



Roll Call Number

22-1575

Agenda Item Number

65

Date October 3, 2022

HEARING AND RESOLUTION TAKING ACTION ON THE PROPOSITION TO AUTHORIZE AND ENTER INTO A LEASE PURCHASE AGREEMENT IN THE PRINCIPAL AMOUNT NOT TO EXCEED \$50,000 FOR THE PURPOSE OF ACQUIRING CERTAIN ITEMS OF EQUIPMENT CONSISTING OF TWO ELECTRIC VEHICLES

WHEREAS, it is deemed necessary and advisable that the City of Des Moines, Iowa ("City") shall enter into Lease Purchase Agreements with Texas Capital Bank, N.A. in the principal amount of not to exceed \$50,000 (the "Agreements" or "Lease Purchase Agreements") 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 Agreements will not exceed the economic life of the property to be acquired; and,

WHEREAS, the proposed Agreements 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 Agreements are on file in the Office of the City Clerk which provide that the City shall pay 24 monthly payments of principal and accrued interest with options 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; and,



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WHEREAS, on September 12, 2022, by Roll Call No. 22-1421, the City Council resolved that the proposition to authorize and enter into the Agreements be set down for hearing on October 3, 2022, 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 September 21, 2022, 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 Texas Capital Bank, N.A. for the purpose of acquiring certain items of equipment consisting of two Nissan Leaf 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 Agreements with Lease Servicing Center, Inc. and all objections thereto are taken into consideration by the City Council.
3. The City hereby takes action to authorize, approve and enter into the Lease Purchase Agreement with Texas Capital Bank, N.A. and any other entity for Unit # 15887 pursuant to Quote 15887 from D&M Leasing pursuant to Master Lease Agreement # 001709 dated March 10, 2021 and all incorporated and ancillary documents for the Lease and the City Manager is hereby authorized and directed to sign any documents necessary to complete this transaction.

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- 4. The City Manager or his designee is hereby authorized and directed to administer the terms of the Lease Purchase Agreement 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.

Moved by Gatto to adopt.

Second by Boesen.

APPROVED AS TO FORM:

Thomas G. Fisher Jr.

Thomas G. Fisher Jr.
Deputy City Attorney

| COUNCIL ACTION | YEAS | NAYS | PASS | ABSENT |
|----------------|------|------|------|--------|
| COWNIE | ✓ | | | |
| BOESEN | ✓ | | | |
| GATTO | ✓ | | | |
| MANDELBAUM | ✓ | | | |
| SHEUMAKER | ✓ | | | |
| VOSS | ✓ | | | |
| WESTERGAARD | ✓ | | | |
| TOTAL | 7 | | | |

MOTION CARRIED

APPROVED

J. M. Franklin Cownie
Mayor

CERTIFICATE

I, LAURA BAUMGARTNER, 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.

Laura Baumgartner

City Clerk