

STATEMENT OF BUDGET IMPACT
(Policy Number 94-45)
Budgetary Review of Proposed Resolution &
Ordinances with Financial Implication.

Date: November 10, 2016

BIS 17 – 060

FILE: TMP-2016-607

Proposed Legislation:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, APPROVING AND AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE THE ATTACHED MASTER EQUITY LEASE AGREEMENT PACKAGE AND ISSUE THE ATTACHED BLANKET PURCHASE ORDER BETWEEN ENTERPRISE FM TRUST, A DELAWARE STATUTORY TRUST (“ENTERPRISE”) AND THE CITY OF HOLLYWOOD, FOR THE LEASE OF VEHICLES TO SERVE THE CODE COMPLIANCE DIVISION FOR A TOTAL 14 MONTH TERM AND AN ESTIMATED ANNUAL AMOUNT OF \$112,544.00.

Statement of Budget Impact:

1. ☐ No Budget Impact associated with this action;
2. ☒ Sufficient budgetary resources identified/available;
3. ☐ Budgetary resources not identified/unavailable;
4. ☐ Potential Revenue is possible with this action;
5. ☒ Will not increase the cost of Housing;
6. ☐ May increase the cost of Housing; (CDAB review required)

Explanation:

This Resolution seeks authorization for the appropriate City Officials to enter into a lease agreement and execute a blanket purchase order (BPO) agreement between the City of Hollywood and Enterprise FM Trust in an estimated annual amount of \$112,544.00.

The Public Works Department, Fleet Division, on behalf of the Code Compliance Division requires the procurement of sixteen (16) GMC Sierra's to replace those vehicles that have reached or surpassed their life expectancy and road worthiness by age, mileage and wear and can no longer be relied upon to perform at required operational levels. Enterprise was contacted regarding availability of the GMC Sierra

pick-up trucks and the vendor advised City staff that they can provide GMC Sierra's as needed by the City via an open-end lease.

The Enterprise Vehicle Lease Agreement was competitively procured through the City of Lauderdale Lakes, Florida, pursuant to RFP No. 15-1301-02R, and Enterprise has agreed to provide these vehicles under similar pricing terms and conditions. Section 38.40 (C)(5) of the Purchasing Ordinance allows the Director to procure, without following formal procedures, all goods and services which are subject of contracts with the state, its political subdivisions, the United States government, other governmental entities, or a corporation not for profit whose members are governmental entities, public officers, or any combination thereof, provided however, the goods and services are: (i) the subject of a price schedule negotiated by the state or the United States government, or (ii) the subject of a contract with another governmental entity or a corporation not for profit whose members are governmental entities, public officers, or any combination thereof, which contract is based strictly on competitive bids or competitive proposals and not on any preference.

The proposed lease instrument is for a two (2) 7-month term open-end "equity" lease, of which at the end of the first 7-month term, the 16 vehicles will be returned and replaced by 16 new vehicles for the next 7-month term and Enterprise projects a re-sale value exceeding the reduced book value at the end of each 7 month term as a result of Enterprise's buying and purchasing power together with the manufacturer's government incentives, of which the savings is anticipated to cover the City's lease cost.

Funding for the attached Blanket Purchase Order is being provided for in the Fiscal Year 2017 budget through the adoption of a companion Resolution R-2016-XXX and will be budgeted in subsequent fiscal years subject to the passage and adoption of each subsequent fiscal year's Operating Budget by the City Commission.

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