

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	February 28, 2011
	Agenda Item No.	51A
	Roll Call No.	<u>11-0339</u>
	Communication No.	<u>11-138</u>
	Submitted by:	Allen McKinley, Deputy City Manager

AGENDA HEADING:

Public hearing on a municipal lease for the purchase of three catch basin cleaners for the Public Works Department.

SYNOPSIS:

Public hearing on February 28, 2011, to consider lease-purchasing three catch basin cleaners for the Public Works Department. This action initiates the financing process for this equipment acquisition.

FISCAL IMPACT:

Amount: Not to exceed \$1,150,000, plus interest.

Funding Source: FY 2011 Operating Budget, Sewer Maintenance, Sanitary Sewer Fund, EN101, PWK071000, page 262.

ADDITIONAL INFORMATION:

The City utilizes the lease-purchase program 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: 11-0240

Action: [Setting](#) date of hearing on lease-purchase agreement for the purpose of acquiring certain items of equipment consisting of three replacement catch basin cleaner trucks, not to exceed \$1,150,000, (2-28-11). ([Council Communication No. 11-074](#)) **Moved by Hensley to adopt. Motion Carried 7-0.**

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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