City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution #: 260896
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 Blue River Grit 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?
   Fund 8196

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 Blue River Grit 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 Blue River Wastewater Treatment plant for the Grit Removal process 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 260176 appropriated $100 miilion in bond proceeds to the Blue River Grit Treatment Plant.

Service Level Impacts

By improving and expanding the Grit Removal process and Fine Screens project at the Blue River Wastewater Treatment Plant, KC Water is seeking to allow the new thermal hydrolysis process (THP) system to reach its maximum service life while also including expansion capabilities to handle future flows to meet the requirements of the Environmental Protection Agency's Consent Decree.

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?
   Work on this project will improve the wastewater treatment process at the Blue River Wastewater Treatment Plant. It will also improve the sanitary sewer outfalls to Blue River and design controls for bio nutrients that can cause deleterious effectson our natural waterways

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?
   This project will contribute to a sustainable Kansas City by extending the life of existing assets and by the optimization of operations and maintenance. The project will also design controls to prevent release of harmful substances into our natural waterways.

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

   Click or tap here to enter text.
   N/A

5. Department certifies the submission of any necessary information and/or documents 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)