

**RESOLUTION NO. 2015 - 050**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF SOUTHWEST RANCHES, FLORIDA, APPROVING FINANCING FOR A LEASE/PURCHASE OF A COMMERCIAL CHASSIS PUMPER APPARATUS IN THE AMOUNT OF \$206,500.00 FROM TD EQUIPMENT FINANCE, INC.; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, by virtue of Town Council Resolution 2015-047, the Town Council, upon determining that a true and very real need exists for the acquisition of the Equipment (as defined herein) approved a Lease/Purchase Agreement with Rosenbauer/International for a new commercial chassis pumper apparatus (the "Equipment") to replace existing engine 82, and to lease the Equipment to the Southwest Ranches Volunteer Fire-Rescue, Inc., a Florida not-for-profit corporation, organized under Section 501(c) (4) Internal Revenue Code; and

**WHEREAS**, the Town Staff, after review of two financing bids, has determined that it is in the best interest of the Town to finance the Lease/Purchase of the Equipment with TD Equipment Finance, Inc. in accordance with the Financing Bid attached hereto and made a part hereof and marked Exhibit "A"; and

**WHEREAS**, the Town does not reasonably anticipate that the amount of qualified tax-exempt obligations to be issued by it in the calendar year ending December 31, 2015, will exceed \$10,000,000.00.

**NOW, THEREFORE, BE IT RESOLVED** by the Town Council of the Town of Southwest Ranches, Florida:

**SECTION 1. ADOPTION OF RECITALS.** The above-referenced recitals are true and correct, and are incorporated herein by reference.

**SECTION 2.** The Town Council hereby determines that the terms of the Financing Bid are in the best interest of the Town for the acquisition of the Equipment and the Town Council hereby approves the financing ("Municipal Lease Purchase") of the Equipment with TD Equipment Finance, Inc., in the principal amount of \$206,500.00 for a term of eight (8) years at the interest rate of not more than 2.56%, with said additional terms and conditions as set forth in said Financing Bid.

**SECTION 3.** The Town Council designates the Municipal Lease Purchase as a "qualified tax-exempt obligation", as defined in and for the purposes of Section 265 (b) (3) of the Internal Revenue Code of 1986, as amended.

**SECTION 4.** The Mayor, Town Administrator, and Town Attorney, are hereby directed to enter into such documents as are required for the Municipal Lease Purchase,

and to make any such changes necessary and proper to the Municipal Lease Purchase documents to effectuate the intent of this Resolution.

**SECTION 5. SAVINGS CLAUSE.** If any section, paragraph, sentence, clause or phrase of this Resolution shall, for any reason, be held to be invalid or unenforceable, such decision shall not affect the validity of the remaining sections, paragraphs, sentences, clauses or phrase of this Resolution.

**SECTION 6. CONFLICTS.** All resolutions or parts thereof which conflict herewith are, to the extent of such conflict, superseded and repealed.

**SECTION 7. EFFECTIVE DATE.** This Resolution shall be effective immediately upon its adoption.

**PASSED AND ADOPTED** by the Town Council of the Town of Southwest Ranches, Florida, this 14<sup>th</sup> day of May, 2015, on a motion by Council Member McKay, seconded by Council Member Breitkreuz.

Nelson	<u>Yes</u>
Fisikelli	<u>Yes</u>
Breitkreuz	<u>Yes</u>
Jablonski	<u>Yes</u>
McKay	<u>Yes</u>

Ayes	<u>5</u>
Nays	<u>0</u>
Absent	<u>0</u>
Abstaining	<u>0</u>

  
\_\_\_\_\_  
Jeff Nelson, Mayor

ATTEST:

  
\_\_\_\_\_  
Russell Muñiz,  
Assistant Town Administrator/Town Clerk

Approved as to legal Form and Correctness

  
\_\_\_\_\_  
Keith M. Poliakoff, Esq., Town Attorney



THIS PROPOSAL IS CONFIDENTIAL AND ONLY INTENDED FOR THE RECIPIENT TO WHICH IT IS ADDRESSED

Robert H. Quinn, Jr.  
1661 Worthington Road  
West Palm Beach, FL 33409  
Phone : 561-352-2348  
Fax : 561-352-2332  
Email : robert.quinn@td.com

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## Financing Bid

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**For:**  
Town of Southwest Ranches  
13400 Griffin Road  
Southwest Ranches, FL 33330

Exhibit "A"

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Martin D. Sherwood  
 Town of Southwest Ranches  
 13400 Griffin Road  
 Southwest Ranches, FL 33330

Proposal for Fire Rescue Truck Leasing

Dear Martin,

Thank you for this opportunity to bid on your request for a Municipal Lease Purchase ("Lease") in the amount of \$206,500.00. TD Equipment Finance, Inc. is pleased to offer the following Lease Proposal, which is subject to the following terms and conditions: This Lease Proposal is subject to final credit approval by TD Equipment Finance, Inc.

- |    |                                 |                                                                                                                                                                                                                                                                                                                                                                         |
|----|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | <b>Lessor</b>                   | TD Equipment Finance, Inc., its successors and assigns                                                                                                                                                                                                                                                                                                                  |
| 2. | <b>Lessee</b>                   | Town of Southwest Ranches                                                                                                                                                                                                                                                                                                                                               |
| 3. | <b>Equipment Description</b>    | Fire Rescue Truck                                                                                                                                                                                                                                                                                                                                                       |
| 4. | <b>Maximum Purchase Price</b>   | \$206,500.00                                                                                                                                                                                                                                                                                                                                                            |
| 5. | <b>Term</b>                     | <ul style="list-style-type: none"> <li>• <b>Commencement Date</b> the Lease will commence on the day of funding following funds disbursement in Escrow Account, but in no event later than July 15, 2015.</li> <li>• <b>Lease Term:</b> 1.) Five Years; 2.) Eight Years; 3.) Ten Years</li> <li>• <b>Payment Amount:</b> See attached Amortization Schedules</li> </ul> |
| 6. | <b>Payment</b>                  | <ul style="list-style-type: none"> <li>• <b>Payments Due:</b> First Payment Due One Year from Funding and annually thereafter.</li> <li>• <b>Prepayment:</b> The Lease may be prepaid at any time at Par with thirty (30) days' notice.</li> </ul>                                                                                                                      |
| 7. | <b>Tax-exempt Interest Rate</b> | 1a.) 2.23% 2a.) 2.53% 3a.) 2.69%; Available lock until 6/11/15.<br>1b.) 2.26% 2b.) 2.56% 2c.) 2.71%; Available Lock until 7/11/15.                                                                                                                                                                                                                                      |
| 8. | <b>Index</b>                    | <u>The Tax Exempt rates quoted above are as of May 11, 2015 and will be held if the Proposal is verbally awarded by May 14, 2015.</u> If a verbal award is not awarded by May 13, 2015 the final rate will be adjusted to reflect any change in the Lessor's Cost of Funds. Thereafter the rate and payments will be fixed for the term of the Lease.                   |

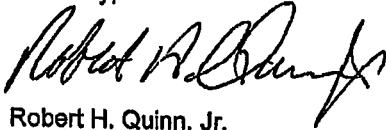
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9. **Purchase Option** Lessee will purchase all, but not less than all, of the Equipment for \$1.00
10. **Structure** This Lease shall be a Lease intended as a secured transaction, to the extent allowable by law. Titles, if any, shall list Lessee as owner and Lessor as lienholder. The Lease shall be subject to, and contain a non-appropriation clause; and, the Lessor will require bona fide best efforts by Lessee to include all payments under this master "Lease" purchase in all its budget requests during each Lease term in accordance with the terms of the Lease.
11. **Municipal Lease Purchase** This Lease shall be considered a "Municipal Lease Purchase" by all parties. The Lessee will represent and warrant that it is a state or a political sub-division thereof, within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended (the "Code") and that the Lease will constitute a Tax Exempt Obligation of the Lessee as described in Section 103(a) of the Code.
12. **Tax Status** This agreement is a qualified tax exempt obligation under Section 265 (b) (3) of the Internal Revenue Code of 1986. The interest portion of the payments under this Lease will not be includable in the gross income of the Lessor for federal income taxation purposes. The Lessee will supply at closing a tax opinion from qualified bond counsel.
13. **Legal Opinion** This transaction is subject to a legal opinion which must include a statement that the Lease represents a valid and binding obligation of the Lessee.
14. **Costs & Expenses** Lessee shall be responsible for all fees, costs and disbursements incurred by Lessor in connection herewith, including, but not limited to all fees and disbursements of counsel to Lessor (if any), and all filing and search fees. There will be an Escrow Fee in the amount of \$1,000.
15. **Insurance** Lessee shall bear all risk of loss, damage and liability to the Equipment and Lessee shall be responsible to keep the Equipment insured or self-insured in an amount and in a form acceptable to Lessor.
16. **Warranties** Lessor shall Lease the Equipment to Lessee without representation or warranty on an "AS IS BASIS". However, Lessor shall assign to Lessee all warranties, guarantees and services provided by the manufacturer(s) and/or vendor(s) to the extent that they can be assigned. LESSOR SHALL NOT BE RESPONSIBLE FOR PROVIDING ANY OF THE FOREGOING.
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17. **Lease Documents** All legal matters, and all documents to be executed in connection herewith, shall be in satisfactory form and substance to Lessor, or Lessor's counsel, as may be the case, in its sole discretion. Lessor shall verify the Equipment specifications including, but not limited to, model number, number of units, installation costs, year of manufacturing and maintenance contracts; and approve the final Equipment configuration, and acceptance of the financing.
18. **Lessor's Proposal/Financial Information** This Lease Proposal is subject to final credit review, and not, nor should it be construed as, a commitment by Lessor or any affiliate to enter into the proposed Lease transaction. In order to complete its credit due diligence, Lessee shall provide Lessor with the following:
- Three years most current audited annual financial statements, and shall be furnished annually thereafter, if not otherwise published on the Lessee's website
  - Copy of meeting minutes
  - Copy of budget
  - Statement of essential use
  - Other supporting data as may be requested
19. **Authorization** Lessee acknowledges and agrees that Lessor may furnish all Lessee-presented information, financials, analysis, and related credit and review materials to its employees, counsel and agents, as well as its participants and/or assigns. Lessee authorizes Lessor to contact TD Bank, N.A. and other references of Lessee, and to order any and all credit checks and investigative reports, all as Lessor deems necessary in connection with the evaluation of the transaction.
20. **General** The Lease will be a "Triple Net Lease" in which the Lessee will be responsible for all expenses relating to the Equipment including, but not limited to, Equipment maintenance, insurance coverage, and all taxes (e.g. sales, use and personal property). The Lessee will carry any and all insurance coverage required by Lessor in accordance with the Lease.
- TD Equipment Finance, Inc. complies with Section 326 of the USA Patriot Act. This Act mandates that we verify certain information about the Lessee while processing any Lease request.
21. **Expiration** This Lease Proposal shall expire, if not accepted by a qualified official by May 15, 2015.

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Thank you for this opportunity to present our Lease Proposal to you. If these proposed terms are acceptable to you, please sign and return it with the requested credit information. Upon receipt, we will conduct a formal credit review and seek approval for the Lease Proposal described herein. Please feel free to address any questions or comments with me. My contact information follows for your convenience.

Sincerely,



Robert H. Quinn, Jr.  
Vice President, Regional Manager  
TD Equipment Finance, Inc.  
1661 Worthington Road  
West Palm Beach, FL 33409

Town of Southwest Ranches;

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5 year open 30 day lock

Compound Period: Annual

Nominal Annual Rate: 2.230%

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	6/11/2015	206,500.00	1		
2 Payment	6/11/2016	25,000.00	1		
3 Payment	6/11/2017	49,148.67	4	Annual	6/11/2020
4 Payment	6/11/2021	0.00	1		

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	6/11/2015				206,500.00
2015 Totals		0.00	0.00	0.00	
1	6/11/2016	25,000.00	4,604.95	20,395.05	186,104.95
2016 Totals		25,000.00	4,604.95	20,395.05	
2	6/11/2017	49,148.67	4,150.14	44,998.53	141,106.42
2017 Totals		49,148.67	4,150.14	44,998.53	
3	6/11/2018	49,148.67	3,146.67	46,002.00	95,104.42
2018 Totals		49,148.67	3,146.67	46,002.00	
4	6/11/2019	49,148.67	2,120.83	47,027.84	48,076.58
2019 Totals		49,148.67	2,120.83	47,027.84	
5	6/11/2020	49,148.67	1,072.11	48,076.56	0.02
2020 Totals		49,148.67	1,072.11	48,076.56	
6	6/11/2021	0.00	0.02-	0.02	0.00
2021 Totals		0.00	0.02-	0.02	
Grand Totals		221,594.68	15,094.68	206,500.00	

Last interest amount decreased by 0.02 due to rounding.



5 year open 60 day lock

Compound Period: Annual

Nominal Annual Rate: 2.260%

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	6/11/2015	206,500.00	1		
2 Payment	6/11/2016	25,000.00	1		
3 Payment	6/11/2017	49,200.71	4	Annual	6/11/2020
4 Payment	6/11/2021	0.00	1		

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	6/11/2015				206,500.00
2015 Totals		0.00	0.00	0.00	
1	6/11/2016	25,000.00	4,666.90	20,333.10	186,166.90
2016 Totals		25,000.00	4,666.90	20,333.10	
2	6/11/2017	49,200.71	4,207.37	44,993.34	141,173.56
2017 Totals		49,200.71	4,207.37	44,993.34	
3	6/11/2018	49,200.71	3,190.52	46,010.19	95,163.37
2018 Totals		49,200.71	3,190.52	46,010.19	
4	6/11/2019	49,200.71	2,150.69	47,050.02	48,113.35
2019 Totals		49,200.71	2,150.69	47,050.02	
5	6/11/2020	49,200.71	1,087.36	48,113.35	0.00
2020 Totals		49,200.71	1,087.36	48,113.35	
6	6/11/2021	0.00	0.00	0.00	0.00
2021 Totals		0.00	0.00	0.00	
Grand Totals		221,802.84	15,302.84	206,500.00	

8 year open 30 day lock

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Compound Period: Annual

Nominal Annual Rate: 2.530%

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	6/11/2015	206,500.00	1		
2 Payment	6/11/2016	25,000.00	1		
3 Payment	6/11/2017	29,441.84	7	Annual	6/11/2023
4 Payment	6/11/2024	0.00	1		

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	6/11/2015				206,500.00
2015 Totals		0.00	0.00	0.00	
1	6/11/2016	25,000.00	5,224.45	19,775.55	186,724.45
2016 Totals		25,000.00	5,224.45	19,775.55	
2	6/11/2017	29,441.84	4,724.13	24,717.71	162,006.74
2017 Totals		29,441.84	4,724.13	24,717.71	
3	6/11/2018	29,441.84	4,098.77	25,343.07	136,663.67
2018 Totals		29,441.84	4,098.77	25,343.07	
4	6/11/2019	29,441.84	3,457.59	25,984.25	110,679.42
2019 Totals		29,441.84	3,457.59	25,984.25	
5	6/11/2020	29,441.84	2,800.19	26,641.65	84,037.77
2020 Totals		29,441.84	2,800.19	26,641.65	
6	6/11/2021	29,441.84	2,126.16	27,315.68	56,722.09
2021 Totals		29,441.84	2,126.16	27,315.68	
7	6/11/2022	29,441.84	1,435.07	28,006.77	28,715.32
2022 Totals		29,441.84	1,435.07	28,006.77	
8	6/11/2023	29,441.84	726.50	28,715.34	0.02-
2023 Totals		29,441.84	726.50	28,715.34	
9	6/11/2024	0.00	0.02	0.02-	0.00
2024 Totals		0.00	0.02	0.02-	

8 year open 60 day lock

Compound Period: Annual

Nominal Annual Rate: 2.560%

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	6/11/2015	206,500.00	1		
2 Payment	6/11/2016	25,000.00	1		
3 Payment	6/11/2017	29,485.22	7	Annual	6/11/2023
4 Payment	6/11/2024	0.00	1		

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	6/11/2015				206,500.00
2015 Totals		0.00	0.00	0.00	
1	6/11/2016	25,000.00	5,286.40	19,713.60	186,786.40
2016 Totals		25,000.00	5,286.40	19,713.60	
2	6/11/2017	29,485.22	4,781.73	24,703.49	162,082.91
2017 Totals		29,485.22	4,781.73	24,703.49	
3	6/11/2018	29,485.22	4,149.32	25,335.90	136,747.01
2018 Totals		29,485.22	4,149.32	25,335.90	
4	6/11/2019	29,485.22	3,500.72	25,984.50	110,762.51
2019 Totals		29,485.22	3,500.72	25,984.50	
5	6/11/2020	29,485.22	2,835.52	26,649.70	84,112.81
2020 Totals		29,485.22	2,835.52	26,649.70	
6	6/11/2021	29,485.22	2,153.29	27,331.93	56,780.88
2021 Totals		29,485.22	2,153.29	27,331.93	
7	6/11/2022	29,485.22	1,453.59	28,031.63	28,749.25
2022 Totals		29,485.22	1,453.59	28,031.63	
8	6/11/2023	29,485.22	735.98	28,749.24	0.01
2023 Totals		29,485.22	735.98	28,749.24	
9	6/11/2024	0.00	0.01-	0.01	0.00
2024 Totals		0.00	0.01-	0.01	

10 year open 30 day lock

Compound Period: Annual

Nominal Annual Rate: 2.630%

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	6/11/2015	206,500.00	1		
2 Payment	6/11/2016	25,000.00	1		
3 Payment	6/11/2017	23,595.83	9	Annual	6/11/2025
4 Payment	6/11/2026	0.00	1		

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	6/11/2015				206,500.00
2015 Totals		0.00	0.00	0.00	
1	6/11/2016	25,000.00	5,430.95	19,569.05	186,930.95
2016 Totals		25,000.00	5,430.95	19,569.05	
2	6/11/2017	23,595.83	4,916.28	18,679.55	168,251.40
2017 Totals		23,595.83	4,916.28	18,679.55	
3	6/11/2018	23,595.83	4,425.01	19,170.82	149,080.58
2018 Totals		23,595.83	4,425.01	19,170.82	
4	6/11/2019	23,595.83	3,920.82	19,675.01	129,405.57
2019 Totals		23,595.83	3,920.82	19,675.01	
5	6/11/2020	23,595.83	3,403.37	20,192.46	109,213.11
2020 Totals		23,595.83	3,403.37	20,192.46	
6	6/11/2021	23,595.83	2,872.30	20,723.53	88,489.58
2021 Totals		23,595.83	2,872.30	20,723.53	
7	6/11/2022	23,595.83	2,327.28	21,268.55	67,221.03
2022 Totals		23,595.83	2,327.28	21,268.55	
8	6/11/2023	23,595.83	1,767.91	21,827.92	45,393.11
2023 Totals		23,595.83	1,767.91	21,827.92	
9	6/11/2024	23,595.83	1,193.84	22,401.99	22,991.12
2024 Totals		23,595.83	1,193.84	22,401.99	

10 6/11/2025	23,595.83	604.67	22,991.16	0.04-
2025 Totals	23,595.83	604.67	22,991.16	
11 6/11/2026	0.00	0.04	0.04-	0.00
2026 Totals	0.00	0.04	0.04-	
Grand Totals	237,362.47	30,862.47	206,500.00	

Last interest amount increased by 0.04 due to rounding.

10 year open 60 day lock

Compound Period: Annual  
 Nominal Annual Rate: 2.650%

CASH FLOW DATA

Event	Date	Amount	Number	Period	End Date
1 Loan	6/11/2015	206,500.00	1		
2 Payment	6/11/2016	25,000.00	1		
3 Payment	6/11/2017	23,623.25	9	Annual	6/11/2025
4 Payment	6/11/2026	0.00	1		

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	6/11/2015				206,500.00
2015 Totals		0.00	0.00	0.00	
1	6/11/2016	25,000.00	5,472.25	19,527.75	186,972.25
2016 Totals		25,000.00	5,472.25	19,527.75	
2	6/11/2017	23,623.25	4,954.76	18,668.49	168,303.76
2017 Totals		23,623.25	4,954.76	18,668.49	
3	6/11/2018	23,623.25	4,460.05	19,163.20	149,140.56
2018 Totals		23,623.25	4,460.05	19,163.20	
4	6/11/2019	23,623.25	3,952.22	19,671.03	129,469.53
2019 Totals		23,623.25	3,952.22	19,671.03	
5	6/11/2020	23,623.25	3,430.94	20,192.31	109,277.22
2020 Totals		23,623.25	3,430.94	20,192.31	
6	6/11/2021	23,623.25	2,895.85	20,727.40	88,549.82
2021 Totals		23,623.25	2,895.85	20,727.40	
7	6/11/2022	23,623.25	2,346.57	21,276.68	67,273.14
2022 Totals		23,623.25	2,346.57	21,276.68	
8	6/11/2023	23,623.25	1,782.74	21,840.51	45,432.63
2023 Totals		23,623.25	1,782.74	21,840.51	
9	6/11/2024	23,623.25	1,203.96	22,419.29	23,013.34
2024 Totals		23,623.25	1,203.96	22,419.29	

10 6/11/2025	23,623.25	609.85	23,013.40	0.06-
2025 Totals	23,623.25	609.85	23,013.40	
11 6/11/2026	0.00	0.06	0.06-	0.00
2026 Totals	0.00	0.06	0.06-	
Grand Totals	237,609.25	31,109.25	206,500.00	

Last Interest amount increased by 0.06 due to rounding.