City Commission Agenda Item

Meeting Date: August 4, 2026

From: Jennifer Waggoner, Finance Director/Treasurer

Item: Lease for 2026 Mini Hydraulic Excavator and Compact Track Loader

Purpose: A Resolution authorizing the City of Arkansas City to enter into a lease-purchase agreement with Community National Bank for the purchase of a 2026 Mini Hydraulic Excavator and Compact Track Loader for a total financed amount of **$225,595**. ***(Voice Vote)***

Background:

On June 16, 2026, the City Commission adopted under separate resolutions the purchase of a new 2026 Mini Hydraulic Excavator and a new 2026 Compact Track Loader. Financing for this purchase is being recommended through Community National Bank under an annual lease agreement with a 5-year term. The total amount financed will be **$225,595**. Total interest over the term of the lease is estimated at $18,876.14, resulting in a total net cost of $244,471.14. A bid sheet summarizing the options and the resolution are attached.

Commission Options:

1. Approve the Resolution
2. Disapprove the Resolution
3. Table the Resolution for further discussion

Fiscal Impact: Amount: **$48,894.22 annual payments for 5 years to be split between the Water Fund (75%) and Sewer Fund (25%)**

Fund: **(75%) 16 (Water)** Department: **100 (General Government)** Expense Code: **9107 (Lease Payments)**

Fund: **(25%) 18 (Sewer)** Department: **100 (General Government)** Expense Code: **9107 (Lease Payments)**

☒ Included in budget ☐ Grant ☐ Bonds ☐ Other Not Budgeted

Attachments: Resolution & Bid Tab for lease-purchase.

Previously Adopted Resolution, Ordinance, and/or Change Order:

- **Resolution No. 2026-06-3844** Mini Excavator 2026 CAT 309 CR (Foley) BID 6-16-2026
- **Resolution No. 2026-06-3845** Compact Track Loader CAT 265 (Foley) BID 6-16-2026

Approved for Agenda by:

Randy Frazer, City Manager