

COMPARED VERSION
COMMITTEE SUBSTITUTE TO ORIGINAL ORDINANCE

COMMITTEE SUBSTITUTE FOR ORDINANCE NO. 251053

Authorizing the City Manager to enter into Amendment No. 1 to the 2025-2026 Transit Services Agreement with the Kansas City Area Transportation Authority (“KCATA”) in the amount of \$15,918,655.00; appropriating \$5,000,000.00 for street resurfacing from the Unappropriated Fund Balance of the Capital Improvements Sales Tax Fund (3090); reducing \$5,000,000.00 of street resurfacing expenditures in the Public Mass Transportation Fund (2080); increasing \$5,000,000.00 of street resurfacing expenditures in the Capital Improvements Sales Tax Fund (3090); reducing \$5,000,000.00 in appropriations and appropriating \$5,000,000.00 from the Unappropriated Fund Balance of the Public Mass Transportation Fund (2080); appropriating \$2,586,983.00 from the Unappropriated Fund Balance of the Violence Prevention and Intervention Fund (2000); reducing Contingent Appropriation in the amount of \$6,203,729.00 in the General Fund; waiving the limitations established by the Fund Balance and Reserve Policy in Section 2-1954 of the Code of Ordinances; directing the City Manager to include certain conditions in Amendment No. 1 of the Transit Services Agreement; appropriating \$7,501,361.00 from the Unappropriated Fund Balance of the General Fund (1000); and recognizing this ordinance as having an accelerated effective date.

WHEREAS, the Fiscal Year 2025-26 budget appropriated \$77,892,519 for the KCATA; and

WHEREAS, Ordinance No. 250679 directed the City Manager to prepare a plan to fund KCATA at a total of \$93.4 million; and

WHEREAS, the KCATA reports a revised funding need of \$89,892,519, an increase of \$12,000,000 over the Fiscal Year 2025-26 appropriation; and

WHEREAS, Ordinance No. 250679 does not include cost of on-demand IRIS service which is estimated to total approximately \$3.9 million; and

WHEREAS, the City Manager has recommended a combination of funding from a variety of sources including moving \$5 million in street resurfacing expenses to the Capital Improvements Fund from the Public Mass Transportation Fund to allow for \$5 million in funding for the additional KCATA contract amendment; and

WHEREAS, the City Manager has further recommended the use of available fund balance in the Violence Prevention Fund in the amount of \$2.6 million to cover security costs relating to provision of bus service by the KCATA; and

WHEREAS, the KCATA owes the City of Kansas City a credit totaling \$830,311.00 for IRIS passenger fares collected during the 2024-2025 contract period; and

WHEREAS, the City Manager also recommends either the use of KCATA reserves or the use of the remaining balance of the Contingent Appropriation in the General Fund in the amount

of \$6.2 million combined with \$1.3 million from the Unappropriated Fund Balance of the General Fund to round out the funding sources for the KCATA contract amendment; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the City Manager is hereby authorized to enter into Amendment No. 1 to the 2025-2026 Transit Services Agreement with the Kansas City Area Transportation Authority (“KCATA”) in the amount of \$15,918,655.00 to provide transit services for the City of Kansas City, Missouri including 2025-2026 IRIS services which shall be limited to the Northland of Kansas City, MO beginning on January 4, 2026 utilizing funds appropriated herein.

Section 2. That the sum of \$5,000,000.00 is hereby appropriated from the Unappropriated Fund Balance of the Capital Improvements Sales Tax Fund, Fund No. 3090, to the following account:

26-3090-897701-B-89008533	Street Resurface	\$5,000,000.00
---------------------------	------------------	----------------

Section 3. That the Director of Finance is hereby authorized to reduce the expenditure in the following account of the Public Mass Transportation Fund, Fund No. 2080, by the following amount:

26-2080-897701-B-89008533	Street Resurface	\$5,000,000.00
---------------------------	------------------	----------------

Section 4. That the Director of Finance is hereby authorized to increase the expenditure in the following account of the Capital Improvements Sales Tax Fund, Fund No. 3090, by the following amount:

26-3090-897701-B-89008533	Street Resurface	\$5,000,000.00
---------------------------	------------------	----------------

Section 5. That the appropriation in the following account of the Public Mass Transportation Fund, Fund No. 2080, is hereby reduced by the following amount:

26-2080-897701-B-89008533	Street Resurface	\$5,000,000.00
---------------------------	------------------	----------------

Section 6. That the sum of \$5,000,000.00 is hereby appropriated from the Unappropriated Fund Balance of the Public Mass Transportation Fund, Fund No. 2080, to the following account:

26-2080-692000-F	KCATA – Operations	\$5,000,000.00
------------------	--------------------	----------------

Section 7. That the sum of \$2,586,983.00 is hereby appropriated from the Unappropriated Fund Balance of the Violence Prevention and Intervention Fund, Fund No. 2000, to the following account:

26-2000-692000-F	KCATA – Operations	\$2,586,983.00
------------------	--------------------	----------------

Section 8. That the appropriation in the following account of the General Fund, Fund No. 1000, is hereby reduced by the following amount:

26-1000-179990-B	Contingent Appropriation	\$6,203,729.00
------------------	--------------------------	----------------

Section 9. That the City Council hereby waives Section 2-1954(f)(2)(B) and (f)(4)(B)(v), Code of Ordinances entitled "Fund Balance and Reserve Policy" for the purpose of appropriating funds from the General Fund outside the annual budget process of quarterly budget analysis, and for appropriating funds in the Public Mass Transportation Fund below recommended reserve levels. The Council finds that waiver of the Fund Balance and Reserve Policy is in the best interests of the City for the limited purposes of this Ordinance.

Section 10. That the sum of \$7,501,361.00 is hereby appropriated from the Unappropriated Fund Balance of the General Fund, Fund No. 1000, to the following account:

26-1000-692000-F	KCATA – Operations	\$7,501,361.00
------------------	--------------------	----------------

Section 11. That the City Manager is directed to include the following additional conditions in Amendment No. 1 of the Transit Services agreement:

- Ensure a \$830,311.00 credit owed to the City from the KCATA is utilized to offset IRIS transit service costs during the 2025-2026 contract.
- Require the KCATA to utilize its reserve fund balance above the required by Section 2-1954(f)(9)(F), Code of Ordinances, to refund the City for payment of transit service costs in the 2025-2026 contract.

Section 12. That the Director of Public Works is hereby designated as requisitioning authority for Account Nos. 26-1000-692000-F, 26-2000-692000-F.

Section 13. That this ordinance relating to the appropriation of money and the expenses of government is recognized as an ordinance with an accelerated effective date as provided by Section 503(a)(3)(C) of the City Charter and shall take effect in accordance with Section 503, City Charter.

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.

William Choi
Interim Director of Finance

Approved as to form:

Dustin E. Johnson
Assistant City Attorney