

KANSAS CITY AREA TRANSPORTATION AUTHORITY

A Contract for Transit Service and Management of OATS Contract and Vehicles

LEE'S SUMMIT, MISSOURI

THIS CONTRACT entered into this ___ day of ___, 2023, by and between the **KANSAS CITY AREA TRANSPORTATION AUTHORITY** (hereinafter referred to as the "KCATA"), a body corporate and politic and a political subdivision of both the States of Missouri and Kansas, and **LEE'S SUMMIT, MISSOURI** (hereinafter referred to as the "Community").

WITNESSETH:

WHEREAS, a sound, efficient and viable public transportation system is essential to the socio-economic wellbeing of the Kansas City Area Transportation District (hereinafter referred to as the "District"), including the Counties of Cass, Clay, Jackson, and Platte in Missouri, and the Counties of Johnson, Leavenworth, and Wyandotte in Kansas; and

WHEREAS, the KCATA is a public agency authorized by law to plan, own, operate, have and generally deal with public transportation systems and facilities in the District; and

WHEREAS, the Community desires to promote the convenience, comfort, prosperity, general interests, and welfare of its citizens; and

WHEREAS, the public transportation facilities and services of most immediate concern are those estimated to be provided by the KCATA at a deficit, generally described in amounts and, more specifically, by the formula outlined in Attachment "A"; and

WHEREAS, the Community has an agreement with OATS to provide public demand-responsive service within the City of Lee's Summit and the Community desires for KCATA to continue to manage this contract on behalf of the Community.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants herein contained, the parties hereto agree as follows:

A. Public Mass Transit Service

1. The Community requests public transportation services (hereinafter referred to as "Contract Service"), set forth in Attachment "B", be operated by the KCATA for the period January 1, 2024, through December 31, 2024, unless sooner terminated under Paragraph "8", "9" and "10" of this Contract.

2. The level of service, as generally outlined in Attachment "B," shall not be changed or be modified without the consent of the Community.
3. The computations and, more specifically, the formula contained in Attachment "A" attached hereto and made a part hereof, are the accepted methods for the determination of the estimated deficit of the Community.
4. The KCATA and the Community estimate the Community's total payment for the twelve-month service period (hereinafter referred to as "Local Share") to be **\$38,910**. This estimate is based on the following components of cost and revenue to applied to this Agreement:

Service Cost	\$ 653,665
Passenger Revenue	(<u>\$ 0</u>)
Estimated Total Deficit	\$ 653,665
COVID Funding LS	(\$ 500,000)
MO State Funding	(<u>\$ 153,665</u>)
Local Operating Contribution	\$ 0*
Local Capital Contribution	\$ <u>38,910</u>
Total Local Share	\$ 38,910

*Lee's Summit has elected to using additional CARES act funds allocated to Lee's Summit to pay for the local share of service.

5. It is the understanding of the parties that, notwithstanding any provision of this Agreement, the maximum obligation of the Community under this Contract shall be the sum of **\$38,910**. If the actual total deficit and other factors are such that the KCATA deems the full Local Share is not required, the KCATA may require payment of less than the total Local Share, or reimburse the Community for a portion of the Local Share previously paid.
6. The method of payment of the Local Share provided for in Paragraph "4" is as follows:
 - a. The Community's monthly Local Share obligation will be one-twelfth of the Community's portion of the estimated total deficit amount.
 - b. The KCATA will invoice the Community for the Community monthly Local Share. The Community is required to remit the monthly Local Share by the first of the month service will be provided.
 - c. By the 20th of the month following the month in which service was

provided, the KCATA will provide the Community with reports showing service capital and operating costs and revenue for Contract Services. The report will also provide a reconciliation of subsidy amounts with the advance payment provided to in Sub-paragraph "b". The report will detail the Local Share amounts used to cover the month's service deficit. Any balance of Local Share subsidy and/or federal formula funding obligation required by the reconciliation will be invoiced at this time, to be paid within ten days.

- d. For the month of December, the monthly report and reconciliation provided for in Sub-paragraph "c," will not be prepared until the completion of the KCATA's annual audit. The invoice of November 15, provided for in Sub-paragraph "b," will require payment of the unexpended balance of the Community's Local Share.
 7. When the estimated operating loss of \$653,665 is reached, KCATA's obligation to furnish services shall terminate. The Community and KCATA may mutually agree to amend this Contract to provide additional operating subsidy or to adjust the level of service so that the cost of such service will not exceed the contractual subsidy.
 8. This contract may be terminated prior to its expiration with a formal notice from the Community that is received by KCATA at least 75 days prior to the proposed termination date. The Community will be responsible for its share of all contract costs incurred by KCATA up to the termination date and for the provision of Lee's Summit UZA Section 5307 Funds. The Community will be responsible for public notice and customer notification and comment requirements of any service changes that result from the termination.
 9. The Community recognizes that the KCATA, as the principal public transportation operator in the region, is obligated to conform to various regulations and requirements of the Federal Transit Administration to maintain its eligibility for financial assistance pursuant to the Federal Transit Act. In this regard, the Community agrees to cooperate with the KCATA in the meeting said regulations and requirements, and will not require the KCATA to violate said regulations and requirements. The Community will also cooperate with reasonable requests of the KCATA, and the KCATA agrees to make all such records available to the Community for the auditors upon reasonable request of the Community.
 10. The Community, at its expense, shall have the right to cause an audit to be made of the books and records of the KCATA, and the KCATA agrees to make all such records available to the Community for the auditors upon reasonable request of the Community.
- B. Americans with Disabilities Act of 1990 Special Service Provision

Whereas a contractual relationship with Lee's Summit requires that the Community not require the KCATA to provide public transit services that conflict with the American with Disabilities Act of 1990 and subsequent federal regulations regarding compliance with this law, it is agreed:

1. The nature of the transit service operated and or managed within Lee's Summit by the KCATA precludes the requirement under the Americans with Disabilities Act to provide complementary paratransit service.

C. OATS Contract Management Services

1. KCATA will manage the City's transportation services agreement with OATS (a separate agreement from this agreement) for the provision of demand-responsive service in the City of Lee's Summit.
2. The City purchased and owns six (6) vehicles that are currently being leased for this service to OATS. KCATA will procure additional vehicles upon written request, using Lee's Summit UZA Section 5307 funds (up to 85% of eligible costs) and the local match provided by the City for this service or CARES Funding. A separate agreement between the City and KCATA will contain details of the vehicle acquisition, and a separate agreement will also cover the City / OATS lease.
3. OATS will submit an original and one copy of the invoice, including any supporting documentation to ATA at the address listed below. An invoice will be reviewed and accepted by ATA in conjunction with the CITY. ATA will invoice the CITY for the local match. Upon receipt of the local match, ATA will make payment within thirty days to OATS for 100% of eligible operating expenditures. OATS will submit a final billing within forty-five days of completion of the termination of the Agreement.

Kansas City Area Transportation Authority

1350 East 17th Street

Kansas City, Missouri 64108

Attention: Bryce Shields

KCATA will charge a management fee of \$8,000 annually for this service.

Lee's Summit is electing to use CARES funding to cover the cost of this service.

D. Summary of Community Share of Costs

1. Fixed Route Commuter Services	\$38,910
2. Management of OATS Contract	<u>\$8,000</u>
Total Community Share of Cost	\$46,910

E. Contract Term Renewal


1. This contract shall be for a period of twelve months commencing on the effective date and ending on December 31, 2024. The contract term may be extended for an additional twelve-month period twice with a 3% increase in the service cost per extension, provided that the city gives written notice to the KCATA on or before October 1 of the current service year, and the KCATA agrees to the extension and confirms the availability of other financial resources for the option year (i.e. federal and state funding) prior to the beginning of the option period.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed as of the day and year first above written.

KANSAS CITY AREA TRANSPORTATION AUTHORITY

By: 
Melissa Bynum, Chair of the Board of Commissioners

ATTEST:

By: 
Witness

CITY OF LEE'S SUMMIT, MISSOURI

By: _____
Name & Title:

ATTEST:

By: _____
City Clerk

ATTACHMENT "A"

COST ALLOCATION METHODOLOGY

Costs of service will be allocated to communities based on methodologies below.

1. Fixed Route Services

A. Service that is wholly within one community will be billed based on the full cost of that service in the community using miles and hours in the community as the basis.

B. Enclave Communities

- Enclave community definition will be retained – a community where service from KCMO must go through the enclave community and then re-enter KCMO on the other side.
- Routes are designed for the most efficient routing possible through the enclave community to ensure there is no added cost to KCMO for a route to go through an enclave community – other than small additional time spent for stopping to board/deboard passengers at any stops in the community.
- Costs for enclave communities will be based on a miles+hours of service model, where the mileage and time a bus spends in an enclave community will determine the route cost to the enclave community.
- Enclave communities will be billed at 50% of the enclave community's share of the route cost based on the above miles+hours model. The rationale being that both the enclave community and KCMO benefit from having the stop(s) in that community.
- Enclave communities that do not agree to share in the cost of a route going through their community based on this methodology may have stops in their community removed at the discretion of KCATA, following consultation with KCMO. Very Small communities (Villages < 500 in population and 4th Class Cities – 500 to 2,999 in population) that are enclave communities may not be charged, at the discretion of KCATA, unless specific route changes are requested and made to benefit the Village or 4th Class City.
- If an enclave community asks for route alignment changes to a KCMO route going through their community, the requesting community will pay the full cost of any route adjustments.

C. Multi-Jurisdictional Service

Services that are appended to or extend a route so as to serve multiple communities will be costed for each community based on miles and hours of service for the route in each community.

2. ADA Paratransit

The billing of ADA paratransit trips shall be determined by the origin address of each trip. The full cost of an ADA paratransit trip shall be billed to the community who is paying for the section of a fixed route in which the origin address triggered the federally mandated ADA paratransit.

3. On-Demand Services

The billing for on-demand service trips shall be determined based on the number of vehicles operating in a zone per revenue hour of service provided.

4. Capital Expenses

Each jurisdiction will be charged capital expenses, prorated on community miles to system miles, to be used for the acquisition of buses, facilities, and other equipment. The capital charge may be used for the purchase of vans for a vanpool operation that will facilitate in providing a regional transit system. Such vanpool operation must provide service to or from the Community that is reasonable when compared to the amount of the Community's capital contribution for the vans.

ATTACHMENT "B"

CITY OF LEE'S SUMMIT

CONTRACT SERVICE

One route will provide express commuter service between Lee's Summit City and downtown Kansas City, Missouri. Service is as follows:

Route #550—Lee's Summit Express, This route will provide commuter express transit service during the A.M. and P.M. peak commute periods. This service will consist of three (3) AM and three (3) PM trips operated with forty-foot passenger buses. The three (3) AM trips will originate at the commuter park & ride lot at Chipman Road and 50 Highway and terminate in downtown/Crown Center Kansas City, Missouri, with the exception of one (1) trip doing the reverse trip. The three (3) P.M. outbound trips operated with forty-foot passenger buses, originating in downtown/Crown Center, Kansas City, Missouri and terminating at the commuter park & ride lot at Chipman Road and 350 Highway, with the exception of one (1) trip doing the reverse trip.

Passenger Fare, Pass, and Transfer Policy:

- One Adult Full Fare Trip: \$0
- One Adult Reduced Fare: \$0