

**KENAI PENINSULA BOROUGH SCHOOL DISTRICT  
RESOLUTION NO. 01-02-9**

**A RESOLUTION OF THE BOARD OF THE KENAI PENINSULA BOROUGH SCHOOL DISTRICT, AUTHORIZING THE EXECUTION OF AN EQUIPMENT LEASE/PURCHASE AGREEMENT BY AND BETWEEN THE SCHOOL DISTRICT AND KEY MUNICIPAL FINANCE AND PROVIDING FOR RELATED MATTERS.**

**WHEREAS**, the Kenai Peninsula Borough School District (the "School District"), is a borough school district under Title 29, Chapter 25 and Title 14 of the Alaska Statutes and it has been determined that the matters set forth in this Resolution are not prohibited by law; and

**WHEREAS**, the School District desires to lease approximately 96 copiers Konica model number 7020 - 51 units, model 7045 – 12 units, model number 7055 – 21 units and model number 7065 – 12 units (the "Equipment") from Key Municipal Finance (the "Lessor"), and the Lessor desires to lease the Equipment to the School District; and

**WHEREAS**, the School District considers that the acquisition and leasing of the Equipment from the Lessor is in the best interest and will promote the public purpose of the School District and the Kenai Peninsula Borough; and

**WHEREAS**, the School District intends to reimburse expenditures made, if any, for financing the lease of the equipment incurred up to 60 days prior to the effectiveness of this resolution; and

**WHEREAS**, there has been presented to the School District the form of a Lease/Purchase Agreement (the "Agreement") which the School District proposes to enter into in connection with the leasing of the Equipment; and

**WHEREAS**, it appears that the Agreement, which now is before the School District, is in appropriate form and is an appropriate instrument for the purposes intended;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE KENAI PENINSULA BOROUGH SCHOOL DISTRICT, that:**



**Section 1.** The leasing by the School District of the Equipment from the Lessor under the Agreement is hereby approved. The aggregate principal component of rent payable under the Agreement shall not exceed \$650,000 and said amount shall bear interest at a rate per annum not exceeding 4.44%.

**Section 2.** The form and content of the Agreement hereby are in all respects authorized, approved and confirmed, and the Superintendent, the Financial Officer or their designees are authorized, empowered and directed to execute and deliver the Agreement to the counterparty for and on behalf of the School District in substantially the form and content now before this meeting but with such changes, modifications, additions and deletions therein which shall to them seem necessary, desirable and appropriate, the execution thereof to constitute conclusive evidence of the approval of any and all changes, modifications, additions or deletions therein from the form and content of the Agreement now before this meeting, and from and after the execution and delivery of the Agreement, the Superintendent, the Financial Officer or their designees are hereby authorized, empowered and directed to do all such acts and things and to execute all documents as may be necessary to carry out and comply with the provisions of the Agreement as executed.

**Section 3.** The Superintendent, the Financial Officer or any other person authorized by the School District each hereby is authorized to execute and deliver for and on behalf of the School District any and all additional certificates, documents, opinions or other papers and perform all other acts as they may deem necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

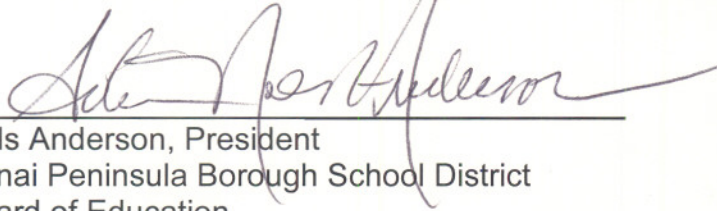
**Section 4.** The School District covenants that it will not use any of the proceeds of the Agreement in such manner, or take or omit to take any other action in such manner, as to impair the exemption of the interest component of rent payable under the Agreement from federal income taxation. The Agreement is hereby designated as a "qualified tax exempt obligation" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The School District covenants that no part of the gross proceeds of the Agreement or any other funds of the School District shall at any time be used directly or indirectly to acquire securities or obligations, the acquisition of which would cause the Agreement to be or become an "arbitrage bond" as defined in Section 148 of the Code. The School District shall not permit any of the proceeds of the Agreement, or any products purchased with such proceeds, to be used in any manner that would cause the Agreement to constitute a "private activity bond" within the meaning of Section 141 of the Code. The School District intends to use a portion of the proceeds of the Agreement to reimburse the School District for costs, if any, of financing the Equipment incurred up to 60 days before the effective date of this resolution.



**Section 5.** The provisions of this Resolution are hereby declared to be separable and, if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases or provisions.

**Section 6.** This Resolution shall become effective upon passage and approval, subject to and conditioned upon the effectiveness of an authorizing resolution adopted by the Assembly of the Kenai Peninsula Borough.

**PASSED AND APPROVED** by the Board of the Kenai Peninsula Borough School District this 15 day of October, 2001.

  
\_\_\_\_\_  
Nels Anderson, President  
Kenai Peninsula Borough School District  
Board of Education

ATTEST: Sally S. Tachick  
Sally Tachick  
Notary Public, State of Alaska  
My Commission Expires 07/25/05

