

RESOLUTION NO. 2005-564

Adopted by the Sacramento City Council

July 21, 2005

APPROVING ACQUISITION AND FINANCING OF GREENWASTE TRASH/RECYCLING CONTAINERS

BACKGROUND

- A. In May 2004, City Council approved the Voluntary Containerized Lawn and Garden (VCLG) Program. This program provides weekly automated collection of lawn and garden material in a 96-gallon container and supplemental loose-in-the-street collection eight times per year. City Council approved Bid No. 1829 with Toter Inc. and Environmental Delivery Services, Inc. (Toter/EDS) in November, 2000, this existing contract will be utilized to purchase 40,000 containers to support the VCLG Program until the contract expires in December, 2005.
- B. In order to facilitate the purchase of these containers, the existing Toter/EDS contract must be increased. The Toter/EDS contract has a current, approved spending authority of a not to exceed amount of \$5.9 million. It is recommended at this time to increase the aggregate not to exceed amount by \$900,000 to a total of \$6.8 million, This will account for the proposed \$1.5 million as well as ensure that adequate funds exist for any cost overruns.
- C. The City Treasurer's Office has had a Master Lease Equipment Agreement with Banc of America Leasing & Capital LLC since 1996 and has provided equipment leases for similar acquisitions for Solid Waste containers and several other projects throughout the years. The City will once again utilize this financing structure to finance the \$1.5 million for the acquisition of the Greenwaste and Trash/Recycling containers.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVED AS FOLLOWS:

- Section 1. The City Manager is hereby authorized to increase the amount of the existing contract with Environmental Delivery Services, Inc. and Toter, Inc., joint payees, 9101 W. Sahara Avenue, Ste. 105 G-30, Las Vegas, NV 89117, to an aggregate amount of \$6,800,000.
- Section 2. The Finance Director is authorized to amend the Solid Waste Division operating budget by \$1.5 million to establish the necessary purchasing and lease payment expenditure authority related to this lease financing.

Section 3. The City Treasurer is hereby authorized to secure \$1.5 million in lease financing and to execute the Acquisition Fund Agreement, Schedule of Property No. 5 and Arbitrage and Tax Certificate between the City of Sacramento and Banc of America Leasing and Capital LLC,

Section 4. The source of repayment for both series of this lease financing would be derived from user assessed fees and paid by existing and future rate payers. Lease payments for the container purchases are subject to Solid Waste Base Rental (1999 Capital Improvement Revenue Bonds) semi-annual debt obligations under the Solid Waste Facility Lease.


Adopted by the City of Sacramento City Council on July 21, 2005 by the following vote:

Ayes: Councilmembers Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, and Mayor Fargo.

Noes: None

Abstain: None

Absent: Waters



Mayor Heather Fargo

Attest:



Shirley Concolino, City Clerk