

**RESOLUTION**      2019-30

**PURCHASE OF EQUIPMENT FOR CITY OF MARIETTA**

**WHEREAS**, the purchase of equipment, materials and supplies is necessary to perform the duties relative to the functions lawfully imposed upon or assumed by the City of Marietta;

**WHEREAS**, the following equipment is needed to allow for the performance of the above described duties/functions: **FIRE APPARATUS (ENGINE)**;

**WHEREAS**, in accordance with Section 2-172 of the Code of Ordinances, the following sole-source bid for the purchase was submitted:

<b>PIERCE MANUFACTURING INC.</b>	<b>COMMERCIAL FXP PUMPER</b>	<b>\$279,790</b>
<b>E-ONE</b>	<b>TOP MOUNT COMM. PUMPER</b>	<b>\$283,879</b>
<b>FERRARA</b>	<b>CUSTOM PUMPER</b>	<b>\$290,617</b>

**WHEREAS**, staff recommend the purchase of equipment as submitted by **PIERCE MANUFACTURING INCORPORATED**, based upon the following justification: **LOWEST BID AND TRUCK IMMEDIATELY AVAILABLE**;

**WHEREAS**, funding is available to provide for this expenditure within the budget of the current fiscal year, under the following department/account: **01-55-900- WITH AMENDMENT AND FIVE-YEAR LEASE PURCHASE AGREEMENT**;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Marietta:

1. The purchase of **COMMERCIAL FXP PUMPER** as submitted by **PIERCE MANUFACTURING INC. (CONRAD FIRE)** is hereby approved and authorized based on the recommendation of staff as previously indicated.
2. The expenditure for the purchase will be deducted from the following department/account: **01-55-900- WITH AMENDMENT AND FIVE-YEAR LEASE PURCHASE AGREEMENT**;

PASSED BY THE CITY COUNCIL and SIGNED BY THE MAYOR this 8<sup>th</sup> day of  
October, 2019.

CITY OF MARIETTA



KERMIT MCKINNEY  
ACTING MAYOR/COUNCIL PRESIDENT

ATTEST



DOTTIE GWIN, CITY CLERK





FINANCIAL SOLUTIONS



# Tax Exempt Lease Purchase

SALES ORGANIZATION: **Conrad Fire – Ryan Reeves**  
 LESSEE: Marietta FD  
 TYPE OF EQUIPMENT: (1) Pierce Commercial FXP Pumper #33417  
 EQUIPMENT COST: **\$279,790.00**  
 CUSTOMER DOWNPAYMENT: \$0.00  
 TRADE-IN: \$0.00  
 DELIVERY TIME: Standard delivery  
 PAYMENT MODE: Annual In Arrears  
 FIRST PAYMENT DUE DATE: 1 Year After Lease Commencement  
 LEASE COMMENCEMENT DATE: Upon contract signing

9/30/2019

Contact information:  
 Michele Zitko  
 Locator: B4-B230-05-07  
 155 East Broad St  
 Columbus, OH 43215  
 Ph: (800) 820-9041 ext. 2  
 Fax: (866) 221-7894  
 michele.zitko@pnc.com

Term	5 years	7 years
Number of Payments	5 Annual	7 Annual
Payment Amount	\$61,670.23	\$45,621.60
Rate	3.33%	3.42%

**NOTE: All lease documents must be fully executed within 14 days of the date of this proposal. Failure to receive completed documents may alter the final payment schedule due to changes in rates and/or discounts.**

**PERFORMANCE BOND:** To utilize the prepay program, a performance bond is required. Said performance bond shall be paid for directly to Pierce Manufacturing or financed by PNC Equipment Finance as part of the transaction

**ESCROW FUNDING OPTION:** At lease closing, if all of the equipment has not yet been delivered, Lessor will fund an escrow account from which disbursements will be made to the equipment provider(s) upon receipt of a Requisition Request and Certificate of Acceptance from Lessee. Escrow agent will either be Lessor or third-party provider selected by Lessor and approved by Lessee. All escrow earnings will be for the benefit of Lessee. The escrow agent will assess a \$250.00 account set up fee payable at closing.

**TYPE OF FINANCING:** Tax-exempt Lease Purchase Agreement with a \$1.00 buy out option at end of lease term. Said agreement shall be a net lease arrangement whereby lessee is responsible for all costs of operation, maintenance, insurance, and taxes.

**BANK QUALIFICATION:** This proposal assumes that the lessee will not be issuing more than \$10 million in tax-exempt debt this calendar year. Furthermore, it is assumed that the lessee will designate this issue as a qualified tax-exempt obligation per the tax act of 1986.

**LEGAL TITLE:** Legal title to the equipment during the lease term shall vest in the lessee, with PNC Equipment Finance perfecting a first security interest

**AUTHORIZED SIGNORS:** The lessee's governing board shall provide PNC Equipment Finance with its resolution or ordinance authorizing this agreement and shall designate the individual(s) to execute all necessary documents used therein.

**LEGAL OPINION:** The lessee's counsel shall furnish PNC Equipment Finance with an opinion covering this transaction and the documents used herein. This opinion shall be in a form and substance satisfactory to PNC Equipment Finance.

**VOLUNTEER FIRE DEPARTMENTS:** If Lessee is a Volunteer Fire Department, a public hearing under the requirements of Section 147(f) of the Internal Revenue Code of 1986 shall be conducted to authorize this transaction. It is recommended that a notice of the public hearing be published 10 to 14 days in advance of the public hearing.

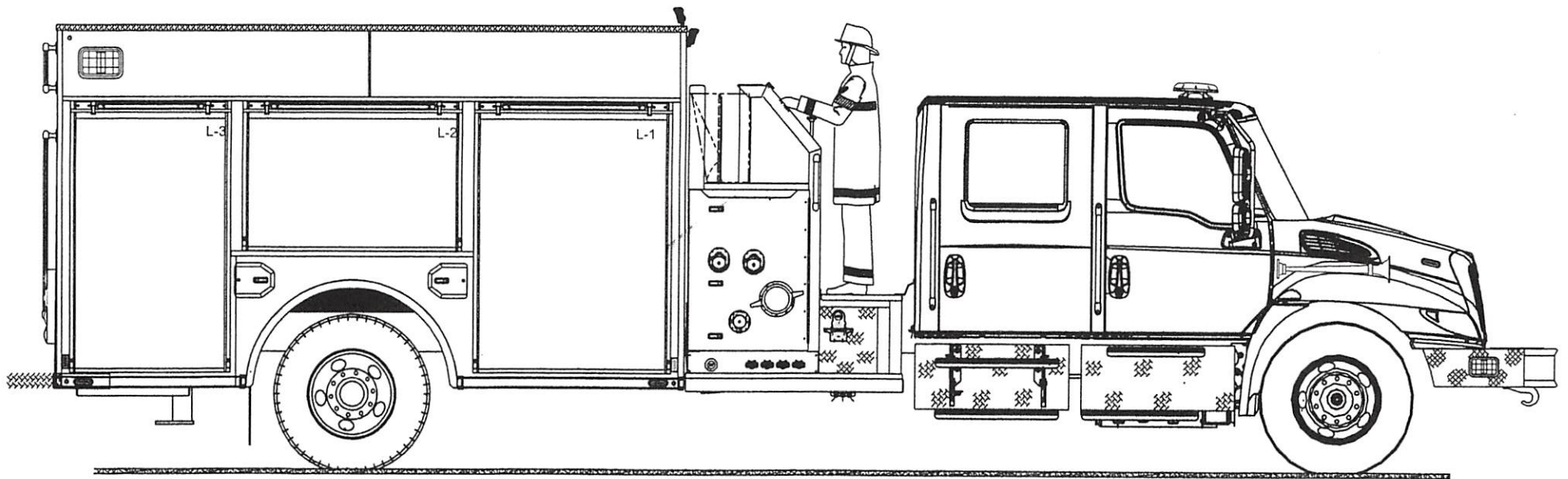
**This proposal will be valid for fourteen (14) days from the above date and is subject to final credit approval by PNC Equipment Finance and approval of the lease documents in PNC Equipment Finance's sole discretion. To render a credit decision, lessee shall provide PNC Equipment Finance with their most recent two years' audited financial statements, copy of their most recent interim financial statement, and current budget.**

Accepted by: \_\_\_\_\_ Proposal submitted by Michele Zitko

E-ONE

Not Available  
7-11-2020

SALES DRAWING - DO NOT SCALE  
COMPARTMENT DIMENSIONS ARE APPROX CLEAR OPENING

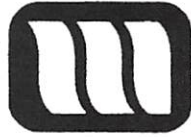


COMPT.	OPENING		INTERIOR DIMENSION		
L1	49W	60.5H	51.5W	70.6H	26D
L2/R2	54.5W	27.5H	63.75W	37.6H	26D
L3	39.5W	60.5H	42W	70.6H	26D
R1	49W	60.5H	51.5W	37.6H	13.5D UPPER
			51.5W	33H	26D LOWER
R3	39.5W	60.5H	42W	37.6H	13.5D UPPER
			42W	33H	26D LOWER
R1	40.5W	51.7H	43W	61.2H	26D

TOP MOUNT COMMERCIAL PUMPER  
1500 GPM / 1030 GAL WATER



# WELCH STATE BANK



Member F D I C

P.O. Box 129  
396 S. Commercial  
Welch, Ok 74369  
PH. 918-788-3373  
FAX 918-788-3364

DATE: September 17, 2019  
TO: Shane, Chief Fire  
FROM: Sherri, Welch State Bank  
REF: City of Marietta, Ok – Fire Dept.  
EQUIP: E-One Rescue Pumper

COST	#PMTs	PAYMENT	RATE
\$283,879.00	6 annual	\$51,805.52	3.73%
\$283,879.00	8 annual	\$40,643.48	4.04%
\$283,879.00	11 annual	\$31,909.57	4.51%
\$283,879.00	16 annual	\$24,618.48	4.77%

(first payment due at delivery)

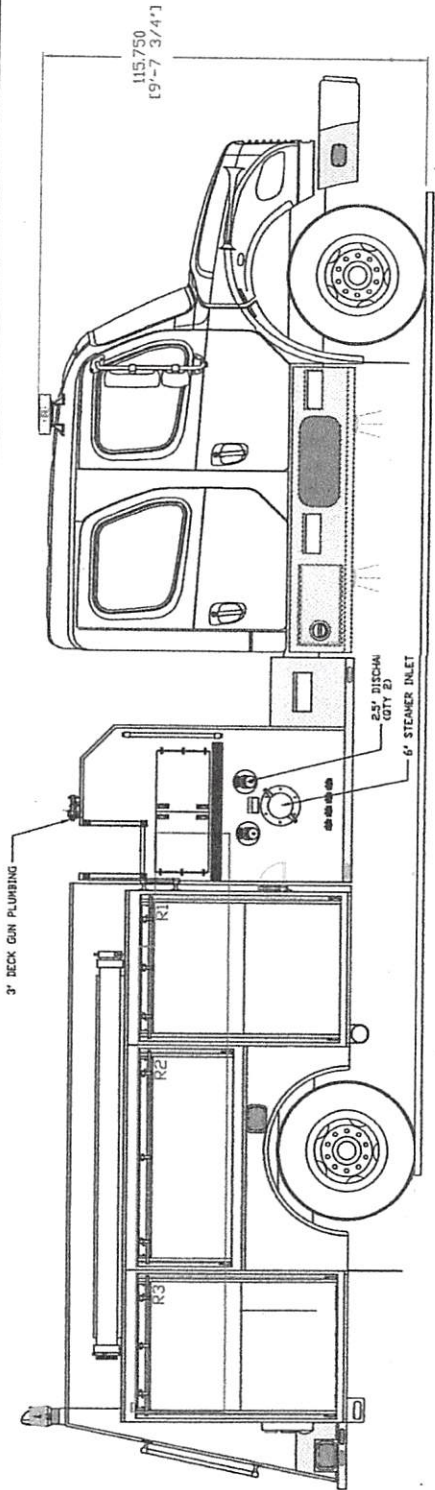
COST	#PMTs	PAYMENT	RATE
\$283,879.00	5 annual	\$63,352.11	3.73%
\$283,879.00	7 annual	\$47,423.08	4.04%
\$283,879.00	10 annual	\$35,942.41	4.51%
\$283,879.00	15 annual	\$26,950.51	4.77%

(first payment due in one year)

This quote is good for 30 days.  
Quote is subject to credit approval.  
\$200.00 doc fee is included in proposal.  
Simple interest with no prepayment penalties.

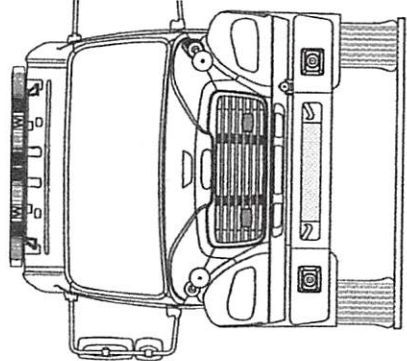
*This quote is given for a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, if this is not a "qualified tax-exempt obligation" rate(s) will be higher.*

*Not available till after 2020*



115,750  
(9'-7 3/4")

2 1/2" DISCH.  
(QTY 2)  
6" STEAMER INLET



COMPT.	OPENING	INTERIOR
L1/R1	42.25W X 61.5H	46.25W X 68H X 12D
L2/R2	63.75W X 29.5H	67.75W X 33H X 12D
L3/R3	42.25W X 61.5H	46.25W X 68H X 12D
B1	24W X 46H	31W X 54H X 15D/27.5D

IT IS UNLAWFUL TO COPY OR REPRODUCE ANY OR ALL OF THIS DRAWING WITHOUT THE WRITTEN PERMISSION OF THE DRAWING ORIGINATOR. ANY UNAUTHORIZED REPRODUCTION MAY BE SUBJECT TO PROSECUTION TO THE FULL EXTENT OF THE LAW. THIS DRAWING IS THE PROPERTY OF FERRARA GROUP AND IS TO BE USED ONLY FOR THE APPLICABLE EQUIPMENT. SOME DETAILS MAY NOT BE SHOWN.

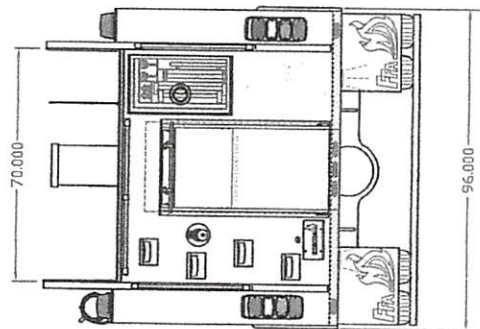
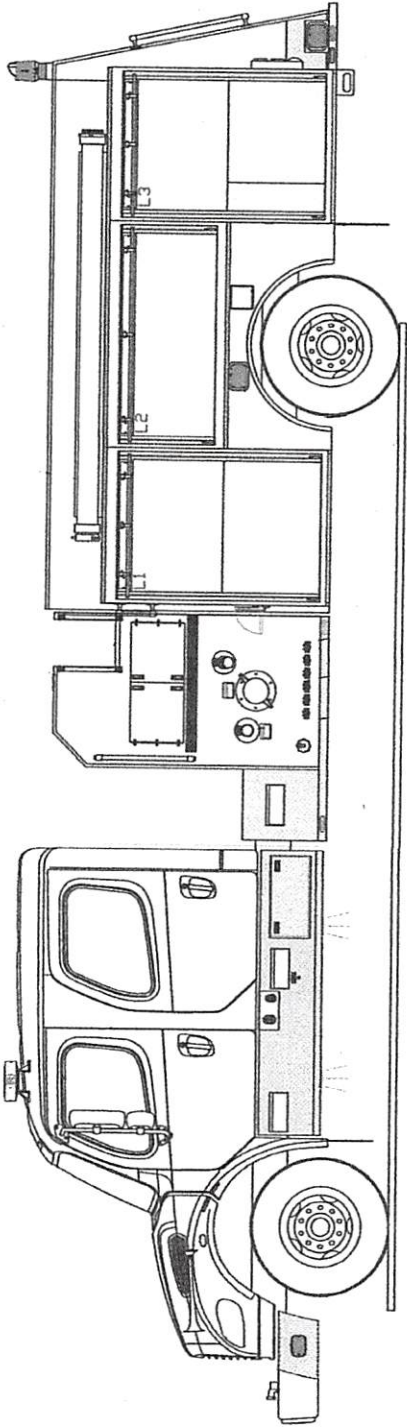
REFERENCE ONLY

- LADDER STORAGE COMPILMENT
- 24' 2-SECTION LADDER
- 14' ROOF LADDER
- 10' ATTIC LADDER
- 2-PIKE POLE TUBES

HOSE/BED CAPACITY

# FERRARA

MARIETTA FIRE DEPARTMENT  
1250 GPM HALE QFLO PUMP  
1000 GALLON WATER TANK



# WELCH STATE BANK



Member F D I C

P.O. Box 129

396 S. Commercial

Welch, Ok 74369

PH. 918-788-3373

FAX 918-788-3364

*Not Available till 2020*

*Ferrara*

DATE: September 27, 2019  
TO: Jim, Ferrara Fire  
FROM: Sherri, Welch State Bank  
REF: Marietta Fire  
EQUIP: Ferrara Freightliner Custom Pumper

COST	#PMTs	PAYMENT	RATE
\$290,617.00	6 annual	\$53,028.85	3.73%
\$290,617.00	8 annual	\$41,602.87	4.04%

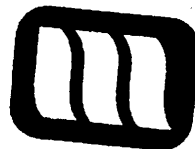
(First due at delivery)

COST	#PMTs	PAYMENT	RATE
\$290,617.00	5 annual	\$64,854.75	3.73%
\$290,617.00	7 annual	\$48,547.90	4.04%

(First due in one year)



# WELCH STATE BANK



Member F D I C

P.O. Box 129  
 396 S. Commercial  
 Welch, OK 74369  
 PH. 918-788-3373  
 FAX 918-788-3364

DATE: September 27, 2019  
 TO: Jim, Ferrara Fire  
 FROM: Sherril, Welch State Bank  
 REF: Marietta Fire  
 EQUIP: Ferrara Freighliner Custom Pumper

(First due at delivery)

COST	#PMTs	PAYMENT	RATE
\$290,617.00	6 annual	\$53,028.85	3.73%
\$290,617.00	8 annual	\$41,602.87	4.04%

(First due in one year)

COST	#PMTs	PAYMENT	RATE
\$290,617.00	5 annual	\$64,854.75	3.73%
\$290,617.00	7 annual	\$48,547.90	4.04%

September 27, 2019

To: Chief Dustin Michael  
Vendor: Ferrara Fire Apparatus  
From: Mackie Ozment

Customer: City of Marietta

Thanks for the opportunity to give you a quote on your latest project!

Equipment: One (1) New Ferrara Freightliner Top Mount Pumper

Unit Cost: \$ 290,617.00  
Down Payment: \$ 0.00  
Net Financed: \$ 290,617.00  
Frequency of Payments: Annual

Term in Years:	<u>5</u>	<u>7</u>	<u>10</u>
Payments:	\$ 64,128.73	\$ 47,361.23	\$ 34,814.98
Factor:	0.22066	0.16297	0.11980
APR:	3.37%	3.41%	3.43%

Delivery Date: To be determined  
First Lease Payment Due: October, 2020

The lease is to be executed within 14 days of the equipment purchase contract. The quote is subject to acceptance of our documentation and credit approval. Payments and rates reflect pre-application of escrow earnings and manufacturer discounts (if any); and are based upon vendor payments being made no earlier than above dates. Rates are subject to change with Treasury Bills of like-maturity prior to funding. The lease must qualify for Federal Income Tax Exempt status for the Lessor.

Sincerely,  
Republic First National Corporation

Mackie Ozment  
[mackie@rfnonline.com](mailto:mackie@rfnonline.com)