

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. 2009-13 – Authorizing the lease purchase of a utility truck
Date: April 6, 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 discontinued 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 a utility truck with equipment. The City previously requested loan proposals for two police cars from various financial institutions and leasing companies and the Commission accepted the proposal from First Community Bank of America in February. With this purchase coming within two months of the first one, First Community was contacted and has agreed to the same interest rate for the new loan.

ISSUES:

Resolution No. 2009-13 authorizes the acceptance of the loan proposal from First Community Bank of America to finance the utility truck with equipment with a down payment in the current year and annual payments over the next four fiscal years at an interest rate of 4.93%. It also authorizes the lease purchase of the vehicle, which is on the Florida Sheriff's Association / Florida Association of Counties Purchasing Contract, and allows the Mayor and Clerk to execute the required documents.

ALTERNATIVES:

1. Approve Resolution No. 2009-13.
2. Do not approve Resolution No. 2009-13.

RECOMMENDATION:

Approve Resolution No. 2009-13 as presented.

FUNDING:

Funding for the current year's payment is provided in the Vehicle Lease account in the Water Division budget of the Utility Fund.

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

BY THE CITY COMMISSION

RESOLUTION NO. 2009-13

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 A UTILITY TRUCK WITH 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 a utility truck 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 14th day of April, 2009.

[OFFICIAL SEAL]

Scott Black, Mayor

ATTEST:

James D. Class, City Clerk

Approved as to legal form

Karla S. Owens, City Attorney

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EXHIBIT A

LOAN PROPOSAL

FIRST COMMUNITY BANK

OF AMERICA

Loan Proposal

Prepared for: City of Dade City
Prepared by: Ralph Cumbee, President
 March 26th, 2008

Loan Amount \$35,000.00

Purpose: Purchase a utility truck for the City

Rate: 4.93%

Term: 4 annual payments beginning 12 months after funding

Annual Payment: \$9,854.97 Approximate

Collateral: 1st Security Interest in vehicle being purchased.

Fees See Below

Exit Fee None.

Other Probable Conditions:

- ☆ Evidence of casualty insurance on collateral vehicle
- ☆ Proper authorization from City for loan

Items Needed to proceed:

Copies of buyer's orders on vehicle
 Financial package on the City

This is not a commitment to lend. The loan is subject to the bank's final approval.

Estimated Closing Costs

Loan Amount	\$35,000
0.00% Loan Fee:	\$0 Waived
Credit Report	\$0
Evaluation	\$0
Doc Stamps	\$219 if applicable
Intangible Tax	\$0
Recording	\$0
Title Policy	\$0
Title Search	\$0
Survey	\$0
Tax Service	\$0
Flood Cert.	\$0
Doc Preparation	\$175
Underwriting	\$0
Courier Fees	\$0
Future Sat.	\$0
Inspection Fees	\$0
Pest Insp.	\$0
Ins. Tracking	\$0
Other	
Total	\$394 Can be financed

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EXHIBIT B

EQUIPMENT LIST

Exhibit B



GOVERNMENT SALES

5203 Waterside Drive; Jacksonville, FL 32210

Richard Tackett

904-388-2144

Fax: 9043876816

rtackett@duvalford.com

City of Dade City

Contact Barbara
 Org City of Dade City
 Phone
 Fax
 email

FORD CREDIT MUNICIPAL LEASE / PURCHASE OPTION				
TERM	FACTOR	RATE		ANNUAL PMT
3 YEAR	0.35485		6.60%	\$ 16,868.39
4 YEAR	0.275366		6.85%	\$ 13,185.19

We appreciate your interest in the 2009 Florida Sheriff's Association/ Florida Association of Counties Purchasing Contract. Listed below are the items we discussed.

			Price
			\$ -
SPEC 41	FORD 2009 F450 CHASSIS CAB DRW 4X2	CENTRAL	\$ 23,041.00
99R44B	DIESEL ENGINE		\$ 6,545.00
67A	DUAL ALTERNATORS		\$ 380.00
STD	IDLE CONTROL		\$ -
52B	ELEC BRAKE CONTROLLER		\$ 230.00
531HDW	TRAILER TOW PACKAGE, INCLUDES HITCH, BAR, BALL		\$ 795.00
LS 4.88	LIMITED SLIP REAR AXLE		\$ 360.00
W46	CREW CAB		\$ 4,041.00
51261J	SPARE AND JACK		INCL
9SB	9' SERVICE BODY		\$ 5,791.00
LINEXUB	SPRAY LINER INSIDE BODY AND TOPS		\$ 795.00
DBA	BACK UP ALARM		\$ 125.00
2SL	LEFT HAND AND RIGHT HAND SPOT LIGHT		\$ 760.00
W90	90WATT CORNER STROBES		\$ 485.00
EDGE9000	54" WHELEN EDGE SERIES 8 STROBE LIGHTBAR WITH AMBER FRONT		\$ 1,160.00
	REAR AMBER, CLEAR AND RED LENSES, 2 WORK LIGHTS		\$ -
*	VICE BRACKET AND FRONT PIPE SUPPORT (MOUNTED TO BODY FRONT)		\$ 250.00
*	PIPE RACK FROM REAR TO BACK OF CAB, WITH REMOVABLE REAR BAR		\$ 540.00
*	WATER COOLER BRACKET		\$ 98.00
*	CONE HOLDER		\$ 75.00
WTIR36M	LED TRAFFIC ADVISOR MOUNTED TO FRONT CROSS BAR		\$ 668.00
	HD wilton pipe vice		\$ 200.00
TOTAL			\$ 46,339.00