RESOLUTION NO. 434

A RESOLUTION OF THE CITY COUNCIL OF NORTH BONNEVILLE, WASHINGTON AUTHORIZING THE REFINANCINING OF ITS PIERCE FIRE TRUCK.

WHEREAS, Resolution No. 375, passed by the city council for the City of North Bonneville in March, 2004, authorized the acquisition of a truck and Resolution Number 390, passed by the city council in April, 2006, provided for the financing of a new fire truck; and

WHEREAS, the City of North Bonneville is a municipal corporation of the State of Washington and is duly organized and existing pursuant to the Constitution and laws of the State of Washington.

WHEREAS, pursuant to applicable law, the City Council is authorized to acquire, dispose of and encumber real and personal property, including, without limitation, rights and interest in property, leases and easements necessary to the functions of operations of the City.

WHEREAS, the city council hereby finds that the execution of a financing agreement in the amount owing to Oshkosh Capital ($187,507.64) for the purpose of lowering the annual cost of payments is appropriate and necessary to the functions and operations of the City of North Bonneville.

WHEREAS, First Independent Bank shall act as Lender;

NOW, THEREFORE, BE IT RESOLVED that the city council of the City of North Bonneville authorizes the refinancing of the Pierce Fire Truck as follows:

Section 1.The Mayor is hereby authorized to negotiate and execute a loan for the Pierce fire truck with the following terms:

- The amount of the loan shall be $187,507.64, which is the amount necessary to pay off the existing lease with Oshkosh Capital.
- The interest rate of the loan shall be no more than 4%.
- Ann annual loan fee of 0.50%, or $938 shall apply.
- Payments shall be semi-annual at approximately $11,467.35.
- The loan shall mature on 11/01/2016 (five years).
- The fire truck and all equipment shall be collateral for this loan.
- Closing fees shall include title and licensing fees and $15 for UCC filing.

Section 2. The Mayor is hereby further authorized to grant a security interest in the Pierce fire truck and related equipment, and to execute any documentation needed to perfect a lien by First Independent Bank.

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Section 3. The Mayor is hereby further authorized to take whatever other actions necessary to close the transaction.

Section 4. The City of North Bonneville does not anticipate issuing any tax-exempt obligations during the fiscal year in which the loan is completed and hereby designates the loan as a qualified tax-exempt obligation for purposes of Section 265(b) of the Internal Revenue Code of 1986, as amended.

PASSED IN REGULAR SESSION this 8th day of November, 2011

ATTEST:

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Mayor Clerk

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