RESOLUTION NO. 8806

A RESOLUTION introduced by City Manager Jim Colson relating to the lease purchase of one company apparatus (Truck 11) and two engine apparatus (Fire Stations 3 and 11)

WHEREAS, on February 18, 2014, the governing body approved the purchase of one company apparatus (light and air truck) to replace Truck 11; and

WHEREAS, on June 3, 2014, the governing body approved the purchase of two engine apparatus (pumper trucks) for Fire Stations 3 and 11; and

WHEREAS, the City desires to enter into a lease purchase agreement with Banc of America Public Capital Corp (BOA) for the lease purchase of these items in the amount of $1,795,683.60, including interest, which lease term expires on September 9, 2026; 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 any lease purchase agreement entered into which will exceed the City’s current fiscal year; and

WHEREAS, the Kansas Cash Basis Law, K.S.A. 10-1101, et seq., further 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, as required by the cash basis law K.S.A. § 10-1101, et seq., the lease purchase agreement, Schedule of Property No. 3 specifies the following: (1) the amount or capital cost required to purchase the item if paid for by cash: $1,639,296.48, (2) the annual average effective interest cost: 1.6920% and (3) the amount included in the payments for
service, maintenance, insurance or other charges exclusive of the capital cost and interest cost: $0.

NOW, THEREFORE, BE IT RESOLVED, BY THE GOVERNING BODY OF THE CITY OF TOPEKA, KANSAS, that

Section 1. Pursuant to K.S.A. § 10-1101, et seq., the lease purchase agreement between the City and BOA in the amount of $1,795,683.60 including interest, for one company apparatus (light and air truck) and two engine apparatus (pumper trucks), in accordance with the terms and conditions set forth in the master lease agreement and Schedule of Property No. 3, which are attached hereto and specifically incorporated herein, is hereby authorized and approved.

Section 2. The City Manager is authorized to execute a lease purchase agreement with BOA that complies with KSA 10-1101, et seq., as set forth herein.

ADOPTED and APPROVED by the Governing Body on September 6, 2016.

CITY OF TOPEKA, KANSAS

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Larry E. Wolgast, Mayor

ATTEST:

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Brenda Younger, City Clerk