The meeting of the Public Works and Safety Standing Committee was held on Monday, July 20, 2015, at 5:05 p.m., in the 5th Floor Conference Room of the Municipal Office Building. The following members were present: Commissioner Bynum, Chairman; Commissioners Philbrook, Markley, Kane, Johnson; and BPU Board Member Jeff Bryant. The following officials were also in attendance: Doug Bach, County Administrator, Gordon Criswell, Assistant County Administrator; Melissa Mundt, Assistant County Administrator; Jody Boeding, Chief Legal Counsel; Emerick Cross, Commission Liaison; Mike Tobin, Interim Public Works Director; George Brajkovic, Director of Economic Development; Lew Levin, Chief Financial Officer; Kate Lynch, District Court Judge; Commissioner Walters, Commissioner Murguia, Terry Ziegler, Police Chief; Tyrone Garner, Assistant Police Chief; Joe Connor, Assistant County Administrator; Reginald Lindsey, Budget Director; Ken Moore, Deputy Chief Counsel; and Angie Masloski, Public Safety Business Office.

Chairman Bynum called the meeting to order. Roll call was taken and all members were present as shown above.

Chairman Bynum said a blue sheet has been distributed this evening which depicts two changes to the agenda. The first is Item No. 9, which is a presentation by FOP 40 for a Sheriff’s Department memorial. This item will be heard first.

Secondly, Item No. 5, which is the release of the UG’s right to reenter vacated property at the northeast corner of 39th & Rainbow is being deleted from the agenda.

Approval of standing committee minutes from May 18, 2015. On motion of Commissioner Kane, seconded by Commissioner Philbrook, the minutes were approved. Motion carried unanimously.
Committee Agenda:
**Item No. 9 – 150204...PRESENTATION: SHERIFF’S DEPARTMENT MEMORIAL**

**Synopsis:** A presentation by FOP 40 (Sheriff’s Union) for a Sheriff’s Department Memorial to be built on the northeast side of the Wyandotte County Court House, submitted by Doug Bach, County Administrator. FOP 40 will fund the proposed memorial and the UG will assist with some sidewalk and footing cost.

**Wyandotte County**

**Sheriffs Office**

**Fallen Deputies Memorial**

Deputy Sheriff David Toland said I come here today seeking approval for this to move forward with this proposed memorial and the new location of the Sheriff’s Office memorial. I also want to make sure that after the approval that we follow any necessary planning and zoning requirements that we need.
Original Agreement with the County Commissioners in 1997

The first slide is the original agreement between the Board of County Commissioners back in 1997 allowing us. If you see that picture, that is the north entrance of the courthouse. You can also tell there’s a tree planted there. By looking at it, it isn’t in the best location. It’s kind of out of the way. It’s a little secluded. It’s not the best spot.
We are proposing to have it located in front of the courthouse by the original flag there on the northeast corner, right directly in front of the flagpole.

We would have it located about a foot or two in front of the pole itself.
This is the proposed design and the shape. The stone next to it is the color. They call it a medium black granite. Most memorials are a gray color but we want to go more of a black color.

If you notice, there’s a star cut out on the very top. That would be the exact replica of our Sheriff’s badge engraved. We would have a phrase on the top. The cosmetic stuff we can deal with down the road but we voted that would be the actual shape. As you can see, it starts off 3 foot on the base and works its way up to the 2 foot.
This is a photo—if you notice, if you look real hard, that is a picture of the city’s memorial. We did a little copy/paste, a little modification of it. We put it on the location if you guys agree to that. That photo was taken directly on the steps of their memorial.

One of our ideas is we can combine the two services and have one service during that week. Usually we close off the streets. We can have it right there in the center and when our Honor Guards go up, we can split ways and honor either one.

We also are allowed to fly our Sheriff’s Office flag on that pole which is another reason why during that week—which is another reason why we thought that was the most appropriate place and location.
This is a more close-up view giving you an idea what a memorial would look like there. Also, keep in mind that is not what ours would like; it just gives you an idea. Ours would be medium black. Instead of it going from 2 foot to 2 foot, it would start off at 3 foot and work its way up.

Another thing is, we would like to see if we could get cooperation from the Unified Government to help with the sidewalk. We would pay for the entire memorial but maybe if you guys would help us with the sidewalk and the footing itself. Approximately the sidewalk would be around 6 foot wide leading up to the memorial. Then we would ask if we could just loop it around. That’s my proposal.

Chairman Bynum asked how many fallen deputies do we have. Deputy Toland said we have six. Chairman Bynum asked do you have an idea on once it’s approved, how long it would take before you were ready to unveil it so to speak. Deputy Toland said it depends on what company. We have two companies that gave us a bid. One said it would be about three months to make. The other said it would be around a month. I think the waiting period would be on doing the actual sidewalk and the footing. The guys are ready to pull the trigger on having it cut and we raised enough funds to get it done and taken care of.
Doug Bach, County Administrator, said just to clarify on that point too, as per directive of the governing body, anything we do to our properties, we need to follow our planning and zoning, which Mr. Toland noted. Just brought this to the attention of our Planning and Zoning Director last week so we have to look and see. We may have some delays in there: one, we go through our process and two, we have to look at it from the Landmarks Commission as doing a structure like this in front of a historic building. There may a couple of steps of approval we have to go through which are outside of Mr. Toland’s control, but they are things we would do. He’ll probably be in a fashion to move quicker than we have all of the approvals done. That would be part of the process that we’d go through.

Commissioner Philbrook asked, Doug, does that mean that it’d be coming back before us again for final approval if we send it forward now. Mr. Bach said well, not the project. If it came back before you, it would only be a planning and zoning approval if that’s even required. It may not require anything like that to do it. We may be able to just do it and how it’s set up.

Action: Commissioner Kane made a motion, seconded by Commissioner Philbrook, to approve with the sidewalk and all the other hoops that we have to jump through to get this done. Roll call was taken and there were six “Ayes,” Bryant, Philbrook, Markley, Kane, Johnson, Bynum.

Item No. 1 – 150178…GRANT: FY15 EDWARD BYRNE MEMORIAL JAG
Synopsis: Request to apply for the FY15 Edward Byrne Memorial Justice Assistance Grant (JAG) in the amount of $90,101 ($23,645-Sheriff’s Dept. training 2016-2018, $66,456-Police Dept. equipment purchase and equipment/software upgrade), submitted by Angie Masloski, Public Safety Business Office. No match required.

Angie Masloski, Public Safety Business Office, said this is the Edward Byrne Memorial Grant. It is a formula grant that the Unified Government is awarded each year. This year the grant amount is $90,101. It’s split between the Sheriff’s Department and the Police Department. There is no match for this. The Sheriff’s Department is going to be using $23,645 for training purposes. The Police Department is going to use some of the funds to purchase cameras for their

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Crimes Scene investigators Unit. They are also going to purchase storage to help with the body camera storage and they’re wanting to purchase software for their internal investigations.

**Action:** Commissioner Kane made a motion, seconded by Commissioner Philbrook, to approve. Roll call was taken and there were six “Ayes,” Bryant, Philbrook, Markley, Kane, Johnson, Bynum.

**Item No. 2 – 150180…GRANT: FY15 EDWARD BYRNE MEMORIAL JAG**

**Synopsis:** Request to apply for the FY15 Edward Byrne Memorial Justice Assistant Grant (JAG) in the amount of $234,001.83 to fund two deputies and one detective in the Offender Registration Unit from 10/1/15 to 9/30/16, submitted by Angie Masloski, Public Safety Business Office. No match required.

Linda Hendrix, Sheriff’s Department, said we’re very excited. This is the third year we’ve been applying for the Byrne Grant. This is to help support two compliance officers and an investigator in our Offender Registration Unit. It’s important to note that Offender Registration Unit is required to register under statute not only sex offenders that belong in that category but also drug offenders and violent offenders as well. It’s sort of a three-fold kind of registration. This is required under statute that we provide this service to the public.

We are asking for $234,001. Not as impressive as the $3M by the Health Department. I’ll acknowledge that. That’s a hard act to follow. I wish you could put him on last. We’re happy with this. It’s been an amazing job that they’ve done. I think it will be impossible for anyone to be less than impressed. Captain Patrick, who is the primary supervisor of that unit, is sitting in the audience tonight. I’m going to brag on him just for a moment.

We started funding this in the fall of 2013 with FY14 dollars for the Byrne initiative. At that time, our non-compliance rate was around 39% in 2012 to 26% in 2013. That was the first six months of this funding. We are now at .034%. That is astonishing. The number of registered offenders that we have has remained static. When you look at the number of offenders remaining static and see that kind of drop in non-compliance rate, that’s unbelievable. I believe it. I know it’s true. The books have not been cooked on that one. They have done a tremendous job. Our address verifications have gone up substantially which is very, very important. That’s one of the
primary jobs that they have is making sure if you tell us that’s where you’re living, we want to know that’s where you’re living. If you tell us this is where you’re employed or going to school or working, we want to know that as well. That has gone up substantially. We anticipate in terms of address certification, again, back in 2013, we were 20%. We’re at 54% now. We anticipate ending the year at 62%. Our goal efficiency being 75% so we’re still working towards that.

We look at the Byrne grant. The Byrne grant initiative under JAG is typically to fund the first two maybe three years of an initiative. It’s not meant to be long-term, 10 and 15 year funding. We anticipate with the support of the Mayor, the County Administration, and the Board of Commissioners that we would be able to fund this beginning FY2017. We think that’s important to be able to do that. The feedback we’re getting from administration has told us yeah, that would be a good thing to anticipate. We’re looking at this being our last year of requesting the funding for the two compliance officers and the investigator FY2017 then that would fall to the Unified Government to continue. We’ll free up those Byrne dollars and ask for something else.

**Commissioner Philbrook** asked the total amount we need to be kicking into the kitty in 2017 is how much. **Ms. Hendrix** said right now we’re at $234,001 and anticipating. I don’t know what you all had in mind, 15% salary increases between now and 2017. You just do the math. **Ms. Masloski** said the increase from 2015 to 2016 was $12,000 and that was anticipating possible increases, insurance, deputies and their union increases. It’s about $12,000 so it would be approximately $256,000 in the following year.

**Commissioner Johnson** asked is there a limitation in terms of how many times we can apply for these funds. **Ms. Hendrix** said there’s not an actual limitation on the Byrne JAG initiative. I will tell you that the odds go down significantly in terms of your being selected. We’ve also have had phone calls from other, this was interesting, from other municipalities who are trying to get on board with us and get funded who very nicely called and requested to see a copy of our grants and how we went about getting from the Byrne. I think Captain Patrick handled that phone call. I’m not going to ask what was said, but I don’t believe we sent them our information how we got funded.
It’s interesting, you know, if you look at Sedgwick County, which is three times our population, we are only second to them out of all the counties in Kansas in terms of the numbers of offenders that we have. To give you a little perspective, although they’ve got three times the population, we’re right up there with them in terms of the number of offenders that we register. I think one of the things that’s been interesting and I’m not sure what scientific study would prove, between 2012 and 2013 when we started this initiative and now, those numbers have remained static. In years prior, the number of registered offenders went up every year, every year, every year. I’m hoping that’s because in the offender community they now realize that we have the people and the resources to ensure that you’re complaint. I hope the word has gotten out to the offender community that Wyandotte County is no longer the place that you got to hide as a registered offender. For years that was the case simply due to lack of resources and if that’s the word that’s gotten out, that’s terrific.

**Commissioner Philbrook** said maybe some other time I can stop by and you can explain to me how it actually works. How the information gets to you so we make sure it doesn’t fall through the cracks. That would be interesting. **Ms. Hendrix** said absolutely. We’d love to do that. I’m sure Captain Patrick would love to give you a tour of the office and we can certainly then sit down and talk about the numbers and how that works, any of you.

**Ms. Masloski** said, Commissioners, before the vote, I just want to make sure you are aware the funding we are very hopeful for it but there is a possibility we will not be awarded for this third year. That’s something the Commission is going to have to look at. This grant funding that we currently have goes through September 30. **Commissioner Philbrook** asked when will you find out. **Ms. Masloski** said we should find out—the grant is due Friday so we should find out mid-August— The JAG for this grant changed their funding priority so there is a possibility this will not get funded.

**Mr. Bach** said my recommended budget does build in general funds for this money in the event they don’t receive the grant funding because we do believe it is a good, valuable program within. Obviously, if they do get funding, that would be money that would just fall at the bottom line for the year.
Action: Commissioner Kane made a motion, seconded by Commissioner Johnson, to approve. Roll call was taken and there were six “Ayes,” Bryant, Philbrook, Markley, Kane, Johnson, Bynum.

Item No. 3 – 150184…GRANT: FY16 VOCA

Synopsis: Request to apply for the FY16 Victims of Crime Act (VOCA) grant in the amount of $215,000 to continue sustaining the Victim Services Unit, submitted by Kristen Czugala, Police Dept. Match: $40,425 from approved Police Operating Budget and $13,325 in-kind.

Kate Lynch, District Court Judge, introduced Kristen Czugala from the Victim Services Unit at the KCKPD. Ms. Czugala said we are applying for the VOCA Grant. This is the grant that has been sustained our unit since 1999. We are the Victim Services Unit with the Police Department. What we do is we provide information, support to victims of crime throughout the criminal justice process. Part of what we do is we respond to crime scenes, especially homicide scenes to provide crisis intervention. We kind of provide services to all victims of crimes in our city.

VOCA has funded our unit since 1999. Recently congress has increased the VOCA cap to more than three and half times what it’s been for probably the past decade. What this means specifically for Kansas is that the amount of funds available is going up from $4.4M to $17.9M and this is all money that is directly for victim services, for direct services to victims of crime.

Originally when I was working on a three and a half calculation, that was an additional $375,000 just for our unit. The Governor’s Office has told us to look at increasing staffing and technology. It’s not possible for use all of that money responsibly. That would mean creating nine positions for a unit and that’s just not feasible. What we have asked is to create a PFA Advocate position, an advocate to assist with the filing of protection orders, and that’s why Judge Lynch is here with us today to answer any questions about that position because she would work directly with that advocate as well.

Congress has committed to maintaining this level of funding for at least three years. Past that three years, they don’t expect to maintain that same level but will still maintain an increase level of funding. I think with our conservative increase, that will be able to maintain that funding moving forward. As I said, this grant has funded us for 16 years so it’s a very stable grant for our unit through the state. We’re also one of only three law enforcement based units in the whole
state and we’re the only ones that function the way we do by responding to crime scenes and providing immediate services at the time of an incident.

What’s provided in the agenda is an estimate that I had. It’s actually increased just a little bit. We’re asking for $220,000 in federal dollars which is approximately $55,000 in match. The match that I’m going to use is from already existing sources. I’m actually not asking for any additional dollars from the UG. This is going to come from—the Unified Government pays for a part-time program aid for us so her salary can be used at a match as well as 25% of our salary is used as match for the grant and we can also use in-kind and our city vehicles that are provided for us. I have more than enough matches to use for these funds and I don’t need any additional dollars.

**Chairman Bynum** asked, Judge, would you just go ahead and tell us—**Judge Lynch** asked do you want me to tell you what a PFA is. **Chairman Bynum** said well, I know what that is, but I’d be interested in the details on this advocate position. That sounds interesting. **Judge Lynch** said let me give you a little history of the advocate position. When I practiced law before I became a judge, the advocate position was actually funded by a grant not through VOCA but for the Violence Against Women’s Act. Every year it was a struggle to make sure that we were going to be able to maintain a victim advocate. Our victim advocate actually passed away and it reverted back to the clerks to take in the paperwork from the victim then parade them through the courthouse, for lack of a better term, to find a judge who was available to sign the paperwork.

Through my training and education through the National Judicial Institute of Domestic Violence, which I am now happy to report I’m a faculty member, it was clear that this was not the best way. I lobbied very hard to my chief judge and we used a court service officer position that was open to have a victim’s advocate and that victim advocate was through our Domestic Court Service Office. Unfortunately, because of our judicial budget being used as a weapon against the courts, we can’t fund that position any longer so that person was absorbed into the Domestic Court Service Office because we had two Domestic Court Service Officers that dealt with paternity actions, custody, parenting plans, child time with the father or the mother, all of those types of things that they mediate and negotiate and do education on. She was absorbed into that office and that office function, they rotated on a weekly basis which court service officers are assigned as the victim’s advocate. That creates a little bit of a problem because sometimes these
same folks end up back in the Domestic Court Service Office through the educational training that they do and sometimes they need mediation or limited case management to work out parenting plans if they’re appropriate and can be safe. We cannot call them a victim’s advocate and they don’t really do any advocacy. We just call them that to separate them out during that time.

I also undertook—I am the domestic violence judge when it comes to protection from abuse and protection from stalking cases. We average 30 to 35 a week every Wednesday at 1:30 is our first hearing on those. I hear all the ex parte hearings. That would be a function of what this advocate would do. They would help them prepare the paperwork and bring them to my courtroom. I hear those every day at 11:00. We average between five and seven a day sometimes varying in the level of violence. We also have emergency PFAs. We have a policy that if it is an exigent situation, Kristen’s office is really good about working with us so is the Municipal Court prosecutor. They’ll call and let us know that we have an emergency headed our way. Depending on what I have going on at that particular moment, we either recess the case or I come out of my chambers, hear that case and get them the services that they need.

I also think that this advocate position would strengthen our response to domestic violence in the Unified Government jurisdiction because it is difficult now to continue to communicate. We give the victims the information to Kristen’s office. They give information about how to get a PFA but there’s no tracking to make sure that they go ahead and either file criminal charges or file for that PFA. I think this advocate would just be a huge asset to the victim in handling that situation.

The chief judge and I had a meeting with Kristen over a month ago. Judge Lampson is supportive of this. Frankly at this point, even if we have it for a year and it goes away, we can go back to the old system using the court service officer. I don’t think that’s going to happen based on the funding situation that Kristen has explained to Chief Judge Lampson and myself. As much as we all don’t like to have to discuss the domestic violence, I always tell everybody the only positive thing I can say about domestic violence is the only thing I can say positive about cancer and house fires. It doesn’t discriminate. It doesn’t matter who you are or what your race is or what your ethnic background is or what your economic status is, it’s everywhere unfortunately.

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Chairman Bynum asked the grant, did you tell us the timeline and I missed it. Ms. Czugala said the grant begins October 1. It runs October 1 through September 30. The application is due August 25. It just posted last week.

Action: Commissioner Johnson made a motion, seconded by Commissioner Philbrook, to approve. Roll call was taken and there were six “Ayes,” Bryant, Philbrook, Markley, Kane, Johnson, Bynum.

Item No. 4 – 150186…RESOLUTION: NEW SOUTH PATROL SITE

Synopsis: A resolution authorizing the acquisition of property necessary for the South Patrol Facility, CMIP 978-9242, specifically Parcel 246000, submitted by Mike Tobin, Interim Public Works Director.

Doug Bach, County Administrator, said this is an item tonight which we’re bringing before you because we have the grantee of property that we are considering. A few things that are coming about for this is that we have questions about how this originally came out. I think we have two Commissioners on this committee that weren’t here when we started any of this project area. What we’ve done tonight is gone back and set this up from our original business case. We’ve built this on from when we did the TIFs for this property. There are two different project areas. We’re going to walk through that, show you how we went through that, our evaluation on that and show you where we are performing on that today, and then lead to the point where we are with the actual grantee of property which came in as a donation for the property but there are some caveats to that donation that I want to go through with the Commission so it’s clear understanding of where we are in relation to what was offered versus how that deal is structured now.

I’m going to recognize—well, we have our different members of our project team over here between George Brajkovic from Economic Development who worked on the initial TIF; and of course, Lew Levin with Finance, and then Mike Tobin is the project director who is working on actually working to build the project, and Ken Moore in Legal who is working it from the Legal perspective. I’m going to turn it over to George who will talk about it from the original TIF structure with Lew.
George Brajkovic, Director of Economic Development, said just to add to what Mr. Bach said, I think what Lew and I are going to go over is how the district was created, what we advance in terms of TIF plans and development agreements for each project area, the financing structure that was approved for that particular project, and then Lew will also comment on what the current performance is in terms of revenue generation compared to what the performa suggested it might be.

The very first slide is an older aerial. Believe it or not, back in 2011 that’s pretty much what it looked like and so when the TIF district was created, the district itself is that entire area in black, but there were two separate project areas. Redevelopment Project Area 1 is where the Save-A-Lot project and the Dollar General went and then Redevelopment Project Area 2 is where the Walmart Neighborhood Market is. We’re going to get into a little more detail of each of those here in a second.
I wanted to show—I didn’t use Google Earth but in our last UG Base Mapping images, we did have the 2014 aerials and so that’s what the project area looks like. Again, starting at the right side of the picture is the Dollar General and then the Save-A-Lot and then you see how the Project Area 2 was parceled out. The component that—the property under consideration for the South Patrol is this large parcel here.
Project Area 1, again, it was specifically for the Dollar General and the grocery store. Really the Dollar General was already under construction and nearly complete and so really the financing and the development agreement we put into place had more to do with the grocery store and this future pad site here that’s still not developed. Although we didn’t perform anything off that future pad site into the project itself. Everything based for the bonding or pay-as-you go component was off what the grocery store and/or the Dollar General would generate.
What did it really look like? Well, it was about a $3M project. At that time the developer put forth this sources and uses list and you can see on the sources we had CID dollars, TIF dollars, and then Sales Tax dollars and again, those were the projections.
The CID itself was approved, the district was approved April 5, 2012, but it only covered the grocery store. It didn’t overlay into the existing Dollar General. It does overly into that additional pad site. The CID itself is a 1% sales tax add on under—per state statute, it does qualify for a 22 year-term and the expected revenue production to come from that is $600,000 and that’s set up on a pay-as-you go basis.

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<th>Property Tax Increment</th>
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<tr>
<td>20 year term</td>
<td>AMENDED DA removes Sales Tax TIF</td>
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<td>100% of increment is available for only TIF eligible reimbursements</td>
<td>Replaces with a Local Agreement (Home Rule) 1.94%</td>
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The TIF for Project Area 1 had two components: Property tax and sales tax. Property tax, again, per statute qualified for 20-year increment or 20-year term. The proposal and what was accepted is that 100% of that increment generated would go back into the project.
We did do an amendment to the development agreement on the sales tax component where we took the sales tax out of the TIF structure and just offered via the home-rule ordinance that we could pledge a share of our local sales tax dollars back into the project outside of that TIF structure and so that’s what we did. The pledge on that was 1.94% of the total local sales tax. When those went to bonding, those were two separate bond issues.

With that, let me turn it over to Lew and he can kind of talk about the finance structure. Again, just for Project Area 1 and then we’ve got a slide that addresses the performance.
Lew Levin, Chief Financial Officer, said so what you see before you is we issued two bonds. We have full general obligation backing to each of those bond issues. Meaning, if there’s a revenue shortfall from the bond issue, the government’s liable to cover that shortfall. The decision was made to provide that higher level of government backing because that actually reduces our future debt cost associated with the project. Once the governing body made the decision we’re going to back this project, we put all our full faith and credit behind it and it actually reduces our overall debt service costs over the term of the project. If there are additional monies after the project, after we pay back the debt service on this project, the developer can receive up to that reimbursement cap of $2.5M. Really, what’s been provided to the developer at this time was reimbursement for cost up to $1.6M.

Today, the property tax TIF is performing strong and it’s essentially because our performa assumed a more conservative level of what the actual appraised value of the property would be. On an annual basis, our debt service with that project is approximately $48,000. What we’re receiving based on the current property valuation is almost double that amount. Over the remaining 17 years of the project, our expectation or excess will be a little over $800,000 for this project.

The sales tax home rule portion of the project, our debt service is approximately $71,000 a year. What we’re seeing in revenue, in our initial year it was a little over $60,000. What I’m showing here is $55,000 a year and that’s trending down. I think there’s the Project Area 1, specifically the Save-A-Lot has been impacted by the opening of the Walmart store. There is a negative as the project is currently generating revenue, there is a negative component on the sales tax side.
Mr. Brajkovic said moving then into Project Area 2. Again, anchored by the Walmart Neighborhood Market, but there are quite a few out lots available for development including the nine acre tract.

- Public Incentives capped at $3.5M
Again, similar to what we showed for Project Area 1. This was outside of being a sources and uses. This was a total project cost projection to get the project in.

Again, we wanted to note that within the incentive structure itself, there was a cap on the public incentives and that was set at $3.5M. Lew, again, you want to go through what was issued.

**Project Area 2 - Bond Issuance**

- $3.7M in G.O. bonds issued March 15, 2014
  - $1M to UG for public infrastructure
  - $2.7M for grocery store
- Development of outlots may initiate additional revenue, not currently projected in pro forma. New revenue will be shared equally, until:
  - For Developer, the CAP amount is reached.
  - For UG, when initial obligations are met, revenues will stay available for future projects.

Mr. Levin said so to date we’ve issued $3.7M and it’s actually in two pieces. We’ve went ahead and we bonded $2.7M for the grocery store. That project was completed and that action occurred in January of this year. I believe Public Works is still working on the $1M that are being directed for street improvements. We’ve issued a temporary note and our process is once the street improvements are completed, we’ll bond that project and we expect to do that in 2016. The difference between a temp note and a bond is the bond is generally a 20-year debt issuance and a temp note we’ll issue the debt for one year and then we’ll either renew that temp note or if the project is complete, we’ll take it to bonding.
The key thing in this project is, well, is one of them is if the developer goes ahead and is able to secure tenants for the outlots, additional revenue will be generated and it will be shared equally between the developer up to the project cap for the developer. The project cap for the developer actually it’s $3.5M. I think George had that on a prior slide. There is still $800,000 to be captured there. If not, and if there’s any additional or it’s a shared performa so if we have additional costs that are TIF eligible, we can use it for those purposes.
The revenue performance for this, it’s a combination of property and sales tax. The project’s performing pretty close to our projections on sales tax component side. The original performance the developer had on the property tax side was that the property, again, this is the Walmart Neighborhood Center, would be appraised at approximately $2.6M. Our appraiser established the value for that center at $4.6M. It’s first really property tax increment will be received in 2016 but it’s substantial. If the property tax value remains at the current level, it would generate significant excess in project money. Those excess monies can be directed toward other TIF eligible projects. You see that excess is in greater than $5M based on its current property valuation and sales tax revenue generation capacity.

Mr. Brajkovic stated we’ve got two more slides to go but we wanted to throw a slide up that kind of combined all of this. We know it’s one large TIF district with these separate project areas, but we really wanted to address how the revenue generated really flows within that entire district.

Number one is, that revenue has to service the debt, existing debt, on each individual project area. Area 1 until it’s satisfied and Area 2 until it’s satisfied. Once that happens, you can move into those next kinds of tiers.

The second is servicing debt on that infrastructure or the street improvements.

Third is any other shortfall on UG backed bonds.

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Finally, any remaining TIF funds or it could be available for what we were at that time considering as future projects. With that, I guess turn it back over to Lew to talk about based on those projections we saw from performance wise from Area 1 and Area 2, what we think might be available for this specific project.

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Mr. Levin said so we haven’t issued any debt at this time but the estimate of the project cost for South Patrol is $2.5M based on our ability to borrow and where we are at this time. We’re projecting a total cost to debt service at $2.5M at approximately $3.3M. That would be over the term of the project.

On revenue sources I’ve identified three revenue sources. Project Area 1 excess. Actually that may not be available for South Patrol because from the earlier slide, there is still the project cap or the amount of money for the developer is, George, if you could remind me. Mr. Brajkovic said it was $2.5M. Mr. Levin said it was $2.5M and we’ve contributed $1.6M. That excess would be available, if it’s generated, it would go to reimburse the developer for TIF eligible expenses and it’s on a pay-as-you go basis. Whatever excess is available would go to the developer.

However, on the Project Area 2 excess at $5.2M, we projected up to the project cap and so based on its current revenue stream, that is actually excess money.

The third is at $400,000 and we’ve received from the Department of Commerce a grant for this particular project and we’ve already received that grant in the amount of $400,000.
Where we are today, we have approximately $5.6M that could be directed towards the debt service associated with South Patrol. That really gives us a strong basis even if there was a reduction in property valuation or sales tax revenue tended to be less than currently performing. We have strong capacity to cover debt associated with our projected cost for South Patrol.

Mr. Brajkovic stated, Mr. Bach, that’s the extent of the presentation we had as far as the district and the financing, and the development agreements. Mr. Moore has a presentation specifically about the project itself on this site.

Mr. Bach said this really was one to come back and answer any questions on the business case. I know this committee, even though two of you are new, the rest of you didn’t see it either because this goes before the Economic Development and Finance Standing Committee but as any other project, you need history to understand why we built the business case to go to the location we did. Through the TIF financing, and granted we did have the TIF money back after a TIF expires so we would be getting part of that back into our tax funds anyway, but it did show a strong business case as to why we would move forward in this area. We’re going to go through and talk about the land and that donation period, but if there are questions on the TIF and how that works and the structure of this, this would probably be a good time to do that before we moved on to the next portion.

BPU Board Member Bryant asked how large is the property of Walmart. How many acres? Mr. Brajkovic said 11. BPU Board Member Bryant asked the property value is based on that whole property site. Mr. Brajkovic said for the property tax currently being generated, yes. I believe that’s just for the Walmart Neighborhood Market right, Lew. Mr. Levin said correct. BPU Board Member Bryant said it’s 11 acres. Mr. Brajkovic said that sounds about right. Mr. Bach said a good point that George mentioned is this is performa at the developments we knew. If other developments fill in on the other pad sites, they will be in addition to on this performa so they’ll strengthen it.

Commissioner Johnson said there was a portion of the presentation where you were showing where one piece of this did not cash—I know they didn’t cash flow, but I didn’t know
specifically what portion that was. Can you go back through that? Mr. Brajkovic said sure. I think it was on the current revenue from sales tax.

Mr. Levin said at this time, it’s not quite meeting that obligation. We have our backing and we’re covering that difference now. George, I don’t know if you want to jump back to the project area map that shows that additional parcel. We’re potentially adjacent to Save-A-Lot. If that pad site develops and the TIF still has 17 years to go, it will probably cover that shortfall.

Commissioner Johnson asked that was just for one year. Mr. Levin said correct. Commissioner Johnson said the past year has not cash flow. Mr. Levin said actually last year it did cash flow and this year the impact of the adjacent Walmart store impacted that cash flow. Commissioner Johnson asked do you all look at both of those together or is just each on its own merit. Mr. Levin said we look at the whole project together. It’s an entire project. It’s performing. The sales tax home rule is a different backing than the TIF. It’s not actually a TIF revenue so we can’t cover it with excess from the TIF. We’d have to cover it as part of our debt service.

Mr. Bach said you’re right on in the point that this year we have to fund that $16,000 out of our general fund. You can look at a project and you often should and say look how the overall projects and think about it over time. On an annual basis, that $71,000, it’s our liability that it doesn’t really matter how well the TIF performs across the whole thing. If the sales tax portion do not meet $71,000, that’s our annual liability to cover that cost.

Mr. Brajkovic said, Mr. Bach, if I could add one more thing before we turn it over to Mr. Moore. We didn’t include it in our slides but if this project were to proceed, we would have to go back and amend some of the TIF documents, both the TIF plan for the overall district as well as the project area. We did include within eligible projects public infrastructure, but we didn’t specifically state publicly owned buildings so there is a statutory requirement to hold public hearings to consider the changes in those documents. We’d have to go back and calendar that out with a notification process and all that. I apologize for not having that on the slides, but that would be a step we’d have to take as well.

July 20, 2015
Mr. Bach said alright we’ll move on to the next portion of this and that’s really what we’re coming for your review tonight and seek and that’s the land transfer agreement that we are working on. I’ll turn this over to Ken Moore and Anna Krstulic in the Legal Department who are working on this.

Proposed

SOUTH PATROL
Site

Public Works & Safety Standing Committee
July 20, 2015

Ken Moore, Deputy Chief Counsel, said of course you’ve seen this map; the same that George had. This is kind of a current map. It shows the Walmart and these are the additional sites they have for future development, the Dollar General and the Save-A-Lot. This is the site that we’re referring to. You can see the diagram and the lines outlining this site. It’s approximately nine acres so it’s slightly below.
This is the action Commission has taken before. Back in October you authorized to move forward and include this project in the CMIP. Then in December you adopted the resolution authorizing $1,850,000 in G.O. debt for an estimated 10,000 sq. ft. South Patrol facility located generally at 2300 Metropolitan Ave.

This is why I say it has the environmental issues that it does is that from 1880 to 1901 it was used as a smelting operation. At its peak in 1898, this was one of the largest smelters in the world. It produced 8% of the silver and 12% of the lead produced in the United States and that’s where Argentine gets its nickname Silver City. Then after this smelter closed in 1901, they had a steel fabrication facility there from 1907 to 1984. The EPA came in in 1993 and remediated the site. They did that by moving some of the hazardous dirt to a consolidated fill area and then putting a cap of crushed limestone for an average of four feet thick over the entire site.
This is kind of a map that shows the different components of the site. This is the consolidated fill area and it’s a sloped area that a lot of the contaminated soil was banked there. This is the area where the KDHE has designated as a potential soil fill area. It doesn’t have to be that big but that’s the area that KDHE has designated. We have to have a detention pond to service this site so that would probably be in this area because that’s how the drainage is. Right now there is a current fill pile that is located right in that area there. That kind of outlines the size of those various areas.
Proposed Site

- 9 acre site located generally at 2300 Metropolitan Ave. to the east of the Walmart development.
- Owned by Argentine Retail Developers Inc. (ARD) who propose to donate it to the UG.
- A smelting and refining facility operated on the site from 1880 to 1901 and a steel fabrication facility from 1907 until 1984.
- Soil contamination was remediated by the EPA in 1993. A protective cap of crushed limestone and loess averaging a thickness of 4 ft. covers the site.

Again, the 3.5 acre soil fill area is larger than probably what would be needed but that is the size of area that KDHE has designated for that purpose. So the 3.3 acres available to construct the facility is potentially bigger depending on how that size is reduced.

Terms of Donation

- “As Is” – ARD makes no warranties as to condition of site.
- All or Nothing – UG requires a 2-3 acre site. ARD unwilling to subdivide.
- ARD requires a “charitable contribution” donation pursuant to the IRS Code which limits use to “public purposes”.
- Value determined by ARD to be $1.66 M or $4.25/sq. ft. for the entire 9 acres.
- UG does not certify claimed property value.
This is the terms of the donation that ARD has proposed or given us. It’s as is. They’re making no warranties as to the condition of the site. Of course, I think everyone is aware of what that condition is. It’s all or nothing. Although we only need two to three acres to build the South Patrol facility, they are not willing to subdivide it. It’s either the entire nine acres or not at all. They are making it a charitable contribution pursuant to the Internal Revenue Code to get that tax treatment. They have submitted an appraisal to us saying that the value is $1.66M for the entire nine acres. Now in accepting this, we submit forms to the IRS but we don’t certify the value. I guess an example I’ll use, if you make a donation to Goodwill or whatever, they give you a receipt acknowledging they received it, but it’s up to you to fill out what the value is as a property owner.

They require a soil fill easement. That’s the area back in that corner. The purpose of that is no soil can leave this site. It has to stay there. When they built the Walmart and did whatever construction they had there, they moved that soil over to where that soil area was that was circled on the map. Any future development there on those pad sites, any excavation they have, any excavation we’re going to have has to remain on this site so it will go into that soil fill easement. We have to negotiate the terms of that easement. Again, there’s a 3.5 acre area that is kind of designated for that purpose. The actual easement can be smaller than that, an acre maybe two.

The Unified Government releases ARD and assumes all the KDHE and EPA responsibilities and obligations with respect to that nine acre site. If you’re familiar with the site.
coming off of Metropolitan, there’s a ramp that kind of comes down and accesses off of 24th St. but there’s no independent access to this 9 acres. We have to access it through the Walmart Development. We agree to—they give us an access; it private roads. So they agreed to give us an access easement to access our site and we agree to pay 16% of the cost to maintain those access roads. That obligation does not kick in until the earliest of five years or until those other pad sites are developed.

**Environmental Issues**

- **Site cannot be used for:**
  - Residential purposes of any type;
  - Public use area, school, educational or daycare center, playground, outdoor recreational area, or park;
  - Any agricultural purpose.

- **EPA has approved construction and operation of a police station.**
Environmental Issues

- Consolidated fill/berm area:
  - 1993 EPA remediation relocated the contaminated soil and material to this location at southeast corner of the site.
  - Covered with a minimum 6 in. layer of soils stabilized/solidified via mixture with cement, followed by a 6 in. layer of gravel, geotextile fabric, and a 12 in. layer of clean soil with vegetation.
  - Public access restricted through posting of signs, fences, or by other physical structures or notices.
  - No use allowed within fenced-in area without KDHE approval.

The KDHE documents say you can’t use the site for any residential purpose of any type. It says no public use area, school, education, daycare, playground, outdoor recreation area. You can’t use it for agriculture. We have received a letter from the EPA notifying us that it is approved for construction and operation of a police station.

The consolidated fill berm area. That’s that slope just to the north of Metropolitan and that’s where the EPA relocated the contaminated soil to that location. It’s covered with a minimum of six inches of soils and stabilized with cement and there’s a six inch layer of gravel, fabric over that, 12 inches of dirt and then planted with grass. It’s fenced in. It’s posted. You can’t get on it. You can’t use it for anything unless the KDHE approves it. That’s that one corner.
There are these various agreements with KDHE and with EPA that the UG will assume based on that particular area we’re responsible for all required maintenance and repairs. The big thing there is you have to make sure there is no erosion, nothing to go through the cap. Any construction you have to make sure that KDHE is notified and approves it and you have to go through the regulatory steps that—so we’re responsible for all that for that 9 acres. Again, soil cannot leave the site. There are four installment payments of $13,000 to KDHE for their annual monitoring costs. One payment was already made by ARD and there are three remaining payments in ‘15, ‘17, and ‘19. That’s an issue that would need to be addressed. They will come in and monitor any kind of construction of the project itself to make sure we’re in compliance with all the agreements. Any of those monitoring oversight costs are going to be our responsibility. Again, there is the map of the site.

Mr. Bach said I think in reviewing this, Ken has done a good job summarizing the points we have. A couple of the points that are really different probably from our initial acceptance to say well, this is great, we got property to go to is as you see the usable area. I would say even in the contaminated fill area in purple, as our original design was looked at, we were going to use part of that property. We only need a couple of acres to do the South Patrol station. We thought we could flow back into the back area if needed. Obviously, the back area is taken out by what is
required for the contaminated fill area and as Ken pointed out, it may not require all that 3.5 acres but that’s designated eligible for that. That’s what we walked out of here agreeing to, believe we come forward; we invest a couple of million dollars and build too.

I would say the one point of this which I’ve taken exception to in the agreement, but the developer has held to it is the contaminated consolidated fill area where we pointed out that is covered with the site where they took everything from the site and dumped it on that parcel. I don’t want that property. I don’t feel like we should take that property but the developer, in working this has said, look, if we’re going to donate the property to you, you take it all. That’s a little bit different when you look at it.

What’s the long-term liability? It’s kind of unknown. It’s one where, I would say, it goes to the developer is taking all this property on, done a great development project and built to it. I guess I will say from what was how we thought and I believe how you looked at it, what we were going to accept this property. That changed the deal a little bit so I wanted you to be clear. We can move forward and we can accept all of this property but that does take on a parcel of this that was not contemplated in any portion of anything that was presented to you before that we would own that property on the hill. If we do, that would just be something we would deal with over time. We don’t need it. We can’t do anything with it going forward. It’s restricted. There’s nothing you can do to it. As Ken pointed out, it’s fenced in. It’s secured off from the site.

In bringing this back—covered out point. Sharing in the maintenance agreement for the roads, that was a little bit different issue that we got into but coming to a conclusion where it would be for 16% which is really recognizing what are developable portion share is, not the amount of acreage that they’re asking us to assume for the whole site would be. That seems like a fair deal on those roads. I mean if we owned them all together to move in and out so we negotiated, they worked with us on that site. They have to cross over the whole site area to dump their dirt to develop their other property back on this contaminated fill site. Until they’re done with that, that’s what our compromise as to why we wouldn’t start paying any maintenance until they quit crossing our property to get to it.

I would say you understand the business case with the deal. This is the land access agreement and that is probably the one caveat I have about components of the deal that I don’t think are consistent with where we originally were but in order for—the developer has laid this
out to us. They want us to take the whole property. I would stand for any questions you would have about the plan agreement.

**Commissioner Kane** asked is it a good deal or not. **Mr. Bach** said assuming our taking on that top piece of property is it a liability that I don’t think you have looked at before. Now what is that liability, Commissioner? It’s unknown for me to be able to say. It is the waste pile on that site but it has a cap on it. EPA has capped it. They said it’s taken care of. It’s secured. Just stay off of it. Don’t use it for anything and we’ll monitor it over the years. If there’s an issue, we’ll come back to you and tell you what you need to do to fix it. It’s not an overwhelming burden to us to do that but it was clearly not one I conveyed to you before. I wanted to come forward and say that’s a little bit different than we had talked about anytime. That hillside was not in the deal when we talked about this before.

**BPU Board Member Bryant** asked so what would happen as far as the South Patrol building if it wasn’t on this site, if it was a different site. Would this project still happen? What would be the financial difference of impact on the UG? **Mr. Bach** said well, we’re using these TIF dollars to pay for it. The difference would be as Lew went through it and showed where we’d have an estimated $5M excess, we’re able to leverage this TIF which does make it a very good deal. We’re able to leverage this TIF to pay for the entire South Patrol facility. If we were to go to a different site then the business case changes in a sense that we would have to look at it from—I guess one could make the argument that this TIF will pay off and then you could use the UG portion of that money, which is basically half of that TIF dollar, to offset it. In this case, we’re able to leverage all the TIF dollars which we would not leverage otherwise so we get the project much cheaper or add of cost to this project so there is no real impact at all to the general fund by putting it here.

**Chairman Bynum** said I have a couple of questions. When we saw this at agenda review, I guess in my mind I had the cost at $1.8M. That’s the amount of bond that was authorized last fall, correct? **Mr. Bach** said correct. **Chairman Bynum** said but the cost is actually higher. I should have asked this in the finance portion. I thought I heard you say more like $2.5M. **Mr. Bach** said I believe Lew had performa it at a $2.5M level. That’s what we presented back when
we did our business case to it. A couple of things happened in that interim. One, when Mr. Tobin’s team went through and worked on it, we came in at $1.8M, $1.9M, whatever that number was, plus a $400,000 grant we received from the state of Kansas. So about $2.2M, $2.3M is our estimated cost or it was where we were at when we were initially working on it.

Those guys were doing their presentation from a little bit of a historical so we didn’t back out to where we are now. Yeah, that just means we have additional coverage from where we’re at and of course, once we get into the project, if we identify some other costs, we’ll be able to do that.

I guess the other thing we did not do is look at any cost associated with the overall bigger site area which if we proceed to accept all that, maybe there’s something we factor in from that perspective. Chairman Bynum said I think that’s part of my question because the cost to build or the cost that’s been estimated does it include, for example, the payment to KDHE? Have we factored in, or I guess other costs unknown, really as part of the additional acreage that are not required to build the station? Mr. Bach said, Mike, your costs are strictly on the building and the two acres that it sits on. Mike Tobin, Interim Public Works Director, said correct. Two to two and one-half acres was the original estimate. Mr. Bach said so no, we don’t have any of those other costs in there. Chairman Bynum said so additional costs could be unknown. Mr. Bach said I would say some of those would be TIF eligible, if not all of them. I mean if they’re site costs, upkeep costs, I would say all of those would probably fall into what would be considered as TIF eligible costs. Chairman Bynum said which is projecting out to more than cover basically, almost double, cover the current cost as we know it. Mr. Bach said, yes.

Chairman Bynum said when we were in agenda review on this, I had asked since we were being asked to take nine acres and we only needed three, one of the questions I asked at that time was whether we could sell the other six. I think this presentation clearly tells us, no we cannot, that in fact the acreage we need is 3.3 acres and the remaining acres of the nine are not usable or buildable. They would just be ours to be responsible for, is that correct? Mr. Tobin said that’s correct. Chairman Bynum said that’s what I thought that was telling us.

Mr. Moore said there are other factors besides. Again, we needed a retention time and so you have to have the drainage that way and also the access back to the soil fill easement. It kind of really cuts it up. We only have three to four acres that you can even use to build.
Chairman Bynum said the other question from back at agenda review, well, I should say when our packets came for tonight’s meeting, it talks about the site cannot be used for and one of the items it says is public use area but we do have confirmation that a police patrol division would not be considered a public use area. Mr. Moore said they have approved that use. The primary focus of the public use area is they don’t want people using it for a playground or park for kids; actually having feet on the ground is their main concern.

Chairman Bynum said we do have to allow, we have to take the whole nine acres and then we have to allow for any future development that disrupts the other parcels for that fill to come over to the part that we would own. Mr. Moore said that’s correct. You see this area right here? This is the area where they have piled the dirt from the current development. It’s partially on that fill easement area and partially not. You can see this here is our boundary line so that’s probably going to have to be moved. This is a fenced in area around the consolidated fill dirt.

Commissioner Johnson said thank you for that picture. I was going to ask where was the Walmart and so having seen this picture helps a lot. The terms of this donation, are these the same terms that we’re agreed to with Walmart. Is there any way to know whether or not they agreed to these same terms as it relates to the environmental issue? Mr. Bach said well, Walmart is a lease on the property. The developer continues to own the property underneath that. They own their building and are placed it on top of it. I don’t know what all the terms are unless you do, Ken, of Walmart. I would assume they probably did not assume any property interest but we don’t know that but based on the fact that it is a lease, it’s probably like that. Commissioner Johnson said they don’t have the same liability issue potentially that we are considering. Mr. Bach said they did not take the property.

BPU Board Member Bryant said the concern I would have from the utility angle is going to be future issues 35, 45, 50 years down the line. I spoke with the engineers and they kind of explained to me how the main was put in and how the service, which actually the UG would be responsible to get the service put in. They’re not really sure how the pipes and everything will last in soil, I guess, even though there is a fill area that has to be maintained around any of the pipes or any underground. My concern would be what happens in 40 years when you have a
water main break. Then you have this water that’s disturbing the ground and migrating and how you hold it onto this property because you’ll be responsible for any of the contamination that actually leaves the property. It’s not too far away to the railroad. I’m also kind of concerned about the idea that this land is not liable for a park or for children or for pretty much any kind of even a playground or anything like that but yet we’re going to contemplate having our officers work there every day, day in and day out. Those are some of my concerns.

**Commissioner Markley** said it was clearly appropriate for a Walmart so there’s obviously a lot of people going in and out of there. Maybe this is a different level of knowledge, but it’s just a different level of concern when there are kids who might be digging in it or playing soccer on it where they’re digging their feet into it and that sort of thing. I see more officers aren’t going to get their shovels and go out there and start digging. They might but I would advise against it if this moves forward so it’s just a level of concern.

My other point would be I don’t like the idea of having a big fill pile in the back but obviously it has to be done because it’s an EPA site. We knew when we did the Walmart deal that was sort of a special case. It is actually to our advantage to have that fill pile fill up with dirt from those other pad sites because the faster those other pad sites develop, the faster the TIF pays off and the more money is available. If we have to put some dirt in the back in an undevelopable corner to get the rest of those pad sites developed so that we can pay off that whole development faster, I’m probably willing to take that hit to make it all work if that’s the EPA’s requirement.

**Commissioner Philbrook** said my concern lies along with the same gentleman from BPU. I was glad that he talked to some of his co-horts and asked the engineers what they thought and how they thought it could affect. I hadn’t really considered that part of it but I was immediately concerned about accepting responsibility for superfund properties and how it could affect us in the future and what the chances of our liabilities are as far as a lawsuit. You know, how many millions could that be? Hopefully, then if we we’re going to do this deal that we could make plenty of money so we could pay that off it that happens down the pike. We are accepting a lot of responsibility.

The other thing is everybody knows that over time, we forget how we do deals. We forget where things are. We forget how things are supposed to be done. So 30 to 40 years down...
the pike when something happens and they have to start working on this or that, will those guys know where everything is to work on? I’ve been around BPU and enough to know that there are a lot of areas where they think they know where things are but they don’t and things get lost in the shuffle. I just don’t want anybody to be hurt or injured by a time lapse of knowledge. That’s all. I’m just a bit concerned about that.

**Mr. Bach** said I will say I just want to make clear, our evaluation of the site and where the EPA is with their review of this and where we’re proposing to build a police station, I don’t have concerns. I don’t walk in here with concerns. EPA doesn’t sign off on this and say you all can go build this on this site. They put restrictions back on different things. Those are their regulations. It’s kind of like no public use and you walk in and say well, does public use count for a police station. Oh yeah, that’s fine. That’s not what was intended to be restricted. They wouldn’t allow a grocery store to be built on this site and they wouldn’t allow us to come on the site. I wouldn’t come to you and say let’s build it on this site if I felt like I was putting anybody at risk or there was any jeopardy within this.

If you go to the EPA site, they kind of wrote this off from one of their past sites. It’s taken care. It’s dealt with. Now it is still one that they have to monitor and work with. That’s where I wanted to be sure you were clear about where we were at. I do not like the aspect if the developer decided well, that sounds like a good deal and your commission jumped all over this and said yeah, yeah, we want to do this, let’s build a new police station. You take our worst part of the property and rolled it into the deal. I didn’t think that was fair from that perspective. I also just didn’t want to walk away from the deal. Where they at if we stand firm and told them we didn’t want it, they said it’s an all or none deal. I don’t know what else they’d do if we’re not on this site. I think we still add a whole lot to it. They could try to develop out the back side of the property but it’s not their prime development ground. We’re willing to go in here and spend a couple of million dollars because we’re still at risk for this. As Lew showed in the peforma, one of the project areas did drop off. This side is doing good. Our movement to come into that side of the project and be there with our South Patrol station puts them in a better position for developing and doing other things going forward.

I’m very comfortable with the property. Take the property and put South Patrol and what you all originally expected us to do. I just wanted to highlight the concern I had because it was
not part of the deal to take that hillside and turn it into the deal. It’s clearly not developable ground and we had discussion with them that we are accepting until such time that we saw our first documents.

**Commissioner Philbrook** said I think it would be great if we could put, if you guys are comfortable with the South Patrol being there on that property and South Patrol is happy with it and they don’t feel concerned, patrolmen and so on, holding us hostage to take the full nine when we only need three, that is a sticking point for me.

**Commissioner Kane** said EPA went around and done all the studies. I agree. If we were in an old part of town and it just happened up here, that’s why we hit this pipe over here not too long ago because it was marked wrong. They have the technology now to let everybody know where this is going to be and where that is going to be. The EPA is not going to let anybody build a Walmart on that property if they think they are going to be in danger. I think we’re making a mountain out of a molehill. Yeah, I had concerns about it but if EPA wasn’t worried about it then we shouldn’t be worried about it. They’re the experts; we’re not.

**Action:** **Commissioner Kane made a motion, seconded by Commissioner Markley, to approve.**

**BPU Board Member Bryant** said well it was brought up to the actual Police Department. What are their feelings about this? Have we asked the Police Department? Are they comfortable moving onto this problem? I think that’s probably in the end run. They’re the ones who are going to spend the rest of their working careers on it. **Commissioner Kane** said they were the ones who came to us and said they don’t like being in a house. They were told exactly where the location was going to be. She gets a police station; I want a new fire station. She worked her tail off to get this where that’s at. Every single police officer that I talked to was in support of this.

**Mr. Bach** said I will say we did some evaluation of this site with the Chief. Of course Chief Ziegler was involved with this but it was Chief Hanson at the time when we were digging into it and her staff as we were working on it. Originally we proposed we were going to move over here.
for our South Patrol and our Score Unit which both sit on that site. As we went through and looked at it from a practical application purpose putting South Patrol back on here was a nice fit. The access into the highways, to move around to the sight works quite well for them. I believe they trust how we’re working with the EPA and such like that, that we’re going to provide a good protective site. They weren’t evaluating that perspective of it and I guess I didn’t ask them because I wouldn’t put them somewhere where I didn’t think we had done our due diligence to make sure it was a safe site for them.

We evaluated the SCORE Unit piece of it. It was not determined to put it in a retail center. We didn’t think a commercial area was a viable use and that was the feedback that came from the Police Department after we went into this, that you don’t go sticking your unit where they come out in special groups where they come in, gear up and then go rolling out through a big commercial center. We determined that we would leave them at their existing location until we identified a different location that was more suited for them for the long term before we invested money to go into this site. We worked with them on that perspective and determined this would work as a very good site for them.

**BPU Board Member Bryant** said that group will stay at Maple Hill. **Mr. Bach** said I would like to move them in the future but I don’t have funds identified for them at this time.

**Chairman Bynum** said I just have a question since we have a motion and a second. Is there opportunity for further discussion or do I need to ask—I just; I’m stuck on the nine acre piece. I’m really pleased with the development that has occurred even the way the TIF projection plays out. That’s very pleasing even with the slight bit of underperformance on the Save-A-Lot side. The other pieces of it more than make up for that. The development to date is extremely encouraging. I completely understand the desire to bring a police station or any other public use building to this site. That all makes sense to me. Redeveloping this area makes sense to me. I don’t understand taking nine acres when you only need three, and taking on the responsibility for the other six and the perpetuity when we know nothing can be developed there. I have a question about this topography. Do I understand that if I say the top part of this tract or the northern part, that’s the higher elevation? Do I have that correct? **Mr. Moore** said the highest elevation is on the south. **Chairman Bynum** said okay, the south side. **Mr. Moore** said see those, those are
elevation heights. Chairman Bynum said that’s what I’m concerned about. Mr. Moore said see how it slopes from Metropolitan Avenue to the north. Chairman Bynum said okay, sloping, okay, sloping down to the river of course.

We have multiple sections there, the fill pile for one, that southern most portion which I’m guessing is the most contaminated area. Is that the area where the current fill has been placed from the other developments or is that the oval shape? Mr. Moore said the existing sod date fill, the gold area, that is where the EPA has relocated the contamination from 1993. When they did the Walmart development, they had to move soil because they couldn’t move it off the site. Right now, that soil is piled up in that circle of existing fill area and that’s got to be moved back to that contaminated fill area once we actually describe that easement and get it set up and setting that aside.

Chairman Bynum said so within the nine acres, if we take it all, we can move soil as we need to from one fill area to another and in order to build a police patrol division. Mr. Moore said sure. To construct the South Patrol facility, any excavation we need to do would then move back into that soil fill easement that’s yet to be defined.

Chairman Bynum said do we, Mr. Bach, do we understand why it’s an all or nothing deal when we know that we have six acres that we cannot sell and we cannot use but we can and will be liable for and responsible for. Do we know why? Mr. Bach said well, I think as a developer, they’re in the for-profit business. When they look at the property around that’s in excess of what we’re putting our South Patrol on, they can’t do anything with that property. For them to turn that over to the local government is something that they don’t have to spend money on or they can’t make money on in the future. That would be one aspect. Two is, that piece on the southern most portion has the highest opportunity for some liability in the future so I’m sure they’re glad to have us take ownership of that.

Commissioner Johnson asked what happens if we do not approve it in this setting. What happens from there? Mr. Bach said if you were not to approve this in this setting, I would probably go back to them and express, well, I guess, depending on if I were to receive different direction, I’m assuming the hesitation that you would have would be the sum that I pointed out to you tonight would be that southern little hillside that they granted to us and tell them that we very much still want to do the deal but we’d like to do it without that parcel in our ownership. I
don’t know if I know a different direction from you but I would assume that’d be where I’d be going from here. Chairman Bynum said that’d be my direction. If there were a way to do a deal that got the three acres we needed and frankly wanted.

Roll call was taken and there were two “Ayes,” Markley, Kane, and four “Nos,” Bryant, Philbrook, Johnson, Bynum. (Motion failed.) Prior to BPU Board Member Bryant’s voting, he said if we’re voting as is with that additional parcel, I vote no.

Chairman Bynum asked where does this take us. What’s our next step for this project? Commissioner Philbrook said make those recommendations if you want to. Mr. Bach said we’ll go back and have a discussion with the developer and see if we have any different progress on it from that perspective. It was our position we took with them. We didn’t make ground. I think it’s clear we’d have a different position with this position voicing their concerns. I’ll come back and report our update.

Commissioner Philbrook said thank you for the thorough information. Chairman Bynum said I do appreciate all of that. That was extremely complex and difficult. I would like to reiterate that I want a project there to work.

Item No. 5 – 150193…ORDINANCE: NE CORNER OF 39TH & RAINBOW PROPERTY
Synopsis: An ordinance to formally release the UG's right to re-enter the previously vacated street and alley, per KCK adopted Ordinance No. 46791 from 1967, located at the northeast corner of 39th & Rainbow, on which the University of Kansas is scheduled to construct a new health education building starting 8/27/15, submitted by Ryan Haga, Legal.

Action: Previously deleted from the agenda.

Item No. 6 – 150187…ORDINANCE: OFFENSE CODE
Synopsis: An ordinance amending Chapter 22, Miscellaneous Provisions and Offenses of the UG Code, as it relates to the weapons laws that now allow concealed carry, open carry and knives in the city, submitted by Jenny Myers, Legal.
Jenny Myers, Legal, said actually Items 6, 7, 8 I don’t know if we can take them all together or you want to separate them. There have been substantial changes to the offense code, traffic code, and the security guard permit.

As far as the offense code, these are just changes, nothing drastic. It’s just changes to become compliant with Kansas State statutes and the Kansas League of Municipality. Basically, what I did was just redo our ordinances so that they mirror Kansas State statutes. Some of the major changes that you’ll see, one is the weapons laws as you’re all familiar.

In 2013 the Kansas Legislature said that cities can no longer prohibit the open carry of firearms so I had to amend our weapons law to remove carrying a firearm. This year in 2015, the legislature said we cannot prohibit those over 21 who are not otherwise prohibited from carrying a firearm from carrying it concealed. As long as you’re 21 years of age and not otherwise prohibited, we have to allow conceal carry also.

The weapons laws, knives, also in 2013, the legislature said we could no longer prohibit knives. All knives are legal and so I made those changes to become consistent with state statute.

As you’ll see from my memo, a lot of the ordinance changes dealt with copeable mental state. They added in knowingly instead of intentionally and so just little word changes just to become compliant. If there are any specific questions, I can address that.

Commissioner Philbrook said I have one question on Section 22-120, giving a false alarm. What does that refer to? Ms. Myers said just making a call asking for fire or police knowing it to be false. Commissioner Philbrook asked so there is added penalty or there is no added penalty. Ms. Myers said there is an added penalty. It’s a Class A violation. I also added in there that not only can you be convicted of that crime, but you can also be convicted of interference with a law enforcement officer. I just added it. Commissioner Philbrook said I was just curious what that meant. Thank you. I appreciate that.

Commissioner Kane said that’s Item No. 6. Ms. Meyers said correct. Commissioner Kane asked can we combine them all. Jody Boeding, Chief Legal Counsel, said I think that since they are so different you should separate them.
Action: Commissioner Kane made a motion, seconded by Commissioner Markley, to approve. Roll call was taken and there were six “Ayes,” Bryant, Philbrook, Markley, Kane, Johnson, Bynum.

Item No. 7 – 150188…ORDINANCE: TRAFFIC CODE

Synopsis: An ordinance amending Chapter 35, Traffic of the UG Code, to comply with state statute, submitted by Jenny Myers, Legal.

Jenny Myers, Legal, said this is the same thing. All of these changes are just made to be consistent with Kansas State Statute and Kansas League of Municipality. They’re suggestions. One of the bigger changes in here is now you can use your cell phone or any electron device to show proof of insurance. That was one of the bigger changes and that’s just provided by state law.

Action: Commissioner Kane made a motion, seconded by Commissioner Philbrook, to approve. Roll call was taken and there were six “Ayes,” Bryant, Philbrook, Markley, Kane, Johnson, Bynum.

Item No. 8 – 150189…ORDINANCE: SECURITY GUARD PERMITS

Synopsis: An ordinance amending Chapter 19, Licenses, Permits and Miscellaneous Business Regulations of the UG Code as it relates to security guard permits, submitted by Jenny Myers, Legal.

Jenny Myers, Legal, said this is with regard to Chapter 19 of the Unified Code regarding security guard permits. We used to require that if a security guard was going to carry a firearm, they had to fill out a separate application. They had to register their firearm with the Police Department. They had to take a written test and they had to qualify their firearm. We can’t require anyone else to qualify or take any testing, so this just removed those qualifications for security guard permits. They still have to come and register with the Police Department, we’re just not going to deal with anything regarding firearms.

July 20, 2015
Action: Commissioner Kane made a motion, seconded by BPU Board Member Bryant, to approve. Roll call was taken and there were six “Ayes,” Bryant, Philbrook, Markley, Kane, Johnson, Bynum.

Adjourn

Chairman Bynum adjourned the meeting at 6:39 p.m.