Governing Body Minutes – June 1, 2021

CITY COUNCIL CHAMBERS, Topeka, Kansas, Tuesday, June 1, 2021. The Governing Body members of the City of Topeka met in regular session at 6:00 P.M., with the following Councilmembers present: Councilmembers Hiller, Padilla, Dobler, and Duncan - 4; and the following Councilmembers participating remotely: Councilmembers Ortiz, Valdivia-Alcala and Lesser - 3. Mayor De La Isla presided - 1. Absent: Councilmembers Emerson and Naeger - 2.

Public comment for the meeting was available via Zoom or in-person. Individuals were required to contact the City Clerk's Office at 785-368-3940 or via email at cclerk@topeka.org by no later than 5:00 p.m. on June 1, 2021, after which the City Clerk's Office provided the Zoom link information and protocols prior to the meeting start time. Written public comment was also considered to the extent it was personally submitted at the meeting or to the City Clerk's Office located at 215 SE 7th Street, Room 166, Topeka, Kansas, 66603 or via email at cclerk@topeka.org on or before June 1, 2021, for attachment to the meeting minutes.

AFTER THE MEETING was called to order, Father Nikolai Meyers, Saints Peter and Paul Greek Orthodox Church, provided the invocation.

THE PLEDGE OF ALLEGIANCE was recited by meeting participants.

AN UPDATE on the City of Topeka 10-Year Strategic Vision and Goals was provided by Bill Cochran, Chief of Staff.

Councilmember Emerson joined the meeting remotely via Zoom meeting application.

CONSENT AGENDA was presented as follows:

RESOLUTION NO. 9225 introduced by Councilmember Sylvia Ortiz, granting Randy Wheat an exception to the provisions of City of Topeka Code Section 9.45.150, et seq., concerning noise prohibitions, was presented. (Council District No. 3)
APPROVAL of the following Cereal Malt Beverage license applications were presented:

<table>
<thead>
<tr>
<th>Business Name</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALZ LLC</td>
<td>706 SW Fairlawn Rd</td>
</tr>
<tr>
<td>Good Trip LLC</td>
<td>1320 SW 6th Ave</td>
</tr>
<tr>
<td>Herman’s Beef &amp; Sausage House</td>
<td>823 NW Gordon St</td>
</tr>
<tr>
<td>Kwik Shop #705</td>
<td>1114 NW Topeka Blvd</td>
</tr>
<tr>
<td>Kwik Shop #713</td>
<td>5700 SW 21st St</td>
</tr>
<tr>
<td>Kwik Shop #720</td>
<td>102 SE 37th St</td>
</tr>
<tr>
<td>Kwik Shop #757</td>
<td>2619 SW 21st St</td>
</tr>
<tr>
<td>Kwik Shop #780</td>
<td>2520 SW 6th Ave</td>
</tr>
<tr>
<td>Kwik Shop #781</td>
<td>4500 SW Topeka Blvd</td>
</tr>
<tr>
<td>Kwik Shop #788</td>
<td>1414 SW 17th St</td>
</tr>
<tr>
<td>Kwik Shop #789</td>
<td>746 NE Wabash Ave</td>
</tr>
<tr>
<td>Kwik Shop #791</td>
<td>1700 SW Topeka Blvd</td>
</tr>
<tr>
<td>Low Cost</td>
<td>3101 SE 6th Ave</td>
</tr>
<tr>
<td>Seabrook Apple Market</td>
<td>1945 SW Gage Blvd</td>
</tr>
<tr>
<td>Top City Beverage</td>
<td>2525 SW 29th St</td>
</tr>
<tr>
<td>Walgreens #03069</td>
<td>1001 SW Topeka Blvd</td>
</tr>
<tr>
<td>Walgreens #03772</td>
<td>2901 SE California Ave</td>
</tr>
<tr>
<td>Walgreens #04557</td>
<td>2121 SW Fairlawn Rd</td>
</tr>
<tr>
<td>Walgreens #04782</td>
<td>3696 SW Topeka Blvd</td>
</tr>
<tr>
<td>Walgreens #04981</td>
<td>3630 SW Wanamaker Rd</td>
</tr>
<tr>
<td>Walgreens #07778</td>
<td>1001 SW Gage Blvd</td>
</tr>
<tr>
<td>Walgreens #15601</td>
<td>2101 NW Topeka Blvd</td>
</tr>
<tr>
<td>Walgreens #16314</td>
<td>3900 SW 29th St</td>
</tr>
</tbody>
</table>

MINUTES of the regular meeting of May 18, 2021, was presented.

Councilmember Padilla moved to approve the consent agenda. The motion seconded by Councilmember Ortiz carried unanimously on roll call vote. (9-0-0)

ORDINANCE NO. 20299 introduced by City Manager Brent Trout, amending and repealing outdated business license requirements and fees in title 5, and adding Section 9.15.285 and amending Section 10.20.080 of the Topeka Municipal Code, was presented.

Brent Trout, City Manager, reported the Governing Body discussed the repeal proposal at the May 18, 2021, Governing Body meeting and Staff recommends approval as proposed.
Councilmember Duncan expressed concern with the regulation of funeral processions (Funeral Escort Services) as it relates to traffic safety. He referenced a typographical error on line 865 of the ordinance related to an incorrect Kansas State Statute number. He reported the Kansas Department of Labor (KDOL) requires the activity register with the county and he has confirmed Funeral Escort Services are required to register with the Shawnee County Emergency Management Department. He requested the ordinance language include the required registration procedure by stating, “The permit issued by Shawnee County as directed by state law”, or similar language as agreed to by the City Attorney.

Lisa Robertson, City Attorney, reported the error on line 865 would be changed to reflect the correct K.S.A. from 80-2010 to K.S.A. 8-2010; and the suggested amendment to include reference to Shawnee County was acceptable.

Councilmember Hiller asked for clarification on the proposed change for Auctioneers as it relates to Second Hand Dealers. She also inquired on the regulation of Haunted Houses.

Lisa Robertson stated the revision would relocate Section 5.10.060 (Auctioneers) to Chapter 5.140 (Second Hand Dealers) to provide clarification and consistency in code format. She noted “Auctions” as defined, is located in Section 5.140.030, and the proposed amendment would relocate all code related information for Auctions and Auctioneers in that same code section, along with other related items such as Second Hand Dealers, Garage Sales etc.

Councilmember Duncan expressed concern with the regulation of haunted houses as it relates to public safety. He asked if there was another type of authority in place to conduct code safety inspections of haunted houses if the license requirement was repealed.
Craig Duke, Topeka Fire Chief, reported the Fire Department has the authority to inspect haunted houses in the same manner as Fire Work Stands. He stated inspections are required when a person applies for a special use occupancy permit.

Lisa Robertson reported KDOL regulates “Amusement Rides” and noted the state statute has a broad definition of “Amusement” requiring random inspections, checklists and maintenance records.

Councilmember Hiller asked for clarification on the type of business license required for the operation of a haunted house and inquired on the importance of the registration of haunted houses.

Lisa Robertson reported International Fire Code (IFC) Sections 104.3 and 105.6 provides authority to Fire Code Officials to inspect.

Chief Duke stated the operation of haunted houses require a City of Topeka temporary special use occupancy permit as well as the IFC provides the authority for inspections.

Councilmember Hiller asked what City department/division regulates the permits, and if any permits have been issued.

Brenda Younger, City Clerk, stated the Planning and Development Department would issue certain types of occupancy permits.

Councilmember Duncan moved to amend the ordinance by correcting the K.S.A. Statute number on line 865 from K.S.A 80-2010 to K.S.A. 8-2010; and amend the language to reflect the required registration procedure with Shawnee County as directed by state law. The motion seconded by Councilmember Dobler carried unanimously. (8-0-0)

Councilmember Duncan moved to adopt the ordinance as amended. The motion seconded by Councilmember Dobler carried unanimously. (8-0-0) Mayor does not vote.
The ordinance was adopted on roll call vote as follows: Ayes: Hiller, Valdivia-Alcala, Ortiz, Emerson, Padilla, Dobler, Duncan, and Lesser -8.

RESOLUTION NO. 9226 introduced by City Manager Brent Trout, authorizing and adopting the 2022-2031 Capital Improvement Program and the 2022-2024 Capital Improvement Budget and approving project budgets, was presented.

Brent Trout, City Manager, thanked the Finance Director, Budget Director, and Public Works Utilities Staff for performing extensive research and providing additional information to the Governing Body for the proposed Capital Improvement Plan (CIP). He also thanked Chief of Staff Cochran for assisting with the process. He reported the proposed CIP budget provides targeted financing for some of the largest needs within the city including street repair, utility improvements and building repairs. He stated the proposed borrowing was prudent, given the levy capacity of general obligation debt service and current utility rates. He noted Staff was available for questions.

Councilmember Hiller distributed a list of proviso proposals (Attachment A). She spoke in support of making the transition to save money and optimize cash now and in the future, resulting in a net goal to provide an excellent environment and all essential services without raising taxes.

Councilmember Dobler referenced the $4 million of proposed General Fund Balance (reserve funds) to include an additional $2 million for mill and overlay projects in 2022 and 2023. He asked Staff how the proposal would affect the City’s Reserve Policy threshold of 15%.

Jessica Lamendola, Administrative and Financial Services Director, reported the reserve balance would be approximately 17%.
Councilmember Emerson spoke in support of the proviso proposals by Councilmember Hiller and expressed the importance of making street repairs a continued priority.

Councilmember Hiller stated she would be willing to accept $2 million instead of $4 million of additional funds for mill and overlay projects.

Brent Trout stated they must be mindful of operations capacity and noted improving street conditions is a slow process. He suggested the proviso proposals be discussed at the Council Committee level and then consider the overall process at a future Governing Body meeting.

Mayor De La Isla expressed concern with implementing provisos without completely vetting the proposals and fully understanding the outcome on overall operations.

Jessica Lamendola stated ideally, surplus funds are for one-time expenses instead of routine items such as annual mill and overlay projects creating a possible budget shortage for those expenses in out years.

Councilmember Duncan moved to expend the amount needed for mill and overlay projects without exceeding the reserve fund balance policy threshold of 15%. The motion died due to a lack of a second.

Councilmember Dobler stated he would like to have more discussion on the City’s overall debt position and requested Staff conduct a long-term pro-forma as it relates to debt service and reserve balances. He noted this would provide the Governing Body a good financial understanding and allow them to make an informed decision on adjustments to the bond cap and reserve fund balance percentage threshold if needed.

Councilmember Duncan stated he concurs with Councilmember Dobler.
Brent Trout reported Staff already has the information needed to create a long-term pro forma and he would distribute it to the Governing Body when compiled.

Councilmember Valdivia-Alcala stated she was not comfortable with voting on Councilmember Hiller’s proposed proviso list at this time without knowing the overall outcome of the budget.

Councilmember Hiller stated she appreciates the conversation, and she too would have preferred to have more time to present the proposals; however, they only received the final requested information over the past couple of days. She stated she would support discussing her amendments and ideas in committee in conjunction with Staff’s agreement to discuss further.

Councilmember Dobler referenced the extensive amount time the Governing Body has spent on the CIP and the importance of moving ahead with the approval at this time. He stated the provisos can be discussed in committee and by the Governing Body in the near future.

Joseph Ledbetter stated he concurs with the Governing Body and believes they must have more in depth discussion regarding the details of the CIP, specifically utility projects. He stated a reserve balance of 15% was sufficient for most cities; however, he remains concerned with the amount of revenue bonds issued annually. He stated he believes it was imperative to track repairs of water lines including the size of pipes, specific areas of the city as well as the type of repairs, and present the information to the Governing Body in a quarterly report.

Councilmember Duncan requested discussions and presentations be conducted at Governing Body meetings in order to provide complete transparency and an opportunity for citizens to participate in the conversations.

Councilmember Dobler moved to approve the resolution. The motion seconded by Councilmember Padilla carried unanimously on roll call vote. (9-0-0)
RESOLUTION NO. 9227 introduced by City Manager Brent Trout, declaring the necessity to repair, alter, reconstruct, enlarge or improve the City's water, water pollution, and/or stormwater utility system through improvement projects authorized by Resolution and providing Notice of Intention authorizing the issuance of revenue bonds in the manner required by K.S.A. 10-1201, et seq., was presented. *(Withdrawn from the April 20, 2021 Agenda.)*

Brent Trout, City Manager, stated approval would authorize intent to issue bonds. He reported a revised resolution was distributed, removing three projects from “Exhibit A” (the project list) that will be paid for with cash, reducing the overall bonded amount to $39,405,205.

The three projects removed from the list are listed below:

1) Project No. 501085.00 - Annual Stream and Channel Restoration, Stabilization & Rehab in the amount of $150,000
2) Project No. 291113.00 – WPC Supervisory Control and Data Acquisition (SCADA) System Upgrades in the amount of $607,500
3) Project No. 281239.00 – Supervisory Control and Data Acquisition (SCADA) Upgrades in the amount of $581,250

Councilmember Emerson questioned if the authorized revenue bond amount covers 100% of the cost of projects approved in the Capital Improvement Budget. He asked how American Rescue Plan Act (ARPA) funds affect overall revenue bond amounts and if ARPA funds could reduce the overall bonded amount.

Stephen Wade, Budget and Performance Manager, reported the revenue bonds will be issued for one-year (2022).

Jessica Lamendola reported the City has received the initial ARPA funds; however, they have not received the plan on how those funds could be expended. She stated Staff continues to monitor the projects and the type of funds that are eligible for use including the need for short-term notes.
Brent Trout reported Supplement No. 6 provides a detailed utility project list for the next five years and it has been included in the agenda packet.

Joseph Ledbetter requested a copy of Supplement No. 6. He stated he believes it is time to vet all numbers as it relates to borrowing; expend all possible funding for the repair of utilities; and repair and/or replace entire streets or blocks in neighborhoods.

Councilmember Dobler moved to approve the resolution. The motion seconded by Councilmember Ortiz carried unanimously on roll call vote. (9-0-0)

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

Brenda Younger, City Clerk, provided an overview of the June 8, 2021, Governing Body agenda.

Brent Trout, City Manager, announced he removed the 50/50 Sidewalk Program Discussion from the June 8, 2021 agenda because Staff would like to vet the proposal further with the Public Infrastructure Committee, followed by final approval by the Governing Body as a whole. He reported the current 50/50 Sidewalk Program would remain in place through the end of 2021.

Mayor De La Isla thanked finance Staff for their hard work on presenting the CIP over the past several months and expressed her appreciation to the Governing Body for their approval of the CIP.

Councilmember Valdivia-Alcala stated she looks forward to serving on the Public Health & Safety Committee and addressing code compliance issues; having in depth conversations; and changing policy to address the needs for each neighborhood. She reported she would also serve
on the Social Service Grants Committee and she looks forward to working with United Way and supporting the City’s goal to be transparent, efficient and customer service friendly.

Councilmember Ortiz congratulated 2021 Middle School Graduates. She commented on the National Highway Traffic Safety Administration (NHTSA) Click It or Ticket campaign and urged everyone to be safe during this time of celebration.

Councilmember Emerson thanked staff for their work on the CIP and expressed his appreciation to the Governing Body for approving the CIP. He announced the 2021 Thunder Over the Heartland Air Show would be held June 26-27, 2021, in conjunction with the 2021 Country Stampede at the Heartland held June 24-26, 2021.

Councilmember Padilla thanked Staff for their work and dedication in providing detailed information on the CIP so the Governing Body can make informed decisions. He stated he concurs with the review of Councilmember Hiller’s proviso proposals by a City Council committee to allow Governing Body meetings to run more efficiently. He asked for a moment of silent meditation to honor fallen veterans.

Councilmember Dobler thanked Staff for presenting information and conducting in depth research to make certain the Governing Body makes informed decisions.

Councilmember Duncan thanked the City Manager for addressing the 50/50 Sidewalk Repair Program. He stated the Governing Body needs clarification on the authority of the roles of City Council committees. He encouraged all finance presentations to take place at Governing Body meetings instead of at the committee level, which helps the public understand the process. He announced Chris Grandmontage, owner and operator of Warehouse 414, was a featured guest on the CBS Sunday Morning Show for its online business sales. He thanked Wolfe’s Camera Shop for providing almost 100 years of service to the community; and he thanked Lewis Toyota
of Topeka for creating the “Lewis Toyota Youth Activity Fund” in the amount of $25,000 to assist local families in need with the high cost of travel and tournament fees.

Councilmember Padilla moved to recess into executive session for a period of time not to exceed 15 minutes to discuss the acquisition of real property, as justified by KSA 75-4319(b)(6). In order to aid the discussion, the following individuals were present: Members of the Governing Body; City Manager, Brent Trout; Chief of Staff, Bill Cochran; Administrative and Financial Services Director, Jessica Lamendola; Utilities Director, Braxton Copley; and Lisa Robertson, City Attorney. No action was anticipated when the meeting reconvened into open session. The motion seconded by Councilmember Ortiz carried unanimously on roll call vote. (9-0-0)

Following a 15-minute time period the meeting reconvened into open session and Mayor De La Isla announced no action was taken.

NO FURTHER BUSINESS appearing the meeting adjourned at 8:05 p.m.

(SEAL)

Brenda Younger
City Clerk
Attachment A
City of Topeka 2022-2026 CIP – Proviso Proposals 6-1-21

First...Thank you to all staff who have been involved in this process....for doing the day-to-day work and for doing the deep-dive to get us current with our project status and our records!

Purpose of proposals below is two-fold:

1) To clear maintenance and annual renewable expenses from bonding to make room for strategic investments and major projects
2) To minimize bonding and save $$ for the Operating Budget. Each $1 million in annual debt costs us at least $170,000....the equivalent of 2-3 jobs.

Net Goal: Provide an excellent environment and all essential services without raising taxes

Understandings:

1) A minimum of $2 million additional is due to be deposited in the Debt Service Fund due to closing of projects.
2) New COVID funds may give us the ability to replenish lost revenue in the Parking Fund and for substantial utility work which hopefully will include the streets on top.
3) City Manager has included in the last release of the CIP proposal the reported additional year-end balances for our funds and his recommendation to contribute $3.9 million from the Debt Service Fund surplus for Fire Station maintenance and repairs.

Expectations and Provisos:

Public Works/Streets and Related

1) Curb and Gutter  Continue on track to address entire curb and gutter backlog by the end of 2021, no later than the end of 2022. No new $$ needed.
2) Mill and Overlay  Earmark $4 million from General Fund balance for $2 million additional mill and overlay each year in 2022 and 2023 if staff capacity allows.
3) Polk Quincy Viaduct Budget  For clarity, the entire $20 million will be displayed in full the first three years (the CIB) of each CIP starting in 2022-2026 CIP and will not be activated until specific uses are known and a project is ready.

Utilities

1) Funds Carryforward  The $100+ million identified as available funds from prior years will be brought forward and used in 2021-2022 to complete projects, offsetting bonding and current cash needs for new projects
2) Migration Plan  A plan should be drafted to migrate annual repairs and rehab programs, totaling over $24 million per year, totally out of revenue bond consideration. The plan should be completed by 12/31/21 and should display the full migration, starting in 2021.
FIRM

1) Fund Package and Migration Plan  Calculations from open projects and the proposed CIP show $1.45 in open fire station projects, $1.9 + $1.3 million in open 2020 and 2021 projects, $10.25 million proposed for 2022-2026 and $3.9 that the City Manager is recommending be earmarked for fire stations immediately – a total of $18.75 million, of this $5.35 million is for fire stations only. Challenge to staff to establish a plan by 12/31/21 to address all open interior and exterior needs with these funds (and other sources such as grants and historic tax credits), to be accomplished by year-end 2026. As funds are available and use is deemed prudent, the $10.25 million currently budgeted in GO Bonds would instead be funded through Debt Service Fund Balance. No further funds for FIRM would be budgeted in GO Bonds after 2026, but instead an appropriate amount would be budgeted in the Facilities Maintenance and Repair line item. Only major renovations or construction projects would be considered for GO Bonding for future.

IT

1) Internal Audit  An internal audit is about to begin. Council would be interested in a report on the findings when timing is appropriate.

Overall/Future:

1) Project Status Reports  Please leave them as part of the Quarterly reports. Appreciate the thought of better customer service by making them more frequent and a faster turnaround, but the quarterly reports are fine.

2) Itemized Sub-projects  In future CIP proposal books, for annual grouped items such as alleys, mill and overlay and various utility groupings, please display expected list of projects for the first year of the CIB with the project description on the project sheets.

3) Please develop within 3 months, and share with Council, new administrative procedures to prevent the project languishing that we are now working through from happening again.

4) Migration Plans  In addition to those itemized above, migration plans should be started for all annual or repair/maintenance line items prior to 12/31/21 so that they are ready for 2022 and the start of the 2023-2027 CIP process.