



RESOLUTION 91-02

A RESOLUTION AUTHORIZING THE NEGOTIATION, EXECUTION, AND DELIVERY OF A LEASE / PURCHASE AGREEMENT IN THE PRINCIPAL AMOUNT OF \$ 46,776.00, BETWEEN CITY OF COTTER THE LESSEE, BAXTER COUNTY, ARKANSAS, AND FIRST MUNICIPAL DIVISION - BANC ONE LEASING CORPORATION, DENVER, COLORADO; PROVIDING FOR TEN (10) ANNUAL LEASE PAYMENTS FROM LEGALLY AVAILABLE MUNICIPALITY FUNDS; AND PRESCRIBING OTHER DETAILS IN CONNECTION THEREWITH.

WHEREAS, CITY OF COTTER (the "Municipality") is a Arkansas duly organized and existing pursuant to the Constitution and laws of the State of Arkansas; and

WHEREAS, pursuant to applicable law, the CITY OF COTTER of the Municipality (the Board) is authorized to acquire, dispose of, encumber real and personal property, including, without limitation, rights and interest in property, leases, and easements necessary to the functions or the operations of the Municipality; as applicable by law, and

WHEREAS, the COUNCIL hereby finds and determines that the execution of an Agreement for the purpose of leasing with the option to purchase the equipment designated and set forth in Schedule A to the Lease/Purchase Agreement is appropriate and necessary to the function and operations of the Municipality; and

WHEREAS, FIRST MUNICIPAL DIVISION - BANC ONE LEASING CORPORATION, Denver, Colorado (the "Lessor"), duly organized, existing, and in good standing under the laws of the State of Ohio, shall act as Lessor under said Lease/Purchase Agreement; and

WHEREAS, the Lease/Purchase Agreement shall not constitute a general obligation indebtedness of the Municipality within the meaning of the Constitution and laws of the State; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COTTER:

Section 1. The COUNCIL and MAYOR acting on behalf of the Municipality, are hereby authorized to negotiate, enter into, execute, and deliver the Lease/Purchase Agreement in substantially the form set forth in the document presently before the COUNCIL, which document is available for public inspection at the office of the Municipality. The MAYOR and CITY COUNCIL acting on behalf of the Municipality, are hereby authorized to negotiate, enter into, execute, and deliver such other documents relating to the Lease/Purchase Agreement as the MAYOR and CITY COUNCIL, upon advice of counsel, deem necessary and appropriate.

Section 2. The Lease/Purchase Agreement shall be in the principal amount of \$ 46,776.00, bearing interest as set forth in Exhibit B of the Agreement; said Lease/Purchase Agreement to contain an option to purchase by the Municipality as therein set forth.

Section 3. The Municipality's obligation under the Lease/Purchase Agreement shall be annually renewable by the Municipality and expressly subject to annual appropriation by the Board; and such obligation under the Lease/Purchase Agreement shall not constitute a general obligation of the Municipality or indebtedness within the meaning of the Constitution and laws of the State of Arkansas.

Section 4. All other related contracts and agreements necessary and incidental to the Lease/Purchase Agreement are hereby authorized.