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CITY MANAGER

City of Lawrence

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CITY COMMISSION

MAYOR
MIKE AMYX

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

July 22, 2014

The Board of Commissioners of the City of Lawrence met in regular session at 5:15 p.m., in the City Commission Chambers in City Hall with Mayor Amyx presiding and members Dever, Farmer, Riordan and Schumm present.

A. EXECUTIVE SESSION :

1. Considered motion to recess into executive session for approximately 45 minutes for the purpose of discussion of matters relating to employer-employee negotiations and for the purpose of discussing possible property acquisition. The justification is to keep employer-employee negotiation matters confidential at this time and to keep possible terms and conditions of property acquisition confidential at this time. Upon conclusion of the executive session, the City Commission will take a short break. The regular City Commission meeting will resume at approximately 6:35 P.M. in the City Commission meeting room.

Moved by Schumm, seconded by Dever, to recess into executive session for approximately 45 minutes. Motion carried unanimously.

Moved by Schumm, seconded by Farmer, to extend the executive session by 15 minutes. Aye: Amyx, Farmer and Schumm; Abstain: Riordan and Dever. Motion carried.

The City Commission Meeting reconvened at 6:35 p.m.

B. RECOGNITION/PROCLAMATION/PRESENTATION:

1. Proclaimed Tuesday, July 22, 2014 to be The City of Lawrence, Kansas Celebration of the 24th Anniversary of the Americans with Disabilities Act.
2. Presentation by the Lawrence Police Foundation of five new Automated External Defibrillators (AEDS) for the Lawrence Police Department.

C. CONSENT AGENDA

Amyx pulled item 2, approval of claims to 319 vendors, from the consent agenda for separate discussion.



It was moved by Schumm, seconded by Riordan, to approve the consent agenda as below minus item 2. Motion carried unanimously.

1. Received minutes from the Traffic Safety Commission meeting from June 2, 2014, Sister Cities Advisory Board meetings from 04/09/14 and 05/14/14 and the Horizon 2020 Steering Committee meeting from June 9, 2014.
2. **THIS ITEM WAS PULLED FORM THE CONSENT AGENDA FOR SEPARATE DISCUSSION.** Approved all claims to 319 vendors in the amount of \$5,351,484.24.
3. Approved reappointment of Milton Scott and Verdell Taylor to Douglas County Community Corrections Advisory Board terms that expire 5/31/2016, as recommended by the Mayor.
4. Bid and purchase items:
 - a) Set bid date of August 5, 2014 for PW1330 - Construction of Regional Detention Basin and Interceptor Trench for Lawrence VenturePark.
 - b) Authorized the City Manager to enter into a cost share agreement with the Kansas Water Office and approved payment to the Kansas Water Office in the amount of \$28,171 for the City's portion of the ongoing Kansas River Algal Study.
 - c) Authorized the City Manager to Execute the Engineering Services Agreement with Professional Engineering Consultants in the amount of \$42,406 for Project UT1419 8th Street Waterline Replacement, Indiana to Kentucky.
 - d) Authorized the City Manager to execute an amendment to a professional services agreement with Olsson Associates to include the development of traffic mitigation strategies associated with potential transit center site at 2201 Stewart for \$23,900.
 - e) Approved the purchase of US Army Corp of Engineers approved Rip-Rap for use on the Kansas River Levee not to exceed \$50,000.00 from Mid-States Material.
 - f) Authorized the City Manager to execute an agreement with Treanor Architects for a police facility program and site study in the amount of \$32,525.00.
5. Adopted the following ordinances on second and final reading:
 - a) Ordinance No. 9020, allowing increased occupancy during cold weather periods at the Lawrence Community Shelter (LCS), located at 3655 E. 25th Street. Special Use Permit 1-3-10 for LCS, currently caps the shelter's occupancy at 125 people. Ordinance No. 9020 would permit up to 140 guests when nighttime temperatures are 40 degrees Fahrenheit or lower.
 - b) Ordinance No. 8994, annexing (A-14-00155) approximately 54.31 acres surrounding the proposed K-10 & Bob Billings Parkway interchange.

- c) Ordinance No. 9018, rezoning (Z-14-00170) approximately 2.52 acres from RM32 (Multi-Family Residential) District and MU-PD (Mixed Use-Planned Development) District to MU-PD (Mixed Use-Planned Development) District, located at 1101 and 1115 Indiana St. (PC Item 1A; approved 10-0 on 6/23/14)
 - d) Ordinance No. 9019, designating 1000 New York Street as a landmark on the Lawrence Register of Historic Places.
- 6. Authorized the Mayor to sign the ITS Set-Aside Project Agreement with KDOT for the 6th Street, Wakarusa and Clinton Parkway ITS Project PW1337.
 - 7. Approved Resolution 7078 which amends Resolution 7038 to include Wakarusa Drive, Clinton Parkway, and 23rd Street for use of bonds for fiber related projects included in the ITS Set-Aside Project Agreement and grant.
 - 8. Authorized issuance of a 90-day temporary certificate of occupancy (TCO), if appropriate, to allow occupancy and use of the Kansas Athletics facilities at Rock Chalk Park, conditioned on final completion and City approval of various site plan requirements, public infrastructure improvements and minor building and fire code elements.
 - 9. Approved a Special Event Permit, SE-14-00273, for over-flow parking, to be located on the west portion of VenturePark property adjacent to the Douglas County Fairgrounds on August 1 and 2, 2014, for the demolition derby and ATV races at the Douglas County Fair, located at 2110 Harper Street. Submitted by Julie Flory for the Douglas County Fair Board.
 - 11. Approved the initiation of a performance audit of financial indicators to be conducted by the City Auditor.
 - 10. Authorized the Mayor to sign documents for the sale and transfer of title for city lot 91 and the south 25 feet of lot 89 on New Hampshire Street, commonly known as 947 New Hampshire to 9-10, L.C.

Regarding item number 2, approval of claims to 319 vendors, Rock Chalk Park related claims are voted on separately.

Moved by Farmer, seconded Riordan, to approve non-Rock Chalk Park related claims to 315 vendors in the amount of \$5,325,205.78. Aye: Amyx, Dever, Farmer, Riordan and Schumm. Nay: None. Motion carried unanimously.

Moved by Schumm, seconded by Riordan, to approve Rock Chalk Park related claims to 4 vendors in the amount of \$26,278.46. Aye: Dever, Farmer, Riordan and Schumm. Nay: Amyx. Motion carried.

D. CITY MANAGER'S REPORT:

David Corliss, City Manager, presented the report on the June Building Permits; Update on Rental Licensing and Inspection Program Implementation; Public Works, Street Division's midyear update and report; Rock Chalk Park Infrastructure Report and Costs for May 2014; KDOT Transportation Alternative Grant; and Update Bike Map Available.

E. REGULAR AGENDA ITEMS:

1. **Conduct a public hearing regarding a distance limitation waiver; Approve a street event permit and closure of the top deck of the New Hampshire Street Parking Garage for Saturday, September 13, 2014 from 12:00 AM to 11:59 PM; and, Adopt on first reading, Ordinance No. 9002, allowing the possession and consumption of alcohol on Saturday September 13, 2014 from 12:00 am to 11:59 pm on the top deck of the New Hampshire Street Parking Garage located at 927 New Hampshire Street for the Lawrence Arts Center Fall Fundraiser Event.**

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

Moved by Farmer, seconded by Dever, to open the public hearing. Motion carried unanimously.

Mayor Amyx called for public comment.

After receiving no public comment, **it was moved by Farmer, seconded by Dever,** to close the public hearing. Motion carried unanimously.

Moved by Farmer, seconded by Schumm, to find that the proximity of the temporary sale of alcoholic liquor for the event is not adverse to the public welfare or safety and grant distance limitation waiver. Approve the requested street event permit and closure of the top deck of the New Hampshire Street Parking Garage. Adopt on first reading, Ordinance No. 9002, allowing the possession and consumption of alcoholic liquor on certain specified public property. Aye: Amyx, Dever, Farmer, Riordan and Schumm. Nay: None. Motion carried unanimously.

2. **Conduct a public hearing regarding distance limitation waiver; Approve a street event permit and closure of Massachusetts Street between North Park and South Park Streets from 8:00 a.m. to 9:00 p.m. on Sunday August 24, 2014; and, Adopt on first reading, Ordinance No. 9012, allowing the sale, possession and consumption of alcohol on Sunday August 24, 2014 from 8:00 a.m. to 9:00 p.m. in**

South Park and on Massachusetts Street between North Park and South Park Street for the Kansas State Fiddling and Picking Championship Event.

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

Moved by Schumm, seconded by Dever, to open the public hearing. Motion carried unanimously.

Mayor Amyx called for public comment.

Dan Dannenberg asked if, at these events where alcoholic beverages are served, people are permitted to bring fire arms to the same event.

Mayor Amyx stated we will get an answer for you.

Dannenberg stated gunpowder and alcohol don't mix well together. We need to decide which will be allowed and which will not. In August, it gets hot and the consumption of alcohol in hot weather is not recommended.

Amyx asked Corliss if he had an answer to Dannenberg's question.

Corliss stated we believe the State law allows individuals with a conceal carry weapon permit to have a conceal carry weapon.

Gayle Sigurdson, coordinator of the Kansas State Fiddling & Picking Championship Event stated if I were to vote, it would be for the alcohol not the guns. We have one vendor with alcohol, serving beer and numerous other vendors throughout the park. There is a lot of good support with the community and police as well.

Moved by Schumm, seconded by Farmer, to close the public hearing. Motion carried unanimously.

Mayor Amyx thanked Sigurdson for the event and Dannenberg for his comments.

Moved by Farmer, seconded by Riordan, to find that the proximity of the temporary sale of alcoholic liquor for the event is not adverse to the public welfare or safety and grant distance limitation waiver. Approve the requested street event permit and closure of Massachusetts Street between North Park and South Park Streets. Adopt on first reading,

Ordinance No. 9012, allowing the sale, possession and consumption of alcoholic liquor on certain specified public property. Aye: Amyx, Dever, Farmer, Riordan and Schumm. Nay: None. Motion carried unanimously.

3. **Consider authorizing publication of the 2015 Budget Summary and establishing August 5, 2014 as the public hearing date. This establishes the maximum budget authority and property tax mill levy for the 2015 budget.**

Mayor Amyx thanked Dave Corliss, City Manager, Casey Toomay, Assistant City Manager, city department heads and city employee's for their hard work in preparing the budget.

Dave Corliss, City Manager, presented the staff report.

Amyx asked Toomay how many real dollars increased under receipts, specifically the growth as a result of assessed valuation which is \$17 million and brought in \$400,000 worth of property tax which is about a million dollars in increased sales tax. He asked how much in additional revenues without raising the mill levy.

Toomay clarified.

Amyx asked if there are questions for staff.

After no questions are asked, Amyx asked Corliss if the inspectors for Public Works are filled right now.

Corliss stated no, we have one unfilled and an engineering tech is added.

Amyx stated he misunderstood in the study session.

Corliss stated we lost one.

Amyx called for public comment.

Susan Earle, Spencer Museum of Art, coordinator of the Pollinators Mural, stated we are so appreciative of the support you have given to this project and your appreciation for the arts.

Margaret Perkins-McGuinness, Spencer Museum of Art, stated she is here on behalf of Saralyn Reece Hardy. This morning we submitted a notification that we wish to postpone our

funding request to the City of Lawrence and plan to submit it for the 2016 budget. Given the postponement of the construction progress at the 100 East 9th building, we are in a position to pursue private fundraising and come back to the City Commission then pursue additional funds to complete the project. This opens up the opportunity for us to explore the relationship with the 9th street corridor project and the Cultural Arts District, as well as the Art Place Grant.

Schumm stated he talked to Saralyn Reece Hardy yesterday and went over the fact that the building that the Pollinators project is being applied to, will not even be finished until late in 2015. He asked if we could put off the request for a year because of the tightness of the budget. As we talked he indicated that the total cost is an issue. They stated it would be nice to get some fund raising going. We are concerned about losing focus on this activity. I want to remind everybody that, when we had the initial public hearing on this, we were committed to keeping this project on our priority list and, that we remember in a year that they graciously gave up there request with the idea that they would come back in a year.

Cynthia Colbert, treasurer for the Lawrence Alliance, stated we submitted an application for 2015 City funding and did not receive a recommendation for approval. We are present to request for reconsideration. The Lawrence Alliance is an advisory board created by the City with the purpose of reducing discrimination in Lawrence.

Laura Kinellis, member of the Lawrence Alliance, also requested the City Commission approve the funding request for the 2015 budget.

Patrick Wilburn, 521 Durham Court stated you've had a lot of people recently asking you to spend money but, I'm asking you to spend less money and reconsider the budget. We're looking at a 1.89 increase in the mill levy. We've talked a lot about making Lawrence more livable, attracting retirees, that's going to be difficult if we keep pushing up property tax. Even with rental registration, which is technically revenue neutral, the fee will be passed on to the people who rent. This will make it even more difficult for people who want to transition into Lawrence. The budget is not friendly to attracting people to Lawrence. You've talked about

adding staff. Investing in staff right now is problematic because that's the most expensive part of your operation. If the economy downturns, you're in a position to have to redact those positions. The County is considering a 4 mill increase as well. It's going to be a difficult year for tax payers in Lawrence.

Mayor Amyx stated all members of this body, and staff, take this very seriously. We're going to do what is best to carry out the function of our government. There will be difference in opinion of what the level of service should be but we will reach consensus. Being in small business I realize the importance of being able to hire people. We know it's expensive but without the proper people in those places we can't operate. There are going to be some tax increases faced.

Wilburn stated his experience with city staff has been very positive.

Lynne Green, Executive Director of Van Go, thanked the Commission for supporting Van Go for the last 10 years and asked to continue their support at their current funding level of \$35,000 which is now a part of the General Fund. She explained Van Go's mission and in depth services to the at-risk youth of the Lawrence community. The elimination of the city's funding would be hugely impactful. Ninety percent of the 18-21 year olds Van Go grads is placed in permanent, meaningful employment.

Jasmine Kabel, a 2014 Van Go grad, stated her life was very troubled until she heard about Van Go. Since being involved with Van Go she completed high school, received her CNA license and will start her CMA classes in August. Van Go has taught her valuable life skills at home and in the community at large and is now a tax paying citizen. She thanked all those that help Van Go.

Amyx thanked Kable for her comments and stated to keep up the good work.

John Sayler, President of Warm Hearts in Douglas County, stated the group began as a volunteer organization in 1982. We provided assistance in heating, and air conditioning, to 531 households, 1,200 individuals, last year. He stated we appreciate the benefit the commission

has given them over the years to support covering their expenses. We pride their selves in that very little of their expense is passed on.

Ernesto Hodison, member of the Warm Hearts Board, stated he is the former Treasurer and has been involved with Warm Hearts for over 23 years. The mission of the group has been the same for 32 years, to look out for those who are most vulnerable in the cold weather and provide assistance to them. We have done this efficiently and proficiently. The City has helped with our campaign over the years. For every dollar we have received, there has been a \$14 benefit provided to clients. We have obtained a great relationship with Black Hills where every dollar you give in donation, Black Hill Cares program will match that. We greatly appreciate what you have given to us and ask that you continue in 2015 to allow us to continue our mission.

Amyx stated thank you.

Garret Tuftee stated I just wanted to reiterate what I've stated before that Lawrence's best talents are in the artistic areas and any amount you can add to that will come back 10 fold to its people. For instance, the VanGo case study and all that we have going in the East Lawrence Arts District. It's thanks to you and all the more you can do is better for all of us.

Amyx stated thanks Garret.

Dan Dannenberg stated we don't need a commissar of arts and culture for \$100,000. We don't need to spend \$200,000 on the Chamber of Commerce. I currently am an unpaid and volunteer city employee in my day-to-day life. I think we could use that \$300,000 more for protecting the integrity and civility of the community. How much of the property inside the city limits is exempt from city taxes? How much valuation is going untaxed on property tax rolls? I'll have other comments as we go through this process.

Amyx stated thanks Dan.

Ben Jones stated I live here in Lawrence. I'm here to second my opposition to the Arts and Culture Director. I'm a little skeptical there will be much re-consideration to that position.

Given the needs in our community, I have a hard time prioritizing that. A lot of needs in this budget are going unaddressed. One concern is the cost of pensions and keeping employees. If we keep adding more and more staff we are going to be in a difficult position. We keep hearing about economic development. If we keep giving tax abatements for economic development, it doesn't add up. Please look at every position and if it is an absolute necessity.

Farmer asked Corliss how much in tax abatements have been given away this year.

Corliss stated he isn't aware of any tax abatement the city commission has approved this year. We considered the tax rebate on the HERE Kansas project that hasn't been finalized yet. There may be a NRA tax rebate request for Del 9 Lofts. Unfortunately, in my opinion we haven't had an industrial tax abatement request in some time.

Amyx asked for any further public comment.

After no further comment is received, Amyx asked Corliss to clear up one thing in the letter we received from him. It's on the LCS funding and the grant we received last year, we had to turn back. It is \$75,000.

Corliss stated he didn't believe it is from the city.

Amyx stated it is ESG program money.

Toomay stated through the CDBG program we allocate \$75,000 but had to turn the money back over because we could not proceed with the program it is allocated to.

Amyx asked if that money stayed here.

Toomay stated in one instance the money was reallocated into another agency in Lawrence, the other funds went back to the state and are reallocated to an agency outside of the City of Lawrence.

Amyx asked if the recommendation is that in special alcohol fund that we received an additional \$40,000.00 that was part of the request for the additional \$200,000.00 that we requested.

Corliss stated that is correct

Toomay stated keep in mind those CDBG funds are not included in the budget. We are allocated through a separate process.

Amyx stated he just wanted to make sure it is understood that this \$75,000.00 had to go back. This is after us being able to do the loan agreement with LCS. Every dollar needs to be counted and we need to look at that pretty closely. That is a major loss. Corliss provided an additional memo on questions we've asked over the past couple of weeks and a memo on equipment purchases. Is that the best we have at this time?

Corliss stated correct, all capital outlay items which includes equipment and vehicles.

Toomay stated general improvements and some mill and overlay at the airport

Amyx asked the commissioners where they would like to start.

Amyx asked where the other half of the City Auditor's position is funded from.

Corliss stated Utilities.

Dever asked if anyone wanted to hold off on instituting the salary increase for the City Commission to help cut down the costs associated with city operations.

Amyx stated no one comes into the job without knowing what it entails, the commitment and the pay. Maybe this is not the appropriate time to enact the pay increase.

Farmer stated he thinks that's an important thing to do. It's probably more symbolic than anything. We don't want to talk about pennies but it's an important gesture to the community. Symbolically, that would be a good thing to do.

Amyx stated we did it because we didn't want people who take this job on to hurt.

Riordan stated he thinks one of the difficulties we've had is some people misunderstand the budget and what we're doing. Some citizens have stated we voted ourselves an increase. I think that would be two good reasons to do that, not just symbolically but for organizations like VanGo and Warm Hearts. To them it's a lot of money.

Amyx stated asked the City Manager about positions.

Corliss stated we have Toomey's old Budget Manager Position that is funded from the General Fund and Utility Fund. We are recommending you fully fund through the Utility Fund an accountant position that will take up a lot of those administrative tasks. We will fill a vacant Risk Manager position. All the other positions are full. You have the Director of Arts and Culture as well, which you all have recommended.

Amyx asked if the City Manager's budget is okay at this point.

Dever asked if they've already been filled.

Corliss stated we have a Budget Manager position that is not likely to be filled. We need to have a full time Risk Manager, in my opinion. If it's not approved, I'll need to come back with a different strategy on that because we self-fund, self-administer our Workers Compensation Program, we have a number of different claims. What I wanted to do is create an Accountant position funded out of Utilities. We probably have about \$40,000.00 that we might be able to free up. We're \$800,000.00 in the hole, so there's some given in this budget.

Dever asked the \$135,000 increase in personnel services is for which positions.

Amyx asked if that increase includes the Arts and Culture Director.

Corliss stated yes, with a guess as to what that salary will be and with some acknowledgement for all the different benefits. It includes the salaries for all the different people in that department.

Amyx asked if at this point Corliss believes there is \$40,000 that could be freed up.

Corliss stated that's fair.

Dever asked if part of the Arts and Culture first year salary is funded by a grant.

Corliss stated we are having some of it paid but I don't have any of that budgeted this year. I have a comfort level and don't know where we're going to end up on a salary for that position. There are also merit increases for everyone else in the department. I have a comfort level with reducing \$40,000 in the budget manager position as long as we're able to keep the

accountant position funded out of Utilities. That is very critical to operating this organization. It's appropriate that Utilities pay for it because we're going to have a lot of work there.

Amyx asked if the position in accounting comes from Utilities and is it already figured in to the Utilities budget.

Corliss stated it's in their budget.

Toomay stated that's correct.

Farmer stated on page 48 of the budget, in the personnel summary we go from 4.5 FTE's to 5.5. Help me understand, we don't have a special project's manager, which is what Cynthia Wagner was when she left, don't have a Risk Manager and are only adding 1.0 FTE.

Corliss stated the Risk Manager is in 1054, page 63. What you see on page 48 reflects the new Director of Arts and Culture.

Farmer stated so far we are at \$60,000.00.

Schumm asked how we got to that.

Corliss stated we took 20 from the repeal of Ordinance 8951 on the salary increase for commissioners and you're directing me to zero out the budget manager position.

Amyx asked if public Information officer comes out of the City Manager's budget.

Corliss stated that's correct. A lot of that has to do with the interns that we're using to do this program. Some of the equipment needs for maintaining her operations.

Amyx stated we have a decrease in the Planning division, correct?

Corliss stated yes.

Amyx stated we are about \$20,000 down from 2014 to 2015, decreases in both contractual services and commodities. On the next page, 54, Code Enforcement, we have rental registration in here. Also, 3 vehicles are included in the amount of \$51,000. Is that appropriate?

Scott McCullough stated yes, we all need vehicles. Those were compact cars, no pick-ups or 4 wheel drives.

Farmer stated my sense is we had older vehicles. Could we repurpose those for a year, even some of the PD cars? If we replace 10 sedans, certainly we can repurpose 3 of those for Code Enforcement and save \$51,000.

Corliss stated if they can be repurposed.

Farmer stated I thought there are some vehicles that are shared among departments.

Corliss stated we do share vehicles. Utilities hadn't bought a sedan in years because we get a number of those as well.

Dever stated he saw them driving an old fire Suburban today.

Amyx asked what type of trade-in we get on those vehicles.

Corliss stated once we've run their useful life, probably not a lot. We put them on Egov which is an Ebay for government sales.

Dever stated I think we could make it one year with those.

Amyx stated we probably could use three of those vehicles.

Schumm stated it's really not a year by the time we start inspecting.

McCullough stated we're inspecting RS properties now and the full, non RS properties in July of next year.

Schumm stated it's really only half a year.

McCullough stated I would note, we did consult with the Central Maintenance Garage and there isn't a lot to choose from the stock of vehicles. That's my understanding of why we're coming to you with the request.

Amyx stated what part of next year, are those sedans freed up.

Toomay stated I don't know that they are available to be repurposed and are repurposed for other uses in the Police Department.

Amyx asked the Chief of Police if we're going to trade vehicles next year.

Tarik Khatib, Chief of Police, explained

Amyx stated under Code Enforcement, contractual and commodities, there is a \$10,000 increase in the commodity portion and asked what that is for.

McCullough stated I'd have to look at the line items, those are general increases based on the rental registration program and explained.

Amyx stated those are the things we need to set up the office and \$51,000 in capital outlay is going to be removed.

McCullough stated correct.

Farmer stated the .14 increase for FTE's for this group is what?

Toomay stated the difference in a grant. It is the same number of bodies, just a difference in the portion being paid out of the grant and the General Fund.

Amyx stated when did we get the grant?

Toomay stated it is the same grants the City had.

McCullough stated it is through CDBG, which fluctuates.

Amyx stated the City Clerk's budget is a 0.5 FTE increase in personnel?

Corliss stated correct.

Amyx stated what is this person going to do?

Corliss stated help manage workflow in the Clerk's office regarding licenses, permitting, etc.

Amyx stated the increase in licenses that we had from last year to this year is 1025 to 1068 licenses, which is 43 licenses.

Toomay stated it is the timeliness of the processing.

Amyx stated the timeliness to get it out to the individual applicant. How long does it take to turn around a license application?

Corliss stated I don't know if we can answer that.

Amyx stated I will question whether or not we need that job.

Corliss stated that person worked 30 hours and we moved that person to 40 hours a week, 10 extra hours for coverage.

Toomay stated also type minutes.

Amyx asked how many weeks behind in minutes, is it 4 weeks?

Toomay stated at least.

Dever stated plus we had video which is better.

Amyx stated is it appropriate to increase based on the number of licenses. We want to get people's license to them as quickly and would like to find out how much time this would save. He stated how much for that position.

Dever stated \$34,000.

Toomay stated it isn't all for that position, there is also merit increases for the existing position.

Schumm asked why is it 3.5 going to 4.0, but is only a 25% increase.

Toomay stated it triggers the point of where it is an additional half of an FTE. It had to be 40 hours to be a 1 FTE otherwise it is half.

Dever stated how much is it.

Toomay stated the conversion from the part-time to the full-time is \$20,000 which is not just salary and is KPERS and benefits.

Amyx stated at this time, I don't see a necessary increase at that position.

The Commission agreed.

Amyx stated there's an additional \$20,000.

Amyx stated next up is Human Resources. There is the same number of employees and contractual services which is up \$5,000.

Corliss stated commodities are down \$1,000.

Amyx stated Risk Management had 2 people and is this what Corliss discussed in the division 1054 budget.

Corliss stated correct.

Amyx asked what happened.

He stated we have not had a Risk Manager, Cynthia Wagner, Assistant City Manager, is performing those responsibilities. I think we need a professional Risk Manager on board to handle that work as we had in the past. We also had a substantial increase in insurance premiums.

Farmer stated do we currently have a risk management specialist on staff?

Corliss stated yes, that person pays bills and does a good job of it, but we need someone managing, a professional that's been involved in that work to help with workers comp laws, compliance issues, and a liaison with the Medical Director.

Farmer and we will now fill the special projects position.

Corliss stated that position is done.

Schumm stated why the contractual services line is so much in this category

Corliss stated that is all of the payment we made to the physicians and health care providers. We self-administered workers comp.

Toomay stated in addition there is insurance premium cost that had increased.

Amyx stated the history of contractual is \$340 compared to 2015 at \$420. Have we seen increases every year? Is there a history that shows us that?

Corliss stated we recently renewed some rates which are reflected in what happened in the future.

Dever stated the performance indicators are excellent.

Amyx stated next is the financial administration division 1060, this budget had 4.13 personnel positions and an additional \$1300 in contractual services with an overall budget

increase of about 3. Why do we see increases in personnel services in other budgets but this one only goes up by \$1,000?

Toomay stated it all depends on the specific people in those positions. A lot of times where people are topped out, then the increases aren't there. This particular division had long tenure folks.

Amyx stated general overhead, where did personnel go.

Toomay stated \$20,000 in personal services in general fund overhead is to fund supplemental military pay. In 2014 that money is greater because that is where we budget the merit pool for all General Fund employees in one lump to the budget and put it in this division and this year it's allocated to the various department budgets.

Amyx stated the \$80,000 in capital outlay, what is the increase there?

Toomay stated last year you approved the increase in mill levy to provide funds for additional equipment needs. Each year staff determined the highest priority need and then pay for that equipment from here.

Amyx stated what's out expenditure we're looking at there?

Toomay stated for 2014 we plan to spend it on a phone system, roof for salt dome and miscellaneous needs. In 2015 it will be similar, based on needs.

Amyx stated in the list we had the 80,000 in general overhead, but had the roof dome at \$40,000 in the streets department.

Toomay stated that's another salt dome.

Farmer stated I know we did the phone system in 2014 through general overhead. What will we do in 2015?

Toomay stated it's the same amount, \$80,000

Corliss stated it is a multi-year project.

Amyx stated we spent \$80,000 on the phone system.

Toomay stated 2014, a portion of that was to go toward replacement of the City's phone system.

Amyx stated this is something we've been looking to do for a while? He stated the \$25,000 contingency?

Toomay stated you'll notice we didn't spend it in 2013. In 2014 we talked about using it to provide the match for the Snap Food Program. So we included the \$25,000 amount in the 2015 budget for some other foreseen expenditure that may come up.

Corliss stated we may want to revisit some other items such as the roof work we authorized on the BTBC west and is not budgeted and we had to look at different contingency funds. We haven't cut that check yet. If you want to cut that, we can, but hold off on some of those expenditures too.

Amyx stated the \$25,000?

Corliss stated no, its \$150,000.

Amyx stated that's the last pot of money we can draw from?

Corliss stated it's one of the last pots.

Dever stated where did the \$125,000 come from?

Corliss explained.

Farmer stated we heard from VanGo and Warm Hearts. Do we want to talk about those now?

Amyx let's talk about them later.

Amyx stated transfers are self-explanatory.

Amyx stated the information technology department had the same number in positions. Contractual services are the same as 2014 and the commodities at 48 and capital outlay at 10. What did we add from 2013 to 2014 that we need \$10,000 to start additional capital outlay?

Toomay stated servers and network hardware.

Amyx stated the City Attorney's Office, we have 0.5 FTE increase in personnel services.

Toomay stated we have a HUD grant that helps support the prosecutor's office. That fluctuates and the number of FTE's reflects the fluctuation.

Farmer stated can you explain, we had 2 city prosecutors and now 1 is a supervisor?

Corliss stated we've always had 1 supervising City prosecutor and when that person left, we promoted the remaining other City prosecutor to that position then we filled her vacant position. We're not increasing the number of bodies.

Farmer stated that's been the way the department is structured.

Corliss stated for some time.

Farmer stated what is the difference in pay between non-merit and non-KPERS?

Toomay stated there is a difference. The person who was in that position received additional compensation and were they moved into that position.

Corliss stated that person took on a supervisory roll and had a pay increase accordingly.

Amyx stated Human Relations is simple and straight forward.

Corliss stated those responsibilities used to be a separate department and are now a part of the City's Prosecutors Office.

Amyx stated it's been 4 or 5 years ago when transferring responsibility into the City's Attorney's Office and the City Attorney Wheeler and her staff have done a great job.

Corliss stated we still had some grant funding and some general fund support to continue education efforts and other things.

Amyx stated regarding Municipal Court we have a 1.26 employee increase.

Corliss stated we have a 1.0 increase from 2014 to 2015.

Toomay stated that was a change in the court security officers and 2 part time security positions began covering more hours resulting in a slight change in the FTE's.

Corliss stated a new judge changed docket hours.

Amyx stated the new position is Administrative Support?

Corliss stated correct, a Court Clerk.

Amyx stated how much is that position in real dollars?

Farmer stated \$54,000.

Corliss stated it is salary plus benefits, increasing the revenue to reflect the fact that we will have that much more productivity with the budget.

Amyx stated the increase is going to be \$35,000?

Toomay stated it is \$53,000.

Corliss stated the revenue increase is the same.

Amyx stated is a dollar for dollar deal

Corliss stated if we didn't think we would get the revenue, the Commission could keep the budget at that revenue amount, we just don't think will hit it.

Dever asked Corliss to explain. It's a person who processes it, but we would get to them eventually, right?

Corliss stated not necessarily and explained. If we reduce the position, we probably need to look at the increase in revenue.

Dever stated is it a 1 to 1. What happens when we have to increase people's pay, etc.? Does the 1 to 1 relationship increase over time? Ultimately employees cost a lot of money. I understand it is good and want to make sure we're not adding now then it becomes less beneficial in terms of the revenue we collect.

Corliss stated we will look at achieving that goal. We need to look at technology and make a lot of technological improvements, for example our parking operations. The new judge is improving the procedures, but to some extent it is more intensive procedures. There is also some increase in indigent defense costs which is over \$200,000 now in providing indigent defense.

Amyx stated have we looked at contracting that out?

Corliss stated we have looked at privatizing collections, but isn't aware of any communities that has successfully privatized that entire function because it is a public trust, a responsibility to make sure it is done appropriately by the public.

Schumm stated it strikes me as strange that we're going to hire someone at \$50,000 and all we will get back is \$50,000.

Corliss stated hopefully I'm wrong.

Schumm stated it seems we should be getting a lot more.

Corliss stated I see the service need. I think we can try to be more efficient but I want to be careful about revenue too.

Farmer stated to me the ongoing cost associated with 7% in KPERS this year, 9% last year and are we going to do 16% more business over the next two years. In a tight budget, \$54,000 is going to put it up to \$180,000 to \$190,000 range. Is this the year to do that, or do we squeeze by another year? We are increasing fines, right?

Corliss stated we did, last year, a little bit.

Schumm stated what about adding only a half-time position?

Farmer stated I think that would be the logical thing.

Schumm stated if hiring a half time person instead of a full-time person, we could see what they do over the year.

Amyx stated what do you think, Dave?

Corliss stated more resources are needed in court. We're down a position from what we historically had in the past. The work load is continuing and is more sophisticated. We have more police officers and the workload is there. Half is better than none.

Amyx asked if Schumm is recommending half-time.

Schumm stated I'm bringing it up as an option.

Amyx stated if an officer goes out and writes a ticket, what happens then?

Corliss stated in most situations, the officer issues the ticket, it's done electronically in most cases, notices are sent out, if those tickets are not responded to, we send out a warrant, those records have to be kept. We not only need to make sure the warrant is clear, but work with the state to make sure that is clear and work through the different state law requirements for the position to make sure the fine is appropriately adjudicated. In some cases a person shows up for trial and we have to make a trial file as well as pleadings associated and the trial clerk is to be present as part of the adjudication. We're doing all of that with more officers, more volume, and one person less than we use to have.

Schumm stated to leave it and it does look like we're doing more than we have in the past.

Toni Wheeler, City Attorney, stated that is correct. Just a comparison of the annual reports, total citations in 2013 was up 18% over those issued in 2012. In 2013, 34,842 citations were issued. The police department can focus on more complex crimes and saw an uptick in those crimes and requires a little more action on the part of our clerk's. In addition, nearly 35,000 citations and 7 court clerk's also process over 100,000 parking meter tickets. What our 7 clerks do was focus on the main public safety crimes and make sure court happens and those defendants are held accountable. As time permits, the clerk's tries to send out notices to people that forgot to pay parking tickets within the 10 days. The clerk's did that when they are caught up on their other work. With the numbers increasing, the complexity increasing and the judge implementing new procedures, those clerks had less time for collection effort on those meter tickets. Mr. Corliss' point is if adding a clerk that we had back in 2007 then get back on trying to collect, send out notices more promptly and other updates to court records to make sure people receive timely notices of court dates and warrants that are being issued and be able to provide a higher level of customer service. We will certainly do our best to bring in more than just enough to pay our salary. The clerks are really operating at the maximum level.

Amyx stated you tell us the increase is 18% in actual tickets, how much is that?

Wheeler stated 34,842 citations in 2013. In addition, 100,000 meter tickets were issued by parking control officers. I can get you more specific numbers.

Amyx stated for now the request stays.

Dever stated it sounds good.

Riordan stated if you just talk about revenue, it doesn't make sense, but if you have a court office that is underfunded and underperforming then we would have situations like with rental registration. Since it is revenue neutral it made sense where it didn't at the beginning.

Amyx stated thank you for the numbers. When you state those numbers, that's a lot of work and it makes sense.

Riordan stated there is an 8 fold increase for firecrackers.

Amyx stated the Police Department's budget.

Corliss stated salaries, over time, that's the additional sergeant which is \$125,000.

Amyx stated what the importance of this position is.

Corliss stated it is highly critical that we hire additional patrol shift supervisory work in the Police Department. In talking to the Police Chief it is the highest non facility propriety and set out a plan to increase staffing. We've added staff in patrol. This was a new position in 2015.

Amyx stated all the information I read about this makes me think this completes the numbers to-date with where we are with the department.

Farmer stated there was a time when those of us that received media reports, I asked Chief Khatib about the early swings reports and there was a time when, for a week, sergeants were out and this position is needed. There has been talk about officers for the Police Department, it's now at the level that Chief Khatib talked about, but it came at a cost. Let us not forget we only have 4 school resource officers and no longer had a traffic division. He asked how may patrol officers.

Khatib stated we've added 17 to patrol, 7 new FTE's and 8 reassignments.

Farmer stated what was the number we needed to be at?

Khatib stated the patrol number is 96 and they are at 94.

Farmer stated we've only added 7 new people and reassigned 8 others. Again, we only have 4 school resource officers and no traffic division.

Amyx asked Khatib about the increase in commodities and any reason why?

Khatib stated that's due to the increase in consumables.

Amyx stated they went up by \$3,000 from 2013 to 2014 and went up \$71,000.

Khatib stated we overspent last year's budget.

Amyx stated Fire and Medical contractual services was \$925,058 in 2014 and 1,021,158 in 2015 which is an increase of \$80,000.

Mark Bradford, Fire Chief stated several reasons for that which is fuel, electricity, and natural gas are adjusted based on information we've received. The other key components fall into two categories. One, we submitted a plan to lease the vehicles used for chief officer staff for a couple of reasons. One, to spread that cost over a few years and the reasonable cost of lease versus purchasing and this is a Beta test we wanted to complete. The other is to include in our budget versus having it as an equipment reserve purchase that we've done in the past that shares the cost between the City and County in that agreement. The other \$15,000 of that is to ensure that we meet the federal mandates for hazardous materials.

Amyx stated do we have the thermal imaging now, or do we purchase under capital outlay?

Bradford stated we purchase under capital outlay and did that for years where we had one or two items and thermo image cameras is one of those particular items. The cost of those cameras is fairly significant so instead of any one given year that Fire/Medical requests to replace all of those cameras, all have different lives based on use. They try to replace one to two a year based on their replacement demand.

Amyx stated under commodities, you're down \$30,000 from 2014 to 2015. What's coming out of there that is missing?

Bradford stated with the recommended request for self-contained breathing apparatus out of the sales tax monies that reduced the amount of money we normally had in their budget, the SCBA line item was not needed.

Farmer stated it's clear that the City of Lawrence cares about public safety.

Dever stated we care a lot.

Amyx stated next is Street Maintenance.

Corliss stated a lot of that is paid for through the guest tax fund. Revenue is flat as expenditures grow on the personnel side.

Amyx stated the increase is between the 2013 actual at \$2 million versus \$2.3 million budgeted for 2015, how much are they paying for asphalt?

Soules stated we're probably seeing \$70 per ton. Concrete has gone up 10 percent, asphalt probably the same.

Amyx stated the increase in capital outlay, what are we doing there? On this memo it has \$30,000 roof repair for salt dome, is that it?

Toomay stated yes.

Amyx stated that's for the salt dome roof, okay. How many miles of streets are you looking at doing in 2015? What are we doing for \$2.2 million?

Soules stated a lot for concrete and asphalt for street division. Mill and overlay is in that program, probably 400 blocks with mill and overlay crack seal. Some of our concrete rehabilitation, several neighborhoods with curb and gutter repairs.

Amyx stated we have a place for all these dollars?

Soules stated absolutely.

Amyx stated what's the age of the roofs?

Soules stated 12 – 15 years and are asphalt shingles.

Amyx stated did the shingles get hit by hail.

Soules stated there are leaks in the shingles.

Amyx stated can we last another year?

Soules stated we are storing shingles at Farmland and Wakarusa Water Plant which help staff not need to come back across town.

Amyx stated we appreciated the concern, but we had an alternative of being able to do that, it was just out of the way.

Soules stated out at Venture Park.

Amyx stated how about saving \$40,000 and make it one of the items for 2016.

Dever stated sounds good.

Schumm stated okay.

Amyx stated the Engineering Division and we have 2 additional employees.

Corliss stated we staffed up to do the road work this year. Some is reimbursed through KDOT, some is not. There has been some private street work in sub-divisions that takes a lot of staff work. We lost an inspector. We stepped up on right of way management. We are having a significant challenge to get investor owned utilities to work with us. If you don't fund the one position, these are hiring through our street maintenance. We get attrition through that. We just won't fill one position.

Soules stated the inspector position did a multiple of duties and explained. We've kept the inspector salaries, at least 2 positions covered the last several years through grant funding. The sidewalk program that the Commission wants us to do a pilot on will be run by one of these inspectors. We keep the inspectors busy. They help the engineers, surveyors and other departments.

Amyx stated what's the difference in price if we have to have it done privately?

Soules stated on Iowa we received \$200,000 to \$400,000 and is about 10 percent of the cost of the project. On Kasold, which we're planning on doing next year could be up to \$4,000,000 and is a \$400,000 inspection contract and 6th and Maple we're planning on doing that as well and it is 10 percent of the cost of the project.

Amyx stated so your recommendation is that we go ahead, we have one and we should fill the additional one. What affect does it have on your department if we don't fill it?

Soules stated we're going to have to see how we do the sidewalk program. Jake Barnes is the one that's leaving and is tuff to replace. Barnes did a multitude of things. One is that he does all the right of way work with utilities.

Amyx stated you have 2 inspection vehicles at \$48,000. How bad are the vehicles we have, and what are the miles on those vehicles?

Soules stated 1 is a 1991 with 94,000 miles. The cost of labor and materials on that vehicle is \$19,000 for lifetime maintenance costs.

Amyx stated how much did you spend in 2013 on that vehicle?

Farmer stated why can't we do the same thing we did on the rental registration vehicles? There's another \$48,000.

Dever stated part of the conundrum Soules presents is a good one. How you outsource business or keep it in house. Going at the pace we're going now, it makes sense to do it in house. Maybe we should slow down on road construction. Everyone is weary of road construction right now. Maybe we can lower the expense on this item for 2015.

Amyx stated I agree. It's going to be great to see it when it's all done. But being in small business, every once in a while you need a break and you need the roads open to sell goods and services. I'm hesitant to cut the budget in services we provide and what Chuck provides to his workers to do their work.

Soules all the money that we invest in our infrastructure has to result in quality work, and that's why we need our people on the ground to do the work. We can get behind really quick if it is a wet summer.

Farmer stated let me make a suggestion. Toomey stated the 2 positions with benefits were \$120,000 total. What if we took \$120,000 from asphalt, back it out of commodities in

street infrastructure cost, and backed off a few projects allowing these inspectors to catch up. We'd be able to cut \$120,000.

Toomay stated she has a different number of \$171,000

Corliss stated the \$50,000 on vehicles is being paid by rental registration fees.

Soules stated the commodities you're talking about cutting will be where we pay for sidewalks to get repaired.

Corliss stated if you would have to cut in streets, I would take it out of commodities instead of inspectors.

Amyx stated what does that free up, anything?

Dever stated no. We've had an unprecedented amount of work this year and are concluding some of the largest construction projects the City has ever undertaken and those people are not going to be swamped with these duties anymore. I hate to base the future on where we are not because it's the culmination of an investment of unprecedented scale. I don't want to base the future on that because it's not going to happen. Hopefully there will be a lull in these mega projects and then could concentrate on keeping up with street maintenance. If Rock Chalk Park isn't done in September, if Venture Park isn't done, I don't see staff burdened like they are now. I don't know if we need more people.

Soules stated I know we have a lot of projects now. The bigger projects take a lot of time, but we have inspectors who aren't able to spend enough time on the projects.

Dever stated I just feel like this is a bad time to be judging the future because I've never seen anything like it. It overwhelms me just looking at it and I can't imagine how the inspectors feel, but they've managed to this point and if they can do that I think they can handle it in the future.

Soules stated one of the inspectors is working in the Traffic Division and is doing the fiber which is a whole new infrastructure the City hasn't had and will continue to maintain it and make improvements. Maybe keep one of the positions open and see about next year.

Schumm stated you really have three new employees you're talking about, two in traffic and one in engineering. Maybe we just fund one in the engineering department. You made a case for the one in the traffic engineering divisions, due to fiber?

Soules stated yes, the fiber is new infrastructure.

Schumm stated I want to see the sidewalk thing get going and I don't want to see us use too much out of commodities because the mill and overlay is catching up, whenever you see a new street it's been mill and overlay and it looks great. I agree with Dever, when we get through this summer, I think they can catch up. I'm in favor of adding one person and the one traffic engineer and not cutting back on the commodities.

Amyx stated let's take the one inspector in engineering, take the \$65,000 out of the commodities side and it will be taken to 2.20.

Corliss stated you're eliminating one of the additional inspectors in engineering so we'll have one new inspector to the budget, one new additional position in traffic and we're reducing the general fund, \$55,000.

Farmer stated, are those \$55,000 or \$65,000 positions?

Amyx stated that's my suggestion that we do that. We're going to free up \$125,000.

Corliss stated we're reducing the General Fund by \$55,000 for one inspector position and we're going to pay for the other inspector position by reducing the commodities by \$55,000.

Amyx stated how much is that?

Schumm stated \$111,500.

Farmer stated so where are we now.

Toomay stated \$281,000.

Amyx stated what did we decided on the vehicles?

Soules stated I don't have the individual year.

Amyx stated how much did we spend last year?

Soules stated I don't have that available.

Amyx stated could they last one more year.

Soules stated it is pretty ruff, but they're still running.

Farmer stated I thought we were going to take those out of the PD cars.

Amyx stated the two cars in Engineering for \$48,000, we're going to eliminate and replace with two old police cars if available.

Corliss stated so, we're reducing vehicles \$48,000 in Public Works.

Farmer stated the \$51,000 from the rental registration, is that General Fund or fee funded?

Corliss stated its General Fund, but we've presented to the City Commission a budget for the rental registration program that is a combination of personnel, benefits one time vehicle costs and a few other things associated. It was my understanding that was going to be the funding source.

McCullough stated we reduced the budget, what was required in the first year and proceeding years. We will report on the program to match up and align what the fees are covering for the expenses.

Farmer stated does this \$51,000 have a general fund impact?

McCullough stated the intention is that the program fees would cover the cost of the program. It was supposed to be budget neutral. The fees come into the general fund and the expenses would come out of the general fund. If we're to find a savings in vehicles that is as savings to the general fund and the fees maybe cover more that year than it would have been otherwise.

Corliss stated I understand we're not going to buy vehicles for rental registration and what we are saying was to tell us what the mill levy impact of this reduce budget is and we are just trying to understand how the Commission wanted us to account for that.

Amyx stated the Rental registration impact is \$0?

Corliss stated that's the hope.

Farmer stated here's my question, where are we at right now?

Toomay stated \$278,000 than an additional \$51,000 that I'm not sure it has a mill levy impact or not so that is a total of \$329,000.

Schumm stated I have \$330,500.

Farmer stated \$40,000 city manager's office, \$20,000 City Clerk's Office, \$48,000 engineering cars, \$40,000 streets for the salt dome roof repair, \$55,750 for one inspector in engineering, and \$55,750 for streets taken out of commodities which put us at \$279,500 plus the \$51,000.

Toomay stated correct.

Amyx stated we all understand where we're at.

Amyx stated the next item is Traffic Engineering. We're all done with Traffic Engineering and we're happy with that.

Amyx stated Airport Maintenance is next, with 1 employee \$212,000 a year, Capital outlay is 70, overlay and replacement of a pickup, \$25,000. What's that pickup like?

Soules stated that pickup is really in bad shape. He drives it back and forth to City Hall but it mostly stays at the airport. I don't know if a car will work because he carries equipment around. He even has a lift gate because he does some spraying and painting so he lifts barrels with it.

Amyx stated the matches we come up with from time-to-time at the Airport, the 5% matches for money we get from Congress, where do we get that money from and do we budget that money.

Corliss stated we try to, it's not here. Soules walked you through the capital outlays and we don't have that.

Amyx stated let's go on to building maintenance. We have 5 people that take care of how many buildings?

Corliss stated I thought it was 30 different facilities. I don't know how many structures. We're adding a parking garage.

Amyx stated so with the additions maintenance had, we're looking at an increase of \$15,000?

Corliss stated correct. Some of those employees are at the top of their range, so they may not have as much in salary adjustments as others will have. I think they've done some good work on energy conservation and those types of things to manage some of those costs.

Amyx stated Street Lights. This is the contractual arrangement we have with Westar?

Corliss stated someday I'd like to get more analysis on that relationship with Westar.

Amyx asked Soules, do you have any information on that truck yet?

Soules stated it's a '98 Ford pickup and has 135,000 miles on it and the lifetime maintenance cost is \$19,000.

Amyx stated you don't know how much we spent last year?

Soules stated no.

Amyx stated is the truck safe?

Soules stated yes. We have taken vehicles out of service when they weren't safe. We wouldn't put it on the road if it wasn't safe.

Amyx stated it will be safe if we keep it on the road another year?

Soules stated if it has to be, yes.

Amyx stated let's go to Levy Maintenance, page 92. We have 2 people that do a lot of work out there. Contractual services from 2013 to 2014 jumps. What was the cause for all that increase?

Corliss stated I don't know if I have all that here and asked if Soules knows.

Amyx stated didn't we do a bid earlier and was that the same fund that this will come out of.

Corliss stated yes, it's the multi-year program to replace the rip rap on the levy.

Amyx stated Parks, facility maintenance increases of half a position. Increases of \$145,000 and came from \$50,000 from contractual and rest from personnel costs. Contractual services, what do you have on that Toomey?

Ernie Shaw, Parks and Recreation Director, stated the majority of the increases are services and personnel and is a lot of things we can't control. The half position has to do with Rock Chalk because we're splitting positions as far as responsibility out the maintenance supervisor.

Amyx stated the contractual services had to do with.

Shaw stated the contractual services if you remember a number of years ago we have lost 9 people over the last 6 to 7 years in our maintenance division. A lot of that is picked up with contractual services, mowing contracts, HVAC contracts, concrete etc... and those cost are continuing to rise every year. That is the majority of it along with our commodities like gas.

Toomay stated in addition for your contracted mowing, we added in contracted mowing at Venture Park. Electricity is the other large increase. That's based on what they actually spent in 2013.

Amyx stated and the other \$28,000 in the memo, that's mowers, equipment, all the usual stuff?

Shaw stated correct. We're behind on equipment and we're making a decision on if we could repair them or were they worth repairing.

Amyx stated the Health Department and questions there?

Farmer stated it's a \$5,000 increase? There's no room to take it.

Amyx stated where do we want to go now?

Schumm stated I propose a break.

Amyx stated let's take a 10 minute break.

Amyx stated let's go back to page 2 if we could at this time. In Corliss letter, there are some items we can talk about. We've already gone through the baseline General Fund, that's out of the way, the police sergeant is out of the way and the two remaining this are the Peaslee Technical Center at \$100,000 and the Library Fund at \$204,174 are still on there. I have my own thoughts on the Peaslee Center, Corliss you went on a visit with some folks.

Corliss stated I went out there with the President of Amarr Garage Door Group, he stated the best thing the City could do for them is the Peaslee Center. The Mayor was briefed and other Commissioners has seen the ETC Survey of items the community is interested in. More job opportunities rank very high among our citizens and still remain the top priority and ask you all to consider

Amyx stated you're right. It's clear that job opportunities is a priority in people's thinking about the future and the Technical Training Center is one of the important parts of being able to help sell Lawrence Kansas.

Corliss stated we have not budgeted \$500,000 for the improvements. I was waiting on direction from you. It's a one-time expense, so I didn't want to recommend a mill levy increase for it. If it is continue we have an issue as to whether we would cut or look for revenue.

Farmer stated the operations cost, I want to make sure I understand it. I think everyone believes in this and its importance and I don't mean to minimize that, but my question had to do more with, it's not a permanent share of the City's operational cost at \$100,000 a year, it was \$60,000 for 2 years.

Corliss stated it's been all over the map. When the Mayor and I met with the Chamber and County representatives, it was the consensus of that group that if we're looking at the budget, we should budget \$100,000 every year in the future for operations.

Farmer stated my other question is that all of this is contingent upon the grant, correct?

Corliss stated it is contingent on the grant, on what the community colleges are going to pay in rent and operating costs.

Farmer stated here's my thoughts about it; do we want to have a permanent mill levy impact in a year in which we're struggling to keep it fewer than 2, where if the CTech grant doesn't come through, will it even be an issue?

Corliss stated it might be more.

Amyx stated the County has \$100,000 budgeted for it?

Corliss stated that's my understanding. That's what we heard from the County Administrator.

Amyx stated so you're saying we shouldn't budget for this and instead, if we get it, take it out of reserves?

Farmer stated that's correct.

Amyx stated tell me the impact taking this one time gift out of reserves on top of the \$800,000.

Corliss stated on top of the \$800,000 we're already in the hole on, we're up to \$1,400,000. What we would say is we wouldn't financially participate unless you all agree.

Farmer stated but the half million would be taken out of reserves anyway, right?

Corliss stated right.

Farmer stated I'm talking about the permanent mill levy impact.

Riordan stated that is \$250,000 a year for two years which we could better absorb. I think the Peaslee Center is going to take some monies.

Amyx stated all we're agreeing to be coming up with those remodeling cost over a two year period, plus \$100,000 a year is recommended. If we don't do that Dave, what is your comfort level by taking that amount of monies out of reserves?

Corliss stated the one percent on the operating which is \$800,000 and what I'm hoping is that the half million we can spread out a little bit over this year and over next year.

Schumm stated I thought some of that was going to be in kind services.

Corliss stated it may be. It still was going to be somewhat of an expense somewhere. The numbers are very speculative at this point. What they're trying to do is to get this building stood up and operational this time next year.

Riordan stated we received some requests. I don't know if the Peaslee Center should go away, but we've received some other requests from the groups tonight. Maybe we should take \$40,000 out of the \$100,000 for the Peaslee Center for those requests.

Amyx stated if we have shortfalls, are we going to have to use reserves to fund the Peaslee Center?

Corliss stated I think so.

Amyx stated if we make a change here than the County would lower their matching amount also.

Corliss stated I wouldn't speak for the County.

Amyx stated I'm asking if ours and the County supposed to match at the end.

Corliss stated well that's the request, but there's nothing to say they had to.

Toomay stated just looking at the projection that we showed you earlier, if you take an additional \$600,000 out of the ending fund balance at the end of 2015, it put you to 14.8 percent fund balance which is just slightly below that 15 percent threshold in the policy.

Amyx stated so for us to meet our policy guidelines we have to find enough to cover that in the next 2 years. My suggestion would be if we're going to do that let's keep the Peaslee Center at \$100,000 and look at the \$40,000 coming from the reserve if we're going to fund these items. That keeps us in a stronger position with our reserves and the 15 percent.

Toomay stated it would leave us in a better position, but I'll need to do the math.

Dever stated if we're not sure the \$100,000 will be required, why would we budget that this year?

Amyx stated Corliss is right, we've seen multiple figures from that request. Maybe you're right, maybe we wait. I think we need to at least budget something instead of take it out of reserves.

Schumm stated was the last number \$60,000?

Corliss stated the last number is \$100,000.

Amyx stated the most current number is \$100,000, the one before that was \$60,000 at one time.

Corliss stated it's gone back and forth but with the meeting the Mayor and I attended, my understanding is that they were at \$100,000 as far as what they thought that request to the City and then to the County would be for annual operating expense. That was my take away from that meeting and is why I kept it here as opposed to trying to reduce it.

Schumm stated when I went over there, that morning they stated it changed to \$60,000. I came over here and you said that's news and you emailed us all and then it's gone up to \$100,000 since then.

Corliss stated yes. That's the point it's been all over the place. They won't know until they get the grant. They won't know until they get the renovation numbers, but they're trying to get it all stood up so that they could start classes in August of next year.

Farmer stated I didn't know that it went back to \$100,000.

Schumm stated I didn't either so you got to leave it at \$100,000.

Amyx stated he agreed.

Amyx stated the Library Fund is \$204,000 and \$174,000 with a 2.4 mill levy increase. I'm in. It meets the obligation we made.

Schumm stated I'm in too.

Riordan stated that's in stone. We voted on it.

Amyx stated we had requests from Lawrence Alliance, Warm Hearts and VanGo. I would recommend we look at Warm Hearts for \$6,000, VanGo at \$30,000, and Lawrence Alliance for \$4,000 for a grand total of \$40,000 and that will come out of the reserve.

Toomay stated one time.

Amyx stated yes.

Schumm stated what VanGo was last year.

Amyx stated it is \$2,000 less.

Schumm stated it wouldn't be any more than last year and it will be the same thing. I would be in favor of \$32,000.

Amyx stated there were 3 in favor of \$32,000 and my other recommendations are \$6,000 and \$4,000.

Dever, Riordan and Schumm stated we agree.

Amyx stated if we published at this point, where would we be?

Toomay stated 1.479 mills in the General Fund.

Schumm stated I made a mistake, VanGo is \$35,000. I was looking at the alcohol amount which is \$32,000 and is what VanGo was granted. They were short \$35,000 from the budget from last year so I would like to see us fund it to \$35,000 as opposed to \$32,000.

Dever, Riordan and Schumm stated we agree.

Amyx stated VanGo is at \$35,000.

Amyx stated we're done with guest tax and library fund. Public Transportation Fund, is this where the \$200,000 is for the K-10 Connector? Are we still at \$200,000?

Corliss stated that's what's in the budget but it's up to your decision.

Amyx stated we had the discussions in the study sessions about remaining at \$120,000 versus the \$200,000 and any impact on that?

Corliss stated when we move to the new Transit hub, we will completely redesign the service. What we hope to do is increase the frequency of service. That requires more

resources. Money we spend on other services, like the K-10 Connector takes away from that work. I don't know exactly how much. This doesn't have any impact on mill levy funding, it's sales tax. Hannes Zacharias can speak to the impact on Johnson County's service.

Amyx stated let me understand, the \$80,000, if we keep it here would we have a use for it in our Transit system?

Hannes Zacharias, Johnson County, Kansas County Manager, stated I can't tell you whether or not Johnson County Commission will agree to maintain the route at less than the \$200,000 that was talked about some years ago on a way to get up on parity for that system. The reality is it was costing us about 1.1 million dollars so were kicking in about \$700,000 to keep that program which 52 to 55 percent of the riders come from Lawrence. So \$120,000 contribution is significant no question about that, but it still makes the Lyons share half million dollars, \$600,000 coming from Johnson County to maintain that route. I think if \$200,000 is not brought forward all with best intentions because your budget is tight, I think we're going to probably be in a position to re-evaluate our passion for this particular system and probably will say let's convene a conversation between you all, our governing body, KU, Johnson County Community College and KDOT to see what sort of passion there is to maintain this route. Our budget is tight as well and have other resources needed for their activities. I didn't want to play that card too heavily, but the Commission was looking to see what sort of passion you have to go ahead and maintain this route that basically served about 160,000 people on an annual basis.

Amyx stated I need to be upfront. My feeling is I'm not excited about the \$120,000 or the additional \$80,000.

Dever stated I appreciate the input. We want to be a good partner. A lot of people in the community believe in the service. We're doing our best to cut as much as we can. There are a lot of unexpected expenditures related to our employee expenses this year. I hope you communicate to your group that we're interested in discussing. We made a commitment to the taxpayers in what we would use these dollars for and we're kind of over extending, taking that

money from that fund and putting it into this. Doing even more feels like we're taking away from what we committed to the taxpayers. I believe in the service, I just don't know if this is the right way to fund it. This is part of a bigger conversation.

Zacharias stated I appreciate the quandary you're in. I think we have to evaluate that as well. We didn't view this as being just a Johnson County solo act, we think of it as being a partnership. The question is, was their passion between both communities to go and maintain this route. If the passion isn't there, we certainly can go and do something different. I think it will affect our population significantly both Lawrence and also from Johnson County. A 150,000 people a year is a significant number and we want to be in a partnership for the long haul. My hope is if they could come to an amicable solution that will find ways to go and create path ways for our two communities to go ahead and do other ventures together as well. We do not want to be obstructionist about this or be callous because we think we understand your situation, but we will give us pause to say if this partnership is not valued as much from Lawrence, we're going to have to think on our side and how much do we really value it and where the balance is.

Riordan stated when I see this, I look at it as Douglas County doesn't provide a junior college, but we provide students, Kansas University provides students at its Edwards Campus, and Johnson County Community College provides students and we need to get them here. Have any of these entities provided funding for this service?

Zacharias stated no. We've asked them both. KDOT is giving some dollars by virtue of the State grants we both share, but Johnson County Community College and KU had been asked, but have not any resources to help us provide that service.

Riordan stated I think it is an important service and take it all the time, but I'm against providing \$200,000 when I think the other entities should be providing at least a quarter of it especially the university and I don't know how much with Douglas County, but we have a fair amount. The difficulties we're having with the transportation needs we have, I think that \$120,000 is more than our share and \$200,000 is taking from our citizens in an inappropriate

way. I understand the needs of Johnson County, but we have some other places that we need to get financial benefits from them. I appreciate what you're in, but at the same time it's hard for us as a City to say we're going to penalize our population because the other groups are not providing the monies that are appropriate. We would be glad so help any way we could to get those 4 entities together to discuss financial needs because if you're thinking about decreasing this, I think we need to be at a table deciding how we could help you.

Zacharias stated that is a good point and I don't want it to be about us asking for a handout. I don't want to be in a situation where you walk away from the table because of this additional amount of dollars not coming forward. We're in it for the long haul, I hope, but we're probably, by virtue of not meeting that threshold probably encourages us to go and have a larger conversation with all parties and saying where is everybody else at the table.

Riordan said it seems crazy to eliminate the number one ridership line in the state.

Zacharias stated I agree, and we need to have a conversation with KDOT about that.

Amyx stated the item remains at \$200,000, what do we want to do about that?

Riordan stated I can't support more than \$120,000 for the reasons he talked about, but I've said that several times before and I would be against any increase over that.

Dever stated, I agree.

Amyx stated we're at \$120,000.

Amyx stated Recreation Fund. These are all fee supported and all of our programs.

Corliss stated it used to receive property tax support. During the Recession we eliminated property tax support. Its fee based and sales tax based fund to operate our recreation programs.

Amyx stated Fund 211, Recreation Fund. Same number of employees, up about \$200,000 in expenditures, looks to be all employees related.

Riordan stated can you explain to me what's going to happen in 2015 when we're able to rent out Sports Pavilion Lawrence?

Corliss stated we have a business plan that reflects a full year budget of about 1 million dollars of operating expenses, about \$600,000 of revenue from classes, tournaments, concessions and \$350,000 in sales tax support. We built in the budget a \$350,000 and grew a little every year to provide support for subsidy for the operation of that facility. We'll hopefully get the facility in September and probably spend much of the fall finalizing the lot of it and hopefully have it open for public use and will start seeing demand and seeing expenses, but we're committed toward getting at those numbers to the extent we can.

Riordan stated yes. I was just wanted to see anything you hadn't put into the budget this year underestimating incomes, just to be careful.

Amyx said the contingency line in that item is from \$230,000 higher and what is that to cover?

Corliss stated expenses that we're not able to anticipate at this point. Also, expenses to make sure we comply with the 5% balance requirement.

Amyx stated Special Alcohol Fund. It's all liquor tax receipts?

Corliss stated correct, it includes an additional \$40,000 to the Lawrence Community Shelter. I don't know if you want to look at the balance there for VanGo as opposed to the General Fund.

Amyx stated is that your recommendation?

Corliss stated I don't know at this point. Special liquor tax revenue continues to remain flat. We try to protect fund balance, and my understanding was you wanted Alliance, Warm Hearts and VanGo to come from fund balance. It's one-time money so we expect they will come back for an additional request next year.

Amyx stated if we take it out of special alcohol, that's fine.

Schumm stated it says in your letter, a decrease in liquor tax receipts is expected. Is it decreasing or flat?

Corliss stated on page 122 we have actuals at \$689,000 in 2013 and \$714,000 is what we estimated this year and going back to \$689,000 for 2015. Those were the numbers we're getting from the State.

Schumm stated is 2014 coming in less than estimated.

Corliss stated so far.

Amyx stated Special Gas Tax Fund. Here again, pass through and receipts, using the resources available. Special Recreation Fund and liquor taxes same thing.

Amyx stated Bond and Interest Funds.

Corliss stated we think we're good for 2015. The good news is that we had good assess valuation numbers. We're not recommending a mill levy change for this fund.

Amyx stated Water and Wastewater Utility funds, any questions?

Farmer stated page 150, we have an extra FTE out of the Water and Wastewater fund, is that the accountant?

Corliss stated yes.

Amyx stated all the rate increases have been factored in?

Corliss stated yes.

Amyx stated Solid Waste, rate changes have been factored in, including changes we will make due to the recycling program?

Corliss stated correct.

Amyx stated Public Parking System and Stormwater Utility, anything we need to be aware of?

Corliss stated I don't believe so. We're rolling off that debt in 2018 and that debt service is at \$700,000. We hope to be able to do another generation of stormwater improvements in the community. It's been a great benefit to the community, celebrating 20 years in the community.

Farmer stated Page 183, the transfer to other funds and 2015 is up by \$240,000. What of that is curb repair versus workers compensation, reserve transfer?

Toomay stated curb repair is flat.

Amyx stated you can get that for us Casey.

Amyx stated the Public Golf Course.

Corliss stated they continue to manage expenditures to revenues. We're not recommending any staffing changes.

Amyx stated it's a pretty place. For all the questions there were about whether we build it or not, it's a great amenity.

Amyx stated the Capital Improvement Budget.

Farmer stated \$550,000 in facilities and maintenance upgrades, what are those?

Corliss stated you'll see that request on August 5th. It includes HVAC and exterior work to this building, it includes work at the street building for fiber installation work, it includes at the elevators at our 9th and New Hampshire Parking garage, the Arts Center roof work, Traffic Division building needs, and Pinckney neighborhood needs some heating work, roof at the Holcomb Recreation Center leaks. You'll see in the multi-year capital improvement budget, we're recommending close to a million dollars a year in capital improvement debt funds to fix things, we have existing buildings.

Schumm stated when do we see the multi-year?

Corliss stated it's on your agenda this evening and up for adoption on the August 5th.

Schumm state you have under 2015, \$200,000 earmarked for the Cultural District, 9th Street corridor improving bike lanes and lighting.

Corliss stated yes, its design work we won't get started until 2015. The multi-year plan you see where we moved projects around so that we can do that capital work at 2016 that was my understanding of your direction. We may want to talk about Queens Road was one of the

topics last night. I understand when the Planning Commission talked about Links Development so we moved that project out. We had a lot of neighborhood comments about Queens Road.

Farmer stated on page 196, of the \$550,000, some of the contingencies we haven't used for the other funds because this \$550,000 has no living implications.

Corliss stated if we do roughly \$5 million to \$6 million per year in debt, we have the ability to maintain the mill funding at a level rate for that. There are a number of City facilities that need to be fixed. They're some of the top priorities we need to get at. What we try and do is do things that last the length of the debt which is usually 12 years. We don't want to do something that only last a few years with debt money.

Amyx stated where are we on publication?

Toomay stated the budget authority for expenditures proposed for 2015 in the general fund is \$81,680,914. The mill levy in the General Fund goes from 18.017 in 2014, for 19.248 in 2015, the total mill levy for all funds in 2014 is 30.042 mills and it would go to 31.521 in 2015 mills.

Amyx stated an increase of what?

Toomay stated an increase of 1.479.

Corliss stated that includes the increases in the General Fund and in the Library Fund.

Schumm stated one more question, the 3 agencies we funded tonight, that will come from where?

Corliss stated I would like some discretion to see if VanGo can come out of the Alcohol Fund for \$35,000. I don't know if they have a preference or we have one. We have the ability to fund the Lawrence Community Shelter an additional \$40,000 with the expectation that that is probably going to continue. Either way, it has no mill levy impact. It will either be spent down from fund balance in General Fund. I don't know if that's my preference if we had a better alternative.

Amyx stated you have that authority.

Farmer stated you were going to add 7 or 9 new positions. My understanding is we got rid of 2 inspectors, 0.5 FTE's in City Clerk's Office and 0.5 FTE's in City Manager's Office.

Corliss stated one inspector with the idea that we would reduce commodity expenses by that same amount so while we're adding the FTE we're paying for it not with an increase in taxes, but it is a reduction in commodities.

Farmer stated so, 2 out of 7 FTE's that we saved.

Toomay stated I also reduced the expenditures in the Transit Fund by \$80,000.

Dever stated and the expenditures on the vehicles in the inspection department?

Toomay stated yes.

Amyx stated anything else, last chance.

Moved by Schumm, seconded by Farmer, to authorize publication of the 2015 Budget Summary and establish August 5, 2014 as the public hearing date with those figures as amended by the Commission. Motion carried unanimously.

Mayor Amyx directed staff to postpone regular agenda item No. 5, the City Auditor's presentation of a Performance Audit on Rock Chalk Park infrastructure improvement monitoring.

4. Receive architect's report on proposed police department facility.

Andrew Pitts, Treanor Architects, presented the architect's report.

Riordan stated would the Hallmark site be amenable to expansion with the creek behind it?

Gibbs stated yes. All the sites have the ability to expand as we looked at the current needs of the facility and also the potential of adding municipal court. All the sites have the potential to have the expansion. The 34th Street site is the most limiting of what that expansion will be. The other sites have the ability to expand to what we believe are the future needs of the department.

Amyx stated so we're able to take care of a population approximately what year by the reduction that have been proposed so far.

Gibbs stated we're looking at a 20 year period of growth. Even at that point, that doesn't mean it's full, it's just met hit it's optimal point in its lifecycle.

Amyx stated the soft costs, that didn't include things like roadways?

Gibbs stated correct. We looked at the standard site so that would be the parking you saw around it and the limited road ways to connect that parking, but each of the additional sites have additional utility costs to bring it to the site or the road associated with those.

Schumm stated I'm still concerned about cost. We've come down and it's a great start. When you were here last, you projected \$250 a square foot in cost for construction and now we're at \$216. That seemed to change quite a bit. What is \$216 based on?

Gibbs stated \$216 is an average. It includes the range, landscaping, security all of those so they're still within that same average range that we have. The reductions in the cost have come into the reduction in square footage.

Amyx stated the parking reduction was by about 5,000 sq. ft. What does that mean in terms of parking spaces?

Gibbs stated we reduced the fleet from 40 to 30. We moved some other vehicles in the outbuilding.

Schumm stated the outbuilding is constructed of what?

Gibbs stated we're looking at that being a pre-engineered metal building so a much lower construction cost and it's mostly used for storage.

Amyx stated so, 100 % of the departments' needs would be able to be housed in a building that size?

Gibbs stated that is correct.

Schumm stated Municipal Court is not included at this time?

Gibbs stated correct.

Schumm stated what would be the size of that?

Gibbs stated we've estimated roughly around 10,000 square feet.

Amyx stated did that get you to 20 year expansion also.

Gibbs stated we haven't done a full study.

Corliss stated we're at 7,500 sq. ft. now.

Schumm stated Municipal Court, we're renting now?

Corliss stated correct. We've extended the lease for another year.

Schumm stated is that all we rent in that building?

Corliss stated we occupy the entire first floor of that building, between Municipal Court and the prosecutors. We have a judge, court staff, and 2 prosecutors to support staff.

Schumm stated but if we added municipal court to the police facility we would remove all of that?

Corliss stated that would be our recommendation is to move all of that.

Schumm stated what we pay a year.

Corliss stated \$97,000 and then we get common area expenses.

Schumm stated so it's \$100,000 a year.

Corliss stated somewhere around that, but a little more north than that.

Amyx stated Andy; I appreciate the evaluation you've done, especially on the sites and on the building to see where we are at this point and to meet the needs 20 years out. I think one of the worst things we could do is look at a full building on day one. You have to prepare for the future and I think that's what this job is.

Mayor Amyx opened the floor for public comment.

Ted Boyle, President of North Lawrence Improvement, stated I had the opportunity Sunday to go on a tour of all the police buildings. It was an eye opener. They look better on the outside than the inside. I don't know how they have functioned efficiently other than the department has adapted to it. To be spread out across the city like it is 11th street was designed

like a hospital. 15th street has mold and is a health liability. Went out to 23rd Street at the county and the metal in there you can't keep anything in there that was subject to heat and cold then out Bob Billings, it is cramped up and the inside of those building are falling apart. The barn at Lawrence Avenue is more of a historic building than anything else. This police department was needed probably 20 years ago. I think this should have happened 20 years ago long before the library or the rec center. This is a necessity and the others aren't a necessity. We in North Lawrence think it should be at the Hallmark site. You can sell off some of that property to help fund that. The other issue is how to fund this Police Department and they've talked about this in North Lawrence and over 75% of homes in north Lawrence are owner/occupied and we don't want to see a property tax increase. We support a sales tax where everyone pays. That's the best way to go.

Derrick Rogers stated I support the new facility and the Hallmark location makes the most sense. I agree that a sundown sales tax would be the best way to go. Why go with a sales tax versus a mill levy. Everyone pays for the service. People come to Lawrence. They will get the opportunity to help pay for it. I toured the facilities today and the newspaper just doesn't quite do it justice, but once you see it, it's was like driving a 1991 vehicle for the City and using grey tape on the coolant lines and using baling wire where the bolts should be. You've got some very talented people in the police force and they do an incredible job. There are lots of efficiencies lost due to having 6 facilities spread across Lawrence. They were at the current facility for approximately 40 years since moving from 8th Street. What they've lost in the last 40 years was a firing range that was at their location. Today with lawsuits, workers comp and other issues, having our Police Force properly trained and going through some areas and in a range where they could adjust environmental controls, lighting, and work on less than lethal scenarios. That is going to be a huge saver in our community. I think this facility will free up man power to reduce the amount of time it takes to make all the calls. I think the facility will work for 35 to 40 years.

Brian Kingsley stated I am a licensed engineer but I have my residential hat on tonight, not my consultant hat. My experience begins with a residential burglary that my family dealt with. I gained a lot of respect for the service the Police Department provides through that experience. To fully realize the benefit of the additional officers you approved tonight, they need a new facility to go with it. I toured the facilities today. I have some observations to share based on my expertise as an engineer. He stated, first, is lack of efficiency because the resources are spread out across the community. That time would be a lot better spent on putting resources to work on projects and issues they have and the community is facing. Those concerns are growing and also, the security and safety of the environment, the layout of the facility, and the uses of the facility. The department deserves a safe facility just like we deserve a safe community. Modernization, to fully benefit what is funded in the budget we need to look at a modern facility. I encourage you to look at this as a need for the community and not a want.

Kevin O'Malley stated we've come to the conclusion that there's a big need for the headquarters and now it's a matter of how and when and how we're going to fund it. The Hallmark property is the best location. It needs to be on a ballot in November. It's a matter of how we're going to fund it. The best way to fund it is through economic growth in the community. To bring homes and businesses to help spread the tax burden. We have to grow our economy but if we look at the growth projections that Andy presented tonight, that Lawrence can grow, but it's up to us as community leaders to step forward, present the facts, let them decide. There's a lot of negativity out there right now with Rock Chalk Park and the Library. This problem is not going away, it's going to be here and needs to be resolved. Let's figure out a way to pay for it and make a plan and present it to the citizens to let them have a vote to determine how to pay for it.

John Ross stated I went through the 3rd Citizens Academy in 1993 and we needed new facilities then. Over the years a patchwork has been put together that's given us the current

situation. We now have substandard facilities. This is a tough decision but it's no tougher than the decision that's been before previous Commissions. I appreciate that you are looking at this strongly and believe you have the moxy to make the decision. As a small business owner it's my job to squeeze the most out of every penny. But, I would not compromise the safety and security of my employees and my community. Please put this to a vote to our community.

Nadine Hide stated I'm a native of Lawrence, and have been here for a long time. I'm very passionate about this issue. I am very concerned that we have to equip the Police Department with the proper tools they need. I have high hopes we will be able to get this to a vote and pass it.

Amyx stated thank you everyone for coming. We take this very seriously and it's a priority for this community. We have a couple of things to talk about. We have to talk about a site and have to talk about what the funding action looks like. Should it happen in the following spring, are people ready to go out now and sell it to the public? We need to find that out now. We need to talk about the site first. My personal opinion is it should be the Hallmark property. I think something that is extremely important that helps with this project is directing staff to come up with a way to sell the additional property. If we can sell part of it, possibly to the ITC, we need to get the cost down to \$0. Let's get the cost as close to \$0 as we can possibly get. This site looks at the expansion of the community in the future and it provides easy access to all parts of Lawrence. I have had the opportunity to talk to a number of people who have gone through the Citizens Academy and there's an eye opening experience and they recognize the facilities and the men and women who carry out the work of the department.

Schumm stated I absolutely agree. That was always the site I liked the best, but with the matter of the extra land and then the cost, but it looks like with some additional information that we have that maybe the cost could be mitigated. I really want this building to make a statement to the public that we're interested in public safety and the police department is about service to the City and I think this site will do a very nice job on the entry way into Lawrence.

Riordan stated several important things were said tonight by the public. One, officers deserve a safe and professional facility that allows them to do their job. Also, no one has witnessed what the facilities are and have come up with any other opinion that we need a professional facility. I like the Hallmark site, if we can get that at a reasonable amount and can mitigate the extra cost of the extra land.

Farmer stated the big concern about the Hallmark property is that it is 47 acres. We've had discussions about how we didn't want to take on an additional 32 acres in the City's land inventory. If we can lower the acquisition cost, and see some development of that other property. We all recall the family fun center zoning that was denied by the Planning Commission in the area of Clinton Parkway and Inverness. That owner has expressed an interest in acquiring some land and of course we can't make any decisions in relationship to zoning because that will have to go our public process. If there would be a possibility for that to be located on the property. Colby Wilson from the Boys and Girls Club has expressed their desire to locate a teen center on that site. I see a lot of synergy coming together with a new Police facility, a family fun center, the School District perhaps expressing some interest in acquiring part of the land for their maintenance portion and then the Boys and Girls Club building a brand new beautify teen center. As you're coming into town on the right hand side at one of our largest primary job employers on the left hand side you have a beautiful police facility, a family fun center, a school district building and a Boys and Girls Club Teen Center. I can't think of a better way to say Welcome to Lawrence Kansas.

Amyx stated Dave, what kind of direction at this point do you need? We need to place an item on an agenda to ask for an election in the fall, how it would be financed, what the language would say,

Corliss stated we've also been in discussions with the broker about the property. It's also helpful in those discussions to have a second site as well. If they know that's the only site we're going to pursue, it might be a challenge for us. We'll proceed with discussions in that

regard and give you more information about that. We'll also proceed with discussions with the partners that Vice Mayor Farmer mentioned.

Dever stated we own two parcels that are candidates should preclude them from the fact that we're choosing one to buy against this.

Corliss stated that's exactly the articulation I need. The direction is to try and have more information on that site on your August 5th agenda and if there is any direction you want to give us on the budget for the project. If there is any direction you want to give us on funding at this time or look at all those options on August 5th. We'll be prepared to give you all of that information.

Amyx stated the only thing that might be something to look at, is we're paying \$100,000 per year for Municipal Court. What would that addition look like in terms of its ability to be able to pay for itself as part of that site? We might look at that.

Corliss stated we'll look at that to see if we can get you some options.

Farmer stated if that's what our lease would be for that property anyway. We would get into hairy territory if we go over the budget we ask the voters for. What we ask the voters for it's important that we don't go to the voters and ask for more than we need for the facility. I don't think we need to go to the voters and state we need \$25.7 million plus acquisition costs. People need to understand this was \$30 million dollars two years ago and \$10 million dollars ten years ago and could have easily been \$33 million dollars. Our police department has come back and made some compromises and now it's at \$25 million dollars.

Schumm stated I am concerned that we're at an expense that is difficult for voters to approve. We've started at the top and worked down. We've looked at the optimum square footage. We went through this once and \$5 million came off the price. The higher the price, more people are likely not to vote for it. Maybe we want to ask, what we can get for \$20 million instead of starting out with everything that's on the table. I've thought from the beginning the \$30 million is way too high. I would like to ask, what can we get for \$20 million? Maybe it

comes back that you can't get anything other than what you're going to outgrow in 6 months which we would have at the full level is a true cost in the project. I'm having a little bit of problem with the soft costs. There's a design contingency, what's that?

Gibbs stated that is a design contingency and that incorporated some escalation cost, depending on when this would actually be bid. It also incorporates potential in fluctuation of the cost it also incorporates things we haven't considered yet as they look at the design. We also have an owner's construction contingency that is on the soft cost side.

Schumm stated that is another 1.3 million. You've got 3.2 million in contingency. That's a lot of money for this project. When we talk about let's have an exact amount, I don't think we have the exact amount yet. I would like to give it another hard look to see what the target in the 20 million dollar area to see what we get for it. It may be we can't get enough to make it work right and it may be that we can get pretty close to that. I don't think we've given it as hard as look as they need to. I want to get it done with this in mind because I think it's going to be more salable to the public if they know we've actually given it an extraordinary hard look that we need to.

Amyx stated I know that dates are important and we have to consider this in August.

Wheeler stated it's my understanding that a couple of the mechanisms that the Commission is considering to get it on the ballot are a sales tax referendum or a having a charter ordinance amended and approved by the voters. If you want the charter ordinance amended so that bonds can be issued for the project. We have to adopt that ordinance on first and second reading by the 12th so it could be published 3 times before its effective and then we have to get it to the County Clerk by September 1. If the charter ordinance authorizing bonds for this project is one of the mechanisms you're considering, we do have to have it reviewed and approved by the 12th.

Amyx stated so we have between now and the 5th to look at what Schumm has suggested and see what effects it's going to have on that building or on this project to reduce it by how much?

Schumm stated yes, that's the target I'd like to shoot at.

Amyx stated Dave, could we do that? Could we get to a ballpark of whether that's a usable building and what we would get for \$5 million less?

Gibbs stated we believe we will be able to get at a ballpark. It will go back again with the Police Department and their staff and looking at each of the spaces on a line by line. Part of it would be where the efficiencies on some of the grossing factors that we would be able to add into it. We could begin to look at some of the contingencies and feel like we can reduce. Until we actually begin to layout design of the building, I don't think we fully understand what those impacts would be. My gut would say we're going to begin to look at facility we either look at eliminating the garage or the range, parts of the program that is important was part of this study or we'll be looking at reduction of square footage that keeps to a level that is more of what current needs are and not with the growth needs associated with it. We will definitely have the opportunity to sit down with the police department to look at that.

Corliss stated Andy, that would need to be done a week from tomorrow, can you do that?

Gibbs stated yes.

Amyx stated I want to respect the wish of the Commissioner.

Schumm stated would you look at square footage tables?

Gibbs stated at this point in time with the level of detail that we have, square footage based upon our prior experience will be the best accurate way to look at this.

Schumm stated obviously we pointed to the site tonight that kind of gives you a little bit better information than the last time when we had 5 sites.

Gibbs stated we've looked at some rough estimates of what it would be to develop each of those sites so we can incorporate that into the cost.

Amyx stated anything else? Okay, Dave what kind of direction do you want?

Corliss stated you can direct us to place this back on your agenda for August the 5th and you can expect to have information on the project, what it would look like for \$20 million and what its consequences would be. We will then repeat the information that we have here in regards to funding options unless you give use additional direction on other additional options that you would have. We could have a charter ordinance for sales tax, I think it's a resolution, if you'd like we could leave those numbers blank but have it ready to go for the 5th. Also I'm going to brief you on the possible acquisition of the Hallmark site and a potential partnerships with that had been outlined so that you could see some additional information on that.

Schumm stated I'd like to have a discussion tonight on the proper way to go on the funding, whether it's property tax or sales tax. I'd like to get an idea of where we're at and I think the public would like to get an idea of where we're at.

Amyx stated after the discussion on the budget tonight, I think the sales tax is the fair choice.

Schumm stated I've been for that all along.

Riordan stated my idea is there is a good reason to use the property, but hearing from the community tonight and based on the budget discussion tonight, I believe the sales tax is the way to go. The best possibility is to do it with the sales tax.

Dever stated sale tax, short, nine year term, probably, maximum.

Farmer stated like scenario "B" with the term being 10 years sun setting after nine years. It would need to be in the language that it's a special purpose sales tax. The language needs to prohibit any other use of the sales tax.

Amyx stated everyone agree, sunset and single use?

The commission concurred.

Corliss stated that generated enough funding for a \$25 million dollar project not including site acquisition which we understand we're going to try and work at and doesn't include all of the infrastructure cost which we will probably also then work out with our partners on the property. That's one of the possibilities we looked at.

Amyx stated direct staff exactly what Dave recommended.

Moved by Farmer, seconded by Riordan, to receive report and direct staff to place the item on the August 5th agenda. Motion carried unanimously.

5. City Auditor will present a Performance Audit: Rock Chalk Park infrastructure improvement monitoring. (Item was postponed at the direction of Mayor Amyx).

F. PUBLIC COMMENT: None.

G. FUTURE AGENDA ITEMS:

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

H: COMMISSION ITEMS: None

I: CALENDAR:

David Corliss, City Manager, reviewed calendar items

Amyx directed the City Manager to schedule the County, School District and City meeting for August 20th.

Corliss stated the \$40,000 for Reinvent Retirement campaign had not been discussed. I wanted to make sure that it was no surprise to anyone.

J: Commission Items:

Riordan stated we've been talking about trash collection and recycling for a number of months. In East Lawrence I've noticed a tremendous amount of trash bins that are constantly on the curb and street. We need to do something to eliminate that problem.

Corliss stated we had the problem in the past when it wasn't our barrels. It was the citizen barrels. We have an ordinance that we enforce as far as moving that and if there is particular locations you want us to look at that might be helpful.

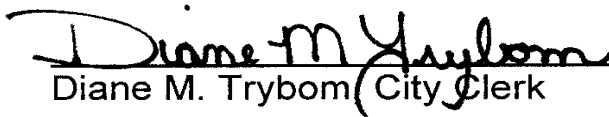
Riordan said Tennessee and Kentucky were awful.

K: CURRENT VACANCIES – BOARDS/COMMISSIONS:

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

Moved by Schumm, seconded by Farmer, to adjourn at 12:05 a.m. Motion carried unanimously.

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


Diane M. Trybom (City Clerk)