

**CITY OF HOLLYWOOD
INTEROFFICE MEMORANDUM**

TO: Mayor and Commissioners **DATE:** March 29, 2021

FROM: Douglas R. Gonzales, City Attorney

SUBJECT: Proposed Purchase Order with Enterprise Fm Trust for the lease to own 45 vehicles for the Police Department.

I have reviewed the above referenced Agreement with the participating Department/Office(s), and the proposed general business terms and other significant provisions are as follows:

- 1) Department/Division involved – Dept. of Public Works
- 2) Type of Agreement – Purchase Order under the Master Equity Lease Agreement previously approved by Resolution No. R-2016-375.
- 3) Method of Procurement (RFP, bid, etc.) – **Best Interest. Section 38.41(C)(9) requires a 5/7ths vote.**
- 4) Term of Contract:
 - a) initial – 3 year equity lease with option to purchase at end of the lease.
 - b) renewals (if any) – n/a.
 - c) who exercises option to renew – n/a.
- 5) Contract Amount – In the amount of \$2,313,610.36 of which the anticipated cost for lease of vehicles for remaining five months of this FY (May to September) is \$269,440.45. Funding for the annual debt service payment in the amount of \$646,656.36 is currently in Debt Service Fund 223 of FY 2021 Adopted Operating Budget and will be requested in subsequent years to cover the cost of the 45 vehicles.
- 6) Termination Rights –for cause only pursuant to the Master Equity Lease.
- 7) Indemnity/Insurance Requirements – Pursuant to Master Equity Lease, City will indemnify Enterprise.
- 8) Scope of Services – Enterprise will provide the Police Department 45 vehicles on a lease to own basis as more specifically set forth in the Open End Equity Lease Rate Quotes.

Term Sheet continued

- 9) Other Significant Provisions- (a) City will be responsible for maintenance of vehicles; (b) All vehicles are entitle to warranties established by the manufacturer including but no limited to Bumper to Bumper warranties, Major Component Warranties, Corrosion Warranties and Roadside Assistance Warranties; (c) in the event that City opts to purchase vehicles at the end of the lease there will be service charges as outline in the open end equity rate quotes; and (d) City will need to have insurance on all vehicles.

cc: Dr. Wazir Ishmael, City Manager