

MINUTES OF THE MISSION FINANCE & ADMINISTRATION COMMITTEE

December 12, 2018

The Mission Finance & Administration Committee met at Mission City Hall, Wednesday, December 12, 2018 at 6:30 p.m. The following committee members were present: Pat Quinn, Hillary Thomas, Arcie Rothrock, Nick Schlossmacher, Debbie Kring, Kristin Inman, Ken Davis and Sollie Flora. Mayor Appletoft was also present. Councilmember Schlossmacher called the meeting to order at 6:30 p.m.

Also present were City Administrator Laura Smith, Assistant City Administrator Brian Scott, City Clerk Martha Sumrall, Chief Ben Hadley, Assistant to the City Administrator Emily Randel, and Street Superintendent Brent Morton..

Tobacco 21 Ordinance

Ms. Smith stated that Councilmember Davis and Councilmember Thomas asked that discussion of a Tobacco 21 ordinance for Mission be placed on the agenda for consideration. The ordinance would raise the legal age for buying tobacco products from 18 to 21. Possession and consumption by persons between the ages of 18 and 21 would remain legal. She stated that in 2015, the Shawnee Mission School District passed a Statement of Position on Tobacco 21 and supporting local ordinances for this initiative in cities in their district. This issue was discussed in committee in December 2015, but did not move forward at that time. Councilmember Thomas stated that when this was discussed in 2015, involved parties were not invited to speak. There has been a change in councilmembers and Mayor so she would like to revisit this at this time. Currently 10 of 14 Johnson County cities have adopted Tobacco 21 ordinances.

Guest speakers were introduced and invited to speak, including the following remarks/presentations:

- Scott Hall, Greater Kansas City Chamber of Commerce, stated they have been working to promote Tobacco 21 in Kansas City for the past three years. This is part of a broader initiative to make the metro area a destination for health and wellness.
- Dr. Delwyn Catley, Center for Children at Children's Healthy Lifestyles and Nutrition, Children's Mercy Hospital, provided information on the issue stating it is a significant health issue and they are focused on the sale and purchase of tobacco and alternative devices (vaping). Information was provided on the issue of access with younger people being able to get tobacco from those that are 18 years old in their school, the science behind adolescent brains, Kansas' poor rating ("F") for prevention measures, and the targeting of youth by tobacco companies.
- Scott Hall provided information on this initiative that began in a suburb of Boston and the reduction in smoking rates that have been realized. He also provided statistics on how smoking affects the business community which young people will encounter later in life, including absenteeism, productivity, happiness, etc. Use of E-cigarettes has increased

in recent years, and the Juul e-cigarette that is widely used by young people and looks like a flash drive so it is hard to distinguish in schools.

- Elizabeth Ballew and Carolyn Popper, Shawnee Mission East students who contribute to The Harbinger, discussed three stories they wrote on the Juul e-cigarette and its impact on students. They stated that teachers are becoming more aware of these, and discussed interviews conducted with fellow students, the marketing of Juul that appeals to youth, and the potency of the Juul.
- Scott Hall continued to present information on Juul, including the increased level of nicotine they distribute, a map of local communities metro-wide that have adopted Tobacco 21 ordinances, and statistics on what smoking “costs” the State of Kansas (medicaid, etc.).
- Nicole Brown, Johnson County Health and Environment, stated their department has been involved in this initiative since 2015, has been collecting data, and serves as a resource. She also stated many youth do not realize there is nicotine in the Juul and those that use it often go on to use traditional tobacco products. Through data from the yearly community health assessment, they have found that half of smokers in Johnson County try to quit each year, and she feels our best effort is to prevent the start of use at an early age.
- John McKinney, Director of Family Services, Shawnee Mission School District, stated the applauds the efforts of students to bringing awareness to e-cigarettes, and read the school district’s Statement of Position. The school district fully supports the change in age for purchase of tobacco or e-cigarettes to 21.
- Tracy Russell, American Heart Association provided an overview of this initiative state-wide and stated 23 Kansas communities have adopted Tobacco 21 ordinances. Johnson County is the leader in this issue. She stated that the Attorney General has issued an opinion that these ordinances are within a city’s home rule authority, and discussed the case regarding the City of Topeka on this issue that is currently with the Kansas Supreme Court.

Councilmember Davis would like for the City to move forward with this issue and have staff develop an ordinance for consideration. Mission is one of a few cities in Johnson County that has not yet adopted the Tobacco 21 initiative.

Councilmember Schlossmacher opened the floor to public comments.

Jenny Chadwick, Tobacco 21 Western Regional Director provided additional information on the Juul e-cigarette and how they are used, discussed the addictive properties of nicotine, and noted this national movement towards Tobacco 21 is moving quickly with 22 states adopting these regulations.

Olivia Foster, member of RESIST and a task force on this issue, stated she is an advocate for Tobacco 21, provided information on the RESIST program in her high school, the number of

students vaping and the advertising that is directed towards young people, and provided a personal example of her brothers use of e-cigarettes.

Councilmember Davis stated the NEJC Chamber supports this initiative. Councilmember Quinn appreciates hearing from many proponents of the Tobacco 21 initiative, but is interested in hearing from opponents and asked why this has not been adopted state-wide. Councilmember Schlossmacher discussed the legal age in Kansas and stated tobacco use is not yet restricted to those over 21, and the precedent this may set. Discussion continued by the committee on what is legal at the age of 18 and 21, whether there are more effective ways to reduce smoking in teens (raising taxes on tobacco products), the need for more education and prevention programs.

Nick Kelly, Wyandotte County Libertarian party, stated he is opposed to the Tobacco 21 initiative and feels that prohibition never works as there is always the black market and opportunities for other vices. At the age of 18 you can vote, join the military, pay taxes, etc.

Councilmember Kring expressed her concerns with addictive behavior and state awareness begins at home. Discussion continued on the Juul which is highly covert so it is hard to enforce in schools, the precedent that could be set by telling legal adults what they can and can't do, online sales of these products and how to enforce this, and the need for additional funding of prevention programs.

Councilmember Davis stated he would like for Council to direct staff to develop an ordinance for consideration. Councilmember Quinn would like to hold off until there is a decision in the Supreme Court Case, and Councilmember Schlossmacher agreed. Councilmember Thomas expressed her concerns with Mission being one of the final cities to adopt Tobacco 21. The committee again discussed what is and is not legal at the age of 18.

Tracy _____, shared her support for Tobacco 21, stating there is data to show it reduces tobacco use and provided various statistics on other measures to reduce tobacco use in young people. She also provided information on brain development issues and why Tobacco 21 is effective. Councilmember Inman asked if she has worked with the state on this issue and she stated 29 states have proposed increasing the age - Massachusetts passed this law in 2018 and Minnesota may in 2019. She stated the industry is opposed to increasing the age and noted that young people who are addicted at an early age will probably be lifelong users of tobacco.

Ms. Smith stated this is a passionate issue and suggested a worksession for further discussion with additional information. A poll was taken of committee members on whether to have the worksession before or after the Supreme Court decision is available. It was agreed to have a worksession for further discussion of the Tobacco 21 issue late in the first quarter of 2019

This item was informational only and no action was taken.

Non-Discrimination Ordinance

Ms. Smith stated following discussion at the October 3 and November 14 committee meetings, Council directed staff to move forward to draft a non-discrimination ordinance as an action item in December. The intent of the ordinance would be to provide uniform legal protections in Mission prohibiting discrimination in employment, housing and public accommodations on the basis of race, color, religion, national origin, ancestry, sex, sexual orientation, gender identity, age, disability, marital status, familial status, or military status. The ordinance would also provide for and outline a complaint and enforcement process. She provided information on the process to date on this issue, including mailing postcards to impacted stakeholders such as businesses and rental companies in Mission, setting-up a reference page on our website with an online comment form, and public comments at previous committee meeting. Overwhelmingly there has been support for adoption of this ordinance. A redlined version of the proposed ordinance was provided in the committee packet, and she outlined various changes/updates suggested for consideration including whether this would apply to all businesses/rentals or to those with four or more employees, increasing the amount of the penalty to \$1,000, and clarification on the types of complaints that will be investigated by the city.

Frank Bruce, Mission resident, asked how many discrimination complaints there have been over the past year related to this issue. Councilmember Flora stated that there is not currently a law on the books regarding this so there is no avenue for complaint. He expressed his concerns with this ordinance feels that by trying to correct one problem we will be creating another.

The committee discussed whether the ordinance should apply to businesses/rentals with four or more employees and why this number was chosen. Councilmember Flora stated there have been many comments that we do not want to tolerate any discrimination and she would like this number reduced to one (1). Councilmember Schlossmacher stated using four may be tied to the state's definitions. Discussion continued on the number used for the state's level of protections, Prairie Village reducing the number to one in their ordinance, and how Roeland Park has handled this in their ordinance. Mayor Kelly, Roeland Park, stated that they have not had any complaints since adopting their ordinance several years ago. Megan England, Roeland Park resident and one of the co-sponsors of their ordinance, stated when they drafted their ordinance they wanted it to be basic and close to the Kansas Act, but noted that was almost five years ago. She applauds Mission taking a stronger stand and supports reducing the number to any business or rental with one or more employees. Councilmember Thomas agreed, and Councilmember Schlossmacher hopes the state will take this issue on. He does not feel our ordinance should be more restrictive. Discussion continued on keeping the number uniform. The committee agreed to keep the number at four.

The committee discussed the amount suggested for the fine to be imposed. Councilmember Flora supports the \$1,000 fine as it treats this issue seriously and has more bite. Mayor Appletoft asked if \$1,000 is the maximum fine a city can impose and Mr Martin stated some go higher, but \$1,000 is a common amount in our Code. The committee agreed to increase the fine to \$1,000.

The committee discussed the types of complaints to be handled by the City. Councilmember Schlossmacher stated if the state has a process for other violations then those should be used and we would only investigate the sexual orientation and gender identity discrimination complaints. Councilmember Inman agreed. Councilmember Flora stated that there are many barriers to bringing forth complaints and they can be very expensive to pursue. She feels a uniform ordinance would be best. Councilmember Thomas agreed. Discussion continued on whether complaints for other classes would be adjudicated in Mission or individuals directed to state or federal processes.

Mary Guerlt, Wyandotte County Libertarian Party, expressed her concerns with this ordinance and feels there are better ways to deal with those who discriminate such as boycotting their business, sending letters, etc.

The committee was polled on whether to keep the complaint and enforcement process uniform and there was no consensus for change from what was originally presented.

Ms. Smith stated a clean version of the ordinance will be on the Council Agenda with the only change being an increase in fine from \$500 to \$1,000. The committee agreed. This will not be a consent agenda item.

**Resolution to Call Public Hearing on Establishing CID,
Roeland Court Townhomes**

Ms. Smith stated in 2017 there was a subsidence of the parking lot/parking area of the Roeland Court Townhomes. Since that time, staff and the Roeland Court Homes Association have been working with residents, consultants and engineers to address the situation and develop a solution that would work for all. The creation of a Community Improvement District (CID) would allow a special assessment component to be activated to allow property owners a longer period of time over which to pay the repair costs. A valid petition for consideration by Council has been submitted and the next step in the process is for Council to consider a resolution to set the time and date of a public hearing on the CID. The proposed date is January 16, 2019 at 7:00 p.m. Ms. Smith stated the CID would be for 22 years and spreads the payments equally. She thanked the homeowners association for all their work on this issue.

Councilmember Davis recommended that the resolution giving notice that the City of Mission is considering the establishment of a new Community Improvement District (Roeland Court Townhomes CID District) for restoration of the parking and common areas, and setting a date

and time for a public hearing be forwarded to Council for approval. All on the committee agreed, but this will not be a consent agenda item.

KERIT Renewal

Mr. Scott stated the City has been a member of the Kansas Eastern Regional Insurance Trust (KERIT) since 2009. The trust is comprised of 18 member cities and counties. Workers compensation premiums are based on the City's annual payroll, the level of exposure to risk that certain jobs may entail, and an experience modifier that reflects past claims. The 2019 premium for workers compensation coverage has been estimated at \$92,339, an increase of 3% over 2018 estimated. Funds in the amount of \$106,000 were included in the 2019 budget for this item. He noted that after the new year, we will look at our payroll and he anticipates our premiums being even less.

Councilmember Davis recommended that approval of the City's 2019 Workers Compensation coverage through the Kansas Eastern Regional Insurance Trust (KERIT) for an estimated annual premium of \$92,339 be forwarded to Council for approval. All on the committee agreed. This will be a consent agenda item.

Personnel Policy & Guidelines Update

Ms. Smith stated a redlined version of the updated policy was included in the packet and noted several of the proposed changes to various sections of the policy, including the addition of gender identity (sexual orientation is already included), employees working at home, behavior on travel, recording photos of co-workers, and improper conduct. Councilmember Flora asked if employees get a summary update and Ms. Smith stated that are notified and a link to the updated policy is provided. Ms. Smith also noted that a change has been added requiring employees to work their entire notice period when leaving the City. The committee also discussed weapons at work (Ms. Smith will send additional information from the City Attorney on this issue).

Councilmember Thomas noted several issues/changes she would like considered including adding "gender identity" to section M on page 36 regarding improper conduct which was inadvertently left out, providing more specific language under section E-13 Non-FMLA Maternity Leave changing "reasonable period of time" to 8 weeks or 12 weeks, and expanding unpaid breaks for nursing mothers to more than one year. Councilmember Flora recommended Section E-13 Non-FMLA Maternity Leave be gender neutral for unpaid parental leave. Discussion continued on FMLA leave. Councilmember Rothrock requested clarification on section F-16 Travel and Training, with Ms. Smith stated that employees must remember they are representing the City when on travel or training.

Mr. Scott stated an email will be sent to employees following adoption of this updated policy highlighting key changes. Ms. Smith stated the policy as presented can be approved by Council and additional changes considered throughout the year.

Councilmember Rothrock recommended that the ordinance adopting the changes proposed to the City of Mission's Personnel Policies and Guidelines effective January 1, 2019 be forwarded to Council for approval. All on the committee agreed. This will be a consent agenda item.

Property / Casualty / General Liability Renewals

Mr. Scott reported the City maintains several lines of insurance coverage including property, inland marine, automobile, crime, and general liability with the intent of reducing the City's exposure to risk and protecting assets. The City uses CBIZ as our third-party broker and this year went to market, with three bids received (OneBeacon, Travelers, and APEX-Brit). The bid from APEX was not competitive and staff is recommending moving the City's insurance coverage from OneBeacon to Traveler's for 2019 and to opt for the \$3 million umbrella coverage for a total of \$119,868 for the 2019 policy year.

Councilmember Inman recommended that approval to obtain coverages for property and liability insurance with Travelers Insurance Company for the policy period of January 1, 2019 through December 31, 2019 at an estimated total annual premium not to exceed \$119,868; and total cyber-liability coverage of \$3,238 from Axis. All on the committee agreed. This will be a consent agenda item.

2019 IT Support Services Contract

Mr. Scott stated the City has an interlocal agreement with Johnson County Department of Technology and Innovation (since 2011) to provide computer network support. This provides the City with access to the County's main network, as well as network server back-ups, monitoring, security and general support. Staff recommends approval of the agreement for 2019 at a cost of \$54,738 which is a 3% increase over 2018.

Discussion by the committee included the level of service provided by the County and whether it is improving over time, issues with their service to the Police Department's mobile units and our need to update software to these, and staffing levels at the County.

Councilmember Flora recommended that the Interlocal Agreement and Project Charter for IT Services with Johnson County through December 31, 2019 in an amount not to exceed \$54,738 be forwarded to Council for approval. All on the committee agreed. This will be a consent agenda item.

Alcohol Tax Fund Recommendations

Mr. Scott reported by statute, Kansas imposes a 10% Liquor Drink Tax (Alcohol Tax) on the sale of any drink containing alcoholic liquor sold by clubs, caterers or drinking establishments. Revenues from this tax is allocated 30% to the state and 70% of the city. One third of what is allocated to cities must be placed in a Special Alcohol Tax Fund to support programs whose principal purpose is “alcoholism and drug abuse prevention or treatment of persons who are alcoholics or drug abusers, or are in danger of becoming alcoholics or drug abusers.” In 2019, the estimated amount of the Alcohol Tax Funds is \$234,000 with one third (\$78,000) proportioned to the City’s Special Alcohol Tax Fund. The Drug and Alcoholism Council (DAC) is supported by United Community Services and offers grants each year to various organizations that provide drug and alcohol abuse, prevention and treatment programs. Staff recommends that \$40,000 of the Special Alcohol Tax Fund be placed with the DAC for these programs. Uses for the remainder of these funds include the City’s DARE program and the mental health co-responder program. A detailed list of the DAC program is included in the packet.

Marya Schott, United Community Services, stated that Liana Riesinger is our representative to the DAC but she was unable to stay for the full meeting. She is available for any questions on the programs.

Discussion by the committee continued on various program recommended including their services and locations, operating costs, and the desire to have a final report indicating the dollars spent and number of people served. Councilmember Schlossmacher asked if tobacco education is included, and it was noted that Johnson County Mental Health has a program called End the Trend that focuses on preventing tobacco use in younger students.

Councilmember Davis recommended that the City of Mission’s 2019 Alcohol Tax Fund allocations as recommended by the Drug and Alcoholism Council be forwarded to Council for approval. All on the committee agreed. This will be a consent agenda item.

Contracts for Animal Control Services

Ms. Smith stated that the Northeast Animal Control Commission was established in 1983 and includes the cities of Fairway, Mission, Mission Woods, Roeland Park, Westwood, and Westwood Hills. Recently, there has been discussion regarding the quality and level of services received compared to costs. Various members have expressed a desire to leave the commission or explore alternative service delivery methods. Mission has been evaluating this issue and feels our residents would be better served if animal control services were provided in-house by Community Service Officers (CSOs). We are also willing to offer these services to other cities on a contractual basis. Contracts have been received from Roeland Park, Fairway, Westwood and Mission Woods - all of which have been approved by their governing bodies. Westwood Hills will be approved prior to our City Council meeting.

Councilmember Kring recommended that contracts with the cities of Roeland Park, Fairway, Westwood, and Mission Woods, and Westwood Hills when approved by their governing body,

to provide animal control services beginning January 1, 2019 be forwarded to Council for approval. All on the committee agreed, but this will not be a consent agenda item.

Councilmember Thomas requested additional information on the definition of “animal cruelty” and how the officers will enforce the code for various cities. Ms. Smith stated that they will be enforcing the specific code for each city served.

2018 Budget Amendments

Ms. Smith stated the adopted annual budget establishes the maximum expenditure authority for each fund or taxing authority for that particular fiscal year. Exceeding these expenditures without formally amending the budget is a violation of Kansas budget statutes and a public hearing must be held when amending the budget. This year, the MCVB budget must be amended. The public hearing will be held at the December Council Meeting and then Council may take action on this item. This amendment is not the result of any unauthorized expenditures and is required as the fund functions as a pass through for a variety of fundraising opportunities. It is difficult, at the time the original budget is established, to anticipate the revenues and expenditures to be collected and disbursed in any given year. The expenditure authority is being increased to account for holiday adoptions, and collections received to support Alexander Goodwin and “Alexander’s Journey,” and other charitable giving. Funds expended do not exceed revenues collected. The budget amendment would increase the MCVB Fund from \$60,000 to \$90,000.

Councilmember Inman recommended that the resolution to amend the maximum expenditure limit for the Mission Convention and Visitors Bureau Fund in the 2018 Budget be forwarded to Council for approval. All on the committee agreed, but this will not be a consent agenda item.

2019 Budget Ordinance

Ms. Smith stated this is one of the final steps in the annual budget process. Council approves a budget resolution in the summer and approves the proposed budget by motion in August. This ordinance is the final step in approval of the budget and no changes are proposed to the budget adopted by Council in August.

Councilmember Quinn recommended that the ordinance adopting the 2019 Budget of the City of Mission, Kansas be forwarded to Council for approval. All on the committee agreed. This will be a consent agenda item.

Ordinance Directing City Administrator to Spend According to Budget

Ms. Smith stated as part of the annual budget process, the City Council takes formal action to authorize the City Administrator to spend according to the 2019 adopted budget.

Councilmember Kring recommended that an ordinance authorizing the City Administrator to make expenditures in accordance with the adopted 2019 Annual Budget be forwarded to Council for approval. All on the committee agreed. This will be a consent agenda item.

CMB License Renewals

Ms. Sumrall stated that businesses selling Cereal Malt Beverage (CMB) at retail must obtain an annual license for each place of business. Renewal applications for 2019 include Johnny's BBQ, Hy-Vee Grocery and Convenience Store, QuikTrip, and Target. All have submitted the required renewal applications and background checks have been conducted.

Councilmember Rothrock recommended that the 2019 Cereal Malt Beverage License renewals as presented be forwarded to Council for approval. All on the committee agreed. This will be a consent agenda item.

Deannexation Request from Roeland Park

Councilmember Schlossmacher stated that this item was set to be discussed on the Community Development Committee agenda, but due to the late hour he is recommending that it be moved to this agenda. All on the committee agreed.

Mayor Kelly, City of Roeland Park, stated that the land at the northeast corner for Johnson Drive and Roe contains several parcels from several cities. Commerce Bank and St. Luke's Hospital have developed the land on the northwest corner of Johnson Drive and Roe, and with the Gateway Development, Roeland Park is excited to continue development on this vacant parcel at the northeast corner. A small portion of this land is owned by Mission and it would simplify zoning, plan review, etc. for any development if this were all part of Roeland Park.

Keith Moody, Roeland Park City Administrator, provided a handout outlining the benefits of deannexing this parcel of land, as well as a map of the area. He discussed the benefits, noting that Roeland Park owning the entire site would provide a single approval process for developers and assist with utility relocations to make the property more buildable.

Councilmember Flora requested additional information on any proposed development for the site, and Ms. Smith stated that working toward a common vision for the area is important to Mission and provided information on previous joint meetings regarding this parcel of land.

Discussion continued on the process for deannexation, costs (Roeland Park to assume this cost), and why this has not been done before. Mr. Moody stated this would not affect any addresses in the area, and that Roeland Park has not yet had a concept presented that meets the vision for the area. They want a vertical mixed-use project and the time is now good for development of the parcel in concert with The Gateway Project.

The size of the area is 2.7 acres and it was noted that the area owned by Fairway is small and not buildable, so it is not being considered for deannexation.

Barbara Porro, Mission resident, asked if any development is ready to move forward at the site. Mr. Moody stated they have talked to a number of developers, but none have yet gotten to the purchase agreement stage.

Sheldon Bucl, Mission resident, asked if they had considered keeping the area greenspace. Mr. Moody stated based on surveys of Roeland Park residents, a majority want additional job opportunities in the city, as well as living options. Some have requested greenspace.

Councilmember Kring asked if our land use attorney has been consulted regarding this. Ms. Smith stated he has and Mr. Heaven has said deannexation is possible at this location.

Ms. Smith will provide Council with a timeline for consideration of this request. Councilmember Kring requested that a “compare and contrast” list be developed regarding this issue.

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

2019 Legislative Priorities

Ms. Smith stated each January the City prepares a Legislative Program which outlines priorities and areas of interest or concern to be communicated to our state legislatures at the outset of the legislative session. She stated we usually partner with other cities, but this meeting has not yet been scheduled. The League of Kansas Municipalities program is included in the packet for review. Ms. Smith asked Council to contact her with any issues they would like considered for incorporation into the City’s 2019 Legislative Program.

Councilmember Inman asked that the tax lid be included. Councilmember Davis stated that he compared LKM’s to last years and noted new items include the protection of the First Amendment, alternative property valuation (dark store), and the budget timeline. Ms. Smith stated that a change to the budget timeline would allow cities more time to put together a budget based on certified tax levies by moving the deadline from August to November. Councilmember Schlossmacher noted keeping city elections nonpartisan and asked if there has been any discussion in Topeka to change this. Councilmember Inman recommended that support for a state non-discrimination ordinance and Tobacco 21/tobacco prevention be added. Councilmember Flora recommended internet sales tax collection and the dark store be included in Mission’s program. She also supports mental health and human services programming. Councilmember Schlossmacher asked if a separate meeting regarding this program would be helpful. Ms. Smith suggested that she email last year’s program and the League’s to Council, and asked councilmembers to provide her with suggested changes she can bring back to the committee in a draft program. All agreed. Councilmember Thomas suggested that a meeting be scheduled locally with our legislators, similar to Shawnee’s meeting with their legislators.

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

Other - Department Updates

None.

Meeting Close

There being no further business to come before the Committee, the meeting of the Finance and Administration Committee adjourned at 9:45 p.m.

Respectfully submitted,

Martha Sumrall
City Clerk