

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, APPROVING AND AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO ISSUE THE ATTACHED BLANKET PURCHASE ORDER WITH ENTERPRISE FM TRUST, A DELAWARE STATUTORY TRUST ("ENTERPRISE"), FOR THE LEASE OF VEHICLES TO SERVE THE CODE COMPLIANCE DIVISION FOR 14 MONTH TERM AT AN ESTIMATED TOTAL AMOUNT OF \$104,705.72; AND AMENDING THE FISCAL YEAR 2018 ADOPTED OPERATING BUDGET (R-2017-288).

WHEREAS, the Public Works Department, Fleet Division, on behalf of the Code Compliance Division, requests approval of the attached lease agreement for the purpose of leasing 17 pick-up trucks to replace prior leased vehicles that will be returned to Enterprise; and

WHEREAS, Enterprise was contacted regarding availability of the GMC Sierra pick-up truck, and the vendor advised City staff that they can provide GMC Sierras as needed by the City via an open-end lease program; and

WHEREAS, the pilot program, approved via R-2016-375, was successful in meeting operational demands, maintaining fleet vehicles, customer support, and the depreciation rebate as outlined in the original agreement; and

WHEREAS, 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; and

WHEREAS, the Master Equity Lease Agreement package is attached and includes the Open-end Equity Lease Quote with Vehicle Specifications and Fair Price Estimates, Termination Value Schedule, Master Equity Lease Agreement, Amendment to Master Equity Lease Agreement Addendum, a Self-Insurance Addendum and Maintenance Agreement; and

WHEREAS, the proposed lease instrument is an open-end equity lease for 34 vehicles to be operated in increments of 17 vehicles at a time for a total 14 month term, and at the end of the first seven month term, the first 17 vehicle increment will be returned and replaced by 17 new vehicles for the second seven month term; and

WHEREAS, Enterprise has provided the City with an equity payment equivalent to the re-sale value that exceeded the reduced book value at the end of the first seven month term, based upon accredited ALG Residual Data (Automotive Lease Guide); and

WHEREAS, Enterprise projects a re-sale value exceeding the reduced book value at the end of each seven month term based upon accredited ALG Residual Data, and combined with Enterprise's buying and purchasing power and the manufacturer's government incentives, Enterprise projects that savings from the re-sale will cover the City's lease cost over the 14 month program; and

WHEREAS, the specific lease units sale price can only be determined after the re-sale value of the existing vehicles is deducted from the value of the leased vehicles, and the lease cost of \$104,705.72 over the 14 month term is considered a worst-case scenario in which the re-sale value obtained equals the reduced book value; and

WHEREAS, 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; and

WHEREAS, the Director of Public Works, the Code Compliance Manager, and the Director of Procurement Services recommend that the City Commission approve the issuance of the attached Purchase Order with Enterprise for the leasing of the GMC Sierra pick-up trucks for Code Compliance; and

WHEREAS, funding for the attached Blanket Purchase Order in the amount of \$104,705.72 spans two fiscal years and a portion of the funding for the five month term is available in the FY 2018 Adopted Operating Budget, and the remainder of the funds are being appropriated from the Enterprise Lease rebate received on the prior term of the lease as detailed in Exhibits 1 and 2, and the cost of the remaining nine month term will be provided in a future fiscal year operating budget subject to the approval of the City Commission; and

WHEREAS, certain routine and periodic budgetary adjustments, transfers and appropriations continue to be appropriate and necessary to ensure prudent financial management during the fiscal year; and

WHEREAS, the Fiscal Year 2018 Operating Budget was adopted and approved by the City Commission pursuant to Resolution No. R-2017-288 at the second public hearing on September 27, 2017, and subsequently amended; and

WHEREAS, the Resolution seeks to amend the budget as detailed in Exhibits 1 and 2, which appropriate the Enterprise Lease rebate received in the amount of \$72,208, of which \$20,000 will be used towards the proposed Enterprise Lease and the balance of \$52,208 will be set aside for vehicle replacements.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA:

Section 1: That the foregoing "WHEREAS" clauses are ratified and confirmed as being true and correct and are incorporated in this Resolution.

Section 2: That it approves and authorizes the issuance, by the appropriate City officials, the attached Blanket Purchase Order with Enterprise FM Trust, together with such non-material changes as may be acceptable to the City Manager and approved as to form and legal sufficiency by the City Attorney.

Section 3: That the Amendments, Adjustments and Transfers of Funding to the FY 2018 Operating Budget of the City of Hollywood for the Fiscal Year beginning October 1, 2017, as set forth in detail in the attached Exhibits 1 and 2, are approved, adopted and accepted as Amendments to the Operating Budget of the City for the Fiscal Year 2018.

Section 4: That this Resolution shall be in full force and effect immediately upon its passage and adoption.

PASSED AND ADOPTED this _____ day of _____, 2018.

JOSH LEVY, MAYOR

ATTEST:

PATRICIA A. CERNY, MMC, CITY CLERK

APPROVED AS TO FORM & LEGAL
SUFFICIENCY for the use and reliance
of the City of Hollywood, Florida, only.

DOUGLAS R. GONZALES, CITY ATTORNEY