

RESOLUTOIN NO.

RESOLUTION AND DECLARATION OF OFFICIAL INTENT

Lessee: City of Cartersville

Principal Amount Expected To Be Financed: \$267,650.00

WHEREAS, the above Lessee is a political subdivision of Georgia (the "State") and is duly organized and existing pursuant to the Constitution and laws of the State.

WHEREAS, pursuant to applicable law, the governing body of the Lessee ("Governing Body") is authorized to acquire, dispose of and encumber real and personal property, including, without limitation, rights and interests in property, leases and easements necessary to the functions or operations of the Lessee.

WHEREAS, the Governing Body hereby finds and determines the execution of one or more lease-purchase agreements ("Leases") in the principal amount not exceeding the amount stated above ("Principal Amount") for the purpose of acquiring the property generally described below ("Equipment") and to be described more specifically in the Leases is appropriate and necessary to the functions and operations of the Lessee.

Brief Description of Equipment:

2021 Mack TE64 chassis VIN: 1M2TE2GC2MM006063 with an attached
EZ Pack 40 yard front load body SN: 215484

WHEREAS, Commercial Credit Group Inc. ("Lessor") is expected to act as the Lessor under the Leases.

WHEREAS, the Lessee may pay certain capital expenditures in connection with the Equipment prior to disbursement of proceeds of the Leases ("Lease Purchase Proceeds") for such expenditures, and such expenditures are not expected to exceed the Principal Amount.

WHEREAS, the U.S. Treasury Department regulations do not allow the proceeds of a tax-exempt borrowing to be spent on working capital, and the Lessee hereby declares its official intent to be reimbursed for any capital expenditures for Equipment from the proceeds of the Lease.

NOW, THEREFORE, Be It Resolved by the Governing Body of the Lessee:

Section 1. The Lessee hereby determines that it has critically evaluated the financing alternatives available to it and that entering into the Leases and financing the acquisition of the Equipment thereby is in the best interests of the Lessee. Such evaluation shall be available as a public record. The specific reason for such determination is that entering into such Leases results in a lower overall cost to the Lessee. Execution of the Leases will not cause the Lessee to be in violation of the limits contained in applicable law and/or regulation(s).

Section 2. The Lessee is hereby authorized to acquire and lease the Equipment and is hereby authorized to finance the same by entering into the Leases. Any action taken by the Lessee in connection therewith is hereby ratified and confirmed.

Section 3. Tommy Sanders, Director of Public Works, and Matt Santini, Mayor (each an "Authorized Representative") acting on behalf of the Lessee is hereby authorized to negotiate, enter into, execute, and deliver one or more Leases 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. Each Authorized Representative acting on behalf of the Lessee is hereby authorized to negotiate, enter into, execute, and deliver such other documents relating to the Equipment Lease (including, but not limited to, escrow agreements) as the Authorized

Representative deems necessary and appropriate. All other related contracts and agreements necessary and incidental to the Leases are hereby authorized.

Section 4. By a written instrument signed by any Authorized Representative, said Authorized Representative may designate specifically identified officers or employees of the Lessee to execute and deliver agreements and documents relating to the Leases on behalf of the Lessee.

Section 5. The aggregate original principal amount of the Leases shall not exceed the Principal Amount and shall bear interest as set forth in the Leases, and the Leases shall contain such options to purchase by the Lessee as set forth therein.

Section 6. The Lessee's obligations under the Leases shall be subject to annual appropriation or renewal by the Governing Body as set forth in each Lease, and the Lessee's obligations under the Leases shall not constitute general obligations of the Lessee or indebtedness under the Constitution or laws of the State.

Section 7. It is hereby determined that the purpose of acquiring and leasing the Equipment is an object or purpose authorized for the Governing Body by the Georgia Code, and that the period of probable usefulness of said purpose exceeds two years.

Section 8. It is hereby determined the Total Term of the Lease (as defined therein) authorized by this resolution will not be in excess of two years.

Section 9. The Governing Body has determined that leasing the Equipment will not have a significant effect on the environment and, therefore, no other determination or procedures under the applicable law is required.

Section 10. The Governing Body of Lessee anticipates that the Lessee may pay certain capital expenditures in connection with the Equipment prior to the disbursement of proceeds of the Lease for the Equipment. The Governing Body of Lessee hereby declares the Lessee's official intent to use the Lease proceeds to reimburse itself for Equipment expenditures. This section of the Resolution is adopted by the Governing Body of Lessee for the purpose of establishing compliance with the requirements of Section 1.150-2 of Treasury Regulations. This section of the Resolution does not bind the Lessee to make any expenditure, incur any indebtedness, or proceed with the purchase of the Equipment.

Section 11. LESSEE CERTIFIES THAT IT HAS DESIGNATED THE LEASE AS A QUALIFIED TAX-EXEMPT OBLIGATION IN ACCORDANCE WITH SECTION 265(b)(3) OF THE CODE (as defined in the Lease); THAT IT HAS NOT DESIGNATED MORE THAN \$10,000,000 OF ITS OBLIGATIONS AS QUALIFIED TAX-EXEMPT OBLIGATIONS IN ACCORDANCE WITH SUCH SECTION FOR THE CURRENT CALENDAR YEAR AND THAT IT REASONABLY ANTICIPATES THAT THE TOTAL AMOUNT OF TAX-EXEMPT OBLIGATIONS TO BE ISSUED BY LESSEE DURING THE CURRENT CALENDAR YEAR WILL NOT EXCEED \$10,000,000.

Section 12. The Authorized Representative is further authorized to take such actions and execute such documents as may be necessary to ensure the continued status of the interest on the Leases authorized by this resolution as excludable from gross income for federal income tax purposes pursuant to Section 103 of the Code (as defined in the Lease).

Section 13. This resolution is not subject to any mandatory or permissive referendum pursuant to applicable law.

Section 14. This Resolution shall take effect immediately upon its adoption and approval

BE AND IT IS HEREBY RESOLVED, this ____ day of _____, 2021.

Matthew J. Santini, Mayor

Attest:

Julia Drake, City Clerk

The undersigned **Clerk** of the above-named Lessee hereby certifies and attests that (i) the undersigned has access to the official records of the Governing Body of the Lessee, (ii) the foregoing resolutions were duly adopted by the favorable vote of not less than four the members of said Governing Body of the Lessee at a regular scheduled meeting of said Governing Body duly called, regularly convened and attended throughout by the requisite quorum of the members thereof, and the number of members of the Governing Body that voted to adopt these resolutions constitutes the required proportion of the Governing Body to approve these resolutions in all respects, (iii) such resolutions have not been amended or altered and are in full force and effect on the date stated below, and (iv) such meeting of the Governing Body relating to the authorization and delivery of the Lease has been (a) held within the geographic boundaries of the Lessee, (b) open to the public and allowing all people to attend, (c) conducted in accordance with internal procedures of the Governing Body, and (d) conducted in accordance with the charter of the Lessee, if any, and laws of the State.

Signature of Clerk of Lessee

Julia Drake, City Clerk

Date