RESOLUTION NO. 8745

A RESOLUTION introduced by City Manager Jim Colson, relating to a refinancing of a lease purchase of certain firefighting apparatus for the City of Topeka.

WHEREAS, the City Council, in June of 2010, authorized a lease purchase agreement with Banc of America Public Capital Corporation for the purchase of five pumper trucks and two rescue trucks for the Topeka Fire Department (“Master Equipment Lease/Purchase Agreement”); and

WHEREAS, interest rates have fallen since 2010 such that it is prudent to refinance the lease purchase in order to reduce the current interest rate of 3.97% to 1.58% which will achieve a savings over the lease term in the amount of $46,691.52; and

WHEREAS, the Schedule of Property No. 2 amends certain provisions of the Master Equipment Lease/Purchase Agreement; and

WHEREAS, the Kansas Cash Basis Law, K.S.A. 10-1101, et seq. requires approval by a majority vote of the governing body of the City for a lease purchase agreement which will exceed the City’s current fiscal year; and

WHEREAS, the Master Equipment Lease/Purchase Agreement complies with the Kansas Cash Basis Law, K.S.A. 10-1101, et seq. which requires that any such lease purchase agreement state that the municipality is obligated only to pay periodic payments or monthly installments under the agreement as may lawfully be made from (a) funds budgeted and appropriated for that purpose during such municipality’s current budget year or (b) funds made available from any lawfully operated revenue producing source; and

WHEREAS, the Schedule of Property No. 2, complies with the Kansas Cash Basis by identifying the following: (1) the amount or capital cost required to purchase the item if paid for by cash, (2) the annual average effective interest cost, and (3) the amount
NOW, THEREFORE, BE IT RESOLVED, BY THE GOVERNING BODY OF THE CITY OF TOPEKA, KANSAS, that

Section 1. Pursuant to the Kansas Cash Basis law., the lease purchase agreement identified as the Schedule of Property No. 2 between the City and Banc of America Public Capital Corporation, Inc. in the amount of one million three hundred and fifty-five thousand, one hundred and seventy-four dollars and seventy-three cents ($1,355,174.73) for the purchase of certain firefighting apparatus, in accordance with the terms and conditions set forth in the Schedule, which is attached hereto and specifically incorporated herein, is hereby authorized and approved.

Section 2. The City Manager is authorized to execute the Schedule of Property No. 2 with Banc of America Public Capital Corporation, Inc. and any other documents necessary to complete the transaction.

ADOPTED and APPROVED by the Governing Body of the City of Topeka on the 2nd day of February, 2016.

CITY OF TOPEKA, KANSAS

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Larry Wolgast, Mayor

ATTEST:

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Brenda Younger, City Clerk