

City of Dade City

Agenda Memo

To: Honorable Mayor and Members of the City Commission
From: Jim Class, City Clerk / Finance Director *JC*
Subject: Resolution No. 2009-06 – Authorizing the lease purchase of two police vehicles
Date: February 4, 2009

It is requested that the City Commission consider the following information and recommendations:

BACKGROUND:

For the past several years, the City has participated in a lease purchase program through the Florida League of Cities and the Bank of America. The bank recently decided to discontinue the program, so the City has had to look for alternate sources of financing for its lease purchases. The current budget included the proposed lease purchase of two police vehicles with equipment. The City requested loan proposals for this purchase from various financial institutions and leasing companies. After reviewing the responses, staff is recommending that the City accept the proposal from First Community Bank of America.

ISSUES:

Resolution No. 2009-06 authorizes the acceptance of the loan proposal from First Community Bank of America to finance the two police vehicles and equipment with annual payments over three fiscal years at an interest rate of 4.93%. It also authorizes the lease purchase of the vehicles and allows the Mayor and Clerk to execute the required documents.

ALTERNATIVES:

1. Approve Resolution No. 2009-06.
2. Do not approve Resolution No. 2009-06.

RECOMMENDATION:

Approve Resolution No. 2009-06 as presented.

FUNDING:

Funding for the current year's payment is provided in the Vehicle Lease account in the Infrastructure Surtax ("Penny") fund.

Please contact me if you have any questions or need further information.

BY THE CITY COMMISSION

RESOLUTION NO. 2009-06

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DADE CITY, FLORIDA, AUTHORIZING THE ACCEPTANCE OF A LOAN PROPOSAL AND THE EXECUTION AND DELIVERY OF LOAN DOCUMENTS WITH FIRST COMMUNITY BANK OF AMERICA; AUTHORIZING THE LEASE OF TWO POLICE VEHICLES AND EQUIPMENT; AUTHORIZING THE EXECUTION OF SUCH OTHER DOCUMENTS AS MAY BE NECESSARY TO COMPLETE THE TRANSACTIONS CONTEMPLATED HEREBY; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED by the City Commission of the City of Dade City, Florida (the "City") as follows:

Section 1. Findings. It is hereby ascertained, determined and declared that:

(a) The City deems it necessary, desirable and in the best financial interest of the City and its inhabitants that it accept a loan proposal (the "Loan Proposal") from First Community Bank of America (the "Lessor") to provide for the lease and purchase of equipment essential to the governmental, municipal or public purposes or functions of the City or to the services the City provides its inhabitants.

(b) The City has an immediate need for two police vehicles with equipment (the "Equipment") for the welfare of its citizens, and it is in the best financial interest of the City that the Equipment be leased pursuant to the Loan Proposal.

(c) The City is authorized and empowered by the Constitution and laws of the State of Florida, including particularly Chapter 166, Florida Statutes, and other applicable provisions of law (the "Act").

(d) The City is authorized and empowered by the Act to enter into transactions such as those contemplated by the Loan Proposal and to fully perform its obligations there under in order to acquire the Equipment.

(e) The small size of the lease financing, current market conditions and other circumstances require that the Loan Proposal and the leases of equipment there under be negotiated at private sale rather than offered by competitive bid.

Section 2. Authorization for Execution and Delivery of Loan Documents. The Loan Proposal, as set forth in the attached Exhibit A, is hereby accepted and approved. The City hereby authorizes and directs the Mayor and the Clerk to execute any Loan Documents (the "Loan Documents") as may be required under the Loan Proposal and deliver the same to the Lessor. All of the provisions of the Loan Documents, when executed, dated and delivered by or on behalf of the City as authorized herein and by or

on behalf of the Lessor, shall be deemed to be part of this Resolution as fully and to the same extent as if incorporated verbatim herein.

Section 3. Authorization for Lease of the Equipment. The Equipment to be leased, as set forth in the attached Exhibit B, is essential to the governmental, municipal or public purposes or functions of the City or to the services the City provides its inhabitants. The lease of the Equipment pursuant to the Loan Proposal is hereby approved.

Section 4. General Authority. The Mayor, the City Clerk and the officers, attorneys and other agents and employees of the City are hereby authorized to do all acts and things required of them by this Resolution or desirable or consistent with the requirements hereof for the full, punctual and complete performance of all of the terms, covenants and agreements contained in the Loan Proposal and the Loan Documents, and they are hereby authorized to execute and deliver all certificates and documents which shall reasonably be required by the Lessor to effectuate the transactions described herein.

Section 5. Severability of Invalid Provisions. If any one or more of the covenants, agreements or provisions of this Resolution shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements and provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements and provisions of this Resolution, and shall in no way affect the validity of any of the other covenants, agreements or provisions hereof.

Section 6. Effective Date. This Resolution shall become effective immediately upon its passage.

PASSED AND ADOPTED by the City Commission of the City of Dade City, Florida in regular session 10th day of February, 2009.

[OFFICIAL SEAL]

Scott Black, Mayor

ATTEST:

James D. Class, City Clerk

Approved as to legal form

Karla S. Owens, City Attorney