

RESOLUTION NO. R-2017-4748

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A MUNICIPAL LEASE/PURCHASE AGREEMENT WITH THE FROST NATIONAL BANK; AND RELATED INSTRUMENTS, AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the City of Round Rock, Texas (“City”), as Lessee, proposes to enter into a Municipal Lease/Purchase Agreement with The Frost National Bank (“Bank”), as Lessor; and

WHEREAS, the principal amount expected to be financed is \$3,000,000.00; and

WHEREAS, Lessee is a political subdivision of the State of Texas in which Lessee is located (the “State”) and is duly organized and existing pursuant to the constitution and laws of the State of Texas; and

WHEREAS, pursuant to applicable law, the governing body of Lessee (“City Council”) is authorized to acquire, dispose of and encumber real and personal property including, without limitation, rights and interests in property, leases and easements necessary to the functions or operations of Lessee; and

WHEREAS, the City Council desires to obtain certain equipment described in Exhibit “B” “Equipment List” to the Municipal Lease/Purchase Agreement in an amount not to exceed \$3,000,000.00 (collectively the “Lease”) with Frost Bank.; and

WHEREAS, the City Council hereby finds and determines that the execution of one or more lease-purchase agreements (“Equipment Leases”) in the principal amount not exceeding the amount stated above (“Principal Amount”) for the purpose of acquiring the property (“Property”) described specifically in the Equipment Leases is appropriate and necessary to the functions and operations of Lessee, and that the Equipment is essential for Lessee to perform its governmental functions; and

WHEREAS, Lessee has taken the necessary steps, including those relating to any applicable legal bidding requirements, to arrange for the acquisition of the Equipment; and

WHEREAS, Lessee may pay certain capital expenditures in connection with the Property prior to its receipt of the proceeds of the Equipment Leases (“Lease Purchase Proceeds”) for such expenditures and such expenditures are not expected to exceed the Principal Amount; and

WHEREAS, the U.S. Treasury Department regulations do not allow the proceeds of tax-exempt borrowing to be spent on working capital and the Lessee shall hereby declare its official intent to be reimbursed for any capital expenditures for Property from the Lease Purchase Proceeds, Now Therefore

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ROUND ROCK, TEXAS,

Section 1. That the Mayor (“Authorized Representative”) acting on behalf of Lessee is hereby authorized to negotiate, enter into, execute, and deliver one or more Equipment Leases in substantially the form set forth in Exhibit A and presently before the City Council, attached hereto and incorporated herein, which document is available for public inspection at the office of the Lessee. Each Authorized Representative acting on behalf of Lessee is hereby authorized to negotiate, enter into, execute, and deliver such other documents relating to the Equipment Lease as the Authorized Representative deems necessary and appropriate. All other related contracts and agreements necessary and incidental to the Equipment Leases are hereby authorized.

Section 2. That by a written instrument signed by an Authorized Representative, said Authorized Representative may designate specifically identified officers or employees of Lessee

to execute and deliver agreements and documents relating to the Equipment Leases on behalf of Lessee.

Section 3. That the aggregate original principal amount of the Equipment Leases shall not exceed the Principal Amount and shall bear interest as set forth in the Equipment Leases and the Equipment Leases shall contain such options to purchase by Lessee as set forth therein.

Section 4. The Lessee's obligations under the Equipment Leases shall be subject to annual appropriation or renewal by the City Council as set forth in each Equipment Lease and the Lessee's obligations under the Equipment Leases shall not constitute a general obligation of the Lessee or indebtedness under the constitution of the laws of the State of Texas.

Section 5. The City Council of Lessee anticipates that the Lessee may pay certain capital expenditures in connection with the Property prior to the receipt of the Lease Purchase Proceeds for the Property. The City Council hereby declares the Lessee's official intent to use the Lease Purchase Proceeds to reimburse itself for Property expenditures. This section of the Resolution is adopted by the City Council for the purpose of establishing compliance with the requirements of Section 1.150-2 of Treasury Regulations. This section of the Resolution does not bind the Lessee to any expenditures, incur any indebtedness, or proceed with the purchase of the Property.

Section 6. This Resolution shall take effect immediately upon its adoption and approval.

The City Council hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution was adopted was posted and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof were discussed, considered and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

RESOLVED this 14th day of September, 2017.

CRAIG MORGAN, Mayor
City of Round Rock, Texas

ATTEST:

SARA L. WHITE, City Clerk

The undersigned City Clerk of the above-named Lessee hereby certifies and attests that the undersigned has access to the official records of the City Council of Lessee, that the foregoing Resolution was duly adopted by said City Council of Lessee at a meeting of said City Council, and that such Resolution has not been amended or altered and is in full force and effect on the date stated below.

Signature of Clerk of Lessee

Print Name: Sara L. White

Official Title: City Clerk

Date: September 14, 2017