

RESOLUTION 2022-I

A RESOLUTION WAIVING COMPETITIVE BIDDING AND AUTHORIZING PURCHASE OF A POLICE VEHICLE FROM KARL EMERGENCY VEHICLES AND APPROVING EXECUTION OF AN VEHICLE PURCHASE AGREEMENT WITH FNBC

WHEREAS, the Mayor and City Council, the Governing Body (the "Governing Body") of the City of Hardy, AR, hereby finds, determines, and adjudicates as follows:

1. The City of Hardy desires to enter into a Vehicle Purchase Agreement with the Exhibits attached thereto in substantially the same form as attached hereto as Exhibit "A" (the "Agreement") with FNBC for the purpose of presently purchasing the vehicle as described therein for the total cost specified therein (collectively the "Vehicle").

2. The City of Hardy is authorized pursuant to The City and County Government Development Bond and Short-Term Financing Amendment" to the Constitution of the State of Arkansas to acquire tangible personal property with an expected useful life of more than one (1) year by Lease-Purchase agreement and pay interest thereon by contract for a term not to exceed five (5) years.

3. It is in the best interest of the residents served by the City of Hardy that the City of Hardy acquire the Vehicle pursuant to and in accordance with the terms of the Agreement; and

4. It is necessary for the City of Hardy to approve and authorize the Agreement.

5. The City of Hardy desires to designate the Agreement as a qualified tax-exempt obligation of the City of Hardy for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986 (the "Code").

6. That A.C.A. §14-58-303 requires competitive bidding for any purchase exceeding \$35,000.00 except that said bidding may be waived in exceptional situations where the procedure is deemed not feasible or practical.

7. The City of Hardy acknowledges, given the scarcity of vehicles caused by the Covid-19 supply chain logistics it is an exceptional situation where competitive bidding is not feasible or practical and that competitive bidding as referenced in City of Hardy Municipal Code 3.04.02 and A.C.A. §14-58-303 should be waived, and the vehicle purchased from Karl Emergency Vehicles.

NOW, THEREFORE, BE IT RESOLVED by City Council for the City of Hardy as follows:

Section 1. The Agreement and Exhibits attached hereto in substantially the same form as attached hereto as Exhibit "A" by and between the FNBC and the City of Hardy is hereby approved and the Mayor and City Clerk are hereby authorized and directed to execute said Agreement on behalf of the City of Hardy.

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Section 2. The Agreement is being issued in calendar year 2022.

Section 3. Neither any portion of the gross proceeds of the Agreement nor the Vehicle identified to the Agreement shall be used (directly or indirectly) in a trade or business carried on by any person other than a governmental unit, except for such use as a member of the public.

Section 4. No portion of the payments identified in the Agreement (a) is secured, directly or indirectly, by property used or to be used in a trade or business carried on by a person other than a governmental unit, except for such use as a member of the general public, or by payments in respect of such property; or (b) is to be derived from payments (whether or not to City of Hardy) in respect of property or borrowed money used or to be used for a trade or business carried on by any person other than a governmental unit.

Section 5. No portion of the gross proceeds of the Agreement are used (directly or indirectly) to make or finance loans to persons other than governmental units.

Section 6. The City of Hardy hereby designates the Agreement as a qualified tax-exempt obligation for purposes of Section 265(b) of the Code.

Section 7. In the calendar year 2022, the City of Hardy has designated \$50,000.00 of tax-exempt obligations (including the Agreement) as qualified tax-exempt obligations. Including the Agreement herein so designated, City of Hardy will not designate more than \$100,000 of obligations issued during calendar year 2022 as qualified tax-exempt obligations.

Section 8. City of Hardy reasonably anticipates that the total amount of tax-exempt obligations (other than private activity bonds) to be issued by the City of Hardy during calendar year 2022 will not exceed \$700,000.

Section 9. For purposes of this resolution, the number of Tax-exempt obligations stated as either issued or designated as qualified tax-exempt obligations includes tax-exempt obligations issued by all entities deriving their issuing authority from the City of Hardy or by an entity subject to substantial control by the City of Hardy, as provided in Section 265(b)(3)(E) of the Code.

Section 10. The assessed value of taxable property located within the municipality or county is \$14,588,390.00 determined by the last completed tax assessment.

Section 11. The aggregate principal amount of short-term financing obligations incurred by Lessee, including the obligations under the Agreement, does not exceed five percent (5%), if the City of Hardy is a municipality, or two and one-half percent (2½%), if the City of Hardy is a county, of the assessed value of taxable property located within the municipality or county, as determined by the last completed tax assessment.

Section 12. The City of Hardy finds that competitive bidding should be waived since this is an exceptional situation and it is not feasible or practical to accept competitive bidding for

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the purchase of said vehicle per City of Hardy Municipal Code 3.04.02 and A.C.A. §14-58-303 and approves the purchase of this vehicle from Karl Emergency Vehicles of Des Moines, Iowa.

Section 13. The Mayor and City Clerk are further authorized for and on behalf of the City Council and the City of Hardy to do all things necessary in furtherance of the obligations of the Lessee pursuant to the Agreement, including execution and delivery of all other documents necessary or appropriate to carry out the transactions contemplated thereby in accordance with the terms and provisions thereof

Following the reading of the foregoing resolution, Ms Allen moved that the foregoing resolution be adopted, Mr Horrell seconded the motion for its adoption. The Mayor put the question to a roll call vote and the result was as follows:

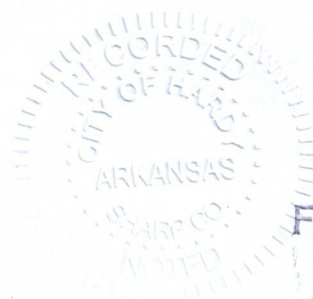
<u>Mr Berry</u>	Voted: <u>Yes</u>
<u>Ms Taylor</u>	Voted: <u>Yes</u>
<u>Ms Allen</u>	Voted: <u>Yes</u>
<u>Mr Horrell</u>	Voted: <u>Yes</u>
<u>Mr Wise</u>	Voted: <u>Absent</u>
<u>Mr Garland</u>	Voted: <u>Absent</u>

The motion having received the affirmative vote of a majority of all council members present, the Mayor and City Clerk declared the motion carried and the resolution adopted this the 16th day of June 2022.

Mayor Ernie Rose
Ernie Rose, Mayor

ATTEST:

Darlene Wilson
Darlene Wilson, Treasurer



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