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City of Las Cruces[®]
 PEOPLE HELPING PEOPLE

Council Action and Executive Summary

Item # 7 Ordinance/Resolution# 15-023

For Meeting of _____
 (Ordinance First Reading Date)

For Meeting of August 18, 2014
 (Adoption Date)

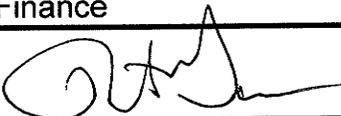
Please check box that applies to this item:

QUASI JUDICIAL LEGISLATIVE ADMINISTRATIVE

TITLE: A RESOLUTION TO AUTHORIZE AND APPROVE SUBMISSION OF A COMPLETED APPLICATION FOR FINANCIAL ASSISTANCE AND PROJECT APPROVAL TO THE NEW MEXICO FINANCE AUTHORITY (NMFA) FOR THE PURCHASE OF ONE (1) SPARTAN ERV STAR SERIES CUSTOM PUMPER.

PURPOSE(S) OF ACTION:

Finance the acquisition of firefighting equipment.

COUNCIL DISTRICT: N/A		
Drafter/Staff Contact: Mark Krawczyk	Department/Section: Finance	Phone: 541-2035
City Manager Signature:		

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

The Las Cruces Fire Department (LCFD) is requesting authorization to purchase one Spartan ERV Star Series Custom Pumper from Spartan ERV from North Brandon, South Dakota. To fund the acquisition of the new fire apparatus, the City of Las Cruces will submit an application for financial assistance to the New Mexico Finance Authority ("NMFA.") This purchase is in accordance with the LCFD's fire apparatus replacement plan that was put into effect in 2008 and is part of the City's approved list of vehicle purchases for FY15.

The new unit will replace an older front line apparatus, a 1989 Pierce Arrow Tender, that has reached its life and maintenance cycle as a front line unit. The 1989 Pierce Arrow Tender will be moved to reserve status in order to maintain reliable and safe service. Replacement of the 1989 Pierce Arrow Tender will allow for the new pumper to be assigned to Fire Station 7 as well as bring all of the LCFD's front line pumpers into compliance with a 10-year life cycle.

SUPPORT INFORMATION:

1. Resolution.
2. Exhibit "A", NMFA Public Project Revolving Fund Infrastructure Application.

(Continue on additional sheets as required)

SOURCE OF FUNDING:

Is this action already budgeted?	Yes	<input type="checkbox"/>	See fund summary below
	No	<input checked="" type="checkbox"/>	If No, then check one below:
	<i>Budget Adjustment Attached</i>	<input type="checkbox"/>	Expense reallocated from: _____
		<input checked="" 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	<input type="checkbox"/>	Funds will be deposited into this fund: _____ in the amount of \$ _____ for FY _____
	No	<input checked="" type="checkbox"/>	There is no new revenue generated by this action.

BUDGET NARRATIVE

The cost of the fire apparatus and loan processing fees are approximately \$440,000.00. Once the loan has been approved by NMFA, Council action will be needed to accept the loan. At that time, staff will establish the budget necessary to finalize the acquisition of the replacement fire apparatus.

FUND EXPENDITURE SUMMARY:

Fund Name(s)	Account Number(s)	Expenditure Proposed	Available Budgeted Funds in Current FY	Remaining Funds	Purpose for Remaining Funds
N/A	N/A	N/A	N/A	N/A	N/A

OPTIONS / ALTERNATIVES:

1. Vote "Yes"; this will enable City staff to submit the refunding application to NMFA.
2. Vote "No"; this will deny City staff the opportunity to submit the refunding application to NMFA and realize the interest savings opportunity.
3. Vote to "Amend"; this could require staff to explore other financing options not currently recommended by the City's financial advisor.
4. Vote to "Table"; this could delay this financing opportunity and reduce the projected interest savings.

REFERENCE INFORMATION:

N/A

RESOLUTION NO. 15-023**A RESOLUTION TO AUTHORIZE AND APPROVE SUBMISSION OF A COMPLETED APPLICATION FOR FINANCIAL ASSISTANCE AND PROJECT APPROVAL TO THE NEW MEXICO FINANCE AUTHORITY (NMFA) FOR THE PURCHASE OF ONE (1) SPARTAN ERV STAR SERIES CUSTOM PUMPER.**

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 acquisition of firefighting equipment (“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 and attached hereto as Exhibit A.

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 this resolution shall take effect immediately upon its adoption.

(VI)

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

DONE AND APPROVED this ____ day of _____, 20____.

APPROVED:

Mayor

ATTEST:

City Clerk

(SEAL)

Moved by: _____

Seconded by: _____

APPROVED AS TO FORM:



City Attorney

VOTE:

Mayor Miyagishima: _____

Councillor Silva: _____

Councillor Smith: _____

Councillor Pedroza: _____

Councillor Small: _____

Councillor Sorg: _____

Councillor Levatino: _____



**NEW MEXICO
FINANCE AUTHORITY**

NMFA Use Only:	
App. #:	-PP
FA assigned:	
Legislative Authorization	

**PUBLIC PROJECT REVOLVING FUND
EQUIPMENT APPLICATION**

I. GENERAL INFORMATION

A. APPLICANT /ENTITY

Application Date: 7/25/14

Applicant/Entity: City of Las Cruces

Address: P.O. Box 20000, Las Cruces NM 88004-9002

County: Dona Ana

Census Tract:

Federal Employer Identification Number (EIN) as issued by the IRS:

Legislative District: Senate: 575-646-4019 House:

Phone: 575-646-4019 **Fax:** 575-646-4019 **Email Address:** mkrawczyk@las-cruces.org

Individual Completing Application: Erik Harrigan

Address: 6301 Uptown Blvd. NE Suite 110 Albuquerque NM 87110

Phone: 505-872-5992 **Fax:** 505-872-5979 **Email Address:** Erik.harrigan@rbccm.com

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. architectural designs, feasibility studies, business plan, etc.

1. Description of Equipment: One Spartan ERV Series GPM Pumpers for Fire Department, plus applicable professional fees

2. When do you need NMFA funds available? October 2014

B. Total Project Cost & Sources of Funds Detail.

Equipment Items	NMFA Funds Requested	Other Public Funds*	Private Funds	Total
1 Class A 1500 GPM Pumpers	\$425,000	\$	\$	\$425,000.00
City Issuance Costs	\$6,000	\$	\$	\$6,000.00
	\$	\$	\$	\$ 0.00
	\$	\$	\$	\$ 0.00
Total Cost:	\$431,000.00	\$ 0.00	\$ 0.00	\$431,000.00

Note: The City has requested waiver of the requirement to fund a Debt Service Reserve Fund for this transaction due to the large fund balance the Vehicle Acquisition Fund carries.

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
- Other Revenue: _____

B. Preferred financing term: 8 years.

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 NMFA has two other loan with the City of Las Cruces payable from Fire Fund revenues.

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:

Date:

Finance Officer/Director:
