

Item ~~616~~
(O-2014-63) 11/21/13
#58

ORDINANCE NUMBER O- 20332 (NEW SERIES)

DATE OF FINAL PASSAGE DEC 24 2013

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING AND DIRECTING THE CHIEF OPERATING OFFICER TO ENTER INTO A MASTER LEASE AGREEMENT WITH BANC OF AMERICA PUBLIC CAPITAL CORP. FOR THE PURPOSE OF FINANCING THE ACQUISITION OF ESSENTIAL VEHICLES AND EQUIPMENT IN AN AMOUNT NOT TO EXCEED \$19,500,000, REFUNDING EXISTING VEHICLE AND EQUIPMENT LEASES IN AN AMOUNT NOT TO EXCEED \$25,708,000 AND TAKING OTHER ACTIONS IN CONNECTION THEREWITH.

WHEREAS, from time to time the City of San Diego (City) needs to acquire vehicles and equipment for the purposes of providing public services and frequently uses lease-purchase financing to purchase such vehicles and equipment; and

WHEREAS, as of September 30, 2013, the City has approximately 46 outstanding vehicle and equipment leases that are eligible to be refunded and would result in lower lease payments for the City; and

WHEREAS, on August 8, 2013, the City issued a Request for Proposals (RFP) to solicit financing proposals for both the acquisition of new vehicles and equipment and for the refunding of existing vehicle and equipment leases; and

WHEREAS, the City received three proposals in response to the RFP and the City's evaluation committee selected the proposal submitted by Banc of America Public Capital Corp. (B of A) as providing the most competitive funding and refunding rates and meeting all of the terms and conditions required by the City; and

WHEREAS, the Chief Operating Officer recommends entering into a Master Lease Agreement (Agreement) with B of A in an amount not to exceed \$19,500,000 to finance the

acquisition of vehicles and equipment through a lease-purchase arrangement and an amount not to exceed \$25,708,000 to refund existing vehicle and equipment leases; and

WHEREAS, the vehicles and equipment to be financed under the Agreement are described in Report to City Council No. 13-086, dated October 21, 2013 (Report); and

WHEREAS, under San Diego 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 Chief Operating Officer, the Chief Financial Officer or either of their designees is hereby authorized and directed to execute, for and on behalf of the City of San Diego, a Master Lease Agreement with B of A for the purpose of financing the acquisition of essential vehicles and equipment and to refunding existing vehicle and equipment leases. 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- **20332**, with such additions and changes therein as the Chief Operating Officer or Chief Financial Officer, 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 new vehicles and equipment financed under the Master Lease Agreement shall not exceed \$19,500,000 and value of existing leases refunded under the Master Lease Agreement shall not exceed \$25,708,000; and (ii) the interest rate on any such financed vehicles and equipment or refunded leases shall not exceed six percent (6%) annually.

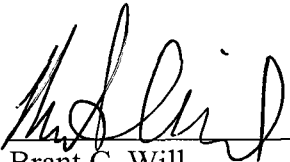
Section 2. That the City's vehicle and equipment needs as described in the Report shall be financed under the Agreement.

Section 3. That the Chief Operating Officer is authorized to revise the list of vehicles and equipment to be financed under the Agreement where such changes are in the best interest of the City.

Section 4. That a full reading of this ordinance is dispensed with prior to its passage, a written or printed copy having been 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
11/05/13
Or.Dept:Debt Management
Doc. No: 667269

I hereby certify that the foregoing Ordinance was passed by the Council of the City of San Diego, at this meeting of DEC 10 2013.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved pursuant to Charter section 265(i):

(date)

TODD GLORIA, Council President

Passed by the Council of The City of San Diego on DEC 10 2013, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Sherri Lightner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kevin Faulconer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Todd Gloria	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Myrtle Cole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Marti Emerald	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage DEC 24 2013.

AUTHENTICATED BY:

TODD GLORIA, COUNCIL PRESIDENT
as interim Mayor of The City of San Diego, California.

(Seal)

ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

By Mary Zumbado, Deputy

I HEREBY CERTIFY that the foregoing ordinance was not finally passed until twelve calendar days had elapsed between the day of its introduction and the day of its final passage, to wit, on

NOV 21 2013, and on DEC 24 2013.

I FURTHER CERTIFY that said ordinance was read in full prior to passage or that such reading was dispensed with by a vote of five members of the Council, and that a written copy of the ordinance was made available to each member of the Council and the public prior to the day of its passage.

(Seal)

ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

By Mary Zumbado, Deputy

Office of the City Clerk, San Diego, California

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