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City of Las Cruces[®]
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Council Action and Executive Summary

Item # 3 Ordinance/Resolution# 12-056

For Meeting of _____
 (Ordinance First Reading Date)

For Meeting of October 3, 2011
 (Adoption Date)

TITLE: A RESOLUTION TO AUTHORIZE AND APPROVE SUBMISSION OF A COMPLETED APPLICATION FOR FINANCIAL ASSISTANCE AND PROJECT APPROVAL TO THE NEW MEXICO FINANCE AUTHORITY FOR THE PURPOSE OF FINANCING THE PURCHASE OF FOUR (4) NEW SOLID WASTE COLLECTION VEHICLES IN THE AMOUNT OF \$890,000.00.

PURPOSE(S) OF ACTION:

The proposed action will allow the City to submit an application to the New Mexico Finance Authority for the purpose of financing the acquisition of solid waste service vehicles.

COUNCIL DISTRICT: N/A		
<u>Drafter/Staff Contact:</u> Robert Scaling	<u>Department/Section:</u> Finance	<u>Phone:</u> 541-2035
<u>City Manager Signature:</u>		

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

The New Mexico Finance Authority (Authority) has instituted a program for financing of projects from the public project revolving fund created under the act and has developed an application procedure whereby the governing body may submit an application for financial assistance from the Authority for public projects.

The Utilities Department is requesting a loan in the amount of \$890,000.00 to purchase four (4) new solid waste collection vehicles, two Commercial Front End Loaders in the amount of \$220,000.00 each and two Residential Side Loaders in the amount of \$225,000.00 each, from Rush Truck Centers of Texas, LP. This loan application submission has been approved and recommended to the City of Las Cruces Council by the Las Cruces Utilities Board in their Resolution No. 11-12-018 approved on September 8, 2011.

SUPPORT INFORMATION:

1. Resolution.
2. Attachment A: New Mexico Finance Authority Public Project Revolving Fund Equipment Application.
3. Attachment B: Las Cruces Utilities Board Resolution No. 11-12-018.

(Continue on additional sheets as required)

SOURCE OF FUNDING:

Is this action already budgeted?	Yes	<input checked="" type="checkbox"/>	See Budget Narrative below
	No	<input type="checkbox"/>	If No, then check one below:
	<i>Budget Adjustment Attached</i>	<input type="checkbox"/>	Expense reallocated from:
		<input type="checkbox"/>	Proposed funding is from a new revenue source (i.e. grant; see details below)
		<input type="checkbox"/>	Proposed funding is from fund balance in the __ Fund.
Does this action create any revenue?	Yes	X	Funds will be deposited into this fund: 5577 in the amount of \$890,000 for FY2012.
	No	<input type="checkbox"/>	There is no new revenue generated by this action.

BUDGET NARRATIVE

The actual cost of the equipment being purchased has been budgeted in Fund 5577 (Solid Waste Projects NMFA Loan) with FY2012 loan payments budgeted in Fund 5587 (Solid Waste NMFA Loan Debt Service).

FUND EXPENDITURE SUMMARY:

Fund Name(s)	Account Number(s)	Expenditure Proposed	Available Budgeted Funds in Current FY	Remaining Funds	Purpose for Remaining Funds
Solid Waste Project (NMFA Loan)	55558350-851100-XX XXX	\$890,000.00	\$890,000.00	-0-	N/A

OPTIONS / ALTERNATIVES:

1. Vote "Yes"; this will authorize and approve submission of a completed application for financial assistance and project approval to the New Mexico Finance Authority for the purpose of financing the purchase of four (4) solid waste collection vehicles.
2. Vote "No"; this will not authorize and disapprove City staff the opportunity to submit the loan application to the New Mexico Finance Authority and thereby not be able to purchase the solid waste collection vehicles.
3. Vote to "Table"; this could delay the proposed acquisition of the solid waste service vehicles and adversely affect customer service.

REFERENCE INFORMATION:

N/A

(Continue on additional sheets as required)

RESOLUTION NO. 12-056

A RESOLUTION TO AUTHORIZE AND APPROVE SUBMISSION OF A COMPLETED APPLICATION FOR FINANCIAL ASSISTANCE AND PROJECT APPROVAL TO THE NEW MEXICO FINANCE AUTHORITY FOR THE PURPOSE OF FINANCING THE PURCHASE OF FOUR (4) NEW SOLID WASTE COLLECTION VEHICLES IN THE AMOUNT OF \$890,000.00.

The City Council is informed that:

WHEREAS, the City of Las Cruces ("Governmental Unit") is a qualified entity under the New Mexico Finance Authority Act, Sections 6-21-1 through 6-21-31, NMSA 1978 ("Act"), and the City of Las Cruces City Council ("Governing Body") is authorized to borrow funds and/or issue bonds for financing of public projects for benefit of the Governmental Unit; and

WHEREAS, the New Mexico Finance Authority ("Authority") has instituted a program for financing of projects from the public project revolving fund created under the Act and has developed an application procedure whereby the Governing Body may submit an application ("Application") for financial assistance from the Authority for public projects; and

WHEREAS, the Governing Body intends to undertake the acquisition of collection equipment for its Solid Waste System ("Project") for the benefit of the Governmental Unit and its citizens; and

WHEREAS, the application prescribed by the Authority has been completed and submitted to the Governing Body and this resolution approving submission of the completed Application to the Authority for its consideration and review is required as part of the Application.

NOW THEREFORE, Be it resolved by the governing body of the City of Las Cruces:

(I)

THAT all action (not inconsistent with the provisions hereof) heretofore taken by the Governing Body and the officers and employees thereof directed toward the Application and the Project, be and the same is hereby ratified, approved and confirmed.

(II)

THAT the completed Application submitted to the Governing Body, be and the same is hereby approved and confirmed.

(III)

THAT the officers and employees of the Governing Body are hereby directed and requested to submit the completed Application to the Authority for its review, and are further authorized to take such other action as may be requested by the Authority in its consideration and review of the Application and to further proceed with arrangements for financing the Project.

(IV)

THAT all acts and resolutions in conflict with this resolution are hereby rescinded, annulled and repealed.

(V)

THAT City staff is hereby authorized to do all deeds necessary in the accomplishment of the herein above.

DONE AND APPROVED this _____ day of _____, 2011.

APPROVED:

Mayor

ATTEST:

City Clerk

(SEAL)

VOTE:

Mayor Miyagishima: _____

Councillor Silva: _____

Councillor Connor: _____

Councillor Pedroza: _____

Councillor Small: _____

Councillor Sorg: _____

Councillor Thomas: _____

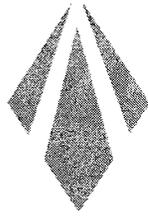
Moved by: _____

Seconded by: _____

APPROVED AS TO FORM:



City Attorney



App. #:	-PP
FA assigned:	
Legislative Authorization	

**PUBLIC PROJECT REVOLVING FUND
 EQUIPMENT APPLICATION**

I. GENERAL INFORMATION

A. APPLICANT /ENTITY

		Application Date:		
Applicant/Entity:	City of Las Cruces, Solid Waste Utility			
Address:	680 N. Motel Blvd, Las Cruces, NM 88007			
County	Dona Ana	Census Tract:		
Federal Employer Identification Number (EIN) as issued by the IRS:			85-6000147	
Legislative District:	Senate:	31, 35, 36, 37, 39, 51, 52	House:	32, 33, 34, 35, 36, 37, 39, 51, 52
Phone:		Fax:		Email Address:
Individual Completing Application:				
Address:				
Phone:		Fax:		Email Address:

II. PROJECT SUMMARY

A. Project Description. Complete the following information, using additional paper if necessary. Include any additional documents that may be useful in reviewing this project, i.e. Estimated Costs, useful life of the equipment, any warranty or lease purchase details.

1. Description of Equipment:

Two (2) Commercial Front Loaders for Solid Waste collection. Estimate cost of \$220,000 per loader with estimated life of seven (7) years. Purchase to be made through City of Las Cruces fleet service.

Two (2) Residential Side Loaders for Solid Waste collection. Estimate cost of \$225,000 per loader with estimated life of seven (7) years. Purchase to be made through City of Las Cruces fleet service.

2. When do you need NMFA funds available? _____

B. Total Project Cost & Sources of Funds Detail.

Equipment Items	NMFA Funds Requested	Other Public Funds*	Private Funds	Total
Commercial Front Loader	\$220,000	\$	\$	\$ 0.00
Commercial Front Loader	\$220,000	\$	\$	\$ 0.00
Residential Side Loader	\$225,000	\$	\$	\$ 0.00
Residential Side Loader	\$225,000	\$	\$	\$ 0.00
Total Cost:	\$890,000	\$ 0.00	\$ 0.00	\$ 0.00

III. FINANCING

A. Specify the revenue to be pledged as security for the NMFA loan (a revenue source must be pledged for this type of project).

- Municipal Local Option GRT – please specify: _____
- County Option GRT – please specify: _____
- Other Tax-Based Revenue: _____
- State-Shared GRT
- Law Enforcement Funds
- Fire Protection Funds
- X Other Revenue: Standard Solid Waste customer rates

B. Preferred financing term:

C. Is any debt being repaid from the revenue source(s) referenced in A (1)? Yes No

If yes, provide bond or loan documents and payment schedule for any existing debt service being paid from the same revenues that would be used to repay a NMFA loan.

The debt service schedule for the 2007 NMFA Solid Waste (Recycling) Loan #1950 PP is attached as the last page of this application.

IV. READINESS TO PROCEED ITEMS

A. The following items must accompany this application in order for this application to be considered complete:

- Equipment cost breakdown (if applicable)
- Three most recently completed fiscal year audit reports
- Current unaudited financials
- Current fiscal year budget
- Equipment Application
- Application Resolution
- Minutes of public hearing meeting approving submission of application
- Any additional information requested by NMFA

V. CERTIFICATION

I certify that:

We have the authority to request and incur the debt described in this application and, upon award, will enter into a contract for the repayment of any NMFA loans and/or bonds.

We will comply with all applicable state and federal regulations and requirements.

To the best of my knowledge all information contained in this application is valid and accurate and the submission of this application has been authorized by the governing body of the undersigned jurisdiction.

Signature:

Title:

(highest elected official)

Jurisdiction:

Print Name:

Date:

Signature:

Robert Scaling

Date:

SEPTEMBER 12, 2011

Finance Officer/Director:

ROBERT SCALING

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LAS CRUCES UTILITIES BOARD RESOLUTION NO. 11-12-018

A RESOLUTION RECOMMENDING TO THE CITY OF LAS CRUCES COUNCIL TO AUTHORIZE THE SUBMISSION OF AN \$890,000.00 LOAN APPLICATION TO THE NEW MEXICO FINANCE AUTHORITY FOR THE PROCUREMENT OF FOUR CITY OF LAS CRUCES UTILITIES SOLID WASTE TRUCKS.

The Board of Commissioners for the City of Las Cruces Utilities, on behalf of the City of Las Cruces, is informed that:

WHEREAS, Las Cruces City Council approved Resolution 11-226 adopting the Municipal Budget for Fiscal Year 2011/2012; and

WHEREAS, within the FY12 Strategic Plan: Operating Budget and Infrastructure Capital Improvement Project Budget is \$890,000.00 for Solid Waste trucks to be funded through a loan request to the New Mexico Finance Authority (NMFA); and

WHEREAS, the NMFA offers the Public Project Revolving Fund (PPRF) loan program to assist governmental entities with affordable financing of capital equipment and infrastructure projects by providing low-cost funds and technical assistance; and

WHEREAS, the Utilities Staff has determined it is necessary to borrow \$890,000.00 to fully fund the purchase of two (2) Residential Side Loaders and two (2) Commercial Front Loaders for Solid Waste collection.

NOW, THEREFORE, be it resolved by the governing body of the Board of Commissioners for the City of Las Cruces Utilities, on behalf of the City of Las Cruces:

(I)

THAT, the Board of Commissioners for the City of Las Cruces Utilities recommends that the City of Las Cruces Council authorize the submission of a loan application to the NMFA in the amount of \$890,000.00 for the financing of two (2) Residential Side Loaders and two (2) Commercial Front Loaders for Solid Waste collection.

(II)

THAT, City staff is hereby authorized to do all deeds necessary in the accomplishment of the herein above.

DONE AND APPROVED this 8th day of September, 2011.

By William M Little
Board Chair

ATTEST:

Gary A. Garcia
Secretary

Moved by Ericson

Seconded by Sorg

VOTE:

Chair Little:	<u>Aye</u>
Vice-Chair Cadena:	<u>Aye</u>
Commissioner Ericson:	<u>Aye</u>
Commissioner Hanson:	<u>Aye</u>
Commissioner Hayes:	<u>Aye</u>
Commissioner Pedroza:	<u>Aye</u>
Commissioner Sorg:	<u>Aye</u>

APPROVED AS TO FORM:

Michael Brown
Utilities Attorney