

Regular Meeting**THE LEAWOOD CITY COUNCIL****August 2, 2021****Minutes**

Councilmembers Present: Julie Cain, Mary Larson, Deb Filla, Jim Rawlings, Lisa Harrison, Andrew Osman and Chuck Sipple

Councilmembers Absent: James Azeltine

Staff Present: Scott Lambers, City Administrator
Chief Troy Rettig, Police Dept.
Dawn Long, Finance Director
Mark Klein, Planning Services Director
Nic Sanders, HR Director
Mike Pelger, Info. Services Specialist
Kelly Varner, City Clerk
Capt. Kirt Yoder, Police Dept.

Patty Bennett, City Attorney
Fire Chief Colin Fitzgerald, Fire Dept.
David Ley, Public Works Director
Travis Torrez, Bldg/Code Enfrcmnt Dir.
Chris Claxton, Parks & Rec Director
Mark Tepesch, Info. Services Specialist
Stacie Stromberg, Assistant City Clerk

Others Present: Dave Arteberry, Stifel Financial Corp.; Ben Thompson, Gilmore & Bell; Julie Rome, Woodhouse Day Spa

- 1. ROLL CALL**
- 2. PLEDGE OF ALLEGIANCE**
- 3. APPROVAL OF AGENDA**

Mayor Dunn pointed out that due to the bond sale earlier in the day, updates to the staff memo for Items 7A-7D have been made available to the Governing Body. The staff memo for Item 8G was corrected to reflect the year 2026.

A motion to approve the supplemented agenda was made by Councilmember Cain, seconded by Councilmember Sipple. Motion was approved with a unanimous vote of 7-0.

4. 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. A TOTAL OF 30 MINUTES WILL BE ALLOCATED PER MEETING FOR CITIZEN COMMENTS.**

5. PROCLAMATIONS – None**6. PRESENTATIONS/RECOGNITIONS – None**

7. SPECIAL BUSINESS

- A. Ordinance authorizing and providing for the issuance and delivery of \$47,790,000.00 General Obligation Temporary Notes Series, 2021-1, of the City of Leawood, Kansas, to provide funds to finance the cost of certain public improvement projects within the City; providing for the levy and collection of an annual tax, if necessary, for the purpose of paying the principal of and interest on said notes as they become due; authorizing certain other documents and actions in connection therewith; and making certain covenants with respect thereto (F) [ROLL CALL VOTE]

Dawn Long, Finance Director, addressed the Governing Body. She introduced the City's bond counsel, Dave Arteberry with the Stifel Finance Corp. and Ben Thompson with Gilmore and Bell. She stated that the City had a bond sale and temporary note sale this morning with great results. She stated that there were 7 bids for the temporary notes, and 8 bids for the bonds. She noted that the rates were very good. Ms. Long stated that Morgan Stanley won the bid for the temporary notes at .120% and Robert W. Baird won the bid for the bonds at 1.257%. She stated that they were all very pleased with the sales.

Mayor Dunn recognized the great results and congratulated everyone on the reaffirmation of the City's AAA-bond rating.

Dave Arteberry, addressed the Governing Body. He congratulated the City on their rating and explained that the rating call was very quick. He noted that the analyst had a good understanding of the City. He pointed out that the City's historical fund balance over the last decade has been very, very consistent. He stated as the City's budget has grown the fund balances have grown accordingly. He stated that is something the rating agencies focus on and that he noticed in the rating call this morning.

Mr. Arteberry stated that the bids on the temporary notes were due at 11:30 a.m. this morning and that the number of bids may be a record amount. He indicated that two other records were set today—the biggest note that the City ever sold, and the lowest interest rate ever sold. Mr. Arteberry stated that they reviewed the bid, it met all the bidding parameters, and was mathematically correct.

He stated that at 12:30 p.m. today, the bids were open for the general obligation bonds and there was a total of 8 bidders. He stated that the best bid was submitted by Robert W. Baird & Co., who has purchased some of the City's bonds in the past. Mr. Arteberry pointed out that 5 out of the 8 bids were all within approximately 1/100th of a percent of each other. He stated that they reviewed the bids, they were mathematically correct, and met all the bidding parameters.

Mr. Arteberry stated that Councilmember Sipple attended part of the bidding process. Councilmember Harrison asked about the fund balances and who manages them. Mr. Arteberry stated that it is a combination of the City's Finance Department, City Administrator, and City Council.

Mayor Dunn confirmed that the City has had an AAA-bond rating for over a decade. Scott Lambers, City Administrator, replied that it has been since 2008.

Ben Thompson, Gilmore & Bell, addressed the Governing Body. He congratulated the City on the excellent bond rating and remarked on the great sale and interest rates they receive each year. Mayor Dunn mentioned that the City's issuance of temporary notes is large and the rate is very good, but asked if the plan is to keep these as temporary notes for 2 or 3 years. She asked when it would be prudent to turn them into General Obligation Bonds and lock in a good rate. Mr. Arteberry replied that it depends on the project, construction and design, but suggested that 2 years is the average time.

A motion to approve Item 7A was made by Councilmember Harrison, seconded by Councilmember Sipple. Motion was approved with a unanimous roll call vote of 7-0.

- B. Resolution prescribing the form and details of and authorizing and directing the issuance, sale and delivery of \$47,790,000.00 General Obligation Temporary Notes Series, 2021-1, of the City of Leawood, Kansas; providing for the levy and collection of an annual tax, if necessary, for the purpose of paying the principal of and interest on said notes as they become due; making certain covenants and agreements to provide for the payment and security thereof; and authorizing certain other documents and actions connected therewith (F)

A motion to approve Item 7B was made by Councilmember Rawlings, seconded by Councilmember Sipple. Motion was approved with a unanimous vote of 7-0.

- C. Ordinance authorizing and providing for the issuance and delivery of \$18,860,000.00 General Obligation Bonds, Series 2021-A, of the City of Leawood, Kansas, to provide funds to finance the cost of certain public improvements within the City; providing for the levy and collection of an annual tax for the purpose of paying the principal of and interest on said bonds as they become due; authorizing certain other documents and actions in connection therewith; and making certain covenants with respect thereto (F) [ROLL CALL VOTE]

A motion to approve Item 7C was made by Councilmember Filla, seconded by Councilmember Larson. Motion was approved with a unanimous roll call vote of 7-0.

- D. Resolution prescribing the form and details of and authorizing and directing the sale and delivery of \$18,860,000.00 General Obligation Bonds, Series 2021-A, of the City of Leawood, Kansas, previously authorized by Ordinance No. 3056 of the City; making certain covenants and agreements to provide for the payment and security thereof; and authorizing certain other documents and actions connected therewith (F)

A motion to approve Item 7D was made by Councilmember Filla, seconded by Councilmember Sipple. Motion was approved with a unanimous vote of 7-0.

Mayor Dunn thanked Mr. Arteberry, Mr. Thompson, and Ms. Long for all their work.

8. 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. 2021-29 and 2021-30
- B. Accept Minutes of the July 19, 2021 Governing Body meeting
- C. Accept Minutes of June 10, 2021 Parks & Recreation Advisory Board meeting
- D. Accept Minutes of the May 24, 2021 Leawood Arts Council meeting
- E. Resolution approving and authorizing the Mayor to execute an extension to the Financial Services Agreement dated August 17, 2015, between the City and Commerce Bank to provide certain banking service needs to the City of Leawood for a term ending December 31, 2022 (F)

- F. Resolution approving and authorizing the termination of an Escrow Agreement between the City and The Perry M. Sharp Trust C and The Bank of Blue Valley pertaining to the Stormwater Improvement District SBD #2779 and repealing Resolution Nos. 4753 and 4754 (F)
- G. Resolution approving and authorizing the Mayor to execute a fourth Amendment to Golf Facility Management Agreement between the City and Troon Golf, LLC (PR)
- H. Resolution approving and authorizing the Mayor to execute an Agreement between the City and Superior Electrical Construction in the amount of \$21,460.00 for the installation of vehicle power charging stations (PD)
- I. Approve payment in the amount of \$51,290.00 for the purchase of (1) 2022 Tesla Model Y Electric vehicle (PD)
- J. Approve payment in an amount not to exceed \$50,000 to Challenger TeamWear for Soccer Leagues (PR)
- K. Approve payment in the amount of \$16,620.08 to Van-Wall Equipment, Inc., for the purchase of (1) John Deere 1200 Hydro Rake (PR)
- L. Approve payment in the amount of \$63,600.14 to Professional Turf Products for (1) Toro 5010-Hybrid Fairway Mower (PR)
- M. Approve Surplus of miscellaneous Aquatic Center equipment to Purple Wave Auction (PR)

Item 8I was pulled by Councilmembers Osman, Cain, Rawlings, and Larson.

A motion to approve the remainder of the consent agenda was made by Councilmember Larson, seconded by Councilmember Sipple. Motion was approved with a unanimous vote of 7-0.

Item 8I Discussion:

Councilmember Osman asked why the decision was made to purchase a Tesla vehicle now as opposed to years before. He expressed some concern for residents possibly questioning the purchase because of the cost. He asked what the true costs are for an existing Ford Explorer versus a new Tesla.

Chief Troy Rettig, Leawood Police Department, addressed the Governing Body. He stated that the reason for the timing of the purchase now is because the parts for the Tesla are now available, and it is much more practical as a patrol vehicle. He stated that the department had a concern for the cost also, but they have done a lot of research into the cost analysis. He stated that he is very confident that a Tesla will work as a patrol vehicle.

Capt. Kirt Yoder, Leawood Police Department, addressed the Governing Body. He pointed out that the normal patrol vehicles are Ford Explorers, which are just under \$40,000 base cost. He stated that the Tesla will be just over \$52,000 base cost, but explained that the big cost savings is in the maintenance costs. He stated that when they reviewed the 2020 numbers for their patrol fleet, and specifically vehicles that are in use for the entire year that are non-supervisor vehicles, they found an average cost for the maintenance as noted on the cost analysis. He pointed out that after the 3rd year Tesla becomes more cost efficient.

Councilmember Osman asked at what point is a City's vehicle sold. Capt. Yoder replied that they are sold after 3 years and rotated out of the fleet. He stated they will have approximately 100,000 to 110,000 miles on them before going to auction, and their resale value is approximately \$12,000 each. He explained that the Tesla has an 8-year/120,000 mile power train warranty, so he would like to keep it for

at least 4 years but before it needs a new battery. He has no information on what the Tesla's resale value would be.

Mayor Dunn mentioned that the amount of purchase on the cost analysis for a Tesla is \$52,190.00, but the staff memo and agenda indicate that it is \$51,290.00. Capt. Yoder agreed that it should be amended to \$52,190.00.

Councilmember Larson asked if any other police departments in the area have Teslas as patrol vehicles. Capt. Yoder replied that Leawood would be the first, but mentioned that they reached out to many different agencies across the United States that have Teslas in their fleet for the past 2-3 years. He remarked that all of them are expanding their fleets because of overwhelming success.

Councilmember Rawlings asked what the cost is to install a charging station, where it will be located, and how long it takes to charge a vehicle. Capt. Yoder stated that there are 3 different types of charging stations: a 110-volt, which is similar to a normal wall outlet and takes a significant amount of time to charge; a 240-volt system that would take a completely dead battery to 95% in about 2-3 hours; and a supercharge system which charges a vehicle in 45 minutes but is not available right now to the public. He indicated that the charging stations that they have proposed to be installed would be located at the Police Department where other police vehicles are parked. Councilmember Rawlings asked about the battery life of the vehicle when it is idling with the air conditioner running. Capt. Yoder stated that the battery would be used, but does not know how much would be depleted. Councilmember Rawlings stated that in his research he found that the batteries can last up to 500,000 miles so he asked what is convincing the Department to purchase one now. Capt. Yoder responded that the market is going to push electric vehicles into a more prominent position than gas-powered vehicles and that they would like to get ahead of that curve. Councilmember Rawlings asked if they planned to do a buy back in 4 years. Capt. Yoder replied yes.

Mayor Dunn mentioned that the item on this agenda for the charging station purchase is for 8 stations. Capt. Yoder stated that there will be enough power in the system to charge 6-8 vehicles. Mayor Dunn asked if employees would be using the additional charging stations. Chief Rettig replied that it would be strictly prohibited for employees to use the charging stations. He replied that they are fully anticipating the market and it is foreseeable that the Department's unmarked cars would eventually be electric in the near future, if it is economically feasible. Chief Rettig stated that the charging stations would not be available to the public, as they would be located in an area of their garage that is not accessible to the public.

Councilmember Sipple asked about the maintenance costs for the Tesla, such as brakes, tires and suspension. Capt. Yoder explained that replacement tires are not factored into the cost analysis because the tires will need to be replaced on either a Ford or Tesla vehicle. He stated that the maintenance costs on a gas-powered vehicle are oil changes, filters, belts, water pumps – none of which are on a Tesla. He pointed out that Tesla Kansas City has yet to replace a set of brakes under 100,000 miles because the vehicle uses its engine for stopping power and has regenerative braking, which means the battery charges while the brakes are applied, thus very little wear on the brake pads.

Councilmember Filla confirmed that the information on the cost analysis showed a large cost savings over time with a Tesla.

Councilmember Osman pointed out that he was very skeptical a couple of years ago, but since then his wife purchased a Tesla last year. He stated that it is evident that a little over 2 years' time, the money will be recouped from gas and maintenance, and that he is in favor of the purchase.

Chief Rettig stated that they will educate the public on why having a Tesla for the City is a good idea and makes economic sense for the citizens. Mayor Dunn stated that seeing the information on the cost analysis spreadsheet was very helpful.

Councilmember Larson asked for a copy of the spreadsheet, and agreed that educating the public before the car is on the streets is highly recommended. Councilmember Sipple asked when the Department will take possession. Chief Rettig replied that it will take longer than normal to outfit and estimated 3-4 months.

Councilmember Harrison asked if the charging stations could be available to the public. Chief Rettig replied that he prefers not so that they can keep it specifically for the use of the Police Department and to be able to track the Department's usage of electricity for cost savings data. He stated that if the City would like to install charging stations at the Justice Center, he recommended that it be a separate initiative. Councilmember Harrison suggested that the vehicle be kept longer than 100,000 miles and repurposed for another department within the City. Chief Rettig stated that other vehicles in the fleet are repurposed that way and that he sees no reason the Tesla could not also. She suggested that the City work with Tesla for promotion since Leawood is the first city in the area to purchase an electronic patrol car. Chief Rettig quipped that Tesla is very popular right now and probably does not need the advertising.

Councilmember Cain suggested that educating the public through social media on the economic value is important, but also wants them to point out the environmental benefits.

A motion to approve a cost of \$52,190.00 for Item 8I was made by Councilmember Osman, seconded by Councilmember Filla. Motion was approved with a unanimous roll call vote of 7-0.

9. MAYOR'S REPORT – None

10. COUNCILMEMBERS' REPORT – None

11. CITY ADMINISTRATOR REPORT – None

12. STAFF REPORT – None

13. COMMITTEE RECOMMENDATIONS

[From the July 13, 2021 Planning Commission meeting]

- A. Ordinance approving Planning Commission's recommendation of denial of a rezoning from AG (Agricultural) and SD-O (Planned Office) to MXD (Mixed Use Development District), Preliminary Plan and Preliminary Plat for Cameron's Court, located south of 133rd Street and west of State Line Road. (PC 49-20) ***[Remanded to the Planning Commission at the request of the applicant]***

Staff Comment: The applicant has advised the City that he intends to make changes to the plan that was considered by the Planning Commission. They are, therefore, requesting that this item be remanded back to the Planning Commission without being heard by the Governing Body so

that the Planning Commission can consider the proposed changes. The City Administrator concurs with this request.

Mark Klein, Planning Services Director, addressed the Governing Body and confirmed the applicant's request. Mayor Dunn asked when the Planning Commission would be able to hear this item and if there will be another public hearing. Mr. Klein replied that it will be September 14, 2021 and it will be kept as the only item on their agenda. He stated that there will be another public hearing, and does not believe the applicant is making substantial changes to their plan. He stated that the Leawood Development Ordinance (LDO) has certain criteria to be met if substantial changes are done to a plan. Mayor Dunn clarified that the public will have an opportunity to speak. Patty Bennett, City Attorney, replied that it could be a condition of the remand as instructions to the Planning Commission, if the Council wished to do so. Ms. Bennett also stated that staff had concerns that the attendance of the Planning Commission members be full for the September 14th meeting.

Mayor Dunn reiterated that this item will not be discussed by the City Council, but cautions the Planning Commission to be aware of the public's concerns. Councilmember Cain supports the condition of a public hearing. Councilmember Harrison asked about twin villas and single-family homes. Mr. Lambers interjected that this item is not to be discussed by the Council at this time. Councilmember Harrison asked if the public will speak at an Interact meeting. Mayor Dunn replied that it is done as a public hearing at the Planning Commission meeting that will be opened and closed, as opposed to citizen comments.

A motion to accept the applicant's request for a remand of Item 13A to the Planning Commission with a condition of the public hearing being re-opened was made by Councilmember Larson, seconded by Councilmember Filla. Motion was approved with a unanimous vote of 7-0.

- B. Ordinance amending Section 16-2-10.3 of the Leawood Development Ordinance entitled "Materials and Colors" pertaining to roofing materials for single family residential structures, and repealing existing Section 16-2-10.3 and other sections in conflict herewith. (PC 80-21) [ROLL CALL VOTE]

Mr. Klein stated that this amendment is in regards to single-family homes. He stated that the LDO has minimum weight requirements that were originally listed as 300 lbs./square. He explained that a square is considered a 10'x10' section or 100 sq. ft. He stated that the industry began to develop Class 4 impact rated shingles that would not lose the granules as much, but as a result, the technology lowered the weights of the shingles. He stated that currently the LDO lists the minimum weight requirement for a non-Class 4 shingle to be 300 lb./square and 265 lbs./square for a Class 4 impact rated shingle.

Mr. Klein stated that technology has changed again over time and the shingles have become substantially lighter and thinner than before. He stated that staff received input from five major manufacturers of roofing materials, developers, and roofing contractors, as well as lists of roofing materials as comparables. He noted that the experts agreed that there will not be much of a difference because the weight is distributed across a large expanse, and that the roofing material now is a higher quality and outperforms what was offered 20 years ago. He explained that is also due to better sealants holding the shingles together. Mr. Klein explained what the manufacturers have done with sand, asphalt, and rubberized materials that have contributed to the changes.

Staff had no concerns with the performance issues of the newer shingles, but Mr. Klein stated that the ascetics of shadow lines is part of the current LDO requirement. He stated that the proposed amendment

is to reduce the minimum weight requirement of 300 lbs./square to 200 lbs./square, as long as the shingle has the shadow line. He pointed out that some of the premier roofing materials are heavier and can be up to 400 lbs./square but have no shadow lines in their design. He indicated that because of their thickness, they create their own shadow line.

Mr. Klein stated that staff is also proposing that the thickness requirement in the LDO be changed from a minimum of 3/16 of the single-ply butt end to an average of 3/16 of the butt end between the plies. He stated that the Planning Commission recommended approval of the application material.

Mr. Klein stated that there was one additional change which was to have a Master Specification of Application Materials as a requirement. He explained that this requirement was added a number of years ago by an architect who served on the Planning Commission, but staff discovered very quickly that the Master Specification was very, very expensive to get and most companies did not have one, so the City would have to do an annual purchase of several of them. He stated that it was never really used and staff recommends removing its required use from the ordinance.

Councilmember Cain stated that as a real estate agent she sees deals fall through often because of roofs. She commended the City for being very restrictive because it protects the homeowners who rely on the City's standards. She stated that because of Hurricane Katrina, insurance companies have changed their coverage and she suggested that the staff speak to inspectors and insurance companies, if they have not done so already. She expressed concern that staff would need to explain what the definition of the thickness average is each time a permit is pulled.

Councilmember Sipple asked if any neighboring cities have similar rigorous roofing standards as Leawood does. Mr. Klein replied that staff found that no other city regulates roofing as Leawood. Mayor Dunn stated that she hears often from residents that they appreciate the high standards and restrictions. Councilmember Cain agreed that it saves money in the end for Leawood residents.

A motion to approve Item 13B was made by Councilmember Osman, seconded by Councilmember Cain. Motion was approved with a unanimous roll call vote of 7-0.

14. OLD BUSINESS

Ordinance amending Section 5-523 of the Code of the City of Leawood, 2000, pertaining to massage establishment facilities and repealing existing Section 5-523, and other sections in conflict herewith (C) [ROLL CALL VOTE]

Travis Torrez, Building and Code Enforcement Director, addressed the Governing Body. He stated that this is an amendment to the ordinance in regards to lifting the prohibition of table showers and bathtubs. He stated that information from other cities has been provided to the Council, as requested.

Councilmember Osman mentioned that this code revision addresses one issue, but he stated that other businesses have had concerns with allowing alcohol within their establishment and lumens or candle lighting inside massage rooms. He recommended that staff review those issues, as well.

Councilmember Sipple asked if the applicant who came before the Council a few months ago will be in compliance with the City under this amendment. Mr. Torrez replied yes.

Councilmember Cain asked what a table shower is and questioned why some cities either strictly prohibit them, or give no mention to them at all in their ordinances.

Julie Rome, franchise partner of The Woodhouse Day Spa located at Town Center Crossing, addressed the Governing Body. She stated that the table shower is commonly known as a Vichy shower. She pointed out that the two closest Vichy showers are located at The Elms Resort (in Excelsior Springs, MO) and Chateau on the Lake at Lake of the Ozarks. Ms. Rome explained that at their spa, a guest can get a mud or seaweed wrap followed by an exfoliation by a shower bar using hot and cold water to remove the wrap.

Ms. Rome stated that she cannot speak to the other municipalities' prohibitions but only has anecdotal evidence of the restrictions due to a "massage parlor" in the city. She stated that their spa has a very different concept and that they are the 72nd franchise in the United States. She noted that no other city or franchise has ever had any issues with the Vichy shower.

Mayor Dunn asked that if this item is approved when it would go into effect. Kelly Varner, City Clerk, replied that it would be August 11th, after publication.

A motion to approve Item 14 was made by Councilmember Filla, seconded by Councilmember Rawlings. Motion was approved with a unanimous roll call vote of 7-0.

15. NEW BUSINESS

Schedule Governing Body meeting for Monday, August 16, 2021 at 7:00 P.M.

A motion to approve Item 15 was made by Councilmember Rawlings, seconded by Councilmember Sipple. Motion was approved with a unanimous vote of 7-0.

ADJOURN

Meeting adjourned at 8:11 p.m.