

EMERGENCY RESOLUTION NO. 58-2014

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A LEASE-PURCHASE AGREEMENT BY AND BETWEEN THE CITY OF MONROE AND MERCEDES-BENZ FINANCIAL SERVICES USA LLC FOR THE LEASE-PURCHASE OF FIVE VEHICLES FOR THE DEPARTMENT OF PUBLIC WORKS AND DECLARING AN EMERGENCY.

WHEREAS, the Department of Public Works has vehicles that are aged and rapidly deteriorating; and

WHEREAS, Council desires to pursue the lease-purchase of five vehicles for the Department of Public Works to avoid an interruption of services provided year-round by the Department.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MONROE, STATE OF OHIO, THAT:

SECTION 1: The City Manager is hereby authorized to enter into a lease-purchase agreement by and between the City of Monroe and Mercedes-Benz Financial Services USA LLC for the lease-purchase of five vehicles for the Department of Public Works pursuant to the terms set forth on Exhibit "A" attached hereto and made a part hereof.

SECTION 2: This measure is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety and welfare and further for the reason that Council desires to obtain these vehicles at the earliest possible date to avoid interruption in the services provided by the Department of Public Works. Therefore, this measure shall take effect and be in full force from and after its passage.

PASSED: September 9, 2014

ATTEST:



Clerk of Council

APPROVED:



Mayor

and the Clerk of Council of the City of Monroe, Ohio, hereby certify that the foregoing (ordinance or resolution) was published as Required by Section 7.16 of the Charter of the City of Monroe.

This legislation was enacted in an open meeting pursuant to the terms and provisions of the Sunshine Law, Section 121.22 of the Ohio Revised Code.



Clerk of Council
City of Monroe, Ohio"

Kinstle Sterling/Western Star Truck Center



1770 Wapak Fisher Rd., P.O. Box 1986
Wapakoneta, OH 45895
Phone: (419) 738-9684 Fax: (419) 738-2370
E-mail: davehibner@bright.net
www.kinstletruckcenter.com



August 29, 2014

City of Monroe

Attn: Gary

RE: Truck Quote

Kinstle Sterling/Western Star Truck Center is pleased to quote the following attached Western Star Chassis as part of a CO-OP purchase plan ; ODOT Invitation to Bid (ITB) #044-14, as governed by ORC section 9:48:

These units are all at Henderson Ohio:

Stock #s

NT566: 2014 Western Star 4700 SF Single Axle @ \$ 84,858.00 + Henderson Eq. \$46,000 = \$130,858.00

- This unit is completed and ready for delivery.

NT601: 2015 Western Star 4700 SB Single Axle @ \$ 86,611.00 +Henderson Eq. \$51,520 = \$138,131.00

NT602: 2015 Western Star 4700 SB Single Axle @ \$ 86,611.00 +Henderson Eq. \$51,520 = \$138,131.00

- These units are the same, one will be completed in 2 weeks the other in 6 to 8 weeks.

NT597: 2015 Western Star 4700 SB Single Axle @ \$ 83,725.00 Henderson Eq. \$47,000 = \$130,725.00

- This unit will be completed in 6 to 8 weeks.

NT590: 2015 Western Star 4700 SB Single Axle @ \$ 83,803.00 Henderson Eq. \$47,000 = \$130,803.00

- This unit will be completed in 8 to 12 weeks.

5 Truck Total	\$668,648.00
Less trade-ins #58, #53 & #51	- 18,300.00
Finance amount	\$650,348.00

Trade-in: Truck #58 2001 INT 4900 \$6800
 Truck #53 1996 Kodiak \$5500
 Truck #51 1997 C7500 \$6000 = Trade total = \$18,300 credit

We will trade these Western Star trucks in 5 year at the following trade-in values:

NT566, NT597, NT590 \$75,000 each
NT601 & NT602 \$78,000 each.

- This is subject to good care with maintenance records, 40,000 miles or less, trade terms for damage.

Finance options; Any resolution to enter into a lease-purchase agreement would be between the City of Monroe and Mercedes-Benz Financial Services USA LLC. This is a sister company to Western Star Truck Corp. and our lending branch.

F60: Lease-purchase 5 year monthly/ advance payment 2.319% = monthly payments of \$11,467.94 each

Total payments $\$11,467.94 \times 60 = \$688,076.40$

Total interest paid = $\$37,728.40$

F5YA: Lease-purchase 5 year Annual / advance payment 2.184% = Annual payments of $\$135,748.44$ each
Total payments $\$135,748.44 \times 5 = \$678,742.20$ Total interest paid = $\$28,394.20$

F5YR: Lease-purchase 5 year Annual/ arrears payment 2.479% = Annual payments of $\$139,901.89$ each
Total payments $\$139,901.89 \times 5 = \$699,509.45$ Total interest paid = $\$49,161.45$

As you can see the best option with the lowest overall interest paid by the City of Monroe is option **F5YA**.
With this option , there would be a payment due at contact signing, then 4 more subsequent payments on the anniversary of the contracting date for the next four years, 5 payments in total.

This is ODOT state bid pricing for municipal customers.

This price will be honored to a leasing company, however if it is not titled to a municipality it is subject to IRS tax regulations. IRS regulations state that any non exempt purchaser of a truck over 33,000 GVW is subject to a onetime 12% Federal Excise Tax in addition to the sale price.

If I can be of further service, please contact me at 419-738-9684. Thank You!

Best regards,

Accepted By:

Dave Hibner

David Hibner
Sales Manager

Date _____