

Governing Body Minutes – March 12, 2024

CITY COUNCIL CHAMBERS, Topeka, Kansas, Tuesday, March 12, 2024. The Governing Body members of the City of Topeka met in regular session at 6:00 P.M. with the following Councilmembers present: Councilmembers Hiller, Oritz, Banks, Kell, Miller, Dobler, Duncan and Hoferer -8. Mayor Padilla presided -1. Councilmember Valdivia-Alcala participated remotely -1.

Public comment for the meeting was available via Zoom or in-person. Individuals were required to contact the City Clerk's Office at 785-368-3940 or via email at cclerk@topeka.org by no later than 5:00 p.m. on March 12, 2024, after which the City Clerk's Office provided the Zoom link information and protocols prior to the meeting start time. Written public comment was also considered to the extent it was personally submitted at the meeting or to the City Clerk's Office located at 215 SE 7th Street, Room 166, Topeka, Kansas, 66603 or via email at cclerk@topeka.org on or before March 12, 2024, for attachment to the meeting minutes.

AFTER THE MEETING was called to order Councilmember Duncan provided the invocation.

THE PLEDGE OF ALLEGIANCE was recited by meeting participants.

CONSENT AGENDA was presented as follows:

ORDINANCE NO. 20481 introduced by Interim City Manager, Richard U. Nienstedt, allowing and approving City expenditures for the period December 30, 2023 to January 26, 2024 and enumerating said expenditures therein, was presented.

ORDINANCE NO. 20482 introduced by Interim City Manager, Richard U. Nienstedt, allowing and approving City expenditures for the period January 27, 2024 to February 23, 2024 and enumerating said expenditures therein, was presented.

MINUTES of the regular meeting of March 5, 2024, was presented.

Councilmember Dobler moved to approve the consent agenda. The motion seconded by Councilmember Kell carried unanimously on roll call vote. (10-0-0)

RESOLUTION NO. 9502 introduced by Public Infrastructure Committee comprised of Councilmembers Sylvia Ortiz, David Banks and Neil Dobler recommending approval of Project Nos. 841097.05, 841079.17 and 501105.08 for street and stormwater improvement on NW Elm Row from Spangles to Topeka Boulevard, was presented. *(The Public Infrastructure Committee recommended approval on February 20, 2024)*

Braxton Copley, Public Works Director, reported the project would include mill and overlay with full-depth patching on NW Elm Row from Spangles to Topeka Boulevard, and include Stormwater Conveyance System Rehabilitation.

Councilmember Ortiz moved to approve the resolution. The motion seconded by Councilmember Dobler carried unanimously on roll call vote. (10-0-0)

RESOLUTION NO. 9503 introduced by Public Infrastructure Committee comprised of Councilmembers Sylvia Ortiz, David Banks and Neil Dobler recommending approval of Project No. 841097.11 for street improvement on SE Greenfield Court, was presented. *(The Public Infrastructure Committee recommended approval on February 20, 2024)*

Braxton Copley, Public Works Director, reported the project was part of the 2024 Pavement Management Rehab Program and would consist of a mill and overlay with full-depth patching, in addition to curb and gutter replacement on SE Greenfield Court.

Councilmember Miller moved to approve the resolution. The motion seconded by Councilmember Banks carried unanimously on roll call vote. (10-0-0)

RESOLUTION NO. 9504 introduced by Public Infrastructure Committee comprised of Councilmembers Sylvia Ortiz, David Banks and Neil Dobler recommending approval of Project No. 841097.06 for street improvement on NW Menninger Road from Green Hills Road to Rochester Road, was presented. *(The Public Infrastructure Committee recommended approval on February 20, 2024)*

Braxton Copley, Public Works Director, reported the project was part of the 2024 Pavement Management Rehab Program and would consist of a mill and overlay with full-depth patching on NW Menninger Road from Green Hills Road to Rochester Road.

Councilmember Valdivia-Alcala moved to approve the resolution. The motion seconded by Councilmember Miller carried unanimously on roll call vote. (10-0-0)

RESOLUTION NO. 9505 introduced by the Public Infrastructure Committee comprised of Councilmembers Sylvia Ortiz, David Banks and Neil Dobler, amending the 2024-2033 CIP and the 2024-2026 CIB to revise the scope of Project No. 131010.00 for the Municipal Building and TPAC HVAC improvement, was presented. *(The Public Infrastructure Committee recommended approval on February 20, 2024)*

Braxton Copley, Public Works Director, reported the HVAC system for TPAC and City Hall are in dire need of replacement and approval of the proposed resolution would revise the project scope and reduce funding from \$21.2 million to \$18.6 million.

Councilmember Dobler moved to approve the resolution. The motion seconded by Councilmember Hiller carried unanimously on roll call vote. (10-0-0)

DISCUSSION of the proposed 2025-2034 Capital Improvement Plan and 2025-2027 Capital Improvement Budget, was presented.

Richard U. Nienstedt, Interim City Manager, stated the CIB and CIP discussion would

continue from the meeting of March 5, 2024, and Public Works Director Copley would provide an overview of proposed Public Works projects.

Public Works Programs

- Pavement Management requesting a yearly increase of \$1.2 million
- Street Contract Preventative Maintenance requesting an increase of \$1 million for additional Ultrathin Bonded Asphalt Surface (UBAS)
- Alley Repair requesting a yearly increase of \$150,000 for 2025 and 2026
- FIRM Projects
- Citywide Half-Cent Sales Tax Program Funding for 2025
 - ADA Sidewalk Ramp: \$300,000
 - Curb & Gutter: \$1.25 million
 - Sidewalk Repair: \$100,000
 - Streetlight Replacement: \$100,000 for the purpose of repairing/replacing 10-12 street light poles per year and new solar light installation
- Other Source Program Funding for 2025
 - Infill Sidewalk Program: \$600,000
 - Bridge Maintenance: \$600,000
 - Traffic Safety: \$400,000
 - Traffic Signal Replacement: \$1.8 million
 - Transportation Operations Fleet Replacement (Heavy Equipment): \$1.3 million
- 50/50 Sidewalk Program
- Citywide ADA Repair

Councilmember Valdivia-Alcala asked if the \$10,054.40 of the unused fund balance in the 2023 50/50 Sidewalk Repair Program would carry-over to the following year.

Director Copley reported the funds would be placed in the Citywide Half-Cent Sales Tax Fund and Staff would request the funds be reallocated next year.

Councilmember Ortiz thanked Josh McAnarney, Senior Financial Analyst, and Finance Staff members for creating a CIP book format that was easy to read and understand. She encouraged Governing Body members to approve the request for improvements to SE 6th Street from Golden Avenue to Rice Road.

Director Copley highlighted the following Public Works Project Reviews:

Public Works Project Previews

1. SW Topeka Boulevard Phase II: 15th – 21st Streets (2024 Design & 2025-2026 Construction)
2. SW Topeka Boulevard: 29th – 38th Streets (2025 Design & 2026-2027 Construction)
3. S. Kansas Avenue: 10th – 17th Streets (2026-2027 Design & 2028 Construction)
4. SW 29th Street: Burlingame Road to Topeka Boulevard (2025 Construction)
5. Auburn Road: 29th Street to K-4 Highway (2025 Construction)
6. SW Huntoon Street: Gage Boulevard to Harrison Street (2024 Concept/Public Engagement & 2025 Design)
7. NW Lyman Road: Vail Avenue to Tyler Street Sidewalk (2024 Study; 2025 Right-of-Way; & 2026 Construction)
8. SE 29th Street: Kansas Avenue to Adams Street (2024 Study & 2025 Construction)
9. SW Fairlawn Road: 23rd to 28th Streets (2024 Design/Stormwater Replacement & 2025 Construction)
10. SE Sardou Avenue over Union Pacific Railroad (2025-2026 Design)
11. SE Golden Avenue: 1-70 to 21st Street Infill Sidewalks (2025 Construction)

Councilmember Kell questioned the order of blocks slated for repair on Topeka Boulevard and believes it would be more productive to repair the entire street at the same time. He asked if the project would address stormwater issues.

Councilmember Duncan asked Staff if they review projects and take intermediate steps to improve the Pavement Condition Index (PCI).

Councilmember Miller reported constituents have requested the design of Huntoon Street mirror the 12th Street design plan as they move forward with design and construction in out-years

Director Copley reported by the end of Summer, Topeka Boulevard will be improved in its entirety from 21st – 29th Streets; however, they have to use proper funding sources as they continue to complete section improvements of Topeka Boulevard.

DISCUSSION regarding the use of excess funds from unreserved fund balances, was presented.

Richard U. Nienstedt, Interim City Manager, stated as a result of the discussion from the

meeting of March 5, 2024, Staff has reached out to all departments for input on the proposed revised list of funding requests and will provide an overview of the surplus item funding requests totaling \$8,315,556.

Rachelle Mathews, Interim Finance Director, provided data on the General Fund Reserve Balance percentage for the past three years and noted, the 2023 percentage would be inclusive of the items being considered at this time and would end the year at 27.55% reserve level. She asked the Governing Body to keep the focus on the projected 23.74% reserve level at the end of 2024 due to the 2024 FIRM Project being placed in the 2024 operating budget in order to spend down general fund reserves. She highlighted the following funding request items:

- Auto Self-Insurance Fund was reduced from \$2 million to \$1 million to establish a reserve of funds for years with higher than average claim experience or in the event of significant damage to the City's larger apparatus and vehicles.
- Pre-payment of TFD Fire Radio Lease in the amount of \$605,556 was a new item added to the list. She reported by pre-paying the rest of the lease agreement it will save over \$52,000 in interest as well as potentially free up monies for other projects over the next three years.
- TPAC Capital Improvements in the amount of \$500,000 was a new item added to the list for building repair and improvements at the request of Councilmember Duncan.

Braxton Copley, Public Works Director, reported on the following items:

- Fleet Building: A Capital project not to exceed \$3.1 million. He reported Staff toured the Sears Garage located on SW Wannamaker Road and was impressed with the building. A list of needed improvements was being compiled and would be presented to the property owner in order to secure a lease for a temporary Fleet Garage location until the Polk-Quincy Viaduct project was completed. He also reported KDOT has increased their offer to \$2.8 million for the current Fleet Garage property with a delta of \$2.7 million remaining. There are two other items totaling approximately \$600,000 being considered for reduction in price by KDOT; and Staff continues to negotiate with KDOT on the moving date.
- Hotel Operations: A Capital expenditure totaling \$2 million allowing them to address \$1 million of immediate needs as noted in the Property Condition Assessment. He stated the funding would also address a critical need to replace the existing Trane Chiller in the amount of \$200,000. He reported all funding expenditures must be approved by the Governing Body.

- Paint Truck Rehabilitation: This striping truck is a capital asset that requires \$120,000 for rehabilitation and adds 10 years of life to the machine. A new machine that includes the same features would cost \$400,000.

Patty Biggs, Deputy IT Director, reported the request for the IT Switch Project in the amount of \$790,000 would upgrade 125 network switches within the City's computing enterprise. She stated the switches connect all computing devices across various City facilities to the data center and the Internet. She reported the switches have surpassed their useful life of five years and have been in place since 2014 and 2015.

Councilmember Miller asked if the new switches would have the same operating expectancy.

Councilmember Hiller asked if these types of expenditures were already included in the IT Fees Fund.

Deputy Director Biggs stated the useful life of the new switches would also be five years and Staff has not located where these types of expenditures were included in the fund for IT Fees.

Interim director Mathews stated moving forward these type of expenditures would be included in the CIP for the purpose of creating a replacement cycle and funding source. She reported any reserve funds that are not used returns to the General Fund.

Rhiannon Friedman, Planning and Development Director, reported the LMI Property Maintenance Rehab Funding request in the amount of \$200,000 would expand the Federal Home Loan Bank and allow the City to assist individuals related to detached garage code violation needs to bring a whole property in to compliance.

Councilmember Dobler spoke in support of the funding requests being proposed. He referenced the City of Topeka Reserve Fund Policy (Resolution No. 8824) setting a minimum unassigned fund balance of 15% and a suggested target rate of 20%. He requested Staff develop a

process to move all unassigned reserve funds over the 20% target rate to a “Ready Reserve Fund.” He requested fund limitations be implemented to include one-time expenses for equipment and maintenance items for the purpose of eliminating the need to bond these types of items. He stated this new fund would also provide a funding source for staff to determine if the expense fits better in the line-item operating budget or the “Ready Reserve Fund” as well as the advantage of having reserve funds available if needed in the time of crisis. He requested that each “Ready Reserve Fund” item be considered separately by the Policy and Finance Committee prior to Governing Body approval.

Councilmember Hiller spoke in support of paying cash for items in the operating budget when possible. She asked the Governing Body to start thinking about using surplus dollars to fund the capital improvement budget allowing the City to borrow as little as possible as well as catch up on building maintenance.

Councilmember Duncan spoke in support of the request made by Councilmember Dobler to create a “Ready Reserve Fund” providing flexibility for the use of reserve funds. He expressed concern with a maintenance plan not being included for TPAC in the CIP. He stated he would be proposing to add \$1.6 million in the CIP, spread over the next five years, to be used as a TPAC Maintenance Plan and provide consistency in funding.

Councilmember Ortiz reported a TPAC maintenance plan has not been included in the CIP because TPAC has always claimed they would be self-sufficient. She expressed the importance of TPAC attracting entertainment that produces more revenue to off-set expenses.

Councilmember Duncan stated historically the directive of the Governing Body to TPAC has been to be community focused which causes an offset of revenue.

Councilmember Hiller reported TPAC was initially set up as an enterprise fund; however,

they have not provided an update to the Governing Body for some time. She questioned if there was a master plan and if so, how do proposed capital improvements fit in that plan. She requested a full proposal from TPAC so the Governing Body can fully understand where funds should be allocated.

Councilmember Miller stated he concurs with statements made by Council members and supports the directive to be community driven and providing an update to the Governing Body so they can work with TPAC to become self-sustaining.

Mayor Padilla requested TPAC provide a financial statement that summarized the revenues, costs, and expenses incurred so they can better understand the situation and can make an informed decision on the best way to move forward. He stated TPAC was a vital part of the arts community and believes the facility needs to be managed differently.

Councilmember Kell stated he concurs with Mayor Padilla and noted there are other facilities that can be used for local entertainment allowing TPAC to bring in larger paying entertainment. He stated TPAC also needs to work to secure a variety of entertainment that caters to a variety of ages.

Interim City Manager Nienstedt spoke to the importance of having the right management in place for TPAC while serving the needs of the community as well as current audience driven entertainment acts.

PUBLIC COMMENT was provided by the following individuals:

Augie Bogina owner of the building located at 733 S. Kansas Avenue, Topeka, reported the construction to the south as the potential of causing the south wall of his building to collapse. He requested the City become engaged in the situation and provide assistance to avoid possible litigation and keep pedestrians on the sidewalk safe.

Henry McClure invited the Governing Body to tour the Mainline Printing Company facility and commented on the state of the art holographic equipment used by Mainline Printing. He stated he will continue to work on securing a deal with the City for the Mainline Printing Building owned by John Parker. He stated his funding request of \$100,000 of economic development funds to install a sewer line for a new Pizza Hut in District 5 was denied three years ago. He noted if the request would have been approved there now would have been enough revenue produced to cover the cost of the installation. He referenced a KORA request he submitted to Shawnee County Commissioner Kevin Cook on March 11, 2024, asking who received grants and how much was allocated in 2022 and 2023. (Attachment A)

ANNOUNCEMENT BY THE CITY MANAGER, MAYOR AND MEMBERS OF THE COUNCIL;

Brenda Younger, City Clerk, provided an overview of the March 19, 2024, Governing Body meeting agenda.

Councilmember Duncan stated a Topeka Land Bank presentation would occur in May 2024, providing an update of the properties that have been identified. He also thanked City Staff for testifying to the State Legislature and representing local government for the entire state of Kansas.

Councilmember Hoferer announced the beginning of Project 3 of the Polk-Quincy Viaduct relocation. She stated traffic would be impacted for eight months between 1st Street, Polk Street and I-70.

Councilmember Hiller announced 1st Street will be closed permanently due to the Polk-Quincy Viaduct project. She also announced the St. Patrick's Day Parade would take place in downtown on March 16, 2024, and asked if there were Governing Body members who would like

to carry the banner at the beginning of the parade. Lastly, she announced the Brown vs. Board of Education 70th Anniversary on May 17, 2014.

Councilmember Ortiz thanked Governing Body members, Interim City Manager Nienstedt, and City Staff members for attending the NIA meetings. She expressed her appreciation to Staff members for working after hours and providing fast responses to constituents.

Councilmember Banks thanked the Finance Team for helping him gain knowledge from their department. He commented on the new opening of God's Storehouse in District 4.

Councilmember Kell thanked the Hotel Topeka at City Center staff members for their help in accommodating wrestling participants from the Kansas Kids Wrestling tournament March 8-10, 2024. He asked residents to remain mindful of road construction during the upcoming St. Patrick's Day activities. Lastly, he recognized local student athletes that have excelled in wrestling and basketball.

Councilmember Miller commented on the many Topeka area athletes that have excelled in basketball and commended them on their hard work.

Mayor Padilla announced upcoming entry examines for Topeka Police Department and Topeka Fire Department. He thanked Rachelle Mathews, Interim Finance Director, for her service to the City.

Councilmember Kell moved to recess into executive session not to exceed 1-hour to discuss upcoming performance goals for the Interim City Manager and candidates for the permanent City Manager as allowed under KSA 75-4319(b)(1). The open meeting will resume in the city council chambers. The following staff assisted the Governing Body in its deliberation: Interim City Manager Nienstedt and other staff he deemed necessary. The motion was seconded by Councilmember Hoferer.

Mayor Padilla asked all those in favor of recessing into to an executive session to indicate so verbally by saying “yea” and those opposing to indicate so verbally by saying “no.” The motion carried on voice vote. Councilmember Ortiz voted “no.” (9-1-0)

At the conclusion of the executive session, the meeting reconvened into open session and Mayor Padilla announced no action was taken during the executive session.

NO FURTHER BUSINESS appearing the meeting adjourned at 9:18 p.m.

(SEAL)

Brenda Younger City Clerk

Henry McClure
520 SE 5th
Topeka KS 666027
785.383.9994

3/11/2024

Commissioner Kevin Cook
200 SE 7th Street
Topeka KS 66603
Dear Commissioner Cook

As a concerned citizen and a constituent within the district you serve, I am writing to you in your capacity as the elected county commissioner, the Chairperson of JEDO, and an officer of the court, seeking clarification regarding the allocation of funds outlined in the interlocal agreement.

Having devoted a sizable portion of my life to understanding contracts and legal documents, I have meticulously reviewed the interlocal agreement in question. However, despite my expertise in contractual matters, I have been unable to discern any provision that authorizes the hiring of a contractor for the distribution of grants, sponsorships, contributions, and scholarships.

It is imperative that you provide a clear and comprehensive explanation as to where, within the interlocal agreement, such authorization is explicitly stated. The diversion of funds towards endeavors unrelated to economic development, as evidenced by the approximate squandering of \$1,094,682 over the past two years, is deeply concerning and demands transparency and accountability.

As a public official entrusted with the responsibility of stewarding taxpayer funds and promoting the welfare of our community, it is incumbent upon you to uphold the principles of good governance and adhere to the provisions outlined in the interlocal agreement. Failure to do so undermines

the trust of the electorate and compromises the integrity of our local government.

I urge you to respond promptly and provide the necessary clarification regarding the allocation of funds in accordance with the terms of the interlocal agreement. Furthermore, I expect that appropriate measures will be taken to ensure that taxpayer dollars are utilized judiciously and in alignment with the intended purposes outlined in the agreement.

Thank you for your attention to this matter, and I look forward to your prompt response.

Respectfully,

A handwritten signature in blue ink, appearing to read 'Henry McClure', with a long, sweeping underline that extends across the page.

Henry McClure

KORA

Please provide 2022 and 2023 who received grants and how much was allocated.

GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2022

| | Economic Development | Events | ETLC | Marketing | General and Administrative | Total Expenses |
|---|-------------------------|------------------|-------------------|-------------------|-------------------------------|---------------------|
| Payroll/benefits | \$ 1,029,860 | \$ - | \$ - | \$ - | \$ - | \$ 1,029,860 |
| Other compensation | 6,073 | - | - | - | - | 6,073 |
| Professional services | 180,944 | 1,395 | - | - | 25,986 | 208,325 |
| Other employee related costs | 67,727 | 693 | - | - | 530 | 68,950 |
| Shared services | - | - | - | 230,000 | 400,000 | 630,000 |
| Total personnel expenses | 1,284,604 | 2,088 | - | 230,000 | 426,516 | 1,943,208 |
| Program/event expense | 53,049 | 19,466 | - | - | 32 | 72,547 |
| Sales travel | 10,348 | - | - | - | - | 10,348 |
| Hospitality | 48,621 | 18,015 | - | - | 255 | 66,891 |
| Grants/sponsor/contrib/scholar | 451,423 | - | - | - | - | 451,423 |
| Total program expenses | 563,441 | 37,481 | - | - | 287 | 601,209 |
| Occupancy | 248,124 | - | - | - | 94,565 | 342,689 |
| Office expense | 8,996 | 1,193 | 16,942 | - | 8,334 | 35,465 |
| Dues/subscriptions | 63,291 | - | 1,500 | 150 | 9,556 | 74,497 |
| Advertising | - | 5,389 | - | 159,797 | - | 165,186 |
| Depreciation | - | - | 105,069 | - | 9,346 | 114,415 |
| Insurance/taxes/fees | 11,534 | 1,792 | 20,174 | - | 15,862 | 49,362 |
| Interest expense | - | - | 83,024 | - | - | 83,024 |
| Bad debt expense | - | - | - | - | 4,846 | 4,846 |
| Total operational expenses | 331,945 | 8,374 | 226,709 | 159,947 | 142,509 | 869,484 |
| Total expenses before incentives | 2,179,990 | 47,943 | 226,709 | 389,947 | 569,312 | 3,413,901 |
| Business incentives | 1,233,953 | - | - | - | - | 1,233,953 |
| Total expenses | \$ 3,413,943 | \$ 47,943 | \$ 226,709 | \$ 389,947 | \$ 569,312 | \$ 4,647,854 |

2022 451 423
2023 643 259

\$ 1,094 682.00

See accompanying notes to the consolidated financial statements.

Greater Topeka Partnership
GO Topeka
 Budgeted Statement of Activities by Department - Public
 As of December 31, 2024

*Non-GAAP Reporting

| | Business Attraction and Retention/Expansion December 31, 2024 | Small Bus Dev/ Innovation/Ent Dev December 31, 2024 | WMBD December 31, 2024 | Talent Initiatives December 31, 2024 | General & Administrative December 31, 2024 | Total On-Going Programming December 31, 2024 | Special Initiatives December 31, 2024 | ETLC December 31, 2024 | Total December 31, 2024 |
|------------------------------------|---|---|---------------------------|---|--|--|--|---------------------------|----------------------------|
| | Budget | Budget | Budget | Budget | Summary | Summary | Budget | Budget | Summary |
| Revenue | | | | | | | | | |
| Event/program rev | 0 | 0 | 19,651 | 0 | 19,442 | 39,093 | 0 | 0 | 39,093 |
| Public revenue | 3,172,561 | 664,101 | 438,769 | 212,630 | 1,471,009 | 5,959,070 | 5,026,792 | 0 | 10,985,862 |
| Total Earned revenue | 3,172,561 | 664,101 | 458,420 | 212,630 | 1,490,451 | 5,998,163 | 5,026,792 | 0 | 11,024,955 |
| Other revenue | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 45,432 | 45,432 |
| Interest revenue | 0 | 0 | 0 | 0 | 8,500 | 8,500 | 0 | 420 | 8,920 |
| Total Other revenue | 0 | 0 | 0 | 0 | 8,500 | 8,500 | 0 | 45,852 | 54,352 |
| Total Revenue | \$ 3,172,561 | 664,101 | 458,420 | \$ 212,630 | 1,498,951 | 6,006,663 | \$ 5,026,792 | \$ 45,852 | 11,079,307 |
| Expenses | | | | | | | | | |
| Payroll/benefits | 0 | 0 | 97,148 | 0 | 749,896 | 847,044 | 0 | 0 | 847,044 |
| Other compensation | 0 | 0 | 800 | 0 | 5,280 | 6,080 | 0 | 0 | 6,080 |
| Professional services | 190,800 | 11,469 | 17,325 | 0 | 37,465 | 257,059 | 20,000 | 0 | 277,059 |
| Other employee related costs | 11,348 | 15,550 | 9,500 | 6,555 | 30,683 | 73,636 | 0 | 0 | 73,636 |
| Shared services | 0 | 0 | 109,000 | 0 | 476,000 | 585,000 | 0 | 0 | 585,000 |
| Total Personnel expenses | 202,148 | 27,019 | 233,774 | 6,555 | 1,299,324 | 1,768,819 | 20,000 | 0 | 1,788,819 |
| Program/event expense | 5,400 | 94,220 | 40,616 | 21,760 | 10,000 | 171,997 | 0 | 0 | 171,997 |
| Sales travel | 45,075 | 0 | 1,200 | 0 | 0 | 46,275 | 0 | 0 | 46,275 |
| Hospitality | 7,000 | 1,500 | 21,600 | 2,600 | 300 | 33,000 | 0 | 0 | 33,000 |
| Grants/sponsor/contrib/scholar | 42,200 | 82,500 | 127,002 | 163,565 | 3,000 | 418,267 | 224,992 | 0 | 643,259 |
| Total Program expenses | 99,675 | 178,220 | 190,418 | 187,925 | 13,300 | 669,539 | 224,992 | 0 | 894,531 |
| Occupancy | 0 | 17,136 | 6,799 | 0 | 47,212 | 71,147 | 64,680 | 0 | 135,827 |
| Office expense | 1,800 | 2,656 | 2,294 | 0 | 17,320 | 24,070 | 0 | 0 | 24,070 |
| Dues/subscriptions | 0 | 19,240 | 12,225 | 0 | 59,963 | 91,428 | 23,292 | 0 | 114,720 |
| Advertising | 89,786 | 13,000 | 12,250 | 18,150 | 48,000 | 181,186 | 0 | 0 | 181,186 |
| Depreciation/amortization | 0 | 6,830 | 0 | 0 | 17,627 | 24,457 | 0 | 105,069 | 129,527 |
| Insurance/taxes/fees | 0 | 0 | 660 | 0 | 4,705 | 5,366 | 0 | 12,540 | 17,905 |
| Interest expense | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 83,028 | 83,028 |
| Total Operational Expenses | 91,586 | 58,863 | 34,229 | 18,150 | 194,827 | 397,654 | 87,972 | 200,637 | 686,263 |
| Total Expenses Before Incentives | 393,409 | 264,102 | 458,421 | 212,630 | 1,507,451 | 2,836,012 | 332,964 | 200,637 | 3,369,613 |
| Business incentives | 2,779,152 | 400,000 | 0 | 0 | 0 | 3,179,152 | 4,693,828 | 0 | 7,872,980 |
| Total Expenses | \$ 3,172,561 | 664,102 | 458,421 | \$ 212,630 | 1,507,451 | 6,015,164 | \$ 5,026,792 | \$ 200,637 | 11,242,593 |
| Total Changes in Net Assets | \$ 0 | 0 | 0 | \$ 0 | (8,500) | (8,500) | \$ 0 | \$ (154,785) | (163,285) |

1 **INTERLOCAL AGREEMENT**

2
3 (Shawnee County Contract No. C 129 -2016)
4 (City of Topeka Contract No. 44926)
5

6 **AN INTERLOCAL AGREEMENT RELATED TO FINANCING COUNTYWIDE**
7 **ECONOMIC DEVELOPMENT, INFRASTRUCTURE IMPROVEMENTS AND QUALITY**
8 **OF LIFE PROJECTS TO BE FUNDED BY A ONE-HALF OF ONE CENT**
9 **COUNTYWIDE RETAILERS' SALES TAX**
10

11 **THIS AGREEMENT** is entered into this 19th day of April, 2016, by and between **THE**
12 **BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF SHAWNEE, KANSAS**, a governmental
13 subdivision of the State of Kansas, hereinafter referred to as the "County," and **THE CITY OF**
14 **TOPEKA, KANSAS**, a duly organized municipal corporation, hereinafter referred to as the "City."

15 **WHEREAS**, during the November 4, 2014 election, the voters of Shawnee County voted
16 to renew the countywide retailers' sales tax in the amount of one-half of one cent to be levied in
17 Shawnee County, Kansas, to take effect on January 1, 2017 and to expire on December 31, 2031,
18 for the purpose of providing revenue to finance economic development, infrastructure
19 improvements and quality of life projects; and

20 **WHEREAS**, economic development is defined as the implementation of the economic
21 development priorities established on a yearly basis by the Joint Economic Development
22 Organization. For purposes of this agreement, economic development includes: research, target
23 marketing, existing business retention and expansion, new business recruitment, infrastructure
24 development, site acquisition, incentive funds and workforce training and expansion, support
25 economic development for socially and economically disadvantaged individuals and/or business
26 enterprises and consider inclusion of urban economic development programs related to youth
27 employment and the rehabilitation of blighted, derelict and underutilized facilities and
28 infrastructure (for purposes of attracting economic development prospects), in addition to other
29 related activities; and

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29 infrastructure (for purposes of attracting economic development prospects), in addition to other
30 related activities; and

31 **WHEREAS**, countywide infrastructure improvements and quality of life projects include
32 those listed as part of the November 4, 2014 ballot question; and

33 **WHEREAS**, the County and City desire to enter into an interlocal agreement, pursuant
34 to K.S.A. 12-2901 *et seq.*, relating to financing countywide economic development,
35 infrastructure improvements and quality of life projects to be funded by a one-half of one cent
36 countywide retailers' sales tax.

37 **NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS**
38 **CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:**

39 1. **Joint Economic Development Organization Created; Governing Board.** The
40 County and City hereby desire to continue the Joint Economic Development Organization,
41 hereinafter referred to as "JEDO," a separate legal entity created by Shawnee County Contract
42 No. C261-2001 and City of Topeka Contract No. 31439, in accordance with K.S.A. 12-2904a.
43 As such, the County and the City authorize JEDO to establish the economic development
44 program for the County and the City and incorporate into its operational rules appropriate
45 mechanisms by and through which JEDO will oversee and evaluate said economic development
46 program in conjunction with any entities ultimately selected to provide economic development
47 services.

48 The following agreements concerning JEDO shall be rescinded: Shawnee County
49 Contract No. C261-2001 and City of Topeka Contract No. 31439 and Shawnee County Contract
50 No. C145-2010 and City of Topeka Contract No. 40338. Shawnee County Contract No. C344-
51 2004, as amended by Contract No. C103-2014, and City of Topeka Contract No. 34790, as

52 amended by Contract No. 43522, shall remain in effect until all sales tax receipts and
53 commitments from the sales tax expiring December 31, 2016 have been distributed. All other
54 contracts and resolutions approved by JEDO prior to this Agreement shall remain in full force
55 and effect. JEDO shall be organized according to the following provisions:

56 (a) The JEDO Board shall be comprised of thirteen (13) members. Voting members
57 shall include the three (3) County Commissioners, the Mayor, the Deputy Mayor and two (2)
58 City Council members selected by the Council. Nonvoting members shall be the remaining six
59 (6) Council members. If the Deputy Mayor or other voting City Council member cannot be
60 present at a meeting, an alternate may be selected by the absent member with full voting rights.
61 The alternate shall be a City Council member of the absent member's choice; provided, however,
62 that such alternate may only serve after providing the JEDO Chairperson a written proxy from
63 the absent member; and

64 (b) The JEDO Chairperson shall preside at all Board meetings. The County and City
65 shall rotate the position of JEDO Chairperson between the Chairperson of the County
66 Commission (or the County Chairperson's designee) serving in even-numbered years and the
67 Mayor (or the Mayor's designee) serving in odd-numbered years pursuant to Resolution No.
68 7623; commencing on January 1 of the respective year. If a vacancy is created, the respective
69 governing body shall elect another chairperson from among its voting members; and

70 (c) JEDO shall establish its own operational policies and procedures and may employ
71 such staff as is necessary for the performance of the functions and purposes of this Agreement
72 (see K.S.A. 12-2904a); and

73 (d) JEDO shall have the authority to own and hold property. Any property, including
74 real property held or titled in the name of a JEDO contractor, shall revert to JEDO upon

75 termination of the contract with JEDO. Any property held by JEDO at termination shall revert
76 jointly to the County and the City; and

77 (e) JEDO shall be subject to the provisions of the Kansas Open Meetings Act, K.S.A.
78 75-6101, and the Kansas Open Records Act, K.S.A. 45-221.

79 2. **JEDO Meetings; Economic Development Priorities.** The JEDO Board shall
80 meet on the second Wednesday of February, May, September and December of each calendar
81 year. The JEDO Board may also meet as needed at the discretion of the Chair. Each year, the
82 County Commission and the City Governing Body may meet separately for purposes of
83 considering and discussing economic development priorities for the upcoming calendar year. In
84 December of each year, the JEDO Board shall establish economic development priorities for the
85 coming year based upon these considerations and discussions. If for any reason priorities are not
86 established by JEDO for the next year, the priorities established for the previous year shall
87 remain in effect.

88 3. **Finance Committee; Holding Account.** (a) There is hereby created a Finance
89 Committee, which shall be composed of the Shawnee County Public Works Director, the Topeka
90 Public Works Director, the Shawnee County Financial Administrator and the Topeka City
91 Manager or a designee.

92 (b) The County and City shall transfer all of the sales tax receipts into an account
93 created and maintained by the Finance Committee. Such account will be the holding account for
94 all the money needed to complete the economic development programs and identified
95 infrastructure improvements and quality of life projects. The account may be drawn upon only
96 with the signatures of two members of the Finance Committee, one from the County and one
97 from the City.

98 (c) The actions of JEDO and the Finance Committee, with respect to the completion
99 of the economic development programs, infrastructure improvements and quality of life projects
100 contained in the ballot question, shall be ministerial and not discretionary.

101 (d) Recognizing that sales tax revenue is dependent upon many factors and, therefore,
102 can vary from month to month, the Finance Committee shall distribute the proceeds on a
103 monthly basis in accord with the terms of this Agreement; or, if the funds are insufficient, as
104 otherwise determined by said Committee.

105 (e) There shall be an annual audit of Finance Committee transactions to ascertain
106 compliance with this Agreement, which shall be completed in accordance with approved
107 accounting standards. Such audit and report shall be provided to the County and the City and
108 filed with the County Clerk and the City Clerk. Both the County Clerk and the City Clerk shall
109 be authorized agents for the purpose of obtaining information about this one-half of one cent
110 countywide retailers' sales tax from the Kansas Department of Revenue.

111 4. **Funds Dedicated Annually; Economic Development.** Beginning in fiscal year
112 2017, and continuing each year during which the retailers' sales tax remains in effect (through
113 December 31, 2031), JEDO shall dedicate – on an annual basis – the amount of Five Million
114 Dollars (\$5,000,000.00) of the funds collected for the purpose of supporting the economic
115 development priorities established by the JEDO Board.

116 5. **Economic Development Priorities; Urban Programs.** (a) Each year, the
117 Finance Committee shall distribute or reserve Five Million Dollars (\$5,000,000.00) of the
118 amount referenced in Section 4 above – in equal monthly installments of Four Hundred Sixteen
119 Thousand, Six Hundred Sixty-Six Dollars and Sixty-Six Cents (\$416,666.66) – to one or more
120 independent contractor(s) selected by the JEDO Board for the purpose of executing JEDO's

121 established economic development priorities; provided, however, that JEDO shall ensure that not
122 less than Ten Percent (10%) of the Five Million Dollars (\$5,000,000.00) will be targeted to
123 support economic development for socially and economically disadvantaged individuals and/or
124 business enterprises and, further, that urban economic development programs related to youth
125 employment and the rehabilitation of blighted, derelict and underutilized facilities and
126 infrastructure (for purposes of attracting economic development prospects) have been considered
127 for inclusion.

128 (b) Said monthly installments shall begin once the January 2017 collections are
129 distributed by the Kansas Department of Revenue to the County and the City. Any economic
130 development entity that contracts with JEDO will be informed so that it understands this lag in
131 the collection of payments may result in said entity receiving its initial payments late.

132 **6. Infrastructure Improvements and Quality of Life Projects.** Once all
133 economic development funding pursuant to Section 5(a) and (b) has been distributed or reserved,
134 the remaining funds shall then be distributed to the County and the City for purposes of
135 completing the infrastructure improvements and quality of life projects set out on Exhibits A and
136 B, which are attached hereto and incorporated herein by reference. Fifty-Two Percent (52%)
137 shall be distributed to the County to complete the improvements and projects set forth on Exhibit
138 A; and Forty-Eight Percent (48%) shall be distributed to the City to complete the improvements
139 and projects set forth on Exhibit B. In the event the sales tax proceeds are not sufficient to fund
140 all of the improvements and projects on Exhibits A and B, JEDO may alter the distribution
141 formula, or reduce the amount of funds allocated for any particular improvement or project.
142 Each year, at JEDO's May meeting, the County and the City shall distribute an updated priority
143 list, accompanied by a project status update, as a matter of information only.

144 7. **Excess Funds.** Upon the later of the expiration or termination of the sales tax and
145 the completion of and payment for the economic development priorities identified in Section 5
146 above, as well as the completion of and payment for the infrastructure improvements and quality
147 of life projects identified in Section 6 above, the Finance Committee shall inform the County and
148 the City of any money remaining in the account. Any excess funds shall be distributed to the
149 County and the City in the proportional rates provided by KSA 12-192(a).

150 8. **Selection of Independent Contractor(s).** JEDO shall have the authority to
151 interview and select one or more independent contractor(s) to execute the economic development
152 priorities set forth in this Agreement. As part of this process, JEDO may choose, but is not
153 obligated, to advertise a Request for Proposals (RFP) and/or a Request for Qualifications (RFQ).
154 No contract(s) shall be for a term greater than three (3) years and each contract shall contain a
155 provision requiring that the contractor(s) promptly respond to inquiries submitted by voting, as
156 well as non-voting, members of the JEDO Governing Board.

157 9. **Term of Agreement.** This Agreement shall be operative upon final approval by
158 the County and the City, as well as the Attorney General's Office, and shall be in existence for
159 the duration of the January 1, 2017 countywide retailers' sales tax plus one (1) year; or for so
160 long as reasonably necessary to administer obligations relating to the economic development
161 program.

162 10. **Termination.** This Agreement may not be terminated by either party as it is
163 expressly acknowledged that this Agreement is time limited, revenue specific and funded with
164 dedicated retailers' sales tax receipts. Unless required by elector petition as provided by K.S.A.
165 12-187(b)(1), neither the County or the City shall submit the question of repeal of the countywide

166 retailers' sales tax approved on November 4, 2014 to the voters during the term of this Agreement;
167 unless such question contains an enhancement of the countywide retailers' sales tax.

168 11. Binding on Future County and City Governing Bodies. The parties
169 acknowledge and agree that this Agreement for the distribution of sales tax revenues is a
170 commitment for the protection of the public property, interests and affairs being administered.
171 Consequently, this Agreement is expressly intended by the parties to be binding on future JEDO
172 Boards, Boards of Shawnee County Commissioners and Topeka Governing Bodies.

173 12. No Third Party Claims. This Agreement is solely for the benefit of the parties
174 hereto and no third party shall be entitled to claim or enforce any rights hereunder.

175 13. No Prior Agreements. This Agreement contains all of the agreements and
176 understandings between the parties concerning its subject matter. The parties acknowledge and
177 agree that this Agreement supersedes all prior agreements and understandings, whether or not
178 written.

179 14. Amendments. This Agreement may only be amended, in writing, upon
180 agreement of all parties hereto.

181

182 IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed

183 as of the date first above written.

184

**BOARD OF COUNTY COMMISSIONERS
SHAWNEE COUNTY, KANSAS**

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Michele A. Buhler
Michele A. Buhler, Chair *4/25/2016*

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Cynthia A. Beck

198 Cynthia A. Beck, Shawnee County Clerk

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APPROVED AS TO FORM AND LEGALITY
BY THE SHAWNEE COUNTY COUNSELOR'S OFFICE
DATE *4-25-16* BY *[Signature]*

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CITY OF TOPEKA, KANSAS



Jim Colson
Jim Colson, City Manager

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ATTEST:

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Brenda Younger
Brenda Younger, Topeka City Clerk

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APPROVED AS TO FORM AND LEGALITY
BY THE CITY ATTORNEY'S OFFICE
DATE *4/20/16* BY *ME*

Exhibit A

Shawnee County Sales Tax Projects

| Projects | Projected Years | Projected Cost Estimates |
|--|------------------------|---------------------------------|
| County Bridges | 2017-2031 | \$ 32,500,000 |
| Expocentre - Seating | 2017 | \$ 850,000 |
| Expocentre - Livestock Barn Renovation | 2018-2019 | \$ 2,288,704 |
| Expocentre - Landon Arena and Exhibition Hall | 2026-2029 | \$ 18,274,157 |
| Rochester Road: Hwy 24 to NW 50th | 2027-2031 | \$ 13,700,000 |
| Total | | \$ 100,500,000 |

City of Topeka 1/2 Cent Countywide Exhibit B

| Priority | Projects | Projected Years | Projected Estimates |
|-----------------|---|------------------------|----------------------------|
| 1 | SW 6th - Gage to Fairlawn Rd | 2017-2018 | \$ 5,600,000 |
| 2 | Zoo Phase 1 & 2 | 2018-2019 | \$ 3,000,000 |
| 3 | 12th Street (2 lanes) - Gage to Kansas Avenue | 2019-2022 | \$ 13,180,000 |
| 4 | SE California - 37th to 45th | 2018-2020 | \$ 5,600,000 |
| 5 | S.W. 17th Street, MacVicar to Interstate 470 | 2021-2025 | \$ 14,600,000 |
| 6 | Zoo Phase 3 | 2022 | \$ 2,500,000 |
| 7 | Huntoon (2 lanes) - Gage to SW Harrison | 2024-2027 | \$ 11,740,000 |
| 8 | Zoo Phase 4 | 2027 | \$ 2,000,000 |
| 9 | Topeka Blvd (5 lanes) - 15th to 21st | 2026-2028 | \$ 4,900,000 |
| 10 | SW 29th St - Fairlawn Rd to Wanamaker Rd | 2027-2029 | \$ 6,100,000 |
| 11 | Sw 37th St - Scapa Place to Burlingame Rd | 2027-2029 | \$ 3,700,000 |
| 12 | S.W. 17th Street, Adams to Washburn | 2028-2030 | \$ 8,300,000 |
| 13 | NE Seward - Sumner to Forest | 2029-2031 | \$ 1,500,000 |
| 14 | SE 37th St - Kansas Ave to Adams St | 2029-2031 | \$ 4,400,000 |
| 15 | Zoo Phase 5 | 2031 | \$ 2,500,000 |
| 16 | Bikeways Master Plan | 2018-2030 | \$ 3,500,000 |
| Totals | | | \$ 93,120,000 |

Subject to annual change as programmed in the City of Topeka Capital Improvement Plan