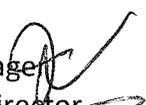


5-3)

MEMORANDUM

TO: Mayor and Council Members

FROM: James R. O'Connor, City Manager 
Cynthia D. Lawson, Finance Director 

DATE: November 20, 2015

SUBJECT: Resolution Approving Municipal Lease-Purchase Financing for City Fleet & Heavy Equipment Vehicles

BACKGROUND:

In December 2012, the City issued a Request for Proposals (RFP) for municipal lease-purchase financing for the purchase of a TYMCO sweeper. In response to the RFP, Baystone Financial Group (a division of Kansas State Bank of Manhattan n.k.a. KS StateBank) offered the lowest interest rates of all the proposers, and the City found the financing terms and conditions proposed by Baystone to be the most advantageous. In August 2013, the City Council approved Resolution 13-28 authorizing the execution of a municipal Lease-Purchase agreement with Kansas State Bank of Manhattan (n.k.a. KS StateBank) for the purchase of the TYMCO Sweeper. The contract with KS StateBank that was authorized by that Resolution also serves as a 'master' lease-purchase agreement for any subsequent equipment purchases. The budgeted FY 14-15 fleet and police vehicles were purchased using this master lease-purchase agreement by Resolution 15-01 in January 2015 (Contract Addendum No. 1) and a vac-con truck was purchased by Resolution 15-05 in March 2015 (Contract Addendum No 2).

The City has budgeted funds to procure fleet vehicles in its adopted FY 2015-2016 Budget and its Five Year Capital Program for FY 2016-2020. The budget calls for spreading vehicle acquisition costs out over several years through the use of tax-exempt municipal lease-purchase financing.

The attached Resolution authorizes the lease-purchase financing of the fleet vehicles programmed for replacement in FY 15-16. Attachment A to the Resolution lists the requested vehicle purchases (and associated equipment) by department; Attachment B to the Resolution contains the additional schedules to the KS StateBank master lease-purchase agreement approving the financing. Also included in this package is supporting documentation provided by the Police Department, Public Works and Electric Utility T&D regarding the vehicles to be purchased and the method of obtaining competitive pricing.

The total lease-purchase financing agreement with KS StateBank is for \$1,176,145.00 at a fixed interest rate of 2.48 % with five (5) annual payments of \$251,536.07, resulting in total interest paid of \$81,535.35.

The following table compares the proposed purchases (funded by the lease-purchase proceeds) and the financing to the budgeted amounts by department:

Department	Purchase Price (from Capital Lease Proceeds)		Debt Service Payment		Total Interest Paid
	Budget	Actual	Budget	Actual (P&I)	
Police	382,484.00	376,871.00	83,517.00	80,599.45	26,126.25
General Government	340,300.00	348,301.00	74,355.00	74,489.34	24,145.70
Customer Service	112,500.00	108,875.00	24,600.00	23,284.54	7,547.70
T&D	376,387.00	342,098.00	74,388.00	73,162.74	23,715.70
TOTAL	1,211,671.00	1,176,145.00	256,860.00	251,536.07	81,535.35

RECOMMENDATION:

Council approve the Resolution authorizing the municipal lease-purchase financing with KS StateBank for the vehicles described in Attachment A to the Resolution at the interest rates and financing terms described in Attachment B of the Resolution.

ANALYSIS:

Strengths: The lease-purchase financing agreement contains a ‘non-appropriation’ clause that allows for return of the equipment to the lessor if the City should be unable to budget for a lease payment in a future year.

Weaknesses: Obtaining lease-purchase financing rather than paying cash increases the cost of the vehicles by \$ 81,535.35 (interest).

Opportunities: Obtaining municipal lease-purchase financing for the acquisition of the vehicles will enable the City to spread costs for fleet replacement across multiple years as per the current adopted Five Year Capital Plan.

Threats: If the City were to default on the lease-purchase through the non-appropriation clause, any funds paid to that point in time would be lost with the forfeiture of the equipment.

RESOLUTION APPROVING LEASE-PURCHASE AND FINANCING

RESOLUTION NO. 15-____

A RESOLUTION OF THE CITY OF VERO BEACH, FLORIDA, AUTHORIZING THE PURCHASE OF CITY FLEET VEHICLES; AUTHORIZING THE EXECUTION AND DELIVERY OF ADDITIONS TO THE MUNICIPAL LEASE-PURCHASE AGREEMENT WITH BAYSTONE FINANCIAL GROUP (KANSAS STATE BANK OF MANHATTAN, N.K.A. KS STATEBANK) FOR THE PURCHASE OF FLEET VEHICLES IN THE AMOUNT OF \$1,176,145; AUTHORIZING THE CITY MANAGER TO TAKE ALL STEPS NECESSARY TO FINALIZE AND IMPLEMENT THE TERMS AND CONDITIONS OF THE LEASE-PURCHASE FINANCING AGREEMENT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council (hereinafter “Council”) of the City of Vero Beach (hereinafter “City”) has determined that there is a need to purchase various City fleet vehicles to replace aging vehicles which support the performance of essential public works, public safety and utility services; and,

WHEREAS, the City has budgeted and appropriated the funds necessary to procure the vehicles in its adopted FY 15-16 budget and its adopted Five Year Capital Program for FY 2016-2020; and,

WHEREAS, the City desires to provide for municipal lease-purchase financing for these vehicles in order to spread the cost of the acquisition over several budget years; and,

WHEREAS, the City has previously solicited proposals from qualified financial institutions to provide lease-purchase financing terms and conditions and entered into a master lease-purchase agreement with Kansas State Bank of Manhattan n.k.a. “KS StateBank”); and,

WHEREAS, the Council finds the financing terms and conditions proposed by KS StateBank for the acquisition of the subject vehicles to be advantageous to the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VERO BEACH, FLORIDA, AS FOLLOWS:

Section 1 – Adoption of “Whereas” clauses.

The foregoing “Whereas” clauses are hereby adopted and incorporated herein.

Section 2. – Approval of Fleet Vehicle Acquisition.

The City Council hereby approves the acquisition of the fleet vehicles and associated equipment as shown in Attachment A in the amount of \$1,176,145.00 from various vendors, in accordance with the City’s procedures for competitive bidding or for cooperative agency purchases in accordance with Section 2-346(b) of the City of Vero Beach Code of Ordinances.

Section 3. – Acceptance of Lease-Purchase Financing Agreement for Fleet Vehicles.

The City Manager is authorized to negotiate and execute additions to the existing municipal lease-purchase financing agreement with Kansas State Bank of Manhattan, n.k.a. KS State Bank (hereinafter “the Agreement”) in substantially the form shown in Attachment B for the purchase of City fleet vehicles and associated equipment in the amount of \$1,176,145.00.

Section 4. Execution of Agreement and Related Documents

The City Manager is hereby authorized to execute and deliver the additions to the Agreement on behalf of the City, to execute any related documents required to implement the terms and conditions of the Agreement and to execute any extensions or amendments to the Agreement, subject to the approval as to form and legality of the City Attorney.

Section 5 – Effective Date

This Resolution shall become effective upon adoption by the City Council.

This Resolution was heard on the ____ day of _____, 2016 after which hearing it was moved for adoption by Councilmember _____, seconded by Councilmember _____, and adopted by the following vote of the City Council:

Mayor Jay Kramer _____

Vice-Mayor Randolph B. Old _____

Councilmember Pilar E. Turner _____

Councilmember Richard G. Winger _____

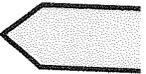
Councilmember Harry Howle III _____

ATTEST:

CITY OF VERO BEACH, FLORIDA

Tammy K. Vock
City Clerk

Jay Kramer
Mayor



Approved as to technical requirements



Cynthia D. Lawson
Finance Director

Approved as to form and legal sufficiency:



Wayne R. Coment
City Attorney

Approved as conforming to municipal policy:



James R. O'Connor
City Manager

ATTACHMENT A

FY 15-16 FLEET VEHICLE PURCHASES BY DEPARTMENT

ATTACHMENT A - FY 15-16 FLEET VEHICLE AND EQUIPMENT PURCHASES

Department	Year	Make	Model	Vehicle Vendor	Purchase Price	Additional Equipment	Total Acquisition Cost
Grounds Maintenance	2016	FORD F350	1 ton DUMP TRUCK	Alan Jay Fleet Sales	32,410.00	-	32,410.00
Streets	2016	FORD F250	LT PICKUP 3/4T	Alan Jay Fleet Sales	23,118.00	-	23,118.00
Streets	2016	FORD F250	LT PICKUP 3/4T	Alan Jay Fleet Sales	23,118.00	-	23,118.00
Streets	2016	FORD CREW CAB	LT PICKUP 3/4T	Alan Jay Fleet Sales	26,180.00	-	26,180.00
Streets	2016	FORD Utility Bed	LT PICKUP 3/4T	Alan Jay Fleet Sales	27,526.00	-	27,526.00
Facilities Maintenance	2016	FORD Utility Bed	LT PICKUP 3/4T	Alan Jay Fleet Sales	27,526.00	-	27,526.00
Grounds Maintenance	2016	GMC 8 Ft bed	LT PICKUP 1/2T	Kelly Buick/GMC	21,319.00	-	21,319.00
Grounds Maintenance	2016	GMC 8 Ft bed	LT PICKUP 1/2T	Kelly Buick/GMC	21,319.00	-	21,319.00
Grounds Maintenance	2016	GMC 8 Ft bed	LT PICKUP 1/2T	Kelly Buick/GMC	21,319	-	21,319
Grounds Maintenance	2016	GMC 8 Ft bed	LT PICKUP 1/2T	Kelly Buick/GMC	21,319	-	21,319
Grounds Maintenance	2016	GMC 8 Ft bed	LT PICKUP 1/2T	Kelly Buick/GMC	21,319	-	21,319
Customer Service	2016	FORD 6 Ft bed	LT PICKUP 1/2T	Duval Ford	21,775	-	21,775
Customer Service	2016	FORD 6 Ft bed	LT PICKUP 1/2T	Duval Ford	21,775	-	21,775
Customer Service	2016	FORD 6 Ft bed	LT PICKUP 1/2T	Duval Ford	21,775	-	21,775
Customer Service	2016	FORD 6 Ft bed	LT PICKUP 1/2T	Duval Ford	21,775	-	21,775
Customer Service	2016	FORD 6 Ft bed	LT PICKUP 1/2T	Duval Ford	21,775	-	21,775
Fleet - Police	2016	Ford	Taurus	Duval Ford	20,353	6,923	27,276
Fleet - Police	2016	Ford	Taurus	Duval Ford	20,353	6,923	27,276
Fleet - Police	2016	Ford	Taurus	Duval Ford	20,353	6,923	27,276
Police	2016	Dodge	Charger	Auto Nation Chrysler Dodge Jeep Ram	25,487	19,890	45,377
Police	2016	Dodge	Charger	Auto Nation Chrysler Dodge Jeep Ram	25,487	19,890	45,377
Police	2016	Dodge	Charger	Auto Nation Chrysler Dodge Jeep Ram	25,487	19,890	45,377
Police	2016	Dodge	Charger	Auto Nation Chrysler Dodge Jeep Ram	25,487	19,890	45,377
Police	2016	Dodge	Charger	Auto Nation Chrysler Dodge Jeep Ram	25,487	19,890	45,377
Police	2016	Dodge Ram	1500 2WD	Garber Fleet Sales	20,399	-	20,399
Police	2016	Ford	Taurus	Duval Ford	20,353	6,923	27,276
Police	2016	Ford	Taurus	Duval Ford	20,353	6,923	27,276
Police	2016	Dodge	Charger	Auto Nation Chrysler Dodge Jeep Ram	25,487	18,514	44,001
Police	2016	Dodge	Charger	Auto Nation Chrysler Dodge Jeep Ram	24,068	6,965	31,033
T&D	2016	FORD Explorer	SUV 4x4	Duval Ford	27,023	-	27,023
T&D	2016	CHEVY Colorado	LT PICKUP 1/2T	Stingray Chevrolet	24,103	-	24,103
T&D	2016	CHEVY Colorado	LT PICKUP 1/2T	Stingray Chevrolet	24,102	-	24,102
T&D	2016	ALTEC	AT40M Bucket Truck	Altec	133,435	-	133,435
T&D	2016	ALTEC	AT40M Bucket Truck	Altec	133,435	-	133,435
					1,016,600	159,545	1,176,145

Breakout of Additional Equipment By Vendor

Chief Law Enforcement Supply	78,724
Communications International	68,909
CDW Government	2,790
One Beat CPR	7,165
Graphic Designs International	1,958
Total	159,545

ATTACHMENT B

**BAYSTONE (KANSAS STATE BANK OF MANHATTAN N.K.A. KS StateBank) –
ADDITIONAL SCHEDULES TO MASTER AGREEMENT**

DOCUMENTATION INSTRUCTIONS

The instructions listed below should be followed when completing the enclosed documentation. Documentation completed improperly will delay funding. If you have any questions regarding the Conditions to Funding, instructions or the documentation, please call us at (877) 587-4054.

I. Attached Documentation

1. **Addendum Number Three**
 - ◆ An authorized individual that is with the Obligor should sign on the first space provided.
2. **Exhibit A – Description of Equipment**
 - ◆ Review equipment description. Complete serial number/VIN if applicable.
 - ◆ List the location where the equipment will be located after delivery/installation.
3. **Exhibit B – Payment Schedule**
 - ◆ Sign and print name and title
4. **Exhibit C - Acceptance of Obligation**
 - ◆ Sign and print name and title
5. **Exhibit D - Obligor Resolution**
 - ◆ Type in the date of the meeting in which the purchase was approved.
 - ◆ Print or type the name and title of the individual(s) who is authorized to execute the Contract.
 - ◆ The secretary, chairman or other authorized board member of the Obligor must sign the Resolution where indicated.
 - ◆ A second authorized individual that is with the Obligor should attest the Resolution where indicated.
6. **Exhibit E - Bank Qualified Certificate**
 - ◆ Sign and print name and title
7. **Exhibit F - Officer's Certificate**
 - ◆ Sign and print name and title
 - ◆ Please list the Source of Funds for the Contract Payments.
8. **Exhibit G - Payment Request & Equipment Acceptance Form**
 - ◆ Do Not Return until you need to request funds from the Vendor Payable Account.
9. **Exhibit H - Signature Card**
 - ◆ Sign and print name and title
 - ◆ An additional individual may sign as an authorized individual, if desired.
10. **Exhibit I - Obligor Acknowledgement**
 - ◆ Complete information as indicated.
11. **Opinion of Counsel**
 - ◆ Request that your legal counsel retype Opinion of Counsel onto letterhead, sign and date it.
 - ◆ Legal counsel shall not alter the opinion. If counsel would like changes made to the opinion, they must first contact Obligee.
12. **Insurance Requirements**
 - ◆ Complete insurance company contact information where indicated.
13. **Debit Authorization – (Required)**
 - ◆ Complete form and attach a voided check
14. **8038G IRS Form**
 - ◆ Please read 8038 Review Form
 - ◆ In Box 2, type Employer Identification Number
 - ◆ Sign and print name and title

II. Condition to Funding

If, for any reason: (i) the required documentation is not returned by January 17, 2016, is incomplete, or has unresolved issues relating thereto, or (ii) on, or prior to the return of the documentation, there is a change of circumstance which adversely affects the expectations, rights or security of the Obligee or its assignees; then Obligee or its assignees reserve the right to adjust the quoted interest rate or withdraw/void its offer to fund this transaction in its entirety. *Neither KS StateBank nor Baystone Government Finance is acting as an advisor to the municipal entity/obligated person and neither owes a fiduciary duty pursuant to Section 15B of the Exchange Act of 1934.*

All documentation should be returned to:

KS StateBank
1680 Charles Place
Manhattan, Kansas 66502

ADDENDUM NUMBER THREE
GOVERNMENT OBLIGATION CONTRACT DATED AS OF AUGUST 30, 2013

This Addendum Number Three to the Government Obligation Contract dated as of August 30, 2013, between City of Vero Beach, Florida (Obligor) and KS StateBank (Obligee) ("Contract") is the first written addendum to the above referenced Contract.

Now, therefore, the parties hereby mutually agree, for consideration the receipt of which is hereby acknowledged, to amend the Contract as follows:

1. The parties hereby agree that, with regard to Schedule (03) only, the following definitions are added to Section 1.01 of the Contract:

"Partial Prepayment Date" means the first Contract Payment date that occurs on or after the earlier of (a) the twenty-four month (24) anniversary of the Commencement Date or (b) the date on which Obligor has accepted all the Equipment and all amounts have been disbursed from the Vendor Payable Account to pay for the Equipment.

"Purchase Price" means the total cost of the Equipment, including all delivery charges, installation charges, legal fees, financing costs, recording and filing fees and other costs necessary to vest full, clear legal title to the Equipment in Obligor, subject to the security interest granted to and retained by Obligee as set forth in this Contract, and otherwise incurred in connection with the financing of this Equipment.

"Surplus Amount" means any amount on deposit in the Vendor Payable Account on the Partial Prepayment Date.

"Vendor Payable Account" means the separate account of that name established pursuant to Section XI of this Contract.

2. The parties hereby agree that, with regard to Schedule (03) only, Section 2.02 is removed from the Contract in its entirety.

3. The parties hereby agree that, with regard to Schedule (03) only, Section 3.01 of the Contract is removed and replaced with the following Section 3.01:

Section 3.01 Acquisition and Acceptance. Obligor shall be solely responsible for the ordering of the Equipment and for the delivery and installation of the Equipment. The Payment Request and Equipment Acceptance Form must be signed by the same authorized individual(s) who signed the Signature Card, Exhibit G. By making a Contract Payment after its receipt of the Equipment pursuant to this Contract, Obligor shall be deemed to have accepted the Equipment on the date of such Contract Payment for purposes of this Contract. All Contract Payments paid prior to delivery of the Payment Request and Equipment Acceptance Form shall be credited to Contract Payments as they become due as shown on the Contract Payment Schedule attached as Exhibit B hereto.

4. The parties hereby agree that, with regard to Schedule (03) only, the following is added to the end of Section 9.02 Remedies on Default as (d):

(d) Obligee may retain all amounts credited to the Vendor Payable Account and Obligor shall have no further interest therein.

5. The parties hereby agree that, with regard to Schedule (03) only, the following is added as XI to the Contract:

XI. Vendor Payable Account

Section 11.01 Establishment of Vendor Payable Account. On the date that the Obligee executed this Contract, which is on or after the date that the Obligor executes this Contract, Obligee agrees to (i) make available to Obligor an amount sufficient to pay the total Purchase Price for the Equipment by establishing a separate, non-interest bearing account (the "Vendor Payable Account"), as agent for Obligor's account, with a financial institution that Obligee selects that is acceptable to Obligor (including Obligee or any of its affiliates) and (ii) to deposit an amount equal to such Purchase Price as reflected on Exhibit B in the Vendor Payable Account. Obligor hereby further agrees to make the representations, warranties and covenants relating to the Vendor Payable Account as set forth in Exhibit C attached hereto. Upon Obligor's delivery to Obligee of a Payment Request and Equipment Acceptance Form in the form set forth in Exhibit F attached hereto, Obligor authorizes Obligee to withdraw funds from the Vendor Payable Account from time to time to pay the Purchase Price, or a portion thereof, for each item of Equipment as it is delivered to Obligor. The Payment Request and Equipment Acceptance Form must be signed by an authorized individual acting on behalf of Obligor. The authorized individual or individuals designated by the Obligor must sign the Signature Card which will be kept in the possession of the Obligee.

Section 11.02 Down Payment. Prior to the disbursement of any funds from the Vendor Payable Account, the Obligor must either (1) deposit all the down payment funds that the Obligor has committed towards the purchase of the Equipment into the Vendor Payable Account or (2) Obligor must provide written verification to the satisfaction of the Obligee that all the down payment funds Obligor has committed towards the purchase of the Equipment have already been spent or are simultaneously being spent with the funds requested from the initial Payment Request and Equipment Acceptance Form. For purposes of this Section, the down payment funds committed towards the Equipment from the Obligor are the down payment funds that were represented to the Obligee at the time this transaction was submitted for credit approval by the Obligor to the Obligee.

Section 11.03 Disbursement upon Non-Appropriation or Default. If an event of non-appropriation or default occurs prior to the Partial Prepayment Date, the amount then on deposit in the Vendor Payable Account shall be retained by the Obligee and Obligor will have no interest therein.

Section 11.04 Surplus Amount. Any Surplus Amount then on deposit in the Vendor Payable Account on the Partial Prepayment Date shall be applied to pay on such Partial Prepayment Date a portion of the Purchase Option Price then applicable.

Section 11.05 Recalculation of Contract Payments. Upon payment of a portion of the Purchase Option Price as provided in Section 10.04 above, each Contract Payment thereafter shall be reduced by an amount calculated by Obligee based upon a fraction the numerator of which is the Surplus Amount and the denominator of which is the Purchase Option Price on such Partial Prepayment Date. Within 15 days after such Partial Prepayment Date, Obligee shall provide to Obligor a revised Exhibit B to this Contract, which shall take into account such payment of a portion of the Purchase Option Price thereafter and shall be and become thereafter Exhibit B to this Contract. Notwithstanding any other provision of this Section 10, this Contract shall remain in full force and effect with respect to all or the portion of the Equipment accepted by Obligor as provided in this Contract, and the portion of the principal component of Contract Payments remaining unpaid after the Partial Prepayment Date plus accrued interest thereon shall remain payable in accordance with the terms of this Contract, including revised Exhibit B hereto which shall be binding and conclusive upon Obligee and Obligor.

6. The parties hereby agree that, with regard to Schedule (03) only, Exhibit C to the Contract is removed and replaced with new Exhibit C (attached to this Addendum Number Three).

7. The parties hereby agree that, with regard to Schedule (03) only, Exhibits F, G, H and I (attached to this Addendum Number Three) will be added to the Contract.

8. Except as modified by this Addendum Number Three, the Contract remains in full force and effect. No other modifications or addendum of the Contract shall be effective unless it is in writing and signed by the parties.

IN WITNESS WHEREOF, the Obligor and Obligee have caused this Addendum to be duly executed by their respective officers who have signed below.

City of Vero Beach, Florida

KS StateBank

Signature

Signature

Printed Name and Title

Marsha Jarvis, Senior Vice President

Printed Name and Title

Date

Date

EXHIBIT A
DESCRIPTION OF EQUIPMENT

RE: Government Obligation Contract dated as of August 30, 2013, between KS StateBank (Obligee) and City of Vero Beach, Florida (Obligor)

Below is a detailed description of all the items of Equipment including quantity, model number and serial number where applicable:

One (1) 2016 Ford F-350 Dump Truck, Two (2) 2016 Ford F-250 Truck, One (1) 2016 Ford Crew Cab Truck, Two (2) 2016 Ford Utility Bed Trucks, Five (5) 2016 GMC 8' Bed Truck, Five (5) 2016 Ford 6' Bed Trucks, Five (5) 2016 Ford Taurus Police Vehicles with Upfitting, Seven (7) 2016 Dodge Charger Police Vehicles with Upfitting, One (1) 2016 Dodge Ram 1500 2WD Truck, One (1) 2016 Ford Explorer 4x4 SUV, Two (2) 2016 Chevrolet Colorado Trucks, Two (2) 2016 Altec AT40M Bucket Trucks

Physical Address of Equipment after Delivery : _____

EXHIBIT B

PAYMENT SCHEDULE

RE: Government Obligation Contract dated as of August 30, 2013, between KS StateBank (Obligee) and City of Vero Beach, Florida (Obligor)

Date of First Payment: August 30, 2016
 Original Balance: \$1,176,145.00
 Total Number of Payments: Five (5)
 Number of Payments Per Year: One (1)

Pmt No.	Due Date	Contract Payment	Applied to Interest	Applied to Principal	*Purchase Option Price
1	30-Aug-16	\$251,536.07	\$22,119.36	\$229,416.71	\$953,612.09
2	30-Aug-17	\$251,536.07	\$23,478.86	\$228,057.21	\$722,864.76
3	30-Aug-18	\$251,536.07	\$17,823.04	\$233,713.03	\$487,087.14
4	30-Aug-19	\$251,536.07	\$12,026.96	\$239,509.11	\$246,169.57
5	30-Aug-20	\$251,536.07	\$6,087.13	\$245,448.94	\$0.00

City of Vero Beach, Florida

 Signature

 Printed Name and Title

*Assumes all Contract Payments due to date are paid

EXHIBIT C

ACCEPTANCE OF OBLIGATION
TO COMMENCE CONTRACT PAYMENTS UNDER EXHIBIT B

RE: Government Obligation Contract dated as of August 30, 2013, between KS StateBank (Obligee) and City of Vero Beach, Florida (Obligor)

I, the undersigned, hereby certify that I am a duly qualified representative of Obligor and that I have been given the authority by the governing body of Obligor to sign this Acceptance of Obligation to commence Contract Payments with respect to the above referenced Contract. I hereby certify that:

9. The Equipment described on Exhibit A has not been delivered, installed or available for use as of the Commencement date of this Contract.
10. Obligor acknowledges that Obligee has agreed to deposit into a Vendor Payable Account an amount sufficient to pay the total purchase price (the "Purchase Price") for the Equipment so identified in such Exhibit A;
11. The principal amount of the Contract Payments in the Exhibit B accurately reflects the Purchase Price;
12. Obligor agrees to execute a Payment Request and Equipment Acceptance Form authorizing payment of the Purchase Price, or a portion thereof, for each withdrawal of funds from the Vendor Payable Account.

Notwithstanding that the Equipment has not been delivered to or accepted by Obligor on the date of execution of the Contract, Obligor hereby warrants that:

- (a) Obligor's obligation to commence Contract Payments as set forth in Exhibit B is absolute and unconditional as of the Commencement Date and on each date set forth in Exhibit B thereafter, subject to the terms and conditions of the Contract;
- (b) immediately upon delivery and acceptance of all the Equipment, Obligor will notify Obligee of Obligor's final acceptance of the Equipment by delivering to Obligee the "Payment Request and Equipment Acceptance Form" in the form set forth in Exhibit F attached to the Contract;
- (c) in the event that any Surplus Amount is on deposit in the Vendor Payable Account when an event of non-appropriation or default under the Contract occurs, then those amounts shall be applied as provided in Section 10 of the Contract;
- (d) regardless of whether Obligor delivers a final Payment Request and Equipment Acceptance Form, all Contract Payments paid prior to delivery of all the Equipment shall be credited to Contract Payments as they become due under the Contract as set forth in Exhibit B.

City of Vero Beach, Florida

Signature

Printed Name and Title

EXHIBIT D

OBLIGOR RESOLUTION

RE: Government Obligation Contract dated as of August 30, 2013, between KS StateBank (Obligee) and City of Vero Beach, Florida (Obligor)

At a duly called meeting of the Governing Body of the Obligor (as defined in the Contract) held on _____ the following resolution was introduced and adopted:

BE IT RESOLVED by the Governing Body of Obligor as follows:

1. **Determination of Need.** The Governing Body of Obligor has determined that a true and very real need exists for the acquisition of the Equipment described on Exhibit A of the Government Obligation Contract dated as of August 30, 2013, between City of Vero Beach, Florida (Obligor) and KS StateBank (Obligee).
2. **Approval and Authorization.** The Governing Body of Obligor has determined that the Contract, substantially in the form presented to this meeting, is in the best interests of the Obligor for the acquisition of such Equipment, and the Governing Body hereby approves the entering into of the Contract by the Obligor and hereby designates and authorizes the following person(s) to execute and deliver the Contract on Obligor's behalf with such changes thereto as such person(s) deem(s) appropriate, and any related documents, including any Escrow Agreement, necessary to the consummation of the transaction contemplated by the Contract.

Authorized Individual(s):

(Typed or Printed Name and Title of individual(s) authorized to execute the Contract)

3. **Adoption of Resolution.** The signatures below from the designated individuals from the Governing Body of the Obligor evidence the adoption by the Governing Body of this Resolution.

Signature:

(Signature of Secretary, Board Chairman or other member of the Governing Body)

Printed Name & Title:

(Printed Name and Title of individual who signed directly above)

Attested By:

(Signature of one additional person who can witness the passage of this Resolution)

Printed Name & Title:

(Printed Name of individual who signed directly above)

EXHIBIT E

BANK QUALIFIED CERTIFICATE

RE: Government Obligation Contract dated as of August 30, 2013, between KS StateBank (Obligee) and City of Vero Beach, Florida (Obligor)

Whereas, Obligor hereby represents that it is a "Bank Qualified" Issuer for the calendar year in which this Contract is executed by making the following designations with respect to Section 265 of the Internal Revenue Code. (A "Bank Qualified Issuer" is an issuer that issues less than ten million (\$10,000,000) dollars of tax-exempt obligations during the calendar year).

Now, therefor, Obligor hereby designates this Contract as follows:

1. **Designation as Qualified Tax-Exempt Obligation.** Pursuant to Section 265(b)(3)(B)(i) of the Internal Revenue Code of 1986 as amended (the "Code"), the Obligor hereby specifically designates the Contract as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code. In compliance with Section 265(b)(3)(D) of the Code, the Obligor hereby represents that the Obligor will not designate more than \$10,000,000 of obligations issued by the Obligor in the calendar year during which the Contract is executed and delivered as such "qualified tax-exempt obligations".
2. **Issuance Limitation.** In compliance with the requirements of Section 265(b)(3)(C) of the Code, the Obligor hereby represents that the Obligor (including all subordinate entities of the Obligor within the meaning of Section 265(b)(3)(E) of the Code) reasonably anticipates not to issue in the calendar year during which the Contract is executed and delivered, obligations bearing interest exempt from federal income taxation under Section 103 of the Code (other than "private activity bonds" as defined in Section 141 of the Code) in an amount greater than \$10,000,000.

City of Vero Beach, Florida

Signature

Printed Name and Title

EXHIBIT F

OFFICER'S CERTIFICATE

RE: Government Obligation Contract dated as of August 30, 2013, between KS StateBank (Obligee) and City of Vero Beach, Florida (Obligor)

I, the undersigned, hereby certify that I am a duly qualified representative of Obligor and that I have been given the authority by the governing body of Obligor to sign this Officer's Certificate with respect to the above referenced Contract. I hereby certify that:

1. Obligor has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Contract Payments required to be paid under the Contract during the current Budget Year of Obligor, and such moneys will be applied in payment of all Contract Payments due and payable during such current Budget Year.
2. Obligor has obtained insurance coverage as required under the Contract from an insurer qualified to do business in the State.
3. No event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.
4. The governing body of Obligor has approved the authorization, execution and delivery of this Contract on its behalf by the authorized representative of Obligor who signed the Contract.
5. Please list the Source of Funds (Fund Item in Budget) for the Contract Payments that come due under Exhibit B of this Contract.

Source of Funds : General Fund, Capital Fund, Electric Utility Fund

By signing below, Obligor hereby authorizes the General Fund of the Obligor as a backup source of funds from which the Contract Payments can be made.

City of Vero Beach, Florida

Signature

Printed Name and Title

EXHIBIT G

PAYMENT REQUEST AND EQUIPMENT ACCEPTANCE FORM

RE: Government Obligation Contract dated as of August 30, 2013, between KS StateBank (Obligee) and City of Vero Beach, Florida (Obligor)

In accordance with Section 10.01, by executing this Payment Request and Equipment Acceptance Form the Obligor hereby represents that the Payee or Payees listed below who are requesting payment have delivered the Equipment or a portion of the Equipment or performed the services to the satisfaction of the Obligor and that the amounts requested below by the Payee or Payees are proportionate with the value of the Equipment delivered or services rendered by the Payee or Payees. The Obligor hereby represents and warrants for all purposes that:

1. Pursuant to the invoice attached hereto, the amount to be disbursed is \$ _____ and this amount is consistent with the Contract between Obligor and Vendor.
2. Payment is to be made to: Payee: _____

3. The undersigned certifies that the following documents are attached to this Payment Request and Equipment Acceptance Form when there is a request for a release of funds from the Vendor Payable Account to pay for a portion, or all, of the Equipment: (1) Invoice from the Vendor, (2) copy of the Contract between Obligor and Vendor (if requested by the Obligee), (3) Insurance Certificate (if applicable), (4) front and back copy of the original MSO/Title. By executing this Payment Request and Equipment Acceptance Form and attaching the documents as required above, the Obligor shall be deemed to have accepted this portion of the Equipment for all purposes under the Contract, including, without limitation, the obligation of Obligor to make the Contract Payments with respect thereto in a proportionate amount of the total Contract Payment.
4. No amount listed in this exhibit was included in any such exhibit previously submitted.
5. Each disbursement hereby requested has been incurred and is a proper charge against the Vendor Payable Account. No amount hereby requested to be disbursed will be paid to Obligor as reimbursement for any expenditure paid by Obligor more than 60 days prior to the date of execution and delivery of the Contract.
6. The Equipment referenced in the attached has been delivered, installed, inspected and tested as necessary and in accordance with Obligor's specifications and accepted for all purposes.
7. That Obligor is or will be the title owner to the Equipment referenced in the attached, and that in the event that any third party makes a claim to such title that Obligor will take all measures necessary to secure title including, without limitation, the appropriation of additional funds to secure title to such Equipment, or a portion thereof, and keep the Contract in full force and effect. Furthermore, Obligor has obtained insurance coverage as required under the Contract from an insurer qualified to do business in the State.
8. Obligor has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Contract Payments required to be paid under the Contract during the current Budget Year of Obligor, and such moneys will be applied in payment of all Contract Payments due and payable during such current Budget Year.
9. No event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.

I, the undersigned, hereby certify that I am a duly qualified representative of Obligor and that I have been given the authority by the governing body of Obligor to sign this Payment Request and Equipment Acceptance Form.

Please forward this document and any correspondence relating to vendor payment to:

kkuckelman@ksstatebank.com

or Fax: (785) 587-4016

Please call (877) 587-4054 if you have any questions.

City of Vero Beach, Florida

Signature

Printed Name and Title

EXHIBIT H
SIGNATURE CARD

RE: Government Obligation Contract dated as of August 30, 2013, between KS StateBank (Obligee) and City of Vero Beach, Florida (Obligor)

The below signatures will be used for purposes of verifying the signature on a Payment Request and Equipment Acceptance Form prior to making payments from the Equipment Acquisition Fund or Vendor Payable Account. By signing below, the undersigned represents and warrants that s/he has received all appropriate authority from City of Vero Beach, Florida.

City of Vero Beach, Florida

Signature

Printed Name and Title

Signature of additional authorized individual (optional) of Obligor

Signature

Printed Name and Title

EXHIBIT I

OBLIGOR ACKNOWLEDGEMENT

RE: Government Obligation Contract dated as of August 30, 2013, between KS StateBank (Obligee) and City of Vero Beach, Florida (Obligor)

Obligor hereby acknowledges that it has ordered or caused to be ordered the equipment that is the subject of the above-mentioned Contract.

Please complete the below information, attach another page if necessary

Vendor Name: _____
Phone: _____
Contact Person: _____
Equipment: _____
Amount of Equipment: _____

Vendor Name: _____
Phone: _____
Contact Person: _____
Equipment: _____
Amount of Equipment: _____

Vendor Name: _____
Phone: _____
Contact Person: _____
Equipment: _____
Amount of Equipment: _____

Vendor Name: _____
Phone: _____
Contact Person: _____
Equipment: _____
Amount of Equipment: _____

Vendor Name: _____
Phone: _____
Contact Person: _____
Equipment: _____
Amount of Equipment: _____

Obligor will immediately notify Obligee if any of the information listed above is changed.

OPINION OF COUNSEL

(Must be Re-typed onto attorney's letterhead)

(Date, must be on or after the meeting date listed on Exhibit D, Obligor Resolution)

KS StateBank
1010 Westloop; P.O. Box 69
Manhattan, Kansas 66505-0069

RE: Government Obligation Contract dated as of August 30, 2013, between KS StateBank (Obligee) and City of Vero Beach, Florida (Obligor)

Ladies and Gentlemen:

As legal counsel to Obligor, I have examined the foregoing Contract and such other opinions, documents and matters of law as I have deemed necessary in connection with this Contract. Based on the foregoing, I am of the following opinions:

1. Obligor is a political subdivision of the State of Florida, or a constituted authority authorized to issue obligations on behalf of a political subdivision of the State.
2. Obligor has the requisite power and authority to purchase the Equipment and to execute and deliver the Contract and to perform its obligations under the Contract. The Contract and the other documents either attached hereto or required herein have been duly authorized, approved and executed by and on behalf of Obligor, and the Contract is a legal, valid and binding obligation of Obligor enforceable in accordance with its terms.
3. The authorization, approval and execution of the Contract and all other proceedings of Obligor relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public bidding laws and all other applicable state and federal laws.
4. There is no litigation, action, suit or proceeding pending or before any court, administrative agency, arbitrator or governmental body that challenges the authority of the Obligor or any of the Obligor's officers or employees to enter into the Contracts.
5. The above opinion is for the sole benefit of the Obligee listed above and can only be relied upon by the Obligee or any permitted assignee or subassignee or successor of Obligee under the Contract.

Signature of Legal Counsel

INSURANCE REQUIREMENTS

Pursuant to Article V of the Government Obligation Contract, you have agreed to provide us evidence of insurance covering the Equipment.

A Certificate of Insurance listing the information stated below should be sent to us no later than the date on which the equipment is delivered.

Insured:	Certificate Holder:
City of Vero Beach, Florida	KS StateBank
1053 20th Place	1010 Westloop, P.O. Box 69
Vero Beach, Florida 32961	Manhattan, Kansas 66505-0069

1. Equipment Description

- ◆ One (1) 2016 Ford F-350 Dump Truck, Two (2) 2016 Ford F-250 Truck, One (1) 2016 Ford Crew Cab Truck, Two (2) 2016 Ford Utility Bed Trucks, Five (5) 2016 GMC 8' Bed Truck, Five (5) 2016 Ford 6' Bed Trucks, Five (5) 2016 Ford Taurus Police Vehicles with Upfitting, Seven (7) 2016 Dodge Charger Police Vehicles with Upfitting, One (1) 2016 Dodge Ram 1500 2WD Truck, One (1) 2016 Ford Explorer 4x4 SUV, Two (2) 2016 Chevrolet Colorado Trucks, Two (2) 2016 Altec AT40M Bucket Trucks
- ◆ Please include all applicable VIN's, serial numbers, etc.

2. Deductible

- ◆ The deductible amounts on the insurance policy should not exceed \$100,000.00.

3. Physical Damage

- ◆ All risk coverage to guarantee proceeds of at least \$1,176,145.00.

4. Liability

- ◆ Minimum Combined Single Limit of \$1,000,000.00 on bodily injury and property damage.

5. Additional Insured and Loss Payee

- ◆ KS StateBank and/or Its Assigns MUST be listed as additional insured and loss payee.

Please forward certificate as soon as possible to: Fax: (785) 587-4016
or
Email: kkuckelman@ksstatebank.com

Please complete the information below and return this form along with the Contract.

City of Vero Beach, Florida

Insurance Company: _____

Agent's Name: _____

Telephone #: _____

Fax #: _____

Address: _____

City, State Zip: _____

Email: _____

REQUIRED

*By completing this form, Obligor is authorizing Obligee to withdraw said payment amount on said date.

DEBIT AUTHORIZATION

I hereby authorize KS StateBank Government Finance Department to initiate debit entries, and, if necessary, to reinstate returned entries up to two additional times, to the account indicated below at the financial institution named below and to debit the same to such account for:

Contract Number 3349052	Payment Amount \$251,536.07	Frequency of Payments Annual
Beginning _____ Month Year	Day of Month 20th	

I acknowledge that the origination of ACH transactions to this account must comply with the provisions of U.S. law.

Financial Institution Name		Branch	
Address	City	State	Zip
Routing Number		Account Number	

Type of Account Checking Savings

This authority is to remain in full force and effect until KS StateBank has received written notification from any authorized signer of the account of its termination in such time and manner as to afford KS StateBank a reasonable opportunity to act on it.

Obligor Name on Contract City of Vero Beach, Florida	
Signature	Printed Name and Title
Tax ID Number 59-6000445	Date

PLEASE ATTACH COPY OF A VOIDED CHECK TO THIS FORM!

<p align="center">USA Patriot Act</p> <p>USA Patriot Act requires identity verification for all new accounts. This means that we may require information from you to allow us to make a proper identification.</p>

8038 REVIEW FORM

The 8038 form attached hereto is an important part of the documentation package and must be properly filled out and submitted to the Department of the Treasury in order for you to receive the lower tax-exempt rate. Unless you instruct us otherwise, we have engaged a Paid Preparer to assist in the filling out of this form. The Paid Preparer has filled out the relevant portions of this form based on the current understanding of what is required by the Department of the Treasury. The responses on this 8038 form are based on the dates and amounts which you have requested (structure of the transaction) and which are on the Payment Schedule.

1. Please review our responses for accuracy. If anything is inaccurate, please contact our office so that we can make proper revisions.
2. If the information provided to you on this form is accurate, please sign where indicated and return with the document package.
3. If there are any changes to the structure of the transaction that occur prior to funding which require a change to the 8038 form, we will make such changes and provide notification to you.
4. We will return to you a copy of the 8038 form that was mailed to the Department of the Treasury.

Important Note:

The IRS is now requesting information regarding tax-exempt issuers' and borrowers' written policies and procedures designed to monitor post-issuance compliance with the federal tax rules applicable to tax-exempt obligations (boxes 43 and 44). Do not check items 43 and 44 on the 8038 form unless you have established written procedures in accordance with the instructions referenced directly below. If you choose to "check" items 43 and/or 44, please be prepared to provide copies of such written procedures to the Paid Preparer or any representatives of the IRS upon request. Written procedures should contain certain key characteristics, including making provisions for:

- Due diligence review at regular intervals;
- Identifying the official or employee responsible for review;
- Training of the responsible official/employee;
- Retention of adequate records to substantiate compliance (e.g., records relating to expenditure of proceeds);
- Procedures reasonably expected to timely identify noncompliance; and
- Procedures ensuring that the issuer will take steps to timely correct noncompliance.

For additional guidance on this 8038 form, you can refer to the Documentation Instructions located on the following government website: <http://www.irs.gov/app/picklist/list/formsInstructions.html>, or contact your local IRS office.

Information Return for Tax-Exempt Governmental Obligations

Department of the Treasury
Internal Revenue Service

▶ Under Internal Revenue Code section 149(e)

▶ See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.

Part I Reporting Authority		If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name City of Vero Beach, Florida		2 Issuer's employer identification number (EIN) 59-6000445	
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a	
4 Number and street (or P.O. box if mail is not delivered to street address) 1053 20th Place		Room/suite	5 Report number (For IRS Use Only) 3
6 City, town, or post office, state, and ZIP code Vero Beach, Florida 32961		7 Date of issue 12/01/2015	
8 Name of issue Government Obligation Contract		9 CUSIP number None	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) Ms. Cynthia D. Lawson, Finance Director		10b Telephone number of officer or other employee shown on 10a (772) 978-4770	

Part II Type of Issue (enter the issue price). See the instructions and attach schedule.

11 Education	11		
12 Health and hospital	12		
13 Transportation	13		
14 Public safety	14		
15 Environment (including sewage bonds)	15		
16 Housing	16		
17 Utilities	17		
18 Other. Describe ▶ <u>Vehicles</u>	18	1,176,145	00
19 If obligations are TANs or RANs, check only box 19a			<input type="checkbox"/>
If obligations are BANs, check only box 19b			<input type="checkbox"/>
20 If obligations are in the form of a lease or installment sale, check box			<input type="checkbox"/>

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	08/30/2020	\$ 1,176,145.00	\$ 1,176,145.00	3.037 years	2.469 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22 Proceeds used for accrued interest	22		
23 Issue price of entire issue (enter amount from line 21, column (b))	23	1,176,145	00
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	0	00
25 Proceeds used for credit enhancement	25		
26 Proceeds allocated to reasonably required reserve or replacement fund	26		
27 Proceeds used to currently refund prior issues	27		
28 Proceeds used to advance refund prior issues	28		
29 Total (add lines 24 through 28)	29	0	00
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	1,176,145	00

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

31 Enter the remaining weighted average maturity of the bonds to be currently refunded	▶	_____	years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded	▶	_____	years
33 Enter the last date on which the refunded bonds will be called (MM/DD/YYYY)	▶	_____	
34 Enter the date(s) the refunded bonds were issued ▶ (MM/DD/YYYY)		_____	

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35		
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)	36a		
b	Enter the final maturity date of the GIC ▶ _____			
c	Enter the name of the GIC provider ▶ _____			
37	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units	37		
38a	If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the following information:			
b	Enter the date of the master pool obligation ▶ _____			
c	Enter the EIN of the issuer of the master pool obligation ▶ _____			
d	Enter the name of the issuer of the master pool obligation ▶ _____			
39	If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ▶	<input checked="" type="checkbox"/>		
40	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶	<input type="checkbox"/>		
41a	If the issuer has identified a hedge, check here <input type="checkbox"/> and enter the following information:			
b	Name of hedge provider ▶ _____			
c	Type of hedge ▶ _____			
d	Term of hedge ▶ _____			
42	If the issuer has superintegrated the hedge, check box ▶	<input type="checkbox"/>		
43	If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ▶	<input type="checkbox"/>		
44	If the issuer has established written procedures to monitor the requirements of section 148, check box ▶	<input type="checkbox"/>		
45a	If some portion of the proceeds was used to reimburse expenditures, check here <input type="checkbox"/> and enter the amount of reimbursement. ▶ _____			
b	Enter the date the official intent was adopted ▶ _____			

Signature and Consent	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.				
	▶ _____		▶ _____		
	Signature of issuer's authorized representative		Date		Type or print name and title
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	H. Evan Howe	<i>H. Evan Howe</i> <small>Digitally signed by H. Evan Howe Date: 2015.11.18 13:00:01 -06'00'</small>	11/18/2015		P01438994
	Firm's Name ▶	Baystone Financial LLC		Firm's EIN ▶	48-1223987
	Firm's Address ▶	12980 Metcalf, Suite 310, Overland Park, KS 66213		Phone no.	(800) 752-3562

POLICE DEPARTMENT, PUBLIC WORKS and TRANSMISSION &
DISTRIBUTION (T&D) BACKUP
RE: VEHICLE AND EQUIPMENT PURCHASES



DEPARTMENTAL CORRESPONDENCE

TO: James R. O'Connor, City Manager
DEPT: City Manager

VIA: Monte K. Falls, PE, Director
DEPT: Public Works *MMK*

FROM: Bill Moody, Fleet Manager
DEPT: Public Works *BM*

DATE: November 13, 2015

RE: **Light Vehicle Replacement FY 2015/2016**

Background:

The City of Vero Beach has replaced very few vehicles in the past 6 years, and the fleet is now reaching an age that requires more maintenance and consumes more fuel than newer vehicles. To bring the fleet up to date in a timely manner the City Council approved a lease/purchase program beginning with the 2014/15 budget and again in the 2015/16 budget cycle. This allows us to replace a greater number of vehicles each year with the goal of complete vehicle replacement in 5 years. The vehicles in this second group average 14 years old.

Replacement Schedule:

The purchase price of the proposed vehicles is as follows:

General Fund Light Vehicle Replacement:	\$266,473
T&D / Customer Service:	<u>\$184,103</u>
For a total of:	\$450,576

See attached schedule for breakdown by vendor.

Recommendation:

- Place this item on the City Council's agenda for December 1, 2015;
- Award the purchases to the following vendors from the Florida Sheriffs Association purchasing group:

Alan Jay Fleet Sales	\$159,878
Kelly Buick/GMC	\$106,595
Duval Ford	\$135,898
Stingray Chevrolet	<u>\$48,205</u>
For a total of:	\$450,576

- Registration (est. \$250 ea.), miscellaneous accessories and transfer of 2-way radios where applicable (est. \$250 ea) is an additional \$8,000.00. These items will be paid for out of the accounts by department where the vehicle is assigned.

Analysis:

Strengths: Awarding the contract will allow the City to continue the process of making the fleet more reliable and fuel efficient.

Weaknesses: There will be an interest cost to finance the vehicles.

Opportunities: Interest rates are very low at this time.

Threats: Failure to replace vehicles will increase maintenance costs and response times to serve the citizens of Vero Beach.

Attachments

Cc: Cynthia Lawson, Finance Director, w/attachments
John O'Brien, Purchasing Manager, w/attachments

DHD:MKF/ntn

**FLEET VEHICLE LEASE-PURCHASES
FY 14-15 by VENDOR**

Vendor	Department	Year	Make	Model	Purchase Price	Additional Equipment	Total Acquisition Price
Alan Jay Fleet Sales	Grounds Maintenance	2016	FORD F350	1 ton DUMP TRUCK	\$ 32,410	\$ -	\$ 32,410
	Streets	2016	FORD F250	LT PICKUP 3/4T	23,118	-	23,118
	Streets	2016	FORD F250	LT PICKUP 3/4T	23,118	-	23,118
	Streets	2016	FORD CREW CAB	LT PICKUP 3/4T	26,180	-	26,180
	Streets	2016	FORD Utility Bed	LT PICKUP 3/4T	27,526	-	27,526
	Facilities Maintenance	2016	FORD Utility Bed	LT PICKUP 3/4T	27,526	-	27,526
				Subtotal	\$ 159,878	\$ -	\$ 159,878
Kelly Buick/GMC	Grounds Maintenance	2016	GMC 8 Ft bed	LT PICKUP 1/2T	21,319	-	21,319
	Grounds Maintenance	2016	GMC 8 Ft bed	LT PICKUP 1/2T	21,319	-	21,319
	Grounds Maintenance	2016	GMC 8 Ft bed	LT PICKUP 1/2T	21,319	-	21,319
	Grounds Maintenance	2016	GMC 8 Ft bed	LT PICKUP 1/2T	21,319	-	21,319
	Grounds Maintenance	2016	GMC 8 Ft bed	LT PICKUP 1/2T	21,319	-	21,319
				Subtotal	\$ 106,595	\$ -	\$ 106,595
Duval Ford	Customer Service	2016	FORD 6 Ft bed	LT PICKUP 1/2T	21,775	-	21,775
	Customer Service	2016	FORD 6 Ft bed	LT PICKUP 1/2T	21,775	-	21,775
	Customer Service	2016	FORD 6 Ft bed	LT PICKUP 1/2T	21,775	-	21,775
	Customer Service	2016	FORD 6 Ft bed	LT PICKUP 1/2T	21,775	-	21,775
	Customer Service	2016	FORD 6 Ft bed	LT PICKUP 1/2T	21,775	-	21,775
	T&D	2016	FORD Explorer	SUV 4X4	27,023	-	27,023
			Subtotal	\$ 135,898	\$ -	\$ 135,898	
Stingray Chevrolet	T&D	2016	CHEVY Colorado	LT PICKUP 1/2T	24,103	-	24,103
	T&D	2016	CHEVY Colorado	LT PICKUP 1/2T	24,103	-	24,103
					\$ 48,205	\$ -	\$ 48,205
TOTAL ALL DEPARTMENTS					\$ 450,576	\$ -	\$ 450,576

**FLEET VEHICLE LEASE-PURCHASES
FY 14-15 by DEPARTMENT**

Department	Year	Make	Model	Purchase Price	Additional Equipment	Total Acquisition Price
Streets	2016	FORD F250	LT PICKUP 3/4T	23,118	-	23,118
Streets	2016	FORD F250	LT PICKUP 3/4T	23,118	-	23,118
Streets	2016	FORD CREW CAB	LT PICKUP 3/4T	26,180	-	26,180
Streets	2016	FORD Utility Bed	LT PICKUP 3/4T	27,526	-	27,526
Facilities Maintenance	2016	FORD Utility Bed	LT PICKUP 3/4T	27,526	-	27,526
Grounds Maintenance	2016	FORD F350	1 ton DUMP TRUCK	32,410	-	32,410
Grounds Maintenance	2016	GMC 8 Ft bed	LT PICKUP 1/2T	21,319	-	21,319
Grounds Maintenance	2016	GMC 8 Ft bed	LT PICKUP 1/2T	21,319	-	21,319
Grounds Maintenance	2016	GMC 8 Ft bed	LT PICKUP 1/2T	21,319	-	21,319
Grounds Maintenance	2016	GMC 8 Ft bed	LT PICKUP 1/2T	21,319	-	21,319
Grounds Maintenance	2016	GMC 8 Ft bed	LT PICKUP 1/2T	21,319	-	21,319
			Subtotal	\$ 266,473	\$ -	\$ 266,473
T&D	2016	FORD Explorer	SUV 4X4	27,023	-	27,023
T&D	2016	CHEVY Colorado	LT PICKUP 1/2T	24,103	-	24,103
T&D	2016	CHEVY Colorado	LT PICKUP 1/2T	24,103	-	24,103
Customer Service	2016	FORD 6 Ft bed	LT PICKUP 1/2T	21,775	-	21,775
Customer Service	2016	FORD 6 Ft bed	LT PICKUP 1/2T	21,775	-	21,775
Customer Service	2016	FORD 6 Ft bed	LT PICKUP 1/2T	21,775	-	21,775
Customer Service	2016	FORD 6 Ft bed	LT PICKUP 1/2T	21,775	-	21,775
Customer Service	2016	FORD 6 Ft bed	LT PICKUP 1/2T	21,775	-	21,775
			Subtotal	\$ 184,103	\$ -	\$ 184,103
			TOTAL	\$ 450,576	\$ -	\$ 450,576



Vero Beach Police

Departmental Memorandum

To: Chief David E. Currey

From: Lt. Jerry Karchefski

Subject: General Purpose Vehicles

Date: November 11, 2015

Effective Date: November 11, 2015

Cancellation Date: Feb 11, 2016

This is a request for approval of the lease-purchase budgeted in the General Fund 5 year Lease-Purchase Replacement Schedule for three 2016 Ford Taurus (P2D) vehicles priced from the Florida Sheriff's Association Bid to be purchased from Duval Ford for \$20,353.00 each.

In addition, the purchase of the emergency equipment and installation will be an additional \$6,922.99 each.

The purchase price of the vehicle and equipment will total \$27,275.99 each or a total of \$81,827.97.

The emergency equipment will be purchased from Law Enforcement Supply who is the only supplier that carries all of the different brands of equipment used by our agency and that responded to our competitive bid requests.

The emergency radio will be purchased from and the emergency equipment will be installed by Communications International and is the only local installer of emergency equipment. Communications International has been installing our emergency equipment for over thirty years.





Vero Beach Police

Departmental Memorandum

To: Chief David E. Currey

From: Lt. Jerry Karchefski

Subject: Patrol Vehicle Purchase-Marked Patrol

Date: November 11, 2015

Effective Date: November 11, 2015

Cancellation Date: Feb 11, 2016

This is a request for approval of the lease-purchase budgeted in the General Fund 5 year Lease-Purchase Replacement Schedule for five 2016 Dodge Charger Police RWD (LDDE48) marked patrol vehicles priced from the Florida Sheriff's Association Bid to be purchased from Auto Nation Chrysler Dodge Jeep Ram for \$25,487.00 each.

In addition, the purchase of the emergency equipment and graphics package including installation will be an additional \$19,890.31 each.

The purchase price of the vehicle and equipment is \$45,377.31 each or a total of \$226,886.55 for five vehicles.

The emergency equipment will be purchased from Law Enforcement Supply who is the only supplier that carries all of the different brands of equipment used by our agency and that responded to our competitive bid requests.

The printers will be purchased from CDW-G and the sales quotation was based on government pricing.

The automatic external defibrillators will be purchased from One Beat CPR Learning Center, Inc and was the low bid of the competitive bid requests.

The emergency radio will be purchased from and the emergency equipment will be installed by Communications International and is the only local installer of emergency equipment. Communications International has been installing our emergency equipment for over thirty years.

Vehicle graphics will be supplied and installed by Graphic Designs International, Inc who has our current vehicle graphics designs on file and won the original competitive bid request.





Vero Beach Police

Departmental Memorandum

To: Chief David E. Currey

From: Lt. Jerry Karchefski

Subject: All Purpose Vehicle

Date: November 11, 2015

Effective Date: November 11, 2015

Cancellation Date: Feb 11, 2016

This is a request for approval of the lease-purchase budgeted in the General Fund 5 year Lease-Purchase Replacement Schedule for one 2016 Ram 1500 2WD Regular Cab 120.5" Tradesman Pickup vehicle priced from the Florida Sheriff's Association Bid to be purchased from Garber Fleet Sales for \$20,399.00.

This will be an all purpose vehicle and will not include any emergency equipment.





Vero Beach Police

Departmental Memorandum

To: Chief David E. Currey

From: Lt. Jerry Karchefski

Subject: Crime Scene Vehicles

Date: November 11, 2015

Effective Date: November 11, 2015

Cancellation Date: Feb 11, 2016

This is a request for approval of the lease-purchase budgeted in the General Fund 5 year Lease-Purchase Replacement Schedule for two 2016 Ford Taurus (P2D) vehicles priced from the Florida Sheriff's Association Bid to be purchased from Duval Ford for \$20,353.00 each.

In addition, the purchase of the emergency equipment and installation will be an additional \$6,922.99 each.

The purchase price of the vehicle and equipment will total \$27,275.99 each or a total of \$54,551.98.

The emergency equipment will be purchased from Law Enforcement Supply who is the only supplier that carries all of the different brands of equipment used by our agency and that responded to our competitive bid requests.

The emergency radio will be purchased from and the emergency equipment will be installed by Communications International and is the only local installer of emergency equipment. Communications International has been installing our emergency equipment for over thirty years.





Vero Beach Police

Departmental Memorandum

To: Chief David E. Currey
From: Lt. Jerry Karchefski
Subject: Marked Patrol Vehicle Purchase/Supervisor
Date: November 11, 2015

Effective Date: November 11, 2015

Cancellation Date: Feb 11, 2016

This is a request for approval of the lease-purchase budgeted in the General Fund 5 year Lease-Purchase Replacement Schedule for one 2016 Dodge Charger Police RWD (LDDE48) marked supervisor patrol vehicle priced from the Florida Sheriff's Association Bid to be purchased from Auto Nation Chrysler Dodge Jeep Ram for \$25,487.00.

In addition, the purchase of the emergency equipment and graphics package including installation will be an additional \$18,513.71.

The purchase price of the vehicle and equipment is \$44,000.71.

The emergency equipment will be purchased from Law Enforcement Supply who is the only supplier that carries all of the different brands of equipment used by our agency and that responded to our competitive bid requests.

The printer will be purchased from CDW-G and the sales quotation was based on government pricing.

The automatic external defibrillator will be purchased from One Beat CPR Learning Center, Inc and was the low bid of the competitive bid requests.

The emergency radio will be purchased from and the emergency equipment will be installed by Communications International and is the only local installer of emergency equipment. Communications International has been installing our emergency equipment for over thirty years.

Vehicle graphics will be supplied and installed by Graphic Designs International, Inc who has our current vehicle graphics designs on file and won the original competitive bid request.





Vero Beach Police

Departmental Memorandum

To: Chief David E. Currey
From: Lt. Jerry Karchefski
Subject: Unmarked Patrol Lieutenant Vehicle
Date: November 11, 2015

Effective Date: November 11, 2015

Cancellation Date: Feb 11, 2016

This is a request for approval of the lease-purchase budgeted in the General Fund 5 year Lease-Purchase Replacement Schedule for one 2016 Dodge Charger (LDDE48) vehicle priced from the Florida Sheriff's Association Bid to be purchased from Auto Nation Dodge Jeep Ram for \$24,068.00.

In addition, the purchase of the emergency equipment and installation will be an additional \$6,964.90.

The purchase price of the vehicle and equipment will total \$31,032.90.

The emergency equipment will be purchased from Law Enforcement Supply who is the only supplier that carries all of the different brands of equipment used by our agency and that responded to our competitive bid requests.

The emergency radio will be purchased from and the emergency equipment will be installed by Communications International and is the only local installer of emergency equipment. Communications International has been installing our emergency equipment for over thirty years.





CITY OF VERO BEACH, FLORIDA

REQUISITION NO.: E5622

BILLING : P.O. BOX 1389
VERO BEACH, FL. 32961-1389

DATE: 10/12/15

SHIPPING 3455 AIRPORT WEST DR.
VERO BEACH, FL 32960

DEPT. T & D
DIVISION
DEL. DATE
DEL. LOC.

PHONE: (772) 978-5470 FAX: (772) 770-6860

THIS REQUISITION SERVES AS A CITY PURCHASE ORDER FOR GOODS OR SERVICES NOT IN EXCESS OF 7500.00

VENDOR

DATE 10/12/15

SUGGESTED
VENDOR

P.O. NO.

Altec

STOCK NO. — ACCOUNT NO.	QUANTITY	DESCRIPTION AND SPECIFICATIONS	UNIT PRICE	TOTAL
403.5400.531.616033	2	Altec Truck Model AT40M	133,435.	\$266,870.00
		GSA Piggyback Surcharge		2,000.00
		Multiple Unit Discount 1%		-2,668.00
		GSA Contract#: GS-30F-1028G		
I CERTIFY THAT THE ABOVE SUPPLIES ARE NECESSARY TO PROPERLY CONDUCT THE ACTIVITIES OF THIS DEPARTMENT			TOTAL	\$266,202.00

ENCUMBERED

Ted F. [Signature]
DEPARTMENT HEAD

VENDOR COPY

PURCHASING AGENT - CITY MANAGER

FL. STATE TAX EXEMPT
NO. 85-8012621703C-3

Quoted for: City of Vero Beach
Customer Contact: Robert Doty
Phone: 772-978-5422 Email: Rdoty@covb.org
Quoted by: Chuck Martin
Phone: 407-257-7718 Email: cwmartin@altec.com

REFERENCE ALTEC MODEL

AT40M	AT40M	\$114,360
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Per GSA Specifications in GSA Catalog plus Options below

(A.) GSA OPTIONS ON CONTRACT (Unit)

1	Side hung jib with hydraulic extension in lieu of arm jib	Included
2	EDC-12V secondary stowage system with engine start/stop	\$1,098
3		
4		
5		

(A1.) GSA OPTIONS ON CONTRACT (General)

1	SPOT4-Six Point Strobe System (Recessed, LED)	\$656
2	CH-Cone holder mounted under tailshelf, streetside	\$233
3	RL-LED rope lighting installed in body compartments	\$672
4	RW-Rear window guard	\$228
5	PSWI-1800 Watt Zantrax pure sine wave inverter, location TBD	\$2,091
6	SPOT2-Two (2) recessed LED lights installed in the cargo area interior wall, curbside	\$443
7	AWD-All wheel drive	\$5,008
8	BK-Five (5) gallon water keg with aluminum holder, location TBD	\$173
9		
10		

(B.)

OPEN MARKET ITEMS

1	T-Style reel holder to hold four (4) small reels, 12" diameter and 4" wide. Location TBD	\$173
2	Two amber LED strobes with black-out tops installed each side of the front of the body	Included
3	LED ground lighting package	\$650
4	Side entry tailshelf	\$1,200
5	Two DICA style black plastic O/R pads with holders mounted under the body	Included
6	Ram iPad stand mounted in chassis	\$850
7	Tint side and rear windows, darkest legal tint available	\$250
8	Whelen LED directional light bar installed on rear light rail	\$1,350
9	Top opening box, 60" L x 12" T x 18" W, mounted curbside body compartment top	\$1,200
10	Top opening box, 72" L x 12" T x 18" W, mounted streetside body compartment top	\$1,400
11	All lighting to be LED	Included
12	Curbside horizontal to have eight (8) adjustable dividers in the bottom of compartment	\$125
13	LED GoLight, with wireless remote control, mounted on curbside of hood	\$650
14	Altec B/U Camera system with 7" LED monitor, audio and night vision	\$625

TOTAL FOR UNIT/BODY/CHASSIS: \$133,435

GSA Piggyback Surcharge: \$1,000

Multiple Unit Discount 1%: -\$1,334

(C.)

RECOMMENDED OPTIONS (items are not included in total above)

1		
2		
3		
4		

****Pricing valid for 45 days****

NOTES

PAINT COLOR: White to match chassis, unless otherwise specified

WARRANTY: 12 months parts and labor, 90 days travel charges for chassis and mounted equipment (parts only for overseas)

TO ORDER: To order, please contact Chuck Martin

CHASSIS: Per Altec Commercial Standard in GSA Catalog. 2015 Ford F550.

DELIVERY: No later than 270-300 days ARO, FOB Vero Beach, FL

TERMS: Net 30 days

FET TAX: If chassis over 33K GVWR, a 12 % FET may be applied

BEST VALUE: Altec boasts the following "Best Value" features: Altec ISO Grip Controls for Extra Protection, Only Lifetime Warranty on Structural Components in Industry, Largest Service Network in Industry (Domestic and Overseas), Altec SENTRY Web/CD Based Training, Dedicated/Direct Account Manager, In-Service Training with Every Order.

BUILD LOCATION: Creedmoor, NC