

ORDINANCE NO. 61-16

**AN ORDINANCE AUTHORIZING MASTER LEASE AGREEMENT WITH
CATERPILLAR FINANCIAL SERVICES CORPORATION REGARDING
LEASE OF 836K COMPACTOR FOR THE LANDFILL AND
AUTHORIZING THE MAYOR AND CITY ADMINISTRATOR TO
NEGOTIATE AND EXECUTE ALL NECESSARY DOCUMENTS
REGARDING SAID AGREEMENT**

WHEREAS, the City of Fort Smith, Arkansas (“Municipality”) is a political subdivision of the State of Arkansas (the “State”) and is duly organized and existing pursuant to the Constitution and laws of the State;

WHEREAS, pursuant to applicable law described in Section 4 below, the Municipality is authorized to acquire, dispose of and encumber real and personal property, including, without limitation, rights and interests in property and leases necessary to the functions or operations of the Municipality;

Whereas, the Governing Body of the Municipality hereby finds and determines that the execution of the Master Lease Agreement (“Lease”) in a principal amount not exceeding the amount of \$638,404.56 for the purpose of renting the property (“Equipment”) described in the Lease is appropriate and necessary to the functions and operations of the Municipality: and,

WHEREAS, Caterpillar Financial Services Corporation (“Lessor”) shall act as Lessor under said Lease.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED BY THE BOARD OF DIRECTORS OF THE CITY OF FORT SMITH, ARKANSAS, that:

Section 1. The Mayor, his signature being attested by the City Clerk, is hereby authorized to execute the Master Lease Agreement with Lessor providing for the lease of a Caterpillar compactor, Model 836K used for reducing yard waste and compacting waste at the landfill located at 5900 Commerce Road in the form, or substantially in the form, of the Master Lease Agreement presented to the Governing Body at the time of adoption of the Ordinance. The City Administrator is hereby authorized to negotiate such additional documents as are necessary to complete the Lease Agreement and the Mayor is hereby authorized to execute, his signature being attested by the City Clerk, any such necessary documents. All other related contracts, agreements and documents necessary and incidental to the Master Lease Agreement are hereby authorized.

Section 2. The principal amount of the payments to be made pursuant to the Lease shall not exceed the sum of \$638,404.56 and shall bear no interest as set forth in the Lease.

Section 3. As provided in Amendment No. 78, the rental payments under the Lease in each fiscal year shall be charged against and paid from the general revenues of the Municipality for such fiscal year. For the purpose of making the rental payments there is hereby, and shall be, appropriated to pay the rental payments, an amount of general revenues of the City sufficient for

such purposes. The City Treasurer is hereby authorized and directed to withdraw from the General Fund and/or from such other sources as may be hereafter directed by the Governing Body, and at the times directed by the Governing Body, the amounts at the times necessary to make the rental payments under the Lease. The obligations of the Municipality under the Lease shall be secured by a security interest in the Equipment in favor of the Lessor.

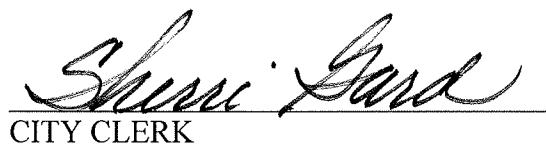
Section 4. This Ordinance is adopted pursuant to the authorizations and according to the procedures provided by Arkansas Constitution, Amendment 78 and the Local Government Short-term Financing Obligations Act of 2001, Act No. 1808 of the 2001 Acts of Arkansas, codified as Chapter 78 of Title 14 of the Arkansas Code Annotated.

Passed and approved this 20th day of September, 2016.

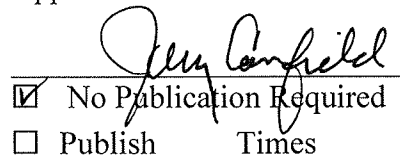
APPROVED:


MAYOR

ATTEST:


CITY CLERK

Approved as to form:


 No Publication Required
 Publish ___ Times