

MERRIAM CITY COUNCIL AGENDA

April 27, 2020

7:00 P.M.

This is a virtual meeting.

The public may participate by joining the meeting at:

<https://zoom.us/j/97295345603?pwd=RW9nL0JVbUFuWi9GeGRaZUloYUZvQT09>

Password: 569702

Or by Phone 1-669-900-6833; Webinar ID: 972 9534 5603; Password: 569702

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| <p>If you require any accommodation (i.e. qualified interpreter, large print, reader, hearing assistance) in order to attend this meeting, please notify the Administrative Office at 913-322-5500 no later than 24 hours prior to the beginning of the meeting.</p> |
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I. CALL TO ORDER

II. ROLL CALL

III. PUBLIC ITEMS

In response to COVID-19, public comment that normally occurs during the City Council meeting has been temporarily suspended. Members of the public are still encouraged to share comments about matters that may or may not appear on the agenda. **Please note: Public Comments will only be taken *via email* to the City Clerk at jpinnick@merriam.org prior to 6:00pm on the date of the meeting**

IV. CONSENT AGENDA

All items listed under the heading are considered to be routine by the City Council and may be enacted by one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests, in which case that item will be removed from the Consent Agenda and considered separate

1. Consider approval of the minutes of the City Council meeting held April 13, 2020.
2. Consider approval of the purchase of security camera system for the new community center.

V. MAYOR'S REPORT

VI. COUNCIL ITEMS

A. Finance and Administration

1. Consider approval of a franchise ordinance with Evergy Metro Inc. (first reading)
2. Consider approval of an ordinance authorizing the sale, consumption and possession of alcoholic liquor during the Merriam Drive Live Special Event. (first reading)
3. Monthly Finance Report.

B. Community Development/Public Works/CIP

1. Community Development Update.

VIII. STAFF ITEMS

IX. NEW BUSINESS

X. EXECUTIVE SESSION

XI. ADJOURNMENT

Respectfully submitted,
Juliana Pinnick
Juliana Pinnick
City Clerk

MERRIAM CITY COUNCIL MINUTES

April 13, 2020

7:00 P.M.

Virtual meeting via Zoom.

I. CALL TO ORDER

Mayor Ken Sissom called the meeting to order at 7:00 pm.

II. ROLL CALL

The following Councilmembers were present via zoom meeting:

Scott Diebold
Chris Evans Hands
Bruce Kaldahl
Brian Knaff
Bob Pape
Jason Silvers
Whitney Yadrich
David Neal was absent

Staff present via zoom meeting : Chris Engel, City Administrator; Ryan Denk, City Attorney; Meredith Hauck, Assistant City Administrator; Jim MacDonald, Public Works Director; Jenna Gant, Communication and Public Engagement Manager; Anna Slocum, Parks and Recreation Director; Donna Oliver, Finance Director; Bryan Dyer, Community Development Director and Juli Pinnick, City Clerk.

III. PUBLIC ITEMS

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The City Clerk read the following Public Comments submitted via email:

Sam Matier, 8515 W. 57th Street. We all know that city sales tax revenues are going to plunge for an extended period. Unfortunately, over half of Merriam's revenue comes from sales and use taxes. When the Covid-19 lockdown is lifted there will be a short burst of economic activity from pent up demand and then the growth could slow to a snail's pace. An estimated 1/4 of small business will not reopen. Those that do reopen may have to close after federal funds are exhausted.

All cities have three choices. 1) Carry debt longer or 2) Cut expenses or 3) Raise

the mill levy tax to increase city revenue from property taxes.

Residents will not tolerate a mill levy increase, especially since home property taxes are already rising due to increased property appraisals and many residents will continue to be out of work because their jobs aren't coming back. Cutting expenses is the most logical alternative and will require right sizing government for a city our small size with 11,000 residents 5200 households in a four square mile area.

Start cutting nonessential expenses today. As an example can we cancel the \$316,000 purchase of 78 LED street lamps and postpone purchasing new vehicles for the foreseeable future and stop building new sidewalks? Right sizing needs to begin now. City governments that cut expenses immediately will be in much better shape than those that wait. Merriam residents will look back on this day to see how future expenses were managed by their elected representatives on April 13, 2020

John Sandin, 6812 Wedd St. I have a concern that I would like to see addressed in the council meeting tonight.

There is a sign in the yard at 6816 Wedd advertising a church. I was told that this sign has been deemed acceptable, but I would like to know what the criterion is for an acceptable advertisement vs. an unacceptable advertisement.

There are many more effective and appropriate advertising media available, so the reasoning becomes even more puzzling.

I fear that this will become an open door to a signage trend throughout our neighborhood, which is zoned as residential.

Which types of churches are given an exemption? Are mosques included?

People on this block attempting to sell their homes now have a potential deal-killer visible in the neighborhood, and if signage is allowed and expands, there will be more.

Thank you for your attention to this.

Billy Croan, 6633 Wedd St. I would like to thank our city council, the mayor, and staff for finding a way to continue to meet, safely, in the face of our current situation, to serve our community.

Tonight you will consider renewing a 5% franchise fee that the Merriam government imposes on Evergy (formerly KCP&L). Evergy passes this fee on directly to Merriam residents. So it is in effect not a tax on Evergy, but a tax on

Merriam families. The very same families whom you've called upon to give up their previous way of life and ability to generate income weeks ago by staying home to flatten the curve.

I'm aware of the program for refunding the fees to those "on a limited income" who ask for it. But I would ask that you take this opportunity today to give financial relief to ALL Merriam residents by suspending the franchise fee for at least as many months as people have been out of work due to covid -- without asking them all to come begging to you for relief one by one.

Indeed I think it's probably the fairest thing to do; to suspend most taxation for as long as people are asked to abstain from leaving their home to be productive.

Without this reciprocity (which can begin by your motion tonight) I fear you will unnecessarily add to the pressure Merriam families already feel to choose between their wellbeing and their financial obligations.

Please carry this concern with you as other matters of taxation arise during stay-at-home orders.

Thank you for your consideration.

IV. CONSENT AGENDA

All items listed under the heading are considered to be routine by the City Council and may be enacted by one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests, in which case that item will be removed from the Consent Agenda and considered separate

1. Consider approval of the minutes of the City Council meeting held March 9, 2020.
2. Consider approval of a Pool Use Agreement with the City of Mission.
3. Consider Approval of a resolution Honoring the 50th Anniversary of Earth Day.

Councilmember Hands asked that item 2 be removed from the Consent Agenda.

COUNCILMEMBER HANDS MOVED THAT THE COUNCIL APPROVE CONSENT AGENDA ITEM 1 AND 3. COUNCILMEMBER PAPE SECONDED AND THE MOTION WAS UNANIMOUSLY APPROVED.

Councilmember Hands asked about the clause in the agreement regarding Covid-19 and if that would need to be revisited in the Roeland Park agreement.

Parks and Recreation Director Anna Slocum commented that, at this time, there will likely not be an agreement with Roeland Park for pool usage.

COUNCILMEMBER HANDS MOVED THAT THE COUNCIL APPROVE CONSENT AGENDA ITEM 2. COUNCILMEMBER PAPE SECONDED AND THE MOTION WAS UNANIMOUSLY APPROVED.

V. MAYOR'S REPORT

VI. COUNCIL ITEMS

A. Finance and Administration

1. Consider approval of the Notice of Electors form for the Evergy Metro Franchise ordinance.

City Clerk, Juli Pinnick provided the background for this item.

The city has a franchise agreement with Kansas City Power and light (KCPL) which is now Evergy. The current agreement expired in January 2020. While the current agreement has expired, the agreement has a provision that allows the agreement to remain in effect while both parties negotiate a new franchise ordinance agreement. The City Attorney has been working with Evergy and both parties have agreed to a new franchise ordinance.

As part of the franchise agreement process, the City is required to provide Notice to the Electors of the City that the City Council will consider such ordinance by publishing the notice in the City's Official newspaper. The City Council must approve the form of such notice to include the date of consideration of the ordinance and the term of the Franchise agreement ordinance. The term of the agreement will be 10 years and the franchise fee rate will be 5%. These are the same terms as the current agreement approved in 2009.

This is the first step in the franchise agreement process.

Below is a timeline for the proposed franchise agreement ordinance:
April 13 - City Council approves Notice of Electors form

April 21 - Notice of Electors form published in the City's official newspaper (The Legal Record)

April 27 - City Council first reading of the Evergy franchise agreement ordinance

May 11 -City Council second reading and consideration for approval of the Evergy franchise agreement ordinance.

Councilmember Silvers asked about including a clause regarding fair collaboration with residents installing solar panels.

Ryan Denk, City Attorney explained that Kansas state laws currently provides net metering statutes that requires the electric utility to buy back the net metering generated by solar panels.

Councilmember Yadrich asked about the franchise fees allowing the negotiation of connection fees for solar customers.

City Attorney Denk commented that he can look into that option, but feels that there may not be any opportunity for negotiation of those fees for solar customers. The terms of the agreement provided by Evergy regarding rates and connection fees are held by the Kansas Corporation Commission (KCC) which is the entity that represents the public in this case. The electric utility is considered a monopoly so the KCC holds hearings regarding rates to ensure the public is fairly represented. Individually, cities and other entities do not have the ability to negotiate those fees any further.

City Administrator Chris Engel commented that the item before council tonight is simply approving the notice to be published in the Legal Record. Other issues brought up tonight would have to be explored further and re-negotiated with Evergy.

Mayor Sissom asked Mr. Engel if he could explain the franchise fee a little further and how it would not be possible to hold back the 5% fee as suggested earlier in a public comment.

Mr. Engel explained that franchise fees are typically right of way usage fees, which allows their lines in our right of way. The majority of the funds collected from franchise fees are paid by commercial customers as their bills are typically much higher than a residential bill. The city does have a franchise fee rebate program and if the council would like to explore a way to give the franchise fees back or provide some relief to residents for these franchise fees, he suggested exploring expanding the franchise fee rebate program rather than trying to suspend those fees for a period of time then re-imposing the fees. The fees are used for operational needs of the city like paying the public works crew to install streetlights and maintaining the city right of way.

COUNCILMEMBER HANDS MOVED THAT THE COUNCIL APPROVE THE NOTICE TO ELECTORS FORM FOR THE EVERGY METRO INC FRANCHISE ORDINANCE.

COUNCILMEMBER PAPE SECONDED AND THE MOTION WAS UNANIMOUSLY APPROVED.

2. Consider approval of a contract for Janitorial services for the new Community Center.

Parks and Recreation director Anna Slocum provided the background for this item.

Custodial needs in the new community center are significantly different than any other city owned facility. Initially, cleaning was slated to fall within the duties of the Facility Maintenance division. It has been determined that it is best to have a professional cleaning company complete the task of maintaining the cleanliness of the new community center.

In 2018, staff took janitorial services out to bid with City Wide being the low bidder. City Wide is in their second one-year extension to perform janitorial service for City Hall, Fire Department, Police Department, Public Works and Historical Plaza. Staff is seeking to add Merriam Community Center to the list of facilities they provide services. The facility would be cleaned seven days per week with the exception of Easter, Thanksgiving and Christmas when the facility is closed. There is a detailed scope of work outlined in the contract.

The 2020 budget did not include funding for a cleaning contract. Staff recommends the funding for this service be from contingency funds. The Merriam Community Center construction budget of \$36.6 million is currently under budget. Any unused funds will return to contingency at the conclusion of the project. Staff anticipates monitoring the costs and benefits of contracting this service on a regular basis.

Councilmember Silvers asked how this was not part of the original community center budget? He voiced concern that it appears information is being provided slowly and in pieces. Because this involves a large amount of money, he may have made different decision on other community center votes regarding funding and fees.

Director Slocum responded that originally the cleaning of the facility was to be wrapped up in the facilities maintenance division of the budget. As the building construction came further along, it became evident that the cleaning and maintenance of the building would not be able to be completely covered by the city's maintenance staff.

City Administrator Chris Engel commented that he would shoulder the responsibility for this. As staff was working through the maintenance piece of the building and tried to understand what would make the most sense, it became evident that the requirements to clean the building 7 days per week, during the day time and at night, would require more than one employee. Adding in the scheduling of sick and vacation time for the maintenance employees provided additional challenges to meet the requirements of cleaning the building. It has been about a month since this was realized and it is now coming forward for consideration. He further commented that this could have been discussed a couple of months ago but it was something he struggled with to bring forward.

Councilmember Silvers commented that he understands that the contractor will be providing supplies as well as the machinery to perform the cleaning duties so he understands there is a value to that.

Director Slocum commented that the cleaning contractor will be providing supplies and the large floor cleaning machines. Since the majority of the facility has polished concrete floors which are not typically hand mopped, the floor machines are needed to adequately clean and maintain the floors. The large floor machines are quite expensive to own and is not something that was budgeted with the building.

Chris Engel commented that this is something that will be looked at going forward. There is a cost benefit that would be looked at in the future to see if it could be handled at a lower cost. Currently it would require three employees dedicated to cleaning and maintenance for the new facility.

Councilmember Yadrich asked why the funding for this contract is coming from the General Fund contingency and not the Community Center contingency.

Director Slocum commented that this is an operational expense and not a construction expense.

Councilmember Hands raised a question sent from a resident regarding the non-discrimination clause on sexual orientation, and gender identification that does not appear in the contract.

Councilmember Diebold commented that it does appear in the contract under section 7(g) of the agreement, it states the contractor

must comply with the City Code Chapter 35 article 111 which is the non-discrimination ordinance.

Councilmember Pape commented that since this is a 1-year contract and will be evaluated on-going, is there an out clause in the contract?

Director Slocum stated that in section 4 of the contract has a termination clause, it allows a 30-day notice to end the contract.

Councilmember Kaldahl asked about the maintenance budget for 2020 and how much was originally budgeted?

Director Slocum commented that there was about \$6000 for supplies in the 2020 budget and staff was going to provide the cleaning. However, there was not \$132,000 in the budget for cleaning. The 2020 budget was drafted in early 2019 which was prior to the facility maintenance superintendent being hired. Once staff was on board and began to look at the cleaning requirements and other duties that this staff person would be responsible for, the City Administrator and Parks director looked at contracting the cleaning services.

Councilmember Silvers asked about any additional staffing needs that will be coming forward for the new community center.

Director Slocum responded that this is the final piece of operational plans regarding staffing.

COUNCILMEMBER PAPE MOVED THAT THE COUNCIL APPROVE A CONTRACT FOR JANITORIAL SERVICES FOR THE MEW COMMUNITY CENTER. COUNCILMEMBER DIEBOLD SECONDED AND THE MOTION WAS UNANIMOUSLY APPROVED.

3. 2020 Budget Update.

City Administrator Chris Engel commented that as most of the council knows, the majority of the city's revenue comes from sales tax. When the sales tax revenue comes in it is always two months in arrears, which makes it somewhat difficult to predict the revenue numbers. However, staff is aware of the expenses and upcoming expenses and are able to control those expenses.

Mr. Engel displayed document showing the current fund balance and investments. The city has approximately \$10.7 million in the bank and \$30 million in investments. \$10.5 million of those invested dollars are coming to the end of the investment term later this year.

Typically, if the city does not need those invested funds when they mature, they are re-invested. However, if the funds are needed the city can keep those funds and not re-invest them.

Staff has identified some expense items in the General Fund that are going to be paused at this time which totals \$92,875. Additionally, equipment from the Equipment Reserve Fund that will be paused, include one patrol vehicle and one investigation vehicle for the police department. There are some technology upgrades that will be deferred, as well as, a new trailer for public works, new appliances in the Fire Department and a swing set for Chatlain Park. These items total approximately \$135,000 that will not be spent at this time.

The CIP Fund will pause \$272,000 for City Hall Façade improvements, \$620,000 from the 5701 project, \$264,000 in trail extension improvements and \$750,000 from the new community center project that is under budget. Total spending paused from the CIP budget totals \$1,906,000.

The total for these items is approximately \$2.1 million. Delaying these expenses will afford some time to see where we will be on sales tax revenue in the next couple of months. Staff has looked at their budgets and provided a potential 15% reduction in their overall budget, if needed. All travel and training expenses have been frozen at this time as well. There still may be items that will be cut from the 2020 budget, but at this time there is a pause in spending these dollars.

Councilmember Diebold commented that staff has done a great job in looking at the numbers and without knowing what will happen over the next few months, are being prepared to eliminate or reduce some expenses without cutting services to the residents.

Councilmember Pape echoed councilmember Diebold's comments that staff has taken a look at their budgets and found ways to reduce expenses if needed down the road.

Councilmember Hands thanked Mr. Engel for taking the initiative to address this issue now and for sharing this information to let the council and public know where we are.

Mayor Sissom commented that these expenses will likely be deferred to another year and are not necessarily expenses that can just be eliminated. None of these decisions are made without some sacrifice.

4. Monthly Finance Report. (available in packet)
5. Community Center Update. (available in packet)

B. Community Development/Public Works/CIP

1. Consider approval of a Development Agreement with Kincaid Group (DS Bus Lines).

Community Development Director Bryan Dyer provided the background for this item.

The Development Agreement outlines the responsibilities of the City and Kincaid Group (DS Bus Lines) for the development of W. 55th Street and Merriam Drive into a four-legged, fully signalized intersection whose eastern leg will serve as a private entrance into the DS Bus Line facility.

In 2017, Kincaid Group purchased the bus service company located at 5519 Merriam Drive back from First Student. Kincaid Group (DS Bus Lines) started the bus company a number of years ago and subsequently sold the business. Since purchasing the business back, Kincaid Group (DS Bus Lines) has made a number of improvements to the facility, including purchasing 5501 Merriam Drive (Wiliker Tow Lot) and demolishing the building located on the property. Kincaid Group is also in the process of enlarging the main office building and improving the internal flow of buses.

In 2018, Kincaid Group approached the city about improving the parking lot at 5501 Merriam Drive and utilizing the eastern leg of the W. 55th Street and Merriam Drive intersection as a private entrance into the parking lot. The private entrance will be located on property owned by Johnson County Parks and Recreation (JCPRD) and requires moving the existing Turkey Creek Trail to the north. Kincaid Group entered into negotiations with JCPRD to purchase an access easement for the purpose of constructing the private drive. At their February 2020 meeting, the JCPRD Board approved selling an access easement to Kincaid Group.

City staff has reviewed and approved Kincaid Group's conceptual design for the intersection and private drive which was included in the Agenda Packet. While the private drive will have a number of signs indicating that it is not a public street, the design gives vehicles the ability to turnaround if they mistakenly enter the private drive. The design shows the Turkey Creek Streamway Trail being located immediately north of the private drive. City staff has indicated and

Kincaid Group understands, that a barrier (split rail fence, rocks, blocks, etc.) must be placed between the trail and private drive.

At the request of the city, Kincaid Group performed a traffic analysis on the proposed intersection improvements and private drive entrance. The traffic analysis showed that the proposed improvements would not have a negative impact on area traffic. Additionally, it is anticipated that providing an entrance that is controlled by a traffic signal light will reduce the number of buses queuing on Merriam Drive and provide a safer entrance for the buses.

The Development Agreement details the responsibilities of the City and Kincaid Group for the cost of the intersection improvements and maintenance of the improvements. There is already east facing traffic signal light at the intersection.

Kincaid Group will be responsible for the installation and cost of the following items:

- Relocating the Turkey Creek Streamway Trail
- All equipment and engineering associated with making the intersection four-legged with traffic signal lights
- Improvements to make the east side of the intersection ADA compliant
- Private drive

Once completed, Kincaid Group will be responsible for the maintenance of the private drive and the JCPRD easement area. The city will be responsible for maintenance of the Turkey Creek Streamway Trail and the public improvements located in the right-of-way.

The proposed intersection improvements and private drive will provide a number of benefits including: a safer entrance into the facility for DS Bus Lines' buses, reduce the cuing of buses on Merriam Drive, and the east leg of the intersection will have an ADA compliant crossing.

Councilmember Yadrich asked about the length of time the trail would be closed during this project.

Director Dyer stated that while the actual length of time the trail would be closed is undetermined, staff has requested that Kincaid provide the city ample lead time prior to closing the trail section so that staff

can get the information out to the public that the trail section will be closed.

Councilmember Silvers asked about the proposed turn lanes and if they are adequate to allow the busses to turn without impeding traffic in the second lane along that area.

Mr. Dyer commented that the design was completed by Kincaid and he would expect they have made the turn lane large enough to accommodate the size of the busses with an adequate turning radius.

Councilmember Silvers asked about the water runoff from the paved parking lot which is currently a gravel surface and if that runoff would be diverted to the creek.

Mr. Dyer responded that the runoff will be diverted to the creek and the runoff coefficient of the gravel parking surface is very similar to the paved surface. Additionally, when the site plan is presented, Kincaid will be adding greenspace to the area and will be expected to provide best management practices for the runoff which will include improving the water quality runoff that will be going into the creek.

There was some discussion regarding the signal light timing, which will be radar detection controlled and will be triggered only when a bus is at the turn light to the private drive. The timing of the light signals may have to be adjusted in the mornings and afternoons during peak times when the busses go in and out of the lot.

Councilmember Hands asked about the involvement of the Merriam Drainage District with this plan.

Mr. Dyer commented that once the project goes to the Planning Commission with their proposed site plan, the Merriam Drainage District will receive notice of the proposed plan and will be able to provide input as needed.

COUNCILMEMBER PAPE MOVED THAT THE COUNCIL APPROVE KINCAID GROUP (DS BUS LINES) DEVELOPMENT AGREEMENT AND AUTHORIZE THE MAYOR TO SIGN THE AGREEMENT. COUNCILMEMBER SILVERS SECONDED AND THE MOTION WAS UNANIMOUSLY APPROVED.

2. CIP Update. (available in packet)

VIII. STAFF ITEMS

City Administrator Chris Engel thanked the city council for their support during the past few weeks. Events have been canceled and operations adjusted, but city services are still continuing. The meeting went well tonight and he thanked city staff for their support and flexibility for working from home, alternating shifts and specifically thanked the police department, public works for keeping everyone safe and the communication team for giving our residents resources during this time.

Councilmember Yadrich thanked the police department for their efforts providing a police parade for kids having birthdays during the lockdown. She witnessed a couple this week and the kids have really enjoyed it.

Councilmember Hands commented that the Parks and Recreation Department has been very active on Facebook and she was very impressed with their activities.

IX. NEW BUSINESS**X. EXECUTIVE SESSION****XI. ADJOURNMENT**

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE COUNCIL, COUNCILMEMBER PAPE MOVED TO ADJOURN AT 8:26 PM. COUNCILMEMBER YADRICH SECONDED AND THE MOTION WAS UNANIMOUSLY APPROVED.

Respectfully submitted,

Juliana Pinnick

Juliana Pinnick
City Clerk



AGENDA ITEM INFORMATION FORM

AGENDA ITEM: Purchase of security camera system for the new community center
SUBMITTED BY: Meredith Hauck, Assistant City Administrator
MEETING DATE: April, 27, 2020

PROJECT BACKGROUND/DESCRIPTION:

The City currently has a contract with Electronic Technology, Inc. (ETI) – a Merriam-based business – to manage the security infrastructure for all city facilities.

The project team worked closely with ETI and the Police Department to identify the necessary placement of the security infrastructure within the new community center campus (including interior and exterior building placement for the Community Center and Parking Structure, and other locations within the outdoor spaces around the buildings). Specific plans detailing the system and camera placement are not included in the packet to preserve the integrity of the system.

Funding for this purchase is already included in the existing community center project budget.

CITY COUNCIL GOALS AND OBJECTIVES

Design and construct a Uniquely-Merriam Community Center and Aquatic Center

FINANCIAL IMPACT

| | |
|------------------------------------|--------------|
| Amount of Request/Contract: | \$120,855 |
| Amount Budgeted: | \$36,600,000 |
| Funding Source/Account #: | CIP |

SUPPORTING DOCUMENTS

- Statement of Work

ACTION NEEDED/STAFF RECOMMENDATION

Motion to approve



April 23, 2020

City of Merriam
9010 West 62nd St.
Merriam, KS 66202

Attn: New Community Center Cameras

Statement of Work

Electronic Technology, Inc. can provide the following information for the installation of a new camera system for the Merriam Community Center. The following quote is based on the camera layout drawing that was provided To the team and prices are based on the MARC regional contract EV2286 pricing. This is quote is for CAMERAS ONLY-no doors or alarms are included.ly.

Inside Cameras

| Qty | Description | Cost | Ext Cost |
|-----------------------------|------------------------------------|--------------------|-------------|
| 28 | Axis P3225-LV MKII camera | \$465.00 | \$13,020.00 |
| 1 | Axis P3225-LVE MKII camera | \$560.00 | \$560.00 |
| 7 | Axis P3228-LV camera | \$780.00 | \$5,460.00 |
| 6 | Axis P3228-LVE | \$870.00 | \$5,220.00 |
| 7 | Axis P3717-PLE | \$1,070.00 | \$7,490.00 |
| 49 | Axis mounting brackets for cameras | \$85.00 | \$4,165.00 |
| Inside cameras total | | \$35,915.00 | |

Outside cameras/Parking upper deck ONLY

| | | | |
|--|---------------------------------|--------------------|-------------|
| 6 | Axis Q6125-E PTZ cameras | \$2,400.00 | \$14,400.00 |
| 5 | Axis P3807-PVE cameras | \$1,080.00 | \$5,400.00 |
| 2 | Axis Q1786-LE camera | \$1,190.00 | \$2,380.00 |
| 14 | Axis mounts for outside cameras | \$225.00 | \$3,150.00 |
| Estimated pathway needs to be created | | | |
| Outside/Parking lot total | | \$25,330.00 | |

Entrance Video Display

| | | | |
|----------------------------|------------------------------------|-------------------|------------|
| 1 | Samsung 55-inch monitor | \$800.00 | \$800.00 |
| 1 | Mount for Samsung monitor | \$125.00 | \$125.00 |
| 1 | Workstation with Nvidia video card | \$2,500.00 | \$2,500.00 |
| Video Display total | | \$3,425.00 | |

Overall System items

| | | | |
|-----|---|---------------------|-------------|
| 65 | Genetec Camera licenses with SMA | \$245.00 | \$15,925.00 |
| 120 | Camera installation configuration | \$125.00 | \$15,000.00 |
| 1 | Additional video storage BCD server 5-year onsite | \$9,090.00 | \$9,090.00 |
| 3 | Cisco 24-port WS2960X POE switch for cameras ONLY | \$1,350.00 | \$4,500.00 |
| | System Additions | \$44,515.00 | |
| | PROJECT TOTAL: | \$109,185.00 | |

ASSUMPTIONS;

Pathways are installed and usable for the camera cabling where conduit is needed.

ALL network wiring closet locations have power and rack space for the needed camera equipment.

Fiber to the City's main data room will be provided by others

Space in the City's data center has room for the new Archiver server to be mounted in a rack.

The Parking Garage may require a hardened ethernet switch due to the cabling pathway layout by others and may need a fiber installation or the camera system due to the path links.

Switch count may vary depending on the cable length and could require additional Cisco switches.

Options:

Parking lower deck

| | | | |
|---|--|-------------------|------------|
| 3 | Axis Q6125-LE | \$2,400.00 | \$7,200.00 |
| 2 | Axis mounting brackets | \$225.00 | \$450.00 |
| 3 | Cat6 outdoor cable | \$350.00 | \$1,050.00 |
| 2 | Genetec camera license | \$245.00 | \$490.00 |
| | Lower Deck Parking location Total | \$9,190.00 | |

Stairwell

| | | | |
|---|---------------------------------|-------------------|------------|
| 2 | Axis P3225-LVE | \$560.00 | \$1,120.00 |
| 2 | Axis Mounts | \$85.00 | \$170.00 |
| 2 | Cat6 outdoor cable | \$350.00 | \$700.00 |
| 2 | Genetec camera license | \$245.00 | \$490.00 |
| | Stairwell location Total | \$2,480.00 | |

Project Total with Options: \$120,855.00

Thank you for the opportunity to work on this project and if you have any questions do not hesitate to call

Thank you

Dan Carr
Barbara L Carr

I authorize Electronic Technology, Inc. to proceed forward with the above Statement of Work at the price quoted. All work authorized over and above this Statement of Work will be billed as an addition. Payment must be made upon completion of the project and net 30 days of invoice. Please sign and fax back to Electronic Technology, Inc. for work to proceed.

Customer _____ Date _____



AGENDA ITEM INFORMATION FORM

AGENDA ITEM: Consider Approval of an Ordinance Granting a Franchise Agreement with Evergy Metro, Inc. (First Reading)

SUBMITTED BY: Chris Engel, City Administrator

MEETING DATE: April 27, 2020

PROJECT BACKGROUND/DESCRIPTION:

Currently Evergy Metro, Inc. (formerly KCP&L) is operating in Merriam as an electrical utility. The existing franchise agreement expired in January 2020 but remains active as long as the parties are negotiating. The City Attorney has been working with Evergy since last year and both parties have agreed to a new franchise ordinance.

The agreement with Evergy has the same terms as the KCP&L agreement. The duration is 10 years. The agreement grants Evergy the nonexclusive right to utilize and construct within the public right-of-way to provide electric energy. Evergy cannot provide additional services which require a franchise agreement without first obtaining a separate franchise agreement with the City. Evergy does have the ability to allow attachments to its facilities if such attachments are covered in a separate pole attachment agreement with the City. In return, Evergy will pay the City a monthly franchise fee of 5% of total gross receipts. This agreement generated \$853,071 in 2019 for the General Fund.

Per statute, the City published a Notice to Electors in The Legal Record on April 21st, which is 20-days prior to the May 11th City Council meeting when the Ordinance will be considered for approval.

On April 13th the City Council asked about language to promote sustainability or net metering. Attached is research provided by the City Attorney.

CITY COUNCIL GOALS AND OBJECTIVES

- 4.1 Provide support to existing businesses
- 2.0 Provide Exceptional Service Delivery

FINANCIAL IMPACT

| | |
|------------------------------------|---|
| Amount of Request/Contract: | n/a |
| Amount Budgeted: | \$925,000 is budgeted to be generated in 2020 |
| Funding Source/Account #: | n/a |

SUPPORTING DOCUMENTS

- Evergy Franchise Renewal Process prepared by City Attorney
- Research on Net Metering
- Draft Ordinance

ACTION NEEDED/STAFF RECOMMENDATION

No action needed.

Evergy Franchise Renewal Process

Proposed franchise renewal documents presented to City include Notice to Electors, Franchise Renewal Document, Certificate of Vote, Acceptance, Letter to KCC. All publications in newspapers will be paid for by Evergy and should be invoiced to Evergy.

- 1) Notice to Electors, which City must publish in local newspaper of record to notify citizens discussions are commencing
 - a. Publish one time in a newspaper of general circulation in the City—20 days prior to public meeting
 - b. Must be a “display” ad surrounded by a border
 - c. May be more than one column wide
 - d. Location – classified section near “legal notices”
 - e. Publish after franchise is presented to City
 - f. Obtain *Affidavit of Publication-Notice of Electors* which is a document generated by newspaper

Authority: KCC Orders, Docket No. 134,095-U, issued July 20, 1983, p. 13, September 6, 1983, p. 3 March 18, 1988, p. 20.

- 2) Franchise renewal document which Evergy presents to the City for review. If City desires changes, those should be redlined for Evergy review. Evergy will then send reviewed document back to the City with redline changes if made.
- 3) Certificate of Vote, which Evergy prepares, for the City Clerk to document the vote on the ordinance during City Council/Board of Alderman public meeting, as well as the individual votes yea or nay on the franchise renewal ordinance. Meeting minutes certified by the City Clerk may also work in lieu of this certificate, but Evergy prepares the certificate anyway.
- 4) Acceptance, which Evergy prepares. Once vote has taken place, Evergy receives signed franchise renewal documents from City and Evergy makes final signatures and acknowledgements and send the Acceptance back to the City for final acknowledgement. *The Effective Date of the franchise agreement then is the first day of the following month which is outlined in the body of the franchise agreement.*
- 5) Final Publication, which requires the City Clerk to publish the approved franchise document once in the official City newspaper. Evergy pays for this publication. Send the invoice back to your company POC. The publisher shall print a line preceding the number of the ordinance: Published month, day, year. The manner of publication and effective date of codifications shall be as herein after provided. *(Below is a description of an option for the City to publish a summary of the ordinance, but it is the City’s responsibility to either publish the full ordinance or a summary)*

- a. In lieu of a full publication of an ordinance, a city may opt to publish a summary of the ordinance so long as:
 - i. The publication is identified as a “summary” and contains notice that the complete text of the ordinance may be obtained or viewed free of charge at the office of the city clerk
 - ii. The city attorney certifies the summary of the ordinance prior to publication to ensure that the summary is legally accurate and sufficient; and
 - iii. The publication contains the city’s official website address where a reproduction of the original ordinance is available for a minimum of one week following the summary publication in the newspaper.

- 6) Letter to KCC. The City provides an Affidavit of Publication to Evergy as soon as possible after publication. Evergy then sends Letter to KCC including final approved franchise document, Certification of Vote, Acceptance and Affidavit of Publication to the KCC for notice that the franchise has been renewed. KCC then sends a letter acknowledging receipt.

From: [Ryan Denk](#)
To: [Chris Engel](#)
Subject: Evergy Franchise and Net Metering

Chris,

I wanted to forward information responsive to the requests from last night relating to our ability to address net metering meter charges through our franchise agreement. You can then distribute this feedback as appropriate. The short answer is that we do not have that ability as these charges are set by the KCC.

Attached is information from the KCC re: net metering: <https://kcc.ks.gov/electric/net-metering-in-kansas> .

Relative to the metering charges, K.S.A. 66-1265 provides that, “Each utility shall: (b) provide an appropriate class bidirectional meter to the customer-generator at no charge, but may charge the customer-generator for the cost of any additional metering or distribution equipment necessary to accommodate the customer-generator's facility;”

Additionally, K.S.A. 66-1270 provides that, “Reasonable costs incurred by a utility under the net metering and easy connection act shall be recoverable in the utility's rate structure.”

Regulations relating to the establishment of metering costs provide as follows. K.A.R. 82-17-2 provides that,

(b) Responsibilities for maintenance, repair, or replacement of meters, service lines, and other equipment provided by the utility shall be governed by the utility's current tariffs and terms of service on file with the commission;

(c) Each utility's interconnection with a customer-generator's net metered facility shall be subject to the utility's current tariffs and terms of service on file with the commission.

Therefore, metering charges for net metering are determined by “tariffs” issued by the KCC. I've searched the KCC docket to determine what the status of Evergy Metro net metering tariff's is with the KCC. Evergy Metro filed an application with numerous changes including changes to how metering is to be charged going forward at the end of last year. That application in redline format is found here: <https://estar.kcc.ks.gov/estar/ViewFile.aspx/S20191108113626.pdf?Id=6f8b2bfb-b265-4f74-a519-49eed113156d> . It appears to me from this redline filing that Evergy Metro may be proposing to shift all net metering meter costs to itself vs. some customer funding under the previous tariff. The last filing in the case is a suspension order entered by the KCC suspending imposition of the proposed changes and ordering additional investigation of the proposed changes which was entered on 11/26/19. The suspension order is in place until 7/6/20. Order: https://estar.kcc.ks.gov/estar/ViewFile.aspx/20-217-TAR_-_Suspension_Order.pdf?Id=5b8d38c2-3b1a-4ec4-aa26-1fc02db7483e . Council members and others wishing to address metering costs for net metering by Evergy should reach out to the KCC and provide comment to them.

Let me know if there are any follow up inquiries.

Ryan

Ryan Denk

Attorney at Law

rdenk@mvplaw.com



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ORDINANCE NO. _____

AN ORDINANCE GRANTING EVERGY METRO, INC., AN ELECTRIC FRANCHISE TO CONSTRUCT, MAINTAIN AND OPERATE ALL FACILITIES NECESSARY OR PROPER FOR SUPPLYING CONSUMERS WITH ELECTRIC ENERGY, GRANTING THE RIGHT TO USE THE RIGHT-OF-WAY FOR SAID PURPOSE, AND PRESCRIBING THE TERMS OF AND RELATING TO SUCH FRANCHISE.

WHEREAS, pursuant to K.S.A. 12-2001 et seq., Evergy Metro, Inc., desires the right, privilege and franchise for the purpose of construction, maintenance and operation of facilities for supplying consumers with electric energy service pursuant to the provisions of the laws of the State of Kansas; and

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF MERRIAM, KANSAS:

SECTION I. Definitions. For purposes of this Ordinance, the following words and phrases shall have the meanings given herein:

- (a) "City" shall mean the City of Merriam, Kansas.
- (b) "Electric Energy Service" shall mean the one-way transmission to consumers of electric energy.
- (c) "Facilities" shall mean power lines, conduits, wires, guys, anchors, cables, pipes, poles, vaults, lamp posts, street lights, transformers and appliances, and buildings, machinery and attachments in connection therewith and appurtenant thereto, either above or underground.
- (d) "Franchise" shall mean this Ordinance granting the right, privilege and franchise to Grantee to provide Electric Energy Service within the City.
- (e) "Grantee" shall mean Evergy and, as appropriate, its successors and permitted assigns.
- (f) "Public improvement" shall mean any existing or contemplated public facility, building or capital improvement project, including, without limitation, streets, alleys, sidewalks, sewers, water, drainage, stormwater facilities, right-of-way improvements and public projects.
- (g) "Public project" shall mean any project planned or undertaken by the City or any governmental entity at public expense for construction, reconstruction, maintenance or repair of public facilities or public improvements, or any other purpose of a public nature.
- (h) "Right-of-way" shall mean only the area of real property in which City has a dedicated or acquired right-of-way interest in the real property. It shall include the area on, below or above the City's present and future streets, alleys, avenues, roads, highways, parkways or boulevards dedicated or acquired as right-of-way.

SECTION II. Grant. There is hereby granted to Grantee the nonexclusive right, privilege and franchise to construct, maintain and operate its Facilities in, through and along the Right-of-Way for the purpose of supplying Electric Energy Service to the City and the inhabitants thereof as well as customers outside the City limits; subject, however, to the terms and conditions herein set forth. Grantee may allow attachment to its facilities only if its facilities are covered by a separate pole attachment agreement with the City. This Franchise shall not:

- (a) Permit the use of the Franchise or the Right-of-way by Grantee or other parties for any other purpose, and a separate franchise shall be required therefore.
- (b) Convey equitable or legal title in the Right-of-way.
- (c) Grant authority to construct, maintain or operate any Facilities or related appurtenance on property owned or controlled by the City outside of the Right-of-way, specifically including, but not limited to, city parks, city hall property, police or fire property or public works facility property.

As a condition of this grant, Grantee is required to obtain and is responsible for any necessary permit, license, certification, grant, registration or any other authorization required by any appropriate governmental entity, including, but not limited to, the City, the FCC, or the Kansas Corporation Commission (KCC), and shall comply with all applicable laws, statutes and/or regulations. In the case of a City permit, the City shall not unreasonably withhold or delay the issuance of such permit.

Grantee shall not provide any additional services for which a franchise is required by the City without first obtaining a separate franchise agreement from the City. Grantee shall not knowingly allow the use its Facilities by any third party in violation of federal, state, or local law. Grantee shall hold harmless and indemnify the City for any use of its Facilities that violates federal, state, or local law.

SECTION III. Use of Right-of-Way.

- (a) Subject to the provisions of this Franchise, Grantee shall have the right to construct, maintain and operate its Facilities along, across, upon and under the Right-of-Way. Such Facilities shall be constructed and maintained so as to interfere with and obstruct as little as reasonably possible the ordinary use and safety of the streets, alleys, lanes and highways of said city and the legal use of the Right-of-way by other utilities. Grantee's use of the Right-of-way shall be subject to all rules, regulations, policies, resolutions and ordinances now or hereafter adopted or promulgated by the City in the reasonable exercise of its police power relating to public health, safety and welfare, and to the construction and use of the Right-of-Way, including but not limited to, the City's Ordinance for the Use and Occupancy of the Public Right-of-Way (codified as Article IX of Chapter 24 of the Merriam Code, as may be amended), the City's Ordinance for Underground Wiring (codified as Article VII of Chapter 24 of the Merriam Code, as may be amended), and the City's Plan Requirements and Standards for Utility Structures (codified as Part 5 of Article 3 of the Merriam Zoning Regulations, as may be amended). Provided, however, that nothing contained herein shall constitute a waiver of or be construed as waiving the right of Grantee to oppose, challenge, or seek judicial review of, in such manner as in now or may hereafter

be provided by law, any such rules, regulations, policies, resolutions or ordinances proposed, adopted or promulgated by the City; and provided further that, in the event of a conflict between any rule, regulation, policy, resolution or ordinance adopted by the City and any tariff on file with the Kansas Corporation Commission (KCC), the KCC tariff shall control.

- (b) Grantee's use of the Right-of-Way shall in all matters be subordinate to the City's use of the Right-of-Way. Grantee and the City shall coordinate the installation of Grantee's Facilities in the Right-of-Way in a matter that minimizes the adverse impact on Public Improvements, as reasonably determined by the City.
- (c) All earth, materials, sidewalks, paving, crossings, utilities, Public Improvements, or improvements of any kind located within the Right-of-way damaged or removed by the company (or of any agent, affiliate, employee, or subcontractor of Company occupying, installing, repairing or maintaining the Facilities in furtherance of Company's activities under this -Franchise) shall be fully repaired or replaced promptly by the Company without cost to the City, however, when such activity is a joint project of utilities or franchise holders, the expenses thereof shall be shared as agreed to in writing among the participants, and to the reasonable satisfaction of the City in accordance with the ordinances and regulations of the City pertaining thereto.
- (d) Grantee shall cooperate promptly and fully with the City and take all reasonable measures necessary to provide accurate and complete information regarding the location of its Facilities located within the Right-of-Way when requested by the City or its authorized agents for a Public Project. Such location and identification shall be promptly communicated in writing to the City without cost to the City, its employees, agents, or authorized contractors. Grantee shall designate and maintain an agent, familiar with the Facilities, who is responsible for providing timely information needed by the City for the design and replacement of Facilities in the Right- of-Way during and for the design of Public Improvements. At the request of Grantee, the City may include design for Facilities in the design of Public Projects. Also at the request of Grantee, the City and/or its contractor(s) or agent(s) shall provide accurate and timely field locations of proposed Public Projects in the event Grantee is required to install new and/or relocate its Facilities. The Company shall participate in the Kansas One Call utility location program at all times while this Franchise is in effect.
- (e) Grantee shall promptly locate, remove, relocate, or adjust any Facilities located in the Right-of-Way if reasonably necessary and requested by the City for a Public Project. Such location, removal, relocation, or adjustment for a particular Public Project shall be performed by Grantee without expense to the City, its employees, agents, or authorized contractors, and shall be specifically subject to rules and regulations of the City pertaining to such. If additional location, removal, relocation, or adjustment is the result of the inaccurate or mistaken information of Grantee, Grantee shall be responsible for costs associated with such without expense to the City. Likewise, if additional location, removal, relocations or adjustment is the result of inaccurate or mistaken information of the City, the City

shall reimburse Grantee for any additional expense necessarily incurred by Grantee directly due to such inaccurate or mistaken information.

- (f) In the event a relocation of Grantee's Facilities from the Right-of-Way is needed as set forth in subsection (e), above, the City shall advise Grantee at the first available opportunity and not less than one hundred eighty (180) days prior to the expected date of construction commencement where possible. In all cases where City requests or requires Grantee to relocate Grantee's Facilities from the Right-of-Way pursuant to this Agreement, City shall use its best efforts to provide and make available adequate and suitable replacement Right-of-Way equivalent in type and size before Grantee shall be required to relocate. Where installation is not otherwise regulated, the Facilities shall be placed with adequate clearance from such Public Improvements so as not to conflict with such Public Improvement.
- (g) It shall be the responsibility of Grantee to take adequate measures to protect and defend its Facilities in the Right-of-Way from reasonably foreseeable harm or damage. If Grantee fails to accurately locate Facilities when requested, it shall have no claim for costs or damages against the City. The above general provisions notwithstanding, the City and its authorized contractors shall take reasonable precautionary measures and exercise due caution when working near Grantee's Facilities.
- (h) All technical standards governing construction, reconstruction, installation, operation, testing, use, maintenance, and dismantling of the Facilities in the Right-of-Way shall be in accordance with applicable present and future federal, state, and City laws and regulations, including but not limited to the most recent standards of the Kansas Corporation Commission and U.S. Department of Transportation. It is understood that the standards established in this paragraph are minimum standards and the requirements established or referenced in this Franchise may be additional to or stricter than such minimum standards.
- (i) The City encourages the conservation of the Right-of-way by the sharing of space by all utilities. To the extent required by federal or state law, Grantee will permit any other franchised entity by an appropriate grant, or a contract, or agreement negotiated by the parties, to use any and all Facilities constructed or erected by Grantee.
- (j) Within sixty (60) days after the completion of initial or any additional construction, Grantee shall provide a complete set of plans with accurate and complete information to the AIMS system showing and describing the exact locations, both horizontal and vertical, of all Facilities constructed and existing within the right of way and within private easements; such mapping and identification shall be at the sole expense of Grantee.
- (k) Grantee is granted permission to prune or trim vegetation growing upon or overhanging the Right-of-way and public utility easements when necessary in Grantee's reasonable discretion to correct or avoid interference with Grantee's Facilities. Grantee shall notify the City prior to performing such work, including

anticipated annual schedule and location of such work and the identity of Grantee's contractor(s) approved to perform such work. Moreover, Grantee shall perform such line clearance work in accordance with regulations established under OSHA 29 CFS 1910.269. All pruning operations shall be performed by personnel qualified to perform the work and in accordance with the latest versions of ANSI Z133.1 (Safety Requirements for Pruning, Repairing, Maintaining and Removing Trees and Cutting Brush) and ANSI 300 (Part 1) (Standard Practice for Tree, Shrub, and Other Woody Plant Maintenance.) For routine trimming operations, customers shall be contacted at least one (1) week in advance by either personal contact or in writing by informational door hanger, letter or other written notification.

SECTION IV. Grant of Easements. As partial consideration for this Franchise, and to the extent Grantee is able to do so, Grantee agrees to grant to the City for public projects without additional cost, such easements as Grantee may have in property within the City.

SECTION V. Indemnity and Hold Harmless. Grantee shall indemnify and hold and save the City, its officers, employees, agents, and authorized contractors, harmless from and against all claims, lawsuits, judgments, liens, losses, damages, expenses, liability, fees and costs (including attorney fees and court costs), of any kind and nature, including personal or bodily injury (including death), property damage or other harm for which recovery is sought, to the extent occasioned in any manner by Grantee's occupancy of the Right-of-Way, including but not limited to the related actions by Grantee's agents, officers, employees, directors, representatives, affiliates or subcontractors. In the event a claim shall be made or an action shall be instituted against the City growing out of such occupancy of the Right-of-Way by Facilities of Grantee, then upon notice by the City to Grantee, Grantee will assume liability and responsibility for the defense of such actions at the cost of Grantee, subject to the option of the City to appear and defend at its own cost. The City does not waive any governmental immunity available to it under Kansas law. This section is solely for the benefit of the City and Grantee and does not create or grant any rights, contractual or otherwise, to any other person or entity. Grantee and the City shall promptly advise each other in writing of any known claim or demand against Grantee or the City related to or arising in any way out of Grantee's activities in the Right-of-Way.

SECTION VI. Insurance Requirement and Performance Bond.

- (a) During the term of this Franchise, Grantee shall procure and maintain insurance coverage at its sole expense, from an insurance company qualified to do business in the State of Kansas with a rating of A- or higher. Grantee shall provide insurance in the following amounts:
 - (i) Workers' compensation as provided under any workers' compensation or similar law in the State of Kansas, with an employers' liability limit equal to the amount required by law; and
 - (ii) Commercial general liability, including coverage for contractual liability and products completed operations liability on an occurrence basis and not claims made basis, with a limit of not less than two million dollars (\$2,000,000.00) combined single limit per occurrence for bodily injury, personal injury, and property damage liability. The City shall be included

as an additional insured with respect to liability arising from Grantee's operations under this Franchise; and

- (iii) Employer's liability limit with a limit of one million dollars (\$1,000,000.00) for each accident/disease/incident/occurrence.
- (b) As an alternative to the requirements of subsection (a), Grantee may demonstrate to the satisfaction of the City that it is self-insured and as such Grantee has the ability to provide coverage in an amount not less than one million dollars (\$1,000,000.00) per occurrence and two million dollars (\$2,000,000.00) in aggregate, to protect the City from and against all claims by any person for loss or damage from personal injury, bodily injury, death or property damage occasioned by Grantee, or alleged to so have been caused or occurred.
- (c) Grantee shall, prior to the commencement of any work, deliver to the City a certificate of insurance or evidence of self-insurance, satisfactory in form and content to the City, evidencing that the above insurance is in force and will not be cancelled or materially changed with respect to areas and entities covered without first giving the City thirty (30) days prior written notice. Grantee shall make available to the City on request the policy declarations page and certified copy of the policy in effect, so that limitations and exclusions can be evaluated for appropriateness of overall coverage.
- (d) Grantee shall, prior to the commencement of any work or renewal thereof, deliver to the City a performance bond in an amount consistent with the requirements of the City's Ordinance for the Use and Occupancy of the Public Right-of-Way (referenced in Section III above), payable to the City to ensure the appropriate and timely performance in the construction and maintenance of Facilities located in the Right-of-way. The required bond must be with good and sufficient sureties, issued by a surety company authorized to transact business in the State of Kansas, and satisfactory to the City Attorney in form and substance.

SECTION VII. Payments and Charges. The payments herein provided shall be in addition to all other licenses, taxes, charges, or fees, except that the usual general property taxes and special ad valorem property taxes, sales and excise taxes, permits and fees including charges for pavement cuts and other charges based on restoring premises, costs and damages provided for herein and charges outside the scope of this Franchise will be imposed on Grantee, and are not covered by the payments herein. The franchise fee is compensation to the City for use of the Right-of-Way and shall in no way be deemed a tax of any kind.

SECTION VIII. Compensation to City.

- (a) In consideration of the premises, Grantee agrees to pay to the City, and the City agrees to accept as adequate compensation and consideration for the Franchise hereby granted and in lieu of occupation, license, privilege and all other taxes and fees not otherwise excepted hereinabove, a franchise fee of five percent (5%) of the total gross receipts charged and collected from the sale or distribution of Electric Energy Service to all consumers located in the present or future corporate boundaries of the City during the term of this Franchise.

- (b) Grantee will ensure the accuracy of its records and of the determination of the amount of Gross Receipts subject to the fee provided for herein. In the event and to the extent the accounting rendered to the City by the Company is found to be incorrect, then payment shall be made in the correct amount.
- (c) It is the intent of the City to charge franchise fees for sales of Electric Energy Service within the City on a non-discriminatory basis. Therefore, if during the term of this Franchise the law of the State of Kansas is changed to permit competition between retail electric suppliers in any territory certified as a single certified service territory pursuant to K.S.A 66-1 , 170, et seq., including but not limited to the allowance of "Wheeling" or other transport and distribution of Electric Energy Service for other retail electric suppliers, then the City and Grantee agree to enter into good faith negotiations for the purpose of revising this Franchise to address said change and the collection of franchise fees. Should the City and Grantee fail to agree upon such revisions, then the City and Grantee shall each have the right to terminate this Franchise up on 120 days' written notice.
- (d) Any consideration hereunder shall be reported and paid to the City by Grantee on a monthly basis on or before the last day of each month of each year in which this Franchise remains in effect, reflecting the gross receipts charged and collected from the sale of such Electric Energy Service for the preceding month. The term "gross receipts" as used in this Section shall not include the amounts paid to the City pursuant to this Section.
- (e) The percentage of gross receipts charged and collected from the sale of Electric Energy Service hereunder may be adjusted by the City upon 180 days' prior written notice to Grantee.
- (f) Payments by Grantee shall be made without invoice or reminder from the City, and shall be mailed or delivered to the City c/o Finance Director, City Hall, 9001 West 62nd Street, Merriam, Kansas 66202.
- (g) No acceptance by the City of any franchise fee payment shall be construed as an accord that the amount paid is in fact the correct amount, nor shall acceptance of any franchise fee payment be construed as a release of any claim of the City.

To facilitate the auditing of amounts paid under this Franchise, Grantee shall provide current rates and charges, as from time to time amended, and such documents and information concerning sales as may be reasonably requested by the City, provided however that in the event information is sought that is specific to an individual customer and identifies that customer, the consent of the customer will be required to release the information. Further, in accordance with K.S.A. 12-2001 (as may be amended), the City shall further have the right to examine all books, receipts, files, records and documents necessary to verify the correctness of the franchise fee paid by Grantee.

- (h) Fees imposed under this Agreement shall not become effective within an area that is annexed by the City and becomes subject to this Agreement until thirty (30) days after the City provides Grantee with a certified copy of the annexation

ordinance, proof of publication of the ordinance as required by law, and a map of the City detailing the annexed area.

SECTION IX. Attachment to Facilities. Except as otherwise provided herein, nothing in this Franchise shall be construed to require or permit either party to utilize or attach to the Facilities of the other without a separate written agreement.

SECTION X. Forfeiture of Grant and Privilege. In case of failure by Grantee to comply with any of the provisions of this Franchise, or if Grantee should do or cause to be done any act or thing prohibited by or in violation of the terms of this Franchise, Grantee shall forfeit all rights and privileges granted by this Franchise and all rights hereunder shall terminate, provided that said termination shall not take effect until the City shall carry out the following proceedings. Before the City proceeds to cancel this Franchise, it shall first serve a written notice upon Grantee setting forth in detail in such notice the neglect or failure complained of, and Grantee shall have sixty (60) days thereafter in which to comply with the conditions of this Franchise. If at the end of such period the City deems that the conditions have not been complied with and that this Franchise is subject to repeal by reason thereof, the City shall enact a repealing ordinance setting out the grounds upon which said grant and privilege is to be cancelled or terminated. If within thirty (30) days after the effective date of said repealing ordinance Grantee shall not have instituted an action, either in the District Court of Johnson County, Kansas, or some other court of competent jurisdiction, to determine whether or not Grantee has violated the terms of this Franchise, this Franchise shall be cancelled. If within such thirty (30) day period Grantee does institute an action as above provided to determine whether or not Grantee has violated the terms of this Franchise and prosecutes such action to final judgment with due diligence then, in that event, in case the court finds that this Franchise is subject to cancellation by reason of the violation of its terms, this Franchise shall terminate thirty (30) days after such final judgment is rendered. Provided, nothing herein shall prevent the City from invoking any other remedy that may otherwise exist at law.

SECTION XI. Rights and Duties of Grantee Upon Expiration of Franchise. Upon expiration of this Franchise, whether by lapse of time, by agreement between Grantee and the City, by Grantee's voluntary abandonment of the Right-of-way with approval of the City, or by forfeiture thereof, Grantee shall have the right to remove from public property any and all of its Facilities used in its said business within a reasonable time after such expiration, but in such event, it shall be the duty of Grantee immediately upon and during such removal, to restore the right-of-way from which said Facilities are removed to as good condition as the same were before said removal was effected without cost to the City.

SECTION XII. Term and Reopeners.

- (a) This Franchise shall be and remain in full force and effect for a period of ten (10) years from the effective date hereof, unless sooner terminated as herein provided. Provided, In the event the parties are actively negotiating in good faith a new franchise or an amendment to this Franchise upon the termination date, the parties by written mutual agreement may extend the Franchise's termination date to allow for further negotiations. Such extension period shall be deemed a continuation of this Franchise and not as a new franchise or amendment.
- (b) Upon written request of either the City or Grantee, the Franchise shall be reopened and renegotiated at any time upon any of the following events:

- (i) Change in federal, state or local law, regulation, or order that materially affects any rights or obligations of either party, including but not limited to, the scope of the grant to Grantee or the compensation received by the City; or
 - (ii) Change in the structure or operation of the electrical energy service industry that materially affects any rights or obligations of either the City or Grantee, including but not limited to, the scope of the grant to Grantee or the compensation received by the City; or
 - (iii) Any other material and unintended change or shift in the economic benefit to the City or a change Grantee did not anticipate upon accepting the grant of this Franchise.
- (c) Amendments under subsections (b), if any, shall be made by ordinance as prescribed by Statute. This Franchise shall remain in effect according to its terms pending completion of any review or renegotiations pursuant to this Section.

SECTION XIII. Point of Contact and Notices. Grantee shall at all times maintain with the City a local point of contact who shall be available at all times to act on behalf of Grantee in the event of an emergency. Grantee shall provide the City with said local contact's name, address, telephone number, fax number and e-mail address. Emergency notice by Grantee to the City may be made by telephone to the City Clerk or the Public Works Director. All other notices between the parties shall be in writing and shall be made by personal delivery, depositing such notice in the U.S. Mail, Certified Mail, return receipt requested, or by facsimile. Any notice served by U.S. Mail or Certified Mail, return receipt requested, shall be deemed delivered upon actual receipt or refusal of delivery. Any notice given by facsimile is deemed received by the next business day. "Business day" for purposes of this section shall mean Monday through Friday, City and/or Grantee observed holidays excepted.

The City:

The City of Merriam, Kansas
 9001 W. 62nd Street
 Merriam, Kansas 66202
 Attn: City Clerk
 (913) 322-5505 fax

Grantee:

Evergy
 Attn: Rebecca Galati
 P.O. Box 418679
 Kansas City, MO 64141-9679
 (913) 894-3013; (913) 894-3086 fax
 Rebecca.Galati@evergy.com
 or to replacement addresses that may be
 later designed in writing.

SECTION XIV. Benefit/Assignment. The rights granted by this Franchise are exclusive to Grantee and shall inure to the benefit of Grantee and any parent, subsidiary, affiliate or successor entity now or hereafter existing. No other party may use Grantee's rights granted herein (by retail "wheeling" or otherwise to consumers within the City) and the rights herein shall not be assignable without the express written consent of the Governing Body of the City, except Grantee may assign its rights under this Franchise to a parent, subsidiary, affiliate or successor

entity without such consent. Provided, that no assignment shall be effective until the assignee assumes all of the obligations contained herein as of the effective date of the assignment, including, but not limited to, the obligations with regard to indemnity, insurance and bond (with the intent being that there shall be no lapse in any coverage as a result of the assignment). Any required consent is to be evidenced by an ordinance or resolution of the Governing Body of the City that fully recites the terms and conditions, if any, upon which consent is given. In the event of any assignment Grantee shall timely notify the City of the assignee, provide a point of contact for the assignee, and advise the City of the effective date of the assignment.

SECTION XV. Reservation of Rights. This non-exclusive franchise is granted under and subject to all applicable laws and under and subject to all of the orders, rules and regulations now or hereafter adopted by governmental bodies now or hereafter having jurisdiction. The City does not in any manner waive its regulatory or other rights and powers under the laws of the State of Kansas, its Constitutional Home Rule powers, or by virtue of present or future city ordinances. Neither party waives any applicable present or future legal rights, positions or claims before any administrative agency or court, but each party expressly reserves all rights, remedies and arguments at law or equity without limitation.

SECTION XVI. Failure to Enforce. The failure of either the City or Grantee to insist in any one or more instances upon the strict performance of any one or more terms or provisions of this Franchise shall not be construed as a waiver or relinquishment for the future of any such term or provision, and the same shall continue in full force and effect. No waiver or relinquishment shall be deemed to have been made by the City or the Grantee unless said waiver or relinquishment is in writing.

SECTION XVII. Invalidity of Franchise. If any clause, sentence, or section of this Franchise, or any portion thereof, shall be held to be invalid, it shall not affect the remaining provisions of this Franchise; provided, however, the City or Grantee may elect to declare the entire Franchise invalidated if the portion declared invalid is, in the judgment of the City or Grantee, an essential part of the Franchise. In such event, if Grantee is required by law to enter into a franchise with the City, the parties agree to act in good faith in promptly negotiating a new franchise.

SECTION XVIII. Repeal. Grantee's prior franchise ordinance, City Ordinance No. 1627, is hereby repealed. Provided, the repeal of said franchise ordinance shall not affect any rights of either party regarding any unpaid consideration thereunder, if any, and said franchise ordinance repealed is hereby continued in force and effect after the passage, approval, publication and acceptance of this Ordinance for the sole purpose of preserving such rights.

SECTION XIX. Effectiveness and Acceptance of Franchise. This Franchise is made under and in conformity with the laws of the State of Kansas, shall take effect and be in force on the first day of the first month after its passage and approval by the City, publication and written acceptance by Grantee, and shall constitute a non-exclusive contract between the City and Grantee subject to the provisions of the laws of the State of Kansas.

SECTION XX. Payment of Costs. Grantee shall be responsible for all costs and expenses of publishing this Franchise and any amendments thereof, as outlined in K.S.A. 12-2001(6) and K.S.A. 12-3007.

PASSED by the Governing Body this _____ day of _____, 20__.

Mayor

ATTEST:

APPROVED AS TO FORM

City Clerk

Counsel

(Seal)



AGENDA ITEM INFORMATION FORM

AGENDA ITEM: Consider approval of an ordinance authorizing the sale, consumption and possession of alcoholic liquor during the Merriam Drive Live Event according to K.S.A. 41-719 and amendments thereto.

SUBMITTED BY: Anna Slocum, director Parks and Recreation

MEETING DATE: April 27, 2020

PROJECT BACKGROUND/DESCRIPTION:

Merriam Drive Live debuted in 2018 as a new event in downtown Merriam. The goal of the event is to provide an opportunity to build community among residents as well as provide an example of how the land at 5701 Merriam Drive could be utilized. Although weather has been less than desirable, event organizers implemented a weather plan that has proved successful for the enthusiastic attendees. This year, the event is scheduled for Saturday, October 3 from 11 am – 6 pm featuring the rescheduled Turkey Creek Festival 5K to start the day, a variety of musical performances, children’s activities, cornhole tournament, yard games, food trucks and a Kansas licensed caterer serving beer and wine. In order for beer and wine to be sold and participants not be confined to a specific space, an ordinance is required to allow the sale, consumption and possession of alcoholic liquor on streets and sidewalks within the boundaries permitted. The boundaries, outlined in Exhibit A, would be as follows: west edge of the Farmers’ Market Pavilion; east edge of the Irene B. French Community Center; 57th Street on the north end and 58th Street on the south end. The boundaries of the area will be clearly marked by signs and a map of the area will be posted where the sale of alcohol occurs.

CITY COUNCIL GOALS AND OBJECTIVES

Enhance Community Identity and Connections

FINANCIAL IMPACT

| | |
|------------------------------------|--------------------------------------|
| Amount of Request/Contract: | NA |
| Amount Budgeted: | \$10,500 |
| Funding Source/Account #: | Transient Guest - 204.5010.450.85.50 |

SUPPORTING DOCUMENTS

Merriam Drive Live Event Ordinance
Exhibit A – Boundary Map

ACTION NEEDED/STAFF RECOMMENDATION

Staff recommends approval of an ordinance authorizing the sale, consumption and possession of alcoholic liquor during the Merriam Drive Live Event according to K.S.A. 41-719 and amendments thereto.

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE SALE, CONSUMPTION, AND POSSESSION OF ALCOHOLIC LIQUOR DURING THE MERRIAM DRIVE LIVE EVENT.

WHEREAS, K.S.A. 41-719 and amendments thereto requires the governing body of the City of Merriam, Kansas (“Governing Body”) to approve the consumption of alcoholic liquor at an event held on public streets and sidewalks.

WHEREAS, the City of Merriam, Kansas is sponsoring such an event, Merriam Drive Live, on October 3, 2020, from 11 am to 7 pm in which a caterer, pursuant to K.S.A. 41-719 and amendments thereto and the Merriam City Code, intends to offer for sale, sell, and serve alcoholic liquor for consumption at the event.

NOW THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF MERRIAM, KANSAS:

SECTION 1: In accordance with K.S.A. 41-719 and amendments thereto, the Governing Body hereby approves the consumption of alcoholic liquor on the street and sidewalks within the boundaries of the permitted area designated on the attached Exhibit A, during the Merriam Drive Live event from 11 am to 7 pm on Saturday, October 3, 2020.

SECTION 2: During said periods when consumption of alcoholic liquor is hereby authorized, the areas of the public street designated within the boundaries of the permitted area designated on the attached Exhibit A shall be and are hereby directed to be closed to vehicular traffic.

SECTION 3: During said periods when consumption of alcoholic liquor is hereby authorized, the boundaries of the permitted area designated on the attached Exhibit A shall be clearly marked by signs, a posted map, or other means which reasonably identify the area in which alcoholic liquor may be possessed or consumed at such event.

SECTION 4: This ordinance shall be in full force and effect from and after its passage, approval and publication in the official City newspaper, all as provided by law.

PASSED by the Governing Body this _____ day of _____, 2020.

APPROVED AND SIGNED by the Mayor this _____ day of _____, 2020.

Ken Sissom, Mayor

ATTEST:

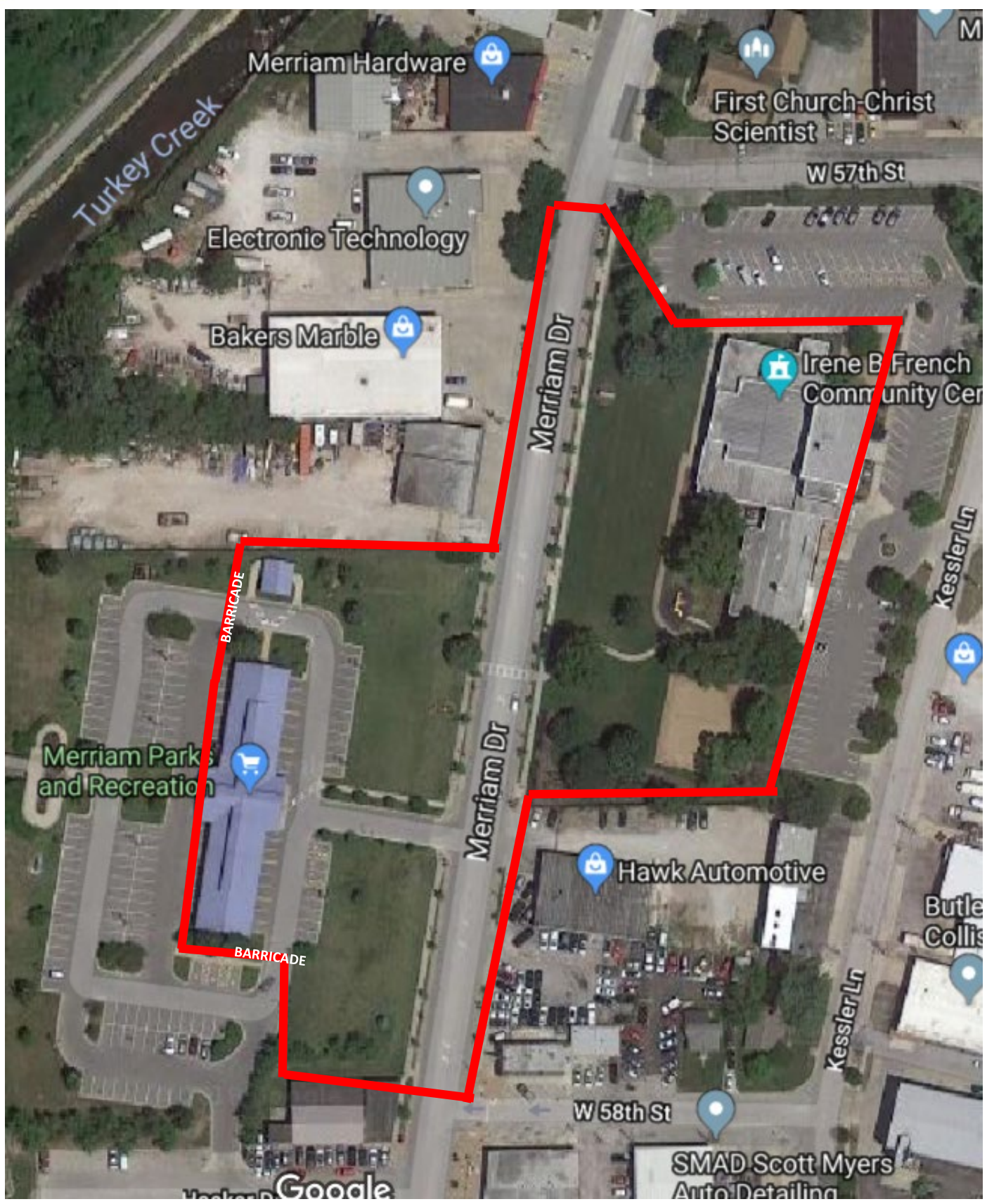
Juliana Pinnick, City Clerk

APPROVED AS TO FORM:

Ryan Denk, City Attorney



EXHIBIT A BOUNDARY MAP



SATURDAY, OCTOBER 3, 2020

CITY OF MERRIAM, KANSAS

MONTHLY FINANCIAL REPORT

Finance Department



City of Merriam, KS
Monthly Financial Report - Executive Summary
March 2020

Revenues

| | Current Month Actual | YTD Actual | YTD Budget/Est | Over/(Under) YTD Budget/Est |
|-------------------------------------|-------------------------|---------------|-------------------|--------------------------------|
| Various Funds: | | | | |
| 1% City Sales Tax | \$ 559,389 | \$ 559,389 | \$ 587,618 | \$ (28,228) |
| 1/4% City Sales Tax-Storm/Street | 145,622 | 145,622 | 152,923 | (7,301) |
| 1/4% City Sales Tax-Rec. Facilities | 145,622 | 145,622 | 152,923 | (7,301) |
| City Use Tax | 79,304 | 79,304 | 54,000 | 25,304 |
| County Sales Taxes - All | 152,833 | 152,833 | 172,333 | (19,500) |
| Real Property Taxes - Gen Fund | \$ 206,678 | \$ 2,445,051 | \$ 2,451,649.00 | \$ (6,598) |
| Transient Guest Tax | - | - | - | - |
| Franchise Fees | 165,215 | 341,217 | 354,500 | (13,283) |
| Court Fines | 70,613 | 237,129 | 225,000 | 12,129 |

Expenditures

| <i>General Fund - only:</i> | Current Mo. Actual | Monthly Bud/Est | Over/(Under) Bud/Est | Year to Date Actual | Year to Date Bud/Est | Over/(Under) YTD Bud/Est |
|-----------------------------|-----------------------|--------------------|-------------------------|------------------------|-------------------------|-----------------------------|
| Salaries and Benefits | \$ 592,505 | \$ 776,147 | \$ (183,643) | \$ 2,216,302 | \$ 2,328,442 | \$ (112,140) |
| Contractual Services: | | | | | | |
| OP Fire Services | - | 226,246 | (226,246) | - | 678,737 | (678,737) |
| Utilities | 31,835 | 48,072 | (16,237) | 69,328 | 144,215 | (74,887) |
| Legal | 3,811 | 8,333 | (4,523) | 8,829 | 25,000 | (16,172) |
| Property Maint | 40,164 | 58,592 | (18,428) | 177,710 | 175,775 | 1,935 |
| Specific Contractual* | 7,601 | 29,640 | (22,040) | 36,116 | 88,921 | (52,806) |
| Other Contractual | 57,915 | 78,420 | (20,505) | 122,177 | 235,261 | (113,083) |
| Commodities: | | | | | | |
| Gasoline/Diesel Fuel | 5,267 | 12,502 | (7,234) | 14,869 | 37,505 | (22,636) |
| Other Commodities | 40,470 | 50,530 | (10,059) | 85,748 | 151,589 | (65,841) |

*Specific Contractual includes: specific ongoing outside contractors (Judge, Prosecutor, Auditor, prisoner care, Information Services, legislative monitor, payroll processing, and animal care). The City Attorney is included under the Legal line item.

Comments:

- Year-to-date 1% and ¼% City sales taxes are 4.79% (\$42,831) less than 2020 budget estimates.
- Year-to-date 1% and ¼% City sales taxes are 9.14% (\$77,900) more than prior year actual.
 - Auto sales are 12.42% more than prior year actual.
 - Merriam Town Center/Johnson Drive sales are 3.07% less than prior year actual.
 - Other categories are 12.8% more than prior year actual.
- Transient Guest Tax collections for 1st quarter 2020 will be received in April.

City of Merriam, KS
Monthly Financial Report - Executive Summary
March 2020

Equipment Purchases >\$5,000

| Month | Description | Amount |
|--------------|---|---------------|
| January | City Hall – partial payment for carpet replacement | \$49,870 |
| | Public Works – tire changer equipment | \$12,620 |
| February | City Hall – final payment for carpet replacement | \$25,792 |
| | Fire – prepayment for 2020 Pierce Velocity pumper truck | \$716,272 |
| March | None | \$0 |

Cash and Investment Balances

| | | |
|--|-----------------------------|--------------------|
| FHLB = Federal Home Loan Bank | \$ 11,906,000 | 30% |
| FHLMC = Federal Home Loan Mortgage Corp. | 4,500,000 | 11% |
| FNMA = Federal National Mortgage Assn. | 1,300,000 | 3% |
| FFCB = Federal Farm Credit Bank | 7,900,000 | 20% |
| US Treasury Bills | 2,875,000 | 7% |
| Municipal Bonds | 685,000 | 2% |
| Bank of Blue Valley NOW Account | 5,702,867 | 14% |
| TD Ameritrade MMA | 806,696 | 2% |
| Total Investments | <u>35,675,563</u> | <u>89%</u> |
| US Bank Cash Account | 4,211,551 | 11% |
| Total Cash plus Investments | <u><u>\$ 39,887,114</u></u> | <u><u>100%</u></u> |

City of Merriam, KS
Monthly Financial Report - Executive Summary
March 2020

FAQ's

Question: What is the City Sales Tax rate effective January 1, 2020?

Answer: **9.475%** (6.500% to the State of Kansas; 1.475% to Johnson County; 1.50% to Merriam)

Question: How much does the City owe for general obligation bonds?

Answer: **\$2,195,000** is the current balance for the Series 2012 and **\$17,190,000** for Series 2018.

Question: What is the City's bond rating?

Answer: S & P Global Ratings rates the City's debt as "**AAA (Stable)**"

Question: What is the City's current mill levy?

Answer: **27.765 mills** (2019 levy supporting 2020 budgets)

Question: What is the City's assessed property valuation?

Answer: **\$205 million** per Johnson County Clerk as of June 1, 2019

Question: How much of the City's assessed property valuation is for Residential, Commercial, and Other?

Answer: **\$86 million** or 42% for Residential (including apartments);
\$112 million or 55% for Commercial;
\$7 million or 3% for Other (including vacant land, personal property, utilities)

Question: How many households are in the City?

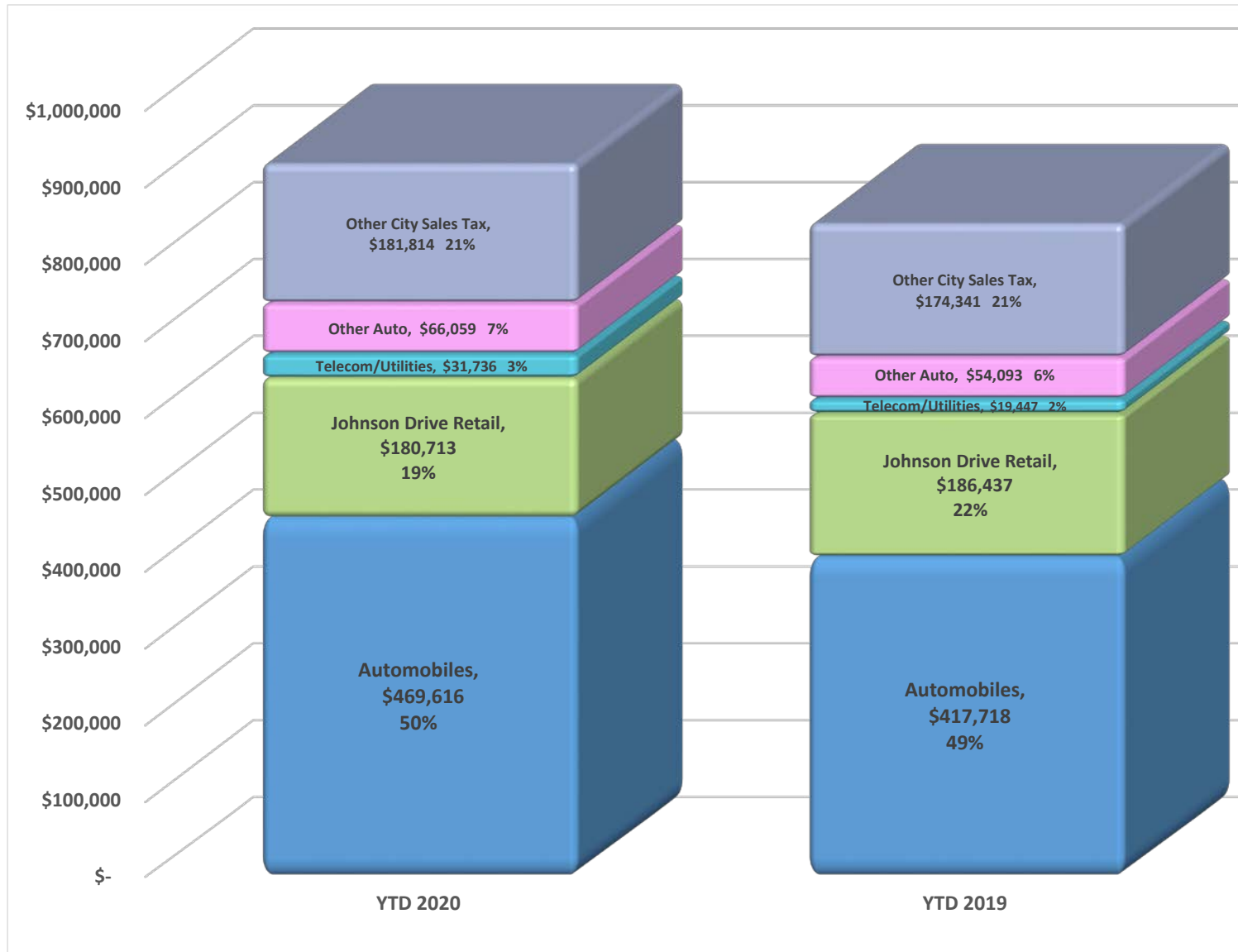
Answer: **5,224 households** (homes and apartments) per the 2010 U.S. Census Bureau

Question: What is the City's "pull factor" and what does this mean?

Answer: **4.50** is the City's pull factor per the Kansas Department of Revenue (December 2019 report). The term refers to how many non-residents a community "pulls" for shopping purposes. A pull factor greater than 1.00 indicates the community attracts more retail sales than it loses when residents shop outside the city. Merriam's is currently the highest in the State of Kansas.

City of Merriam Sales Tax Comparison - 1.50%

YTD 2020 vs 2019



CITY SALES & USE TAXES *
(Regular 1.50% effective Jan. 1, 2018, 1.25% prior years)

Through: March 2020

| Month | | | | | | | Comparison | Average |
|--------------------|------------------|-------------------|-------------------|-------------------|-------------------|----------------|----------------|-------------------|
| Collected/Received | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2019 and 2020 | 2015-2019 |
| Jan/Mar | 765,910 | 831,320 | 786,301 | 849,645 | 852,037 | 929,937 | 77,900 | 817,043 |
| Feb/Apr | 729,500 | 773,150 | 738,462 | 984,697 | 815,595 | | (169,102) | 808,281 |
| Mar/May | 870,039 | 858,854 | 868,780 | 997,674 | 1,014,294 | | 16,619 | 921,928 |
| Apr/Jun | 797,873 | 796,692 | 750,690 | 1,079,168 | 979,825 | | (99,343) | 880,849 |
| May/Jul | 883,727 | 931,163 | 858,245 | 1,025,175 | 1,127,238 | | 102,064 | 965,110 |
| Jun/Aug | 851,691 | 865,511 | 895,143 | 1,088,415 | 981,803 | | (106,613) | 936,512 |
| Jul/Sep | 969,616 | 927,803 | 911,673 | 1,028,566 | 1,156,685 | | 128,119 | 998,869 |
| Aug/Oct | 882,690 | 923,896 | 909,599 | 1,093,553 | 1,156,528 | | 62,975 | 993,253 |
| Sep/Nov | 824,964 | 863,243 | 829,752 | 898,941 | 1,092,707 | | 193,766 | 901,921 |
| Oct/Dec | 843,995 | 819,791 | 887,153 | 978,915 | 1,030,482 | | 51,567 | 912,067 |
| Nov/Jan | 772,120 | 844,545 | 815,416 | 947,857 | 1,041,482 | | 93,625 | 884,284 |
| Dec/Feb | 752,128 | 943,732 | 868,102 | 966,502 | 1,043,210 | | 76,708 | 914,735 |
| Total | 9,944,253 | 10,379,700 | 10,119,316 | 11,939,108 | 12,291,885 | 929,937 | 428,285 | 10,934,852 |
| YTD | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | | |
| March 2020 | 765,910 | 831,320 | 786,301 | 849,645 | 852,037 | 929,937 | | |

| | |
|---|---------------|
| Average Collections Between 2015-2019 | \$ 10,934,852 |
| Budgeted 2020 | 11,369,562 |
| Estimate Based on Current Collection Rate | 11,159,248 |
| Over/(Under) at Current Collection Rate | \$ (210,314) |

* Kansas imposes a use tax on items purchased outside of Kansas for use in Kansas. The rate is identical to the sales tax rate in effect where the customer takes delivery.

1.50% City Sales & Use Tax Year to Date Comparison 2015-2020

(1.50% effective Jan. 1, 2018, 1.25% prior years)

\$1,000,000

\$800,000

\$600,000

\$400,000

\$200,000

2015

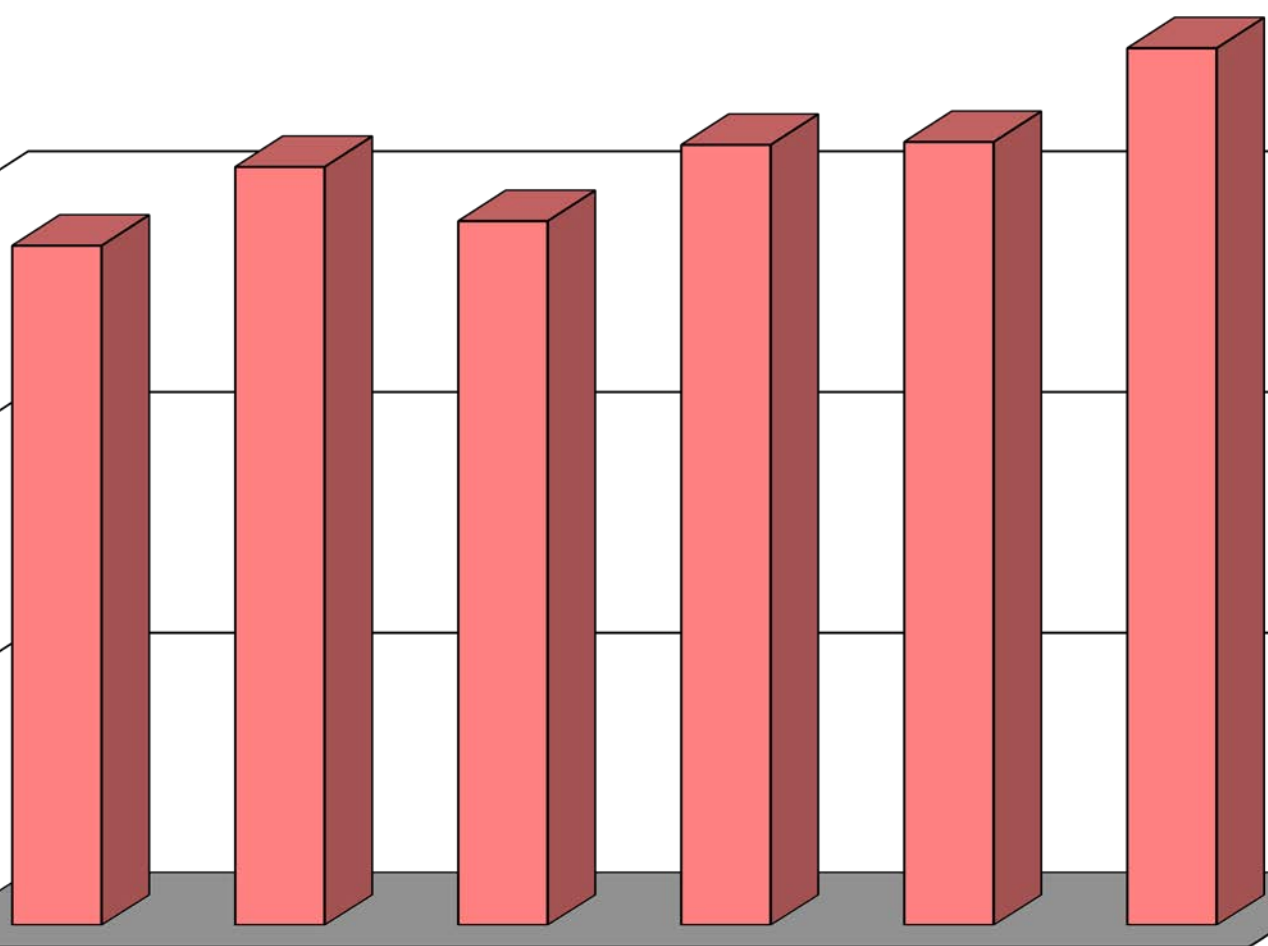
2016

2017

2018

2019

2020



JOHNSON COUNTY SALES/USE TAX AND PUBLIC SAFETY TAXES *
(Total City Share is 1.25%)

Through: March 2020

| Month Collected/Received | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | Comparison 2019 and 2020 | Average 2015-2019 |
|--------------------------|------------------|------------------|------------------|------------------|------------------|----------------|--------------------------|-------------------|
| Jan/Mar | 133,617 | 130,730 | 132,558 | 164,426 | 147,949 | 152,833 | 4,885 | 141,856 |
| Feb/Apr | 125,764 | 129,905 | 136,333 | 149,591 | 148,168 | | (148,168) | 137,952 |
| Mar/May | 138,507 | 145,445 | 148,999 | 178,476 | 167,514 | | (167,514) | 155,788 |
| Apr/Jun | 140,620 | 141,130 | 157,071 | 171,127 | 165,807 | | (165,807) | 155,151 |
| May/Jul | 142,876 | 136,074 | 168,652 | 179,056 | 182,514 | | (182,514) | 161,835 |
| Jun/Aug | 151,260 | 150,786 | 181,983 | 185,132 | 176,338 | | (176,338) | 169,100 |
| Jul/Sep | 148,744 | 150,089 | 172,667 | 166,088 | 181,055 | | (181,055) | 163,729 |
| Aug/Oct | 145,684 | 148,762 | 176,915 | 175,932 | 178,013 | | (178,013) | 165,061 |
| Sep/Nov | 146,413 | 152,714 | 180,671 | 164,596 | 178,770 | | (178,770) | 164,633 |
| Oct/Dec | 145,100 | 140,607 | 165,159 | 163,132 | 176,796 | | (176,796) | 158,159 |
| Nov/Jan | 145,355 | 142,131 | 171,494 | 183,409 | 177,798 | | (177,798) | 164,037 |
| Dec/Feb | 155,653 | 172,005 | 196,607 | 189,838 | 194,792 | | (194,792) | 181,779 |
| Total | 1,719,594 | 1,740,379 | 1,989,108 | 2,070,804 | 2,075,514 | 152,833 | (1,922,681) | 1,919,080 |
| YTD | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | | |
| March 2020 | 133,617 | 130,730 | 132,558 | 164,426 | 147,949 | 152,833 | | |

| | |
|---|--------------|
| Average Collections Between 2015-2019 | \$ 1,919,080 |
| Budgeted 2020 | 2,068,000 |
| Estimate Based on Current Collection Rate | 1,834,001 |
| Over/(Under) at Current Collection Rate | \$ (233,999) |

* The County special "courthouse" 0.25% tax, effective April 1, 2017, will expire March 31, 2027. All other County taxes have no sunset date.

**March 2020
REVENUE SUMMARY BY FUND**

| Fund Number | Revenues | Budget/Est. | YTD Actual | Monthly Collections | Balance | YTD % Budget/Est. |
|--------------------|-------------------------------------|----------------------|---------------------|----------------------------|----------------------|--------------------------|
| 001 | General Fund | \$ 18,456,755 | \$ 4,181,260 | \$ 1,316,315 | \$ 14,275,495 | 22.65% |
| 201 | Special Highway Fund | 305,780 | 1,800 | 1,372 | 303,980 | 0.59% |
| 202 | Special Alcohol Fund | 24,000 | 6,449 | 6,425 | 17,551 | 26.87% |
| 203 | Special Park & Rec | 24,000 | 6,713 | 6,645 | 17,287 | 27.97% |
| 204 | Transient Guest Tax | 474,150 | 27,093 | 5,119 | 447,057 | 5.71% |
| 221 | Risk Management Reserve | 15,000 | 16,737 | 10,160 | (1,737) | 111.58% |
| 222 | Equipment Reserve Fund | 940,000 | 199,076 | 47,271 | 740,924 | 21.18% |
| 301 | Capital Improvement Fund | | 1,322,517 | 504,769 | | |
| 303 | I-35 District CIP Fund | | 13,860 | 4,858 | | |
| 401 | Bond and Interest Fund | 3,227,555 | 252,392 | 160,424 | 2,975,163 | 7.82% |
| 403 | TIFB-I35 District | | 2,361,210 | 46,035 | | |
| 702 | Special Law Enforcement-State/Local | | 4,770 | - | | |
| TOTAL | | \$ 23,467,240 | \$ 8,393,877 | \$ 2,109,393 | \$ 18,775,720 | |

| | |
|---|---------------|
| Average Rate of Sales Tax Collections Should Be: | 8.33% |
| Average Rate of Other Collections Should Be: | 25.00% |

**March 2020
EXPENDITURE SUMMARY BY FUND**

| Fund Number | Expenditures | Budget/Est. * | YTD Actual | Monthly Expenditures | Encumbrances | Balance | YTD % Budget/Est. |
|--------------------|-------------------------------------|----------------------|---------------------|-----------------------------|---------------------|----------------------|--------------------------|
| 001 | General Fund | \$ 20,114,856 | \$ 4,030,748 | \$ 1,144,486 | \$ 650,951 | \$ 15,433,157 | 23.27% |
| 201 | Special Highway Fund | 390,000 | 128 | - | 350,000 | 39,872 | 89.78% |
| 202 | Special Alcohol Fund | 25,000 | 17,096 | 1,136 | - | 7,904 | 68.38% |
| 203 | Special Park & Rec | 49,000 | 3,565 | - | - | 45,435 | 7.28% |
| 204 | Transient Guest Tax | 625,927 | 119,588 | 38,881 | 5,192 | 501,147 | 19.94% |
| 221 | Risk Management Reserve | 30,000 | 28,587 | 26,699 | (1,000) | 2,413 | 91.96% |
| 222 | Equipment Reserve Fund | 1,489,213 | 770,150 | (24,973) | 114,472 | 604,592 | 59.40% |
| 301 | Capital Improvement Fund | | 2,799,401 | 679,283 | 3,114,526 | | |
| 303 | I-35 District CIP Fund | | (90,120) | (162,678) | - | | |
| 401 | Bond and Interest Fund | 3,208,125 | - | - | - | 3,208,125 | 0.00% |
| 403 | TIFB-I35 District | | 1,675,593 | 449,063 | - | | |
| 702 | Special Law Enforcement-State/Local | | 7,685 | 7,685 | - | | |
| TOTAL | | \$ 25,932,121 | \$ 9,362,420 | \$ 2,159,581 | \$ 4,234,140 | \$ 19,842,645 | |

| | |
|--|---------------|
| Average Expenditure Rate Should Be: | 25.00% |
|--|---------------|

* Excludes budgeted reserves and contingencies

March 2020
EXPENDITURE SUMMARY BY DEPARTMENT
GENERAL FUND - YEAR-TO-DATE

| <u>Department</u> | <u>2020</u> | | | <u>2019</u> | <u>Actual 2019</u> |
|----------------------|---------------------------|----------------------------|-------------------------|----------------------------|---------------------------------|
| | <u>Annual Budget/Est.</u> | <u>Year-to-date Actual</u> | <u>% of Budget Used</u> | <u>Year-to-date Actual</u> | <u>Over/(Under) Actual 2018</u> |
| City Council | \$ 85,657 | \$ 25,829 | 30.15% | \$ 18,755 | \$ 7,074 |
| Administration | 1,166,278 | 315,939 | 27.09% | 310,547 | 5,392 |
| Municipal Court | 381,248 | 81,745 | 21.44% | 80,124 | 1,621 |
| Info Services | 530,303 | 140,314 | 26.46% | 107,886 | 32,428 |
| General Overhead | | | | | |
| General | 312,170 | 82,095 | 26.30% | 93,083 | (10,988) |
| Utilities | 285,500 | 44,932 | 15.74% | 31,060 | 13,872 |
| Property Maintenance | 270,660 | 59,035 | 21.81% | 17,653 | 41,382 |
| Risk Management | 195,327 | - | 0.00% | - | - |
| Legal | 106,910 | 9,783 | 9.15% | 12,146 | (2,363) |
| Employee Benefits | 56,150 | 6,824 | 12.15% | 6,889 | (65) |
| Interfund Transfers | 4,537,706 | 1,282,081 | 28.25% | 1,160,208 | 121,873 |
| Contingency Usage * | - | - | 0.00% | - | - |
| Police | 4,280,552 | 1,029,432 | 24.05% | 1,091,408 | (61,976) |
| Fire | 2,838,973 | (13,631) | -0.48% | (24,466) | 10,836 |
| Public Works | 2,583,833 | 502,086 | 19.43% | 601,706 | (99,620) |
| Parks & Rec | 125,300 | 35,009 | 27.94% | 177,988 | (142,979) |
| Parks & Rec - New CC | 1,545,556 | 224,399 | 14.52% | - | 224,399 |
| Community Dev | 803,988 | 204,877 | 25.48% | 208,312 | (3,435) |
| Total General Fund | <u>\$ 20,106,111</u> | <u>\$ 4,030,748</u> | <u>20.05%</u> | <u>\$ 3,893,299</u> | <u>\$ 137,449</u> |

| | |
|--|---------------|
| Average Expenditure Rate Should Be: | 25.00% |
|--|---------------|

* Excludes budgeted reserves and contingencies

A large, stylized number '7' is the central graphic. The top and bottom strokes are light yellow. A blue horizontal bar crosses the middle, containing the text 'INVESTMENT REPORT'. Below the blue bar is a decorative horizontal band with a repeating pattern of triangles in shades of orange and yellow. The right side of the '7' tapers to a point.

INVESTMENT REPORT

**Investment Listing by Maturity Date
3/31/2020**

| Fund | Type | Location | Purchase Date | Par Amount | Maturity Date | Yield | Monthly Subtotal |
|-------------|----------------|---------------------|----------------------|-------------------|----------------------|--------------|-------------------------|
| 303/901 | NOW | Bank of Blue Valley | 12/20/06 | 5,702,867 | N/A | 1.250% | \$ 5,702,867 |
| 301/901 | Treasury MMA | TD Ameritrade | 09/01/16 | 806,696 | N/A | 0.010% | \$ 806,696 |
| 301/222 | AGENCY-FFCB | Country Club | 01/25/19 | 650,000 | 04/24/20 | 2.560% | \$ 650,000 |
| 301 | AGENCY-FHLB | TD Ameritrade | 03/16/20 | 1,671,000 | 06/10/20 | 2.560% | |
| 301 | AGENCY-FHLB | TD Ameritrade | 11/08/18 | 500,000 | 06/12/20 | 2.910% | |
| 303 | TBILL | Country Club | 02/18/20 | 450,000 | 06/18/20 | 1.500% | |
| 222 | TBILL | Country Club | 02/18/20 | 150,000 | 06/18/20 | 1.500% | \$ 2,771,000 |
| 301 | AGENCY-FFCB | TD Ameritrade | 12/28/17 | 550,000 | 07/27/20 | 2.081% | \$ 550,000 |
| 301 | MUNICIPAL BOND | TD Ameritrade | 10/10/17 | 100,000 | 08/01/20 | 1.870% | |
| 301 | TBILL | TD Ameritrade | 12/31/19 | 1,000,000 | 08/15/20 | 1.598% | \$ 1,100,000 |
| 301 | MUNICIPAL BOND | TD Ameritrade | 03/19/20 | 585,000 | 09/01/20 | 1.650% | |
| 301 | TBILL | TD Ameritrade | 12/31/19 | 1,000,000 | 09/15/20 | 1.589% | \$ 1,585,000 |
| 301 | AGENCY-FFCB | Country Club | 03/08/19 | 400,000 | 10/26/20 | 2.490% | |
| 301 | AGENCY-FHLB | TD Ameritrade | 02/01/17 | 100,000 | 10/30/20 | 1.800% | \$ 500,000 |
| 301 | AGENCY-FHLB | Country Club | 10/28/19 | 300,000 | 12/11/20 | 1.589% | |
| 301 | AGENCY-FHLB | TD Ameritrade | 01/27/20 | 2,000,000 | 12/11/20 | 1.530% | |
| 301 | AGENCY-FFCB | TD Ameritrade | 12/23/19 | 800,000 | 12/23/20 | 1.650% | |
| 222 | AGENCY-FNMA | Country Club | 09/26/19 | 300,000 | 12/28/20 | 1.620% | \$ 3,400,000 |
| 901 | AGENCY-FHLMC | TD Ameritrade | 03/14/17 | 500,000 | 02/26/21 | 1.356% | |
| 301 | TBILL | Country Club | 01/30/20 | 275,000 | 02/28/21 | 1.417% | \$ 775,000 |
| 301 | AGENCY-FHLB | TD Ameritrade | 01/24/20 | 1,000,000 | 03/12/21 | 1.550% | \$ 1,000,000 |
| 901 | AGENCY-FHLB | TD Ameritrade | 03/14/18 | 250,000 | 06/14/21 | 2.509% | \$ 250,000 |
| 301 | AGENCY-FNMA | Country Club | 07/29/19 | 500,000 | 08/17/21 | 1.797% | \$ 500,000 |
| 301 | AGENCY-FNMA | Country Club | 07/29/19 | 500,000 | 09/08/21 | 1.862% | \$ 500,000 |
| 901 | AGENCY-FHLB | TD Ameritrade | 10/30/19 | 1,000,000 | 10/28/21 | 1.800% | \$ 1,000,000 |
| 301 | AGENCY-FFCB | TD Ameritrade | 02/26/20 | 1,000,000 | 11/26/21 | 1.530% | |
| 301 | AGENCY-FHLMC | TD Ameritrade | 11/26/19 | 1,000,000 | 11/26/21 | 1.750% | \$ 2,000,000 |
| 303 | AGENCY-FHLB | TD Ameritrade | 02/18/20 | 340,000 | 12/10/21 | 1.400% | |
| 301 | AGENCY-FHLB | TD Ameritrade | 02/18/20 | 245,000 | 12/10/21 | 1.400% | |
| 301 | AGENCY-FFCB | TD Ameritrade | 03/12/20 | 1,000,000 | 12/16/21 | 0.830% | |
| 301 | AGENCY-FFCB | TD Ameritrade | 03/19/20 | 1,000,000 | 12/16/21 | 0.874% | |
| 301 | AGENCY-FHLB | TD Ameritrade | 12/31/19 | 2,500,000 | 12/30/21 | 1.713% | \$ 5,085,000 |
| 303 | AGENCY-FHLMC | TD Ameritrade | 01/27/20 | 1,000,000 | 01/28/22 | 1.625% | |
| 901 | AGENCY-FHLMC | TD Ameritrade | 01/30/20 | 1,000,000 | 01/28/22 | 1.600% | |
| 301 | AGENCY-FHLMC | TD Ameritrade | 01/30/20 | 1,000,000 | 01/28/22 | 1.600% | \$ 3,000,000 |
| 301 | AGENCY-FFCB | TD Ameritrade | 02/06/20 | 2,000,000 | 02/04/22 | 1.618% | \$ 2,000,000 |

**Investment Listing by Maturity Date
3/31/2020**

| Fund | Type | Location | Purchase Date | Par Amount | Maturity Date | Yield | Monthly Subtotal |
|-------------|-------------|-----------------|----------------------|-------------------|----------------------|--------------|-----------------------------|
| 301/303 | AGENCY-FHLB | TD Ameritrade | 03/16/20 | 1,000,000 | 03/24/22 | 1.000% | |
| 301 | AGENCY-FHLB | TD Ameritrade | 03/30/20 | 1,000,000 | 03/30/22 | 0.940% | \$ 2,000,000 |
| 221 | AGENCY-FFCB | Country Club | 01/30/20 | 350,000 | 01/23/23 | 1.441% | |
| 301 | AGENCY-FFCB | Country Club | 01/30/20 | 150,000 | 01/23/23 | 1.441% | \$ 500,000 |
| | | | | | Weighted Yield | 1.345% | <u><u>\$ 35,675,563</u></u> |

CITY COUNCIL SUGGESTED MOTIONS FOR YOUR CONSIDERATION

CONSENT AGENDA

1. Move that the council approve Consent Agenda items 1-2.

MAYOR'S REPORT

FINANCE AND ADMINISTRATION

1. No motion-first reading
2. No motion-first reading
3. No motion.

COMMUNITY DEVELOPMENT/PUBLIC WORKS

1. No motion.

STAFF ITEMS

EXECUTIVE SESSION