

Minutes

The City Council of the City of Leawood, Kansas, met for a Special Call Meeting at City Hall, 4800 Town Center Drive, at 6:00 P.M., on Monday, February 3, 2014. Mayor Peggy Dunn presided.

Councilmembers present: Debra Filla, Tom Robinett, Lou Rasmussen, Andrew Osman, Jim Rawlings, Julie Cain, James Azeltine and Carrie Rezac

Councilmembers absent: None

Staff present: Scott Lambers, City Administrator	Patty Bennett, City Attorney
Chief Dave Williams, Fire Dept.	Joe Johnson, PW Director
Chief John Meier, Fire Dept.	Chris Claxton, P&R Director
Mark Andrasik, Info Systems Director	Kathy Byard, Budget Manager
Richard Coleman, Comm Dev Director	Deb Harper, City Clerk
Dawn Long, Finance Director	Pam Gregory, Assistant City Clerk

Others Present: Tim Homburg, NSPJ Architects
Brett Haugland, Continental Engineers
Matt Viets, GFC Co., Inc.
Richard Fuller, Chairman Ironhorse Advisory Board
Chuck Sipple, Ironhorse Advisory Board
Jamie West, GM Ironhorse Golf Course
Terry Schaefer, Kansas City Star

Presentation of Capital Improvement Projects [CIP] 2015 - 2019

Mayor Dunn called the meeting to order at 6:10 P.M. Introductions were made by those present.

Presentation – Finance Director Dawn Long and Budget Manager Kathy Byard

Financial Model 2015 - 2019

The current financial planning model includes a mill levy increase of 0.95 for three consecutive years in 2017, 2018 and 2019. Assessed valuations are 1.75% in 2015; 2.00% in 2016; 2.00% in 2017; 2.50% in 2018 and 2.50% in 2019. City sales tax remains steady at 3.95% and other sales tax at 3.90%. All other revenues and interest earnings have remained consistent. The revenue budget variance is 1.5% with the expense budget variance at -1.5%. The Street Reconstruction Program is set at \$3 Million in 2016 and 2018. The Curb Repair/Replacement Program is set for \$5.0 Million in 2015 and 2016. The Metal Pipe Storm Sewer Program is set for \$5.0 Million in 2017, 2018 and 2019. These 3 programs are debt-financed. The Accelerated Stormwater Program will be PAYG [Pay-As-You-Go] at \$550,000 in 2017 and \$700,000 in 2019.

CIP Improvement Program 2015-2019

The debt-financed projects for 2014 include Phase II of the Residential Street Program for \$3 Million and the Curb Repair and Replacement Program for \$5 Million. Project costs for 2014, including PAYG projects of \$6,369,520, totals \$14,369,520. The debt-financed projects for 2015 include 143rd Street, Nall to Windsor Project at \$8,021,618 and the 2015 Curb Repair/Replacement Program for \$5 Million. Project costs for 2015, including PAYG projects of \$3,472,579, totals \$16,494,197.

Councilmember Osman joined the meeting at 6:15 p.m.

The reference guide below shows capital items presented for consideration, which have not been included in previous CIP documents:

- 2017-2024 Metal Pipe Storm Sewer Program
- 143rd Street, Windsor to Kenneth Rd.
- Overlay Public Works Facility Parking Lot (*Submitted, Unfunded*)
- Leawood Town Center Fire Station (*Submitted, Unfunded*)
- Fire Department Training Facility (*Submitted, Unfunded*)
- Restrooms-Tomahawk Creek Park, South of 119th Street (*Submitted, Unfunded*)
- Restrooms-North Lake (*Submitted, Unfunded*)
- Restrooms-Tomahawk Creek Trail, Fields 20 & @1, North of 119th Street (*Submitted, Unfunded*)
- Indian Creek Parkway/Mission Road Traffic Signals (*Arterial Program*)
- 137th Street/Nall Ave. Traffic Signals (*Arterial Program*)

There is a total of \$29 Million in Anticipated 2020-2024 Projects (*pg. 36*). These projects represent neighborhood street reconstruction and major stormwater repairs/improvements that were originally initiated using a phased financial approach. These projects are seen as necessary to address large areas of capital maintenance. The funding of these multi-year improvements are beyond the five-year planning process, but are reasonably expected to continue.

There is a total of \$36,949,338 in Submitted, but Unfunded 2015-2019 Projects (*pg. 37*). These projects represent items which have been submitted for consideration into the CIP, but are currently not funded and therefore, have not been included in the 2015-2019 CIP plan or in the financial forecasting plan.

There is a total of \$31,252,000 in uncommitted 2020-2023 Projects (*pg. 38*). These projects represent repairs/improvements where a desire or need has been identified; however, the project currently does not have an identified funding source and has not been formally agreed upon for inclusion in the CIP. These projects are excluded from the financial debt ratios or mill levy projections. Several of these projects may have been shown in the capital plan in previous documents; however, they may have been moved to this page and are now shown as uncommitted due to the addition of other projects.

General Obligation Bonding Projections could change depending upon construction schedules. All requirements must be completed in order to satisfy the bonds.

1/8 Cent Sales Tax Discussion – Renewal of Street and Stormwater

This sales tax is due to expire on June 30, 2015. Mr. Lambers recommended they return to the voters in November, 2014, and tie this into the mid-term election for a 6-year extension that would expire in 2021. Then in November, 2020, renew for 8 years to 2029 and tie into the presidential election and extend for subsequent 8-year elections continuing to coincide with the presidential elections and voter turnout. The 1/8 cent sales tax is set by State Statute and is required to be used for infrastructure.

Review Ironhorse Golf Clubhouse Expansion

Mr. Lambers recommended approval of the expanded scope of the project to 5,337 square feet and have the applicant return with 100% design completion prior to determining cost. The contractor does not have 100% of the cost identified. Once the design is complete and goes through the Planning process, this could begin in the fall of 2014 and be completed in 2015, provided costs are within budget. The City Council needs to give staff direction on whether to go with the expanded scope or return to the original 4,500 square footage.

Councilmember Rasmussen disagreed with the timing of this project and suggested it be accelerated using 2013 reserves and be completed in 2014. Mr. Lambers confirmed there is approximately \$4.8 Million in unanticipated 2013 reserves. These revenues are applied to the bond and interest fund and may be used for the mill levy increases that are projected to occur to finance all of the \$70-\$80 Million of infrastructure.

Tim Homberg, NSPJ Architects, confirmed the original design was an estimate without hard costs at the time the RFP went out. Since that time, construction and materials have increased substantially. In order to have the clubhouse function appropriately for their needs, they requested the additional 837 square feet. With the 50% set of drawings, there is a 7.2% increase in cost for the increase in size of the facility. The estimate of \$1,114,447 includes everything with exception to the contingency. The preliminary estimate began at \$200 per square foot; however, with the expanded scope, this increased to \$207 per square foot. Once the actual numbers come in they can determine exact costs.

Continued discussion of the Ironhorse Golf Clubhouse expansion will take place following tonight's regular Governing Body meeting.

C.I.P. Schedule

- **February 11th** – Planning Commission Work Session/Public Hearing
- **February 25th** – Planning Commission Review of C.I.P. and Recommendations to Governing Body
- **March 17th** – Public Hearing on 2015–2019 C.I.P. and Approval of 2015–2019 C.I.P. by Governing Body
- **June 16th** – Pre-Budget 2015–2019 C.I.P. Discussion

The work session recessed into the regular Governing Body session at 7:25 p.m. – [See minutes from the regular February 3, 2014 meeting for continued discussion]

Pam Gregory, Recording Assistant City Clerk