City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution #: 230914
Submitted Department/Preparer: Aviation
Revised 8/3/23

Docket memos are required on all ordinances initiated by a Department Director. More information can be found in Administrative Regulation (AR) 4-1.

Executive Summary

Authorizing a Lease Amendment with MCI Fuel Company, LLC Contract #C050154 at Kansas City International Airport

Discussion

Authorizing Lease Amendment #5 of Contract #C050154 which updates and validates improvements and construction of certain property and facilities leased to MCI Fuel Company located at Kansas City International Airport.

The original 20-year Lease Agreement term was from March 1, 2006 to February 28, 2026. As setforth in Amendment #4, dated October 1, 2019, the Lease term was extended to December 31, 2049 so that MCI Fuel Co. could invest approximately $16 million in the design and construction of a new jet fuel hydrant system for the Terminal Modernization Project ("TMP" or "New Single Terminal"), and other significant capital improvements. The jet fuel hydrant system project was completed as required by March 2023.

No additional revenues beyond those originally budgeted for are anticipated.

Fiscal Impact

1. Is this legislation included in the adopted budget?   ☒ Yes   ☐ No

2. What is the funding source?
   N/A

3. How does the legislation affect the current fiscal year?
   N/A

4. Does the legislation have a fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs.
   N/A

5. Does the legislation generate revenue, leverage outside funding, or deliver a return on investment?
N/A

Office of Management and Budget Review
(OMB Staff will complete this section.)

1. This legislation is supported by the general fund.	☐ Yes	☒ No
2. This fund has a structural imbalance.	☐ Yes	☒ No
3. Account string has been verified/confirmed.	☐ Yes	☒ No

Additional Discussion (if needed)
N/A

Citywide Business Plan (CWBP) Impact

1. View the FY23 Citywide Business Plan

2. Which CWBP goal is most impacted by this legislation?
Infrastructure and Accessibility (Press tab after selecting.)

3. Which objectives are impacted by this legislation (select all that apply):

   ☒ Enhance the accessible, sustainable and better connected multi-modal transportation system
   ☒ Develop environmentally sound and sustainable infrastructure strategies that improve quality of life and foster economic growth
   ☒ Increase and support local workforce development and minority, women, and locally-owned businesses
   ☐ Engage in efforts to strategically invest in the City's infrastructure and explore emerging technologies
   ☐
   ☐

Prior Legislation

Ordinance No. 060107 – Feb. 9, 2006

Service Level Impacts

This contract supports the Aviation Department's goal to maximize use of all assests while providing efficient and satisfactory services and facilities to all passengers and visitors.

Other Impacts

1. What will be the potential health impacts to any affected groups?
   There are no known potential health impacts to any affected group.

2. How have those groups been engaged and involved in the development of this ordinance?
   N/A

3. How does this legislation contribute to a sustainable Kansas City?
   This Lease Agreement Amendment supports our goals to utilize assests to maximize revenues while providing customer services for passengers and visitors.

4. Department staff certifies the submission of any applicable Affirmative Action Plans or Certificates of Compliance, Contractor Utilization Plans (CUPs), Non-Discrimination documents, and Letters of Intent to Subcontract (LOIs) to CREO prior to the legislation entry request in Legistar.

   Yes - I have submitted documents for CREO Review (Press tab after selecting)
   Please attach or copy and paste CREO's review.
   Click or tap here to enter text.

5. Does this legislation seek to approve a contract resulting from an Invitation for Bid?

   No(Press tab after selecting)

6. Does this legislation seek to approve a contract resulting from a Request for Proposal/Qualification (RFP/Q)?

   No(Press tab after selecting)