



City of Lawrence

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CITY COMMISSION

MAYOR
ROBERT CHESTNUT

COMMISSIONERS
MIKE AMYX
ARON CROMWELL
LANCE JOHNSON
MICHAEL DEVER

June 9, 2009

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 Chestnut presiding and members Amyx, Dever, Cromwell, and Johnson present.

CONSENT AGENDA

As part of the consent agenda, **it was moved by Dever, seconded by Johnson**, to approve the City Commission meeting minutes of May 26, 2009. Motion carried unanimously.

As part of the consent agenda, **it was moved by Dever, seconded by Johnson**, to receive the Mechanical Code Board of Appeals meeting minutes of March 26, 2009. Motion carried unanimously.

As part of the consent agenda, **it was moved by Dever, seconded by Johnson**, to approve claims to 337 vendors in the amount of \$1,936,657.18 and payroll from May 24, 2009 to June 6, 2009 in the amount of \$1,859,961.34. Motion carried unanimously.

As part of the consent agenda, **it was moved by Dever, seconded by Johnson**, to concur with the recommendation of the Mayor and appoint Truman Waugh to the Douglas County Emergency Management Board, to a term which will expire July 1, 2010. Motion carried unanimously.

The City Commission reviewed the bids for one (1) heavy duty truck tractor for the Public Works Department. The bids were:

BIDDER	BID AMOUNT
KC Freightliner	\$80,728.00



KC Freightliner, Alternate	\$72,327.00
KC International-Diamond	\$81,312.00
MAC Kenworth	\$87,924.46
Westfall-Odell Truck Sales	\$93,036.00

As part of the consent agenda, **it was moved by Dever, seconded by Johnson**, to award the bid to KC Freightliner for \$80,728. Motion carried unanimously. (1)

As part of the consent agenda, **it was moved by Dever, seconded by Johnson**, to waive bidding requirement due to sole source purchase and approve the purchase of one (1) EH Wachs trailer mount valve exerciser/hydro vacuum machine and software for the Utilities Department to EH Wachs Company for \$44,285. Motion carried unanimously. (2)

As part of the consent agenda, **it was moved by Dever, seconded by Johnson**, to set a bid date of June 30, 2009 for 2009 Overlay Program Phase II, Project No. PW0908. Motion carried unanimously. (3)

As part of the consent agenda, **it was moved by Dever, seconded by Johnson**, to adopt on first reading, Ordinance No. 8417, allowing the possession and consumption of alcoholic beverages at South Park on June 18, 2009 related to the Callahan Creek Company Picnic. Motion carried unanimously. (4)

Ordinance No. 8402/County Resolution No.____ approving Comprehensive Plan Amendment (CPA-2004-2) to Horizon 2020, Chapter 7, was read a second time. As part of the consent agenda, **it was moved by Dever, seconded by Johnson**, to adopt the ordinance. Aye: Amyx, Cromwell, Dever, Chestnut, and Johnson. Nay: None. Motion carried unanimously. (5)

Ordinance No. 8414, authorizing the possession and consumption of alcoholic beverages on July 3, 2009 on the south half of the 600 block of Massachusetts and the north half of the 700 block of Massachusetts from 5:00 p.m. – 12:00 a.m., was read a second time.

As part of the consent agenda, **it was moved by Dever, seconded by Johnson**, to adopt the ordinance. Aye: Amyx, Cromwell, Dever, Chestnut, and Johnson. Nay: None. Motion carried unanimously. (6)

As part of the consent agenda, **it was moved by Dever, seconded by Johnson**, to approve revisions to Site Plan SP-12-112-08 for Jackpot Saloon for a hospitality area located at 943 Massachusetts Street. Motion carried unanimously. (7)

As part of the consent agenda, **it was moved by Dever, seconded by Johnson**, to approve a Temporary Use of Right-of-Way Permit for the closure of 7th Street from Kentucky Street to Tennessee Street from noon to 11:00 p.m. on July 4, 2009 for the Lawrence Originals/Give Back Food Festival and Fireworks. Motion carried unanimously. (8)

As part of the consent agenda, **it was moved by Dever, seconded by Johnson**, to adopt on first reading, Ordinance No. 8418, allowing the possession and consumption of alcoholic beverages on the north half of Watson Park on July 4, 2009 related to the Lawrence Originals Food Festival. Motion carried unanimously. (9)

As part of the consent agenda, **it was moved by Dever, seconded by Johnson**, to authorize the City Manager to initiate a Request for Proposals for the lime lagoon clean-out and beneficial reuse of the residuals. Motion carried unanimously. (10)

Vice Mayor Amyx pulled for separate discussion, the bids for Hobbs Park Sanitary Sewer Extension project for the Utilities Department. The bids were:

BIDDER	BID AMOUNT
Engineer's Estimate	\$52,805.16
Linaweaver Construction, Inc.	\$56,027.00
RD Johnson Excavating Co.	\$57,715.00
Meadows Construction Co. Inc.	\$63,121.00
Site Rite Construction Co.	\$65,406.00
Kahle, Inc.	\$69,271.00

David Corliss, City Manager, said there were five bidders and their bids ranged from \$56,000 to \$69,000 which meant the engineer's estimate was too low. He said Linaweaver Construction's bid was acceptable and staff recommended approval of the bid. The City Commission's action was to waive the engineer's estimate and authorize the City Manager to execute the contract with low bidder Linaweaver Construction, Inc.

Philip Ciesielski, Assistant Director of Utilities, said when staff received the bids, staff discussed not taking into account the compressed schedule that the contractor was under as well as disparity in traffic control prices and there was discussion at the pre-bid meeting regarding a need to do remediation, should other streets pose a detour and that information might not have been factored in completely. Staff received unit prices from contractors that bid, in an effort to formulate an estimate because there was also disparity in pipe prices and the need to backfill for the entire project. He said one of the specifications detailed was that it was not paid as a unit cost, but for what was bid. He said there might be some question in the contractors mind as to whether they could hold that trench to the dimensions staff provided in the plans, which was all the contractor would be paid for and there might be a risk factor that staff did not put in as well.

He said when staff was working with older data and was presenting the data to Parks and Recreation, staff's estimate was in the upper \$50,000 range and they might have refined that amount too much as they came closer to the bidding date.

Vice Mayor Amyx said the engineers estimate probably figured that some of those companies might have been hungrier than in the past and the recession was coming to an end.

Ciesielski said the amount of data staff had to go by and the distances between the projects when bid, in terms of time, was not as current as contractors were seeing and doing. There were projects over the last year the City received bids that were the cost of materials. A couple of the risk factors were the schedule, the potential to fix potholes on the detour streets, and the size of the trench in that area. The streets were deteriorated and more risk of that

trench becoming bigger and bigger, but staff defined a quantity of material that the contractor would be paid for.

Vice Mayor Amyx said this was a smaller project, and asked if it was harder to get contractors to bid on this small of a project.

Ciesielski said no, there was local interest, but it was hard to get a contractor from out of town for this size of project.

Mayor Chestnut called for public comment.

After receiving no public comment, **it was moved by Amyx, seconded by Dever**, to waive the engineer's estimate and to award the bid to Linaweaver Construction for \$56,027.00. Motion carried unanimously. (11)

CITY MANAGER REPORT:

During the City Manager's Report, David Corliss said the report included sales tax distributions and staff anticipated the City's sales tax number would be flat to the 2008 final number, but the 2008 numbers were better than expected; a webpage was created for a quick overview of the central repository for the City's energy conservation efforts; the Class 1 and 2 soils were now identified on the City's interactive map which would be a valuable Planning tool and communication tool to the community; and, Parks & Recreation was teaming with the US Corps of Engineers for road projects. (12)

REGULAR AGENDA:

Consider approving Comprehensive Plan Amendment CPA-2008-6, amending Horizon 2020, Chapter 14 Specific Plans, to add a reference to and incorporate the West of K-10 Plan and consider adopting on first reading, Joint City Ordinance No. 8391/County Resolution No. 09-16, by approving and incorporating by reference, CPA-2008-6.

Dan Warner, Planner, presented the staff report. He said the West of K-10 Plan was a sector plan in the City's long-range planning. A sector plan was a specific future land use plan for a specific area and guided development once properties were annexed into the City, anticipated development over a relatively long period of time, identified future land uses, goals,

and policies. The key point was that it did not annex property or did not change zoning upon adoption.

The planning process for this plan kicked off on June 5, 2008 with the first draft. Staff held a meeting on June 26, 2008 to discuss the first draft, held another public meeting on August 7, 2008 to review the second draft, released a third draft on August 27, 2008. A large number of comments were received on the first two drafts of the plan and staff also met separately with individual property owners and groups of property owners.

The Planning Commission reviewed that third draft on September 24, 2008 and provided direction to staff concerning the future land use map. Staff then produced a fourth draft based on that Planning Commission direction.

Previous actions on this plan, the Planning Commission recommended approval of the fourth draft on October 20, 2008. The City Commission approved that draft on December 2, 2008. The County Commission returned the plan to the Planning Commission on January 28, 2009 with direction to staff to make change to the future land use in the southeast corner of the planning area. The Planning Commission unanimously recommended approval of the fifth draft of the plan on March 25, 2009 and essentially the Planning Commission agreed with the direction of the County Commission. The County Commission unanimously approved the plan on May 6, 2009.

He said the County Commission asked City staff to change some of the density and added language. He said the issue was that they did not know where the future collector road would go and the language stated anything east of would be medium density and west would be high density.

He said staff recommended approval of the plan and the joint City Ordinance/County Resolution.

Mayor Chestnut called for public comment.

After receiving no public comment, Mayor Chestnut said that one parcel was the basis of any opposition or argument and he was supportive of moving forward.

Vice Mayor Amyx said he appreciated the County Commission and Planning Commission's work on making the recommended changes.

Moved by Amyx, seconded by Johnson, to approve CPA-2008-6, a Comprehensive Plan Amendment to Horizon 2020, Chapter 14 Specific Plans, and adopt on first reading, Joint City Ordinance No. 8391/County Resolution No. 09-16. Motion carried unanimously. (13)

Receive status report on Oread Development (12th and Indiana) and Improvements and consider authorizing the City Manager to approve purchase orders to Oread Development in the amount of \$134,070.20 for public improvements to be completed in conjunction with the project.

Mark Thiel, Assistant Public Works Director, presented the staff report. He said the Oread Hotel would add about \$40 million dollars of public improvements. He said to date, the exterior was completed and five floors and anticipated by August that the hotel would be topped out and would begin interior and exterior treatments to the hotel.

He said he encouraged the City Commission to visit that area because the developer had done a nice job.

He said staff requested that the City Commission authorize the City Manager to approve the purchase orders for Oread Development in the amount of \$134,070.20 which was for the improvements of Indiana Avenue from 12th Street to 11th, to improve the intersection of 11th and Indiana, and work to correct an engineering issue with the existing sanitary sewer that connected the hotel to the north along 11th Street. Those improvements were not planned as part of the 2009 Maintenance Program. The developer had plans to go north, down Indiana about half way to 11th Street and based on the condition of the existing pavement in that area, staff approached the developer and asked the developer to participate in continuing on Indiana down to 11th Street and improve the intersection. The developer agreed and the funding for those improvements was 4/5 for the developer and 1/5 for the City. He said staff felt that

eventually those improvements had to be done and based on the pavement condition those roads were not a maintenance type issue, but a complete removal and replacement of those roads which would be a tremendous amount of money to the City. He said the total for those improvements was \$134,000, which was \$90,000 for street improvements and \$44,000 for sanitary sewer.

Vice Mayor Amyx asked because the City was approaching the developer for those improvements, if that triggered a waiver from the bidding process.

David Corliss, City Manager, said the City would be using the existing contractor on site and staff was familiar with the quantity, unit prices, and was appropriate at this time. He said the development was putting in a \$6 million dollar private parking garage which was Tax Increment Financing (TIF) and Transportation Development District (TDD) financed, but the developer was doing about that same amount of public improvements that were not being financed directly by the City, but instead being reimbursed from the TIF and TDD financing.

Mayor Chestnut said the pavement index on that stretch between 12th Street in front of the Oread, down to 11th Street on Indiana, was probably not high on the hit parade.

Thiel said that pavement condition index was 39.

Mayor Chestnut asked if that pavement index was due in the next year or two to be on the Mill and Overlay Program.

Thiel said staff was looking at a PCI of 45 or greater for mill and overlay. Once getting below 45, staff had to take a hard look at if the City was spending the money wisely to put an asphalt treatment on a roadway that was not going to support the asphalt anyway.

Mayor Chestnut said with those streets the City was overlaying this year, he asked if the index was in the upper 30's.

Thiel said as an area was being milled and overlay, some of the PCI's were greater than others. He said typically staff tried to maintain that maintenance program with the PCI's above 45 which fit in nicely with the City's long-term goal of reaching the average PCI rate of 68.

Mayor Chestnut called for public comment.

After receiving no public comment, Vice Mayor Amyx said the Commission knew last year when discussing the end of the Oread Development project that the City needed to pick up the pieces which the biggest piece was the sanitary sewer at 100% was \$44,000. He asked if this was the sewer along the street side.

Corliss said the sewer work the City was paying for was at that intersection and the developer was paying for additional sewer work.

Philip Ciesielski, Assistant Director of Utilities, said part of the original TDD agreement, as part of the public improvements, the developer was going right in the intersection of 11th and Indiana, the sanitary sewer came down the west side of Indiana from 12th to 11th and within 11th, it made a blind 90 degree turn in that intersection and headed down the center line of 11th Street to the alley to the west and from that point it with north to 9th Street. The developer agreed to install a manhole in that area as part of their public improvements to give the City the proper access and give the developer the access, a follow up to this project, the developer was going to do the Cured-In-Place Pipe Rehabilitation for that entire line from 12th and Indiana to 9th Street. The manhole was necessary to carry that work out as well as to give the City proper access in the future. As the developer started to do the design for that manhole installation, it was discovered that the line to the west where it tied into the manhole in the alley way, was deteriorated further than was anticipated and also did not go directly in the manhole, but came down and had a jog in it. He said the developer would have a deep hole at 11th and Indiana and would put pipe on either side of that manhole and the City would pick up the piece the rest of the way as long as the developer was at that location. As part of that piece, the City was also milling and overlaying that section of 11th Street from the manhole, where the excavation would be in the alley way, back east to Indiana Street.

Vice Mayor Amyx said those projects were on a list and if those were the best prices the City could receive, based on the City Manager's recommendation and with the contractors in

place and the roadways blocked, the City did not need to go back in after the fact and redo that area again. He said it made sense to do those improvements at this time.

Ciesielski said the City was paying for part of that construction and in the developers plan the engineering contained all those improvements.

Mayor Chestnut asked how long would those improvements take.

Thiel said the anticipated date was prior to August 7th when K.U. resumed classes.

Corliss said staff appreciated the cooperation of the developer.

Commissioner Cromwell said the City was getting a great deal. He said the neighborhood has already been inconvenienced with the construction and the neighborhood would not have that construction come along again in a couple of years with a new street project. He said the street was already blocked off and most of the development was being paid by the developer and he did not know how the City could beat that price and was a fantastic opportunity.

Moved by Amyx, seconded by Dever, to authorize the City Manager to approve the purchase orders to Oread Development for \$134,070.20 for public improvements to be completed in conjunction with the project. Motion carried unanimously. (14)

Consider authorizing the City Manager to execute Supplemental Agreement No. 1 for \$141,304 to the current Engineering Services Agreement with BG Consultants for Design and Construction Phase Engineering for Phase 1 of Project UT0810DS Watermain Replacement Program. (Iowa, 9th and University, and related lines)

Philip Ciesielski, Assistant Director of Utilities presented the staff report. He said this project was initiated last fall for a pre-design report that staff had anticipated 15,000 feet of various projects as part of the City's yearly Water Main Replacement Program. In previous years, the highlight of that program was the downtown waterline replacement and this item was to reinitiate and get back into that program. There were a number of main breaks along Iowa and two of the adjoining lines were within the 15,000 feet in the original RFP. During that time, staff did additional investigation while BG had prepared a preliminary design report. The cost

estimates were updated on the projects that were previously identified and staff engaged a representative from the Ductile Iron Pipe Research Association (DIPRA) and this was the one opportunity where he had seen pieces of pipe that came out from the main break and looking at the corrosion, staff engaged an engineer from this association which was funded by the DIPRA and they would conduct soil assessments, engineering analysis on installation techniques and the applicability of DIPRA in different situations. This was a 1952 cast iron pipe and DIPRA still offered those services and at no charge to the City, they did seven soil borings along the line on Iowa Street in the vicinity of those breaks as well as along the entire alignment trying to characterize the soil characteristics and determine if there were localized failures due to corrosion or was that pipe installed in such a condition that it was an inherent deterioration along the entire length. The information staff received from the soil analysis was that it was a very corrosive environment and the failures, based on staff's review, would come more frequently and there was not a rehabilitative action that could be taken on this particular installation. He said staff would make provisions with their future design to protect the pipe and would go back with ductile iron and poly-wrap it in a heavy duty plastic bag that isolated the pipe from the soil and was not available at the time of this installation.

He said staff was asking the City Commission for authorization to execute that supplemental agreement with BG Associates for design and construction phase services.

Commission Dever asked if it was the corrosiveness of the soil.

Ciesielski said in this case, it was the corrosion cells that set up and leaches the iron content out of the pipe and was left with a graphite or carbon pocket which would be weak and there would be a variation in water pressure and movement of the pipe and soil, loosening that plug. He said there were very high readings for that area which was indicative of the type of failures that were occurring.

Mayor Chestnut said one issue discussed before, which went along with the Water main Replacement Program, was the street pavement index and sidewalk index and they needed to

move toward identifying some of those issues before those main breaks and look at the entire network which was a huge undertaking, but he wanted to make sure staff had that on their radar screen.

Ciesielski said identifying issues was on staff's radar and one of the initiatives for this year was tying more things to the GIS System. He said there were shortcomings to the water distribution system that was represented in GIS and staff was working diligently to get those shortcomings corrected. He said an electronic work order management system was implemented that would track the main breaks and other activities. He said staff would go back and pull historical data and get that entered. He said sanitary sewer was along the lines of the pavement condition and sidewalks and geometric network in GIS was created earlier and much more accurate. He said the sanitary sewer system lines could be televised to see those lines while in service. He said staff had looked at some of the available soil data from the County or other sources that might give staff an idea to overlay. He said staff went to the policy of anything that was ductile iron, staff was poly wrapping as well as the fittings used on plastic pipe.

Mayor Chestnut called for public comment.

After receiving no public comment, Vice Mayor Amyx said no one had an idea of what the pipe looked like until the pipes broke and were dug up. Based on this information, he said additional engineering and the work was warranted in this case and should proceed as quickly as possible.

Mayor Chestnut said the City needed to get its arms around what the entire network looked like. He said it was appropriate at this time especially because of other projects and a lot of looking at the entire network was receiving new data.

Vice Mayor Amyx said improvement to the approaches on Iowa had already been made at that intersection on the sidewalk on the east side of the street. He said they needed to be sure to protect that new concrete when that pipe was placed in the ground.

He asked if those improvements would have an effect on the contract that was already let on the sidewalk.

Chuck Soules said no. The contractor was stopped and would install the sidewalk after the waterline was completed and there should be no additional costs.

Commissioner Cromwell said he would be interested to see more of the data on the condition on both the water and sanitary lines to make the best decision about where to put the City's money. He said it could be that City staff could do its own borings and testing too.

Commissioner Dever said they did a great job on the overlay on the Class 1 and 2 soils. He said if staff could figure out what type of soil that caused the problem, they could pinpoint it accurately in the future as well as the existing problem.

Commissioner Johnson said the Commission discussed a master plan which that plan could address the issue. He said this was a good example of being pro-active versus re-active and at the end of the day lines would be fixed.

Moved by Johnson, seconded by Cromwell, to authorize the City Manager to execute a Supplemental Agreement No. 1 for \$141,304 to the current Engineering Services Agreement with BG Consultants for Design and Construction Phase Engineering for Phase 1 of the watermain replacement project. Motion carried unanimously. (15)

Authorize the City Manager to sign an Engineering Services Agreement with Bartlett & West for design of Kasold Drive, from Clinton Parkway to 31st Street.

Chuck Soules, Public Works Director, presented the staff report. He said this project was the first major reconstruction street project for the use of sales tax for infrastructure and equipment. This project was in the City's five year plan for KDOT funding. Also, pending the bids for 2nd and Locust, if bids came in lower for that project, the difference would be used for the Kasold project as well.

He said currently there were four, twelve foot lanes with a sidewalk on one side and a recreation path on the other side. He said some of the contractual work included the following:

1. Typical section with 11 feet lanes and landscaped median/center turn lane;
2. Horizontal layout;
3. Sight distance improvements at 24th Terrace;
4. Establish left turn lane at East 1200 Road on Kasold curve; and
5. Connect multiuse path and sidewalk around Kasold curve.

He said staff discussed with Bartlett and West about the scope of services and outlined a number of issues and the revised base fee for services for this project was \$431,025. Because State funding was involved, there was a comprehensive set of plans.

He said in preliminary discussions with contractors and in keeping with the same footprint, staff suggested building pavement in between and keeping two lanes of traffic open in each direction. Some of the sidewalk and path might need to be removed in order to complete road construction and construction cost might be higher than anticipated. He said one option was to close Kasold or significant portions of Kasold which might decrease construction costs and reduce the time required to complete the project. The alternative proposal from Bartlett and West would develop two traffic control plans and the project could be bid with two alternate plans. The additional engineering costs would be \$10,320. He said before proceeding with a closure plan, they would discuss this option with the residents and City Commissioners.

Commissioner Johnson asked what the construction period was if two lanes were left open.

Soules said on the north side it took approximately 10 months. He said with this project, there were no retaining wall issues, grade issues, or waterline issues. He said the project probably could be completed in one season. The anticipated schedule was to complete the design and bid the project by the first part of next year. If the contractor could start early next spring, the project could potentially be completed by September or October. There was also the issue of getting access to both sides of the road which is an issue that needed to be discussed with the contractors.

Vice Mayor Amyx said with those streets on the west side of Kasold, the street just south of the commercial/residential office area there were approximately 35 homes and to the south of

those home another 35 or 40 homes and access to and from homes in that area was going to be critical and probably would not keep everyone happy.

Soules said it would be an inconvenience, but the contractor would absolutely need to keep access into those residences. There was one instance in the Kasold north project where the City had to replace a driveway and the contractor moved that family to a hotel overnight. He said the contractor for that project was very resourceful and it worked out well.

Two public meetings were scheduled, and would schedule more meetings, if needed. A website would be developed for this project and already had one neighborhood representative on the selection committee for the engineering firm. Typically, when the City had projects of this magnitude, staff would receive several invitations to bid before having a chance to inform the neighborhoods.

Vice Mayor Amyx asked if this was the best dollar amount the City could receive for the design of this project.

Soules said yes. Staff went back and forth with Bartlett & West and some services were taken out of the construction phase because City staff could handle those services.

Vice Mayor Amyx said what the original project cost was.

Soules said the project cost was \$15,000 more.

Vice Mayor Amyx said based on other projects, they were still under the 8% amount when comparing construction costs with other projects.

Mayor Chestnut called for public comment.

After receiving no public comment, Mayor Chestnut said there were a couple of follow up items to address. He said this project was in process and they needed to look at engineering services agreements and the stage of those agreements because the QBS process was being reviewed. Secondly, in the engineering services pool, a history of what was awarded to which contractor.

Corliss said staff received the QBS report and sent the report to the City Commission and the report would be placed on the agenda next week, but the history of the engineering services pool would take a little bit of time.

Commissioner Cromwell said the City needed to address and change policies for engineering. Also, it was important to preserve the bike lane and knew it would make the engineering more difficult, but it was an important issue. Finally, many neighborhood discussions were anticipated which was good. He said the City was doing a good job in reaching out to the neighborhoods, especially closing roads at that location.

Mayor Chestnut said they were being asked to consider and provide direction on one of two options, which was to authorize the agreement at the lesser amount, which would not consider the other scenario which would be total closure. One other scenario was when the County was in a similar situation with the Lecompton Bridge and if one lane should be left open or shut down the bridge completely. The time and money savings became self evident that it was the best decision to close the bridge completely. He said he supported looking at both options because it might not be feasible but for the difference in the engineering services agreement, it was worth seeing if there were significant savings in both time and money as a result of closing that stretch completely. He said depending on if the time savings might be 60 days and a price was less, it was an option he would like to consider.

Vice Mayor Amyx said they had to look at that option along with Commissioner Cromwell's comments. He said being involved so everyone had an understanding of their access to and from their homes was extremely important. Staff and the contractor involved in the project north of Kasold Drive tried to keep everyone updated on a regular basis which worked.

Commissioner Dever said he was in support of investigating the alternate plans and although it looked daunting right now, those people were professionals and could provide insight

and ideas that would allow people to access their homes because it was an important stretch of road for many people and the shorter time that stretch of road was out or debilitated, the better.

Commissioner Johnson said he was okay spending the money to look at some alternatives. He said he wanted to explore further, the idea of bringing contractors in to discuss neighborhood access. There might be a happy medium where Kasold Drive was not totally shut down, but a portion, so there was a blend.

Vice Mayor Amyx said ultimately, people would find detours and the Commission needed to be aware of where the traffic was moved.

Moved by Amyx, seconded by Dever, to authorize the City Manager to execute an Engineering Services Agreement with Bartlett & West for design of Kasold Drive, from Clinton Parkway to 31st Street including two traffic control plans in the amount of \$441,345. Motion carried unanimously. (16)

Receive from City Auditor a proposed annual audit work plan.

Michael Eglinski, City Auditor, presented the staff report. He said he would present a proposed work plan for the remainder of the current year with the idea of coming back in January of 2010 to get on track with a calendar year schedule.

He said he wanted to remind the City Commission about the work that had been done and was ongoing. Last year he completed five projects which were: 1) ethics questions included in the employee survey; 2) analysis of financial ratios, comparing Lawrence with other cities; 3) pavement conditions; 4) a process for small purchases, especially the use of credit cards with City employees; and 5) street lights.

There were two ongoing projects which were: 1) an overview of the Police Department's administrative bureau; and, 2) required follow up recommendations.

He said in putting a work plan together he looked for things that were important to the residents and organization and looked for ideas that would feed into future work so that he could identify areas that might warrant further work in the future. He said he wanted to spread the

audit function broadly across departments for staff interaction. He said because he was a one person shop, he had to think of projects that were narrow enough in scope to where he was coming back to the City Commission every few months instead of once every year and a half.

He said, this year, he solicited feedback from residents with a web page, received quite a few submissions, and received 25 – 30 ideas through that process.

The memo identified several different audit topics that he judged as high priority. The first topic was to look at financial ratios for the City and making comparisons over time and comparisons with a selection of similar cities which gave a high level overview of the financial situation of the City.

Another project that came out of the overview of the small purchases was the idea of looking at some individual card transactions. He said he would take random sample transactions and verify the individual transaction was consistent with City policy.

A third priority project was to look at Planning and Development Services because it was an area of concern in the survey of residents in 2007.

He said the fourth project was to look at the business type services and to look at their financial condition to compare with similar functions. When he looked at the financial ratios last year, he had concern that some of them were not covering as much expenses as might be best, but did not have good comparative data. In this project he could also address some information he received from submission of residents.

A fifth project was to look at vendor information. The City collected in their financial system information about the vendors the City paid. A review would look and make sure that information was accurate and up to date. It was an internal control issue and would not be something that would be necessarily a great interest in the community. He said one person from the community was interested in that project to take a look at the information in the vendor table.

The last project on the high priority list was contract monitoring which was identified last year because it was a fairly high risk of function of government of monitoring contracts and providing oversight.

He said he suggested that the first two projects, the financial indicators and looking at the card transactions, be included and would like guidance from the City Commission on another two to three projects. He said he would like to look at the financial indicators, but only if the City Commission was interested.

Commissioner Dever said he would like further explanation of the audit topic of business type services. He said Eglinski was looking more at the prospect of whether or not those services, which were typically generating some sort of revenue, whether those services were exceeding or meeting the costs associated with those services. He said if Eglinski considered determining whether the City was doing all they could with the resources the City had. For example, the City Commission received some emails in the last couple days about solid waste and there were great points in that email and wanted to make sure those emails were considered because there were ideas and issues contained in those emails and were important to look at.

Eglinski said he was struggling a little bit with how to look at such a broad set of services. If solid waste covered 95% or 105% of the expenses, how did that percentage compare to the median of ten other solid waste functions and if there was a difference, it would raise some questions. By also looking at other functions such as golf and stormwater and other things, it would be hard to spend much time getting in depth. Another alternative was to pick a specific service.

Commissioner Dever said water and sewer were most likely to remain in-house for a long time, but there were issues over parking, solid waste, and the golf course and whether or not a private entity could run it. Solid waste was something many cities outsourced and provided a third party contractor. He said he wondered if that might be an appropriate

assessment of how efficient the City's system was handled. Obviously, solid waste received a great rating by the citizens and that rating needed to be taken into account, but there was also the idea of whether it was the best use of the City's resources and were using staff effectively, how they rated compared to other cities in what was spent and collected and of course recycling and other waste diversion processes that could come forth from this type of audit. He said if Eglinski picked one service, in his opinion that would be the easiest one to take a look at because of its success in the consumers' eyes as well as some of the questions that came up about whether recycling was a possibility or cost associated with recycling was absorbable.

Eglinski said he discussed those ideas with David Corliss, City Manager, as required by the code in coordinating a plan, share ideas, and receive feedback.

Mayor Chestnut called for public comment.

After receiving no public comment, Mayor Chestnut said there were water, sewer, and stormwater which were fairly integrated systems and other Enterprise Funds such as parking, solid waste and the golf course and was a broad scope to entertain all at once. He said he was agreeing with Eglinski's input on solid waste. If they were going to look at water, sewer and stormwater, they had to consider looking at comparisons on how money was transferred because there was a lot of money that moved between Utilities and the General Fund. He said he knew that was a can of worms to open up, but realistically they had to try to understand the equation. If looking at the financial consideration of that group, they would have to unwind some of the flows and look at what was coming in and what was actually being expended. If comparing it to other municipalities, it seemed like a really in-depth project versus the other services that seemed narrower, plus they would be dealing with a scope that was seven or eight months, versus an entire year.

Vice Mayor Amyx said he agreed with the Mayor and Commissioner Dever. If the Commission was going to look at the first two items Eglinski recommended, he wanted to look at the business type services and would that be four items or would the Commission just be

looking at the solid waste service. He said he agreed about the assessment of the solid waste service and that citizens were happy with that high ranking service. He said it was important to look at the cost benefit. He said he would also like to look at water, sewer, storm water, and the golf course.

Commissioner Cromwell echoed the sentiments of the other Commissioners. The financial indicators and review of purchase cards would be very straight forward items and did not think it would be time consuming. He said review of the purchase card transactions was important in saving money.

He said solid waste was a particular interest and saw a need to look at utilities as well. That was another issue and time should be spent on how utilities should be approached. The vendor review was incredibly important as well. The City was doing better than in the past, but the City spent so much with vendors and the City needed to make sure they were getting their money's worth.

Mayor Chestnut said the Commission was supporting all of Eglinski's suggestions, but contract monitoring might be deferred because they were in the process of considering some changes in contract processes, which they would be auditing a process in the midst of changing and it might be appropriate to make contract monitoring a 2010 item. He said there were the control issues like the purchase card transactions and the vendor information, which were control elements, but the Commission spent a lot of time on land use and planning. It sounded as if the Commission might be filling Eglinski's cup a little full, but those were two broad areas the business type services and planning. If it was not the consensus to look at planning for 2009, he would make planning number one for next year.

Commissioner Johnson said he hoped they could make some headway in the committee he was sitting on. They were revisiting some of the planning and development issues, so they would be working on that over the next year.

Mayor Chestnut said the Commission was agreeing that Eglinski's work plan should include financial indicators, the review of the purchasing card transactions, the vendor information review, knowing all three of those were time compressed. He said on business type services the plan should include water, sewer, stormwater, solid waste and the golf course. He asked if that work plan was attainable in the remaining 2009.

Eglinski said the way he identified business type services as a potential issue was looking at it last year. He said he could research financial indicators and prepare some initial comparisons and if something stood out, it might help narrow the scope and when he did the financial indicators, use that to have a discussion with the City Commission moving ahead and where he should focus his efforts.

Commissioner Dever said that would be a great start to move forward and then hone a scope of work for the business type services, if related to storm sewer, wastewater and drinking water. If there was a particular aspect of solid waste the Commission would like to address, he would like everyone's input and come up with a list of things to look at and make sure Eglinski had a focus and not a huge task.

Mayor Chestnut asked if it would be helpful for the Commission to gather consensus of the questions in that business type services area so Eglinski could form the audit outcomes around those questions that were being asked.

Eglinski said yes.

Mayor Chestnut said Eglinski could come back to the Commission when the indicators were completed and then finalize that work plan going forward.

Eglinski said he understood the Commission's direction was to work on financial indicators, review purchase card transactions, vendor review, but with the business type services come back when there was more direction on the scope.

Moved by Cromwell, seconded by Dever, to approve the remainder of 2009 Audit Work Plan to include Financial Indicators; a Review of Purchase Card Transactions; Vendor

Information Review; and Business Type Services (with further direction on the scope of Business Type Services). Motion carried unanimously. (17)

PUBLIC COMMENT: No public comment.

Consider motion to recess into executive session for approximately 30 minutes to discuss the following: 1) possible property acquisition; and 2) matter relating to employer-employee negotiations. The justification for the executive session is to keep possible property acquisition matters and employer-employee negotiations matters confidential at this time.

Moved by Dever, seconded by Amyx, to recess into executive session beginning at **8:10 pm** for approximately 30 minutes to discuss the following: 1) possible property acquisition; and 2) matter relating to employer-employee negotiations. The justification for the executive session is to keep possible property acquisition matters and employer-employee negotiations matters confidential at this time. Motion carried unanimously. (18)

The City Commission returned to regular session at 8:40 at which time **it was moved by Amyx, seconded by Johnson**, to return to executive session for 20 minutes, until 9:00 p.m. Motion carried unanimously.

The City Commission returned to regular session at 9:00 p.m.

FUTURE AGENDA ITEMS:

06/16/09

CONSENT:

- Approve a Special Event request, SE-5-14-09, for a live music event located in the lot south of 701 Massachusetts Street. Submitted by The Eldridge Hotel in conjunction with the Lawrence Convention & Visitors Bureau's Tour of Lawrence Street Sprint. Baldwinsville Tri-Angle Holding Corp., property owners of record.

REGULAR:

- Receive public comment on 2010 budget issues.
- Discussion of Lawrence Community Shelter.
- Review draft of City Commission goals from May 26 goals setting session.

- 06/23/09
- Consider accepting dedication of easements and rights-of-way for PP-04-01-08, a Preliminary Plat for Fifth Street Bluff Subdivision, a 0.29 acre subdivision consisting of one lot, located at 427 Country Club Court. Submitted by JMC Construction, Inc., property owner of record. (PC Item 1; approved 7-0-1 on 5/18/09)
 - Conduct a public hearing on a request by , for a waiver of the restriction of the sale and serving of alcoholic liquor within 400 feet of a school or church, pursuant to section 4-113(a) of the Code of the City of Lawrence, Kansas regarding the temporary sale of alcoholic beverages at the Americana Music Festival at South Park on Saturday, July 18, 2009 from Noon-10 pm; and consider the adoption, on first reading, of [Ordinance No. 8410](#), authorizing the temporary sale, possession and consumption of alcoholic beverages at South Park related to the event.
- ACTION:** Conduct public hearing, find that the proximity of the Americana Music Festival and temporary sale, possession and consumption of alcoholic beverages, is not adverse to the public welfare or safety; approve the distance restriction waiver request; and adopt, on first reading, Ordinance No. 8410, authorizing the temporary sale, possession and consumption of alcoholic beverages on specified city property, if appropriate.
- 06/30/09
- City Commission Meeting canceled due to fifth Tuesday.
- 07/07/09
- Discussion of 9th Street bike lanes (Traffic Safety Commission and Bicycle Advisory Committee will discuss the issue at the July 6 TSC meeting).
- Monday
07/13/09
- City Commission Study Session – 3:00 – 5:00 p.m. Topic: City Manager’s Recommended Budget.
- 07/21/09
- Commissioner Johnson absent from July 21 City Commission Meeting.
 - Authorize publication of the 2010 Budget Summary and establish August 11, 2009 as the public hearing date.
- 08/11/09
- Conduct public hearing on the proposed 2010 City budget.
- 08/18/09
- Adopt on second reading, Ordinance No. _____, adopting and appropriating by fund the 2010 budget for the City of Lawrence.
- TBD
- Discussion of emergency vehicle access during the North 2nd and Locust intersection reconstruction.
 - Adopt Douglas County Emergency Operations Plan.
 - Discussion of City Commission meeting protocols.
 - Adopt on first reading, Ordinance No. 8397, amending Section 4-103.1 of the City Code related to unlawfully hosting minors consuming alcoholic

liquor or cereal malt beverage.

- Adopt on second and final reading, Ordinance No. 8387, for the Rezoning (Z-2-2-09) of 1725 New Hampshire Street from RM24 (Multi-Dwelling Residential) to CS (Commercial Strip), until such time as the contract purchaser commits to close on the purchase of the property, or September 15, 2009, whichever is sooner.

COMMISSION ITEMS:

Moved by Amyx, seconded by Johnson, to adjourn at 9:05 p.m. Motion carried unanimously.

APPROVED:

Robert Chestnut, Mayor

ATTEST:

Frank S. Reeb, City Clerk

CITY COMMISSION MEETING OF JUNE 9, 2009

1. Bid – 1 heavy duty truck tractor for Public Works to KC Freightliner for \$80,728.
2. Bid waived – Sole source purchase, 1 EH Wachs trailer mount valve from EH Wachs Co. for \$44,285.
3. Bid date set – 2009 Overlay Program Phase II, June 30, 2009.
4. Bid – Hobbs Park Sanitary Sewer Extension for Utilities Dept to for \$.
5. Ordinance 8417 – 1st Read, alcohol at S Park on June 18th for Callahan Creek Picnic.
6. Ordinance 8402/County Resolution____, CPA-2004-2.
7. Ordinance 8414 – 2nd Read, alcohol at S half of 600 & 700 blk of Mass, July 3,
8. Site Plan – SP12-112-08, Jackpot Saloon, 943 Mass for hospitality area.
9. Temp Use of ROW – Close 7th from Kentucky to Tenn from noon to 11:00 pm on July 4th for Lawrence Originals.
10. Ordinance 8412 – 1st Read, alcohol N half of Watson Park on July 4 for Lawrence Originals.
11. RFP – Lime lagoon clean-out & beneficial reuse of the residuals.
12. City Manager's Report.
13. Joint City Ordinance 8391/County Resolution 09-16 - CPA-2008-6
14. Purchase Order – Oread Development for \$134,070.20 for public improvements.
15. Supplemental Agreement No. 1 – BG Consultants, watermain replacement project for \$141,304.
16. Engineering Service Agreement – Kasold Dr from Clinton Pkwy to 31st with Bartlett & West.
17. Annual Audit Work plan.
18. Executive Session.