

ORDINANCE NO. 170941

Authorizing the City Manager to execute a Memorandum of Understanding with Edgemoor Infrastructure and Real Estate LLC for a terminal modernization project at the Kansas City International Airport; authorizing the City Manager to execute a related Reimbursement Agreement with Edgemoor Infrastructure and Real Estate LLC; establishing Fund No. 8560, the 2018 Airport Terminal Bond Fund, in the records of the City of Kansas City, Missouri; estimating revenues in the amount of \$30,000,000.00 in Fund No. 8560, 2018 Airport Terminal Bond Fund; appropriating that amount to the 2018 Airport Terminal Bond Fund account; declaring the City's intent to reimburse itself for certain expenditures; and recognizing this ordinance as having an accelerated effective date pursuant to Sections 503(a)(3)(C) and (D) of the Charter.

WHEREAS, because of the aging of the current terminal and appurtenant facilities at Kansas City International Airport ("KCI"), and the importance of improving the functionality of KCI for the airlines, airline passengers and general public who use KCI, the Council recognized that there is a need to plan for the modernization of the existing terminals and their appurtenant facilities by demolishing the existing terminals and replacing them with a single terminal that will better serve airline passengers, the airlines and the general public; and

WHEREAS, to further that planning, the City issued a request for qualifications and proposals for the design, construction and financing of a new single terminal and its appurtenant facilities, the City's selection committee recommended that Edgemoor Infrastructure and Real Estate LLC be selected as the proposer with whom the City would initially enter into direct negotiations of a memorandum of understanding and the City Council adopted the selection committee's recommendation with its passage of Committee Substitute for Ordinance No. 170663, As Amended; and

WHEREAS, at the November 7, 2017 special election, a majority of the voters authorized the City "to construct a new passenger terminal at Kansas City International Airport and demolish existing terminals as necessary" by voting in favor of Question No. 1; and

WHEREAS, the attached Memorandum of Understanding and Reimbursement Agreement have been negotiated with Edgemoor Infrastructure and Real Estate LLC; and

WHEREAS, the Council recognizes that the terms of the attached Memorandum of Understanding provide that each of the "Transaction Documents" needed to implement a terminal modernization project (e.g., the funding agreement, the interim development agreement, the development agreement, the lease, the sublease, the community benefit agreement and a new use agreement with the airlines) would be brought to the Council for its consideration and approval; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

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Section 1. That the City Manager is hereby authorized to execute a Memorandum of Understanding with Edgemoor Infrastructure and Real Estate LLC in substantial form and substance to that attached hereto as Exhibit A.

Section 2. That the City Manager is hereby authorized to execute a Reimbursement Agreement with Edgemoor Infrastructure and Real Estate LLC in substantial form and substance to that attached hereto as Exhibit B.

Section 3. That Fund No. 8560, 2018 Airport Terminal Bond Fund, is hereby established in the records of the City of Kansas City, Missouri.

Section 4. That the revenue in the following account of Fund No. 8560, 2018 Airport Terminal Bond Fund, is hereby estimated in the following amount:

AL-8560-120000-590000	Bond Proceeds	\$30,000,000.00
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Section 5. That the sum of \$30,000,000.00 is hereby appropriated from the Unappropriated Fund Balance of the 2018 Airport Terminal Bond Fund to the following account:

AL-8560-627270-B-62180497	Consolidated Terminal Project	\$30,000,000.00
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Section 6. That the Director of the Aviation Department is authorized to expend an amount not to exceed \$30,000,000.00 from the funds appropriated above for the purpose of making reimbursements pursuant to the Reimbursement Agreement.

Section 7. 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 appropriation listed in Section 4 (the "Project") with the proceeds of bonds expected to be issued for the KCI Consolidated Terminal Project. The maximum principal amount of bonds expected to be issued for the Project is not to exceed \$30,000,000.00. This constitutes a declaration of official intent under Treasury Regulation Section 1.150-2.

Section 8. That the Director of Finance is hereby authorized to close project accounts, open encumbrances and retainage and return the unspent portion of the Fund Balance from which it came upon the earliest of: (i) Project's completion; (ii) final maturity of financing or (iii) five years after issuance.

Section 9. That this ordinance, because it appropriates money and it relates to a contract relating to the design and construction of a public improvement, is hereby recognized as having an accelerated effective date pursuant to Section 503(a)(3)(C) and (D) of the Charter.

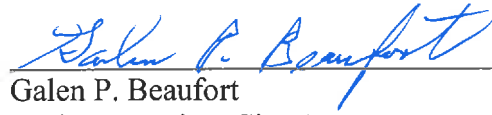
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I hereby certify that there is a balance, otherwise unencumbered, to the credit of the appropriation to which the foregoing expenditure is to be charged, and a cash balance, otherwise unencumbered, in the treasury, to the credit of the fund from which payment is to be made, each sufficient to meet the obligation hereby incurred.



Randall J. Landes
Director of Finance

Approved as to form and legality:



Galen P. Beaufort
Senior Associate City Attorney



Authenticated as Passed

City James, Mo.

Martin Sanders, City Clerk

DEC 14 2017

Date Passed