

RESOLUTION NO. 2019-03

SUBJ: GRADER LEASE AGREEMENT

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A 24 MONTH EQUIPMENT LEASE AGREEMENT BETWEEN THE FOREST LAKES METROPOLITAN DISTRICT, P.O. BOX 440, BAYFIELD, COLORADO 81122, LA PLATA COUNTY AND DEERE CREDIT INC., P.O. BOX 6600, JOHNSTON, IA 50131-2945; PROVIDING FOR EIGHT (8) QUARTERLY PAYMENTS FROM LEGALLY AVAILABLE DISTRICT FUNDS; AND PRESCRIBING DETAILS IN CONNECTION THEREWITH.

WHEREAS, The Forest Lakes Metropolitan District (the "District") is a Special District duly organized and existing pursuant to the Constitution and laws of the State of Colorado; and

WHEREAS, Pursuant to applicable law, the Forest Lakes Metropolitan Board of Directors (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 District; as applicable by law, and

WHEREAS, The Board hereby finds and determines that the execution of a Purchase Order and subsequent Agreement for the purpose of leasing the equipment designated and set forth in Exhibit A is appropriate and necessary to the function and operations of the District; and

WHEREAS, JOHN DEERE LEASING COMPANY, DEERE CREDIT SERVICES, INC., P.O. BOX 65090, WEST DES MOINES, IA 50265-9900, (the "Lessor"), duly organized, existing, and in good standing under the laws of the State of Iowa, shall act as Lessor under said Equipment Lease.


NOW THEREFORE, be it resolved by the Board of Directors of the Forest Lakes Metropolitan District:

1. The 2-year Equipment Lease shall be in the principal amount of \$ 59,135.18 with total interest payments for \$23,568.50 as set forth in Exhibit B, bearing a nominal annual interest rate of 5.5%.
2. The District's obligation under the Equipment Lease shall be annually renewable by the District and expressly subject to annual appropriation by the Board; and such obligation under the Equipment Lease shall not constitute a general obligation of the District or indebtedness within the meaning of the Constitution and laws of the State of Colorado.
3. All other related contracts and agreements necessary and incidental to the Equipment Lease are hereby authorized, including approval of District supplemental budgets to accommodate the lease if necessary.
4. The District further recognizes that the term of this Equipment Lease Agreement does not exceed the weighted average useful life of the equipment being leased.
5. This purchase order is subject to and contingent upon execution of the John Deere Lease-Purchase Agreement and the Honnen 2 Year Repurchase / Buyback Agreement.
6. This resolution shall take effect immediately upon its adoption and approval.

INTRODUCED AND ADOPTED THIS 12TH DAY OF FEBRUARY, 2019

(SEAL)

ATTEST:


Selina Gallero, Secretary


FLMD Board President