

**AUTHORIZING A LEASE/PURCHASE AGREEMENT, SERIES 2020A IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$425,000 RELATING TO THE FINANCING OF PUBLIC WORKS EQUIPMENT TO BE USED FOR MUNICIPAL PURPOSES; AUTHORIZING THE EXECUTION AND DELIVERY OF VARIOUS DOCUMENTS INCLUDING THE LEASE AGREEMENT; AND OTHER MATTERS RELATING THERETO.**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EASLEY, SOUTH CAROLINA, AS FOLLOWS:**

Section 1. The City Council (the "*Council*") of the City of Easley, South Carolina (the "*City*"), as lessee, hereby finds and determines that:

- (a) the City is a body politic and corporate and a municipal corporation and, as such, possesses all powers granted to municipal corporations by the Constitution and general laws of the State of South Carolina; and
- (b) the City desires to enter into a lease/purchase agreement (the "*Lease*") with a bank or financial institution for the purpose of financing the acquisition of a leaf truck and a brush truck or similar-typed public works vehicles and equipment related to the foregoing (the "*Equipment*"); and
- (c) the payments by the City under the Lease will be subject to annual appropriation by the Council.

Section 2. The Council hereby ratifies the actions of the City Administrator in distributing a request for proposals to one or more financial institutions and authorizes the City Administrator to determine the final principal amount and maturity date of the Lease in accordance with the terms hereof. The Council hereby authorizes the City Administrator to select the financial institution that offers the best overall proposal to the City considering the interest rate, prepayment provisions, fees and any other covenants requested by the financial institution; provided however, that the principal amount cannot exceed \$425,000, the interest rate cannot exceed 4.0% per annum and the term cannot exceed five years from the date of the Lease, without further action required of the Council.

Section 3. The Council hereby authorizes the Mayor, the City Administrator, the City Clerk and the City Attorney, acting jointly or individually, to execute and deliver the Lease and such other documents and instruments as necessary to effect the execution and delivery of the Lease.

Section 4. The Lease will be designated as a "qualified tax-exempt obligation" within the meaning of and for purposes of Section 265(b) of the Internal Revenue Code of 1986, as amended, provided the Lease is executed and delivered in calendar year 2020.

Done in meeting duly assembled this 11<sup>th</sup> day of May, 2020.

**CITY OF EASLEY, SOUTH CAROLINA**

ATTEST:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF PICKENS )

**CERTIFICATE OF RESOLUTION**

I, the undersigned City Clerk of the City of Easley, South Carolina (the "*City*"), do hereby certify as follows:

Attached hereto is a full, true and correct copy of a resolution duly adopted by the City Council of the City at a meeting thereof duly held on May 11, 2020, which resolution has not been amended, altered or repealed but the same and each and every part thereof is in full force and effect at the date hereof.

**IN WITNESS WHEREOF**, I have hereunto set my Hand this 11<sup>th</sup> day of May, 2020.

**CITY OF EASLEY, SOUTH CAROLINA**

\_\_\_\_\_  
City Clerk



May 11, 2020

Mr. Steven Steese  
City Administrator  
205 N. First St.  
P.O. Box 466  
Easley, SC 29641

*Re: RFP Tax-Exempt Equipment Lease  
Proposal for two trucks (brush truck and leaf collector truck)*

Dear Mr. Steese,

Carolina Alliance Bank, Division of The Park National Bank is pleased to submit this proposal for a tax-exempt equipment lease per the referenced RFP in order to meet the equipment financing needs of the City of Easley, SC. The terms and conditions of our proposal are outlined below.

**LESSEE:** City of Easley, South Carolina  
Attention: Mr. Stephen Steese, City Administrator  
205 N. First St  
P.O. Box 466  
Easley, SC 29641

**LESSOR:** Carolina Alliance Bank, Division of The Park National Bank  
200 South Church Street  
Spartanburg, SC 29306

**EQUIPMENT:** 2020 NuLife Brush Hawg Brush truck and 2020 Spartan Chassis Mounted leaf Collector Truck.

**FINANCED AMOUNT:** \$425,000

**DATE OF CLOSING:** May 11, 2020

**DATE OF FUNDING:** May 31, 2020

**TERM:** 10 months (June 2020 to March 2021), followed by 5 year lease purchase agreement

**INTEREST RATE:** 1.704%

**REPAYMENT TERMS:** Five (5) equal amortized quarterly principal and interest payments in the amount of \$89,161.94, commencing on March 1, 2021 and ending March 1, 2025.

**PREPAYMENT:** Prepayment of the lease will be at the discretion of the City of Easley and without penalty.

**TYPE OF LEASE:** Equipment Lease/Purchase Financing Agreement designated as tax exempt under Section 103 of the Internal Revenue Code of 1986 as amended.

**ACQUISITION ACCOUNT:** To be housed at Carolina Alliance Bank, Division of The Park National Bank, 200 South Church Street, Spartanburg, SC.

**TAXES AND INSURANCE:** Responsibility of Lessee at Lessee's expense.

**ACCEPTANCE:** The terms of this proposal are available for your acceptance until May 11, 2020, after which time the terms offered are available subject only to the bank's extension of the proposal, in its sole discretion.

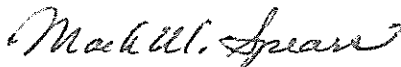
**ASSIGNABILITY:** The proposal is offered to the City of Easley, SC and may not be assigned.

This letter is not intended to contain or describe all of the terms and conditions of the lease, nor does it constitute a lease commitment. Carolina Alliance Bank, Division of The Park National Bank reserves the right to require such other terms and conditions as may be needed to affect the lease as contemplated. The lease is subject to the completion of due diligence and documentation satisfactory to the bank.

As a South Carolina community bank, we are particularly pleased to be in a position to offer competitive lease financing terms to the City of Easley. It would be a privilege to provide this service.

Thank you for the opportunity to offer a proposal. Should you have any questions please contact our leasing executive, Mark Spears at 864-534-0469 or [mspears@carolinaalliancebank.com](mailto:mspears@carolinaalliancebank.com)

Sincerely,



Mark W. Spears  
Vice President Leasing  
Carolina Alliance Bank

CAB Div of Park National Bank  
 PO Box 932  
 Spartanburg, SC 29304

City of Easley, SC  
 Attn: Stephen Steese  
 PO Box 466  
 Easley, SC 29641

Amortization Schedule						
Date	Description	Total Payment	P&I Payment	Principal Payment	Interest Payment	Principal Balance
May 11, 2020	Beginning Balance					425,000.00
⊕ 2020 Totals						
⊕ Mar 01, 2021	Regular Payment	89,161.94	89,161.94	83,247.64	5,914.30	341,752.36
⊕ 2021 Totals		<b>89,161.94</b>	<b>89,161.94</b>	<b>83,247.64</b>	<b>5,914.30</b>	
⊕ Mar 01, 2022	Regular Payment	89,161.94	89,161.94	83,257.60	5,904.34	258,494.76
⊕ 2022 Totals		<b>89,161.94</b>	<b>89,161.94</b>	<b>83,257.60</b>	<b>5,904.34</b>	
⊕ Mar 01, 2023	Regular Payment	89,161.94	89,161.94	84,696.02	4,465.92	173,798.74
⊕ 2023 Totals		<b>89,161.94</b>	<b>89,161.94</b>	<b>84,696.02</b>	<b>4,465.92</b>	
⊕ Mar 01, 2024	Regular Payment	89,161.94	89,161.94	86,151.06	3,010.88	87,647.68
⊕ 2024 Totals		<b>89,161.94</b>	<b>89,161.94</b>	<b>86,151.06</b>	<b>3,010.88</b>	
⊕ Mar 01, 2025	Regular Payment	89,161.93	89,161.93	87,647.68	1,514.25	
⊕ 2025 Totals		<b>89,161.93</b>	<b>89,161.93</b>	<b>87,647.68</b>	<b>1,514.25</b>	
⊕ Grand Total		<b>445,809.69</b>	<b>445,809.69</b>	<b>425,000.00</b>	<b>20,809.69</b>	