

Item: 15-170

Fiscal Impact: \$315,780.00

Funding Source: US Bank Lease

Account #: _____

Budget Opening Required:

ISSUE:

A resolution of the governing body of West Valley City, Utah, authorizing the execution and delivery of Master Tax-Exempt Lease/Purchase Agreement Schedule No. 3, with US BANCORP Government Leasing and Finance, Inc. and related documents with respect to a lease for the purchase of Maverik Center essential equipment, authorizing the executing and delivery of documents required in connection therewith; and authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by this resolution.

SYNOPSIS:

Lease Agreement for the purchase of replacement equipment for the Maverik Center with US BANCORP Government Leasing and Finance.

BACKGROUND:

The City has a need to replace a significant amount of computer equipment, LED Lighting equipment, Lighting Control System, and Boiler Burner equipment. Computers will be purchased from Valcom Computer Center (VLCM), LED Lighting purchased by Clear Blue Energy Corp., with existing lighting demolition and new installation by Rydalch Electric. The Lighting Control System will be purchased through Payne Sparkman. The Boiler Burner Equipment will be purchased from Folsom Associates and installation from Johnson Controls. Favorable terms have been negotiated with US BANCORP Government Leasing and Finance, Inc. to initiate a lease purchase transaction. Terms of the lease will expire in advance of the 5 year useful life of the assets acquired. The City has obtained a rate of 1.795% for 5 years.

Payments for this equipment will be 20 quarterly payments in arrears at \$15,789.00 starting January 14, 2015, totaling \$315,780.00. Principal will be \$301,379.26.00 and interest costs will be \$14,400.74.

RECOMMENDATION:

Approval of this engagement agreement

SUBMITTED BY:

Jim Welch, Finance Director