

## **RESOLUTION NO. 2238**

### **A RESOLUTION AUTHORIZING TWO TAX EXEMPT MUNICIPAL EQUIPMENT LEASE FINANCE AGREEMENTS FOR RICOH NETWORK DIGITAL PRINTER COPIERS.**

#### **THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:**

1. City operations are delivered from several physical locations, and as such a true and very real need exists for the acquisition of the Equipment described in the Lease Agreement as of this date, and presented at this meeting, for the effective delivery of city services from the Police Facility, City Hall and City Admin Office locations.
2. And has further determined that the Equipment will be used solely for essential governmental functions and not for private business use; and
3. Acquisition of the Equipment through the provisions of the U.S. Communities cooperative purchasing Government Contract and Municipal Leasing Program is in the best interest of the City.

#### **NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TROUTDALE:**

Section 1. Agrees now that the City as Lessee to enter into each of two Tax-Exempt Lease-Purchase Agreements ("Lease Agreement") in order to finance the lease/purchase acquisition of the equipment (the "Equipment"), for the City's authorized needs and purposes on terms to be determined in accordance with the provisions of the Lease Agreement,

Section 2. And, in order to secure the Lease Agreement pursuant thereto, to grant a first lien security interest in the Equipment financed in accordance with the Lease Agreement.

Section 3. To enable Lessee to finance the lease/purchase acquisition of the Equipment, with the intent that the interest portion of the Rental Payments therefore be excluded from gross income for federal income tax purposes and,

Section 4. And to make payments, as set forth in the Lease Agreement sufficient to pay both the principal and interest portion of the Rental Payments, including disbursing any funds necessary for implementation.

Section 5. Designates the City Manager or Finance Director (each a "City Official") or a designee of the City Official, to act on behalf of the City, and without further action by the City Council the City Official is hereby, authorized, empowered and directed to sign on behalf of the city the Lease Agreement, and any and all other required and necessary documents to implement the of the transactions contemplated by the Lease Agreement.

Section 6. The City Official is hereby authorized to execute, acknowledge and deliver in the name and on behalf of Lessee to Lessor, the forms which are in substantial conformity with Exhibit A and B of the Staff Report, and with such changes as necessary to reflect the specific Equipment to be financed and financing terms applicable, and such other changes as the signing officer shall determine to be advisable.

Section 7. Further, the City Official are authorized to execute, acknowledge and deliver in the name and on behalf of Lessee any other agreement, instrument, certificate, representation, addendums, supporting and implementing documents, and to take any other action as may be advisable, convenient, necessary, or appropriate to give full force and effect to the terms and intent of the Lease Agreement, and the execution thereof by any such City Official shall be conclusive as to such determination.

Section 8. The Finance Director is authorized to disburse funds, subject to annual appropriations, as necessary to fulfill the 60 monthly lease principal payments totaling an amount not to exceed \$9,100.00 for the first lease agreement, and is further directed to implement all such actions necessary to ensure budgetary compliance.

Section 9. The Finance Director is authorized to disburse funds, subject to annual appropriations, as necessary to fulfill the 60 monthly lease principal payments totaling an amount not to exceed \$26,114.89, for the second lease agreement, and is further directed to implement all such actions necessary to ensure budgetary compliance.

Section 10. This Resolution shall take effect upon adoption.

**YEAS: 5**  
**NAYS: 0**  
**ABSTAINED: 0**



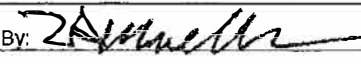
**Doug Daoust, Mayor**

Date 1/29/14



**Sarah Skroch, Deputy City Recorder**  
**Adopted: January 28, 2014**

<b>Accepted by Lessor:</b>		
U.S. Bank Equipment Finance, a division of U.S. Bank National Association ("U.S. Bank Equipment Finance") (the "Lessor") 1310 Madrid Street Ste 101 Marshall, MN 56258		
By:	Date:	Sign & Date
Name:		
Title: Documentation Analyst		
Telephone: 800-328-5371		

<b>Agreed to by Lessee:</b>	
City of Troutdale	(the "Lessee")
219 E Historic Columbia River Hwy Troutdale OR 97060	
By: 	Date: <u>1/29/2014</u>
Name: Erich Mueller	
Title: Finance Director	
Telephone: 503-674-7222	

**AGREEMENT:** Lessor hereby leases to Lessee and Lessee hereby leases from Lessor all the Property described in Property Schedule incorporated herein by reference, upon the terms and conditions set forth herein and as supplemented by the terms and conditions set forth in the Property Schedule. This Tax-Exempt Lease / Purchase Agreement together with the Property Schedule shall be defined as the Agreement.

**LEASE TERM:** The Lease Term of the Property listed in the Property Schedule shall commence as stated in the Certificate of Acceptance, attached as Exhibit B of the Property by Lessee and continue for the time period set forth in the Amortization Schedule attached to the Property Schedule. This Agreement cannot be canceled or terminated by Lessee except as expressly provided herein. This Agreement is a triple net lease.

**LEASE PAYMENTS:** Lessee shall pay rent to Lessor for the Property in the amounts, and on the dates specified, in the Amortization Schedule attached to the Property Schedule. Lessor and Lessee intend that the obligation of Lessee to pay Lease Payments hereunder shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or monies of Lessee.

**NO OFFSET:** SUBJECT TO THE RIGHT TO NON-APPROPRIATE, SET FORTH BELOW, THE OBLIGATIONS OF LESSEE TO PAY THE LEASE PAYMENTS DUE UNDER THE PROPERTY SCHEDULE AND TO PERFORM AND OBSERVE THE OTHER COVENANTS AND AGREEMENTS CONTAINED IN THIS AGREEMENT SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF OR DEFENSE, FOR ANY REASON, INCLUDING WITHOUT LIMITATION, ANY DEFECTS, MALFUNCTIONS, BREAKDOWNS OR INFIRMITIES IN THE PROPERTY OR ANY ACCIDENT, CONDEMNATION OR UNFORESEEN CIRCUMSTANCES. THIS PROVISION SHALL NOT LIMIT LESSEE'S RIGHTS OR ACTIONS AGAINST ANY VENDOR. Lessee shall pay when due all taxes, fees and governmental charges assessed or levied against or with respect to the Property.

**LATE CHARGES:** Should Lessee fail to duly pay any part of any Lease Payment or other sum to be paid to Lessor under this Agreement on the date on which such amount is due hereunder, then Lessee shall pay late charges on such delinquent payment from the due date thereof until paid at the rate of 12% per annum or the highest rate permitted by law, whichever is less.

**MAINTENANCE OF PROPERTY:** At all times during the Lease Term, Lessee shall, at Lessee's own cost and expense, maintain, preserve, and keep the Property in good working order, and condition, and from time to time make or cause to be made all necessary and proper repairs, replacements, and renewals to the Property, which shall become part of the Property. The Property is and will remain personal property.

**INSURANCE OF PROPERTY:** All risk of loss to the Property shall be borne by the Lessee. At all times during the Lease Term, Lessee shall, at Lessee's own cost and expense, cause casualty, public liability, and property damage insurance to be carried and maintained (or shall provide Lessor with a certificate stating that adequate self-insurance has been provided) with respect to the Property, sufficient to protect the full replacement value of the Property and to protect from liability in all events for which insurance is customarily available. Lessee shall furnish to Lessor certificates evidencing such coverage throughout the Lease Term. Any insurance policy to be carried and maintained pursuant to this Agreement shall be so written or endorsed as to make losses, if any, payable to Lessee and Lessor as their respective interests may appear. All such liability insurance shall name Lessor as an additional insured. Each insurance policy carried and maintained pursuant to this Agreement shall contain a provision to the effect that the insurance company shall not cancel the policy or modify it materially or adversely to the interest of the Lessor without first giving written notice thereof to Lessor at least 30 days in advance of such change of status.

**QUIET ENJOYMENT AND TERMINATION OF LESSOR'S INTEREST:** To secure Lessee's obligations hereunder, Lessor is granted a security interest in the Property, including substitutions, repairs, replacements and renewals, and the proceeds thereof, which is a first lien thereon. Lessee hereby authorizes Lessor to file all financing statements which Lessor deems necessary or appropriate to establish, maintain and perfect such security interest. Provided there does not exist an Event of Default as defined herein, the Lessee shall have the right of quiet enjoyment of the Property throughout the Lease Term. If Lessee shall have performed all of its obligations and no default shall have occurred and be continuing under this Agreement, and this Agreement shall not have been earlier terminated with respect to the Property, then, at the end of the Lease Term with respect to any item of Property, Lessor's interest in such Property shall terminate. Unless otherwise required by law, title to the Property shall be in the name of Lessee, subject to Lessor's interest hereunder.

**TAX EXEMPTION:** The parties contemplate that interest payable under this Agreement will be excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). The tax-exempt status of this Agreement provides the inducement for the Lessor to offer financing at the interest rate set forth herein. Therefore, should this Agreement be deemed by any taxing authority not to be exempt from taxation, Lessee agrees that the interest rate shall be adjusted, as of the date of loss of tax exemption, to an interest rate calculated to provide Lessor or its assignee an after tax yield equivalent to the tax exempt rate and Lessor shall notify Lessee of the taxable rate. Provided, however, that the provision of the preceding sentence shall apply only upon a final determination that the interest payments are not excludable from gross income under Section 103(a) of the Code, and shall not apply if the determination is based upon the individual tax circumstances of the Lessor, or a finding that the party seeking to exclude such payments from gross income is not the owner and holder of the obligation under the Code.

**REPRESENTATIONS AND WARRANTIES OF LESSEE:** Lessee hereby represents and warrants to Lessor that: (a) Lessee is a State, possession of the United States, the District of Columbia, or political subdivision thereof as defined in Section 103 of the Code and Treasury Regulations and Rulings related thereto. If Lessee is incorporated, it is duly organized and existing under the Constitution and laws of its jurisdiction of incorporation and will do or cause to be done all things necessary to preserve and keep such organization and existence in full force and effect. (b) Lessee has been duly authorized by the Constitution and laws of the applicable jurisdiction and by a resolution of its governing body (which resolution, if requested by Lessor, is attached hereto), to execute and deliver this Agreement and to carry out its obligations hereunder. (c) All legal requirements have been met, and procedures have been followed, including public bidding, in order to ensure the enforceability of this Agreement. (d) The Property will be used by Lessee only for essential governmental or proprietary functions of Lessee consistent with the scope of Lessee's authority and will not be used in a trade or business of any person or entity, by the federal government or for any personal, family or household use. Lessee's need for the Property is not expected to diminish during the term of the Agreement. (e) Lessee has funds available to pay Lease Payments until the end of its current appropriation period, and it intends to request funds to make Lease Payments in each appropriation period, from now until the end of the term of this Agreement. (f) The Lessee shall comply at all times with all applicable requirements of the Code, including but not limited to the registration and reporting requirements of Section 149, to maintain the federal tax-exempt status of the Agreement. The Lessee shall maintain a system with respect to this Agreement, which tracks the name, and ownership interest of each assignee who has both the responsibility for administration of, and ownership interest in this Agreement. (g) Lessee's exact legal name is as set forth on the first page of this Agreement. Lessee will not change its legal name in any respect without giving thirty (30) days prior written notice to Lessor.

**RISK OF LOSS COVENANTS:** Lessee shall not be required to indemnify or hold Lessor harmless against liabilities arising from the Agreement. However, as between Lessor and Lessee, and to the extent permitted by law, Lessee shall bear the risk of loss for, shall pay directly, and shall defend against any and all claims, liabilities, proceedings, actions, expenses, damages or losses arising under or related to the Property, including, but not limited to, the possession, ownership, lease, use or operation thereof, and the loss of federal tax exemption of the interest on any of the Lease Payments, except that Lessee shall not bear the risk of loss of, nor pay for, any claims, liabilities, proceedings, actions, expenses, damages or losses that arise directly from events occurring after Lessee has surrendered possession of the Property in accordance with the terms of the Agreement to Lessor or that arise directly from the gross negligence or willful misconduct of the Lessor.

**NON-APPROPRIATION:** If sufficient funds are not appropriated to make Lease Payments under this Agreement, this Agreement shall terminate and Lessee shall not be obligated to make Lease Payments under this Agreement beyond the then current fiscal year for which funds have been appropriated. Upon such an event, Lessee shall, no later than the end of the fiscal year for which Lease Payments have been appropriated, deliver possession of the Property to Lessor. If Lessee fails to deliver possession of the Property to Lessor, the termination shall nevertheless be effective but Lessee shall be responsible for the payment of damages in an amount equal to the portion of Lease Payments thereafter coming due that is attributable to the number of days after the termination during which the Lessee fails to deliver possession and for any other loss suffered by Lessor as a result of Lessee's failure to deliver possession as required. Lessee shall notify Lessor in writing within seven (7) days after the failure of the Lessee to appropriate funds sufficient for the payment of the Lease Payments, but failure to provide such notice shall not operate to extend the Lease Term or result in any liability to Lessee.

**ASSIGNMENT BY LESSEE:** Without Lessor's prior written consent, Lessee may not, by operation of law or otherwise, assign, transfer, pledge, hypothecate or otherwise dispose of the Property, this Agreement or any interest therein.

**ASSIGNMENT BY LESSOR:** Lessor may assign, sell or encumber all or any part of this Agreement, the Lease Payments and any other rights or interests of Lessor hereunder. Such assignees may include trust agents for the benefit of holders of certificates of participation. Lessee agrees that if Lessor sells, assigns or transfers this Agreement, the new Lessor will have the same rights and benefits that we have now and will not have to perform any of our obligations. Lessee agrees that the new Lessor will not be subject to any claims, defenses, or offsets that Lessee may have against us.

**EVENTS OF DEFAULT:** Lessee shall be in default under this Agreement upon the occurrence of any of the following events or conditions ("Events of Default"), unless such Event of Default shall have been specifically waived by Lessor in writing: (a) Default by Lessee in payment of any Lease Payment or any other indebtedness or obligation now or hereafter owed by Lessee to Lessor under this Agreement or in the performance of any obligation, covenant or liability contained in this Agreement and the continuance of such default for ten (10) consecutive days after written notice thereof by Lessor to Lessee, or (b) any warranty, representation or statement made or furnished to Lessor by or on behalf of Lessee proves to have been false in any material respect when made or furnished, or (c) actual or attempted sale, lease or encumbrance of any of the Property, or the making of any levy, seizure or attachment thereof or thereon, or (d) dissolution, termination of existence, discontinuance of the Lessee, insolvency, business failure, failure to pay debts as they mature, or appointment of a receiver of any part of the property of, or assignment for the benefit of creditors by the Lessee, or the commencement of any proceedings under any bankruptcy, reorganization or arrangement laws by or against the Lessee.

**REMEDIES OF LESSOR:** Upon the occurrence of any Event of Default and at any time thereafter, Lessor may, without any further notice, exercise one or more of the following remedies as Lessor in its sole discretion shall elect: (a) terminate the Agreement and all of Lessee's rights hereunder as to any or all items of Property; (b) proceed by appropriate court action to personally, or by its agents, take possession from Lessee of any or all items of Property wherever found and for this purpose enter upon Lessee's premises where any item of Property is located and remove such item of Property free from all claims of any nature whatsoever by Lessee and Lessor may thereafter dispose of the Property; provided, however, that any proceeds from the disposition of the Property in excess of the sum required to (i) pay to Lessor an amount equal to the total unpaid principal component of Lease Payments under the Property Schedule, including principal component not otherwise due until future fiscal years, (ii) pay any other amounts then due under the Property Schedule and this Agreement, and (iii) pay Lessor's costs and expenses associated with the disposition of the Property and the Event of Default (including attorneys fees), shall be paid to Lessee or such other creditor of Lessee as may be entitled thereto, and further provided that no deficiency shall be allowed against Lessee; (c) proceed by appropriate court action or actions to enforce performance by Lessee of its obligations hereunder or to recover damages for the breach hereof or pursue any other remedy available to Lessor at law or in equity or otherwise; (d) declare all unpaid Lease Payments and other sums payable hereunder during the current fiscal year of the Lease Term to be immediately due and payable without any presentment, demand or protest and / or take any and all actions to which Lessor shall be entitled under applicable law. No right or remedy herein conferred upon or reserved to Lessor is exclusive of any right or remedy herein or at law or in equity or otherwise provided or permitted, but each shall be cumulative of every other right or remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise, and may be enforced concurrently therewith or from time to time. Lessee agrees to pay to Lessor or reimburse Lessor for, in addition to all other amounts due hereunder, all of Lessor's costs of collection, including reasonable attorney fees, whether or not suit or action is filed thereon. Lessee and Lessor hereby irrevocably waive all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Agreement.

**NOTICES:** All notices, and other communications provided for herein shall be deemed given when delivered or mailed by certified mail, postage prepaid, addressed to Lessor or Lessee at their respective addresses set forth herein or such other addresses as either of the parties hereto may designate in writing to the other from time to time for such purpose.

**AMENDMENTS AND WAIVERS:** This Agreement and the Property Schedule executed by Lessor and Lessee constitute the entire agreement between Lessor and Lessee with respect to the Property and this Agreement may not be amended except in writing signed by both parties.

**CONSTRUCTION:** This Agreement shall be governed by and construed in accordance with the laws of the Lessee's State. Titles of sections of this Agreement are for convenience only and shall not define or limit the terms or provisions hereof. Time is of the essence under this Agreement. This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns. This Agreement may be simultaneously executed in counterparts, each shall be an original with all being the same instrument.



Application # 1800309

EQUIPMENT FINANCE

Property Schedule to Tax-Exempt Lease/Purchase Agreement

This Property Schedule is entered into pursuant to Tax-Exempt Lease/Purchase Agreement dated as of 1/29/2014 between Lessor and Lessee

- 1. Interpretation. The terms and conditions of the Tax-Exempt Lease/Purchase Agreement (the "Agreement") are incorporated herein.
2. Property Description. The Property subject to this Property Schedule is described in Exhibit A, attached hereto. It includes all replacements, parts, repairs, additions, accessions and accessories incorporated therein or affixed or attached thereto and any and all proceeds of the foregoing, including, without limitation, insurance recoveries.
3. Term and Payments. Lease Term and Lease Payments are per attached Amortization & Payment Schedule. If the Payment Due Dates are not defined, they shall be defined as stated in the Certificate of Acceptance, attached as Exhibit B, hereto. If the parties enter into an escrow agreement for the acquisition of the Property, then the escrow agreement shall be attached hereto as Exhibit E. In lieu of the Acceptance Date for commencement of Lease Payments, the date of deposit of the Property Cost into the escrow by Lessor shall be used. Lessee shall have the option to prepay the Lease Payments due under this Property Schedule by paying the Termination Amount shown on the attached Amortization Schedule, plus any other amounts due and owing at the time of prepayment, subject to per diem adjustment.
4. Expiration. Lessor, at its sole determination, may choose not to accept this Property Schedule if the fully executed, original Agreement (including this Property Schedule and all ancillary documents) are not received by Lessor at its place of business by 3/23/2014
5. Property Cost. The total principal amount under this Property Schedule for the acquisition cost of the Property is \$26,114.89
6. Opinion of Counsel. Lessee has provided the opinion of its legal counsel substantially in the form as attached as Exhibit C, hereto.
7. Lessee's Certificate. Lessee has provided the Lessee's Certificate in the form attached as Exhibit D, hereto.
8. Bank Qualification. Lessee designates this Agreement and Property Schedule as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended. Lessee reasonably anticipates issuing tax-exempt obligations (excluding private activity bonds other than qualified 501(c)(3) bonds and including all tax-exempt obligations of subordinate entities of the Lessee) during the calendar year this Agreement and Property Schedule was funded, in an amount not exceeding \$10,000,000.

Initial Here [Signature] Lessee initial here, only if Bank Qualification is applicable

IN WITNESS WHEREOF, Lessor and Lessee have caused this Property Schedule to be executed in their names by their duly authorized representatives.

Lessor: U.S. Bank Equipment Finance
By:
Name:
Title: Documentation Analyst

Sign Here

Lessee: City of Troutdale
By: [Signature]
Name: Erich Mueller
Title: Finance Director

Sign Here

Attest:
By: [Signature]
Name: Craig Ward
Title: City Manager




EXHIBIT A

Application # 1800309  
**Property Description**

EQUIPMENT FINANCE

Vendor: Ricoh USA Inc  
Address: 12100 SW Garden Pl  
City, State, Zip Code: Portland OR 97223

<u>Quantity</u>	<u>Description</u>	<u>Serial Number</u>	<u>Equipment Location</u>
1	Ricoh Aficio MP C6003		219 E Historic Columbia River Hwy Troutdale OR
1	Ricoh Aficio MP C6003		219 E Historic Columbia River Hwy Troutdale OR

<b>Lessee:</b> City of Troutdale
<b>By:</b> 
<b>Name:</b> Erich Mueller
<b>Title:</b> Finance Director

Sign Here



EQUIPMENT FINANCE

**AMORTIZATION & PAYMENT SCHEDULE**

Term: 60 Months

Payment Structure: Monthly

Interest Rate: 4.844%

Application #1800309

Payment No.	Lease Payment	Interest Portion	Principal Portion	Outstanding Balance	Termination Amount (After Making Said Payment)
Beginning Balance				26,114.89	
1	490.96	105.42	385.54	25,729.35	26,501.23
2	490.96	103.87	387.09	25,342.26	26,102.53
3	490.96	102.31	388.65	24,953.61	25,702.22
4	490.96	100.74	390.22	24,563.39	25,300.29
5	490.96	99.16	391.80	24,171.59	24,896.74
6	490.96	97.58	393.38	23,778.21	24,491.56
7	490.96	95.99	394.97	23,383.24	24,084.74
8	490.96	94.40	396.56	22,986.68	23,676.28
9	490.96	92.80	398.16	22,588.52	23,266.18
10	490.96	91.19	399.77	22,188.75	22,854.41
11	490.96	89.57	401.39	21,787.36	22,440.98
12	490.96	87.95	403.01	21,384.35	22,025.88
13	490.96	86.33	404.63	20,979.72	21,609.11
14	490.96	84.69	406.27	20,573.45	21,190.65
15	490.96	83.05	407.91	20,165.54	20,770.51
16	490.96	81.41	409.55	19,755.99	20,348.67
17	490.96	79.75	411.21	19,344.78	19,925.12
18	490.96	78.09	412.87	18,931.91	19,499.87
19	490.96	76.43	414.53	18,517.38	19,072.90
20	490.96	74.75	416.21	18,101.17	18,644.21
21	490.96	73.07	417.89	17,683.28	18,213.78
22	490.96	71.39	419.57	17,263.71	17,781.62
23	490.96	69.69	421.27	16,842.44	17,347.71
24	490.96	67.99	422.97	16,419.47	16,912.05
25	490.96	66.28	424.68	15,994.79	16,474.63
26	490.96	64.57	426.39	15,568.40	16,035.45
27	490.96	62.85	428.11	15,140.29	15,594.50
28	490.96	61.12	429.84	14,710.45	15,151.76
29	490.96	59.39	431.57	14,278.88	14,707.25
30	490.96	57.64	433.32	13,845.56	14,260.93
31	490.96	55.89	435.07	13,410.49	13,812.80
32	490.96	54.14	436.82	12,973.67	13,362.88
33	490.96	52.37	438.59	12,535.08	12,911.13
34	490.96	50.60	440.36	12,094.72	12,457.56



EQUIPMENT FINANCE

35	490.96	48.83	442.13	11,652.59	12,002.17
36	490.96	47.04	443.92	11,208.67	11,544.93
37	490.96	45.25	445.71	10,762.96	11,085.85
38	490.96	43.45	447.51	10,315.45	10,624.91
39	490.96	41.64	449.32	9,866.13	10,162.11
40	490.96	39.83	451.13	9,415.00	9,697.45
41	490.96	38.01	452.95	8,962.05	9,230.91
42	490.96	36.18	454.78	8,507.27	8,762.49
43	490.96	34.34	456.62	8,050.65	8,292.17
44	490.96	32.50	458.46	7,592.19	7,819.96
45	490.96	30.65	460.31	7,131.88	7,345.84
46	490.96	28.79	462.17	6,669.71	6,869.80
47	490.96	26.93	464.03	6,205.68	6,391.85
48	490.96	25.05	465.91	5,739.77	5,911.96
49	490.96	23.17	467.79	5,271.98	5,430.14
50	490.96	21.28	469.68	4,802.30	4,946.37
51	490.96	19.39	471.57	4,330.73	4,460.65
52	490.96	17.48	473.48	3,857.25	3,972.97
53	490.96	15.57	475.39	3,381.86	3,483.32
54	490.96	13.65	477.31	2,904.55	2,991.69
55	490.96	11.73	479.23	2,425.32	2,498.08
56	490.96	9.79	481.17	1,944.15	2,002.47
57	490.96	7.85	483.11	1,461.04	1,504.87
58	490.96	5.90	485.06	975.98	1,005.26
59	490.96	3.94	487.02	488.96	503.63
60	490.96	2.00	488.96	0.00	
	29,457.60	3,342.71	26,114.89		

This Amortization Schedule is hereby verified as correct by the undersigned, who acknowledges receipt of a copy.

City of Troutdale

Sign Here

  
Erich Mueller

Title: Finance Director

Lessee's Certificate

Re: Tax Exempt Lease/Purchase Agreement and Property Schedule dated as of 1/29/2014 between Lessee and Lessor

We, the undersigned, being duly elected, qualified and acting authorized representatives of Lessee, with the titles as set forth in our respective signature blocks below, do hereby certify, as of the date of the above-referenced Agreement (the "Agreement"), as follows:

- 1. Lessee did, at a meeting of the governing body of the Lessee by resolution or ordinance duly enacted, in accordance with all requirements of law, approve and authorize the execution and delivery of the Agreement by at least one of the undersigned.
2. Each undersigned held at the time of such authorization and holds at the present time the office set forth below in such undersigned's signature block. Each undersigned's signature set forth below is true and correct.
3. The meeting(s) of the governing body of the Lessee at which the Agreement was approved and authorized to be executed was duly called, regularly convened and attended throughout by the requisite quorum of the members thereof, and the enactment approving the Agreement and authorizing the execution thereof has not been altered or rescinded.
4. No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default or a Non-appropriation (as such terms are defined in the Agreement) exists at the date hereof with respect to the Agreement.
5. The acquisition of all of the Property under the Agreement has been duly authorized by the governing body of Lessee.
6. Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget year to make the Lease Payments scheduled to come due during the current budget year under the Agreement and to meet its other obligations for the current budget year and such funds have not been expended for other purposes.
7. As of the date hereof, no litigation is pending, (or, to my knowledge, threatened) against Lessee in any court (a) seeking to restrain or enjoy in the delivery of the Agreement or of other agreements similar to the Agreement; (b) questioning the authority of Lessee to execute the Agreement, or the validity of the Agreement; (c) questioning the constitutionality of any statute, or the validity of any proceedings, authorizing the execution of the Agreement; or (d) affecting the provisions made for the payment of or security for the Agreement.

City of Troutdale
By: [Signature]
Name: Erich Mueller
Title: Finance Director

MUST BE SIGNED BY PERSON SIGNING THE AGREEMENT

City of Troutdale
By: [Signature]
Name: Craig Wafd
Title: City Manager

MUST BE SIGNED BY OFFICER - OFFICER OTHER THAN PERSON SIGNING THE AGREEMENT

NOTE: NEED TWO SEPARATE OFFICER'S SIGNATURES, ONE OF WHICH MUST BE PERSON SIGNING THE AGREEMENT. A FACSIMILE OF THIS DOCUMENT WITH SIGNATURE SHALL BE CONSIDERED TO BE AN ORIGINAL. CAPITALIZED TERMS IN THIS DOCUMENT ARE DEFINED AS IN THE AGREEMENT, UNLESS SPECIFICALLY STATED OTHERWISE.

### Insurance Authorization and Verification

Date: 1/29/2014

Re: Tax-Exempt Lease/Purchase Agreement, Dated 1/29/2014

To Lessee: City of Troutdale

From Lessor: U.S. Bank Equipment Finance  
1310 Madrid St Ste 101  
Marshall, MN 56258

219 E Historic Columbia River Hwy  
Troutdale OR 97060

**TO THE LESSEE:** In connection with the above-referenced Property Schedule, Lessor requires proof in the form of this document, executed by both Lessee\* and Lessee's agent, that Lessee's insurable interest in the financed property (the "Property") meets Lessor's requirements as follows, with coverage including, but not limited to; fire, extended coverage, vandalism, and theft:

Lessor, AND ITS SUCCESSORS AND ASSIGNS, shall be covered as both ADDITIONAL INSURED and LENDER'S LOSS PAYEE with regard to all equipment financed or leased by policy holder through or from Lessor. All such insurance shall contain a provision to the effect that such insurance shall not be canceled or modified without first giving written notice thereof to Lessor and Lessee at least thirty (30) days in advance of such cancellation or modification.

Lessee must carry GENERAL LIABILITY (and/or, for vehicles, Automobile Liability) in the amount of no less than \$1,000,000.00 (one million dollars).

Lessee must carry PROPERTY Insurance (or, for vehicles, Physical Damage Insurance) in an amount no less than the 'Insurable Value' \$ 26,114.89 [amount of financing], with deductibles no more than \$10,000.00.


\*Lessee: Please execute this form and return with your document package. Lessor will fax this form to your insurance agency for endorsement. In lieu of agent endorsement, Lessee's agency may submit insurance certificates demonstrating compliance with all requirements. Should you have any questions, please contact U.S. Bank Equipment Finance at 800-328-5371

By signing, Lessee authorizes the Agent named below: 1) to complete and return this form as indicated; and 2) to endorse the policy and subsequent renewals to reflect the required coverage as outlined above.

Agency/Agent: Brown & Brown NW + Cathi Pham  
Address: 220 NW 2nd Ave., Ste 800  
Portland, OR 97209  
Phone/Fax: (503) 219-3266 / (503) 914-5466  
E-Mail: cathi.pham@beehercarlson.com

City of Troutdale

Sign Here 

By:   
Name: Erich Mueller  
Title: Finance Director

**TO THE AGENT:** In lieu of providing a certificate, please execute this form in the space below and promptly fax it to Lessor at 800-433-6185. This fully endorsed form shall serve as proof that Lessee's insurance meets the above requirements.

Agent hereby verifies that the above requirements have been met in regard to the Property listed below.

Print Name Of Agency: X \_\_\_\_\_

By: X \_\_\_\_\_  
(Agent's Signature)

Print Name: X \_\_\_\_\_

Date: X \_\_\_\_\_

Insurable Value: \$ 26,114.89 [amount of financing]

**Information Return for Small Tax-Exempt  
Governmental Bond Issues, Leases, and Installment Sales**

Under Internal Revenue Code section 149(e)

OMB No. 1545-0720

Caution: If the issue price of the issue is \$100,000 or more, use Form 8038-G.

**Part I Reporting Authority** Check box if Amended Return

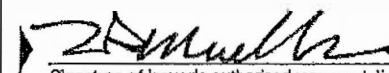
1 Issuer's name <b>CITY OF TROUTDALE</b>		2 Issuer's employer identification number (EIN) <b>9 3 6 0 0 2 2 6 8</b>	
3 Number and street (or P.O. box if mail is not delivered to street address) <b>219 E. HISTORIC COLUMBIA RIVER HWY</b>		Room/suite	
4 City, town, or post office, state, and ZIP code <b>TROUTDALE, OR 97060-2078</b>		5 Report number (For IRS Use Only)	
6 Name and title of officer or other employee of issuer or designated contact person whom the IRS may call for more information <b>ERICH MUELLER, FINANCE DIRECTOR</b>		7 Telephone number of officer or legal representative <b>(503) 674-7231</b>	

**Part II Description of Obligations** Check one: a single issue  or a consolidated return

8a Issue price of obligation(s) (see instructions)	8a	\$26,114	89
b Issue date (single issue) or calendar date (consolidated). Enter date in mm/dd/yyyy format (for example, 01/01/2009) (see instructions) ▶			
9 Amount of the reported obligation(s) on line 8a that is:	9a		
a For leases for vehicles	9b		
b For leases for office equipment	9c		
c For leases for real property	9d		
d For leases for other (see instructions)	9e		
e For bank loans for vehicles	9f	\$26,114	89
f For bank loans for office equipment	9g		
g For bank loans for real property	9h		
h For bank loans for other (see instructions)	9i		
i Used to refund prior issue(s)	9j		
j Representing a loan from the proceeds of another tax-exempt obligation (for example, bond bank)	9k		
10 If the issuer has designated any issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check this box ▶ <input type="checkbox"/>			
11 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check this box (see instructions) ▶ <input type="checkbox"/>			
12 Vendor's or bank's name:			
13 Vendor's or bank's employer identification number:			

**Signature and Consent**

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person(s) that I have authorized above.

 **ERICH MUELLER, FINANCE DIRECTOR**  
Signature of issuer's authorized representative Date

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶	Firm's EIN ▶			
	Firm's address ▶	Phone no.			

**General Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.

**What's New**

The IRS has created a page on IRS.gov for information about the Form 8038 series and its instructions, at [www.irs.gov/form8038](http://www.irs.gov/form8038). Information about any future developments affecting the Form 8038 series (such as legislation enacted after we release it) will be posted on that page.

**Purpose of Form**

Form 8038-GC is used by the issuers of tax-exempt governmental obligations to provide the IRS with the information required by section 149(e) and to monitor the requirements of sections 141 through 150.

**Who Must File**

Issuers of tax-exempt governmental obligations with issue prices of less than \$100,000 must file Form 8038-GC.

Issuers of a tax-exempt governmental obligation with an issue price of \$100,000 or more must file Form 8038-G, Information Return for Tax-Exempt Governmental Obligations.

**Filing a separate return for a single issue.** Issuers have the option to file a separate Form 8038-GC for any tax-exempt governmental obligation with an issue price of less than \$100,000.

An issuer of a tax-exempt bond used to finance construction expenditures must file a separate Form 8038-GC for each issue to give notice to the IRS that an election was made to

pay a penalty in lieu of arbitrage rebate (see the line 11 instructions).

**Filing a consolidated return for multiple issues.** For all tax-exempt governmental obligations with issue prices of less than \$100,000 that are not reported on a separate Form 8038-GC, an issuer must file a consolidated information return including all such issues issued within the calendar year.

Thus, an issuer may file a separate Form 8038-GC for each of a number of small issues and report the remainder of small issues issued during the calendar year on one consolidated Form 8038-GC. However, if the issue is a construction issue, a separate Form 8038-GC must be filed to give the IRS notice of the election to pay a penalty in lieu of arbitrage rebate.

## When To File

To file a separate return for a single issue, file Form 8038-GC on or before the 15th day of the second calendar month after the close of the calendar quarter in which the issue is issued.

To file a consolidated return for multiple issues, file Form 8038-GC on or before February 15th of the calendar year following the year in which the issue is issued.

**Late filing.** An issuer may be granted an extension of time to file Form 8038-GC under section 3 of Rev. Proc. 2002-48, 2002-37 I.R.B. 531, if it is determined that the failure to file on time is not due to willful neglect. Type or print at the top of the form, "Request for Relief under section 3 of Rev. Proc. 2002-48." Attach to the Form 8038-GC a letter briefly stating why the form was not submitted to the IRS on time. Also indicate whether the obligation in question is under examination by the IRS. Do not submit copies of any bond documents, leases, or installment sale documents. See *Where To File* next.

## Where To File

File Form 8038-GC, and any attachments, with the Department of the Treasury, Internal Revenue Service Center, Ogden, UT 84201.

**Private delivery services.** You can use certain private delivery services designated by the IRS to meet the "timely mailing as timely filing/paying" rule for tax returns and payments. These private delivery services include only the following:

- DHL Express (DHL): DHL Same Day Service.
- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2Day, FedEx International Priority, and FedEx International First.
- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M., UPS Worldwide Express Plus, and UPS Worldwide Express.

The private delivery service can tell you how to get written proof of the mailing date.

## Other Forms That May Be Required

For rebating arbitrage (or paying a penalty in lieu of arbitrage rebate) to the Federal Government, use Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate. For private activity bonds, use Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues.

For a tax-exempt governmental obligation with an issue price of \$100,000 or more, use Form 8038-G.

## Rounding to Whole Dollars

You may show the money items on this return as whole-dollar amounts. To do so, drop any amount less than 50 cents and increase any amount from 50 to 99 cents to the next higher dollar.

## Definitions

**Obligations.** This refers to a single tax-exempt governmental obligation if Form 8038-GC is used for separate reporting or to

multiple tax-exempt governmental obligations if the form is used for consolidated reporting.

**Tax-exempt obligation.** This is any obligation including a bond, installment purchase agreement, or financial lease, on which the interest is excluded from income under section 103.

**Tax-exempt governmental obligation.** A tax-exempt obligation that is not a private activity bond (see below) is a tax-exempt governmental obligation. This includes a bond issued by a qualified volunteer fire department under section 150(e).

**Private activity bond.** This includes an obligation issued as part of an issue in which:

- More than 10% of the proceeds are to be used for any private activity business use, and
- More than 10% of the payment of principal or interest of the issue is either (a) secured by an interest in property to be used for a private business use (or payments for such property) or (b) to be derived from payments for property (or borrowed money) used for a private business use.

It also includes a bond, the proceeds of which (a) are to be used to make or finance loans (other than loans described in section 141(c)(2)) to persons other than governmental units and (b) exceeds the lesser of 5% of the proceeds or \$5 million.

**Issue.** Generally, obligations are treated as part of the same issue only if they are issued by the same issuer, on the same date, and as part of a single transaction, or a series of related transactions. However, obligations issued during the same calendar year (a) under a loan agreement under which amounts are to be advanced periodically (a "draw-down loan") or (b) with a term not exceeding 270 days, may be treated as part of the same issue if the obligations are equally and ratably secured under a single indenture or loan agreement and are issued under a common financing arrangement (for example, under the same official statement periodically updated to reflect changing factual circumstances). Also, for obligations issued under a draw-down loan that meets the requirements of the preceding sentence, obligations issued during different calendar years may be treated as part of the same issue if all of the amounts to be advanced under the draw-down loan are reasonably expected to be advanced within 3 years of the date of issue of the first obligation. Likewise, obligations (other than private activity bonds) issued under a single agreement that is in the form of a lease or installment sale may be treated as part of the same issue if all of the property covered by that agreement is reasonably expected to be delivered within 3 years of the date of issue of the first obligation.

**Arbitrage rebate.** Generally, interest on a state or local bond is not tax-exempt unless the issuer of the bond rebates to the United States arbitrage profits earned from investing proceeds of the bond in higher yielding nonpurpose investments. See section 148(f).

**Construction issue.** This is an issue of tax-exempt bonds that meets both of the following conditions:

1. At least 75% of the available construction proceeds of the issue are to be used for construction expenditures with respect to property to be owned by a governmental unit or a 501(c)(3) organization, and

2. All of the bonds that are part of the issue are qualified 501(c)(3) bonds, bonds that are not private activity bonds, or private activity bonds issued to finance property to be owned by a governmental unit or a 501(c)(3) organization.

In lieu of rebating any arbitrage that may be owed to the United States, the issuer of a construction issue may make an irrevocable election to pay a penalty. The penalty is equal to 1-1/2% of the amount of construction proceeds that do not meet certain spending requirements. See section 148(f)(4)(C) and the Instructions for Form 8038-T.

## Specific Instructions

In general, a Form 8038-GC must be completed on the basis of available information and reasonable expectations as of the date of issue. However, forms that are filed on a consolidated basis may be completed on the basis of information readily available to the issuer at the close of the calendar year to which the form relates, supplemented by estimates made in good faith.

## Part I—Reporting Authority

**Amended return.** An issuer may file an amended return to change or add to the information reported on a previously filed return for the same date of issue. If you are filing to correct errors or change a previously filed return, check the "Amended Return" box in the heading of the form.

The amended return must provide all the information reported on the original return, in addition to the new corrected information. Attach an explanation of the reason for the amended return and write across the top "Amended Return Explanation."

**Line 1.** The issuer's name is the name of the entity issuing the obligations, not the name of the entity receiving the benefit of the financing. In the case of a lease or installment sale, the issuer is the lessee or purchaser.

**Line 2.** An issuer that does not have an employer identification number (EIN) should apply for one on Form SS-4, Application for Employer Identification Number. You can get this form on the IRS website at IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676). You may receive an EIN by telephone by following the instructions for Form SS-4.

**Lines 3 and 4.** Enter the issuer's address or the address of the designated contact person listed on line 6. If the issuer wishes to use its own address and the issuer receives its mail in care of a third party authorized representative (such as an accountant or attorney), enter on the street address line "C/O" followed by the third party's name and street address or P.O. box. Include the suite, room, or other unit number after the street address. If the post office does not deliver mail to the street address and the issuer has a P.O. box, show the box number instead of the

street address. If a change in address occurs after the return is filed, use Form 8822, Change of Address, to notify the IRS of the new address.

**Note.** The address entered on lines 3 and 4 is the address the IRS will use for all written communications regarding the processing of this return, including any notices. By authorizing a person other than an authorized officer or other employee of the issuer to communicate with the IRS and whom the IRS may contact about this return, the issuer authorizes the IRS to communicate directly with the individual listed on line 6, whose address is entered on lines 3 and 4 and consents to disclose the issuer's return information to that individual, as necessary, to process this return.

**Line 5.** This line is for IRS use only. Do not make any entries in this box.

## Part II—Description of Obligations

Check the appropriate box designating this as a return on a single issue basis or a consolidated return basis.

**Line 8a.** The issue price of obligations is generally determined under Regulations section 1.148-1(b). Thus, when issued for cash, the issue price is the price at which a substantial amount of the obligations are sold to the public. To determine the issue price of an obligation issued for property, see sections 1273 and 1274 and the related regulations.

**Line 8b.** For a single issue, enter the date of issue (for example, 03/15/2010 for a single issue issued on March 15, 2010), generally the date on which the issuer physically exchanges the bonds that are part of the issue for the underwriter's (or other purchaser's) funds; for a lease or installment sale, enter the date interest starts to accrue. For issues reported on a consolidated basis, enter the first day of the calendar year during which the obligations were issued (for example, for calendar year 2010, enter 01/01/2010).

**Lines 9a through 9h.** Complete this section if property other than cash is exchanged for the obligation, for example, acquiring a police car, a fire truck, or telephone equipment through a series of monthly payments. (This type of obligation is sometimes referred to as a "municipal lease.") Also complete this section if real property is directly acquired in exchange for an obligation to make periodic payments of interest and principal.

Do not complete lines 9a through 9d if the proceeds of an obligation are received in the form of cash even if the term "lease" is used in the title of the issue. For lines 9a through 9d, enter the amount on the appropriate line that represents a lease or installment purchase. For line 9d, enter the type of item that is leased. For lines 9e through 9h, enter the amount on the appropriate line that represents a bank loan. For line 9h, enter the type of bank loan.

**Lines 9i and 9j.** For line 9i, enter the amount of the proceeds that will be used to pay principal, interest, or call premium on any other issue of bonds, including proceeds that will be used to fund an escrow account for this purpose. Several lines may apply to a particular obligation. For example, report on lines 9i and 9j obligations used to refund prior issues which represent loans from the proceeds of another tax-exempt obligation.

**Line 9k.** Enter on line 9k the amount on line 8a that does not represent an obligation described on lines 9a through 9j.

**Line 10.** Check this box if the issuer has designated any issue as a "small issuer exception" under section 265(b)(3)(B)(i)(III).

**Line 11.** Check this box if the issue is a construction issue and an irrevocable election to pay a penalty in lieu of arbitrage rebate has been made on or before the date the bonds were issued. The penalty is payable with a Form 8038-T for each 6-month period after the date the bonds are issued. Do not make any payment of penalty in lieu of rebate with Form 8038-GC. See Rev. Proc. 92-22, 1992-1 C.B. 736, for rules regarding the "election document."

**Line 12.** Enter the name of the vendor or bank who is a party to the installment purchase agreement, loan, or financial lease. If there are multiple vendors or banks, the issuer should attach a schedule.

**Line 13.** Enter the employer identification number of the vendor or bank who is a party to the installment purchase agreement, loan, or financial lease. If there are multiple vendors or banks, the issuer should attach a schedule.

## Signature and Consent

An authorized representative of the issuer must sign Form 8038-GC and any applicable certification. Also print the name and title of the person signing Form 8038-GC. The authorized representative of the issuer signing this form must have the authority to consent to the disclosure of the issuer's return information, as necessary to process this return, to the person(s) that has been designated in this form.

**Note.** If the issuer authorizes in line 6 the IRS to communicate with a person other than an officer or other employee of the issuer, (such authorization shall include contact both in writing regardless of the address entered in lines 3 and 4, and by telephone) by signing this form, the issuer's authorized representative consents to the disclosure of the issuer's return information, as necessary to process this return, to such person.

## Paid Preparer

If an authorized representative of the issuer filled in its return, the paid preparer's space should remain blank. Anyone who prepares the return but does not charge the organization should not sign the return. Certain others who prepare the return should not sign. For example, a regular, full-time employee of the issuer, such as a clerk, secretary, etc., should not sign.

Generally, anyone who is paid to prepare a return must sign it and fill in the other blanks in the *Paid Preparer Use Only* area of the return. A paid preparer cannot use a social security number in the *Paid Preparer Use Only* box. The paid preparer must use a preparer tax identification number (PTIN). If the paid preparer is self-employed, the preparer should enter his or her address in the box.

The paid preparer must:

- Sign the return in the space provided for the preparer's signature, and
- Give a copy of the return to the issuer.

## Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

Learning about the law or the form . . . . .	4 hr., 46 min.
Preparing the form . . . . .	2 hr., 22 min.
Copying, assembling, and sending the form to the IRS . . . . .	2 hr., 34 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:M:S, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send the form to this address. Instead, see *Where To File*.



# ORDER AGREEMENT

Sale Type : LEASE

Master Maintenance and Sale Agreement Date:	NEW	Sale Type :	LEASE
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BILL TO INFORMATION			
Customer Legal Name:			
Address Line 1:	219 E COLUMBIA RIVER HWY	Contact:	Mueller, Erich
Address Line 2:		Phone:	(503) 674-7231
City:	TROUTDALE	E-mail:	erich.mueller@troutdaleoregon.gov
ST / Zip:	OR/97060	County:	MULTNOMAH
		Fax:	(503)667-6403

ADDITIONAL ORDER INFORMATION	
Check All That Apply:	
<input type="checkbox"/> Sales Tax Exempt (Attach Valid Exemption Certificate) <input type="checkbox"/> PO Included PO# _____ <input type="checkbox"/> Syndication	<input type="checkbox"/> Fixed Service Charge <input type="checkbox"/> Add to Existing Service Contract # _____ <input type="checkbox"/> PS Service (Subject to and governed by separate Statement of Work) <input type="checkbox"/> IT Service (Subject to and governed by separate Statement of Work)

This is an Order made pursuant to the terms and conditions of the above referenced Master Agreement(s) between Customer and Ricoh USA, Inc. The signature below indicates that the customer accepts all terms and conditions of the applicable Master Agreement(s) for this sale, including but not limited to the terms set forth in the Master Agreement(s) and any Exhibit A thereto, all of which are incorporated herein by reference and made part of this Order. This Order is not valid unless and until signed by and Authorized Signatory of Ricoh USA, Inc.

SERVICE INFORMATION		
Service Term (Months)	Base Billing Frequency	Overage Billing Frequency
60 Months	MONTHLY	MONTHLY

SHIP TO INFORMATION			
Customer Name: CITY OF TROUTDALE			
Address Line 1:	219 E COLUMBIA RIVER HWY	Contact:	Mueller, Erich
Address Line 2:		Phone:	(503) 674-7231
City:	TROUTDALE	E-mail:	erich.mueller@troutdaleoregon.gov
ST / Zip:	OR/97060	County:	MULTNOMAH
		Fax:	

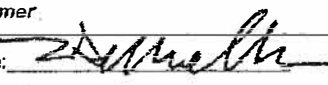
PRODUCT INFORMATION							
Product Description	Qty	Service Type	B/W Allowance (Per Base Billing Frequency)	B/W Ovg	Color Allowance (Per Base Billing Frequency)	Color Ovg	Service Base (Per Base Billing Frequency)
RICOH MPC6003	2	Gold	0	\$0.0080	0	\$0.0480	

BASIC CONNECTIVITY / PS / IT SERVICES INFORMATION	
BASIC CONNECTIVITY / PS / IT Services Description	Quantity
NETWORK & SCAN CONNECT - SEG BC5	2



# RICOH

ORDER TOTALS		
<i>Service Type Offerings:</i>	<b>Product Total:</b>	
<b>Gold:</b> Includes all supplies and staples. Excludes paper.	<b>BASIC CONNECTIVITY / PS / IT</b>	
<b>Silver:</b> Includes all supplies. Excludes paper and staples.	<b>Services:</b>	
<b>Bronze:</b> Parts and labor only. Excludes paper, staples and supplies.	<b>Buyout:</b>	
<b>Additional Provisions:</b>	<b>Grand Total: (Excludes Tax)</b>	
Per US Communities Contract 4400003732		

<i>Accepted by Customer</i>	<i>Accepted: Ricoh USA, Inc.</i>
Authorized Signature: 	Authorized Signature: _____
Printed Name: _____ Erich Mueller _____	Printed Name: _____
Title: _____ Finance Director _____	Title: _____
Date: <u>1/29/2014</u>	Date: _____



## **RESOLUTION NO. 2238**

### **A RESOLUTION AUTHORIZING TWO TAX EXEMPT MUNICIPAL EQUIPMENT LEASE FINANCE AGREEMENTS FOR RICOH NETWORK DIGITAL PRINTER COPIERS.**

#### **THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:**

1. City operations are delivered from several physical locations, and as such a true and very real need exists for the acquisition of the Equipment described in the Lease Agreement as of this date, and presented at this meeting, for the effective delivery of city services from the Police Facility, City Hall and City Admin Office locations.
2. And has further determined that the Equipment will be used solely for essential governmental functions and not for private business use; and
3. Acquisition of the Equipment through the provisions of the U.S. Communities cooperative purchasing Government Contract and Municipal Leasing Program is in the best interest of the City.

#### **NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TROUTDALE:**

Section 1. Agrees now that the City as Lessee to enter into each of two Tax-Exempt Lease-Purchase Agreements ("Lease Agreement") in order to finance the lease/purchase acquisition of the equipment (the "Equipment"), for the City's authorized needs and purposes on terms to be determined in accordance with the provisions of the Lease Agreement,

Section 2. And, in order to secure the Lease Agreement pursuant thereto, to grant a first lien security interest in the Equipment financed in accordance with the Lease Agreement.

Section 3. To enable Lessee to finance the lease/purchase acquisition of the Equipment, with the intent that the interest portion of the Rental Payments therefore be excluded from gross income for federal income tax purposes and,

Section 4. And to make payments, as set forth in the Lease Agreement sufficient to pay both the principal and interest portion of the Rental Payments, including disbursing any funds necessary for implementation.

Section 5. Designates the City Manager or Finance Director (each a "City Official") or a designee of the City Official, to act on behalf of the City, and without further action by the City Council the City Official is hereby, authorized, empowered and directed to sign on behalf of the city the Lease Agreement, and any and all other required and necessary documents to implement the of the transactions contemplated by the Lease Agreement.

Section 6. The City Official is hereby authorized to execute, acknowledge and deliver in the name and on behalf of Lessee to Lessor, the forms which are in substantial conformity with Exhibit A and B of the Staff Report, and with such changes as necessary to reflect the specific Equipment to be financed and financing terms applicable, and such other changes as the signing officer shall determine to be advisable.

Section 7. Further, the City Official are authorized to execute, acknowledge and deliver in the name and on behalf of Lessee any other agreement, instrument, certificate, representation, addendums, supporting and implementing documents, and to take any other action as may be advisable, convenient, necessary, or appropriate to give full force and effect to the terms and intent of the Lease Agreement, and the execution thereof by any such City Official shall be conclusive as to such determination.

Section 8. The Finance Director is authorized to disburse funds, subject to annual appropriations, as necessary to fulfill the 60 monthly lease principal payments totaling an amount not to exceed \$9,100.00 for the first lease agreement, and is further directed to implement all such actions necessary to ensure budgetary compliance.

Section 9. The Finance Director is authorized to disburse funds, subject to annual appropriations, as necessary to fulfill the 60 monthly lease principal payments totaling an amount not to exceed \$26,114.89, for the second lease agreement, and is further directed to implement all such actions necessary to ensure budgetary compliance.

Section 10. This Resolution shall take effect upon adoption.

**YEAS: 5**  
**NAYS: 0**  
**ABSTAINED: 0**



Doug Daoust, Mayor

Date: 1/29/14



Sarah Skroch, Deputy City Recorder

Adopted: January 28, 2014



EQUIPMENT FINANCE

## DOCUMENT CHECKLIST

- **Tax-Exempt Lease Purchase Agreement** – Execute signature block at the top of the first page.
- **Addendum/Amendment to Tax-Exempt Lease Purchase Agreement** – This document must be executed in the presence of a witness/attestor. The attesting witness does not have to be a notary, just present at the time of execution. The witness/attestor will execute the signature block below the Purchaser's signature block at the bottom right of the page.
- **Property Schedule** - 1) If the transaction can be designated as a "bank qualified" transaction – one where the Lessee reasonably anticipates not issuing more than \$10 million in tax-exempt obligations in a calendar year – **then you should initial the line under item**; 2) Execute signature block at the bottom of the page.
- **Property Description – Exhibit A** - Execute signature block at the bottom of the page.
- **Acceptance Certificate and Bank Qualification– Exhibit B.** 1) The date that all equipment is delivered, installed and accepted is the date that should be placed on the "DATE" line; and 2) Execute signature block at the bottom of the page.
- **Lessee's Counsel's Opinion – Exhibit C.** This exhibit will need to be executed by your attorney, dated and placed on their letterhead. Your attorney will likely want to review the agreement prior to executing this opinion.
- **Lessee's Certificate – Exhibit D.** The first signature block on this exhibit must be signed by the person signing the Agreement. The second signature block on this exhibit must be signed by an officer other than the person signing the Agreement.
- **Insurance Authorization and Verification** – To be filled out by the Lessee and returned with executed documents.
- **Amortization Schedule** - Execute signature block at the bottom of the page.
- **Notification of Tax Treatment** – Please provide your State of Sales/Use tax Exemption Certificate, if applicable.
- **Form 8038-GC or G**– Blank form provided to Lessee. Please consult your local legal/bond counsel or tax consultant with questions.
- **Original Documents** – U.S. Bank Equipment Finance will require original documents prior to funding.

**Tax-Exempt Lease/Purchase Agreement**

<b>Accepted by Lessor:</b>		
U.S. Bank Equipment Finance, a division of U.S. Bank National Association ("U.S. Bank Equipment Finance") (the "Lessor") 1310 Madrid Street Ste 101 Marshall, MN 56258		
By:	Date:	Sign & Date
Name:		
Title: Documentation Analyst		
Telephone: 800-328-5371		

<b>Agreed to by Lessee:</b>	
City of Troutdale	(the "Lessee")
219 E Historic Columbia River Hwy Troutdale OR 97060	
By: <i>Erich Mueller</i>	Date: 1/29/2014
Name: Erich Mueller	
Title: Finance Director	
Telephone: 503-674-7222	

**AGREEMENT:** Lessor hereby leases to Lessee and Lessee hereby leases from Lessor all the Property described in Property Schedule incorporated herein by reference, upon the terms and conditions set forth herein and as supplemented by the terms and conditions set forth in the Property Schedule. This Tax-Exempt Lease / Purchase Agreement together with the Property Schedule shall be defined as the Agreement.

**LEASE TERM:** The Lease Term of the Property listed in the Property Schedule shall commence as stated in the Certificate of Acceptance, attached as Exhibit B of the Property by Lessee and continue for the time period set forth in the Amortization Schedule attached to the Property Schedule. This Agreement cannot be canceled or terminated by Lessee except as expressly provided herein. This Agreement is a triple net lease.

**LEASE PAYMENTS:** Lessee shall pay rent to Lessor for the Property in the amounts, and on the dates specified, in the Amortization Schedule attached to the Property Schedule. Lessor and Lessee intend that the obligation of Lessee to pay Lease Payments hereunder shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or monies of Lessee.

**NO OFFSET:** SUBJECT TO THE RIGHT TO NON-APPROPRIATE, SET FORTH BELOW, THE OBLIGATIONS OF LESSEE TO PAY THE LEASE PAYMENTS DUE UNDER THE PROPERTY SCHEDULE AND TO PERFORM AND OBSERVE THE OTHER COVENANTS AND AGREEMENTS CONTAINED IN THIS AGREEMENT SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF OR DEFENSE, FOR ANY REASON, INCLUDING WITHOUT LIMITATION, ANY DEFECTS, MALFUNCTIONS, BREAKDOWNS OR INFIRMITIES IN THE PROPERTY OR ANY ACCIDENT, CONDEMNATION OR UNFORESEEN CIRCUMSTANCES. THIS PROVISION SHALL NOT LIMIT LESSEE'S RIGHTS OR ACTIONS AGAINST ANY VENDOR. Lessee shall pay when due all taxes, fees and governmental charges assessed or levied against or with respect to the Property.

**LATE CHARGES:** Should Lessee fail to duly pay any part of any Lease Payment or other sum to be paid to Lessor under this Agreement on the date on which such amount is due hereunder, then Lessee shall pay late charges on such delinquent payment from the due date thereof until paid at the rate of 12% per annum or the highest rate permitted by law, whichever is less.

**MAINTENANCE OF PROPERTY:** At all times during the Lease Term, Lessee shall, at Lessee's own cost and expense, maintain, preserve, and keep the Property in good working order, and condition, and from time to time make or cause to be made all necessary and proper repairs, replacements, and renewals to the Property, which shall become part of the Property. The Property is and will remain personal property.

**INSURANCE OF PROPERTY:** All risk of loss to the Property shall be borne by the Lessee. At all times during the Lease Term, Lessee shall, at Lessee's own cost and expense, cause casualty, public liability, and property damage insurance to be carried and maintained (or shall provide Lessor with a certificate stating that adequate self-insurance has been provided) with respect to the Property, sufficient to protect the full replacement value of the Property and to protect from liability in all events for which insurance is customarily available. Lessee shall furnish to Lessor certificates evidencing such coverage throughout the Lease Term. Any insurance policy to be carried and maintained pursuant to this Agreement shall be so written or endorsed as to make losses, if any, payable to Lessee and Lessor as their respective interests may appear. All such liability insurance shall name Lessor as an additional insured. Each insurance policy carried and maintained pursuant to this Agreement shall contain a provision to the effect that the insurance company shall not cancel the policy or modify it materially or adversely to the interest of the Lessor without first giving written notice thereof to Lessor at least 30 days in advance of such change of status.

**QUIET ENJOYMENT AND TERMINATION OF LESSOR'S INTEREST:** To secure Lessee's obligations hereunder, Lessor is granted a security interest in the Property, including substitutions, repairs, replacements and renewals, and the proceeds thereof, which is a first lien thereon. Lessee hereby authorizes Lessor to file all financing statements which Lessor deems necessary or appropriate to establish, maintain and perfect such security interest. Provided there does not exist an Event of Default as defined herein, the Lessee shall have the right of quiet enjoyment of the Property throughout the Lease Term. If Lessee shall have performed all of its obligations and no default shall have occurred and be continuing under this Agreement, and this Agreement shall not have been earlier terminated with respect to the Property, then, at the end of the Lease Term with respect to any item of Property, Lessor's interest in such Property shall terminate. Unless otherwise required by law, title to the Property shall be in the name of Lessee, subject to Lessor's interest hereunder.

**TAX EXEMPTION:** The parties contemplate that interest payable under this Agreement will be excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). The tax-exempt status of this Agreement provides the inducement for the Lessor to offer financing at the interest rate set forth herein. Therefore, should this Agreement be deemed by any taxing authority not to be exempt from taxation, Lessee agrees that the interest rate shall be adjusted, as of the date of loss of tax exemption, to an interest rate calculated to provide Lessor or its assignee an after tax yield equivalent to the tax exempt rate and Lessor shall notify Lessee of the taxable rate. Provided, however, that the provision of the preceding sentence shall apply only upon a final determination that the interest payments are not excludable from gross income under Section 103(a) of the Code, and shall not apply if the determination is based upon the individual tax circumstances of the Lessor, or a finding that the party seeking to exclude such payments from gross income is not the owner and holder of the obligation under the Code.

**REPRESENTATIONS AND WARRANTIES OF LESSEE:** Lessee hereby represents and warrants to Lessor that: (a) Lessee is a State, possession of the United States, the District of Columbia, or political subdivision thereof as defined in Section 103 of the Code and Treasury Regulations and Rulings related thereto. If Lessee is incorporated, it is duly organized and existing under the Constitution and laws of its jurisdiction of incorporation and will do or cause to be done all things necessary to preserve and keep such organization and existence in full force and effect. (b) Lessee has been duly authorized by the Constitution and laws of the applicable jurisdiction and by a resolution of its governing body (which resolution, if requested by Lessor, is attached hereto), to execute and deliver this Agreement and to carry out its obligations hereunder. (c) All legal requirements have been met, and procedures have been followed, including public bidding, in order to ensure the enforceability of this Agreement. (d) The Property will be used by Lessee only for essential governmental or proprietary functions of Lessee consistent with the scope of Lessee's authority and will not be used in a trade or business of any person or entity, by the federal government or for any personal, family or household use. Lessee's need for the Property is not expected to diminish during the term of the Agreement. (e) Lessee has funds available to pay Lease Payments until the end of its current appropriation period, and it intends to request funds to make Lease Payments in each appropriation period, from now until the end of the term of this Agreement. (f) The Lessee shall comply at all times with all applicable requirements of the Code, including but not limited to the registration and reporting requirements of Section 149, to maintain the federal tax-exempt status of the Agreement. The Lessee shall maintain a system with respect to this Agreement, which tracks the name, and ownership interest of each assignee who has both the responsibility for administration of, and ownership interest in this Agreement. (g) Lessee's exact legal name is as set forth on the first page of this Agreement. Lessee will not change its legal name in any respect without giving thirty (30) days prior written notice to Lessor.

**RISK OF LOSS COVENANTS:** Lessee shall not be required to indemnify or hold Lessor harmless against liabilities arising from the Agreement. However, as between Lessor and Lessee, and to the extent permitted by law, Lessee shall bear the risk of loss for, shall pay directly, and shall defend against any and all claims, liabilities, proceedings, actions, expenses, damages or losses arising under or related to the Property, including, but not limited to, the possession, ownership, lease, use or operation thereof, and the loss of federal tax exemption of the interest on any of the Lease Payments, except that Lessee shall not bear the risk of loss of, nor pay for, any claims, liabilities, proceedings, actions, expenses, damages or losses that arise directly from events occurring after Lessee has surrendered possession of the Property in accordance with the terms of the Agreement to Lessor or that arise directly from the gross negligence or willful misconduct of the Lessor.

**NON-APPROPRIATION:** If sufficient funds are not appropriated to make Lease Payments under this Agreement, this Agreement shall terminate and Lessee shall not be obligated to make Lease Payments under this Agreement beyond the then current fiscal year for which funds have been appropriated. Upon such an event, Lessee shall, no later than the end of the fiscal year for which Lease Payments have been appropriated, deliver possession of the Property to Lessor. If Lessee fails to deliver possession of the Property to Lessor, the termination shall nevertheless be effective but Lessee shall be responsible for the payment of damages in an amount equal to the portion of Lease Payments thereafter coming due that is attributable to the number of days after the termination during which the Lessee fails to deliver possession and for any other loss suffered by Lessor as a result of Lessee's failure to deliver possession as required. Lessee shall notify Lessor in writing within seven (7) days after the failure of the Lessee to appropriate funds sufficient for the payment of the Lease Payments, but failure to provide such notice shall not operate to extend the Lease Term or result in any liability to Lessee.

**ASSIGNMENT BY LESSEE:** Without Lessor's prior written consent, Lessee may not, by operation of law or otherwise, assign, transfer, pledge, hypothecate or otherwise dispose of the Property, this Agreement or any interest therein.

**ASSIGNMENT BY LESSOR:** Lessor may assign, sell or encumber all or any part of this Agreement, the Lease Payments and any other rights or interests of Lessor hereunder. Such assignees may include trust agents for the benefit of holders of certificates of participation. Lessee agrees that if Lessor sells, assigns or transfers this Agreement, the new Lessor will have the same rights and benefits that we have now and will not have to perform any of our obligations. Lessee agrees that the new Lessor will not be subject to any claims, defenses, or offsets that Lessee may have against us.

**EVENTS OF DEFAULT:** Lessee shall be in default under this Agreement upon the occurrence of any of the following events or conditions ("Events of Default"), unless such Event of Default shall have been specifically waived by Lessor in writing: (a) Default by Lessee in payment of any Lease Payment or any other indebtedness or obligation now or hereafter owed by Lessee to Lessor under this Agreement or in the performance of any obligation, covenant or liability contained in this Agreement and the continuance of such default for ten (10) consecutive days after written notice thereof by Lessor to Lessee, or (b) any warranty, representation or statement made or furnished to Lessor by or on behalf of Lessee proves to have been false in any material respect when made or furnished, or (c) actual or attempted sale, lease or encumbrance of any of the Property, or the making of any levy, seizure or attachment thereof or thereon, or (d) dissolution, termination of existence, discontinuance of the Lessee, insolvency, business failure, failure to pay debts as they mature, or appointment of a receiver of any part of the property of, or assignment for the benefit of creditors by the Lessee, or the commencement of any proceedings under any bankruptcy, reorganization or arrangement laws by or against the Lessee.

**REMEDIES OF LESSOR:** Upon the occurrence of any Event of Default and at any time thereafter, Lessor may, without any further notice, exercise one or more of the following remedies as Lessor in its sole discretion shall elect: (a) terminate the Agreement and all of Lessee's rights hereunder as to any or all items of Property; (b) proceed by appropriate court action to personally, or by its agents, take possession from Lessee of any or all items of Property wherever found and for this purpose enter upon Lessee's premises where any item of Property is located and remove such item of Property free from all claims of any nature whatsoever by Lessee and Lessor may thereafter dispose of the Property; provided, however, that any proceeds from the disposition of the Property in excess of the sum required to (i) pay to Lessor an amount equal to the total unpaid principal component of Lease Payments under the Property Schedule, including principal component not otherwise due until future fiscal years, (ii) pay any other amounts then due under the Property Schedule and this Agreement, and (iii) pay Lessor's costs and expenses associated with the disposition of the Property and the Event of Default (including attorneys fees), shall be paid to Lessee or such other creditor of Lessee as may be entitled thereto, and further provided that no deficiency shall be allowed against Lessee; (c) proceed by appropriate court action or actions to enforce performance by Lessee of its obligations hereunder or to recover damages for the breach hereof or pursue any other remedy available to Lessor at law or in equity or otherwise; (d) declare all unpaid Lease Payments and other sums payable hereunder during the current fiscal year of the Lease Term to be immediately due and payable without any presentment, demand or protest and / or take any and all actions to which Lessor shall be entitled under applicable law. No right or remedy herein conferred upon or reserved to Lessor is exclusive of any right or remedy herein or at law or in equity or otherwise provided or permitted, but each shall be cumulative of every other right or remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise, and may be enforced concurrently therewith or from time to time. Lessee agrees to pay to Lessor or reimburse Lessor for, in addition to all other amounts due hereunder, all of Lessor's costs of collection, including reasonable attorney fees, whether or not suit or action is filed thereon. Lessee and Lessor hereby irrevocably waive all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Agreement.

**NOTICES:** All notices, and other communications provided for herein shall be deemed given when delivered or mailed by certified mail, postage prepaid, addressed to Lessor or Lessee at their respective addresses set forth herein or such other addresses as either of the parties hereto may designate in writing to the other from time to time for such purpose.

**AMENDMENTS AND WAIVERS:** This Agreement and the Property Schedule executed by Lessor and Lessee constitute the entire agreement between Lessor and Lessee with respect to the Property and this Agreement may not be amended except in writing signed by both parties.

**CONSTRUCTION:** This Agreement shall be governed by and construed in accordance with the laws of the Lessee's State. Titles of sections of this Agreement are for convenience only and shall not define or limit the terms or provisions hereof. Time is of the essence under this Agreement. This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns. This Agreement may be simultaneously executed in counterparts, each shall be an original with all being the same instrument.



EQUIPMENT FINANCE

Application # 1782692

Property Schedule to Tax-Exempt Lease/Purchase Agreement

This Property Schedule is entered into pursuant to Tax-Exempt Lease/Purchase Agreement dated as of 1/29/14 between Lessor and Lessee

- 1. Interpretation. The terms and conditions of the Tax-Exempt Lease/Purchase Agreement (the "Agreement") are incorporated herein.
2. Property Description. The Property subject to this Property Schedule is described in Exhibit A, attached hereto.
3. Term and Payments. Lease Term and Lease Payments are per attached Amortization & Payment Schedule.
4. Expiration. Lessor, at its sole determination, may choose not to accept this Property Schedule if the fully executed, original Agreement...
5. Property Cost. The total principal amount under this Property Schedule for the acquisition cost of the Property is \$ 9,100.00.
6. Opinion of Counsel. Lessee has provided the opinion of its legal counsel substantially in the form as attached as Exhibit C, hereto.
7. Lessee's Certificate. Lessee has provided the Lessee's Certificate in the form attached as Exhibit D, hereto.
8. Bank Qualification. Lessee designates this Agreement and Property Schedule as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

Initial Here [Signature] Lessee initial here, only if Bank Qualification is applicable

IN WITNESS WHEREOF, Lessor and Lessee have caused this Property Schedule to be executed in their names by their duly authorized representatives.

Lessor: U.S. Bank Equipment Finance
By:
Name:
Title: Documentation Analyst

Sign Here

Lessee: City of Troutdale
By: [Signature]
Name: Erich Mueller
Title: Finance Director

Sign Here

Attest:
By: [Signature]
Name: Craig Ward
Title: City Manager




EXHIBIT A

Application # 1782692  
**Property Description**

EQUIPMENT FINANCE

Vendor: Ricoh USA Inc  
Address: 12100 SW Garden Place  
City, State, Zip Code: Portland OR 97223

<u>Quantity</u>	<u>Description</u>	<u>Serial Number</u>	<u>Equipment Location</u>
1	Ricoh Aficio MP C4503 - Police Department		234 SW Kendall Ct Troutdale OR 97060

<b>Lessee:</b> City of Troutdale
<b>By:</b> 
<b>Name:</b> Erich Mueller
<b>Title:</b> Finance Director

Sign Here



EQUIPMENT FINANCE

**AMORTIZATION & PAYMENT SCHEDULE**

Term: 60 Months

Payment Structure: Monthly

Interest Rate: 4.844%

Application #1782692

Payment No.	Lease Payment	Interest Portion	Principal Portion	Outstanding Balance	Termination Amount (After Making Said Payment)
Beginning Balance				9,100.00	
1	171.08	36.74	134.34	8,965.66	9,234.63
2	171.08	36.19	134.89	8,830.77	9,095.69
3	171.08	35.65	135.43	8,695.34	8,956.20
4	171.08	35.10	135.98	8,559.36	8,816.14
5	171.08	34.55	136.53	8,422.83	8,675.51
6	171.08	34.00	137.08	8,285.75	8,534.32
7	171.08	33.45	137.63	8,148.12	8,392.56
8	171.08	32.89	138.19	8,009.93	8,250.23
9	171.08	32.34	138.74	7,871.19	8,107.33
10	171.08	31.78	139.30	7,731.89	7,963.85
11	171.08	31.21	139.87	7,592.02	7,819.78
12	171.08	30.65	140.43	7,451.59	7,675.14
13	171.08	30.08	141.00	7,310.59	7,529.91
14	171.08	29.51	141.57	7,169.02	7,384.09
15	171.08	28.94	142.14	7,026.88	7,237.69
16	171.08	28.37	142.71	6,884.17	7,090.70
17	171.08	27.79	143.29	6,740.88	6,943.11
18	171.08	27.21	143.87	6,597.01	6,794.92
19	171.08	26.63	144.45	6,452.56	6,646.14
20	171.08	26.05	145.03	6,307.53	6,496.76
21	171.08	25.46	145.62	6,161.91	6,346.77
22	171.08	24.88	146.20	6,015.71	6,196.18
23	171.08	24.29	146.79	5,868.92	6,044.99
24	171.08	23.69	147.39	5,721.53	5,893.18
25	171.08	23.10	147.98	5,573.55	5,740.76
26	171.08	22.50	148.58	5,424.97	5,587.72
27	171.08	21.90	149.18	5,275.79	5,434.06
28	171.08	21.30	149.78	5,126.01	5,279.79
29	171.08	20.69	150.39	4,975.62	5,124.89
30	171.08	20.09	150.99	4,824.63	4,969.37
31	171.08	19.48	151.60	4,673.03	4,813.22
32	171.08	18.86	152.22	4,520.81	4,656.43
33	171.08	18.25	152.83	4,367.98	4,499.02
34	171.08	17.63	153.45	4,214.53	4,340.97
35	171.08	17.01	154.07	4,060.46	4,182.27

**bank**


EQUIPMENT FINANCE

36	171.08	16.39	154.69	3,905.77	4,022.94
37	171.08	15.77	155.31	3,750.46	3,862.97
38	171.08	15.14	155.94	3,594.52	3,702.36
39	171.08	14.51	156.57	3,437.95	3,541.09
40	171.08	13.88	157.20	3,280.75	3,379.17
41	171.08	13.24	157.84	3,122.91	3,216.60
42	171.08	12.61	158.47	2,964.44	3,053.37
43	171.08	11.97	159.11	2,805.33	2,889.49
44	171.08	11.32	159.76	2,645.57	2,724.94
45	171.08	10.68	160.40	2,485.17	2,559.73
46	171.08	10.03	161.05	2,324.12	2,393.84
47	171.08	9.38	161.70	2,162.42	2,227.29
48	171.08	8.73	162.35	2,000.07	2,060.07
49	171.08	8.07	163.01	1,837.06	1,892.17
50	171.08	7.42	163.66	1,673.40	1,723.60
51	171.08	6.76	164.32	1,509.08	1,554.35
52	171.08	6.09	164.99	1,344.09	1,384.41
53	171.08	5.43	165.65	1,178.44	1,213.79
54	171.08	4.76	166.32	1,012.12	1,042.48
55	171.08	4.09	166.99	845.13	870.48
56	171.08	3.41	167.67	677.46	697.78
57	171.08	2.73	168.35	509.11	524.38
58	171.08	2.06	169.02	340.09	350.29
59	171.08	1.37	169.71	170.38	175.49
60	171.08	0.70	170.38	0.00	
	10,264.80	1,164.80	9,100.00		

This Amortization Schedule is hereby verified as correct by the undersigned, who acknowledges receipt of a copy.

City of Troutdale

Sign Here

  
Erich Mueller

Title: Finance Director

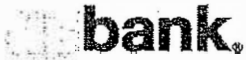


EXHIBIT D

Application # 1782692

Lessee's Certificate

EQUIPMENT FINANCE

Re: Tax Exempt Lease/Purchase Agreement and Property Schedule dated as of 1/29/2014 between Lessee and Lessor

We, the undersigned, being duly elected, qualified and acting authorized representatives of Lessee, with the titles as set forth in our respective signature blocks below, do hereby certify, as of the date of the above-referenced Agreement (the "Agreement"), as follows:

- 1. Lessee did, at a meeting of the governing body of the Lessee by resolution or ordinance duly enacted, in accordance with all requirements of law, approve and authorize the execution and delivery of the Agreement by at least one of the undersigned.
2. Each undersigned held at the time of such authorization and holds at the present time the office set forth below in such undersigned's signature block. Each undersigned's signature set forth below is true and correct.
3. The meeting(s) of the governing body of the Lessee at which the Agreement was approved and authorized to be executed was duly called, regularly convened and attended throughout by the requisite quorum of the members thereof, and the enactment approving the Agreement and authorizing the execution thereof has not been altered or rescinded. All meetings of the governing body of Lessee relating to the authorization and delivery of Agreement have been: (a) held within the geographic boundaries of the Lessee; (b) open to the public, allowing all people to attend; (c) conducted in accordance with internal procedures of the governing body; and (d) conducted in accordance with the charter of the Lessee, if any, and the laws of the State.
4. No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default or a Non-appropriation (as such terms are defined in the Agreement) exists at the date hereof with respect to the Agreement.
5. The acquisition of all of the Property under the Agreement has been duly authorized by the governing body of Lessee.
6. Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget year to make the Lease Payments scheduled to come due during the current budget year under the Agreement and to meet its other obligations for the current budget year and such funds have not been expended for other purposes.
7. As of the date hereof, no litigation is pending, (or, to my knowledge, threatened) against Lessee in any court (a) seeking to restrain or enjoy in the delivery of the Agreement or of other agreements similar to the Agreement; (b) questioning the authority of Lessee to execute the Agreement, or the validity of the Agreement; (c) questioning the constitutionality of any statute, or the validity of any proceedings, authorizing the execution of the Agreement; or (d) affecting the provisions made for the payment of or security for the Agreement.

City of Troutdale
By: [Signature]
Name: Erich Mueller
Title: Finance Director

MUST BE SIGNED BY PERSON SIGNING THE AGREEMENT

City of Troutdale
By: [Signature]
Name: Craig Ward
Title: City Manager

MUST BE SIGNED BY OFFICER - OFFICER OTHER THAN PERSON SIGNING THE AGREEMENT

NOTE: NEED TWO SEPARATE OFFICER'S SIGNATURES, ONE OF WHICH MUST BE PERSON SIGNING THE AGREEMENT. A FACSIMILE OF THIS DOCUMENT WITH SIGNATURE SHALL BE CONSIDERED TO BE AN ORIGINAL. CAPITALIZED TERMS IN THIS DOCUMENT ARE DEFINED AS IN THE AGREEMENT, UNLESS SPECIFICALLY STATED OTHERWISE.

### Insurance Authorization and Verification

Date: 1/29/2014

Re: Tax-Exempt Lease/Purchase Agreement, Dated 1/29/2014

To Lessee: City of Troutdale  
219 E. Historic Columbia River Hwy  
Troutdale OR 97060

From Lessor: U.S. Bank Equipment Finance  
1310 Madrid St Ste 101  
Marshall, MN 56258

**TO THE LESSEE:** In connection with the above-referenced Property Schedule, Lessor requires proof in the form of this document, executed by both Lessee\* and Lessee's agent, that Lessee's insurable interest in the financed property (the "Property") meets Lessor's requirements as follows, with coverage including, but not limited to, fire, extended coverage, vandalism, and theft:

Lessor, AND ITS SUCCESSORS AND ASSIGNS, shall be covered as both ADDITIONAL INSURED and LENDER'S LOSS PAYEE with regard to all equipment financed or leased by policy holder through or from Lessor. All such insurance shall contain a provision to the effect that such insurance shall not be canceled or modified without first giving written notice thereof to Lessor and Lessee at least thirty (30) days in advance of such cancellation or modification.

Lessee must carry GENERAL LIABILITY (and/or, for vehicles, Automobile Liability) in the amount of no less than \$1,000,000.00 (one million dollars).

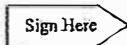
Lessee must carry PROPERTY Insurance (or, for vehicles, Physical Damage Insurance) in an amount no less than the 'Insurable Value' \$ 9,100.00 [amount of financing], with deductibles no more than \$10,000.00.

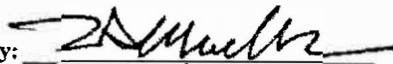
\*Lessee: Please execute this form and return with your document package. Lessor will fax this form to your insurance agency for endorsement. In lieu of agent endorsement, Lessee's agency may submit insurance certificates demonstrating compliance with all requirements. Should you have any questions, please contact U.S. Bank Equipment Finance at 800-328-5371

By signing, Lessee authorizes the Agent named below: 1) to complete and return this form as indicated; and 2) to endorse the policy and subsequent renewals to reflect the required coverage as outlined above.

Agency/Agent: Brown & Brown NW - Cathi Pham  
Address: 220 NW 2nd Ave., Ste 800  
Portland, OR 97209  
Phone/Fax: (503) 219-3266 / (503) 914-5466  
E-Mail: cathi.pham@beecheercarlson.com

City of Troutdale

Sign Here 

By:   
Name: Erich Mueller  
Title: Finance Director

**TO THE AGENT:** In lieu of providing a certificate, please execute this form in the space below and promptly fax it to Lessor at 800-433-6185. This fully endorsed form shall serve as proof that Lessee's insurance meets the above requirements.

Agent hereby verifies that the above requirements have been met in regard to the Property listed below.

Print Name Of Agency: X \_\_\_\_\_

By: X \_\_\_\_\_  
(Agent's Signature)

Print Name: X \_\_\_\_\_

Date: X \_\_\_\_\_

Insurable Value: \$ 9,100.00 [amount of financing]

**Information Return for Small Tax-Exempt  
Governmental Bond Issues, Leases, and Installment Sales**

Under Internal Revenue Code section 149(e)

OMB No. 1545-0720

Caution: If the issue price of the issue is \$100,000 or more, use Form 8038-G.

**Part I Reporting Authority** Check box if Amended Return

1 Issuer's name  
**CITY OF TROUTDALE**

2 Issuer's employer identification number (EIN)  
**9 3 6 0 0 2 2 6 8**

3 Number and street (or P.O. box if mail is not delivered to street address)  
**219 E. HISTORIC COLUMBIA RIVER HWY**

4 City, town, or post office, state, and ZIP code  
**TROUTDALE, OR 97060-2078**

5 Report number (For IRS Use Only)

6 Name and title of officer or other employee of issuer or designated contact person whom the IRS may call for more information  
**ERICH MUELLER, FINANCE DIRECTOR**

7 Telephone number of officer or legal representative  
**(503) 674-7231**

**Part II Description of Obligations** Check one: a single issue  or a consolidated return

8a Issue price of obligation(s) (see instructions) **8a \$9,100 00**

b Issue date (single issue) or calendar date (consolidated). Enter date in mm/dd/yyyy format (for example, 01/01/2009) (see instructions) ▶

9 Amount of the reported obligation(s) on line 8a that is:

a For leases for vehicles	9a		
b For leases for office equipment	9b		
c For leases for real property	9c		
d For leases for other (see instructions)	9d		
e For bank loans for vehicles	9e		
f For bank loans for office equipment	9f	\$9,100	00
g For bank loans for real property	9g		
h For bank loans for other (see instructions)	9h		
i Used to refund prior issue(s)	9i		
j Representing a loan from the proceeds of another tax-exempt obligation (for example, bond bank)	9j		
k Other	9k		

10 If the issuer has designated any issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check this box

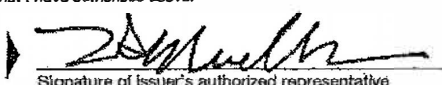
11 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check this box

12 Vendor's or bank's name:

13 Vendor's or bank's employer identification number:

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person(s) that I have authorized above.

 **1/29/2014** ▶ **ERICH MUELLER, FINANCE DIRECTOR**

Signature of issuer's authorized representative Date Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name Preparer's signature Date Check  if self-employed PTIN

Firm's name ▶ Firm's EIN ▶

Firm's address ▶ Phone no. ▶

**General Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.

**What's New**

The IRS has created a page on IRS.gov for information about the Form 8038 series and its instructions, at [www.irs.gov/form8038](http://www.irs.gov/form8038). Information about any future developments affecting the Form 8038 series (such as legislation enacted after we release it) will be posted on that page.

**Purpose of Form**

Form 8038-GC is used by the issuers of tax-exempt governmental obligations to provide the IRS with the information required by section 149(e) and to monitor the requirements of sections 141 through 150.

**Who Must File**

Issuers of tax-exempt governmental obligations with issue prices of less than \$100,000 must file Form 8038-GC.

Issuers of a tax-exempt governmental obligation with an issue price of \$100,000 or more must file Form 8038-G, Information Return for Tax-Exempt Governmental Obligations.

**Filing a separate return for a single issue.** Issuers have the option to file a separate Form 8038-GC for any tax-exempt governmental obligation with an issue price of less than \$100,000.

An issuer of a tax-exempt bond used to finance construction expenditures must file a separate Form 8038-GC for each issue to give notice to the IRS that an election was made to

pay a penalty in lieu of arbitrage rebate (see the line 11 instructions).

**Filing a consolidated return for multiple issues.** For all tax-exempt governmental obligations with issue prices of less than \$100,000 that are not reported on a separate Form 8038-GC, an issuer must file a consolidated information return including all such issues issued within the calendar year.

Thus, an issuer may file a separate Form 8038-GC for each of a number of small issues and report the remainder of small issues issued during the calendar year on one consolidated Form 8038-GC. However, if the issue is a construction issue, a separate Form 8038-GC must be filed to give the IRS notice of the election to pay a penalty in lieu of arbitrage rebate.

## When To File

To file a separate return for a single issue, file Form 8038-GC on or before the 15th day of the second calendar month after the close of the calendar quarter in which the issue is issued.

To file a consolidated return for multiple issues, file Form 8038-GC on or before February 15th of the calendar year following the year in which the issue is issued.

**Late filing.** An issuer may be granted an extension of time to file Form 8038-GC under section 3 of Rev. Proc. 2002-48, 2002-37 I.R.B. 531, if it is determined that the failure to file on time is not due to willful neglect. Type or print at the top of the form, "Request for Relief under section 3 of Rev. Proc. 2002-48." Attach to the Form 8038-GC a letter briefly stating why the form was not submitted to the IRS on time. Also indicate whether the obligation in question is under examination by the IRS. Do not submit copies of any bond documents, leases, or installment sale documents. See *Where To File* next.

## Where To File

File Form 8038-GC, and any attachments, with the Department of the Treasury, Internal Revenue Service Center, Ogden, UT 84201.

**Private delivery services.** You can use certain private delivery services designated by the IRS to meet the "timely mailing as timely filing/paying" rule for tax returns and payments. These private delivery services include only the following:

- DHL Express (DHL): DHL Same Day Service.
- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2Day, FedEx International Priority, and FedEx International First.
- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M., UPS Worldwide Express Plus, and UPS Worldwide Express.

The private delivery service can tell you how to get written proof of the mailing date.

## Other Forms That May Be Required

For rebating arbitrage (or paying a penalty in lieu of arbitrage rebate) to the Federal Government, use Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate. For private activity bonds, use Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues.

For a tax-exempt governmental obligation with an issue price of \$100,000 or more, use Form 8038-G.

## Rounding to Whole Dollars

You may show the money items on this return as whole-dollar amounts. To do so, drop any amount less than 50 cents and increase any amount from 50 to 99 cents to the next higher dollar.

## Definitions

**Obligations.** This refers to a single tax-exempt governmental obligation if Form 8038-GC is used for separate reporting or to

multiple tax-exempt governmental obligations if the form is used for consolidated reporting.

**Tax-exempt obligation.** This is any obligation including a bond, installment purchase agreement, or financial lease, on which the interest is excluded from income under section 103.

**Tax-exempt governmental obligation.** A tax-exempt obligation that is not a private activity bond (see below) is a tax-exempt governmental obligation. This includes a bond issued by a qualified volunteer fire department under section 150(e).

**Private activity bond.** This includes an obligation issued as part of an issue in which:

- More than 10% of the proceeds are to be used for any private activity business use, and
- More than 10% of the payment of principal or interest of the issue is either (a) secured by an interest in property to be used for a private business use (or payments for such property) or (b) to be derived from payments for property (or borrowed money) used for a private business use.

It also includes a bond, the proceeds of which (a) are to be used to make or finance loans (other than loans described in section 141(c)(2)) to persons other than governmental units and (b) exceeds the lesser of 5% of the proceeds or \$5 million.

**Issue.** Generally, obligations are treated as part of the same issue only if they are issued by the same issuer, on the same date, and as part of a single transaction, or a series of related transactions. However, obligations issued during the same calendar year (a) under a loan agreement under which amounts are to be advanced periodically (a "draw-down loan") or (b) with a term not exceeding 270 days, may be treated as part of the same issue if the obligations are equally and ratably secured under a single indenture or loan agreement and are issued under a common financing arrangement (for example, under the same official statement periodically updated to reflect changing factual circumstances). Also, for obligations issued under a draw-down loan that meets the requirements of the preceding sentence, obligations issued during different calendar years may be treated as part of the same issue if all of the amounts to be advanced under the draw-down loan are reasonably expected to be advanced within 3 years of the date of issue of the first obligation. Likewise, obligations (other than private activity bonds) issued under a single agreement that is in the form of a lease or installment sale may be treated as part of the same issue if all of the property covered by that agreement is reasonably expected to be delivered within 3 years of the date of issue of the first obligation.

**Arbitrage rebate.** Generally, interest on a state or local bond is not tax-exempt unless the issuer of the bond rebates to the United States arbitrage profits earned from investing proceeds of the bond in higher yielding nonpurpose investments. See section 148(f).

**Construction issue.** This is an issue of tax-exempt bonds that meets both of the following conditions:

1. At least 75% of the available construction proceeds of the issue are to be used for construction expenditures with respect to property to be owned by a governmental unit or a 501(c)(3) organization, and

2. All of the bonds that are part of the issue are qualified 501(c)(3) bonds, bonds that are not private activity bonds, or private activity bonds issued to finance property to be owned by a governmental unit or a 501(c)(3) organization.

In lieu of rebating any arbitrage that may be owed to the United States, the issuer of a construction issue may make an irrevocable election to pay a penalty. The penalty is equal to 1-1/2% of the amount of construction proceeds that do not meet certain spending requirements. See section 148(f)(4)(C) and the Instructions for Form 8038-T.

## Specific Instructions

In general, a Form 8038-GC must be completed on the basis of available information and reasonable expectations as of the date of issue. However, forms that are filed on a consolidated basis may be completed on the basis of information readily available to the issuer at the close of the calendar year to which the form relates, supplemented by estimates made in good faith.

## Part I—Reporting Authority

**Amended return.** An issuer may file an amended return to change or add to the information reported on a previously filed return for the same date of issue. If you are filing to correct errors or change a previously filed return, check the "Amended Return" box in the heading of the form.

The amended return must provide all the information reported on the original return, in addition to the new corrected information. Attach an explanation of the reason for the amended return and write across the top "Amended Return Explanation."

**Line 1.** The issuer's name is the name of the entity issuing the obligations, not the name of the entity receiving the benefit of the financing. In the case of a lease or installment sale, the issuer is the lessee or purchaser.

**Line 2.** An issuer that does not have an employer identification number (EIN) should apply for one on Form SS-4, Application for Employer Identification Number. You can get this form on the IRS website at IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676). You may receive an EIN by telephone by following the instructions for Form SS-4.

**Lines 3 and 4.** Enter the issuer's address or the address of the designated contact person listed on line 6. If the issuer wishes to use its own address and the issuer receives its mail in care of a third party authorized representative (such as an accountant or attorney), enter on the street address line "C/O" followed by the third party's name and street address or P.O. box. Include the suite, room, or other unit number after the street address. If the post office does not deliver mail to the street address and the issuer has a P.O. box, show the box number instead of the

street address. If a change in address occurs after the return is filed, use Form 8822, Change of Address, to notify the IRS of the new address.

**Note.** The address entered on lines 3 and 4 is the address the IRS will use for all written communications regarding the processing of this return, including any notices. By authorizing a person other than an authorized officer or other employee of the issuer to communicate with the IRS and whom the IRS may contact about this return, the issuer authorizes the IRS to communicate directly with the individual listed on line 6, whose address is entered on lines 3 and 4 and consents to disclose the issuer's return information to that individual, as necessary, to process this return.

**Line 5.** This line is for IRS use only. Do not make any entries in this box.

**Part II—Description of Obligations**

Check the appropriate box designating this as a return on a single issue basis or a consolidated return basis.

**Line 8a.** The issue price of obligations is generally determined under Regulations section 1.148-1(b). Thus, when issued for cash, the issue price is the price at which a substantial amount of the obligations are sold to the public. To determine the issue price of an obligation issued for property, see sections 1273 and 1274 and the related regulations.

**Line 8b.** For a single issue, enter the date of issue (for example, 03/15/2010 for a single issue issued on March 15, 2010), generally the date on which the issuer physically exchanges the bonds that are part of the issue for the underwriter's (or other purchaser's) funds; for a lease or installment sale, enter the date interest starts to accrue. For issues reported on a consolidated basis, enter the first day of the calendar year during which the obligations were issued (for example, for calendar year 2010, enter 01/01/2010).

**Lines 9a through 9h.** Complete this section if property other than cash is exchanged for the obligation, for example, acquiring a police car, a fire truck, or telephone equipment through a series of monthly payments. (This type of obligation is sometimes referred to as a "municipal lease.") Also complete this section if real property is directly acquired in exchange for an obligation to make periodic payments of interest and principal.

Do not complete lines 9a through 9d if the proceeds of an obligation are received in the form of cash even if the term "lease" is used in the title of the issue. For lines 9a through 9d, enter the amount on the appropriate line that represents a lease or installment purchase. For line 9d, enter the type of item that is leased. For lines 9e through 9h, enter the amount on the appropriate line that represents a bank loan. For line 9h, enter the type of bank loan.

**Lines 9i and 9j.** For line 9i, enter the amount of the proceeds that will be used to pay principal, interest, or call premium on any other issue of bonds, including proceeds that will be used to fund an escrow account for this purpose. Several lines may apply to a particular obligation. For example, report on lines 9i and 9j obligations used to refund prior issues which represent loans from the proceeds of another tax-exempt obligation.

**Line 9k.** Enter on line 9k the amount on line 8a that does not represent an obligation described on lines 9a through 9j.

**Line 10.** Check this box if the issuer has designated any issue as a "small issuer exception" under section 265(b)(3)(B)(i)(III).

**Line 11.** Check this box if the issue is a construction issue and an irrevocable election to pay a penalty in lieu of arbitrage rebate has been made on or before the date the bonds were issued. The penalty is payable with a Form 8038-T for each 6-month period after the date the bonds are issued. Do not make any payment of penalty in lieu of rebate with Form 8038-GC. See Rev. Proc. 92-22, 1992-1 C.B. 736, for rules regarding the "election document."

**Line 12.** Enter the name of the vendor or bank who is a party to the installment purchase agreement, loan, or financial lease. If there are multiple vendors or banks, the issuer should attach a schedule.

**Line 13.** Enter the employer identification number of the vendor or bank who is a party to the installment purchase agreement, loan, or financial lease. If there are multiple vendors or banks, the issuer should attach a schedule.

**Signature and Consent**

An authorized representative of the issuer must sign Form 8038-GC and any applicable certification. Also print the name and title of the person signing Form 8038-GC. The authorized representative of the issuer signing this form must have the authority to consent to the disclosure of the issuer's return information, as necessary to process this return, to the person(s) that has been designated in this form.

**Note.** If the issuer authorizes in line 6 the IRS to communicate with a person other than an officer or other employee of the issuer, (such authorization shall include contact both in writing regardless of the address entered in lines 3 and 4, and by telephone) by signing this form, the issuer's authorized representative consents to the disclosure of the issuer's return information, as necessary to process this return, to such person.

**Paid Preparer**

If an authorized representative of the issuer filled in its return, the paid preparer's space should remain blank. Anyone who prepares the return but does not charge the organization should not sign the return. Certain others who prepare the return should not sign. For example, a regular, full-time employee of the issuer, such as a clerk, secretary, etc., should not sign.

Generally, anyone who is paid to prepare a return must sign it and fill in the other blanks in the *Paid Preparer Use Only* area of the return. A paid preparer cannot use a social security number in the *Paid Preparer Use Only* box. The paid preparer must use a preparer tax identification number (PTIN). If the paid preparer is self-employed, the preparer should enter his or her address in the box.

The paid preparer must:

- Sign the return in the space provided for the preparer's signature, and
- Give a copy of the return to the issuer.

**Paperwork Reduction Act Notice**

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

- Learning about the law or the form** . . . . . 4 hr., 46 min.
- Preparing the form** . . . . . 2 hr., 22 min.
- Copying, assembling, and sending the form to the IRS** . . . . . 2 hr., 34 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:M:S, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send the form to this address. Instead, see *Where To File*.



# ORDER AGREEMENT

Sale Type :LEASE

Master Maintenance and Sale Agreement Date:	NEW	Sale Type :	LEASE
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BILL TO INFORMATION			
Customer Legal Name: CITY OF TROUTDALE			
Address Line 1: 219 E COLUMBIA RIVER HWY		Contact:	Mueller,Erich
Address Line 2:		Phone:	(503)674-7231
City: TROUTDALE		E-mail:	erich.mueller@troutdaleoregon.gov
ST / Zip: OR/97060	County: MULTNOMAH	Fax:	(503)667-6403

ADDITIONAL ORDER INFORMATION	
Check All That Apply:	
<input type="checkbox"/> Sales Tax Exempt (Attach Valid Exemption Certificate) <input type="checkbox"/> PO Included PO# _____ <input type="checkbox"/> Syndication	<input type="checkbox"/> Fixed Service Charge <input type="checkbox"/> Add to Existing Service Contract # _____ <input type="checkbox"/> PS Service (Subject to and governed by separate Statement of Work) <input type="checkbox"/> IT Service (Subject to and governed by separate Statement of Work)

This is an Order made pursuant to the terms and conditions of the above referenced Master Agreement(s) between Customer and Ricoh USA, Inc. The signature below indicates that the customer accepts all terms and conditions of the applicable Master Agreement(s) for this sale, including but not limited to the terms set forth in the Master Agreement(s) and any Exhibit A thereto, all of which are incorporated herein by reference and made part of this Order. This Order is not valid unless and until signed by and Authorized Signatory of Ricoh USA, Inc.

SERVICE INFORMATION		
Service Term (Months)	Base Billing Frequency	Overage Billing Frequency
60 Months	MONTHLY	MONTHLY

SHIP TO INFORMATION			
Customer Name: CITY OF TROUTDALE			
Address Line 1: 234 SW KENDALL CT		Contact:	Troudt,Teresa
Address Line 2:		Phone:	(503) 491-4004
City: TROUTDALE		E-mail:	teresa.troudt@troutdaleoregon.gov
ST / Zip: OR/97060-1571	County: MULTNOMAH	Fax:	

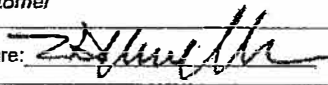
PRODUCT INFORMATION							
Product Description	Qty	Service Type	B/W Allowance (Per Base Billing Frequency)	B/W Ovg	Color Allowance (Per Base Billing Frequency)	Color Ovg	Service Base (Per Base Billing Frequency)
RICOH MPC4503	1	Gold	0	\$0.0080	0	\$0.0480	

BASIC CONNECTIVITY / PS / IT SERVICES INFORMATION	
BASIC CONNECTIVITY / PS / IT Services Description	Quantity
NETWORK & SCAN - SEG BC4	1



# RICOH

ORDER TOTALS		
<i>Service Type Offerings:</i>	<b>Product Total:</b>	
Gold: Includes all supplies and staples. Excludes paper.	<b>BASIC CONNECTIVITY / PS / IT Services:</b>	
Silver: Includes all supplies. Excludes paper and staples.	<b>Buyout:</b>	
Bronze: Parts and labor only. Excludes paper, staples and supplies.	<b>Grand Total: (Excludes Tax)</b>	
<b>Additional Provisions:</b>		
Per US Communities Contract 4400003732		

<i>Accepted by Customer</i>	<i>Accepted: Ricoh USA, Inc.</i>
Authorized Signature: 	Authorized Signature: _____
Printed Name: <u>ERICH MUELLER</u>	Printed Name: _____
Title: <u>FINANCE DIRECTOR</u>	Title: _____
Date: <u>1/22/2014</u>	Date: _____





EQUIPMENT REMOVAL/BUYOUT AUTHORIZATION

Customer Name:	CITY OF TROUTDALE		
Contact Name:	Troudt, Teresa	Phone:	(503) 491-4004
Address:	234 SW KENDALL CT	City:	TROUTDALE
State:	OR	Zip:	97060-1571
		Fax/Email:	teresa.troudt@troutdaleoregon.gov

Make	Model	Serial Number
	MPC4000	V1295800664

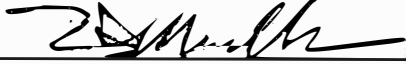
**This Authorization applies to the equipment identified above and to the following Removal/Buy Out Option**

This Authorization will confirm that Customer desires to engage Ricoh USA, Inc. ("RicoH") to pick-up and remove certain items of equipment that are currently (i) owned by Customer or (ii) leased from Ricoh or other third party (as specified below), and that you intend to issue written or electronic removal requests (whether such equipment is identified in this Authorization, in a purchase order, in a letter or other written form) to Ricoh from time to time for such purpose. Such removal request will set forth the location, make, model and serial number of the equipment to be removed by Ricoh. By signing below, you confirm that, with respect to every removal request issued by Customer (1) Ricoh may rely on the request, and (2) the request shall be governed by this Authorization. Notwithstanding the foregoing, the parties acknowledge and agree that Ricoh shall have no obligation to remove, delete, preserve, maintain or otherwise safeguard any information, images or content retained by, in or on any item of equipment serviced by Ricoh, whether through a digital storage device, hard drive or similar electronic medium ("Data Management Services"). If desired, Customer may engage Ricoh to perform such Data Management Services at its then-current rates. Notwithstanding anything in this Authorization to the contrary, (i) Customer is responsible for ensuring its own compliance with legal requirements pertaining to data retention and protection, (ii) it is the Customer's sole responsibility to obtain advice of competent legal counsel as to the identification and interpretation of any relevant laws and regulatory requirements that may affect the customer's business or data retention, and any actions required to comply with such laws, (iii) Ricoh does not provide legal advice or represent or warrant that its services or products will guarantee or ensure compliance with any law, regulation or requirement, and (iv) the selection, use and design of any Data Management Services, and any and all decisions arising with respect to the deletion or storage of any data, as well as any loss of data resulting therefrom, shall be the sole responsibility of Customer, and Customer shall indemnify and hold harmless Ricoh and its subsidiaries, directors, officers, employees and agents from and against any and all costs, expenses, liabilities, claims, damages, losses, judgments or fees (including reasonable attorneys' fees) (collectively, "Losses") arising therefrom or related thereto.

◊**Equipment Removal (Leased by Customer).** In addition to the terms and conditions set forth above, the following terms and conditions shall apply for equipment removals of equipment leased by Customer: Except for the obligations of Ricoh to pick up and remove the identified equipment, Ricoh does not assume any obligation, payment or otherwise, under any lease agreement, which shall remain Customer's sole responsibility. As a material condition to the performance by Ricoh, Customer hereby releases Ricoh from, and shall indemnify, defend and hold Ricoh harmless from and against, any and all claims, liabilities, costs, expenses and fees arising from or relating to any breach of Customer's representations or obligations in this Authorization or of any obligation owing by Customer under its lease agreement.

**CUSTOMER**

**RICOH USA, INC.**

By:   
Name ERICH MUELLER  
Title FINANCE DIRECTOR  
Date 1/29/2014

By: \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_  
Date \_\_\_\_\_



## RESOLUTION NO. 2238

### A RESOLUTION AUTHORIZING TWO TAX EXEMPT MUNICIPAL EQUIPMENT LEASE FINANCE AGREEMENTS FOR RICOH NETWORK DIGITAL PRINTER COPIERS.

#### THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:

1. City operations are delivered from several physical locations, and as such a true and very real need exists for the acquisition of the Equipment described in the Lease Agreement as of this date, and presented at this meeting, for the effective delivery of city services from the Police Facility, City Hall and City Admin Office locations.
2. And has further determined that the Equipment will be used solely for essential governmental functions and not for private business use; and
3. Acquisition of the Equipment through the provisions of the U.S. Communities cooperative purchasing Government Contract and Municipal Leasing Program is in the best interest of the City.

#### NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TROUTDALE:

Section 1. Agrees now that the City as Lessee to enter into each of two Tax-Exempt Lease-Purchase Agreements ("Lease Agreement") in order to finance the lease/purchase acquisition of the equipment (the "Equipment"), for the City's authorized needs and purposes on terms to be determined in accordance with the provisions of the Lease Agreement,

Section 2. And, in order to secure the Lease Agreement pursuant thereto, to grant a first lien security interest in the Equipment financed in accordance with the Lease Agreement.

Section 3. To enable Lessee to finance the lease/purchase acquisition of the Equipment, with the intent that the interest portion of the Rental Payments therefore be excluded from gross income for federal income tax purposes and,

Section 4. And to make payments, as set forth in the Lease Agreement sufficient to pay both the principal and interest portion of the Rental Payments, including disbursing any funds necessary for implementation.

Section 5. Designates the City Manager or Finance Director (each a "City Official") or a designee of the City Official, to act on behalf of the City, and without further action by the City Council the City Official is hereby, authorized, empowered and directed to sign on behalf of the city the Lease Agreement, and any and all other required and necessary documents to implement the of the transactions contemplated by the Lease Agreement.

Section 6. The City Official is hereby authorized to execute, acknowledge and deliver in the name and on behalf of Lessee to Lessor, the forms which are in substantial conformity with Exhibit A and B of the Staff Report, and with such changes as necessary to reflect the specific Equipment to be financed and financing terms applicable, and such other changes as the signing officer shall determine to be advisable.

Section 7. Further, the City Official are authorized to execute, acknowledge and deliver in the name and on behalf of Lessee any other agreement, instrument, certificate, representation, addendums, supporting and implementing documents, and to take any other action as may be advisable, convenient, necessary, or appropriate to give full force and effect to the terms and intent of the Lease Agreement, and the execution thereof by any such City Official shall be conclusive as to such determination.

Section 8. The Finance Director is authorized to disburse funds, subject to annual appropriations, as necessary to fulfill the 60 monthly lease principal payments totaling an amount not to exceed \$9,100.00 for the first lease agreement, and is further directed to implement all such actions necessary to ensure budgetary compliance.

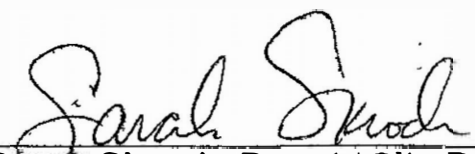
Section 9. The Finance Director is authorized to disburse funds, subject to annual appropriations, as necessary to fulfill the 60 monthly lease principal payments totaling an amount not to exceed \$26,114.89, for the second lease agreement, and is further directed to implement all such actions necessary to ensure budgetary compliance.

Section 10. This Resolution shall take effect upon adoption.

**YEAS: 5**  
**NAYS: 0**  
**ABSTAINED: 0**

  
\_\_\_\_\_  
**Doug Daoust, Mayor**

Date 1/29/14

  
\_\_\_\_\_  
**Sarah Skroch, Deputy City Recorder**  
**Adopted: January 28, 2014**



EQUIPMENT FINANCE

## DOCUMENT CHECKLIST

- **Tax-Exempt Lease Purchase Agreement** – Execute signature block at the top of the first page.
- **Addendum/Amendment to Tax-Exempt Lease Purchase Agreement** – This document must be executed in the presence of a witness/attestor. The attesting witness does not have to be a notary, just present at the time of execution. The witness/attestor will execute the signature block below the Purchaser's signature block at the bottom right of the page.
- **Property Schedule** - 1) If the transaction can be designated as a "bank qualified" transaction – one where the Lessee reasonably anticipates not issuing more than \$10 million in tax-exempt obligations in a calendar year – **then you should initial the line under item**; 2) Execute signature block at the bottom of the page.
- **Property Description – Exhibit A** - Execute signature block at the bottom of the page.
- **Acceptance Certificate and Bank Qualification– Exhibit B.** 1) The date that all equipment is delivered, installed and accepted is the date that should be placed on the "DATE" line; and 2) Execute signature block at the bottom of the page.
- **Lessee's Counsel's Opinion – Exhibit C.** This exhibit will need to be executed by your attorney, dated and placed on their letterhead. Your attorney will likely want to review the agreement prior to executing this opinion.
- **Lessee's Certificate – Exhibit D.** The first signature block on this exhibit must be signed by the person signing the Agreement. The second signature block on this exhibit must be signed by an officer other than the person signing the Agreement.
- **Insurance Authorization and Verification** – To be filled out by the Lessee and returned with executed documents.
- **Amortization Schedule** - Execute signature block at the bottom of the page.
- **Notification of Tax Treatment** – Please provide your State of Sales/Use tax Exemption Certificate, if applicable.
- **Form 8038-GC or G**– Blank form provided to Lessee. Please consult your local legal/bond counsel or tax consultant with questions.
- **Original Documents** – U.S. Bank Equipment Finance will require original documents prior to funding.

