

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, APPROVING AND AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO ISSUE A BLANKET PURCHASE ORDER WITH ENTERPRISE FM TRUST, A DELAWARE STATUTORY TRUST, AND EXECUTE AN OPEN-END (EQUITY) LEASE RATE QUOTE FOR THE LEASE OF VEHICLES TO SERVE THE CODE COMPLIANCE DIVISION IN AN ESTIMATED TOTAL AMOUNT OF \$123,716.88 FOR A 14 MONTH TERM, BASED UPON SOURCEWELL CONTRACT # 060618-EFM AND IN ACCORDANCE WITH SECTION 38.40(C)(5) OF THE CODE OF ORDINANCES (PIGGYBACK).

WHEREAS, the Public Works Department, Fleet Maintenance Division, on behalf of the Development Services Department, Code Compliance Division, requests approval of the attached lease rate quote/schedule for the leasing of 18 GMC Sierra pick-up trucks for two seven-month terms to replace prior leased vehicles that will be returned to Enterprise FM Trust, a Delaware Statutory Trust (“Enterprise”); and

WHEREAS, Enterprise was contacted regarding availability of 18 GMC Sierra pick-up trucks, to be delivered based upon two seven-month lease cycles, and the vendor advised City staff that they can provide these vehicles to the City pursuant to an open-end lease program; and

WHEREAS, the pilot program, approved by the City Commission pursuant to Resolution No. R-2016-375, was successful in meeting operational demands, maintaining fleet vehicles, customer support, and the equity rebate as outlined in the original agreement; and

WHEREAS, the Enterprise Vehicle Lease Agreement was competitively procured through the Sourcewell Contract, pursuant to contract #060618-EFM, and Enterprise has agreed to provide these vehicles under the pricing terms and conditions; and

WHEREAS, on April 17, 2019, the City Commission passed and adopted Resolution No. R-2019-089, approving the execution of a Master Equity Lease Agreement with Enterprise to lease vehicles for the Police Department; and

WHEREAS, the Master Equity Lease Agreement allows for the future leasing of vehicles based upon a Schedule and if necessary, an addenda to Master Equity Lease Agreement; and

WHEREAS, Section 38.40 (C)(5) of the Purchasing Ordinance allows the Director to procure, without following formal procedures, all goods and services that 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 that 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 lease is an open-end equity lease for two seven-month lease cycles, and 18 vehicles will be provided to the City during the first seven-month lease cycle, and at the end of the first seven-month term, the first 18 vehicles will be returned and replaced by 18 new vehicles for the second seven-month lease term; 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 rebate to the City can only be determined after the re-sale of the existing vehicles, which over the past three, seven-month lease cycles, have exceeded the purchase price paid by Enterprise; and

WHEREAS, the future rebates are expected to exceed the lease cost (including equipment and registration fees) of \$123,716.88 over the 14-month term; and

WHEREAS, the Director of Public Works, the Code Compliance Manager, and the Director of Procurement Services recommend that the City Commission authorize the issuance of a Blanket Purchase Order and execution of the attached open-end equity lease rate quote/schedule with Enterprise FM Trust for the leasing of 18 GMC Sierra pick-up trucks for Development Services Department, Code Compliance Division for two seven-month cycles; and

WHEREAS, a portion of the funding for this lease will be appropriated from the Enterprise Lease rebate in the FY 2020 Operating Budget via a companion budget amendment item; and

WHEREAS, funding for the remainder of the lease term will be provided in the FY 2021 Operating Budget, subject to the approval of the City Commission; and

WHEREAS, the monthly lease cost is \$490.94 per vehicle, and funding to cover the lease payments will be available in accounts 001.220101.53900.540050.000000.000.000 and 445.520101.53400.540050.000000.000.000.

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, of the attached Blanket Purchase Order to Enterprise FM Trust, together with such non-material changes as may be subsequently agreed to by the City Manager and approved as to form and legal sufficiency by the City Attorney.

Section 3: That it approves and authorizes the execution, by the appropriate City officials, of the attached Open-End (Equity) Lease Rate Quote with Enterprise FM Trust, together with such non-material changes as may be subsequently agreed to by the City Manager and approved as to form and legal sufficiency by the City Attorney.

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

PASSED AND ADOPTED this _____ day of _____, 2020.

JOSH LEVY, MAYOR

ATTEST:

PATRICIA A. CERNY, MMC
CITY CLERK

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

DOUGLAS R. GONZALES
CITY ATTORNEY