STATE OF KANSAS)
WYANDOTTE COUNTY)) SS **SPECIAL SESSION, THURSDAY, APRIL 23, 2020**
CITY OF KANSAS CITY, KS)

The Unified Government Commission of Wyandotte County/Kansas City, Kansas, met in Special Session, Thursday, April 23, 2020, with eleven members present on line: Bynum, Commissioner At-Large First District; Burroughs, Commissioner At-Large Second District; Townsend, Commissioner First District; McKiernan, Commissioner Second District; Ramirez, Commissioner Third District; Johnson, Commissioner Fourth District; Kane, Commissioner Fifth District; Markley, Commissioner Sixth District; Walters, Commissioner Seventh District; Philbrook, Commissioner Eighth District; and Alvey, Mayor/CEO presiding. The following officials were also in attendance: Doug Bach, County Administrator; Ken Moore, Chief Legal Counsel; Bridgette Cobbins, Unified Government Clerk; Kathleen VonAchen, Chief Financial Officer; Debbie Jonscher, Deputy Chief Financial Officer; Reginald Lindsey, Budget Manager; Gordon Criswell, Alan Howze, Melissa Sieben, Emerick Cross; Assistant County Administrator's; John Kelly, Buildings & Logistics Director; Jeff Fisher, Executive Director of Public Works; Robert Anderson, Public Works Asset Manager/Asset Coordinator; Samuel Her, Public Works Fiscal Officer; Troy Shaw, County Engineer; Renee Ramirez, Director of Human Resources, Chief Callahan, Fire Department; Alley Porter, Commission Liaison; and Lynn Melton, Assistant to the Mayor.

MAYOR ALVEY said before I call the meeting to order, I want to announce that due to COVID, individuals are attending by way of conference call. All participants joining by phone should mute their phones with not speaking to avoid background noise. During the meeting, please make sure that you announce yourself by name and title every time you speak so that the public that is participating knows who is speaking. This is critical given the number of remote participants in his current guidance from Kansas Attorney General.

MAYOR ALVEY called the meeting to order.

ROLL CALL: Markley, Walters, Philbrook, Bynum, Burroughs, Townsend, McKiernan, Ramirez, Johnson, Kane, Alvey.

NOTICE OF SPECIAL MEETING of the Unified Government of Wyandotte County/Kansas City, Kansas, to be held Thursday, April 23, 2020, at 5:00 p.m. for a 2021-29025 CMIP. Due to COVID-19 the public will be able to observe or listen to the meeting live on YouTube or UGTV or through ZOOM.

CONSENT TO MEETING of the governing body of Wyandotte County/Kansas City, Kansas, accepting service of the foregoing notice, waiving all and any irregularities in such service and in such notice, and consent and agree that we, the governing body, shall meet at the time and place therein specified and for the purpose therein stated.

Mayor Alvey said alright, so again, 2021 to 2025 Capital Maintenance and Improvement presentation. I will turn it over now to Mr. Bach.

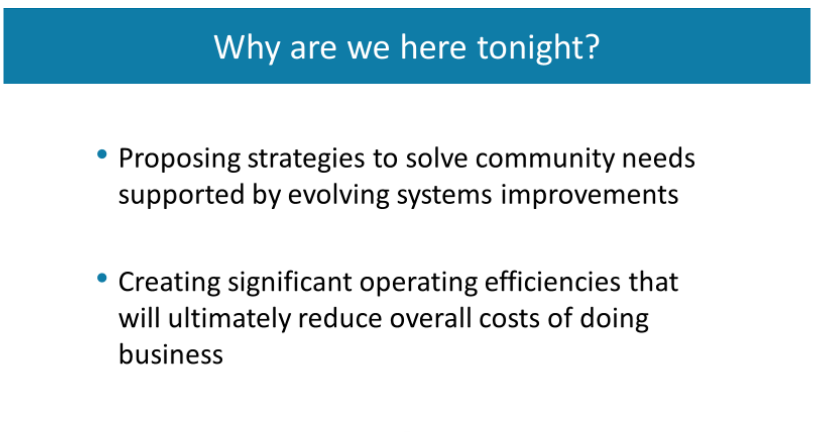
Doug Bach, County Administrator, said as we get started, this year, and I'll ask Kathleen, you can go ahead and put your presentation up or whoever's in charge of loading it up on the screen, so we're ready to roll with that small start into this.

Capital Maintenance & Improvement Plan (CMIP)
Debt-Funded Projects (2021-2025)
Matrix of Strategies

April 23, 2020
Presented to the Board of Commissioners of the
Unified Government of Wyandotte County and Kansas City, Kansas
by
CMIP Review Groups
Public Works Department
Finance Department & Budget Office

This year's been one that's evolved quite a bit as we started this. Earlier in the year, I think we were looking ahead at our projections and feeling good about everything, which I guess is a good place to be in. Obviously, with what's happened with the Coronavirus and the impact on the economy, it's changed a little bit. What we're talking about tonight though is really one where we look ahead for the next several years, it's the debt funded projects, so these projects are not necessarily impacted by what's happening now today. But it does provide a little bit of uncertainty as we look out into the future years because we go well, will we turn back to normal quickly. Will, we see a downturn in the economy that's happening now and then recover well. Will we have a couple of dips in the economy, or do we go down and we stay down for longer periods of time. So, with that uncertainty, it does influence where we're at.

I will say this year, and as I've told you in previous meetings, we're tightening the belt on things we're doing. We are pulling back in our expenses that are in the 2020 year. We have to dip into Reserves somewhat probably to get through or to look at '21. It does put us at a point of questioning just how much we want to leverage as we look ahead to '21 and Debt projects. But overall, you still should look at it from what strategy we're looking at going forward and I think the team has really done a good job of putting together. Kathleen go on to the next slide. I know you want to reintroduce your group and you can do that after I get done.



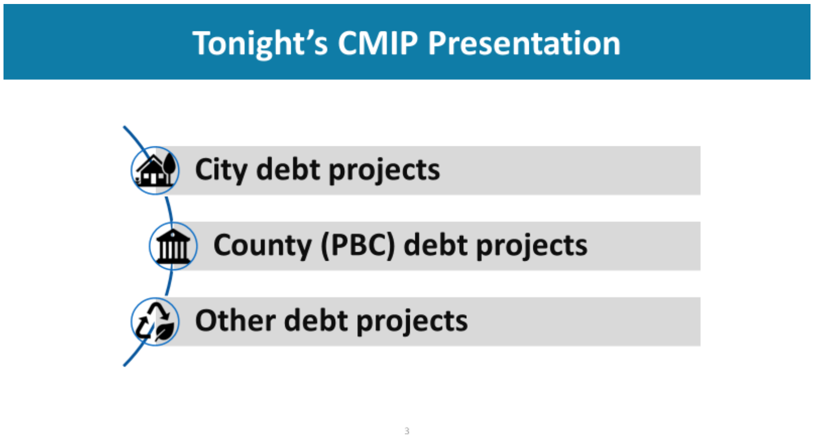
So, I mean, we have strategies for solving our community needs, evolving through systems, overcoming significant—we've got to overcome some even Operating efficiencies, but as we look at this, you know, the policy discussion that you all have had every year when we get into CMIP is particularly that which is directly impacted by the General Fund, which is supported by tax dollars. So, we have about 17 mills that are out there dedicated toward our Debt funds every year. That's pretty significant when you look at it on the City Operating side of the budget that those 17 that we have about 38 so we have just a little bit more 21 mills to go toward our Operating. So, as a ratio that's a fairly high number and you all have had that discussion for the past couple of years about we don't want to put in additional debt. We're going to take a dive into that tonight and look at it and say, okay, we can keep to that number of spending about $15M a year plus or minus, depending on the year, but move through that point and try not to put more into Debt. That does limit us on what we can do. If we stay with our current CMIP project budget and we spend a little bit more than that over the years were able to fund several of the projects we've talked about, but then we need to reduce back down to that $15M level five years out, but that does put more money into Debt over that time period.

Then another option is, you can look at the amount of millage that's currently dedicated toward our Debt service, not increasing it at all, and that opens the door to do a lot more projects that we can do by putting them to Debt. It's a good policy discussion.

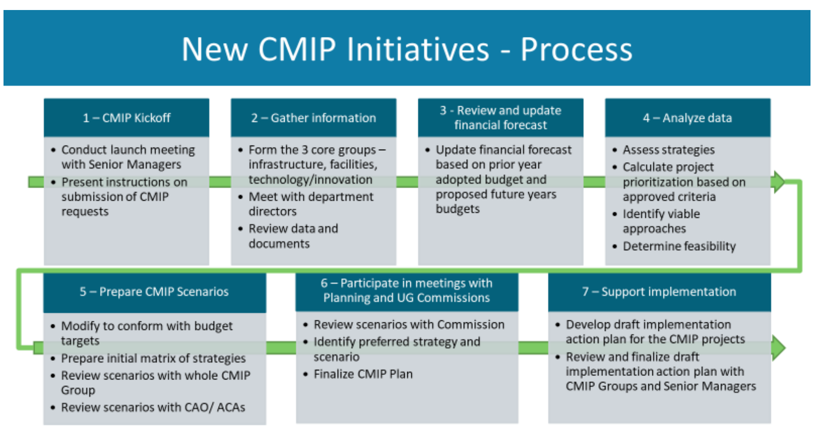
Our intent tonight is really to walk through where things are, talk about some of the projects that are out there. We did produce these documents out to you on Monday when we sent out the notice for the agenda, but I know we don't always have a lot of time to get into some. Some of you may have the chance to look through a few, but that's what we set out here tonight. As we go through it, we have a lot of different people ready to present. So, I'm going to turn this over to Kathleen VonAchen, our Chief Financial Officer, and Kathleen is going to do some introductions and get us going into this.

Kathleen VonAchen, Chief financial Officer, said tonight we're going to have a variety of people make presentations on various slides. So, I'm going to, off the top of my memory, I'm going to run through them. We have our Public Works Director Jeff Fisher, our Assistant County Administrator Alan Howze will be also presenting, my Budget Director Reginald Lindsey, the Deputy CFO Debbie Jonscher. We're also going to have a new kind of addition to the Public Works team, the Fiscal Officer for Public Works. His name is Sam Her. He used to be the intern in budget. We're also going to have Robby Anderson, who's the Asset Manager/Asset Coordinator in the Public Works Department and boy if I missed anyone, I apologize.

But everyone's on the call ready to go. Oh, and then also, of course, we're also going to have our Human Resource Director Renee Ramirez, who's going to be talking about one of the projects. So, a lot of people going to be talking.



I'm going to start out by just introducing the organization of the presentation. First we're going to start with the City Debt projects. That's the 17 mills that Doug is talking about that are all funded out of the City Bond & Interest fund. Then we're going to talk about the County or Public Building Commission Debt projects. They are funded with a 2 mill property tax revenue as well as any transfers in from the County funds or other funds that are issued as PVC debt for lease revenue bonds and then we're going to talk about other Debt projects. Those are projects that are paid for from Special Revenues or from Grants.



To get started, and we have a couple of fantastic new CMIP Initiatives and Reginald Lindsey is going to start out talking about the first one, which is our new CMIP budget process.

Reginald Lindsey, Budget Manager, said we kicked off our CMIP process in October of 2019 so we could vet our CMIP more by using new tools like our facility condition assessment tool and then also our Capital project criteria ranking system. So, one of the things that we did was we started Core groups. And so, we had an Infrastructure Core group, a Facilities Core group, a Technology Innovations Core group. What the Facilities Core group did was they looked at anything that was project related to any work that was on our facilities. Then we also had an infrastructure Core group. They did all other Public Works projects outside of buildings. So, anything to do with streets and traffic engineering. Then we also had a Technology Innovations Core group and that was what for projects related to keep our organization or innovative technology wise.

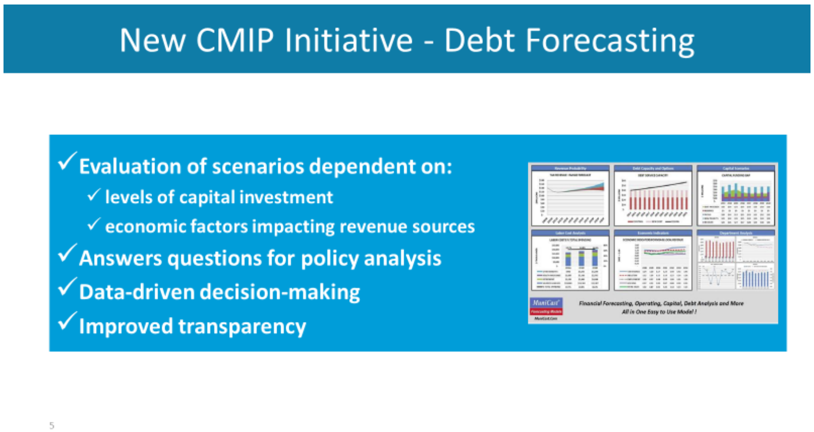
So, we started this whole process back in October and we usually would start the process at the beginning of the year in January, but one of the things we wanted to be able to do was spend a little more time on projects so we started these three Core groups so that they could review the projects as they came in from departments and it would give us a little more time. One of the complaints we had from departments is that they had very little time to enter their project. They had like a two to three week timeframe to enter projects. So now we provided where they had a month to look at projects, then even after that they had time to research it and then it would go the Core groups and the Core groups would vet the projects, make sure that they could source them out.

From there, we would take the project to the County Administrator's Office, but before we take it to the County Administrator's Office, we would meet with departments and Core groups all in one setting to discuss the projects as they happen and as they are submitted. So, during that time we review documents. That kind of puts us in where we have all the steps we have and then we have the CMIP kickoff, which is the number one step.

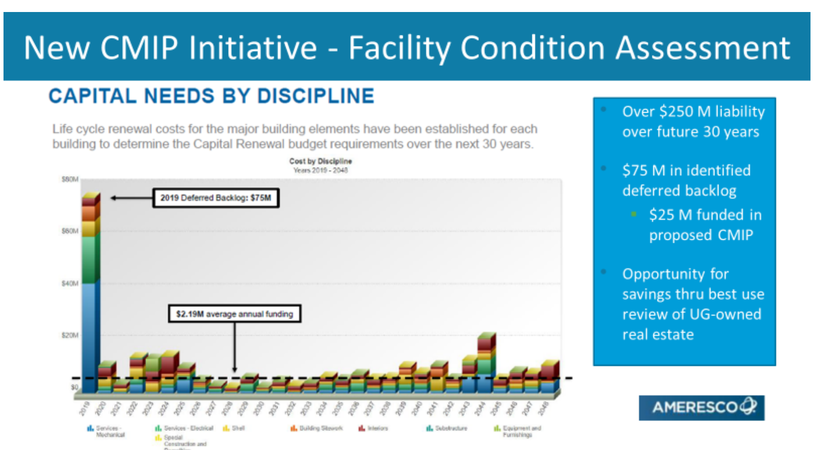
Then we have the second step, which is to gather information and then we had the third step review and update financial forecasts and then number four, analyze data. Then number five, where we prepare CMIP scenarios and number six, where we participate in meetings with the Planning and UG Commission. That's where we are tonight. Now I'm going to turn it back over to Kathleen.

Mr. Bach said as Reggie does that, I'm just going to ask each of the staff members, as you come up with your turn to speak, turn your camera on. The commissioners have their camera on. We are live on TV. So, I'd like to see you all so you can have that engagement as you're speaking.

Ms. VonAchen said I would just say that hopefully my camera won't keep falling off my monitor here.



So, the next step here is—then the next new initiative that we undertook was we spent a number of hours—Debbie, Alyse and I, updating a new Debt Forecasting model and it's similar to the model we use for the Long Range Financial Plan. I think you've heard of it before Multicast and a number of cities use it and we hope we are using it tonight to evaluate different scenarios dependent on the level of capital investment and economic factors impacting revenue sources and we hope that it answers a variety of policy analysis questions. We want to make decisions based on data and, of course, this model is going to greatly improve the transparency of our debt portfolio.



So, the next initiative, I'm going to pass this on to John Kelly which is the facility condition assessment which he undertook.

John Kelly, Building and Logistics Director, said I just want to let everybody know that this has kind of been a long time coming for our Buildings & Logistics team by going through this initiative. We've teamed up with the company by the name of Ameresco that we've been working with essentially for about the last year and a half, where we have them work with multiple end users from Police, Fire, Parks, Water Pollution, along with, you know, Building & Logistics.

So essentially what they went out and did was they went out and looked at all of our assets from parking lot structures to all of our buildings and such, which was roughly around 215 sites.

So, with this particular survey assessment that they did was they went and looked at everything from the building envelope to the roof structures to windows to carpeting, and so on so forth to where they basically did an assessment of finding that we're roughly about $75M in deferred backlog. Even though that number to some may seem like while that's a big number, and yes it is a rather large number, and we know that we just can't take a stab at that number right off the start. But I do want to let everybody know over the last two budget cycles, we have projects that are in place that are getting ready to basically get started that really takes that number down from $75M roughly to around $58 to $60M just within the next year.

One of the reasons too is they assess the Reardon Center and as we know that you guys approved here a few weeks back for a development project that that particular building comes offline. So that starts taking that deferred backlog number down considerably as we start looking at some of our buildings and what the needs are.

Also, with the Fire Department and some of their fire stations as they continue to produce new fire stations and merge fire stations into new, we start taking that deferred cost down slowly. This is just really something that we're really excited about and allows us to come to you guys, to the Finance Department, and to the elected body to be able to come in and look and really have a methodical approach on how we spend dollars over the next, you know, 5 to 10 years on making sure that we keep our assets where they need to be. So, this is just a little snapshot that, like I said, we continue to work with Ameresco and our team.

There's other things as we go through in the presentation like that. We'll talk about that; we will overall look at how we might have other ways of saving or reducing some of these costs.

Ms. VonAchen said so along with the assessment that took place; there's also a software package that houses a tremendous amount of information about every facility, including photos and so it's really an invaluable tool and we are very excited about it.

Mr. Bach asked, Mayor, do you have a question on that.

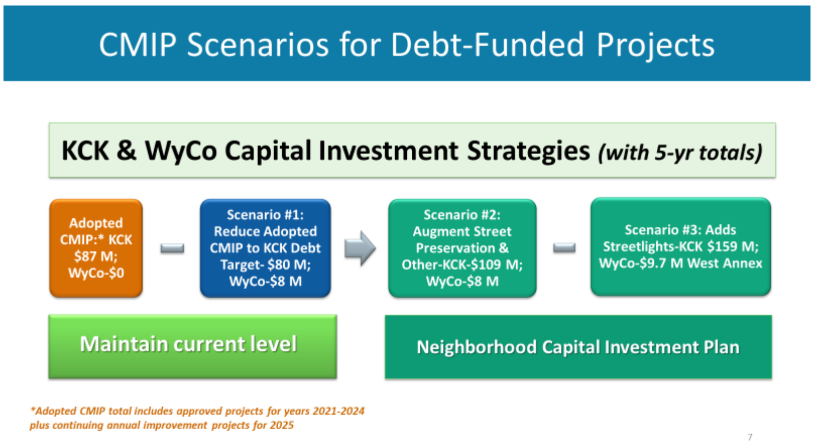
Mayor Alvey said yes, thank you. So, I'm confused. It says $250M liability over future 30 years, $75M in identified deferred backlog, which I understand has been reduced to 58 to 60. I'm confused about the liability over future 30 years. What do we see $75M in identified deferred backlog that really needs to be addressed really in the near future. What does that mean then for the $250M liability over a future 30 years. I'm just not clear what that refers to.

Mr. Bach said well that is the part there that's $75M that John referenced. It was down a little bit. Really is things they look at and said we need to be taking action on these projects now versus when—you're saying the 250 that's like you look at a building life and then you say okay in 10 years you're going to need to make this improvement to it, 15 years you're going to need to make these improvements to it. John, do you want to elaborate a little more on that?

Mr. Kelly said yes, and Mayor, a lot of that when you see the 250 that's essentially if we continue down the path that we're going over the next 30 years with not putting proper amounts to., you know, deal with our assets that that's the number that it looks like. So really, for the dollars that we've been putting into our facilities we need to come up, basically, with an average of spending close to about $8 to $10M a year, essentially, to get to a spot where we can say that that deferred backlog goes away, Then we continue down a path for our facilities that we stay at a moderate level that our FCI is in such a critical state, which is basically a facility assessment index, so it's really important that we just—and like I said when we look at that $75M number, and as we go over the next five years doing projects we're starting to come down so as that number comes down, that 250 over the next 30 years comes down as we present and have this tool as Kathleen talked about. This tool and the data they give us helps us make intelligent and methodical approach on spending dollars to make sure we're just not going up and that we can come down to kind of have a status approach throughout the years.

Ms. VonAchen said yeah, exactly John. It's basically how much we would have to pay if we did nothing for the next 30 years.

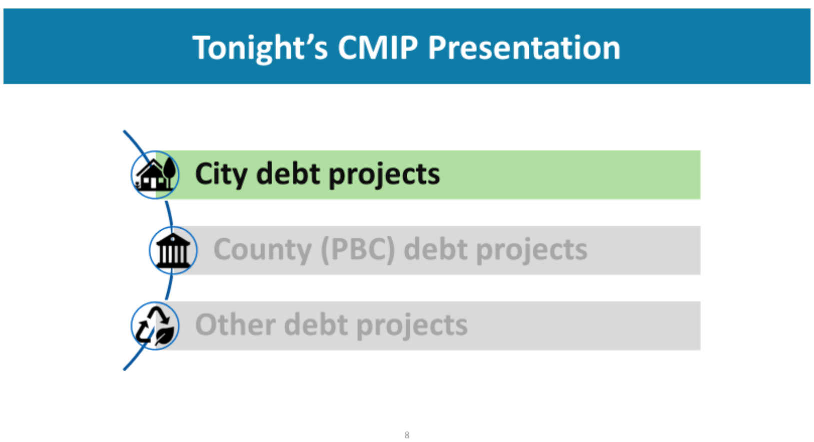
Mayor Alvey said to catch up in 30 years' time, if we don't do anything to maintain improvements then we're going to be behind by $250M. But right now, we're looking at being $58M behind. **Mr. Kelley** said correct. **Mayor Alvey** said okay, thank you, that's clear.



Ms. VonAchen said tonight we're going to talk—in this section of the presentation, we're going to talk about the city and the county debt, and then later on other Special Revenue funds, but we're looking at debt from three different scenarios. So that's what we're presenting here in this slide. The current CMIP, as adopted for Kansas City, Kansas, if you add up the five years—so the next four years plus the additional year because we're in a new budget year, so 2021 through 2025 those projects amount to roughly $87M and on the County side though, Wyandotte County side, we do not have any debt programs in the adopted budget for the County side. Now if we were to--Scenario 1, bring down the adopted budget for the Kansas City, Kansas debt target which is $80M, that would bring down the annual debt from where it is in the adopted level to $15M a year plus a little CPI every year. So, CPI being 2% a year. So, if you add up those $15M times five, with a little CPI, it adds up to $80M and you can see that's roughly $7M less than what we currently have programs. On the Wyandotte County side, we have Scenario 1 where we're introducing are proposing an $8M investment which we'll talk about. So, we're calling that sort of the current level. If we want to—so this is maintaining the current level--these two adopted or the Scenario 1. If we move on to investing in our neighborhoods, which I'm calling a Neighborhood Capital

Investment Plan we then want to take a look at what is in Scenario 2 and Scenario 3 and Scenario 2 basically includes those projects that the departments have submitted.

We've gone through and reviewed all of these projects and you're going to see the detail there in a minute. The, third scenario builds upon Scenario 2, but it adds in a Streetlights Replacement Plan, which costs $50M over the five-year period and it also adds a few more projects on the County side for repairs to the west annex building. You're going to get more detail on this, but how we're looking at the CMIP, a little different than in the past, is we're kind of looking at it in terms of the total dollars over the five-year period, rather than, you know, getting kind of mired in the staging of what year it starts and increment each year. We're just looking at the total dollars over the five-year period to make it simpler.



Tonight's presentation, we're going to start out with the City Debt Projects.

Summary Scenarios for Kansas City, Kansas (City) Debt-Funded Projects

	KCK Bond & Interest (B&I) Fund
Adopted CMIP 5-Yr total of $87 M	$7 M over $80M target ($15 M p/yr with modest 2% CPI) Includes Adopted CMIP for 2021-2024 and adding continuation of annual improvements projects for 2025
Scenario #1 Meet KCK Debt Target	Meets $80 M Target ($15 M p/yr with modest 2% CPI) Reduces Adopted CMIP to target; Also includes 2-Yr Note pay-off in 2021 and 2022 for $6.7 M HR/Finance ERP Solutions, paid from City B&I Fund excess reserves of $3.3 M, $1.9 M transfer-in from County B&I Fund excess reserves, and $1.5 M transfers-in from other operating funds (mostly enterprise funds)
Scenario #2 5-Yr total of $109 M *Neighborhood Capital Investment Plan*	$29 M over the $80M target Augment Street Preservation, Fire Station & Other Needs (investment opportunities) for
Scenario #3 5-Yr total of $159 M *Neighborhood Capital Investment Plan*	Same as Scenario #2 and adds in the $50 M KCK-wide Streetlight Replacement Project sequenced at $10M p/year

9

Here's the City Debt Projects. Reggie broke it out by these different scenarios, very similar to what I just mentioned before. We've got the adopted budget, which is that $87M, which is $7M over the $15M per year target and it includes the current adopted CMIP which was through 2020 through 2024. But in this case, we're only looking at starting at 2021 because 2020 already is a year that we're already in and we're already embarked on those projects and then we added a continuation of Annual Improvement Projects in the last year.

Scenario 1 would meet the debt target of $80M so it reduces the CMIP by $7M. It also adds in the issuance of a two-year temporary note to be paid off in 2021 and ‘22 in the amount of $6.7M and that's for a Human Resources and Finance ERP Solutions project. What we found through a review of all of our Debt funds, we found that over time the City and the County Bond & Interest funds have been accumulating excess reserves that are a result of having refinanced our prior year bonds at lower interest rates and also when projects get completed and the project or the bond proceeds may not have been 100% all spent those funds have to by state law has to be reverted back to the Bond and Interest fund and so those--between those two things we've accumulated some excess reserves. State law does not allow you to spend any of that money that's dedicated for Debt Service for anything other than Debt Service.

What we're proposing is a two-year note to pay for the replacement of our current aging ERP System using this temporary financing in the fall of this year and then refinancing and then paying it off the subsequent years. We'll get more into that later on.

The second scenario is $109M over the five-year period. It's a Neighborhood Capital Investment Plan, it augments Street Preservation. It adds in a fire station in 2025 and it has many other needs.

The third scenario, as I mentioned, is the same as Scenario 2 but adding in a Kansas City Wide Street Light Replacement Project that it would sequence so that it would be $10M per year. Now each of these scenarios we have done financial forecasting and not only in a modest revenue position, but also in a in a worst case scenario, and we have those charts and we can show you exactly what that looks like once we get to that point.

Summary Scenarios for Kansas City, Kansas (City) Debt-Funded Projects

Debt-Funded Capital Project (KCK) with 5-Yr Totals	Adopted CMIP*	Scenario #1 Changes	Scenario #2 Changes	Scenario #3 Changes	Grand Totals
Neighborhood ADA Pedestrian Handicapped Ramps	$4.0 M	($400 K)			**$3.6 M**
57th Street Resurfacing, Kaw Dr to State Ave	$550 K				**$550 K**
47th and Orville Resurfacing	$550 K	($550 K)			**$0**
Annual Concrete Repair Program	$6.7 M		$3.8 M		**$10.5 M**
Annual Railroad Crossing Improvement	$300 K				**$300 K**
Annual Pavement Preservation Program	$20.6 M	($1.5 M)	$15.0 M		**$34.0 M**
Annual Alley Improvement Program	$1.5 M		$100 K		**$1.6 M**
Hutton & Leavenworth Rd Intersection Reconstruction	$7.0 M				**$7.0 M**
Fiber Connectivity Projects	$500 K				**$500 K**
7th St./US-69 and Central Ave. Reconstruction	$1.5 M				**$1.5 M**
Hutton Rd. & Donahoo Rd. Intersection Improvements	$350 K				**$350 K**
Safe Routes to Schools-NW Middle & Caruthers Elem.)	$428 K				**$428 K**
110th St. & Riverview Ave. Intersection Improvements	$750 K				**$750 K**
Annual Emergency Bridge Repair	$1.5 M				**$1.5 M**

10

The next step I'm going to pass this on to Reginald.

Mr. Lindsey said currently we have on the screen right now is basically touching on what Kathleen just talked about and is kind of showing where the projects spread out over the Scenario 1, Scenario 2 and Scenario 3.

If you're looking at the screen Scenario 1, again, is our $80M target which we traditionally follow. Scenario 2 was (inaudible) target and then Scenario 3 is (inaudible). It kind of shows where the changes are within the different scenarios. We can see, if we stick to our $80M, some of the projects we had to cut back, like for instance, Neighborhood ADA Pedestrian (inaudible).

Mr. Bach said, Reggie, we're having a little trouble with your audio. I'm not sure how your setup there but you kind of seem to be going in and out on us. **Mr. Lindsey** said okay, can you hear me fine now? **Mr. Bach** said you still cut out. **Ms. VonAchen** said if you have your phone nearby, you should probably turn it off. **Mr. Lindsey** said I don't have my phone nearby. I'm using my computer. I haven't had any issues before. **Mr. Bach** said you're clear there. So, we'll go ahead and proceed. Hopefully you stay clear.

Mr. Lindsey said so as I was saying, the 47th & Orville Resurfacing (inaudible).

Mr. Bach said, Reggie, we're not getting you. You're cutting in and out. I think your internet connection is fading on us. **Mr. Kelly** said, Doug, I was going ask, Reggie, there on five where the WiFi signal Reggie, are you, are you just WiFi or do you have a hard internet cable to your computer? **Mr. Lindsey** said I am WiFi. **Mr. Kelly** said you might need to move. I know you're in your conference room. I can see and I don't want to disrupt that but if you go into the fifth floor conference room or somewhere close to where you know the WiFi, but I know the fifth floor conference room there has our WiFi system so that might help things. **Mr. Bach** said all right, we can all watch Reggie move as he relocates into hopefully a better situation. Maybe not. We might have to shift over to somebody else to take us through this Kathleen. Do you or Debbie want to do this part or need somebody----

Alan Howze, Assistant County Administrator/Chief Knowledge Officer, said he might also turn off his video. That would reduce the bandwidth requirements misuses audio. Try and turn your camera off.

Mr. Bach said, Reggie, do you want to turn your camera off. **Ms. VonAchen** said he's already off.

Ms. VonAchen said I'm moving on. So, what we've presented here is you know all of the projects. You see the first column is the adopted CMIP and then the second is the changes from the adopted CMIP. The third is changes from Scenario 1 and then the third is the addition of the streetlights so then over here is the grand total. Sometimes if some of you are real detail oriented, you might notice there's a little bit of rounding issue here. For example, on Annual Pavement Program, sorry about that, you know, it's either rounding down to the bottom or rounding across. So, there's a little bit of a rounding issue here. But what's being contemplated here is that, as you know, for example, we'll talk later on is that for example, the Annual Payment Preservation Program, generally Public Works will show through their Payment Condition Index slide that the actual need for street improvements which is, you know, one of the number one community survey items, tells us that we probably should be spending $20 to $25M a year on streets and yet here we're talking about spending $34M over a five-year period or at least you have to add up all these. The level of funding here is not exactly what's going to keep us on top of our infrastructure needs, but so just keep that in mind.

Summary Scenarios for Kansas City, Kansas (City) Debt-Funded Projects *(continued)*

Debt-Funded Capital Project (KCK) *with 5-Yr totals*	Adopted CMIP*	Scenario #1 Changes	Scenario #2 Changes	Scenario #3 Changes	Grand Totals
Priority Traffic Signal Replacements	$4.0 M				**$4.0 M**
Annual Elevator Upgrades	$1.25 M	$250 K			**$1.5 M**
City Hall Structure Study and Stabilization	$10.0 M	($5.0 M)			**$5.0 M**
Annual ADA Modifications-UG Facilities	$500 K				**$500 K**
Facility/Parking Annual Maintenance/Repair	$3.5 M				**$3.5 M**
Fire Station (2021)	$5.9 M	$1.0 M			**$6.9 M**
Fire Station (2023)	$6.3 M				**$6.3 M**
Fire Station (2025)	$0		$10.0 M		**$10.0 M**
New Animal Services Facility	$4.3 M				**$4.3 M**
PDHQ Chiller System	$3.75 M				**$3.75 M**
Wyandotte County Lake Waterline Study & Repair	$950 K	($950 K)			**$0**
Fairfax Industrial Area Improvements	$500 K				**$500 K**
Streetlights Replacement (KCK-wide)	$0			$50.0 M	**$50.0 M**

11

But if we are to reduce our projects down to the $15M level, then you're going to want to opt for Scenario 1. Of course, these are totals over the five-year period. I'm sure there's, you know, some finagling between the years that we can talk about.

As we approach, you know, coming as we move on to more finalized recommendation discussions which we plan to have at the April 30 meeting--today is more just talking about proposals. On the second slide you'll see that we've in order to get to the--actually, the City Hall Structure Study, has been reduced by $5M and John Kelly can talk about that specifically. I think what's happening there is that they determined that actually the need for doing this structure study and expected cost is going to be actually $5M less than what was proposed last year.

This one down here, the Wyandotte County Lake Water Line Study and Repair, that isn't because we're cutting the project, it's because we're moving it out of the city funded projects and over to the county funded projects because it is a county Lake.

The only change really in Scenario 2 is that we're augmenting our funding for Annual Concrete Repair Programs by $3.8M in Scenario 2. We're supplanting our investment in Annual Pavement Preservation Programs which hits cities across the city. We're increasing slightly the Annual Alley Improvement Program as requested by the department. Then we're also requesting an additional fire station/actually Traffic Division facility; so, it's not just a fire station. I meant to add that in there. It's also a Traffic Division Facility for the cost of $10M in the last year of CMIP.

The third scenario; the only change is the addition of a $50M Streetlight Replacement Program that would hit all the neighborhoods across the city and estimated to be $10M a year.

Summary Scenarios for (City) Debt-Funded Projects by Function

Debt-Funded Capital Project (KCK) with 5-Yr Totals	Adopted CMIP*	Scenario #1 Changes	Scenario #2 Changes	Scenario #3 Changes	Grand Totals
Streets	$45.0 M	($2.4 M)	$18.7 M	$50 M	**$111.3 M**
Bridges	$1.5 M	$0	$0	$0	**$1.5 M**
Traffic Engineering	$4.0 M	$0	$0	$0	**$4.0 M**
Facilities	$35.3 M	($3.6 M)	$10.0 M	$0	**$41.7 M**
Parks	$900 K	($900K)	$0	$0	**$0**
Community Programs	$500 K	$0	$0	$0	**$500 K**
Totals	**$87.0 M**	**($6.9 M)**	**$28.7 M**	**$50 M**	**$159.0 M**

**Adopted CMIP total includes approved projects for years 2021-2024 plus continuing annual improvement projects for 2025*

12

This graph actually shows, or table actually shows what the same scenarios are only subtotaled by the various functions, you know, for streets, for bridges, traffic engineering and so, as you can tell, the adopted budget has in place $45M investment. If we were to dock with Scenario 1, that would be reduced by $2.4M. If we go with Scenario 2, that would augment that funding by $18.7M and then if we added in the streetlights, then you're adding another $50M, so that's how it all kind of goes.

I hope this is a good guide for you.

Mr. Bach said, Kathleen, I just wanted to comment on that. If you're looking at Scenario 1 to Scenario 2, so Scenario 1 has some negatives in it. Scenario 2 adds back in those negatives, and then the other projects do it. Just think of that as a clarifying point.

Large Capital Project Criteria Rankings

Rank	Year	Budget	Project Name	Composite Score
1	2020	$ 250,000	Metropolitan Ave. Bikeways	4.76
2	2020	$ 650,000	6th Street Improvements, Ann Ave. to Central Ave	4.63
3	2020	$ 4,200,000	Road Preservation 2020	4.51
4	2021	$ 100,000	Jail Repairs	4.51
5	2020	$ 1,230,000	Minnesota Ave., 6th to 7th St. Improvements	4.37
6	9999	$ 350,000	SRTS Phase F (Francis Willard and WA White/West Middle)	4.36
7	9999	$ 1,700,000	Strawberry Hill Complete Street Project	4.34
8	2024	$ 350,000	77th and Troup Storm Replacement	4.32
9	9999	$ 500,000	W. 36th Ave Improvements, Rainbow Blvd. to State Line Rd.	4.31
10	2020	$ 360,000	Safe Routes E (TA Edison)	4.31
11	2021	$ 528,000	SRTS Phase G (Northwest Middle and Caruthers Elem.)	4.30
12	9999	$ 200,000	Leo Alvey Head-In Parking	4.29
13	2020	$ 1,700,000	Lombardy Drive Sanitary Sewer Improvements	4.28
14	2020	$ 360,000	Safe Routes E (White, Edison, Prentis)	4.25
15	9999	$ 300,000	North 34th Street Box Culvert	4.22
16	9999	$ 350,000	Kansas Ave - 72nd Street to K-32	4.19
17	9999	$ 2,500,000	Central Ave. and Grandview Blvd. Intersection Improvements	4.04
18	9999	$ 4,500,000	72nd St. - Parallel Parkway to Leavenworth Rd	4.03
19	2020	$ 9,000,000	Leavenworth Rd Modernizatrion, Phase II (63rd to 78th)	4.00
20	9999	$ 350,000	Miami Ave, Goddard Intersection	3.93
21	9999	$ 300,000	18th St. and Metropolitan Ave. Reconstruction	3.93
22	2021	$50,000,000	Streetlight Modernization Project	3.88
23	9999	$ 4,500,000	67th St. - Parallel Parkway to Leavenworth Rd	3.87
24	9999	$ 5,000,000	Leavenworth Road - 78th St. to 92st St.	3.87
25	2021	$ 2,000,000	7th St/US-69 and Central Ave. Reconstruction	3.86
26	9999	$ 500,000	51st N of Cleveland RCB Replacement	3.84
27	2023	$ 1,200,000	Strong Ave. Levee Pump Station	3.78
28	9999	$ 500,000	118th Street Lighting Improvements	3.71
29	9999	$ 3,200,000	Key Lane- Douglas Ave. to Gibbs Rd.	3.64
30	9999	$ 4,000,000	86th Street Improvements - State Ave. to Parallel Pkwy	3.60
31	2024	$ 2,000,000	K-32 Quiet Zone, Phase I	3.60
32	2021	$ 2,000,000	90th and Parallel Parkway Intersection Improvements	3.59
33	9999	$11,300,000	34th St. Woodland Ave. Metropolitan Ave. to Merriam Ln.	3.58
34	2021	$ 350,000	Hutton Rd. and Donahoo Rd. Intersection Improvement	3.56
35	2020	$ 100,000	WYCO Park Road Resurfacing	3.54
36	9999	$ 1,000,000	New Park	3.51
37	9999	$ 4,000,000	Donahoo Road - Hutton Rd. to 115th St	3.33
38	9999	$ 3,200,000	Hollingsworth Road Improvements, 115th St. to 123rd St.	3.30
39	2020	$ 500,000	Holiday Drive Bridge Replacements, Phase IV	3.26
40	2020	$ 1,100,000	131st St. and Leavenworth Rd. Intersection Improvements	3.24
41	9999	$ 3,200,000	Douglas Ave - Key Ln to 55th St.	3.22
42	9999	$ 8,000,000	18th St./ 21st St. - Metropolitan Ave. to Merriam Ln.	3.20
43	2022	$ 750,000	110th St. and Riverview Ave. Intersection Improvements	3.20
44	9999	$ 5,000,000	State Ave & Village West Interchange	3.20
45	9999	$ 800,000	Wolcott Soccer Complex	3.18
46	9999	$ 3,500,000	At-Grade Intersection at 65th St. and Turner Diagonal	3.06
47	2021	$ 7,000,000	Hutton Rd. and Leavenworth Rd. Intersection Improvement	3.03
48	9999	$ 6,000,000	Relocation of Sewer Maintenance Facility	3.02
49	2020	$70,000,000	Kaw Point Biosolids Digestion	2.79
50	2020	$45,000,000	Wolcott Treatment Plant Expansion	2.73

13

http://maps.wycokck.org/CMIP.html

Ms. VonAchen said so this slide—now we're going to take you to the prioritization and criteria rankings and Rob Anderson is going to talk with you about his work in the area.

Rob Anderson, Public Works Asset Manager; said the importance of prioritizing limited Capital budget is not a new challenge for organization, but at a time facing an uncertain economic future, it's even important to have a system that aids targeting our investment in a deliberate fashion. This list here shows a composite score of projects based on the criteria you helped outline. These projects have been organized by rank. The gray lines here represent the 2020 projects, the light blue lines represent the 2021 projects. Those marked with the year 9999 identify unfunded projects that are not in your current budget. There's a handful of other projects in there that are outlined in other outyears into the future. This slide, the point of it is, to provide a point of comparison to conform discussion on which projects should take priority.

Mr. Bach said this is the slide I guess that we did a lot of work to compare at the earlier discussions earlier in the year so you all would have a good feel for where we're at. I think Rob's model that he's put together here and then with all the input of everybody weighing into it has really come out well. But it's one of those that as we go through and we score everything, it's also one of those when you sit down, as a commissioner, from your perspective and look at it and say, well, I know this project doesn't rank well but it needs to move up for various reasons, or sometimes they're by different funds and because of that fund, they're not competing against another project and they move up.

Mr. Anderson said another thing I would like to call out here would be that I included the Road Preservation Projects for 2020 to show how well that ranks in this queue.

Mr. Bach asked, anybody have any questions on this criteria. It's a little bit—I mean, it's one of those things we went through. I know we spent the time going back through it with the committee and then had additional feedback on it. But you see there are some projects in here that you all have asked about for some time or wanted to see and now they're all up there on the board or at least those 50.

Ms. VonAchen said I thought I should also point out that when we talk above about the Annual Pavement Condition Index—the Annual Pavement Preservation Program, that is a lump sum of annual money of which some of the funds are reflected in these individual projects. Is that correct

Rob? **Mr. Anderson** said it might be the case, but not typically. It's a separate set of selected streets for payment preservation.

Commissioner Burroughs said I do have a question on these project criteria rankings. I see nothing about the Holliday—I see a bridge replacement on Holliday Drive. We have an area of Holliday Drive that is in need of major repair and I do not see it even in the Five-Year Plan. **Ms. VonAchen** said well, here's a Holliday Drive Bridge Replacement right here, but I sort of remember that there's a Holliday Drive project that was funded in 2020 maybe. Public Works needs to—**Mr. Bach** said Jeff or Troy.

Jeff Fisher, Executive Director of Public Works, said I know you're talking about--**Mr. Bach** said, Jeff, move closer to the microphone. **Mr. Fisher** said we will take a look at that, Commissioner Burroughs, and make sure that's in there. It might be that—these are projects that are over 200 grand generally. I'll take a look at that with Troy. If it's not in there, we'll fix it.

Troy Shaw, County Engineer, said, Commissioner, I assume you're talking about the part between 435 and Lake Quivira. **Commissioner Burroughs** said that's correct. **Mr. Shaw** said yes, we're going to do that this year with the Payment Preservation Programs, so it's not, it's not an individual project. It's part of the Payment Preservation Program. So, when we bid that out, it will be done with that.

Commissioner Burroughs asked, do you have a project cost for that. **Mr. Shaw** said we're working on that right now. We are trying to figure out a few options to get it done without going down the road (inaudible) major work. We've talked with Lake Quivira some too, so they've looked at it as well, so we're looking at it.

Commissioner Burroughs said it's becoming a real traffic hazard and I'm afraid we're going to have a major incident there before it gets addressed. So, I just wanted to ensure that I brought it up for discussion this evening. It's one of those areas that I believe if we don't address it, we're going to have a collapse. **Mr. Shaw** said not appreciate that. Thank you.

Mayor Alvey said yes, Robbie, could you explain again what the different colors mean. One you said they are—**Mr. Anderson** said they're just an extra way to call out the different years that these are identified in the budget. **Mayor Alvey** said give the color code again. **Mr. Anderson** said the gray lines are 2020 projects. The blue lines are 2021 projects. There's a handful of other outyears on there and there's also this year marked 9999 which is intentionally used by the research team to identify unfunded projects. **Mayor Alvey** said alright.

Mr. Anderson said I would just like to add that the Road Preservation Projects are in there as a bundle and it doesn't represent or call out the individual line segments that are going to be in the queue for that program.

Ms. VonAchen said that's ranked number three. You'll notice that the Street Monetization Project for $50M is ranked 22nd out of the total 50.

Commissioner Ramirez said I think you just answered my question. Kathleen, is that $50M Streetlight Monetization, is that the same thing as Scenario 3? **Ms. VonAchen** said yes, it is. **Commissioner Ramirez** said okay, thank you.

Commissioner Walters said I'm seeing on project number 31 some information that I don't understand. If you're talking about the K-32 Quiet Zone, Phase One; that is a 20I6 CMIP project**.** I'm seeing this listed as a 2024 project, but the Commission has already approved it several years ago, so what am I looking at there? **Mr. Bach** said you're looking at a second phase that we discussed when we brought out that first phase, Commissioner. **Commissioner Walters** said so this would be phase two? **Mr. Bach** said yes. If we elected to go through with it, this would be an additional phase. **Commissioner Walters** said great. That's what I thought it might be. **Mr. Bach** said the other part is all bonded. **Ms. VonAchen** said this is just an error in entry in the description of the project.

Commissioner Walters said can I ask another then? On item 43, just so I understand, 110th & Riverview is not in Kansas City, Kansas. So, what is that project? **Mr. Fisher** asked, Troy, can you answer that. **Mr. Shaw** said yes. Edwardsville is receiving a grant to make improvements to 110 & Riverview basically, so we put money in the budget because it might be a good opportunity for us—or we put up a proposed project because it might be a good opportunity to us to make improvements to that interchange where you exit I-70 onto 110th Street at that point and look at our side. So, it is not in Edwardsville, it is on the north side of that I-70. It's just a good opportunity to work in conjunction with them in cost savings and make an overall good project. **Commissioner Walters** said okay, well, it is somewhat confusing to give it a location that's outside our city limits. There might be a better way to designate that if—**Mr. Shaw** said we can change the name. **Commissioner Walters** said thank you.

Mr. Bach said, Troy, if it's on the north side there, it's really 110th & Village West Parkway because I think as you go north—or 118th. **Mr. Shaw** said I think it was originally done that way just so—because when it was thought of when they applied for that grant and it just stayed linked, so it was known that it was linked to that. But at this point, we could change the name. That's fine.

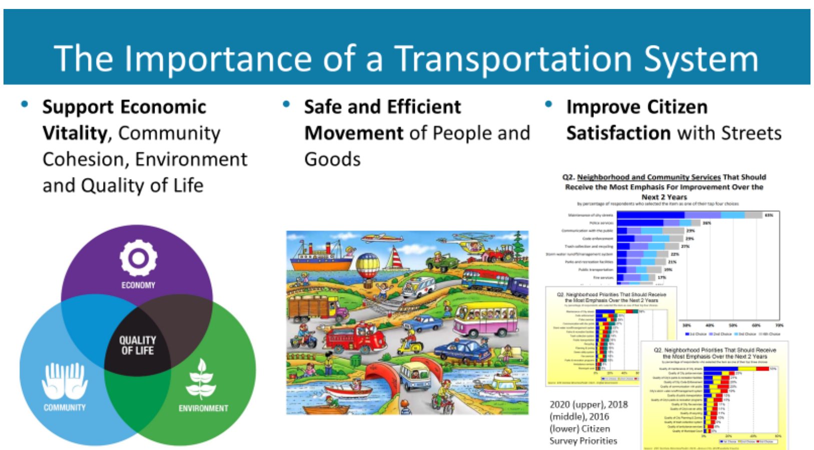
Mr. Bach asked, Mayor, did you have another question or the hands up. I don't have control to take the hands down if you don't. **Mayor Alvey** said no, no, my hands down. **Mr. Bach** said okay, thank you.

Commissioner Burroughs said I have a question. I'm sorry, I don't see that. **Mr. Bach** said oh, the hand controller. If you look down at the bottom of your screen, you'll see a thing where it has the other attendees or meeting attendees. If you click on that, it'll show up all the names over on the side and then down the bottom of that is a raise hand feature.

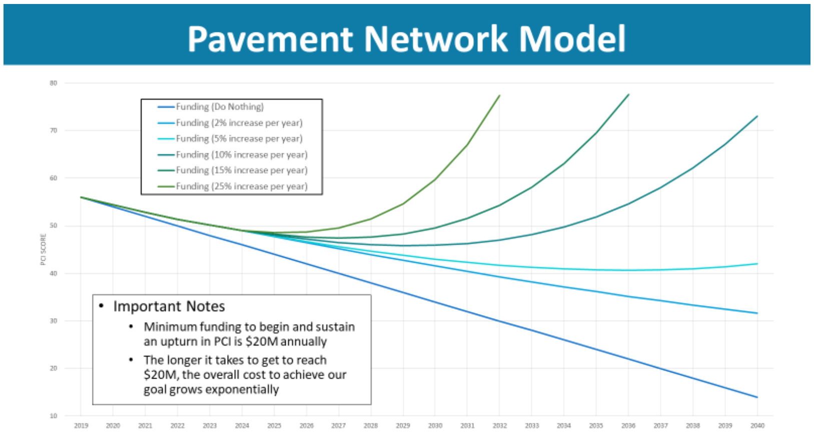
Commissioner Burroughs said great, thank you. I do have one more question, if I may. The number 49, the Kaw Point Biosolids Digestion; isn't that to be coming up for discussion soon? I know there's been much discussion about that. Are we locked into that yet as a body? **Mr. Fisher** said we just had a round of on-three's and we will need another round of on-three's coming up in the next few weeks Commissioner. The scope of that has changed a little bit. **Ms. VonAchen** said Robbie can explain why it rated so low, if you don't mind. **Mr. Anderson** said yeah, sure. So, the ranking process here has another step to improve and that's going to be taking these types of projects that are huge benefits to an entire system or sewer shed and calculating the benefits in that manner. It's just a step to improve this also. These are both extremely expensive projects, but they have long-term benefits to the (inaudible as a whole. **Ms. VonAchen** said we expect that the return on investment for this project specifically is very positive, very favorable. It's revenue neutral.

Mr. Anderson said another thing to think about here, some of these might have other reasons why we have to do these obviously.

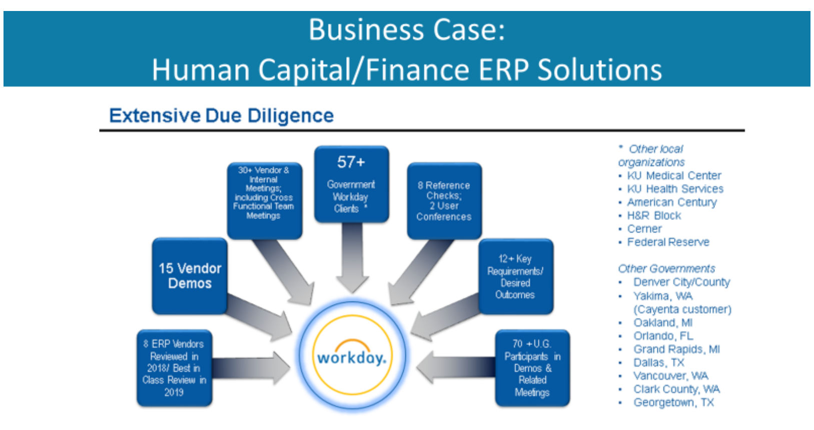
Mr. Bach said okay, so this is the large project criteria rankings as they come through as we have it built into our Five-Year Plan. You see the dates next to the number that shows where those projects fall. As we move on into our ranking, we have to look at it if there's some project you're looking that needs to be moved up or you're feeling very strong about wanting it to be moved up, then that's where you should want to come back at that as we get closer into the budget process and weigh in and make sure you note or see. So, if it's going to move up in front of something that's already funded or to move into the Five-Year Plan, but the others are still—if they're 9999, they are waiting for their place in the queue to make it into our Five-Year Plan.



Mr. Fisher said I'm sure most would agree that a strong transportation system is necessary to communities welfare and vitality. It's important to the safe and efficient movement of people and goods of course. KCK citizens believe street maintenance and street preservation is the most important and requires the most emphasis based on the last three citizen surveys.



Mr. Fisher said we know that our average PCI is a 56 out of 100 and the Commissions goal is 65. That requires a lot of investment to move the needle that much. If the UG was to make a sudden shift from the current level of roughly $6M a year to $20M a year, which we know is most unlikely, the curves would be accelerated to a few years. An uptick in the PCI would only take a few. We know that's not likely. The great thing is that we can predict outcomes now with the database we have based on level of investment and street preservation activities. Most certainly the UG will need to increase levels of investment each year and sustain it for a period of time to get the system back on track and to support that vitality and I think we all want.



Ms. VonAchen said this next slide is for Alan Howze, are you on? **Alan Howze, Assistant County Administrator/Chief Knowledge Officer,** said I'm here.as Kathleen mentioned earlier in the presentation, one of the projects in the CMIP this year is called an ERP or Enterprise Resource Planning Software Projects that is for both Human Capital/ Human Resource needs and the Finance needs of the organization. The question of why do we need this system and what is it serving, that we really identify that the lack of a modern Enterprise Resource Planning System is an operational sort of constraint for the UG and it is inhibits the ability of the organization to more effectively meet the goals that this Commission has set, those strategic goals.

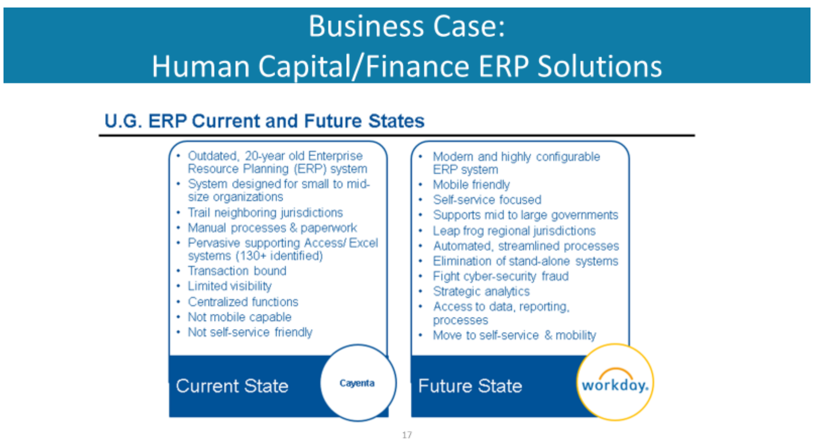
Because a lot of our current processes are paper bound and you know you'll hear more about that from Renee Ramirez, Director of Human Resources, but it also is an inhibitor in our ability to attract and retain trained talent. Starting about 18 to 24 months ago, you know, there was a kind of a confluence between Human Resources and Finance in the recognition of the need for new and better tools for the organization. As well, it's kind of an organic, you might say, outcry or a desire that emerged from departments who are also struggling with the use of the existing tools. We put together a broad-based cross-departmental team that looked at what are the options out there in the marketplace and this is a team that was HR, Finance, Accounting, Payroll Technology, Public Works, Procurement, so a broad set of stakeholders within the UG with a diverse set of needs for, again, for the way that we manage the operations within the organization.

They went through an extensive process and some of that's laid out here on the slide to look at, again, what's in the marketplace. They did a number of vendor demos to see what not just what looks good on paper, but to actually kick the tires on a number of different software systems. They held an extensive number of meetings to more deeply plunge what are the operational requirements and how do these kind of back office functions support the more effective delivery of services, including what you just heard, for example, from Public Works and the ability to deliver projects on time, on budget, and meet those resident needs.

Ultimately, as a result of that kind of extensive due diligence process, the team landed on their preference for a system and it's a software—it's a company called Workday. It is recognized as the leader in the marketplace for ERP systems, it is one that is a cloud-based and that we think is flexible, secure, and meets the needs, not only for today, but we really see it as being a solution that will meet the needs for the next 10 or more years for the organization.

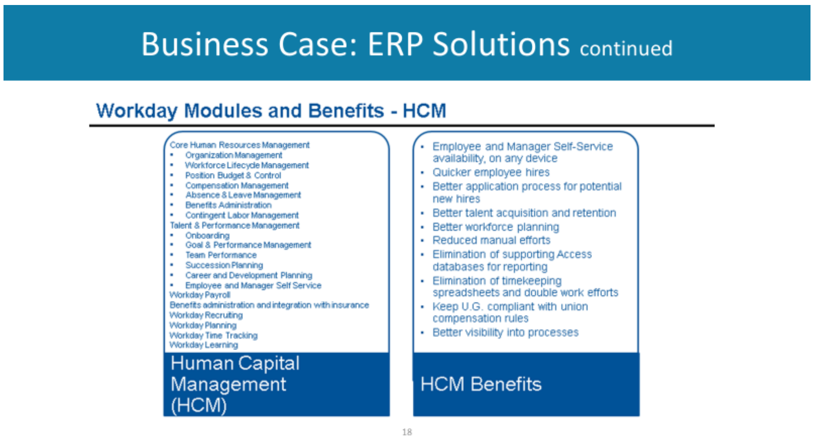
When we looked at, okay, who else is using this particular software and how are they using it, we looked both at local organizations, and you can see to the right there, some of the local organizations that are kind of premier within our community and the region, that are using Workday. KU Med Center and Health Services are both using it in the midst of implementation, H&R Block, Cerner, the Federal Reserve. These are all clients who have credibly high requirements for security and for operational excellence.

We also looked at other local government customers. We looked at the combined City and County of Denver, again, a consolidated government. We looked at current Cayenta customers, which is the software used for Finance today and you can see there that kind of a broader list of government customers that have made this transition to this product. That kind of gives you a broad sense of the scope and the depth of the work that the team has been doing across the UG to look at and discern and decide on what we think is a recommended approach for how to move our organization for today, as well as set us up well for the future.



If you look at the next slide here, and I won't spend a lot of time on this, because we spoke a lot of this. Our current software we have multiple software's. We have databases in access for HR, we've got different spreadsheets and that sort of thing that Procurement uses. We've got Cayenta which is our core financial system which is an older platform and really we've kind of outgrown it and it no longer meets the needs of our organization and consumes a lot of staff time in the use of that as well as making it more challenging to get information and data out of that system that can be used by management and ultimately for the Commission and making decisions about funding. We see Workday as being something that is—it's a modern highly configurable system and it's cloud-based, it's mobile friendly, it's got a lot of self-service functions for employees to do things like sign up for benefits online, to make all those enrollment decisions and we see it as highly secure at a level of security that we currently--you know, we have good security but this would enhance that even further, as well as, giving us a lot more insight into through data and reporting into how we're spending money, how we're tracking projects, and how we are again effectively delivering solutions to the residents with the resources and the conditions we have available to us.

With that, I will turn it over to Renee Ramirez, Director of Human Resources, to discuss further.



Renee Ramirez, Director of Human Resources, said the Workday Human Capital Management System, which you see on your screen there, offers many different modules for our team to utilize to be more strategic and analyze data to assist us with making better decisions regarding our workforce. Today, our workforce at the Unified Government is made up of five different generations. We have the traditional generation, we have the boomers and then we have Generation X, Y, and Z who are working for us. As the silver tsunami hits us we have employees who are entering or are near retirement and the issue of recruitment and retention of top talent is vital to any organization. Across our region, at all levels, at the local, state and federal level in the next 10 to 15 years it is projected that we will need approximately 30,000 public service employees. The public sector has always been viewed as lacking in technology and falling behind the times. In order for us to remain competitive in this market, we need to be prepared to advance our organization in a direction that can attract tomorrow's workforce.

In an article that I read from the Hill, it mentions that by the year 2020 which we're in now, 75% of the workforce will be millennials. Some of the challenges that we face with our current system today is that, again, like Alan mentioned, our processes are largely paper-based with approximately 40 steps to complete the hiring process. That's from when we recruit an applicant to the onboarding process which is day one of orientation. It takes approximately 104 days to fill positions which then causes departments to have to call in for overtime which impacts all of our budgets. We use manual processes, as Alan alluded to, we use Microsoft Access and Excel spreadsheets, not only in Human Resources, but throughout the organization. These applications that we're using are merely supposed to be used as short term fixes, but we've been using them on long-term basis which present risk of security breaches.

We currently have a legacy system that we've used for at least 30 years that we've actually outgrown and with a new robust system, we can leverage process improvements by many things. One of the things that we'd like to do is really improve on our business processes to positively affect our applicant pools by making it easier to apply. I'm not sure that we'll be able to eliminate paper applications all the way but going in a direction where we're able to allow our applicants to apply online is going to be definitely going in a positive direction. Providing the user-friendly experience when our applicants can apply and do an online application in anywhere from five to seven minutes or less, that's what are our workforce is looking for now.

We're going to be able to take our 40 steps down to approximately 13 steps which is going to save not only the Human Resources staff, but it will save every hiring manager and anyone in the hiring process time when filling positions. It's going to allow us to automate many of our processes for the onboarding performance management benefits, employee development and many other HR concentrations that you see on the left-hand side and there's a lot more benefits that you'll see on the righthand side of that slide. Most importantly, it allows for the better visibility into our processes.

The impact of having a new system will provide us with a new way of doing business, transforming our processes to be automated allowing us to continue to grow as a competitor in the public sector market. We will be able to improve the overall experience for both internal and external customers and position our organization to becoming a high-performing organization and aligning ourselves to become a premier employer in Wyandotte County.

Now I'll turn it back over to Kathleen.

Ms. VonAchen said yeah, Renee, you said it. I do want to mention on this slide; you notice how there is no software package on the left-hand side. That's because it's all being done either manually or with Excel. Our current state is very manual. The next step over here is—**Mr. Bach**

said, Kathleen, we have a couple of questions, so why don't we take those before we jump on to the next.

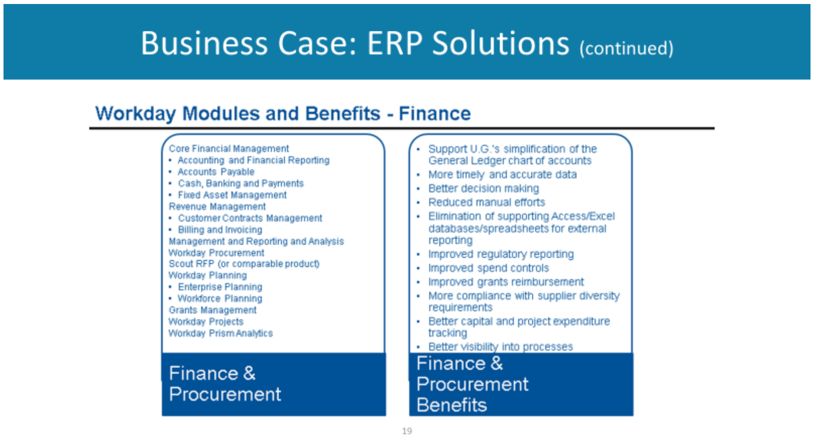
Commissioner Burroughs said I really like this. I really do like this Workday solution here. This is anything that would get rid of a legacy system that allows us to be more efficient and effective in what we do. It addresses, not only the amount of manpower, the 104 days to fill positions is really quite burdensome, not only on the system itself, but on those on time management. I really do like the benefits of this Workday. I looked through it. I researched it a little bit. It is important if you want to be efficient modern day government. **Ms. Ramirez** said thank you, Commissioner.

Mayor Alvey said let's say—I think that there's someone who does not run a business office. I think some of what we've been describing is maybe out of reach for a lot of people who don't do this on a daily basis. If you could just kind of put into context if we would have had this solution in place, how would it have affected how we've had to respond to COVID-19 just in terms of how we're able to continue doing processes without a lot of change over. **Ms. Ramirez** said well, currently what we have to do to address, we had to really—we've had an online application for many years, but the burden that that has created for applicants, is that they're not able to, you know, basically input that application into a database. So, what happens for an applicant right now they have to fill out the online application, they have to save it to their computer and then they have to email it to us. One of the things that we've been able to do is while we're still using that process today in order to do interviews and to keep some of the hiring processes going we have been using the Microsoft Team for video interviewing, which is something that we've never done before. This Workday product is going to allow us to continue with those types of things in a more robust way.

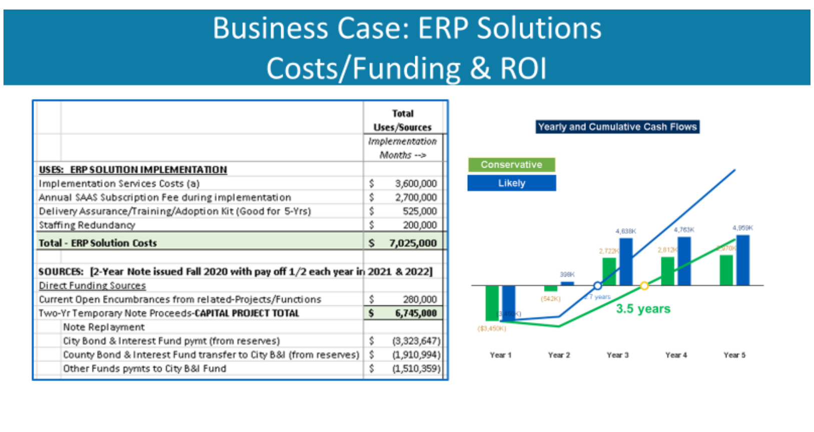
The other thing that I think is really important here is that right now we have to call applicants, set them up for interviewing, and do all those manual steps. With a product like this, the hiring manager is going to be able to review applications. Right now, my staff, we're still accepting paper applications, getting them through email. We then have to print those off. Then we have to create a folder, send them through email to the hiring departments and hope that they get everything through. We're using experts so we could have a position that we could get anywhere from if it's posted on indeed. We've had anywhere from 100 to 300 applications come in through that process. My staff has to go into the office, they've got to scan everything in, and then try to get it through email to the hiring department and then the hiring department has to share that with the people that are going to be on their panel, so it becomes burdensome all along the process there but a product like this—**Mr. Howze** said let me jump in to supplement. Mayor, I think your question around, you know what in the current situation terms of reacting to COVID, what would something like this allow us to do or what are some of the challenges is, you know, over 70% of the costs of our organization are through personnel, and that is that local government deliver services through people. And as that has been presented to this Commission within the last couple of weeks as we look at options for how to address what we anticipate to be a shortfall of undetermined magnitude, the ability to sort of do scenario planning to look at and say, okay, how many of those positions do we need to hold back on hiring. How quickly do those savings accrue to our bottom line is a very human intensive process now between HR and Finance and so having a software like this would allow us to much more rapidly be able to look at where is the cash, where's cash projects, where's cash equipment costs, where's unfilled positions and various sort of states within the process of being filled and allow us to move more minimally to address and to make changes for how we deal with this unexpected change. As well as then to implement say, you know, hiring slow down or other solutions, kind of on the backend of that once decisions are made. using a system like this it becomes much more possible and quicker to kind of implement those changes and Kathleen may also have something to add.

Ms. VonAchen said well, yeah, absolutely. So, for example, Ron Green is our Payroll Manager and every pay period he updates a spreadsheet that tracks our revenue trend or our payroll trends in order to see how closely we are keeping track with what we expect our vacancy rate to be. It's a great big spreadsheet that he updates every pay period, but absolutely it's difficult to really, really be able to see exactly how many positions are open waiting to be filled and estimate when that's going to happen and when will they be filled. With this Workday product, it would be so seamless and fantastic.

You know, I'm not going to bore you with the Finance side, but I do want to tell you that you know the Cayenta system has really served the organization well, but it's a legacy system. We want to get out of the 1990s and into the 2020s and this is going to take us there. It's the new software that all of the major and important organizations are turning to. It has 10 years of experience of successfully bringing and transforming organizations, it's a solid investment in the organization's future.



On the next slide I'm going to really have such better decision making, better information all across the board.



I'm going to show you the return on investment here on the next slide and so I have identified a relatively painless way of paying for this investment. I realize it's difficult to take the dollars to fund a software package like this, but we have found a way to very effectively, at a minimal cost, with minimum pain, be able to fund this project. Overall we estimate the service implementation services cost to be $3.6M. The annual SAAS or, you know, subscription service during the implementation will be $2.7M. We're estimating it's going to take us about between 18 and 24 months to complete the implementation. There's a one-time delivery and training and adoption kit of $525,000 and we've got just a little bit of funds here in order to assist the staff with some redundancy during the implementation process for a total $7M. We have open encumbrance for some other software packages that we've been holding of about $280,000 so that brings the capital project total to $6.7M.

As I mentioned before, through our reconciliation of all the many debt funds we have because we don't just have the Bond & Interest fund in the City and County Bond & Interest. We also have funds for every TIF, and so we went through and we reconciled all of them over the 22-year period that the organization's been consolidated. We know exactly how much is available in reserves in the respective City and County Bond & Interest fund. There's more funds in here, but this is how much we have estimated can come to fund various functions or departments that our FTE or well the General Fund FTE allocation for the City General Fund and then for the County General Fund and then the allocation for FTE in all the other funds and that's how these dollar amounts were determined.

We were wanting to use Reserves during 2021 and 2022 to fund the $3.3M out of the city and then $1.9M out of the County Bond & Interest fund and then $1.5M from other funds is mainly from the Sewer fund and these payments would take place over the next two years, beginning in 2021. We hope to do a temporary note this fall, with your approval. The table on the right here, demonstrate we actually sought expert help to develop a business case analysis where we identified all of the various benefits that the organization is going to achieve by the end of this implementation. What we found is that all of those will have a very positive impact on the bottom line of our organization, resulting in roughly between $4M and $6M per year in savings across the entire $400M budget and as a result of that savings we expect to recover the $7M over the next 3.5 years.

This is a really great investment in our organization, and it falls right in line with our priority-based budgeting because the priority-based budgeting objective was to identify at least $2.5M in savings from administrative efficiencies and this is how we're hoping to achieve that savings. Unfortunately, we have to do a little bit of investment in our own organization in order to achieve that savings, but over the long-haul we're going to be saving a lot of money and administrative costs once we get this solution in place. I'm happy to talk through all of the factors that go into how the business analysis told us that we're going to be saving between $4M-$6M a year.

Mr. Bach said I want to say that this is a project that when staff brought me these original projections and where it was going, I was skeptical. Having been in this organization a long time I'm very familiar with the user, how the current system works for us. I'm also very familiar with the complications and the difficulties of trying to tie different areas together so at one point they called me into a room and had about 30 different members across various core parts of our organization. They were users of the system that explained all the different efficiencies they could go through to make things better in their operations. It's hard to say it, sometimes they come back to it, but as an organization our size when we are over a couple thousand employees, there are mistakes made. Mistakes made in Payroll that comes up from where things are inventoried where they come out. So, there are missed payments that come in that overpay our employees from time to time. They are always found if we underpay, because that gets brought up by the individual, but they're not always the other way and in some of the audit checks we've gone back through to find things like that.

It's a little staggering when you look at some of the money that can accumulate, especially on an annual basis or over multiple years, but then that how we handle the vendors in the efficiency and working through this, it was pretty amazing to go through. Really when you touch a system that touches every department within our government and changes the efficiency in which the way they do business, it really started to come clear how the estimates that they were putting out here are the $2.7M up to the $4.5M a year we're a potential to be reality for us. So, I looked over this and said, if this is one we can bring it forward. You need to demonstrate the business case to the governing body and we're in a unique situation here with how things are set out in debt funding.

Ms. VonAchen said I can show the various drivers behind the business case. I've got a slide on the back in here if you'd like to see it more in detail.

Mr. Bach said why don't we take some questions.

Commissioner Walters said this sounds like a great system to me and it sounds like it's well needed. I do have just a couple questions. I am surprised that we found $7M in Reserves that we didn't know we had. You know we spent so much time last year in the Finance Committee going through all of our Reserve funds. I know Commissioner Burroughs would share, this that it is surprising the we found this money. You mentioned earlier that these funds can only be used for certain purposes. Are we doing something on the edge of improper by not using this money to lower the Bond & Interest funds directly?

Ms. VonAchen said I have a graph later on which we can show which will demonstrate how the fund balance has grown over the past four or five years. During our presentation last year, for example, when we talked about various Special Reserve funds we did demonstrate that there, you know, at the time, all of the Debt Service funds total to fund balance of $10M. That was last year, and it's only grown since then. Actually, the transfers that were coming from the fund balances only this $33M and is this $1.9M. So, it's a $5M figure right here. This $1.5M is actually coming from transfers from other departments that are not city or county General Fund, mainly Sewer. I did also want to point out that there are department's that want a new system so badly that actually some of the departments were willing to make the payment out of their current budget. That's how desperate they are.

Commissioner Walters said but my question really is more from an equity standpoint. The people who pays the $1.5M, for example, were they paying this on their sewer bill, this money came from somewhere, and now it's going to be used for something else. I guess I'd like a little bit more information about that.

The second—**Mr. Bach** said let me answer that question first, Commissioner. When we look at a system like this, it supports all our operations, so the Sewer Fund has to support the finance back system, they also get to operate under as well. When we come to something like this, we look at it and say, okay, the city, what's your allocation for payment to it. What are those who should come from the county side of the operation and what are those that should come from Enterprise funds with the largest one from an operating system being that a Sewer Fund. So, whether they're paying where the Sewer Funds paying the money on an annual basis to cover, what do you call it, the back of the house type operations, HR, Finance type operations; that way or buying new equipment, that is an expense that fund must cover annually.

Ms. VonAchen said and the balances in the City Bond & Interest fund have accumulated some excess reserves, because of the refinancing that we have done in the past four or five years, as well as underspending of bond proceeds and so, little by little those positive efforts have accumulated the balances. You know they're budgeted at a certain higher level and then we reduce the costs and those reductions accumulated, you know, bits at a time.

Commissioner Walters said yeah, and this is really the result of us not lowering the mill levy for the Bond & Interest fund as the Reserves go up, right? **Mr. Bach** said yes, as we looked at it, we're projecting forward to say, okay, if we continue on this trend and we'll be in a good position, and as you see, as we go forward with the rest presentation when we look at the future years and spending and keeping things in that $15M around that category, then that option clearly stays there unless we want to spend more money in that area. But if you leave it there, then your option to start to reduce that mill rate is proven true that it's back to back years where we've been able to build money into the fund balance and shows that it's going to sustain its cost.

Commissioner Walters said okay, well, the picture, it just seems like if we are going to have property appreciating at 5 or 6% per year, we could potentially reduce our Bond & Interest mill levy but that's a separate discussion.

My last question; and, Doug, you touched on it, so there was an analysis done as to how much of this money should come from the city funds and how much should come from the county funds and that's how you came up with those numbers.

Ms. VonAchen said yeah, it was based on, sorry to interrupt, it was based on the level of employee count for each fund. That's what it was based on and that that's an indicator of the operational costs and need of the organization, especially from the HR side.

Commissioner Walters asked, did you say you had some additional analysis of that, oh, here's an additional analysis of the payback. **Ms. VonAchen** said yeah, here it is. **Commissioner Walters** said that $5M or $4 million will come from—**Ms. VonAchen** said yes, so we didn't provide this in your presentation because we didn't want to do overkill on the ERP system. But, so this is the business analysis case analysis we performed with some consultants and what we found is that through a basis of a variety of very conservative and likely assumptions we are expecting to save this amount of dollars, between $4 and $6M a year.

You understand we have a $400M expenditure base across all of our funds. So, so you might be surprised by the $6M but $6M compared with the entire $400M budget, you know, not that unreasonable. We've looked at the conservative side and the likely side and then on top of it, I took an average between the two.

We expect to have savings of technology—in technology, we expect to have improvements in our organizational performance through the use of a performance evaluation tool. We expect to reduce costs that are—what are called regrettable turnover by those employees who we hire and then they leave within a year. Then we have to rehire and retrain and incur those costs. We expect to have savings in improved personnel requisition control which right now we don't have, so it's difficult for us to pin down which positions are currently budgeted but left unbudgeted but are vacant and there's the ones that are vacant but budgeted. That kind of that coordination is difficult improvements in our hiring quality and controllable overtime improving our--this was a huge one, improving our absence management. Improving payroll accuracy, because we're having to calculate retroactive payments by hand and then a really big one is improving our spend control for, you know, any kind of potential road spending. That $1.2M, that's out of $260M in non-personal spending across the entire organization.

I'm happy to go through and show you the assumptions for each of these. I'm not going to do this today, but just as an example, how does this improve our balance sheet if we were to just improve our absence management. Say five years ago our compensated absence leave liability on our balance sheet, we estimated would be roughly $5 to $7M lower than what it is now and what does that mean, well that means that our net bottom line would be $7M higher. We would actually have a positive net position, rather than a deficit net position right now. So, there are a lot of reasons to really fully get a handle on our spending in our administrative functions. So anyway, I could go on and on.

Commissioner Burroughs said I do want to echo Commissioner Walters question. I really appreciate him bringing that up because this is something the Finance Committee has worked on. I'm sure we'll have plenty of time to discuss the impact of the Reserves as we go along and the justification for utilizing for this program, I will state, is there a maintenance costs to the legacy program presently? **Ms. VonAchen** said yeah, well, Alan can talk about that. It comes out of his budget, but roughly, it's about $280,000 a year, with a 7% per year inflator.

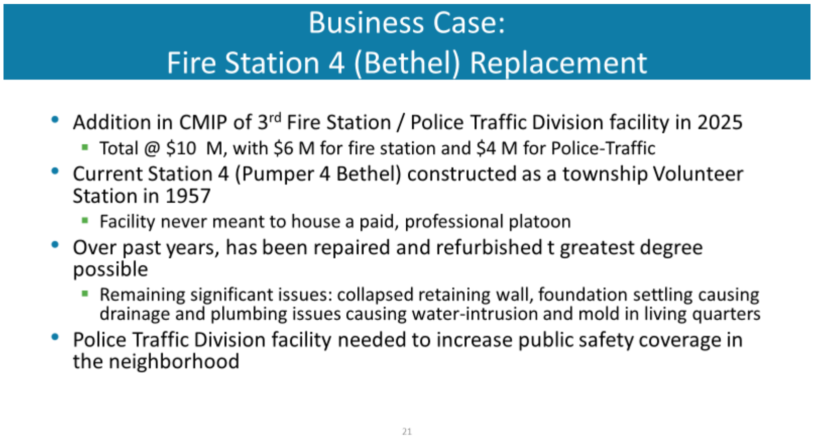
Mr. Howze said one of the challenges is that every two to three years, we end up doing a large upgrade to that system. And so, you get these lumps where you're spending, you know, upwards of half a million dollars, sometimes more than that on these upgrades. So, this switches that to a steady stream of known payments for annual subscription costs for our software. So it does make it actually easier to budget and ensures that we have the latest technology and the updates on the system versus falling behind, as we've done on some systems where we skip those upgrades, because we don't have the available resources. And so, you know, we become several years out of date and things just kind of start to get a little challenging, I'll put it that way.

Commissioner Burroughs said well, I didn't see that reflected in the numbers, unless it's in one of the—**Mr. Howze** said technology savings. **Commissioner Burroughs** said I did not see that. **Ms. VonAchen** said I know the several hundred thousand a year that we spend on maintaining servers which we would not be incurring because this is a SAAS system.

I also wanted to mention that after one year or two years after implementation they come back and they reevaluate the business process analysis to see whether in fact the savings that that they, you know, that we estimated is actually being realized. So, for example, the City and County of Denver, they have surpassed the expectation. The savings that we're talking about is probably a conservative number because the improvements we expect are going to be significant.

Mr. Bach asked, Commissioner Burroughs, did we get your question answered. You kind of cut and I wanted to make sure in case there was for something else. **Commissioner Burroughs** said thank you. The question was answered. I do know that there's some savings due to the antiquated maintenance that is demanded on the old system. I just want, again, to echo my support for a new system. I think in the long run we will benefit in the next three years. I think we can look back as commissioners and as a government body and be grateful that we had an opportunity not only to update our system, but to invest in modernization of our local government and I'm in full support of this and I will continue to do the research necessary to assist in whatever we can do to move this forward. I do hope that the Finance Committee has a chance to go back and review some of the blends that Kathleen talked about earlier, and again, I want to echo Commissioner Walters in bringing that issue forward because it has been a point of discussion throughout the budget. **Mr. Bach** said thank you.

Mr. Bach said okay, Kathleen, you want to move on the next section.



Ms. VonAchen said the next section is business case for fire station. The third fire station in the CMIP which is fire station #4 Bethel. That also includes the Traffic Division facility and I'm letting Alan talk about this because he's got fire under his assignment.

Mr. Howze said this is the next increment in the Fire Master Plan that has been presented to the Commission in terms of the Station Replacement Plan and so this is up around 80th & Leavenworth where Station 4 is currently and it is a combination, as Kathleen mentioned, potentially between a fire station and a new police station. The Police Department recently moved their traffic facility over onto Parallel after vacating least property on Leavenworth and so looking for a more permanent home for that facility and as has been done with other stations to do a collocated facility that would include both fire and police. So again, this is continued investment in the renewal and refurbishments and replacement of fire stations that are needed and have been identified through the comprehensive planning on the behalf of the of the Fire Department.

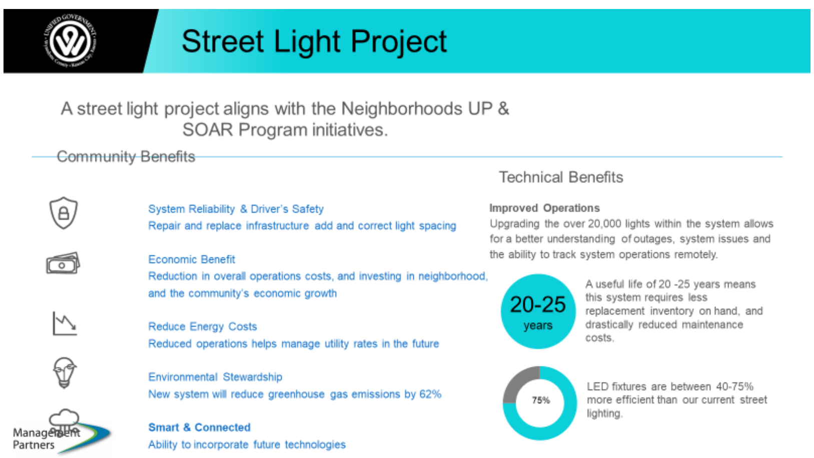
Mr. Howze asked, Fire Chief, would like to add anything.

Chief Mike Callahan, Fire Department, said I apologize for no camera. I got a new computer and because of COVID and everyone zooming and skyping there are no cameras available, so I apologize. I'm open for questions on this. This is going to be a station similar to the one where pumper 19 is at 80th Terr. & State, along with the police facility at the other end and that's pretty much it. We've gone through this with on three's. If there's any additional questions, I'd be happy to answer them.

Commissioner Bynum said just a quick question on this station plan. I know that we're going to open Piper and the next one in the plan, if I'm not mistaken, is Turner. Is this the third one after that? **Chief Callahan** said no. The next one after that is Muncie Station 20 currently at 78th & Kansas. **Commissioner Bynum** said okay. **Chief Callahan** said this would be the one following that.

Ms. VonAchen said I just wanted to mention, the current CMIP has two fire stations. The Scenario 1 actually adds another million because this one that's planned to be built in 2021 was a little short on the cost estimate. The reason we're talking about Bethel specifically is because this $10M is a Scenario 2 and it's in the last year of the CMIIP.

Any other questions on the fire station? **Mr. Bach** said I don't see any, Kathleen.



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Ms. VonAchen said the next project that we wanted to provide a business case for is the Streetlight Projects. This is kind of a new project and yes it is rather expensive, but it would be transformational and for our neighborhoods and communities, so Jeff Fisher is going to talk about this.

Mr. Fisher said unfortunately, the condition of the streetlight system is similar to the other infrastructure.. Much of its very old and outdated and it takes a lot to hold it together. There are over 20,000 lights in KCK, almost as many poles and, of course, a lot of infrastructure powering that system. We know much of the work, but of the needs are east of 635 and so it should be a sort of a Phase 1 of the project. The project priorities with improving system reliability and driver safety and then reducing O&M, investing in our neighborhoods and reducing energy costs even an LED component to it. So, a strong project. It scored well in the new system. I'll take any questions on that.

Mr. Bach said I think one thing about seeing this project is that it kind of sets out just the order of magnitude of different directions to go and as we put on the different scenarios, obviously, this is one that says okay, we're going to go at a different level of investment. The street, you may look at and say this isn't our highest priority. There is something else that we're going to spend this much money. I'd rather this go directly toward—just right into the streets or something like that. So, for me, it kind of set out two things. This is a very dynamic change of something that modernizers the entire city over a five year process. It's one we've had a lot of conversation with the BPU you about. You know, they're charged with paying the cost of street lighting and they're also charged with cost of—they go out and do a lot of the maintenance on that. The savings falls back on there end. It doesn't necessarily fall back on our end, but it would be a very dynamic change. There also could be other ways to go if you want to, you know, leave the millage in there toward that.

Commissioner Walters said I'm reading this, and it says here, this is not just replacing the current streetlights, this is adding a whole new street lighting program, is that correct? **Mr. Fisher** said it would depend. Different areas of KCK have different needs. Some of it would just be an LED change over, but much of it would be hard infrastructure replacement or repair. There might be some light spacing issues that we need to address. a variety of things. **Commissioner Walters** said none of that engineering has been done at this point. **Mr. Fisher** said no. **Commissioner Walters** said okay. Are there new standards to street lighting that our current cities streetlights don't match? **Mr. Fisher** said yes.

Commissioner Walters said I'll just mention, there is one neighborhood that I get a lot of calls about streetlights and the problem is not the streetlights, the problem is the trees. There are so many trees that have grown and matured. I don't know if this program would address that at all, but the streets are dark because of the trees, not because of the streetlights so I just bring that forward for you to factor into your thinking process a little bit. **Mr. Fisher** said thank you.

Commissioner Philbrook said my question is, runs along with Jim Walters, and that is so it sounds like we're going to be paying attention. Then from your answer, Jeff, is that we're going to be paying attention to appropriate lighting engineering. So, we actually get better lighting overall and which would help with safety issues and because I know that most of us get calls constantly about lighting being out and then BPU was trying to catch up on taking care of those outages. In the meantime, people are concerned, and rightfully so, that they don't have the lighting they feel they need to be safe where they are. Are we looking at this, not just saving money but also being able to do a better job for our folks for lighting and for safety? **Mr. Fisher** said well, it’s primary objective is improving roadway lighting.

Commissioner Philbrook said okay, well, we still have areas that some people actually do walk on sidewalks and that sort of thing. We have other areas that we don't have sidewalks, so I'm hoping that as you guys look at this, that you really are paying very close attention to the placing or replacing of these new lights. **Mr. Fisher** said absolutely.

Commissioner Johnson said I am in full support of this, the streetlight project. It seems to me that if we don't, at some point, make the investment, the cost of this will continue to go up and up. I think I remember a few years ago, I might have been under different factors, but a few years ago we were talking about a number around $10M and now we're at $50M. I think we need to go ahead, particularly on the eastern side of town, we have a lot of lights that are knocked out and it's just, you know, a lot of dark areas there.

The question I have is, this system, will it be better monitored by BPU in terms of knowing when we have outages and being able to recover? I'm just curious about that from an operational standpoint. **Mr. Fisher** said it's a good question. The $50 million estimate, we believe would include certain controls on the system so that BPU knows when a light is out. They could even turn off a light or dim lights for various purposes. So yes, there will be some controls on the system that aren't there now.

Commissioner Johnson said that will be wonderful to be able to have better control of that and this will pay for itself over what period of time in terms of estimates? I might have missed that somewhere. **Mr. Fisher** said well, we haven't—we don't have that sort of—payback is a tougher thing to estimate. **Commissioner Johnson** said okay, but we can't assume that there will be some benefit as has already identified in terms of economic benefit deduction and operating costs and things of that nature. **Mr. Fisher** said absolutely. Yeah, that would be built in and we do have some idea, but when I don't recall it—sorry.

Mr. Bach said obviously, the savings on this becomes difficult. If we were a paying customer of the Board of Public Utilities and they were a private company, then you can go through and you calculate what your bill would be here and then reduction from the LED cost and then calculate that and come back on. So, we've sat down with the BPU a few times on this and while it would not be a direct savings to the Unified Government, we feel like there would be a savings to the Board of Public Utilities though, since they generate the power, they've have not really been able to come up with just a real clear number to say, well, this is what I'll save per year. We're hoping to work through this, and I will say in putting this out here tonight, earlier in the year, as Jeff and his team were working on this, you know, was like okay this is exciting. This is a something that really could be good to put out. We've talked about it for probably a couple years from a staff perspective going through it and it's like, okay, it's time to get this in front of the governing body and we have the real opportunities to maybe move forward and do something.

Currently with uncertainty and where we are going forward, I would never, I would not come to you and say let's build this into the '21 Budget and let's start now and see what happens with the future revenue flows and the value of all our money. But I still wanted to put it out there, make sure the team had the opportunity to present it and then look at it as getting it on for future because we don't get things into that future five-year budget and they never make their way forward. I wanted to get this input back from you all, as if it's something that we do think this is a high priority and how we should try to work it in.

Commissioner Johnson said well, I certainly think is a priority, but I think my concern is that the longer we wait on—and certainly we're aware of the condition that we're in right now. The cost of this is just going to continue to escalate with each passing year. So just something that we need to consider as well.

Commissioner Bynum said there's an adult housing development at 82nd & Walker that was purchased out of bankruptcy in order for it to be completed and, therefore, was allowed to be completed with no streetlights. I cannot remember the name of it, but I'm wondering if it's possible, that if we proceed forward with this project that we might be able to install at least a minimal amount of streetlights into that development for the safety of the older adults that live there and if it's possible, then I'm just asking you to make note of that for when and if we do undertake this project. **Mr. Bach** said I will look into it. **Mr. Fisher** said yes. **Mr. Bach** said adding to it certainly is an option that comes to it. It probably would be small and the big comparison. Is that the project, the patio home senior housing project, right across in the library, Commissioner? **Commissioner Bynum** said is and I just cannot remember the name. **Mr. Bach** said I should know it too off the top of my head. **Mayor Alvey** said Pemberton Place, I believe. **Commissioner Bynum** said it is. It's Pemberton Place. Thank you.

Mayor Alvey said yes to Commissioner Johnson, the savings, so, the cost of this project in the capital costs, the installation costs, actually is increasing year over year. The fixture costs have declined. So, they went from a high of about $170 per unit to much lower than $100 now so that part of the cost has declined, but of course the work that has to be done, does continue to increase. I think a lot of the cost, from what I understand, is going to be installation of new poles, placement of new polls in different places. The hard part about trying to figure out what the savings might be at the Board of Public Utilities up to about five years ago was able to sell supply—it's power through Nearman, Quindaro Plants and other places. That changed with the Southwest Power pool when which the BPU is a part of that every operator every generator in the Southwest Power Pool actually bids their production into the system at a certain price point. They don't get called up to operate or to sell unless they get that price point. Any energy the BPU provides they first purchase off the Southwest Power Pool and then they bid their own power back into it. That's one of the reasons why it's so hard to monetize this.

Commissioner Johnson said thanks for that Mayor. Now it's completely clear as mud in terms of that analysis. **Mayor Alvey** said well, I won't do it again. I'm sorry.

Commissioner Townsend said a couple of things, I am in in support of the streetlight project. We talked about it some years ago, but of course with the number of lights it's no small undertaking. A couple of questions, Mr. Fisher mentioned, this would be a multi-phase project that I understood. From beginning to end how long would you estimate it would take to complete these approximately 20,000 light installations and I understand it's not just lights, but in some places other infrastructure would be required. That would be the first question and this $50M would cover all phases. That's the second question. **Mr. Fisher** said it's still so early. I'm not sure how many phases there will be or how long it will take. We are working with Snyder Electric now and I believe we can—we would know that kind of information by the end of this year and the $50M would cover all phases we believe.

Mr. Bach said thank you, Jeff, for that presentation. I don't see any more questions on that. So, Kathleen, you want to move on to the next section.

Scenarios' Debt Affordability Metrics
KCK (City) Bond & Interest Fund

Scenarios	2025 Ending Fund Balance (modest)	2025 Ending Fund Balance (worst)	2025 Govtal Debt Per Capita	2025 Govtal Debt as a % of Assessed Value
Adopted CMIP*	$12.1 M	$6.0 M	$1,589	14.15
Scenario #1	$12.6 M	$7.2 M	$1,600	14.2%
Scenario #2	$8.9 M	$3.4 M	$1,628	14.5%
Scenario #3	$6.5 M	$1.0 M	$1,733	15.4%

Scenarios with 1 Mill Shift in 2022	2025 Ending Fund Balance (modest)	2025 Ending Fund Balance (worst)	2025 Govtal Debt Per Capita	2025 Govtal Debt as a % of Assessed Value
Scenario #1	$7.3 M	$2.0 M	Same as above	Same as above
Scenario #2	$3.5 M	($1.7 M)	Same as above	Same as above
Scenario #3	$1.1 M	($4.1 M)	Same as above	Same as above

*Adopted CMIP total includes approved projects for years 2021-2024 plus continuing annual improvement projects for 2025

23

Ms. VonAchen said okay, so now we get to the Debt Affordability questions which Commissioner Walters brought up earlier. I'm wanted to tell you that this slide looks a little bit different than what you have in your packets because while we added a few things—plus, and a few columns and just for information, but also, you know, we did a little tweaking, so I apologize. I'm happy to explain why it's a little different. But first off, we have the different scenarios here. This first table on the top are the scenarios with the current 17 mills for the City Bond & Interest Fund and then the table below is if we were to shift one mill out of the City Bond & Interest Fund over to the City General Fund or reduce it, you know in any case the revenue for one mill would not be coming into the City Bond & Interest Fund with this table below.

Now, one other thing we did was I added this first column here so that you had a feeling for what type of reserve level this fund should probably retain, a minimum reserved target, and it's only 5% of tax revenues, because it's not, you know, two months, like an Operating fund. It's because this fund doesn't have any FTE or personnel expense in it so it's not reliant on an operational basis. It simply is a receiving tax dollars and then cutting checks for debt service. That's all it does, this fund, and the other thing is, in order to have a reserve it would—well, the liquidity needs of this fund are such that on like 20 days after the beginning of the fiscal year, we get one-half of the property tax payment. So, and then the debt service for the is only interest or yeah interest in February. There's really not a lot of need for a lot of cash to be sitting in this fund at year end because there's a lot of cash that comes in very soon in fiscal year and very little goes out during the first half of the year. So, that's why we have a Reserve fund at just 5%.

Here we have a modest scenario and a worst case scenario. I'm going to go through those assumptions with you here in a moment, but for the most part the modest scenario is what we expect will happen given a, you know, a moderate impact of the COVID Pandemic on our revenue structure in this fund and then the worst scenario is if there's a prolonged impact into the future. Now these fund balances are, of course, the difference between, you know, what's sitting in the checking account and what we collect in revenues minus what we expend for the next five years. So, this is the fund balance we project in five years from now. This isn't next year. It's five years from now.

So, for each one of these scenarios I have a slide that graphically shows how over the course of the years how the performance of this fund in this given scenario looks. I'm happy to, show that to you as well.

Over here we've provided a governmental debt per capita, which is a calculation that our new model provides us. So, along with many other debt ratios that we've had difficulty to provide in the past and then the last one is another ratio called the Governmental Debt as a percentage of assessed value.

Then I just provided a little comparable, you know, comparable entities and how much their ratios are. Currently the adopted—so just real quick to go over the assumptions I'm going to race forward to this one slide that we didn't want to bore you with which is the revenue assumptions on a modest case revenue scenario. (This slide was not available). For the most part, here's the key one, because see this fund only pretty much collects property tax revenue and we don't think that property tax revenue is going to be dramatically impacted by the COVID, but we have reduced the—well the 2020 budget, we've increased our delinquency rate in the amended revenue estimate from roughly—I think I had it at 5.7 which is consistent with what it's been in the past. I've upped it to 9% in delinquency. So that was the only change I've made in the 2020 Budget is to accommodate the expectation that we may have some residents that are going to have trouble making their property tax payments this year. That assumption carries into 2021 and 2022 with it recovering in 2023.

The other thing that we've adjusted is that we've got, you know, we've already got the appraisal from the county appraisal. So, we know that for the most part our property taxes will likely go up between the 7 and 8% level. So those have already been set by our County Appraiser, but in the next subsequent year, perhaps, there may be a likelihood that the property values will be growing at a lower rate than what they have in the past. So, I've got it at 3.88% with it recovering in the subsequent years off that lower base. So, this is the modest case scenario. What we're thinking is likely. (Slide was shown that was not available).

The next one is the worst case scenario and here I still have this—well, I forgot to put the years up here, but this column here is 2020 and then this column is 2021 so 8% rather than this 7% I have in 2021. I've up the delinquency rate basically one percentage point across there and the other thing that I've done is down here below the assessed value, I've got it in 2021 dropping flat to zero and then only increasing by 2% in the subsequent year, so this is a dramatic reduction in the property values. This column right here with the zero percent is 2022 or 2021— no 2022 sorry. Yeah. So yeah, okay, and then this is so the thing is we're not talking about 2021 because the County Appraiser already came in with her appraisal. So, we're talking about 2022. There's a delay in the economic impact on property taxes of at least one to two years. So that's the worst case and so going back to the slide, we were talking about before.

Alright, so with the adopted budget, we expect the ending fund balance for the City Bond & Interest fund to be $12.1M at the end of 2025 and then the worst case scenario, it would be $6.6M. With Scenario 1, which is in all Scenarios 1, 2, and 3 include the transfer out of Reserves for the ERP system.

The Scenario 1, we would end the year with $9.2M at the end of 2025 and under the worst scenario, it would be $3.8M. Now you understand this is five years out, so if the revenues were in fact dramatically reduced to the level, as expressed in the worst case scenario, we can make corrections in terms of what kind of capital investment we're going to subsequently do in order to diminish any kind of impact, but understand that 3.8 seems like a lot lower than what we're at, but our Reserve, minimal Reserve, **is** 1.4. We really don't need that much. Are there any questions? **Mr. Bach** said I don't see anything, Kathleen. I think somebody just had some feedback.

Ms. VonAchen said okay, so Scenario 2 includes the additional investment information—Scenario 2 we would end with a slightly lower at 8.6 or what the worst case 3.2. The interesting thing is Scenario 3 with that $50M investment in streetlights, we would end under the modest case, we would still end 2025 with under the modest case with $6.5M and with the worst case $1M which is below the minimum target.

Now, down below here, if we were to do all these three scenarios, under the worst case and we shifted a mill out in 2022, which by the way we looked at doing that for 2021, but we felt—I just didn't think it a prudent thing to really be doing while we're a little unsure about what's happening with COVID, so we're presenting you this scenario. Possibly shifting a mill out in 2022 which is next budget year. Under the modest case, it's affordable to do that mill shift as Commissioner Walters has talked about.

If the revenues come in, much lower, assessed value is flat in 2022, and then only increases by 2% in subsequent year, then it's probably not advisable, given the fact that we're projecting a negative fund balance.

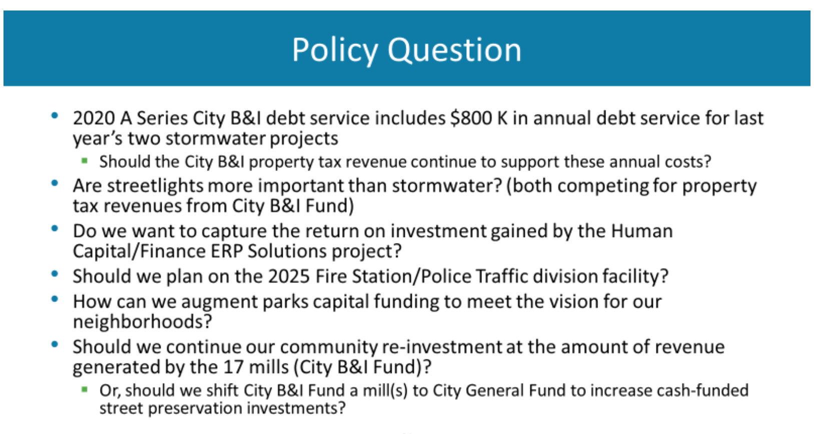
I have a graphic slide for each of these scenarios. Well, these top four up here, which I'm happy to show you. Should I show one or two of them, Doug? **Mr. Bach** said we have a question from Commissioner Walters first.

Commissioner Walters asked, why do you keep talking about shifting. Why are we just not talking about reducing the mill levy for the Bond & Interest Fund. **Mr. Bach** said I think she's probably using that as just a term. I mean, that would be your option. I mean, you reduce the mill rate. Shifting would only be as if we moved it, I guess. Move but—**Commissioner Walters** said I thought you're talking about reducing the Bond & Interest mill but increasing the City General Mill Levy or something. So that's my question. **Mr. Bach** said that would be an option. But no, I don't think that’s the intent. I think she was using the term shift as shifting out of it (inaudible).

Ms. VonAchen I'm going to show some of these graphs (not available) for you so you can see what's possible and I'm happy to meet with each of you privately to talk about this in more detail. This is the Kansas City, Kansas Bond & Interest Fund with the CMIP, as adopted under the modest case. As you can see here on the left, this table here shows the margin between revenues and expenditures. The revenues is the green line and expenditures is the red line. This is the difference between the two in each of these years through 2030. Commissioner McKiernan specifically likes to see this graph, because then it gives you a realistic picture of the level of spending in revenue coming in and spending going out. Just so you know, we started this graph, all these graphs, start at 2016 and you can see here, up here on the left is the fund balance of this fund. The fund balance was at $10.7M in 2016 and it had been consistently around there and be growing a little bit prior to that period. As I mentioned, these reserves are because of refunding or the assessed value was higher than we expected or that just bond proceeds that were unspent that got redeposited in this fund, so over time it grew. Now, it grew up to $15M during this time because of one major reason, the Midtown TIF district. We were collecting revenue, but we were—well, no, the Midtown TIF has its own fund outside of this one. We were paying the debt service on that Midtown TIF out of that other debt service fund. It was not collecting any revenue. So, when we refinanced it we had to unwind that debt and to pay off the Midtown TIF we had to pull the fund balance out of here in order to make that debt service payment. That's why it dropped down to the $6M level at the end of fiscal ‘19.

That's where we are now at $6M and you can see that refinancing happening here, which, by the way, when we refinance that Midtown TIF we saved $5M over the next 10 years, so it was a good deal to get it refinanced. Over the course of—with the current adopted CMIP over the next 20 years, no 10 years will grow a fund balance of $45M, given our current CMIP plus $15M a year beginning in 2026. If we were to go with, and by the way, I just wanted to point out, there are some other slides here, this assumes—this scenario assumes that we continue to make the debt service on the two stormwater projects that we had to issue bonds for that roughly were around well in total $20M although that's not the storm portion. There's some sewer portion that is part of that $20M, but now this fund is having to pay $900,000 a year in Debt Service for those two projects because we did not have—we don't have a stormwater rate that's sufficient to make the debt service on those projects. So, if we were not to be making those payments out of this property tax funded City Bond & Interest Fund, then we would end up with $55M a year at the end of 2030 instead of the $45M so just thought we would let you know that. Any questions?

Commissioner Markley said actually it's not really a question. It's more of, sort of a statement. I feel like sometimes as we get into more detail it can become difficult for people to filter out sort of the main point of the discussion. So, I'm going to make more of a statement and then I want you to tell me if I'm correct or not. So really the whole point of today's presentation is that we are in a position where it would be appropriate for us to spend down some of the balance in this Bond & Interest fund and we can't just take that money out of the Bond and Interest fund and put it into the General Fund, which would be lovely, but we are not allowed to do that. We're discussing what are the options that would allow us to get done some of the projects that we want to get done and to spend down this balance which is we're in a good position to do because we have more money saved than we need. Then subsequently there's sort of a separate discussion around whether going forward we keep putting the same amount of money into that fund because we know it built up more than it should have. Are both of those sort of accurate statements? **Mr. Bach** said yes. That's a good summary of the situation we're in and I think, Kathleen, you've gone into enough detail with that. I don't think we need to stay on that. I think we can go back over to our policy slide that I think is where we kind of go to next after this. **Ms. VonAchen** said yes okay, good.



Mr. Bach said the Commissioner has done a good job of setting that up. As we look at this, you know that, as you said, we have the stormwater projects over there that's listed on here, but that's a policy discussion of if we adopt a Stormwater Program, we can still move them over. There in Debt right now but we'll be moving those into a full financing next year and they will be under this fund, so they eat up a part of that room.

It's looking at streetlights as a future scenario to build into the budget. The investment in our ERP system that we threw out there that is one where we're coming in saying, you know what with the money that's in the debt finance, this is an opportunity for us to do this and our analysis of it shows we can kind of go back to the PVP piece of it we can save a few million dollars a year once we have this implemented. So that's an ongoing efficiency operating forever. And if you remember those PVP charts we had one of them that said back on our annual operations, there's areas we need to find it in. Well, this is one of them we identified and said we can come in and find it this way. Keeping money going after the Street Preservation is high on the survey always been something that Commission talks about doing.

We have the fire stations that are programmed in for ‘21, ‘23, then we move on to ‘25 with one that goes with the joint station with the traffic facility so it's how we leave those out there. If we stay in Scenario 2 augmenting other capital funding needs so really, that's where it comes down to it, or it's so we have some scenarios. We've shown where we can do it, we can, like I said, I'm reluctant to recommend Scenario 3 with the streetlights, I would not be ready to move on that next year. I think that's one where we should keep that in our back pocket as something to be in the future and see how our property tax revenues perform and if that's the scenario you get or something you guys want to do, then we give that a more serious look next year. The mill rate does present itself the option to start to reduce it and unless we see things fall off and keep falling off much worse than we really think it will happen, I think we can pay for those projects and drop that as a mill rate as she said.

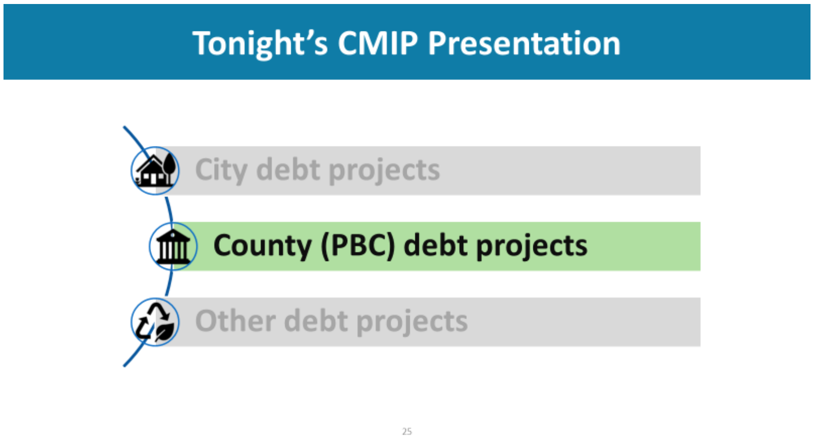
I guess, Commissioner Walters, maybe the option would be, and we'd have to run that scenario to actually do a shift this year. I thought about that somewhat to move it from Debt over to Operating for one year. Let that fall into Operating Fund Balance and we can pop it out in ‘22 but I wouldn't want to take it off until we know how we get through everything this year. So that's kind of the overall on the survey or overall on the policy where we're at. I think Commissioner Markley did a good job of summarizing, some of the most relevant points to it so open to your thoughts and comments on this as we move forward.

Mayor Alvey said yes, you know, in general, I would just make the observation that the infrastructure across our city in so many ways is in serious need of repair. The longer we delay doing these projects, the more expensive they become, and I am convinced that when we don't invest in our neighborhoods, when we invest in our infrastructure, it is a very short route to losing pride, losing a desire to maintain one's own properties and we will just continually see decline. As hard as it is to take on more debt, I would argue that if we don't take on more debt at this point or do what we need in moving some of these funds around, we're just simply going to continue to see deterioration across all of our infrastructure and to the point where some things will just become unaffordable completely. Commissioner Johnson's point that the cost, for instance, of the Streetlight Project, that will increase over time, most likely. Certainly, we know what's going to happen with our stormwater, we've seen enough of that.

We also know what our street conditions are like, so I think it's really our responsibility to step up and really take care of the infrastructure, just as we ask our residents to take care of their own infrastructure.

Commissioner Johnson said I would have to agree with the Mayor on this and I know that this is very—it's going to be very challenging. I know we have to be as open-eyed as possible to make sure that we're, you know, taking care of our initial responsibilities, but to kind of pile on what he is saying the, particularly the older parts of town, have been neglected for so many years. The thought of continuing that type of neglect, I think would really have a big problem on the overall morale that we're trying to build up through our neighborhoods. So, while I understand that the circumstances that we're dealing with right now as they stand are quite challenging, I just would implore us to try to figure out how we can, I guess, cobble together funds that will help us to continue to invest in infrastructure overall and as we're looking into the future, the immediate future.

That's what I want to make sure that I implore that we try to find out areas where we can cobble money together to continue to or to, you know, continue to make sure we're investing in our infrastructure overall, particularly in the older parts of town. **Mr. Bach** said thank you and that is a strong, strong move for the future of the community when we look at things like that.



The next part of this project or presentation tonight goes into the PBC, which is also Debt Project so it's not completely leaving the subject. It just changes the funding source that we're looking at. I know we are two hours and 15 minutes into this, so I think this part of it gets a little less complex as we go through it, but we do still have some scenarios.

So, Kathleen, I'll turn it over. I believe, Debbie has this part, so we'll turn it over to Debbie Jonscher and let her take us through these sections.

Debbie Jonscher, Deputy Chief Financial Officer, said I apologize, I also do not have a camera today.

Summary Scenarios for
Wyandotte County (PBC) Debt-Funded Projects

Scenario	WyCo B&I Fund
Adopted CMIP 2021-2024	No new debt (2021-2025)
Scenario #1 Address facility deferred maintenance needs with 5-Yr total of $8 M	Includes improvements for courthouse, some West Annex, WyCO Park Waterline Repair, and the Quiet Zone (Phase II) $2M in 2024
Scenario #2 Same as Scenario #1 plus use of excess B&I Fund reserves	Adds a $1.9 M transfer out to City B&I Fund for County portion of the HR/Finance ERP 2-Yr note to be retired in 2021 and 2022
Scenario #3 Adds additional deferred facility needs for 5-Yr total of $9.7 M	Adds $1.7 M facility investment for West Annex Building

26

The first slide that I'm going to go through Kathleen's covered some of this previously in the presentation earlier but we're going to talk about the County Debt Funded projects which also includes the Building Facility projects which are funded with the Public Building Commission. We've got those scenarios for the County fund here. The first one is the adopted CMIP and as we stated earlier, there is no additional debt in the outer years approved currently for years '21 through '25. Scenario 1 would add about $8M in projects and in the next slide will have a list of those projects, but it includes improvements for the courthouse. Also, for the West Annex, WYCO Park Waterline Repair and the Quiet Zone Phase 2 in 2024. Scenario 2 does not include any additional facility or infrastructure projects, but it does add the additional 1.9% transfer that Kathleen talked about for the ERP system to be covered. So that scenario would include the transfer of the $1.9M.

Scenario 3 adds in additional deferred facilities for the West Annex Building totaling about $1.7M for the five-year total.

Summary Scenarios for Wyandotte County (PBC) Debt-Funded Projects

Debt-Funded Capital Project (WyCo) with 5-Yr Totals	Adopted CMIP	Scenario #1 Changes	Scenario #2 Changes	Scenario #3 Changes	Grand Totals
Wyandotte County Lake Waterline Study & Repair	$0	$950 K			**$950 K**
Courthouse - Plumbing/Waste Distribution/Fixture	$0	$1.825 M			**$1.825 M**
West Annex - Parking Lot	$0	$400 K			**$400 K**
West Annex - HVAC Controls & Instruments	$0	$190 K			**$190 K**
Jail - HVAC -ION/Sanitize Supply Air	$0	$100 K			**$100 K**
Courthouse - Elevator Rehab (4)	$0	$1.25 M			**$1.25 M**
Courthouse - Masonry (Phase II)	$0	$500 K			**$500 K**
Courthouse – Window Replacement	$0	$800 K			**$800 K**
K-32 Quiet Zone (Phase II)	$0	$2.0 M			**$2.0 M**
West Annex - Elevator Rehab (2)	$0			$450 K	**$450 K**
West Annex - Plumbing Waste/Distribution/Fixtures	$0			$275 K	**$275 K**
West Annex - Exterior Block/Canopy/Tube System	$0			$1.0 M	**$1.0 M**

27

This slide here shows all of these projects. As we said, we've got about $8M in Scenario 1 and then in Scenario 3 the additional West Annex Improvement Projects, totaling about $1.7M. I was going to ask John Kelly if he wanted to talk specifically about any of the projects that are on the list.

Mr. Kelly said yeah, Debbie, I do want to talk to some of the ones that focus on the courthouse and the West Annex and the jail. These are some things as we we've been working with Ameresco that we want to make sure that we bring to you, and the elected body, to make sure if we feel that this is something that we want to invest these dollars into these facilities. We're going to be talking in a couple slides here about some of the things where we have some like services where maybe we can combine those type of things and talk about whether we're wanting to essentially invest, you know, we know the jails not going anywhere. So those dollars there are much needed that is a system that we want to put in place, especially with the recent COVID-19. Those dollars are to talk about putting in a system into all the air handlers. A lot of the people that come in and out of our jail have the tendency to have some health issues coming in or essentially maybe getting them from being in confined spaces without a lot of air movement. So, these are some pieces of equipment that we're looking to put in to ensure the health of our inmates and then, as well as our staff that work there. With the courthouse, we know that's a historical facility, that's a beautiful building, and we want to make sure that we continue to put dollars into the courthouse that we can preserve that historical value to that building.

It's just a few of the things, but like it says further on the slide, we're going to talk a little bit more about the Annex and the current Court Service Building. I know we currently have a major investment going on with the new juvenile detention that will take some court functions over to that new facility. So, there are some options that we're looking at, and working with Ameresco as well as my team and Mr. Fisher and Doug on how we go about for the future and how we may want to invest some of these Capital dollars and making better decisions.

Scenarios' Debt Affordability Metrics
WyCo (County/PBC) Bond & Interest Fund

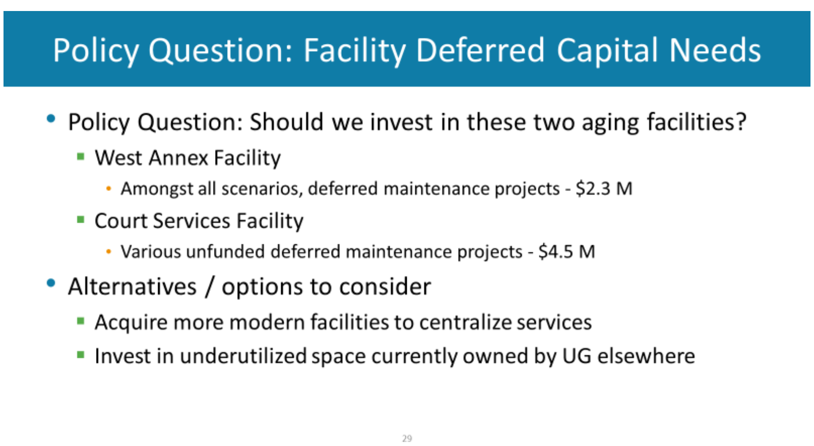
Scenarios	2025 Ending Fund Balance (modest)	2025 Ending Fund Balance (worst)	2025 Govtal Debt Per Capita	2025 Govtal Debt as a % of Assessed Value
Adopted CMIP*				
Scenario #1	$3.0 M	$2.2 M	$1,600	14.2%
Scenario #2	$1.1 M	($316 K)	$1,628	14.5%
Scenario #3	$593 K	($217 K)	$1,733	15.4%

28

Ms. Jonscher said this is similar to the graph that Kathleen showed for the City Bond & Interest and this is for the County. As with the city this fund is supported with property tax revenues. So, we've got the same information here, the minimum target reserve for this fund we project to be about $300,000. The same with the City Debt Service fund. There is no personnel paid from here it is all. All of the funds are used for the payment of principal and interest on debt and as she stated we've got the modest and worst case scenarios. As she stated with the modest case, the delinquency rate for 2020 was increased to 9% and 7% I think for 2021. So, with that, with the adopted CMIP, we would estimate under the modest case scenario, the fund balance to be $4.2M going all the way down. If we went through Scenario 3, that would drop the fund balance to about $782,000 which is still above our 5% target reserve of $300,000. The worst case scenario which drops the delinquency to 9% and then keep it at 8% for 2021 and the assessed value growth at 4.0% in 2022 for the adopted CMIP with not having any future projects, our fund balance would be $3.4M.

With Scenario 1, it would be down to $240,000; however, with Scenario 2 and 3, which Scenario 2 was the transfer for the ERP in Scenario 3 was additional West Annex projects that would draw the fund balance negative if we were in the worst case scenario. That would drop if we were in that situation, it would doing Scenario 3 would drop the fund balance negative and then she's got the same percentage is that the debt per capita and the assessed debt as a percent of assessed value.

Ms. VonAchen said I just want to make a clarifying point, actually I failed to mention to Debbie that actually under Scenario 1 that this transfer would have occurred Scenario 1 as well. I just didn't put it into this table. I overlooked doing that so actually this Scenario 1 bond fund balance at 2025 includes the transfer of $1.9M in 2021 and ‘22 so—**Ms. Jonscher** said okay.



Then the policy question for the County Debt Service relates to the facility on four Deferred Capital Needs, should we invest in the aging facilities. The West Annex facility which is at 8200 State Deferred Maintenance projects right now total about $2.3M and then the Court Services facility on 7th Street across the street from the courthouse Deferred Maintenance projects for that facility are about $4.5M. I guess alternatives to consider would be to acquire more modern facilities to centralized services or invest in underutilized space currently owned by the Unified Government.

Mr. Bach said I think as we throw these out here, these are really ones that when I started seeing the number of items as sort of adding up in and around the West Annex facility, that's where I challenge back to the team to go, okay, what about an alternative of doing something that is just as it's put up here, a more modern facility. When you think about what we do out of the Annex, if we were able to build a centralized facility for our motor vehicle operations, take those out of the courthouse, you know, I mean, things like that can be more centrally located in the community and work from that perspective rather than dumping in a couple million dollars into a building that was not built for our purpose. You know, it's one we've modified, and I think it's working well for us, but there could be other long-term solution. That's where we pushed out any modifications to the West Annex facility until we can really go through and evaluate that, and I think come back to you with a stronger recommendation of what a comparable would be if we were to do some type of facility.

Commissioner Bynum said I have some questions about Court Services, but mostly about the West Annex, and so I could really get behind modernizing and centralizing those services that take place at the Annex building. I might also just throw out that if we keep services in the county courthouse and keep an Annex operation we might consider moving it a little further west.

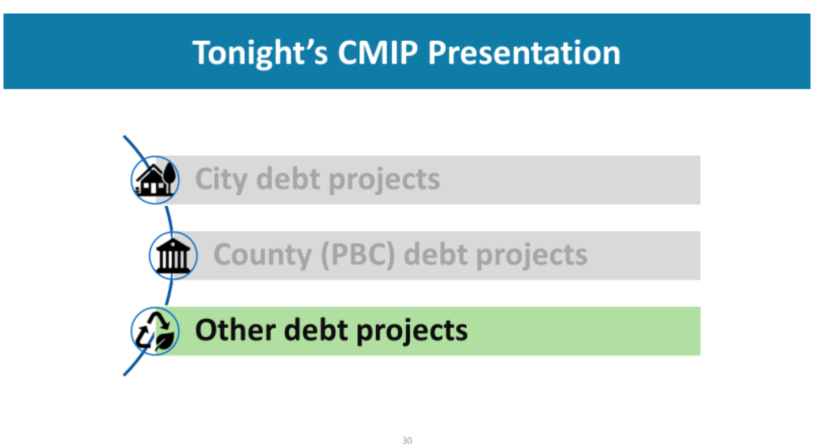
Both, Bonner and Edwardsville are, you know, coming into 82nd & State to do that business. So that would just be one thought. In terms of either acquiring a new facility or using space that we currently own somewhere else. do you all have those places in mind or is this more of a conversation for later.

Mr. Bach said that's more of a conversation for later, Commissioner. I'm throwing it out there as when John went through and did his Ameresco study with them, they come back and they identified quite a few needs on that building and then we've noted we have parking needs out there. We have a lot of different projects that are tied to it. I think that's where, for me, I come back and go, and maybe that's where I'm throwing it out to you commissioners, if I were to come back and say, okay, we bought this building many years ago, we moved into it, it's worked fine, but I think the best long-term plan for us is to take it out of our inventory and do something that is suited for what our purposes in serving the public and what we're trying to do out of that. If you look to that and then your vision allies with that to say, yeah, I think that would make sense or no—I mean, from one perspective to go out and build new government buildings which could be a scenario if that's just something we don't want to do outside of building the fire stations and the police that we talked about.

But for other operations, if that's something where we look at that and say that's not a scenario we really need to be falling down, then we'll look at the modifications to this building, or if there's some other but that's really what I wanted to get a feel from you on.

Commissioner Bynum said okay, I would just say, I would support very much looking at alternatives to the Annex. Then just a second question on that; if we were to develop a different Annex, then that would be a building we could sell, correct? **Mr. Bach** said yes, we would move all our operations out of that and hopefully be able to turn that over to someone else's. It has purpose. I mean, it's not a bad building there.

Mayor Alvey said I guess I'm just a little bit confused. But I think the conversation just held, really the policy question is not whether we want to put money into West Annex or Court Services, that's going to be an operational question that you would then come back to us to say, well, this would be the cost of continually supporting those sites rather than actually investing in something new. So, the alternatives options to consider are really that policy questions. The policy question is not whether we put money into the West Annex or the Court Services facility, but whether, as a general rule, we want to build new facilities that are specifically purposed for our operations. **Mr. Bach** said yes, sir. Thank you for the feedback and any future feedback you give us would be appreciated as we look at this.



Ms. Jonscher said the next section that we're going to go to is the Sewer and Stormwater Debt, which I think is going to be covered with by Sam Her from Public Works.

Summary Scenarios for Sewer Debt-Funded Projects

Debt-Funded Sewer Capital Project with 5-Yr Totals	Adopted CMIP	Proposed Changes	Grand Totals
Sewer Main Extension (annual)	$7.5 M	$2.3 M	**$9.8 M**
Kaw Point Biosolids Digestion (2021)	$10.0 M	$10.0 M	**$20.0 M**
Piper Creek Interceptor	$2.0 M	($2.0 M)	**$0**
Green Infrastructure Improvements (annual)	$5.0 M		**$5.0 M**
Wolcott Expansion/Conner Creek	$5.0 M	$5.2 M	**$10.2 M**
Armourdale Sewer Separations - Phase I	$1.5 M		**$1.5 M**
Armourdale Sewer Separations - Phase II	$2.65 M		**$2.65 M**
Asset Management System Renewal (annual)	$16.0 M	$27.0 M	**$43.0 M**
Pump Stations SCDA	$0	$8.0 M	**$8.0 M**
Pump Station Improvements	$0	$14.0 M	**$14.0 M**
Overflow Combined CSO Reduction Program	$0	$7.0 M	**$7.0 M**
Total Sewer Debt-Funded Projects	**$49.65 M**	**$71.5 M**	**$121.15 M**

**Adopted CMIP total includes approved projects for years 2021-2024 plus continuing annual improvement projects for 2025*

31

Sam Her, Public Works Fiscal Officer, said I'm covering the Sewer Debt Funded Projects this evening. From 2021 to 2024 we have planned out of $49.65M in projects with the addition of 2025 and new projects we add in $71.5M of projects. Over the next couple slides, I'll look into the heart of what we do as a service and highlight a few key projects.

Serving the Community and Protecting the Environment

- Expanding to meet the growing needs of our community while protecting our natural resources.
- Managing stormwater facilities to minimize flooding and protect life and property
- Protecting the environment by operating system to maximize collection and treatment of wastewater to remove pollutants in accordance with State and Federal regulations.

This is the heart of what we do. We serve our community. We try our best to protect our environment. As the community expands our services expand and our focus is still on protecting our natural resources. Secondly, due to the dual nature system that we have we not only work with wastewater, but we work with stormwater. We work to minimize flooding and protect life and property. Thirdly, with our treatment plants we strive to maximize our capacity for wastewater collection and wastewater treatment in accordance with state and federal regulations. These are the three primary focuses of our operations with wastewater.

This slide we have three highlighted projects. The first is the Walcott Treatment Plant project. This project is currently underway. It is estimated at $50.2M. With this project being underway, we can see light at the end of the tunnel and we're excited to expand our service in the northwest part of our community. We will also take down flows in the service, reduced service levels a little bit of the current (inaudible) in that area.

The second project that we want to highlight is the Kaw Point BioSolids project. This project is a project that may stretch into the entire region and through multiple communities. This project is very exciting because it opens doors for future potential revenue opportunities through reallocation of materials from this process. This project is one that we'll be covering more on-three at the end of the month.

Last project that we have we want to highlight is our Asset Management Systems Program. This is more than just a project, but it is a program to help us with our existing infrastructure, sewer infrastructure. It is a plan to help us rehab and rebuild infrastructure in older areas and help us maintain and stay in line with a consent decree in the IOCP. This is really a new way of thinking and considering our sewer system. We're very excited to review these two projects in this program with you. We really want to remind you of the important and essential services of wastewater, and we would like to remind you of the importance of additional investment in sewer infrastructure.

Mr. Bach said that's kind of a highlight of some of the things we're doing through that Enterprise fund. As you know, those are fund projects that come into play a lot with what we are moving forward with in accordance with our pending consent decree and lining those out for the best way to go through and spend those dollars to make the improvements in our community.

Jeff, I don't see any additional questions. I think you have the next section.

Summary Scenarios for Stormwater Debt-Funded Projects (2021-2025)

Debt-Funded Stormwater Capital Project with 5-Yr Totals	Adopted CMIP	Scenario #2 Changes with SW Fee Adjustment	Scenario #3 Changes	Grand Totals
Stream Bank Stabilization Improvements (annual)	$500 K	$0	$0	**$500 K**
Stormwater Enhancements (general)	$1.0 M	$0	$0	**$1.0 M**
North of I-70 toward Little Turkey Creek Tributary	$0	$1.08 M		**$1.08 M**
Kansas River -7th Street to 12th Street	$0	$5.58 M		**$5.58 M**
Kaw Valley Scenic Hwy/ West of Kansas River	$0	$3.34 M		**$3.34 M**
Total Stormwater Projects (2021-2025)	**$1.5 M**	**$10.0 M**	**$0**	**$11.5 M**

**Adopted CMIP total includes approved projects for years 2021-2024 plus continuing annual improvement projects for 2025*

34

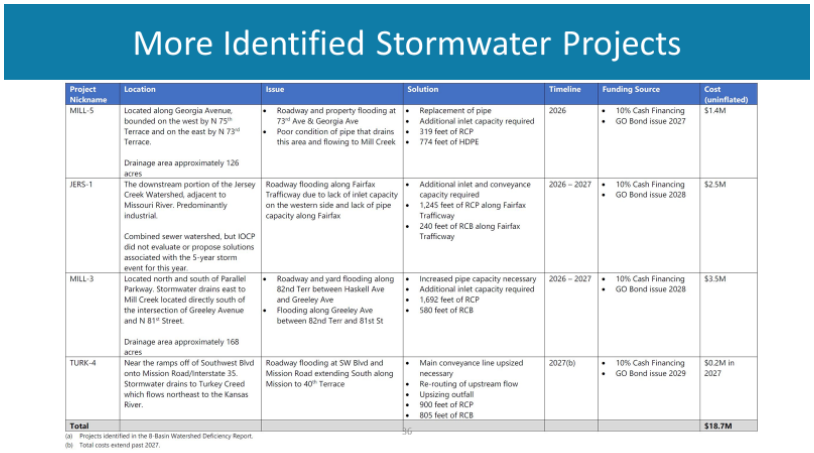
Mr. Fisher said the content and these next few slides should look familiar. This is the stormwater utility. The first slide here just represent this. It's a piece of the Seven-Year Plan that was proposed and discussed back in January, in February. So, this is the five years of that Seven-Year Plan representing the amount of borrowing the Stormwater Utility Fund would take on. Those are just the three projects of the multiple that I'll outline here in a minute. In the first five years '21 to '25 these would be the three projects and there will be additional projects after that.

Identified Stormwater Projects

2021 – 2027 Priority 8-Basin Watershed Projects (7 projects) (a)

Project Nickname	Location	Issue	Solution	Timeline	Funding Source	Cost (uninflated)
LTTN-2	Directly north of I-70 near the source of the Little Turkey Tributary. This tributary is located East of N 86th Street and flows under I-70 towards the Kansas River.	• Flooding at 1-70 culvert (under I-70) • Flooding along 83rd between Isabel Ave and Ella Ave (5 properties impacted)	• Purchase parcels adjacent to stream channel and develop detention facility that provided approximately 2.9 acre-ft of storage • Return concrete channel to an engineered natural channel to reduce cost of operation and maintenance	2023 – 2024	• 10% Cash Financing • GO Bond issue 2025	$1.2M
ARGE-1	Adjacent to the Kansas River and bordered by S 7th Street Trafficway to the east and S 12th Street to the west. Drainage area = 240 acres	• Drainage issues primarily along Metropolitan Avenue • Natural Spring near 12th & Ruby – icy conditions • Pipe outfalls near 10th but no combined sewer or stormwater sewer along Metropolitan Avenue • Several culverts cross under Metropolitan Ave and the BNSF RR tracks to convey flow to the river	• Additional inlet and pipe capacity necessary to convey the 5-year, 24-hour storm event • 4,515 feet of new or upsized RCP (reinforced concrete pipe) (15" – 72") necessary	2023 – 2025	• 10% Cash Financing • GO Bond issue 2026	$6.2M
MUNC-1	Located south of the Kaw Valley Scenic Highway and west of the Kansas River.	• Drainage issues along Speaker Road, Royal Drive, and South 59th Lane • Significant flooding losses upstream • Discharge point has been disconnected • Inadequate draining for low lying area • Failed stormwater structures (inlet filled with sediment, manhole filled with sediment)	• Replacement of outfall • Increased pipe capacity • Extend network north of Speaker Ro • Remove sediment • 2,130 feet of RCP	2024 – 2025	• 10% Cash Financing • GO Bond issue 2026	$3.7M

You've seen this slide and the next slide. This is the outline of the Capital Projects for the 7 years $18.7M. You just haven't seen it in this format, but it has the same information we've discussed previously.



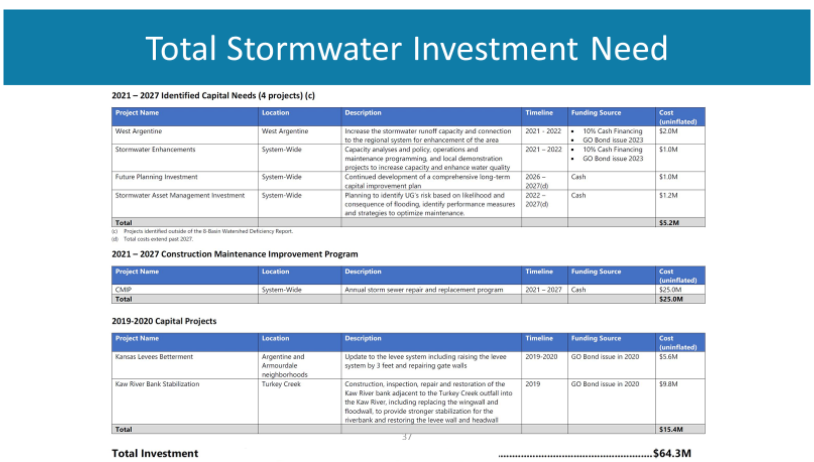
More Identified Stormwater Projects

Project Nickname	Location	Issue	Solution	Timeline	Funding Source	Cost (uninflated)
MILL-5	Located along Georgia Avenue, bounded on the west by N 75th Terrace and on the east by N 73rd Terrace. Drainage area approximately 126 acres	• Roadway and property flooding at 73rd Ave & Georgia Ave • Poor condition of pipe that drains this area and flowing to Mill Creek	• Replacement of pipe • Additional inlet capacity required • 319 feet of RCP • 774 feet of HDPE	2026	• 10% Cash Financing • GO Bond issue 2027	$1.4M
JERS-1	The downstream portion of the Jersey Creek Watershed, adjacent to Missouri River. Predominantly industrial. Combined sewer watershed, but IOCP did not evaluate or propose solutions associated with the 5-year storm event for this year.	Roadway flooding along Fairfax Trafficway due to lack of inlet capacity on the western side and lack of pipe capacity along Fairfax	• Additional inlet and conveyance capacity required • 1,245 feet of RCP along Fairfax Trafficway • 240 feet of RCB along Fairfax Trafficway	2026 – 2027	• 10% Cash Financing • GO Bond issue 2028	$2.5M
MILL-3	Located north and south of Parallel Parkway. Stormwater drains east to Mill Creek located directly south of the intersection of Greeley Avenue and N 81st Street. Drainage area approximately 168 acres	• Roadway and yard flooding along 82nd Terr between Haskell Ave and Greeley Ave • Flooding along Greeley Ave between 82nd Terr and 81st St	• Increased pipe capacity necessary • Additional inlet capacity required • 1,692 feet of RCP • 580 feet of RCB	2026 – 2027	• 10% Cash Financing • GO Bond issue 2028	$3.5M
TURK-4	Near the ramps off of Southwest Blvd onto Mission Road/Interstate 35. Stormwater drains to Turkey Creed which flows northeast to the Kansas River.	Roadway flooding at SW Blvd and Mission Road extending South along Mission to 40th Terrace	• Main conveyance line upsized necessary • Re-routing of upstream flow • Upsizing outfall • 900 feet of RCP • 805 feet of RCB	2027(b)	• 10% Cash Financing • GO Bond issue 2029	$0.2M in 2027
Total						**$18.7M**

(a) Projects identified in the 8-Basin Watershed Deficiency Report.
(b) Total costs extend past 2027.

36

This is the balance of those Capital Projects and stormwater totaling $18.7.



Total Stormwater Investment Need

2021 – 2027 Identified Capital Needs (4 projects) (c)

Project Name	Location	Description	Timeline	Funding Source	Cost (uninflated)
West Argentine	West Argentine	Increase the stormwater runoff capacity and connection to the regional system for enhancement of the area	2021 - 2022	• 10% Cash Financing • GO Bond issue 2023	$2.0M
Stormwater Enhancements	System-Wide	Capacity analyses and policy, operations and maintenance programming, and local demonstration projects to increase capacity and enhance water quality	2021 – 2022	• 10% Cash Financing • GO Bond issue 2023	$1.0M
Future Planning Investment	System-Wide	Continued development of a comprehensive long-term capital improvement plan	2026 – 2027(d)	Cash	$1.0M
Stormwater Asset Management Investment	System-Wide	Planning to identify UG's risk based on likelihood and consequence of flooding, identify performance measures and strategies to optimize maintenance.	2022 – 2027(d)	Cash	$1.2M
Total					**$5.2M**

(c) Projects identified outside of the 8-Basin Watershed Deficiency Report.
(d) Total costs extend past 2027.

2021 – 2027 Construction Maintenance Improvement Program

Project Name	Location	Description	Timeline	Funding Source	Cost (uninflated)
CMIP	System-Wide	Annual storm sewer repair and replacement program	2021 – 2027	Cash	$25.0M
Total					**$25.0M**

2019-2020 Capital Projects

Project Name	Location	Description	Timeline	Funding Source	Cost (uninflated)
Kansas Levees Betterment	Argentine and Armourdale neighborhoods	Update to the levee system including raising the levee system by 3 feet and repairing gate walls	2019-2020	GO Bond issue in 2020	$5.6M
Kaw River Bank Stabilization	Turkey Creek	Construction, inspection, repair and restoration of the Kaw River bank adjacent to the Turkey Creek outfall into the Kaw River, including replacing the wingwall and floodwall, to provide stronger stabilization for the riverbank and restoring the levee wall and headwall	2019	GO Bond issue in 2020	$9.8M
Total					**$15.4M**

37

Total Investment $64.3M

Then this is the remainder of that work plan outline for that 7 years and you might notice at bottom table again. That's the Kansas Levees Betterment and Wing Wall Projects that are ongoing and currently funded through GO bonds. Didn't want to spend a whole lot of time on that since we have discussed this a bit here recently, but I'll field questions.

Mr. Bach said, Jeff, probably the takeaway that really goes back on this, as you've thrown up here, you got $64.3M worth of projects, but that's based on us having additional funding source that goes towards stormwater so without that you're going to spend about a $1.5M a year. So yeah, we're going to spend $5M. We have $64.3M, we need to spend in the next five years, but we are on pace to spend $7M, I guess, right, if you spend $1.5M a year. **Mr. Fisher** said right, and then two projects.

Ms. VonAchen said no, it isn't a $1.5M a year. It's a $1.5M over five years. **Mr. Bach** said okay, so it's $60M worth of projects., but at our current pace we'll spend $1.5M. That's right and I think you all know that, but I think we just have to highlight it. I don't know that we spend enough time on it on previous budget years to point out just the vast number of stormwater projects that are out there, they just fall in the unfunded category and then they disappear so there is a huge need in this area and we're not shifting it over into the other part of the budget other than when they come up and they're urgent like the two that are there now that are taking $900,000 out of our General Fund operations. I don't see any questions on that so, Jeff, I think you continue on.

Ms. VonAchen said Reggie is next. He's going to go over these other Debt Funded and Grant projects.

Summary Scenarios for Other Debt-Funded & Grant Projects

Debt-Funded Special Revenue Capital Project with 5-Yr Totals	Adopted CMIP	Proposed Changes	Grand Totals
Interstate 70 and Turner Diag. Interchange Reconstruction	$3.75 M		**$3.75 M**
NE Patrol Station (No Funding Source)	$2.5 M		**$2.5 M**
Enterprise Resource Planning System (ERP) Solution		$6.745 M	**$6.745 M**
Totals – Special Revenue Projects	**$6.25 M**	**$6.745 M**	**$12.995 M**

Debt-Funded Grants Capital Project with 5-Yr Totals	Adopted CMIP	Proposed Changes	Grand Totals
7th St./US-69 and Central Ave. Reconstruction	$1.0 M		**$1.0 M**
Safe Routes to Schools-Phase G (NW Middle &	$1.7 M		**$1.7 M**
New Animal Services Facility	$4.3 M		**$4.3 M**
Totals – Grant Projects	**$7.0 M**	**$0**	**$7.0 M**

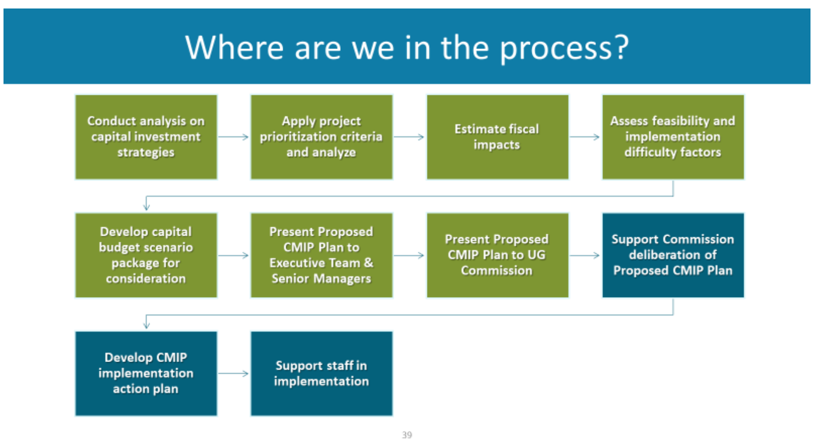
**Adopted CMIP total includes approved projects for years 2021-2024 plus continuing annual improvement projects for 2025*

38

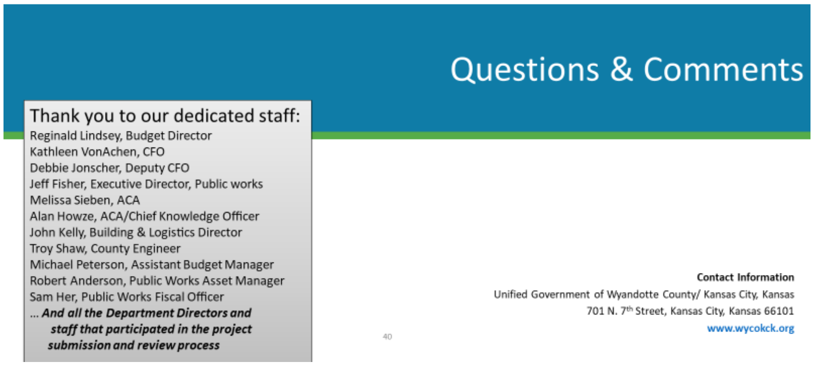
Mr. Lindsey said on the current slide we have projects that fall outside City Debt and Public Building Commission on the County side, so these are either Special Revenue Projects or they're Grant Projects. So, in the first section we have an Interstate 70 and Diagonal Interchange Reconstruction which is diverging diamond interchange and is funded by the state. Then also we have the Northeast Patrol Station which currently doesn't have any funding, but when we do plan to build it, it'd be a standalone patrol division. The next one is the Enterprise, the ERP system that we touched on earlier, which would be paid from fund balance. Then the second set of projects are those that are financed by grants or portions of grants. So, the first one is the 7th Street & Central Avenue Reconstruction which is to widen the roads and improve the curves and, amongst other things, then the next one is Safe Routes to School for Northwest Middle and Carruthers Elementary.

Then, the next one is for a new Animal Service Facility and that's to build a better Animal Service Facility that we're definitely in need of.

Ms. VonAchen said I just wanted to point out that this is the grant portion of the Animal Services facility. The City Bond & Interest Fund has the debt portion.



Mr. Lindsey said so what our Capital, Capital process and we started back in October 2019 we have moved through this process and we have covered the green boxes here in most of the processes. So, we have conducted analysis on our Capital investments. We've used prioritization with our facility condition index capital criteria and then other prioritization tools that we have and then we've also looked at the impact of the financials and then we've also access the feasibility by using our core groups to make sure that there won't be any difficulty implementing projects. Then we have developed the different scenarios that we brought to you today. Then the scenarios that were discussed, we just we had a point in time where within the organization we did discuss them with the executive team and also senior managers. Then the last green box is what we're doing today we have brought it to the governing body to give you time to deliberate and have discussion with us about this. So, we have three more in blue three more processes that we must go through and that's where more deliberation will come and then after the deliberation has come, and we finalize, we'll develop a CMIP Implementation Action Plan and then we'll implement it. So now I'll turn it back over to Doug.



Mr. Bach said I think you laid it out well with those last comments. I mean, I think, as we've gone through this tonight, we laid out the different scenarios, one in the City General Fund. That was within the County side for those equations if you look at Scenarios 1, 2. and 3 in each of those areas. Also doing the contrast about what we may be able to do with our, or we should be able to do with our mill rate in future years. I think as you look at that County side of the equation too that option starts to come into that too as we look out into probably '23 so you have some options as how we're allocating money toward debt or not allocating as much money toward debt of what you might want to do with the mill rate and I think that is where it falls in line with the policy discussion. We tried to provide a balance of doing some projects and an increasing a little bit where we're at. That's why we come in with multiple scenarios or you can get a little more aggressive after it and say, that's what we want to do in future years.

I really appreciate my staff. They spent a lot of time working through this scenario tonight. There's a lot of information in there. Believe it or not, this presentation was probably twice this long and in trying to go through and break it back down, so it made a lot of sense in working through it to explain it to you all and get it. You see the number of people that are listed on here plus there are many more that invested time in putting this together.

If you have questions going through this, please don't hesitate to come back and ask, and we will come back with more follow-up as Reggie said.

Commissioner Kane said I realized I haven't said a lot tonight. I think I'm more nervous about the virus and it's unknown and to—I guess I'm worried about the short future and the long future and have some reservations about doing a whole lot of stuff. not knowing what the future holds for us. I don't want to get the cart before the horse. I do think we need to take a serious look at and watch what the Governor's doing, make some adjustments there and walk slowly, not run, because we're not ready to do either.

Mr. Bach said I think you're right on, it is uncertain time. So, when we don't really know for certain what's going to happen you know, we can make projections and you feel like property tax is one which is where debt comes from or where we fund our debt from and you feel like it's something that can stay stable, but it could be up and down a little bit here until we know but it's not one you want to go out and leverage a lot of it.

Mr. Bach asked, any other thoughts tonight. I think we are planning to come back next week. We may have some issues with that trying to work through but as you saw in the month of May we have some changes that are on our calendar because of the graduations we had scheduled with both the Sheriff's graduation and the Police graduation, are no longer going to take place as far as formal graduation ceremonies. We think, even if the climate change is where you come, we're still not going to be calling a bunch of people together and families into our Commission Chambers and such like that. So, in talking to the Sheriff and the Chief they're making other arrangements with those groups. So, what they can do to engage their families, they will, but they'll proceed with their graduations. But the other side of that is, it does free up some time with our, our special session timeframes to work with those time slots that we previously didn't have so we'll be looking at those as we advance through our budget process with Capital and Operating in the month of May.

Commissioner McKiernan said you certainly—everyone, I appreciate all the work that everybody's done. This is a ton of information that's going to require a lot of digestion and I think you can count on all of us to come back with additional questions and maybe requests for clarifying information. I would ask if we have information that goes out next week that it be posted on Civic Clerk. Typically, we don't have agenda packets associated with special sessions. We have agenda packets associated with regular Commission meetings and so when I went to Civic Clerk this week, all I saw was the notice of meeting. It didn't occur to me to keep scrolling down, that there was a PowerPoint attached to that.

I would just ask that we separate the notice of meeting from any supporting materials so that we can see and download and review both ahead of time. **Mr. Bach** said okay. We will try to work on that, so you don't miss anything.

Mr. Bach asked anyone else. Mayor, I think we're done.

Mayor Alvey said I have no more questions. No other hands raised. That concludes our special session. Thank you all for attending, for the presentations as well.

Commissioner Burroughs said thank you everybody, it was very well done.

MAYOR ALVEY ADJOURNED
THE MEETING AT 7:46 p.m.

Bridgette D. Cobbins
Unified Government Clerk

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