

## **Governing Body Minutes – May 1, 2020**

CITY COUNCIL CHAMBERS, Topeka, Kansas, Friday, May 1, 2020. The Governing Body members of the City of Topeka met in special session at 1:30 P.M., with the following Councilmembers present: Hiller, Valdivia-Alcala, Emerson, Padilla (participated remotely), Dobler, Duncan and Lesser -7. Mayor De La Isla presided -1. Absent: Councilmembers Ortiz and Naeger -2.

THE PLEDGE OF ALLEGIANCE was recited by those present in the chamber.

Mayor De La Isla provided opening comments and thanked staff for providing the information. She stated Governing Body members would be provided an opportunity to present their comments and ideas regarding balancing the 2020 Operating Budget and suggestions for the 2021 Operating Budget.

Councilmember Naeger entered the room.

Brent Tout, City Manager, reported staff will present details on revised projections that will be shared monthly. He stated they will integrate updated revenue distributions and economic research along with other vital financial information. He noted the spreadsheets distributed outline revenues, expenditures and suggested reductions.

Councilmember Ortiz joined the meeting remotely.

Jessica Lamendola, Director of Administrative and Financial Services, provided an update on the Public Health Emergency COVID-19 and the financial effect the pandemic could potentially have on the 2020 City of Topeka Operating Budget. She distributed two handouts, “Budget Questions May 1, 2020” and “Suggested Fleet Replacement Cycles.” She highlighted revenue and expense forecast assumptions for the General Fund; Special Highway Fund (Motor Fuels); Internal Service Funds; Fleet Services Fund; Information Technology Fund; Parking

Fund; and Utility Funds including Water, Wastewater and Stormwater. She noted there was a potential of safer-at-home orders resurfacing again in 2020, and the need for the City to financially plan ahead in terms of the amount of reserve funds being used.

Councilmember Hiller referenced the fluctuation of funds in Personnel Services line item (decrease of \$400,000) and Contractual Services line item (increase of \$400,000) and if the two items were related. She inquired on the Vacancy Credit amount listed and if the Inmate Program (\$388,000) was funded through the Motor Fuel Tax Fund.

Councilmember Emerson asked staff to confirm that the Reserve Fund would be protected by a different source of funding other than the General Fund if the Reserve Fund balance goes into a deficient.

Jessica Lamendola reported she will report back on the \$400,000 decrease in Personnel Services; the Contractual Services increase was due to an increase in insurance premiums; the analysis has not been completed in terms of meeting the \$1.5 million target in vacancy credits; and the Reserve Fund has a dedicated revenue source.

Sasha Haehn, Director of Department of Neighborhood Relations, reported the Street Department uses a portion of the motor fuel tax funds to pay for labor and supplies related to the Inmate Program.

Brent Trout reported there are inmate crews that are specifically dedicated to work along highways; however, he will confirm and report back to the Governing Body.

Councilmember Emerson questioned the internal Fleet Service fees in the amount \$900,000. He asked if the funds were generated from general funds and if each department budget was based on a prorated amount.

Jason Peek, Public Works Director, reported a portion of the Fleet Service fees were

initially generated from excess general funds in 2017; however, since that time a pilot program has been implemented and a portion of the Fleet Service Fees are also generated from excess capital reserve funds. He noted each department's annual payment was based on the type of vehicles utilized.

Mayor De La Isla spoke in support of maximizing efficiencies by using equipment the City already has and ceasing the internal Fleet Services program for one to two years.

Councilmember Ortiz referenced the Information Technology (IT) Fee allocations and questioned the amounts being charged for the Office of the Mayor, Office of the City Council, Miscellaneous Grants and Executive Department.

Councilmember Emerson referenced loss of revenue in the Municipal Court Fund and the Parking Fund. He questioned if the City plans to continue the enforcement of parking in the downtown area as well as resuming leases for City-owned parking garages.

Councilmember Duncan questioned the timeline in re-opening all City-owned parking garages and if it would run in conjunction with the re-opening of retail stores on or before June 1, 2020. He suggested the City require a signed waiver from customers requesting payment relief due to true hardships in regards to parking garage leases. He asked if the City was considering furloughing Parking Division and Municipal Court employees if operations do not resume in the near future.

Brent Trout stated staff would continue to monitor the COVID-19 situation through the month of May, and make the determination regarding the reinstatement of downtown parking enforcement and parking garage leases in June.

Jason Peek stated there are many factors to consider in regards to furloughing Parking Division employees including true financial impact, filling position vacancies and employee

training.

Brent Trout acknowledged there may be a need to consider furloughing employees if operations cease for an extended period of time.

Mayor De La Isla expressed the importance of the City balancing a budget in order to sustain operations while reducing expenses as well as partnering with local businesses to create a strategy to reopen the community without creating additional burdens for local businesses. She reminded staff and the Governing Body to be mindful when considering a reduction in parking funds as it could have direct financial impact on local businesses.

Councilmember Hiller reported the proposed parking plan supports local businesses and provides a solid plan for the downtown area while incorporating needed parking rate increases starting in 2021. She reminded the Governing Body to remain mindful when considering reductions to the Parking Fund and the effect it may have on local businesses.

Councilmember Dobler inquired on private utility moratoriums that have been implemented to date. He questioned if staff assumes the water consumption will increase with the reopening of large companies.

Mayor De La Isla reported all utilities including those regulated by the Kansas Corporation Commission (KCC) have a moratorium in place until May 31, 2020.

Brent Trout reported the City will continue the water moratorium through May 31, 2020, and staff will continue monitoring water consumption by large corporations and report back to the Governing Body.

Councilmember Lesser referenced the anticipated 10% decrease in Utility Fund revenues and questioned why Utility Division personnel costs have not been reduced accordingly.

Jessica Lamendola reported the directive to date was to keep current staffing levels the same.

Councilmember Duncan questioned the context of how the budget reductions were drafted by staff. He asked if parameters were given to departments or were departments given the opportunity to provide their own budget cut scenarios.

Brent Trout reported departments were not given a specific percentage to cut; however, each department was directed to make cuts in 1) Office Supplies; 2) Consumable Items; 3) Travel and; 4) Education and Dues; as well as provide other budget saving opportunities. He noted more than a 2% cut would more than likely require personnel cuts in some departments.

Mayor De La Isla encouraged City Administration to give employees the opportunity to maximize resources and consider the possibility of restructuring for now and in the future. She stated she believes employees will want to collaborate with the Governing Body and City Administration as the economic impact continues to unfold.

Councilmember Duncan stated he concurs with Mayor De La Isla in regards to restructuring departments where feasible. He suggested departments provide their analysis based on a zero-based budget model and noted 2020 budget decisions will directly affect the 2021 Operating Budget.

Councilmember Hiller stated she concurs with Councilmember Duncan. She expressed the importance of considering all aspects as they make decisions about efficiencies. She suggested all positions that have been filled over the past 10 years be researched and evaluated accordingly. She reminded the Governing Body the intent of reinvesting in a Fleet Services Program was to reduce the costs of both operations and repairs as well as the intent of consolidating City and County Parks and Recreation Departments was to provide efficiencies in

operations.

Mayor De La Isla suggested a point of contact be assigned to work with local businesses to better understand their needs, help advocate grant funding, serve as liaison for community partnerships and help businesses transition back into the community.

Brent Trout reported he has been working closely with the Topeka, Shawnee County Community Recovery team to ensure recovery across all sectors of the economy.

Councilmember Valdivia-Alcala spoke in support of assigning a point of contact to assist with the dissemination of clear and complete information concerning the economic impact of the COVID-19 pandemic on the Topeka-Shawnee County area to residents and business owners.

Councilmember Hiller suggested they consider who all was currently involved in the many facets and/or key task forces to assist with the recovery of the local economy.

Councilmember Lesser stated as the capital city of Kansas, the City of Topeka should take a leadership role by verbalizing risk verses reward for health and businesses as it relates to real time data. He expressed the importance of understanding the need to lead with balance and question all decisions being made at all levels of government to make certain it will be the best decision for the community as a whole.

Councilmember Duncan suggested staff pursue options related to refinancing of debt. He referenced early retirement for some employees and stated he would be working with staff to pursue a change in State law to allow early retirement through KPERs which would help with the 2021 Operating Budget and beyond. He spoke in opposition of purchasing any vehicles or equipment or allowing travel unless absolutely necessary. He asked why staff has not included a budget line item for the purchase of additional Person Protective Equipment (PPE) for the 2020 and 2021 Operating Budgets.

Brent Trout stated the City's Financial Advisor continues to monitor refinancing of debt, and as financial projections are finalized there may be low interest rate opportunities. He reported public safety employees continue to have access to PPE; and staff was currently in the process of distributing PPE across the organization as well as ordering more PPE as it becomes available.

Jessica Lamendola stated staff will work with the City's financial advisor in seeking cost savings as a result of refinancing debt and there may be opportunities for advanced funding.

Councilmember Valdivia-Alcala spoke in opposition of wage cuts and furloughs of public health and safety employees as well as essential services employees. She encouraged staff to move away from reactive solutions by including employees in the process and making departments as efficient as possible. She also suggested staff review potential retirement incentives, vacancy credits and the use of reserve funds.

Councilmember Dobler stated the main financial burden the City must deal with relates to the General Fund. He suggested staff 1) prioritize the most important general fund programs and determine what could be eliminated; 2) determine what management staffing positions are necessary and which areas and/or departments could be consolidated and; 3) consider what services could be outsourced and/or privatized.

Mayor De La Isla suggested reducing the current Reserve Fund balance from 21% to 16% by extracting 3% in 2020 and 2021 to help supplement the General Fund. She noted the City's Reserve Fund target balance would remain above 15%.

Mayor De La Isla left the meeting to conduct a press conference.

Deputy Mayor Emerson presided.

Councilmember Lesser stated he concurs with Councilmember Dobler. He expressed the

importance of reviewing in detail how the City operates. He inquired on potential internal service efficiencies in regards to Fleet Services providing maintenance services on City vehicles; and the City's Health Clinic conducting new recruit physicals for the purpose of realizing more reasonable costs. He asked staff to evaluate return on investment in regards to combining City and County Emergency Management departments and noted all cost savings ideas warrant research and consideration.

Brent Trout stated staff was in the process of reviewing the cost of new recruit physicals being provided as an alternative service through the City's Health Clinic.

Councilmember Hiller inquired on the possibility of reducing or delaying 2020 capital improvement plan projects. She stated she was hopeful the City will continue to move forward with all planned projects in order to help the local economy.

Brent Trout stated staff continues to primarily review Fix Our Streets sales tax projects supplemented by other City funding; general fund capital purchase projects; and projects that may need to be delayed in 2021 due to decreased funding sources.

Jason Peek reported they plan to move forward with general obligation funded projects scheduled for 2020; a number of bids have been released for Fix Our Streets sales tax projects; the mill and overlay projects are ready to be implemented if enough sales tax revenue was generated; and staff plans to move forward with all capital improvement plan projects authorized for 2020.

Councilmember Emerson questioned if staff plans to increase mill and overlay street improvements due to low oil prices in 2020.

Jason Peek stated staff has moved forward with a number of mill and overlay projects and continues to conservatively roll out additional small scaled projects.



Councilmember Hiller asked if staff was tracking predications on Transient Guest Tax (TGT) revenue. She referenced average wage salaries and asked if staff has analyzed if the potential 3% wage cut would be equal to receiving additional federal stimulus funding and the City's Health Holiday benefit.

Councilmember Emerson questioned the Health Holiday reduction proposal in the amount of \$1.2 million and asked if staff has received a response from Union representatives.

Brent Trout reported staff has not yet begun analyzing the TGT revenue. He stated there are too many variants with specific case scenarios to determine if the 3% wage cut would be equal to receiving stimulus money and the Health Holiday benefit. He reported the Health Holiday reduction was based on two separate months, distributed in two separate pay periods, in the last quarter of the year. He noted Unions have only authorized up to \$600,000 in Health Holiday benefits.

Jacque Russell, Human Resources Director, stated Unions will provide a response regarding the additional \$600,000 by May 8, 2020.

Councilmember Ortiz encouraged citizens to apply with Department of Children and Families (DCF) for assistance with their heating and gas utility bills if they have lost their job. She asked if funds were still available to assist residents with their water bill. She reiterated that sales tax funds as well as other funding sources have legal restrictions and could not be used to pay employee wages.

Nicole Malott, Utilities Business and Customer Service General Manager, reported 60% of the Utility Rate Refund Program was available for residents as well as private funding through the Water Share Program.

Councilmember Padilla expressed the importance of sending a clear message to the

community on how funds could legally be allocated. He stated there have been a lot of good suggestions and good collaboration with Union representatives. He noted the current situation provides an opportunity to look at the organization as a whole and determine necessary staffing levels.

Councilmember Dobler thanked the City's financial team for their work in providing clear and concise information.

Brent Trout thanked the Governing Body for their vital feedback and stated he would discuss ideas and suggestions with staff and Union representatives. He reported he intends to provide budget updates at every first and third meeting of the month and make adjustments accordingly.

Councilmember Hiller thanked staff for their presentation and providing complete and clear information. She encouraged Governing Body members to communicate with staff to help them better understand what the Governing Body expects in regards to potential operational scenarios.

Councilmember Valdivia-Alcala expressed the importance of a streamlined process that provides clear communication to all involved.

Councilmember Naeger expressed her appreciation and gratitude to employees and citizens and asked them to take care of each other and those around them. She encouraged Governing Body members to be mindful of employees and their families as they make difficult budget decisions that will have an effect on their livelihoods.

**PUBLIC COMMENT:** Due to the public safety mandates surrounding the COVID-19 pandemic there will be no in-person public comment; however, written public comment may be submitted by email or in writing to the City Clerk for attachment to the minutes. -- Email:

cclerk@topeka.org -- Address: 215 SE 7th Street, Room 166, Topeka, Kansas, 66603.

The following individuals submitted public comments via electronic mail: Clark W. Trammell and Betty Phillips. (*Attachment A*)

NO FURTHER BUSINESS appearing the meeting was adjourned at 4:01 p.m.

(SEAL)

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Brenda Younger

City Clerk

## Brenda Younger

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**From:** cwiliet@aol.com  
**Sent:** Friday, May 01, 2020 11:40 AM  
**To:** City Council; Michelle De La Isla; Brenda Younger  
**Cc:** joe@josephledbetter.com; hedgetree@yahoo.com; betty@networksplus.net; lazoneg@ibsa-inc.org; troberts1970@cox.net; theanticj@yahoo.com; repps41@gmail.com  
**Subject:** Public Comment

**CAUTION:** This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Re: City Council Meeting May 1st, 2020

I believe you all collectively have a focus on the topic of City Budget for this meeting. I would like to add my voice to your discussion in concert with your thoughts and to support constructive ideas to enhance this overview and discussion.

(\*) In simple terms "DO MORE WITH LESS"...

(\*) This city has always had capacity in it's workforce that needs to be assessed and applied...

(\*) A thorough review of the cities organization chart (excluding the police and fire departments) and match that to the core services and unique community needs as to services offered and administered.

(\*) Do you have the right organizational structure?

(\*) Do you have the right people and job titles/descriptions in place that match up with the proper organizational design?

(\*) Do you need a Deputy City Manager at the high pay level it is at, or should the city have a qualified administrator to assist the City Manager?

(\*) Do we have the right staff in the senior executive positions including the City Manager position etc., each departments senior executive and the job titles in each department should be reviewed, you have a lot of top heavy staff that may not be necessary i.e. engineering, legal, planning etc.?

(\*) Comment: this city could be better and tighter managed from the top down throughout every department. This is where you can apply the focus of "DO MORE WITH LESS", by better work dynamics and time utilization.

(\*) Comment: can we outsource certain services i.e. legal, engineering, street pot hole repairing etc. to be more efficient and at reduced costs?

(\*) Comment: are we maximizing technology support?

This is not a simple process and to do it right you must look at the global picture of city operations including budgeting, to do otherwise is managing by crisis and putting a band aid on the topic of discussion. If you are going to do a thorough and meaningful review with appropriate decisions then take this opportunity to do it right or at least start the process to a meaningful restructure of our City operations.

Respectfully submitted,

Clark W. Trammell

## Brenda Younger

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**From:** Betty@networksplus.net  
**Sent:** Friday, May 01, 2020 1:51 PM  
**To:** Clark Trammell  
**Cc:** City Council; Michelle De La Isla; Brenda Younger; joe@josephledbetter.com; Carol Marple; Lazone Grays; troberts1970@cox.net; Michael Bell; repps41@gmail.com; Brent Trout  
**Subject:** Re: Public Comment

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I couldn't agree more.

Since the role of the city council members is to provide direction for the city manager and vote on policies and ordinances for her/him to implement, when it comes to personnel decisions it might be helpful if the council members visited the various departments to learn more about the various jobs and needs first-hand.

Since the citizens are at the top of the organizational chart in a council-manager form of government, their concerns, such as expressed by Clark, shouldn't be ignored. Ultimately the success or failure of policies and ordinances is the responsibility of the city council.

Betty Phillips

"The **manager makes policy** recommendations to the **council** for consideration and final decision. The **manager** is bound by whatever action the **council** takes, and control is always in the hands of the elected representatives of the people. Appointed **managers** serve at the pleasure of the governing body."

On May 1, 2020, at 11:40 AM, [cwiliet@aol.com](mailto:cwiliet@aol.com) wrote:

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