

GOVERNING BODY WORKSHOP MINUTES
Roeland Park City Hall
4600 W 51st Street, Roeland Park, KS 66205
Monday, April 11, 2016 6:00 P.M.

- Joel Marquardt, Mayor
- Becky Fast, Council Member
- Tim Janssen, Council Member
- Ryan Kellerman, Council Member

- Teresa Kelly, Council Member
- Sheri McNeil, Council Member
- Michael Poppa, Council Member
- Michael Rhoades, Council Member
- Erin Thompson, Council Member

- Keith Moody, City Administrator
- Jennifer Jones-Lacy, Asst. Admin.
- Kelley Bohon, City Clerk
- John Morris, Police Chief
- Jose Leon, Public Works Director

Admin

Janssen
Poppa

Finance

Rhoades
Kelly

Safety

McNeil
Thompson

Public Works

Fast
Kellerman

CMBR Fast called the meeting to order noting that CMBR Rhoades was absent.

I. MINUTES

II. DISCUSSION ITEMS:

1. Presentation on 2016 Single Family Cost of Living Comparisons

City Administrator Moody began his presentation stating that in 2013, the state of Kansas made significant changes to the income tax rates. It began as a two-step process of reducing the mortgage interest and property taxes paid from 100 percent to 65 percent to 50 deductible from taxable income. Mr. Moody provided a comparison chart that reflected what other families pay in other cities for their taxes. Of note, on average, taxes make up 72 percent of a family's costs. Kansas communities serviced by regional water and sewer authorities generally had lower costs for those services. Kansas also has the lowest gas and electric rates by comparison. The results have shown that cities have a minor influence in the costs to a family. Electric and natural costs increased for Kansas while Missouri saw a decreased cost. The average sales tax from each community, which now includes the special sales taxes such as TDD, CID and NID, accounted for some of the tax increases as well. On average costs increase \$185 per household between the years of 2011 and 2013.

CMBR Fast thanked Mr. Moody for such an extensive report. City Administrator Moody thanked Ms. Jones-Lacy who helped with gathering the data and said he truly appreciates the difficulty in converting the data into a format that allows it to be dynamic and easily read.

Public Comments:

Mike Hickey (5008 Howe) Mr. Hickey said the Council has the ability to raise the City sales tax 1/8th of a percent versus another mill levy increase as those that live outside the City use its services and purchase goods and everyone benefits from the improvements and should share in their cost.

2. Review and Preliminary Approval to CIP and Equipment Replacement Schedule

Public Comments:

Tom Madigan (5316 W. 49th Terrace) Mr. Madigan said one of the strategic planning goals was to create a long-term financial plan to diversify revenue supporting economic growth. He said City Administrator Moody and Ms. Jones-Lacy have taken a giant step towards this and thanked them both for their effort in compiling the colossal amount of information and converting to graphs for better understanding. He said he appreciates City Administrator Moody's input and the transparency he has given. He also suggested a question and answer section on the City's website.

The Roeland Park: Capital Improvement Plan - 10 Year- Draft was presented to the Governing Body. City Administrator Moody explained the report and the criteria used in the scoring system for prioritizing projects. The report is broken out by department, projects to be completed, dates and costs, and funding type. Mr. Moody said he prefers to borrow money rather than leasing equipment. He also added that they have not vetted or assessed the City's ability to pay for equipment and projects yet as this is the next step.

In looking at the chart Mr. Moody noted that the City's portion is how much the City has come up with include bonds, but does not include TIF funds. He added that STP and CARS programs have been consistent funding sources, but added that if the state continues to shrink its budget CARS quite possibly be affected. He advised to get as many projects done while the money is still available. He also mentioned other sources of income to help with projects such as selling land, TIF resources, and the reimbursement from Commerce Bank.

Mr. Moody said the total for projects and equipment anticipated in the CIP total is \$19,406,000. This includes the \$9 million Roe Boulevard project, a couple of CARS projects and the purchase of a new public works facility. He noted that spending this amount of money in five years, even if they can afford it, is very ambitious and extremely difficult to accomplish for a city the size of Roeland Park.

City Administrator Moody then reviewed the major projects that need to be done. The \$9 million Roe Boulevard project is estimated to cost the City \$1 million with \$500,000 paid from bond proceeds and the remaining \$500,000 paid with either the sale of land and/or TIF proceeds. The bulk of the funding is expected from STP funds and CARS money. He said this will be a huge accomplishment for Roeland Park. Mr. Moody added that the project is on MARC's website and encouraged Councilmembers to submit their comments in support of the project.

CMBR Kelly thanked City Administrator Moody for making such a plan which acts as a roadmap to base future decisions.

CMBR Janssen asked as bonds are paid off and expired, what happens to the money that would have been allocated towards the bonds. Ms. Jones-Lacy said they are part of the debt service fund, unless they are appropriated for something else.

There was a brief discussion about restrooms and shelters at R Park, their funding and also grants for the tennis courts. CMBR Fast submitted a proposal with anticipation that funding would be provided by monies that have been going towards the R Park bond after it is paid off.

City Administrator Moody said tennis courts score better on the prioritization list since it is an existing item and also a maintenance item. New structures such as restrooms and shelters typically do not score as well because they are new structures and planned for future years.

CMBR Kellerman asked about the scoring of the streets in the City and CMBR Poppa wanted to know if they take into account bond issues. City Administrator Moody said street projects that are stormwater related are scheduled for improvements in 2017 and 2018. These will be in residential areas where reconstructing streets should not have to acquire temporary construction easements because they will be putting back what they are taking out. He said that Public Works Director Leon has a master plan for the sidewalks that he is working on and will be presented at a later time.

City Administrator Moody asked for a consensus from the Governing Body that this is a sensible plan and to allow him to continue to streamline the numbers and determine if this can be afforded.

CMBR Kellerman asked about the extension of the interlocal agreement with Johnson County regarding the pool. City Administrator Moody said he did not foresee any changes even though the pool was financed through Johnson County and is scheduled to be paid off. Ms. Jones-Lacy said the county has indicated they would like to continue their relationship with Roeland Park, but the cost structure may change once the loan is paid. She also added that they will be meeting to discuss what that plan might look like.

CMBR Fast said she would like to see the priority of streets in relation to CARS funding, especially if that goes away, what the City can afford to do without bonding.

Public Works Director Leon commented that with the scoring system if a project is eligible to receive grant funding, then the priority increased such as those with CARS projects. He said there is no guarantee of that 50 percent funding, especially when they're doing multiple projects. Mr. Leon also added that being a small city their projects tend to be smaller, and they're more lenient towards the City. However, these proposed projects are of a larger magnitude than what is normal for Roeland Park.

3. Review of Future General Obligation Debt Analysis

City Administrator Moody said the information is the same as the last Workshop. The proposal is for \$2 million in General Obligation bonds issued every three years starting in 2018. This assumes that the debt service mill levy remains at its current level, a straight line method of amortization, and a four percent interest rate on the bonds. He believes the 20-year maturity appropriately matches to the length of life for the improvements that they are helping to fund. Mr. Moody feels this is sustainable for the City to continue to issue at least \$2 million in GO bonds every three years going forward without raising the debt service portion of the mill levy. This also reflects a two percent increase in assessed value annually, which is half of the 15-year average. Mr. Moody recommended that there should be a policy adopted by the Council that reflects the parameters taken in this approach so that future members will understand the intent, as this will also help create consistency in future planning.

CMBR McNeil and CMBR Fast expressed concerns regarding borrowing and accumulating debt that the City might not be able to afford to pay.

City Administrator Moody said a final decision does not need to be made until 2017 on whether to take the bond.

Public Comment:

Linda Fell: Ms. Fell expressed a strong objection to funding a project like the Roe Boulevard improvements for 20 years as it won't last 10 years.

City Administrator Moody said it is not uncommon to fund a street reconstruction project over a 20-year. He said he didn't disagree with Ms. Fell's statement, but said maintenance is always required more periodically than 20 years.

Public Works Director Leon commented that Roe Boulevard was last reconstructed in 1993 and is planned for another reconstruction in 2020, at which time they will be adding a pedestrian access throughout all of Roe Boulevard and enhance other pedestrian features. He said some work was done in 2006 when there was curb work patching and general maintenance. This year his team will be doing routine and preventative maintenance on streets such as crack seal and thin overlay.

CMBR Thompson said she sees an advantage to the plan of knowing how much will be available to spend and how much debt they will have each year. She also said they don't need to borrow if they don't need it. She said this is a good approach.

City Administrator Moody said the first five years of the CIP as presented relies upon being able to come up with fund matches for STP and CARS, but will have their financial advisor put together what the cumulative amount is that's available and will circulate that to the Governing Body.

4. Review Proposed 2017 Pay Schedule

City Administrator Moody presented the pay scale with pay levels. Also attached was a survey through Mid-America Regional Council that shows Roeland Park and over 20 comparable cities. The proposal is to bring City salaries more

in line with the average and is proposed to go into effect January 1, 2017. Currently the Administrative Assistant's position is less than what the proposed minimum would be.

CMBR Fast asked for Police Chief Morris' opinion on the salaries for his department. Chief Morris said he thinks City Administrator Moody's approach is wonderful.

The Governing Body agreed to move this to the Consent Agenda for approval at the April 18, 2016 City Council Meeting.

5. Review Proposed 2017 Employee Benefits Package

Ms. Jones-Lacy provided an update plan back noting that insurance providers are proposing a one to seven percent increase, while dental and vision premiums will remain the same.

The Governing Body was in agreement to continue with the plan currently in place.

6. 2016 Tree Planting and Landscape Plan

Public Works Director Leon said his department challenged themselves to come up with a tree planting plan for the City and City Tree Forester Carl Wisdom has been working to identify places for beautification around the City.

Carl Wisdom provided an overview of the types of plantings that will done at City Hall, an area that he noted has been neglected. He also said R Park has scheduled tree plantings. A Swamp White Oak will be dedicated on Arbor Day to Dan Johnson, a previous forester for the City from 2000 to 2009, who passed away earlier this year. A plaque will also be added to the site. Landscaping will also be done at Granada Park as well as the islands at Juniper and Sycamore. In his PowerPoint presentation he showed a more detailed layout with the various plantings to be added.

Public Works Director Leon said he was seeking an agreement from the Governing Body to move ahead with the landscaping plan.

Mayor Marquardt thanked everyone for prioritizing this item. He inquired whether TIF-2 funds would available to help pay for the trees, to which City Administrator Moody will research. Mayor Marquardt also asked that Public Works check with the R Park committee before planting in the park.

Public Works Director Leon talked with his department about beautification and landscaping in the City. He also reached out to the county horticulturalist to help come up with landscaping plans for the Community Center. He said his team has re-stained the Community Center gazebo and will be planting around it to bring more attention to it. Mr. Leon said they will be moving away from mulch and using rock. While this is more expensive up front, it won't be an item that needs to be done every year. He also said they have installed handicap access swings at Nall Park and R Park that were purchased by the Parks Committee and that 99 percent of the amenities are installed at R Park.

III. NON- ACTION ITEMS

CMBR Kelly said they have postponed their quarterly community forum until August or September as there will be a May community forum to present the budget. The forum at the end of summer will be an open house format with reports from the advisory committees. She will notify everyone when a date has been finalized.

IV. ADJOURN

CMBF adjourned the meeting.