



City of Lawrence

CITY MANAGER'S OFFICE

DAVID L. CORLISS
CITY MANAGER

City Offices
PO Box 708 66044-0708
www.lawrenceks.org

6 East 6th St
785-832-3000
FAX 785-832-3405

CITY COMMISSION

MAYOR
MIKE AMYX

COMMISSIONERS
JEREMY FARMER
DR. TERRY RIORDAN
ROBERT J. SCHUMM
MICHAEL DEVER

August 5, 2014

The Board of Commissioners of the City of Lawrence met in regular session at 6:35 p.m., in the City Commission Chambers in City Hall with Mayor Amyx presiding and Commissioners Dever, Farmer, Riordan and Schumm present.

A. RECOGNITION/PROCLAMATION/PRESENTATION: None

B. CONSENT AGENDA

It was moved by Farmer, seconded by Dever, to approve the consent agenda as below. Motion carried unanimously.

1. Received minutes from various boards and commissions:

- Board of Zoning Appeals meetings of 09/05/13, 10/3/13, 12/5/13, 01/02/14, 04/03/14, 05/01/14, and 06/05/14
- Sign Code Board of Appeals meeting of 09/05/13
- Horizon 2020 Steering Committee meeting notes of 07/14/14
- Planning Commission meeting of 06/23/14
- Public Health Board meeting of 05/19/14

2. Approved all claims to 275 vendors in the amount of \$5,625,681.68.

3. Approved licenses as recommended by the City Clerk's Office.

Drinking Establishment

Ingredient
Wysong 5 LLC
947 Massachusetts St.

Expiration

July 18, 2014

Retailer

Spirit Liquor
Benner Beverage LLC
600 Lawrence Ave. Suite A

July 31, 2014

Cereal Malt Beverage – Off Premise

Cork and Barrel Party Shop New License
Jon Smiley
2000 W. 23rd St.



4. Approved appointments as recommended by the Mayor.

Building Code Board of Appeals:

Reappointed Dennis Odgers (785.843.5277) to an additional appointment that expires 11/30/16.

Sister Cities Advisory Board:

Appointed Bill Keel to a position that expires 12/31/15.

5. Bid and purchase items:

- a) Set a bid date of August 26, 2014 for Bid No. B1430, for project UT1315 Arkansas Street Waterline Replacement, West 2nd Street to West 4th Street.
- b) Awarded Bid #B1417, for the purchase of Fire Medical uniforms and related accessories, to various bidders, in an amount not to exceed \$54,643.
- c) Authorized the execution of a purchase agreement with Logic Inc., in the amount of \$73,632, for the purchase of two (2) ABB Variable Frequency Drives (VFD) with a five (5) year warranty for Wastewater Treatment Plant.

6. Adopted on second and final reading, the following ordinances:

- a) Ordinance No. 9002, allowing the possession and consumption of alcohol on Saturday September 13, 2014 from 12:00 am to 11:59 pm on the top deck of the New Hampshire Street Parking Garage located at 927 New Hampshire Street for the Lawrence Arts Center Fall Fundraiser Event.
- b) Ordinance No. 9012, allowing the sale, possession and consumption of alcohol on Sunday August 24, 2014 from 8:00 a.m. to 9:00 p.m. in South Park and on Massachusetts Street between North Park and South Park Street for the Kansas State Fiddling and Picking Championship Event.
- c) Ordinance No. 9022, establishing a Neighborhood Revitalization Area at 1106 Rhode Island Street and authorized the City Manager to execute a City-County-School District Cooperative Agreement related to administration of the NRA, and a Performance Agreement between the City and applicant.

7. Adopted Resolution No. 7082, adopting the Douglas County Kansas Emergency Operations Plan.

8. Concurred with the following recommendations of the Traffic Safety Commission:

- a) University of Kansas be permitted to mark and sign a crosswalk across the south leg of the intersection of 18th Street and Naismith Drive (TSC item #2; approved 8-0 on 6/2/14).
- b) Established a No Left Turn, 7:00-9:00 a.m. and 4:00-6:00 p.m., Monday-Friday on southbound Tennessee Street at 23rd Street (TSC item #3; approved 8-0 on 6/2/14).

- c) Denied the request to establish a mid-block pedestrian crossing on New Hampshire Street between 10th Street and 11th Street (TSC item #4; denied 8-0 on 6/2/14).
9. Authorized the Mayor to sign the Grant Agreement for the acceptance of the Environmental Assessment and Drainage Study of the Lawrence Municipal Airport.
 10. Approved a street event permit for Tequa Creek Holding, LLC, allowing the closure of Delaware Street, from 8th Street to 9th Street, and the parking lot south of the Poehler Lofts, 619 E 8th Street, from 4:00 p.m. to 11:00 p.m. on Saturday September 13, 2014, associated with the 2014 SeedCo Harvest Event and adopted on first reading, Ordinance No. 9024, allowing the sale, possession and consumption of alcohol on Delaware Street, from 8th Street to 9th Street, and the parking lot south of the Poehler Lofts, 619 E 8th Street, from 4:00 p.m. to 11:00 p.m. on Saturday September 13, 2014, associated with the 2014 SeedCo Harvest Event.
 11. Authorized the Mayor to sign a Certificate and Acknowledgment Regarding the Lease Agreement and Estoppel related to the Industrial Revenue Bond financing for the Bliss Sports portion of the Rock Chalk Park Project.
 12. Authorized the City Manager to execute a License Agreement permitting USD 497 to continue to use a portion of the Davis Road Right of Way for the Kennedy Elementary School Parking Lot in accordance with the terms of that Agreement.
 13. Authorized the City Manager to execute a Lease Agreement with Black Hills/Kansas Gas Utility Company, LLC d/b/a Black Hills Energy, a Delaware corporation, permitting Black Hills Energy to lease certain portions of City Property in the vicinity of the intersection of 31st Street and Louisiana Street in order to relocate under City Property a gas line and appurtenant facilities in accordance with the terms of that Agreement.
 14. Authorized the Mayor to sign Subordination Agreements for 302 Alabama Street and 1233 Laura Street.
 15. Authorized the Mayor to sign a Release of Mortgage for Karen Parish, 2712 Bonanza Street.

Amyx pulled consent agenda item no. 2 regarding claims for a separate vote.

Moved by Farmer, seconded Riordan, to approve non-Rock Chalk Park related claims to 270 vendors in the amount of \$5,572,945.22. Aye: Amyx, Dever, Farmer, Riordan and Schumm. Nay: None. Motion carried unanimously.

Moved by Farmer, seconded by Riordan, to approve Rock Chalk Park related claims to 5 vendors in the amount of \$52,736.46. Aye: Dever, Farmer, Riordan, and Schumm. Nay: Amyx. Motion carried.

C. CITY MANAGER'S REPORT:

David Corliss, City Manager, presented the report on Sales Tax Distribution for July; City's newest video features tips for move-out week; Kansas Golf Association events held at Eagle bend Golf Course; Yaya's Butterfly Garden; Bookworms and Waterbugs and Work's Largest Swim Lesson; Lawrence Business Development Survey; City crews clean up and collect 1,972 tons of storm debris; and an Update on Recycling Communication Items.

Farmer stated how many people filled out the survey so far for the Lawrence Business Development Survey.

Scott McCullough, Planning and Development Services Director, stated I don't know if we've gotten numbers yet from K.U.'s business school. As we get those numbers, we'll report those to you.

D. REGULAR AGENDA ITEMS:

1. **Conducted a public hearing on the 2015 budget and considered the following items related to the adoption of the 2015 budget:**
 - a) **Considered adopting on first reading, Ordinance No. 9030, approving and appropriating the 2015 City of Lawrence Operating and Capital Improvement Budget;**
 - b) **Considered adopting on first reading, Ordinance No. 9031, attesting to the increase in property taxes levied for 2015, and authorize publication of the notice of vote,; and**
 - c) **Considered adopting on first reading, Ordinance No. 9004, establishing solid waste service rates, effective November 15, 2014.**

Amyx called a public a public hearing for the 2015 Budget.

David Corliss, City Manager, introduced the 2015 Budget.

Amyx stated David, can you go over briefly the solid waste service rate changes.

Corliss stated you have previously set the residential solid waste rates, we're not altering them and we're putting them into code to reflect the ordinance decisions that you made in establishing curbside recycling and then what you have are changes to the non-residential rates and I may have Tammy Bennett, Assistant Public Works Director, walk you through some of those changes to make sure I have all the correct items.

Tammy Bennett, Assistant Public Works Director, stated what we've proposed is a 2 percent increase in the commercial rates. We've not had modified rates for commercial services since 2011 and we have a lot of input that has continued to climb, including our landfill rates that go up 3.5 percent per year. I believe since our last rate increase our landfill per ton has gone up \$3.44 a ton. Those have very direct impacts to us on our personnel, retirement, the same stuff that you've talked about with all your other components, fuel and equipment costs. The commercial service rates are based on dumpster size and frequency of collection. The 2 percent we'll raise from our rear load containers and our front load container businesses is about \$76,317 is added to the revenue line item. The way the budget is submitted with that rate increase and assuming that we don't spend any of the contingency, we should in the year be able to deposit \$10,000. That is with all the assumptions, all the revenue is right, and we spend every dime of expenditures.

Amyx stated the only reason that I bring it up is that I had questions over the weekend about there is not going to be a change in residential, except for the recycling fee.

Bennett stated correct.

Amyx stated the other changes are the 2 percent for commercial.

Bennett stated correct.

Farmer stated I want to give you an opportunity to affirm that it is over the long term, the City wide recycling. It's going to significantly reduce the amount going in the landfill. Is that an accurate assumption?

Bennett stated it is a hopeful assumption. One of the challenges as we initiate the program is that people want to perceive that we're going to decrease our trash volume significantly on the front end. What I suggest is you have to remember we're already diverting a lot of that material. So we have 4500 customers that have private haulers and have a lot of people that drop-off. Our drop-off in the parking lots is incredibly popular. We're going to be picking that up in a different way. Our hard core recyclers, that amount, we're already

capturing. We're going to capture a lot more of the convenience recyclers. We deliver the cart and we love it and we're going to be getting all of the glass at the curb. Just as a point of reference, I know you probably don't recall in detail our Murf contract, but we pay a significantly higher fee to tip a ton of material at the Material Recovery Facility, then we do to tip a ton of trash at the landfill, but there's also a revenue stream that will come back based on the marketing of those materials. We pay \$45 a ton and then we get a rebate based on the various indexes in our agreement. We expect that in the long run, the per-ton fee will be less than the landfill fee but it will depend on the recycling carts.

Farmer stated I wasn't on the Commission when the recycling thing happened but what excited me is 20 to 30 years down the road we're going to save a ton of money.

Bennett stated this is the most important first step. This is a hard one because we're touching 25,000 households all at once. We'll get this one done and then there will be future phases where we want to be able to implement the pedestrian recycling downtown where it's targeted for November then we want to look at about how we can start to serve some commercial clients downtown and throughout the community. There's where your tonnages will go up significantly.

Riordan stated this is a great service, but I noticed 2 weeks ago when the students moved out, there is actually a 2 day delay before the City picked up. On the second night I notice there is a significant number of pilfering and a lot of the trash is sitting next to the trash cans. One of my worries is because there are going to be aluminum cans and things that can be recycled for money, many of these people will end up dumping it out and then leaving it exactly there. I would like us to look at some thoughts about how to keep this clean and what are we going to do if that does happen because it certainly did happen 2 weeks ago?

Bennett stated yes it did. Although, I think that are crews did a fantastic job of staying ahead of that and I think better than we had in any previous year in making sure those alleys and those piles are addressed.

Riordan stated I agree. I was amazed what it looked like in the morning versus the night when I came home. I still think we have a potential problem when we think about addressing that problem if it does occur.

Bennett stated absolutely, we take a lot of pride in their service we provide for Solid Waste and we'll have that same level of pride with the recycling. As this comes up we'll be very rapid in addressing them.

Amyx stated any other questions on the operating the capital improvement budget or solid waste.

Corliss stated the capital improvement budget is separate as a second agenda item.

Amyx called for public comment.

After receiving no public comment, **it was moved by Schumm, seconded by Riordan,** to close the public hearing.

Amyx stated I appreciate staff's work, the City Commission, and the public for their input.

Moved by Schumm, seconded by Farmer , to adopt on first reading, Ordinance No. 9030, approving and appropriating the 2015 City of Lawrence Operating and Capital Improvement Budget. Motion carried unanimously.

Moved by Schumm, seconded by Farmer , to adopt on first reading, Ordinance No. 9031, attesting to the increase in property taxes levied for 2015, and authorize publication of the notice of vote. Motion carried unanimously.

Moved by Schumm, seconded by Farmer , adopt on first reading, Ordinance No. 9004, establishing solid waste service rates, effective November 15, 2014. Motion carried unanimously.

2. **Considered the following items related to the Capital Improvement Plan:**

a) **Considered the adopting of the 2015-2019 Capital Improvement Plan;**

b) **Considered adopting on first reading, Ordinance No. 9025, designating K-10 within the city limits as a main Trafficway;**

- c) **Considered adopting Resolution No. 7079, authorizing the issuance of bonds in an amount of \$200,000 for the 9th Street Reconstruction Project from Delaware Street to Massachusetts Street;**
- d) **Considered adopting Resolution No. 7081, authorizing the issuance of bonds in an amount of \$600,000 for improvements on Bob Billings Parkway between Kasold Drive and Wakarusa Drive.**
- e) **Considered adopting Resolution No. 7080, authorizing the issuance of bonds in an amount of \$575,000 for repairs and improvements to City Facilities.**
- f) **Considered adopting Resolution No. 7084, authorizing the sale of 2014 Series A and Series B Bonds and 2014 Series III General Obligation Temporary Notes on September 9, 2014.**

David Corliss, City Manager, presented the staff report.

Amyx asked if the citizen request on the bicycle program, is that something that can be added to the sidewalk program line?

Corliss stated what I would do is put sidewalk and bicycle program and I think it's a good point. I know we have some capital needs for retrofitting and putting in additional bike lanes. I related to you my experience in Eugene Oregon last week, a community that has a lot in regards to bicycle lanes. I think we have a lot of improvements to be made in that area.

Schumm stated in our discussion, I would like to talk a little more about bicycle expenditures in the Capital Improvement Plan but I will like to hear what the public has to say.

Amyx called for public comment.

Garrett Tufty stated regarding the bikes and the sidewalks, I wonder how much of a direct correlation there is between the amount of people who actually go from using vehicles to using bicycles and what the reduction is in road costs and road maintenance as a result of that. It seems to me that can actually be quantified per person, like if there is 10 more people riding bikes around as opposed to 10 more people riding cars how

much less in road maintenance will that cost the City. I'm just kind of curious whether or not those are viewed from the calculations.

Amyx stated I have no idea at this point. One of the things we looked at during the study sessions on the budget is the sidewalk and/or bicycle program. One thing we need more than anything is some type of plan and how we can add that to the Capital Improvement Plan for the next several years as well as how it is to be funded. At this point, just to put an amount of money in the CIP wouldn't make any sense to me, but the City Commission can talk about putting together a plan or program. I think you have to have a plan first and then put the funding in place.

Moved by Farmer, seconded by Riordan, to close the public hearing.

Schumm stated we're looking at a 5 year capital plan and we've had substantial input from a number of groups in Lawrence that are interested in achieving some betterment in terms of walking and bicycling. When going out to 2016 or 2017 it looks like we only have \$4,000,000.00 that we're planning for in the infrastructure sales tax column and \$4,550,000.00 we're going to spend in 2015 from that. If going out a few years, it looks to me like there is more money that hasn't been spent or planned for.

Corliss stated the infrastructure sales tax money is all spent over the lifetime of the 10 year sales tax under this plan and previous plans that you all have adopted. In some years we're spending more, and some years we're spending less, but over the lifespan of the 10 year program we're spending about \$40,000,000.00 because that is how much we're receiving. At the end of 2019 we have a fund balance of \$200,000.00 or \$300,000.00. The key for our purposes in regards to maintaining a level mill levy rate for the City is that the debt on the General Obligation Bonds usually can go between \$5,000,000.00 to \$6,000,000.00 a year to keep the mill levy stable. The infrastructure sales tax money is sales tax money that the City received from the .3% sales tax. It touches the general fund, then goes to a separate fund and then you all have adopted

the sales tax plan, that is reflected here, for all the different projects. You can, as you have in the past amend this plan. You can also amend it for 2016 where we've got 2.5 million dollars for phase 1 construction of Kasold that we believe needs to be rebuilt. When we rebuild it we're going to be rebuilding it with Complete Street Principles as far as bike lanes and bicycles. You can say that is good, but I have a higher priority, I'd rather spend that money elsewhere on other projects, including, if you so desire, on bike projects that don't have anything to do with capital. We always want to look at the infrastructure sales tax language and it does include trails and sidewalks in that language so you can use that money for that. We have used it in the past. Most significantly, the Burroughs Creek Trail was built with infrastructure sales tax money. Our match for the continuation of that trail south of 23rd Street came from infrastructure sales tax money. Obviously, when we build sidewalks on Wakarusa this year, or elsewhere where we're using infrastructure sales tax money, we're doing that as well. I hoped I answered your question Commissioner but you do have the ability, and it's your direction, as to how you want us to spend that.

Schumm stated we have a lot of expenses in the CPI for the next 5 years that's roughly \$10,000,000.00 to \$11,000,000.00 per year. A lot of that is going for motorized vehicles. I would like to see a line item, with some dollar amount, at some point in this CPI, that goes to sidewalks and trails. While yes, we haven't identified a plan, I can bet you that we will identify a plan when that taskforce completes its work. At that point, it's going to be like okay here's what needs to be done, here's a priority list, here's the reasons why we want to do this and now let's get started. If we say that's nice, we don't have any money. If we have some money set aside in our CIP, then we can get to work on it. It's not like that money's going to sit there and not be touched because there is no plan. I can guarantee there's going to be a plan and there's going to be dollars signs on it. I would like to see, just from the preponderance of groups and people who've

indicated interest in this subject matter, that we hear their voice, and set some money aside, and start working on it.

Amyx asked if Schumm is looking at taking the money out of the 2016 Kasold Drive Project.

Schumm stated I'll defer to staff if they want to make a recommendation. They work with these priorities day in, day out, I don't. If we said to find \$200,000.00 or \$300,000.00 for the next 3, 4 or 5 years, where would be the most likely candidate that we'll take it from and put it as a line item. I don't know which ones are that critical and which ones aren't.

Farmer asked is there, in these larger projects, for instance 2016, the Kasold, 6th to Bob Billings Parkway, Phase 1, how much of that 2.55 million dollars is contingency.

Corliss stated none of it, at this point. It's an estimate based upon construction materials and a little bit of design work. I think the design work is actually at 15th for Kasold. This is a very rough estimate at this point.

Farmer stated that's like David Cronin, City Engineers, estimate for how much it will cost.

Corliss stated right.

Farmer stated I think that's a very valid point. If we took \$50,000.00 from residential street maintenance in 2016, 2017 and 2018, then took \$150,000.00 in 2016 from the Kasold, 6th to Bob Billings Parkway.

Amyx asked if Farmer meant out of the General Operating Fund or the CIP.

Farmer stated the CIP and the infrastructure sales tax.

Dever stated the \$800,000.00 in 2016.

Farmer stated the \$800,000.00 so take \$50,000.00 out of that, \$150,000.00 in 2016 out of Kasold, 6th to Bob Billings Parkway, \$50,000.00 in 2017 out of residential street maintenance and infrastructure sales tax and then Kasold, Bob Billings Parkway

to 6th, we can split it up between those two and take \$75,000.00 a piece in 2017, and then in 2018 the Research Park to 23rd, take \$150,000.00 out of infrastructure sales tax and \$50,000.00 out of residential street maintenance. I'll be supportive of that because, I agree, we should put our money where our mouth is in the CIP.

Riordan stated I also agree. I think this is something that we need to do. I've been banding amounts somewhere between \$200,000.00 and \$400,000.00 for bicycles and this type of infrastructure that is needed. If we're in the ballpark that you're talking about, the question is, how to go about doing that and is it something that we give a concept to staff. Because we're adopting this tonight, do we need to do something tonight, such as a line item, or can we ask staff to come up with a certain amount and then decide which projects and which ones to do and then get back to us in the future.

Corliss stated the main items that you need to do this evening are the resolutions and the ordinance. B-F are the time critical items. If you want us to come back with a proposal on a dollar amount, or multiple dollar amounts, and where that money will come from, that may be the best thing to do. It may be better not to take it from residential street maintenance and just take it from the large projects, Kasold, Wakarusa, and 19th Street. Take it from those projects and we just won't do as much then. The residential street maintenance is where we're doing the preventive maintenance that helped us make sure we don't get further behind on regards to our street maintenance. Bikes ride on streets too, so we want to protect all of that. That will be my suggestion is come back with proposals for \$200,000.00, \$300,000.00, \$400,000.00 a year for bike lane work. Not bike paths, or not sidewalks, but bike lane work or it could be multiples of that.

Farmer stated bike lane work and sidewalks, both. What I'd like to see is, what we've talked about at one point last year, what it would cost us, sidewalk wise, if we added the utility? If we can maybe use that to augment this at a very inconsequential cost to folks. I don't remember what we talked about, but I'd be interested in finding out

what sort of revenue that would generate that could augment this in another way from another fund.

Corliss stated I think I understand that request as well. What I want to make clear is, we see this as a valuable planning tool but only as it reflects your priorities. The B-F is our recommendation and those things need to happen this evening so that we can get all the documents ready for the September bond sale. The A, Capital Improvement Plan, we can come back with suggestions saying here's \$200,000.00 and this is where we suggest it will come from. I think that's what you're asking, not that we'll have project specifics for that because I think you want the taskforce to come back with recommendations on that. What you're indicating is that we plan on having resources for that taskforce to make recommendations for. This is the document to tell us that.

Schumm stated I would phrase it as non-motorized transportation activity. Therefore, it could be bike lanes, sidewalks or bike paths. I can't forecast what the taskforce is going to come back with in terms of what kind of priorities they see. I know they're going to be talking about all of those things, but I don't know what the priority list will look like. To start out in 2016 with some money in the pot so things can start to be accomplished. It ought to be a percent of the CIP because those are important activities to the citizens and we aren't keeping up with them. We're catching up where there is major reconstruction, and it looks good, but there are only so many of those that can take place every decade and we really need to step up on it.

Amyx stated I understand what you're saying. One of the things I don't want us to forget, we've got a growing list of traffic calming items that we're approving by the week. Items that are coming from the Traffic Safety Commission and we're ultimately putting them on the list. One of the things I'm hesitant about, from a designated amount of money in the 2016 CIP, I think we need to have discussion about where we're going to finance some of these traffic calming things that we have on the list or are we going to

let those go by the way side. If we're changing priorities, I think that we need to give a little bit of direction here on these things and then say we can't do these others. There's got to be something.

Schumm stated I'm in favor of having staff take a look at it and come back and say here's where the money can come from. As we talk about the larger capital project, just not doing as much in those and try to carve out some of the money for the other activities.

Amyx stated I just don't want us to forget those other things that we have that were a real need when they were considered. There should be a ranking system somewhere.

Schumm stated the answer I've always gotten when I inquire about it, is that they get handled when there is a project underway that includes that area, that turf and it's melded into the project itself and they get done in that fashion.

Corliss stated one example is Princeton Avenue between Lawrence Avenue and North Iowa. That neighborhood put up with quite a bit of inconvenience over the past few months. I drove it recently and it's been resurfaced, and it's got a bike lane, and designated parking. It looks great. That is an example of rehabilitating a street and paying attention to the Complete Street Principles but it was a combination of why we were doing it. We also needed to rebuild portions of the street and curbs. What Schumm is saying is let's not just wait for those types of projects, let's find resources to keep retro-fits for non-motorized traffic. What the Mayor is saying is let's also include the traffic calming items that we have on that list as well. We can come back with recommendations on all of those and you all can work your will on it.

Amyx stated I just want to bring up 27th Street, east of Iowa, is a prime example of a long stretch of street. We put a pretty high priority on those humps and bumps or whatever is going to happen there. As far as I can tell, I don't think there is any plan on

rebuilding 27th Street. So something that is a real high priority with the amount of traffic that it's carrying right now, it seemed to be pretty much at the top. We'll go ahead and not take an action on the 2015-2019 Capital Improvement Plan and we're waiting on you to come back with recommendations on how we can consider some of these items.

Moved by Riordan, seconded by Dever, to adopt on first reading, Ordinance No. 9025, designating K-10 within the city limits as a Main Trafficway. Motion carried unanimously.

Moved by Riordan, seconded by Dever, to adopt Resolution No. 7079, authorizing the issuance of bonds in an amount of \$200,000 for the 9th Street Reconstruction Project from Delaware Street to Massachusetts Street. Motion carried unanimously.

Moved by Riordan, seconded by Dever, to adopt Resolution No. 7081, authorizing the issuance of bonds in an amount of \$600,000.00 for improvements on Bob Billings Parkway between Kasold Drive and Wakarusa Drive. Motion carried unanimously.

Moved by Riordan, seconded by Dever, to adopt Resolution No. 7080, authorizing the issuance of bonds in an amount of \$575,000.00 for repairs and improvements to City Facilities. Motion carried unanimously.

Moved by Riordan, seconded by Dever, to adopt Resolution No. 7084, authorizing the sale of 2014 Series A and Series B Bonds and 2014 Series III General Obligation Temporary Notes on September 9, 2014. Motion carried unanimously.

3. **Consider the following items related to a new police facility:**

- a) **Received a report from Treanor Architects on additional cost analysis and municipal court options;**
- b) **Considered adopting Resolution No. 7083, authorizing and calling a special question election submitting to the voters the proposition of levying a special one-quarter of one percent city retailers sales tax to pay the cost of constructing and equipping a police facility and directing notice of special question election to be published; and**
- c) **Considered authorizing the Mayor to enter into letter of intent with Hallmark Cards, Inc., to purchase land contingent on a successful sales tax referendum, among other conditions, for constructing and equipping a police facility.**

David Corliss, City Manager, introduced the item.

Andy Pitts, Treanor Architects, stated we're beginning to look at 3 different questions. The first question is what is the impact on the project program if the project budget costs are reduced to \$20,000,000 or less? Second, what is the impact on the program, the size of building, and the cost with the addition of Municipal Court? Third, to provide an update on the project budget to include additional site development cost associated with the preferred site. I'm going to walk through each of those questions starting off with the potential of reducing the program, the size of building to a project cost that is approximately \$20,000,000. As we presented the last time, we had met with the police department and reviewed line by line, each of the program spaces that are previously developed within the 2012 Feasibility Study. Each of those divisions is reduced for a total building of 15 percent reduction, roughly 73,000 to 700,000 to 60,000 to 400,000 square feet. Two of the divisions are actually reduced by a third so we've gone through line by line. To give you a comparison from a benchmark standpoint, the International Association of Chiefs of Police provides a study on the size of the new facilities will be. If you ask them a typical facility is roughly 400 square feet per full-time employee. That's a range from small facilities to very large facilities and precincts in between. If you begin to break those numbers down and look at departments, similar to the City of Lawrence, roughly 175 to 200 personnel that average facility size is 258

square feet. Currently, the program that was provided last time is a facility roughly 260 square feet so just around the average that the International Association of Chiefs of Police recommends for a facility of this size. We look at 3 different reduction scenarios to be able to bring the size and the cost of the facility down. The first thing we began to look at is to reduce the planning horizon that we used from 20 years to 10 years. Again, our original study looked at a 20 year growth from today to the future of the size of the facility. If we looked at a 10 year growth, the number of people that will be within the facility at 10 years, we'll be able to reduce the overall size of the facility from roughly 82,000 to 76,000. That will reduce the project budget to roughly \$23,400. Again, the facility will reach its typical perfect fit within approximately 10 years. So it will shorten the life expectancy of the original proposal of 20 years. We looked at another scenario that will eliminate specific program areas within the facility. We looked at eliminating the garage, firing range, and the out building. The garage is typically used to house the unmarked, marked, undercover, and specialty vehicles and it's approximately 43 different vehicle that are housed within that facility. If that facility is not built with this facility, we'll have to utilize existing facilities which currently a lot of those are stored at Stone Barn Terrace facility or patrol officers new vehicles to the City garage. We also looked at eliminating the fire range. If that is taken into account, the department will continue to utilize the existing facilities at the Fraternal Order of Police. So the time and expense of moving personnel to and from that site need to be considered. The out building is programmed for the storage of seized vehicles, evidence van, accessories, property vehicles, and bicycles so these will need to be accounted for in other facilities. The reduction associated with this we're roughly down to \$20,000,000. The third scenario we looked at complete reduction of the facility approximately 25 percent. We'll reduce all program areas except for the firing range by 25 percent and eliminate the out building. This will reduce the overall gross square footage from approximately 82,000 to

62,000 and this will reduce the project budget to just under \$20,000,000 at \$19,980,000. If we begin to back into what the next square footage is, the actual usable building area, it will be roughly 32,800 that is less than what the department currently uses which is 37,500 in net square footages so that will be a significant change that will basically bring the department from today's scenario into a single building that wouldn't provide growth for the facility. We also began to look at other ways to be able to reduce the project budget. We looked at construction costs, dollar per square foot. The current estimate is roughly \$245 per square foot on average. We submit that our firms been involved with range within this area from \$240 to \$285 a square foot. We believe what we have programmed for this facility is in a reasonable range and we wouldn't recommend reducing that square footage because we believe it will increase the life expectancy cost of the facility. We also looked at different building configurations. Can we move areas from more expensive, above grade to below grade less expensive square footage? As part of the original program we looked at desired adjacencies, what spaces can be next to each other, which spaces can be accessible to the public on a regular basis. A majority of the spaces obviously want to be on the first floor and all want to be touching each other. We also want to balance what the first floor, the second floor and the basement square footage to be most cost effective as we build the project. We believe any changes will limit the impact cost significantly. It wouldn't increase the dollars, but it will be a much smaller impact. We also began to look at what is the impact on the program and the cost associated with Municipal Court. We met with Municipal Court staff, walked through each of their existing spaces and also what we foresee within the planning period of 20 years. From that, we began to develop a program of all the distant spaces that include Municipal Court, the potential for community or second court room, room for the judge, a security vestibule associated with that, client/attorney meeting rooms and storage space. I spoke with the prosecuting attorney on what their space

needs will be for a public counter, access from the attorney's office to account for the public, offices for the prosecuting attorney and the assistant prosecuting attorney; open office space for the legal assistants, and their files and storage space; an area for the court clerk; court administrator; public county files storage; and also for a probation office, a waiting area and associated space within. If you add that up the grossing factor from the circulation of walls accessory spaces comes to a little over 12,000 square feet. We began to look at and apply that to what you are using for new construction cost will roughly add about 2.6 million dollars to the net construction cost. Lastly, we looked at providing an updated project budget that will include the cost associated with additional site building cost with the preferred site we've been discussing. As we mentioned before we carry a contingency within the construction cost line item. That contingency is for many of the unknowns, one of them being some of the unknowns associated with the development cost. So we've included \$86,000 number associated with that to be able to also minimize the escalation and the design contingency. Previously we had a budget to \$21,375,000 breaking those numbers down we're around \$21,360,000 so roughly about the same we presented before. So again, as we have more detail, we're able to use that contingency and be able to incorporate those dollars into the overall construction budget. We also looked at with the overall project budget and taking into account some of the variations from the construction cost, that then has an overall project budget still around \$25,700,000, the original number is \$25,761,000 and are at \$25,747,000.

Amyx stated the Municipal Court portion your estimate is at \$2,600,000.

Pitts stated yes.

Amyx stated I don't know about the rest of you, but I personally think that is an important part of this, but at the same time this needs to be a question about the police facility. There is no way that we really need to muddy the water with questions, if we're going to ask the public to consider a police facility and it ought to be a standalone deal.

We're paying an amount of rent and the estimate can probably cover the cost of a debt service in some amount. I think that's a different question. That part of the discussion to take into consideration is something that's not part of this development this evening.

Pitts stated it's something we can consider through the design process that definitely can be added on in the future or as an alternate bid process.

Amyx stated 32,100 square feet is approximately \$19,000,000 and that is less square footage than we have right now.

Pitts stated we looked at the \$19,000,000 project cost. That will be less net square footage, the actual usable square footage than the apartment currently utilized.

Amyx stated we still have to go off-site to find all of the other uses we need to be able to house vehicles, evidence and everything else that we have.

Pitts stated it will be a reduction of roughly 25 percent so you take the 43 vehicles we'll house and that will reduce that number. Not all will be houses, but you'll basically meet today's needs and no future needs.

Dever stated when you say usable square footage do you mean space that's currently under roof at the existing facilities.

Pitts stated what we try to do is, since the grossing factor can vary between what is actually existing in this space as opposed what we're using for the design portion of the program, we looked at what's inside the raw space so the actual net square footage, not that actual space that the walls take up or unusable portions of the building. When we did the original study, we looked at what spaces are actually used inside wall to wall and added all of those up and that's what we're trying to compare so it's an apples to apples comparison.

Dever stated my question is more related to the inefficient layout and design of the existing building and the fact there is probably a lot of space that's not necessarily utilized to highest and best use and there's areas that aren't probably utilized efficiently

so is it really fair to use a comparison of square footage to perfectly and accurately, appropriately design square footage. Is it really a fair comparison to say it's the exact same amount and the exact same utilization rate?

Pitts stated if you said we need to design a new facility for that square footage obviously it will make it much more efficient than it's been used today. No, it's probably not fair to look at it completely, but it's just to try and give you a benchmark of if we reduce this by 25 percent, we're looking at a number that will be less than what we're currently occupying. We can utilize the square footage in a much more efficient way if we're designing a new facility.

Dever stated when I read that, I was thinking it may not be a direct loss or equivalent square footage because clearly we're having experts design this and it will be laid out in a much better fashion than a retro-fitted use in a building that is never intended for its purpose so just keep that in mind that that is hopefully the best possible design you can have.

Pitts stated I hope so.

Amyx called for public hearing

Bill Roth stated as a background I have a Bachelor's degree in engineering and a Master's in business. I've managed fairly large programs in the past and chaired an Economic Development Committee before I came down here. I'd been interested in what's going on here. I believe to shrink the size of this facility is probably the wrong approach. You need to build something that's going to be available, long-term. I'm thinking some things that I've been on that we designed years ago and their still functional today because we considered the expansion capabilities. So when you put this new building together there's going to be a number of benefits. There's synergism of having everybody in the police force in the same families. We don't know what the benefits are going to be, but there will be benefits. We know that having a secured

facility for the vehicles is critical. To have those spread all over the place and not be able to secure them is probably not the right answer because if we're secure, it will greatly increase the response time of the vehicles we need. There will be time saved because officers won't have to go from one place to another. One of things I think we ought to consider is the maintenance factor facility. One of the suggestion I would like to make is we take the O&M cost out of the bond. I think it's the wrong place to be paying interest on O&M funds that we're not going to need for several years. The facility should not need any serious maintenance for 3 or 4 years if it's a new facility and if it's built with energy efficiency then the O&M cost should be significantly less and we ought to be able to handle that in the City budget. The other suggestion I would like to make is that it will be appropriate in this community where we're all green and interested in recycling to consider Photovoltaic Solar Power and Solar Thermal Energy as a way of reducing the cost of the energy consumed because we know that with more officers in there using computers, the electricity costs will be significantly higher.

Amyx stated what is the first one under item no 2, the thermal and solar

Roth stated there are two kinds of solar, Photovoltaic Solar which is sun and Solar Thermal Energy which will heat the water for the hot water heater.

Kevin O'Malley stated I would like to thank the Commissioners for trying to get this facility built in an efficient manner and at less cost than the \$25,000,000. It will be a mistake to cut it any further than it has already been cut. The original number is \$30,000,000 and now it is down to \$25,700,000. It will give us the kind of facility that Lawrence deserved. My hope and request is for a unanimous decision to take it to the ballot and let's get to work selling this project.

Derek Rogers stated I like to state that "yes" I'm for the police station at the \$25,700,000 price tag for the location at the West Lawrence Turnpike exit, provided the land can be purchased at zero as we discussed at one point. I think from the folks I

talked to that may be in a resolution that you zeroed the dollar cost out especially since the City does own property already. I'm against nickel and diming the project to reduce the facility effectiveness to save a few million dollars. The question will be that I think there's about \$2,000,000 plus in contingency funds when looking at operational and architectural. How much does \$2,000,000 save us off the sunset of the .25 percent sales tax? It may not be that much time and the reality is people are either going to vote for it for the new station or against it and \$2,000,000 or \$3,000,000 isn't going to make a difference. We're going to vote for it because it's what we need. The two questions I usually hear when I ask people about it is, we wanted to know why this isn't the first priority with the Commission before the Sports Complex and the Library. That's water under the bridge and can't do anything about that. We want to know why we're buying the property at Hallmark when we own property. I think there are valid reasons for getting the Hallmark property, but it is going to put some of the voters who will vote for it anyway at ease knowing that it didn't cost the City any extra money to acquire land. I'm totally against reducing the firing range and \$835,000 for indoor range is a bargain. Round trip from Hallmark to the Fraternal Order of Police Range is roughly an hour drive. What happens with encroachment issues, you have daylight time and usage times? If you ever lose that FOP range where are you going to go qualify? Are you going to go out Forbes Field in Topeka and use the PD and the Sherriff's Range? You're probably looking at least 70 minutes round trip and you'll have scheduling issues. The other thing with an indoor range that you don't get is the environmental conditions and actually gives some better training to our officers that are going to be closer to real world versus shooting at a firing line in perfect daylight conditions. I think that training is something you're going to need and keep current on. Eliminating covered parking is probably not a good idea, especially if we plan on keeping our vehicles in use for the City for over 20 years which we're doing right now, maybe we can squeeze a few more

years out of them. At the end of the day did the cost savings and the shorting of the sunset sales tax really equal that much benefit.

Gary Rexroad stated there are two points that I'd really like to try to make tonight. One is the support of a centralized location near Hallmark. The listening I've done and the thinking about how the City is planned to grow makes that a great location. You have to work out the cost of course, but I understand that with Venture Park and an industry growing out east as planned and what we're planning to do out west, it makes perfect sense to be centrally located. The second thing I would like to suggest is that when you're thinking about the size and complexity of the facilities needs to not sell this short, in fact plan long term. There's two parts to this that really need to be considered. One is the hidden cost and then the direct cost. The direct cost will be those things associated with increase maintenance of multiple facilities that we'll need to continue to keep and keep up. The second part will be the indirect costs that we'll see and will be hard to measure, but it's going to be super important. I think things such as the time spent such as the hour and a half drive out to the shooting range, trips around to different facilities around town. All of those activities prevent officers from doing the things we need them to do and that is being on the street and taking care of citizens. There's indirect cost, direct cost, all of those things are going to add up, particular over time. I'd ask you to please consider those two things and please support this facility going forward.

Hugh Carter stated I echo all of Rexroad's comments and don't know that I really need to share. I've served with 3 of you and know Farmer and Riordan well so I'm sure when it comes to considering the price, looking at a plan that gives us essentially a ten year life to save \$5,000,000, we have to do it right, if we're going to do this expenditure and I'm liking it to looking at the Rec Center when we had our conversations. The greater risk is in probably building that too small and we did the right thing and we're

going to see the economic impacts of the announcement of the tournaments that I'm hearing coming in will not be coming with a smaller building. So in the long run I think it is done right and that will prove to be the case. It's apples and oranges I know but at the same time when it comes to the reasoning, the highest and best use of taxpayer funds anytime doing something this significant to be looking at a 10 year lifespan to save some money didn't make sense, wouldn't be prudent and I'm guessing you'll agree on that. The proof is in the pudding and we'll really know about potential cost savings when we actually bid this out and I understand that Treanor is using some current numbers of projects that are happening across the Country, but we've seen in recent times a rec center being a good example where it really came down to it, the bids came in lower than expected. The concern here are we spending too much so we're trying to save it and thinking about how we can cut it at this point and from all the pressure we put to the Wilson, Estes and Treanor Architects, we keep coming back feeling very firm that in fact it sounds to me like we really sacrificed this project if we cut it any further at this point. There may be savings and will see that when a competitive bid goes out and we'll know whether or not we're budgeting more than needed. At this point, I certainly wouldn't look at downsizing the project because the need has been clearly outlined.

Garrett Tufty stated as to the specifics of why it's there and the catalyst behind the constructing a new facility, I'm not completely up on the particulars behind that sort of thing so I really don't have a comment. Did he really say that it only had a 10 year lifespan? I'm not sure if that is the intent.

Amyx stated we'll get a clear answer to that.

Tufty stated if that's the case, that's very strange and doesn't make any sense for building a building that the difference between it lasting 20 years and lasting 10 years is something like \$5,000,000. It's confusing and I don't know how that makes any sense.

Pitts stated when we spoke of the 10 years, we're looking at the staffing, planning horizon and so when we originally did the study, we looked at a 20 year planning horizon and what will be the number of staff that we'll anticipate for the growth of the building over the next 20 years. As we design and construct the facility, we're actually looking at a 50 to 70 year lifespan and a minimum for this facility. We're not looking at how long the building is going to last, but it's more of how much growth potential do we have within the program that we're designing and as the original program indicated a 20 year, the reduction we showed in scenario one is to look at a 10 year staff growth projection.

Pat Miller, President of the Pinckney Neighborhood Association, stated the current location is right on the edge of our neighborhood. We have not had an opportunity to talk as a neighborhood association about this and it is premature for me to give you specific information. I would like to thank City staff and police officers reaching out and we'll have some continued discussions and get back to you. Our neighborhood association will have an answer with the utilization of the remainder of the property. There are several items that were discussed with the family and fun center is interested in the area and also relocation of the ball park at Woody Park so the hospital can take over Woody Park for a parking lot. I would just like to say early that we love having Lawrence Memorial Hospital, Bert Nash and the other medical facilities as part of our neighborhood and made our neighborhood stronger, but it is unusual to have a complex facilities nestled right into a neighborhood. Our long term concern for the growth of that is that more and more properties don't just turn into parking lots. I just wanted to put in an early pitch that maybe it's time to look at some other parking solutions, rather than making flat impermeable parking areas. On this particular project we'll discuss it more as a neighborhood association and provide comments.

Amyx stated we'll plan on having discussions with the neighborhood association because you are going to be affected. Everything will go through zoning and planning process as like with any other project. I do like the idea of discussing future parking needs.

Corliss stated the ballot language did not include property acquisition. We'll acquire if you so direct and if we're successful at the referendum, we'll close on all of our property and we'll then be able to proceed with the construction of the new facility, the sale of the ITC facility on Bob Billings Parking which we don't believe can be successfully repurposed for any City uses. We'll also be proceeding with the transfer of sale of some of the remaining track of the property. The person that is interested in the family fun center is still interested and fully understands that you have to go through land use approvals and engage the neighborhood to see if it is a good fit. The school district is interested in a maintenance facility. We know the hospital has for years been interested in the relocation of Woody Park. There's conversations that still need to happen in regards to all that. Our plan is to have a net cost of zero for the City land acquisition because we'll be able to sell the ITC Building, some of the remaining property and not have a cost to the City. It's going to take some time and we're not going to leave the ITC until the new facility is up and running. The key is we aren't asking for sales tax dollars for property acquisition and think we can manage it in a way so the City cost will be net zero or close thereof. Similarly there is some site development allowance that's obviously parking and some access roads. Those can be paid for by adjacent property owners and be part of the Hallmark site and some of the City's. Again, we're not going to be using, other than the site development, allowances here, but for the other development if the family fun center will come there or Woody Park will be relocated those cost can be borne by those users. What we're trying to do is to put the dollars that are generated by the sales tax into a police facility, the equipping of it, the

functioning of it and those types of things, not for other uses. Similarly what we talked about in this report that if it's a desire to relocate municipal court, we'll try to squeeze it into the budget or some other avenue as well. We want to put the money into the police facility. We've made it very clear in the language that it can only be used for that and it did not have the language that you see. I wanted to emphasize that because there are some questions about that and also when you're ready to approve it you'll need to know what it contains and more importantly what it does not contain. We've written the language in way that it expires after 9 years or it can expire if we have great bids and less of a cost or if we're too conservative in our sales tax estimates. The same sales tax estimates that we're using for our infrastructure sales tax growth. This year we're seeing more and maybe we'll see more in the future, if that's the case then we can turn that sales tax off sooner, but it's capped at a maximum 9 years and capped at the dollar amount for the facility as well.

Amyx stated do we have any questions about the language in the resolution. I want to thank Schumm for asking the question about how cost saving measures will look like, but also the implications. Like everyone else, I like saving money, but realize we need this building to last for years and it is important to understand by going through this process that it shows me that we have a design that will last. The question from Dever about comparing usable space is an important question. Public safety is the most important part of core services. We have a great deal of respect for our police and fire/medical departments. Tonight, we've talked about core services, the importance of streets, and the importance of non-motorized vehicles. The most important thing we help provide are to make sure everyone is safe in this community and we can applaud the first responders. The decision we're going to ask voters to make is probably the most important decision that will be asking you to make. The plan we're looking at is probably the best plan that we can put together. As we look at the cost of the land and try to do

everything that we can to get the cost down to zero so that we can go to the voters in 3 months and we'll ask that you only look at the cost of the building. We've done that in the most cost effective way that we can. The sales tax is the best way we can do it and for a period of 9 years, we'll pay-off a new public safety building in 9 years and it will be the end of that tax. We've gone to the various sites to make sure we select the best site in town. As we look at this site being the most centrally located it will be one that will give the easiest and best access to all points in this community. We need to understand as we try to get the cost to zero and we may have partners on this site, there is a process these partners are going to have to go through. This is the most important decision that we as a community are going to make over the next several years. This is about public safety for us and the generation in the future. It's time we ask the community to consider the question and ask for a positive vote in November.

Schumm stated I had the opportunity to meet with police staff and the architects about the questions we proposed as a Commission and dwelled a long time on the dollar issue, the trade-offs, and what you don't get for the money you save. In the end, I'm convenience, depending on how you slice and dice it, we're either at \$2,500,000 or at \$5,000,000 you'll get a facility that is 10 years long than what you will if you try and reduce the cost. To me that's good value and it's being very forthwith with the money we're entrusted to spend. I think we can go ahead with the original plan, the \$25,700,000. If you reduce some of the square footage or some of the service, it's just a false economy and you really aren't going to save much over the long-run and you'll be back in 10 years trying to figure out how to add onto the building. We can plan for the Municipal Court, not in this bond issue, but to allow for the space to be factored into the overall plan and if by chance we're able to have such a significant favorable bid that it will be an opportunity to do that, then I think you'll want to do it. Somewhere along the line paying rent as opposed to owning, we all know the economic value of that. At some

time, we'll want to have Municipal Court in the Police Facility. I'm in favor of leaving the facility as is originally proposed after the first renovation and revision of number and then moving ahead with all the remaining facilities intact.

Farmer stated I agreed and didn't have anything else to add, but what I would like to see us do is we have \$1,500,000 from the Turnback agreement from 6th Street that if it can be applied to this \$25,700,000 can take the cost of the facility down to \$24,200,000.

Corliss stated we need that additional debt authority for acquisition of the property originally and then also, we'll pay ourselves back. If we reduce the dollar amount by \$1,500,000, although we've spent approximately \$43,000 out of that money, but you want to reduce the \$25,700,000 by \$1,500,000.

Farmer stated if we can do it by \$1,200,000 and get it down to \$24,500,000. You mentioned the \$30,000,000 in the very beginning may scare folks, but \$25,000,000 is what we're doing the rec center for. If we can do it for less and get it under that threshold, I think it will make it more palpable. I don't know if it will change the 9 year sunset.

Corliss stated I understand what you're saying, but was thinking about what we need to do procedural. You all adopted a resolution of \$1,500,000 general obligation debt authority for the police facility as far as the Turnback Agreement. The Turnback Agreement isn't really all that complicated, it is just multifaceted. KDOT is paying for projects that we otherwise have to pay for through our capital improvement plan and that freed up a certain amount. We're using \$1,500,000 for the Police Facility for design property acquisition. What the Vice Mayor is suggesting is that we reduce the \$25,700,000 project budget which is construction and design by \$1,500,000 because we already have that programmed as a project. I'm going to need some authority to borrow money, close on Hallmark and reimburse ourselves. I want to accomplish what you all

want and want to make sure we're not overstepping something that is otherwise planned. We're going to still build \$25,700,000 facility but will only ask the voters for a sales tax that will pay for \$4,200,000.

Farmer stated if the cost of the property is zero; it's disingenuous for us to have \$1,500,000 that we're going to use. By doing this we're telling the public that we're going to do everything we can to sell the property we need to sell to make that zero and we're willing to put our money where our mouth is to take that \$1,500,000 and apply it to the cost of the facility so that we're not asking tax payers to be on the hook.

Corliss stated we're committed to do that. You've seen the numbers and we have it in the memo where we'll be selling the ITC building for hopefully what we paid for or somewhere in that neighborhood.

Amyx stated we're using the \$1,500,000 to write down the cost of the property.

Corliss stated no. What I need is \$2,250,000 in cash to close in December. I may have to do a temporary note on that and reimburse ourselves overtime but we're not using sales tax proceeds for that. I was trying to think if there will be collateral consequences that I haven't thought of. I'm not thinking any because essentially what you're doing is building a \$25,700,000 police facility and furnish it for all that cost, but you're only wanting the \$24,200,000 worth of sales tax.

Schumm stated what happens if we don't sell the ITC property for 5 years.

Corliss stated we'll carry that deficit on the books. It won't just be a deficit, but we'll show that and the public will know that we haven't sold it until that time.

Schumm stated the question is will we be cash short at that point because of this reduction.

Corliss stated we're not going to sell it for something we don't think is appropriate for its appraised value.

Amyx stated I assume that we can look at some other property that is available.

Corliss stated we've got the Overland Drive site. One of the site's we're going to sell which I think is very appropriate to put resources back into is the 7 acres we have west at Bob Billings Parking. When Bob Billings Parkway and K-10 Intersection are complete that property is going to be at its highest and best value and that's when we can sell it.

Amyx stated we've got some very expensive property.

Corliss stated we outlined that. What you're saying is let's just have a sales tax and collect \$24,200,000 and we turn off the sales tax when we get that money

Dever stated I think it is a great idea to try and get the cost down. What are you planning on using the \$1,500,000 for?

Corliss stated this is the Turnback Agreement for 6th Street. We're using it for the design cost for property acquisition and cost for the project. In the past few weeks we've made a decision we want to try and have a net zero property acquisition cost.

Amyx stated if we're looking at \$24,200,000 do we still need to ask for a .25 percent, can it be less?

Corliss stated obviously it will be less money.

Dever stated it's written so we can turn it off sooner.

Corliss stated maybe it will be palpable to the voters to say let's not ask it for 9 years, let's ask it for 8 if we know for sure we can do that or maybe we only need .2 percent for 9 years.

Amyx stated Dever brought up a good point that if we don't need it for the entire 9 years, we can stop it at 8 or any point we meet the obligation.

Corliss stated correct. Essentially, that \$1,500,000 we'll still issue and use it, we just won't use it for property acquisition.

Farmer stated as I'm looking at this site and what we're trying to convey to the community and all the questions people are asking about why are you spending money

on something and are saying its net zero, for us to say we're not going to put you on the hook for the \$1,500,000 that we already have we're actually going to cut the cost where we're going to ask the tax payers down by \$1,500,000 and to prove that we're so serious about making this a net zero, that we're going to make it work in that way. I think it will mean a lot to folks that are asking the question, why are you building it on a site instead of using free land. I think it will mean a lot to folks that we're making that decision to be prudent to taxpayer dollars to reduce the cost of the building, get it under \$25,000,000 and it will mean a lot to people come November.

Corliss stated you're still building a \$25,700,000 building, but you're only paying for it with \$24,200,000 in sales tax. The resolution that we adopt on the \$11,500,000 talked about design and property acquisition and will need to amend that resolution and just have it be design and police facility and take out property acquisition. You'll still want to build a \$25,700,000 facility and still need to have \$25,700,000 worth of debt authority you just have \$24,200,000 paid from sales tax.

Dever stated I just want to make sure it is clear that Commissioner Farmer was talking about isn't money to the public in general, it is money that is already included in the project, it is just shifting the burden of paying for this additional \$1,500,000 off of the taxpayers and back onto the City and making them responsible for yielding a net zero land acquisition cost instead of using \$1,500,000 to pad that process and to make it easier so we're actually going to be asking for less sales tax dollars from the public and creating a sense of urgency for the City to vest themselves of real estate that has high value and can be generating taxable income through the use and construction of buildings and there is a multi-faceted benefit by divesting ourselves of this land, not only do we help pay for this land, but we also create hopefully tax generating properties that are currently now paying zero tax dollars.

Riordan stated I will agree with Commissioner Farmer, to use that money for the reduction in the cost. My only concern is we spent some money already on design and we like to have some design that we can put before the public that's accurate. So we may consider holding back \$1,400,000. That's a great value for the City. When I look at the comments before I will echo those and say to go from a 20 year horizon to a 10 year horizon which is a 50% reduction and you have a 10% reduction cost doesn't make sense. To do the other ones requires you get rid of the firing range and some very essential things like safety and the ability for the police to protect. I will also say that we need to go with the \$25,700,000 project. If we get that for the public, with the sales tax of \$24,300,000 or \$24,200,000 that makes a heck of a lot of sense, but I think we ought to for forward. The only question is the design monies because I will hate to have money that we've already spent and not account for it.

Corliss stated to keep in mind that it's not just the principle costs, it's also the interest cost which is included in all of our calculations, but we're not completing the whole sentence.

Toomay stated it didn't turn off when we collect it, \$24,200,000 it's when it's \$24,200,000 plus the interest.

Amyx stated the question for Resolution 7803, we aren't changing the amount of the request to exceed nor are we going to change that to \$24,200,000 or \$24,300,000.

Corliss stated the sales tax under the Vice Mayor's addendum, the sales tax is only going to pay for \$24,200,000 worth of facility cost and are going to amend the resolution that had the \$1,500,000 changing it from acquisition and design to design and construction, the same language here essentially. The principle amount will be less and then we'll need to spend a day to figure out whether or not that changes the length of time for the sales tax. It may not be .25 percent, it may be less. It has to be in .05 increments.

Amyx stated that's what I was asking when we change that .25 percent at 9 years.

Corliss stated it can be or maybe it will be .25 percent with 8 years based on our current projection. That will be your choice.

Amyx stated the timing of all this, do we still have time to proceed with this because it has to be done by the first of September?

Corliss stated Toni Wheeler, City Attorney, is saying yes.

Amyx stated with all of that said, what can we vote on tonight?

Corliss stated you can direct us to place this back on your agenda next week with options and we may be able to work with bond council to draft a resolution amending the \$1,500,000 to clarify its purposes. You can still take action on the letter of intent or wait.

Riordan stated I saw no reason to delay the letter of intent, that's not going change. I think we can ask staff to do what Corliss suggested and go on with the letter.

Moved by Farmer, seconded by Riordan, to authorize the Mayor to enter into a letter of intent with Hallmark Cards, Inc., to purchase land contingent on a successful sales tax referendum, among other conditions, for constructing and equipping a police facility; and, direct staff to draft the necessary language for Resolution No. 7083 and place on next week's City Commission agenda for City Commission's consideration. Motion carried unanimously.

4. Consider adopting on first reading, Ordinance No. 9032, removing Pennsylvania Street from 8th Street to 9th Street, from the Schedule of Truck Delivery Routes.

Chuck Soules, Public Works Director, presented the staff report.

Amyx stated the only question I had is at 8th and Connecticut. There is parking on the east side of the street and when these trucks make a right hand turn out onto that street, that parking comes back quite a ways.

Soules stated the Ready Mix Plant has expressed concern. We have not had a chance to look at the parking situation to see if trucks can make those turns. I believe we're making those turns, but it may be difficult.

Amyx stated you will have to pull out at a pretty good line of site on the south end of traffic.

Soules stated it had more traffic on it and has parking. I can see the concerns from these bigger trucks. We do have semi's that made deliveries as far as materials go which are longer than the large compost trucks.

Amyx stated I appreciate your comments about the amount of resources on Pennsylvania Street and we'll love for it to last. We have to do everything we can to protect that stretch of roadway along with the other roadways, but we have obligations to get trucks into town.

Dever stated part of the request that's being made relates to traffic going up and down Delaware, Pennsylvania Street and a variety of encroachments or diversions off of the designated truck route. I appreciated some of the emails I got about how difficult the navigation route is on Connecticut Street. Is it possible to route traffic from east side of the activities on 8th Street through the Wastewater Treatment Plant property?

Soules stated I had not looked at that. I know we haul sludge out the back across the compost site and then we access 11th Street and go out Haskell.

Dever stated I didn't know if the quality of the road that we have is better than Delaware.

Soules stated it had about 4 inches of asphalt because we don't drive a lot of truck across there. I would have to check to see if that is even an option.

Dever stated I was just trying to come up with reasonable alternatives to complete migration of the route all the way to Connecticut, but I see this as a stop gap measure at minimum to try to make the truck traffic that's currently not following the correct truck route procedures to at least get them off of the residential streets, off of our brand new brick street,

and onto a street I believe can handle the traffic, although it may be a little more difficult. As one of the Hamm employees indicated in his email, a lot more residential property is being impacted by going the Connecticut route. The bottom line is for me, I'm just trying to figure out a way to stop where we're at, take a breath, route traffic away from the current streets and come up with a better plan. I don't know if we studied all of those better plans, but right now the plan we had is not good and is causing grief and anxiety for the residence in this neighborhood. With the additional construction activities, I'm just concerned that unless we come up with a plan like this it's not going to get any better.

Mayor Amyx called for public comment

Steve Kueffer, President of Penny's Concrete, stated we're in support of tonight's ordinance to eliminate truck traffic off of Pennsylvania. It's a beautiful brick street and it's a great addition to historic East Lawrence. We believe as you do that, eliminating truck traffic will be a benefit for the life of the street. Our concern as yours is the interim route that we've been assigned to Connecticut Street. He showed and explained a map of their proposed route. If an independent study is possible using a traffic professional, I will encourage us to do that and it may give us guidance as far as direction.

KT Walsh, East Lawrence Neighborhood Association, stated we support this because the brick street is beautiful. We met with Tony Krsnich about this and we all concur that we need to stay off of that beautiful stretch of Brick Street. We did get down to the nitty gritty last night about how much better it will be to have the trucks go down Delaware up to 11th rather than take that route. There is a problem with 9th and Delaware, it's so busy and there are yield signs and with 9 Del Lofts going in and more businesses at that location, the neighborhood will really like to talk about a stop sign or stop signs at 9th and Delaware. The neighbors are also interested in removing parallel parking on the east side of Delaware. We realize we can visit with David Woosley, Traffic Engineer, and get on the Traffic Safety Commission agenda about these matters. We may be going backwards, but the association voted for me to tell you this

and very long term we also wanted me to day, it may be in the future for the City to acquire the Penny Sand Plant as the EPA goes to more pit dredging rather than river dredging to expand river front access along the rivers. People just wanted to plant that seed. The people from Penny stated we'll restrict their drivers to 20 mph on Delaware if that is needed.

Amyx stated are you asking us to initiate the stop sign consideration at 9th and Delaware?

Walsh stated I need advice on the proper procedure. Do we get on the agenda at Traffic Safety Commission?

Amyx stated we can put it on their agenda.

Schumm stated if there's a stop sign at 9th and Delaware, your preferred route is Delaware Street.

Walsh stated yes, there is some decent because 9th to 11th is getting a lot busier and is skinny, but it's better than having the trucks go all that way.

Schumm stated between 10th and 11th Streets, take the east side parking over.

Walsh stated no between 9th and 10th Streets because there's no east side parking from 10th to 11th already. Should you decide to allow Penny's to take the back route, will it end up by Just Foods and the Recycling Center.

Farmer stated no it will come in to the east of that back on the other side of the railroad tracks. It will not have any effect on us at all.

Corliss stated the challenge will be we don't want it to be a public street.

Dever stated there's a gate on the south side as well.

Walsh stated the concern at the meeting last night is that often when you do something just for Penny's and Penny's left and it became a public street, perhaps we meet and talk about the effect on the surrounding area. There was a parkway proposed along that route years ago, this doesn't sound like the same thing, but there may be reverberations.

Amyx stated Kueffer will probably take and help with the asphalt on that special consideration too.

Dever stated the only reason this is on the agenda is because we've had multiple occasions recently where the current truck route is not being adhered to meaning Pennsylvania Street between 9th and 11th is being used as a truck route. Drivers are stopped and asked and didn't realize we aren't supposed to be on that route. There's clearly some confusion as to what streets. My request is to try and remove any confusion by getting them off either of those streets until we can decide how we want to use the resources we installed between 8th and 9th Street either on Pennsylvania and Delaware. We just put in a 8 inch asphalt street on Delaware which is more than likely going to suffer because according to Soules, the road probably wasn't built to handle trucks which is why that put the "no trucks" sign up. Are we planning on rebuilding Delaware south of this at some point in the future?

Soules stated we did some rehab just last year, from 9th Street south, there is between 7 and 10 inches of concrete so we're good from 9th Street.

Dever stated what I would suggest is if Penny wants to utilize a brand new street that we constructed and it gets torn up, then we can resurface this when it gets to the point of becoming dilapidated or worn down earlier than its intended useful life, Penny's can chip in and pay for the new concrete and we can pour the street to a concrete level and that will resolve some of the issues. Bottom line is we're talking about today and there's a construction plan at the corner of 9th and Delaware that's going to be going on. There's going to be a lot of activity at this corner if you add to it, concrete trucks plus semi tractors which will have raw materials, I'm just not sure that this is a good solution for today. I thought that we can at least try and resolve this problem for the citizens and residents of that neighborhood because it's clearly not a good solution right now, both the degradation of Pennsylvania Street and the fact that the trucks are driving up and down the wrong road currently. To remove any doubt in the truck driver's minds, short-term, I felt like Connecticut Street can handle this, maybe I'm wrong, but I felt like it was a reasonable

short-term solution. The back way was suggested to me because the only place that road goes is to Penny's Concrete and ultimately on the north side to 8th Street, but if the trucks went in and out of that route, we wouldn't be disturbing any residential neighborhoods and no interference with other vehicles other than the City owned trucks and it can go in.

Corliss stated it's all fenced off and there are obviously security concerns.

Dever stated I didn't know if there is security, some EPA regulations or some long-term crisis issues related to allowing the public to go on that street, but I thought at least a short-term solution can be to come in the back way.

Schumm asked how many trucks a day we're talking about.

Kueffer stated it varies depending on the days order of business, but it can be anywhere from none to possibly a hundred.

Schumm asked a hundred round trips

Kueffer stated a hundred single trips.

Schumm stated that is a lot of traffic.

Dever stated was that usually during business hours.

Kueffer stated yes, business hours will vary from early morning starts. If we're to take that route we have to make sure there is room on the road to pass each other at the same time and need access to get out. We don't know what time we'll start or finish at the end of the day often times.

Amyx stated we can adopt the resolution, give staff and the neighborhood time over the next week to get something back to us. Corliss, maybe you can look at the plant down there to see if that works, what kind of restriction did we have, and try to get this resolved as quickly as we can because I know everyone is trying to go somewhere. Do we want to look at a temporary situation like Delaware Street?

Dever stated in lieu of Connecticut Street.

Amyx stated yes, just until we come up with a plan.

Dever stated if Penny's is willing to help pay for rebuilding the road, I'm all for it.

Amyx stated I'm just talking about a couple of weeks until staff came back with a recommendation.

Walsh stated I feel a little bit funny. I think the neighbors are saying Delaware Street will be great if the parking is not on the east side and if we had some stop signs. I don't want to misrepresent, but it's whatever you all want. I think what Dever stated about homeland security concerns and APA concerns, that that will not become a public street.

Corliss stated we'll not recommend that because there are two valuable assets and too remote for it to be a public street.

Walsh stated that lessens my fears. That may be a really good solution to look at.

Amyx stated I'm pretty sure we can't get the removal of parking and stop signs done in a week's period.

Soules stated we can put up a temporary stop sign under the City's Traffic Engineer's authority. The parking is a neighborhood issue that we really need to contact the neighbors for discussion.

Amyx stated we can also talk about the speed limit on Delaware.

Soules stated we can do that on a temporary basis too. If you can give us a couple of weeks because I don't know if Penny's is going to hurt the road that badly for at least a couple of three weeks to get something back to the Commission at least for your consideration.

Amyx stated on interim basis we can go ahead and say there's no truck traffic on Pennsylvania Street, we can temporarily reduce the speed limit to 20 mph, and can put up a temporary stop sign.

Soules stated correct. If we keep it to 20 mph maybe parking isn't as big of an issue until we can address the total solution.

Dever stated what happens if we don't get compliance.

Amyx stated we'll get increased enforcement.

Moved by Schumm, seconded by Dever, to adopt on first reading, Ordinance No. 9032, removing Pennsylvania Street from 8th Street to 9th Street, from the Schedule of Truck Delivery Routes; and temporarily reduce the speed limit on Delaware Street to 20 mph from 8th to 11th Street, placing a temporary stop sign at 9th and Delaware for a temporary truck route. Motion carried unanimously.

5. **Consider adopting on second and final reading, Ordinance No. 9021, establishing a Neighborhood Revitalization Area (NRA) at 1101/1115 Indiana Street and authorized the City Manager to execute a City-County-School District Cooperative Agreement related to administration of the NRA, and a Performance Agreement between the City and applicant.**

Diane Stoddard, Assistant City Manager, presented the staff report.

Amyx stated if the agreement came back generally what we do is to authorize the City Manager to sign those bond note agreements. The question is if we want those final documents on a consent agenda.

Riordan stated I don't think we need to see it back on the regular agenda and the consent agenda will be fine.

Mayor Amyx called for public comment.

After receiving no public comment, **it was moved by Farmer, seconded by Riordan,** to adopt on second and final reading, Ordinance No. 9021, establishing a Neighborhood Revitalization Area (NRA) at 1101/1115 Indiana Street and authorize the City Manager to execute a City-County-School District Cooperative Agreement related to administration of the NRA, and a Performance Agreement between the City and applicant. Motion carried unanimously.

E. PUBLIC COMMENT: None

F. FUTURE AGENDA ITEMS:

David Corliss, City Manager, outlined potential future agenda items.

G: COMMISSION ITEMS:

Farmer stated that we received an email on the email that Maria Kaminska, Assistant City Attorney, put together on payday loan business and I would like to get it on the agenda at some point over the next couple of week. The question I wanted to ask that was in my email is there is that there are no interest regulations on that.

Toni Wheeler, City Attorney, stated there are some regulations.

Corliss stated we'll work with the Mayor on scheduling it as an agenda item and put it on the future agenda memo so everyone can take a look at Kaminska's work so far and take your direction accordingly.

H: CALENDAR: None

David Corliss, City Manager, reviewed calendar items

I: CURRENT VACANCIES – BOARDS/COMMISSIONS:

Existing and upcoming vacancies on City of Lawrence Boards and Commissions were listed on the agenda.

Moved by Schumm, seconded by Farmer, to adjourn at 9:14 p.m. Motion carried unanimously.

MINUTES APPROVED BY THE CITY COMMISSION ON OCTOBER 7, 2014.


Diane M. Trybom (City Clerk)