



File #: 240916

ORDINANCE NO. 240916

Authorizing the Director of Finance to accept a proposal of Banc of America Public Capital Corp (“BAPCC”) to finance the acquisition of Citywide Fleet Replacement Vehicles 2025 (“Project”); authorizing the execution of any and all documents and agreements necessary for the financing; estimating revenue and appropriating \$13,006,500.00 in Fund 3230 the Equipment Lease Capital Acquisition Fund; authorizing the Director of Finance to close project accounts upon completion; approving lease counsel in connection with the transaction; declaring the intent of the City to reimburse itself from the lease purchase proceeds for certain expenditures; and recognizing this ordinance as having an accelerated effective date.

WHEREAS, the City is currently operating a significant portfolio of over lifecycle equipment, and this equipment by virtue of age and breakage incur significant expense and downtime; and

WHEREAS, this same equipment, by virtue of its age is less efficient and environmentally friendly than the proposed replacements would be; and

WHEREAS, the City has made a commitment towards carbon neutrality and owes its constituent residents the best air-quality we can reasonably provide; and

WHEREAS, the cost of acquisition and implementation of the Project is expected to be financed under the Master Lease Purchase Agreement (“Lease”) with BAPCC by one (1) draw upon the Lease; and

WHEREAS, the payment of scheduled debt service payments on the draw made under the Lease will be made by annual appropriation of monies from the City’s General Municipal Revenues over a successive seven (7) year period; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the Director of Finance is authorized to accept the proposal of BAPCC for the financing of the Project through one (1) draw upon the Lease in an approximate principal amount not to exceed \$ 13,006,500.00

Section 2. That the Director of Finance is authorized to execute, deliver and file in the name of the City, the Lease and any and all documents and agreements necessary to complete such financing.

Section 3. That the revenue in the following account of Fund No. 3230, the Equipment Lease Capital Acquisition Fund, is hereby estimated in the following amount:

AL-3230-120000-583000	Lease Proceeds	\$13,006,500.00
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Section 4. That the sum of \$13,006,500.00 is hereby appropriated from the Unappropriated Fund Balance of Fund No. 3230, the Equipment Lease Capital Acquisition Fund to the following accounts:

AL-3230-071990 -E-07P25046	Fleet Vehicle Rpl Bond Funds	\$12,998,500.00
AL-3230-129620-G	Cost of Issuance	<u>8,000.00</u>
	TOTAL	\$13,006,500.00

Section 5. That the Director of General Services is hereby designated as requisitioning authority for Account No. AL-3230-071990-07P25046 and the Director of Finance is hereby designated as requisitioning authority for Account No. AL-3230-129620.

Section 6. That the Director of Finance is hereby authorized to close project accounts, open encumbrances and retainage related to the accounts in Section 4 and return the unspent portion to the fund balance from which it came upon the earliest of: (i) Project's completion; (ii) final maturity of financing or (iii) four years after issuance.

Section 7. That the City approves Kutak Rock LLP to serve as lease counsel for the City in connection with the financing of the Project.

Section 8. That the City hereby declares its official intent to reimburse itself for certain expenditures made within sixty (60) days prior to or on and after the date of this ordinance with respect to the Project with the proceeds expected to be drawn from the Lease. The maximum principal amount of lease proceeds for the Project expected to be financed under the Lease is \$ 13,006,500.00. This constitutes a declaration of official intent under Treasury Regulation Section 1.150-2.

Section 9. That this ordinance is recognized as having an accelerated effective date as provided by Section 503(a)(c) of the City Charter in that it appropriates money, and shall take effect in accordance with that section.

I hereby certify that there is a balance, otherwise unencumbered, to the credit of the appropriation to which the foregoing expenditure is to be charged, and a cash balance, otherwise

unencumbered, in the treasury, to the credit of the fund from which payment is to be made, each sufficient to meet the obligation hereby incurred.

on behalf of William Chin
Tammy L. Queen
Director of Finance

Approved as to form:

Samuel E. Miller
Samuel Miller
Assistant City Attorney



Authenticated as Passed

[Signature]
Quinton Lucas, Mayor

[Signature]
Marilyn Sanders, City Clerk

Date Passed