

Date November 3, 2008

RESOLUTION APPROVING MODIFICATIONS IN THE INTEREST RATES TO BE CHARGED UNDER SUPPLEMENT NOS. C-1 AND C-2 TO THE GOVERNMENTAL LEASE-PURCHASE MASTER AGREEMENT BETWEEN THE CITY OF DES MOINES AND DELAGE LANDEN PUBLIC FINANCE LLC

WHEREAS, pursuant to Roll Call No. 08-794 approved on May 5, 2008, the City Council accepted a proposal to provide lease-purchase financing from DeLage Landen Public Finance LLC (the "Lessor"), and authorized the execution of a Governmental Lease-Purchase Master Agreement between the City and the Lessor (the "Master Lease"); and

WHEREAS, the rates of interest that individual supplements to the Master Lease are to bear are set forth in Section 6 of the Master Lease; and

WHEREAS, due to the recent turmoil in the bond and credit markets, the Lessor has requested that a modified schedule of interest rates be used for determining the interest rates applicable to Supplements Nos. C-1 and C-2 to the Master Lease, which Supplements have heretofore been authorized for issuance by the City Council in the principal amounts of \$750,000 and \$2,632,129, respectively, pursuant to Roll Call No. 08-1011 approved on June 9, 2008 and Roll Call No. 08-1547 approved on August 25, 2008, respectively; and

WHEREAS, the Finance Director/Treasurer has recommended that this Council approve of such modified interest rates, with the understanding that they will be applicable only to Supplements C-1 and C-2.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DES MOINES, IOWA, AS FOLLOWS:

1. The modified interest rates proposed by the Lessor for Supplements Nos. C-1 and C-2 to the Master Lease, being equal to SIFMA Rate +80 bps, respectively, be and the same hereby are approved, and the Finance Director/Treasurer is authorized and directed to cause said interest rates to be included in Supplement Nos. C-1 and C-2 and used in determining the principal and interest payments required thereunder.

2. All other provisions of the Master Lease and Supplement Nos. C-1 and C-2 thereto, in the forms previously approved by the City Council, be and the same hereby are in all respects ratified, confirmed and approved.

(Council Communication No. 08-663) Moved by: Coleman to adopt; City Council is extremely disappointed and displeased with Lessor and City staff is directed to re-evaluate long-term relationship with Lessor.

Approved as to Form:  
Ann DiDonato  
 Ann DiDonato, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
HENSLEY	✓			
KIERNAN		✓		
MAHAFFEY	✓			
MEYER	✓			
VLASSIS	✓			
TOTAL	6	1		

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.

MOTION CARRIED APPROVED  
T. M. Franklin  
 Mayor

Diane Fauh City Clerk