

**CITY OF HOLLYWOOD
INTEROFFICE MEMORANDUM**

TO: Mayor and Commissioners **DATE:** June 21, 2016
FROM: Douglas R. Gonzales, City Attorney
SUBJECT: Proposed Agreement with GM Financial for Purchase of 48 Vehicles

I have reviewed the above-captioned agreement for form and legality, and the general business terms and other significant provisions are as follows:

- 1) Department/Office involved – Public Works
- 2) Type of Agreement – Master Equipment Lease Purchase Agreement and State of Florida Amendment to Master Equipment Lease Purchase Agreement
- 3) Method of Procurement (RFP, bid, etc.) – “Piggyback” exemption
- 4) Term of Contract
 - a) initial – 4 yrs.
 - b) renewals (if any) –
 - c) who exercises option to renew –
- 5) Contract Amount – \$1,904,186.40 (principal and interest).
- 6) Termination rights – City can terminate without cause effective at the end of any fiscal year by not appropriating funds to make the payments in the then upcoming budget.
- 7) Indemnity/Insurance Requirements – City will indemnify Vendor.
- 8) Scope of Services – Vendor will sell 48 vehicles to City.
- 9) City’s prior experience with Vendor – Yes.
- 10) Other significant provisions – Although there is language in the documents that refer to the transaction as a lease and nowadays the distinction is of less significance than it used to be, the transaction is technically a purchase.

cc: Wazir A. Ishmael, Ph.D., City Manager