



Agenda Item:

53A-1

COUNCIL COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date: 10/25/04

Communication No.:

04-531

Agenda Item Type: Resolution
No.:

Roll Call

Submitted by: Merrill Stanley, Finance Director

SUBJECT—

Approving Supplement #16 to the City's Master Lease-Purchase Agreement for the purchase of three Sport Utility Vehicles (SUV) for the Police Department.

SYNOPSIS—

Granting final Council approval for Supplement #16 to the Master Lease-Purchase Agreement for the lease-purchase of three Sport Utility Vehicles for the Police Department to be used in the Neighborhood Based Service Delivery (NBSD) program.

FISCAL IMPACT—

The cost of the equipment to be leased is \$72,035.58 plus interest. The interest rate 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, 101 South Tryon St., Charlotte, NC (Douglas H. Bowers, President) 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 \$8,486,979.64.

The cost of the equipment is based on bids received on October 4, 2004. The Council Roll Call awarding the bid will be a companion Roll Call to the approval of this lease-purchase supplement.

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>672,090.00</u>	Solid Waste
Total	<u>\$8,486,979.64</u>	