

## MEMORANDUM

To: Members of the City Commission

From: Lisa Agnor, City Manager

Date: August 17, 2015

Subject: Approval of financing for the purchase of seven (7) new Police Department vehicles for Patrol and Animal Control divisions

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Seven (7) police vehicles were ordered subsequent to approval from the Commission at the February 26, 2015 regular meeting. Proposals have been received from JP Morgan Chase Bank, Texas Bank and Trust, and Citizens National Bank to finance this \$245,565.00 purchase.

**JP Morgan Chase Bank, N.A.** submitted a Lease-Purchase proposal that provides for a 1.897% fixed interest rate. This proposal further provides for the City to make three (3) annual payments of \$84,980.03.

**Texas Bank and Trust** submitted a Lease-Purchase proposal for a three-year loan at a fixed interest of 1.988%. This proposal also provides for the City to make three (3) annual payments of \$85,131.00.

**Citizens National Bank** submitted a proposal for a three-year loan at a fixed interest rate of 2.40%. This proposal also provides for the City to make monthly payments, and our request was for annual payments.

### **STAFF RECOMMENDATION:**

It is recommended that the City Commission approve the lease-purchase proposal submitted by JP Morgan Chase Bank, N.A. to finance the purchase of seven (7) new police vehicles and authorize the City Manager to execute the documents and annual renewals. The proposal provides for the City to make three (3) annual payments of **\$84,980.03** for a total of **\$245,565.00**.