



Date August 19, 2019

**HEARING AND RESOLUTION TAKING ACTION ON THE PROPOSITION TO
AUTHORIZE AND ENTER INTO A LEASE PURCHASE AGREEMENT IN THE
PRINCIPAL AMOUNT NOT TO EXCEED \$120,000, FOR THE PURPOSE OF
ACQUIRING CERTAIN ITEMS OF EQUIPMENT CONSISTING OF FOUR NISSAN LEAF
HATCHBACK ELECTRIC VEHICLES**

WHEREAS, it is deemed necessary and advisable that the City of Des Moines, Iowa ("City") shall enter into a Lease Purchase Agreement with Lease Servicing Center, Inc. in the principal amount of not to exceed \$120,000 (the "Agreement" or "Lease Purchase Agreement") as authorized by Iowa Code Sections 364.4 and 384.25 for the purpose of providing funds to pay costs of acquiring the equipment as hereinafter described; and

WHEREAS, the term of the proposed Agreement will not exceed the economic life of the property to be acquired; and

WHEREAS, the proposed Agreement shall be payable solely out of the City's general fund and will not cause the total annual lease or lease-purchase payments due from the general fund in any single future fiscal year for all lease or lease-purchase contracts currently enforced to exceed ten percent of the last certified general fund budget amount; and

WHEREAS, a copy of the proposed Agreement is on file in the Office of the City Clerk which provides that the City shall pay 24 monthly payments of principal and accrued interest with an option for the City to purchase the vehicles for the remaining unpaid principal amount after application of appropriate tax credits; and

WHEREAS, it is in the best interests of the City to acquire the electric vehicles for use in conjunction with City operations; and

WHEREAS, before the proposed Agreement may be authorized, it is necessary to comply with the provisions of Iowa Code Sections 364.4 and 384.25 and to publish notice of the proposal and of the time and place of the hearing at which the City Council proposes to take action for the authorization of the Agreement and to receive oral and/or written objections from any resident or property owner of the City to such action.



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WHEREAS, on August 5, 2019 by Roll Call No. 19- 1213, the City Council resolved that the proposition to authorize and enter into the Agreement be set down for hearing on August 19, 2019 at 5:00 p.m. in the Council Chambers at City Hall; and

WHEREAS, due notice of said proposal and the time and place of said hearing was published in the Des Moines Register on August 8, 2019, as provided by law.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa as follows:

1. The public meeting and hearing on the City's proposition to authorize and enter into a Lease Purchase Agreement with Lease Servicing Center, Inc. for the purpose of acquiring certain items of equipment consisting of four (4) Nissan LEAF Hatchback electric vehicles has been duly held at the time and place provided and in accordance with said notice, oral or written objections from residents or property owners of the City have been received and filed.
2. That the time for receiving oral and written objections from any resident or property owner of the City and the hearing be closed and the proposition to authorize and enter into the Lease Purchase Agreement with Lease Servicing Center, Inc. and all objections thereto are taken into consideration by the City Council.
3. The interest rate for the Lease Purchase Agreement as calculated in Lease Schedule No. 1 is hereby set and approved in accordance with Iowa Code Chapter 74A.
4. The City hereby takes action to authorize, approve and enter into the Lease Purchase Agreement with Lease Servicing Center, Inc. and all incorporated and ancillary documents thereto, with such revisions as may be approved by the Legal Department, and the City Manager is hereby authorized and directed to sign the Master Lease Purchase Agreement and all incorporated and ancillary documents thereto including but not limited to Lease Schedule No. 1, Escrow Agreement, Riders, Incumbency Certificate, Notice and Acknowledgment of Assignment, Evidence of Insurance and such other letters and certifications as may be acquired.

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- 5. The City Manager or his designee is hereby authorized and directed to administer the terms of the Lease Purchase Agreement including the acknowledgement of assignments and the City Manager is authorized at his discretion to provide appropriate notice and exercise the option to purchase the vehicles or exercise the option to return the vehicles at the end of the 24 month lease term as he determines in the best interests of the City and the Finance Director is authorized and directed to make all rental payments and, if applicable, the option purchase payment in accordance with the terms of the Lease Purchase Agreement.

(Council Communication No. 19-375)

APPROVED AS TO FORM:

Moved by _____ to adopt.

Lawrence R. McDowell
Deputy City Attorney

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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
BOESEN				
COLEMAN				
GATTO				
GRAY				
MANDELBAUM				
WESTERGAARD				
TOTAL				
MOTION CARRIED			APPROVED	

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

Mayor

City Clerk