



# Town of Vienna

Charles A. Robinson Jr.  
Town Hall  
127 Center Street South  
Vienna VA, 22180

## Legislation Text

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**File #:** 20-1849, **Version:** 1

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**Subject:**

Award Capital Lease IFB 21-02 for Financing FY 20-21 Vehicle and Equipment Replacement Program

**EXPLANATION AND SUMMARY :**

On July 6, 2020, Council approved a resolution to issue vehicle and equipment replacement financing for FY 20-21. IFB 21-02 has been issued for a four-year capital lease in an amount not to exceed \$500,000 in principal to finance this year's vehicle and equipment replacement items as approved by Council as part of the Town's Vehicle and Equipment Replacement Program. As noted in the bid summary attachment, the Town received four responses from three financial institutions. Three of the four responses met the bid requirements. Financing and other costs ranged from a low of \$12,761 (for a \$450,000 loan) to a high of \$18,255 (for a \$500,000 loan). Interest rates ranged from 1.128% to 1.45%, the lowest rate in many years due to the current economic climate.

We recommend award of IFB 21-02 to US Bancorp for \$450,000 at 1.128%, as it submitted the lowest responsive and responsible bid.

A copy of IFB 21-02 and responses are available for inspection in the Office of the Town Clerk.

**Strategic Plan Initiative:** *Vienna is a fiscally responsible community*

**Departmental Recommendation :** Recommend approval

**Finance Recommendation :** Recommend approval

**Purchasing Recommendation :** Recommend approval

**Town Attorney Recommendation :** The Town Council may award the Capital Lease contract to the lowest responsible bidder in the discretion of the Town Council.

**Town Manager's Recommendation :** I recommend the Town Council award Capital Lease Equipment Purchase Contract IFB 21-02 to US Bancorp, as presented.

Cost and Financing: \$450,000 in principal and \$12,761 in interest over a 4-year term

Account Number: 400-000-0000-49590-49110 through 49590-49185

Decision Needed by This date: September 14, 2020

**PROPOSED/SUGGESTED MOTION**

"I move to award Capital Lease Equipment Purchase Contract IFB 21-02 to US Bancorp at an interest

rate of 1.128%."

Or

Other action deemed necessary by Council.