



A Tradition of Stewardship  
A Commitment to Service

Agenda Date: 3/8/2016

Agenda Placement: 6D

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors  
**FROM:** Kim Henderson for JOHN ROBERTSON JR. - Sheriff-Coroner  
Sheriff  
**REPORT BY:** Kim Henderson, Sheriff's Administrative Manager - 259-8674  
**SUBJECT:** Establishment of capital assets for three (3) leased Sheriff units.

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### **RECOMMENDATION**

Sheriff requests establishment of capital assets for three (3) vehicles financed through capital leases. (4/5 vote required)

### **EXECUTIVE SUMMARY**

In October 2014 the Sheriff's office requested approval and authorization for the Purchasing Agent (per Napa County Purchasing Policy 4-5) to sign a lease agreement with Ford Motor Credit Company LLC for a maximum of \$105,510 for the term October 2014 through October 2017, for the lease of three (3) Ford Sport Utility Vehicles with an option to purchase the vehicles at the end of the term for one dollar each. Upon final lease payment in 2017, and if the department exercises the option to purchase the vehicles for one dollar each, Napa Ford Credit Company LLC will transfer any and all of its rights, title and interest in the vehicles to the County as is.

Recently the Auditor Controller's office informed the department that although the vehicles are leased through 2017, the vehicles need to be classified as capital assets. Pursuant to the Debt Policy, all debt is required to undergo a review prior to approval by the Board of Supervisors. The Debt Advisory Committee met on February 16, 2016 and reviewed the lease agreements. Approval of today's item will establish the vehicles as capital assets.

### **FISCAL IMPACT**

Is there a Fiscal Impact?                      No

**ENVIRONMENTAL IMPACT**

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

**BACKGROUND AND DISCUSSION**

In October 2014 the Sheriff's office requested approval and authorization for the Purchasing Agent (per Napa County Purchasing Policy 4-5) to sign a lease agreement with Ford Motor Credit Company LLC for a maximum of \$105,510 for the term October 2014 through October 2017, for the lease of three (3) Ford Sport Utility Vehicles with an option to purchase the vehicles at the end of the term for one dollar each. Upon final lease payment in 2017, and if the department exercises the option to purchase the vehicles for one dollar each, Napa Ford Credit Company LLC will transfer any and all of its rights, title and interest in the vehicles to the County.

Recently the Auditor Controller's office informed the department that although the vehicles are leased through 2017, the vehicles need to be classified as capital assets. Approval of today's item will establish the vehicles as capital assets as listed below:

Description of Vehicle	Total 3 Year Lease	Total 3 Year Interest	Total cost of Vehicle
2014 Ford Edge (Includes sales tax and tire fee)	\$32,317	\$2,853	\$35,170
2014 Ford Explorer (Includes sales tax and tire fee)	\$32,317	\$2,853	\$35,170
2015 Ford Explorer (Includes sales tax and tire fee)	\$32,317	\$2,853	\$35,170

**SUPPORTING DOCUMENTS**

None

CEO Recommendation: Approve

Reviewed By: Helene Franchi