



Agenda Item:

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## COUNCIL COMMUNICATION City Manager's Office

### GENERAL INFORMATION

Agenda Date: 09/27/04  
04-458

Communication No.:

Agenda Item Type: Resolution  
No.:

Roll Call

Submitted by: Merrill Stanley, Finance Director

### SUBJECT—

Setting the date of public hearing (October 11, 2004) for Supplement #16 to the City's Master Lease-Purchase Agreement for the purchase of three Sport Utility Vehicles (SUV) for the Police Department.

### SYNOPSIS—

A public hearing will be held on October 11, 2004 to consider lease-purchasing three Sport Utility Vehicles for the Police Department to be used in the Neighborhood Based Service Delivery (NBSD) program.

### FISCAL IMPACT—

The estimated cost for the equipment to be leased is less than \$80,000. 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 lease will be amortized over three years. Funding for the lease payments will be provided by utility franchise fees. Even though the General Fund will be responsible for lease payments, the debt will not count against the city's general obligation debt limit because the lease contains an annual appropriation provision.

### 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, as the City’s Master Lease-Purchase provider for a three-year term with two one-year renewal options. There have been 15 lease-purchase actions under this contract involving equipment purchased for the Airport, Solid Waste, and Storm Water 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 \$8,539,889.64.

Bids for the SUVs will be received on October 4, 2004. Plans are to have the bid ready to be awarded at the October 11, 2004 City Council meeting following the public hearing on the lease-purchase agreement.

A history of supplements and their amounts follows:

<u>Supplement No.</u>	<u>Amount</u>	<u>Fund Source</u>
1	\$ 161,000.00	Storm Water
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	335,946.00	Solid Waste
11	393,690.00	Solid Waste
12	2,190,100.00	Solid Waste
13	509,396.00	Solid Waste
14	51,495.89	General Fund – Public Information
Office		
15	<u>725,000.00</u>	General Fund – Police Department
(NBSD)		
Total	\$8,539,889.64	