

ORDINANCE NO. 718

AN ORDINANCE AUTHORIZING THE CITY OF KING CITY, MISSOURI, TO ENTER INTO AN EQUIPMENT LEASE PURCHASE AGREEMENT WITH CEDAR RAPIDS BANK & TRUST CO. FOR THE PURPOSE OF REFINANCING CERTAIN PUBLIC IMPROVEMENTS FOR THE CITY; AND AUTHORIZING AND APPROVING CERTAIN ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF SAID EQUIPMENT LEASE PURCHASE AGREEMENT.

WHEREAS, the City of King City, Missouri (the "City") is a fourth-class city and political subdivision duly organized and existing under the laws of the State of Missouri, as amended; and

WHEREAS, the City has heretofore duly authorized its Certificates of Participation, Series 2009 (the "Series 2009 Certificates"), related to the leasing of certain property which comprises a portion of the City's combined waterworks and sewerage system, including a 200,000 gallon elevated water tank; and

WHEREAS, the City has determined that it is in the City's best financial interest to (i) exercise its option to prepay the Series 2009 Certificates and purchase the equipment leased thereunder (the "Equipment"), and (ii) enter into the lease-purchase arrangement described in this Ordinance; and

WHEREAS, in order to accomplish the foregoing, it is necessary and desirable for the City to take the following actions:

1. Enter into an Equipment Lease Purchase Agreement dated the date set forth therein (the "Lease"), with Cedar Rapids Bank & Trust Co., as lessor (the "Lessor"), pursuant to which the City will lease, as lessee, the Equipment from the Lessor, as lessor, with an option to purchase, for a lease term of not to exceed 10 years and for rental payments with aggregate principal components of \$759,000 and interest components of rental payments to be computed at a rate of 3.200% per annum; and
2. Enter into an Escrow Trust Agreement dated the date set forth therein (the "Escrow Agreement"), with Security Bank of Kansas City, pursuant to which the Series 2009 Certificates will be defeased; and
3. Deliver a Federal Tax Certificate dated the date set forth therein (the "Tax Certificate," and together with the Lease and the Escrow Agreement, the "City Documents"), related to the exclusion of the interest portion of the Rental Payments to be made under the Lease from gross income for federal income tax purposes.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF KING CITY, MISSOURI, AS FOLLOWS:

Section 1. Approval of the City Documents. The City Documents are hereby approved in substantially the forms submitted to and reviewed by the Board of Aldermen on the date hereof, with such changes therein and final payment terms as shall be approved by the Mayor, the Mayor's execution thereof to be conclusive evidence of the approval thereof.

Section 2. Execution of Documents. The Mayor, the City Clerk and other appropriate officials of the City are hereby authorized and directed to execute, attest, acknowledge, deliver and record, for and on behalf of and as the act and deed of the City, the City Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

Section 3. Prepayment. The City hereby approves of the prepayment of the Series 2009 Certificates as soon as practical.

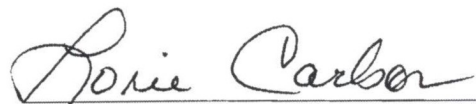
Section 4. Compliance Policy. The Tax and Securities Compliance Policy and Procedure in the form presented to the Board of Aldermen at this meeting is hereby approved, and the officers and employees of the City are hereby authorized and directed to implement such policy.

Section 5. Severability. If any one or more of the terms, provisions or conditions of this Ordinance shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, none of the remaining terms, provisions or conditions of this Ordinance shall be affected thereby and each provision of this Ordinance shall be valid and enforceable to the fullest extent permitted by law.

Section 6. Further Authority. The officers, agents and employees of the City, including the Mayor and the City Clerk of the City shall be, and they hereby are, authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Ordinance, and to carry out, comply with and perform the duties of the City with respect to the City Documents, to make alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 7. Effective Date. This Ordinance shall take effect and be in full force from and after its passage by the Board of Aldermen and approval by the Mayor.


PASSED by the Board of Aldermen and **APPROVED** by the Mayor of the City of King City, Missouri, this 11th day of December, 2017.



Lorie Carlson, Mayor

(SEAL)

ATTEST:


Denise Harris, City Clerk