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3/20/07

ORDINANCE NUMBER O- 19584 (NEW SERIES)

DATE OF FINAL PASSAGE MAR 27 2007

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING A MASTER LEASE AGREEMENT FOR THE PURPOSE OF FINANCING THE ACQUISITION OF MOVIVE AND PUBLIC SAFETY EQUIPMENT THROUGH A MASTER LEASE-PURCHASE IN A PRINCIPAL AMOUNT NOT TO EXCEED \$14.6 MILLION AND TAKING OTHER ACTIONIS IN CONNECTION THEREWITH

WHEREAS, from time to time the City of San Diego [City] has acquired equipment for the purposes of providing public services; and

WHEREAS, on January 9, 2007, the City issued a Request for Proposals for, among other purposes, to solicit financing proposals for motive equipment and the City-wide enterprise resource planning system; and

WHEREAS, subsequent to the issuance of the RFP, staff was advised that it was necessary to finance the last segment of the City's Public Safety Communication's project; and

WHEREAS, Koch Financial Corporation [Koch] was the sole responsive bidder for the motive equipment, and City staff has determined that the terms of the bid for the motive equipment is at a cost effective rate to the City; and

WHEREAS, Koch has indicated that it would be willing to provide advantageous financing for completion of the Public Safety Communication's project [collectively the motive equipment and the Public Safety Communication equipment is collectively referred to as the Project], and staff has determined that it would be advantageous to the City to accept the Koch proposal; and

WHEREAS, that acquisition cost of the Project will be in an amount not to exceed \$14.6 million (comprised of \$11.6 million for the motive equipment and \$3.0 million for the Public

Safety Communication's equipment) and the City has determined to acquire the Project through a lease-purchase arrangement with Koch; NOW THEREFORE

BE IT ORDAINED, by the Council of the City of San Diego, as follows:

Section 1. That the Mayor or the Chief Financial Officer is hereby authorized to execute, for and on behalf of the City of San Diego, a Master Lease Agreement with Koch Financial for a period not to exceed seven years for the purpose of financing and refinancing the acquisition of equipment through lease-purchase. The Master Lease Agreement shall be in substantially the form presented to this Council, on file in the Office of the City Clerk as Document No.

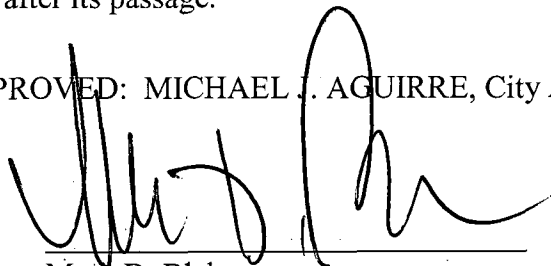
OO- 19584, with such additions and changes therein as the Mayor or the Chief Financial Officer shall, in consultation with the City Attorney, shall approve as being in the best interest of the City; provided however that (i) the acquisition cost of the equipment under the Master Lease Agreement shall not exceed \$14.6 million (comprised of \$11.6 million for the motive equipment and \$3.0 million for the Public Safety Communication's equipment), (ii) the term of any equipment lease shall not exceed seven (7) years (iii) the interest rate on any such equipment shall not exceed the maximum limit permitted by law and (iv) the City Auditor and Comptroller certifies, as required by City Charter section 39, that funds are available to make lease payments under the Master Lease Agreement.

Section 2. That a full reading of this ordinance is dispensed with prior to its final passage, a written or printed copy having been available to the City Council and the public a day prior to its final passage.

Section 3. That this ordinance shall take effect and be in force on the thirtieth day from and after its passage.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By



Mark D. Blake
Chief Deputy City Attorney

MDB:ai
02/21/07
Or.Dept:Financial
O-2007-104

I hereby certify that the foregoing Ordinance was passed by the Council of the City of San Diego, at this meeting of ~~MAR 20 2007~~

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 3-27-07
(date)


JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor