

No: 2026-26

THE TOWN OF MIDDLETOWN

RESOLUTION AUTHORIZING THE PURCHASE OF VEHICLES AND EQUIPMENT FOR USE BY THE TOWN AND THE FINANCING THEREOF THROUGH ONE OR MORE EQUIPMENT LEASE PURCHASE AGREEMENTS AND AUTHORIZING THE EXECUTION AND DELIVERY OF SAID EQUIPMENT LEASE PURCHASE AGREEMENTS AND RELATED INSTRUMENTS, AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Town desires to enter into one or more Lease Purchase Agreements providing for the purchase of vehicles and equipment for use by the Town, including, but not limited to, ambulances and pumper/tanker trucks for use by the Town's Fire Department (the "Vehicles and Equipment") for use by the Town; and

WHEREAS, the Vehicles and Equipment are essential for the Town to perform its governmental functions; and

WHEREAS, the Town has taken the necessary steps, including those relating to any applicable legal bidding requirements, to arrange for the purchase of the Vehicles and Equipment and for the lease purchase financing thereof, in a principal amount not to exceed \$1,810,000 in the aggregate; and

WHEREAS, the Finance Director and the President of the Town Council, in consultation with Hilltop Securities Inc., the Town's municipal advisor (the "Municipal Advisor"), will select one or more lenders (including any affiliates or assignees thereof) to provide said lease purchase financing pursuant to a Request for Proposals dated on or about March 2, 2026 (the "RFP"); and

RESOLVED that:

SECTION 1. The Town Council hereby authorizes the Finance Director and the President of the Town Council, acting on behalf of the Town, to: (i) select one or more lenders to provide for the lease purchase financing pursuant to the RFP, in consultation with the Municipal Advisor, and (ii) purchase the Vehicles and Equipment and to finance the same, including the payment of costs of financing, through more or more Lease Purchase Agreements and related documents with said lender or lenders (the "Financing Documents"), subject to annual appropriation therefore by the Town.

SECTION 2. The form and other details, terms and conditions of the Financing Documents shall be fixed by the Finance Director and the President of the Town Council.

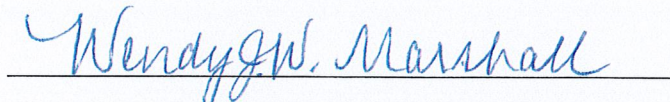
SECTION 3. The Finance Director and the President of the Town Council, each acting singly, is hereby authorized to enter into the Financing Documents and said officers are hereby authorized and instructed to take all actions, and to execute and deliver the Financing Documents and any related agreements, certificates and other documents in such form as they may deem necessary or desirable to implement the lease purchase financing of the Vehicles and Equipment. To the extent that the Financing Documents contemplate tax-exempt lease financing, such officers are also authorized to take all action, on behalf of the Town, necessary to insure that interest component of the lease payments will be excludable from gross income for federal income tax purposes and to refrain from all actions which would cause the interest component of the lease payments to become subject to federal income taxes. The Finance Director and the President of the Town Council are further authorized to take all lawful action necessary or desirable to designate the lease purchase financing as a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3) of the Code.

SECTION 4. That this Resolution is an affirmative action of the Town Council of the Town toward the execution and delivery of the Financing Documents in accordance with the purposes of the laws of the State. This Resolution constitutes the Town's declaration of official intent, pursuant to Treasury Regulation 1.150(2), to reimburse the Town's General Fund for certain capital expenditures paid on or after the date which is sixty (60) days prior to the date of this Resolution, but prior to the execution and delivery of the Financing Documents. Such amounts to be reimbursed shall not exceed \$1,810,000 and shall be reimbursed not later than eighteen (18) months after (a) the date on which the expenditure is paid or (b) the date the property is placed in service or abandoned, but in no event later than three (3) years after the date the expenditure is paid.

SECTION 5. This Resolution shall take effect upon its passage.

MARCH 2, 2026

READ AND PASSED IN COUNCIL



Wendy J. W. Marshall, MMC

Town Clerk

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WHEREAS, the Vehicles and Equipment are essential for the Town to perform its governmental functions; and

WHEREAS, the Town has taken the necessary steps, including those relating to any applicable legal bidding requirements, to arrange for the purchase of the Vehicles and Equipment and for the lease purchase financing thereof, in a principal amount not to exceed \$1,810,000 in the aggregate; and

WHEREAS, the Finance Director and the President of the Town Council, in consultation with Hilltop Securities Inc., the Town's municipal advisor (the "Municipal Advisor"), will select one or more lenders (including any affiliates or assignees thereof) to provide said lease purchase financing pursuant to a Request for Proposals dated on or about March 2, 2026 (the "RFP"); and

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SECTION 2. The form and other details, terms and conditions of the Financing Documents shall be fixed by the Finance Director and the President of the Town Council.

SECTION 3. The Finance Director and the President of the Town Council, each acting singly, is hereby authorized to enter into the Financing Documents and said officers are hereby authorized and instructed to take all actions, and to execute and deliver the Financing Documents and any related agreements, certificates and other documents in such form as they may deem necessary or

desirable to implement the lease purchase financing of the Vehicles and Equipment. To the extent that the Financing Documents contemplate tax-exempt lease financing, such officers are also authorized to take all action, on behalf of the Town, necessary to insure that interest component of the lease payments will be excludable from gross income for federal income tax purposes and to refrain from all actions which would cause the interest component of the lease payments to become subject to federal income taxes. The Finance Director and the President of the Town Council are further authorized to take all lawful action necessary or desirable to designate the lease purchase financing as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code.

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