

CITY OF LEADVILLE, COLORADO
Resolution No. 13
Series of 2022

**AN RESOLUTION AUTHORIZING THE CITY OF LEADVILLE TO
ENTER INTO A MUNICIPAL LEASE-PURCHASE AGREEMENT WITH NBH
BANK FOR THE LEASE AND PURCHASE OF ONE STREET SWEEPER FOR
STREET DEPARTMENT PURPOSES**

WHEREAS, the City of Leadville (“City” or “Lessee”) is authorized by state law to acquire equipment for municipal purposes and to enter into leases for the same, which leases may include an option to purchase and acquire title to the leased property; and

WHEREAS, City Council, as the governing body of the City of Leadville, has determined that a true and real need exists for the acquisition of a Dulevo 6000 Street Sweeper (“Equipment”) through a lease-purchase agreement with NBH Bank, a Colorado corporation operating under the trade name of Community Banks of Colorado (“Lease-Purchase Agreement”), for use in the efficient and proper operation of the Leadville Street Department; and

WHEREAS, the City has taken the necessary steps under applicable law to arrange for the acquisition and financing of such Equipment; and

WHEREAS, either there are no legal bidding requirements under applicable law to arrange for the leasing of such property under the Lease-Purchase Agreement or the City Council has taken the steps necessary to comply with the same with respect to the Equipment to be acquired under the Lease-Purchase Agreement.


NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF CITY OF LEADVILLE, COLORADO, AS FOLLOWS:

Section 1. Recitals. The recitals contained above are incorporated herein by reference and are adopted as findings and determinations of the City Council.

Section 2. Findings and Authorizations. The City Council of the City of Leadville makes the following findings and representations:

- (a) City Council hereby approves the purchase of one street sweeper for the City’s Street Department in an amount not to exceed **Two Hundred Ninety-Four Thousand Three Hundred Seventy-Two Dollars and Zero Cents (\$294,372.00)**, paid over sixty (60) months.
- (b) City Council further authorizes the Mayor to execute a Lease-Purchase Agreement with NBH Bank following review and approval of the Lease-Purchase Agreement by the City Attorney. The Mayor and the City Attorney, as appropriate, are authorized to execute and deliver on behalf of the City all documents necessary to acquire the Equipment, and the Mayor and City Attorney are further authorized to negotiate and

approve on behalf of the City such revisions to the Lease-Purchase Agreement and supporting documents as deemed necessary or desirable as long as any revisions do not materially increase the obligations of the City.



Signature of Party to Sign Lease-Purchase Agreement
Greg Labbe, Mayor

- (c) The complete and correct name of the Lessee is the City of Leadville, a political subdivision of the State of Colorado. The City is and at all times shall be a duly organized and existing entity under the laws of Colorado with the full power and authority to own its properties and to transact the business and activities in which it is presently engaged or presently proposes to engage. The City does not do business under any other assumed business names.
- (d) The City maintains its offices at 800 Harrison Avenue, Leadville, Colorado 80461.
- (e) The City will perform all acts within its power which are or may be necessary to maintain its legal status as a duly organized and existing entity under the laws of Colorado, which status is the basis for the interest portion of the rental payments coming due under the Lease-Purchase Agreement, and to at all times remain exempt from federal income taxation under the laws and regulations of the United States as presently enacted and construed or as hereafter amended.
- (f) The acquisition of the Equipment is necessary, convenient, in the furtherance of, and will at all times be used in connection with, the City's governmental and proprietary purposes and functions and are in the best interests of the City. No portion of the Equipment will be used directly or indirectly in any trade or business carried on by any person other than a governmental unit of the State for lawful municipal purposes.
- (g) The meetings at which the City Council considered and adopted this Resolution were properly noticed and conducted as open meetings in accordance with Colorado law.
- (h) There are no legal or governmental proceedings or litigation pending against the Lessee which might adversely affect the transactions contemplated in or the validity of the Lease-Purchase Agreement.
- (i) City Council authorizes the Mayor, City Attorney, and City Staff to take such other actions as may be necessary and that do not increase the financial obligations of the City to execute the Lease-Purchase Agreement and to complete the acquisition of the Equipment

Section 3. Severability. Should any one or more sections or provisions of this Resolution be judicially determined invalid or unenforceable, such judgment shall not affect, impair

or invalidate the remaining provisions of this Resolution, the intention being that the various sections and provisions are severable.

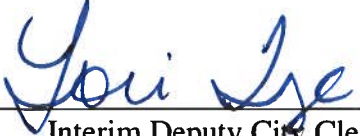
Section 4. Effective Date. This Resolution shall become effective upon its adoption by the City Council.

CITY OF LEADVILLE, COLORADO:



Greg Labbe, Mayor

ATTEST:



Interim Deputy City Clerk

ADOPTED by a vote of 7 in favor and 0 against, and 0 abstaining this 26th day of April, 2022.

CITY OF LEADVILLE

**LENDING PROPOSAL FOR
SERIES 2022 EQUIPMENT LEASE PURCHASE**

April 26, 2022

Submitted by:

**Melanie Medina
Government & Nonprofit Banking
NBH Bank
P: (303) 784-5940
melanie.medina@nbhbank.com**

**7800 E. Orchard Rd., Suite 300
Greenwood Village, CO 80111**

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April 26, 2022

City of Leadville
Attn: Dawna Schneiter
800 Harrison Ave.
Leadville, CO 80461

RE: Hardline Equipment Proposal No. 2327 10/7/21

Dear Ms. Schneiter,

On behalf of NBH Bank ("NBH"), I am pleased to present you with the following Summary of Indicative Terms and Conditions. This Summary has been provided for the sole use of the Borrower and Borrower's paid advisors. The information contained in this document is confidential and proprietary to NBH Bank and its affiliates, and cannot be disclosed to any third party without prior written consent of the Bank.

The terms and general conditions of the proposed facility are detailed below. Please note that this proposal is for discussion purposes and has not been formally approved nor is it intended to imply that a formal commitment will be approved. We look forward to discussing this proposal after you have had adequate time to review.

Please do not hesitate to contact us with any questions or comments about our proposal. We look forward to speaking with you soon.

Sincerely,



Melanie Medina
Portfolio Manager
NBH Bank Government / Nonprofit Finance
(303) 784-5940
Melanie.Medina@nbhbank.com

Summary of Indicative Terms and Conditions

Borrower:	City of Leadville (the "City").
Lender:	NBH Bank (the "Bank", or "NBH").
Credit Facility:	Tax-exempt Equipment Lease Purchase
Facility Amount:	In an amount up to \$267,712
Purpose:	Purchase of one (1) 2022 Street Sweeper
Security:	First Lien on vehicle and equipment.
Term:	5 years, fully amortized. See exhibit A for an example of annual payment schedule.
Payments:	Payment schedule mutually agreeable to the City and the Bank. Principal and Interest portions of Lease rental payments payable monthly. Interest will accrue from the closing date, and will continue through maturity or prior redemption.
Escrow Fee:	The Bank is willing to act as Escrow Agent. The fee for such service is waived.
Interest Rate:	<p>Tax-exempt, Bank Qualified, Fixed rates through maturity, currently quoted as: 5-year rate currently at 3.80% as of April 26, 2022. The rate will be subject to change based on fluctuation in the index prior to lock date. The Borrower may lock the rate up to 30 days prior to closing.</p> <p>Interest shall be computed as twelve 30-day months and a 360-day year.</p> <p>In the event that the financing is deemed to be taxable as a result of action/inaction of the Obligor, the Bank will have the option to convert the rate to the taxable-equivalent rate.</p>
Callability:	Callable in whole or in part at any time without penalty.
Default Rate:	The Default Rate will be the Tax-Exempt Fixed Rate + 3.00% per annum until the Default is cured.
Closing Fee:	\$250.00
Reporting Requirements:	<ol style="list-style-type: none">1. Audited financials within 270 days of fiscal year end;2. Annual budget within 30 days following fiscal year end;3. Other financial information upon request.
Subject To:	Necessary additional due diligence for formal approval.

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**Fees, Expenses,
and
Indemnification:**

Whether or not the Financing Agreement is executed and the Bank has provided a commitment to lend, Issuer will (a) pay all fees and expenses relating to preparation of the loan documents (\$250 documentation fee waived), and (b) to the extent permitted by law, indemnify the Bank and its respective directors, officers and employees against all claims asserted and losses, liabilities and expenses incurred in connection with the transaction. This fee does not include costs that may be incurred by the Town's counsel or additional Bank Counsel fees if the Bank-provided documents are materially changed or not used.

**EXHIBIT A
PROPOSED SCHEDULE OF PAYMENTS**

Commencement Date
25-May-22

Pmt #	Payment Date	Principal Balance	Total Payment	Interest Portion	Principal Portion	Purchase Price
		267,712.00				
1	25-Jun-22	263,653.56	4,906.20	847.75	4,058.44	263,653.56
2	25-Jul-22	259,582.26	4,906.20	834.90	4,071.30	259,582.26
3	25-Aug-22	255,498.07	4,906.20	822.01	4,084.19	255,498.07
4	25-Sep-22	251,400.95	4,906.20	809.08	4,097.12	251,400.95
5	25-Oct-22	247,290.85	4,906.20	796.10	4,110.10	247,290.86
6	25-Nov-22	243,167.74	4,906.20	783.09	4,123.11	243,167.75
7	25-Dec-22	239,031.58	4,906.20	770.03	4,136.17	239,031.58
8	25-Jan-23	234,882.31	4,906.20	756.93	4,149.27	234,882.31
9	25-Feb-23	230,719.90	4,906.20	743.79	4,162.41	230,719.91
10	25-Mar-23	226,544.31	4,906.20	730.61	4,175.59	226,544.32
11	25-Apr-23	222,355.50	4,906.20	717.39	4,188.81	222,355.52
12	25-May-23	218,153.43	4,906.20	704.13	4,202.07	218,153.44
13	25-Jun-23	213,938.05	4,906.20	690.82	4,215.38	213,938.06
14	25-Jul-23	209,709.33	4,906.20	677.47	4,228.73	209,709.34
15	25-Aug-23	205,467.21	4,906.20	664.08	4,242.12	205,467.22
16	25-Sep-23	201,211.66	4,906.20	650.65	4,255.55	201,211.66
17	25-Oct-23	196,942.63	4,906.20	637.17	4,269.03	196,942.64
18	25-Nov-23	192,660.08	4,906.20	623.65	4,282.55	192,660.09
19	25-Dec-23	188,363.97	4,906.20	610.09	4,296.11	188,363.98
20	25-Jan-24	184,054.27	4,906.20	596.49	4,309.71	184,054.27
21	25-Feb-24	179,730.91	4,906.20	582.84	4,323.36	179,730.91
22	25-Mar-24	175,393.86	4,906.20	569.15	4,337.05	175,393.86
23	25-Apr-24	171,043.07	4,906.20	555.41	4,350.79	171,043.07
24	25-May-24	166,678.51	4,906.20	541.64	4,364.56	166,678.51
25	25-Jun-24	162,300.13	4,906.20	527.82	4,378.38	162,300.13
26	25-Jul-24	157,907.89	4,906.20	513.95	4,392.25	157,907.88
27	25-Aug-24	153,501.73	4,906.20	500.04	4,406.16	153,501.72
28	25-Sep-24	149,081.62	4,906.20	486.09	4,420.11	149,081.61
29	25-Oct-24	144,647.51	4,906.20	472.09	4,434.11	144,647.51
30	25-Nov-24	140,199.36	4,906.20	458.05	4,448.15	140,199.36

EXHIBIT A CONTINUED

31	25-Dec-24	135,737.12	4,906.20	443.96	4,462.24	135,737.13
32	25-Jan-25	131,260.75	4,906.20	429.83	4,476.37	131,260.76
33	25-Feb-25	126,770.22	4,906.20	415.66	4,490.54	126,770.22
34	25-Mar-25	122,265.46	4,906.20	401.44	4,504.76	122,265.46
35	25-Apr-25	117,746.43	4,906.20	387.17	4,519.03	117,746.44
36	25-May-25	113,213.09	4,906.20	372.86	4,533.34	113,213.10
37	25-Jun-25	108,665.40	4,906.20	358.51	4,547.69	108,665.41
38	25-Jul-25	104,103.31	4,906.20	344.11	4,562.09	104,103.32
39	25-Aug-25	99,526.78	4,906.20	329.66	4,576.54	99,526.78
40	25-Sep-25	94,935.75	4,906.20	315.17	4,591.03	94,935.75
41	25-Oct-25	90,330.18	4,906.20	300.63	4,605.57	90,330.18
42	25-Nov-25	85,710.03	4,906.20	286.05	4,620.15	85,710.03
43	25-Dec-25	81,075.25	4,906.20	271.42	4,634.78	81,075.25
44	25-Jan-26	76,425.79	4,906.20	256.74	4,649.46	76,425.79
45	25-Feb-26	71,761.61	4,906.20	242.02	4,664.18	71,761.61
46	25-Mar-26	67,082.67	4,906.20	227.25	4,678.95	67,082.65
47	25-Apr-26	62,388.90	4,906.20	212.43	4,693.77	62,388.88
48	25-May-26	57,680.26	4,906.20	197.56	4,708.64	57,680.25
49	25-Jun-26	52,956.71	4,906.20	182.65	4,723.55	52,956.70
50	25-Jul-26	48,218.21	4,906.20	167.70	4,738.50	48,218.20
51	25-Aug-26	43,464.70	4,906.20	152.69	4,753.51	43,464.69
52	25-Sep-26	38,696.15	4,906.20	137.64	4,768.56	38,696.13
53	25-Oct-26	33,912.49	4,906.20	122.54	4,783.66	33,912.47
54	25-Nov-26	29,113.68	4,906.20	107.39	4,798.81	29,113.66
55	25-Dec-26	24,299.67	4,906.20	92.19	4,814.01	24,299.66
56	25-Jan-27	19,470.42	4,906.20	76.95	4,829.25	19,470.41
57	25-Feb-27	14,625.88	4,906.20	61.66	4,844.54	14,625.87
58	25-Mar-27	9,766.00	4,906.20	46.32	4,859.88	9,765.98
59	25-Apr-27	4,890.74	4,906.20	30.93	4,875.27	4,890.71
60	25-May-27	0.00	4,906.20	15.46	4,890.74	0.00
TOTALS			294,371.91	26,659.91	267,712.00	
Interest Rate		3.80%				

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AGREED AND ACCEPTED:

GREG LABBE
Authorized Signer

4/26/22
Date

Greg Labbe
Signature

All preliminary terms and conditions outlined herein are confidential and may not be shared with any financial institution without the prior consent of NBH Bank N.A. This information is intended for discussion purposes only, and is offered by NBH Bank N.A. as a preliminary indication of interest.

This indication of interest does not represent a commitment to lend monies, nor is it an indication that a formal lending commitment may be forthcoming. Any formal lending commitment that may be issued by NBH Bank N.A. will be subject to the satisfactory conclusion of the Bank's due diligence, completion of the Bank's credit underwriting process, and requisite approval by the Bank's credit authorities.