

**TOWN OF PARADISE
RESOLUTION NO. 16-59**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PARADISE,
CALIFORNIA, AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE
WITH OPTION TO PURCHASE, AND AUTHORIZING CERTAIN ACTIONS
IN CONNECTION THEREWITH**

WHEREAS, the Town Council of the Town of Paradise has determined that a true and very real need exists to replace three (3) patrol vehicles and equipment, one (1) Chevy Colorado extended cab truck or the equivalent, and one (1) tree/brush chipper that will be described in the Master Lease/Purchase Agreement (the “Lease”) with **USbancorp Government Leasing and Finance** (the “Lessor”). The Town of Paradise has determined that it is necessary, desirable and in their best interest to enter into the Lease for the purposes herein specified, and the execution and delivery are hereby approved, ratified and confirmed, and

WHEREAS, the Town of Paradise (the “Town”) is a municipal corporation duly organized and existing under and pursuant to the Constitution and laws of the State of California; and

WHEREAS, the Town desires to provide for financing in the approximate amount of \$216,500 for the financing of the following 2016-2017 projects (the “Property”); and

5 Year	3 Ford Explorer 4-Door Patrol Vehicles & Equipment	\$145,500
	Chevy Colorado Extended Cab Truck or Equivalent	31,000
	Commercial Grade Tree/Brush Chipper	40,000

WHEREAS, USbancorp Government Leasing and Finance (the “Corporation”) has proposed a cost-effective lease purchase financing arrangement according to the useful life of the items to be purchased at a 1.79% interest rate for five years;

WHEREAS, the Town has determined that this lease financing arrangement is the most economical means for providing the Property to the Town.

NOW, THEREFORE, be it resolved by the Town Council of the Town of Paradise as follows:

SECTION 1. Lease with Option to Purchase. The Mayor, Town Manager or a designee is hereby authorized to enter into a Lease with Option to Purchase (the “Lease”) with the Corporation to finance the Property and to transfer ownership to the Property as necessary to enter into the Lease, subject to approval as to form by the Town’s legal counsel.

SECTION 2. Attestation. The Town Clerk or other appropriate Town officer is hereby authorized and directed to attest the signature of the Mayor or Town Manager or of such other person or persons as may have been designated by the Mayor or Town Manager, and to affix and attest the seal of the Town, as may be required or appropriate in connection with the execution and delivery of the Lease.

SECTION 3. Other Actions. The Mayor, Town Manager and other officers of the Town are each hereby authorized and directed, jointly and severally, to take any and all actions and to execute and deliver any and all agreements, documents and certificates which they may deem

necessary or advisable in order to carry out, give effect to and comply with the terms of this Resolution and the Lease. Such actions are hereby ratified, confirmed and approved.

SECTION 4. Qualified Tax-Exempt Obligations. The Lease is hereby designated as “qualified tax-exempt obligations” within the meaning of Section 265(b) (3) of the Internal Revenue Code of 1986, as amended the “Code). The Town together with all subordinate entities of the Town, do not reasonably expect to issue during the calendar year in which the Lease is issued more than \$10,000,000 of obligations which it could designate as “qualified tax-exempt obligations” under Section 265(b) of the Code.

SECTION 5. Reimbursement of Prior Expenditures. The Town declares its official intent to be reimbursed from the proceeds of the Lease approved hereby for a maximum principal amount of \$225,000 of expenditure occurring no earlier than sixty days prior to the adoption of this Resolution. All reimbursed expenditures will be capital expenditures as defined in Section 1.150-1(b) of the Federal Income Tax Regulations.

SECTION 6. Effect. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the Town Council of the Town of Paradise this 13th day of September, 2016, by the following vote:

AYES: Greg Bolin, Steve “Woody” Culleton, Scott Lotter, Jody Jones, Mayor

NOES: None

ABSENT: John J. Rawlings

NOT VOTING: None

Approved: _____

Jody Jones, Mayor

ATTEST: *September 14, 2016*

BY: _____

Dina Volenski, CMC, Town Clerk

APPROVED AS TO LEGAL FORM:

BY: _____

Dwight L. Moore, Town Attorney