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51

ORDINANCE NUMBER O-\_\_\_\_\_ **20213** (NEW SERIES)

DATE OF FINAL PASSAGE \_\_\_\_\_ **OCT 24 2012** \_\_\_\_\_

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE MAYOR TO ENTER INTO AN AMENDED MASTER LEASE AGREEMENT WITH JPMORGAN CHASE BANK, N.A. FOR THE PURPOSE OF FINANCING THE ACQUISITION OF ADDITIONAL VEHICLES IN AN AMOUNT NOT TO EXCEED \$26.3 MILLION, INCLUSIVE OF THE ORIGINAL AUTHORIZATION, AND TAKING OTHER ACTIONS IN CONNECTION THEREWITH.

WHEREAS, on March 2, 2012, the City of San Diego (City) issued a Request for Proposals (RFP) to solicit financing proposals for the acquisition of certain vehicles and equipment; and

WHEREAS, the City received five proposals and the City's evaluation committee selected the proposal submitted by JPMorgan Chase Bank, N.A. (Chase) as providing the most competitive funding rates and meeting all of the terms and conditions required by the City; and

WHEREAS, the May 22, 2012, the City Council adopted Ordinance No. O-20166, which authorized the Mayor to enter into a Master Lease Agreement (Agreement) with Chase in an amount not to exceed \$25.3 million to finance the acquisition of vehicles and equipment through a lease-purchase arrangement; and

WHEREAS, the Mayor now desires to finance the acquisition of additional vehicles, specifically the acquisition of trams to be used in Balboa Park, by amending the Agreement to authorize an additional amount of \$1 million (Amended Agreement); and

WHEREAS, the Mayor requests approval from the City Council enter into the Amended Agreement and to finance under the Amended Agreement the vehicle needs described in Report to the City Council No. 12-103, dated September 25, 2012, (Report); and

WHEREAS, under Charter section 99, no contract, agreement or obligation extending for a period of more than five years may be authorized except by an ordinance adopted by a two-thirds majority of the City Council; NOW, THEREFORE,

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

Section 1. That the Mayor or his designee is hereby authorized to execute, for and on behalf of the City of San Diego, an Amended Master Lease Agreement (Amended Agreement) with Chase for the purpose of financing the acquisition of vehicles. The Amended Agreement shall be in substantially the form presented to this Council, on file in the Office of the City Clerk as Document No. OO- 20213 with such additions and changes therein as the Mayor, 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 vehicles and equipment financed under the Agreement and the Amended Agreement shall not exceed \$26.3 million, in total, with \$16.9 million to fund the City's fleet replacement needs in Fiscal Year 2013, \$2.0 million to fund GPS equipment, \$5.1 million to fund the Advanced Metering Infrastructure (AMI) system, \$1.3 million for fire and lifeguard vessels, and up to \$1.0 million for Balboa Park trams; (ii) and the interest rate on any such financed vehicles and equipment shall not exceed six percent (6%) annually.

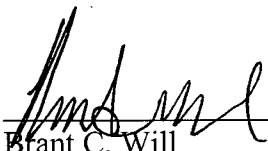
Section 2. That the City's vehicle needs as described in the Report shall be financed under the Amended Agreement.

Section 3. That the fleet replacement and equipment needs authorized by Ordinance No-20166 and other authorizations contained therein are not modified by this action.

Section 4. That a full reading of this ordinance is dispensed with prior to its passage, a written or printed copy having been made available to the City Council and the public prior to the day of its passage.

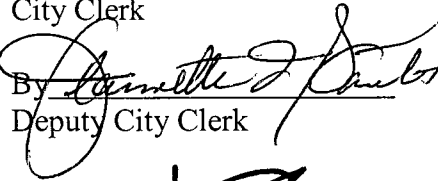
Section 5. That this ordinance shall take effect and be in force on the thirtieth day from and after its final passage.

APPROVED: JAN I. GOLDSMITH, City Attorney

By  \_\_\_\_\_  
Brant C. Will  
Deputy City Attorney

BCW:jdf  
7/18/2012  
Or.Dept: Debt Management  
Doc. No.: 439588\_2

I hereby certify that the foregoing Ordinance was passed by the Council of the City of San Diego, at this meeting of ~~OCT 23 2012~~

ELIZABETH S. MALAND  
City Clerk  
By  \_\_\_\_\_  
Deputy City Clerk

Approved: 10-24-12  
(date)

  
\_\_\_\_\_  
JERRY SANDERS, Mayor

Vetoed: \_\_\_\_\_  
(date)

\_\_\_\_\_  
JERRY SANDERS, Mayor