

HYGIENE FIRE PROTECTION DISTRICT

RESOLUTION 2017 - 003

RESOLUTION TO EXECUTE LEASE PURCHASE AGREEMENT

A RESOLUTION AUTHORIZING THE NEGOTIATION, EXECUTION, AND DELIVERY OF MASTER EQUIPMENT LEASE PURCHASE AGREEMENT IN THE PRINCIPAL AMOUNT OF \$143,176.00 BETWEEN HYGIENE FIRE PROTECTION DISTRICT AND COMMUNITY FIRST NATIONAL BANK, PROVIDING LEASE PAYMENTS FROM LEGALLY AVAILABLE FUNDS; AND PRESCRIBING OTHER DETAILS IN CONNECTION THEREWITH.

WHEREAS, the Hygiene Fire Protection District (the "Lessee") is a quasi-municipal corporation and political subdivision of the state, duly organized and existing pursuant to the Constitution and laws of the State of Colorado; and

WHEREAS, the Lessee is a duly and regularly created, organized and existing political subdivision of the State of Colorado (the "State") and body corporate, existing as such under and by virtue of the Constitution, statues and laws of the State; and

WHEREAS, the Board of Directors of the Lessee is acting hereunder as the governing body of the Lessee (the "Governing Body"), and

WHEREAS, the Governing Body hereby finds and determines that the execution of a Master Equipment Lease Purchase Agreement (the "Lease") and Escrow Agreement (the "Agreement"), for the purpose of leasing with the option to purchase the equipment described in the Lease, is necessary and essential to the functions and operations of the Lessee; and

WHEREAS, Community First National Bank, a Kansas state bank ("Lessor"), a duly organized and existing national bank, shall act as Lessor under said Lease; and

WHEREAS, the Lease shall not constitute a general obligation indebtedness of the Lessee within the meaning of the Constitution and laws of the State; and does not create a multiple year obligation, and is expressly subject to non-appropriation or annual renewal, and

WHEREAS, the Lease does not create a multiple fiscal year Direct or Indirect debt or other financial obligation and does not require voter approval in advance under Section 4 (b) of Article X, Section 20 of the Colorado Constitution; and

WHEREAS, the Lease will not cause the Lessee to exceed its spending limits; and

WHEREAS, Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the 2017 budget year to make the Rental Payments scheduled to come during the Original Term and to meet its other obligations for the Original Term (as such terms are defined in the Lease) and such funds have not been expended for other purposes; and

WHEREAS, all insurance required in accordance with the Lease is currently maintained by the Lessee or will be maintained upon delivery of the equipment referenced in the Lease; and

WHEREAS, federal income tax law requires that issuers of tax-exempt obligations comply with certain post-issuance requirements set forth in the Internal Revenue Code; and

WHEREAS, no event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default (as such term is defined in the Lease) exists at the date hereof; and

WHEREAS, the fiscal year of Lessee is from January 1 to December 31.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE HYGIENE FIRE PROTECTION DISTRICT:

Section 1. The Fire Chief and the Governing Body (the "Authorized Officers"), acting on behalf of the Lessee, each are hereby authorized to negotiate, enter into, execute, and deliver the Lease and Agreement in substantially the form set forth in the document presently before the Governing Body, which document is available for public inspection at the office of the Lessee. The Authorized Officers, acting on behalf of the Lessee, are each hereby authorized to negotiate, enter into, execute, and deliver such other documents relating to the Lease and Agreement as Authorized Officers, upon advice of counsel, deem necessary or appropriate.

Section 2. The Lease shall be in the principal amount of \$143,176 with terms as set forth in the Lease; said Lease to contain an option to purchase by the Lessee as therein set forth.

Section 3. The Lessee's obligation under the Lease shall be annually renewable by the Lessee and expressly subject to annual appropriation by the Governing Body; and such obligation under the Lease shall not constitute a general obligation of the Lessee or indebtedness within the meaning of the Constitution and laws of the State of Colorado.

Section 4. The Lease does not create a multiple fiscal year direct or indirect Lessee debt or other financial obligation and does not require voter approval in advance under Section 4 (b) of Article X, Section 20 of the Colorado Constitution.

Section 5. The Lease will not cause the Lessee to exceed its spending limits under Section 7, Article X, Section 20 of the Colorado Constitution.

Section 6. All other related contracts and agreements necessary and incidental to the Lease are hereby authorized.

Section 7. The Lessee reasonably anticipates issuance of not more than \$10,000,000.00 of tax-exempt obligations during the period from January 1, 2017 to December 31, 2017 and hereby designates the Lease as a bank qualified tax-exempt obligation for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

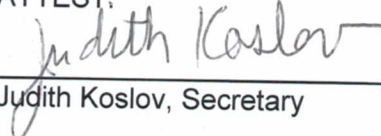
Section 8. This resolution shall take effect immediately upon its adoption and approval.

ADOPTED: January 20, 2017

HYGIENE FIRE PROTECTION DISTRICT

By: 
Scott Snyder, President

ATTEST:


Judith Koslov, Secretary

The motion to adopt the foregoing resolution was presented to the Governing Body by:

Steven Brinkman

The motion to adopt the foregoing resolution was duly seconded by:

Judith Koslov

Those voting AYE:

Scott Snyder

David Beeman

Mary Baldrige

Steven Brinkman

Judith Koslov

Those voting NAY:

NONE

Those Abstaining or Absent:

NONE

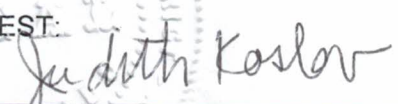
Thereupon the President, as Chair of the meeting, declared the resolution duly adopted and the Secretary was directed to enter the foregoing proceedings and resolution upon the minutes of the Governing Body.



Scott Snyder, Board Chair

(SEAL)

ATTEST:



Judith Koslov, Board Secretary

STATE OF COLORADO

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COUNTY OF BOULDER

I, Judith Koslov, Board Secretary of the Hygiene Fire Protection District (the "Lessee"), do hereby certify that the foregoing pages contain a true and correct copy of the proceedings taken by the Board of Directors of the Lessee at a regular session held on January 11th, 2017 so far as said proceedings relate to a resolution authorizing the Master Equipment Lease Purchase Agreement, between the Lessee and Community First National Bank, a Kansas state bank, a true and correct copy of which is set forth in full in the proceedings of the Governing Body; that said resolution has been duly authenticated by the signatures of the Board Chair and myself, as Secretary, and duly sealed with the corporate seal of the Lessee and recorded in the official records of the Lessee. MB

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Lessee, the Hygiene Fire Protection District.

(SEAL)



Judith Koslov, Board Secretary

