



Town of Lake Park Town Commission

Agenda Request Form

Meeting Date: November 4, 2026

Originating Department: Finance & Public Works

Agenda Title: Resolution 114-11-26 – Lease-Purchase Finance Agreement – 2026
Mack TE Series Front-End Loader Sanitation Truck – TD Bank –
\$403,723 (4.58% Interest Rate)

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

Cost of Item: \$403,723 **Funding Source:** Principal & Interest

Account Number: 404-71000 &
404-72000 **Finance Signature:** Barbara A. Gould

Advertised:

Date: _____ **Newspaper:** _____

Attachments: Attachment A: Resolution 114-11-26

Attachment B: Approved financing proposal from TD Bank

Attachment C: Nextran Truck Centers bid sheet and supporting vehicle purchase documents

Attachment D: Florida Sheriffs Association Cooperative Purchasing documentation

Attachment E: Resolution No. 45-06-26 (adopted June 3, 2026)

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 TD Bank to lease-purchase the acquisition of a 2026 Mack TE Series Front-End Loader sanitation truck with Nextran Truck Centers. This vehicle is a replacement for a critical piece of equipment that is needed to maintain reliable commercial solid waste collection services throughout the Town of Lake Park.

The purchase of this sanitation vehicle was previously authorized by the Town Commission on June 3,

2026 (Resolution No. 45-06-26) as part of the Town's capital planning and fleet replacement strategy.

During the Fiscal Year (FY) 2027 Budget process, the Town Commission adopted a Capital Improvement Plan identifying the need for continued investment in essential Public Works vehicles and equipment, including the sanitation fleet replacement program, which supports operational reliability, service delivery standards, and long-term fiscal planning objectives.

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

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, staff evaluated available financing options and costs available to the Town. As a result, staff has determined that TD Bank provides a competitive financing option.

At this time, the Public Works Department is proposing that the Town Commission consider the current proposed four (4) year lease-purchase option. If approved, the total amount financed with TD Bank would be \$403,723 (Total Truck Purchase Price, plus interest and all financing fees) and would be financed under the final terms approved by TD Bank.

The proposed interest rate offered by TD Bank to the Town for this proposed purchase is 4.58%. Please note that this rate may change based on market conditions at the time of consideration by the Town Commission. If the rate changes, staff will provide the current rate proposed by TD Bank prior to approval.

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 proposed agreement, if approved, would include 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.

Note: From October 2023 through the present date, the proposed Sanitation Truck to be replaced by this proposed vehicle purchase has incurred at least \$76,387.68 in tracked operating and repair-related costs, including in-house repairs and dealer repairs. Thus, given the substantial cost history of this vehicle along with the unknown future repair exposure and the availability of a replacement unit that is immediately available to the Town, the Commission approved moving the purchase of this Sanitation Vehicle up to FY 2027 from its expected purchase in FY 2028 (per the Town's approved CIP) during its Regular Meeting on June 3, 2026.

Funding for this proposed four (4) year lease-purchase is available within the Sanitation Fund's FY 2027 Budget and is expected to be included for consideration within future Budget requests.

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

This division shall not apply to:

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 Code's procurement requirements do not apply to services 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, Town Manager, and the Town Attorney.

The Town has previously worked with TD Bank; it currently maintains two (2) loans with this institution totaling approximately \$769,954, and the bank has provided a quality product and good customer service.

RECOMMENDATION:

I move to adopt Resolution 114-11-26 to approve a Lease-Purchase Finance Agreement with TD Bank to finance the acquisition a 2026 Mack TE Series Front-End Loader Sanitation Truck, for \$403,723 (4.58% interest rate); and authorize the Mayor to execute the proposed Four (4) Year Lease-Purchase Agreement.