

RESOLUTION 2025-02

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UKIAH APPROVING PURCHASE OF RIMS MULTI-AGENCY COMPUTER-AIDED DISPATCH AND RECORDS MANAGEMENT SOFTWARE AND AUTHORIZING CITY MANAGER TO NEGOTIATE AND EXECUTE LEASE PURCHASE AGREEMENT AND RELATED DOCUMENTS

WHEREAS:

1. The City has determined to acquire RIMS Multi-Agency Computer-Aided Dispatch and Records Management Software ("the Equipment") as an essential component of the dispatch services provided by the City's Police Department for the City and the City of Fort Bragg, and to support the provision of life and safety protection in both cities; and

2. The City Council has determined that acquiring the Equipment under a Master Lease Agreement ("Lease") and accompanying Equipment Schedule ("Schedule") with Financial Pacific Leasing, Inc., DBA Umpqua Bank Equipment Leasing & Finance ("Umpqua") is in the best interests of the City; and

3. Under the Lease, the City will assign to Umpqua the City's rights, but not its obligations, to acquire the Equipment and Umpqua will lease the Equipment to the City pursuant to the terms set forth in the Term Sheet, attached hereto as Exhibit A; and

4. The City will be obligated under the Lease and accompanying Schedule with Umpqua to make sixty monthly lease payments which will total the purchase price of the Equipment plus interest, provided the City Council appropriates funds each year to make the lease payments.

NOW, THEREFORE, BE IT RESOLVED that:

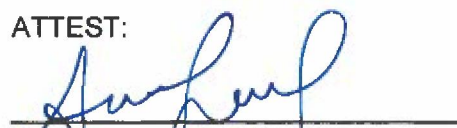
1. The purchase of the Equipment from Sun Ridge Systems, Inc. for the total amount of \$379,665, including sales tax, is hereby approved.
2. The City Manager is hereby authorized and directed to negotiate and execute on behalf of the City a Lease, Schedule and related documents to finance the purchase of the Equipment in accordance with the Term Sheet, attached hereto as Exhibit A, subject to legal review by the City Attorney.

PASSED AND ADOPTED this 15th day of January, 2025, by the following roll call vote:

AYES: Councilmembers Rodin, Criss, Orozco, Sher, and Mayor Crane.
NOES: None.
ABSENT: None.
ABSTAIN: None.


Douglas F. Crane, Mayor

ATTEST:


Araceli Sandoval, Deputy City Clerk

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):	City of Ukiah
Equipment Financing Vehicle:	Municipal Lease-Purchase Agreement
Equipment & Cost:	Anticipated equipment to be: RIMS Multi Agency Computer Aided Dispatch and Records Management Software. All Equipment shall be satisfactory to Lessor.
Lease Amount:	Not to exceed \$379,665 in the aggregate.
Lease Term:	Five (5) years
Payments:	Sixty (60) payments, payable monthly in arrears of \$7,260.76
Lease Rate:	5.55%.
Tax Benefits:	The lease shall be considered a municipal lease/purchase and qualifies for tax-exempt status. 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 California, or other applicable jurisdiction.
Progress Payments:	Lessor will consider periodically disbursing funds to various Equipment vendors under a progress payment agreement (PPA) between Lessor and Lessee. Any funds outstanding under the PPA shall accrue interest from the date of funding to the lease funding date at the 30 day average SOFR rate + 110bp. Such interest shall be calculated 15 days prior to the 1 st day of each month and shall be fixed for each monthly period thereafter. Interest shall be payable on the 1 st day of each month after initial funding. No interest shall be capitalized into the Equipment cost.
End of Lease Options:	At the end of the initial lease term, Lessee will have the option to purchase all, but not less than all, of the Equipment for \$1.00.
Prepayment Option:	For months 1 through 12, Lessee shall have the option to prepay the outstanding Agreement by paying the sum of the outstanding Agreement balance plus a premium of 3% of the outstanding balance. For months 13 through 24, Lessee shall have the option to prepay the outstanding Agreement by paying the sum of the outstanding Agreement balance plus a premium of 2% of the outstanding balance. For months 25 through 36, Lessee shall have the option to prepay the outstanding Agreement by paying the sum of the outstanding Agreement balance plus a premium of 1% of the outstanding balance. After 36 months of the

Agreement term, Lessee shall have the option to prepay the Agreement without premium. Lessee shall have the right to exercise the Prepayment Option provided no event of Default shall have occurred and be continuing and any and all fees, taxes and all other charges are current.

Expiration of Facility: All takedowns shall occur prior to December 31, 2025 and without 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 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. A documentation fee of \$500 per lease schedule/takedown will be payable by Lessee.

**Additional Terms
& Conditions:**

- 1) The non-appropriation clause in the lease shall be satisfactory to Lessor.
- 2) Tax-exempt borrowing for 2023 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 8028-G as a condition to funding for each lease.