

Call To Order:

The regular meeting of the Lansing City Council was called to order by Mayor Gene Kirby at 7:00 p.m.

Roll Call:

Mayor Gene Kirby called the roll and indicated which councilmembers were in attendance.

Councilmembers Present:

Ward 1: Kevin Gardner and Dave Trinkle

Ward 2: Andi Pawlowski and Don Studnicka

Ward 3: Jesse Garvey and Kerry Brungardt

Ward 4: Tony McNeill

Councilmembers Absent: Gregg Buehler

OLD BUSINESS:

Consent Calendar: Councilmember Garvey moved to approve the regular meeting minutes of July 2, 2015. Councilmember Pawlowski seconded the motion. The motion was unanimously approved.

NEW BUSINESS:

Audience Participation: Mayor Kirby called for audience participation and 2 citizens came forward.

- Tom Coleman at 176 Canyon View Drive and Vernon Mills at 174 Canyon View Drive stated we're here to bring up the subject of 9 Mile Creek flooding. We are both victims of the flood that occurred on the 6th of July. Other folks down the street are also victims of the flood, and we've just got some questions that we'd like to get onto a work council, work session, or whatever it is you do, and discuss the creek, maintenance of the creek, what the City is doing about maintenance of the creek, and what the City is doing about maintaining flood water control before it gets to our area; that's what we're interested in.
 - Mayor Kirby stated ok, thank you, Sarah will contact you, we'll check the schedule, I don't know if it will be August, probably September, just guessing, but we'll get you on as soon as we can. And if you'll give Sarah your contact information she'll be sure you know.
 - Tom Coleman replied alright, 913-306-7580, 176 Canyon View Drive, tcoleman3@kc.rr.com.
 - Vernon Mills stated 174 Canyon View Drive, area code 913-727-1392, vmills@kc.rr.com.
- Councilmember Brungardt stated Dr. Mills, Mr. Coleman, what kind of damage did you sustain.
 - Tom Coleman replied the creek did not get into my home, but it came over a 4 foot retaining wall into my swimming pool, and I've been clearing the mud out of that for the last week and a half and it's still not done. It'll be a lot of water damage, water replacement.
 - Vernon Mills stated in my case I have a 6 to 7 foot retaining wall, a berm, it came over that and that's additional to the 3 feet it had been elevated already, so 9 feet, that's the highest it's ever been, that's the first time it's ever breeched that wall. Our neighbor down the street took about a foot or so of water, or more. There are a couple of our other neighbors who actually took on water in their homes. It got within 6 inches of my basement, but luckily with some neighbors bailing out water and the creek, as they say, just went down. That was about it, otherwise I would have taken on water. That's the highest it's have been. I'm really concerned because 1, I know with the high school going in and with new road stuff that you've got in, and with all the new development going in, with the developments to the West of me, there is supposed to be some retention ponds and all that stuff to keep that water down, but we got between 5 and 7 inches of rain, and I know that that is kind of the critical mark when it's saturated, but it's never gotten over that wall. So there was something different about that rain, it could be because there were trees down in the creek, it could have been because there was just more water.
 - Councilmember Brungardt stated yeah I saw it and I've never seen anything like it.
- Vernon Mills replied it looked like someone took a paper cup and poured water from the West coming straight, the creek usually goes straight, then it bends, and it looks like someone took a cup of water and poured it over that edge and it just rolled right through our back yard.
 - Tom Coleman stated it's dangerous, it was a rushing river behind my home and off to the side, there probably had to have been between 75 and 100 yards across that way that thing was rushing. There were cows that ended up in my yard, a cow, a calf disappeared, I don't know if they got the calf or not.
 - Councilmember Pawlowski stated I don't think they ever found him.
 - Tom Coleman stated it was dangerous, as all flash floods are.
- Vernon Mills stated we've had many meetings in the 90's when we first moved in, and everybody was saying oh you're in a flood zone; we know we're in a flood zone, but that doesn't mitigate the fact that there should be some things done to make sure that we don't receive more water than we should be getting, because with the development, there should be some way to make sure that we have certain protections from damage received because of the extensive work done to the West of us. And I don't want the County not to grow, I just don't

want any water in my house, so anything we can do to help, I know in the past with the previous Mayors we had meetings and found ways to get the creek cleaned out, trees cut, and I think there was a lot more awareness about what things could be done. So we know in the past the City has been able to help some, and I know as property owners, we've got our own responsibilities, but still as part of the City that's not different than the streets, there's a way, public, private, or whatever that we can kind of work this out so that we can make sure that it's safe, because it's a public safety issue. You've got to close Highway 73 because there is too much water going across it, then that's a problem. If I had a patient that had an emergency something to Children's Mercy and they can't get out because that creek is blocking the road, that's a problem.

- Councilmember Pawlowski stated it was up to the bottom of that bridge too.
- Tom Coleman stated our neighbor has so far \$28,000.00 of losses in the lower level of their home, and that's not even replacing or restoring.
 - Councilmember Brungardt stated that's the very bottom number. I thank you guys for coming.
- Vernon Mills stated thank you for listening.
 - Mayor Kirby stated thank you.

Presentation:

COUNCIL CONSIDERATION OF AGENDA ITEMS:

Lansing Community Library Volunteer Policy: Councilmember Pawlowski moved to approve the Lansing Community Library Volunteer Policy. Councilmember Garvey seconded the motion. The motion was unanimously approved.

Ordinance No. 946 – An Ordinance Levying Special Assessments of Unified School District 469: Councilmember Pawlowski moved to adopt Ordinance No. 946 – An Ordinance Levying Special Assessments on Certain Property to Pay the Costs of Internal Improvements in the City of Lansing, Kansas, as Previously Authorized by Resolution No. B-4-14 of the City; and Providing for the Collection of Such Special Assessments. Councilmember McNeill seconded the motion. The motion was unanimously approved.

Ordinance No. 947 – An Ordinance for Project Authorization for 7 Mile Creek: Councilmember Pawlowski moved to adopt Ordinance No. 947 – An Ordinance of the City of Lansing, Kansas, Authorizing and Providing for the Alteration, Repair or Reconstruction of Certain Existing Sanitary Sewers in the City; Authorizing and Providing for the Construction of Interceptor Sewer Improvements in the City; and Providing for the Payment of the Costs Thereof. Councilmember Garvey seconded the motion. The motion was unanimously approved.

Resolution No. B-2-15 for Sale of General Obligation Bonds: Councilmember Trinkle moved to adopt Resolution No. B-2-15, authorizing the offering for sale of General Obligation Bonds, Series 2015-A and General Obligation Temporary Notes, Series 2015-1, of the City of Lansing, Kansas. Councilmember Pawlowski seconded the motion.

- Councilmember Pawlowski stated this is also for the High School Sewer Interceptor right, didn't we have that discussion.
 - City Administrator Tim Vandall stated I believe so.
 - Councilmember Pawlowski stated I thought I brought my stuff with me; I brought everything but that stuff with me.
- City Administrator Tim Vandall stated I guess the one thing that I wanted to double check on was the paragraph on the 2nd page of the Resolution, whereas I think that if we want to hold off on any refunding or anything like that, I don't know if we would want to take out that paragraph.
 - Councilmember Garvey asked page 2, which paragraph.
 - City Administrator Tim Vandall replied on the very top of page 2. We have Gina from Gilmore & Bell, and she'd be able to address any questions on the refinancing that we discussed on our last work session.
 - Councilmember Pawlowski stated but that's not what this is doing.
- Gina Riekhof of Gilmore & Bell stated this Resolution that you are considering right now is a Resolution to do a couple of different things, to break it out into 3 different pieces. The first thing it would do is authorize us to move forward with the issuance of Temporary Notes, short term financing for the 7 Mile Creek Sewer Project. The second thing that this Resolution would do would be to authorize us to move with permanent financing for the road improvements for the new High School, and that's the special assessment project that you just approved the ordinance for a few moments ago.
 - Councilmember Pawlowski stated right and that's for two million two hundred sixty-five thousand dollars and that also includes the sewer line I believe, not just the road improvements.

- Gina Riekhof of Gilmore & Bell stated that project is, yes, road and sewer, you are correct, yes. The project description is contained in Ordinance No. 946. So the third thing this Resolution does, based on the feedback from last week, I believe, is that it leaves open the possibility to refund portions of the City's outstanding 2006-A and 2008-A General Obligation Bonds. Let me give you a little bit of background, Municipal Bond Issues that are done, traditionally have what are called 10 year call protection, so you're not able to prepay the bonds at any time, like you can on your mortgage, you have to wait until 10 years after the bonds are issued before you can prepay those. So the 2006 bond, the first opportunity you have to prepay those is September 1, 2016, so about a year from now. The first opportunity you have to prepay the 2008-A bonds is September 1, 2017. Even though the bonds cannot currently be called and prepaid, you can do a refunding transaction today that has the economic effect of lowering your overall interest cost on the financing of the projects that were financed with those bond issues. The City's Financial Advisor, Dave Arteberry, who wasn't able to be here tonight, has presented some scenarios to staff, and I believe you've talked about those where a portion of 2006-A and 2008-A bonds would be refunded now through what is called an advance refunding; that's where we refund bonds that the call dates, or prepayment dates, are further out in the future. We would refund portions of those bonds and achieve about a three hundred thousand dollar cost savings. The financial advisor has also looked at what would happen if you would wait 1 year, so you're closer to that call date and you don't effectively have 2 series of bonds outstanding for a lengthy period of time, and under the scenarios that he has shown staff, based on today's interest rates, if interest rates stay the same as they are today, in 1 year, the savings that you would achieve from refunding would be approximately four hundred and seventy-five thousand dollars. It would take a 4 tenths of a point, so point 4 percent increase in interest rates between now and 1 year from now, in order to completely wipe out all of the savings that could be achieved, the three hundred thousand dollars, that you could see today. So what we did in order to accommodate the possibility of refunding because, unfortunately neither Mr. Arteberry nor I have a crystal ball, what we did to accommodate this, right now that savings, taking into account one of the metrics that we look at when we do refunding, we figure out what is the savings, the percentage of the principal amount of the refunded bond, and that's what we talk about when we talk about a savings target. A good savings target for an advance refunding, which this would be, would be approximately 5% of the refunded bonds, that's taking into account all of your costs and expenses of accomplishing the transaction. Under current interest rates, the last time that George K. Baum ran numbers, the savings was approximately 5.7% of the refunded bonds. Because of everything that has been happening in China and particularly Greece and the EU, the market has really been volatile over the last couple of weeks, and nobody is quite sure what is going to happen between now and 2 or 3 weeks from now when we really have to make the decision about whether the refunding is in or out. And so, what we did in order to accommodate a desire to refund a portion of the bonds now is the paragraph that is contained in Section One of the Resolution, and what that does is it give the City Manager and the Finance Director, in consultation with your Financial Advisor, the ability to make, effectively, a game-time call about a week or so before August 20, which is when the sale is scheduled, and if everybody believes that the savings is going to be 5% or more, then the refunding will come in. If it looks like the savings is going to be less than 5%, then the refunding will be out. The reason why we need to make that decision before we actually go out and sell the bonds is because it has a substantial change on the amount of bonds that we would sell. So we would go out with a, for example, a 7 Million Dollar Bond Issue including the refunding, if the refunding didn't work, we would be at about a 2 Million Dollar Bond Issue, and banks don't particularly like it when you change at the very last minute, and you tell them no I'm sorry, we're not going to sell you 7 Million we're going to sell you 2 Million instead, you're going to have a bitter walk away. And so we tried to accommodate what we believe was a desire to move forward with the refunding, but with a threshold of 5%, estimated 5% savings. I know that was a very long winded explanation, but I'd be happy to answer any questions you might have.
- Councilmember Pawlowski stated I'll ask you the question that I asked last week that nobody knew the answer to, you haven't heard me ask these questions before, but the other man knows I sell real estate so I know about loans, not bonds, but most of the time, whenever we do something with our Bond Council I always ask these questions, so the bonds you're talking about refunding, you can't do it until 10 years; the stuff we did a couple of years ago, we can't pay it off early and realize any savings, but not with these, that's not the case.

- Gina Riekhof of Gilmore & Bell stated yes you can realize savings, the 2006-A bonds, the final maturity of those is 2026, and so what we would be doing is realizing interest cost savings on your payments.
 - Councilmember Pawlowski replied on the last 10 years, so it's more like a simple interest that part of it is like a simple interest loan that you can pay it off early or refinance.
 - Gina Riekhof of Gilmore & Bell stated that is correct, at this point you can.
 - Councilmember Pawlowski replied by the first 10 years is fixed.
 - Gina Riekhof of Gilmore & Bell stated yes.
- Councilmember Pawlowski stated it's going to be too complicated to understand how you refund it, but basically you'd be refunding the last 10 years.
 - Gina Riekhof of Gilmore & Bell replied that is exactly right, yes. We would decide that we would want to prepay the last 10 years, we would basically hand that money over to the folks that pay your bond holders, let them hold it until the point that they can prepay the bond holders, and then for those next 10 years you'd be paying the new bond holders.
 - Councilmember Pawlowski stated and we'd be paying them less, so that's where the savings comes in.
 - Gina Riekhof of Gilmore & Bell replied yes, correct.
- Councilmember Pawlowski stated I tried to get it last week, but nobody knew the answer, thanks.
 - Gina Riekhof of Gilmore & Bell stated yes that's the simple explanation.
- Councilmember Gardner asked the 5% that you were talking about making the call before August 20th, less than 5% benefits the City, no?
 - Gina Riekhof of Gilmore & Bell stated no, if the savings is less than 5% then you'd be realizing a savings of something less than the estimated three hundred thousand dollars that we're talking about, so basically what we're talking about is if it looks like you can harvest three hundred thousand dollars' worth of savings or more, right now, then we'll proceed with the refunding, if it looks like you're not going to get a full three hundred thousand dollars of savings, then we won't do the refunding right now and we'll wait, and you'll have another chance. We'll be doing the short term temp notes and so a year from now when we're ready to permanently finance that project, we'll be in the market already anyway, you can save a little bit of transaction costs whenever we do multiple deals at one time, and so next year we'll be closer to that prepayment date, we'll already be in the market, and so we'll continue to look at whether you could achieve more savings between now and then, but certainly just because you don't do this now, doesn't mean we can't do it at some point in the future.
- Councilmember Pawlowski stated the three hundred thousand is over the term.
 - Gina Riekhof of Gilmore & Bell stated that is correct, it's over the life of the bond, so you're not going to see the three hundred thousand dollars up front I think and Tim can correct me if I'm wrong, I think it was structured with level savings over the last 10 years so if I'm going to ballpark for you, thirty thousand dollars a year.

The motion was unanimously approved.

Treasurer's Report for Quarter Ending June 30, 2015: Councilmember Brungardt moved to approve the Treasurer's Report for the quarter ending June 30, 2015 as presented. Councilmember Pawlowski seconded the motion. The motion was unanimously approved.

REPORTS:

City Attorney: City Attorney had nothing to report.

City Administrator: Beth or Georgia is going to get everything published. I think the way the budget form ended up to be published it's going to be a 1.502 Mill increase, so Georgia correct me if I'm wrong but, by my math that equated to \$51.00 on a \$300,000.00 home. Last year I think we carried a little bit over \$1,000,000.00, which equated to about 19% of our total revenue in the General Fund; I think we'll hover pretty close to that again, I'm not sure we would exceed that, we won't get as much carry over as we probably would have before, but I think we'll be close to 19% again. Another positive thing too, and I think a couple of you guys have mentioned this to me, even if we are able to keep the mill levy flat next year, we should hopefully have more flexibility because we won't be spending \$200,000.00 on roofs. A couple other things, there's going to be a farewell ceremony for Mike McDonald at the Library on July 22, at 5:30 p.m., so if you guys would like to attend that we'd like to send him off.

- Councilmember Gardner asked at the Library?
 - City Administrator Tim Vandall replied at the Library at 5:30 on July 22.

We discussed a little bit at the last work session about scheduling a Public Works Work Session specifically for Public Works projects, and I wasn't sure if you guys had a date.

- Councilmember Gardner asked we have the next 2 Thursdays off right.
 - Councilmember Pawlowski asked is it imminent that we have to do it.
 - Councilmember McNeill stated we were going to talk about the DeSoto Road project, that was one of them, but we could probably throw in the flooding problem and anything else we want to throw in, they're all Public Works related.
 - Councilmember Pawlowski asked what is next months.
 - Mayor Kirby stated that's what I was going to ask, but I was going to ask her.
 - City Clerk Sarah Bodensteiner replied what we're shooting for with Public Works is Storm Water, DeSoto Road project, and we can add the flooding.
 - City Administrator Tim Vandall replied so we want to tackle that at the August one.
 - Mayor Kirby asked that's August, what's the date.
 - Councilmember Pawlowski asked is it the third meeting, the third Thursday.
 - Mayor Kirby replied she'll figure it out and let everybody know, let's go with that.
 - City Clerk Sarah Bodensteiner replied it will be the 27th.
 - Mayor Kirby replied the 27th, 7 o'clock.

The only other thing I had to add and I think this was in the memo to the council, discussion on moving the Autumn in the Grove to Angel Falls and calling it Autumn at the Falls. I think Stefanie had been getting the ball rolling on looking into that, we wanted to make sure you guys were all aware of that and wanted to see if you guys had any concerns.

- Councilmember Pawlowski asked it's not going to flood?
 - Councilmember Trinkle stated the parking would probably be at the Church is that going to interfere with the Mass or anything on Saturday.
 - City Administrator Tim Vandall replied I think we have to start 1 hour early, it was normally 11 to 5, and we're going to do 10 to 4 this year was my understanding.
 - Councilmember Gardner stated I talked to Jason about that and he says the rain will be a lot less of a factor over at the Falls than it is down at Kelly Grove.
 - Councilmember Garvey stated not only that, but it's so hard for handicap or elderly people to get down to the other area, and with the new concrete trail system we have at Angel Falls.
 - Councilmember Gardner asked so it will be called Autumn in the Falls?
 - Economic Development/CVB Director Stefanie Lief replied we're still playing around with names.
 - Councilmember Pawlowski stated Autumn somewhere.

I guess one other thing I forgot to mention from the last work session too, we double checked and there was pretty minimal damage as far as city facilities after that last rain storm, from department heads. Most of it just resulted in leaks in the roof, especially in the Public Works and Library building that was about it for us.

City Engineer: City Attorney had nothing to report

Governing Body: Councilmember Trinkle asked did we get a car count for 4th of July yet, about roughly how many cars we had.

- Mayor Kirby replied they put the counter out and early on it works really good, but as the crowds got thicker and the traffic got slower, the cars need to be moving at 10 miles an hour to get an accurate count and by about 8 o'clock they weren't so the count was not right.
 - Councilmember Trinkle replied did they give you any count, a rough?
 - Economic Development/CVB Director Stefanie Lief stated our estimate, just by counting cars and looking at what we had, we feel we parked about 2,000 cars. We feel like we're safe to say that.
 - Councilmember Trinkle replied did we actually ever close the park down, or did we accept them all in through; did they come in all the time, before we've had to close the gate.
 - Economic Development/CVB Director Stefanie Lief replied we did not close the gate this year, we did have to stop letting cars in about 9:28, we didn't want cars coming in as we were starting the fireworks.
 - Councilmember Trinkle stated so we'd call it a success.
 - Economic Development/CVB Director Stefanie Lief replied definitely, I think so.

Mayor Kirby stated since we had a technical issue with our last meeting, I wanted to be sure and get this on the record, I probably said it better the first time, but again I want to thank the staff for hanging in there, pulling together, and keeping the City running smoothly during the transition period we were in. I especially want to thank Chief Wayman, Tony Zell, Sunshine Petrone, and Sarah Bodensteiner for all the help that they gave me. I think we went through it ok and we did alright; we're still here. So thanks to all the employees again, that was a difficult time for a lot of people. Councilmember Garvey stated the fireworks show was awesome. It was a great success because there was a big crowd out there, I know I was parked next to some people from another city in the area and they were happy to come join us here in Lansing, so it was a great success. Gamble street is open, in case anybody doesn't know, and as somebody whose property backs up to Gamble, I've noticed a significant improvement in the traffic and the noise, so it's a lot better with traffic flowing into that area.

Councilmember McNeill stated kudos for 4th of July, I had some family come down too. If you go by time out of the parking lot to measure how many cars were in there, it took me 45 minutes to get out, so I know we're trying to do the get everybody out of there, but part of the issue was, and I don't think we even considered it, but it was the 4 way stop. So I mean, you finally made it out of the parking lot, then you're in a queue to make that 4 way stop, so maybe next time we might have to have somebody moving traffic through the 4 way one way or the other, so that might help flow it out a little better.

- Mayor Kirby stated we've already had that discussion.
 - Councilmember McNeill stated great fireworks and it was a good time.
 - Councilmember Trinkle stated or take the gravel road.
 - Councilmember Pawlowski stated that's what I was going to say, the other thing is we could give people maps so they could figure out how to get home another way.
 - Councilmember Trinkle replied well you had to pick what lane you were in, because if you came out the right lane they shot you South.
 - Councilmember McNeill stated I think the right answer is having somebody out there doing some traffic controlling.

Councilmember Brungardt stated Terri congratulations, you excited? Great hire, we're thrilled that you were hired.

- Mayor Kirby stated I think she's more nervous than excited.
 - Councilmember Brungardt stated she will do great.

ADJOURNMENT: Councilmember Brungardt moved to adjourn. Councilmember Pawlowski seconded the motion. The motion was unanimously approved. The meeting was adjourned at 7:33 p.m.

ATTEST:

Louis E. Kirby, Mayor

Sarah Bodensteiner, City Clerk