

# RESOLUTION 2021-07

## GRADER LEASE AGREEMENT

A RESOLUTION AUTHORIZING THE CONTINUED EXECUTION AND DELIVERY OF A NEW 24-MONTH EQUIPMENT LEASE AGREEMENT BETWEEN THE FOREST LAKES METROPOLITAN DISTRICT, P.O. BOX 440, BAYFIELD, CO 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 obtain loans and 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 operations of the District, and

**WHEREAS**, The Board has the authority to adopt resolutions necessary for the governing and management of the District, for the execution of the powers vested in the District and for carrying into effect the provisions of Article I of Title 32, CRS, as amended to promote the health, safety, prosperity, security, and general welfare of the inhabitants of the Forest Lakes Metropolitan District and of the people of the State of Colorado, and

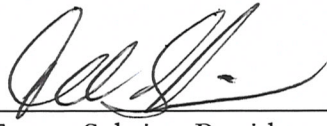
**WHEREAS**, In accordance with Article III, Paragraph 3.3.2 of the District’s By-Laws, the Board President is the chairman of the Board and presides at all meetings and is also the chief executive officer of the District, as otherwise authorized shall sign all contracts, deeds, notes, debentures, warrants and other instruments on behalf of the District, and

**WHEREAS**, The Board hereby finds and determines that the approval of the Quote at **Exhibit A1** and execution of the Purchase Order for the purpose of leasing the equipment designated and set forth in **Exhibit A2** is appropriate and necessary to the functions and operations of the District; and

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FOREST LAKES METROPOLITAN DISTRICT, COLORADO:**

1. The Quarterly Lease payment in the amount of \$9,654.88, for a total of eight (8) equal payments. The Grand Total in lease payments will be \$77,239.04, with a guaranteed buyback of \$260,000.
2. The 2-year Equipment Lease shall be in the principal amount of \$61,710.74, with interest payments totaling \$17,468.04, as set forth in **Exhibit B**, bearing a nominal Annual Percentage Rate (APR) of 3.711%.
3. Per the Agreement, the District should have \$40,000 in equity to carry forward to new Agreement when this lease matures in 2023.
4. Quarterly lease payments start on May 1, 2021, and end on February 1, 2023.
5. 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.
6. 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.
7. 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.
8. This Agreement is subject to and contingent upon execution of the John Deere Lease-Purchase Agreement and the Honnen 2-Year Repurchase/Buyback Agreement.
9. This Resolution shall take effect immediately upon its adoption and approval.

INTRODUCED AND ADOPTED THIS 13<sup>TH</sup> DAY OF APRIL 2021.



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Tonny Schrier, President  
FLMD Board of Directors

(SEAL)  
ATTEST:



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Jamie Echeverri, Secretary to the Board