



**GREATER NAPLES FIRE RESCUE DISTRICT
BOARD OF FIRE COMMISSIONERS
Action Item Worksheet**

NEW BUSINESS

Agenda Item: III. B.
Subject: Ladder Purchase
Meeting Date: December 12, 2023
Prepared By: Chris Wolfe, Deputy Chief

Background

The District is in need of replacing both of the current ladder trucks. Current lead time on ladder trucks among all major manufacturers is trending 24-40 months to be completed. Earlier this calendar year the Board of Fire Commissioners were presented with an option to purchase a demo Metro 100' Ladder built by E-One. The Board of Fire Commissioners supported this project and gave Staff direction to submit a letter of intent to purchase the demo truck from REV. Originally, the truck was anticipated to be completed in the next fiscal year. The production schedule has improved due to engine availability, the new expected completion date is May of 2024. This truck purchase is inclusive of hose, nozzle, equipment mounting, and other lose equipment (Excluding ALS equipment, air packs, portable radios). The total cost of the ladder truck is \$1,505,889. The pricing of this truck is based off Sarasota County contract #2019-263.

Staff has researched multiple financing solutions. In conducting this research our primary goals were interest rate and initial payment due date (to hedge the earlier completion). All presented options provide for a December 2024 initial payment, annual payments, and no pre-payment penalties.

- Leasing, 2 is able to provide an Annual Rate of 5.39% with varying payments based on the term. (See attachment 4)
- REV Financial Services is able to provide an Annual Rate of 5.49% with varying payments based on the term. (See attachment 2)
- Regions – No Response
- Bancorp – No Response
- First Horizon – Provided a rate of 7.05%
- First Foundation – claimed they could not compete.

Status summary of the District's ladder trucks:

- Ladder 21 (75'): 2015 model year with 104,182 miles. Past 7 years of repair and maintenance cost \$284,183.58 or an average \$40, 597.65 per year.
- Ladder 72 (105'): 2015 model year with 113,162 miles. Past 7 years of repair and maintenance cost \$331,204.54 or an average \$47,314.9354 per year.



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Funding Source/Financial Impact

Funding would come from the General Fund beginning in Fiscal Year 2024/25 can continue until the loan is satisfied based upon the term and financial institution chosen.

Recommendation

Due to the current and ongoing delays with apparatus manufacturing and apparatus components. Staff recommends purchasing the demo Metro 100' from REV Technical Center and utilizing REV Financial for the financing with the 5-year term.

Potential Motion

Motion to approve purchasing One (1) E-One Metro 100' Ladder truck from REV Technical Center in the amount of \$1,505,889.00 and direct the Fire Chief to complete and execute the financing documents through REV Financial Services.

Attachments

Attachment 1: Greater Naples Revised Proposal Dated April 18, 2023
Attachment 2: REV Financing Proposal Dated November 9, 2023
Attachment 3: REV Financial Application
Attachment 4: Leasing2 Financing Proposal Dated December 6, 2023



725 SW 46th Avenue
 Ocala, Florida 34474
 T (352) 629-6305
 M (941)345-5958
 F (352) 629-2018

FIRE APPARATUS PROPOSAL

April 18, 2023

This proposal has been prepared for:
 Greater Naples Fire Rescue
 14575 Collier Blvd
 Naples, FL 34119

Hall-Mark RTC is pleased to offer Greater Naples Fire Rescue One 2024 E-One 100 ft ladder quint Built on the Cyclone chassis. This unit is priced using the open contract between Hall-Mark RTC and Sarasota County approved on 7/9/2019 contract # 2019-263. This vehicle shall be in accordance with the attached specifications. The purchase price shall also include all vehicle components and equipment as requested by the fire department and listed in the attached documentation. Delivery will be F.O.B. Greater Naples, FL and will be 18 to 20 months after receipt of Purchase Order or letter of intent to REV RTC in Ocala Florida. The current purchase price for the specified unit is as follows:

2024 E-One 100 ft ladder Quote # 120979 REV 55 Dated 2/10/2023. Shop Order # 146179:	\$ 1,233,119.00
Dealer Net Plus 10%: Per contract.	\$ 123,311.90
Net Cost Of Aerial:	\$ 1,356,430.90
Additional Discount:	\$ - 58,311.90
Change Order Dated 4/13/23:	\$ + 21,270.00
Graphics to match current fleet:	\$ + 10,000.00
Firecom (4) position Wireless supplied and installed. Install customer supplied radio and antennas. Install of loose equipment per customer layout:	\$ + 15,000.00
Dealer Prep per Sarasota contract.	\$ + 1,500.00
Shelving allowance:	\$ +10,000.00
Equipment purchase allowance:	\$ + 150,000.00
Total Cost of Aerial:	\$ 1,505,889.00

Sincerely,



Steve Kern
Account Manager

4/18/23

Date



Dee Daniels
Apparatus sales manager

4-18-23

Date



November 9th, 2023

RE – Greater Naples Fire Rescue District - Municipal Finance Quote

REV Financial Services is pleased to present the following Municipal Finance Proposal described below:

PROPOSAL:

LESSEE:	Greater Naples Fire Rescue District						
PROPERTY:	2024 E-One Ladder Truck						
EXPIRATION:	December 6, 2023						
FINANCE QUOTE:	Finance Amount	Rate	Payments	Factor	Pmts / Year	Term	Adv. / Arr.
\$0 Payments Down	\$ 1,505,805.00	5.49%	\$ 352,527.36	0.234112223	1	5 years	Arrears
\$0 Payments Down	\$ 1,505,805.00	5.44%	\$ 264,397.81	0.175585688	1	7 years	Arrears
\$0 Payments Down	\$ 1,505,805.00	5.46%	\$ 199,388.68	0.132413346	1	10 years	Arrears
\$0 Payments Down	\$ 1,505,805.00	5.53%	\$ 175,008.97	0.116222865	1	12 years	Arrears

FINANCING: This is a tax-exempt, municipal government lease purchase with the title to the property passing to Lessee. This is a net lease under which, all costs, including insurance, maintenance, and taxes, are paid by Lessee for the term of the lease. Rates assume municipal/bank qualified.

NOTES: Please see page 2 for sample payment tables. Application and 3 years Audited Financial Statement are required with Signed Proposal for Credit Review. Rate subject to change due to market fluctuation.

APPROVAL: This proposal, until credit approved, serves as a quotation, not a commitment by Lessor to provide credit or property. Lessor acceptance of this Proposal is subject to credit; collateral and essential use review and approval by Lessor. The interest rate quoted herein assumes that the interest component of the Payments is exempt from federal income tax. Lessor will provide a taxable financing proposal if it is determined that the financing will not qualify for tax-exempt interest rates. The financing contemplated by this proposal is subject to the execution and delivery of all appropriate documents (in form and substance satisfactory to Lessor), including without limitation, to the extent applicable, the Master Lease Agreement, any Schedule, financing statements, legal opinion or other documents or agreements reasonably required by Lessor. The quoted interest rate assumes the Lessee designates the Lease as "bank-qualified" pursuant to Section 265(b) of the Code.

Thank you for the opportunity to present this proposal. If you have any questions, please contact me at my number or e-mail address below.

Sincerely,

 Todd Stevenson
 National Sales Manager
 (303) 254-6350
todd.stevenson@revgroup.com
www.REVgroup.com

Proposal Acceptance:

Options: 5 / 7 / 10 / 12 years (please circle)

Signed: _____

Name: _____

Title: _____

Date: _____

5 year Sample Payment Table		
Assumes Contract Acceptance & Funding on 12/06/2023		
Please note the dates on the table		
Year	Date	Payment
1	12/6/2024	\$ 352,527.36
2	12/6/2025	\$ 352,527.36
3	12/6/2026	\$ 352,527.36
4	12/6/2027	\$ 352,527.36
5	12/6/2028	\$ 352,527.36
7 year Sample Payment Table		
Assumes Contract Acceptance & Funding on 12/06/2023		
Please note the dates on the table		
Year	Date	Payment
1	12/6/2024	\$ 264,397.81
2	12/6/2025	\$ 264,397.81
3	12/6/2026	\$ 264,397.81
4	12/6/2027	\$ 264,397.81
5	12/6/2028	\$ 264,397.81
6	12/6/2029	\$ 264,397.81
7	12/6/2030	\$ 264,397.81
10 year Sample Payment Table		
Assumes Contract Acceptance & Funding on 12/06/2023		
Please note the dates on the table		
Year	Date	Payment
1	12/6/2024	\$ 199,388.68
2	12/6/2025	\$ 199,388.68
3	12/6/2026	\$ 199,388.68
4	12/6/2027	\$ 199,388.68
5	12/6/2028	\$ 199,388.68
6	12/6/2029	\$ 199,388.68
7	12/6/2030	\$ 199,388.68
8	12/6/2031	\$ 199,388.68
9	12/6/2032	\$ 199,388.68
10	12/6/2033	\$ 199,388.68

12 year Sample Payment Table		
Assumes Contract Acceptance & Funding on 12/06/2023		
Please note the dates on the table		
Year	Date	Payment
1	12/6/2024	\$ 175,008.97
2	12/6/2025	\$ 175,008.97
3	12/6/2026	\$ 175,008.97
4	12/6/2027	\$ 175,008.97
5	12/6/2028	\$ 175,008.97
6	12/6/2029	\$ 175,008.97
7	12/6/2030	\$ 175,008.97
8	12/6/2031	\$ 175,008.97
9	12/6/2032	\$ 175,008.97
10	12/6/2033	\$ 175,008.97
11	12/6/2034	\$ 175,008.97
12	12/6/2035	\$ 175,008.97

Please email application to:
Todd Stevenson
 todd.stevenson@revgroup.com
 Fax: 855-202-8021
 Phone: 303-254-6350

REV Financial Services



MUNICIPAL CREDIT APPLICATION

COMPLETION OF THIS APPLICATION IS NOT A BINDING COMMITMENT

APPLICANT DATA

Applicant Legal Name		Applicant Federal Tax ID # (FEIN)		
Address		City	State	Zip Code
Person to Contact	Phone #	Fax #	E-Mail Address	
Person to Contact	Phone #	Fax #	E-Mail Address	
Current Fleet Size:				
Has the Municipality ever defaulted or non-appropriated on an obligation? <input type="checkbox"/> Yes <input type="checkbox"/> No				
If Yes, please explain:				
Will the Municipality issue in excess of \$10 million in tax-exempt obligations during the current fiscal year?				

NEW EQUIPMENT INFORMATION

Quantity	Year, Mfg, Model, Body Type	\$ Requested	Replacement <input type="checkbox"/>	Expansion <input type="checkbox"/>
Quantity	Year, Mfg, Model, Body Type	\$ Requested	Replacement <input type="checkbox"/>	Expansion <input type="checkbox"/>
Term of Financing (in Years)		Estimated Closing Date		
Payment Frequency Required (All Payments are In Advance) Annual <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Quarterly <input type="checkbox"/> Monthly <input type="checkbox"/>				
How long has your Municipality been providing the current service?				
What Department will be utilizing the equipment?				
Is this equipment lease payment included in the current Municipal Budget?				
Will this lease payment be made from the Municipal general fund? If not, please explain the source of the payments.				

RATING AGENCY UNDERLYING BOND RATINGS

Moody's Investors Service	Bond Obligation Type	Contact	Telephone #
Standard & Poor's	Bond Obligation Type	Contact	Telephone #
Fitch	Bond Obligation Type	Contact	Telephone #

CERTIFICATION The undersigned certifies that the above
 information given for credit purposes is true and correct and authorizes REV Financial by credit bureau or investigation agency to investigate the references, statements or other data listed or accompanying the application. The undersigned authorizes all parties contacted to release credit and financial information as a part of said investigation. The undersigned also confirms that the equipment described above is essential to the functions of the municipality or to the services the municipality provides its citizens. Further, the municipality has an immediate need for, and expects to make immediated use of, substantially all such equipment, which need is not temporary or expected to diminish in the foreseeable future. Such equipment will be used by the municipality only for the purpose of performing one or more of the municipality's governmental or proprietary functions consistent with the permissible scope of its authority.

Signature _____	Title _____	Date _____
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LEASE FINANCING PROPOSAL



Lessee

Greater Naples Fire Rescue District, FL

Vendor

REV Technical Center - FL

Proposal Date:	December 6, 2023					
Equipment Description:	(1) E-One Ladder Truck					
Commencement Date:	December 20, 2023					
	<u>Option 1</u>	<u>Option 2</u>	<u>Option 3</u>	<u>Option 4</u>	<u>Option 5</u>	<u>Option 6</u>
Equipment Cost:	\$1,505,805	\$1,505,805	\$1,505,805	\$1,505,805	\$1,505,805	\$1,505,805
Lessee Down Payment:						
Amount Financed:	\$1,505,805	\$1,505,805	\$1,505,805	\$1,505,805	\$1,505,805	\$1,505,805
Lease Term:	3 Years	4 Years	5 Years	3 Years	4 Years	5 Years
First Payment Date:	12/20/2024	12/20/2024	12/20/2024	12/20/2025	12/20/2025	12/20/2025
Payment Frequency:	Annual	Annual	Annual	Annual	Annual	Annual
Interest Rate:	5.39%	5.39%	5.39%	5.39%	5.39%	5.39%
Payment Amount:	\$557,014.76	\$428,513.43	\$351,605.35	\$587,047.99	\$451,587.56	\$370,561.96

Qualifications:

1. **Pricing:** This is a lease proposal for the payment stream(s) indicated above. If any of the information identified above are not correct, please advise us so that we can determine if a new proposal is required. Other important elements of this proposal are:

- a) **Rate Expiration:** Due to the current increasing rate markets, this proposal is valid under the following circumstances:
- The award is received within 30 days of the Proposal Date.
 - The transaction is closed within 60 days off the Proposal Date.
- If you are unable to award within 30 days, please contact us prior to your decision meeting date and we will provide a current proposal.

b) **Closing Costs:** There will be no up-front costs of any kind charged by Lessor including closing costs, points, administrative costs, etc. Your attorney may charge you to review the lease documents and complete the opinion letter required with our lease documentation.

c) **Fixed Rates:** Rates for ten (10) years and under are fixed for the entire term. Terms over ten years have a one time rate adjustment after ten (10) years to the then current interest rates for the remaining term.

2. **Type of Lease:** This is a lease-purchase type of financing. After all the lease payments are made, Lessee will own the equipment without further cost.

3. **Financial Reporting:** All city, county and tax districts (including fire districts) will be expected to provide GAAP audited financial reports. All non-profit corporations (vfd's) will be expected to provide IRS 990 federal tax returns. If you do not maintain these types of financial reports, please contact us to discuss.

4. **Vendor Payable / Escrow Account (where applicable):** In the event that the truck(s) and/or equipment are not ready to be delivered, proceeds of this lease will be held in a vendor payable account until delivery/acceptance. This is a non-interest bearing account to Lessee.

5. **Credit Approval and Documentation:** This is a proposal only, and does not represent a commitment to lease. This financing is subject to credit review and approval and execution of mutually acceptable documentation, including the opinion of lessee's counsel opining that the agreement is legal, valid and binding, obligation of Lessee.

Financing by: **Leasing 2, Inc.**
Contact: **Brad Meyers**
Phone: 813-258-9888 x12
Email: bmeyers@leasing2.com
Web: www.firetruckleasing.com



REQUEST TO PROCEED:

When you are ready to proceed with Leasing 2 towards finalizing this lease financing arrangement, please indicate so by signing below and completing the requested information. We will immediately email you our application. Thank you for your confidence and consideration.

Proposal date: December 6, 2023

Option Chosen: _____ (where applicable)

Upcoming Governing Body meeting date for lease approval: _____

Greater Naples Fire Rescue District, FL

Name of Lessee

Authorized Signature Date Title

Printed Name Of Authorized Signature Last month of your budget year?

Contact Name Contact Phone Contact Email
(If Different Than Authorized Signature)

Financial Contact Name Contact Phone Contact Email
(Can be Treasurer or Clerk)

Please complete the above information and **fax or email** all pages of the proposal to
813-258-9333 / bmeyers@leasing2.com



**** Important: A Resolution will be required with the lease contract ****

In the event that you require board action to sign this proposal, please call us so that we may forward the preferred form for the meeting.

Are you ready to move forward with Leasing 2?

Here is a quick overview of our process

- 1. Signed Proposal** - When you are ready to move forward with Leasing 2, email a scan of the completed and signed proposal back to Leasing 2.
- 2. Credit Application** - A credit application and request for current financial reports will be emailed to the designated contacts upon receipt of the signed proposal. The credit application should be completed and returned promptly to protect your quoted interest rates. Credit approval usually comes within a few days receipt of the completed credit application.
- 3. Financing Agreement** - Once credit approval is accomplished, the financing agreement will be emailed for review and signature. Once the contracts are signed and returned, we are ready for closing.