

School Board Meeting/Workshop:

February 28, 2011

Subject:

Resolution Approving And Authorizing The Execution Of A Lease Agreement, An Escrow Agreement And Related Documents and Certificates for tennis courts at the Buffalo Community Middle School

Presenter:

Gary Kawlewski

SUGGESTED SCHOOL BOARD ACTION:

Approval

DESCRIPTION:

District 877 and the City of Buffalo have agreed in principal to move forward with an agreement to demo and replace the existing tennis courts at the Buffalo Community Middle School site. Costs of the project will be shared equally and the school district will serve as the fiscal host of the agreement. The City of Buffalo is scheduled to review and approve the same resolution at its meeting on February 22, 2011. We have budgeted for a portion of this project out of operating capital funds currently but will use lease levy authority funding through a lease purchase on the site instead to make the payments on the project. It is our intent to begin the work in late May or June of 2011.

The district and city's financial advisors, Ehlers, requested proposals from Klein Bank, BankWest, and Wells Fargo for lease purchase financing. BankWest and Wells Fargo declined to submit a proposal. The proposal from Klein Bank is at 4.25% for a 7-year term and is a good rate for this amount and duration. The approval of this resolution would authorize the superintendent to secure the financing and enter into the necessary agreements to complete the financing portion of the project. Once both parties have agreed to secure the financing, we will revise the current agreement on the tennis courts for any necessary changes and begin the process of completing the project.

ATTACHMENT(S):

1. Resolution Approving And Authorizing The Execution Of A Lease Agreement, An Escrow Agreement And Related Documents and Certificates
2. Klein Bank Proposal