

RESOLUTION NO. 2026-XX

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
PATTERSON, AUTHORIZING THE EXECUTION AND DELIVERY OF
A LEASE PURCHASE AGREEMENT, AN ESCROW AGREEMENT AND
EQUIPMENT SCHEDULE**

The undersigned, being the City Council of the City of Patterson (the "*Lessee*"), a body politic and corporate duly organized and existing as a political subdivision of the State of California, does hereby consent to the taking of the following actions by the Lessee as of the date hereof;

WHEREAS, the City Council desires to cause the Lessee and hereby authorizes the Lessee by the laws of the State of California to purchase, acquire, and lease personal property for the benefit of the Lessee and those it provides services to and to enter into contracts with respect thereto;

WHEREAS, the City Council desires to cause Lessee to purchase, acquire, and lease certain equipment constituting personal property (the "*Equipment*") necessary for the Lessee to perform essential governmental functions as deemed necessary and/or desirable by its Designated Officers (defined below);

WHEREAS, the City Council desires to cause Lessee to finance the Equipment in an amount not to exceed \$4,824,685.00 (the "*Financed Amount*");

WHEREAS, the City Council desires to cause Lessee to finance the Equipment at an interest rate not to exceed 4.88%;

WHEREAS, in order to acquire such Equipment, the Lessee proposes to enter into one or more Lease Purchase Agreements (together with the Equipment Schedules and all related exhibits, schedules, and certificates attached thereto, the "*Lease Agreements*") with Metro Futures, Inc., a California corporation (the "*Lessor*") for the Financed Amount secured in part by the Equipment, and one Escrow Agreement (together the Disbursement/Payment Request Form and Acceptance Certificate, the "*Escrow Agreement*") with the Lessor and an escrow agent (approved by Lessor), the forms of which have been presented to the City Council of the Lessee at this meeting;

WHEREAS, the City Council of the Lessee deems it for the benefit of the Lessee and for the efficient and effective administration thereof to enter into the Transaction Documents for the purchase, acquisition, and leasing of the Equipment to be therein described on the terms and conditions therein provided.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Patterson as follows:

RESOLVED, that the City Council of the Lessee hereby approves the form, terms, and provisions of the Transaction Documents in substantially the forms presented to the City Council on or about the date hereof;

RESOLVED FURTHER, that the City Council of the Lessee hereby authorizes and directs the City Manager of the Lessee, and such other persons he may delegate (the "*Designated Officers*"), and each of them individually, on behalf of the Lessee, to execute and deliver the Transaction Documents

RESOLVED FURTHER, that the execution of the Transaction Documents by any Designated Officer shall constitute conclusive evidence of such officer's and the City Council's approval of any such changes, insertions, revisions, corrections, or amendments to the Transaction Documents.

RESOLVED FURTHER, that the Designated Officers and employees of the Lessee shall take all action necessary or reasonably required by the Transaction Documents to carry out, give effect to, and consummate the transactions contemplated thereby and to take all action necessary in conformity therewith;

RESOLVED FURTHER, that the Designated Officers and all other officers and employees of the Lessee are hereby directed and authorized to take and shall take all action necessary or reasonably required in order to select, purchase, and take delivery of the Equipment.

RESOLVED FURTHER, that Nothing contained in this Resolution or the Transaction Documents shall be construed with respect to the Lessee as incurring a pecuniary liability or charge upon the general credit of the Lessee or against its taxing power, nor shall the breach of any provision contained in this Resolution or the Transaction Documents impose any pecuniary liability upon the Lessee or any charge upon its general credit or against its taxing power, except to the extent that the rental payments payable under the Transaction Documents are special limited obligations of the Lessee as provided therein;

RESOLVED FURTHER, that the Designated Officers are each hereby designated to act as authorized representatives of the Lessee for purposes of the Transaction Documents until such time as the City Council of the Lessee shall remove such designation.

RESOLVED FURTHER, that any actions authorized pursuant to the authority given hereunder and heretofore taken by the Lessee, or any Designated Officer on behalf of the Lessee, in connection with the transactions contemplated by the foregoing resolutions be, and they hereby are, approved, ratified and confirmed in all respects;

RESOLVED FURTHER, Pursuant to California Government Code Section 5852.1, the Municipal Advisor has provided good faith estimates of the Lease Agreements as described under the Financial Summary attached hereto.

This Written Consent may be executed in multiple counterparts, and all such executed counterparts shall constitute the same instrument.

FINANCIAL SUMMARY

Pursuant to California Government Code Section 5852.1, the Municipal Advisor identified below has provided the following required information to the City of Patterson (the "City"), at which meeting they will consider the authorization of the obligation identified below.

1. Municipal Advisor: Del Rio Advisors, LLC
2. Meeting Date: March 17, 2026
3. Obligation: City of Patterson, 2026 Lease Purchase Agreement (the "Lease")
4. The Municipal Advisor has provided the following required good faith estimates relating to the Lease:
 - a. The true interest cost of the Lease, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the new issue (to the nearest ten-thousandth of one percent): 4.88000%.
 - b. The finance charge of the Lease, which means the sum of all fees and charges paid to third parties, including the cost of credit enhancement: \$29,900.00.
 - c. The amount of proceeds received by the public body for sale of the Lease, less the finance charge of the Lease described in subparagraph (b) and any reserves or capitalized interest paid or funded with proceeds of the Lease: \$4,794,785.00.

d. The total payment amount, which means the sum total of all payments the public body will make to pay debt service on the Lease plus the finance charge of the Lease described in subparagraph (b) not paid with the proceeds of the Lease (which total payment amount shall be calculated to the final maturity of the Lease): \$8,163,912.12.

The foregoing estimates constitute good-faith estimates only. The actual principal amount of the Lease issued, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom, and the total payment amount with respect thereto may differ from such good faith estimates due to a variety of factors. The actual interest rate borne by the Lease and the actual amortization of the Lease will depend on market interest rates at the time of placement thereof. Market interest rates are affected by economic and other factors beyond the control of the City.

[SIGNATURE PAGE FOLLOWS]

The foregoing resolution was introduced at a (regular or special) meeting of the City Council of the City of Patterson held on the 17th of March 2026 by _____, who moved its adoption, which motion was duly seconded by _____, and the resolution adopted by the following roll call vote:

AYES:

NOES:

EXCUSED:

APPROVED:

Michael Clauzel
Mayor of the City of Patterson

ATTEST:

Aracely Alegre
City Clerk of the City of Patterson

I hereby certify that the foregoing is a full, correct and true copy of a resolution passed by the City Council of the City of Patterson, a Municipal Corporation of the County of Stanislaus, State of California, at a regular meeting held on the 17th day of March 2026, and I further certify that said resolution is in full force and effect and has never been rescinded or modified.

DATED:

Aracely Alegre
City Clerk of the City of Patterson