

ORDINANCE NO. 060415

Authorizing the Director of Finance to proceed with the development of financing to acquire fire apparatus under a Master Lease Purchase Agreement with Koch Financial Corporation; executing any and all documents and agreements necessary for the financing; estimating and appropriating lease proceeds in the total amount of \$2,441,023.00; designating requisitioning authority; declaring the intent of the City to reimburse itself from the lease purchase proceeds for certain expenditures; and recognizing an emergency.

WHEREAS, the Fire Department requires the acquisition of the following fire apparatus ("Apparatus"): three (3) E-One Rescue Units, and one (1) Hazmat Vehicle for the efficient execution of the responsibilities of the Fire Department; and

WHEREAS, it is essential that the Fire Department has the ability to acquire the Apparatus in a timely manner in order to improve the efficiency and effectiveness of City services; and

WHEREAS, it was determined that the principal amount be financed with a tax-exempt lease purchase agreement; and

WHEREAS, the purchase of such Apparatus can be financed by a Master Lease Purchase Agreement; the payment of which will be made by from appropriations in the Fire Department Budget funded by the Fire Sales Tax Fund over eight-year period; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the Director of Finance is authorized to proceed with the development of a financing plan for the purchase of the apparatus through a draw upon the Master Lease Purchase Agreement in the approximate amount of \$2,441,023.00 with Koch Finance Corporation ("Koch").

Section 2. That the Director of Finance is authorized to accept the proposal of Koch for financing of the acquisition of the Apparatus through a draw upon the Master Lease Purchase Agreement in an approximate principal amount not to exceed \$2,441,023.00.

Section 3. 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.

ORDINANCE NO. [R-2006-00466]

Section 4. 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. \$2,441,023.00

Section 5. That the sum of \$2,441,023.00 is hereby appropriated from the Unappropriated Fund Balance Fund No. 3230, the Equipment Lease Capital Acquisition Fund to the following account:

AL-3230-231901-E Fire Fleet Apparatus Draw #2 \$2,441,023.00

Section 6. That the Director of the Fire Department is hereby designated as requisitioning authority for Account No. AL-3230-231901.

Section 7. That the Director of Finance is hereby authorized to close the project account upon project completion and return the unspent portion of the appropriation to the fund balance from which it came.

Section 8. That the City declares its 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 Apparatus with the proceeds of the lease purchase expected to be drawn upon the master lease purchase agreement. The maximum principal amount expected to be financed under the lease purchase is \$2,441,023.00.

Section 9. That this ordinance is recognized as an emergency measure within the provisions of Section 15, Article II of the Charter of Kansas City, 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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Debra R. Hinsvark  
Director of Finance

Approved as to form and legality:

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Heather A. Brown  
Assistant City Attorney