

Resolution No. 2019-04-15-010

WHEREAS: The City of Cameron, Texas (the “City”) has previously determined to acquire a new road grader (the “Equipment”) for use by the City and the City Manager has now presented a proposal for a Lease Agreement regarding the acquisition and financing of the Equipment.

BE IT THEREFORE RESOLVED, as follows:

1. The City hereby determines to lease the Equipment through Classic Bank in accordance with the proposal dated April 11, 2019. The amount financed shall not exceed \$192,870.69, the annual interest rate (in the absence of default or change in tax status) shall not exceed 2.98% and the lease term shall not exceed 7 years from closing.

2. All financing contracts and all related documents for the closing of the financing (the “Financing Documents”) shall be consistent with the foregoing terms. The City Manager of the City is hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as he may consider necessary or desirable, to carry out the financing of the Equipment as contemplated by the proposal and this resolution. The Financing Documents shall include a Lease Agreement and related documents as Classic Bank may request.

3. The City Manager is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to his satisfaction. The City Manager is authorized to approve changes to any Financing Documents previously signed by City officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the City Manager shall approve, with the City Manager’s release of any Financing Document for delivery constituting conclusive evidence of his final approval of the document’s final form.

4. The City shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The City hereby designates its obligations to make principal and interest payments under the Financing Documents as “qualified tax-exempt obligations” for the purpose of Internal Revenue Code Section 265(b)(3).

5. The City intends that the adoption of this resolution will be a declaration of the City’s official intent to reimburse expenditures for the Equipment that is to be financed from the proceeds of the Classic Bank financing described above. The source of funds to make payments under the Financing Documents is tax revenue. The City intends that funds that have been advanced, or that may be advanced, from the City’s general fund.

6. The Equipment is essential to the function of the City of Cameron and to provide services to the citizens. The City has the immediate need for the Equipment which need is not temporary and is not expected to diminish. The Equipment will be used by the City for the purpose of performing one or more of our governmental or proprietary functions consistent with the permissible scope of our authority. The Equipment will be used for transportation and roads.

7. All prior actions of City officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved this 15th day of April, 2019.

THE CITY OF CAMERON, TEXAS

Connie Anderle, Mayor

ATTEST:

Amy Harris
City Secretary