

 <h1 style="text-align: center;">Council Communication</h1> <p style="text-align: center;">Office of the City Manager</p>	<b>Date:</b>	February 14, 2011
	<b>Agenda Item No.</b>	<b>50</b>
	<b>Roll Call No.</b>	<b><u>11-0336</u></b>
	<b>Communication No.</b>	<b><u>11-137</u></b>
	<b>Submitted by:</b>	<b>Allen McKinley, Deputy City Manager</b>

**AGENDA HEADING:**

Public hearing on a municipal lease for the purchase of six dump trucks for the Public Works Department.

**SYNOPSIS:**

Public hearing on February 28, 2011, to lease-purchase six dump trucks for the Public Works Department. This action initiates the financing process for this equipment acquisition.

**FISCAL IMPACT:**

Amount: Not to exceed \$945,000, plus interest.

Funding Source: FY 2010-11 Operating Budget, Debt Service Fund, DS001, FIN900100, page 116.

**ADDITIONAL INFORMATION:**

The City utilizes the lease-purchase program from time to time to finance vehicles and equipment as a means to avoid large one-time expenditures. Previously, the City utilized a master lease agreement that was awarded under a separate contract. However, due to changes in the economy over the past few years, the City has not been able to secure a master lease relationship with a financial institution through the request for proposals (RFP) process. In accordance with the City’s procurement ordinance, the City can negotiate a lease-purchase arrangement when the RFP process yields no responses. As such, the Finance Department intends to negotiate a lease-purchase arrangement with the vendor who is awarded the equipment contract.

**PREVIOUS COUNCIL ACTION(S):**

Date: February 14, 2011

Roll Call Number: 11-0210

Action: **On** lease-purchase agreement for the purpose of acquiring certain items of equipment consisting of six dump trucks, not to exceed \$945,000, (2-28-11). ([Council Communication No. 11-061](#)) **Moved by Hensley to adopt. Motion Carried 7-0.**

Date: August 23, 2010

Roll Call Number: 10-1394

Action: [O'Halloran](#) International (Jim O'Halloran/President) and Peterbilt of Des Moines (Brad Wilson/President) for various replacement heavy duty trucks to be used by the Public Works Department, \$2,385,926. (Six bids mailed, four received). ([Council Communication No. 10-538](#))  
**Moved by Hensley to adopt. Motion Carried 7-0.**

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE**

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