

RESOLUTION 24-13

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARCO ISLAND, FLORIDA, APPROVING THE PURCHASE OF A PIERCE 4x4 PUMPER IN AN AMOUNT NOT TO EXCEED \$736,184.00; AUTHORIZING THE CITY MANAGER TO EXECUTE A TAX EXEMPT LEASE PURCHASE AGREEMENT WITH TRUIST EQUIPMENT FINANCE CORPORATION, AND EXPEND BUDGETED FUNDS ON BEHALF OF THE CITY FOR THIS PURPOSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the governing body of **CITY OF MARCO ISLAND, FLORIDA** ("Lessee" or "City") desires to obtain certain equipment for use by the City's Fire Department, specifically a Pierce Impel Pumper (the "Equipment") as described in the proposal for the Tax-Exempt Lease Agreement (the "Lease"), between Truist Equipment Finance Corporation, ("Lessor") and Lessee, the proposal of which is attached hereto as Exhibit "A"; and

WHEREAS, the total Cost of the Equipment is \$736,184.00, less the FY 23 Legislative Appropriation of \$212,500, with a balance to be financed by a tax-exempt lease; and

WHEREAS, the Equipment is essential for Lessee to perform its governmental functions; and

WHEREAS, the Equipment is being procured through the NPPGOV Contract #PS20240 and the vendor is Ten-8 Fire & Safety, LLC ; and

WHEREAS, funds for this Equipment will be procured from the City's Fire Rescue Capital Budget Account 3005220; and

WHEREAS, the funds made available under the Lease will be deposited with Truist Equipment Finance Corporation, and will be applied to the acquisition of the Equipment in accordance with said Lease; and

WHEREAS, Lessee has satisfied the legal requirements, including those relating to any applicable public bidding requirements, to arrange for the acquisition of the Equipment and the execution and delivery of the Lease; and

WHEREAS, Lessee proposes to enter into the Lease with Truist Equipment Finance Corporation, substantially in the terms presented to this meeting.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF MARCO ISLAND, FLORIDA, AS FOLLOWS:

Section 1. It is hereby found and determined that the terms of the Lease and the Escrow Agreement (collectively, the "Financing Documents") as substantially presented to this meeting and incorporated in this Resolution are in the best interests of Lessee for the acquisition of the Equipment.

Section 2. The Financing Documents and the acquisition and financing of the Equipment under the terms and conditions as described in the Financing Documents are hereby approved. The City Manager of Lessee and any other officer of Lessee who shall have power to execute contracts on behalf of Lessee be, and each of them hereby is authorized to execute, acknowledge, and deliver the Financing Documents with any changes, insertions and omissions therein as may be approved by the officers who execute the Financing Documents, such approval to be conclusively evidenced by such execution and delivery of the Financing Documents. The City Clerk of Lessee and any other officer of Lessee who shall have power to do so be, and each of them hereby is, authorized to affix the official seal of Lessee to the Financing Documents and attest the same.

Section 3. The proper officers of Lessee be, and each of them hereby is, authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits, and other documents and to do or cause to be done any and all other acts and things necessary or proper for carrying out this Resolution and the Financing Documents.

Section 4. The Municipality's obligations under the Lease shall be subject to annual appropriation or renewal by the Governing Body as set forth in the Lease and the Municipality's obligations under the Lease shall not constitute general obligations of the Municipality or indebtedness under the Constitution or laws of the State.

Section 5. As to Lease, the Municipality reasonably anticipates to issue not more than \$10,000,000 of tax-exempt obligations (other than "private activity bonds" which are not "qualified 501(c)(3) bonds") during the current calendar year in which each such Lease is issued and hereby designates each Lease as a qualified tax-exempt obligation for purposes of Section 265(b) of the Internal Revenue Code of 1986, as amended.

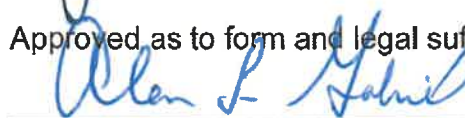
Section 6. The foregoing Resolution shall take effect immediately upon its adoption on this 18th day of March 2024.

ATTEST:



Joan Taylor, City Clerk

Approved as to form and legal sufficiency:



Alan L. Gabriel, City Attorney

CITY OF MARCO ISLAND, FLORIDA

By: 

Jared Grifoni, Chairman

777 Brickell Ave., 9th Floor
Miami, FL 33131
305.523.1771

EXHIBIT A

March 7, 2024

City of Marco Island
50 Bald Eagle Drive
Marco Island, FL 34145

RE: Tax Exempt /Purchase Financing

We are pleased to provide the following tax-exempt financing proposal for the City of Marco Island for the acquisition of a new fire truck. As a leading provider of tax-exempt financing solutions, Truist Equipment Finance Corp. is well positioned to provide the options to meet your unique needs. Please note, this is a proposal only and not a commitment to finance.

Lessor:	Truist Equipment Finance Corp. and/or its affiliates or assigns ("Truist")
Lessee:	City of Marco Island
Type of Facility / Purpose:	Fully Amortizing, Tax-exempt Lease ("Lease")
Cost:	\$724,971
Deposit/Trade:	(\$212,500)
Amount Financed:	\$512,471
Equipment:	One new fire truck
Term:	A) 10 years B) 12 Years
Interest Rate:	A)5.31% Fixed B) 5.33% Fixed
P&I Payments:	A) 10 annual Payments of \$67,383.29 , first payment due 12 months after closing. B) 12 annual Payments of \$59,900.84 , first payment due 12 months after closing.
Interest Rate Adjustment:	The interest rate stated above was calculated based upon a nominal pretax margin spread over Lessor's cost of funds as of March 7, 2024 (the "Reference Rate"). The final interest rate to be fixed for the loan term will be calculated by adjusting the interest rate stated above upward or downward in order to maintain the Reference Rate, as of a date determined by Lender not more five (5) business days prior to funding.
Closing Fees:	None charged by the Lessor.

Funding: At closing, the proceeds of the Lease shall be reimbursed to the City.

Documentation: Closing documents shall be provided by Lessor and shall be acceptable to all parties. Lessee's counsel shall provide an opinion letter at closing as to the validity and enforceability of this transaction in a form satisfactory to the Lessor. Lessee shall provide a reimbursement resolution at closing.

Prepayment: Lessee shall have the option to prepay the Lease in full for 101% of the then remaining principal balance on any given payment date.

Transaction Expenses: Lessee shall be responsible for any out-of-pocket costs or expenses incurred by the Lessor in connection with this transaction, including any costs or fees for outside legal counsel, filings, notifications and searches incurred in connection with the structuring, negotiating and/or closing the contemplated transaction.

Tax Status: This proposal and the Interest Rates set forth herein assume that interest earned by the Lessor on the Lease will be excluded from Lessor's gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is not a specific preference item for purposes of the federal corporate alternative minimum tax. Lessor acknowledges the understanding that the note issued under the Lease is not being registered under the Securities Act of 1933, as amended (the "1933 Act") or Chapter 517, Florida Statutes, and that the Lessee shall have no obligations to affect any such registration or qualification. It also acknowledges and confirms that it is an "accredited investor" within the meaning of Chapter 517, Florida Statutes, and Regulation D of the 1933 Act. There will be no CUSIPs obtained on the Lease.

Taxes / Insurance: Any/all taxes, insurance or other costs incurred by the Lessee are the responsibility of the Lessee.

Indicative Terms Only: This proposal is for discussion purposes only. It does not set forth the complete terms or conditions of any transaction and does not constitute an obligation or commitment by Truist to make any financing or to provide any other financial accommodation. Any financing or other credit extension by Truist is subject, without limitation to final review and approval by Truist.

No Tax or Accounting Advice: Truist does not provide any advice regarding the tax or accounting aspects of any financing and shall make no representations or warranties in that regard. Lessee is advised to seek advice as to the tax or accounting aspects of any financing transaction from Lessee's own accountant, lawyer or tax expert. The information provided in this proposal is not intended to be and should not be construed as "advice" within the meaning of Section 15B of the Securities Exchange Act of 1934. This proposal is for discussion purposes only in anticipation of engaging in a commercial, arm's length transaction in which Truist would be acting solely as a principal and not as a municipal advisor, financial advisor or fiduciary to you or any other person or entity. Truist will not have any duties or liability to any person or entity in connection with the information being provided herein

Thank you for this opportunity to serve you in connection with this prospective transaction. This proposal is a summary regarding the proposed financing transaction on the general terms and conditions outlined herein, but does not purport to summarize all of the terms and conditions upon which the proposed transaction is to be based. This letter is not intended to and does not create any binding legal obligation on the part of either party. I look forward to working with you as we proceed toward finalizing terms, formal credit approval and documentation, it being understood however, that neither party shall be obligated to proceed with any transaction unless mutually agreeable definitive documents are agreed on and executed. We appreciate the opportunity to work with you and look forward to hearing from you with regard to this proposal. If you have any questions, please do not to hesitate to call me at **305.523.1771** or kyle.spalding@truist.com

Sincerely,



Kyle Spalding

Director

ACCEPTED: City of

Marco Island BY:

TITLE:

DATE:

Selected Lease Term

(Check One): A) 10

Years

B) 12 Years

