

South Portland City Council  
***Position Paper of the City Manager***

***Subject:***

**ORDER #154-15/16 – Amending ORDER #87-15/16 regarding the award of bid for the purchase of police cruisers. Passage requires majority vote.**

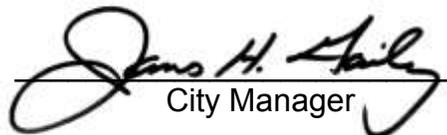
***Position:***

On January 20, 2016, the City Council awarded a bid for the purchase of cruisers for the Police Department. The order also provided for the Finance Director to proceed with the financing through a municipal lease/purchase agreement. The order noted that the lease agreement was designated as a “Qualified Tax Exempt Obligation” pursuant to Section 265(b) of the Internal Revenue Code. Because the City will issue more than \$10,000,000 in tax exempt obligations in the calendar year 2016, this cruiser purchase can no longer be designated as a “Qualified Tax Exempt Obligation”.

This order is brought forward to remove this designation. All other provisions of the order will remain in effect.

***Requested Action:***

Council passage of ORDER #154-15/16.

  
City Manager



CITY OF SOUTH PORTLAND

THOMAS E. BLAKE  
Mayor

JAMES H. GAILEY  
City Manager

EMILY F. CARRINGTON  
City Clerk

SALLY J. DAGGETT  
Jensen Baird Gardner & Henry

IN CITY COUNCIL

ORDER #154-15/16

District One  
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District Two  
PATRICIA A. SMITH

District Three  
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District Four  
LINDA C. COHEN

District Five  
BRAD FOX

At Large  
MAXINE R. BEECHER

At Large  
THOMAS E. BLAKE

**WHEREAS**, the City desires to amend Council Order #87-15/16, as approved on January 20, 2016, to provide as follows:

**ORDERED**, that award of Bid #20-16 be and hereby is made to Yankee Ford, of South Portland, ME, in the amount of one hundred twenty thousand eighteen dollars (\$120,018) for the purchase of four (4) cruisers for the Police Department; and

**BE IT FURTHER ORDERED**, that the acquisitions authorized by the foregoing order may be made by way of a Municipal Lease Purchase Agreement, provided said agreement contains a non-appropriation provision permitting the City to terminate the lease without penalty in the event the City does not appropriate funds for payments on the lease; and

**BE IT FURTHER ORDERED**, that the Director of Finance be authorized to execute and deliver on behalf of the City such Municipal Lease Purchase Agreement containing such terms, not inconsistent herewith, as the Director of Finance may approve by his execution thereof; ~~and.~~

~~**BE IT FURTHER ORDERED**, that said Municipal Lease Purchase Agreement is hereby designated a Qualified Tax Exempt Obligation pursuant to Section 265(b) of the Internal Revenue Code.~~

\$105,000 shall be charged to the Police Department Motor Vehicles Reserve Account #182865-651000.

\$15,018 shall be charged to the Police Department Motor Vehicles Account #10263065-651000.

Fiscal Note: \$120,018

Dated: ~~January 20, 2016~~ May 16, 2016