

ORDINANCE NO. 825

AN ORDINANCE APPROVING AN EQUIPMENT LEASE/PURCHASE AGREEMENT FOR ACQUISITION OF NEW VEHICLES FOR USE BY THE POLICE DEPARTMENT

WHEREAS, the City is authorized by applicable law to acquire equipment for municipal purposes and to enter leases for the same, which leases may include an option to purchase and acquire title to the leased property; and

WHEREAS, the City Council has determined that there exists a true and essential need for the purchase of new vehicles for use in the efficient and proper operation of the Dacono Police Department; and

WHEREAS, the City has undertaken the necessary steps and procedures under applicable law, including compliance with any applicable bidding requirements, to arrange for acquisition of the vehicles; and

WHEREAS, since this Ordinance was adopted by the City Council on first reading, the following lease terms set forth in Exhibit A to the Equipment Lease/Purchase Agreement have been changed: the Final Expiration Date has been revised from March 1, 2020 to June 1, 2019; payments will be made by the City on an annual, rather than monthly, basis; and the total amount of Rental Payments to be paid by the City has decreased from \$109,378.08 to \$102,349.77; and

WHEREAS, the City has been advised delivery of the police vehicles has been delayed until the end of March 2017, resulting in a need for the funds authorized by the Equipment Lease/Purchase Agreement to be held in escrow by NBH Bank, pursuant to the terms of the Escrow Agreement, a copy of which accompanies this Ordinance, and the terms of which the City Council has reviewed, found acceptable, and desires by this Ordinance to approve.

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

Section 1. The Equipment Lease/Purchase Agreement between the City and NBH Bank, a Colorado state-chartered bank, for acquisition of new police vehicles is hereby approved in essentially the same form as the copy of such Agreement and supporting documents accompanying this Ordinance. Copies of the Agreement and supporting documents have also been deposited with the City Clerk and are available for public inspection.

Section 2. The Escrow Agreement between the City and NBH Bank is hereby approved in essentially the same form as the copy of such Agreement accompanying this Ordinance.

Section 3. The Mayor is authorized to execute and deliver on behalf of the City the Escrow Agreement and the Equipment Lease/Purchase Agreement and all other documents necessary

to implement the Agreements and acquire the vehicles, and is further authorized to negotiate and approve on behalf of the City such revisions to the Agreements as the Mayor determines are necessary or desirable for the protection of the City, so long as the essential terms and conditions of the Agreements are not altered.

Section 3. The Equipment Lease/Purchase Agreement authorized herein and the City's obligation thereunder to make lease payments are hereby designated "qualified tax-exempt obligations" for the purpose and within the meaning of Section 265(b)(3) of the Internal Revenue Code. The City Council finds and determines that the reasonably anticipated amount of qualified tax-exempt obligations which have been and will be issued by the City does not exceed \$10,000,000.00 for the calendar year within which the Agreement is to be a "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Internal Revenue Code.

Section 4. If any article, section, paragraph, sentence, clause, or phrase of this ordinance is held to be unconstitutional or invalid for any reason, such decision shall not affect the validity or constitutionality of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance and each part or parts hereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.

Section 5. All other ordinances or portions thereof inconsistent or conflicting with this ordinance or any portion hereof are hereby repealed to the extent of such inconsistency or conflict.

INTRODUCED, READ, ADOPTED ON FIRST READING, AND ORDERED PUBLISHED BY TITLE AND POSTED IN FULL this 13th day of February, 2017.

PUBLIC HEARING AND SECOND READING WILL BE THE 27th day of February, 2017, AT 6:00 P.M. AT DACONO CITY HALL, 512 CHERRY STREET, DACONO, CO.


READ, ADOPTED ON SECOND READING, APPROVED, SIGNED, AND ORDERED PUBLISHED BY TITLE this 27th day of February, 2017.

CITY OF DACONO, COLORADO



Joe Baker, Mayor

ATTEST:



Valerie Taylor, City Clerk

Summary of Ordinance No. 825, "AN ORDINANCE APPROVING AN EQUIPMENT LEASE/PURCHASE AGREEMENT FOR ACQUISITION OF NEW VEHICLES FOR USE BY THE POLICE DEPARTMENT": Approves a lease-purchase agreement for the City's acquisition of new police vehicles, authorizes the Mayor to sign and deliver the lease-purchase agreement and other necessary documents; and designates the City's obligations under the lease-purchase agreement to be a "qualified tax-exempt obligation."