



KANSAS CITY MISSOURI

Ordinance No. 230888

Fire Department Pumpers and Heavy Vehicles Financing

October 11, 2023

Prepared for:

Finance, Governance, and Public Safety Committee



Purpose

- Authorize the execution of a two-party agreement between the City and Conrad Fire Equipment Inc.
- Authorize purchase of twenty-nine (29) Fire vehicles
 - Twelve (12) Pumpers
 - Ten (10) Rear Mount Platforms
 - Three (3) Tillers (3) Rescues and one (1) Hazmat vehicle
 - Aggregate amount not to exceed \$44.1 million
- Estimate and appropriate bond proceeds
- Designate requisitioning authority
- Accelerated effective date

Financial Impact and Source of Repayment

- Estimated annual debt service payment
 - \$4.78 million per year
 - Twelve (12) year financing
 - 4% interest rate
- Source of repayment
 - Fire Capital Sales Tax Fund
 - Part of Fire Department Capital plan

Background

- Ordinance No. 150394 approved financing plan with PNC Bank
 - 2015 Project Lease of thirty-two (32) pumpers and sixteen (16) heavy fleet vehicles
- Ordinance Nos. 220036 and 220561 approved first tranche
 - Replaced twenty-two (22) pumpers acquired in 2015
- Public Bonds will save 2.5% in interest and provide flexibility in resale of fleet
 - Estimated proceeds from resale of current fleet is \$3.6M
- Pre-Payment Discount of \$6.5 million
- Ordinance approval allows creation of PO to begin manufacturing of vehicles
 - Current lead time is 40 months
- Estimated Average Mileage of fleet in FY 2025 – 70,000 miles

Questions?