Legislation Text

File #: 220211, **Version:** 1

ORDINANCE NO. 220211

Authorizing the Director of Finance to accept a proposal of Banc of America Public Capital Corp ("BAPCC") to finance the acquisition of Municipal Golf Course Equipment ("Equipment); authorizing the execution of any and all documents and agreements necessary for the financing; estimating revenue and appropriating $404,000.00 in the 3230 Fund; designating requisitioning authorities; authorizing the Director of Finance to close project accounts; 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.

WHEREAS, Kansas City owns and operates five municipal golf courses; and

WHEREAS, the Parks and Recreation Department maintains a fleet of turf management equipment for the purpose of maintaining these five golf courses; and

WHEREAS, some of the existing turf management equipment for the Shoal Creek and Hodge Park Golf Courses have reached the end of its useful life and this ordinance will fund the replacement of the most needed pieces of equipment that are in poor condition; and

WHEREAS, the cost of acquisition and implementation of the Equipment 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 four (4) 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 $404,000.00.

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 3230, the Equipment Lease Capital Acquisition Fund, is hereby estimated in the following amount:

AL-3230-120000-583000	Lease Proceeds	$404,000.00

Section 4. That the sum of $404,000.00 is hereby appropriated from the Unappropriated Fund Balance of Fund 3230, the Equipment Lease Capital Acquisition Fund, to the following accounts:

AL-3230-703800-E	Parks Department Mowers and Equipment	$399,000.00
AL-3230-129620-G	Cost of Issuance	5,000.00
	TOTAL	$404,000.00

Section 5. That the Director of Parks and Recreation is hereby designated as requisitioning authority for Account No. AL-3230-703800-E and that the Director of Finance is hereby designated as requisitioning authority for Account No. AL-3230-129620-G.

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) five 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 of the lease expected to be drawn from the Lease. The maximum principal of amount of lease proceeds for the Project expected to be financed under the Lease is $404,000.00. This constitutes a declaration of official intent under Treasury Regulation Section 1.150-2.

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.

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Tammy L. Queen
Director of Finance

Approved as to form and legality:

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Katherine Chandler
Assistant City Attorney

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