RESOLUTION NO. 4944 NEW SERIES

A RESOLUTION OF THE COUNCIL OF THE CITY OF GLENDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE CITY MANAGER OR DESIGNEE TO PAY THE REMAINING BALANCE AND EXECUTE ALL DOCUMENTS NECESSARY TO END A LEASE-PURCHASE BACK AGREEMENT OF CITY PROPERTY WITH BANC OF AMERICA LEASING.

WHEREAS, at the March 17, 2015 Council Workshop, staff presented to Council the current status of the Lease-Purchase Back Agreement with Banc of America Leasing; and

WHEREAS, it is the desire of the Council to pay off the balance of the principal on Lease-Purchase Back Agreement which is approximately$9,042,100; and

WHEREAS, the City has determined that Banc of America Leasing is entitled to be paid accumulated interest on the Lease Agreement through April 30, 2015 in the amount of approximately $80,265; and

WHEREAS, the City has determined that Banc of America Leasing is entitled to be paid a one percent (1%) prepayment penalty on the Lease Agreement in an amount of approximately $90,421; and

WHEREAS, it is the desire of the Council in so doing to save the City future interest costs of approximately $783,000; and

WHEREAS, the City has determined that the City's General Fund has sufficient cash to pay off the balance of the lease including the interest and prepayment penalty; and

WHEREAS, the City has determined that the City's General Fund requires additional non-cash budget appropriation to make the required payment to Banc of America Leasing and that unused appropriation exists in fund 2210 – Transportation Capital Projects.

THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLENDALE as follows:

SECTION 1. That the City Council finds that it is deemed in the best interest of the City of Glendale and the citizens thereof to pay off the balance of and end the Lease-Purchase Back Agreement.

SECTION 2. That the City Manager or designee, be hereby authorized and directed to execute all documents necessary to prepay the balance of the Lease-Purchase Back Agreement, including any interest and prepayment penalty.

SECTION 3. That the City Council authorizes the Finance and Technology Director to transfer budget appropriation only (not cash) from Transportation Capital Project Fund 2210 Department 65016 to the General Fund 1000 Department 11380 in the amount required to make the necessary payment up to $9,250,000.

SECTION 4. That the City Council authorizes the City Manager or designee, to make the payment necessary to prepay the lease.

SECTION 5. That if any section, paragraph, clause, or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section paragraph, or provision shall not affect any remaining provisions of this Resolution.

SECTION 6. That all resolutions or parts thereof, inconsistent herewith, are hereby waived to the extent only of such inconsistency. This waiver shall not be construed as reviving any resolution or any part thereof.

SECTION 7. That this resolution shall be in full force and effect from and after its passage and adoption by the City Council.

PASSED, ADOPTED AND APPROVED by the Mayor and Council of the City of Glendale, Maricopa County, Arizona, this 14th day of April, 2015.

MAYOR

ATTEST:

for

City Clerk (SEAL)

APPROVED AS TO FORM:

City Attorney

REVIEWED BY:

for

Acting City Manager