Senate File 2267

Judiciary and Law Enforcement: Conlon, Chair; Brandt and Johnson of Howard.

Do Pass 3/31 (p. 1146)

RECD MAR 1

SENATE FILE 2267

BY COMMITTEE ON JUDICIARY

(FORMERLY SSB 2248)

approved (p. 719)

Passed Senate, Date 3-19-82 (p. 836) Passed House, Date 4-7-82 (p. 1297)

Vote: Ayes 39 Nays 4 Vote: Ayes 97 Nays 0

Approved April 22, 1982

# A BILL FOR

An Act to legalize and validate the proceedings of the board of directors of the Iowa western community college (merged area XIII) in the counties of Adair, Adams, Audubon, Cass, Crawford, Fremont, Harrison, Mills, Monona, Montgomery, Page, Pottawattamie and Shelby in connection with certain contracts to construct and to lease facilities with purchase option effective upon publication.

SF 2267

S.F. 2267 H.F. _____

WHEREAS, the board of directors of the Iowa western community college (merged area XIII) advertised for and received bids for the construction and lease with purchase option of a project designated as the continuing education lecture center and Kanesville center addition to its campus; and

WHEREAS, it appears from the records of the Iowa western community college that the most favorable bid by Knudson, Inc. was accepted by the board of directors under which the contractor was obligated to execute a contract to construct and a lease agreement with purchase option pursuant to section 280A.38 setting forth the terms of the lease of the project to the college; and

WHEREAS, the Iowa western community college and the contractor have by change order amended a term of the lease agreement with purchase option with respect to the dates on which the college may exercise its right to purchase and corrected errors in the lease and established the terms of the lease at fifteen years; and

WHEREAS, doubts have arisen concerning the validity and legal sufficiency of that action and it is deemed advisable to put such doubts and all others that might arise concerning the proceedings forever at rest; NOW THEREFORE,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. That all proceedings taken by the board of directors of the Iowa western community college (merged area XIII), in connection with the award of contract to Knudson, Inc., the execution of the contract to construct, and the execution and amendment of the lease agreement with purchase option are legalized and confirmed and the contract to construct and lease and the lease agreement with purchase option as amended and modified constitute binding obligations of the merged area district enforceable in accordance with their terms by the contractor or an approved assignee of the contractor.

Sec. 2. This Act, being deemed of immediate importance, takes effect from and after its publication in The Council Bluffs Nonpareil, a newspaper published in Council Bluffs, Iowa, and in The Red Oak Express, a newspaper published in Red Oak, Iowa.

EXPLANATION

This bill legalizes the proceedings of the board of directors of Iowa western community college (merged area XIII) in connection with a contract to construct and lease agreement with a purchase option. A provision of the lease agreement with purchase option has resulted in the inability of the contractor to raise the needed funds to perform. By agreement the college accepted a change which would make the first purchase option effective in 1987 rather than 1982.

The bill is effective upon publication.

SENATE FILE 2267

AN ACT

TO LEGALIZE AND VALIDATE THE PROCEEDINGS OF THE BOARD OF DIRECTORS OF THE IOWA WESTERN COMMUNITY COLLEGE (MERGED AREA XIII) IN THE COUNTIES OF ADAIR, ADAMS, AUDUBON, CASS, CRAWFORD, FREMONT, HARRISON, MILLS, MONONA, MONTGOMERY, PAGE, POTTAWATTAMIE AND SHELBY IN CONNECTION WITH CERTAIN CONTRACTS TO CONSTRUCT AND TO LEASE FACILITIES WITH PURCHASE OPTION EFFECTIVE UPON PUBLICATION.

WHEREAS, the board of directors of the Iowa western community college (merged area XIII) advertised for and received bids for the construction and lease with purchase option of a project designated as the continuing education lecture center and Kanesville center addition to its campus; and



WHEREAS, it appears from the records of the Iowa western community college that the most favorable bid by Knudson, Inc. was accepted by the board of directors under which the contractor was obligated to execute a contract to construct and a lease agreement with purchase option pursuant to section 280A.38 setting forth the terms of the lease of the project to the college; and

WHEREAS, the Iowa western community college and the contractor have by change order amended a term of the lease agreement with purchase option with respect to the dates on which the college may exercise its right to purchase and corrected errors in the lease and established the terms of the lease at fifteen years; and

WHEREAS, doubts have arisen concerning the validity and legal sufficiency of that action and it is deemed advisable to put such doubts and all others that might arise concerning the proceedings forever at rest; NOW THEREFORE,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. That all proceedings taken by the board of directors of the Iowa western community college (merged area XIII), in connection with the award of contract to Knudson, Inc., the execution of the contract to construct, and the execution and amendment of the lease agreement with purchase option are legalized and confirmed and the contract to construct and lease and the lease agreement with purchase option as amended and modified constitute binding obligations of the merged area district enforceable in accordance with their terms by the contractor or an approved assignee of the contractor.

Sec. 2. This Act, being deemed of immediate importance, takes effect from and after its publication in The Council Bluffs Nonpareil, a newspaper published in Council Bluffs.

S.F. 2267

Iowa, and in The Red Oak Express, a newspaper published in Red Oak, Iowa.

TERRY E. BRANSTAD
President of the Senate

DELWYN STROMER
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2267, Sixty-ninth General Assembly.

K. MARIE THAYER
Secretary of the Senate

Approved April 22, 1982

ROBERT D. RAY
Governor