



Roll Call Number

21-1151

Agenda Item Number

59

Date July 19, 2021

**HEARING AND RESOLUTION TAKING ACTION ON THE PROPOSITION TO
AUTHORIZE AND ENTER INTO A LEASE PURCHASE IN THE PRINCIPAL
AMOUNT NOT-TO-EXCEED \$75,000, FOR THE PURPOSE OF
ACQUIRING CERTAIN ITEMS OF EQUIPMENT CONSISTING OF THREE NISSAN
LEAF ELECTRIC VEHICLES**

WHEREAS, it is deemed necessary and advisable that the City of Des Moines, Iowa ("City") shall enter into a Schedule of Equipment 2 to the Master Equipment Lease Agreement with Texas Capital Bank, N.A. in the principal amount of not to exceed \$75,000 (the "Agreement" or "Lease Agreement") as authorized by Iowa Code Sections 364.4 and 384.25 for the purpose of providing funds to pay the costs of acquiring three (3) Nissan LEAF electric vehicles for use in conjunction with City operations; 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 make payments of principal and accrued interest over a lease term of 24 months with an option for the City to acquire the vehicles at the end of the lease term for a nominal 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; and

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WHEREAS, on June 28, 2021 by Roll Call No. 21- 0972, the City Council resolved that the proposition to authorize and enter into the Agreement be set down for public hearing on July 19, 2021 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 public hearing was published in the Des Moines Register on _____, 2021, 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 the Lease Purchase Agreement with Texas Capital Bank, N.A. in the principal amount of not to exceed \$75,000, the proceeds of which will be used to provide funds to pay the costs of acquiring certain items of equipment consisting of three (3) Nissan LEAF electric vehicles for use in conjunction with City operations 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 Texas Capital Bank, N.A. and all objections thereto are taken into consideration by the City Council.
3. The interest rate for the Lease Purchase Lease Agreement as calculated in Schedule of Equipment No. 2 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 Texas Capital Bank, N.A. and all incorporated and ancillary documents, with such revisions as may be approved by the Legal Department, and the City Manager, or his designees as appropriate, are hereby authorized and directed to sign the all incorporated and ancillary documents thereto including, but not limited to, Schedule of Equipment No. 2, Lessee's Acceptance Certificate and Payment Direction, Evidence of Insurance, Billing Information Form, Notice of Assignment and Letter of Direction and all required Internal Revenue Forms.



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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 and all incorporated and ancillary documents and to take all proper actions to exercise the option to purchase the vehicles at the end of the 24 month lease term and the Finance Director is authorized and directed to make all rental payments and the nominal option purchase payments in accordance with the terms of the Lease Purchase Agreement.

Moved by Gatto to adopt.

APPROVED AS TO FORM:

/s/ Lawrence R. McDowell
Lawrence R. McDowell
Deputy City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
BOESEN	✓			
GATTO	✓			
GRAY	✓			
MANDELBAUM	✓			
VOSS	✓			
WESTERGAARD	✓			
TOTAL	7			

MOTION CARRIED

APPROVED

J. M. Franklin Cownie
Mayor

CERTIFICATE

I, P. Kay Cmelik, 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.

P. Kay Cmelik

City Clerk