

A RESOLUTION RELATING TO A LEASE-PURCHASE AGREEMENT FOR THE FINANCING OF A PROJECT FOR McMURRY COLLEGE, AUTHORIZING AND APPROVING ABILENE HIGHER EDUCATION FACILITIES CORPORATION TO FINANCE THE PROJECT BY A LEASE-PURCHASE AGREEMENT SECURED BY PAYMENTS TO BE RECEIVED PURSUANT TO A SUBLEASE-PURCHASE AGREEMENT AND A PLEDGE AND ASSIGNMENT OF THE CORPORATION'S INTEREST IN THE SUBLEASE-PURCHASE AGREEMENT AND PAYMENTS THEREUNDER TO THE LESSOR; AND AUTHORIZING THE EXECUTION OF DOCUMENTS

BE IT RESOLVED by the City Council (the Governing Body) of the City of Abilene, Texas (the City), as follows:

Section 1. Recitals.

1.01. Abilene Higher Education Facilities Corporation (the Corporation) is authorized by Section 53.33, Texas Education Code (the Act) to finance certain educational facilities. McMurry College (the Sublessee) has requested that the Corporation assist it in financing the acquisition and installation of certain Honeywell heating and cooling equipment (the Project) by entering into a Lease-Purchase Agreement with Bell Atlantic TriCon Government Finance, Inc. (the Lessor).

1.02. The Project will be lease-purchased by the Corporation from the Lessor and sublease-purchased by the Sublessee from the Corporation. The Project will be located at the campus of McMurry College, 14th and Sayles Blvd., Abilene, Texas. The maximum principal amount to be financed is \$1,500,000.00.

1.03. The Corporation has heretofore called, noticed and conducted a public hearing in accordance with Section 147(f) of the Internal Revenue Code of 1986, as amended (the Code) at which all persons who appeared were afforded an opportunity to express their views with respect to the proposal to undertake and finance the Project.

1.04. The Bylaws of the Corporation provide that the Corporation will only enter into a financing after obtaining the approval of the City for such financing, which Bylaws were approved by the City Council of the City upon adoption of Ordinance No. 29-1984.

1.05. The City has been provided with copies of the basic financing documents in substantially final form which will be used to close and secure payment of the aforementioned financing, and such documents have been reviewed and approved by McCall, Parkhurst and Horton, Dallas, Texas, ("Special Counsel" to the City) with respect to the protection of the City and its financial integrity and reputation, all as required by Section 5.6 of said Bylaws.

Section 2. Approval and Authorizations.

2.01. The Project is hereby approved and the Corporation is authorized to enter into the Lease and the Sublease in the maximum principal amount of \$1,500,000.00 to defray the costs thereof.

2.02. The forms of the Lease, the Sublease and the Escrow Agreement as presented to this Governing Body are approved. The documents shall be executed in substantially the form hereinabove approved, subject to additions therefrom approved by the officers of the Corporation executing the same, which approval shall be conclusively presumed upon execution thereof.

2.03. The Mayor and the City Secretary and other officers of the City are authorized and directed to prepare and furnish to the Lessor, when the Lease is executed and delivered, certified copies of all proceedings and records of the City relating to the Lease, and such other affidavits, certificates and documents as may be required to show the facts relating to the legality and marketability of the Lease as such facts appear from the books and records in the officers' custody and control or as otherwise known to them, or as may be necessary or desirable to accomplish the transactions contemplated by the Lease and its sale to an investor, and all such certified copies, certificates, affidavits and documents, including any heretofore furnished, shall constitute representations of the City as to the truth of all statements contained therein.

Section 3. Limited City and Corporation Liability.

The Lease and the Corporation's obligations thereunder and under the Sublease will be limited, special obligations of the Corporation payable solely from and secured by the payments required to be made by the Sublessee and will not constitute or give rise to a pecuniary liability of the Corporation or the City or a charge against the general credit or taxing powers of the City.

Section 4. This Resolution shall become effective immediately upon its passage.

Adopted and approved this 8th day of March, 1990.

  
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Mayor

ATTEST:

  
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City Secretary, City of Abilene

SUBMITTED TO AND APPROVED BY ME BEFORE ADOPTION:

  
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City Attorney, City of Abilene