

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, July 15, 2013. Mayor Peggy Dunn presided.

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

Councilmembers absent: None

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| Staff present: City Administrator Scott Lambers | City Attorney Patty Bennett |
| Public Works Director Joe Johnson | City Clerk Deb Harper |
| Finance Director Dawn Long | Assistant City Clerk Pam Gregory |

Others Present: Roxie Hammill, Kansas City Star

Discussion of Corrugated Pipe Replacement

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

Opening Remarks – City Administrator Scott Lambers

This discussion is in regards to planning a Corrugated Pipe Replacement Program into the City's 10-year financial forecast.

Presentation – Public Works Director Joe Johnson

This discussion took place in 2005-2006 when the City completed its first stormwater study. In 2010, a work session was held to discuss replacement. There is currently 106,000 feet of corrugated pipe needing replaced. Most of the pipe is 25-30 years old with the bottoms rusting out. Other issues include crushed or collapsing pipe due to construction or utility boring.

Mr. Johnson gave a video demonstration showing the deteriorating pipe and divided the locations into categories of good, fair, poor, or very poor condition. The pipe will either need to be replaced with concrete pipe or lined with a liner, such as "Insituform." Corrugated pipe generally begins to rust within 15 years. The lifespan of concrete pipe is 75+ years; Insituform is 50+ years. The majority needing replaced is located at 123rd Street south to 135th Street. Most of the pipe to the north is concrete with only a small amount of corrugated pipe needing replaced. In 1996, the City eliminated the use of corrugated pipe. Most cities in Johnson County use concrete pipe. It is more cost effective to replace larger diameter pipes with concrete rather than a liner. Consideration of whether to line the pipe or replace it with concrete will be determined by its location and whether there are issues with stormwater, landscaping, etc. Areas with drainage issues may need larger pipe, which will be their first priority. Some of this may qualify for SMAC funding. If a liner is used, concrete would need to be placed on the bottom prior to installation.

A liner increases the life of the pipe by 30-50 years and is designed to provide structural compression. Including design, construction, and restoration; the replacement program is anticipated to cost \$35 Million, which would allow them to replace 15,000 linear feet annually over seven consecutive years. This breaks down to approximately \$330 per linear foot. Pipe replacement would be coordinated in conjunction with street projects and is broken down as follows:

| <u>Zone</u> | <u>Location</u> | <u>Linear Feet</u> |
|-------------|---|--------------------|
| • Zone 1 | North of I-435 | 6,400 |
| • Zone 2 | I-435 to 119 th Street | 12,000 |
| • Zone 3 | 119 th to 135 th Street (west of Mission Rd.) | 39,000 |
| • Zone 4 | 119 th to 135 th Street (east of Mission Rd.) | 31,000 |
| • Zone 5 | South of 135 th Street | 16,600 |

Mayor Dunn stressed that this discussion is intended as a proactive approach for the City's 10-year financial forecasting.

Mr. Lambers concluded that the 10-year financial forecast includes \$15 Million for the Residential Street Replacement Program; \$20 Million for the Curb and Gutter Replacement Program; and \$35 Million for the Corrugated Pipe Replacement Program; totaling \$70 Million. He proposed to accelerate the Curb and Gutter Replacement Program to four consecutive years, beginning 2013; completed in 2016. Once this is completed, the Corrugated Pipe Replacement Program would be debt-financed beginning in 2017 at a cost of \$5 Million annually for seven consecutive years; completed in 2023. Monies would be prioritized for SMAC funded projects. Should an unexpected priority arise, some of the pipe replacement could be delayed. A mill levy increase of 0.95 is anticipated in the model for three consecutive years, beginning in 2017; ending in 2019. In the past, the City has been able to defer mill levy increases due to unanticipated revenues and less than anticipated expenditures. As this timeframe approaches, they may be able to defer these mill levy increases. Should they go into effect, property taxes would increase \$160-\$175 per year on a \$500,000 home. Engineering costs would be programmed into the 2015 Budget.

Mayor Dunn received consensus to proceed with this 10-year financial forecast planning model and noted it would be analyzed annually.

There being no further business, the work session was adjourned at 7:15 P.M.

Pam Gregory, Recording Assistant City Clerk