

ORDINANCE NO. 70-B

**AN ORDINANCE BY THE BOARD OF TRUSTEES OF THE TOWN OF STRATTON, KIT CARSON COUNTY, COLORADO, TO ENTER INTO A MUNICIPAL LEASE / PURCHASE AGREEMENT WITH CATERPILLAR FINANCIAL SERVICES CORPORATION, FOR THE LEASE BY THE TOWN OF STRATTON OF A 2015 CATERPILLAR 420FST BACKHOE LOADER, SERIAL NO. SKR04816**

**Whereas**, the Town of Stratton, hereinafter referred to as the "Town" in the County of Kit Carson and the State of Colorado, is the body corporate operating as a statutory town pursuant to the general statutes of the State of Colorado; and

**Whereas**, Colorado Revised Statutes 31-15-801, allows a municipality in order to provide necessary equipment for governmental or proprietary purposes to enter into a long-term rental or leasehold agreements, not to exceed thirty years, which such agreements may include an option to purchase and acquire title to such leased or rented property subject to the terms and limitations of Colorado Revised Statute 31-15-801, as amended; and

**Whereas**, Colorado Revised Statutes 31-15-801 further provides that such lease purchase agreement must be approved by Ordinance passed by the Board of Trustees of the Town of Stratton, hereinafter referred to as the "Board"; and

**Whereas**, the Board has determined that the lease purchase of a 2015 Caterpillar 420FST Backhoe Loader, Serial No. SKR04816 is a proper governmental or proprietary use which will benefit the citizens of the Town and that such lease purchase agreement is in accordance with the Town budget and all applicable statutory requirements; and

**Whereas**, in the opinion of the Town Attorney for the Town of Stratton, the Town has full power and authority to make and enter into such Governmental Equipment Lease-Purchase Agreement, as proposed by Caterpillar Financial Services Corporation, for the purposes and upon the terms and conditions set forth in such proposed lease / purchase agreement and attached Exhibits and Certificates without incurring an indebtedness or other obligation on the part of the Town of Stratton, which might be deemed a general obligation debt as provided in the Constitution and Statutes of the State of Colorado;

**Whereas**, the Board has designated that the Governmental Equipment Lease-Purchase Agreement, Exhibits, and Certificates attached thereto is a "Qualified Tax-Exempt Obligation" under Section 103 of the Internal Revenue Code of 1986;

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF STRATTON, COLORADO;**

**SECTION I. - LEASE AGREEMENT**

The Mayor and the Town Clerk are authorized to enter into and execute, with Caterpillar Financial Services Corporation, or its successors or assigns, that certain Municipal Lease / Purchase Agreement, and attachments, dated \_\_\_\_\_, 2021, for the lease-purchase of the described backhoe. Copies of the agreement and attachments shall be retained in the Office of the Town Clerk for inspection.

**SECTION II. - SEPARABILITY**

If any one or more sections or parts of this Ordinance shall be adjudged unenforceable or invalid, such judgment, shall not affect, impair, or invalidate the remaining provisions of this Ordinance, it being the intention that the various provisions hereof are severable.

**SECTION III. - EFFECTIVE DATE OF ORDINANCE**

The Board finds that an emergency situation exists as the subject equipment is immediately needed for the health and safety of the citizens of the Town of Stratton and is immediately needed to perform necessary municipal functions. This Ordinance shall take effect upon adoption and shall be published on the first available date.

Adopted and Approved this 19<sup>th</sup> day of August, 2021.

Signed *Sonia Huppert*  
SONIA HUPPERT, Mayor

Attest:

*Melanie Johnson*  
MELANEE JOHNSON, Town Clerk

