



## STAFF REPORT

AGENDA ITEM #: #20-97  
COUNCIL MTG OF: September 15, 2020  
FROM: Dave Caron, Town Administrator  
OFFERED BY: Mark A. Fleischer, Chief Financial Officer  
PREPARED BY: Mark A. Fleischer, Chief Financial Officer  
SUBJECT: Authorization to enter into a Master Lease Agreement

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**INTRODUCTION:** Obtain Council approval to enter into a FY21 Master Lease Agreement approved in August 2016 for capital improvement purchases as approved in the FY2021 budget.

### TOWN ADMINISTRATOR COMMENTS

I have reviewed this proposal and concur with the CFO's recommendation.

### BACKGROUND

During the budget review in May 2020, it was determined that entering a competitively bid master lease agreement for capital improvement purchases over the next five to ten years would be cost effective for the town.

### DISCUSSION

A bid was produced and sent to local and national banks and lending institutions for quotes of interest rates and terms for a master lease agreement for capital purchases. The FY2021 lease amount is \$1,079,055.00. Banc of America was chosen again for their guaranteed fixed interest rates and no fees passed onto the community. The interest rate is 1.53252% for a 10-year term. The equipment incorporated into this master lease agreement is a Pierce Enforcer Quint 110' Ascendant Platform for Fire. Although the Council's approval of Resolution #2016-025 contemplated adjustments to the list of acquisitions, Banc of America has requested a formal Council amendment to the Resolution for FY2021 purchases.

### FISCAL IMPACT

As purchases are made funds available in the master lease will be applied to the purchases. Annual lease payments will be a legal obligation of the Town and will be made from Capital Reserve Funds or other resources as budgeted.

### RECOMMENDED ACTION & MOTION BY COUNCIL

Recommendation is for the Town Council to adopt the Resolution as presented. (Please read Resolution #2020-049).