Council Minutes – May 12, 2015

COUNCIL CHAMBER, Topeka, Kansas, Tuesday, May 12, 2015. The Councilmembers of the City of Topeka met in regular session at 6:00 P.M., with the following Councilmembers present: Councilmembers Hiller, Clear, Ortiz, Schumm, De La Isla, Jensen, Schwartz, Coen and Harmon -9. Mayor Larry E. Wolgast presided -1.

AFTER THE MEETING was called to order, Mary St. John, Recording Secretary, Spiritual Assembly of the Bahá’ís of Topeka gave the invocation.

THE PLEDGE OF ALLEGIANCE was recited by those present in the chamber.

Jim Colson, City Manager, requested to withdraw Council agenda items 5B and 5C, an ordinance and a resolution authorizing the issuance of General Obligation Bonds, Series 2015-A from the Council agenda. He stated the market sale did not realize the anticipated savings as the interest rate changed; therefore, the bonds were not sold.

Upon hearing no objections, Mayor Wolgast announced Council agenda items 5B and 5C would be withdrawn from the Council agenda.

THE CONSENT AGENDA was presented as follows:

APPROVAL of a Workers’ Compensation Settlement for Matthew McClimans, Topeka Police Officer in the amount of $12,180.25 with medical treatment remaining open for two years for the permanent partial impairment of his lumbar spine from injuries suffered on October 11, 2013, while jumping over a fence while working in the line of duty was presented.

RESOLUTION NO. 8690 introduced by Councilmember Sylvia Ortiz, granting Randy Wheat an exception to the provisions of City of Topeka Code Section 9.45.150, concerning noise prohibitions was presented.

MINUTES of the regular meeting of May 5, 2015, was presented.
Councilmember Ortiz moved to approve the consent agenda. The motion seconded by Councilmember De La Isla carried unanimously. (10-0-0)

APPEAL by Matthew Pry concerning the denial of a security guard license by the City of Topeka Police Chief was presented.

Chad Sublet, City Attorney, stated legal staff has determined the license should be denied under Topeka Municipal Code Section 5.90.140(a)(7) for not stating a conviction within the last ten (10) years and Code Section 5.90.140(a)(10) for falsification of application.

Matthew Pry stated he did not disclose the 2009 conviction on the application because he received the conviction when he was 17 years old and he had forgotten about it. He noted he was now 24 years old.

Councilmember Harmon moved to approve the denial of the appeal. The motion seconded by Councilmember Ortiz carried unanimously. (10-0-0)

RESOLUTION NO. 8691 introduced by City Manager Jim Colson, authorizing initiation of condemnation proceedings to acquire fee simple interest of a vacant lot for the public purpose of rehabilitation of the South Kansas River Pump Station located at I-70 and SW MacVicar Avenue, Project No. T-291003.00 was presented.

Jim Colson, City Manager, reported approval would begin the process of condemning a vacant lot at 5227 NW Hawthorne Street for the South Kansas River Pump Station project.

Doug Gerber, Administrative and Financial Services Director, reported in order to proceed with the project, it would be necessary to obtain title to a .12 acre vacant lot located at 5227 NW Hawthorne Street. He stated staff has not been able to locate the owner in order to make an offer to purchase the property with an appraised value of $680. He noted property taxes have not been paid since 2008. He provided a brief overview of the South Kansas River Pump Station Project.
process beginning in 2009, and how it was associated with taking the Potwin Pump Station off-line to construct a new sewer interceptor which would run through a portion of the vacant lot.

Robert Kennedy, City Engineering Right of Way Agent, reported staff has conducted an extensive search for the property owner with no results. He stated it would appear the owner purchased the property in 2003 and has changed their name since that time as well as the property was land-locked between the Union Pacific Railroad and I-70 and was not large enough to develop.

Councilmember Harmon moved to approve the resolution. The motion seconded by Councilmember Schwartz carried unanimously. (10-0-0)

DISCUSSION for the purpose of establishing priorities for the budget on or before the third Tuesday of May was presented.

Jim Colson, City Manager, stated the discussion was continued from the April 29, 2015, Council meeting with the objective to reach a consensus and bring forth a resolution for approval outlining the 2016 Budget Priorities at the May 19, 2015, Council meeting.

Nickie Lee, Budget Manager, reported the Governing Body was required to set priorities for the budget preparation on or before the third Tuesday of May each year, as stated in Topeka Municipal Code Section 3.05.050. She listed the 2015 budget priorities and proposed 2016 budget priorities as follows:

2015 Budget Priorities
- Continuing a Commitment to Developing Neighborhoods
- Continuing a Commitment to Public Safety
- Establishing Fiscal Sustainability
- Investing In Infrastructure

2016 Proposed Budget Priorities
- Continuing a Commitment to Developing Neighborhoods
- Continuing a Commitment to Public Safety
- Improving Fiscal Sustainability by Reducing Debt
• Improved Performance and Cost-Effectiveness
• Investing in Infrastructure

Mayor Wolgast stated there have been many opportunities for the Governing Body and public to provide input on this important step in the budget process. He suggested the priorities be more specific with a certain goal for each priority and then provide additional funds to accomplish the goals in 2016. He asked members of the Governing Body to consider what type of city they want five years from now, and noted quality of life issues seem to resurface frequently in discussions; therefore, maybe they should include this as a priority.

Councilmember Schwartz stated she believes Improved Performance and Cost-Effectiveness as well as Investing in Infrastructure are important and should be more specific. She questioned if Investing in Infrastructure should be moved to the top of the list.

Councilmember Jensen asked if Investing in Infrastructure could be more specific to include developing a complete street replacement plan over the next couple of years and sweep streets at least once a month to help clean up the city.

Jim Colson stated infrastructure has been discussed numerous times and they understand the amount needed has been much larger than what currently has been invested. He stated staff would come back with more specific language. He commented on the deferred maintenance of infrastructure since 2008, and stated the issue would continue to be addressed. He reported he has requested City departments identify the needs of the city to allow better overall fiscal planning.

Mayor Wolgast reported the Public Works Department designed a long-term plan for street repair with the understanding it would need to be adjusted through the years.

Councilmember Ortiz questioned if Investing in Infrastructure addresses only maintenance and would it be repetitious to include this as a priority due the significant use of sales tax funds
already being used for repair of infrastructure. She stated residents are concerned with the lack of improvements to residential streets. She requested to revise the priority concerning public safety to “Continuing a Commitment to Public, Health and Safety” and make it the top priority, followed by Continuing a Commitment to Developing Neighborhoods, Improving Fiscal Sustainability by Reducing Debt and Improved Performance and Cost-Effectiveness.

Jim Colson stated he believes the language could be interpreted to include the repair or the replacement of infrastructure and there will always be a need to address infrastructure issues and plan fiscally to better address the improvements of residential streets and neighborhoods.

Councilmember Clear questioned how the 2015 priority of “Establishing Fiscal Sustainability” differs from the proposed 2016 priority of “Improving Fiscal Sustainability by Reducing Debt” and would the term “Reducing Debt” mean they would raise property taxes.

Jim Colson stated the City’s goal has always been fiscal sustainability and to achieve this they must address many things such as reducing debt by a certain percentage each year. He reported their objective would be to make sure they are meeting the needs of the community from a service delivery standpoint while making sure they are monitoring how they are spending and how to achieve the best results possible. He noted the City’s credit rating declined due to a severe depletion of general fund reserves and a specific goal was set to improve and now the City has approached the state-wide average providing flexibility to do other things; however, this cannot be done at the expense of residents.

Councilmember Harmon stated he concurs with Mayor Wolgast and suggested budget priorities provide more guidance to staff and the process should begin earlier in the year. He expressed concern with the language “Improving Fiscal Sustainability by Reducing Debt” and believes the term was ambiguous in reducing debt and they should not lose sight of the tax equity
issue. He referenced the City’s 2004 Debt Management Policy which addresses many of the issues discussed; however, he believes it was too complex of an issue to include as a budget priority. He requested staff review the City’s 2004 Debt Management Policy to determine if it should be modified.

Councilmember Hiller spoke in support of the proposed 2016 budget priorities as stated. She stated she believes the City should continue to improve and stay fiscally responsible and not lose sight of the neighborhood commitment made by the City. She reported the City of Topeka allocates the same or more funding as larger cities for public safety; however, it will be important to re-establish performance and cost-effective measures in this area.

Mayor Wolgast questioned if staff could review how Topeka relates to other cities and how indebtedness was handled by other cities.

Doug Gerber stated there are studies staff could review to determine the City’s level of indebtedness compared to other cities.

Joseph Ledbetter spoke in support of investing in infrastructure and supporting neighborhoods. He suggested installing GPS systems on all city vehicles starting with the Utility and Police Departments, providing a low cost solution for productivity in terms of cost effectiveness. He expressed his appreciation to the City for infrastructure improvements in the Hi-Crest Neighborhood and stated he looks forward to continued improvements in the area. He asked Governing Body members to consider the overall benefits of economic development by working with neighborhoods with high density population, yielding a high cost benefit with lasting results.

Councilmember Schumm asked if there was a reasonable number or percentage that could be used to measure the City’s progress in terms of debt reduction.
Jim Colson stated over the last year the City’s debt has been reduced by approximately 10%. He expressed the importance of debt reduction and the use of financial strategies based on best business practices as well as finding a balanced approach that would be strategic and in the best interest of the community. He noted the percentage of debt reduction could be included in future financial reports as a performance matrix.

Councilmember Harmon stated the Governing Body adopted a Debt Management Policy in 2004 setting a $10 million cap for general obligation bonds with a goal not to bond more than $9 million annually to make certain there would be a reduction in debt over time.

Mayor Wolgast commended the Governing Body for continuing to manage the City’s goal to reduce debt each year.

DISCUSSION regarding an update on the Neighborhood Health Map was presented.

Jim Colson, City Manager, stated the Neighborhood Health Map was a complex issue and residents are very invested in their communities. He stated staff continues to measure the health of neighborhoods and make improving neighborhoods a priority.

Bill Fiander, Planning Department Director, provided an update of the most recent findings for Neighborhood Health Maps in 2014. He stated the process began in 2000 and has been updated every four years. He reported the following:

- Neighborhood Health was used as a planning tool to measure the need for assistance in the community based on a set of metrics and to help prioritize resources in a more strategic fashion.
- Poverty, Public Safety, Property Values, Single-Family Home Ownership and Boarded Houses comprise the five vital signs of neighborhood health. He noted these vital signs are primarily influenced by larger market trends and forces.
- The five vital signs are averaged to determine the classification of health for each block group in the city as one of the following categories; Healthy, Out Patient, At Risk or Intensive Care.
- Larger market trends affecting the vital signs include foreclosures, poverty, and homebuyers and supply, all of which are not unique to the city of Topeka and are happening everywhere.
• S.O.R.T. matters. This is a strategic investment resulting in an 82% improvement of neighborhood health in these areas.
• Neighborhood Improvement Associations (NIA) Health from 2011 to 2014 has generally improved overall and long-term health has been trending up from 2000 to 2004.
• In regards to the findings, the City will help neighborhoods understand the trends and data and assess and adjust housing programs, property maintenance and infrastructure delivery.

Sasha Stiles, Department of Neighborhood Relations Director, stated as part of the 2016 budget process, a new pilot program to target abandoned and vacant structures would be proposed. She reported the following:

• Staff would be requesting funding for two full-time employees specifically for property maintenance focusing on abandon structures.
• Staff recognizes abandon structures as a problem in the community and they need staff to focus directly on the issue with the goal to move through the process as quickly as possible.
• Staff would be requesting a substantial increase in the demolition budget.
• Staff would work to strengthen partnerships within the community to repurpose properties when possible.

In summary, Bill Fiander reminded members of the Governing Body the health maps would be used as a planning tool. He stated there seems to be a sluggish recovery in larger market trends hitting core areas harder, S.O.R.T. target areas are working, there seems to be more “At Risk” block groups beyond the core; however, overall long-term health has been trending up resulting in dramatic gains in public safety. He announced all information being presented along with an interactive map would be available on the City’s website.

Councilmember Schumm spoke in support of allocating more funding for demolitions as it would have a positive effect on property values, public safety and boarded houses.

Councilmember Hiller asked Governing Body members to be mindful of the fact ownership continues to drop to a level that appears to be more reflective of the housing market prior to 2008.
Jim Colson reported there was substantial information included in the report that was not under the City’s control; therefore, in 2016 the City will look at ways they could be responsive and address issues presented.

DISCUSSION regarding the City’s special assessment processes as set forth in Resolution No. 8242 approved on March 9, 2010, which expressed the City of Topeka’s support for the special assessment process and establishes certain guidelines for the management and control of projects paid for by special assessments was presented.

Jim Colson, City Manager, reported the City approved a policy for special assessments on March 9, 2010, and pursuant to City of Topeka Resolution No. 8242, the City supports the special assessment process and has established certain guidelines for the management and control of projects paid for by special assessments. He stated the current policy does not address financial guarantees or financial contributions of developers to special assessment projects, and in the event of a default, the City would be required to continue to pay any bonds issued and supported through property taxes.

Brandon Kauffman, City of Topeka Chief Fiscal Officer, stated special assessment benefit districts are a development process tool for the City mandated by the State of Kansas. He explained special assessment benefit districts, what the risks are to the City and options for a new policy. He listed examples of subdivisions that have special assessment projects such as Lauren’s Bay Estates, Bear Lake and King’s Row and why a new special assessment policy was needed for the City. He noted overall special assessments are high in these areas and the City could consider other options such as setting a lower interest rate or accepting partial payments.

Councilmember Hiller stated it was her understanding the amount of special assessments in Lauren’s Bay Estates was appropriate due to the addition of the pond.
Brandon Kauffman stated the special assessment for the pond would only be applied to 58% of the lots in Lauren’s Bay Estates.

Jim Colson stated he believes the special assessments are a valuable tool used by other communities and should be reviewed to protect the City as they move forward.

Brandon Kauffman questioned if the City should move forward with the special assessment project approved in 2010 for the Bear Lake Subdivision located at SW Urish Road and SW Huntoon with expenses totaling $227,000 to date.

Jim Colson asked if the Governing Body wants to proceed with the current special assessment policy and run the risk, or look for a solution such as setting a specific interest rate or allowing investment of partial payments.

Councilmember Jensen stated he believes it was critical to encourage people to move to Topeka; however, there should be a balanced approach that was responsible and minimizes the risks to taxpayers.

Brandon Kauffman stated there are three decisions to be considered by the Governing Body:

1. Draft a new special assessment benefit district policy to protect the City moving forward.
2. Moving forward with the special assessment for Lauren’s Bay Estates by setting a public hearing and adopting the ordinance levying the special assessments on June 9, 2015.
3. Moving forward with the specials assessments for Bear Lake and King’s Row Subdivisions in the near future.

Chuck Dultmeier, local developer, stated he has been successful with the subdivision he has been developing in the Lauren’s Bay area due to hard work and determination and believes if there was a different approach to the Lauren’s Bay Estates it could be successful also. He expressed concern with giving the current developers in the Lauren’s Bay Estates special treatment in order to make the lots more appealing and noted it would be unfair to other developers in the community. He spoke in support of prepayment of special assessments;
however, if the property goes to a tax sale the City would have to absorb the specials. He stated he believes the specials should be distributed according to the price of the home in the Lauren’s Bay Estates.

Councilmember Harmon expressed appreciation to Mr. Dultmeier for being involved in the Topeka community and thanked him for providing his thoughts on the special assessment process.

Councilmember Schwartz commended City staff for their work on the issue.

ANNOUNCEMENTS BY THE CITY MANAGER, MAYOR AND MEMBERS OF THE COUNCIL;

Jim Colson, City Manager, thanked residents for participating in the public engagement budget events and providing their input through various media outlets. He stated he believes the 2016 budget will be one of the most important budgets passed by the City as well as how the City addresses some of the critical issues will be absolutely vital over the next six to 18 months in regards to the long-term best interest of Topeka. He reported staff members are working hard to reach out to all appropriate parties and keep the Governing Body informed on the budget. He expressed his gratitude to senior staff members of the organization and stated he was proud of the people he works with and the outstanding work they continue to do.

Councilmember Hiller encouraged the Governing Body to share the City’s diversity with the community and invite church congregations from each Council district to provide the invocation at Council meetings. She encouraged the Governing Body to take board nominations seriously and allow people the opportunity to serve and be involved in Topeka. She announced ESPN would be covering the National Horseshoe Pitching Event live on July 18, 2015, at the Kansas Expocentre free of charge to the public.
Councilmember Clear stated she attended the Fallen Officer Candlelight Vigil on May 7, 2015, and expressed appreciation to the people who participated in the ceremony. She also stated she attended the Topeka Fire Department Live Burn event on May 9, 2015, and thanked firefighters for their service to the community. She announced the 35th Annual Designers Showhouse at 3130 SW Shadow Lane would continue through May 17, 2015, and encouraged citizens to support the fundraiser benefiting children.

Councilmember Ortiz, De La Isla and Jensen congratulated the 2015 area high school graduates.

Councilmember Schumm expressed his appreciation to community officers located at the new substation at SE 25th Street and SE Burr as of May 1, 2015, and stated he looks forward to the community developing relationships with the officers. He announced Topeka Police Chief Jim Brown would attend the Hi-Crest Neighborhood Improvement Association meeting on May 28, 2015, at 7:00 p.m. to provide updates and information to the public.

Councilmember Schwartz stated Governing Body members received an email on May 12, 2015, from Mars North America Chocolate Plant announcing their support to follow the USDA’s dietary guidelines to control sugar in everyday diets. She stated she concurs with statements made at the public engagement budget event relating to the Mars Chocolate Plant and the need to make it the signature attraction for Topeka.

Councilmember Coen announced the grand opening of Pizagels located at 2830 SW Fairlawn Road. He also announced the 2015 Topeka Walk to Cure Arthritis was scheduled for May 16, 2015, at 9:00 a.m. at the Lake Shawnee, Shelter No. 1.

Joseph Ledbetter appeared to speak under public comment.
Councilmember Ortiz moved to recess into executive session for a time period not to exceed ten (10) minutes to discuss a workers’ compensation claim and to include the Governing Body, City Manager, City Attorney, Human Resource Department Director and staff. The motion seconded by Councilmember Coen carried unanimously. (10-0-0)

At 8:38 p.m., the Governing Body reconvened into open session and Mayor Wolgast announced no action was taken.

NO FURTHER BUSINESS appearing the meeting was adjourned at 8:38 p.m.

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Brenda Younger
City Clerk