

CITY COUNCIL
COMMUNICATION:

03-179

AGENDA:

APRIL 21, 2003

SUBJECT:

SUPPLEMENT NO. 11
TO MASTER LEASE-
PURCHASE
AGREEMENT FOR
REFUSE TRUCKS

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

SUBMITTED BY:

MERRILL R. STANLEY
FINANCE DIRECTOR

ITEM _____

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

SYNOPSIS —

Setting the date of public hearing as May 5, 2003, for Supplement No. 11 to the City's Master Lease-Purchase Agreement for the purchase of three automated refuse trucks to be used by the Public Works Department.

FISCAL IMPACT —

The estimated cost for the equipment to be leased is \$393,690 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 (Hugh McColl Jr., Chairman and CEO, 317 6th Avenue, Des Moines, Iowa), as the City's Master Lease-Purchase provider for a three-year term with two one-year renewal options.

There have been ten 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 \$4,670,207.75.

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PAGE TWO

<u>Supplement</u>	<u>No.</u>	<u>Amount</u>	<u>Fund</u>
<u>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			
9		805,345.00	Airport
10		<u>335,946.00</u>	Solid
Waste			
Total		\$4,670,207.75	

