

COTTONWOOD HEIGHTS

RESOLUTION NO. 2016-57

A RESOLUTION APPROVING ENTRY INTO A VEHICLE REPURCHASE OPTION AGREEMENT WITH GARFF ENTERPRISES, INC. FOR POLICE VEHICLES AND ASSOCIATED EQUIPMENT

WHEREAS, the city of Cottonwood Heights (“City”) formed the Cottonwood Heights Police Department (the “CHPD”) to provide law enforcement within City, and desires to provide vehicles and associated equipment (collectively, the “Vehicles”) for the CHPD’s use in performing that essential governmental function; and

WHEREAS, City desires to lease (rather than purchase) the Vehicles and have the option to rotate the Vehicles every two years to better assure dependability and reduced maintenance costs; and

WHEREAS, ZB, National Association (“Zions Bank”) has proposed to lease the Vehicles to City for a two-year term under that certain “Government Lease-Purchase Agreement” (the “Lease”) between Zions Bank, as lessor, and City, as lessee. The Lease effectively will result in the City’s purchase of the Vehicles upon expiration of the Lease, likely between 1 July 2018-1 September 2018 (the “Repurchase Date”); and

WHEREAS, Garff Enterprises, Inc. (“Garff”) owns one or more new motor vehicle dealerships and desires to supply the Vehicles to Zions Bank for City’s ultimate use under the Lease; and

WHEREAS, City is willing to enter into the Lease only if, *inter alia*, Zions Bank irrevocably agrees to purchase the Vehicles from Garff, and Garff irrevocably agrees to repurchase from Zions Bank or City, as applicable, upon termination of the Lease, such of the Vehicles as City designates, on the terms and conditions specified in a certain “Vehicle Repurchase Option Agreement” (the “Repurchase Agreement”) contemplated between City and Garff; and

WHEREAS, Garff has expressed its willingness to enter into and perform under the Repurchase Agreement in order to induce City to enter into the Lease with Zions Bank, and thereby to induce Zions Bank to purchase the Vehicles from Garff for lease to the City; and

WHEREAS, City’s municipal council (the “Council”) met in regular session on 12 July 2016 to consider, among other things, approving City’s entry into the Repurchase Agreement; and

WHEREAS, the Council has reviewed the form of the Repurchase Agreement, a photocopy of which is annexed hereto; and

WHEREAS, after careful consideration, the Council has determined that it is in the best interests of City and its efficient administration, and the health, safety and welfare of City's residents, to approve City's entry into the Repurchase Agreement as proposed;

NOW, THEREFORE, BE IT RESOLVED by the city council of the city of Cottonwood Heights as follows:

Section 1. **Approval of Repurchase Agreement.** The form, terms and provisions of the Repurchase Agreement are hereby approved in substantially the form attached to this Resolution, with such insertions, omissions and changes as shall be approved by City's mayor in consultation with City's manager and attorney. The execution of the Repurchase Agreement shall be conclusive evidence of such approval, and City's mayor and recorder are hereby authorized and directed to execute and deliver the Repurchase Agreement on City's behalf to the other parties thereto.

Section 2. **Other Actions Authorized.** City's officers and employees shall take all actions necessary or reasonably required to carry out, give effect to and consummate the transactions contemplated thereby, including, without limitation, the execution and delivery of any and all other documents required to be delivered in connection with the Repurchase Agreement.

Section 3. **Appointment of Authorized Representatives.** City's manager and the manager's designee in writing from time to time are hereby designated to act as authorized representatives of City for purposes of the Repurchase Agreement until such time as the Council designates any other or different authorized representative(s) for purposes of the Repurchase Agreement.

Section 4. **Severability.** If any section, paragraph, clause or provision of this resolution (this "*Resolution*") shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, or provision shall not affect any of the remaining provisions of this Resolution.

Section 5. **Repealer.** All orders and resolutions or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed as reviving any order, resolution or ordinance or part thereof.

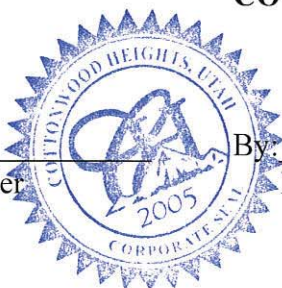
This Resolution, assigned no. 2016-57, shall take effect immediately upon passage.

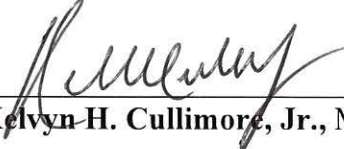
PASSED AND APPROVED this 12th day of July 2016.

ATTEST:

COTTONWOOD HEIGHTS CITY COUNCIL

By: 
Paula Melgar, Recorder



By: 
Kelyvn H. Cullimore, Jr., Mayor

VOTING:

Kelvyn H. Cullimore, Jr.	Yea <input checked="" type="checkbox"/>	Nay <input type="checkbox"/>
Michael L. Shelton	Yea <input checked="" type="checkbox"/>	Nay <input type="checkbox"/>
J. Scott Bracken	Yea <input checked="" type="checkbox"/>	Nay <input type="checkbox"/>
Michael J. Peterson	Yea <input checked="" type="checkbox"/>	Nay <input type="checkbox"/>
Tee W. Tyler	Yea <input checked="" type="checkbox"/>	Nay <input type="checkbox"/>

DEPOSITED in the office of the City Recorder this 12th day of July 2016.

RECORDED this 12 day of July 2016.