

Memo

To: Town Council

From: Jeffrey D. Nutting
Jamie Hellen

Date: March 22, 2018

Re: Request Authorization to Lease Telephones

A few years ago we asked the Capital Budget Committee for funds to replace the phones in the municipal buildings. At the time, it was recommended by Councilor Kelly that we consider leasing of the phones. The project went on the back burner during the Library, Senior Center, and Recreation Center projects.

At this point the phones are old and not supported. Recently, we met with a vendor and can lease the phones for 5 years. The cost of the lease will be mostly offset by the savings in providing phone service to the Town of Franklin. We currently pay \$3,488 per month for phone service and the new charge will be \$1,032 or a savings of \$2,456. The lease will be \$2,744 per month. So, we get a brand new phone system for a net of \$288 per month or \$3,456 per year which will come out of the facilities budget.

We will own the phones after 5 years and expect to keep them for several years beyond the end of the lease.

If we purchased the phones, it would cost approximately \$139,000.

I am happy to answer any questions.



Sponsor: Administration

TOWN OF FRANKLIN

RESOLUTION 18-16

**AUTHORIZATION FOR TOWN ADMINISTRATOR TO ENTER INTO
LEASE PURCHASE FINANCING AGREEMENT TO FUND
NEW MUNICIPAL TELEPHONE SYSTEMS**

WHEREAS, the Town Administrator has determined that various municipal departments are in need of new telephone systems to replace the existing outdated systems, and

WHEREAS, the Town Administrator intends to acquire and install new telephone systems and recommends the equipment acquisition be funded through a lease purchase financing agreement, and

WHEREAS, G.L. Chapter 44, Section 21C authorizes a municipality to enter into an equipment lease financing agreement, by a two-thirds vote of its legislative body, if recommended by its chief executive officer,

NOW, THEREFORE BE IT VOTED by the Franklin Town Council, acting on behalf of the Town of Franklin, that the Town Administrator is hereby authorized to enter into a lease purchase financing agreement to fund the acquisition of new telephone systems, and that the Town Administrator is authorized to execute any and all documents and to take any other action necessary to consummate said transaction.

This Resolution shall become effective according to the rules and regulations of the Town of Franklin Home Rule Charter.

DATED: _____, 2018

VOTED:

UNANIMOUS _____

A True Record Attest:

YES _____ **NO** _____

ABSTAIN _____

Teresa M. Burr
Town Clerk

ABSENT _____

Glenn Jones, Clerk
Franklin Town Council