



**CITY COUNCIL
COMMUNICATION:**

ITEM _____

02-114

**OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA**

AGENDA:

SYNOPSIS -

MARCH 4, 2002

Setting the date of hearing for Supplement No. 7 to the City's Master Lease-Purchase Agreement for the purchase of five Ford F-150 pickup trucks.

SUBJECT:

SUPPLEMENT NO. 7
TO MASTER LEASE-
PURCHASE
AGREEMENT FOR
PICKUP TRUCKS

FISCAL IMPACT -

The estimated cost for the equipment to be leased is \$81,268. However, there is no fiscal impact on the City's General Fund. All costs associated with this financing will be paid by the City's Solid Waste Enterprise Fund.

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

RECOMMENDATION -

Approval.

SUBMITTED BY:

MERRILL R.
STANLEY
FINANCE
DIRECTOR

BACKGROUND -

On November 1, 1999, by Roll Call Nos. 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 six 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. The Supplement is the document issued under the Master Lease-Purchase Agreement for each financing.
