



**CITY COUNCIL  
COMMUNICATION:**

**ITEM \_\_\_\_\_**

**02-126**

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

**AGENDA:**

**SYNOPSIS -**

MARCH 18, 2002

Public hearing, final approval, and authorization of Supplement No. 7 of the Master Lease-Purchase program to acquire five pickup trucks to be used by the Solid Waste System.

**SUBJECT:**

MASTER LEASE-  
PURCHASE  
AGREEMENT FOR  
PICKUP TRUCKS

**FISCAL IMPACT -**

The cost of the equipment to be leased is \$81,268. However, there is no fiscal impact on the City's General Fund. All cost associated with this financing will be paid by the Solid Waste System. The cost for each lease-purchase financing is determined based on an 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 March 13, 2002, the interest rate is 4.14 percent for a five-year term.

**TYPE:**

**RESOLUTION**  
ORDINANCE  
RECEIVE/FILE

**SUBMITTED BY:**

**RECOMMENDATION -**

MERRILL R.  
STANLEY  
FINANCE  
DIRECTOR

**Approval.**

**BACKGROUND -**

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), as the City's Master Lease-Purchase provider for a three-year term with two one-year renewal options. There have been five lease-purchase actions under the contract involving equipment purchased for the Airport and Stormwater Utility.

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