



## Legislation Details (With Text)

**File #:** R-2024-176    **Version:** 1    **Name:** Award 2024 Bank Loan to Webster Bank  
**Type:** Resolution    **Status:** Passed  
**File created:** 5/8/2024    **In control:** Office of the City Manager  
**On agenda:** 6/5/2024    **Final action:** 6/5/2024  
**Title:** A Resolution Of The City Commission Of The City Of Hollywood, Florida, Accepting And Ratifying Staff's Recommendation For Bid No. IFB-190-24-OT, A Bid For A Fiscal Year 2024 Bank Loan; Accepting The Response Of Webster Bank, N.A. For A Loan To Finance The Acquisition Of Municipal Vehicles; Authorizing The Loan And The Related Issuance Of Private Hauler Franchise Fee Revenue Note, Series 2024, In The Aggregate Principal Amount Not To Exceed \$6,600,000.00; Awarding The Note; Approving Execution And Delivery Of A Loan Agreement And The Note In Connection With Such Loan; Authorizing Proper Officers And Employees To Do All Things Deemed Necessary In Connection With The Issuance Of The Note; Providing For Severability.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Resolution Authorizing Award of the Loans to Webster Bank Final.pdf, 2. Hollywood Loan Agreement FINAL FOR LEGISTAR AGENDA RESO.pdf, 3. Webster Bank Response Document Report (1).pdf, 4. IFB Bank\_Loan 5-8-24.pdf, 5. R-2023-380 Signed Copy.pdf

Date	Ver.	Action By	Action	Result
6/5/2024	1	Regular City Commission Meeting		

A Resolution Of The City Commission Of The City Of Hollywood, Florida, Accepting And Ratifying Staff's Recommendation For Bid No. IFB-190-24-OT, A Bid For A Fiscal Year 2024 Bank Loan; Accepting The Response Of Webster Bank, N.A. For A Loan To Finance The Acquisition Of Municipal Vehicles; Authorizing The Loan And The Related Issuance Of Private Hauler Franchise Fee Revenue Note, Series 2024, In The Aggregate Principal Amount Not To Exceed \$6,600,000.00; Awarding The Note; Approving Execution And Delivery Of A Loan Agreement And The Note In Connection With Such Loan; Authorizing Proper Officers And Employees To Do All Things Deemed Necessary In Connection With The Issuance Of The Note; Providing For Severability.

*Financial Management & Administration*

Staff Recommends: Approval of the attached Resolution.

**Explanation:**

The City desires to obtain a bank loan for the purposes of financing the acquisition of municipal vehicles. Most of the vehicles have already been acquired, and this loan will

reimburse the City for those purchases already made.

Resolution No. R-2023-380 authorized the City to seek loan proposals in an amount not to exceed \$6,600,000.00. Bid No. IFB-190-24-OT was issued on April 1, 2024 seeking proposals from qualified financial institutions willing to provide the loan. The closing date of the bid was May 6, 2024.

The City received bids from two financial institutions interested in providing the loan to the City, as follows:

Name	Interest Rate
Bankfunding LLC	4.890%
Webster Bank, N.A.	4.295%

Upon review of the submittals, Webster Bank, N.A., which submitted an interest rate of 4.295% for the Loan, was determined to be the successful bidder. The bank met the other conditions of the bid such as prepayment and other terms. Staff believe these rates to be reasonable considering current market volatility and recommend award of the bank loan to Webster Bank.

**Fiscal Impact:**

Estimated debt service on the loan will be approximately \$366,583.42 for FY2024. Debt service in future years will average approximately \$1.467 million annually with final payment scheduled for May 1, 2029.

Funding for this debt service payment is available in the Fiscal Year 2024 budget in account numbers 557.209901.51900.574004.000000.000.000 and 557.519901.51900.574005.000000.000.000, and will be budgeted in subsequent fiscal years' operating budgets subject to approval and adoption by the City Commission.

Recommended for inclusion on the agenda by:

David E. Keller, Special Projects Administrator

Adam Reichbach, Assistant City Manager for Finance and Administration