

Financial Services
Mrs. Judith M. Marte, Chief Financial Officer

SUBJECT: APPROVE RESOLUTION 15-029 AUTHORIZING THE EXECUTION AND DELIVERY OF AN ADDITIONAL SCHEDULE TO THE MASTER LEASE PURCHASE AGREEMENT WITH BANC OF AMERICA PUBLIC CAPITAL CORP, OF UP TO \$5,000,000 FOR THE PURCHASE OF VEHICLES

COMMITTEE: FISCAL ACCOUNTABILITY

LINK TO STRATEGIC FRAMEWORK: FINANCIAL EFFICIENCY/STABILITY

In an effort to reduce cost and improve quality of service to schools, approximately 160 maintenance (white fleet) service and police vehicles will be purchased utilizing a 5 year equipment lease to finance up to \$5 million in total cost. Savings will be achieved through the projected reduction in maintenance expenses and fuel efficiency, as well as greater reliability. Lease payments will be paid out of departments operating budgets and within FY 14-15 funding levels.

After reviewing current equipment lease terms, the Office of Treasury Management was able to obtain the same interest rate funding formula provided to Miami-Dade County on their recent police vehicles equipment lease Request for Proposal awarded to Banc of America, and issue a new equipment lease schedule under the District's current Master Equipment Lease Agreement with the same bank. Banc of America Public Capital Corp. agreed to lock the interest until April 17, 2015 at a rate of 1.58%, which is 10 basis points lower than what the District can obtain with its current Master Lease Agreement; which was recently used to fund the 21st Century Schools Technology Upgrade to purchase digital devices for students. It is anticipated that approximately \$24,000 in cost of issuance will be incurred.

The Treasury Advisory Committee recommended increasing the current Master Lease Agreement with Banc of America Public Capital Corp. up to \$5 million for the vehicles purchase at its March 16, 2015 meeting.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, approve Resolution 15-029 authorizing the execution and delivery of an additional schedule to the Master Lease Agreement with Banc of America Public Capital Corp. of up to \$5,000,000 for the purchase of vehicles.

RESOLUTION NO. 15-029

A RESOLUTION OF THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA, AUTHORIZING THE EXECUTION AND DELIVERY OF AN ADDITIONAL SCHEDULE TO THE MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT WITH BANC OF AMERICA PUBLIC CAPITAL CORP. WITH RESPECT TO THE ACQUISITION, PURCHASE, FINANCING AND LEASING OF MAINTENANCE AND POLICE VEHICLES IN AN AGGREGATE AMOUNT NOT EXCEEDING \$5,000,000; AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING INCIDENTAL ACTION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, The School Board of Miami-Dade County, Florida (“Lessee”), as the governing body of the School District of Miami-Dade County, Florida (the “District”), a political subdivision of the State of Florida, is authorized by the laws of the State of Florida and in particular Sections 1001.32(2) and 1001.42(2) to purchase, acquire and lease personal property for the benefit of Lessee and the District and to enter into contracts with respect thereto; and

WHEREAS, Lessee desires to purchase, acquire and lease certain maintenance and police vehicles in an aggregate amount not exceeding \$5,000,000 constituting personal property necessary for Lessee to perform essential governmental functions (the “Project”); and

WHEREAS, Lessee has previously entered into a Master Equipment Lease/Purchase Agreement, dated as of March 3, 2006 (the “Master Lease”) with Banc of America Public Capital Corp., a Kansas corporation, as assignee of Banc of America Leasing & Capital, LLC (“Lessor”); and

WHEREAS, Lessee and Lessor have executed Schedules of Property Nos. 1-11 to the Master Lease for the financing of school buses, air conditioning units, security cameras, personal computer upgrades, an ERP System and classroom digital devices in the aggregate amount of \$237,715,732 to date; and

WHEREAS, the total cost of equipment approved for financing under the Master Lease has been financed under Schedules of Property Nos. 1-11, leaving no capacity available for financing of additional equipment; and

WHEREAS, Lessee wishes to utilize the Master Lease, and to increase the available financing capacity under the Master Lease in order to finance the Project in an amount not to

exceed \$5,000,000; and

WHEREAS, Lessor has offered to finance the Project on the same basis as it has offered to finance police vehicles for Miami-Dade County (the "County") pursuant to a request for bids and award by the County, which will result in a lower cost to Lessee; and

WHEREAS, Lessee deems it for the benefit of Lessee and for the efficient and effective administration thereof to utilize the Master Lease for the purchase, acquisition and leasing of the Project therein described on the terms and conditions therein provided;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by The School Board of Miami-Dade County, Florida as follows:

Section 1. Approval of Additional Schedule of Property to the Master Lease.

Lessee hereby approves the execution of an additional Schedule of Property to the Master Lease in an aggregate amount not to exceed \$5,000,000 to finance the Project, such Schedule to be designated "Schedule of Property No. 12". The Chair, Vice Chair, Superintendent, Chief Financial Officer or Treasurer of Lessee is hereby authorized and directed to execute Schedule of Property No. 12 to the Master Lease in order to accomplish such financing.

Section 2. Other Actions Authorized.

The officers and employees of Lessee, including, without limitation, the Chair, Vice Chair, Secretary, Superintendent, the Chief Financial Officer, the Treasurer and the School Board Attorney are hereby authorized to take all action necessary or reasonably required by the parties to the Master Lease to carry out, give effect to and consummate the transactions contemplated thereby (including the execution and delivery of Schedule of Property No. 12, and one or more Acquisition Fund Agreements, Acceptance Certificates, Incumbency Certificates, Payment Schedules, and any tax certificates and agreements, as contemplated in the Master Lease) and to take all action necessary in conformity therewith, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the Master Lease.

Section 3. No General Liability.

Nothing contained in this Resolution, the Master Lease nor any other instrument shall be construed with respect to Lessee as incurring a pecuniary liability or charge upon the general credit of Lessee or against its taxing power, nor shall the breach of any agreement contained in this Resolution, the Master Lease, or any other instrument or document executed in connection therewith impose any pecuniary liability upon Lessee or any charge upon its general credit or against its taxing power, except to the extent that the rental payments payable under the Master Lease are special limited obligations of Lessee as provided in the Master Lease.

Section 4. Appointment of Authorized Lessee Representatives.

The Superintendent, the Chief Financial Officer, the Treasurer and the School Board Attorney of Lessee are each hereby designated to act as authorized representatives of Lessee for purposes of the Master Lease until such time as Lessee shall designate any other or different authorized representative for purposes of the Master Lease.

Section 5. Severability. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable by any court of competent jurisdiction, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 6. Repealer. All resolutions or parts thereof, inconsistent herewith, are hereby repealed to the extent of such inconsistency.

Section 7. Effective Date. This Resolution shall be effective immediately upon its approval and adoption.

Adopted this 15th day of April, 2015.

Chair, The School Board of Miami-Dade
County, Florida

Attest:

Secretary, The School Board
of Miami-Dade County, Florida

Approved as to form:

School Board Attorney