

**TOWN OF LODI**  
Special Board Meeting Minutes  
April 26, 2012

Present: Councilman Chance Van Cleef, Councilwoman Winifred Jones, Councilwoman Noël Clawson, Highway Superintendent Len Carlsen and Town Clerk Nancy Jones

Absent: Supervisor E. Lee Davidson, and Councilman Lucas Latini

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(Deputy Supervisor) Councilwoman Jones called the meeting to order at 7:10 p.m. All rose for the Pledge of Allegiance, followed by a moment of silence.  
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COUNCILWOMAN CLAWSON MADE MOTION, SECONDED BY COUNCILMAN VAN CLEEF, to accept the night's agenda as presented. Councilman Van Cleef, Councilwoman Jones, Councilwoman Clawson all voting Aye.  
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Councilwoman Jones announced that the public hearing that was scheduled for tonight regarding the discussion and adoption of Resolution on The Lodi/Ovid Court Consolidation Study has been changed to a different date. It will be held at 8:00 PM on Wednesday, May 16, 2012 instead.

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RESOLUTION: 2012-04-02

**RESOLUTION AND DECLARATON OF OFFICIAL INTENT**

LESSEE: Town of Lodi

Principal Amount Expected To be Financed: \$70,046.36

WHEREAS, the above Lessee is a political subdivision of the state in which Lessee is located (the "State") and is duly organized and existing pursuant to the Constitution and Laws of the State.

WHEREAS, pursuant to applicable law, the governing body of the Lessee ("Governing Body") is authorized to acquire, dispose of and encumber real and personal property, including, without limitation, rights and interests in property, leases and easements necessary to the functions or operations of the Lessee.

WHEREAS, the Governing Body hereby finds and determines the execution of one or more lease-purchase agreements ("Equipment Leases") in the principal amount not exceeding the amount stated above ("Principal Amount") for the purpose of acquiring the property generally described below ("Property") and to be described more specifically in the Equipment Leases is appropriate and necessary to the functions and operations of the Lessee.

Brief Description of Property:  
ICB 8065 RTS Mini Excavator

WHEREAS, First Niagara Leasing, Inc. ("Lessor") is expected to act as the Lessor under the Equipment Leases.

WHEREAS, the Lessee may pay certain capital expenditures in connection with the property prior to its receipt of proceeds of the Equipment Leases ("Lease Purchase Proceeds") for such expenditures and such expenditures are not expected to exceed the Principal Amount.

WHEREAS, the U.S. Treasury Department regulations do not allow the proceeds of a tax-exempt borrowing to be spent on working capital and the Lessee shall hereby declare its official intent to be reimbursed for any capital expenditures for Property from the Lease Purchase Proceeds.

NOW, THEREFORE, Be It Resolved by the Governing Body of the Lessee:

Section 1: The Lessee hereby determines that it has critically evaluated the financing alternatives available to it pursuant to 2 NYCRR Section 39.2 and that entering into the Equipment Leases and financing the acquisition of the Property thereby is in the best interests of the Lessee. Such evaluation shall be available as a public record.

The specific reason for such determination is that entering into such Equipment Leases results in a lower overall cost to the Lessee. Execution of the Equipment Leases will not cause the Lessee to be in violation of the limits contained in paragraph c of subdivision 6 of section 109-b of the General Municipal Law.

Section 2: The Lessee is hereby authorized to acquire and install the Property (the "Project") and is hereby authorized to finance the Project by entering into the Equipment Leases. Any action taken by the Lessee in connection therewith is hereby ratified and confirmed.

Section 3: Either the Town Of Lodi Supervisor and the Town Of Lodi Highway Superintendent (either an "Authorized Representative") acting on behalf of the Lessee is hereby authorized to negotiate, enter into, execute, and deliver one or more Equipment Leases in substantially the form set forth in the document presently before the Governing Body, which document is available for public inspection at the office of the Lessee. Each Authorized Representative acting on behalf of the Lessee is hereby authorized to negotiate, enter into, execute, and deliver such other documents relating to the Equipment Lease (including but not limited to, escrow agreements) as the Authorized Representative deems necessary and appropriate. All other related contracts and agreements necessary and incidental to the Equipment Leases are hereby authorized.

Section 4: By a written instrument signed by any Authorized Representative, said Authorized Representative may designate specifically identified officers or employees of the Lessee to execute and deliver agreements and documents relating to the Equipment Leases on behalf of the Lessee.

Section 5: The aggregate original principal amount of the Equipment Leases shall not exceed the Principal Amount and shall bear interest as set forth in the Equipment Leases and the Equipment Leases shall contain such options to purchase by the Lessee as set forth therein.

Section 6: The Lessee's obligations under the Equipment Leases shall be subject to annual appropriation or renewal by the Governing Body as set forth in each Equipment Lease and the Lessee's obligations under the Equipment Leases shall not constitute general obligations of the lessee or indebtedness under the Constitution or laws of the State.

Section 7: It is hereby determined that the purpose of the Project is an object or purpose described in subdivision 32 of paragraph (a) of section 11.00 of the Local Finance Law, and that the period of probable usefulness of said purpose is ( 10 ) years.

Section 8: It is hereby determined the term of the Equipment Leases authorized by the resolution will not be in excess of ( 4 ) years.

Section 9: The Governmental Body has determined that the Project is a Type II action that will not have a significant effect on the environment and, therefore, no other determination or procedures under the State Environmental Quality Review Act ("SEQR") is required.

Section 10: The Governing Body of Lessee anticipates that the Lessee may pay certain capital expenditures in connection with the Property prior to the receipt of the Lease Purchase Proceeds for the Property. The Governing Body of the Lessee hereby declares the Lessee's official intent to use the Lease Purchase Proceeds to reimburse itself for Property expenditures. This section of the Resolution is adopted by the Governing Body of the Lessee for the purpose of establishing compliance with the requirements of section 1.150-2 of the Treasury Regulations. This section of the Resolution does not bind the Lessee to make any expenditure, incur any indebtedness, or proceed with the purchase of the Property.

Section 11: BANK QUALIFIED: LESSEE CERTIFIES THAT IT HAS DESIGNATED THIS LEASE AS A QUALIFIED TAX-EXEMPT OBLIGATION IN ACCORDANCE WITH SECTION 265 (b)(3) OF THE CODE, THAT IT HAS NOT DESIGNATED MORE THAN \$10,000,000 OF ITS OBLIGATIONS AS A QUALIFIED TAX-EXEMPT OBLIGATIONS IN ACCORDANCE WITH SUCH SECTION FOR THE CURRENT CALENDAR YEAR AND THAT IT REASONABLY ANTICIPATES THAT THE TOTAL AMOUNT OF THE TAX-EXEMPT OBLIGATIONS TO BE ISSUED BY LESSEE DURING THE CURRENT CALENDAR YEAR WILL NOT EXCEED \$10,000,000.

Section 12: The Authorized Representative is further authorized to take such actions and execute such documents as may be necessary to ensure the continued status of the interest on the Equipment Leases authorized by the resolution as excludable from gross income for federal income tax purposes pursuant to Section 103 of the Code.

Section 13: This resolution is not subject to any mandatory or permissive referendum pursuant to the Local Finance Law or Section 109-b of the General Municipal Law.

Section 14: This resolution shall take effect immediately upon its adoption and approval.

Moved: Councilman Van Cleef  
Seconded: Councilwoman Clawson

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| Councilman Van Cleef | Aye    |
| Councilwoman Jones   | Aye    |
| Councilwoman Clawson | Aye    |
| Supervisor Davidson  | Absent |
| Councilman Latini    | Absent |

Adopted and Approved on April 26, 2012

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Announcements:

- May 12<sup>th</sup>: Annual Youth Fish Derby @ Potomac Ponds
- June 9<sup>th</sup> : Interlaken Olde Home Days
- June 16<sup>th</sup> : Ovid Strawberry Festival
- June 23<sup>rd</sup>: The 2012 Annual Meeting with NYS Assembly Minority Leader Brian M. Kolb, 10:00 AM at the Lodi Town Hall.
- July 7<sup>th</sup>: Lodi Independence Festival Day & Parade
- July 25-28<sup>th</sup>: Hector Fair
- August 25<sup>th</sup>: Trumansburg Parade

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HEARING NO FURTHER BUSINESS COUNCILMAN VAN CLEEF MADE MOTION, SECONDED BY COUNCILWOMAN CLAWSON, to adjourn the meeting at 7:25 p.m.

Respectfully Submitted,  
Nancy Jones, Lodi Town Clerk

Dated: April 26, 2012