

Introduced and Read: November 1st, 2016
Adopted: November 1st, 2016
Posted: November 2nd, 2016
Effective Date: November 2nd, 2016

CITY OF MOUNT RAINIER, MARYLAND

RESOLUTION NO. 10-2016
(Drafted by City Attorney)

Introduced by: Mayor Milps

Approving the Financing Terms and Authorizing the Execution and Delivery of Financing Documents with Branch Banking and Trust Company for the Purpose of Financing the Acquisition of Three Police Vehicles and Two Public Works Trucks with Snow Removal Packages.

WHEREAS, the Council of the City of Mount Rainier has determined that a need exists for the acquisition of three new police vehicles to be used by City police officers for public safety purposes and for two new trucks with snow removal packages to be used by the City Public Works Department; and

WHEREAS, the adopted City budget for FY 2017 includes capital improvement expenditures for police vehicles for use of the Mount Rainier Police Department and for public works vehicles for use of the Public Works Department and the acquisition of such vehicles is necessary for the City to perform its governmental functions; and

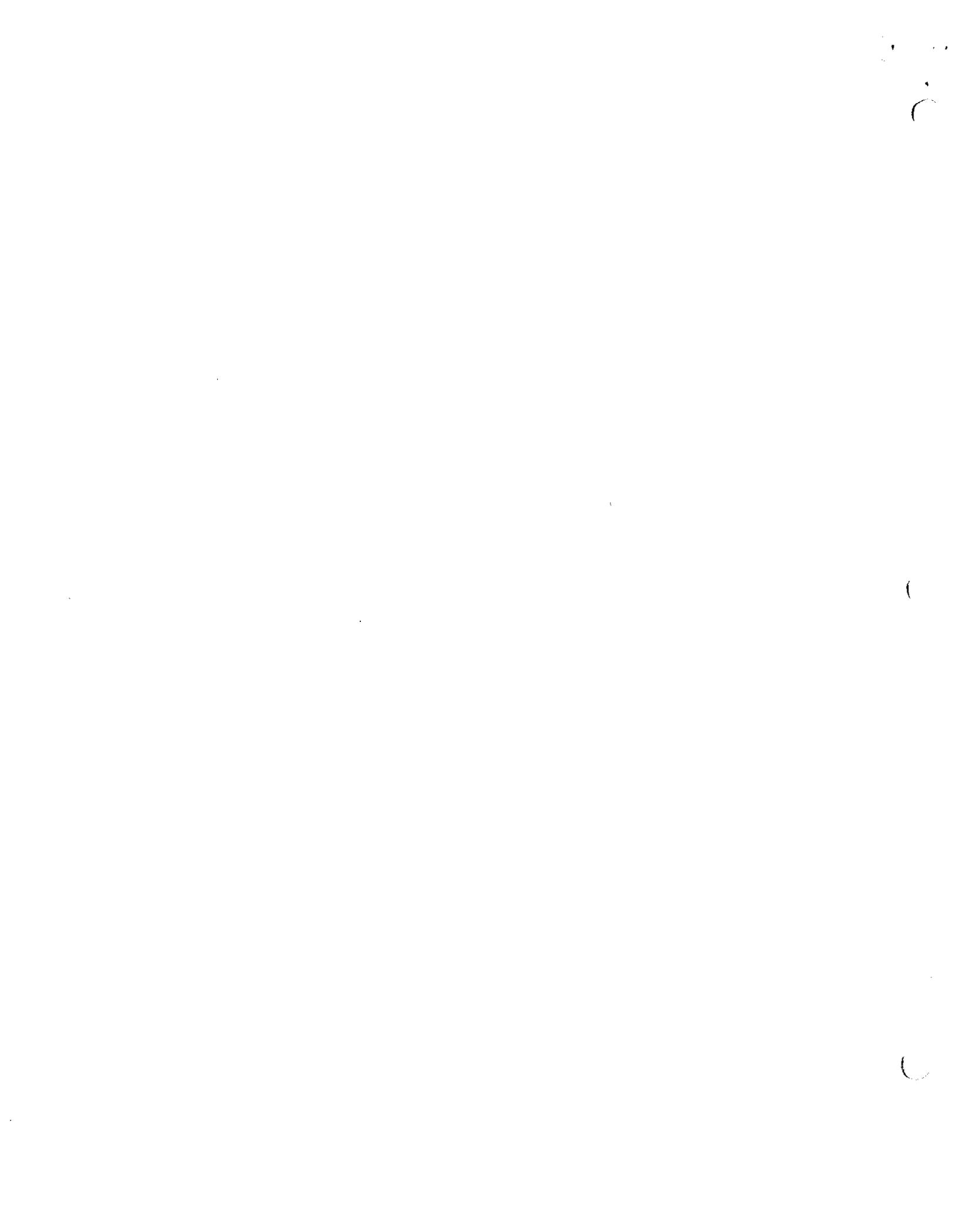
WHEREAS, the City desires to finance the acquisition of the three police vehicles and two trucks with snow removal packages (“the Project”) through Branch Banking and Trust Company (“BB&T”); and

WHEREAS, the City’s acquisition of the three police vehicles and two public works trucks can be financed with tax-exempt financing in a principal amount of approximately \$200,000.00, an annual interest rate of approximately 1.87%, and a term of three years, with semi-annual payments in the amount of approximately \$35,559.19; and

WHEREAS, the funds made available for the Project will be deposited by BB&T on behalf of the City to a project fund account with BB&T and will be applied to the City’s acquisition of the police vehicles and public works trucks; and

WHEREAS, pursuant to Section 708, Borrowing Power, of the City of Mount Rainier Charter, the City has the power to borrow money for any public purpose, which includes the purchase of vehicles to be used for governmental purposes, and to issue its notes or other evidence of indebtedness by private negotiated sale; and

WHEREAS, the total amount of the Project financing and all other outstanding City bonds and other borrowing does not exceed 10% of the City’s assessable tax base.



NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MOUNT RAINIER, MARYLAND, THAT:

Section 1. The Council of the City of Mount Rainier approves and authorizes the acquisition and financing of three police vehicles and two public works trucks with snow removal packages (“the Project”) through Branch Banking and Trust Company (“BB&T”), in accordance with the proposal dated October 27, 2016. The Council finds that financing the Project with BB&T is in the best interests of the City. The amount financed shall not exceed \$200,000.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 1.87%, and the financing term shall not exceed three years from the date of closing.

Section 2. All financing contracts and related documents for the closing of the financing (the “Financing Documents”) shall be consistent with the foregoing terms. All officers and employees of the City are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable to carry out the financing of the Project as contemplated by the proposal and this Resolution.

Section 3. The Treasurer 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 such officer’s satisfaction. The Treasurer is authorized to approve changes to any Financing Documents previously signed by City officers or employees, provided that such changes do not substantially alter the intent of such documents or certificates from the intent expressed in the Financing Documents executed by such officers. The Financing Documents shall be in such final forms as the Treasurer shall approve, with the Treasurer’s release of any Financing Document for delivery constituting conclusive evidence of such officer’s final approval of the Financing Document’s final form.

Section 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 with BB&T as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.

Section 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 Project to be financed through BB&T. The City intends that funds that have been advanced, or that may be advanced, from the City’s general fund or from any other City fund related to the Project, for Project costs, may be reimbursed from the financing proceeds.

Section 6. All prior actions of City officers and employees in furtherance of the purposes of this Resolution are hereby ratified, approved, and confirmed. All other Resolutions (or parts thereof), if any, in conflict with this Resolution are hereby repealed to the extent of the conflict. This Resolution shall take effect immediately upon adoption by the Council.

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THIS RESOLUTION IS ADOPTED BY THE COUNCIL OF THE CITY OF MOUNT RAINIER THIS 1st DAY OF November, 2016.

Attest:

Miranda Braatz

Miranda Braatz, City Manager

Malinda Miles

Malinda Miles, Mayor

Jesse Christopherson

Jesse Christopherson, Councilmember Ward 1

Tracy Hadden Loh

Tracy Hadden Loh, Councilmember Ward 1

Bryan Knedler

Bryan Knedler, Councilmember Ward 2

Shivali Shah

Shivali Shah, Councilmember Ward 2

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