City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution #: 250247
Submitted Department/Preparer: Public Works
Revised 6/10/24

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 an agreement not to exceed $46,717,626.00 with the Kansas City Area Transportation Authority (KCATA) to provide transit services for the City of Kansas City, Missouri between May 1, 2025 and October 31, 2025 from funds appropriated in the 2025-2026 Annual Budget; and establishing a policy of enhanced oversight of KCATA operations to ensure fiscal accountability.

Discussion

The Kansas City Area Transportation Authority (KCATA) was established through an interstate compact between the states of Missouri and Kansas, which was approved by the United States Congress in 1965 to provide a coordinated and efficient public transportation system for the Kansas City metropolitan area. The KCATA was created with the mission of developing, maintaining, and operating a comprehensive and accessible transit system to serve the transportation needs of residents and businesses across the bi-state region. The City of Kansas City, Missouri, has consistently supported the KCATA since its formation by providing ongoing financial support to the KCATA through dedicated sales tax revenue and other funding mechanisms to ensure the availability and expansion of reliable public transit services for residents and visitors. Kansas City, Missouri, has supported the KCATA's mission to provide equitable access to public transportation by working together to expand service areas, improve infrastructure, and ensure that transit options are accessible to all residents. Dating back to at least 2013 - as evidenced by Resolution 130778 - the City Council has recognized that the financial structure supporting KCATA is not sustainable and has urged KCATA to take actions necessary to place itself on more secure financial footing without major reductions in service and without a continued overreliance on the City of Kansas City, Missouri. KCATA's efforts to control costs and/or increase revenues have been unsuccessful, as the KCATA has experienced persistent budget challenges which have threatened the continuity and quality of transit services. The City has repeatedly stepped in to cover KCATA's budget shortfalls through additional financial contributions and reallocations of local funding to ensure that public transit services remain operational and accessible to KCMO residents and visitors. The growing financial burden on the City has created a need for increased oversight and accountability to

ensure that KCATA's funding is managed effectively and that transit services are delivered in a fiscally responsible manner.

Fiscal Impact

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

2. What is the funding source?
   Public Mass Transportation Fund 2080
   KCATA Sales Tax Fund 2290

3. How does the legislation affect the current fiscal year?
   The legislation does not affect the current year. It will reduce $6,037,399 in the Public Mass Transportation Fund and reduce $40,680,227 in the KCATA Sales Tax Fund in the FY2025-26 Adopted Budget.

4. Does the legislation have a fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs.
   The KCATA contract and funding are approved annually.

5. Does the legislation generate revenue, leverage outside funding, or deliver a return on investment?
   Legislation provides funding for contracted KCATA services.

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)
This ordinance intends to appropriate money in the FY2025-26 Adopted Budget. The current FY2024-25 Budget will not be used.

Citywide Business Plan (CWBP) Impact

1. View the Adopted 2025-2029 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):

   ☐ Engage in thoughtful planning and redesign of existing road networks to ensure safety, access, and mobility of users of all ages and abilities.
   ☒ Enhance the City's connectivity, resiliency, and equity through a better-connected multi-modal transportation system for all users.
   ☒ Build on existing strengths while developing a comprehensive transportation plan for the future.
   ☒ Develop environmentally sustainable infrastructure strategies that improve quality of life and foster economic growth.
   ☒ Ensure adequate resources are provided for continued maintenance of existing infrastructure.
   ☒ Focus on delivery of safe connections to schools.

Prior Legislation

Ordinance 240378, As Amended, approved the previous FY2024-25 City-KCATA agreement.

Service Level Impacts

This Ordinance will maintain operational levels for KCATA as they exist for the 2024-2025 fiscal year.

Other Impacts

1. What will be the potential health impacts to any affected groups?
   Transit options improve transportation access which supports positive health impacts for our community.

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?
   Provision of transit services and multimodal options aids transportation accessibility and contributes to Kansas City’s sustainability.

4. Does this legislation create or preserve new housing units?
   No (Press tab after selecting)

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Click or tap here to enter text.

5. Department staff certifies the submission of any application Affirmative Action Plans or Certificates of Compliance, Contractor Utilization Plans (CUPs), and Letters of Intent to Subcontract (LOIs) to CREO prior to, or simultaneously with, the legislation entry request in Legistar.

   No - CREO's review is not applicable (Press tab after selecting)
   Please provide reasoning why not:
   N/A

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

   No(Press tab after selecting)

7. Does this legislation seek to approve a contract resulting from a Request for Proposal/Qualification (RFP/Q)?
   No(Press tab after selecting)