

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: April 9, 2012
	Agenda Item No. 18 Roll Call No. <u>12-0523</u> Communication No. <u>12-177</u> Submitted by: Scott E. Sanders, Finance Director

AGENDA HEADING:

Setting date for public hearing on a municipal lease for the purchase of nine dump trucks, an asphalt paver and a compact motor grader for the Public Works Department.

SYNOPSIS:

Setting date for public hearing on April 23, 2012, to consider lease-purchasing nine dump trucks, an asphalt paver and a compact motor grader for the Public Works Department. This action initiates the financing process for this equipment acquisition.

FISCAL IMPACT:

Amount: Not to exceed \$2,000,000, plus interest.

Funding Source: FY 2012 Operating Budget, Debt Service Fund, DS001, FIN900100, page 119.

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 cash expenditures. Recently, the City utilized the master lease agreement to purchase vactor trucks for the Sanitary Sewer Enterprise. These replacement trucks, asphalt paver and compact motor grader represent the large vehicle needs for the next 18 months with the next group of lease-purchased trucks expected early in 2014. Smaller vehicles will be purchased on a pay-as-you-go basis with available budgeted cash.

PREVIOUS COUNCIL ACTION(S):

Date: March 26, 2012

Roll Call Number: [12-0464](#)

Action: [Supplement](#) No. 2 to the Governmental Lease-Purchase Master Agreement with Wells Fargo Bank, N.A., \$1,147,482. ([Council Communication No. 12-142](#)) **Moved by Hensley to adopt. Motion Carried 7-0.**

Date: February 28, 2011

Roll Call Number: [11-0336](#)

Action: [On](#) lease-purchase agreement for acquisition of six dump trucks, not to exceed \$945,000.
([Council Communication No. 11-137](#)) **Moved by Coleman to adopt. Motion Carried 7-0.**

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Hearing to consider lease-purchase of trucks, paver, and compact motor grader.

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