

MINUTES OF THE MISSION FINANCE & ADMINISTRATION COMMITTEE

February 10, 2016

The Mission Finance and Administration Committee met at Mission City Hall, Wednesday, January 10, 2016 at 5:30 p.m. The following committee members were present: Pat Quinn, Arcie Rothrock, Jennifer Cowdry, Suzie Gibbs, and Dave Shepard. Councilmember Rothrock called the meeting to order at 5:30 p.m.

Also present were City Administrator Laura Smith, City Clerk Martha Sumrall, Finance Director Brian Scott, Parks & Recreation Director Christy Humerickhouse, Police Chief Ben Hadley, Public Works Director John Belger, Interim Community Development Director Danielle Murray, Public Information Officer Emily Randel, and Management Assistant Glen Cole.

Restructuring of the Falls Housing Bonds

Mr. Scott provided historical information on Whispering Falls Apartments located at 6565 Foxridge, originally built in 1976 and owned by Whispering Falls LLC since 1995. In 1999 the City issued \$9.35 million in Multifamily Housing Revenue Refunding Bonds to assist with refinancing the purchase and rehabilitation of The Falls. The structure of this financing was such that the bond proceeds were loaned to Whisterping Falls, LLC in exchange for a promissory note secured by multifamily mortgage, assignment of rents, and a security agreement. Whispering Falls would now like to restructure these bonds, which were originally through Fannie Mae, and would now be through US Bank and would extend the maturity date of the bonds for an additional five years.

Gary Anderson, Gilmore & Bell, the City's bond counsel stated that as part of the restructuring the owners will make over \$800,000 in improvements to the complex. He stated that a development agreement has also been negotiated which would require Whispering Falls to pay the City a \$50,000 issuance fee, would require the investment of \$820,000 in the project by the end of 2016, and outlines their cooperation with the City in providing necessary easements when the Foxridge reconstruction project is underway in several years.

Mr. Scott stated that the city has no obligation for these bonds and that we are simply a conduit.

Councilmember Quinn requested information on the amount remaining for these bonds, with representatives of The Falls stating approximately \$8.5 million is outstanding. Councilmember Cowdry requested information on the designation as "low income housing." Mr. Anderson provided a brief explanation on Federal tax rules regarding low to moderate housing and the percentage required to be occupied by this group to qualify. He stated that income range and family size are used in this determination, and that student's are not considered in this category.

Councilmember Gibbs stated that if Mr. Anderson is comfortable with this, then she is also and that she would like to see improvements made to the property and that it remain occupied.

Councilmember Shepard arrived at the meeting.

Councilmember Gibbs recommended that the resolution authorizing and approving certain documents in connection with the delivery of an alternate credit facility for the City of Mission Multifamily Housing Revenue Refunding Bonds (The Falls Apartment Project) Series 1999, and authorizing other actions in connection with the alternate credit facility be forwarded to Council for approval. All on the committee agreed. This will not be a consent agenda item.

Development Agreement with the Falls

Mr. Scott stated that the Development Agreement with The Falls apartment is tied to the bond refinancing and was discussed under the previous agenda item. There was no discussion on this item.

Councilmember Gibbs recommended that the development agreement between the City of Mission and Whispering Falls, LLC relating to the restructuring of previously issued Multifamily Housing Revenue Refunding Bonds (The Falls Apartment Project) series 1999 be forwarded to Council for approval. All on the committee agreed. This will be a consent agenda item.

Arts KC Rotating Artwork

Ms. Randel stated that the ArtsKC “Now Showing” program allows metro-area artists to display their work on a rotating basis in local businesses. The artwork rotates on a quarterly basis and the current fee is \$1,500 per location. She stated that if artwork is at both the Community Center and City Hall, each would require a separate fee. The City would have the ability to choose from a wide variety of artists and artwork. She did note that it is anticipated that the cost will increase in 2017 to \$2,500 per location. She will check to see if there is a nonprofit or government rate, but at this time no other governments are utilizing the program. Redwood Group and ScriptPro in Mission are both participating in the program, and staff and councilmembers were able to view the artwork at Redwood on the development tour last fall. She stated that each time a new artist has artwork in our facilities, this would be an opportunity to “make a splash” and highlight both the artist and city. If the public wants to buy any of the artwork, this is handled directly with the artist and the City is not involved.

Councilmember Gibbs asked if this is a one-year contract and where staff is considering hanging the artwork at the Community Center. She would like to ensure that the magazine cover posters currently on display “do not go away.” Ms. Smith stated that we would accommodate both the magazine covers and the ArtsKC artwork. Councilmembers Rothrock and Cowdry requested additional information on how the artists/artwork would be selected. Ms. Smith stated that we would utilize a group/committee and no controversial art would be included. The cost of the rotating artwork displays would be from the Parks & Recreation Marketing budget. Councilmember Shepard requested information on how artists are selected

for the ArtsKC program and stated that this will be a great benefit in bringing awareness of ArtsKC to Mission artists. Councilmember Quinn asked how staff became aware of this program and Ms. Randel stated that ArtsKC artwork was on display at Redwood and the City receives the ArtsKC Newsletter.

Ms. Smith stated that the artwork will rotate quarterly and this will serve as an opportunity for the City to promote the artist and our facilities, noting that as the artists promote the display of their work it will bring people to the Community Center.

Councilmember Shepard recommended that the exhibition agreement with ArtsKC to display rotating artwork at the Sylvester Powell, Jr. Community Center for an amount not to exceed \$1,500 be forwarded to Council for approval. All on the committee agreed, but this will not be a consent agenda item.

Contract with Lexipol for Police Policy Updates and Management

Chief Hadley reported that the City currently uses Power DMS for management and distribution of the Police Department standard operating policies and procedures. He is recommending that we now move to Lexipol Digital Law Enforcement Policy Manual System, which includes expert review of our policies and procedures to ensure they meet current Federal and State statutes. They provide various policies and incorporate ours into the manual. Additionally, the program requires a daily policy and procedure “quiz” prior to opening any emails. He stated that this program is currently being used by Merriam and Olathe, and both are satisfied. Chief Hadley stated that by contracting for these services, this will give staff additional free time to focus on other areas. The annual price for this service is \$8,862 with a one-time setup and training fee of \$3,950. Ms. Smith noted that this service will ensure we are following “best practices” nationwide and serves as additional “insurance” for the Police Department policies and practices.

Councilmember Quinn asked if other cities are using the daily quizzes. Chief Hadley stated that they are and that this prohibits access to your email until the quiz is answered correctly. This is a good refresher for all personnel and keeps all officers up to date on all policies.

Councilmember Gibbs recommended that the purchase of the Lexipol Digital Law Enforcement Policy Manual System at an annual subscription cost of \$8,862, and an additional one-time cost of \$3,950 for an agency specific implementation plan be forwarded to Council for approval. All on the committee agreed, but this will not be a consent agenda item.

Johnson County DTI Support Services Contract

Ms. Smith stated that Mission has been using Johnson County IT services since 2011, with the Police Department added to these services in 2014. The City originally partnered with Johnson County to reduce costs, and we were the first city to undertake this. These services are

contracted annually. Ms. Smith stated that the Johnson County IT Department has recently undergone some changes, but that staff is working with them to ensure they are meeting our needs on a timely basis. The 2016 contract includes an increase in fees/rates of 5% for an estimated total of \$44,906.69.

Councilmember Cowdry asked why the cost of these services are increasing. Ms. Smith stated that this is due to increased costs on the County's part and is not unusual with most contract renewals. She stated that \$74,500 is budgeted for these services and any additional funds may be used for software and/or hardware replacement. Councilmember Shepard requested information on which other cities are also working with Johnson County IT. Ms. Smith stated that Prairie Village, Roeland Park, Mission Hills, and Fairway now also contract with them. Ms. Smith also stated that with so many NE Johnson County cities utilizing these services, talks are underway to have someone located at the NE Johnson County Offices so they are in closer proximity for service calls.

Councilmember Shepard recommended that the Interlocal Agreement for IT Services with Johnson County through December 31, 2016 be forwarded to Council for approval. All on the committee agreed. This will be a consent agenda item.

Part-time Employee Salary Schedule

Mr. Scott stated that the committee previously discussed adjusting the salary ranges for part-time employees, which would bring compensation for key positions, such as life guards, in-line with the marketplace. Additionally, the proposed adjustments would align positions with similar functions and responsibilities. The proposed 2016 Pay Plan for Part-time Employees will formalize these adjustments.

The committee discussed where positions currently fall in relation to this proposed plan, with Ms. Smith stating that lifeguards will need to be brought up to the minimum. Councilmember Gibbs stated that she applauds and supports these changes. Councilmember Quinn requested information on how this adjusted salary schedule will affect the budget. Ms. Smith stated that there will be a one-time \$40,000-45,000 impact for the initial adjustment, but there are currently salary savings in the budget. These new ranges will be accounted for in the 2017 budget. The committee also discussed the impact this will have on the current goal of making the Community Center 100% self-sufficient, with Ms. Smith stating that this goal will need to be reviewed in the coming months. Councilmember Shepard stated that we must be honest and realistic in setting this goal for the Community Center and noted that unless the center is privatized or there is a significant increase in membership fees, 100% is an unrealistic goal. He stated that an 85% cost recovery is a "grand slam" and there are more benefits to the Community Center beyond dollars and cents. Discussion continued on work by the Community Center staff since the recommendation of the task force, and the challenges they face in reaching this goal.

Councilmember Quinn recommended that the 2016 Pay Plan for Part-time Employees be forwarded to Council for approval. All on the committee agreed. This will be a consent agenda item.

Regulating Number of Pets Allowed and Animal Fostering

Mr. Cole stated that following discussion at the January committee meeting, staff prepared changes to the code to allow for up to four cats or dogs in any combination, and service animals, which would not count against the above limits. An accessory animal permit would allow residents to keep an additional two animals for fostering or permanently if a permit is granted. He stated that in looking at the entire chapter regarding animal licensing, the City Attorney has recommended that a comprehensive revision of the chapter be undertaken to make all sections much clearer. Councilmember Gibbs asked if the section regarding rabbits will be updated. Mr. Cole stated that it will stay the same.

Ms. Smith stated that prior to moving ahead with the revisions to the chapter, staff would like to ensure they understand the committee's recommendation. She stated that the current recommendation is for up to four animals (any combination of dogs and/or cats) with the ability to request an accessory permit for up to an additional two. Councilmember Gibbs stated that she is still concerned with a total of four dogs being allowed. The committee discussed this issue, noting that most will not have a total of four and that one loud animal could be worse than four quiet ones.

This item was for discussion only and no action was taken at this time. Ms. Smith stated that staff will update Chapter 230 and bring a final revision back to the committee in several months.

Review of Council Committee Structure

Ms. Smith stated that on several occasions, it has been difficult to have a quorum at Council committee meetings due to other commitments by councilmembers. She discussed the 2015 change from two committees with four members each (one from each ward) to two committees of the whole. The committees of the whole require five members to be present for a quorum, while the committees with four members only require three. She stated that staff prefer to keep the committees on the same evening, back-to-back, and noted that as we move into the budget cycle and with various others issues coming forward (the Gateway, street program, possible sales tax, TUF) we will need to have more worksessions in the coming months. She asked if the committee is interested in discussing how the current committee structure is working and if there are possible improvements that can be made.

Councilmember Quinn requested additional information on the quorum requirements and how that would be easier to achieve with smaller committees. Ms. Smith stated that with a four member committee, only three councilmembers would need to be present for a meeting and if a councilmember were absent, the other councilmember from their ward could take their place.

Councilmember Cowdry stated that she would like to keep the meetings back-to-back on the same night. Councilmember Gibbs stated that she would support the four member committee structure if that is easier for everyone. Councilmember Shepard questioned how tonight's meeting could get started with only four councilmember present. Ms. Smith stated that the committee can begin the meeting, but that no action can be taken until a quorum is present. Councilmember Quinn stated that he supports the four member committees if they would work better. Staff will revise the ordinance regarding council committee and undertake further discussion in April when the newly elected councilmembers are available to participate.

Ms. Smith provided the committee with a calendar and asked that all provide her with their availability over the coming months. She stated that future issues related to the Gateway Project are not yet calendared. Councilmember Gibbs requested information on the agenda for the February 24th worksession. Ms. Smith reported that discussion will include an update on the sign inventory, the street program, and longer term financing options for street maintenance and improvements. Johnson County is considering a sales tax initiative for a new courthouse, which could impact when and if Mission moves forward with sales tax election. Councilmember Shepard stated that with two, and potentially three, new councilmembers being elected in April, any substantive decisions regarding the Gateway should be delayed until May or June at the earliest.

This item was for discussion only and no action was taken at this time.

Annual Report

Ms. Smith presented the 2015 Annual Report which included:

- Year in review
- Staffing structure
- General Fund revenues and expenses (Ms. Smith noted that these numbers are unaudited, but that the General Fund Balance is on target)
- Police Department statistics, including Part I and II crimes which were both up in 2015. It was noted that 2014 was a low year for theft-related crimes (Part I) which returned closer to their normal volume in 2015 and that although Part II crimes were up, 2015 was still the second lowest year in the last 5 years for this type of criminal activity.
- Municipal Court which had fewer DUI cases filed, but this was due to having only one DUI checkpoint during the year (vs. 2-3 in 2014). In 2016 the Police Department will focus on DUI saturation patrols.
- Public Works which shows many peaks and valleys in curb & gutter replacement, sidewalk replacements, and asphalt patch repair. Ms. Smith stated that this is due to major construction projects and the work included with them.
- Community Development/Neighborhood Services which saw an increase in building permits and building permit valuation. This was the highest year since 2010.

- Parks & Recreation which had a decrease in outdoor pool memberships in 2015 after the MFAC opening in 2014, but that this was primarily due to a cool summer with bad weather. The Community Center is at approximately 82% cost recovery.

Ms. Smith provided additional information on what to expect in 2016, including review and understanding of any legislation impacting city budgets.

This item was for discussion only and no action was taken.

Meeting Close

There being no further business to come before the Committee, the meeting of the Finance and Administration Committee adjourned at 6:45 p.m.

Respectfully submitted,

Martha Sumrall
City Clerk