

CITY COUNCIL
COMMUNICATION:

02-565

AGENDA:

NOVEMBER 4, 2002

SUBJECT:

SUPPLEMENT NO.
10 TO MASTER
LEASE-PURCHASE
AGREEMENT FOR
SOLID WASTE
REFUSE TRUCKS

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

SUBMITTED BY:

MERRILL R.
STANLEY
FINANCE DIRECTOR

REVISED
ITEM 45

OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA

SYNOPSIS —

Public Hearing and Approval of Supplement No. 10 to the City's Master Lease-Purchase Agreement for the purchase of four refuse trucks to be used by the Public Works Department.

FISCAL IMPACT —

The estimated cost for the equipment to be leased is \$335,946 plus interest; however, there is no fiscal impact on the City's General Fund. All costs associated with this financing have been approved in the Operating Budget of the 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. Interest rates are anticipated to be approximately 2.9 percent for a six-year term.

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 - 6th 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 eight 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. The total cumulative amount for all lease-purchase supplements equals **\$3,528,916.75**.

<u>Supplement No.</u>	<u>Amount</u>	<u>Fund Source</u>
1	\$161,000.00	Stormwater

	2	359,739.00	Airport
	3	499,119.00	Airport
	4	331,955.00	Airport
	5	806,457.00	Airport
	6	354,656.00	Solid Waste
	7	81,268.75	Solid Waste
	8	934,722.00	Solid Waste

