

COMPARED VERSION
AS AMENDED TO ORIGINAL ORDINANCE

ORDINANCE NO. 220383, AS AMENDED

Authorizing the Director of Finance to accept a proposal from Closed Loop Partners for a Loan in the approximate amount of the amount of \$5,415,000.00; authorizing the execution of any and all documents and agreements necessary for the financing; estimating revenue and appropriating \$5,415,000.00 for the purpose of financing the purchase of recycling bins in Fund No. 3230, the Equipment Lease Capital Acquisition Fund; authorizing the Director of Finance to close project accounts upon completion; approving lease counsel; and declaring the intent of the City to reimburse itself from the lease purchase proceeds for certain expenditures; reducing \$785,000.00 from the American Rescue Plan Fund reserve and increasing the American Rescue Plan by \$785,000.00 for refuse related programs; authorizing the Director of Public Works to enter into a contract amendment with Rehrig-Pacific to acquire 162,000 recycle carts in an amount not to exceed \$4,407,000.00 and cart maintenance in the amount of \$85,000.00; authorizing the Director of Public Works to enter into a contract amendment with GFL (Green for Life) for neighborhood dumpsters in an amount not to exceed \$200,000.00; designating requisitioning authorities.

WHEREAS, Kansas City is home to communities and natural areas of great character and beauty; and

WHEREAS, litter, the uncontrolled release of solid waste, is a blight on Kansas City's communities and natural areas; and

WHEREAS, trash, debris, litter, and other items which have been discarded improperly are often uncontained and improperly managed; and

WHEREAS, litter has a detrimental impact on Kansas City's economic development by negatively impacting investment, infrastructure, and tourism; and

WHEREAS, litter also adversely impacts neighborhoods and communities, including quality of life, crime and other undesirable impacts; and

WHEREAS, litter poses a threat to Kansas City's wildlife as birds and marine life can become entangled in refuse or consumer discarded items; and

WHEREAS, the City is committed to collecting and managing solid waste in a manner that meets the objectives of limiting its presence in communities and natural areas to the fullest extent possible; and

WHEREAS, the City's FY 2022-2023 budget includes funds for the purchase of new clam trucks, which will make bulky trash pickup available more frequently throughout the city and prevent illegal dumping; and

WHEREAS, lidded recycling carts can significantly reduce litter and improve the efficacy of our recycling program by reducing the amount of recyclables that are blown away or contaminated before being collected; and

WHEREAS, it is important to pursue trash reduction efforts, like composting and recycling education, alongside efforts to make our trash and recycling program more effective, in order to reduce our dependency on landfills and achieve our City's climate goals; and

WHEREAS, American Rescue Plan funds can be used to support program start-up costs over the next three years, allowing City staff to build up the program and account for future annual expenses this program will incur during future budget cycles; 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 Closed Loop Partners for zero interest financing of recycling carts in an amount not to exceed \$5,500,000.00, subject to the review and approval of City's bond counsel, or another financial institution at market rate financing if Closed Loop Partners is unable to extend financing, for the financing of the recycling carts through a loan agreement ("Loan") in an approximate principal amount not to exceed \$5,500,000.00.

Section 2. That the Director of Finance is authorized to execute, deliver and file in the name of the City, the Loan and any and all documents and agreements necessary to complete such financing.

Section 3. Estimating revenue in Fund No. 3230, the Equipment Lease Capital Acquisition Fund, in the amount of \$5,415,000.00:

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|-----------------------|---------------|----------------|
| AL-3230-120000-583000 | Loan Proceeds | \$5,415,000.00 |
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Section 4. That the sum of \$5,415,000.00 is hereby appropriated from the Unappropriated Fund Balance of the Equipment Lease Capital Acquisition Fund to the following account:

| | | |
|-----------------------|------------------|-----------------|
| AL-3230-892301-634480 | Recycle Carts | \$5,407,000.00 |
| AL-3230-129620-743050 | Cost of Issuance | <u>8,000.00</u> |
| | TOTAL | \$5,415,000.00 |

Section 5. That the Director of Finance is hereby authorized to close project accounts, encumbrances and retainage related to the accounts in Section 4, and return the unspent portion to 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 6. That the City approves Kutak Rock LLP to serve as Loan Counsel for the City in connection with the financing of the Project.

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 Project with the proceeds of the lease expected to be drawn from the Lease. The maximum principal of amount of lease proceeds for the Project expected to be financed under the Lease is \$5,415,000.00. This constitutes a declaration of official intent under Treasury Regulation Section 1.150-2.

Section 8. That the sum of \$785,000.00 is hereby reduced from the reserve of the American Rescue Plan from the following account:

| | | |
|-----------------------|--------------------------------|--------------|
| 23-2585-125003-619960 | Reserve for Unanticipated Cost | \$785,000.00 |
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Section 9. That the sum of \$785,000.00 is hereby increased in the following account for the following purposes:

| | | |
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| 23-2585-892301-619140 | Refuse Collection | \$785,000.00 |
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- a. Cart maintenance program - \$85,000.00
- b. Increasing the frequency of bulky trash pickup across the city via 400 new neighborhood dumpsters, in addition to the new clam trucks that Council included in the FY 2022-2023 budget - \$200,000.00
- c. Neighborhood Composting Pilot Program - \$250,000.00
- d. Recycling Education Campaign - \$250,000.00

Section 10. Authorizing the Director of Public Works to enter into a contract amendment with Rehrig-Pacific for the purpose of acquiring 162,000 recycle carts in an amount not to exceed \$5,407,000.00 and cart maintenance in the amount of \$85,000.00.

Section 11. Authorizing the Director of Public Works to execute a contract amendment with GFL (Green for Life) for neighborhood dumpsters in an amount not to exceed \$200,000.00.

Section 12. That the Director of Public Works is hereby designated as requisitioning authority for Account No. 23-2585-892301, AL-3230-892301 and that the Director of Finance is hereby designated as requisitioning authority for Account No. AL-3230- 129620.

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.

Tammy L. Queen
Director of Finance

Approved as to form and legality:

Dustin E. Johnson

Assistant City Attorney