

RESOLUTION NO. R-2013-18-A

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TYLER, TEXAS, AUTHORIZING THE CITY MANAGER TO PURCHASE THREE NEW AND TWO UPDATED LAW ENFORCEMENT MOBILE TECHNOLOGY SYSTEMS AND TO FINANCE SAID PURCHASE FOR THREE YEARS; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the Municipal Court of the City of Tyler has determined to undertake a project for the purchase of law enforcement software technology, and the Finance Director has recommended a proposal for the financing of such Project; and

WHEREAS, Municipal Court and Finance Department staff have recommended a purchase and financing plan for City Council authorization;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TYLER, TEXAS:

PART 1: That the City Manager is hereby authorized to execute a Lease Purchase Agreement and a Project Fund Agreement with Branch Banking and Trust Company ("BB&T") for the purchase of:

- Three (3) new VisualPro 360 mobile systems, and
- Two (2) updated VisualPro 360 mobile systems


PART 2: That the City Manager is hereby authorized to finance the above described purchase in an amount not to exceed \$71,610.00 with an annual interest rate (in the absence of default or change in tax status) not to exceed 1.51% and with the financing term not to exceed three (3) years from closing.

PART 3: That the City Manager is hereby authorized to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal dated May 13, 2013 and this Resolution.

PART 4: That the City shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The City hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).

PART 5: That this Resolution shall become effective immediately upon adoption.

ADOPTED this 10th day of July, 2013.



BARBARA BASS, MAYOR
OF THE CITY OF TYLER, TEXAS

ATTEST:



CASSANDRA BRAGER, CITY CLERK

APPROVED:



DEBRAH G. PULLUM, CITY ATTORNEY



EXHIBIT A

BB&T

Branch Banking and Trust Company

May 13, 2013

Mr. Keidric Trimble
Finance Director
City of Tyler
Tyler, Texas

Governmental Finance
5130 Parkway Plaza Blvd.
Charlotte, NC 28217
(704) 954-1700
Fax (704) 954-1799

Via Electronic Mail: ktrimble@tylertexas.com

Dear Keidric:

Branch Banking and Trust Company ("BB&T") is pleased to offer this proposal for the financing requested by the City of Forest Hill, Texas (the "City").

- (1) **Project:** Police Department Technology Updates
- (2) **Amount To Be Financed:** \$71,610.00
- (3) **Interest Rates, Financing Terms and Corresponding Payments:**

<u>Term</u>	<u>Rate</u>
3 years	1.51%

Payments shall be annually in arrears, or as requested. See the attached amortization schedule for information on payments.

If needed, the financing proceeds shall be deposited on behalf of the City in a project fund account with Branch Banking & Trust. Earnings on the project fund shall accrue to the benefit of the City for use on Project costs or interest payments.

The interest rate stated above is valid for a closing not later than 45 days after today. A convenient date and time shall be mutually agreed upon for closing. Closing is contingent upon completing documentation acceptable to BB&T and upon the condition of the equipment acceptable to BB&T. BB&T shall provide a list of required documentation for closing should we be the successful proposer.

All applicable taxes, permits, costs of counsel for the City and any other costs shall be the City's responsibility and separately payable by the City. The financing documents shall allow prepayment of the principal balance in whole on a scheduled payment date with a 1% prepayment premium.

The stated interest rate assumes that the City expects to borrow less than \$10,000,000 in calendar year 2013 and that the City shall comply with IRS Code Sections 141, 148, 149(e) and Section 265(b)(3). BB&T reserves the right to terminate its interest in this bid or to negotiate a mutually acceptable rate if the financing is not a qualified tax-exempt financing.

(4) Financing Documents:

BB&T and its counsel shall prepare all documentation for the City. This financing shall be secured by a first lien security interest in all personal property acquired with proceeds. We have attached a sample ordinance we request.

* * * * *

BB&T appreciates the opportunity to provide this financing proposal and requests to be notified within ten days of this proposal should BB&T be the successful proposer.

Should we become the successful proposer, we have attached the form of an ordinance that your governing board may use to award the financing to BB&T. If your board adopts this ordinance, then BB&T shall not require any further board action prior to closing the transaction.

BB&T shall have the right to cancel this offer by notifying the City of its election to do so (whether or not this offer has previously been accepted by the City) if at any time prior to the closing there is a material adverse change in the City's financial condition, if we discover adverse circumstances of which we are currently unaware, if we are unable to agree on acceptable documentation with the City or if there is a change in law (or proposed change in law) that changes the economic effect of this financing to BB&T. We reserve the right to negotiate and/or terminate our interest in this transaction should we be the successful proposer.

Please call me at (704) 954-1706 with your questions and comments. We look forward to hearing from you.

Sincerely,

BB&T Governmental Finance


Mary Parrish Coley
Vice President

Enclosures

City of Tyler, Texas
Police Technology Update

Compound Period: Annual

Nominal Annual Rate: 1.510 %

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

	<u>Date</u>	<u>Payment</u>	<u>Interest</u>	<u>Principal</u>	<u>Balance</u>
Loan	05/13/2013				71,610.00
2013 Totals		0.00	0.00	0.00	
1	05/13/2014	24,594.48	1,081.31	23,513.17	48,096.83
2014 Totals		24,594.48	1,081.31	23,513.17	
2	05/13/2015	24,594.48	726.26	23,868.22	24,228.61
2015 Totals		24,594.48	726.26	23,868.22	
3	05/13/2016	24,594.48	365.87	24,228.61	0.00
2016 Totals		24,594.48	365.87	24,228.61	
Grand Totals		73,783.44	2,173.44	71,610.00	