City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution #: 260895
Submitted Department/Preparer: Water
Revised 08/26/26

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

The ordinance authorizes and directs the sale, issuance, and delivery of sewer revenue bonds in an amount not to exceed $100 million for the purpose of additions, extensions, and improvements to the City's Todd Creek Wastewater Treatment Plant.

Discussion

The voters of Kansas City authorized in April 2022 the issuance of $750 million in sewer revenue bonds for extensions and improvements to the City's waterworks system. The City has previously issued $195.45 million of sewer revenue bonds and there is approximately $554.57 million in remaining authorization. The prospective sale of bonds will seek to draw from the remaining balance of the authorization. This ordinance authorizes and directs the issuance of the Sewer Revenue Bonds ("Bonds"), prescribes the form and detail of the Bonds, and authorizes execution of documents and actions necessary for the bond sale.

Fiscal Impact

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

2. What is the funding source?
   Proceeds from the sale of Sewer SRF Revenue Bonds.

   Fund 8197

3. How does the legislation affect the current fiscal year?
   No impact other than $610,000 in legal and advisory engagement fees per the Purchase Agreement.

4. Does the legislation have a fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs.
   Yes. The incremental debt service associated with the $100 million SRF loan for the Todd Creek Wastewater Treatment Plant. The interest rate used to calculate debt service with this loan will be determined at the time of closing and will be roughly 70% below AA rated utility revenue bond rates at the time.

5. Does the legislation generate revenue, leverage outside funding, or deliver a return on investment?
   This legislation does not generate revenue. However, it will enable significant improvements for the Todd Creek Wastewater Treatment plant that can enable future cost avoidance for that facility.

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)
Click or tap here to enter text.

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.
   ☐ Develop a multimodal regional transportation system for all users.
   ☒ Develop environmentally sustainable 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 No. 211038, passed November 10, 2021, approved ballot language for submission to qualified voters for approval of authority to issue $750,000,000 of sewer revenue bonds for the purpose of extending and improving the sanitary sewer system. Ordinance 260313 appropriated $100 miilion in bond proceeds to the Todd Creek Wastewater Treatment Plant.

Service Level Impacts

By building a new treatment plant for the Todd Creek facility, wastewater treatment at the facility will serve the needs of a growing population in the Northland and increase treatment capacity by 35% with modularity in mind to expand as the watershed grows in that area. The new plant location also flood proofs the facility by moving it out of the flood plain.

Staff Recommendation

Click or tap here to enter department.

Select One: ☐ Sponsored
☐ Directive: Res/Ord # Click to enter Res/Ord. No.

Select One: ☐ Recommend
☐ Do Not Recommend
☐ Not Applicable

Click or tap here to provide reasoning.

Other Impacts

1. What will be the potential health impacts to any affected groups?
   Adequate sanitary sewer capacity is a fundamental health issue for the citizens of Kansas City and communities that purchase capacity from the Water Department.

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?
   Proceeds from the SRF loan will be used to make improvements for the Todd Creek Wastewater facility which will enable it to be more efficient and environmentally compliant in treating wastewater in the future for Kansas Citians.

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

   Click or tap here to enter text.
   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:
   Click or tap here to enter text.

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

   No(Press tab after selecting)

   Click or tap here to enter text.

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