

ORDINANCE NO. 060141

Authorizing the Director of Finance to accept the proposal of Koch Financial Corporation to finance the acquisition and implementation of the PeopleSoft Customer Relationship Management System to be used by the Information Technology Department, in an approximate principal amount not to exceed \$5,294,127.00; executing any and all documents and agreements necessary for the financing under a Master Lease Purchase Agreement; estimating and appropriating lease proceeds in accounts as specifically set forth in the ordinance; declaring the intent of the City to reimburse itself from the lease purchase proceeds for certain expenditures; authorizing the Director of Finance to close project accounts upon project completion; designating requisitioning authorities; and recognizing an emergency.

WHEREAS, Ordinance No. 051192 authorized the Director of Finance to accept the Master Lease Purchase Agreement proposal of Koch Financial Corporation (“Koch”); and

WHEREAS, the purchase of the PeopleSoft Customer Relationship Management System (“Equipment”) can be financed by a Master Lease Purchase Agreement; the payment of which will be made by appropriations in the Office of the City Manager operating budget over a period of eight (8) years; 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 Koch for financing the acquisition of Equipment through a draw upon the Master Lease Purchase Agreement in an approximate principal amount not to exceed \$5,294,127.00.

Section 2. That the Director of Finance is authorized to execute, deliver and file in the name of the City, the Master Lease Purchase Agreement 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. \$5,294,127.00

Section 4. That the sum of \$5,294,127.00 is hereby appropriated from the Unappropriated Fund Balance of Fund No. 3230, the Equipment Lease Capital Acquisition Fund, to the following accounts:

AL-3230-183030-A	CRM Implementation	\$ 81,863.00
AL-3230-183030-B	CRM Implementation	3,313,764.00
AL-3230-183030-C	CRM Implementation	371,000.00
AL-3230-183030-E	CRM Implementation	<u>1,527,500.00</u>
	TOTAL	\$5,294,127.00

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Section 5. That the Director of Information Technology is hereby designated as requisitioning authority for Account No. AL-3230-183030.

Section 6. 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 7. That the City hereby declares its official intent to reimburse itself for certain expenditures made within 60 days prior to or on and after the date of this ordinance with respect to the purchase of Equipment with the proceeds of lease expected to be issued by the City. The maximum principal amount expected to be financed under this lease purchase is \$5,294,127.00. This constitutes a declaration of official intent under Treasury Regulation 1.150-2.

Section 8. That the ordinance is recognized as an emergency measure within the provisions of Section 15, Article III of the Charter of Kansas City, 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.

Debra R. Hinsvark
Director of Finance

Approved as to form and legality:

William Geary
Assistant City Attorney