



## Town of Lake Park Town Commission

### Agenda Request Form

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**Meeting Date:** May 06, 2026

**Originating Department:** Finance & Public Works

**Agenda Title:** Resolution 41-05-26 – Approve Purchase of Two (2) Sanitation Vehicles (Nextran Truck Center) & Lease-Purchase Finance Agreements (TD Bank) - 2026 Mack LR64R Sanitation Truck Automatic Side Loader and 2026 Mack TE Sanitation Front-End Loader - \$797,612 (\$393,889 + \$403,723)

**Approved by Town Manager:** \_\_\_\_\_ **Date:** \_\_\_\_\_

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**Cost of Item:** \$797,612      **Funding Source:** NA

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

**Advertised:**  
**Date:** \_\_\_\_\_ **Newspaper:** \_\_\_\_\_

**Attachments:** Attachment A: Resolution 41-05-26  
Attachment B: Financing proposals from TD Bank  
Attachment C: Invoice, Buyer's Order, and supporting vehicle purchase 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 to purchase two (2) critical sanitation vehicles (2026 Mack LR64R Sanitation Truck Automatic Side Loader and 2026 Mack TE Sanitation Front-End Loader) to ensure the continued, reliable collection of residential and commercial solid waste services throughout the Town of Lake Park. Additionally, the Town Commission is requested to consider purchasing both vehicles utilizing Municipal Four (4) Year Lease-Purchase Option with TD Bank (local branch in Lake Park, Florida).

Vehicle #1 – Purchase - 2026 Mack LR64R Sanitation Truck Automatic Side Loader:

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.

Note: This vehicle is available to the Town immediately and can begin to be utilized by the Public Works Department for sanitation collection within one to two weeks of Commission approval to purchase the vehicle and approve the lease-purchase financing.

The proposed purchase price for this vehicle is \$393,889 from Nextran Truck Center. Funding for the initial lease-purchase payment for this vehicle is available within the FY 2026 Budget – Sanitation Fund.

Vehicle #2 – Purchase Approval - 2026 Mack TE Sanitation Front-End Loader:

This proposed vehicle has not been approved for purchase (as an official action) by the Town Commission, but has been included within the approved Capital Improvement Plan for replacement of a current vehicle (Unit #56) in Fiscal Year 2028. However, due to the significant mechanical/operational issues that the Public Works Department has encountered to continue to provide the highest levels of sanitation collection services throughout our community, along with the significant rental costs for temporary vehicles, staff is recommending that this vehicle be lease-purchased at this time.

Repair History/Cost - From October 2023 through the present date, this vehicle has incurred \$103,241.85 in operating and repair-related costs (i.e., in-house repairs, dealer repairs, etc.). This vehicle has resulted in significant, recurring downtime and is currently out of service, which has affected dumpster collection operations. Additional repair costs are expected over the next few years

Note: This vehicle is available to the Town immediately and can begin to be utilized by the Public Works Department for sanitation collection within one to two weeks of Commission approval to purchase the vehicle and approve the lease-purchase financing.

To ensure the lowest possible price, staff is recommending that the Town piggyback off the current Florida Sheriffs Association Cooperative Purchase Program, that was awarded to Nextran through a competitive selection process (Contract #FSA23-VEH21.0), for the provision Mack TE Sanitation Front-End Loader.

Note: Various documents related to this competitive selection process are either attached and/or available for review by contacting the Town Clerk’s Office, including Contract #FSA23-VEH21.0 and published addendums, as required.

If approved, the Town Commission would accept Nextran’s pricing by piggybacking the Florida Sheriffs Association Cooperative Purchase Program, including all terms, conditions and pricing therein. The Town will not expend more than the amount within the approved budget as it may be adopted/amended each year for these goods and services over the term of this contract.

The proposed purchase price for this vehicle is \$403,723 from Nextran Truck Center. Funding for the initial lease-purchase payment for this vehicle is available within the FY 2026 Budget – Sanitation Fund.

Vehicle #1 & Vehicle #2 – Lease-Purchase Financing – TD Bank:

The proposed lease-purchase of both vehicles is recommended to be provided as a Government Obligation Contract with TD Bank in the total amount of \$797,612 (Vehicle #1 - \$393,889 + Vehicle #2 - \$403,723).

In February 2025, the Town Manager, Finance Director and Public Works Director reviewed various financial institutions and financing options to purchase a sanitation vehicle. During that review, it was determined that that a four (4) year lease-purchase option provided the lowest interest rate and was the best option available to the Town to purchase this critical truck to ensure the highest levels of sanitation collection services within the Town.

At this time, staff is proposing that the Town Commission consider the proposed four (4) year lease-purchase option for both sanitation vehicles, which, if approved, would require eight (8) semi-annual payments of \$108,202.48, with the 1<sup>st</sup> payment beginning on December 1, 2026 and the fourth and final payment due on June 1, 2030.

If approved, the total amount financed is expected to be \$797,612 (total purchase price for both trucks) and would be financed with an expected interest rate of 3.71% The proposed lease-purchase option provides a pre-payment penalty that would increase the interest rate based on various conditions as outlined within the proposed agreement if the Town selected a shorter payment term [i.e., three (3) year financing term].

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 the initial four (4) year lease-purchase payments for both vehicles 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:

13. Banking and investment services including retirement investment services

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 purchase agreements were prepared by the proposed manufacturer/vendor, Nextran Truck Center, and reviewed by the Public Works Director, the Finance Director and the Town Attorney.

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.

The Town has previously worked with the proposed manufacturer/vendor and they have provided a quality product and good customer service.

Additionally, the Town has previously worked with the proposed banking firm, TD Bank [currently maintain two (2) loans with this institution totaling approximately \$353,612.70 as well as a lease-purchase financing loan (sanitation vehicle) totaling approximately \$376,460], and they have provided a quality product and good customer service.

**RECOMMENDATION:**

I move to adopt Resolution 41-05-26 approving the (piggyback) purchase of a 2026 Mack TE Sanitation Front-End Loader from Nextran Truck Center, in the amount of \$403,723 and approving Government Obligation Contract(s) with TD Bank for the lease-purchase financing to acquire two (2) sanitation vehicles (2026 Mack LR64R Sanitation Truck Automatic Side Loader and 2026 Mack TE Sanitation Front-End Loader), in the amount of \$797,612 (total purchase price for both trucks); and authorize the Mayor to execute all documents related to the purchase of both sanitation vehicles from Nextran Truck Center and the lease-purchase financing from TD Bank.