

ATTACHMENT A

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A
MASTER LEASE AGREEMENT, EQUIPMENT & VEHICLES, AN ESCROW
AGREEMENT, AND RELATED INSTRUMENTS, AND DETERMINING OTHER
MATTERS IN CONNECTION THEREWITH
Resolution No. 173/2004-05

WHEREAS, the governing body of **TOWN OF CARRBORO, NORTH CAROLINA** ("Lessee") desires to obtain certain equipment and vehicles (the "Equipment") to the Master Lease Agreement (collectively, the "Lease") with **SUNTRUST LEASING CORPORATION**, the form of which has been available for review by the governing body of Lessee prior to this meeting; and

WHEREAS, the Equipment is essential for the Lessee to perform its governmental functions; and

WHEREAS, the funds made available under the Lease will be deposited with **NORTH CAROLINA CAPITAL MANAGEMENT TRUST** with **SUNTRUST LEASING CORPORATION** as the "Escrow Agent" pursuant to an Escrow Agreement between Lessee and the Escrow Agent (the "Escrow Agreement") and will be applied to the acquisition of the Equipment and Vehicles in accordance with said Escrow Agreement; and

WHEREAS, Lessee has taken the necessary steps, including those relation to any applicable legal bidding requirements, to arrange for the acquisition of the Equipment and Vehicles; and

WHEREAS, Lessee proposes to enter into the Lease with **SUNTRUST LEASING CORPORATION** and the Escrow Agreement with the Escrow Agent substantially in the forms presented to this meeting.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF LESSEE AS FOLLOWS;

Section 1. It is hereby found and determined that the terms of the Lease and the Escrow Agreement (collectively, the Financing Documents") in the forms presented to this meeting and incorporated in this resolution are in the best interests of Lessee for the acquisition of the Equipment and Vehicles.

Section 2. The Financing Documents and the acquisition and financing of the Equipment under the terms and conditions as described in the Financing Documents are hereby approved. The Director of Finance of Lessee and any other officer of Lessee who shall have power to execute contracts on behalf of Lessee be, and each of them hereby is, authorized to execute, acknowledge and deliver the Financing Documents with any changes, insertions and omissions therein as may be approved by the officers who execute the Financing Documents, such approval to be conclusively evidences by such execution and delivery of the Financing Documents. The Town Clerk of the Lessee and any other officer of Lessee who shall have power to do so be, and each of them hereby is,

authorized to affix the official seal of Lessee to the Financing Documents and attest the same.

Section 3. The proper officers of Lessee be, and each of them hereby is, authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do or cause to be done any and all other acts and things necessary or proper for carrying out this resolution and the Financing Documents.

Section 4. Pursuant to Section 265(b) of the Internal Revenue Code of 1986, as amended (the "Code"), Lessee hereby specifically designated the Lease as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code.

ATTACHMENT B**AN ORDINANCE AMENDING FY'2004-05 BUDGET ORDINANCE**

WHEREAS, the Town Board of the Town of Carrboro on June 15, 2004 adopted the annual budget for the fiscal year beginning July 1, 2004 and ending June 30, 2005 and

WHEREAS, it is appropriate to amend the expense accounts in the funds listed to provide for increased expenses for the reasons stated.

NOW, THEREFORE, BE IT ORDAINED, that in accordance with authority contained in G.S. 159-15, the following expense and revenue accounts are amended as shown and that the total amount for the funds are herewith appropriated for the purposes shown:

FUND	ACCOUNT TITLE	INCREASE (DECREASE)	AMOUNT	FROM	TO
General Fund - Expenditures					
	Town Manager	INCREASE	\$404	\$286,403	\$286,807
	Police	INCREASE	\$3,710	\$2,642,142	\$2,645,582
	Planning	(DECREASE)	(\$2,331)	\$1,219,447	\$1,217,116
	Public Works	(DECREASE)	(\$24,885)	\$3,769,793	\$3,744,908
	Recreation & Parks	INCREASE	\$4,000	\$1,290,090	\$1,294,090
General Fund – Revenue					
	Other Financing Sources	(DECREASE)	(\$19,102)	\$1,089,850	\$1,070,748

REASON: To adjust equipment budgets to reflect cost of items financed.

RECOMMENDED BANK: SUNTRUST
VEHICLES

BID PROPOSAL CALLED FOR:															
SUNTRUST		CENTURA		BANK OF AMERICA		CENTURA		WACHOVIA		HUNTINGTON CAPITAL		CALFIRST		KOCH FINANCIAL	
INTEREST RATE		3.08%	3.04%	3.15%	3.28%	3.26%	3.45%	3.71%	3.57%	3.90%					
LOAN TERM		3	3	3	3	3	3	3	3	3					
PRINCIPAL		\$ 500,280.00	\$ 500,280.00	\$ 500,280.00	\$ 500,280.00	\$ 500,280.00	\$ 500,280.00	\$ 500,280.00	\$ 500,280.00	\$ 500,280.00					
INTEREST		\$ 15,279.75	\$ 15,054.45	\$ 15,593.40	\$ 16,229.81	\$ 16,131.96	\$ 17,061.24	\$ 18,330.96	\$ 17,647.56	\$ 19,257.40					
LOAN TOTAL		\$ 515,559.75	\$ 515,334.45	\$ 515,873.40	\$ 516,509.81	\$ 516,411.96	\$ 517,341.24	\$ 518,610.96	\$ 517,927.56	\$ 519,537.40					
ADDITIONAL COST, ESTIMATED		\$ -	\$ 350.00	\$ -	\$ -	\$ 350.00	\$ -	\$ -	\$ -	\$ -					
TOTAL COST		\$ 515,559.75	\$ 515,684.45	\$ 515,873.40	\$ 516,509.81	\$ 516,761.96	\$ 517,341.24	\$ 518,610.96	\$ 517,927.56	\$ 519,537.40					
CLOSING DATE (NO LATER THAN)		06/22/05	06/30/05	06/22/05	06/22/05	06/30/05	06/22/05	06/22/05	06/22/05	06/22/05					
PREPAYMENT PENALTY		N/A	0.50%	N/A	1.00%	0.00%	0.00%	N/A	N/A	2.00%					