


ROLL CALL VOTING:	YES	NO
Mayor Brent Winder	[]	[]
Council Member Ben Hillyard	[X]	[]
Council member Brian Hutchings	[X]	[]
Council member Dorel Kynaston	[X]	[]
Council member Janet Lunt	[X]	[]
Council member Kari Malkovich	[]	[]

I move that this Resolution be adopted.


 Council Member

I second the foregoing motion.


 Council Member

RESOLUTION NO. 2024-13

A Resolution of the governing body of Woodland Hills, authorizing the execution and delivery of an Municipal Lease-Purchase Agreement with respect to the acquisition, Financing and leasing of certain equipment for the public benefit within the terms provided herein; authorizing the execution and delivery of documents required in connection therewith; and authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by this resolution.

WHEREAS, Woodland Hills (the “Lessee”), a city duly organized and existing as a political subdivision, municipal corporation or similar public entity of the State of Utah, is authorized by the laws of the State of Utah to acquire, finance and lease personal property for the benefit of the Lessee and its inhabitants and to enter into contracts with respect thereto; and

WHEREAS, the Lessee desires to acquire, finance, and lease certain equipment up to \$600,000 in total equipment financed constituting personal property necessary for the Lessee to perform essential governmental functions (the “Equipment”); and

WHEREAS, in order to acquire such Equipment, the Lessee proposes to enter into Municipal Lease-Purchase Agreements (the “Agreements”) with Financial Pacific Leasing, Inc. DBA Umpqua Bank Equipment Leasing & Finance (or one of its affiliates), as lessor, (the “Lessor”), the form of which has been presented to the governing body of the Lessee at this meeting; and

WHEREAS, the governing body of the Lessee deems it for the benefit of the Lessee and for the efficient and effective administration thereof to enter into the Agreements and the other documentation relating to the acquisition, financing and leasing of the Equipment to be therein described on the terms and conditions therein and herein provided;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the governing body of the Lessee as follows:

Section 1. Findings and Determinations. It is hereby found and determined that the terms of the Agreements, in the form presented to the governing body of Lessee at this meeting, are in the best interests of the Lessee for the acquisition, financing, and leasing of the Equipment.

Section 2. Approval of Documents; Designation as Bank Qualified. The form, terms and provisions of the Agreements are hereby approved in substantially the forms presented at this meeting, with such insertions, omissions, and changes as shall be approved by the Mayor or Mayor Pro-Tempore and City Council of the Lessee or other members of the governing body of the Lessee executing the same, the execution of such documents being conclusive evidence of such approval; and the Mayor or Mayor Pro-Tempore of the Lessee is hereby authorized and directed to execute, and the City Recorder of the Lessee is hereby authorized and directed to attest, the Agreements and any related Exhibits attached thereto and to deliver the Agreements (including such Exhibits) to the respective parties thereto [and the City Recorder of the Lessee is hereby authorized to affix the seal of the Lessee to such documents].

Section 3. Other Actions Authorized. The officers and employees of the Lessee shall take all action necessary or reasonably required by the parties to the Agreements to carry out, give effect to and consummate the transactions contemplated thereby (including the execution and delivery of a Final Acceptance Certificate, escrow agreements, disbursement requests and any tax certificate and agreement, as contemplated in the Agreements) and to take all action necessary in conformity therewith, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the Agreements, including the designation of the Agreements as “qualified tax-exempt obligations” under Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended, if requirements for such designation can be met.

Section 4. Appointment of Authorized Lessee Representatives. The Mayor or Mayor Pro-Tempore and City Recorder of the Lessee are each hereby designated to act as authorized representatives of the Lessee for purposes of the Agreements and any escrow agreements until such time as the governing body of the Lessee shall designate any other or different authorized representative for purposes of the Agreements or any escrow agreement.

Section 5. Severability. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 6. Repealer. All bylaws, orders and resolutions or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency with respect to this Resolution. This repealer shall not be construed as reviving any bylaw, order, resolution or ordinance or part thereof.

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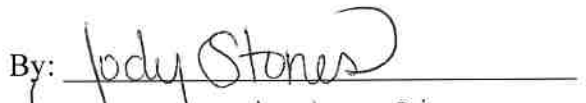
Section 7. *Effective Date.* This Resolution shall be effective immediately upon its approval and adoption.

ADOPTED AND APPROVED by the governing body of the Lessee this 14th day of March, 2024.



By: 
Printed Name: Ben Hilkjard
Title: Mayor Pro-Tempore

ATTEST:

By: 
Printed Name: Jody Stones
Title: City Recorder



umpqua bank
equipment leasing & finance

March 12, 2024

Ted Mickelsen
Public Works Director
Woodland Hills
609 S Woodland Drive
Woodland Hills, UT 84653

Dear Ted Mickelsen:

I am pleased to present the terms and conditions of our proposal to lease equipment to Woodland Hills. This letter is not an approval to enter into a lease, nor should it be construed as an offer or commitment to perform any undertaking.

An approval of this proposal may be considered after full review by the appropriate officers of Financial Pacific Leasing, Inc. and Umpqua Bank. Final approval may contain additional or modified terms.

Please indicate your interest in our proposal by signing and returning the enclosed copy of the "Terms and Conditions" by April 1, 2024. By accepting our proposal, you agree that Umpqua Bank Equipment Leasing & Finance shall not be held liable for any action or inaction stemming from this letter.

Thank you for this opportunity to respond to your needs. We hope that our proposal is both timely and competitive, and we look forward to working with you to successfully fund and close this transaction.

Sincerely,

Rik Johnson
Vice President
Umpqua Bank Equipment Leasing & Finance
Business Development Officer

M (425) 241-7969



[Web](#) | [Facebook](#) | [Twitter](#)

Terms and Conditions:

Lessor: Financial Pacific Leasing, Inc., d.b.a. Umpqua Bank Equipment Leasing & Finance, a subsidiary of Umpqua Bank or it's assigns ("Lessor")

Lessee(s): Woodland Hills

Equipment Financing Vehicle: Municipal Lease-Purchase Agreement

Equipment & Cost: Various vehicles listed on Exhibit "A" attached with this proposal as a separate excel spread sheet (the "Equipment"). All Equipment shall be satisfactory to Lessor.

Lease Amount: Not to exceed \$600,000.00 in the aggregate.

Lease Term: Five (5) years

Payments: Five (5) payments, payable annually to be paid May 1st of each year beginning May 1, 2024, with the final payment on May 1, 2028.

Periodic Funding per Vehicle

Structure: Individual lease agreements for each vehicle. Vehicles would be pre-accepted to allow funds to be disbursed to the appropriate vendor(s) ahead of actual delivery of the vehicle. A fee of \$100 per vehicle will be payable by Lessee upon execution of agreement. A titling fee of \$10 per vehicle will be due as each vehicle is delivered. A fee of \$250 for legal counsel will be due at time of lease commencement.

Interest Rate: The amount funded for such equipment on a lease shall accrue interest at the tax-exempt rate of 5.38% per annum, payable in advance. The amortization schedule for the lease for such equipment shall provide for a principal payment schedule resulting in level debt service payments.

The interest rate specified above is based upon the 5 year like term US Treasury Rate sourced from Chatham Financial Market Data ("Index") at 4.31% as of 8/11/2023. Should the Index increase prior to any final acceptance of equipment under a lease, the interest rate shall be adjusted to maintain the economic returns anticipated by Lessor. The interest rate becomes fixed for each individual lease agreement upon final delivery and acceptance of the specific vehicle for said agreement.

Early Buy-Out Option: So long as (i) Lessee is current in the payment of all rent and other amounts due under the lease, (ii) no event of default or event of non-appropriation exists under the lease, and (iii) subject to a minimum of 30 days written notice to Lessor, Lessee term may terminate the lease on the three year anniversary of the Commencement Date of the lease by paying the currently due rental payments, as well as outstanding principal component of the lease, and any other past due amounts or other amounts due under the lease, plus any applicable taxes. The

equipment shall be conveyed to Lessee on an "as-is, where-is" basis, without any representation or warranty from Lessor.

Any prepayments other than the Early Buy-Out Option shall be solely with the prior written consent of Lessor.

Commencement Date and Acceptance:

The Commencement Date for each Lease entered into under this Option B shall be the date that funds are remitted to the vendor for said vehicle. Conditions for remitting funds to the vendor shall include: (i) evidence of the listing of Lessor's lien on the vehicle title for said Equipment and (ii) acceptance of the Equipment by Lessee. The parties agree and understand that Lessee's unconditional acceptance of the Equipment vis-à-vis the Lessor, does not waive any rights and remedies that Lessee has and shall retain against the vendor.

Additional Provisions

Tax Benefits:

The lease shall be considered a municipal lease/purchase and shall qualify for tax-exempt status under federal tax law. Lessee shall pay all fees, assessments, sales, use, property and other taxes imposed, except those levied on the net income of Lessor by the United States, the State of Utah, or other applicable jurisdiction. The documents shall include the standard covenants, representations, and warranties applicable to a tax-exempt financing.

End of Lease Options:

At the end of the five-year lease term, Lessee will have the option to purchase all, but not less than all, of the Equipment under a lease for \$1.00.

Expiration of Facility:

All takedowns shall occur prior to 6/1/24, and without written consent of Lessor to extension, the facility shall expire. Lessor shall have no obligation to lease any item of Equipment after said date.

Net Lease:

All costs of operation, maintenance, taxes, insurance and other affiliated costs will be paid by Lessee as this transaction has been structured as a triple net lease.

Insurance:

Lessee will provide evidence of all-risk physical damage and liability insurance coverage in such amounts and with deductibles all as may be required by Lessor. In addition, endorsements and assignments of such policies shall name Lessor (and its assigns) as loss payee and/or additional insured, as may be required by Lessor. All insurance coverage shall be from a carrier acceptable to Lessor.

Maintenance:

Lessee shall, at its sole cost and expense, maintain the Equipment in compliance with all statutes, laws, ordinances, regulations, standards, and directives (including environmental) by any governmental agency and the Equipment must be maintained in accordance with all manufacturer's suggested and recommended maintenance procedures including preventive maintenance; and such other maintenance and return conditions as the Lessor may require.

Documentation: All legal matters and all documentation to be executed in connection with the contemplated lease shall be satisfactory in form and substance to Lessor and counsel to Lessor.

Costs & Expenses: Lessee shall be responsible for all fees, costs and disbursements incurred by Lessor in connection therewith, including without limitation, all fees and disbursements of counsel to Lessor (if any), appraisal costs (if any) and all filing and search fees.

**Additional Terms
& Conditions:**

- 1) The non-appropriation clause in the lease shall be satisfactory to Lessor.
- 2) Tax-exempt borrowing for 2024 by Lessee is not reasonably expected to exceed \$10,000,000, so it is assumed that, and pricing is based on, the leases being "Bank Qualified" under section 265(b)(3) of the IRS Code.
- 3) Lessee is a state or political subdivision thereof, within the meaning of Section 103 of the Internal Revenue Code of 1986, as amended.
- 4) Lessor shall receive an Opinion from Lessee's counsel stating that the lease qualifies for tax-exempt financing under IRS guidelines and the Opinion must reference #2 and #3 above.
- 5) Lessee's counsel shall provide with respect to each lease (i) an opinion that such lease is duly executed and delivered by Lessee and is a legal, valid, and binding obligation of Lessee enforceable in accordance with its terms, and (ii) such other customary opinions for such municipal leases.
- 6) Customary reporting requirements of Lessee.
- 7) Lessee shall prepare and file a Form 8038-G as a condition to funding for each lease.
- 8) Lessee grants permission to the Lessor to provide Unified Fleet Services copies of loan documents for record keeping purposes.

Confidentiality: Except as required by law, the proposal and its terms and conditions will not be disclosed publicly or privately except to those individuals who are your officers, employees or advisors who have a need to know because of being involved in the proposed financing. The foregoing confidentiality provisions shall not apply to the disclosure of the federal income tax structure or treatment of the proposed financing.

Authorization: Lessee acknowledges and agrees that Lessor may furnish all Lessee presented information, financials, analysis, and related credit and review materials to its employees, counsel, and agents as well as its participants and assigns. Lessee authorize Lessor to contact Umpqua Bank, and all trade suppliers and other references of Lessee, and to order any and all credit checks and investigative reports, all as Lessor deems necessary in connection with the evaluation of the transaction.


This proposal is for discussion purposes only, and is only a general, non-binding proposal on the part of Lessor.

[Acceptance page follows.]

I/We have reviewed the above Terms and Conditions and request the Lessor to pursue underwriting and approval of a commitment for the described lease agreement.

Accepted this 14th day of March, 2024

Woodland Hills

Federal Tax ID#: 87-0372219
By: 
Printed Name: Ben Hillyard
Title: Mayor Pro-Tempore



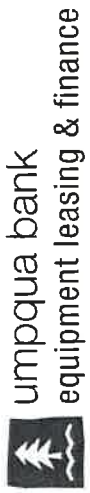


Exhibit A

Woodland Hills

YEAR	MAKE	MODEL	VIN	5/1/2024	5/1/2025	5/1/2026	5/1/2027	5/1/2028	5/1/2029	Cost
2023	Ford	F150	1GT49VEY9RF280675	\$12,500.00	\$12,500.00	\$12,500.00	\$24,885.27	\$24,885.27	\$1.00	\$67,791.00

Woodland Hills
Special City Council Meeting Agenda
March 14, 2024

Notice is Hereby Given that the Woodland Hills City Council will hold a Special City Council Meeting on March 14, 2024, beginning at 6:00 p.m. Meetings are held at the Woodland Hills City Center, 690 South Woodland Hills Drive, Woodland Hills, Utah.

Call to Order

1. Call to Order: Mayor Pro Tempore Ben Hillyard
2. Invocation: Council Member Lunt
3. Pledge of Allegiance: Council Member Kynaston
4. Public Comment

Business and Discussion

5. Resolution 2024-13 Authorizing the Execution and Delivery of a Municipal Lease-Purchase Agreement.

Adjournment

Posting

Posted March 13, 2024

Jody Stones, City Recorder

Zoom Meeting Information

<https://zoom.us/j/91223028372?pwd=d3FjVE5EV3pyeEdMWUVTZUoSUlFqZz09>

Meeting ID: 912 2302 8372

Passcode: 690089