

**CITY COUNCIL  
COMMUNICATION:**

**02-475**

**AGENDA:**

SEPTEMBER 9, 2002

**SUBJECT:**

PUBLIC HEARING  
FOR SUPPLEMENT  
NO. 8 TO MASTER  
LEASE-PURCHASE  
AGREEMENT FOR  
RECYCLING  
VEHICLES

**TYPE:**

**RESOLUTION**  
ORDINANCE  
RECEIVE/FILE

**SUBMITTED BY:**

MERRILL R.  
STANLEY  
FINANCE DIRECTOR

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

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

**SYNOPSIS —**

Public Hearing for Supplement No. 8 to the City's Master Lease-Purchase Agreement for the purchase of nine recycling vehicles.

**FISCAL IMPACT —**

The estimated cost for the equipment to be leased is \$934,722 plus interest; 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. 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.

**RECOMMENDATION —**

**Approval.**

**BACKGROUND —**

On November 1, 1999, by Roll Call No. 99-3389 and 99-3425, the City Council approved the selection of Banc (sic) of America Leasing & Capital, LLC (317 6<sup>th</sup> Avenue, Des Moines; Hugh McColl Jr., Chairman and CEO), as the City's Master Lease-Purchase provider for a three-year term with two one-year renewal options. There have been seven lease-purchase actions under this contract involving equipment purchased for the Airport, Solid Waste, and Stormwater Utility. The supplement is the document issued under the Master Lease-Purchase Agreement for each financing.