UPDATED
Public Works and Safety Committee
Standing Committee Meeting Agenda
Monday, February 13, 2023
5:00 PM

Location: HYBRID

We invite you to view the meeting in person in the 5th Floor Conference Room, Suite 515, Municipal Office Building, 701 N. 7th Street, Kansas City, Kansas, or virtually via a Zoom webinar.

Please click the link below to join the webinar:
https://us02web.zoom.us/j/83098679098?pwd=dVNPVTk2SWJPc2EzRkNieWZSSXIzdz09
Passcode: 699330
Or One tap mobile:
US: +13462487799,83098679098# or +16694449171,83098679098#
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Dial (for higher quality, dial a number based on your current location):
US: +1 346 248 7799 or +1 669 444 9171 or +1 669 900 9128 or +1 719 359 4580 or +1 253 205 0468 or +1 253 215 8782 or +1 386 347 5053 or +1 507 473 4847 or +1 564 217 2000 or +1 646 558 8656 or +1 646 931 3860 or +1 689 278 1000 or +1 301 715 8592 or +1 305 224 1968 or +1 309 205 3325 or +1 312 626 6799 or +1 360 209 5623 or 877 853 5257 (Toll-Free) or 888 475 4499 (Toll-Free)
Webinar ID: 830 9867 9098
International numbers available: https://us02web.zoom.us/u/kcMit52J8A

Name	Absent
Commissioner Melissa Bynum, Chair	☐
Commissioner Christian Ramirez	☐
Commissioner Harold Johnson	☐
Commissioner Angela Markley	☐
Commissioner Mike Kane	☐
Tom Groneman, BPU Board Member	☐

I. Call to Order/Roll Call

II. Revisions to February 13, 2023, Agenda

ADDING ITEMS

III. APPROVAL OF STANDING COMMITTEE MINUTES FROM NOVEMBER 14, 2022

IV. COMMITTEE AGENDA - NEW ITEM

Item No. 3 - RESOLUTION: COUNTY INITIATIVE FOR FUNDING INFRASTRUCTURE (CIFI)

Synopsis: A resolution declaring that the County Initiative for Funding Infrastructure is necessary for street preservation and permanent maintenance activities. This Resolution allocates the $500,000 in funds approved in the 2023 budget between Kansas City, Bonner Springs, and Edwardsville, submitted by Jeff Fisher, Director of Public Works.

Tracking #: 212258

CHANGING ITEM

Item No. 5 - PRESENTATION: BIOSOLIDS

Synopsis: A presentation of the assessment conducted by Nancy Zielke, Managing Director, Alvarez & Marsal Public Sector Services, LLC related to Biosolids, submitted by the County Administrator's Office.

- **Adding presentation document**
  For Information only.
  Tracking #: 212238

III. Approval of standing committee minutes from November 14, 2022. (ADDED PER BLUE SHEET)

IV. Committee Agenda

Item No. 1 - PRESENTATION: BIOSOLIDS ASSESSMENT

Synopsis: A presentation of the assessment conducted by Nancy Zielke, Managing Director, Alvarez & Marsal Public Sector Services, LLC related to Biosolids, submitted by the County Administrator's Office.

For information only.

Tracking #: 212238

Item No. 2 - RESOLUTION: 7424 GRINDER PUMP REPLACEMENT-SANITARY SEWER EXTENSION

Synopsis: Project Name: 7424 Grinder Pump Replacement- Sanitary Sewer Extension Project. A resolution declaring the project for a sanitary sewer extension for the fourplex unit located at 7424 Tauromee Avenue is a necessary and valid improvement project, submitted by James Bain, Assistant Counsel.

Tracking #: 212229

Item No. 3 - RESOLUTION: COUNTY INITIATIVE FOR FUNDING INFRASTRUCTURE(CIFI) (ADDED PER BLUE SHEET)

Synopsis: A resolution declaring that the County Initiative for Funding Infrastructure is necessary for street preservation and permanent maintenance activities. This Resolution allocates the $500,000 in funds approved in the 2023 budget between Kansas City, Bonner Springs, and Edwardsville, submitted by Jeff Fisher, Director of Public Works.

Tracking #: 212258

V. **Public Agenda**

VI. **Adjourn**

AGENDA UPDATE
PUBLIC WORKS & SAFETY
STANDING COMMITTEE MEETING
MONDAY, FEBRUARY 13, 2023

ADDING ITEMS

III. APPROVAL OF STANDING COMMITTEE MINUTES FROM NOVEMBER 14, 2022

IV. COMMITTEE AGENDA

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PUBLIC WORKS AND SAFETY
STANDING COMMITTEE MINUTES
Monday, November 14, 2022

The meeting of the Public Work and Safety Standing Committee was held on Monday, November 14, 2022, at 5:00 p.m., remotely via Zoom. The following members were present: Commissioner Bynum, Chairman; Commissioners Ramirez (arrived at 5:27 p.m.), Markley, Johnson, and BPU Board Member Groneman. Commissioner Kane was absent. The following officials were also in attendance: Bridgette Cobbins, Assistant County Administrator; Monica L. Sparks, Deputy UG Clerk; Casey Meyer, Senior Counsel; Jeff Fisher, Executive Director of Public Works; Dave Reno, Public Works Community Engagement Officer; Renee Ramirez, Director of Human Resources; Monica Tyrrell, Human Resources Partner; Daniel Soptic, Sheriff; Jeff Miles, Fleet Manager; Jack Webb, Deputy Director of Parks & Recreation; Vince Billaci, Street Division Manager; and Sgt. Matt Cross, Police Department.

Chairman Bynum said before I call the meeting to order I want to announce that due to some committee members, staff, and the public are attending remotely via Zoom as well as on-site. All participants joining by remotely should mute their phones when they're not speaking to avoid background noise. During the meeting, please make sure you announce yourself by name and title when you speak so the public that is observing knows who is speaking. This is critical given the number of remote participants and it's also current guidance from our Kansas Attorney General.

The public is allowed to participate by Zoom or submit comments by email prior to the meeting and those comments will be included in the record of the meeting. The public can also indicate their intent to provide remote public comment by contacting the Clerk's Office by 5:00 p.m. on the Thursday prior to the meeting. The public will also have an opportunity to provide brief comments tonight either by telephone or Zoom or from our fifth floor conference room here tonight.

Chairman Bynum said I will now call our meeting of the Public Works and Safety Standing Committee to order and ask the Clerk to please call the roll. Roll call was taken and all members were present as shown above with the exception of Commissioner Ramirez who arrived later in the meeting.

Chairman Bynum said we do not have any revisions on our meeting agenda tonight.

APPROVAL OF STANDING COMMITTEE MINUTES

Approval of standing minutes from June 27, 2022. **On motion of Commissioner Markley, seconded by BPU Board Member Groneman, the minutes were approved.** Roll call was taken and there were four "Ayes," Groneman, Markley, Johnson, Bynum.

IV. Committee Agenda

Item No. 1 – 212097…PRESENTATION: ACTIVE ASSAILANT TRAINING DRILLS AND STOP THE BLEED.

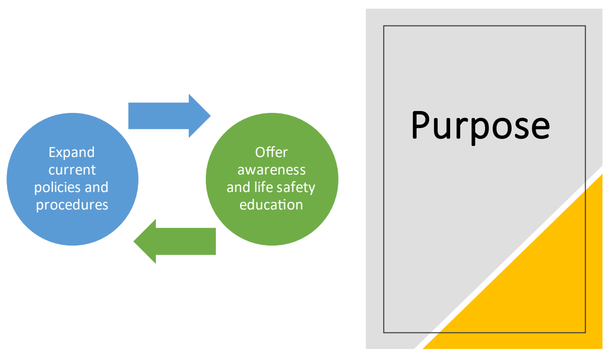
Synopsis: This training addresses a framework for the UG to utilize ALERRT (Advanced Law Enforcement Rapid Response Training), submitted by Casey Meyer, Senior Counsel; Susan McMahan, Emergency Management; and Monica Tyrrell, Human Resources.

Chairman Bynum said the presenters are going to speak to us about a training that sets a framework for our Unified Government to utilize Advanced Law Enforcement Rapid Response Training. Casey Meyer, I think I will hand it to you for the introduction.

Casey Meyer, Senior Counsel, said Matt Cross from the Police Department and Monica Tyrrell from the Human Resources Department are here tonight to give you a presentation which was prepared by the Active Shooter working group which is made of members from the Police Department, Fire Department, Sheriff, HR, Emergency Management, Public Works, and the Health Department.

The group collaborated and came up with the training plan for Assailant Training Drills and Stop the Bleed Programs. Because this is related to training that expands our violence in the workplace training, we don't need any approval from the Commission, but they are here to give information to you, so this is for information only.

Monica Tyrrell, Human Resources, said we came together, all of the departments that Casey mentioned, to ensure that our workforce has an opportunity to feel safe when they come to work. Primarily individuals who are new hires, on day two of orientation participate in active shooter. With the current climate and violence in our world today, we have had requests for more training and continuous training with regard to active assailants.



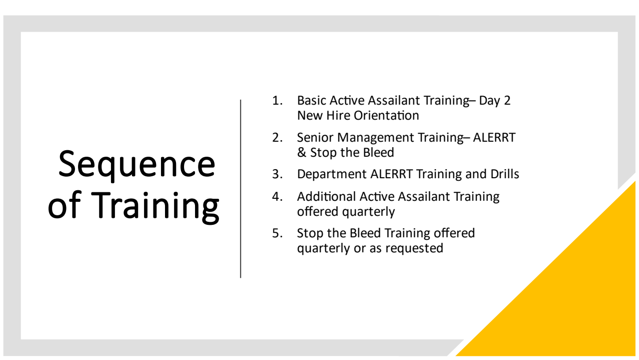
We came together and we want to make sure that everyone is aware and stays on top of education and has an opportunity to practice.

With that said, these are the objectives and goals that we came up with, with regard to the ALERRT Program and I will let Matt Cross speak to you about ALERRT.

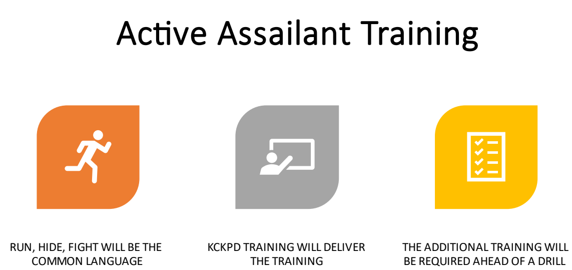
Sgt. Matt Cross, KCK Police Department, said the ALERRT Program, it's got a civilian response aspect to it which basically goes over what do civilians do in the case of an active shooter. What does that require, stuff like that. A lot of it definitely pertains to the same exact thing that Monica was talking about on day two of orientation, but as we've talked about, either some employees maybe never got that because it's, you know, whenever it was developed or maybe just as a refresher to go over what do people do in the case of an active shooter to keep themselves as safe as possible. That's the goal behind it, is just trying to go over those situations that unfortunately are occurring across the country and making sure that the Unified Government employees are safe and taking safe precautions if an unfortunate incident like this was to happen.

Ms. Tyrrell said with regard to the Stop the Bleed training, after department leaders go through—the supervisors go through the initial training, we would be able to have drills at sites where supervisors can guide employees through what we would do in a situation if there were an active assailant. Then, the Stop the Bleed Program is training so that employees who choose to participate in this would learn how to put tourniquets on those who are injured and get an opportunity to practice with that.

We have decided to not make that mandatory because some people, it may be triggering for some, but we want to offer it through our Wellness Program so that people can choose to take it and also earn points for participating in that.

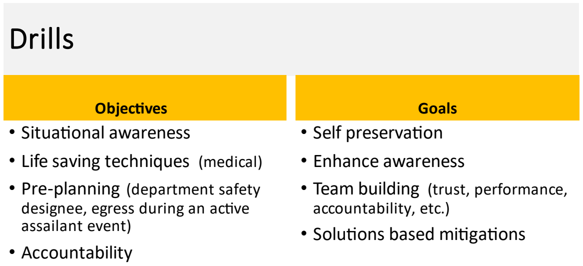


This is the Sequence of Training. I just kind of gave you a little bit of information on that, so we would still have the Active Shooter Training on day two orientation and then senior management taking part in that ALERRT training as well as Stop the Bleed with the departments having the training drills through ALERRT and also offering these trainings quarterly. They would be part of our training catalog. Individuals would be able to sign up for that and this would be ongoing, so it's not just a one and done, but an opportunity like continuing education ethics. This is going to be continuing education Active Assailant Training.



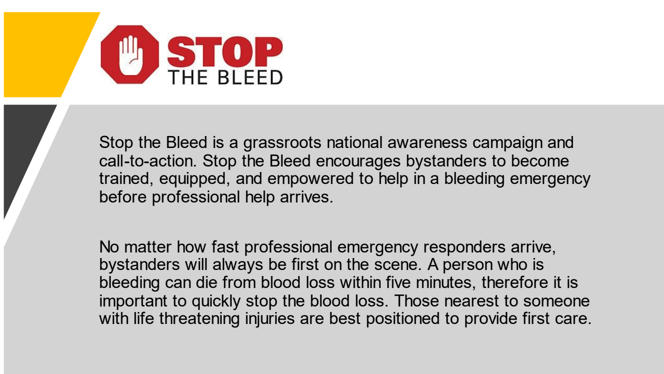
Commissioner Markley said it's unfortunate that we have to even consider this kind of training. I do think it's important and a good idea. I wonder, has there been any discussion with Emergency Management because I know they do some of this training with their Citizen Teams, so I don't know if there's any opportunity for coordination there or even for funneling people who have a particular interest into more training with Emergency Management. Just curious if there's been any discussion.

Ms. Tyrrell said we were invited by Emergency Management to come up with this together, so it's been a collaborative effort and those who want to do more training can do so through the CERT Program, but this is something that we all want to take because every location in the Unified Government is different and the layout is different. We've also learned that most individuals freeze. It's that fight or flight thing and by freezing, people do not and are not able to react, so by having this training as a continuing part of our training program, we can ensure that people will start to practice some of that muscle memory and be able to help save lives if an incident should occur.

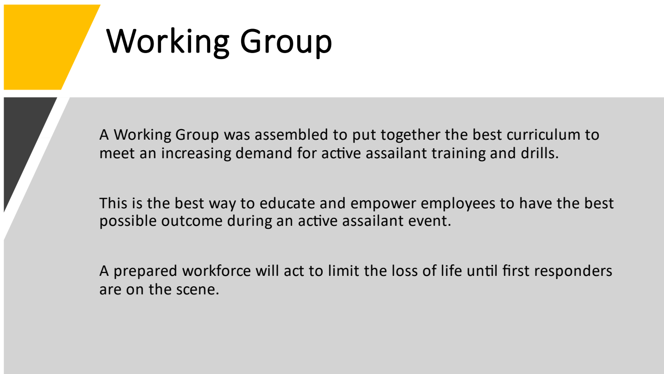


Sgt. Cross said as it talks up here, some of the drills, the objectives. Obviously, situation awareness trying to make just going through some drills and stuff like that. Life saving techniques, as Monica mentioned about, you know, whether it be a tourniquet and stuff like that. The pre-planning, department safety designee, so kind of making sure when these drills happen that there's people that are kind of making sure that everybody's safe and making sure that everybody kind of understands what the goal is. Then, of course, accountability.

Then, some of the goals, obviously, self-preservation, enhance awareness, just everything that could possibly come up and go on in a real situation. The team building and then, obviously, solutions based on mitigations. So, that's kind of what the drills—the objectives, the goals and the drills.

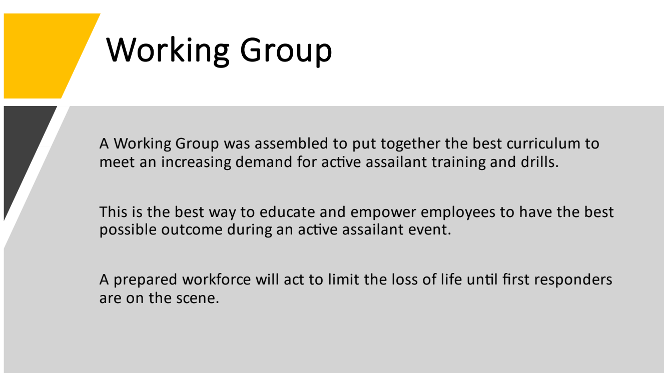


This kind of goes over the Stop the Bleed, just kind of a description of it. Grassroots National Awareness Campaign and Call-to-Action Stop the Bleed encourages bystanders to become trained, equipped, and empowered to help in a bleeding emergency before professional help arrives. So, in other words, some of these active shooter situations, obviously, whether it be the police or even paramedics and fire, it's going to take them a while to get there, so part of this is also kind of going over what people can do when they do that run, hide, fight like we were going over a minute ago, so there may be an incident where people are hiding and there may be somebody injured. So, trying to make sure that people understand what they can do to help before paramedics or fire can get there.



Ms. Tyrrell said as I stated, Emergency Management called upon all the first responder departments as well as the Health Department and Human Resources to determine how we could roll this out to ensure our workforce feels safe and has tools if something should occur. We want to make sure that employees feel confident and safe and able to report what they see. If you see something, say something which goes on as an addition to our violence-free workplace policy anyway. But anything that we can do to limit loss of life to ensure that employees have everything they need in their departments and beyond to be aware of this potential disaster or a potential assailant activity.

That's why we came together and we really want to make sure that we can start to roll this out in 2023.



These are all of the members of the working group as I noted just a moment ago. Public Works too was involved.

Chairman Bynum asked, does that conclude your presentation? **Ms. Tyrrell** said that concludes the presentation.

Chairman Bynum said I have a couple of questions. As it pertains to this workplace safety, Sergeant, do you happen to know offhand the various buildings owned by the Unified Government. Have they been analyzed maybe as a part of this work in terms of here's the best place if you have to hide, for example, in a situation like this? Are you aware of any kind of work that maybe has been done with Police and Facilities on—you know in the ninth floor commission areas there are certain places. When I very first got here where they were like, okay, that's where you want to go and I just didn't know if there had been any kind of current analysis of all of our buildings where our employees are that we might share with them. In the event you have to hide, here's where the best place would be or anything like that?

Sgt. Cross said not to my knowledge. My personal opinion, obviously, having the police come in and look at the building, look at your office area and give advice. I mean I totally agree with that, but my argument would also be the people that work there know better, you know, which doors are open, which doors require a card access, which ones require whatever, which ones can you lock from the inside and stuff like that. So, obviously, asking the police for advice on something like that, sure, I totally agree, but it may be better coming from the people in that office kind of coming together and I think that would fit to where we're talking about in here, the first line supervisors. We're kind of going to go over everything with them and we may—obviously, we may be there when they conduct the drills to answer questions or come up with suggestions or whatever, but I think giving those first-line supervisors this training and helping them kind of open their eyes to seeing a bigger picture about, hey, if A happens, we need to go there. Monica talked about it. Getting things in your head to where—and this goes to anybody, not just here, but it's thinking of if A happens, I need to do B or C or D, or whatever, and getting that muscle memory and getting that stuff in your head so you don't freeze if an unfortunate situation happens.

Commissioner Bynum said yeah, I think you're right and then perhaps within the departments, as you say, as we train and then supervisors can work with staff, you know during meetings and whatnot about those exact kinds of scenarios and situations and places where, like you said, staff that work in that place know that place better.

The second question is, how can we reach out and include our BPU partners in a training like this? **Ms. Tyrrell** said I would think first we would want to make sure we can do it well for ourselves and then extend it out. Just making sure we can get the logistics because it's going to require lots of planning with locations, with managers. I think once we kind of get it perfected here, we can go ahead and share it out maybe in the fourth quarter of 2023, but really, we would want to make sure our people firstly have that knowledge and can share it because it is situational awareness. It is about a heightened sense of paying attention to your surroundings and we can't prepare for every eventuality, but it is making sure I would be able to think and act in a positive fashion to ensure my co-workers, myself were all going to be safe.

Chairman Bynum asked, Clerk, are there comments received from the pubic on the item? **Monica Sparks, Deputy Unified Government Clerk,** said no comments received. **Chairman Bynum** asked, is there anyone present that wishes to speak on the item? Fellow committee members, commissioners, any questions or comments? (There were none).

Chairman Bynum said this is an information only item and it's really deeply appreciated and I'm sorry we all have to be thinking this way, but we will do what we have to do.

Action: Information Only

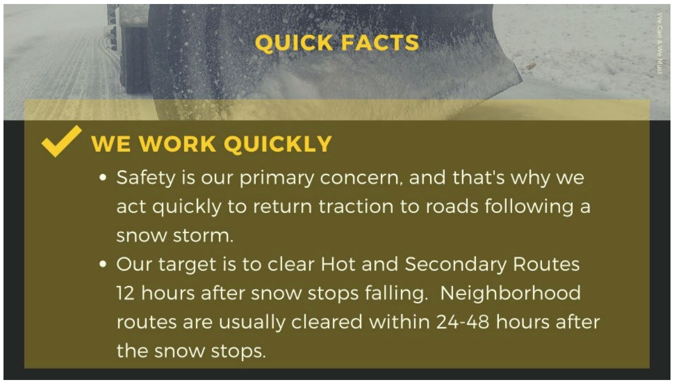
Item No. 2 – 212101…PRESENTATION: WINTER WEATHER OPERATIONS
Synopsis: Winter weather updates provided by the Public Works Department, submitted by Jeff Fisher, Executive Director of Public Works.

Chairman Bynum said David Reno, I will turn it to you and you can start us off and lead the way.

David Reno, Public Works Community Engagement Officer, said I think this is the first time we've ever done the Winter Weather Operations Update on a night where we're going to have to do some winter weather operations. It doesn't look bad for this evening actually, but for everybody listening, watching it at home, take it easy in the morning. Streets could get a little bit slick, especially on those elevated surfaces like bridges.

Before we hop into it here, all the information that we're going to cover this evening is available on the website. It's wycokck.org/Snow. So, if you like watching the videos or you want to browse things at your own pace, the website is the place to go. We're constantly updating that and there's a new neat feature for this year. It was recently activated by Irene Mansfield in DOT and it's a feedback form so at the bottom of all UG pages now, if you get to the bottom of it, it says did you find what you were looking for. You can click yes or no, so it's an excellent opportunity for folks to provide us with information. Let's say they were looking for something really specific and they couldn't find it, now they can tell us and we can see it immediately and get to work on adding it or maybe there's too much information and they'd like to see a little bit less. So, really looking forward to using that feature.

I'm going to hand it over to Vinnie who's going to knock out a couple slides for us.

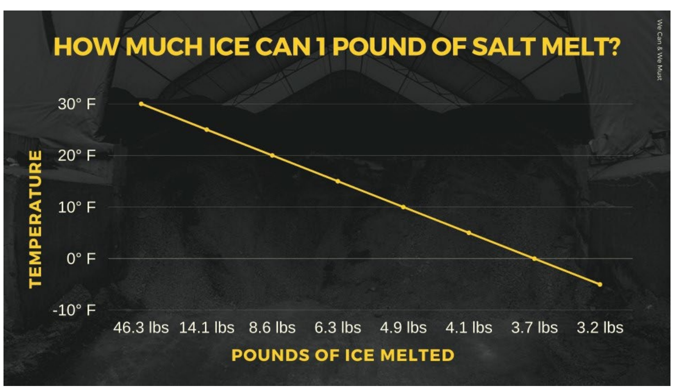


Someone said I'll take this one Dave. So safety is our primary concern during winter weather both for the traveling public and our employees. Our target is to clear hot and secondary routes within 12 hours of the snow stopping and neighborhood routes, they're 24 and 48 hours after the snow stops.

Mr. Reno said when it comes to treating streets, we do the exact same thing every year. It's always in this order. Hot Routes, Secondary Routes, and Neighborhood Routes and so Hot Routes are those major streets. They're Leavenworth Road, Quindaro, State, Parallel; those high traffic volume roads. Those are the ones that always get plowed and treated first, but also those roads that serve emergency facilities like police stations, fire stations, and hospitals. So, there are some storms where the only thing that we do is Hot Routes because the next day it's nice and sunny and everything melts away, so we want to make sure we knockout those Hot Routes first.

After that, we move into Secondary Routes. Those are the roads that feed those major streets and connect you to your neighborhoods, so they've got things like schools and stuff. So, we'll move on to those next and then last we'll get into neighborhoods and KCK has a ton of neighborhood routes. It does take a lot of time to clear those, but in big storms where we've got only a few days or so we do get into the neighborhoods and plow and treat.

Mr. Billaci said I'm going to cover the different storm intensities and how we handle each of those. Like tonight, would be a minor event, a trace to 1 inch of snow, so on those we're going to do at least the bridges and, as Dave said, maybe on the high end of this we may touch more of the Hot Routes. Moderate storm, 1 to 3 inches, we'll be doing Hot Routes and Secondaries and potentially neighborhoods on the higher end of that. Heavy event, 3 to 6 inches of snow, we're going to be in all the routes, plowing on the higher end of this. Snow emergency, so a snow emergency can be declared at any level, but it's most likely going to be at this higher level of 6 inches of snow or more. So, if we declare that, there's no parking on emergency snow routes and you have to have radial tires or snow chains. With all of these we get assistance from Parks & Rec and Fleets involved as well.



When we talk about salt not being as effective, this chart kind of lays that out, so it shows you how much one pound of salt, how many pounds of ice that can melt. As you can see, when the temperatures drop drastically, that really goes down of how much, so it still works, it's just less effective.

Chairman Bynum said, Mr. Billaci, I do get the downward trend of the slope. That part I can understand. How much ice can one pound of salt melt? **Mr. Billaci** said at 30 degrees one pound of salt will melt 46 pounds of ice. Then, when you get down to zero, that same pound of salt is only melting 3.7 pounds of ice.

So, again, it's really around 15 degrees is when it becomes less effective to the point where it's not even efficient anymore, so we may look at alternatives such as a salt/sand mix or maybe even just straight sand to provide some traction there. It's not as efficient at some point. Sometimes it's a waste of resources if we're going to throw out a bunch of salt and we know it's not going to do anything. Again, just long-term savings and trying to be efficient with the dollars that we have.

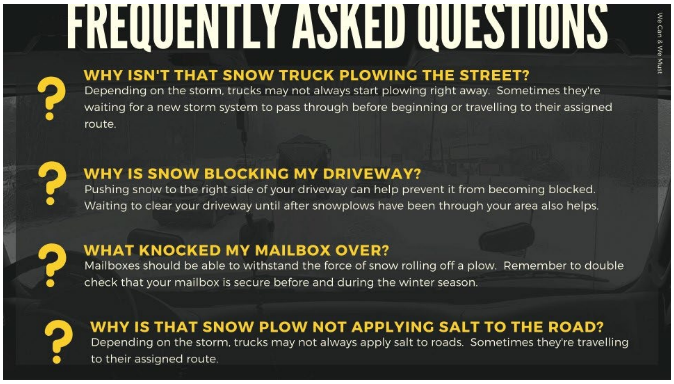
Mr. Reno said so, of course, any part of snow operations includes communications specifically with our community. We do this in a variety of ways in a variety of channels, but because snow storms tend to happen quickly, our best channels tend to be social channels, specifically, Facebook and Nextdoor, so we do a lot of communicating on there. New for this year, is actually we're using the website at a much higher level, so now we're producing news articles each time and they've got a little bit more information and also some FAQs that cover a couple of topics that Vinnie just touched on. If you don't have access to Facebook, you can certainly go to our website, but even then you can watch meetings like this UGTV so you can still get informed about winter weather operations.

We do a little bit of outreach from time to time and we did something cool in previous years where we had local schools paint our snow plows and we have done it again this year, so if you don't mind pulling up that picture for us real quick, it just came in today.

There it is, Clear Our Path. So we partnered with students and teachers at Kansas State School for the Blind and they worked on this over about the last—I'd say week and a half or so. They did a bang-up job. This is just the absolute neatest plow. It is going to be on display for folks, so if you want to stop by and check it out, it'll be at the holiday lighting festival here this Friday. We will have it displayed out front with some lights on it. Otherwise, we put a clear coat on these critters and then we put them out in the field and they actually push snow around. So it lasts—that clear coat, I think the first snowplow we did three years ago was still looking pretty good, so it'll be around for a long time. It's a great opportunity for students to really engage their creativity and, of course, have some community pride when they do hear about it helping out and keeping people safe. So, we will go back to the presentation.

Again, get all this information and more on the website, wycokck.org/Snow.

Mr. Billaci said some of the ways that you can help and the community can help us is avoid driving if at all possible during a snowstorm. Avoid parking on the street. This is a big one especially down in town as much as possible. Not parking on the street helps the drivers tremendously. Secure your mailbox. The weight of the snow coming off the plow is a lot heavier than one would think. Push the snow to the right side of your driveway if you're looking out to the street, so this would prevent the snowplow from pushing and covering back what you just worked so hard to clear. Don't play in large snow piles or sled in the street, for the kiddos out there, or the Dave Reno's.



Mr. Reno said some of the frequently asked questions, they're really the questions that I hear asked most frequently. I'm going to cover a couple of those just real quick. A lot of folks ask why isn't that snow truck out there plowing the street. The truth is not every operation requires plowing. Sometimes all it takes is salt. Sometimes you might see a truck out there and they're not plowing and that's okay.

The other reason why you might not see them doing something is because they're on their way to their assigned route. We have a couple of different locations in the area where plows are stored and repaired where salt is picked up, sand is picked up, and so sometimes they have to go to the center of the county and then drive all the way back out to Piper or all the way down to Turner. So, just because they're driving around and they don't look like they're doing anything doesn't mean they're not working hard. To Vinnie's point, why is that snow blocking my driveway, we hear this one a lot. The truth is most folks just push all that snow out in the street and the snowplow comes by and pushes it all right back into the driveway. So, to help limit that, what you can do is if you're looking out at the street from your house, push the snow in your driveway to the right side of the driveway. That way when the snowplow comes past, it actually spreads it across the yard and not right back into your driveway.

We get a lot of calls about mailboxes being knocked over. They think that a snowplow hit it, and you know, that does happen from time to time, but not very much. We track it. In reality snow is very, very heavy and this is especially true when you get a wet snow. Mailboxes are often not secured appropriately in the ground or even to the posts that they're on. I've seen mailboxes stapled to posts, so make sure your mailbox can withstand the weight of snow rolling off of a plow.

Lastly, but certainly not least, why is that salt not hitting the road. Again, there are times when we might not be salting the road because the temperature is so low that it's ineffective and it's just a better way to save money by not putting the salt down. We conserve it first where it might actually do some good for us.

That's all we have for this year's presentation and we're happy to answer any questions you might have.

Mr. Billaci said we actually have one more thing. Jack is not here just to provide moral support. So, after 41 years, Jack is retiring in December and he has contributed greatly, not only to the snow removal, but all aspects of Public Works and Parks recently. How many years in Parks? **Mr. Webb** was inaudible. **Mr. Billaci** said I didn't mean to put you on the spot. So, 10 in Parks and 31 in the Street Division, so fun fact; he was my first superintendent in Streets. I learned a lot from him and continue to do so. We're going to miss him and we just wanted to recognize him here. Thank you sir.

Chairman Bynum said well, Jack, in light of your retirement, I do have a series of about 10 questions that I was going to specifically ask you, but I'll cut it down to one and I sincerely was going to ask you this question. What are the conditions under which you decide to either keep the lake road open or close it because everybody wants to go out there and sled on the hill when it snows.

Jack Webb, Deputy Director of Parks & Recreation, said we have a dedicated truck dedicated to the lake and Wyandotte Park. That's just to keep the Davis Hall, George Meyn, you know, way in and out there into Red Bird Hill where they sled. Unless the Sheriff demands we close it, we keep it open. It closes at midnight.

Chairman Bynum said so we're doing everything we can to keep it open for sledding. **Mr. Webb** said sledding is a recreation activity, so we make sure that road is well taken care of. We might close the back half of the lake off, but they'll be able to get to Red Bird Hill unless it's really a bad situation and then the whole lake will be closed anyway. **Chairman Bynum** said good. That's good to know because I've seen a lot of people in past storms say we wanted to go sledding and the gates closed and I thought we're probably doing all we can to make sure we keep that—**Mr. Webb** said we make a priority to keep that road open the best we can.

Commissioner Bynum asked, any hands online? Commissioner Johnson, anything from you? **Ms. Sparks** said no hands raised.

Commissioner Johnson said I will say thank you for the opportunity, Chair, and I just want to appreciate Jack for all the years that he served our community and just the fact that you're so knowledgeable and patient. You have a can-do personality and mentality and I really appreciate that. I don't know how we're going to replace all that knowledge, but maybe you could jot down some notes in a pad somewhere so that we could be able to come to you and find out some of the things that you've always just kind of had there. I appreciate your work and wish you all the well.

Chairman Bynum said I did have one more question. Can you speak to what coordination do we provide with the friends at the BPU to make sure that they can continue to do what they need to be able to do during this winter weather. You know, making sure that electric and water continues to operate. Is there anything in particular or do you just try to stay in good communication? How does that work? **Mr. Billaci** said we stay in communication with BPU, not only during winter weather, during wind events during the Spring and throughout the year, so we share a radio channel that they can hear kind of our stuff and they can request assistance if need be. **Chairman Bynum** said good. I mean that makes a lot of sense that you do that.

Well, as you said, we might be having our winter weather tonight, so I imagine your team's are ready to go if needed.

Chairman Bynum asked any other questions or comments?

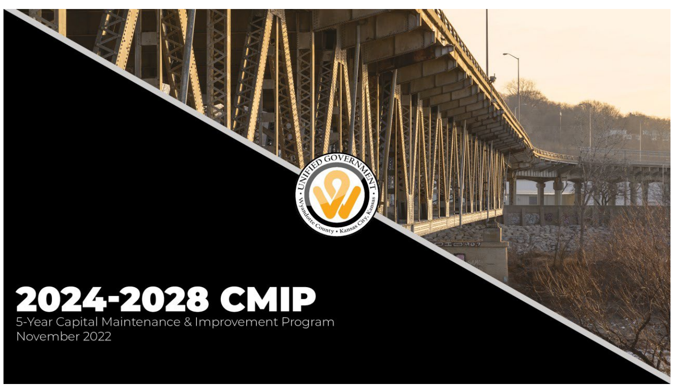
Commissioner Markley said I was just going to comment that Jack is one of those go-to people that I think a lot of us, as commissioners, have reached out to over the years and we appreciate your time and your willingness to work through problems with us and hope you have a wonderful retirement.

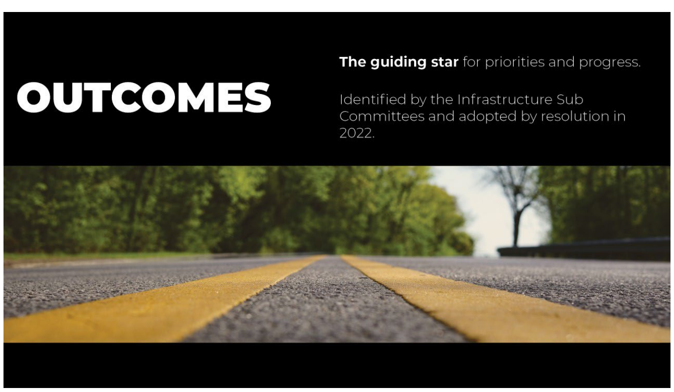
Chairman Bynum said yeah, and I guess I would say, I'm happy you get to retire, but my experience with you is—and I'm sad for us. My experience with you is that as I would come to you with can we do this or can we do that or how can we do this, I got back real answers and I didn't really ever get back we can't do that. I never heard you say that. You were thoughtful about cost estimates and things like that, but it was really appreciated to know that you were going to get onboard with at least trying to help us do something that we might be trying to get done. So, I really appreciate that. I do hope you enjoy your retirement.

Chairman Bynum said if there's nothing further for these gentlemen—some of you might be staying. This was an information item and the next one is also.

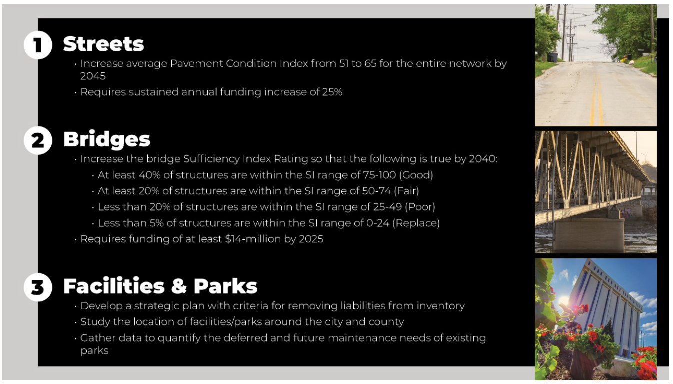
Action: Information only

Item No. 3 – 212102…PRESENTATION: 5-Year CMIP PROJECTS
Synopsis: Presentation of the 5-Year Capital Maintenance and Improvement Program, submitted by Jeff Fisher, Executive Director of Public Works.





Jeff Fisher, Executive Director of Public Works, said we are here tonight to kickoff the process of developing the next 5-Year CMIP, Capital Maintenance Improvement Program. We know that this is a real important component of the City's Financial Strategy and it's updated every year and just a reminder that the Commission has adopted a resolution for the Outcomes and Strategies document that was born out of all the subcommittee work for about a year. So, this should be sort of our guiding star as we develop the CMIP each year and make updates and changes to it.

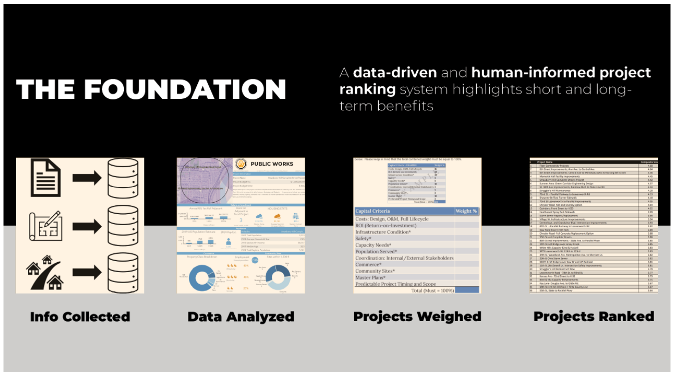


Three highlights of that document are improving the PCI for Streets with additional investment each year and improving the condition of all of our bridges through additional investment each year. Then, rightsizing Facilities and Parks. We feel those are three of the more important components of that document for a lot of different reasons. Obviously, here recently, the Commission approved the stormwater rate structure that starts in '24. That was also a big deal and a big decision.

In 2023 the adopted budget includes a 25% increase in streets. The idea was that we would increase streets by 25% each year for the foreseeable future until we got $20 plus million a year for Street Preservation.

We did not touch bridges in the 2023 Budget, but you'll see we'll make recommendations in that area later and then every opportunity we get to right size Facilities and Parks, we should consider that.

I'm going to hand it over to Reno for a minute.



Dave Reno, Public Works Community Engagement Officer, said below in Chambers right now is another set of our team members giving the exact same presentation to the Planning & Zoning Commission. As we sort of kickoff this process, we want to remind you that this is just the very first step, this is very high level. For us the CMIP is a financial strategy that's going to help us achieve those outcomes and so, as staff, when we're working on these items, we want to make sure it's consistent with priorities that you outlined for us in that Infrastructure Outcomes and Strategies document.

In addition to that document as our guiding star, so to speak, there's also this foundation that Rob Anderson built while he was with us. I did see him in the building today. He doesn't live too far from here and I did ask him if he'd like to do this portion of the presentation, he declined unfortunately, so it won't be nearly as good, but he did develop a very data-driven approach to this. Not just, you know, with his team, but also in coordination, collaboration with the Commission and it really just starts with gathering information about what the community wants to see, what staff and their professional opinion believes is the best course of action for say a Street Preservation Project. We gather all that together and then we start analyzing that data so the data analysis has all sorts of key factors to it. For example, the number of homes or residences in the area, the number of businesses impacted, the number of streets and their size and their condition, tax roll, vehicle registration, but it gives us a good picture of what's happening in an area before a project is ever selected. But the data can also help us identify other projects that might have a much greater benefit in the long run, so these projects are also weighed and those weights include things like overall cost and design, the return on investment, safety, capacity needs, consistency with existing master plans and these weights are reconfigured every year, every other year. We just went through this last year with Commission. Once everything gets weighted together the projects are then ranked, so we're not just wandering out in the field and saying there's a really important project right there that we need to do. Instead we have a data-driven, data-backed approach to what actually matters.

THE NEEDS

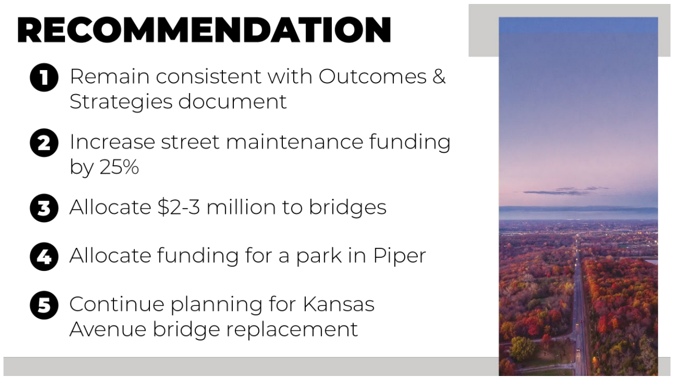
Needs

Project Name	Project Name
90th and Parallel Parkway Intersection Improvements	29th & Ohio Storm Sewer
Strong Ave. Levee Pump Station	83rd & Ella Capacity Enhancements
77th and Troup Storm Replacement	White Oaks Capacity 82nd & Haskell
SRTS Phase G (Northwest Middle and Caruthers Elem.)	51st N of Cleveland RCB Replacement
Central Ave. and Grandview Blvd. Intersection Improvements	Hutton Rd. and Leavenworth Rd. Intersection Improvement
55th St, Everett to Parallel Pkwy	Central Ave. and Grandview Blvd. Intersection Improvements
State Ave & Village West Interchange	110th St. and Riverview Ave. Intersection Improvements
11th St./McDowell Ln. Improvements	7th St/US-69 and Central Ave. Reconstruction
118th Street Lighting Improvements	Hutton Rd. and Donahoo Rd. Intersection Improvement
W. 36th Ave Improvements, Rainbow Blvd. to State Line Rd.	131st St. and Leavenworth Rd. Intersection Improvements
6th Street Improvements, Ann Ave. to Central Ave	18th St. and Metropolitan Ave. Reconstruction
18th St./ 21st St. - Metropolitan Ave. to Merriam Ln.	At-Grade Intersection at 65th St. and Turner Diagonal
67th St. - Parallel Parkway to Leavenworth Rd	K-32 Quiet Zone, Phase I
72nd St. - Parallel Parkway to Leavenworth Rd	SRTS Phase G (Northwest Middle and Caruthers Elem.)
At-Grade Intersection at 65th St. and Turner Diagonal	Friendship Heights Benefit District
Donahoo Road - Hutton Rd. to 115th St	Westheights Benefit District
Douglas Ave - Key Ln to 55th St.	Strawberry Hill Complete Street Project
Kansas Ave - 72nd Street to K-32	Hollingswort Rd, 115th St to 122nd St
Key Lane- Douglas Ave. to Gibbs Rd.	Hollingsworth Road Improvements, 115th St. to 123rd St.
11th Street Bridge over Jersey Creek	K-32 Bridges over Kaw Dr and UP Railroad
North 34th Street Box Culvert	Relocation of Sewer Maintenance Facility

Not a Comprehensive List

Of course, that helps understand how do these needs all come together and you know this is not a comprehensive list of needs. It's just a quick look at some of the many, many needs that the community does have and this system helps prioritize how those needs are met.

This is the ranked list. All that data pops out in the end. Now, this is not the current ranked list. Staff is putting that together now. We should have it done by the end of the year so at the very next meeting that we have, we'll be able to show you, here's the latest most updated ranked list. That would include new projects, potentially that residents submitted. This is what you would see here coming up pretty soon. Again, just those rankings gives us an idea of what, from a data perspective, matters the most.



Mr. Fisher said so now that we are more systematic and data-driven and objective in our development of CMIP, thank you, and now have more information to make better decisions or more informed decisions going forward. I'm just going to highlight a few of the recommendations that won't surprise you. We are going to be consistent with the Outcomes and Strategies document every step of the way. Increase Street Maintenance by 25% per year. Beginning in 2024, you're going to see staff recommend increasing bridges substantially. I know that's going to be hard. We're going to have to figure that out and I think most would agree that there is a need for a park in Piper and so under the leadership of the Parks & Rec Department, Public Works and Planning has already started to collaborate on that. Then, of course, we have the Kansas Avenue Bridge. We'll be making repairs to that bridge in the first half of 2023 in lieu of replacement in three or four years.

Chairman Bynum said, Jeff, can we stop on the park in Piper? You're collaborating on that so it's my understanding that four budgets ago minimum, when we allocated the funding for the fire station on Hutton, that the land directly to the south was to be the beginning of a small park. Is that the basis you're working from right now, number one and number two, Commissioner Kane sincerely believes that funding was allocated at that time. **Mr. Fisher** said that is correct. There is money allocated for a park in Piper. They were targeting that area around the new fire station. I think Commissioner Kane, after discussion with him, he'd like to consider alternatives to that. Maybe a park that could be big enough and provide all the amenities that a community would want. So, we're exploring that. **Chairman Bynum** said okay. I didn't want to speak for him, but

I did want to make sure I was on the same page with where you're going and understanding what exactly that means.

Mr. Fisher said that is all we have, so we'll entertain any other questions.

Chairman Bynum asked, what other questions are there?

Commissioner Markley said I just wanted to say I support the direction and the recommendation of continuing with our data-driven approach.

Mr. Fisher said that's all we have. Thank you.

Commissioner Johnson said I just wanted to know under the Northwest Middle and Caruthers Elementary School, it starts out with SRTS. What does that stand for? **Mr. Fisher** said that is Safe Routes to Schools. **Commissioner Johnson** said makes absolute sense, okay. Then, right underneath that, the Central Avenue/Grandview Blvd. Intersection Improvements, whatever you do is going to be an improvement there. I just kind of wanted to get a sense of what that might look like. **Mr. Fisher** said I'm not sure, Commissioner. I don't believe we've designed anything. I think the County Engineer, it's on the County Engineer's radar to do something with that intersection. Maybe it's just signals. I'm not sure. **Commissioner Johnson** said okay. Once we get closer to that point, I certainly would be curious as to how that would look. **Mr. Fisher** said I'll get some details to you if we have any.

Chairman Bynum said that's reminding me of another quick question. The map that Rob did, does this show the previous year or years of like where work has occurred. Can we look at it that way? **Mr. Fisher** said yeah. I think it went back 10 years. **Chairman Bynum** said okay, good.

Chairman Bynum asked, anything else? I don't want to leave anybody out of the discussion.

BPU Board Member Groneman said I just wanted to make a comment or just to make sure that the BPU and the Public Works are working together. **Mr. Fisher** said absolutely. **Mr. Groneman**

said we have been on your projects and their projects and that there's communication between the two. **Mr. Fisher** said yes there is, absolutely. We've had quarterly meetings. I've even made presentations to the Board of Public Utilities in the past. I think we missed last year, but absolutely we're working with Bill and his team.

Chairman Bynum said I just think the more and more we can do that, the better off we're all going to be. I will entertain a motion for adjournment.

Action: Information only

Adjourn:

Commissioner Markley made a motion, seconded by Commissioner Johnson, to adjourn. Roll call was taken and there were five "Ayes," Groneman, Markley, Johnson, Ramirez, Bynum.

Chairman Bynum adjourned the meeting at 5:55 p.m.

dt

Staff Request for Commission Action

Tracking No. 212238

Full Commission Meeting Date:
Committee: Economic Development & Finance

Date of Standing Committee Action: No action (If none, please explain): Information Only

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
02/01/2023	Jeff Fisher	x5415	jfisher@wycokck.org	Public Works

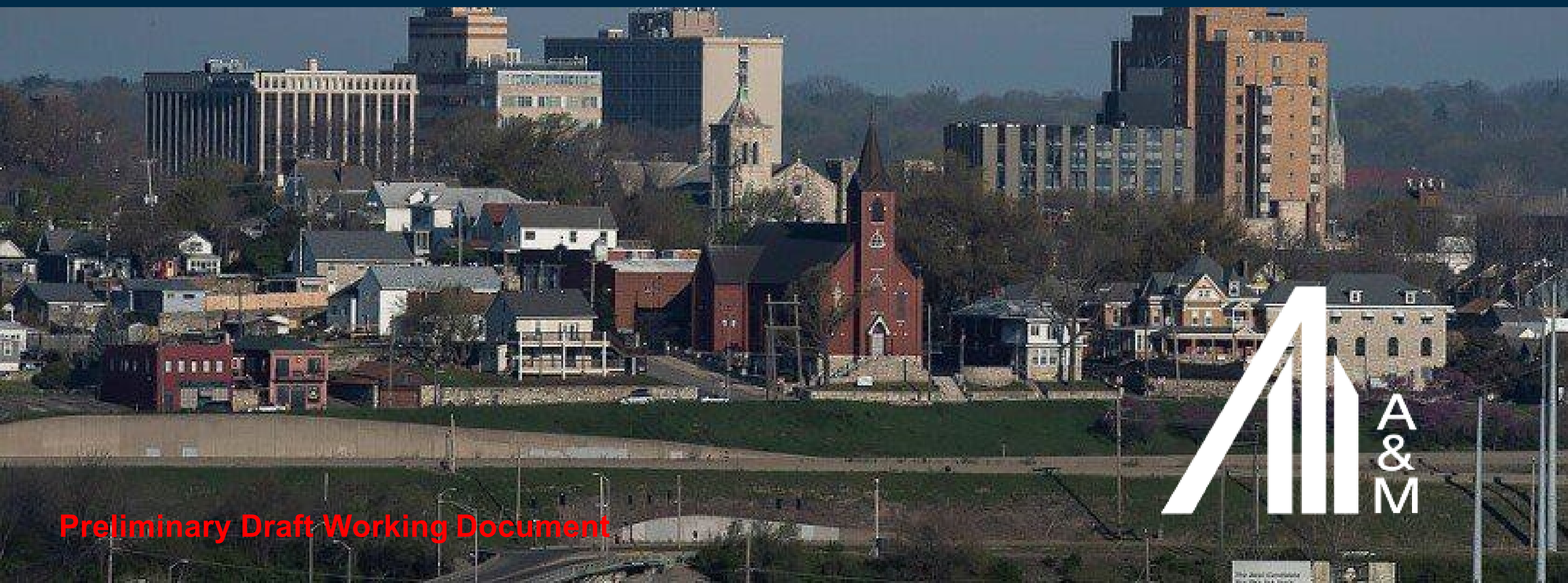
Item Description: A presentation of the assessment conducted by Nancy Zielke, Managing Director, Alvarez & Marsal Public Sector Services, LLC related to Biosolids, submitted by the County Administrator's Office. *For information only.*
Action Requested: No action.
Budget Impact: (if applicable) Amount: Source: Included In Budget: Other (explain):
Attachments List: Biosolids

Return on Investment Review of the Kaw Point Biosolids Summary (CMIP #6045)

Kansas City Unified Government of Wyandotte County/Kansas City, Kansas
Preliminary Report

February 6, 2023

ALVAREZ & MARSAL



Preliminary Draft Working Document

Presentation Outline

Assessment Purpose & Objectives

Current Value of Kaw Point Wastewater Treatment Plant Facility

Project Calendar & Major Milestones

Current Project Investment

Revised Biosolids CMIP Revised Projections and Sources Analysis

Economic Impact of Revised CMIP Project to Sewer System Customer Rates

Biosolid Alternative Proposal Review

Considerations

Project Overview & Purpose

Purpose & Objectives of Assessment

The Unified Government of Wyandotte County/Kansas City, Kansas ("Unified Government" or "UG") engaged Alvarez & Marsal Public Sector Services, LLC ("A&M") to perform an independent assessment of the economic benefits and capital investment considerations of its current Kaw Point Public Work Biosolids Capital Improvement Project, the originally reported $62.6M investment spend to A&M.

The Kaw Point Biosolids Project will allow the UG to dispose of biosolids through land-application instead of landfilling in order to save money and provide increased flexibility. Additionally, the biogas byproduct will be harvested for additional revenue to help offset costs.

The Kaw Point Biosolids Project is a major initiative to also support the Unified Government's economic development plan to support environmental, social, and governance policy efforts to promote expanded development within Kansas City, Kansas. The project is also part of the City's efforts to address the 2022 Consent Decree with the U.S. Environmental Protection Agency ("EPA") and the U.S. Department of Justice ("DOJ").

Key project assessment components include:

- Current Project Investment
- Project Timeline and Key Milestones
- Assessment of Revised Biosolids CMIP Construction Analysis
- Future State Operating Cost and Investment Analysis
- Economic Impact of Project to Kansas City Sewer System Rate Payors
- Alternative Proposal Considerations
- Considerations for the Unified Government

Unified Government Elected Officials Interviewed

A&M has interviewed or requested interviews with 12 individuals in review of the investment of the Biosolids CMIP who were cooperative and willing to share insights

Interviewee	Position/Role
Tom Burroughs	Commissioner and Chair of the Economic Development & Finance Standing Committee
Melissa Bynum	Commissioner and Chair of the Public Works Standing Committee
Cheryl Harrison-Lee	Interim County Administrator
Bridgette Cobbins	Assistant County Administrator
Jeff Fischer	Public Works Director
Trenton Foglesong	Public Works Water Pollution Control Engineer
Sam Her	Public Works Fiscal Officer
Debbie Jonscher	Finance - Deputy Finance Director
Alyse Villarreal	Finance - Debt Program Supervisor
Sharon Reed	Finance - Purchasing Manager
Brett Deichler	County Clerk
Kevin Bibbs	Information Technology Director

Outstanding A&M Review Items

The Unified Government should consider several actions and financial improvements moving forward

- Comparison of invoices to approved contract rates (Cost of Issuance contracts and fee schedules not received until February 3, 2023) – 1 day complete
- Review reports and communications related to CMIP Biosolids Project (also not received until February 3, 2023) – 5 days to complete
- Review of Biosolids By-Product Revenue Assumptions (not yet received) – 1 day to complete
- Follow-up to information requests received the week of January 30 – 2 days to complete
- Discussion with General Counsel and external experts identified in interviews – 1 day to complete
- Any other items requested by the County Commission (Mayor & Standing Chairs) and County Administrator's Office – TBD

Missing Information Request

- Updated Contract SOW rate charts that tie to the Black & Veatch invoices
- Formal listing of project completion tasks
- Detail related to the Bioproduct future state revenue projections
- Information and analysis of the Unified Government use or timing related to tax credits

Current Value of Kaw Point Wastewater Treatment Facility

Value of Current Kaw Point Treatment Plant

The UG was unable to provide the original construction value and the asset value of the Kaw Point Wastewater Treatment Plant

Observations & Findings

- Neither Public Works or Finance were able to report the original construction cost the treatment facility.

- The UG should be able to report this from prior GO and/or Sewer Enterprise Revenue bond issuance offering statements and authorizing ordinances for the issuances of the debt statements and/or authorizing ordinances for the issuances of the original facility construction debt.

Unified Government Combined Treatment Plant Asset Values		
Structures & Improvements		
Treatment Plant	$	79,500,000
Less - Accumulated Asset & Depreciation	$	(61,300,000)
Book Value of Treatment Plant Assets	$	18,200,000
Equipment		
Treatment Plant	$	18,800,000
Less - Accumulated Asset & Depreciation	$	(17,000,000)
Book Value of Treatment Plant Equipment	$	1,800,000

- Finance was unable to report the current Asset Value of the Kaw Point Treatment Facility due to the assets being combined in the balance sheet.
  - ➢ All improvements and equipment that are capitalized are added to an asset line and depreciated
  - ➢ Treatment Plant Structures & Improvements are depreciated over 50 years
  - ➢ Treatment Plan Equipment is depreciated over 20 years

- Capital improvement projects for the sanitary sewer system are financed as GO Revenue bonds with a payment for the bonds coming from the Sewer Enterprise Fund versus being issued as Sewer Enterprise Revenue Bonds.

Biosolids CMIP Critical Dates & Milestones

Timeline and Major Milestones

The timeline below reflects a view of the Kaw Point Biosolids project

Timeline and Major Milestones

The timeline below reflects a view of the Kaw Point Biosolids project

Project Date	Project Activity
2019	UG Purchasing posted N29246 Kaw Point DB Biosolids Improvement RFQ with submittals due March 29, 2019, with only five proposals being received. The UG selection team shortlist three proposal based upon RFQ submittals. Shortlisted teams received RFP invitation with submittals due Mary 15, 2019. A recommendation of award memo dated May 30, 2019, was sent from WPC to Purchasing. Through 2019 UG staff worked with ESG to exchange data and advance the project while Contract details were addressed, and contract executed 9/23/2019.
2020	ESG Provided the initial BODR and construction cost estimate
2021	ESG prvoided BODR construction costs Burns & McDonell / CAS tasked to develop OPCC based upon ESG design / BODR ESG formerly dismissed from Biosolids project
2022	UGW provided OPCC with Constrcution cost of $89.3M

Current Project Investment

Funding Sources for Project Investment As Of December 31, 2022

The UG reported the issuance of $8.2 million in Temporary Notes and long-term G.O. Debt over the past four years

Project to Date (Cash) Funding Sources Funding Source	2019	2020	2021	2022	Project to Date Total
Short Term Borrowings - Temporary Notes					
Temporary Note Proceeds	$ 3,010,457.60	$ 4,098,202.60		$ 4,033,877.24	$ 11,142,537.44
Temporary Note Payoff	$ -	$ (3,010,457.60)	$ (4,098,202.60)	$ -	$ (7,108,660.20)
Debt Premium	$ 1,509.37	$ 4,835.88	**$ 289,378.73**	$ 6,252.83	
Total - Temporary Notes	**$ 3,011,966.97**	**$ 1,092,580.88**	**$ (3,808,823.87)**	**$ 4,040,130.07**	**$ 4,033,877.24**
Long Term Borrowings - G.O. Bonds					
G.O. Bonds - Series 2021A	$ -	$ -	$ 3,896,893.05	$ -	$ 3,896,893.05
Debt Premium	$ -	$ -	$ 289,378.73	$ -	$ 289,378.73
Total - G.O. Bonds	**$ -**	**$ -**	**$ 4,186,271.78**	**$ -**	**$ 4,186,271.78**
Total - Project to Date Sources	**$ 3,011,966.97**	**$ 1,092,580.88**	**$ 377,447.91**	**$ 4,040,130.07**	**$ 8,220,149.02**

Preliminary Draft Working Document

Project Spending to Date – Capital-Related Costs

CMIP planning, design, and oversight costs for the Kaw Pont Biosolids Facility improvement total $4.3 million as of December 31, 2022

Observations & Findings

- A&M was able to tie submitted vendor Invoices to actual Accounts Payable invoice payments
- We found one invoice where an invoice was split between two purchase orders for the same vendor and four invoices where the invoice professional titles and rates did not match to the contract rate schedules.
- Public Works staff costs spent on CMIP projects are not tracked to report internal costs for CMIP initiatives.
- Contracts for HDR Engineering and UG Water Partners have expired contact dates.
- Annual rate increases for On-Call Engineering services did not have an approved signature by the County Administrator and the General Counsel.
- Various On-Call Engineering Contracts were signed by the County Administrator; however, we could find where the Biosolids CMIP Statement of Work or related Amendment had been approved by the County Administrator.
- UG's Contract Clearance Form for Construction Projects is only routed for various interna approvals for amendments/change orders over $50,000 or an increase of over 10% of the project costs

Preliminary Draft Working Document

Summary of Biosolid CMIP Direct Project Consultants & Firms

Name of Vendor	Purpose & Scope	Contract Date	End Date	Amendment Date & SOW Tasks
Black & Veatch	**On-Call Engineering Services for Unified Government Public Works & Other Facilities including:** • Roadway and Street Design • Sanitary Sewage Conveyance and Wastewater Treatment • Stormwater Management • Material Testing and/or Geotechnical Engineering • Construction Inspection • Surveying • Other Technical Areas	3/10/2020	12/31/2022	• Sensitivity Analysis for capital and operating costs • Coordinating meetings to provide insight on key accomplishments • Letter report summarizing the proposed fee range and structure development
Burns & McDonnell	**On-Call Engineering Services for Unified Government Public Works & Other Facilities including:** • Engineering Services • Material Testing and/or Geotechnical Engineering • Related Technical Services for the use of infrastructure systems	5/11/2020	12/31/2022	• Amended August 12, 2021 • The development of an Order-of-Magnitude Initial Opinion of Probable Cost (IOPC) • Develop a Conceptual Project Schedule • Development of the initial Opinion of Project Cost and Conceptual Schedule
HDR Engineering Inc.	• Master planning program development, and service demand projections • Engineering design data, investigation, and minor surveying • Schematic design • Utility engineering and coordination • Traffic engineering and control planning • Workshops, public outreach, and briefings to elected officials	3/16/2020	12/31/2022	• No amendment or SOW tasks
Energy Systems Group, LLC	• Project communication plan • Development and implementation of a quality management plan • Complete analysis and produce a Basis of Design report • Identify, evaluate, and propose solutions to minimize project costs • Prepare and update critical path methodology (CPM) project schedules	9/4/2019	2/13/2021	• No amendment or SOW tasks
UG Water Partners	• Preparation and maintenance of a Project Management Plan • Project schedule • Monthly Status reports detailing work progress • Weekly teleconferences and monthly in-person meetings • Develop and maintain project cost estimates • Development of a procurement and buyout plan	12/27/2021	2/19/2023	• Prepare a project information guide

Example of Inaccurate Invoice Payments

Public Works need to ensure that contract vendor payments match contract approved rates

Observations & Findings

A&M identified four Black & Veatch (B&V) invoices with discrepancies

- In one invoice, the employee job title 'Director' reflected an hourly billing rate of $295/hr (Table A). However, the highest billing rate in the executed contract totaled $278 for the 'Principle/Associate/Contract Manager' position (Table B).
- In three other B&V invoices, the billing rates were broken out by employee name.
- Throughout the three above-mentioned invoices, the highest billing rate for a B&V employee exceeded the executed contract's highest billing rate of $278/hr. (Table A), resulting in overpaying by the difference of $512.

Table A. Blac k & Veatch Invoice Billing Rate

Invoice	Position/Name	Billing Rate	Hours Billed	Invoice Total
12855931	Director	$ 295.00	10.00	$ 2,950.00
1287279	Name Redacted	$ 295.00	6.00	$ 1,770.00
1277979	Name Redacted	$ 290.00	12.00	$ 3,480.00
12934418	Name Redacted	$ 290.00	8.00	$ 2,320.00
Total	**Professional Services**		**36.00**	**$ 10,520.00**

Table B. Executed Contract Billing Rates

		Billing Rate	Hours Billed	Invoice Total
	Principle	$ 278.00	36	$ 10,008.00
Total	**Professional Services**		**36**	**$ 10,008.00**

Preliminary Draft Working Document

Overview of Work Performed Project To Date

In review of invoices paid we noted the following progress and work completed to date

Observations & Findings

- 30% Design Development
- 30% Price-Schedule Development
- Early Work GMP Development
- Finalization of the early works price-scope schedule
- Finalization of the early works contract
- Formal approval of the early works contract
- The timeline in the executed UG Water Partners contract ends at the 60% design development phase of the Kaw Point biosolids facility. Following the UG Water Partners' 60% design development work, the Unified Government will assess performance and review any additional proposals prior to beginning the Phase II work

Summary of Project Financing Cost of Issuance Expenses

As of year end (December 31, 2022), the Biosolids CMIP project spent $223,384.30 in project-related cost of issuances

Summary of Project Debt Financing Cost of Issuances

Vendor	2019	2020	2021	2022	Project to Date Total
Professional Services					
Gilmore & Bell	$ 2,284.49	$ 3,100.56	$ 2,573.31	$ 3,029.05	$ 10,987.41
Springsted	$ 1,273.03	$ 1,082.23	$ -	$ -	$ 2,355.26
Baker Tilly	$ -	$ -	$ 1,351.96	$ 1,117.16	$ 2,469.12
Other Administrative Expenses					
Kansas Attorney General	$ 26.44	$ 45.13	$ 48.88	$ 32.08	$ 152.53
Kansas State Treasurer	$ 2.05	$ 2.46	$ 469.44	$ 2.49	$ 476.44
Kansas Secretary of State	$ -	$ -	$ 10.48	$ -	$ 10.48
MRPP, the Echo	$ -	$ 169.99	$ 2.97	$ -	$ 172.96
MRPP, the Echo	$ -	$ -	$ 10.82	$ -	$ 10.82
Bondlink	$ -	$ -	$ 741.99	$ 164.53	$ 906.52
Assured Guaranty	$ -	$ -	$ 6,274.89	$ -	$ 6,274.89
CUSIP	$ -	$ -	$ -	$ 16.21	$ 16.21
Rating Agency Services					
S&P	$ 976.36	$ 1,280.82	$ 2,437.48	$ 1,295.68	$ 5,990.34
Moody's	$ 1,118.74	$ 853.88	$ 2,818.41	$ 616.99	$ 5,408.02
Underwriter Fees					
Robert W. Baird & Co.	$ 241.50	$ 2,458.92	$ -	$ 6,051.12	$ 8,751.54
Wells Fargo	$ -	$ -	$47,376.76	$ -	$ 47,376.76
Interest Expense					
DTC	$ 5,576.28	$81,665.98	$24,589.22	$ 26,193.52	$ 138,025.00
TOTAL	**$11,498.89**	**$90,659.97**	**$88,706.61**	**$ 38,518.83**	**$ 229,384.30**

Observations & Findings:

- We were able to confirm the invoices received to the actual expenditure summary report provided by UG Finance
- We were not able to review the invoices to the actual contracts due to receiving the professional services contracts on February 3
- The Professional Service firms have been primary service providers to the UG for over 25 years
- DTC expense relates to the payoff of the existing temporary notes

Summary of Sources of Monies

UG issued $3.9 million in 2021 G.O. debt for the project. The Sewer System Fund has paid $311,786.12 in principal & interest as February 1, 2023

General Obligation Bonds, Series 2021-A - Kaw Point Biosolids Debt Service

Date	Principal	Interest	Total
8/1/2021	$ -	$ -	$ -
2/1/2022	$ -	$ 99,038.34	$ 99,038.34
8/1/2022	$ 98,196.00	$ 58,257.85	$ 156,453.85
2/1/2023	$ -	$ 56,293.93	$ 56,293.93
8/1/2023	$ 143,787.00	$ 56,293.93	$ 200,080.93
2/1/2024	$ -	$ 53,418.19	$ 53,418.19
8/1/2024	$ 149,632.00	$ 53,418.19	$ 203,050.19
2/1/2025	$ -	$ 50,425.55	$ 50,425.55
8/1/202[illegible]	$ [illegible]0	$ [illegible]5	$ [illegible]5
2/1/2026	$ -	$ 47,316.01	$ 47,316.01

Date	Principal	Interest	Total
2/1/2032	$ -	$ 25,899.93	$ 25,899.93
8/1/2032	$ 204,575.00	$ 25,899.93	$ 230,474.93
2/1/2033	$ -	$ 21,808.43	$ 21,808.43
8/1/2033	$ 212,758.00	$ 21,808.43	$ 234,566.43
2/1/2034	$ -	$ 19,680.85	$ 19,680.85
8/1/2034	$ 216,265.00	$ 19,680.85	$ 235,945.85
2/1/2035	$ -	$ 17,518.20	$ 17,518.20
8/1/2035	$ 220,941.00	$ 17,518.20	$ 238,459.20
2/1/2036	$ -	$ 15,308.79	$ 15,308.79
8/1/2036	$ 225,617.0[illegible]	$ 15,308.79	$ 240,925.7[illegible]
2/1/2037	$ -	$ 13,052.62	$ 13,052.62
8/1/2037	$ 230,293.0	$ 13,052.62	$ 243,345.6

Total 2021-A Kaw Point Debt Service $ 3,897,446.00 $1,223,915.31 $

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ALVAREZ & MARSAL

Summary of Biosolids CMIP Expenses To Date

Investment or sunk costs for the Biosolids CMIP Project total $9.7 million including the required repayment of the 2021 G.O. Bonds for the capital project

Summary of Biosolids CMIP Project Investment to Date		
		Total $$
CMIP Project Expenses - As of December 31, 2022		$ 4,342,007.21
Cost of Issuances:- As of December 31, 2022		$ 229,384.30
Paid P&I of G.O. Bonds (As of February 1, 2023)		$ 311,786.12
Principal	$ 98,196.00	
Interest	$ 213,590.12	
Future P&I on Existing G.O. Bonds (August 2041)		$ 4,809,575.19
Principal	$ 3,799,250.00	
Interest	$ 1,010,325.19	
Unified Government Employee Project Time Investment		Unknown
Total Biosolids CMIP Investments to Date		**$ 9,692,752.82**

Observations & Findings

- Unified Government employee costs (labor and benefits) are unknown because staff hours spent on capital projects are not currently tracked.
- Contracts for the CMIP project that have expired or updated Statement of Work amendments were not provided as requested.
- Current rate schedules were not readily available from Public Works when requested.
- No current cash-flow forecast for financing needs for FY 2023 and future years has been provided to UG Finance.
- Any future discussions on Biosolids project alternatives should exclude any existing CMIP contractors to avoid conflict of interest.

Cash Balance of Project Investment - As of December 31, 2022

As of year end, the Biosolids CMIP project has an available cash balance of $3.6 million

Summary of Project Sources & Uses - As of Decemb er 31, 2022					
Funding Source	**2019**	**2020**	**2021**	**2022**	**Project to Date Total**
Sources of Monies	**$ 3,011,966.97**	**$1,092,580.88**	**$ 88,069.18**	**$4,040,130.07**	**$ 8,232,747.10**
Uses of Monies					
CMIP	*$ 891,553.16*	*$ 841,133.08*	*$ 1,182,386.37*	*$ 1,426,935.00*	*$ 4,342,007.61*
Cost of Issuance	*$ 11,498.89*	*$ 90,659.97*	*$ 88,706.61*	*$ 38,518.83*	*$ 229,384.30*
Total Uses to Date	**$ 903,052.05**	**$ 931,793.05**	**$ 1,271,092.98**	**$ 1,465,453.83**	**$ 4,571,391.91**
Balance of Sources (Cash on Hand)					**$ 3,661,355.19**

Observations & Findings

- With the issuance of Temporary Notes and G.O. Bonds in 2021 and the combined project to date spending on planned Biosolid project, expenses total $3.6 prior to infusion of any additional cash.
- A revised 2023 financing cash-flow should be submitted to UG Finance.

Revised Biosolids CMIP Projections & Sources Analysis

Historical Changes to Biosolids CMIP Projection Estimates

Public Works provided on February 2, 2023, the following revised Biosolids CMIP projections

Historical Summary of Biosolids CMIP Project Costs from 2012 Masterplan to Current UG Partners Cost Estimate of 2022

	{A}	{B}	{C}	{D}	{E}	{F}	{G}
		2012 Masterplan	*2018 BV Report* [5]	*ESG-2021*	*UGW-2022*	*Delta 2021 to 2022*	% Increase
	Project/Estimate Overview	Only New Dewatering to Landfill Sludge - No Digesters	Rehab of Existing Digester Tanks, Biogas into Pipeline	New Digesters, Biogas into Pipeline	New Digesters, Biogas into Pipeline	Comparison of Column {D} to {E}	
{1}	ESG Phase 1 Contract per RFP	NA	NA	$ 2,926,343	NA		
{2}	ESG Amendments Approved	NA	NA	$ 179,047	NA		
{3}	ESG Actual	NA	NA	NA	$ 2,185,530	$ (919,860)	
{4}	**ESG Total for Phase 1[1]**	**NA**	**NA**	**$ 3,105,390**	**$ 2,185,530**	**$ (919,860)**	
{5}	Burns & McDonnell Check ESG Estimate	NA	NA	NA	$ 52,963	$ 52,963	
{6}	UGW Phase 1	NA	NA	NA	$ 3,692,000	$ 3,692,000	
{7}	Owners Rep	NA	NA	$ 2,000,000	$ 2,000,000	$ -	
{8}	**Subtotal Phase 1 and Owners Rep**	**NA**	**NA**	**$ 5,105,390**	**$ 7,930,493**	**$ 2,825,103**	**55%**
{9}	Direct Construction Costs	NA	NA	$ 60,832,382	$ 75,629,811	$ 14,797,429	
{10}	Markups	NA	NA	$ 13,792,599	$ 11,703,022	$ (2,089,577)	
{11}	**Subtotal Construction Costs**	**$ 4,300,000**	**$ 70,600,000**	**$ 74,624,981**	**$ 87,332,833**	**$ 12,707,852**	**17%**
{12}	Gas Interconnect Allowance[2]	NA	NA	$ 1,000,000	$ 2,000,000	$ 1,000,000	
{13}	**Total Construction Cost**	**$ 4,300,000**	**$ 70,600,000**	**$ 75,624,981**	**$ 89,332,833**	**$ 13,707,852**	**18%**
{14}	Additional Contingency[3]	NA	NA	$ -	$ 2,736,673	$ 2,736,673	
{15}	**Total Project Cost**	**$ 4,300,000**	**$ 70,600,000**	**$ 80,730,371**	**$ 100,000,000**	**$ 19,269,629**	**24%**

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Historical Changes to Biosolids CMIP Projection Estimates

Public Works provided on February 2, 2023, the following revised Biosolids CMIP projections

Reference Notes from Previous Table:

1. ESG total used in ESG-2021 estimate was fully encumbered amount of $3.1M. ESG total used in UGW-2022 estimate should be the actual amount spent of$2.2M

2. Allowance for Gas pipeline connection increased by $1M from ESG-2021 to UGW-2022

3. Additional contingency added to UGW-2022 estimate, not included in ESG-2021estimate

4. Projected capital costs were to rehabilitate existing dewatering process equipment. Ultimately, an entirely new building and process equipment will be installed with an estimated total project cost of $10M

5. Detail breakdown of this option was not provided to provide a sufficient breakdown of the components included in the total project costs shown

Year by Year Projection Variances – Discussion of Differences

Public Works provided on February 2, 2023, the following revised Biosolids CMIP projections

2012 Masterplan ($4.3M) and 2018 BV Report ($70.6M)

- The 2012 Masterplan did not contemplate or estimate the cost to provide digestion capabilities.
- The recommended improvements were to rehabilitate existing dewatering process (belt filter presses) in existing building at a cost of $4.3M, but due to long-term planning during the consent decree negotiations this was changed to include an entirely new facility with new process (centrifuges) at an estimated cost of $10M.
- The total cost shown for the 2018 solution was previously shown listed at $67.3M, but that cost/option did not include biogas injection into a pipeline.
- The project cost for the gas pipeline option was the $70.6M as shown herein and matches the value built into the consent decree financial model.

2018 BV Report ($70.6M) and ESG-2021 estimate ($80.7M)

- The 2018 Black & Veatch report estimate ($70.6M) was completed with an assumption that the existing digester tanks could be rehabilitated and utilized.
- The 2018 concept included KCMO sending sludge from their Westside WWTP.
- During the design process with ESG, KCMO withdrew from the project, and it was determined that the existing tanks could no longer be rehabilitated and used as digesters due to NFPA life safety code concerns and their general condition.

Year by Year Projection Variances – Discussion of Differences

Public Works provided on February 2, 2023, the following revised Biosolids CMIP projections

Breakdown of difference between ESG-2021($80.7M) and UGW-2022 ($100M)	
Amounts	**Public Works Discussion & Explanation of Projection Increases**
$ 2,825,104	Increased costs for Phase 1 work including change from ESG to UGW
$ 12,707,852	Increase in Construction Costs including markups (17%) Additionally, the ESG-2021 estimate had gaps in the defined scope and post-pandemic market volatility not included in the documented costs which imapcts the increases to the 2022 cost estimate
$ 1,000,000	Increased allowance for Gas Pipeline Connection
$ 2,736,673	Added Contingency Reserve
$ 19,269,629	**Total Change from ESG-2021 to UGW-2022**

Observations & Findings

- Markups include the proposed team's cost information that is provided, which includes the fixed-fee work associated with Phase 1 as well as a percentage fee for the Phase 2 services. The percentage fee for Phase 2 work is what is considered a "markup"
- Current construction inflationary industry reports reflect inflationary increases averaging 16.5% from 2021 to 2022 and between 10% and 11% during 2023 and 2024
- CMIP projections do not include any allowance includes for potential costs for Temporary Note and future G.O. Bond or Kansas State Revolving Loan issuance costs

Future Annual Kaw Point Wastewater Treatment Plant Operating Costs Projections

Upon completion of the Biosolids CMIP construction, Public Works projects operating cost reductions/avoidance and New System Revenue Sources

Kaw Point Wastewater Facility Operating & Maintenance Costs
(Provided by Public Works - Water Pollution Control)

				Annual Costs
Current Operations & Maintenance Costs *(Includes 20% costs to related to Maintenance Group)*			$	5,465,000
Operating Cost Increases/Decreases/Avoidance			$	(400,000)
Reduced Disposal Costs	$	(600,000)		
Reduced Chemical Costs	$	(800,000)		
Added O&M Costs of New Facility Improvements	$	1,000,000		
Revised Estimated Kaw Point Wastewater Facility Operating Costs			**$**	**5,065,000**
New Enterprise System Revenue Sources			**$**	**2,000,000**
Waste Hauled Tipping Fees	$	750,000		
Biogas Sales	$	1,250,000		

Observations & Findings

Per Public Work responses:

- FY 21 Actuals show that current Operations & Maintenance inclusive of 20% of the Kaw Point Maintenance group) are estimated $5,465,000 per year
- The new facility will have a new operating reduction of $400,000 annually
- Sales from Waste Hauling Tipping Fees and Biogas Sales are estimated to generate $2.0 million annually

A&M has not been able to verify/validate the revenue source assumptions

Future Operating Costs Projections

Future Kaw Point Facility Operating Costs need further analysis and review

Observations & Findings

- Budget projections should not be projected as a Net Change. Any recognition of revenue would reduce the customer sewer rates versus reducing costs.

- Public Works reported that the current operating costs for the Kaw Point Wastewater Facility were $5.465 million including 20% of the maintenance costs. However, we found that this amount did reconcile to the 2022 Amended of 2023 Proposed Budget

Unified Government of Wyandotte County/Kansas City Kansas

2022 Amended - 2023 Budget

Expenditure By Program				
	2021 Actual	2022 Original	2022 Amended	2023 Budget
Kaw Point Maintenance	$1,352,112	$347,600	$458,417	$463,793
Pump Station Program	$435,316	$651,874	$557,000	$557,000
Water Polution Administration	0	0	$75,000	$25,000
Wolcott Plant	$107,012	$491,683	$296,461	$298,604
WPC Administration	$21,076,585	$24,137,328	$24,086,977	$26,598,248
WPC Environmental Control	$725,645	$958,788	$1,001,231	$1,034,197
WPC Kaw Point	$6,052,181	$7,493,865	$7,653,314	$7,776,345
WPC Plant 20	$1,184,674	$1,755,705	$1,763,353	$1,800,861
WPC Sewer Maintenance	$4,940,147	$8,835,073	$8,824,120	$7,966,362
WPC Storm Sewers	$1,362,295	$1,931,772	$13,545,330	$2,056,126
Total	$37,235,965	$46,603,687	$58,261,204	$48,576,536

Sources of Monies for CMIP Biosolids Project

The current 2022 projection for the construction of the planned improvements for the Kaw Point Biosolids facility is estimated at $100 million

Summary of Biosolids CMIP Revised Proposed Sources of Monies		
Sources of Monies - $100,000,000 (2022 Cost Estimate)		
Federal Grants		
2022 Congressional Approved EPA Grant	$	2,000,000
Proposed USDA Grant (Submitted January 2022)	$	22,300,000
US Treasury Tax Credits	$	27,000,000
Long-Term Financing - General Obligation Bonds & State Loan Programs		
General Obligations Bonds and State of Kansas Department of Health State Revolving Loan Program	$	48,700,000
Total Current CMIP Project Projections	**$**	**100,000,000**

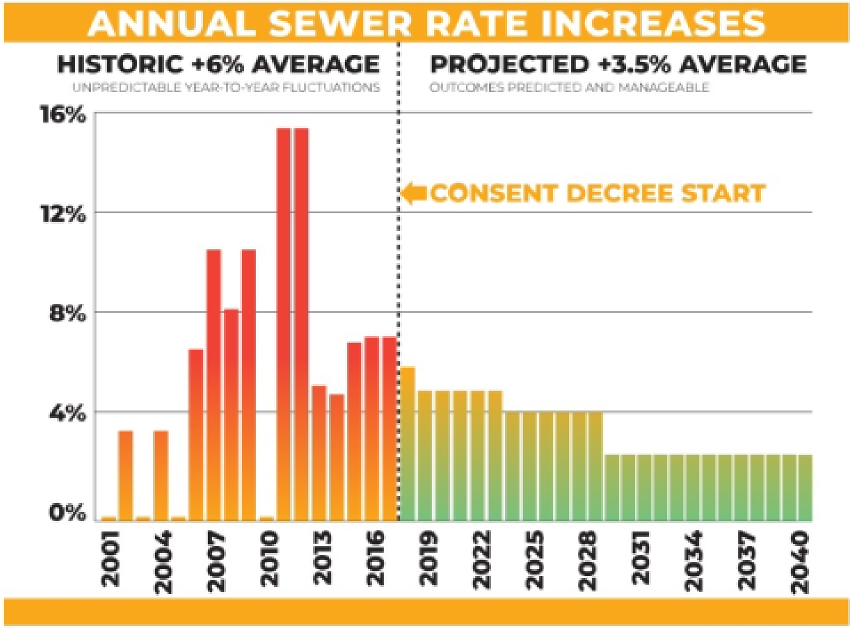
Summary of Cash-Flow Timeline - $100,000,000 CMIP Revised Projection		
2018-2022	$	4,500,000
2023 January to July	$	4,000,000
2023 August to December	$	12,000,000
2024 January to 2025 June	$	66,500,000
2025 July to December	$	13,000,000
Total Current CMIP Project Projections Cash-Flow Timeline	**$**	**100,000,000**

Observations & Findings

- The UG should conduct further analysis of the use of Inflation Reduction Act of 2022 (the Act), which extends and expands existing tax credits and adds several new energy tax credits to encourage the production of clean energy and reduce carbon emissions.
- The Act amended Section 48(a)(3) to include additional categories of energy property, one of which is “qualified biogas property”
- ***Further analysis and fiscal impact to the Biosolids Project is needed***

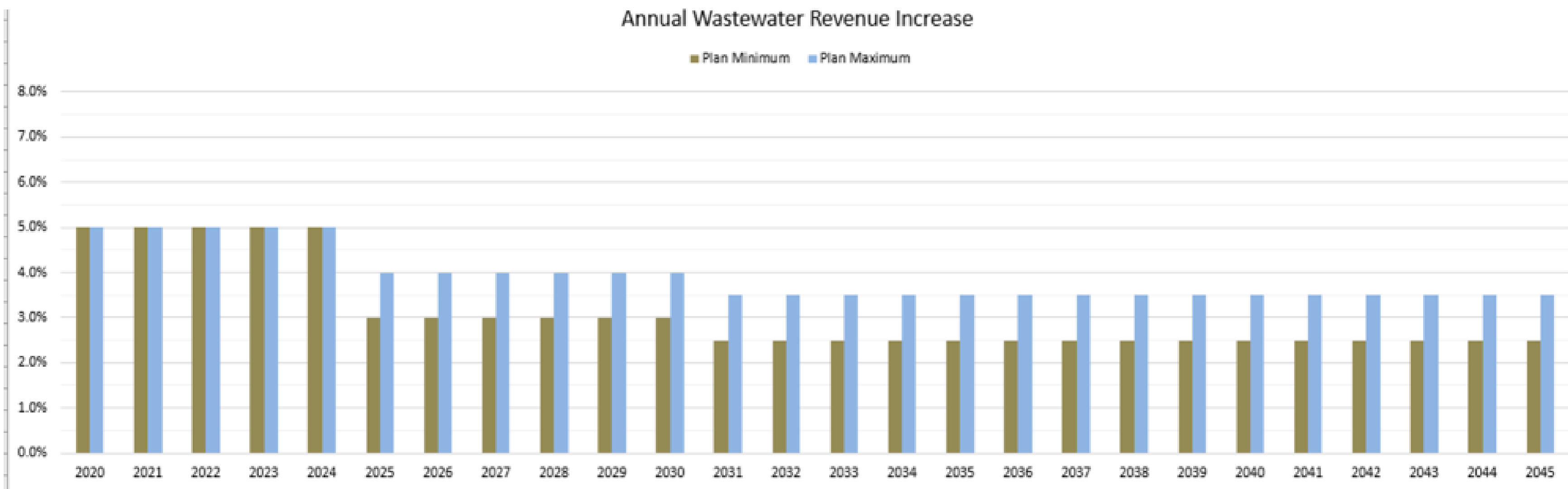
Sewer System Rate Impact

Projected Existing Sewer Rate Increases



Observation & Findings:

- The UG Public Works Director's Annual Report reflected the Sewer Rate increase projected at average of 3.5%



Preliminary Impact of Biosolids CMIP Debt Service to Sewer Rates

The table below reflects the incremental increase (blue shaded columns) from the issuance of $48.7 million bond financing

Unified Government of Wyandotte County / Kansas City, Kansas

Kaw Point Biosolids- Scenario 1 - $100,000,000 Projection Needs

ASSUMPTIONS

USDA Grant	**22,300,000**	**Bond Type**	GO Bond	**Bond 1**	Actual DS Schedule
Earmark	**2,000,000**	**Amortization**	20 years	**Bonds 2-4**	Estimated DS Schedule based off provided cashflows & interest rates ranging 4%-5%
Tax Credit	**27,000,000**	**Rate Increase %**	As determined by the Unified Government's Consent Decree with the EPA and DOJ, rates will increase annually regardless of the Biosolids project	**Customers**	Based on 2022, 10 month Avg with a factor of .5% growth
G.O. Financing	**48,700,000**			**CCF**	Based on 2022 10 month Avg no increase factored

Year	Payment	Tax Credit	Monthly Base Charge	CCF Charge	Rate Increase %
2022	$ 255,492.19	-	$ 22.39	$ 5.06	5.0%
2023	$ 256,374.86	-	$ 23.51	$ 5.31	5.0%
2024	$ 256,468.38	-	$ 24.45	$ 5.53	4.0%
2025	$2,432,690.60	-	$ 25.43	$ 5.75	4.0%
2026	$3,666,804.02	1,350,000	$ 26.44	$ 5.98	4.0%
2027	$3,673,865.14	1,350,000	$ 27.50	$ 6.22	4.0%
2028	$3,670,476.70	1,350,000	$ 28.60	$ 6.46	4.0%
2029	$3,669,273.46	1,350,000	$ 29.75	$ 6.72	4.0%
2030	$3,669,958.66	1,350,000	$ 30.79	$ 6.96	3.5%
2031	$3,669,897.54	1,350,000	$ 31.87	$ 7.20	3.5%
2032	$3,671,224.86	1,350,000	$ 32.98	$ 7.45	3.5%
2033	$3,672,474.86	1,350,000	$ 34.14	$ 7.71	3.5%
2034	$3,667,976.70	1,350,000	$ 35.33	$ 7.98	3.5%
2035	$3,668,677.40	1,350,000	$ 36.57	$ 8.26	3.5%
2036	$3,673,134.58	1,350,000	$ 37.85	$ 8.55	3.5%
2037	$3,673,698.24	1,350,000	$ 39.17	$ 8.85	3.5%
2038	$3,670,080.50	1,350,000	$ 40.54	$ 9.16	3.5%
2039	$3,672,563.42	1,350,000	$ 41.96	$ 9.48	3.5%
2040	$3,665,746.96	1,350,000	$ 43.43	$ 9.81	3.5%
2041	$3,670,694.74	1,350,000	$ 44.95	$ 10.16	3.5%
2042	$3,414,900.00	1,350,000	$ 46.52	$ 10.51	3.5%
2043	$3,415,300.00	1,350,000	$ 48.15	$ 10.88	3.5%
2044	$3,410,900.00	1,350,000	$ 49.84	$ 11.26	3.5%
2045	$1,239,087.50	1,350,000	$ 51.58	$ 11.66	3.5%
2046	$ -		$ 53.39	$ 12.06	3.5%

Year	Residential					
	Avg CCF	Avg Bill	Customers	Base Rev	% of Bill	Cost
2022	5.35	$ 49.46	42821	$ 25,415,001.20	0.56%	$ 0.28
2023	5.35	$ 51.93	43035	$ 26,819,180.01	0.54%	$ 0.28
2024	5.35	$ 54.01	43250	$ 28,031,406.95	0.51%	$ 0.28
2025	5.35	$ 56.17	43467	$ 29,298,426.54	4.65%	$ 2.61
2026	5.35	$ 58.42	43684	$ 30,622,715.42	4.24%	$ 2.48
2027	5.35	$ 60.75	43902	$ 32,006,862.16	4.07%	$ 2.47
2028	5.35	$ 63.18	44122	$ 33,453,572.33	3.89%	$ 2.45
2029	5.35	$ 65.71	44342	$ 34,965,673.80	3.72%	$ 2.44
2030	5.35	$ 68.01	44564	$ 36,370,419.74	3.57%	$ 2.43
2031	5.35	$ 70.39	44787	$ 37,831,601.36	3.43%	$ 2.42
2032	5.35	$ 72.86	45011	$ 39,351,485.94	3.30%	$ 2.41
2033	5.35	$ 75.41	45236	$ 40,932,431.89	3.18%	$ 2.40
2034	5.35	$ 78.04	45462	$ 42,576,892.34	3.05%	$ 2.38
2035	5.35	$ 80.78	45689	$ 44,287,418.99	2.93%	$ 2.37
2036	5.35	$ 83.60	45918	$ 46,066,666.05	2.82%	$ 2.36
2037	5.35	$ 86.53	46147	$ 47,917,394.35	2.72%	$ 2.35
2038	5.35	$ 89.56	46378	$ 49,842,475.67	2.61%	$ 2.34
2039	5.35	$ 92.69	46610	$ 51,844,897.13	2.51%	$ 2.33
2040	5.35	$ 95.94	46843	$ 53,927,765.88	2.41%	$ 2.31
2041	5.35	$ 99.29	47077	$ 56,094,313.87	2.32%	$ 2.30
2042	5.35	$ 102.77	47313	$ 58,347,902.93	1.98%	$ 2.04
2043	5.35	$ 106.37	47549	$ 60,692,029.93	1.91%	$ 2.03
2044	5.35	$ 110.09	47787	$ 63,130,332.23	1.83%	$ 2.01
2045	5.35	$ 113.94	48026	$ 65,666,593.33	-0.09%	$ (0.11)
2046	5.35	$ 117.93	48266	$ 68,304,748.72	0.00%	$ -

Year	Non-Residential					
	Avg CCF	Avg Bill	Customers	Base Rev	% of Bill	Cost
2022	82.32	$ 438.95	3789	$19,958,250.74	0.56%	$ 2.47
2023	82.32	$ 460.90	3808	$21,060,944.09	0.54%	$ 2.47
2024	82.32	$ 479.34	3827	$22,012,898.77	0.51%	$ 2.46
2025	82.32	$ 498.51	3846	$23,007,881.79	4.65%	$ 23.18
2026	82.32	$ 518.45	3865	$24,047,838.05	4.24%	$ 21.97
2027	82.32	$ 539.19	3885	$25,134,800.33	4.07%	$ 21.93
2028	82.32	$ 560.75	3904	$26,270,893.30	3.89%	$ 21.79
2029	82.32	$ 583.18	3924	$27,458,337.68	3.72%	$ 21.67
2030	82.32	$ 603.60	3943	$28,561,476.40	3.57%	$ 21.57
2031	82.32	$ 624.72	3963	$29,708,933.71	3.43%	$ 21.46
2032	82.32	$ 646.59	3983	$30,902,490.12	3.30%	$ 21.36
2033	82.32	$ 669.22	4003	$32,143,997.66	3.18%	$ 21.27
2034	82.32	$ 692.64	4023	$33,435,382.77	3.05%	$ 21.12
2035	82.32	$ 716.88	4043	$34,778,649.27	2.93%	$ 21.02
2036	82.32	$ 741.97	4063	$36,175,881.51	2.82%	$ 20.96
2037	82.32	$ 767.94	4083	$37,629,247.55	2.72%	$ 20.86
2038	82.32	$ 794.82	4104	$39,141,002.57	2.61%	$ 20.72
2039	82.32	$ 822.64	4124	$40,713,492.34	2.51%	$ 20.64
2040	82.32	$ 851.43	4145	$42,349,156.90	2.41%	$ 20.48
2041	82.32	$ 881.23	4166	$44,050,534.28	2.32%	$ 20.42
2042	82.32	$ 912.07	4186	$45,820,264.49	1.98%	$ 18.08
2043	82.32	$ 944.00	4207	$47,661,093.62	1.91%	$ 17.99
2044	82.32	$ 977.04	4228	$49,575,878.05	1.83%	$ 17.87
2045	82.32	$ 1,011.23	4250	$51,567,588.96	-0.09%	$ (0.96)
2046	82.32	$ 1,046.63	4271	$53,639,316.84	0.00%	$ -

Observations & Findings:

- *The incremental cost component to the average customer bill for this scenario ($48.70 million in G.O. Bonds) could increase and/or decrease if no Grant Funds and/or Tax Credits are available*

Preliminary Draft Working Document

ALVAREZ & MARSAL

Preliminary Impact of Biosolids CMIP Debt Service to Sewer Rates

The table below reflects the incremental increase (blue shaded columns) with $100 million in project costs being G.O. Bond financed

Unified Government of Wyandotte County / Kansas City,
Kaw Point Biosolids- Scenario 2

ASSUMPTIONS

USDA Grant	$ -	**Bond Type**	GO Bond	**Bond 1**	Actual DS Schedule
Earmark	$ -	**Amortization**	20years	**Bonds 2-4**	Estimated DS Schedule based off provided cashflows & interest rates ranging 4%-5%
Tax Credit	$ -	**Rate Increase %**	As determined by the Unified Government's Consent Decree with the EPA and DOJ, rates will increase annually regardless of the Biosolids	**Customers**	Based on 2022, 10 month Avg with a factor of .5%growth
G.O. Debt	$ 100,000,000			**CCF**	Based on 2022 10 month Avg no increase factored

Year	Payment	Tax Credit	Monthly Base Charge	CCF Charge	Rate Increase %	Residential Avg CCF	Residential Avg Bill	Residential Customers	Residential Base Rev	Residential % of Bill	Residential Cost	Non-Residential Avg CCF	Non-Residential Avg Bill	Non-Residential Customers	Non-Residential Base Rev	Non-Residential % of Bill	Non-Residential Cost
2022	$ 255,492.19	-	$ 22.39	$ 5.06	5.0%	5.35	$ 49.46	42821	$ 25,415,001.20	0.56%	$ 0.28	82.32	$ 438.95	3789	$ 19,958,250.74	0.56%	$ 2.47
2023	$ 256,374.86	-	$ 23.51	$ 5.31	5.0%	5.35	$ 51.93	43035	$ 26,819,180.01	0.54%	$ 0.28	82.32	$ 460.90	3808	$ 21,060,944.09	0.54%	$ 2.47
2024	$ 256,468.38	-	$ 24.45	$ 5.53	4.0%	5.35	$ 54.01	43250	$ 28,031,406.95	0.51%	$ 0.28	82.32	$ 479.34	3827	$ 22,012,898.77	0.51%	$ 2.46
2025	$2,432,690.60	-	$ 25.43	$ 5.75	4.0%	5.35	$ 56.17	43467	$ 29,298,426.54	4.65%	$ 2.61	82.32	$ 498.51	3846	$ 23,007,881.79	4.65%	$ 23.18
2026	$5,791,847.77	-	$ 26.44	$ 5.98	4.0%	5.35	$ 58.42	43684	$ 30,622,715.42	10.59%	$ 6.19	82.32	$ 518.45	3865	$ 24,047,838.05	10.59%	$ 54.92
2027	$7,588,565.14	-	$ 27.50	$ 6.22	4.0%	5.35	$ 60.75	43902	$ 32,006,862.16	13.28%	$ 8.07	82.32	$ 539.19	3885	$ 25,134,800.33	13.28%	$ 71.61
2028	$7,591,176.70	-	$ 28.60	$ 6.46	4.0%	5.35	$ 63.18	44122	$ 33,453,572.33	12.71%	$ 8.03	82.32	$ 560.75	3904	$ 26,270,893.30	12.71%	$ 71.27
2029	$7,586,473.46	-	$ 29.75	$ 6.72	4.0%	5.35	$ 65.71	44342	$ 34,965,673.80	12.15%	$ 7.99	82.32	$ 583.18	3924	$ 27,458,337.68	12.15%	$ 70.88
2030	$7,589,408.66	-	$ 30.79	$ 6.96	3.5%	5.35	$ 68.01	44564	$ 36,370,419.74	11.69%	$ 7.95	82.32	$ 603.60	3943	$ 28,561,476.40	11.69%	$ 70.55
2031	$7,586,847.54	-	$ 31.87	$ 7.20	3.5%	5.35	$ 70.39	44787	$ 37,831,601.36	11.23%	$ 7.91	82.32	$ 624.72	3963	$ 29,708,933.71	11.23%	$ 70.18
2032	$7,590,924.86	-	$ 32.98	$ 7.45	3.5%	5.35	$ 72.86	45011	$ 39,351,485.94	10.80%	$ 7.87	82.32	$ 646.59	3983	$ 30,902,490.12	10.80%	$ 69.86
2033	$7,589,674.86	-	$ 34.14	$ 7.71	3.5%	5.35	$ 75.41	45236	$ 40,932,431.89	10.39%	$ 7.83	82.32	$ 669.22	4003	$ 32,143,997.66	10.39%	$ 69.50
2034	$7,582,426.70	-	$ 35.33	$ 7.98	3.5%	5.35	$ 78.04	45462	$ 42,576,892.34	9.98%	$ 7.79	82.32	$ 692.64	4023	$ 33,435,382.77	9.98%	$ 69.09
2035	$7,589,877.40	-	$ 36.57	$ 8.26	3.5%	5.35	$ 80.78	45689	$ 44,287,418.99	9.60%	$ 7.75	82.32	$ 716.88	4043	$ 34,778,649.27	9.60%	$ 68.82
2036	$7,588,634.58	-	$ 37.85	$ 8.55	3.5%	5.35	$ 83.60	45918	$ 46,066,666.05	9.23%	$ 7.71	82.32	$ 741.97	4063	$ 36,175,881.51	9.23%	$ 68.46
2037	$7,590,398.24	-	$ 39.17	$ 8.85	3.5%	5.35	$ 86.53	46147	$ 47,917,394.35	8.87%	$ 7.68	82.32	$ 767.94	4083	$ 37,629,247.55	8.87%	$ 68.14
2038	$7,583,780.50	-	$ 40.54	$ 9.16	3.5%	5.35	$ 89.56	46378	$ 49,842,475.67	8.52%	$ 7.63	82.32	$ 794.82	4104	$ 39,141,002.57	8.52%	$ 67.74
2039	$7,589,063.42	-	$ 41.96	$ 9.48	3.5%	5.35	$ 92.69	46610	$ 51,844,897.13	8.20%	$ 7.60	82.32	$ 822.64	4124	$ 40,713,492.34	8.20%	$ 67.45
2040	$7,580,446.96	-	$ 43.43	$ 9.81	3.5%	5.35	$ 95.94	46843	$ 53,927,765.88	7.87%	$ 7.55	82.32	$ 851.43	4145	$ 42,349,156.90	7.87%	$ 67.04
2041	$7,588,994.74	-	$ 44.95	$ 10.16	3.5%	5.35	$ 99.29	47077	$ 56,094,313.87	7.58%	$ 7.52	82.32	$ 881.23	4166	$ 44,050,534.28	7.58%	$ 66.78
2042	$7,336,800.00	-	$ 46.52	$ 10.51	3.5%	5.35	$ 102.77	47313	$ 58,347,902.93	7.04%	$ 7.24	82.32	$ 912.07	4186	$ 45,820,264.49	7.04%	$ 64.24
2043	$7,330,600.00	-	$ 48.15	$ 10.88	3.5%	5.35	$ 106.37	47549	$ 60,692,029.93	6.77%	$ 7.20	82.32	$ 944.00	4207	$ 47,661,093.62	6.77%	$ 63.87
2044	$7,334,600.00	-	$ 49.84	$ 11.26	3.5%	5.35	$ 110.09	47787	$ 63,130,332.23	6.51%	$ 7.16	82.32	$ 977.04	4228	$ 49,575,878.05	6.51%	$ 63.58
2045	$5,150,387.50	-	$ 51.58	$ 11.66	3.5%	5.35	$ 113.94	48026	$ 65,666,593.33	4.39%	$ 5.01	82.32	$ 1,011.23	4250	$ 51,567,588.96	4.39%	$ 44.43
2046																	
	[illegible]		$ [illegible]	$ [illegible]	3.5%	5.35	$ 117.93	48266	$ 68,304,748.72	1.47%	$ 1.74	82.32	$ 1,046.63	4271	$ 53,639,316.84	1.47%	$ 15.42

Preliminary Draft Working Document

ALVAREZ & MARSAL

Alternative Proposal Analysis

Alternative Proposal Analysis

Observations & Findings

- The Unified Government received an unsolicited proposal from Element Carbon (E3)in 2017
- A biosolids dryer was considered in the 2012 Black & Veatch Masterplan, as well as part of the BioChar technology package presented by Element Carbon in 2017. As a result, the UG team collected some data from recent sludge dryer installations in an attempt to understand basic project cost information.
- The total project costs for the projects reviewed were approximately 3x the cost of the dryer equipment alone.
- During the Summer of 2022, Superior Summit approached the UG about an alternative proposal to reducethe capital investment costs and generate additionalrevenues.
- No further analysis and information was shared due to the proprietary nature of the Superior Summit models and need for the Unified Government to sign a Non-Disclosure Agreement to proceed.
- The Unified Government team's ability to complete an analysis of Superior Summit's potential solution relies upon the level of information/details provided.
- Based upon known loading data at Kaw Point Wastewater Treatment Plant, the team reviewed the comparable projects along with input from manufacturers/vendors to estimate a $30M cost for the appropriate dryer equipment.

Additional Technology Options

Thermal Dryer

Clarksville, TN (DDS50)

- $14.8M dryer cost
- $52M construction cost
- Ratio: 3:1

Fort Worth, TX (DDS140)

- 18.5M dryer cost
- $59M construction cost
- Ratio: 3:1

Kaw Point Biosolids Project – ***detailed cost estimate in development***

- $30M quoted dryer cost
- $90M estimated construction cost (based on 3:1)

Andritz Drum Dryer (Model DDS50)

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Considerations

Considerations

The Unified Government should consider several actions and financial improvements moving forward

Summary of Biosolids CMIP Project Investment to Date		Total $$
CMIP Project Expenses - As of December 31, 2022		$ 4,342,007.21
Cost of Issuances:- As of December 31, 2022		$ 229,384.30
Paid P&I of G.O. Bonds (As of February 1, 2023)		$ 311,786.12
Principal	$ 98,196.00	
Interest	$ 213,590.12	
Future P&I on Existing G.O. Bonds (August 2041)		$ 4,809,575.19
Principal	$3,799,250.00	
Interest	$1,010,325.19	
Unified Government Employee Project Time Investment		Unknown
Total Biosolids CMIP Investments to Date		**$ 9,692,752.82**

With the $9.7 million in project investment to date since the early planning that started in 2012, UG should strongly consider a Project Restart to explore:

- Expanded review of potential equipment and technology solutions
- Explore other State & Federal Grant Sources to reduce the impact to the Kansas City sewer system ratepayers
- Refine projection estimates on impact to KCK customers - Consider if KCK Sewer System Rate payors can financially afford the projected debt financing costs, if no other Grant Funds or Revenues are identified to offset the added P&I costs
- Explore the creation of a separate utility fund for accountability of by-product sales

Considerations

The Unified Government should consider several actions and financial improvements moving forward

- **Project Restart.** Issue an open formal Request for Information from the industry on alternative biosolid solutions with input from industry experts (excluding current contractor providers)

  <u>Phase 1 – RFI/Q – 60 to 120 Days</u>
  - ➢ Prepare RFI – 10 Days
  - ➢ Proposal Response – 30 Days
  - ➢ Review Proposals – 10 Days
  - ➢ Submit recommendations to County Administrator/Commission – 10 Days
    - o *Change Scope of Improvement Plan to Issue RFQ for revised project scope and approach – **If this is the selected option then issue NEW RFQ following the above same time period – 60 days***
    - o *Continue with Current Design Build Scope Plan - Following the Unified Government performance assessment of the current design-builder, the option to extend the contract is available*

- Review current engineering, planning, and design-build construction contract vendors to ensure no conflict of interest

- Revisit the use of Owner Rep for Project Management versus the use of a knowledgeable Public Works Engineering Project Manager

- Update Sanitary Sewer Rates analysis to provide impact to Commission the Capital and Operating to reflect both the CMIP Projection Costs, including Cost of Issuance and future re-occurring cost impacts

- Seek other Federal & State Grant Opportunities

Considerations

The Unified Government should consider several actions and financial improvements moving forward

Improve Financial Management CMIP Accounting, Budgeting and Reporting Practices

- Deploy a project timekeeping system to monitor internal staff hours spent on major CMIP projects and special initiatives
- Separate asset values for major system facilities on financial statements
- Hold on issuance of any additional temporary note financings until detailed cash-flow forecast can be provided
- Modify Contract Clearance Review process to have the County Administrator (and General Counsel) approve any:
  - ➢ On Call Agreement Statement of Work
  - ➢ Contract Amendments
  - ➢ Annual Fee increases
- Public Works should perform monthly reconciliation of project related expenses, including comparing invoice amounts against approved/amended contract/SOW rate schedules
- Avoid practices of splitting invoices between available purchase orders
- CMIP project budgets should include a cost component for debt financing cost of issuances
- Explore the use of a separate financial "fund" structure to account for any revenues generated from Gas and/or Bio-product gas (do not comingle sale revenue within the Sewer System operations (pending outcome of Restart RFP process))

Appendix

Industry Inflationary Index

Source: Construction Analytics

U.S. Total Construction Spending Summary								
$ in billions	Actual 2021		Initial 2022		Year-to-date 2023	Forecast 2023		Forecast 2024	
% growth vs prior yr					as of	as of	DEC'22		
Total Construction	**1626**	**8.5%**	**1793**	**10.2%**		**1875**	**4.6%**	**2007**	**7.1%**
Residential	**803**	**24.6%**	**908**	**13.1%**		**873**	**-3.9%**	**932**	**6.8%**
Nonresidential Buildings	**466**	**-6.0%**	**520**	**11.6%**		**602**	**15.8%**	**631**	**4.9%**
Nonbuilding Infrastructure	**358**	**-0.6%**	**365**	**2.0%**		**400**	**9.6%**	**444**	**11.0%**
Educational	98.4	-11.1%	99.0	0.6%		107.8	8.9%	115.9	7.5%
Healthcare	48.5	-0.3%	52.6	8.5%		59.9	13.9%	68.4	14.2%
Amusement / Recreation	25.3	-10.7%	27.0	6.8%		30.6	13.3%	32.1	5.0%
Commercial / Retail	94.6	5.4%	114.8	21.4%		134.0	16.7%	131.0	-2.2%
Lodging	18.2	-36.0%	18.6	1.8%		23.8	28.0%	25.9	8.9%
Office	86.6	-6.7%	87.2	0.6%		94.2	8.0%	100.9	7.1%
Manufacturing	78.9	4.6%	106.4	34.8%		136.4	28.2%	141.3	3.7%
Religious = Public Safety	15.1	-28.7%	14.2	-6.0%		15.3	7.8%	15.7	2.7%
Power	120.8	2.3%	110.0	-9.0%		115.1	4.7%	130.4	13.3%
Highway / Bridge / Street	100.7	-1.6%	109.7	9.0%		122.9	12.0%	143.4	16.7%
Transportation / Air / Rail	56.7	-6.7%	56.8	0.2%		65.3	15.0%	65.5	0.4%
Sewer / Water / Conservation	55.1	0.1%	64.2	16.5%		71.6	11.5%	78.8	10.0%
Communication	24.7	3.4%	24.3	-1.4%		25.2	3.5%	25.8	2.5%
Forecast includes U.S.Census DEC 2022 year-to-date spending issued 2-1-23									
Actual Spending data includes revisions 2020-2021 issued 7-1-22									
Forecast includes Dodge Outlook 2023, Starts through DEC 2022								edzarenski.com	

Staff Request for Commission Action

Tracking No. 212229

Full Commission Meeting Date:
Committee: Public Works & Safety

Date of Standing Committee Action: 2/13/23 (If none, please explain):

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
01/20/2023	James Bain	x5077	jbain@wycokck.org	Legal

Item Description:

Project Name: 7424 Grinder Pump Replacement- Sanitary Sewer Extension Project

A resolution declaring that this project is necessary and valid improvement project, submitted by James Bain, Assistant Counsel. The project includes the following improvements: sanitary sewer extension for fourplex unit located at 7424 Tauromee Avenue. This Resolution directs the Chief Counsel to cause a survey and description of such parcels to be undertaken and prepared by a licensed land surveyor or a professional engineer to identify and describe the property to be acquired for this project, and to submit an Ordinance authorizing the exercise of eminent domain and to undertake all other necessary actions to complete the acquisition of such parcels.

Action Requested:
To adopt the resolution.

Budget Impact: (if applicable)
Amount:
Source:
Included In Budget:
Other (explain):

Attachments List:
1 Resolution.7424 Grinder Pump Replacement

(Published ____________________)

RESOLUTION NO.________________________

A RESOLUTION declaring the necessity and authorizing a survey and descriptions of lands necessary to be condemned for the construction, maintenance, operation, use and repair of the **7424 Grinder Pump Replacement-Sanitary Sewer Extension Project,** all in Wyandotte County, Kansas.

BE IT RESOLVED BY THE COMMISSIONERS OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

SECTION 1. It is hereby found and determined necessary that certain lands be condemned for public use providing for land necessary for construction, maintenance, operation, use and repair of the **7424 Grinder Pump Replacement-Sanitary Sewer Extension Project.** The project is a sanitary sewer extension for a fourplex unit, located at 7424 Tauromee Avenue. This project is all in Wyandotte County, Kansas.

SECTION 2. The Board of Commissioners hereby directs and authorizes its Chief Counsel to cause a survey and description of such parcels to be undertaken and filed with the Clerk of Wyandotte County/Kansas City, Kansas; to thereafter prepare and submit to the Board of Commissioners an ordinance authorizing the exercise of eminent domain with respect to such parcels; and upon approval of the same by the Board of Commissioners to initiate eminent domain proceedings in the District Court of Wyandotte County, and to undertake all other necessary actions to complete acquisition of such parcels.

SECTION 3. This resolution shall be published once in the official County, newspaper, The Wyandotte Echo.

ADOPTED BY THE COMMISSIONERS OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

THIS _______ DAY OF _____________________, 2023.

____
UNIFIED GOVERNMMENT CLERK

APPROVED AS TO FORM:

____
James Bain
Assistant Counsel

Staff Request for Commission Action

Tracking No. 212258

Full Commission Meeting Date:
Committee: Public Works & Safety

Date of Standing Committee Action: (If none, please explain):

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
02/08/2023	Jeff Fisher, Daniel Kuhn	x5415, x5189	jfisher@wycokck.org, dkuhn@wycokck.org	Legal

Item Description:

A resolution declaring that the County Initiative for Funding Infrastructure is necessary for street preservation and permanent maintenance activities. This Resolution allocates the $500,000 in funds approved in the 2023 budget between Kansas City, Bonner Springs and Edwardsville.

The resolution allocates the $500,000 budgeted for street preservation and permanent maintenance activities in the following manner:

Kansas City, Kansas shall receive $250,000.00.
Bonner Springs, Kansas shall receive $150,000.00.
Edwardsville, Kansas shall receive $100,000.00.

Action Requested:

To adopt the resolution.

Budget Impact: (if applicable)

Amount:
Source:
Included In Budget:
Other (explain):

Attachments List:

Resolution for County Initiative for Funding Infrastructure - CIFI

RESOLUTION NO. R-_______________

A RESOLUTION APPROVING THE COUNTY INITIATIVE FOR FUNDING INFRASTRUCTURE

WHEREAS, the Unified Government (hereafter referred to as "UG") is a political subdivision organized and existing under the laws of the State of Kansas, with its principal office located at 701 North 7th Street, Kansas City, Kansas 66101 (Grantor); and

WHEREAS, the Unified Government Board of Commissioners approved a 2023 budget that included a $500,000 allocation to the County Initiative for Funding Infrastructure (CIFI); and

WHEREAS, the CIFI is intended fund necessary infrastructure projects.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/ KANSAS CITY, KANSAS:

Section 1. That the Unified Government Board of Commissioners hereby allocates the $500,000 budget in the following manner:

Kansas City, Kansas shall receive $250,000.00.
Bonner Springs, Kansas shall receive $150,000.00.
Edwardsville, Kansas shall receive $100,000.00.

Section 2. Funds received from the CIFI shall be used for street preservation and permanent maintenance activities.

Section 3. That the County Administrator and all other employees and agents of the Unified Government are authorized to take all actions and to approve all instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

Section 4. This Resolution will take effect and be in full force from and after its passage by the Board of Commissioners.

ADOPTED BY THE BOARD OF COMMISSIONERS OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, THIS 16th DAY OF FEBRUARY 2023.

Attest:

____

Unified Government Clerk