

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 4, 2013. Mayor Peggy Dunn presided.

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

Councilmembers absent: None

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

Others Present: None

Presentation of 2014-2023 Financial Model; and 2014-2018 Capital Improvement Projects [CIP]

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 2014 - 2023

Finance Director Dawn Long stated a 0.95 mill levy increase is forecasted for 2019, 2020 and 2021. The budget variance is 1.5% of the revenues and expenditures. The financial assumptions assume a \$4.6 Million increase in the ending 2012 general fund balance. The annual assessed valuations have been reduced from 2.75% to 1.50% in 2015; from 2.75% to 2.0% in 2016 and 2017; and to 2.5% going forward. City sales tax projections have increased from 3.9% to 4.0%. The Debt-Financed Curb Repair/Replacement Project takes place in 2013, 2014, 2016, and 2017 (2015 was moved to 2017).

Councilmember Bussing asked what was creating the increase in the general fund reserves in 2013 and 2014. Ms. Long replied the majority has been generated from sales tax; however, building permits, alcohol tax, and City use tax have increased as well.

Councilmember Azeltine requested that staff submit a breakdown of the 8.6% increase in sales tax revenue to determine how much of the increase is from retailers increasing their sales and how much is from new retailers. Budget Manager Kathy Byard replied this could be broken down into categories and she would look into a more detailed breakdown to present at the March work session.

CIP Improvement Program 2014-2018

The only debt-financed project for 2013 is the Curb Repair and Replacement Program for \$5 Million. Some of the new 2013 Pay-As-You-Go [PAYG] projects include a Mill and Overlay of Roe Avenue, 119th to Tomahawk Creek Parkway; Channel Improvement of Leawood Heritage Stormwater; and some Parks projects. 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. There are no new PAYG projects for 2014. Debt for 2013 is 14% compared to 69% for 2014. Phase III of the Residential Street Program is anticipated in 2020 and 2022.

Councilmember Rasmussen felt discussion of an Off Leash Dog Park had gone on far too long and suggested they move it from the unfunded project list to a 2014 funded project and that it be located on the acquired donated park land. He requested that the Council determine what extent they want to be involved in the project and suggested they increase the CIP to include this. Mr. Lambers replied the City is in a financial position to begin adding projects to the CIP; however, first they should discuss and prioritize the following PAYG projects:

- Mill and Overlay of State Line Road with Kansas City, Missouri
- Off Leash Dog Park
- Golf Course Club House Expansion of 3,000 square feet

The Mill and Overlay will be year specific in order to work in conjunction with Kansas City, Missouri. Funds for the other two projects can come from general funds and alcohol monies for park improvements.

Mayor Dunn confirmed this donated land was not specifically earmarked for a Dog Park; however, it is anticipated to be used for park land.

Councilmember Osman asked what liability the City would have if dogs attack other dogs or dog owners. City Attorney Patty Bennett replied the City would be well insured for these types of instances and they would work to ensure the park is as safe as possible.

Councilmember Azeltine expressed concern with the cost of \$300,000 for the Dog Park and wanted to ensure all of the costs are closely examined by City staff. Mr. Lambers stated it could take up to a year to design the park and recommended they design it in 2014 and begin construction in 2015. Councilmember Azeltine was in favor of this approach. Councilmember Cain disagreed stating they should begin construction in 2013 because this discussion had gone on too long. She felt there would be no need to spend \$300,000.

Mayor Dunn received consensus to move the unfunded Off Leash Dog Park Project to a funded project and schedule a work session on April 1, 2013, for discussion of funding and timing of the project.

Mr. Johnson stated staff has been working with Kansas City, Missouri, for several years regarding a Mill and Overlay beginning at College Boulevard to 135th Street, in which they are ready to proceed in 2014/2015. There would be two phases to the project at a cost of \$500,000 for each phase. The cost for Leawood would be \$250,000 with \$125,000 being submitted to the CARS Program for funding. Mr. Lambers replied they would budget the entire \$250,000 in case CARS funding is not available. If there is excess money from this project, it could be used to fund the Dog Park.

Mr. Lambers stated the Ironhorse Advisory Board would like to see the Golf Course Club House expansion move forward. The owners of Troon Golf feel they are missing opportunities for other engagements, such as receptions, outside the golf arena. He suggested this be moved to a funding status to be designed one year and constructed the next, anticipating a total cost of \$800,000.

Ms. Long stated there are no projects scheduled to bond in 2013; however, in 2014 they will bond \$7,465,000 for the Residential Street and Curb Repair Replacement Programs.

C.I.P. Schedule

- **February 12th** – Planning Commission Work Session/Public Hearing
- **February 26th** – Planning Commission Review of C.I.P. and Recommendations to Governing Body
- **March 18th** – Public Hearing on 2014–2018 C.I.P. and Approval of 2014–2018 C.I.P. by Governing Body
- **June 17th** – Pre-Budget 2014–2018 C.I.P. Discussion

Councilmember Rasmussen recommended staff do a feasibility study for the proposed Ironhorse Clubhouse Expansion Project. Mr. Lambers recommended this be moved to the funded project list for design in 2015 and construction begin in 2016 and schedule a work session on June 17th, 2013, for further discussion of funding and timing of the project.

Councilmember Filla asked about the timing for replacement of Fire Station No. 1 at 96th and Lee Boulevard. Mr. Lambers recommended they complete the Justice Center Project first and then look into relocating the former City Hall and construct a new Fire Station with new equipment. A sales tax election would be presented to the voters to cover the cost of the development of that site. There would be no impact in the C.I.P. because of the additional sales tax increase. A five-year timeframe would be realistic.

There being no further business, the work session was adjourned at 7:25 P.M.

Pam Gregory, Recording Assistant City Clerk