

ORDINANCE NO. 160775

Authorizing the Director of Finance to accept the proposal of Banc of America Public Capital Corp (“BAPCC”) to finance improvements to the Municipal Court facility of the City (“Project”); estimating and appropriating \$1,105,000.00 in lease proceeds; appropriating \$100,000.00 from the Unappropriated Fund Balance of the Inmate Security Fund; authorizing the execution of any and all documents and agreements necessary for the financing; authorizing a contract with Wilson Group for \$3,430,127.00 for the renovation of the Kansas City Municipal Court; authorizing a maximum contract expenditure of \$3,730,127.00 with Wilson Group for the renovation without further City Council approval; 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, a new Section 488.2235, RSMo, was enacted by the Missouri General Assembly to authorize a new surcharge of up to \$5.00 per case in additional court costs to be used exclusively to fund the restoration, maintenance and upkeep of the municipal courthouse of the Kansas City Municipal Division of the Sixteenth Judicial Circuit, and became effective on August 28, 2014; and

WHEREAS, the City Council, by Ordinance No. 140776, amended Chapter 2-1464 to allow for the collection of an additional surcharge of \$5.00 for moving and general ordinance violations and \$2.00 for non-moving violations (collectively, “Court Costs”) to exclusively fund the restoration, maintenance and upkeep of the municipal courthouse; and

WHEREAS, together with the General Services Department, the Municipal Court developed a Master Plan of the Municipal Court to prioritize projects for the Courthouse; and

WHEREAS, Ordinance No. 150033 authorized a \$2,400,000.00 master lease purchase agreement for the Municipal Court Improvements project using the Municipal Court building fee authorized by RSMo 488.2235 and Ordinance No. 140776; and

WHEREAS, the City sent out a Request for Proposals soliciting proposals to complete the Municipal Court Improvements Project and the quote for the Master Plan for the Municipal Court Improvements Project is \$4,726,127, or \$2,326,127 above the available project budget; and

WHEREAS, the City recognizes the need to proceed with the Court building Master Plan for the facility improvements at the Kansas City Municipal Court; and

WHEREAS, the cost of acquisition and implementation of a portion 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

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WHEREAS, the payment of scheduled debt service payments on the draw made under the Lease will be made by the 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 \$1,105,000.00.

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 No. 3230, the Equipment Lease Capital Acquisition Fund, is hereby estimated in the following amount:

AL-3230-120000-583000	Reimbursement from Bank or Lease Co.	\$1,105,000.00
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Section 4. That the sum of \$1,105,000.00 is hereby appropriated from the Unappropriated Fund Balance of Fund No. 3230, the Equipment Lease Capital Acquisition Fund, to the following accounts:

AL-3230-078027-B-07001139	Municipal Court Improvements	\$1,100,000.00
AL-3230-129620-B	Cost of Issuance	<u>5,000.00</u>
	TOTAL	\$1,105,000.00

Section 5. That the sum of \$100,000.00 is hereby appropriated from the Unappropriated Fund Balance of Fund No. 2760, the Inmate Security Fund, to the following account:

17-2760-278027-B-27001139	Municipal Court Improvements	\$ 100,000.00
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Section 6. That the Director of General Services is hereby designated as requisitioning authority for Account Nos. AL-3230-078027 and 17-2760-078027.

Section 7. That the Director of Finance is hereby designated as requisitioning authority for Account No. AL-3230-129620.

Section 8. That the Court Administrator is hereby designated as requisitioning authority for Account No. 17-2760-278027.

Section 9. That the Director of General Services is authorized to execute Contract No. 07001139 with The Wilson Group in the amount of \$3,430,127.00 for construction including renovation to the 1st, 2nd, and 3rd floors of the Municipal Court Building. A copy of the contract is on file in the General Services Department.

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Section 10. That the Director of the General Services Department is hereby authorized to amend this contract in an amount not to exceed \$300,000.00 without further authorization of the City Council, for a total contract authorization of \$3,730,127.00, from funds appropriated to Accounts Nos. AL-3230-078027-07001139 and 17-2760-078027-B-07001139.

Section 11. That the Director of Finance is hereby authorized to close project accounts upon project completion and return the unspent portion of the appropriation to the Fund Balance from which it came.

Section 12. That the City approves Kutak Rock LLP to serve as Lease Counsel for the City in connection with the financing under the Lease for the Project.

Section 13. 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 lease proceeds amount for the Project expected to be financed under the Lease is \$1,105,000.00. This constitutes a declaration of official intent under Treasury Regulation Section 1.150-2.

Section 14. That this ordinance relating to the design, repair, maintenance or construction of a public improvement, is recognized as an ordinance with an accelerated effective date as provided Section 503 (a)(3)(C) of the Charter, and shall take effect in accordance with that section.

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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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Randall J. Landes  
Director of Finance

Approved as to form and legality:

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Sarah Baxter  
Assistant City Attorney