DIVISION**

Addendum No 2

November 6, 2020

**BID NO. 2021-25 FINANCING 2021 LR64 DUAL SITDOWN DIESEL TRUCKS**

The specifications and contract documents are modified as described below. This addendum becomes a part of the contract documents. All provisions of the original specifications and contract documents shall remain in full force and effect, except as modified by this addendum.

**The City offers the following clarifications to the 2021-25 Financing 2021 LR64 Dual Sitdown Diesel Trucks document:**

**Please note that the questions received related to both the 2021-24 and the 2021-25 solicitation. Separate addendums will be issued for each solicitation document to address the questions.**

**Purchasing received the following questions and requested confirmations:**

**QUESTIONS:**

1. I received both addendums, and thank you.

However, if the City has issued more than \$10mm in 2020, the lease would be a tax exempt, non-bank qualified lease - not taxable. I am happy to quote you both rates - NBQ and taxable, however, I wanted to make you aware that the lease should be NBQ.

2. The answer to the questions regarding tax exemption do not address why this financing would not be tax exempt. It address the bank qualification aspect but not the tax exempt aspect.

The tax exempt status of the lease has an impact on the interest rate the City pays, so this is very important to me.

**ANSWER:**

The bid will be corrected with the following language under Section II under the "General" section. "The lease purchase agreement will be tax exempt, but will not be classified as a Qualified Tax Exempt Obligation. The Agreement will be both tax exempt and the obligations will not be bank qualified. "

**If you have any further questions, please contact the Purchasing Department.**

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