



Agenda Item: Resolution
Title: Resolution 2021-45 Authorizing a Lease Purchase Agreement with First State Bank of Cheyenne – Fleet Unit 601

Recommended Council MOTION:

Approve Resolution 2021-45 to authorize the City of Laramie to lease with an option to purchase a twenty-four (24) cubic yard heaped tractor-scraper from First State Bank of Cheyenne and authorize the mayor and City Clerk to sign.

Administrative or Policy Goal:

Finance the replacement of aging and worn equipment according to the City’s established replacement policy as recommended by the Fleet Advisory Committee and approved in the biennial budget.

Background:

On April 6, 2021, the Council awarded the bid for replacement of a tractor-scraper to Wyoming Machinery in the amount of \$651,668.69. The purchase of this equipment was included in the adopted budget, and the lease purchase financing was planned for funding. The bid award coversheet is included for your review.

On February 2, 2021 the Council approved Resolution 2021-08 authorizing the City to reimburse itself with tax-exempt lease proceeds for equipment planned for lease financing and budgeted in FY 2020-21 and FY 2021-22.

Bid requests for capital lease financing were issued on May 3, 2021, and bids were due May 17, 2021. The bid request was sent to each authorized depositor of public funds. A lease term of four (4) years was requested to finance \$521,335. The City received two formal passes on bidding, and one bid was received:

First State Bank through Kaiser and Co. 1.60% Bid Rate, No added fees

The City recommends accepting the bid from First State Bank because of the competitive interest rate. The first debt payment of \$67,195.73 is due 9/15/21. Payments are semi-annual, and the final lease payment is due 03/15/25.

Legal/Statutory Authority:

W.S. 15-1-702

BUDGET/FISCAL INFORMATION:**EXPENSE**

Please see the amortization schedule included in the financing agreement submitted by First State Bank.

Responsible Staff:

Jennifer Wade, ASDD, 721-5224

Malea Brown, COO, 721-5223

Attachments:

Resolution to Authorize the Lease Agreement

Lease and Option to Purchase Agreement

Bid Award Cover Sheet