

Minutes of the Independence City Commission's August 10, 2020 Special Meeting

The Independence City Commission met for a special meeting on August 10, 2020 at 9:00 A.M. at the Memorial Hall. Mayor Leonhard Caflisch, Commissioner Louis Ysusi and Commissioner Dean Hayse were present. Others present included:

City Staff

Kelly Passauer, Assistant City Manager/Zoning Administrator
David Schwenker, City Clerk/City Treasurer
David Cowan, Director of Safety/ADA Coordinator
Mike Passauer, Public Works Director
April Nutt, Director of Housing Authority
Brian McHugh, Memorial Hall Supervisor
Lacey Lies, Director of Finance

Visitors

Larry McHugh
Tony Royse

I. SPECIAL SESSION

A. Call to Order

Mayor Caflisch called the meeting to order.

II. ITEMS FOR CITY COMMISSION ACTION

A. Consider ballot language for renewing special use sales tax.

On July 23, 2020 the City Commission approved the draft ballot language with modifications suggested by the bond attorney. City staff has completed some additional analysis and are recommending some additional modifications as follows:

DRAFT November 3, 2020 Language:

Shall the City of Independence, Kansas, be authorized, pursuant to the authority of K.S.A. 12-187 et seq., to impose a special purpose one percent (1%) Citywide retailers' sales tax, the revenues to be derived therefrom to be used for the purpose of financing the costs of the following and related expenditures:

- a) 0. __ % for **continued** mill levy support;
- b) **0. __ %** for debt repayment **of financings** including repayment of ~~general obligation bonds of the City~~ issued or to be issued to pay the costs of previous or future improvements **including but not limited to streets, sidewalks, buildings, facilities, equipment, and required ADA;**
- c) 0. __ % for equipment, building and facility improvements, including but not limited to Riverside Park and Ralph Mitchell Zoo; Riverside Beach Family Aquatic Center; neighborhood parks; ballfields, and other

Minutes of the Independence City Commission's August 10, 2020 Special Meeting

- recreational facilities; Public Safety including Police and Fire/EMS; City Hall; Library; Public Works; **required related ADA improvements**; and City government technology and communications infrastructure;
- d) 0.__% *for street and sidewalk improvements*, including but not limited to multimodal routes to schools, healthcare, recreation, and business; drainage and stormwater management; alley improvements; required **related** ADA improvements; public parking; traffic control; and
 - e) 0.__% *for economic development initiatives*, including but not limited to incentives for business retention and recruitment; Memorial Hall improvements; initiatives for new recreational facilities; Senior Citizens Center; wayfinding signage; housing initiatives; airport improvements; healthcare facility expansions; industrial park improvements; beautification initiatives, and expanded community broadband access;

the collection of the special sales tax to commence on the expiration date of an existing 1% special Citywide retailers' sales tax approved at an election held on April 3, 2012, in the City for the purpose of financing all or a portion of the costs associated with debt repayment and mill levy support; building and facility improvements, including Riverside Park and Ralph Mitchell Zoo; improvements to streets and sidewalks; and improvements required for compliance with the requirements of the Americans with Disabilities Act of 1990 (which is expected to be October 1, 2022); with the special sales tax to expire ten (10) years after its commencement?

The bond attorney has reviewed the proposed modifications and did not raise any issues.

Regarding the percentages, the Finance Director has provided information regarding the current bonds the City is obligated for, and potential future bond issuances. It is recommended to have separate percentages for continued mill levy support and debt repayment rather than combine the two categories. Historically 25% has been transferred to the general fund, and debt repayment has been deducted from other categories, such as ADA or streets and sidewalks. By adding a separate category for debt repayment, it will more accurately reflect those projects that are bonded or other debt payments such as lease purchases, whereas the majority of funds in the other project categories will reflect expenditures that are paid for without bonding.

It should be noted that last year the City received \$287,698.41 from franchise fees that was deposited into the Economic Development/Transportation Fund. This amount may fluctuate each year based on economic factors. A review of past expenditures indicates that many street related projects, including the annual resurfacing program, have been traditionally funded from this account. The Commission will need to determine if they wish to continue funding transportation related projects from that fund. If not, then the percentages included in the ballot language for street and sidewalk projects and economic development should be adjusted accordingly.

Minutes of the Independence City Commission's August 10, 2020 Special Meeting

We have also provided calculations of forecasted revenue for various percentage points based on receipts of \$1.9 million per year of sales tax.

The Commission asked staff for more information and will take action on this item at the next commission meeting.

Motion:

On the motion of Mayor Caflisch, seconded by Commissioner Hayse the Commission moved to recess for a five-minute break. The open meeting will resume at 10:35 A.M.

Aye: Ysusi, Caflisch, Hayse

Nay: None

The meeting resumed at 10:35 A.M.

III. REPORT

A. July 2020 Sales Tax Report.

Acting City Manager Passauer and City Clerk Schwenker presented the report.

B. Treasurer's Report ending June 30, 2020.

City Clerk Schwenker presented the report.

IV. ADJOURNMENT

Motion:

Mayor Caflisch moved to adjourn. Commissioner Ysusi seconded.

Aye: Ysusi, Caflisch, Hayse

Nay: None

Minutes of the Independence City Commission's August 10, 2020 Special Meeting

Leonhard Caflisch, Mayor

Louis Ysusi, Commissioner

Dean Hayse, Commissioner

Attest:

City Clerk/Treasurer