



Town of Lake Park Town Commission

Agenda Request Form

Meeting Date: March 25, 2026

Originating Department: Finance & Public Works

Agenda Title: Resolution 26-03-26 – Lease-Purchase Finance Agreement - 2026 Mack TE64R Sanitation Truck with Heil Front End Loader - TD Bank - \$376,065

Approved by Town Manager: _____ **Date:** _____

Cost of Item: \$376,065 **Funding Source:** NA

Account Number: NA **Finance Signature:** Barbara A. Gould

Advertised:
Date: _____ **Newspaper:** _____

Attachments: “Attachment A” Amended Resolution
“Attachment B” Commission Minutes February 4, 2026 Approved February 18, 2026; “Attachment C” Original Signed Resolution; “Attachment D” Approved & Signed Financing Proposal from TD Bank; “Attachment E” Invoice & Closing Documents

Please initial one:
 X Yes I have notified everyone
_____ Not applicable in this case

Summary Explanation/Background:

The Public Works Department requests the Town Commission’s approval of a Government Obligation Contract with TB Bank to lease-purchase the acquisition of a 2026 Mack TE64R sanitation truck equipped with a 2025 Heil front-end loader body. This vehicle is a critical fleet replacement necessary to ensure the continued, reliable collection of residential solid waste services throughout the Town of Lake Park.

The purchase of this sanitation vehicle was previously authorized by the Town Commission on October 18, 2023 (Resolution No. 79-01-23) as part of the Town’s capital planning and fleet replacement strategy. However, following Commission approval and as a result of the COVID-19 Pandemic, the truck manufacturing industry experienced world-wide supply chain disruptions that resulted in manufacturing constraints and extended production timelines. These conditions created a significant backlog of specialized heavy-duty sanitation equipment nationwide and delayed the Town’s ability to obtain delivery

of the approved unit within the initially anticipated timeframe.

Additionally, this purchase financing was brought to the Town Commission on February 4, 2026 for consideration (Resolution 12-02-26) and approved with TD Bank. However, the enclosed Resolution included the previously considered financial institution, KS StateBank, as this was staff's original recommendation. TD Bank's financing rate information only became available just prior to Commission Meeting and, thus, staff's recommendation during the February 4, 2026 meeting was changed to approve purchase financing from TD Bank due to the Town being eligible to receive a lower financing rate over the request term. The Commission unanimously supported moving away from financing with KS StateBank and proceeding with TD Bank. As a result, the Town is now required to bring a new Resolution authorizing the purchase financing with TD Bank (as opposed to KS Bank) and rescind the previously approved Resolution (#12-02-26).

To ensure transparency and consistency, the remainder of this Agenda Item will be almost identical to the Item that was presented to the Commission on February 4, 2026, with the major change of recommending TD Bank for this vehicle purchase rather than KS StateBank.

During the Fiscal Year 2025–2026 Budget process, the Town Commission adopted a Capital Improvement Plan (CIP) identifying the need for continued investment in essential Public Works vehicles and equipment, including the sanitation fleet replacement program, which supports the Town's operational reliability, service delivery standards, and long-term fiscal planning objectives.

As part of implementing the approved CIP and Budget, staff evaluated the various financing options to purchase this essential piece of equipment and it was determined that a municipal lease-purchase structure offered the most fiscally responsible approach.

The various financing options include:

1. Municipal Four (4) Year Lease-Purchase Option (Currently Recommended by Public Works)
2. Short-Term Bank Loan and/or Financing Option (Currently under review)
3. Purchase Utilizing Sanitation Fund Reserve Funding (Currently under review)

Note: In advance of consideration of the four (4) year lease-purchase option to ensure that this is the best option, staff is continuing to evaluate all financing options and costs available to the Town [purchase financing was provided by two (2) local financial institutions - Flagler Credit Union and TD Bank]. TD Bank provided a better financing option and was presented for consideration to the Town Commission to ensure the best financing is utilized to purchase this critical truck to ensure the highest levels of sanitation collection services within the Town. The Town Commission unanimously voted to proceed with the financing provided by TD Bank and later confirmed this decision during their March 4, 2026 Meeting when unanimous direction was provided to staff to proceed with the financing in advance of approval of a new Resolution 26-03-26 scheduled for March 25, 2026).

At this time, the Public Works Department is proposing that the Town Commission consider the current proposed four (4) year lease-purchase option that will require four semi-annual payments of \$50,806.93, with the 1st payment beginning on September 26, 2026 and the eighth and final payment due on March 26, 2030.

If approved, the total amount financed with TD Bank would be \$376,065 (Total Truck Purchase Price plus interest and all financing fees) and would be financed with a rate of 3.52%.

Note: The agreement is structured as a tax-exempt governmental obligation subject to annual appropriation. It does not constitute a general obligation debt of the Town, nor does it pledge ad valorem tax revenues. Payments are intended to be supported by the Sanitation Non-Ad Valorem Assessment, with the General Fund identified as a backup funding source, consistent with Florida municipal finance practices.

The agreement includes standard provisions commonly utilized by Florida municipalities, including a non-appropriation clause, insurance and risk management requirements, maintenance and operational responsibilities, and bank-qualified certification under federal tax law.

Funding to support this proposed four (4) year lease-purchase is available within the Sanitation Fund's adopted Budget and is expected to be included for consideration within future Budget requests.

Note: The Town's Purchasing Code – Section 2-244. Exemptions states:

This division shall not apply to:

1. The procurement of dues and memberships in trade or professional organizations; registration fees for trade and career fairs, subscriptions for periodicals and newspapers; advertisements; insurance brokerage; postage; legal and mediation services; professional medical services; services associated with the purchase or sale of real property; abstracts of title for real property; title searches and certificates; title insurance for real property; real estate appraisal services; water, sewer, telecommunications and electric utility services; copyrighted materials or patented materials including, but not limited to, technical pamphlets, published books, maps, testing or instructional materials; fees and costs of job-related seminars and training; admission fees for parks and entertainment activities included in Town recreational programs;

Additionally, the procurement requirements of the Code do not apply to services that are exempt under Section 287.05, Florida Statutes, including financial and banking services. A lease-purchase or Government Obligation Contract is legally characterized as a financial instrument and financing mechanism, not as the procurement of goods. Competitive procurement requirements apply to the acquisition of the vehicle itself, not to the financing method used to fund the purchase.

The proposed four (4) year lease-purchase option financing was prepared by the proposed financing bank, TD Bank, and reviewed by the Public Works Director, the Finance Director and the Town Attorney.

RECOMMENDATION:

I move to adopt Resolution 26-03-26 to approve a Lease-Purchase Finance Agreement with TD Bank to purchase a 2026 Mack TE64R Sanitation Truck with Heil Front End Loader, in the amount of \$376,065 (3.52% interest rate); and authorize the Mayor to execute the proposed Four (4) Year Lease-Purchase Agreement.