



Meeting Date: 03/22/2011

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input checked="" type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

Prepared By: Michael More *mm* Agenda Item No. **I-10**

Reviewed By: City Manager *MM* City Attorney *BT* Finance *pc* Other (Specify) _____

DATE: March 10, 2011

TO: City Council

FROM: Michael More, Financial Services Manager *Michael More*
Finance Department

SUBJECT: Lease Purchase of City Vehicles for Fiscal Year 2010-11

RECOMMENDATION

That City Council approve a special budget appropriation in the amount of \$808,000 from the Master Equipment Lease Purchase Agreement for the acquisition of capital equipment in Fiscal Year 2010-11.

DISCUSSION

On September 1, 2009, City Council approved Master Lease Purchase Agreement No. A-7211 ("Lease Purchase") with Bank of America to fund the acquisition of various vehicles and equipment in an amount not to exceed \$10 million. Since the execution of the agreement, approximately \$3.6 million in vehicles and equipment have been acquired using the Lease Purchase. Another \$3.7 million in commitments for the Computer Aided Dispatch/Records Management System ("CAD/RMS") and Wastewater Division vehicles have yet to be drawn from the Lease Purchase. The City currently has approximately \$5 million in available credit under the Lease Purchase.

In Fiscal Year 2010-11, a Vehicle Review Committee was formed to evaluate and prioritize vehicle purchase requests made by departments. Vehicle requests were scored based upon age, mileage, condition, maintenance cost, and operating cost. Vehicles with the highest scores were deemed suitable for replacement. Of approximately \$7.2 million in vehicle replacement requests, the Vehicle Review Committee is currently recommending that \$808,000 in vehicles be approved for replacement. A detailed list of vehicles recommended for replacement is shown in Attachment No. 1.

FINANCIAL IMPACT

There will be no General Fund impact in the current Fiscal Year 2010-11. Lease payments will be budgeted beginning in Fiscal Year 2011-12. Estimated annual lease payments for the General Fund are approximately \$146,000 for years 1-5 and \$40,000 for years 6-7. Estimated annual lease payments for the Water Fund are approximately \$15,000 for 7 years.

Report to Council on the Public Safety Systems Upgrade Project
March 15, 2011
Page 2

Attachments

- #1 – List of Recommended Vehicle Replacements
- #2 – Special Budget Appropriation

**Proposed Vehicle Replacements
FY 2010-11**

Description	Division	Vehicle Number	Age	Mileage	Estimated Replacement Cost
Chipper Truck	Parks	2812	19	84,050	\$ 85,000
Parks Subtotal					\$ 85,000
Ford Crown Victoria	Police	3160	13	97,323	\$ 40,000
Ford Crown Victoria	Police	3343	10	110,591	\$ 40,000
Ford Crown Victoria	Police	3600	7	100,014	\$ 40,000
Ford Crown Victoria	Police	05003	5	105,805	\$ 40,000
Ford Crown Victoria	Police	05004	5	97,815	\$ 40,000
Ford Crown Victoria	Police	05011	5	116,194	\$ 40,000
Ford Crown Victoria	Police	06004	4	99,546	\$ 40,000
Ford Crown Victoria	Police	06007	4	96,214	\$ 40,000
Ford Crown Victoria	Police	06009	4	107,360	\$ 40,000
Motorcycle	Police	3765	6	63,726	\$ 23,000
Motorcycle	Police	3608	7	59,106	\$ 23,000
Motorcycle	Police	New	New	New	\$ 23,000
Ford Fusion	Police	3784	Unk	Unk	\$ 26,000
Ford Fusion	Police	3044	15	135,000	\$ 26,000
Police Subtotal					\$ 481,000
10 Ton Dump Truck	Streets	2284	23	64,061	\$ 130,000
1/2 Ton Pickup Truck	Streets/Traffic	3067	14	196,563	\$ 22,000
Streets Subtotal					\$ 152,000
Diesel Flatbed Truck with Articulating Crane	Water	2815	20	7,004	\$ 90,000
Water Subtotal					\$ 90,000
GRAND TOTAL (Lease Amount)					\$ 808,000

**CITY OF OXNARD
REQUEST FOR SPECIAL BUDGET APPROPRIATION**

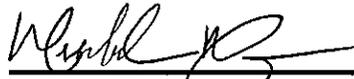
To the City Manager:

March 22, 2011

Request is hereby made for an appropriation of total \$ 808,000

Reason for appropriation: Budget receipt of lease purchase proceeds and expenditures for CIP vehicle/equipment projects.

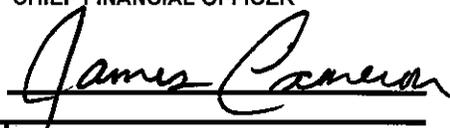
<u>FUND</u>	<u>DESCRIPTION/ACCOUNT</u>	<u>AMOUNT</u>
Lease Purchase Funded 2009 CIP (313)	313-1001-712-7952 Proceeds from Borrowing	(718,000)
	313-5701-826-8606 General Services Department Vehicles	85,000
	313-3103-826-8606 Public Works Department (Streets) Vehicles	152,000
	313-2001-826-8606 Police Department Vehicles	481,000
Net Estimated Change to Lease Purchase Funded 2009 CIP Fund Balance		<u><u>0</u></u>
Water Operating (601)	601-6010-712-7952 Proceeds from Borrowing	(90,000)
	601-6010-891-8606 Water Division Vehicles/Equip	90,000
	Net Estimated Change to Water Fund Balance	<u><u>0</u></u>



Manager

REQUIRES CITY COUNCIL APPROVAL

CHIEF FINANCIAL OFFICER



James Cameron

Disposition	Approved _____
	Rejected _____
Transfer by Journal Voucher _____	_____ City Manager