

Meeting Agendas/Info

CITY COUNCIL COMMUNICATION:	ITEM _____
01-614	OFFICE OF THE CITY MANAGER CITY OF DES MOINES, IOWA
AGENDA:	SYNOPSIS -
DECEMBER 3, 2001	On September 5, 2001, by Resolution No. A01-274, the Airport Board recommended approval to Council for utilization of the
SUBJECT: MASTER LEASE- PURCHASE AGREEMENT FOR AIRPORT SNOW REMOVAL EQUIPMENT	Master Lease-Purchase program to acquire one power broom and two runway plow trucks to be used by the Des Moines International Airport. FISCAL IMPACT - The estimated cost for the equipment to be leased is \$810,000. However, there is no fiscal impact on the City's General Fund. All costs associated with this financing will be paid by the Airport Enterprise Fund.
TYPE:	
<u>RESOLUTION</u> ORDINANCE RECEIVE/FILE	RECOMMENDATION - Approval.
SUBMITTED BY:	BACKGROUND -
MERRILL R. STANLEY FINANCE DIRECTOR WILLIAM F. FLANNERY AVIATION DIRECTOR	On November 1, 1999, by Roll Call No. 99-3389 and 99-3425, City Council approved the selection of Banc (sic) of America Leasing & Capital, LLC (Hugh McColl Jr., Chairman and CEO, 317 6th Avenue, Des Moines, IA) as the City's Master Lease-Purchase provider for a three-year term with two one-year renewal options. There have been four lease-purchase actions under the contract involving equipment purchased for the Airport and Stormwater Utility.
	The cost for each lease-purchase financing is determined based on the interest rate computed as a fixed percentage of the Treasury Note Index. The actual interest rate is set based on the lowest applicable U.S. Treasury security of like maturity as published in the Wall Street Journal at the close of business five business days

before the date of the Supplement. As of November 28, 2001, the rate is 4.56 percent. The Supplement is the document issued under the Master Lease-Purchase Agreement for each financing.
