

CITY COUNCIL PROCEEDINGS

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MINUTES OF THE MEETING OF THE CITY COUNCIL

Wichita, Kansas, July 1, 2008
Tuesday, 9: A.M.

The City Council met in regular session with Mayor Brewer in the Chair. Council Members Fearey, Gray, Longwell, Schlapp; Skelton, and Williams present.

Ed Flentje, Interim City Manager; Gary Rebenstorf, Director of Law; Karen Sublett, City Clerk; present.

The pledge of allegiance was participated in by the Council Members, Staff and guests.

Lakshmi Kambampati – Hindu/Sanskrit faith gave the invocation.

The Minutes of the regular meeting of June 24, 2008, approved 7 to 0.

AWARDS AND PROCLAMATIONS

--Certificates

Certificate of Appointment-Mayor's Youth Council.

Mayor Brewer recognized each student associated with the Mayor's Youth Council and presented each of them with a certificate.

--Presentation

Brian Black, Spirit AeroSystems, Inc presented the Mayor's Youth Council with a check for \$10,000.00.

--Presentation

Brian Black, Spirit AeroSystems, Inc presented the Atwater Bulldog's Camp with a check for \$10,000.00.

PUBLIC AGENDA

Stephen Albers-Construction work being done on Gypsum Creek by Booth School.

Stephen Albers

Mr. Albers resides at 5719 East Skinner, stated he has been without an early warning siren for several months and that the planning department destroyed 18 mature black walnut trees in this area. Stated the original bridge, which was very ornate was replaced by a bare steel bridge which is now rusted. Stated there are weeds growing around the approaches to the bridge. Stated the national landmark marker on the south side of the old bridge was thrown away when they tore it down for the new bridge. Stated he would like to have the dirt removed and the street fixed.

Council Member Skelton

Council Member Skelton stated there have been some inconveniences down there and asked Mr. Albers to be patient because in the long run he thinks they are going to have a greatly improved area. Stated they are going to replant that area with a lot of trees and it will be a better area for everybody. Stated he would like the stormwater department to meet with Mr. Albers and address his concerns and do what is necessary to take care of any deficiencies that currently exist on the project and show him the revised completion schedule.

Debbie J. Pendarvis-839 West 55th Street South.

Debbie Pendarvis

Ms. Pendarvis resides at 321 Cherry, Latham, Kansas, stated her parents died several years ago and has the deed to the house and is asking the Council to allow her to save her parents house. Stated she has proof that she has been doing work on the house and is asking for another extension so that she can get it completed so they will tear it down.

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- Council Member Gray Council Member Gray stated this was already condemned and voted on and it was suppose to be done 30 days ago. Stated two of her sisters called him and begged and pleaded for a 30 day extension. Stated he advised them to pay off the unpaid taxes, which they promised him they would do. Stated he went above the Council and asked Staff to put off condemning that property, which normally never happens. Stated during that period of time the sisters never did anything. Stated we have been waiting five years and nothing has happened, the taxes have not been paid, and he is getting the run around from three different sisters.
- Debbie Pendarvis Ms. Pendarvis stated she has pictures showing she has put new siding on two sides of the house and paid some on the unpaid taxes last week after she got the property put in her name.
- (Council Member Fearey momentarily absent)
- Kurt Schroeder Office of Central Inspection stated he has been out to the property recently and she has paid some of the taxes. Stated they were given 60 days in April to come up with a plan and pay the taxes, which they did not do and the Council extended that a couple of weeks ago. Stated she has pictures that show siding work that has been done on two sides of the house.
- Council Member Gray Council Member Gray asked OCI to visit with Ms. Pendarvis and find out what her plan is, that it is something she can achieve and that have milestones in it that have to be reached.

UNFINISHED COUNCIL BUSINESS

BROADVIEW HOTEL LETTER OF INTENT FOR BROADVIEW HOTEL INCENTIVES. (DISTRICT VI)

Allen Bell Urban Development Director reviewed the item.

Agenda Item No. 3.

On June 3, 2008, the City Council received a request from PAZ Management Inc. for financial assistance for the purchase of the Broadview Hotel in downtown Wichita. The item has been deferred for further consideration, first to June 17, 2008 and then to July 1, 2008. The original request for assistance included industrial revenue bonds (IRBs) in the amount not-to-exceed \$30 million, property tax abatement, a City general obligation (G.O.) bond-funded loan in the amount of \$4.5 million, sale of the City-owned Broadview parking garage, a \$120,000 façade improvement loan and agreement to accelerate riverbank improvements near the Broadview Hotel under the River Corridor Project.

Concerns regarding certain elements of the original request, expressed by City Staff and Council Members, have led PAZ to submit a new request for assistance.

The Letter of Intent, addressed to PAZ as managing member of Partner Hospitality LLC (PH), contains the elements outlined below, including the issuance of IRBs to finance the acquisition and rehab of the Hotel, the sale of the Parking Garage to PH Garage Properties LLC, property tax abatement on the Hotel and Parking Garage, a City forgivable loan and other incentives. Significant changes from the original request include the replacement of the \$4.5 million G.O. bond with \$1.6 million in cash incentives, specifically: 1) an \$800,000 forgivable loan for renovation costs; and 2) an \$806,000 grant to retire the outstanding special assessment bonds on the parking garage. In addition, the revised proposal calls for the City to sell the parking garage for \$100.

Industrial Revenue Bonds

The City would issue two series of taxable IRBs in an aggregate principal amount not-to-exceed \$30 million to finance the acquisition and rehab of the Hotel and parking garage. The actual amount to be issued will be determined by a detailed property improvement plan prepared for the Broadview Hotel by a hotel chain whose brand affiliation would be attached to the hotel, as approved by the City. The

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Series "A" IRBs will be purchased by the developer's senior lender and will be superior in lien to all other bonds, with respect to the payment obligation and claim to collateral. The Series "B" IRBs will be purchased by the developers and other equity investors in the hotel and garage. Structuring the equity investment as a subordinated IRB facilitates maximum benefit from property tax abatement.

City Forgivable Loan

The City would make a forgivable loan in the amount of \$800,000 to the developers to offset the cost of rehabilitating the Broadview Parking Garage, landscaping and other improvements to the hotel property. The forgivable loan would convert to a grant over a ten-year period, based on the continuing operation of the hotel, completion of rehabilitation of the hotel and parking garage, maintenance of a City-approved flag for the hotel, and the availability of the parking garage for public parking. Funding for the forgivable loan would come from funds appropriated in the Economic Development Fund for cash incentives.

Sale of Parking Garage

The City would sell the Broadview Parking Garage to the developers for \$100. The purchaser will be responsible for rehabilitation and on-going maintenance of the parking garage, to standards stipulated in the real state purchase agreement. The real estate contract will also stipulate that the garage will continue to serve as a public parking garage and be available for event parking for Century II. The City would agree to retire or defease outstanding special assessment bonds that were issued in 1999 to acquire the parking garage from the Broadview Hotel. Approximately \$800,000 in special assessment bonds remains outstanding. A source of funding the defeasance of the bonds is the payment of delinquent special assessments which will be paid to the City by the bankruptcy court from the proceeds of the sale of the hotel to PAZ. The retirement of outstanding bonds will relieve the hotel of its obligation to make future special assessment payments. Thus, the retirement of the bonds represents an \$800,000 grant to PAZ.

Property Tax Abatement

Using IRB authority, the City would grant a 100% 5+5-year property tax abatement for the hotel and parking garage, to the maximum extent allowed by law. State law may not allow an exemption on the portion of the property not financed by IRBs.

Façade Improvement Loan

The City would allow the Broadview Hotel to participate in its Façade Improvement Program. The preliminary property improvement budget identifies approximately \$120,000 in façade costs that would be eligible for this program. Improvements would be financed with City special assessment bonds, to be paid over a 15 or 20-year period.

Riverbank Improvements

The City would agree to accelerate the priority for completing programmed improvements to the Arkansas River riverbank adjacent to the Broadview Hotel between Douglas and First Street. The City would direct its riverbank design consultants to collaborate with the developer's consultants to ensure the improvements coordinate with and compliment the Hotel renovations.

Historic Preservation Tax Credits

The City would assist the developer to obtain, at their sole discretion, historic place designation and help with the process of obtaining tax credits.

Conditions Precedent

As a condition for obtaining the City incentives, except for the issuance of IRBs, the developer must obtain a binding written commitment for a hotel franchise from a hotel chain acceptable to the City. In addition, standard IRB letter of intent conditions will apply.

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Cost-Benefit Analysis

The required cost-benefit study will be performed, and the tax abatements formally approved, at the time the IRBs are issued.

PAZ Management agrees to pay all costs of issuing the bonds and agrees to pay the City's \$2,500 annual IRB administrative fee for the term of the bonds. The actual amount of the proposed property tax abatement cannot be estimated until the amount of the renovation costs is known. The current taxes on the Broadview Hotel are approximately \$166,000.

The \$800,000 forgivable loan will be paid from monies appropriated in the Economic Development Fund for such purpose. The \$806,000 needed to defease the outstanding special assessment bonds on the parking garage will come from delinquent special assessment funds which will be deposited in the Debt Service Fund from the sale of the Broadview Hotel out of bankruptcy.

The Parking garage will be sold to the Broadview Hotel for \$100, and the hotel will assume all financial liability for the garage. The garage property is currently appraised by Sedgwick County for \$2,463,220. The City purchased the garage in 1998 for \$1,600,000 and assessed the cost against the Broadview Hotel. The Hotel made special assessment payments on the garage in the aggregate amount of approximately \$750,000 until 2004 when the current bankruptcy was declared.

Economic Vitality and Affordable Living and Core Area and Neighborhoods. The vitality of the downtown area and the viability of the Century II Convention Center is directly impacted by maintaining first-class hotels in the Core Area.

Bond documents would be prepared by the City's contract bond counsel, Kutak Rock LLP and reviewed and approved as to form by the Department of Law. Final approvals will be required for the issuance of bonds, a forgivable loan agreement, property tax abatements, parking garage purchase agreement, defeasance of outstanding special assessment bonds, façade improvements and riverbank improvements.

Mayor Brewer

Mayor Brewer inquired whether anyone wished to be heard and no one appeared.

Jacob Reckes

Mr. Reckes stated he is here as a representative of Partner Hospitality, LLC, which is a subsidiary of PAZ Management. Stated they have a contract to purchase the hotel for \$6 million dollars out of bankruptcy. Stated with their purchase, local businesses will be infused with an estimated additional \$1 million dollars that is owed to them and would not be otherwise been repaid. Stated over the last nine months they have reached out to the city manager's office and City Council members and asked the City of Wichita to partner with them on this project. Stated they have agreed to open themselves to various options, whether it is the GO bond or the grant forgivable loan option and the proposal in front of the Council is now a significant lower amount in the form of a forgivable loan and a grant. Stated they agree the parking garage situation is not ideal and come to the Council with open arms saying that they are willing to discuss something that is rational and fair for both sides. Stated their preference would be that the City maintain, renovate, and be responsible for all profits and losses of the garage. Stated but since the City is not open to that proposal, they would be open to operating and running the garage and the only thing they ask is that if they are going to be responsible for that, they are allowed to use it for their collateral. Stated regarding the long-term lease option and payback option, if that is the only deal breaker he would be happy to bring it to his lender to see what he says. Stated they have not come to a final agreement that is recommended by City Staff because they were requested to guarantee that they will have a flag within a certain time period and as a principle, they do not like to guarantee things that might be out of their control. Stated their intention and objective is to have a flag and from a financial perspective it makes more sense to have a flag, to a price. Stated the reason they do not want to sign a guarantee for that is that right now they are dealing with some tough economic times. Stated they have tried to put together a package that they believe in and believe with the right infusion of capital into the property it can survive and offer their services.

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- Vice-Mayor Schlapp Vice-Mayor Schlapp stated the garage is an issue of concern for her and the other is the \$800,000.00, which asked would be a deal breaker for Mr. Reckes.
- Jacob Reckes Mr. Reckes stated it is a numbers game and without that \$800,000.00 it is tight. Stated it would be a deal breaker.
- Greg Ferris Mr. Ferris resides at 144 Southbay Country Court, stated he is representing Pacific Diversified Investments, which is a company who has a backup offer to the bankruptcy court for the hotel. Stated it is a cash offer, no debt and is considerably lower than the \$6 million offered. Stated there is a value on that hotel and the value is what the rooms will generate in income to be able to pay reasonable rate of return on your investment. Stated right now there is a \$3 million dollar debt on that hotel and the hotel has not been able to make the payments of a \$3 million dollar debt and now we are going to have a \$6 million dollar debt plus whatever improvements and will have a hotel that is going to make those. Stated the Broadview Hotel has not been successful because people have over-paid for the hotel and what this group is asking the Council to do is to allow them to overpay for it and the City subsidize that overpayment. Stated the \$1.6 million dollar gift they are asking from the City to subsidize the purchase of that hotel is unnecessary because this hotel is not going into foreclosure and if it goes into foreclosure the bank has to immediately write a check for \$1.8 million dollars to Sedgwick County. Stated it is the law and they cannot take it into foreclosure until they pay the taxes and the bank has no intention of doing that when they could sell the hotel to someone else. Stated it is not the responsibility of the tax payers to bail out a bad loan.
- Christopher O'Brien Mr. O'Brien stated he is the bankruptcy counsel for the Broadview Hospitality Holdings, LLC, and they have not received any offers from anyone other than PAZ Management. Stated there has been some interest but no firm offers other than PAZ Management. Stated this offer has been approved by the bank and the creditors.
- Rick Brock Mr. Brock stated he is a real estate broker and he drew that contract with this particular buyer. Stated that contract was submitted through another attorney that this buyer has also has under contract and that attorney is Mike Morris and does not know why it did not get to Mr. O'Brien. Stated Mr. Morris has made an attempt to contact both the attorney for the bank as well as Mr. O'Brien and assumed he had conversation with him about that contract, which does exist and has been submitted.
- Carl Schwartz Carl Schwartz stated he is with the Morris Lang Law Firm and represents Sunflower Bank. Stated this property is in foreclosure and has been for quite some time. Stated under the order of Judge Nugent and the bankruptcy court, he is holding journal entry of judgment in the foreclosure that they would be entitled to seek the bankruptcy court's approval to file that in state court action. Stated their hope is to see the property sold and they have supported the sell to PAZ that would pay the taxes and his client's mortgage in full. Stated he does not think it is fair to say the property will not go into foreclosure and they want to see a sell occur. Stated he has not seen any offers other than the one that is on the table and has had discussions with Mike Morris who is representing Pacific and the only number he every heard from him that is on the table was a number was a number far below the amount necessary to retire the taxes and the debt against it. Stated if there is another offer out there, he would be happy to review it but have not seen any other offer at this point.
- (Council Member Skelton momentarily absent)
- (Vice-Mayor Schlapp momentarily absent)
- Council Member Gray Council Member Gray stated he does not feel comfortable supporting this and the extra means that are above and beyond what we would typically do for a hotel because he does not think it is necessary to save this hotel.

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Council Member Longwell Council Member Longwell stated he is not sure he can support this today either but hopes that they do not go away if this deal fails today. Stated he thinks there is an opportunity to still compete for this through the bankruptcy proceedings. Stated the problem he has is the offer of \$6 million dollars to the bank knowing that you are asking the City to put up \$1.6 million of that. Stated he does not think the tax payers are willing to put up \$1.6 million. Stated the problem with operating this hotel at a profit is the debt load and when you are willing to pay \$6 million dollars and then put in all of the renovations, he thinks that puts us in a precarious situation that we do not want to be in especially when we are spending \$1.6 million dollars of tax payers money along with a ten year tax abatement and a \$2 million dollar renovation project on the river bank, and then you throw in the parking garage, he just cannot support it.

Mayor Brewer Mayor Brewer stated the Council recognizes the need for having this hotel here for tourism and we need those rooms to be able to do that. Stated he is struggling with the \$800,000.00 forgivable loan based on the track record and what was actually needed. Stated he has concerns of other additional problems that might be out there. Stated he believes it is important that we keep this hotel operating and the managers and operators of the hotel are currently doing an outstanding job as we go through this process. Stated he is struggling to support this today and asked Staff to continue communications with the bank so that we can make sure this hotel stays open because he know it has a huge impact on our conventions and tourism.

Motion-- Brewer moved that the City Council deny the letter of intent and continue negotiations with the bank and with individuals that are interested in purchasing the hotel. Motion carried 6 to 1, (Nay-Fearey).
--carried

WARREN THEATRE OLD TOWN WARREN THEATRE LLC-TERM LOAN.

Council Member Skelton Council Member Skelton stated he has had legal advice from our attorney that what is in order for him to do at this time is to declare a conflict of interest.

(Council Member Skelton excused himself from the bench)

AllenBell Urban Development Director reviewed the item.

Agenda Item No. 4.

In 1999, the City Council took various actions to approve the Old Town Cinema Redevelopment Project, in the area now known as Old Town Square, between Second and Third Streets and Santa Fe and Rock Island Avenues. Pursuant to this redevelopment project, the City invested over \$9.4 million in land acquisition and construction of a 500-car parking structure, street improvements and a central plaza that includes a water feature and public art. The anchor commercial development in this project is the Old Town Warren Theatre, a five-screen multiplex movie theater that also includes a sports bar and features Warren's unique concept of in-theater dining in every auditorium.

On June 17, 2008, the City Council approved the concept of a \$6 million dollar loan to Old Town Warren Theatre LLC interest free for the first five years to be paid back in ten years with personal guarantees from the borrowers, subject to formal approval of the required documents.

The \$6 million loan from the City will be structured to include an interest rate of 1.25% per annum, with a term of ten years and principal payments based on 20-year amortization (resulting in a balloon payment at the end of ten years). The proposed terms of the loan include forgiveness of interest payments during the first five years of the loan term. The City will take a first mortgage on the theater land, building and furnishings, fixtures and equipment to secure the loan. The borrowers will be the members of the ownership group for the Old Town Warren Theatre: American Luxury Cinemas, Inc. (William J. Warren, Mark B. Hutton, and Andrew W. Hutton), Old Town Movies, LLC (David E. Wells), LNS Investments of Kansas, Inc. (Steven R. Barrett), and DCB, Inc. (David C. Burk). Each individual owner will provide the City with a personal guarantee, jointly and severally securing the entire loan.

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The Loan Agreement is structured to allocate a portion of the loan amount to each of the Borrower entities listed above in order to conform to federal tax regulations. The Loan Agreement provides for loan funds to be advanced at closing and disbursed for refinancing of the currently outstanding bank loan and for authorized improvements to the theater. Construction of improvements must be completed within 18 months of commencement. City consent will be required for any significant changes to the theater operations or to the ownership entity.

In addition to the Loan Agreement, other loan documents include a Mortgage and Security Agreement securing a senior lien on the Old Town Warren Theatre and all of its contents as collateral for the loan, a Promissory Note, and separate Guaranty Agreements for each of the Guarantors listed above.

The loan would be funded with a short-term general obligation temporary note which will be retired with cash in Debt Service Fund. Annual loan payments would be credited to the Debt Service Fund in order to minimize any negative impact the loan might have on the City's ability to initiate all projects in the Capital Improvement Program.

The loan proceeds will be advanced at closing to an interest bearing account in the name of Old Town Warren Theatre LLC. All interest earned on the account will be paid to the City after all loan proceeds have been disbursed.

Core Area and Neighborhood Revitalization – Old Town is a key component of the Core Area and the continuing presence of the Old Town Warren Theatre LLC is important to the success of Old Town.

Case law has established the legality of City's using general obligation bonds and notes to fund economic development loans and grants. The Department of Law has drafted documents for this transaction. Final versions of documents will be provided prior to the City Council meeting.

Mayor Brewer

Mayor Brewer inquired whether anyone wished to be heard.

Candace Hare

Ms. Hare stated this is not an issue of saving the old historic Warren Theatre and this is Wichita's latest example of a well played game of corporate ransom. Stated Warren Theatre is well on their way to global theatre domination and as a taxpayer she would like to see any documents that insinuate that they are going to be a viable investment before issuing a loan in the name of the City. Stated it is the job of a corporation to make money and one that is not doing so is failing outright in that responsibility. And according to Warren Theatre LLC only one theatre is performing dismally. Stated today people have to tighten their belts and limited spending is one of the first things that will go and the most expensive means of pleasure are the first things that go in an economy like this. Stated we did not need to be increasing the debt load of a losing business and this means that the Warren Theatre needs to ride the tide of the economy with the rest of us.

John Todd

Mr. Todd resides at 1559 Payne, stated he appears as a citizen in opposition to the Old Town Theatre loan proposal and that our City is not a bank and the proposed loan being discussed today is an inappropriate role for City government. Stated there is a high level of outrage from the public regarding this proposal and urged the Council to vote no on this today.

(Council Member Gray momentarily absent)

Bob Weeks

Mr. Weeks resides at 2451 Regency Lakes Court stated the Council made an unwise decision several years ago when it established the TIF district for this theatre and the only obligation the City has is to pay to retire the bonds that were issued and should have no bearing on the decision that is made today.

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Mayor Brewer

Mayor Brewer read aloud his public statement:

I want to applaud the public interest that has followed the Warren Theatre's owners request for a \$6 million loan to fund improvements to their theater in Old Town Square. Public feedback is essential to our democracy and to this council's decision-making process. But at the end of the day - after the citizen have spoken and after City staff has done its due diligence - the members of this City Council are the seven people who elected and entrusted to make such decisions. We understand the magnitude of our responsibility as public servants who oversee the taxpayer treasury.

A primary responsibility of this City Council City is economic development - the fiscal duty of using public resources to support local businesses, create jobs and improve the quality of life of Wichitans. To meet those goals, this City government and municipal governments across the country employ various economic development tools. Economic development is proven public policy.

The \$6 million Warren Theatre loan embraces that tradition of proven public policy. It is targeted economic development: it enhances our community goal of continuing downtown revitalization efforts. The Warren loan represents a sound investment in Wichita's premier entertainment district, the city's top destination spot that has enjoyed national recognition and top planning awards.

The Warren loan reflects the importance of downtown revitalization which is crucial to Wichita's overall economic health. Downtown revitalization brings more businesses and more people to our Core Area, leading to rising property values, growing sales tax receipts and generating other revenue that benefits taxpayers and the overall community. Studies show that cities with vibrant downtowns have a better shot at recruiting new businesses, new jobs and young urban professionals - goals of the regional improvement project known as Visioneering Wichita.

The Warren loan also embraces another proven City government tradition. It is a public-private partnership - one that will protect dollars taxpayers have already invested in Old Town Square.

Having realized the benefits of a revitalized downtown, we must protect investments already committed downtown.

We must protect downtown investments with the same community collaboration and collective focus we recently summoned to protect our investments in aviation manufacturing sector and in our model affordable airfares initiative.

Warren Theater is part of a special tax district, which captures the increasing property taxes from revitalized areas to pay for improvements in those areas. A previous City Council approved this special tax district in 1999, investing \$9.4 million in land acquisition, construction for a 500-car parking garage, street improvements and the popular central plaza located south of the theater.

The previous Council's investment has proven to be a wise one.

The Warren Theater sits in an area that suffered from abandoned warehouses, homelessness and a lack of vision. Today, the area is a top destination for families, working professionals and especially the young people who gravitate there on weekend nights throughout the year.

Warren owners requested the low-interest loan from City government after potential lenders told them their borrowing interest rates would be too high. The owners are seeking the low-interest loan to refinance their existing loan and fund needed improvements. Those improvements would add another theater, add conference room space and install the latest digital theater equipment.

The loan has safeguards that protect taxpayers' investment. Those safeguards include using the theatre as collateral and securing the legal personal guarantees of the theater's reputable partners.

This council is poised to express its steadfast support for the Warren Theatre. The Warren has become a fixture in the general Old Town Area and it is the anchor tenant in Old Town Square, offering entertaining movie options, a familiar marquee and a homegrown brand name in luxury theaters that cities across the nation are seeking.

But in approving the requested loan, this City Council is not only showing its steadfast support for the Warren Theater.

It's showing its steadfast support as well for a revitalized Downtown, for public-private partnerships, for the goals of Visioneering Wichita and for a proven tradition of economic development - which has supported our local businesses, created jobs and enhanced quality of life for Wichitans.

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Motion-- Fearey moved to approve first reading of ordinance authorizing the \$6,000,000 Old Town Warren Theatre Loan and the execution of the Loan Agreement, the Mortgage and Security Agreement, Promissory Note and Guaranty Agreements, and authorize the necessary signatures. Motion carried 6 to 0, (Skelton absent).

--carried

ORDINANCE

An Ordinance of the City of Wichita, Kansas authorizing the issuance of its general obligation bonds to pay certain costs incurred in connection with the Old Town Warren Theatre, L.L.C. project; and authorizing and providing for the issuance of temporary improvement notes of the city from time to time as funds are needed for such purpose. Introduced and under the rules laid over.

NEW COUNCIL BUSINESS

MASONIC HOME

PUBLIC HEARING AND REQUEST FOR LETTER OF INTENT FOR HEALTH CARE FACILITIES IMPROVEMENT REVENUE BONDS, KANSAS MASONIC HOME. (DISTRICT IV)

Allen Bell Urban Development Director reviewed the item.

Agenda Item No. 5.

In 1993, City Council approved the issuance of \$8,700,000 in Industrial Revenue Refunding and Improvement Bonds for the Kansas Masonic Home to refinance 1987 bonds and finance the expansion of and improvements to the Wichita facility at Maple and Seneca. In 1997, City Council approved the issuance of \$6,000,000 in Health Care Facilities Improvement Revenue Bonds to finance expansion of and improvements to the facility.

The Kansas Masonic Home is a not-for-profit corporation supported by approximately 34,000 members of the Order of the Eastern Star of Kansas. The services of the Kansas Masonic Home are provided in a geographic area mainly comprised of Sedgwick, Butler, Harvey, Cowley, Reno, Kingman and Sumner Counties in Kansas. The Kansas Masonic Home is a nursing care provider and retirement facility which operates three main programs: (1) licensed extended care and skilled nursing care center; (2) a home health care program serving the elderly in the Wichita metro area; and (3) an independent living facility.

The Kansas Masonic Home is requesting a letter of intent to issue Health Care Facility Refunding Revenue Bonds in an amount not to exceed \$10,000,000 for the purpose of refinancing the outstanding principal of the 1993 and 1997 bonds.

The 2008 Bonds will be used to refinance outstanding Industrial Revenue Refunding and Improvement Bonds issued in 1993 to finance improvements to the Wichita facility and to refinance prior outstanding bonds. 2008 bond proceeds will also be used to refinance outstanding Health Care Improvement Industrial Revenue Bonds issued in 1997 to finance improvements to the Facilities and to finance the cost of issuance of the Series 2008 Bonds.

Sources of Funds:

Bond Proceeds Series 2008	\$10,000,000
Bond Reserve Account Series 1993 & 1997	\$ 590,000
<u>Principal and Interest Account Series 1993 & 1997</u>	<u>\$ 355,000</u>
Total	\$10,945,000

Uses of Funds:

Called Bonds Series 1993 & 1997	\$10,045,000
Bond Reserve Account Series 2008	\$ 590,000
Interest Due on Called Series	\$ 38,000
<u>Cost of Issuance</u>	<u>\$ 272,000</u>

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Total \$10,945,000

The Kansas Masonic Home agrees to pay all costs of issuing the bonds and agrees to pay the City's \$2,500 annual IRB administrative fee for the term of the bonds. The Kansas Masonic Home is not requesting a property tax exemption with this item.

The issuance of refunding bonds will reduce the debt service requirements and will improve cash flow for the Kansas Masonic Home. A cost-benefit analysis is not required for refunding bond issues.

Economic Vitality and Affordable Living. The Economic Vitality of the community is being enhanced with the continuum of healthcare in Wichita.

Bond documents have been prepared by bond counsel. The City's Attorney's Office has reviewed and approved the bond documents as to form. The public hearing held in conjunction with this item satisfies the public approval requirements of the federal tax code and federal regulations related to tax-exempt 501 (c) 3 bonds. Kutak Rock, LLC will serve as bond counsel in the transaction.

Mayor Brewer Mayor Brewer inquired whether anyone wished to be heard and no one appeared.

Motion-- Gray moved that the public hearing be closed and a Letter of Intent for Health Care Facilities Refunding Revenue Bonds to the Kansas Masonic Home in an amount not-to-exceed \$10,000,000, subject to the Standard Letter of Intent Conditions be approved. Motion carried 7 to 0.
--carried

MCCORMICK PUBLIC HEARING AND ISSUANCE OF TAX-EXEMPT INDUSTRIAL REVENUE BONDS, MCCORMICK-ARMSTRONG CO, INC. (DISTRICT I)

Allen Bell Urban Development Director reviewed the item.

Agenda Item No. 6.

On December 3, 1996, City Council approved issuance of Industrial Revenue Bonds totaling \$2.46 million to McCormick-Armstrong, Co. Inc. ("McCormick-Armstrong") to finance the acquisition of a printing press and computer hardware and software. City Council approved issuance of \$2.3 million in bonds on July 27, 1999 to finance the purchase, rehabilitation and installation of manufacturing equipment. City Council approved a Letter of Intent on October 16, 2007 to issue tax-exempt IRBs for McCormick-Armstrong in an amount not-to-exceed \$6,000,000 for continued expansion of manufacturing operations.

McCormick-Armstrong is now requesting issuance of tax-exempt IRBs in the amount of \$6,000,000 to purchase equipment for their web facility.

McCormick-Armstrong, founded in 1901, is among the largest commercial print product manufacturers in Kansas. McCormick-Armstrong provides complete digital prepress workflow, high-quality web and sheet fed commercial and contract printing, digital printing, fulfillment services, mailing and complex distribution for production of advertising, catalogs, short-run publications, calendars, etc. The company is privately owned by E. W. Armstrong and family.

Bond-financed equipment includes five web offset heat set printing presses that allow the company to produce printed material on either flat sheets or in multiple folded configurations. Equipment will be installed in the web department at 1315 S. Ellis.

Bonds will be purchased by People's Capital and Leasing Corporation. McCormick Armstrong agrees to comply with the City's conditions outlined in the Letter of Intent.

McCormick-Armstrong agrees to pay all costs related to issuance of the bonds and agrees to pay the annual administrative fee of \$2,500 to the City for the term of the bonds. There is no property tax exemption requested with this issuance.

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The cost/benefit analysis based on the fiscal and economic impact model of the Wichita State University's Center for Economic Development and Business Research reflects cost/benefit ratios as follows:

City of Wichita	11.78 to one
Sedgwick County	8.31 to one
USD 259	N/A
State of Kansas	16.46 to one

Economic Vitality and Affordable Living. Providing low-cost financing encourages the business to create new job opportunities and stimulate economic growth for the City of Wichita and Sedgwick County.

Kutak Rock, LLP, the City's bond counsel, generally serves as bond counsel in City IRB financings; however, to avoid potential conflict of interest, Triplett, Woolf & Garretson, LLC was selected to serve as bond counsel in the IRB transaction. Bond documents required for issuance of bonds have been prepared by bond counsel. The City's Law Department will review and approve all final bond documents as to form prior to issuance of the bonds.

The public hearing held in conjunction with this item satisfies the public approval requirements of the federal tax code and federal regulations related to tax-exempt private activity bonds.

Mayor Brewer

Mayor Brewer inquired whether anyone wished to be heard and no one appeared.

Motion--

Williams moved that the public hearing be closed; Bond Ordinance authorizing execution and delivery of documents for issuance of tax-exempt Industrial Revenue Bonds in the amount of \$6,000,000 placed on First Reading; and the necessary signatures authorized. Motion carried 7 to 0.

--carried

ORDINANCE

An Ordinance authorizing the City of Wichita, Kansas to issue its Industrial Revenue Bonds, Series III, 2008 (McCormick-Armstrong, Co., Incorporated), in the aggregate principal amount of \$6,000,000 for the purposes of (1) purchasing and installing certain machinery and equipment in an existing manufacturing facility located in the City of Wichita; prescribing the form and authorizing the execution of a trust indenture by and between the city and security bank of Kansas City, in the City of Kansas City, Kansas, as trustee; authorizing the city to lease the project to McCormick-Armstrong, Co., Incorporated; prescribing the form and authorizing execution of a lease between the City and McCormick-Armstrong, Co., Incorporated; prescribing the form and authorizing the execution of an easement and agreement by and between McCormick-Armstrong, Co., Incorporated and the City; approving the form of a guaranty agreement between McCormick-Armstrong, Co., Incorporated and the Security Bank of Kansas City, as trustee; authorizing execution of a tax regulatory agreement between the City, Security Bank of Kansas City and McCormick-Armstrong, Co., Incorporated and authorizing the execution of a bond placement agreement by and between the City, McCormick-Armstrong, Co., Incorporated and people's capital and leasing corp., as purchaser of the 2008 bonds. Introduced and under the rules laid over.

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CENTER CITY S.

RESOLUTION CONSIDERING THE EXPANSION OF THE CENTER CITY SOUTH REDEVELOPMENT DISTRICT, TAX INCREMENT FINANCING. (DISTRICTS I AND VI)

Allen Bell

Director of Urban Development reviewed the item.

Agenda Item No. 7.

In 2004, the voters of Sedgwick County approved the construction of a new, 15,000-seat, County-owned sports and entertainment facility in Downtown Wichita (the "Downtown Arena"). The Downtown Arena is currently under construction and is expected to open in January 2010. One of the major motivations for building the facility in the downtown area, as expressed in the election campaign, the media and legislative testimony, is to provide a catalyst for downtown redevelopment.

While Sedgwick County is responsible for developing the Downtown Arena, the City of Wichita is responsible for overseeing, guiding and fostering the economic redevelopment that is expected to accompany the Downtown Arena. To that end, the City has undertaken a major planning project, called the Arena Neighborhood Redevelopment Plan. The Plan Area is bounded by the railroad tracks on the east, Kellogg/U.S. 400 on the south, Main Street on the west and the properties located on the north side of Douglas Avenue on the north. The Arena Neighborhood Redevelopment Plan identifies and recommends appropriate and likely types of redevelopment projects and where in the Plan Area they would be best suited, and recommends various public infrastructure improvements that will be needed to accommodate the redevelopment projects. Several private redevelopment projects are already being planned for the area.

To provide tax increment financing ("TIF") as a source of public funding for the infrastructure improvements and to assist future redevelopment projects, if needed, the City proposes the expansion of the Center City South Redevelopment District, which was established May 8, 2007.

The area proposed for the redevelopment district is shown on Exhibit 'A' to the attached resolution. The area has boundaries similar to the Arena Neighborhood Redevelopment Plan Area, bounded on the east by the Central Rail Corridor, on the south by Kellogg/U.S. 400, on the west by Main Street, and on the north by property parcels located on the north side of Douglas Avenue plus the property located within the area bounded by Broadway Avenue on the east, 1st Street North on the north and Main Street on the west. This is an area that qualifies as a "conservation area" as well as an area of slum and blight under the state TIF statutes. State law allows cities to establish redevelopment districts in qualified areas and then later identify one or more specific redevelopment projects within the district for purposes of providing tax increment financing to pay eligible project costs.

Tax increment financing allows the increased tax revenue that result from the redevelopment of property in an area to be reinvested in the project area. Once a TIF district is established and a redevelopment project plan is adopted by City Council, the increment of increased tax revenue is set aside by the County Treasurer, to be used by the City to repay bonds issued to finance certain improvements that are specified in redevelopment project plans. After the bonds are finally retired, the property tax increment is distributed to the City, County and School District. Multiple projects may be undertaken within a redevelopment district. Each project must be completed and all bonds retired within 20 years of the adoption of each project plan.

The expansion of a redevelopment district follows the same procedure for public notice and hearing as required for the establishment of the district. The first step is the adoption of a resolution which states that the City Council is considering the expansion of the district and sets the date for a public hearing on the matter. The public hearing must be held not less than 30 days or more than 70 days from the date the resolution is passed. The earliest date a public hearing could be held for the proposed district is August 5, 2008. After closing the public hearing, the City Council may adopt an ordinance expanding the redevelopment district. After that, and from time-to-time, the City Council may adopt detailed project plans and approve of development agreements for implementation of specific redevelopment projects within the district.

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The initiating resolution directs the City Clerk to publish the resolution in the City's official newspaper and to mail copies, by certified mail, to the owners and occupants of all property located within the district and to the Board of County Commissioners and Board of Education. The resolution also includes a map of the proposed district and a proposed district plan identifying potential redevelopment project areas and a general description of buildings and facilities to be constructed or improved.

The cost of mailing the Resolution to all owners and occupants of property located within the proposed district will be charged to Economic Development Fund.

Economic Vitality and Affordable Living and Quality of Life. Redevelopment of blighted areas, and declining areas, are needed to avoid economic stagnation. Business prospects and workers seeking to relocate are attracted to a new city that takes care of its older sections.

During a 30-day period following the public hearing, the Sedgwick County Board of County Commissioners and the USD 259 Board of Education will have the right to veto the expansion of the redevelopment district.

- Mayor Brewer Mayor Brewer inquired whether anyone wished to be heard and no one appeared.
- Motion-- Fearey moved that the resolution providing notice of consideration for the proposed expansion of the Center City South redevelopment district and setting a public hearing for August 5, 2008 be adopted.
- Council Member Gray Council Member Gray stated he does not approve of this and thinks it is too far reaching and does not see any benefit of setting a public hearing of something he does not plan on supporting.
- carried Motion carried 6 to 1, (Nay-Gray).

RESOLUTION NO. 08-340

A Resolution stating the City of Wichita is considering an expansion of the boundaries for the center City South Redevelopment District under authority of K.S.A. 12-1770 et seq, presented. Fearey moved that the Resolution be adopted. Motion carried 6 to 1. Yeas: Fearey, Skelton, Longwell, Schlapp, Williams and Brewer, (Nay- Gray).

HOME DEPOT

AGREEMENT FOR SURRENDER AND CANCELLATION OF BONDS, BROADWAY PLAZA HOME DEPOT. (DISTRICT IV)

- Allen Bell Urban Development reviewed the item.
- Agenda Item No. 8.
- On January 8, 2008, City Council approved issuance of special obligation TIF bonds for the Broadway and 47th Redevelopment Project. The anchor business in the project is a 135,000 sf Home Depot store. Bonds were issued in the amount of \$2,425,000 for the project, underwritten by Piper Jaffray & Co. and publicly reoffered to institutional investors.
- Home Depot has informed the City that plans to construct this store have been cancelled. Home Depot is requesting from the City an Agreement for Surrender and Cancellation of the Bonds.
- Home Depot has advised the City and Security Bank of Kansas City (the Trustee) that the Home Depot will not be constructed in the Redevelopment District. Home Depot's corporate leadership has made the decision to limit plans to construct new stores throughout the United States. Since bonds have already been issued, Home Depot has agreed to purchase, surrender and cancel the bonds.
- Home Depot plans to purchase 100% of the Bonds from the current bond holders, at a price equal to 100% of the principal amount of the bonds plus accrued interest to the date of purchase. Home Depot intends to then surrender all bonds to the Trustee for cancellation. The bonds are special obligation TIF bonds, payable solely from incremental property tax revenue generated within the Redevelopment

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District; therefore surrender and cancellation of the bonds will compensate bondholders and remove any guarantees by and between Home Depot and the City.

Piper Jaffray & Company is coordinating the transaction with Home Depot and Security Bank of Kansas City. There will be no financial impact to the City by surrender and cancellation of the bonds; Home Depot has made guarantees to fully reimburse the bondholders and pay related costs.

Economic Vitality and Affordable Living and Quality of Life. Cooperation with entities involved in redevelopment districts allows the City to grow and protect the districts.

Kutak Rock serves as Bond Counsel in the transaction. The City Attorney's Office has reviewed and approved all documents as to form. As a result of the timeline for surrender of the bonds, a declaration of emergency is required for adoption of the ordinance.

Mayor Brewer

Mayor Brewer inquired whether anyone wished to be heard and no one appeared.

Motion--
--carried

Gray moved that the Agreement to Surrender and Cancellation of Bonds be approved; the declaration of emergency be approved; and the Ordinance waiving Second Reading adopted. Motion carried 7 to 0.

ORDINANCE NO. 47-922

An Ordinance authorizing the execution and delivery of an agreement for the surrender and cancellation of \$2,425,000 special obligation tax increment revenue bonds, Series 2008A (Broadway Plaza Project), of the City of Wichita, Kansas. Gray moved that the Ordinance be placed on its passage and adopted on the date of its introduction, all in accordance with K.S.A. 12-3001.

BIKE PATHS

BIKEPATHS-LITTLE ARKANSAS RIVER, 13TH STREET TO BITTING; 21ST STREET, WEST OF MAIZE; AND I-135 TO K-96, MCADAMS. (DISTRICTS I, V, AND VI)

Jim Armour

City Engineer reviewed the item.

Agenda Item No. 10.

The 2007-2016 Capital Improvement Program includes yearly funding to match Federal Transportation TE funds for bike path construction. The City of Wichita requested TE funds for the future construction of six projects. The request was not approved and the next TE program funding cycle will likely not be any sooner than 2011/2012. There is \$250,000 in GO funding allocated in Year 2008 as a specific match for the I-135 to K-96 (McAdams) trail segment. In Years 2009 through 2016, \$400,000 has been allocated in each year as a generic local match for future TE bike path projects.

The City's strategy in the past has been to rely on TE funding to cover the majority (approximately 60-70%) of the total cost of new bike path construction. Future potential TE funding for these new trail projects will not be available to the City for the next several years.

As TE funding is currently not available for any of the projects, and since there is \$250,000 in GO funding allocated for a local match for the McAdams Project, it is proposed that the GO funds be reallocated as follows: \$100,000 for the design of the I-135 to K-96 (McAdams) trail segment with the expectation that a completed design will increase the opportunity to obtain federal funding in the future; \$50,000 to complete construction of a missing link of the bike path on 21st St. west of Maize; and \$100,000 for the design and construction of a portion of the bike path along the Little Arkansas River between 13th and Bitting. As the River has been lowered for the Minisa Bridge reconstruction, now is an opportune time to complete a critical section of the bike path under the bridge. The remaining projects and their various phases will be programmed in the CIP with available funds to be consistent with the available TE funding as approved by KDOT.

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This project addresses the Efficient Infrastructure and Quality of Life goals by constructing bike paths.

The Law Department has approved the Resolutions as to legal form.

Motion-- Brewer inquired whether anyone wished to be heard and no one appeared.

Motion-- Brewer moved that the revised project budgets be approved; the Resolutions adopted; and the necessary
--carried signatures authorized. Motion carried 7 to 0.

RESOLUTION NO. 08-349

A Resolution authorizing the issuance of Bonds by the City of Wichita at large to construct a bike path along the Little Arkansas River between 13th and Bitting (472-84738), presented. Brewer moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Fearey, Gray, Skelton, Longwell, Schlapp, Williams and Brewer.

RESOLUTION NO. 08-350

A Resolution authorizing the issuance of Bonds by the City of Wichita at large to construct a bike path along 21st Street, between Maize Road and ½ mile west of Maize Road (472-84739), presented. Brewer moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Fearey, Gray, Skelton, Longwell, Schlapp, Williams and Brewer.

RESOLUTION NO, 08-351

A Resolution authorizing the issuance of Bonds by the City of Wichita at large to construct a bike path along the I-135 Freeway, between McAdams Park and Grove Park (472-84740), presented. Brewer moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Fearey, Gray, Skelton, Longwell, Schlapp, Williams and Brewer.

AQUIFER STORAGE AQUIFER STORAGE AND RECOVERY PHASE II - TREATMENT PLANT 30-PERCENT DESIGN PROFESSIONAL SERVICES AGREEMENT.

David Warren Director of Water and Sewer reviewed the item.

Agenda Item No. 11.

In 1993, the Wichita Water Utility presented, and the City Council approved, plans to protect and replenish the water supply through a 50-year planning horizon. The Integrated Local Water Supply Plan called for capturing and treating water from the Little Arkansas River near Halstead and pumping it into the Equus Beds Aquifer. Treated surface water will replenish the aquifer to provide for future demands and prevent the saltwater intrusion that currently threatens the quality of the supply.

Phase I of the Aquifer Storage and Recovery project (ASR) was constructed to serve as a prototype to determine the feasibility and impacts of the project. After three years of successful operation, Water Utilities is seeing positive results and is moving forward with Phase II, which will include major additions to the infrastructure and the treatment capacity.

Phase II of the ASR will be completed as five separate projects. One of the projects is the design and construction of the treatment plant. Water Utilities sent a request for qualifications for the design of the treatment plant and received qualification documents from four firms. All firms were interviewed, the interviews and scoring sheets were submitted to the City's internal auditor for review, and all documents were approved. Camp Dresser & McKee, Inc. was chosen as the most qualified.

All preliminary design work in this phase of the project will be completed up to the 30-percent design point. At that time, decisions will be made regarding the extension of the design services through completion and project delivery methodology, including design/build under Charter Ordinance 111.

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The not-to-exceed cost to complete the 30-percent plant design is \$2.312 million. A cost breakdown is attached as part of the contract. Expenses will be paid from Water Supply Projects, CIP W-549. There will be additional design costs incurred with the project. These costs will be determined after the 30-percent design work is complete, and decisions are made regarding the completion of the project design and construction work.

If Staff determines that it is advisable to complete the project as a traditional design-bid-build project, a Supplemental Agreement will be made with Camp, Dresser & McKee, Inc. to provide design service for the completion of this work. If an alternative delivery method such as design/build is chosen for the completion of design and construction, Staff will present the proposal to City Council for consideration and approval.

The project will ensure efficient infrastructure by assuring adequate water supplies now and in the future, and is a critical component of the City's infrastructure.

The Professional Services Agreement has been reviewed and approved by Law.

Mayor Brewer

Mayor Brewer inquired whether anyone wished to be heard and no one appeared.

Motion--
--carried

Brewer moved that the Agreement be approved and the necessary signatures authorized. Motion carried 7 to 0.

AQUIFER STORAGE AND RECOVERY PHASE II – TREATMENT PLANT, 30-PERCENT DESIGN PROFESSIONAL SERVICES AGREEMENT FOR THE POWER HIGHLINES.

David Warren

Director of Water and Sewer reviewed the item.

Agenda Item No. 12.

On July 10, 2007, City Council approved and instructed Staff to proceed with the projects necessary for Phase II of the Equus Beds Aquifer Storage and Recovery (ASR) Project.

The Purchasing Manager issued Requests for Proposals for engineering services for five projects associated with Phase II of the ASR Project, including design of approximately 20 miles of overhead power highlines. The RFP specified that the initial engineering services Agreement would be for a 30-percent design. When the 30-percent design is complete, the City will determine if the project should proceed as a conventional design-bid-build project, or go to an alternate delivery method, such as design/build.

Responses were required to be submitted by February 29, 2008, and were received from two firms, CH2MHill and Camp Dresser & McKee. The Staff Screening and Selection Committee heard presentations from the two firms on March 28, 2008. Based on the information in the proposals and the presentations, the Committee recommended that CH2MHill complete the 30-percent design on the power highlines.

The estimated cost to do the engineering services for the 30-percent design of the overhead power highlines is \$240,785. Funding for these services is available in the CIP in W-549, which has adequate funding available.

The project will help ensure efficient infrastructure by assisting in the development of water supplies.

The Law Department has reviewed and approved the Professional Services Agreement as to form.

Mayor Brewer

Mayor Brewer inquired whether anyone wished to be heard and no one appeared.

Motion--
--carried

Brewer moved that the Agreement with CH2MHill be approved and the necessary signatures authorized. Motion carried 7 to 0.

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AQUIFER STORAGE AQUIFER STORAGE AND RECOVERY PHASE II - RECHARGE WELLS, 30-PERCENT DESIGN PROFESSIONAL SERVICES AGREEMENT OF THE RECHARGE AND RECOVERY WELLS.

David Warren Director of Water and Sewer reviewed the item.

Agenda Item No. 13.

On July 10, 2007, City Council approved and instructed Staff to proceed with the projects required for Phase II of the Equus Beds Aquifer Storage and Recovery (ASR) Project.

The Purchasing Manager issued Requests for Proposals for engineering services for five projects associated with Phase II of the ASR Project, including design of twenty-six (26) recharge and recovery wells. The RFP specified that the initial engineering services Agreement would be for a 30-percent design. When the 30-percent design is complete, the City will determine if the project should proceed as a conventional design-bid-build project, or go to an alternate delivery method, such as design/build.

Responses to the RFP were required to be submitted by February 29, 2008, and were received from two firms, CH2MHill and Camp Dresser & McKee (CDM). The Staff Screening and Selection Committee heard presentations from both firms on March 28, 2008. Based on information in the proposals and the presentations, the Committee recommended that CDM complete the 30-percent design for the recharge and recovery wells. Upon further review, Staff determined that the PSA be awarded to Burns & McDonnell, CDM's main subcontracting engineering firm.

The estimated cost for engineering services for the 30-percent design is \$954,240. Of this amount, \$238,000 is for Hydrogeologic Design Services that Burns & McDonnell will subcontract. It is anticipated that should the City proceed with a design-bid-build project delivery alternative, Burns & McDonnell will provide the completion of the design and bidding services upon approval of a Supplemental Agreement by the City Council. Funding is available in CIP W-549, Water Supply Plan, which has adequate funding available.

The project will help ensure efficient infrastructure by providing for the development of future water supplies.

The Law Department has reviewed and approved the Professional Services Agreement as to form.

Mayor Brewer Mayor Brewer inquired whether anyone wished to be heard and no one appeared.

Motion-- Brewer moved that the Agreement for engineering service with Burns & McDonnell be approved and
--carried the necessary signatures authorized. Motion carried 7 to 0.

AQUIFER STORAGE AQUIFER STORAGE AND RECOVERY PHASE II – PROCESS CONTROL AND SUPERVISORY CONTROL AND DATA ACQUISITION, 30-PERCENT DESIGN PROFESSIONAL SERVICES AGREEMENT.

David Warren Director of Water and Sewer reviewed the item

Agenda Item No. 14.

On July 10, 2007, City Council approved and instructed Staff to proceed with the projects necessary for Phase II of the Equus Beds Aquifer Storage and Recovery (ASR) Project.

The Purchasing Manager issued Requests for Proposals for engineering services for five projects associated with Phase II of the ASR Project, including design of the process controls and SCADA system that will be used on all the construction projects. The RFP specified that the initial engineering

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services Agreement would be for a 30-percent design. When the 30-percent design is complete, the City will determine if the project should proceed as a conventional design-bid-build project, or go to an alternate delivery method, such as design/build.

Responses were required to be submitted by February 29, 2008, and were received from three firms: Black & Veatch, CH2MHill and Camp Dresser & McKee. The Staff Screening and Selection Committee heard presentations from the three firms on March 28, 2008. Based on the information in the proposals and the presentations, the Committee recommended that CH2MHill complete the 30-percent design of the process control and SCADA system. The PSA includes peer review services from CH2MHill for other ASR projects.

The estimated cost to do the engineering services for the 30-percent design is \$424,450. Of that amount, \$296,390 is for engineering services for the process controls and SCADA systems, and \$128,060 is for anticipated peer review services. It is anticipated that should the City proceed with a design-bid-build project delivery alternative, that CH2MHill will provide the completion of the design and bidding services upon approval of a Supplemental Agreement by City Council. Funding for these services is available in CIP W-549, Water Supply Plan, which has adequate funding available for these services.

The project will help ensure efficient infrastructure by providing for the development of future water supplies.

The Law Department has reviewed and approved the Professional Services Agreement as to form.

Mayor Brewer

Mayor Brewer inquired whether anyone wished to be heard and no one appeared.

Motion--
--carried

Brewer moved that the Agreement with CH2MHill be approved and the necessary signatures authorized. Motion carried 7 to 0.

AQUIFER STORAGE

AQUIFER STORAGE AND RECOVERY PHASE II – PIPELINE AND INTAKE 30-PERCENT DESIGN PROFESSIONAL SERVICES AGREEMENT.

David Warren

Director of Water and Sewer reviewed the item.

Agenda Item No. 15.

In 1993, the Wichita Water Utility presented, and the City Council approved, plans to protect and replenish the water supply through a 50-year planning horizon. The Integrated Local Water Supply Plan called for capturing and treating water from the Little Arkansas River near Halstead and pumping it into the Equus Beds Aquifer. Treated surface water will replenish the aquifer to provide for future demands and prevent the saltwater intrusion that currently threatens the quality of the supply.

Phase I of the Aquifer Storage and Recovery project (ASR) was constructed to serve as a prototype to determine the feasibility and impacts of the project. After three years of successful operation, Water Utilities is seeing positive results and is moving forward with Phase II, which will include major additions to the infrastructure and the treatment capacity.

Phase II of the ASR will be completed as five separate projects. One of the projects is the design and construction of the pipeline network and the water intake structure. Water Utilities sent a request for qualifications for the design of the treatment plant and received qualification documents from four firms. All firms were interviewed, the interviews and scoring sheets were submitted to the City's internal auditor for review, and all documents were approved. Staff selected CDM as submitting the best proposal.

All preliminary design work in this phase of the project will be completed up to the 30-percent design. The not-to-exceed cost to complete 30-percent design is \$1,829,800. A cost breakdown is attached as part of the contract. After 30-percent completion, decisions regarding the extension of the design services through completion and project delivery methodology, including design/build under Charter Ordinance 111, will be made. Expenses associated with this PSA will be paid from Water

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Supply Projects, CIP W-549.

Additional design costs will be incurred with the project, and will be determined after the 30-percent design work is complete and decisions have been made regarding the completion of the project design and construction work. If Staff determines that it is advisable to complete the project as a traditional design-bid-build project, a Supplemental Agreement will be made with CDM to provide design service for the completion of this work. If an alternative delivery method such as design/build is chosen, Staff will present the proposal to City Council for consideration and approval.

The project will ensure efficient infrastructure by assuring adequate water supplies now and in the future, and is a critical component of the City's infrastructure.

The Professional Services Agreement has been reviewed and approved as to form by Law.

Motion-- Mayor Brewer inquired whether anyone wished to be heard and no one appeared.

Motion-- Brewer moved that the Agreement be approved and the necessary signatures authorized. Motion
--carried carried 7 to 0.

PETITION

PETITION TO CONSTRUCT A WATER DISTRIBUTION SYSTEM TO SERVE DAVE WATERS ADDITION, HALE ADDITION AND UNPLATTED TRACTS, EAST OF HYDRAULIC, AT 68TH STREET SOUTH. (DISTRICT III)

Jim Armour City Engineer reviewed the item.

Agenda Item No. 16.

The signatures on the Petition represent 4 of 6 (66.7%) resident owners and 84.8% of the improvement district area. District III Advisory Board sponsored a June 4, 2008, neighborhood hearing on the project. The Board voted 8-0 to recommend approval of the project.

The project will construct a water distribution system for a mixed use area.

The estimated project cost is \$230,000 with \$135,000 assessed to the improvement district and \$95,000 paid by the Water Utility. The method of assessment is the square foot basis. The estimated assessment to individual properties is \$00.25 per square foot of ownership. The Water Utility share is to eliminate a dead end water main.

This project addresses the Efficient Infrastructure goal by extending a water distribution system to a mixed use area.

State Statutes provide that a Petition is valid if signed by a majority of resident property owners or owners of the majority of property in the improvement district.

Mayor Brewer Mayor Brewer inquired whether anyone wished to be heard and no one appeared.

Motion-- Skelton moved that the Petition be approved; the Resolution adopted; and the necessary signatures
--carried authorized. Motion carried 7 to 0.

RESOLUTION NO. 08-341

Resolution of findings of advisability and Resolution authorizing construction of authorizing construction of Water Distribution System Number 448-90397 (east of Hydraulic, south of 63rd St. South), in the City of Wichita, Kansas, pursuant to findings of advisability made by the governing body of the City of Wichita, Kansas, presented. Skelton moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Fearey, Gray, Skelton, Longwell, Schlapp, Williams and Brewer.

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PETITION

PETITION TO CONSTRUCT A WATER DISTRIBUTION SYSTEM TO SERVE PART OF MCCARTY SECOND ADDITION TRACTS, SOUTH OF 31ST ST. SOUTH, WEST OF KANSAS TURNPIKE. (DISTRICT III)

Jim Armour

City Engineer reviewed the item.

Agenda Item No. 17.

The signatures on the Petition represent 1 of 2 (50%) resident owners and 79.6% of the improvement district area. District III Advisory Board sponsored a June 4, 2008, neighborhood hearing on the project. The Board voted 8-0 to recommend approval of the project.

The project will construct a water distribution system for an industrial area.

The estimated project cost is \$105,000 with the total assessed to the improvement district. The method of assessment is the fractional basis. The estimated assessment to individual properties is \$21,000 per lot.

This project addresses the Efficient Infrastructure goal by extending a water distribution system to an industrial area.

State Statutes provide that a Petition is valid if signed by a majority of resident property owners or owners of the majority of property in the improvement district.

Mayor Brewer

Mayor Brewer inquired whether anyone wished to be heard and no one appeared.

Motion--
--carried

Skelton moved that the Petition be approved; the Resolution adopted; and the necessary signatures authorized. Motion carried 7 to 0.

RESOLUTION NO. 08-342

Resolution of findings of advisability and Resolution authorizing construction of authorizing construction of Water Distribution System Number 449-90396 (south of 31st St. South, west of the Kansas Turnpike), in the City of Wichita, Kansas, pursuant to findings of advisability made by the governing body of the City of Wichita, Kansas, presented. Skelton moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Fearey, Gray, Skelton, Longwell, Schlapp, Williams and Brewer.

SETTLEMENT

CONSENT SETTLEMENT.

Gary Rebenstorf

Director of Law reviewed the item.

Agenda Item No. 18.

The City self-reported a violation to the District Attorney on May 19, 2008. The District Attorney reviewed the relevant facts and circumstances that in the May 19, 2008 special meeting the City Council recessed into an executive session without making a motion to do so. During the executive session, a candidate for the position of City Manager was interviewed by the Council, which is a proper subject for an executive session. No other business was conducted during the executive session. The Interim City Manager was advised by the City legal staff regarding the proper procedure to use for the executive session to interview a City Manager candidate. The Interim City Manager prepared for and intended to lead the Council through the proper procedure for transitioning from an open meeting to an executive session, but did not provide the procedure to the Council.

After such review, it was determined that a consent settlement of this matter was appropriate. Under these circumstances, although the acts constitute a technical violation, they were not intentional or a subterfuge to defeat the purposes of the Kansas Open Meetings Act. After some discussion, a tentative agreement has been reached between the District Attorney and the City to resolve the matter. Given the

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facts and circumstances, no fine is imposed, but the City is to pay the court costs of \$149.00.

Funding for the court costs comes from the Tort Claims Fund.

The Law Department recommends approval of the settlement.

Ed Flentje Interim City Manager stated he takes full responsibility for this procedural glitch and offered his apologies for it. Stated he deposited \$149.00 from his personal account into the City treasury to cover the court costs associated with this.

Mayor Brewer Mayor Brewer inquired whether anyone wished to be heard and no one appeared.

Motion-- Brewer moved that settlement and payment of court costs as a full settlement is authorized. Motion
--carried carried 7 to 0.

AGREEMENT

AMENDMENT TO INTERGOVERNMENTAL COOPERATION AGREEMENT.

Gary Rebenstorf Director of Law reviewed the item.

Agenda Item No. 19.

On December 18, 2007, The City of Wichita and Wichita State University entered into an Intergovernmental Cooperation Agreement. The City of Wichita was desirous of receiving the knowledge, experience, and expertise of H. Edward Flentje by his serving in the capacity of Interim City Manager of the City of Wichita. Wichita State University was willing to temporarily loan the knowledge, experience, and expertise of H. Edward Flentje to the City of Wichita. The term of the service by Mr. Flentje was set to expire on July 1, 2008.

The Amendment to the Intergovernmental Cooperation Agreement provides for extension of the term of service by Mr. Flentje to July 11, 2008.

The contract terms and financial obligations are extended to July 11, 2008

The amendment to the Intergovernmental Cooperation Agreement was prepared and approved as to form by the City Attorney.

Mayor Brewer Mayor Brewer inquired whether anyone wished to be heard and no one appeared.

Motion-- Brewer moved to approve the Amendment to the Intergovernmental Cooperation Agreement for Dr.
--carried Flentje to stay here for the next 11 days solely for the purpose of reporting the budget until the new city manager arrives. Motion carried 7 to 0.

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PLANNING AGENDA

Council Member Williams Council Member Williams requested that item 24 be pulled for discussion.

Motion-- Brewer moved that Planning Consent items 21 through 26 be approved in accordance with the
--carried recommended action shown thereon excluding item 24. Motion carried 7 to 0.

(Item 20)

DER2008-00004

DER2008-00004 – PROPOSED AMENDMENT TO THE UNIFIED ZONING CODE (“UZC”) REGARDING VEHICLE STORAGE YARDS AS A CONDITIONAL USE IN THE “RR” RURAL RESIDENTIAL ZONE DISTRICTS.

John Schlegel Planning Director reviewed the item.

Agenda Item No. 20.

MAPC Recommendation: Approve, 9-0

MAPD Staff Recommendation: Approve

Board of County Commissioners: Approve, 5-0

The applicants, who operate a party and entertainment bussing service in Wichita and Sedgwick County, appeared before the planning staff at a developmental review meeting held in mid 2007. During that meeting, they explained their situation: the parking of five large passenger buses on their RR Rural Residential (“RR”) zoned property, which is a violation of the Unified Zoning Code (UZC). Planning staff suggested some options, including buying/leasing another site that is zoned for that particular use, a potential variance case or a possible rezone to a more intense zoning. Staff conveyed to them that they would have to address the hardship requirement of a variance and demonstrate that the current illegal use was not self-imposed if they were to have a successful variance request. Also, even though the rezone option could be a solution, staff stated that it would be difficult to support such a request given the site’s location, existing development and zoning patterns and location guidelines for GC General Commercial (“GC”) zoning. (GC zoning is the first zoning district that permits “Vehicle Storage Yard.”)

On November 9, 2007, an application for a zone change from RR to GC was submitted by the applicants. Since the application area is located in the Haysville Zoning Area of Influence, the case was heard by the Haysville Planning Commission on December 13, 2007. At that meeting, they voted to deny the request as presented.

The case was then heard by the Metropolitan Area Planning Commission (MAPC) on December 20, 2007. After some discussion with staff and the applicants, the MAPC voted 13-1 to approve the rezone to GC subject to a Protective Overlay that limited GC uses on the site to Vehicle Storage Yard. The case was then heard by the Sedgwick County Board of County Commissioners (BoCC) on January 23, 2008. The BoCC decided to defer action on the case, and directed the planning staff to draft an amendment to the UZC which would make the proposed use, Vehicle Storage Yard, a Conditional Use option in the RR zone district.

The current language of the UZC does not address Vehicle Storage Yard as a Conditional Use in the RR zone district. The first zone district that allows Vehicle Storage Yards is the GC district, where it is allowed as a permitted use. The proposed amendment would add Vehicle Storage Yard as a Conditional Use in the RR district subject to the recommended Supplemental Use Regulations for Vehicle Storage Yards, which are listed under the attached Delineated Changes to the UZC.

On May 8, 2008, the Metropolitan Area Planning Commission recommended approval for the proposed amendment on a vote of 9-0. There was one citizen from the county that spoke in favor of the proposed amendment and no one spoke in opposition. On June 11, 2008, the Board of County Commissioners voted to approve the amendment, 5-0.

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It is unlikely this amendment will affect property inside the city limits of Wichita since all RR zoned land that is annexed is automatically converted to SF-5 Single-family Residential (“SF-5”) zone district; and the City of Wichita does not have any RR zoned land.

Promote Economic Vitality

The ordinance has been reviewed and approved as to form by the Law Department.

Motion--

Brewer moved to adopt the recommendation of the MAPC to amend the *Wichita-Sedgwick County Unified Zoning Code* to permit Vehicle Storage Yards as a Conditional Use in the RR Rural Residential (“RR”) zone district; approve the ordinance and place the ordinance on first reading.

--carried

Motion carried 7 to 0.

ORDINANCE

An Ordinance providing amendments to Section IIIi-b.2.c(4) and Section II-d.1; and adding Section III-d.6.mm of the Wichita-Sedgwick County Unified Zoning Code (April 19, 2001 edition), as adopted by reference in City of Wichita Code Sec. 28.04.010 by Ordinance No. 44-975, dealing with vehicle storage yards in the RR Rural Residential (“RR”) Zone District. Introduced and under the rules laid over.

ZON2007-14

ZON2007-14 – EXTENSION OF TIME TO COMPLETE THE PLATTING REQUIREMENT FOR A ZONE CHANGE REQUEST FROM “GI” GENERAL INDUSTRIAL, “SF-5” SINGLE-FAMILY RESIDENTIAL AND “LC” LIMITED COMMERCIAL TO “LI” LIMITED INDUSTRIAL; GENERALLY LOCATED NORTH OF 13TH STREET AND WEST OF GREENWICH ROAD. (DISTRICT II)

Agenda Item No. 21.

Staff Recommendation: Approve a two-year extension of the platting deadline to June 19, 2010.

On June 19, 2007, the City Council approved the zone change from “GI” General Industrial, “SF-5” Single-family Residential and “LC” Limited Commercial to “LI” Limited Industrial subject to the condition of platting the property within one year. As the attached letter indicates, the applicant is not ready to develop or begin platting. The applicant requests a two year platting extension to June 19, 2010.

Staff recommends that an extension of time to complete platting requirements be granted. The City Council may deny the request for an extension of time to complete platting; however, denying the extension would declare the zone change null and void and would require reapplication and rehearing if the property owner still desired a zone change.

Promote Economic Vitality and Affordable Living.

Motion--

Brewer moved that no legal documents are required to enact the granting of the platting extension. The granting of a platting extension is indicated via letter to the applicant noting the extended platting deadline as granted by the City Council. Motion carried 7 to 0.

--carried

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SUB2007-09

SUB 2007-09-PLAT OF FANTER'S SECOND ADDITION LOCATED ON THE SOUTH SIDE OF 77TH STREET NORTH AND WEST OF 39TH STREET WEST. (COUNTY)

Agenda Item No. 22.

Staff Recommendation: Approve the plat.

MAPC Recommendation: Approve the plat. (12-0)

This site, consisting of one lot on 2.23 acres, is located within three miles of Wichita's city limits and is zoned RR Rural Residential.

County Code Enforcement has approved the use of on-site sewerage facilities.

The Metropolitan Area Planning Commission has approved the plat, subject to conditions.

Ensure Efficient Infrastructure.

Motion--
--carried

Brewer moved that the plat be approved and the necessary signatures authorized. Motion carried 7 to 0.

SUB2007-86

SUB 2007-86-PLAT OF THE SPEER ADDITION LOCATED ON THE NORTH SIDE OF 45TH STREET NORTH AND EAST OF HILLSIDE. (COUNTY)

Agenda Item No. 23.

Staff Recommendation: Approve the plat.

MAPC Recommendation: Approve the plat. (12-0)

This site, consisting of two lots on 1.65 acres, is a replat of the Ryding Addition and unplatted land. This site is located within three miles of Wichita's city limits. A zone change (ZON 2006-53) from SF-20 Single-Family Residential to RR Rural Residential has been approved for Lot 2. A Conditional Use (CON 2006-54) has also been approved for general animal care.

Water services are available along 45th Street North. A petition, 100 percent, and a Certificate of Petition have been submitted for the future extension of sanitary sewer. County Code Enforcement has approved the use of on-site sewerage facilities. A Restrictive Covenant has been provided tying Lots 1 and 2 together.

The Metropolitan Area Planning Commission has approved the plat, subject to conditions.

Ensure Efficient Infrastructure.

The Certificate of Petition and Restrictive Covenant will be recorded with the Register of Deeds.

Motion--
--carried

Brewer moved that the plat be approved and the necessary signatures authorized. Motion carried 7 to 0.

RESOLUTION NO. 08-343

Resolution of findings of advisability and Resolution authorizing construction of authorizing construction of Lateral 9, Main 12, Sanitary Sewer No. 23 (north of 45th St. North, east of Hillside) 468-84515, in the City of Wichita, Kansas, pursuant to findings of advisability made by the governing body of the City of Wichita, Kansas, presented. Brewer moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Fearey, Gray, Skelton, Longwell, Schlapp, Williams and Brewer.

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(ITEM 24)
VAC2008-00012

VAC2008-00012 - REQUEST TO VACATE A PORTION OF PLATTED COMPLETE ACCESS CONTROL; GENERALLY LOCATED ON THE NORTHEAST CORNER OF 21ST STREET AND OLIVER AVENUE. (DISTRICT I)

Agenda Item No. 24.

The applicant has applied for the vacation of a portion of the platted complete access control along the site's 21st Street North frontage. The applicant is requesting a 60 foot wide, right turn only drive onto 21st Street. The site has a platted 30 foot drive located on its east end. The request is associated with a Commercial Lot Split, SUB2008-21, of the subject site: Lot 1, University Gardens 2nd Addition. The University Gardens 2nd Addition was recorded with the Register of Deeds on March 3, 1977.

The MAPC voted (12-0) to approve the vacation request. No one spoke in opposition to this request at the MAPC's advertised public hearing or its Subdivision Committee meeting. No written protests have been filed.

Ensure efficient infrastructure.

A certified copy of the Vacation Order and a drive approach certificate will be recorded with the Register of Deeds.

Council Member Williams Council Member Williams asked John for an update on this property.

John Schlegel Planning Director reviewed the item and gave an update.

Motion-- Williams moved that the Vacation Order be approved and the necessary signatures authorized. Motion
--carried carried 7 to 0.

VAC2008-00014

VAC2008-00014 - REQUEST TO VACATE PORTIONS AND ALL OF PLATTED RESERVES AND VACATE THE PLATTOR'S TEXT TO AMEND THE USES ALLOWED IN THE DESCRIBED PLATTED RESERVES; GENERALLY LOCATED EAST OF ROCK ROAD, SOUTH OF 21ST STREET NORTH. (DISTRICT II)

Agenda Item No. 25.

Staff Recommendation: Approve.

MAPC Recommendation: Approve (unanimously).

The applicants are requesting consideration for the vacation of a described portion of platted Reserve F and all of platted Reserve D, all in the Wilson Farms Addition. The physical vacation of both of the described platted reserves triggers the vacation of the plattor's text, thus amending the uses permitted in the described reserves.

Currently, Reserve F's uses are restricted to: open space, landscaping, lighting, irrigation, entry monuments and entry gates as confined in easements and indicated on the plat. The applicants request a described portion of Reserve F's uses be amended to allow SF-5 Single-family Residential ("SF-5") uses, shared access from Lots 19-1 and 19-2, Block 1, Wilsons Farm Addition, (residential lot split, SUB2008-30, which is associated with this vacation request) to Bradley Fair Parkway, a private gate not confined to an easement and a call box, mail box, drainage and utilities confined to easements. The applicants also request that another described portion of Reserve F's uses be amended to allow SF-5 uses and open space only.

Currently, Reserve D's uses are uses are restricted to: open space, landscaping, lighting, irrigation and as an access drive to Lot 19, Block 1, the Wilson Farms Addition. The applicants request that the described portion of Reserve D's uses be amended to allow SF-5 uses and open space only.

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Per the platlor's text, all reserves in the Wilson Farms Addition shall be owned and maintained by the homeowners association for the addition. The described portions of Reserves F and D will be removed from that restriction and attached by a restrictive covenant to abutting tracts/lots created by boundary shifts and/or a residential Lot Split, SUB2008-30.

All utilities will be protected by the necessary easements. The Wilson Farms Addition was recorded with the Register of Deeds on July 15, 1997.

The MAPC voted (7-0-1) to approve the vacation request. No one spoke in opposition to this request at the MAPC's advertised public hearing or its Subdivision Committee meeting. No written protests have been filed.

Submitted a copy of a sanitary sewer petition.

Ensure efficient infrastructure.

A certified copy of the Vacation Order and covenants will be recorded with the Register of Deeds. The applicant has recorded dedications by separate instruments of drainage and drainage and utility easements: FILM-PAGE #28965358 and FILM-PAGE #28966820.

Motion--
--carried

Brewer moved that the Vacation Order be approved and the necessary signatures authorized. Motion carried 7 to 0.

VAC2008-00015

**VAC2008-00015 - REQUEST TO VACATE A PLATTED UTILITY EASEMENT;
GENERALLY LOCATED WEST OF MAIZE ROAD, MIDWAY BETWEEN CENTRAL
AVENUE AND MAPLE STREET. (DISTRICT V)**

Agenda Item No. 26.

Staff Recommendation: Approve.

MAPC Recommendation: Approve (unanimously).

The applicant is requesting consideration for the vacation of the platted 10 foot utility easement that is located half on Lot 23 and half on Lot 24, all in Block 7, all in the Westlink Seventeen Addition. The applicant (subject site is Lot 23) has provided a Quit Claim that has reconfigured the two lots, moving the common lot line between the two lots; the Quit Claim acts an instrument for a boundary shift. The reconfigured lots appear to meet the 5,000 square foot minimum lot size required for the SF-5 zoning district. The width of the lots along the street right-of-way has not changed. The Quit Claim results in a boundary shift that has made Lot 23 larger, Lot 24 smaller and moved the platted 10 foot utility easement entirely in the subject site, Lot 23. A vacation of the platted easement does not absolve encroachments into setbacks. There are no utilities, manholes, and water or sewer lines in the subject platted easement. The Westlink Seventeen Addition was recorded with the Register of Deeds on January 17, 1979.

The MAPC voted (10-0) to approve the vacation request. No one spoke in opposition to this request at the MAPC's advertised public hearing or its Subdivision Committee meeting. No written protests have been filed.

Ensure efficient infrastructure.

A certified copy of the Vacation Order will be recorded with the Register of Deeds.

Motion--
--carried

Brewer moved that the Vacation Order be approved and the necessary signatures authorized. Motion carried 7 to 0.

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COUNCIL MEMBER AGENDA

TRAVEL EXPEND. TRAVEL APPROVAL FOR MAYOR BREWER TO ATTEND THE NLC SUMMER BOARD MEETING, HUNTSVILLE, ALABAMA ON JULY 10-11, 2008.

Motion--carried Vice-Mayor Schlapp moved that the expenditure be approved. Motion carried 7 to 0.

TRAVEL EXPEND. TRAVEL APPROVAL FOR MAYOR BREWER TO ATTEND THE NLC NBC-LEO ANNUAL SUMMER CONFERENCE, ATLANTA, GEORGIA ON JULY 23-28, 2008.

Mayor Brewer Mayor Brewer stated there has been a change and that Council Member Williams will be attending instead of him.

Motion--carried Brewer moved that the expenditure be approved. Motion carried 7 to 0.

TRAVEL EXPEND. TRAVEL APPROVAL FOR WICHITA AREA SISTER CITIES PRESIDENT, CARLA SHULL, TO ATTEND THE SISTER CITIES INTERNATIONAL ANNUAL CONFERENCE, KANSAS CITY, MISSOURI ON JULY 16-20, 2008.

Motion--carried Brewer moved that the expenditure be approved. Motion carried 7 to 0.

Council Member Skelton Council Member Skelton requested that Staff place an item, the review of our City's noise ordinance on an upcoming workshop agenda.

APPOINTMENTS COUNCIL MEMBER APPOINTMENTS

There were no appointments to be made.

CONSENT AGENDA

Motion-- Brewer moved that consent items 31 to 44c be approved in accordance with the recommended
--carried action shown thereon. Motion carried 7 to 0.

BOARD OF BIDS REPORT OF BOARD OF BIDS AND CONTRACTS DATED JUNE 30, 2008.

Bids were opened June 27, 2008, pursuant to advertisements published on:

PUBLIC WORKS DEPARTMENT/ENGINEERING DIVISION: Sewers, Paving and Water Mains as per specifications (Exhibit Attached).

Mount Vernon Street and Drainage Improvements from Greenway to Broadway (472-84289/706946/636204/620509/205412/778594/668628) See Special Provisions for Traffic. (District III)

Cornejo & Sons Construction - \$4,305,121.75

Goebel Circle from the north line of Pawnee to and including the cul-de-sac to serve Brentwood South 3rd Addition (east of Webb, north of Pawnee) (472-84656/766194/ 490212) Traffic to be maintained during construction using flagpersons and barricades. (District II)

APAC – Kansas, Inc. - \$193,200.00 (Negotiated to Engineer's Estimate)

2008 Sanitary Sewer Reconstruction Phase 8 (north of Pawnee, east of Seneca) (468-84527/620514/668633) Traffic to be maintained during construction using flagpersons and barricades. (District II, III)

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WB Carter Construction - \$89,131.00

2008 Contract Maintenance Mill & Overlay Phase 2 (north of 47th Street South, east of 119th Street West) (472-84734/132721/) Traffic to be maintained during construction using flagpersons and barricades. (District II, V & VI)

Cornejo & Sons Construction - \$1,099,997.80 (Negotiated)

Motion--

Brewer moved that the contracts be awarded as outlined above, same being the lowest and best bids within the Engineer's construction estimate, and the necessary signatures be authorized.

--carried

Motion carried 7 to 0.

PUBLIC WORKS DEPARTMENT/TRAFFIC MAINTENANCE DIVISION: LED Traffic Signal Lamp Units

Excellence Opto, Inc. -\$18,300.00 Group 2* Award Redirected

*Estimate – Contract approved on unit cost basis; refer to attachments.

Motion--

Brewer moved that the report be received and filed; the Contracts approved; and the necessary signatures authorized. Motion carried 7 to 0.

--carried

PRELIM ESTS.

PRELIMINARY ESTIMATES:

- a. Pawnee Court Water Main Replacement (north of Pawnee, west of Hillside) (448-90215/636164/776557) Traffic to be maintained during construction using flagpersons & barricades. (District III) - \$66,212.00
- b. 2008 Sanitary Sewer Reconstruction Phase 7 (east of Broadway, south of 16th Street North) (468-84526/620513/668632) Traffic to be maintained during construction using flagpersons and barricades. (District VI) - \$56,000.00
- c. Left turn lane on 13th Street North for eastbound traffic into a major entrance to serve Foliage Center Addition and Country Club Park Addition (north of 13th Street North, west of Webb) (472-84688/766208/490226) Traffic to be maintained using flagpersons and barricades. (District II) - \$185,000.00
- d. Left turn lane on Webb Road for northbound traffic into major entrances to serve Foliage Center Addition and Country Club Park Addition (north of 13th Street North, west of Webb) (472-84689/766209/490227) Traffic to be maintained using flagpersons and barricades. (District II) - \$170,000.00
- e. Water Supply Line to serve Cambria Addition (east of 143rd Street East, north of Pawnee) (448-90360/735404/470077) Traffic to be maintained during construction using flagpersons & barricades. (District II) - \$312,000.00
- f. Cambria/Welsh from the east line of 143rd Street East to the east line of 143rd Street east; Celtic from the south line of Cambria to the north line of Welsh; Welsh from the east line of Cambria/Welsh to the north line of the plat to serve Cambria Addition (east of 143rd Street East, north of Pawnee) (472-84650/766193/490211) Does not affect existing traffic. (District II) - \$530,000.00
- g. Water Distribution System to serve Moorings 10th Addition (south of 53rd Street North, west of Meridian) (448-90356/735411/470084) Does not affect existing traffic. (District VI) - \$187,000.00

Motion--carried

Brewer moved to receive and file. Motion carried 7 to 0.

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PETITION

SANITARY SEWER TO SERVE PART OF WILSON FARMS ADDITION, SOUTH OF 21ST, EAST OF ROCK. (DISTRICT II)

Agenda Item No. 33a.

The Petition has been signed by one owner representing 100% of the improvement district.

The project will provide sanitary sewer service for a residential development located south of 21st, east of Rock.

The Petition totals \$26,000. The funding source is special assessments.

This project addresses the Efficient Infrastructure goal by providing sanitary sewer improvements required for residential development.

State Statutes provide that a Petition is valid if signed by a majority of resident property owners or owners of a majority of property in the improvement district.

Motion--
--carried

Brewer moved that the Petition be approved; the Resolution adopted; and the necessary signatures authorized. Motion carried 7 to 0.

RESOLUTION NO. 08-344

Resolution of findings of advisability and Resolution authorizing construction of authorizing construction of Lateral 91, Main 22, War Industries Sewer No. 23 (south of 21st St, east of Rock) 468-84528, in the City of Wichita, Kansas, pursuant to findings of advisability made by the governing body of the City of Wichita, Kansas, presented. Brewer moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Fearey, Gray, Skelton, Longwell, Schlapp, Williams and Brewer.

PETITION

SANITARY SEWER TO SERVE PART OF MEDITERRANEAN PLAZA COMMERCIAL SECOND ADDITION, EAST OF ROCK, NORTH OF 29TH STREET NORTH. (DISTRICT II)

Agenda Item No. 33b.

The Petition has been signed by one owner representing 100% of the improvement district.

The project will provide sanitary sewer service for a commercial development located east of Rock, north of 29th St. North.

The Petition totals \$21,000. The funding source is special assessments.

This project addresses the Efficient Infrastructure goal by providing sanitary sewer improvements required for commercial development.

State Statutes provide that a Petition is valid if signed by a majority of resident property owners or owners of a majority of property in the improvement district.

Motion--
--carried

Brewer moved that the Petition be approved; the Resolution adopted; and the necessary signatures authorized. Motion carried 7 to 0.

RESOLUTION NO. 08-345

Resolution of findings of advisability and Resolution authorizing construction of authorizing construction of Lateral 52, Main 7, Sanitary Sewer No. 23 (east of Rock, north of 29th St. North) 468-84529, in the City of Wichita, Kansas, pursuant to findings of advisability made by the governing body of the City of Wichita, Kansas, presented. Brewer moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Fearey, Gray, Skelton, Longwell, Schlapp, Williams and Brewer.

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STREET CLOSURE **AUTOMOBILIA'S MOONLIGHT CAR SHOW AND STREET PARTY JULY 12, 2008, 1:00 PM – 12:00 AM. (DISTRICT VI)**

Agenda Item No. 34a.

In accordance with the Community Events Procedure, the event promoter Gary Carpenter, Automobilia is coordinating with area business owners and making arrangements with Staff, subject to final approval by the City Council.

The following street closure request has been submitted:

Automobilia's Moonlight Car Show & Street Party July 12, 2008 1:00 pm – 12:00 am

- First Street, Broadway to Mosley.
- Topeka Street, Douglas to First Street
- Emporia Street, Douglas to Second Street
- St. Francis Street, Douglas to Second Street
- Santa Fe Street, Douglas to First Street
- Mead Street, First Street to Douglas
- Moore Street, First Street to Douglas
- Rock Island Street, First Street to Douglas

Client will arrange to remove blockades as necessary to allow emergency vehicle access during entire designated time period. Blockades will be removed immediately upon completion of the event.

The event sponsor is responsible for all costs associated with special event.

Enhance the Quality of Life

Motion-- Brewer moved that the request be approved subject to: hiring off-duty certified law enforcement officers as required; obtaining barricades to close the streets in accordance with requirements of Police, Fire and Public Works Department; and Certificate of Liability Insurance on file with the Community Events Coordinator. Motion carried 7 to 0.

--carried

CHANGE ORDER **DOUGLAS AND OLIVER INTERSECTION IMPROVEMENTS. (DISTRICT II)**

Agenda Item No. 35a.

On April 8, 2008, the City Council approved a construction contract with Pavers, Inc. for the improvement of the intersection of Douglas and Oliver. After the work began, it was determined that, due to existing soil conditions, the pavement thickness should be increased from 8" to 9". This added thickness will help insure the longevity of the pavement. In addition, tubular traffic control markers are needed to direct vehicles through the work zone.

A Change Order has been prepared for the cost of the additional work. Funding is available within the project budget.

The total cost of the additional work is \$49,707 with the total paid by General Obligation Bonds. The original contract amount is \$1,395,168. This Change Order represents 3.56% of the original contract amount.

This project addresses the Efficient Infrastructure goal by improving traffic flow through an important transportation corridor.

The Law Department has approved the Change Order as to legal form. The Change Order amount is within the 25% of construction contract cost limit set by City Council policy.

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Motion--
--carried

Brewer moved that the Change Order be approved and the necessary signatures authorized. Motion carried 7 to 0.

CHANGE ORDER

DOUGLAS STREET DRAINAGE OUTFALL. (DISTRICTS I AND VI)

Agenda Item No. 35b.

On September 11, 2007, the City Council approved a construction contract with Wildcat Construction Company for a storm water drain along Douglas from the drainage canal to Old Town. After the work began it was determined that five old water valves in the work zone are leaking and should be replaced.

A Change Order has been prepared for the cost of the additional work. Funding is available within the project budget.

The total cost of the additional work is \$15,951 with the total paid by the Water Utility. The original contract amount is \$5,081,022. This Change Order plus previous change orders represents 1.75% of the original contract amount.

This Change Order addresses the Efficient Infrastructure goal by improving the City's water distribution system.

The Law Department has approved the Change Order as to legal form. The Change Order amount is within the 25% of construction contract cost limit set by City Council policy.

Motion--
--carried

Brewer moved that the Change Order be approved and the necessary signatures authorized. Motion carried 7 to 0.

BOARDS/COMMISS.

MINUTES OF ADVISORY BOARDS/COMMISSIONS

Board of Park Commissioners, April 14, 2008
Board of Park Commissioners, May 13, 2008
District II Advisory Board, May 05, 2008
District V Advisory Board, May 05, 2008

Motion--carried

Brewer moved to receive and file. Motion carried 7 to 0.

INVESTMENT POOL

Municipal Investment Pool Resolution Updating Authorizations.

Agenda Item No. 37.

State law, City ordinance and the City's investment policy govern the investment of City funds. The existing investment policy was approved by the City Council in December 2005 and authorizes the option of investing up to 10% of the City's investment portfolio in the State's Municipal Investment Pool (MIP). The City Council authorized the City's participation in the MIP through resolution 04-410 in August 2004.

Authorized staff has changed and there is a need to submit an updated list of employees authorized to execute transactions for the Municipal Investment Pool.

There is no direct cost to the City for utilizing the Municipal Investment Pool. Interest earnings are distributed monthly and are net of a 25 basis point fee. The City uses the Municipal Investment Pool as a method to invest idle funds on a short-term basis and as needed for liquidity. Funds can be withdrawn from the MIP on demand with same day notification prior to 10:00 a.m., as needed for cash flow purposes.

The action will impact the Internal Perspective and allows continuation of the City's participation in

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the MIP and results in increased returns on the investment of short-term idle funds.

The resolution has been approved as to form by the Law Department.

Motion--

Brewer moved that the resolution updating the list of individuals authorized to execute investment transactions within the Municipal Investment Pool be adopted and the Mayor authorized to sign.

--carried

Motion carried 7 to 0.

RESOLUTION NO. 08-346

A Resolution pertaining to certain individuals, who are officers or employees authorized to transfer funds for investment in the Municipal Investment Pool, and authorized to withdraw funds from time to time, and issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of funds, presented. Brewer moved that the Resolution be adopted. Yeas: Fearey, Gray, Longwell, Schlapp, Skelton, Williams and Brewer.

LAWRENCE DUMONT LAWRENCE-DUMONT STADIUM-CIP FUNDED IMPROVEMENTS.

Agenda Item No. 38.

Lawrence-Dumont Stadium is a historic baseball stadium and home to the Wichita Wingnuts, a member of the American Association of Independent Baseball. The Stadium is one of the oldest facilities for professional baseball still in use in the United States, and its old-school charm as a sports venue plays an important role in the entertainment portion of the quality of life in Wichita.

Considerable work has been done over the years to update the stadium and keep it functionally current with the newer ballparks found elsewhere. The most recent such project was completed in 2002, but there is an ongoing need for additional work to be done in other areas of the facility as efforts continue to meet the needs of the both the players and the fans and to enhance their experience of participating in baseball at Lawrence-Dumont Stadium.

On July 18, 2006, City Council approved a contract with Schaefer Johnson Cox & Frey to conduct a study and produce a schematic design for improvements to the stadium. This schematic design was presented to Council on August 7, 2007. The schematic design will serve as a foundation plan to begin making the necessary improvements and enhancements to the stadium over the next year.

Current priorities at Lawrence-Dumont Stadium are focused on these particular needs:

- The artificial turf on the playing field is in need of replacement.
- The concessions stands are limited in their ability to prepare and serve food, and they need to be renovated to bring them up to current standards.
- The dugouts are too small and need to be enlarged to bring them up to current standards.
- The roof of the administration building is in need of replacement/repairs to alleviate leaks.
- The current sound system is outdated, and patched together in a matter which makes it extremely unreliable, and unpredictable.

The lease agreement with the new operator of the stadium requires that staff meet with the Wingnuts this summer to discuss the need additional improvements. Once these needs are known and a funding strategy is developed, the additional projects will be presented to the Council for consideration.

Funding is budgeted in the 2007-2016 Capital Improvement Program (CIP) for \$500,000 in '08 and \$500,000 in '11. The 2008 funding of \$500,000 will be used to address the current priorities listed above. If budgeted funding is not sufficient to address all of the items listed, staff with work with the tenant to identify the most pressing issues.

Enhance Quality of Life

The Law Department has approved the Resolution as to form.

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Motion--
--carried

Brewer moved that the Resolution be adopted and the necessary signatures authorized. Motion carried 7 to 0.

RESOLUTION NO. 08-347

A Resolution determining the advisability of making certain public improvements in the City of Wichita, Kansas; setting forth the general nature and the estimated cost of such improvements; and authorizing the issuance of bonds of the City of Wichita, Kansas, to pay all or portion of the costs thereof, presented. Brewer moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Fearey, Gray, Skelton, Longwell, Schlapp, Williams and Brewer.

ACQUISITION

ACQUISITION BY EMINENT DOMAIN OF TRACTS OF LAND FOR THE INTERSECTION IMPROVEMENT PROJECT AT 21ST STREET AND BROADWAY. (DISTRICT VI)

Agenda Item No. 39.

On September 11, 2007, the City Council approved the roadway intersection improvement of 21st and Broadway. The project will provide left turn lanes at all four approaches to the intersection, existing pavement will be replaced and the traffic signal system will be upgraded. The project requires the acquisition of seven properties in addition to three partial acquisitions. Three parcels were acquired through negotiation. All of the properties are improved and zoned for commercial use.

212 and 222 East 21st Street North are retail buildings under one ownership. The project will require the acquisition of both buildings. The properties were appraised for \$210,000 (\$31.65 per square foot) and \$260,000 (\$26, 98 per square foot) respectively. These amounts were offered to the owner and were rejected without a counter offer.

226 East 21st Street North is also a retail building that is impacted by the project and will need to be acquired. An offer of \$315,000, or \$28.32 per square foot was presented to the owner. The same owner owns 2201 North Broadway, which is directly to the north of 226 East 21st. The project requires 765 square feet of the parking lot for this property. The acquisition was appraised at \$3,000 (\$3.92 per square foot) was presented. The owner has provided a counter offer of \$393,000 for both parcels.

A partial acquisition of 6,819 square feet is required from the south portion of 320 East 21st Street North. The acquisition was appraised for \$10,000, (\$1.47 per square foot). The owner rejected this offer and presented a counter offer of \$27,275 (\$4.00 per square foot).

223 East 21st Street North is improved with a convenience store. The road project requires the acquisition of 7,839 square feet. While the acquisition does not physically impact the building, it does impact the underground fuel tanks, fuel island and canopy. The impact is such that the property should be acquired in its entirety. The appraised value of the property is valued at \$510,000, or \$21.20 per square foot. The owner rejected the offer and countered at \$680,000. The counter offer does not include any interest held by the tenant or subtenant.

2127 and 2125 North Broadway are adjacent retail buildings under one ownership which are physically impacted by the project. They were appraised at \$70,000 (\$30.43 per square foot) and \$60,000 (\$32.89 per square foot) respectively. This amount was rejected by the owner without a counter offer.

There is several business signs associated with these properties that will be relocated as personal property. All occupants are eligible for relocation benefits and will be compensated.

Staff will continue to negotiate with all of the owners during the eminent domain process.

The cost of this acquisition will be paid for by the City at large.

The acquisition of these parcels is necessary to ensure efficient infrastructure by improving the traffic flow through a major transportation corridor.

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The City is authorized by law to commence eminent domain proceedings to acquire the properties. The Law Department has approved the resolution and ordinance as to form.

Motion--

Brewer moved that the resolution be adopted and place on first reading the ordinance providing for the acquisition by eminent domain of certain real property and directing the City Attorney to file the appropriate proceedings in the District Court to accomplish such acquisition. Motion carried 7 to 0.

--carried

RESOLUTION NO. 08-348

A Resolution declaring the necessity for acquiring private property for the use of the City of Wichita in connection with the planned East 21st and North Broadway Street Improvement project, presented. Brewer moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Fearey, Gray, Skelton, Longwell, Schlapp, Williams and Brewer.

ORDINANCE

An Ordinance providing for the acquisition by eminent domain of certain private property, easements and right-of-way therein, for the purpose of acquiring real property for the construction and improvement of the planned east 21st and North Broadway road improvement project in the City of Wichita, Sedgwick County, Kansas; designating the lands required for such purposes and directing the city attorney to file a petition in the District of Court of Sedgwick County, Kansas, for acquisition of the lands and easements therein taken and providing for payment of the cost thereof. Introduced and under the rules laid over.

BRENTWOOD APTS. EXTENSION OF IRB LETTER OF INTENT, BRENTWOOD APARTMENTS. (DISTRICT II)

Agenda Item No. 40.

The Brentwood Apartments complex is located at 6602 E. Harry, and consists of 196 apartment units, including 60 one-bedroom units, 114 two-bedroom units, and 22 three-bedroom units. Amenities include a swimming pool and common laundry rooms.

On June 19, 2007, the City Council approved a letter of intent to issue qualified residential housing revenue bonds in an amount not-to-exceed \$8,000,000 for Inner City Development Company, LLC (ICDC) to finance a portion of the costs of acquisition and rehabilitation of the Brentwood Apartments. The City Council adopted a resolution of support for 4% Low-Income Housing Tax Credits in connection with this project.

On December 18, 2007 and April 1, 2008, City Council approved extensions of the letter of intent. A third extension of the letter of intent has been requested to expire on February 1, 2009.

The developer is requesting a third letter of intent extension of six months to expire February 1, 2009. The extension of the letter of intent will allow the developers to obtain final commitment from a tax credit investment syndicator.

The proposed scope of work for the exterior includes new roofing, new siding, new guttering/downspouts, painting, installation of new landscaping and sprinkler system, resurfacing of the parking lots, new windows and sliding doors, architectural enhancement of the balcony structures, and correction of drainage problems. The proposed scope of work for the interior includes new carpet and flooring for each unit, new heating and air conditioning systems, new cabinets and counter tops, new appliances, including built-in microwave ovens, new bathroom fixtures, new lighting, new doors and re-painting.

This will extend the letter of intent to issue the qualified residential housing revenue bonds in the amount not to exceed \$8,000,000. The developer agrees to pay all of the City's costs associated with

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the issuance of the bonds and to pay the City's \$2,500 annual administrative service fee.

The proposed project contributes to the goal of Economic Vitality and Affordable Living.

There are no legal considerations.

Motion--

Brewer moved that an extension of the letter of intent to issue qualified residential housing revenue bonds in an amount not-to-exceed \$8,000,000 for Inner City Development Company to expire on February 1, 2009 be granted. Motion carried 7 to 0.

--carried

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ETHANOL

EXTENSION OF LETTER OF INTENT, ETHANOL PRODUCTS, LLC. (DISTRICT II)

Agenda Item No. 41.

On September 20, 2005, City Council approved issuance of Industrial Revenue Bonds in an amount of \$2,000,000 for Ethanol Products, LLC. Proceeds from the bond issue were used to finance the construction and equipping of a headquarters facility located at 37th Street North and Webb Road. On September 12, 2006, City Council approved a Letter of Intent to issue IRBs to finance expansion of the headquarters campus; a 100% real property tax exemption was also approved. Bond proceeds totaling \$4,000,000 will be used to finance the cost of constructing an additional office facility.

Ethanol Products has requested extension of the Letter of Intent which is set to expire September 12, 2008.

Ethanol Products has requested extension of the Letter of Intent with a new expiration date of February 27, 2009. Weather-related construction delays have extended the timeline for completion of the facility.

Ethanol Products, LLC is a South Dakota company engaged in marketing, trading, distribution, risk management and market development of renewable fuels throughout the United States. The company is constructing an additional 20,000 sf office building that will accommodate its expanded operations. The new facility is located on Webb Road between 38th and 39th Streets North. The company has committed to hiring 45 new employees over the next five years.

There is no fiscal impact to the City by extension of the Letter of Intent.

Economic Vitality and Quality of Life. Cooperating with the Tenant and Trustee on IRB issues is a necessary part of preserving the credibility and integrity of the City's IRB program for future projects.

There are no legal considerations.

Motion--
--carried

Brewer moved that the grant extension of the Letter of Intent to issue IRBs in an amount not-to-exceed \$4,000,000 for Ethanol Products, LLC, expiring February 27, 2009 be approved. Motion carried 7 to 0.

MEDICAL EVALS.

MEDICAL EVALUATIONS AND SCREENINGS FOR THE WICHITA FIRE DEPARTMENT INCUMBENT MEMBERS.

Agenda Item No. 42.

On May 8, 2007, the City Council approved the submission of a grant application in the amount of \$678,041. On January 4, 2008 the Emergency Preparedness and Response FY 07 Assistance to Firefighters Grant program announced the award of the grant for Fire Operations and Firefighter Safety Program to the Wichita Fire Department. On February 12, 2008, the City Council approved the award of the grant.

This grant will be used to establish a comprehensive Health and Wellness program for the Wichita Fire Department. The program consists of six components: Medical evaluations; fitness and immunization assessments; certified personal trainers; health and wellness education; exercise equipment; and program evaluation. This program will extend well beyond the City's existing Wellness program.

A competitive Request for Proposal (FP800033) was issued for "Medical Evaluations and Screenings for the Wichita Fire Department Incumbent members" and 4 responses were received. A staff screening and selection committee reviewed and evaluated the proposals based on the criteria set forth in the Request for Proposal. During the evaluation, the committee determined that the company that would best meet the needs for the Fire Department, based upon the Request for Proposal, would be Via Christi Rehabilitation Center, Inc. DBA Via Christi Occupational and Immediate Care. The contract is set up on a first-come, first-serve basis until the money runs out or the ending of the grant performance period of December 24, 2008.

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The Medical Evaluations and Screenings portion of this grant as outlined in Exhibit B of the contract has the baseline sum of one thousand two hundred two dollars and no cents (\$1,202.00) per male for each physical examination and a baseline sum of one thousand three hundred eighty dollars and no cents (\$1,380.00) per female. These physicals will be performed as requested by the Fire Department on a first-come, first serve basis, not to exceed the total budgeted amount of \$451,186.00.

The Health and Wellness program is designed to do the following: reduce associated health and injury cost from firefighters to the City of Wichita; reduce the number of cardiac related issues to firefighters; reduce lost time injuries to firefighters due to physical limitations; improve recovery time from injuries that do occur; provide firefighters with a standard for a healthier lifestyle; and provide and promote mental health and stability. This program will also provide a better quality of life for the fire fighters, therefore allowing them to serve the citizens of Wichita in a more safe and secure manner.

The Law Department has reviewed and approved the contract as to form.

Motion--

Brewer moved that the contract to Via Christi Rehabilitation Center, Inc. DBA Via Christi Occupational and Immediate Care be approved and the necessary signatures authorized. Motion carried 7 to 0.

--carried

MT. VERNON

MT. VERNON IMPROVEMENT, BETWEEN THE ARKANSAS RIVER AND BROADWAY. (DISTRICT III)

Agenda Item No. 43.

The 2007-2016 Capital Improvement Program (CIP) includes funding to reconstruct Mt. Vernon between the Arkansas River and Broadway. On May 6, 2008, the City Council approved the project budget. An attempt to award a contract within the approved budget was not successful. Bid prices have increased due to dramatic increases in the cost of oil.

The project consists of the construction of a large concrete box drain along Mt. Vernon from near Topeka to the Arkansas River. The existing two lane pavement will be replaced with a new two lane street that has left turn lanes at the east and west approaches to Broadway and sidewalk on both sides of the street. New traffic signals will be installed at Broadway. The project is planned to begin this summer. The size of the drainage structure will necessitate the closure of Mt. Vernon during construction.

The existing budget is \$4,000,000. The proposed increased budget is \$4,250,000. The funding source is General Obligation Bonds. Funding for the increase is available from under expenditures in the 55th St. South at Broadway intersection improvement.

This project addresses the Efficient Infrastructure goal by improving traffic flow and drainage in an existing residential and commercial area.

The Law Department has approved the Amending Ordinance as to legal form.

Motion--

Brewer moved that the increased budget be approved; the Amending Ordinance placed on First Reading and the necessary signatures authorized. Motion carried 7 to 0.

--carried

ORDINANCE

An Ordinance amending Ordinance No. 47-885 of the City of Wichita, Kansas declaring Mt. Vernon, between Broadway and the Arkansas river (472-84289) to be a main trafficway within the City of Wichita, Kansas; declaring the necessity of and authorizing certain improvements to said main trafficway; and setting forth the nature of said improvements, the estimated costs thereof, and the manner of payment of same. Introduced and under the rules laid over.

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ORDINANCES

SECOND READING ORDINANCES: (FIRST READ JUNE 24, 2008)

- a. SUB 2005-102 -- Plat of Holland Commercial Addition located on the northwest corner of Kellogg and Tyler Road. (District V)

ORDINANCE NO. 47-920

An Ordinance changing the zoning classifications or districts of certain lands located in the city of Wichita, Kansas, under the authority granted by the Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by Section 28.04.010, as amended. Brewer moved that the Ordinance be placed upon its passage and adopted. Motion carried 7 to 0.

- b. SUB 2008-18 -- Plat of Shaw Addition located on the north side of Central and east of Hoover Road. (District VI)

ORDINANCE NO. 47-921

An Ordinance changing the zoning classifications or districts of certain lands located in the city of Wichita, Kansas, under the authority granted by the Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by Section 28.04.010, as amended. Brewer moved that the Ordinance be placed upon its passage and adopted. Motion carried 7 to 0.

- c. ZON2008-00023 – City zone change from SF-5 Single-family Residential (“SF-5”) to GC General Commercial (“GC”), generally located at the termination of Gilda Street 1/2 mile south of Central and west of I-235. (District V)

ORDINANCE NO. 47-919

An Ordinance changing the zoning classifications or districts of certain lands located in the city of Wichita, Kansas, under the authority granted by the Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by Section 28.04.010, as amended. Brewer moved that the Ordinance be placed upon its passage and adopted. Motion carried 7 to 0.

Motion--carried

Brewer moved that the ordinances be adopted. Motion carried 7 to 0.

RECESS

EXECUTIVE SESSION

Motion--

Brewer moved that the City Council recess into Executive Session to consider: consultation with legal counsel on matters privileged in the attorney-client relationship relating to: potential litigation, legal advice, and personnel matters of non-elected personnel and that the Council return from Executive Session no earlier than 1:15 p.m. and reconvene in the City Council Chambers on the first floor of City Hall. Motion carried 7 to 0.

--carried

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RECONVENE

The Council reconvened in the Council Chambers at 1:17 p.m. Mayor Brewer announced that no action was taken or needed as a result of the Executive Session.

Motion--carried

Brewer moved that the Executive Session be closed. Motion carried 5 to 0, (Longwell and Skelton absent).

Motion--carried

Brewer moved that the regular meeting be adjourned. Motion carried 5 to 0, (Longwell and Skelton absent).

ADJOURNMENT

The meeting was adjourned at 1:18 p.m.

Respectfully submitted,

Karen Sublett, CMC\

City Clerk