

**It's real.****MEMORANDUM**

**To:** Mayor and City Councilmembers  
Steve Parker, City Manager

**From:** Susan Caddell, Director of Finance

**Subject:** Asphalt Zipper Lease-Purchase Financing

**Date:** June 10, 2020

In another agenda item on the June 16 City Council meeting is a request to purchase an Asphalt Zipper. This agenda item is to provide the financing for the purchase of the zipper. I received quotes from Welch State Bank which is the finance company the vendor of the zipper uses along with Government Capital, who the City has used on several previous occasions. On a five-year note, Government Capital is offering 3.125% interest with annual payments of \$35,831.78 with the first payment due one year from the purchase. Welch State Bank is offering 3.59% interest with annual payments of \$36,307.89 with the first payment due October of 2021. I am recommending financing through Government Capital.

Attached is a resolution and contract with Government Capital. The City Attorney has reviewed the contract. Staff is recommending approval of the attached resolution approving a five-year lease purchase agreement with Government Capital Corporation.

Please let me know if you have any further questions.