Minutes

DVD No. 411

The City Council of the City of Leawood, Kansas, met in regular session in the Council Chambers, 4800 Town Center Drive, 7:30 P.M. on Monday, March 5, 2018. Mayor Peggy Dunn presided.

Councilmembers Present: Debra Filla, Andrew Osman, Jim Rawlings, Chuck Sipple, Julie Cain, James Azeltine and Lisa Harrison

Councilmembers Absent: Mary Larson

Staff Present: Scott Lambers, City Administrator  Patty Bennett, City Attorney
Mark Tepesch, Info. Services Specialist III  Richard Coleman, Comm. Dev. Director
Chief Troy Rettig, Police Department  Ross Kurz, Info. Services Director
Chris Claxton, Parks & Recreation Director  Dawn Long, Finance Director
David Ley, Public Works Director  Cindy Jacobus, Assistant City Clerk

Others Present: Kevin Jeffries, President, Chief Executive Officer and Director of Economic Development, Leawood Chamber of Commerce

1. PLEDGE OF ALLEGIANCE

2. APPROVAL OF AGENDA

Mayor Dunn stated the agenda had been amended to reschedule Item 5. Presentation of AAA Award, to continue Consent Agenda Item 7.K. MySidewalk to the March 19, 2018 Governing Body meeting and to add 11. Staff Report by Public Works Director David Ley regarding cost reviews.

A motion to approve the amended agenda was made by Councilmember Harrison; seconded by Councilmember Sipple. The motion was approved by a unanimous vote of 7-0.

3. CITIZEN COMMENTS

Members of the public are welcome to use this time to make comments about City matters that do not appear on the agenda, or about items that will be considered as part of the consent agenda. It is not appropriate to use profanity or comment on pending litigation, municipal court matters or personnel issues. Comments about items that appear on the action agenda will be taken as each item is considered. CITIZENS ARE REQUESTED TO KEEP THEIR COMMENTS UNDER 5 MINUTES.

Mr. Bob Regnier, 3400 W. 119th Street, thanked the Governing Body for scheduling the Work Session relative to 135th Street. He hoped the email he sent last night to Councilmembers Sipple and Rawlings, regarding his concerns about the proposed plan, had been received and distributed. He stated he would not discuss the email directly, but voice concern about the feasibility of the plan. What was presented at tonight’s Work Session was very educational and informative in regard to mixed-use; a mixed-use
primer. The presenter clearly stated he had not been required to address feasibility. Mr. Regnier asked the Council to review the plan closely and to think about where such a plan had been implemented in Kansas City or anywhere; a downtown high-rise and the Country Club Plaza come to mind. He pointed out this would be the first to happen in a green field environment in Kansas City and questioned if this was reasonable. With great respect to Mr. Lambers, who had commented in the Work Session that no one would be damaged by this; he disagrees. If the property sits undeveloped for the next 10 to 15 years, he will be damaged. His goals and the City’s are similar, both wanting quality development in a reasonable timeframe. To accomplish this, he encouraged the Council to discuss feasibility of the plan and conduct additional Work Session discussion. An aerial map shows intense development east of State Line Road and there is significant development to the west in Overland Park. He surmised there must be a reason why 135th Street in Leawood has not been substantially developed. Economic events of 2008 changed the world dramatically and a lot of ground up, green field development has not been seen post-2008. If his opinion is correct, 135th Street will not see development with the proposed plan. He stated he would be happy to bring in people from the development community to give their opinions.

Mayor Dunn stated Mr. Regnier is the largest property owner along 135th Street. She recalled when Mission Corners was proposed for the area on a piece of property not owned by Mr. Regnier on 135th Street, which did not come to fruition because of the economic downturn. At one time, a nice plan was discussed with Mr. Regnier and his brother, but never brought forward. She stated the City’s 135th Implementation Plan is a guide and vision, and good conversation had occurred at the Work Session. If the City did not have a vision, the area would likely look like the east site of State Line Road. The vision prevented an adamant car dealership on 135th Street, which neighbors did not want. She noted many residents now go across State Line Road to purchase vehicles. The Governing Body would certainly entertain additional conversation.

Councilmember Harrison stated she had reviewed Mr. Regnier’s constructive criticism email several times today. She expressed appreciation about changes in the economy, shopping and office markets. She stated the email presented concerns about the retail use percentage and logical arguments, but what was missing was Mr. Regnier’s solutions. She asked if Mr. Regnier could provide; if not this, then what. She thanked Mr. Regnier for the communication.

4. PROCLAMATIONS – None

5. PRESENTATIONS/RECOGNITIONS Presentation of AAA Award to Police Department to recognize Community Traffic Safety efforts – TO BE RESCHEDULED

6. SPECIAL BUSINESS – None

7. CONSENT AGENDA
Consent agenda items have been studied by the Governing Body and determined to be routine enough to be acted upon in a single motion. If a Councilmember requests a separate discussion on an item, it can be removed from the consent agenda for further consideration.

A. Accept Appropriation Ordinance Nos. 2018-7 and 2018-8
B. Accept minutes of the February 19, 2018 Governing Body meeting
C. Accept minutes of the January 9, 2018 Parks and Recreation Advisory Board meeting
D. Accept minutes of the November 2, 2017 Ironhorse Advisory Board meeting
E. Approve Mayor Appointment of Arthur Peterson to Sustainability Advisory Board [Sponsor: Rawlings] for a 2-year term ending in 2020
F. Approve Massage Therapy License for Integrated Massage Therapy, located at 4809 W. 117th Street, in accordance with Code §5-510
G. Approve purchase in the amount of $36,860.00 from Green Turf & Sports for Range Mat Tee System for Ironhorse Golf Course
H. Resolution No. 4895, calling for a Pre-budget Public Hearing to be heard on Monday, April 2, 2018 at 7:30 P.M., or as soon thereafter as may be heard, on the 2019 Fiscal Budget for the City of Leawood, Kansas
I. Resolution No. 4896, approving a Final Plat for Johnson County Tomahawk Creek Wastewater Treatment Facility Expansion, located south of I-435 and east of Mission Road [PC# 03-18] [from the January 23, 2018 Planning Commission meeting]
J. Resolution No. 4897, consenting to the enlargement of Consolidated Main Sewer District by the Board of County Commissioners of Johnson County, Kansas, pursuant to Johnson County Charter Resolution No. 29-92, for property located at 103rd & Glenfield [The Reserve at Mission Woods]
K. Resolution approving and authorizing the Mayor to execute a Software Agreement in the amount of $6,000.00, between the City and MySidewalk, Inc., for a data management and communication system for the Fire Department – CONTINUED TO THE MARCH 19, 2018 GOVERNING BODY MEETING

Councilmember Sipple requested Consent Agenda Item 7.E. be pulled.

A motion to approve the remainder of the Consent Agenda was made by Councilmember Filla; seconded by Councilmember Azeltine. The motion was approved with a unanimous vote of 7-0.

7.E. Approve Mayor Appointment of Arthur Peterson to Sustainability Advisory Board [Sponsor: Rawlings] for a 2-year term ending in 2020

Councilmember Sipple thanked Councilmember Rawlings for the recommendation of Mr. Peterson to the Sustainability Advisory Board. Councilmember Sipple expressed concern that even with Mr. Peterson’s approval, there would still be two empty resident citizen seats on the Board due to a number of recent resignations. He asked anyone interested in applying, to contact him or Mayor Dunn. The goal is to have the seats filled before Summer.

Mayor Dunn stated she had visited with Mr. Peterson at the recent Sustainability Summit. He is passionate about sustainability and would be a great addition to the Board.

A motion to approve Consent Agenda Item 7.E. was made by Councilmember Filla; seconded by Councilmember Azeltine. The motion was approved with a unanimous vote of 7-0.

8. MAYOR'S REPORT
A. This morning met with Johnson County Appraiser Paul Welcome, City Administrator Scott Lambers, Finance Director Dawn Long and Budget Manager Kathy Byard regarding the 2018 Revaluation Report. Full report will be provided in your mail. Highlights include:
1. Market Value Comparison – Leawood appraised value increased by 5.01% from 2017 to 2018.
2. Johnson County retail, warehouse/industrial, apartment, hotel, residential and office markets are all in expansion mode.
3. Residential Market – For Leawood, approximately 41% of all residential properties will see an increase of 5% or less; 25% will have an increase between 5% to 10%; and 21% will rise by more than 10%. Less than 1% of all properties will realize no change from the previous year and the remaining 12% will see a decrease in valuation.
4. Multiple Listing Service shows continued positive sales price growth. For north Leawood the average sales price increased 9.22% and for south Leawood the average sales price increased 3.88%.
5. The average appraised value for a home in Leawood is $523,167 in 2018 as compared to $497,131 in 2017, or growth of 5.24%.

B. Attended the Greater Kansas City Chamber of Commerce Board Meeting last week where their 2018 Federal Public Policy Agenda was adopted. A copy has been provided for your information.

C. The beautiful 2018 “Beyond Beauty” Taiwan Calendar has been gifted to each Councilmember from Vivian Swafford, PTO President of the Chinese School of Greater Kansas City.

D. Attended the 10th Annual Sustainability Advisory Board [SAB] Summit with HOA leadership. SAB Chair Councilmember Chuck Sipple; SAB Vice-Chair Councilmember Debra Filla; Councilmembers Jim Rawlings, Julie Cain and James Azeltine; City Administrator Scott Lambers and nearly all Department Heads attended. The dinner was good, the vendors great, and the SAB team did a wonderful job. Lots of good City and sustainability information was shared. Thanks to Parks & Recreation Director Chris Claxton and her team for assistance.

E. Participated in the 57th Annual Greater Kansas City Mayors’ Prayer Breakfast where Leawood resident Lamar Hunt, Jr., was the Keynote Speaker. The theme of the event was emphasizing ethics, morality and spirituality in metropolitan mayors, business, labor, the professions and government.

F. Councilmembers James Azeltine and Chuck Sipple joined me at a fun virtual ground breaking ceremony, using goggles, for The Fairways of Ironhorse at Overland Property Group’s Headquarters. When completed in approximately one year, there will be 72 independent living units adjacent to our Ironhorse Golf Course. The Fairways of Ironhorse is a boutique retirement club for age 62 and older, offering state of the art smart units, five-star amenities, fine dining by PB&J Restaurants, golf course views and underground parking.

G. Congratulations to Police Chief Troy Rettig on an excellent 2017 Annual Report produced by Captain Brad Robbins. Great information and very well done.

Mayor Dunn pointed out the City did not experience the percentage increase in appraised values that had been published the Kansas City Star newspaper. The greatest increases were for homes appraised at $325,000 or less.
Councilmember Rawlings inquired about the “dark building” syndrome. Mayor Dunn stated the “dark store theory” is a push by retailers such as Target, CVS and Walgreens to value commercial property as if the building was vacant rather than with inventory. If the theory was applied to Town Center Plaza, the plaza would be a valued as Class C product rather than Class A. Mayor Dunn stated this was not incorporated in the data provided by Johnson County Appraiser Paul Welcome. Mr. Lambers provided the analogy of the empty-nest owner of a four bedroom house who uses just one bedroom.

Councilmember Azeltine asked if there were any appraisal appeals for Leawood. Mr. Lambers stated taxpayers have until the end of March to file appeals and Mr. Welcome expected a doubling of residential appeals. Some appeals in the City would be expected, especially for residential property in north Leawood. Commercial property in the City underwent a significant valuation recently, so less might be expected. Mr. Welcome will advise the City of filed appeals and two months are allowed for hearings. Mayor Dunn noted the City would be informed of outcomes on June 15 and the City budget is prepared the week thereafter. Mr. Lambers stated to be proactive, the City would be reducing assessed growth valuation by one-half percent.

Councilmember Osman stated for the record his concern about property value increase. He does not sympathize with major business such as Target, but is concerned about small office tenants in the City and Johnson County. Commercial property owners typically pass along increases for tenants to pay based on their square footage. A 30% tax increase is not sustainable for a small restaurant or mom-and-pop business. This is going to be a major issue for commercial properties in the future, regardless of whether big box store assessments are accurate.

Councilmember Azeltine asked if the Board of Tax Appeals rules in favor and the County must increase taxes, can the County appeal. Mr. Lambers stated their recourse through the Court of Appeals; businesses would go through the District Court. Should school districts, county or cities decide to challenge the ruling, the process would be better and streamlined, and it would be possible to form a class.

Mayor Dunn stated the financials shared indicated school districts would experience the most impact in millions of dollars. Johnson County Board of Commissioners Chair Ed Eilert is passionate in this regard. He has been actively engaged and testifying on the issue. She stated the Council would be kept informed.

9. COUNCILMEMBERS’ REPORT – None

10. CITY ADMINISTRATOR REPORT – None

11. STAFF REPORT
Public Works Director David Ley – KCP&L Cost Estimates for Undergrounding of Power Lines

Mr. Ley stated he had received two Kansas City Power & Light [KCP&L] cost estimates to bury their lines on two arterial street projects. He presented photographs from various viewpoints and gave a summary of each proposal, including challenges.

A. Mission Road Mill and Overlay Project – 85th Street to 95th Street [undergrounding 92nd Street to south of Curé of Ars]

As part of the original mill and overlay project, sidewalks would be reconstructed from 92nd Street to just north of Curé of Ars. The proposed undergrounding would be only from 92nd Street to pole south of Curé of Ars. The City would need to install a street light system on the east side of Mission Road. Challenges include obtaining 10 ft. utility easements from seven property owners for the installation of seven KCP&L cabinets. Due to the grading drop-off at 92nd Street to 93rd Street, a retaining wall would need to be built and landscaping rebuilt to ensure transformers and switchgears pads are level. The option of undergrounding the lines has come late in the project. After mill and overlay was complete, KCP&L would bury lines in the Fall and the City would complete the sidewalk work thereafter. Total proposal cost on this section of Mission Road would be $950,000, $850,000 for KCP&L undergrounding, $100,000 to install street light poles and controller, and assuming no-cost easement dedications. Finance has suggested cost be funded through a 15-year bond.

Mayor Dunn noted there had been some cost in the mill and overlay project for pole relocation in regard to sidewalk improvement, and she inquired if the City would receive a credit for this cost. Mr. Ley stated KCP&L would provide a small credit for power pole relocation as they were not going to rewire the corridor, but just transfer lines to new poles.

Councilmember Cain inquired about the size of the KCP&L cabinets. Mr. Ley stated the largest cabinets would be approximately 36 sq. ft. at the base, twice the size of the Council Chamber podium [podium measures 30 inches wide and deep], and 54 inches in height. The cabinets would be similar to those on Nall south of 135th Street. The cabinets are needed when a power line comes off the main route distribution line. Cabinets would be needed in rear yards for houses facing 92nd Street and 93rd Streets and for lines going to Prairie Village. The cabinets would located adjacent to the sidewalk on Mission Road.

Councilmember Cain inquired if it was customary to contact property owners and if property owners had been contacted. Mr. Ley stated property owners had not been contacted. He stated property owners were not contacted for the 143rd Street Improvement Project, which included easements and buried lines.

Mayor Dunn advised approval of the proposal could be made contingent upon obtaining easements. She pointed out it was a Council goal to consider bond funding to underground power lines as part of projects moving forward.

Councilmember Osman stated the proposal, Curé of Ars sidewalks, access and walkability had been extensively discussed in Public Works Committee meetings. He pointed out KCP&L subcontractors
aggressively trim trees around power poles, and underground lines would be a great benefit in this regard. The street project and burying of lines at a reasonable cost using bond funding would address items that have been discussed for several years. He expressed concern for the unsightly appearance of cabling emerging from the ground at 92nd Street and continuing to City limit at 85th Street, if undergrounding occurs along just one-half of the street project. Mr. Ley stated there would be the opportunity to underground lines from 92nd Street to 85th Street on Mission Road about 12 years with curb and sidewalk work.

Councilmember Filla inquired about road narrowing planned as part of the street project. Mr. Ley stated as discussed with Prairie Village, all four lanes of Mission Road will be narrowed by 1 ft. to a width of 11 ft. The curb will pull into the street, providing 3 ft. of green space behind the curb. The sidewalks will be 5 ft. wide rather than the current 4 ft. wide sidewalk. Power poles would be located in the 3 ft. green space. Councilmember Filla stated that walkability would be facilitated regardless of whether undergrounding was approved, and that a plan for the remainder would come in the distant future. She inquired if there would be any cost benefit of doing the project all the way to 95th Street, in conjunction with the owner of Ranch Mart, Mr. Regnier, and feasibility in regard to KCP&L’s timeline. Mayor Dunn stated if Ranch Mart was redeveloped, lines could go underground. Mr. Ley stated redevelopment would include parking lot islands where utility switchgear could be located. KCP&L needs to know quickly to complete the project by the end of the year.

Mr. Ley confirmed to Councilmember Sipple the undergrounding would cover 2,300 linear ft., a cost of about $400 per ft. with street lights. Mr. Lambers stated $300 per ft. is a typical cost. Councilmember Sipple asked if there were any studies available that document reliability of underground lines, which could be provided to the neighborhood residents. Mr. Ley stated he could speak with KCP&L before contacting residents. Councilmember Sipple stated he did not want to miss the required timeline.

Councilmember Osman stated $300 per ft. is an average cost for undergrounding power lines. With removal of $100,000 in cost for street poles, the cost per linear ft. for undergrounding would be $370 increase per ft. over original cost. He pointed out the difference in cost comparison from 10 years ago and also with cost 12 years in the future. Mr. Ley stated Staff would need to review past KCP&L project agreements and Nall undergrounding was about 15 years ago. He noted there is a large amount of gear needed with the proposed undergrounding because of power lines that cross Mission Road and entering the rear yards.

Based on 2,600 linear ft. and a cost of $1 Million, Councilmember Osman calculated per ft. cost of $385 to bury power lines between Nall and Roe Boulevard in 1996. Mr. Lambers stated there could have been other costs included.

Councilmember Cain stated concern that the entire project would not be undergrounded at this time, and the future plans for Ranch Mart are unknown. Mr. Lambers stated that bonding is the issue. Waiting 12 years to bond the northern portion would exclude bonding the southern portion. Per the City’s Bond Counsel, bond funding can be used for any type of street improvement project. Council will be presented these types of projects for bonding or cash basis, on a piece-meal basis. Since KCP&L would require upfront payment, the City would first issue Temporary Notes for undergrounding and then issue bonds.

Mr. Lambers confirmed to Councilmember Azeltine that requirements for Temporary Notes and bonding had not changed because of tax law changes, except for very specific projects. The City has the authority to issue this debt.
Councilmember Filla thanked Public Works for their responsible effort to address Council goals and improve walkability.

A motion to approve the expenditure as part of the project, contingent upon easements and right-of-ways, was made by Councilmember Filla; seconded by Councilmember Osman. The motion was approved with a unanimous vote of 7-0.

B. Mission Road Project – 119th Street to 127th Street [undergrounding entire corridor]

Mr. Ley stated the proposed cost would be for undergrounding along the entire corridor at approximately $300 per linear ft., a cost of $1.6 Million. The original project includes removal and replacement of metal pipe, curbs, installation of sidewalks from north 123rd Street to south 124th Street on the east, and removal and replacement of street lights. The remaining sidewalk on the east side would have spot repairs. He stated Mission Road is not centered within the right-of-way in this area. On the west side of Mission Road, the right-of-way only extends a few feet beyond the sidewalk and curb. The right-of-way on the east side is about 35 ft. to 40 ft., with fences marking the right-of-way line. KCP&L would probably relocate power supply by undergrounding on the east side. Challenges include KCP&L cabinets would need to be placed in the right-of-way in front yards, with two or three placed on property lines impacting four property owners. There would be a total of 12 cabinets along the corridor. There is a lot of rock within the area that might impact cost. It is anticipated that more sidewalk would need to be replaced since KCP&L would need to drive equipment over the sidewalk to build their facilities. No easements would be needed. Finance has suggested cost be funded through a 15-year bond.

Councilmember Harrison asked if the cabinets would have landscaping or if a retaining wall would be needed south of Nativity for the project. Mr. Ley stated KCP&L likes 15 ft. of clearance for their maintenance and the sidewalks would not be modified in that location; the road will only widen by 1 ft. on the east side. Mayor Dunn shared the cabinet on her property has landscaping.

Mr. Ley confirmed to Councilmember Sipple the proposed undergrounding would be from 119th Street to Fire Station No. 2, with KCP&L likely placing on the east side of Mission Road. A retaining wall might be required to protect KCP&L equipment installed on the steep grade 200 ft. south of 119th Street or KCP&L may transfer their equipment to the west side at that location. Property lines have far setbacks on the east side. Mr. Lambers reminded of the past situation involving a pool in the area.

Councilmember Cain pointed out a wrought iron fence had just been installed by a property owner on the west side of Mission Road. Mr. Ley stated his belief that KCP&L could work to address this issue; there is probably room in this area.

A motion to incorporate KCP&L line undergrounding from 119th Street to 127th Street and bond accordingly was made by Councilmember Filla; seconded by Councilmember Azeltine.

Councilmember Sipple made a Friendly Amendment to the motion to bury all other overhead cabling as the cost would be the same. Mr. Ley stated Time Warner and AT&T currently have lines on the poles. Mr. Lambers stated they are guests on the KCP&L poles and are required to abandon the pole once KCP&L notifies the poles will be removed. The City could also provide notification. Separate pipe
lines for communications would likely be installed on the west side of Mission Road rather than the east side using slit-trenching.

The motion, as amended, was approved with a unanimous vote of 7-0.

Mayor Dunn thanked Mr. Ley for providing research and hoped for no interruption of services during the project.

**COMMITTEE RECOMMENDATIONS**

12. PLANNING COMMISSION – None

13. OLD BUSINESS – None

14. OTHER BUSINESS – None

15. NEW BUSINESS
   A. Schedule a Governing Body Work Session at 6:00 P.M., on Monday, April 2, 2018 for Discussion of Redevelopment Plan for 96th & Lee Boulevard

   Councilmember Osman stated he may have a possible travel schedule conflict, but he and Councilmember Filla continue to be very interested in some progress on this project in their Ward.

   Mr. Lambers confirmed to Councilmember Filla that notification would not be provided to neighbors, since the purpose of the proposed Work Session would be to obtain Council direction and answer certain questions. It will be quite some time before the citizen input phase on the redevelopment plan.

   A motion to schedule the Governing Body Work Session was made by Councilmember Rawlings; seconded by Councilmember Sipple. The motion was approved with a unanimous vote of 7-0.

   B. **Ordinance No. 2879C**, granting to MCIMetro Access Transmission Services Corp., d/b/a/ Verizon Access Transmission Services, a contract franchise to construct, operate and maintain a telecommunications system in the City of Leawood, Kansas, and prescribing the terms of said contract franchise and repealing Ordinance No. 2489C

   [ROLL CALL VOTE]

   Ms. Bennett stating the proposed ordinance was just a renewal of ongoing fiber franchise, originally Brooks Fiber. The City is working with Verizon on negotiating small cell agreements, which will be needed separately.

   Mr. Derek Carter, 508 East Ash, Raymore, Missouri, Verizon Project Manager, stated aerial lines would surround the perimeter of Leawood. Main core route will cross 135th Street through Leawood, with 18 small cell sites and three macro cell sites to feed off the core. Lines needed off 135th Street would be located underground. No additional lines would be added aboveground in the City. Mr. Carter confirmed to Mayor Dunn no park land would be involved. Mr. Lambers stated any new or expanded lines in Leawood must be underground.
Councilmember Sipple asked for the amount of monthly revenue for the City. Ms. Bennett stated it would be 5% of gross receipts. Ms. Long stated gross sales are $3,000 a month which generates $60 a month in revenue for the City.

A motion was made to pass the ordinance by Councilmember Osman; seconded by Councilmember Rawlings. The motion was approved with a unanimous roll call vote of 7-0.

ADJOURN

There being no further business, the meeting was adjourned at 8:44 P.M.

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Debra Harper, CMC, City Clerk

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Cindy Jacobus, Assistant City Clerk