

MINUTES OF THE MISSION CITY COUNCIL MEETING, JULY 17, 2019

The Mission City Council met in regular session at Mission City Hall on Wednesday, July 17, 2019. The meeting was called to order by Mayor Ron Appletoft. The following councilmembers were present: Ken Davis, Sollie Flora, Kristin Inman, Debbie Kring, Pat Quinn, Arcie Rothrock, Nick Schlossmacher, and Hillary Thomas.

Mayor Appletoft welcomed the public and provided a brief overview of meeting procedures.

REVISED AGENDA

Mayor Appletoft announced that a Revised Agenda has been presented. Item 9a. has been removed.

Moved by Davis, seconded by Kring to approve the Revised Agenda as printed. Voting AYE: Davis, Flora, Inman, Kring, Quinn, Rothrock, Schlossmacher, Thomas. **Motion carried.**

PUBLIC HEARING

Roeland Court Townhomes Community Improvement District Proposed Assessments

Mayor Appletoft stated this is a public hearing on the Roeland Court Townhomes Community Improvement District Proposed Assessments. He opened the public hearing and invited Ms. Smith to provide an overview.

Ms. Smith stated that the Roeland Court Townhomes CID was established this spring. Following a subsidence in the parking area of the Roeland Court Townhomes, staff, the homeowners association, and engineers worked collaboratively to find a solution to this issue. A Community Improvement District for all 20 townhomes with a maximum annual assessment was petitioned by the property owners. The CID will be in effect for 22 years. State statutes require a public hearing be held prior to certifying the proposed special assessments through the CID. There is a protest period that is triggered by the certification and Ms. Smith stated it is important to have this complete prior to beginning construction so we know if there are objections. The maximum total amount per property is \$20,040 over the length of the CID. This is an opportunity for property owners and the public to speak on these proposed assessments. She also noted that the public hearing was published in the Legal Record and all property owners were notified by mail.

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Mayor Appletoft opened the floor to public comments. There being no comments, the public hearing was closed. He stated Council will consider an ordinance certifying these assessments under the Finance & Administration Committee report this evening.

SPECIAL PRESENTATIONS **2020 Budget Community Dialogue**

Ms. Smith introduced the 2020 Budget Community Dialogue and provided information on the following:

- Why we budget and State statute requirements
- Recommended 2020 Budget including overall estimated revenues of \$21.84 million and overall estimated expenses of \$26.8 million in 16 funds
- No tax or fee increases are proposed
- 2020 Budget assessed valuation trends
- General Fund expenses by category
- General Fund expenses by character
- General Fund balance and history
- Capital and Supplemental Programs and Services

Members of the leadership team also provided brief overviews by department, including Administration, Legislative, Municipal Court, Public Works, Community Development, Parks and Recreation, and Police Department. Ms. Smith also discussed the 2020-2024 Capital Improvement Program, including:

- Revenue highlights
- 2020 expenditure highlights
- Highlights of the MCVB Fund, Special Alcohol Fund, TIF and CID Funds, and Solid Waste Utility Fund.

Information was also provided on how the public can stay connected and the remaining timeline for adoption of the budget, which includes a public hearing at the Finance & Administration Committee Meeting on August 7th at 6:30 p.m., and approval by Council at the August 21st City Council Meeting. The budget will be certified to the County by August 25, 2019.

There were no comments from the public on the Recommended 2020 Budget.

ISSUANCE OF NOTES AND BONDS

Mayor Appletoft stated Bruce Kimmel, Ehlers, will present information on the 2019A General Obligation Bonds that were sold earlier today. Three motions will be required to authorize the bonds.

Mr. Kimmel reported that the City received excellent bond results and noted the Sale Day Report that was provided to Councilmembers. The original issue was planned for \$4,210,000 but today's sale was for \$3,450,000. Bids were received at 10:00 a.m. this morning with six bids received. BOK Financial Services in Milwaukee was the winning bidder. He noted that all bids were below the presale estimate and this was due to not only a market hungry for bonds, especially from Kansas, but also our excellent credit rating, the amount of the bonds and their duration. He provided information on the resulting true interest cost, and the coupons that allowed us to reduce the overall bond size. Information was also provided on the overall debt service.

Mr. Kimmel provided an update on the City's recent bond ratings call which resulted in Mission's bond rating increase to AA+. He again noted that this helped with the sale today. Mayor Appletoft stated that the increased rating resulted in a lower interest rate for these bonds which saves significant dollars over the term of the bonds. Mr. Kimmel confirmed that the City saved approximately \$30,000-\$40,000 associated with the AA+ rating, and should rates go higher for future issues, this rating increase will pay larger dividends. Mayor Appletoft noted the City's strong fiscal management and policies. Mr. Kimmel introduced Kevin Wempe, Gilmore & Bell, who was present at the meeting and available to answer any questions.

2019A General Obligation Bonds Acceptance of Sale

Moved by Davis, seconded by Kring to accept the winning bid for the City's General Obligation Bonds Series 2019A from BOK Financial with a True Interest Cost of 1.726%, and that the Mayor and Clerk be authorized and directed to execute the Bid Form selling the bonds to the best bidder on the basis of siad bid and the terms specified in the Notice of Bond Sale. Voting AYE: Davis, Flora, Inman, kring, Quinn, Rothrock, Schlossmacher, Thomas. **Motion carried.**

2019A General Obligation Bonds Ordinance Authorizing Issuance

Moved by Davis, seconded by Kring to adopt an ordinance authorizing and providing for the issuance of General Obligation Bonds, Series 2019A, of the City of Mission,

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Kansas; providing for the levy and collection of an annual tax for the purpose of paying the principal of and interest on said bonds as they become due; authorizing certain other documents and actions in connection therewith; and making certain covenants with respect thereto. Voting AYE: Davis, Flora, Inman, Kring, Quinn, Rothrock, Schlossmacher, Thomas. **Motion carried.**

2019A General Obligation Bonds Resolution Prescribing Form and Details

Moved by Kring, seconded by Quinn to adopt a resolution prescribing the form and details of and authorizing and directing the sale and delivery of General Obligation Bonds, Series 2019A, of the City of Mission, Kansas, previously authorized by Ordinance No. 1502 of the issuer; making certain covenants and agreements to provide for the payment and security thereof; and authorizing certain other documents and actions connected therewith. Voting AYE: Davis, Flora, Inman, Kring, Quinn, Rothrock, Schlossmacher, Thomas. **Motion carried.**

CONSENT AGENDA

Moved by Schlossmacher, seconded by Rothrock to approve the Consent Agenda, items 4a through 4k.

- 4a. Minutes of the June 19, 2019 City Council Meeting
- 4b. Resolution Designating Sunflower Festival as City Sponsored Festival Event
- 4c. Roeland Court Townhomes Development Agreement
- 4d. Mutual Release Agreement Between the City of Mission, Roeland Court Townhomes Association, and Johnson County Wastewater
- 4e. Kansas Statewide Housing Assistance Program Resolution and Cooperation Agreement
- 4f. Post Issuance Debt Compliance and Continuing Disclosure Policy and Procedures
- 4g. Surplus Property Resolution
- 4h. SFS Architecture Contract for Phase II Space Needs Analysis
- 4i. Contract Award for Sinkhole Repairs
- 4j. 50th and Dearborn Storm Sewer Repairs
- 4k. Task Order with GBA to Proceed with Foxridge Survey

Voting AYE: Davis, Flora, Inman, Kring, Quinn, Rothrock, Schlossmacher, Thomas. **Motion carried.**

PUBLIC COMMENTS

There were no public comments.

ACTION ITEMS

Planning Commission

**Amended Preliminary Development Plan / Final Development Plan,
Tidal Wave Auto Spa, 6501 Johnson Drive**

Mr. Scott provided an overview of the amended preliminary and final development plan from Tidal Wave Auto Spa at 6501 Johnson Drive. The site is zoned CP-2B and a car wash is permitted in this zoning district. It is also located within the Form Based Code (FBC) overlay district, which is focused on the form of the building and not the use. The FBC requires a building with a minimum of two-stories that sits at the front of the property. Tidal Wave originally designed a car wash facility that would meet the intent of the FBC by proposing a two-story building at the front of the site and the car wash at the back of the site. The second story of the building would be the Tidal Wave regional headquarters. Mr. Scott provided information on the review process through the FBC and the traditional route. This project did not meet the required score to use the FBC review process and was handled through the traditional two-step redevelopment process. The application was first heard by the Planning Commission in March 2018 and recommended approval to City Council. City Council considered and approved the application at their April 2018 meeting, and the final development plan was approved by the Planning Commission in May 2018. Since that time, Tidal Wave has closed on the property, gasoline storage tanks have been removed, and the property is free of contaminants. The company has also come to the conclusion that it is too expensive to build a two-story building and is now proposing an amended plan with a one-story building along Johnson Drive. All other aspects of the project would be the same. Mr. Scott presented images of the original and amended plans, and discussed the differences.

Petty Hardin, Tidal Wave, stated they have been working for the past three years on this project. Last year the storage tanks were removed and any contamination taken care of. Drawings for the project were completed and provided to staff for review, and their permit was obtained. Once they received pricing for construction of the originally planned project, he stated they were shocked by the expense. They have committed an extra \$1 million to compensate for FBC requirements, but this project came in \$1.8 million higher than planned. When presented to their bank, the financing was rejected. At that time, they began value engineering the project to find savings, but have not been

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able to make a two-story building work financially. There are six other Tidal Wave projects in the Kansas City area and others have not had this issue. He stated that they have explored all their options and feel the FBC is the problem. He feels the current plan accomplishes what everyone wants to see which is functionality, good aesthetics, and is a building they “can make work.” He feels all will be proud to see the final project, and this project is an improvement over what is currently on the site. He requested Council’s approval of the project.

Mayor Appletoft stated Council has three choices regarding this item: approve the Planning Commission’s recommendation by simple majority; deny the application by a super majority, or remand this back to the Planning Commission with a specific reason by a simple majority vote.

Mr. Hardin stated they have contacted the utilities for the property and disconnections are in process. If approved by Council tonight, he anticipates having a demolition crew in place by August 5th to remove the current structure.

Councilmember Quinn asked for additional information on what caused the escalation in price. Mr. Harden stated the stacked stone on the second level and labor to install it came in quite high. He stated they will use stacked stone on the currently proposed building, but not on the vacuum canopy. He stated that most Tidal Wave’s canopy cost approximately \$150,000, and discussed other features of the original building (glass, number of windows, HVAC, sprinkler system) that drove the price up.

Councilmember Davis requested information on Tidal Wave’s headquarters and their plan to use the second story of the original building for offices. Mr. Hardin stated they did not actually need to use the second story, but had decided they would as they would be unable to lease the space due to location and lack of parking. By default, the company planned to use it themselves. Corporate headquarters are located in Georgia but they hoped to have a regional office here.

Mayor Appletoft asked if they have worked within an FBC in other cities, and where is the disconnect when knowing the FBC is stringent. Mr. Hardin stated they have not to this magnitude, and they hoped to be creative as well as commit an extra \$1 million to build within the FBC.

Councilmember Flora stated that in their 2018 presentation, Tidal Wave recognized that a two-story building was paramount to meeting the objectives of the FBC and asked how the company feels the current plan meets those requirements. Mr. Hardin showed

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renderings of both plans and stated that most of the aesthetics, windows, streetscaping remain in the current plan

Councilmember Thomas requested information on the doors on the front of the building and the height of the building. Mr. Hardin stated the doors are in the current plan, but not useable. The highest point of the building is the cupola at 28' 7.5". Mayor Appletoft asked if there is a specific height requirement and Mr. Scott stated that a minimum of two stories and a maximum of four stories is allowed. Discussion continued on whether this building is more of a parking-type structure and the requirements for that type of structure. Mr. Scott stated that one-story parking is allowed but it should be behind the building.

Frank Bruce, Mission resident and Planning Commissioner, stated per the March 2018 Planning Commission Minutes, Pete Heaven, Land Use Attorney, provided information to the Planning Commission about FBC requirements stating that these are guidelines and not regulations and what is being presented by Tidal Wave now is not usually part of a car wash. Because the building on Johnson Drive screens the car wash, it is appropriate to approve a one-story building.

Councilmember Schlossmacher requested information on the timeline for construction of the project should it move forward tonight. Mr. Hardin stated there are currently six other projects in the metro area and this would be the fifth in line. He anticipates nine months to build the project, with demolition of the current structure this August and the spacing of their crews between projects.

Councilmember Flora asked if demolition of the current building will occur if this plan is not approved. Mr. Hardin provided information on what they have spent to date and stated that if not approved, they will not make further investment and will try to sell the property or possibly wait until code changes to do something with the property. Discussion continued on who paid for the removal of the storage tanks (former property owner paid). Mr. Scott also provided additional information on height requirements, noting that nothing specific is included in the FBC, but that traditional MS-2 zoning allows three-stories which is about 45 ft., and this can be used to calculate the needed height for a two-story building.

Moved by Davis, seconded by Flora to remand Case #19-03, back to the Planning Commission on the basis that it does not meet the goals of the Comprehensive Plan. He stated there was a deviation previously in considering this project, and this amendment does not meet the two-story requirement for this area. Mayor Appletoft

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stated that to remand this back to the Planning Commission, specific direction is needed. Councilmember Davis stated the Planning Commission has an obligation to follow the FBC and if they believe the Comprehensive Plan is not what they need to review these types of projects, an amendment to the Comprehensive Plan should be proposed. He feels the FBC is our current policy and this proposed amended plan does not meet the goals of the FBC. Mayor Applefot stated that without specific direction, he believes this will just come back to Council as currently presented. Voting AYE: Davis, Flora, Thomas. NAY: Inman, Kring, Quinn, Rothrock, Schlossmacher. **Motion failed.**

Moved by Quinn, seconded by Kring to uphold the recommendation of the Planning Commission and approve Case #19-03: Amendment of the Preliminary and Final Site Development Plan for Tidal Wave Auto Spa at 6501 Johnson Drive, which entails removing the second floor of the structure at the front of the property, with all conditions from the original preliminary and final development plan still required. Councilmember Kring stated that Mr. Hardin made a very good presentation, but she has had many calls regarding the current condition of the building on the site. She stated Mission wants to welcome businesses and for them to succeed, but expressed her concerns with the building looking as it has for so long. Councilmember Flora stated she thinks the former plan with two stories was a “stretch” in meeting the requirement of the FBC, but that it did adhere to the spirit of the code. She appreciated good faith efforts at that time. This is a substantial change and does not meet the requirements (pedestrian friendly, mixed use, with building intended to be reusable in the future). This is a vacuum bay and she is also concerned with the current condition of the property. Councilmember Quinn stated he would like to reiterate that Mr. Heaven stated the FBC is a recommendation. The bays were in the previous plan so this is not a change. He feels this is a good business that will be an asset to the community, and that this is a vacuum bay and would not have been reusable for another business even with the previous plan. Councilmember Thomas stated she wants Tidal Wave to be successful, but does not feel this is consistent with the vision for the area, and expressed her concerns with this building not being able to be reused. Councilmember Schlossmacher stated the conversation is bigger than Tidal Wave and it is necessary to discuss the FBC. He is also frustrated with the condition of the property, but Tidal Wave wants to be in Mission and is not asking for incentives, and this project will be an improvement to the site. He stated that if we were to hold strictly to the FBC, we could sacrifice good or great projects in trying to have perfect projects. He feels this will be a good addition to the City and can support it even though it does not meet the FBC. Councilmember Davis stated he can not support this project as it does not meet the goals of the City. Although Tidal Wave has made modifications to try to comply with the FBC, but this building is just a facade and does not meet the intent of our Comprehensive Plan. He feels the attempt

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to build a car wash with an office above, and then coming back with just a car wash is somewhat of a “bait and switch.” Councilmember Rothrock stated she appreciates the efforts of Tidal Wave to work within the FBC. She agrees that a larger conversation is needed on the FBC, but she does not want a business to be caught-up in a bigger conversation that is needed. Councilmember Schlossmacher noted that the Broadmoor Project was approved outside of the FBC requirements and expressed his concerns with other businesses that may have decided to not come to Mission due to the FBC. Councilmember Davis stated he feels there is a distinction between this project and the Broadmoor Project as there are no building replacements on Broadmoor. He does not feel it is in the best interest of the City to support Tidal Wave’s current plan just so the current structure will be removed. Discussion continued on reasons for supporting or not supporting the current plan. Voting AYE: Inman, Kring, Quinn, Rothrock Schlossmacher. NAY: Davis, Flora, Thomas. **Motion carried.**

FINANCE & ADMINISTRATION COMMITTEE

Councilmember Flora stated the Finance & Administration Committee met on July 10 and considered 13 items, including approval of the meeting minutes, and discussion of the 2020 Recommended Budget and possible change in date for the swearing-in of newly elected officials. Seven of the action items on the committee’s agenda were considered on tonight’s Consent Agenda, and the issuance of the 2019A General Obligation Bonds was approved at the beginning of the meeting this evening. There are two two additional items for consideration.

Ordinance Certifying Roeland Court Townhomes Special Assessments

Councilmember Flora stated the Roeland Court Townhomes CID was established at the April 2019 City Council Meeting. The project is now moving to design and construction, and the next step in the CID Special Assessment process is for Council to pass an ordinance certifying the maximum assessments. A public hearing on this issue was held at the beginning of tonight’s meeting. Following adoption of this ordinance, there is a protest period that expires on August 23, 2019. The maximum amounts per property are certified through this ordinance, but the assessments are not provided to the County for inclusion on the tax bill until after the project is completed and final costs can be confirmed and allocated.

Moved by Flora seconded by Quinn to adopt an ordinance levying special assessments on certain property to pay the costs of internal improvements in the City of Mission, Kansas, as previously authorized by Resolution No. 1020 of the City; and

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providing for the collection of such special assessments. Voting AYE: Davis, Flora, Inman, Kring, Quinn, Rothrock, Schlossmacher, Thomas. **Motion carried.**

Police Department Radio Replacement

Councilmember Flora reported the Police Department's current portable and mobile radios are approximately 15 years old and will no longer be supported by Motorola after this year. In 2017, the Department began testing and evaluating radios from both Motorola and Harris - vendors that were selected through an invitation from Johnson County Emergency Management to allow vendors to present their P25 products. Project 25 (P25) sets the standard for interoperable digital two-way wireless communication products, and is a requirement by the Department of Homeland Security for law enforcement agencies receiving current or future federal funding or grants.

Initial bids were requested after the testing and evaluation period. Staff was unsuccessful in securing a complete bid from Motorola and is therefore recommending the purchase of the radios and all related equipment from Harris in an amount not to exceed \$231,433.30.

Moved by Flora, seconded by Rothrock to authorize the purchase of 40 Harris XL 185P portable radios and 18 Harris XL 185M mobiles, and all associated equipment, for the Mission Police Department in an amount not to exceed \$231,433.30 Voting AYE: Davis, Flora, Inman, Kring, Quinn, Rothrock, Schlossmacher, Thomas. **Motion carried.**

COMMUNITY DEVELOPMENT COMMITTEE

Councilmember Thomas stated the Community Development Committee also met on July 10 and discussed eight items. These included approval of the committee minutes, and discussion the Facility Conservation Improvement Program, and speed limit and traffic signage on 51st Street, east of Lamar. The committee also received an update on the Amended Preliminary and Final Development Plan for Tidal Wave Auto Spa, which was considered earlier on this evening's agenda. Three action items from the committee were approved on tonight's Consent Agenda, and there is one more item for consideration.

BHC Rhodes Street Asset Inventory

Councilmember Thomas stated that during the initial planning phases for the City's Comprehensive Street Maintenance Program, all streets were given a pavement condition index score, and Council set a goal of maintaining all streets with a PCI score

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of 70 or higher. During the initial years of the street program, staff discovered that about 50% of the residential streets targeted for a mill and overlay treatment could not structurally handle that treatment and would require a full-depth reconstruction.

In order to re-evaluate and reprioritize streets within the Street Maintenance Program, the City has worked to complete updated pavement condition ratings and geotechnical analysis. BHC Rhodes was hired earlier this year to begin compiling all asset information into one GIS location with the goal of building a long-term planning, budgeting, and asset management tool. BHC Rhodes' initial work has focused on our stormwater system, and with this task order, attention will be turned to streets to develop a new residential street maintenance program.

Moved by Thomas, seconded by Quinn to approve a task order with BHC Rhodes to perform services related to asset management, condition inventories, and conceptual program costs for Mission residential street network in an amount not to exceed \$9,000. Voting AYE: Davis, Flora, Inman, Kring, Quinn, Rothrock, Schlossmacher, Thomas.
Motion carried.

COMMENTS FROM THE CITY COUNCIL

Councilmember Kring announced that the Ward III meeting on Thursday, July 18th has been moved from the Community Center to the Mission Market and will be at 6:00 p.m. She encouraged all to attend. There are opportunities to volunteer or just come to the meeting, which will be very informal.

Councilmember Kring stated she has been contacted by a neighbor who would like the City to look into historic signage in certain neighborhoods. She will share additional information on this request with Ms. Smith.

Councilmember Thomas complimented Mr. Morton and the Public Works staff on recent improvements to 51st Street and Lamar. She also announced that there will be a Ward I meeting on Wednesday, July 24th at The Bar, 6:30 p.m. All were invited to attend.

MAYOR'S REPORT

Mayor Appletoft did not have a report.

CITY ADMINISTRATOR'S REPORT

Ms. Smith did not have a report.

ADJOURNMENT

Moved by Quinn, seconded by Kring to adjourn the meeting at 8:40 p.m. All present voted AYE. **Motion carried.**

Respectfully submitted by Martha Sumrall, City Clerk.

Ronald E. Appletoft, Mayor

Martha M. Sumrall, City Clerk