

# CITY COUNCIL PROCEEDINGS

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## MINUTES OF THE MEETING OF THE CITY COUNCIL

Wichita, Kansas, May 22, 2007  
Tuesday, 9:40 A.M.

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

George Kolb, City Manager; Gary Rebenstorf, Director of Law; Karen Sublett, City Clerk; present.

The Minutes of the regular meeting of May 15, 2007, approved 6 to 0.

## CONSENT AGENDA

Motion--  
--carried

Brewer moved that Consent Agenda items 1-14a. be approved in accordance with the recommended action shown thereof. Motion carried 6 to 0.

## **BOARD OF BIDS**

### REPORT OF THE BOARD OF BIDS AND CONTRACTS DATED MAY 21, 2007.

Bids were opened May 18, 2007, pursuant to advertisements published on:

**PUBLIC WORKS DEPARTMENT/ENGINEERING DIVISION: Sewers, Paving and Water Mains as per specifications**

2007 Sanitary Sewer Rehabilitation, Phase B various locations north of Pawnee, west of Broadway (468-84315/620476/667594) Traffic to be maintained during constructions using flagpersons and barricades. (District I, IV, V, VI)

Insituform - \$280,367.25

Storm Water Drain #308 to serve Northgate Addition north of 53rd Street North, west of Meridian (468-84254/751437/485328) Does not affect traffic. (District VI)

Pearson Excavating\*- \$799,000.00  
\*Negotiated Contract

Water Distribution System to serve The Fairmont 3rd Addition north of 21st Street North, west of 127th Street East (448-90028/735364/470037) Does not affect traffic. (District II)

WBW Contractors - \$27,897.00

Water Distribution System to serve K-96 Business Park Addition north of 29th Street North, west of Greenwich (448-90175/735361/470034) Does not affect traffic. (District II)

Nowak Construction - \$113,270.50



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CMBS

## APPLICATION FOR LICENSES TO RETAIL CEREAL MALT BEVERAGES:

<u>Special Event</u>	<u>June 8,9,10, 2007</u>	
Les Eck	Marine World	7310 East Kellogg
Bruce A McKinney	Wichita Pride, Inc.	754 Pattie

Motion-- Brewer moved that the licenses be approved subject to Staff review and approval. Motion carried  
--- carried 6 to 0.

LICENSES

## APPLICATION FOR LICENSES.

<u>Renewals</u>		
Lewis F. Self Jr.	Adult Entertainment Industries, Inc.	7805 Kellogg
Lewis F. Self Jr.	Adult Entertainment Industries, Inc.	3721 South Broadway
Lewis F. Self Jr.	Adult Entertainment Industries, Inc.	2809 North Broadway

Motion-- Brewer moved that the licenses be approved subject to Staff review and approval. Motion  
--carried carried 6 to 0.

PRELIM. ESTS

## PRELIMINARY ESTIMATES:

- a. Lateral 39, Main 1 Cowskin Interceptor Sewer to serve Rainbow Lakes West Addition south of Central, east of 119th Street West (468-84168/744180/480868) Does not affect existing traffic. (District V) - \$180,000.01
- b. 2007 Contract Maintenance Mill & Overlay Phase 1 south of 45th Street North, east of 135th Street West (472-84515/132720/620469/133116/) Traffic to be maintained during construction using flagpersons and barricades. (Districts IV, V, VI) - \$720,663.00
- c. Pepper Ridge from the north line of the plat south to the north line of Conrey; High Point from the west line of Pepper Ridge, west to the east line of Lot 5, Block B; Conrey from the west line of Lot 14, Block A, west to the west line of Lot 9, Block C; Conrey Court from the south line of Conrey, south to and including the cul-de-sac; Sidewalk on Pepper Ridge, High Point and Conrey to serve Tyler's Landing 3rd Addition south of 37th Street North, east of Tyler (472-84263/766124/490142) Does not affect existing traffic. (District V) - \$275,000.00
- d. Cost of designing drainage, paving and water main improvements to 37th Street North between Tyler and Ridge to serve Avalon Park, unplatted tracts A through D, Northridge Plaza, North Ridge, Tyler's Landing & 2nd Additions (472-83941/765852/490-963) (District V). - Total Estimated Cost \$263,400.00
- e. Cost of Façade Improvement Program at 919 E. Douglas - south of Douglas, west of Washington. (472-84255/766015/491-016) (District I). - Total Estimated Cost \$52,470.00
- f. Cost of construction of Lateral 506, Southwest Interceptor Sewer to serve Prospect Park Addition - north of 35th Street South, east of Ridge - (District IV) (468-3953/744107/480-795) - Total Estimated Cost \$29,000.00
- g. Cost of Forestview, Alderny and Alderny Circle, 10th Street North, Forestview Court, 10th Street North Court, Alderny Court, and sidewalk to be constructed on one side of Forestview, Alderny and 10th Street North to serve Liberty Park 2nd and 3rd Additions - south of 13th Street North, west of 135th Street West. (472-83881/765985/490-102) (District V). - Total Estimated Cost - \$98,290.00

Motion--carried Brewer moved to receive and file. Motion carried 6 to 0.

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## PETITION

### STORM WATER DRAIN IN NORTHGATE ADDITION, NORTH OF 53RD STREET NORTH, WEST OF MERIDIAN. (DISTRICT V)

Agenda Report No. 07-0475

On October 24, 2006, the City Council approved a Petition for drainage improvements in Northgate Addition. An attempt to award a construction contract within the budget contained in the Petition was not successful. The developer has submitted a new Petition with an increased budget. The signature on the new Petition represents 100% of the improvement district.

The project will serve a new residential development located north of 53rd St. North, west of Meridian.

The existing Petition totals \$750,000. The new Petition totals \$930,000. The funding source is special assessments.

This project addresses the Efficient Infrastructure goal by providing drainage improvements required for a new residential subdivision.

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

Motion--  
--carried

Brewer moved that the new Petition be approved; the Resolution adopted; and the necessary signatures authorized. Motion carried 6 to 0.

### RESOLUTION NO. 07-312

Resolution of findings of advisability and resolution authorizing Improving Storm Water Drain N. 308 (north of 53rd S North, west of Meridian) 468-84254 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 6 to 0. Yeas: Fearey, Gray, Longwell, Schlapp, Skelton, and Brewer.

## PETITION

### STREET PAVING IN PRAIRIE POINTE ADDITIONS, SOUTH OF 37TH STREET NORTH, WEST OF MAIZE. (DISTRICT V)

Agenda Report No. 07-0476

On July 12, 2005, the City Council approved a Petition for street paving in Prairie Pointe 1st and 2nd Additions. Based on recent bid prices, it is doubtful that there is sufficient funding in the Petition budget to award a construction contract. The developer has submitted a new Petition with an increased budget. The signature on the new Petition represents 100% of the improvement district.

The project will serve a new residential development located north of 37th St. North, west of Maize.

The existing Petition totals \$367,500. The new Petition totals \$591,000. The funding source is special assessments.

This project addresses the Efficient Infrastructure goal by providing paving improvements required for a new residential subdivision.

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

Motion--  
--carried

Brewer moved that the new Petition be approved; the Resolution adopted; and the necessary signatures authorized. Motion carried 6 to 0.

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## RESOLUTION NO. 07-313

Resolution of findings of advisability and resolution authorizing constructing pavement on Rutgers from the north line of 37th street North to the north line of Lot 13, Block 2, Havenhurst from the east line of Lot 20, Block 4, to the west line of Lot 1, Block 5; Rutgers Court (2) adjacent to Lots 30 through 37 and 39 through 42, Block 1, and waterside from Rutgers to the west line of Lot 29, Block 1, Prairie Pointe Addition; Westbrook from north line of Havenhurst to the north line of Lot 1, Block 1, Prairie Pointe 2nd Addition and a sidewalk to be installed along the north side of Waterside from the east line of Lot 12, Block 4, to the east line of Rutgers, the east side of Rutgers, from Waterside to Havenhurst, the south side of Havenhurst adjacent to Lots 17 through 20, Block 4, and the west side of Rutgers from 37th street North to Waterside (north of 37th St. North, west of maize) 472-84043 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 6 to 0. Yeas: Fearey, Gray, Longwell, Schlapp, Skelton, and Brewer.

### **BOARDS/COMMISS. MINUTES OF ADVISORY BOARDS/COMMISSIONS:**

Board of Park Commissioners, January 8, 2007  
Police & Fire Retirement System Ad Hock Committee, January 12, 2007  
Board of Park Commissioners, February 12, 2007  
Police & Fire Retirement System, February 28, 2007  
Wichita Employees' Retirement System, February 28, 2007  
Board of Park Commissioners, March 12, 2007  
Wichita Public Library Monthly Report, April 2007  
Wichita Airport Advisory Board, April 2, 2007  
Board of Electrical Appeals, April 10, 2007  
Wichita Public Library, April 17, 2007

Motion--carried Brewer moved to receive and file. Motion carried 6 to 0.

### **STREET CLOSURES CONSIDERATION OF STREET CLOSURES/USES.**

There were no street closures to consider.

### **CENTRAL IMPROV. CENTRAL IMPROVEMENT FROM OLIVER TO WEST OF WOODLAWN. (DISTRICTS I AND II)-SUPPLEMENTAL.**

Agenda Report No. 07-0477

On July 1, 2003, the City entered into an Agreement with MKEC Engineering Consultants, Inc. (MKEC) for designing improvements to Central from Oliver to west of Woodlawn. The fee was \$113,500. On January 17, 2006, the City Council approved Supplemental No. 1 to include the intersections of Central & Oliver and Central & Edgemoor. The fee was \$78,500. On June 6, 2006, the City Council approved Supplemental No. 2 for designing plans for water and sewer replacement associated with the intersection of Central and Oliver for a fee \$6,750.

MKEC has been asked to provide the additional design services that were not included in the original scope of services. The additional work is required to design bus stop landings to accommodate ADA requirements, reroute sidewalks to reduce the impact on adjacent businesses and storm water sewer modifications to avoid conflicts with AT&T lines. The Supplemental Agreements have been prepared to authorize the additional design services.

Payment to MKEC for the Supplemental Agreements will be made on a lump sum basis of \$24,500, and will be paid by General Obligation Bonds.

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This Supplemental Agreements address the Efficient Infrastructure goal by providing the engineering design services needed to provide a viable transportation system for the community.

The Supplemental Agreements have been approved as to form by the Law Department.

Motion-- Brewer moved that the Supplemental Agreements be approved and the necessary signatures authorized.  
--carried Motion carried 6 to 0.

## **SOUTHERN RIDGE RESPREAD ASSESSMENTS, SOUTHERN RIDGE FOURTH ADDITION, SOUTH OF PAWNEE, WEST OF MAIZE. (DISTRICT IV)**

Agenda Report No. 07-0478

The landowners, Maize Road, LLC; Moeder Construction, Inc.; and Robl Construction, Inc., have submitted an Agreement to respread special assessments within Southern Ridge 4th Addition.

The land was originally included in a number of improvement districts for several public improvement projects. The purpose of the Agreement is to respread special assessments to more fairly distribute the cost of the improvements.

There is no cost to the City.

The City of Wichita aggressively uses special assessments to lower the cost of residential developments. In doing so, the City's program satisfies the City Council's goal to promote Economic Vitality and Affordable Living. The program supports this goal through partnering with stakeholders in the development community and sustains affordable living by lowering the costs of home ownership.

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

Motion-- Brewer moved that the Agreement be approved and the necessary signatures authorized. Motion  
--carried carried 6 to 0.

## **MONARCH LANDING CONSTRUCTION ENGINEERING AND STAKING IN MONARCH LANDING ADDITION, NORTH OF 21ST STREET, WEST OF 159TH STREET EAST. (DISTRICT II)- SUPPLEMENTAL.**

Agenda Report No. 07-0479

The City Council approved the storm water drainage improvements in Monarch Landing Addition on February 13, 2007. On March 27, 2007 the City approved an Agreement with MKEC Engineering Consultants, P.A. (MKEC) to design the improvements. The Design Agreement with MKEC requires MKEC to provide construction engineering and staking services if requested by the City.

The proposed Supplemental Agreement between the City and MKEC provides for construction engineering and staking the improvements. Due to the current workload created by previous projects, City crews are not available to perform the staking for this project.

Payment to MKEC will be on a lump sum basis of \$42,200 and will be paid by special assessments.

This Supplemental Agreement addresses the Efficient Infrastructure goal by providing the engineering services needed for the construction of storm water drainage improvements in a new subdivision. It also addresses the Economic Vitality and Affordable Living goal by providing public improvements in new developments that are vital to Wichita's continued economic growth.

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

Motion--  
--carried

Brewer moved that the Supplemental Agreement be approved and the necessary signatures authorized.  
Motion carried 6 to 0.

## FOX RIDGE ADD.

### **CONSTRUCTION ENGINEERING AND STAKING IN FOX RIDGE ADDITION, NORTH OF 29TH STREET NORTH, WEST OF TYLER, (DISTRICT V)-SUPPLEMENTAL.**

Agenda Report No. 07-0480

The City Council approved the water and storm water drainage improvements in Fox Ridge Addition on November 7, 2006. On March 27, 2007 the City approved an Agreement with MKEC Engineering Consultants, P.A. (MKEC) to design the improvements. The Design Agreement with MKEC requires MKEC to provide construction engineering and staking services if requested by the City.

The proposed Supplemental Agreement between the City and MKEC provides for construction engineering and staking the improvements. Due to the current workload created by previous projects, City crews are not available to perform the staking for this project.

Payment to MKEC will be on a lump sum basis of \$47,600 and will be paid by special assessments.

This Supplemental Agreement addresses the Efficient Infrastructure goal by providing the engineering services needed for the construction of water and storm water drainage improvements in a new subdivision. It also addresses the Economic Vitality and Affordable Living goal by providing public improvements in new developments that are vital to Wichita's continued economic growth.

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

Motion--  
--carried

Brewer moved that the Supplemental Agreement be approved and the necessary signatures authorized.  
Motion carried 6 to 0.

## KDHE

### **RENEWAL OF FOOD SERVICE ESTABLISHMENT INSPECTION CONTRACT WITH KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT.**

Agenda Report No. 07-0481

The Environmental Services Department has conducted inspections of food service establishments within City of Wichita and all jurisdictions of Sedgwick County on behalf of the KDHE for over twenty-six years. Local staff enforces state regulations and utilizes state enforcement mechanisms as appropriate. KDHE remits eighty percent of license revenue (as established by Kansas statute) to the City, and provides enforcement assistance and training for local staff. KDHE has proposed renewal of this contract for state fiscal year 2007 (July 1, 2007 through June 30, 2008.)

Contract inspections by local entities reduce duplication of effort, provide a single source of contact for industry and citizens, and contribute substantially to local food protection budgets. Use of KDHE regulations and enforcement procedures promotes consistency with other jurisdictions within the state.

The grant supports the goals for Safe and Secure Communities.

Staff estimates the value of the contract at approximately \$318,000 annually, representing the major funding source for local food protection activities. A similar contract (to be provided at a different time period) with the Kansas Department of Agriculture for inspections of food service establishments located in retail food stores is projected to yield approximately \$41,000, and \$42,000 is projected from the sale of City grocery and food processor licenses.

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

Motion--  
--carried

Brewer moved that the contract with the Kansas Department of Health and Environment be approved and the appropriate signatures authorized. Motion carried 6 to 0.

## **KRUG S. ADDITION**

### **KRUG SOUTH ADDITION, SOUTH OF 21ST STREET, WEST OF 143RD STREET EAST. (DISTRICT II)**

Agenda Report No. 07-0482

The City Council approved the water, sewer, drainage, and paving improvements in Krug South Addition on February 13, 2007.

The proposed Agreement between the City and MKEC Engineering Consultants, Inc. (MKEC) provides for the design of bond financed improvements consisting of water, sewer, drainage, and paving in Krug South Addition. Per Administrative Regulation 1.10, staff recommends that MKEC be hired for this work, as this firm provided the preliminary engineering services for the platting of the subdivision and can expedite plan preparation.

Payment to MKEC will be on a lump sum basis of \$291,900 and will be paid by special assessments.

This Agreement addresses the Efficient Infrastructure goal by providing the engineering design services needed for the construction of water, sewer, drainage, and paving improvements in a new subdivision. It also addresses the Economic Vitality and Affordable Living goal by providing public improvements in new developments that are vital to Wichita's continued economic growth.

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

Motion--  
--carried

Brewer moved that the Agreement be approved and the necessary signatures authorized. Motion carried 6 to 0.

## **SANITARY SEWER**

### **SANITARY SEWER MAIN TO SERVE AN AREA NORTH OF MACARTHUR, WEST OF MAIZE. (DISTRICT IV)**

Agenda Report No. 07-0483

The City Council approved the sanitary sewer main to serve an area north of MacArthur, west of Maize on February 6, 2007.

The proposed Agreement between the City and Baughman Company, P.A. provides for designing a sanitary sewer main to serve an area north of MacArthur, west of Maize. The Staff Screening and Selection Committee selected Baughman for the design on March 28, 2007.

Payment to Baughman will be on a lump sum basis of \$37,800 and will be paid by Sewer Utility and special assessments.

This project addresses the Efficient Infrastructure goal by extending sanitary sewer main service to an existing area of homes, businesses, schools and a church.

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

Motion--  
--carried

Brewer moved that the Agreement be approved and the necessary signatures authorized. Motion carried 6 to 0.

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**PROP. ACQUIS. 5016 EAST GILBERT COURT FOR THE DRY CREEK BASIN PROJECT. (DISTRICT III)**

Agenda Report No. 07-0484

On June 13, 2006, City Council approved a creek channel improvement project to improve stormwater channel conveyance intended to reduce flooding. Five properties, all residential, were identified as being at or below a certain elevation and are required for acquisition. Property owners and or occupants will be relocated using project funds for reasonable housing and replacement housing costs. One such property is 5016 East Gilbert Court. It is a 1956, three-bedroom, single-family ranch style house.

The appraised value of \$80,000, or \$56.18 per square foot was offered to the owner. The owner agreed to sell the home for this price. The seller is also eligible for an additional payment, up to \$10,000 to go towards replacement house. In addition, the City will work with the seller regarding moving and other applicable relocation expenses. The improvements will be removed and the site maintained as open space.

\$104,000 is requested budget for the acquisition. \$80,000 towards the purchase price, \$10,000 for replacement housing, \$4,500 for actual moving expenses and \$9,500 for closing costs, title insurance and demolition. The funding source is the Storm Water Utility.

The acquisition of this parcel is necessary to ensure efficient infrastructure and flood control in this area.

The Law Department has approved the contract as to form.

Motion--  
--carried

Brewer moved that the budget expenditure and Real Estate Purchase Contract be approved and the necessary signatures authorized. Motion carried 6 to 0.

**PROP. ACQUIS. 810 SOUTH ELYPCO FOR THE DRY CREEK BASIN PROJECT. (DISTRICT III)**

Agenda Report No. 07-0485

On June 13, 2006, City Council approved a creek channel improvement project to improve stormwater channel conveyance intended to reduce flooding. Five properties, all residential, were identified as being at or below a certain elevation and are required for acquisition. Property owners and or occupants will be relocated using project funds for reasonable housing and replacement housing costs. One such property is 810 South Elypc. It is a 1975, multi-tenant building consisting of four, two bedroom units. Three units are occupied. The site consists of 16,552.8 square feet.

The appraised value of \$112,000, or \$34.30 per square foot was offered to the owner. The owner recently acquired the property in December of 2006 and at that time, the property appraised for \$116,500, or \$35.70 per square foot. The owner agreed to sell the property for this amount. This is only 3.5% above the appraised value and considered reasonable. The City will work with the tenants regarding relocation benefits. The improvements will be removed and the site maintained as open space.

\$147,000 is requested budget for the acquisition. \$116,500 towards the purchase price, \$12,000 for tenant relocation, \$3,500 for actual moving expenses, \$15,000 for closing costs, title insurance and demolition. The funding source is the Storm Water Utility.

The acquisition of this parcel is necessary to ensure efficient infrastructure and flood control in this area.

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The Law Department has approved the contract as to form.

Motion--  
--carried

Brewer moved that the budget expenditure and Real Estate Purchase Contract be approved and the necessary signatures authorized. Motion carried 6 to 0.

## ABATEMENT

### ABATEMENT OF DANGEROUS AND UNSAFE STRUCTURES. (DISTRICTS I, II, III, IV, AND VI)

Agenda Report No. 07-0486

The Office of Central Inspection (OCI) supports neighborhood maintenance and improvement through abatement of public nuisances under Titles 18 and 20 of the City Code. State law and local ordinances allow the City to demolish or board up and secure private property that is in violation of Housing and Building Code standards, after proper notification of the responsible party/parties. A private contractor, or City staff performs the work, and the Office of Central Inspection bills the cost to the property owner.

State law and City ordinance allow placement of the demolition and board-up costs as a special property tax assessment if the property owner does not pay. Payment has not been received for the demolition and board up abatements in question, and OCI is requesting permission for the Department of Finance to process the necessary special assessments.

Statements of Charges will be mailed to the property owners on June 8, 2007. The property owners have 30 days from date of statement to pay their assessment and avoid paying interest. The interest added to the principal amount will be determined by the rate at which the February 2007 bonds sold. The principal and interest will then be spread for 1-year and placed on the 2007 tax roll.

On January 24, 2006 the City Council adopted five (5) goals for the City of Wichita. These include: Provide a Safe and Secure Community, Promote Economic Vitality and Affordable Living, Ensure Efficient Infrastructure, Enhance Quality of Life, and Support a Dynamic Core Area & Vibrant Neighborhoods. This agenda item impacts the goal indicator to Support a Dynamic Core Area and Vibrant Neighborhoods: Continued revitalization of the Core Area. Dangerous building condemnation actions, including demolitions and emergency property board-ups, remove blighting and unsafe buildings that are detrimental to Wichita neighborhoods.

The assessments are in accordance with City Code 18.16.070, 18.16.080 and 18.16.090.

Motion--  
--carried

Brewer moved that the proposed assessments be approved and the ordinances placed on first reading. Motion carried 6 to 0.

### ORDINANCE

An Ordinance making a special assessment to pay for the removal of certain structures, being dangerous and unsafe buildings which have been declared a nuisance (Building Condemnation Demolition) under the provision of Sections 18.16.010 to 18.16.090 of the Code of the city of Wichita, Kansas, introduced and under the rules laid over.

### ORDINANCE

An Ordinance making a special assessment to pay for the removal of certain structures, being dangerous and unsafe buildings which have been declared a nuisance (Building Emergency Board-Up) under the provision of Sections 18.16.010 to 18.16.090 of the Code of the city of Wichita, Kansas, introduced and under the rules laid over.

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## **KDHE WATERSHED RESTORATION AND PROTECTION STRATEGY (WRAPS) GRANT APPLICATION.**

Agenda Report No. 07-0487

The condition of the Arkansas River, and its supporting watershed, has long been a priority for the City of Wichita. Recent milestones in the City's watershed protection and restoration efforts include the 2000 Arkansas River Symposium, formation of Arkansas River technical and advisory committees in 2001, an in-depth water quality study of point and non-point pollution sources in 2002, and ongoing efforts of maintenance of sewer and stormwater infrastructure. The Visioning Plan for Wichita included the goal of "cleaning up the Arkansas River" as part of its Quality of Life strategies.

On April 5th, 2005, the City Council approved an Environmental Services grant application for a Kansas Department of Health and Environment (KDHE) Watershed Restoration and Protection Strategies (WRAPs) grant. During the last two years, both the City of Wichita and Sedgwick County, with their own grant application, have diligently worked with KDHE to revise and obtain an approved work plan. This has been accomplished and KDHE has now provided a grant contract for the City. Program elements of the approved work plan haven't changed much and continue to have the following program elements - identification and assembly of stakeholders, assessment of needs and opportunities, development of Watershed protection goals/priorities, and identification of cost effective strategies relative to watershed restoration and protection. KDHE did request that the City of Wichita and Sedgwick County work on this project together and coordinate the efforts. Both agencies decided that this was a workable situation and have divided up the project areas to complete the work plan.

Protection and improvement of the Arkansas river supports economic, recreational, healthy and aesthetic development initiatives in the City's core area. The availability of KDHE WRAP funding will enhance current and future efforts by the City and its partners in these areas. Utilizing the WRAPS process, the City will refine existing Arkansas River information and education efforts to identify and involve stakeholders, assess needs and opportunities, develop goals, and implement effective strategies.

Environmental Services (ES) staff has prepared a revised work plan for the development phase of the WRAPS process. Funding applications for the assessment, planning, and implementation phases will be submitted sequentially, according to KDHE requirements.

Utilizing WRAPS funding, Environmental Services will hire a WRAPS Coordinator (through a contract with an agency or a temporary staff member) to recruit and survey stakeholders, organize a watershed leadership team, implement educational efforts, and disseminate information to related Arkansas River interest groups. The coordinator will also perform the reporting associated with the WRAPS grant by coordinating with Sedgwick County's coordinator and KDHE. The WRAPS grant will also fund materials and services to support the program. The City of Wichita work plan was pared down per KDHE's funding ability but, as revised, still meets KDHE's requirements. The work plan will be updated once contract authorization is provided by both KDHE and the City of Wichita to appropriately revise the scheduled commitment and deliverable dates as listed in the contract.

The grant supports the goals for Safe and Secure Communities, Efficient Infrastructure and Quality of Life.

The City is provided \$50,000 for KDHE's WRAPS grant program. The grant requires a minimum of \$33,333 in-kind match grant based on staff time contributed by three departments, Environmental Services, Water and Sewer, and Public Works, for various activities dealing with Arkansas River issues. (The City originally proposed an in-kind match of \$60,000 for \$100,000 grant funding). This funding still is within reason for the work plan proposed.

The Department of Law has approved the grant application as to form.

Motion--

Brewer moved that the KDHE contract including revised work plan concepts as defined be approved; the necessary signatures authorized; the grant award, and permit the work plan to be revised at a later time to edit dates and to correct errors. Motion carried 6 to 0.

--carried

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## STAR BONDS

### STAR BONDS FOR RIVER DISTRICT REDEVELOPMENT PROJECT. (DISTRICT I)

Agenda Report No. 07-0488

On September 10, 2002, the City Council approved the Development Agreement and Master Plan for the WaterWalk Redevelopment Project, located in the East Bank Redevelopment District in downtown Wichita (Resolution No. 02-402). On March 25, 2003, the City Council approved a revision of the Site Plan in the Development Agreement, approving the vacation of Lewis Street within the project area and the construction of a new street connecting Waterman and Lewis streets.

On September 16, 2003 and December 2, 2003, the City Council approved a revised Master Plan and amendments to the Development Agreement to incorporate a major destination retail facility based on the use of STAR bond financing and contingent upon approval from the State Secretary of Commerce. On December 30, 2003, the Governing Body adopted Resolution No. 03-671, authorizing issuance of general obligation bonds for Phase I of the River Corridor Improvement Project. On September 21, 2004, the City Council adopted Resolution 04-534 to enlarge the East Bank Redevelopment District and (amending Resolutions Nos. 02-402 and 03-671) to facilitate the use of STAR bonds for financing a part of the cost of the River Corridor Project.

Staff identified the River Corridor project as eligible for STAR bond financing and compatible with the public improvements in the WaterWalk Project. The enlargement of the East Bank Redevelopment District permitted WaterWalk and the River Corridor Improvements to be merged into a single redevelopment project ("The River District") for the purpose of applying to the State Department of Commerce for special obligation STAR bond financing. Construction is nearly completed on Phase I of the River Corridor Improvement project and it is now necessary to arrange permanent financing.

A total not-to-exceed amount of \$13,000,000 to be paid from special obligation (STAR) bonds (excluding underwriting and issuance costs) is being requested to pay for a portion of the River District Redevelopment Project. Upon approval of all statutory steps, including approval from the State Secretary of Commerce, STAR bonds would be used to finance eligible costs.

Statutory procedures and Department of Commerce guidelines to establish legal authority to issue STAR bonds require a formal project plan which must include an independent market study to ensure the project will satisfy state economic development objectives and an independent financial feasibility study. These studies have been done and affirm the viability of the project. The STAR bonds process also requires review by the local planning commission and adoption and publication of a resolution setting a public hearing for the project. The STAR bond project plan must also be approved by the Kansas Secretary of Commerce. Recent legislative amendments to the STAR bond authorizing statute allow until July 31 for a formal STAR bond application from City Wichita to be received by the Secretary of Commerce.

The proposed special bond project has been presented to and reviewed by the Wichita-Sedgwick County Metropolitan Area Planning Commission. It is recommended that July 10, 2007 be set as the public hearing on the proposed River District Redevelopment Plan. Staff plans to return to Council on that date for formal adoption of the plan and an ordinance for authorization to issue special obligation bonds. All occupants and owners of land within the East Bank Redevelopment District will be notified of the hearing not more than ten (10) days following the adoption of the hearing resolution. Copies of the resolution will be mailed by certified mail. Copies will also be sent to the Unified School District 259 School Board and the Sedgwick County Commission.

By law, STAR bonds must be issued as special obligation bonds, payable solely from incremental sales tax revenues generated within the redevelopment district. The total not-to exceed amount of improvements that can be funded with STAR bonds is \$13,000,000 dollars, based on the financial feasibility study that is included in the project plan. The total cost of the entire River District Redevelopment Project is \$155.8 million, with \$87 million provided from private investment and \$68.8 million of public investment, which includes the STAR bond-funded improvements.

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Economic Vitality and Affordable Living, and Quality of Life. This project will establish a major tourist attraction of statewide and regional importance.

The resolution has been reviewed and approved as to form by the Law Department. The use of special obligation bond funds for this project must be authorized by the City Council and approved by the State Secretary of Commerce before bonds may be issued. The City must follow the statutory procedures to establish the legal authority to issue STAR bonds. The Law Department will review the necessary agreement amendments, ordinances and resolutions before they are returned to the City Council.

Motion--  
--carried

Brewer moved that the resolution setting July 10, 2007 for a public hearing on the City of Wichita's proposed River District STAR Bond Project Plan be adopted. Motion carried 6 to 0.

## RESOLUTION NO. 07-314

A resolution stating the City of Wichita is considering the adoption of a special bond project plan for the East Bank Redevelopment District, presented. Brewer moved that the Resolution be adopted. Motion carried 6 to 0. Yeas: Fearey, Gray, Longwell, Schlapp, Skelton, and Brewer.

## SETTLEMENT

### SETTLEMENT OF LITIGATION.

Agenda Report No. 07-0489

In 2004, the plaintiff Carr suffered various injuries incurred while a passenger in a City of Wichita bus.

After proceeding through discovery, evaluating the extent of the claimed damages, and considering the risks of trial, it was determined that a resolution of this matter is appropriate. Counsel handling the litigation has negotiated the opportunity to resolve the action with a lump sum payment as full settlement of all claims arising out of this incident. No admission of liability is made by the City. The purpose of the settlement is to resolve a disputed claim.

This proposed resolution will advance the efficient infrastructure goal by maintaining responsiveness to customers, and the City's reputation for a safe and dependable transit system.

Funding for this settlement is from the transit budget.

The Law Department recommends acceptance of the offer of settlement.

Motion--  
--carried

Brewer moved that the payment of \$14,500.00 as a full settlement of the case be authorized. Motion carried 6 to 0.

## BOND CALL

### CONDITIONAL BOND CALL-PRESBYTERIAN MANORS, INC. (DISTRICTS I AND VI)

Agenda Report No. 07-0494

On May 1, 2007, City Council approved a letter of intent to issue bonds for the benefit of Presbyterian Manors, Inc. A substantial portion of the proposed bond issue is intended to refinance bonds previously issued.

Under the provisions of the Trust Indenture governing the bonds which are proposed to be refunded, the Trustee must send notice of redemption to Bondholders at least 30 days prior to the intended June 28, 2007 call date. To take this action, the Trust Indenture provides that the Trustee needs to receive call instructions from the City (as Issuer of the outstanding bonds).

The instructions to the Trustee are for a call contingent upon the actual issuance of the refunding bonds, so that the call will not proceed unless the proposed refunding bond issue has closed prior to the noticed

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redemption date. The funds necessary to meet the call will be provided from proceeds of the refunding bonds.

Economic Vitality and Quality of Life. This procedural step will further the proposed refunding approved in the City Council action of May 1, 2007, with a view to retaining and assisting Presbyterian Manors, Inc. as a Wichita-headquartered entity.

The City, as Issuer of the outstanding bonds, is the appropriate party to issue the call instructions to the Trustee as requested by Presbyterian Manors, Inc.

Motion--

Brewer moved that the instruction letter to the Trustee for the call and redemption of bonds as requested by Presbyterian Manors, Inc., subject to and contingent on the issuance of refunding bonds be approved and the Mayor authorized to sign. Motion carried 6 to 0.

--carried

## ORDINANCE

### SECOND READING ORDINANCE: (FIRST READ MAY 15, 2007)

- a. A07-09R-Request by Linda Graham of Socora Land Company to annex land generally located southeast of the intersection of Pawnee and Webb Road. (District II)

ORDINANCE NO. 47-487

An Ordinance including and incorporating certain blocks, parcels, pieces and tracts of land within the limits and boundaries of the City of Wichita, Kansas, Brewer moved that the Ordinance be placed upon its passage and adopted. Motion carried 6 to 0. Yeas: Fearey, Gray, Longwell, Schlapp, Skelton, and Brewer. (A-07-09)

### PLANNING AGENDA

Motion--

Brewer moved that Planning Consent items 15 and 16 be approved in accordance with the recommended action shown thereon. Motion carried 6 to 0.

--carried

## VAC2007-00009

### VAC2007-00009-REQUEST TO VACATE A PORTION OF PLATTED COMPLETE ACCESS CONTROL LOCATED ON THE SOUTH SIDE OF CENTRAL, APPROXIMATELY 900 FEET EAST OF EDGEMOOR DRIVE. (DISTRICT II)

Agenda Report No. 07-0490

Staff Recommendation: Approve.

MAPC Recommendation: Approve (unanimously).

The applicant has applied for vacation of complete access control along the site's Central frontage. The applicant, Kitchen Design, wants to keep a driveway that originally served what was a single-family residence, prior to the rezoning and replatting of the site. Z-2805 and Z-2804 (Published 6-30-88: see NOTE) rezoned Lots 5, 6, 7, 8 and 9 (the site's original legal), Block 4, Oakwood Estates from "AA" One Family Residential to "BB" Office ("GO" General Office), contingent on replatting within 1-year, with conditions and a restrictive covenant, COV#3. A condition of the replatting was the grouping of these residential lots into larger and fewer lots, with consideration of joint access and circulation to rear parking lots. The replatting resulted in the Atkisson Addition being recorded with the Register of Deeds on June 16, 1988. The Atkisson Addition consists of Lots 1 and 2 (the site's current legal), containing the original five single-family residences/lots, of which only one remains residential. The Atkisson Addition shows complete access control on Lot 2's Central frontage, except for shared access located between Lots 1 and 2, which does not include the applicants existing drive: 30 ft. by 70 ft. shared ingress/egress dedicated by separate instrument, Film 966, Page 679.

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Besides the drive onto Central that the applicant wants to keep, the applicant also has a drive onto Brookside Parkway. The Brookside drive is located on the applicant's east property line and is connected to the applicant's Central drive, as well as the neighboring business' Central drive by a 'common' front yard parking area. The neighboring business' Central drive is mostly located in the shared ingress/egress shown on the Atkisson Addition plat. The rest of this drive is located on the east side of Lot 1, which, at this location, has the lone remaining residence in this subdivision. Public Works is currently making improvements on Central Avenue, at this location, and is in the process of bringing businesses located in the Atkisson Addition into compliance with the requested zoning and required replatting. This process has been complicated by the fact that redevelopment of the single-family residences into office or neighborhood retail businesses has been slow and uneven. Cooperation among neighbors/owners in the development of their individual businesses has been uncertain, perhaps because of lack of understanding the zoning and platting conditions on their business sites. Nineteen years after the rezoning and replatting of the twenty business sites, 8 of them remain residential, breaking up any continuous, shared redevelopment of the businesses.

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 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 6 to 0.

**VAC2007-00019**

**VAC2006-00019-REQUEST TO VACATE A PORTION OF MULTIPLE PLATTED UTILITY EASEMENTS AND EASEMENTS DEDICATED BY SEPARATE INSTRUMENTS GENERALLY LOCATED SOUTHWEST OF THE 31ST STREET SOUTH AND SENECA STREET INTERSECTION. (DISTRICT IV)**

Agenda Report No. 07-0491

Staff Recommendation: Approve.

MAPC Recommendation: Approve (unanimously).

The applicant proposes to vacate the described portions of the platted, and dedicated by separate instrument, easements, as shown on the applicant's exhibit. There appears to be manholes and sewer lines in the easements. The Loma-Linda Gardens Addition was recorded with the Register of Deeds on September 13, 1955. The Dillon 10th Addition was recorded with the Register of Deeds on August 16, 1984. The applicant has developed the sewer line as a private project, which has been approved by Public Works: Sanitary Sewer Improvement Private Project #1717PPS(607861). Because it is a private sewer line, Water and Sewer requires a Restrictive Covenant binding and tying the sites together as one undivided parcel.

The MAPC voted (11-0) 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 Restrictive Covenant 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 6 to 0.

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## AIRPORT AGENDA

Motion--  
--carried

Brewer moved that Airport Consent items 17 and 18 be approved in accordance with the recommended action shown thereon. Motion carried 6 to 0.

## AVIS

### AVIS RENT A CAR SYSTEM-SUPPLEMENTAL AGREEMENT NO. 3.

Agenda Report No. 07-0492

The Wichita Airport Authority currently leases 2.62 acres of land on Wichita Mid-Continent Airport to Avis Rent A Car System to accommodate a rental car service center to serve users of the airport. Avis is desirous of leasing an additional 21,780 square feet of land directly north and adjacent to their current leased area. Also included in the amendment is a first right of refusal of 21,780 square feet of land directly north and adjacent to the additional leased area.

The additional land area will afford Avis an opportunity to expand its current operations in order to better serve its customers.

Land rent is established per Wichita Airport Authority policy. Land rent during the first year will be \$6,097.47 and will increase 5% each year.

The Airport's contribution to the economic vitality of Wichita is promoted through initiating agreements that allow the Airport to continue its operation on a self-sustaining basis.

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

Motion--  
--carried

Brewer moved that Supplemental Agreement No. 3 be approved and the necessary signatures authorized. Motion carried 6 to 0.

## FARMING LICENSE

### COLONEL JAMES JABARA FARMING LICENSE, SELECTION OF LICENSEE.

Agenda Report No.07-0493

Requests for Proposals (RFPs) were accepted by the City of Wichita Purchasing Manager on Friday, April 27, 2007 for the license to farm 429.4 acres at Colonel James Jabara Airport. The term of the contract will be for seven years commencing August 1, 2007, and allows for one, five-year option. Five farmers responded to the RFP.

The airport selection committee selected Dean Ogle as the successful submittal as he met all of the requirements, and was selected based on the highest unanimous ranking of the selection committee.

The proposal submitted by Dean Ogle will provide annual revenue to the airport of \$17,626.87. There will be no expense to the airport for this contract.

The Airport's contribution to the economic vitality of Wichita is promoted through providing services which enhance the appearance and safety of the Airport for users of Jabara Airport.

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

Motion--  
--carried

Brewer moved that the contract be approved and the necessary signatures authorized. Motion carried 6 to 0.

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## CITY COUNCIL AGENDA

USBC

### DISCUSSION REGARDING USBC BOWLING TOURNAMENT 2011 CANCELLATION AND PULLOUT.

Mayor Brewer

Mayor Brewer stated he will allow everyone to ask questions in order to find out what caused USBC to withdraw from the 2011 the Bowling Tournament. Stated it is important for the citizens of Wichita to hear what took place and what corrective actions can be made.

George Kolb

City Manager explained the events that transpired and the results of Staff's investigation on this matter. Stated that they understand the concerns expressed by Council and members of the community. Stated that they have spent countless hours going over the chain of events and cannot fully identify what went wrong but their conclusion is frustrating because they cannot fully identify what went wrong or any warning signs that would occur. Stated that their thorough investigation is incomplete without questions being answered by the USBC and we need their involvement so that we can identify where we went wrong if we indeed did go wrong. Stated they still think that all of the issues that were identified were resolvable and they will continue to make efforts of trying to get them to recognize that.

John Rolfe

CEO of the Greater Wichita Convention and Visitor's Bureau (CVB) provided a summarized view of the time line as it relates to 2011 United States Bowling Congress Tournament.(USBC) from March 2004 through December 2006.

Gary Rebenstorf

Director of Law stated that the role of the City Attorney's office in these negotiations was to review the contract as it applied to the City's obligations and also review any legal issues that needed to be addressed that the state law or city ordinance requires being in contracts with the City. Stated his first look at the contract was when it was forwarded to them on December 29, 2006 and they responded on January 3, 2007 to the contract that they received on December 29<sup>th</sup> and in that contact, they identified that there were several legal issues that needed to be addressed and were concerns for them as far as what the state law responsibilities were, what city code responsibilities were, and what the City's obligations were concerning this agreement. Stated this is the agreement that had been worked out between the CVB, Century II Staff, and USBC. Stated there had not been anything addressed as far as the City's legal obligations and what they were from a standpoint of their office looking at those. Stated he would like to identify the issues that they did address once they had the contract in their office. Stated they addressed 10 issues in the contract, which they deemed those to be legal issues that the City needed to have addressed from the standpoint of state law, city ordinance, or city policy as far as what City contracts require. Stated in the first sentence of the agreement it provided that the CVB was acting as an agent for the City and that therefore, every obligation of the CVB in the document was being identified as an obligation of the City. Stated there were certain requirements as to furnishing certain personnel such as EMS and providing security personnel. Stated they were aware and have done this in other contracts that providing security personnel creates an issue under the City's Tort Claims Act, so they made a change to say that except for certain persons, all of the personnel that would be furnished by the CVB would be done on the CVB's part and are not obligations of the City and there was no objection to that provision. Stated changes were also made to certain prizes that were going to be awarded and who was responsible for funding those prizes from the CVB standpoint. Stated one of the things that was concerning them was an inconsistency that they found in the agreement, that in some place indicated that this agreement was a permit for the Bowling Congress to utilize Century II and conduct this tournament and other portions of the language was that it was going to be a lease. Stated this internal inconsistency needed to be cleared up, so they made changes to the language to make it clear that this was a lease between the City, CVB, Century II, and USBC so that there was no inconsistency in the document itself as to whether it was a permit or a lease. Stated one of the things that was troubling about that was there were provisions in the agreement that said the USBC would have the authority to sell or otherwise convey or make agreements with other vendors and changed the language to say that it would be anything that the USBC would make with their vendors would be subleases and would not be selling anything as part of Century II and there was no objection to that change. Stated changes were made regarding ADA compliance and damage waivers and indemnities in favor of the City, which are normal requirements of contracts when you are leasing a facility such as this to someone, they are taking responsibility for damages and indemnifying the City or the CVB for any damages that is caused and this issue was not objected to. Stated another issue, which they

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considered to be a big issue had to do with ADA requirements, which are required in contracts. They edited the language to that to make sure that all of the ADA requirements were going to be met by the Bowling Congress as well as anyone they subleased to and there was no subsequent objection to that. Stated there was a provision about the maintenance of Century II over a period of time until the bowling tournament took place and made a change as far as that maintenance requirement in addition to the cash basis issue. Stated any ADA requirements that needed to be made could be done without any authorization from the Bowling Congress. Stated there was a change in the agreement regarding some of the city code requirements that are set out in city ordinance for use of Century II such as use of the corridors, rights of other concessionaires that would be going on if there were any other concessionaires involved, the capacity limits for Century II, and the convention center control of certain public areas, which are all set out in city code. Changes were made to the document that would bring those into compliance with the city code. Stated they added an annual appropriations clause, where the appropriations would be continued contingent to protect against a cash basis violation arising from facility of maintenance undertaking that ran through the future years and had several other references to the cash basis law as far as any financial obligations of the City that they would subject to annual appropriations as required by the cash basis law of the State of Kansas. Stated the lawyer for the USBC ultimately objected to this annual contribution contingency as it affected future maintenance of Century II but they did recognize it was required by the Kansas Law. They wanted an open-ended agreement that this maintenance would take place for Century II and would not be a tent when they arrive for the bowling tournament. Stated they attempted to assure them that would be the case and this cash basis law requirement was required by law and needed to be in the contract, otherwise the contract would be void and they would not have a good contract and the City would not be obligated to them. Stated this was one issue that was objected to ultimately. Stated another provision of the contract that they attempted to work with them was to replace the provisions on binding arbitration. Stated the binding arbitration clause was that any disputes over the terms of the contract would be resolved by an arbitrator and would be binding, meaning there would be no appeal to any court and that the laws of Wisconsin would control the interpretation of the contract and any resolution of issues involving the contract. Stated they indicated to them that was a standing policy of the City that we do not enter into binding arbitration for city contracts from the standpoint that there is no appeal to a court from that and it takes away the legislative authority of the City Council in that an arbitrator is making a decision on what the City is obligated to do under the contract rather than the City Council making that decision and also that the laws of Kansas should apply rather than the laws of Wisconsin. Stated as they discussed this with the USBC's attorney, he was willing to concede that we would still have binding arbitration but that could be under Kansas law and they still thought that was not what we had done in other contracts and was not appropriate for a city contract, so they said to just take the binding arbitration clause totally out so there is no issue there or hold up as far as that was concern. Stated in the two previous contracts that they had with the Bowling Congress in different formats, neither previous contract had any requirements concerning binding arbitration and there were not any problems as far as any maintenance guarantee that would have caused a cash basis problem. Stated those were the two issues that ultimately became a problem. Stated there was another issue in the agreement that talked about a check list report form that had warranties in it made by the CVB and were assigned to the CVB and not to the City. Stated one last thing that was raised was that the contract provided that the Bowling Congress would not pay any rent for the use of the Century II during the time of the bowling tournament, however, there was one provision in there that if there was any rent due it would be paid by the CVB. Stated there is a city code provision that requires rent be provided for use of Century II and their thought was in talking to the CVB and finance Staff was that they were going to propose an ordinance for the Council to change so that that provision could be allowed in the contract where the USBC or the CVB would not have to pay any rent. Stated these are the 10 items that they addressed in their initial report to the CVB and Century II and once they did that the USBC was alerted by the CVB that there were further review that was going to take place and some other issues that were identified and those issues were going to be addressed and brought to the City Council as far as the funding commitment for the City that will need to be made. Stated the revised contract was sent to the USBC and on March 13<sup>th</sup> a letter was received from the attorney for the USBC that said they had to major concerns with the contract which was the guarantee of the condition of Century II and the arbitration provision concerning Wisconsin law to resolve disputes. Stated those comments were forwarded to the City Attorney's office and to the CVB's attorney. Stated there were subsequent conversations between the City Attorney's office and the Attorney for the CVB, and Century II and they had an agreement that these two issues were issues that the City should try to maintain their position on and try to work with the USBC to keep

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those in the contract in some way or revise the language that would be necessary and appropriate for each party.

Stated after they had those discussions, his office contacted the attorney for USBC and explained to him the problems that they had for the arbitration issue as well as the cash basis issue. Stated that the open-ended maintenance requirement that they wanted would require the City to be in violation of the cash basis law in that from a legal standpoint the City could not obligate themselves to do that. Stated they also talked about leaving out the dispute resolution language and that is when they talked about having the contract to not have any language at all that deals with that. Stated they received a response from the attorney for the USBC on Marcy 23<sup>rd</sup> and that was the last contact they had with their in-house counsel and at that time he raised the issue that when the bid process took place that he thought there was a binding agreement originally agreed to by the parties and that the City was not discharged from the legal obligations of that contract draft that was part of the bid process and that arbitration had already been agreed to as part of the bid acceptance process and that is when he said he would be willing to compromise to allow the law of Kansas to control but would still have binding arbitration. Stated they responded that the City had not contracted with the USBC as he and indicated and reiterated and tried to explain this cash basis question that they did not have the legal power to guarantee that provision without that appropriation language in the agreement. Stated when they went back and looked at the two agreements, there was nothing in either of the agreements that addressed arbitration or maintenance guarantee and also looked at other cities and requested information and did not get much back from them. Stated they did find out that in Reno, Nevada where this Bowling Congress is held on a regular basis, that the City has built a bowling facility for these types of events and the facility is owned by the City but is leased to their CVB and the contracts are between the CVB and the USBC but the City on a regular basis provides bonding to make improvements to the building and the facilities there so that the maintenance can be maintained in that fashion.

Gave a brief history and purpose of the Cash Basis Law. Stated we cannot appropriate funds in the future unless we have a project that says we are going to do that. Stated we can have in our budget money to make those changes for Century II but for this open-ended obligation that the USBC was asking us to approve, would have required us to say we would do that and make any changes necessary over the period of time but would have to be subject to annual appropriations by the Council and their concern with that is that would give a future Council an "out" from appropriating that money and then the changes that were necessary would not be made in time for the bowling event.

Reported that on May 9<sup>th</sup> the CVB attorney had a phone conversation with the new lawyer that the Bowling Congress had hired, who informed him a letter was being sent to the City Attorney's office advising that they were going to take the 2011 Conference to some other city. Stated that letter provided is that they were withdrawing from any further discussions and were returning the funds that the CVB had previously advanced to them and the letter raised an issue that they had not heard before, which was that the Bowling Congress was dissatisfied with having to deal with two different entities, the City and the CVB being involved in the negotiations. Stated when he learned of this he called the new attorney for the USBC and had a long discussion with him about what was going on and was told that this did not involve any personalities and there were no personal issues that were causing this issue and that it was the two deal points and the length of negotiations that he indicated were the problem. Stated the Bowling Congress did not like the fact that neither the City or the CVB had complete authority and they wanted to deal with an entity that had the final authority on all issues and that they only wanted to negotiate with someone who is in that position. Stated he said it was made clear in the bid process that they only wanted to deal with one entity and they did not think it was appropriate to have to deal with both the City and the CVB. Stated he talked with the attorney about the arbitration issue and asked if that was a deal breaker and was told that Wisconsin lawyers do not want to be in a position to be home town by Kansas courts. Stated that he told the attorney this was an issue that the City Council needed to be advised of and this was a deal breaker for them and was sure that the City Council would be willing to resolve this in a satisfactory way for both parties. Stated he would pass that message on and let him know what they said about that. Stated he also pointed out to him that the USBC is tired of the lengths of the negotiations saying that there was two years with no contract being signed and it did not appear to them that remaining issues could be resolved. Stated that he asked the attorney to convey to the Bowling Congress that the City is willing and able to work with them and to work something out and very much want to host this bowling tournament as we consider it a significant event and he said he would convey this message to the USBC. Asked if there was a chance to get back

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together on this and was told that what had happen was that the Bowling Congress had hired his firm as an outside attorney to review the documents and negotiations involved and that this law firm was given the authority to handle all future matters and that no future matters would be handled directly with Bowling Congress and everything would go through this attorney. Stated that same day Tom Docking and the CVB had a conversation and sent a letter to this attorney in Wisconsin telling him that the CVB is willing to work and iron out these differences and to please convey this to the USBC. Stated on May 10<sup>th</sup>, working with the Mayor and Vice-Mayor, a letter was sent to executives of the Bowling Congress through the attorney and the letter said the Council is dedicated and committed to resolving the contract issues and working together to make the 2011 Championship come to Wichita. Stated on May 11<sup>th</sup> Tom Docking had contact again with the outside attorney and was told that the Bowling Congress had made a final decision and that they were not going to come to Wichita in 2011 and that they would not reconsider their position and that the items that he had discussed previously were the reasons they would not follow through with the agreement. Stated on May 14<sup>th</sup>, they received the letter from the attorney, which was dated May 7<sup>th</sup> and they also received the check for the return of the funds. Stated at that time they further communicated with the outside attorney telling him that it appeared from what was being said in the media and by his client a misunderstanding about the disputes and these terms as far as matters being litigated in Kansas courts and told him that they were ready to wipe that off the books and talked about just not having that be an issue. Stated we also talked about the fact that the cash basis law requirement was a significant requirement that every agreement that the City entered into for people who were involved with a commitment of funds by the City, we had that language in there.

George Kolb

City Manager stated that in their minds there are still too many unanswered questions. Stated that several things happened in the negotiation process that are different from other negotiations. Explained that when the City hosted the men and women's tournaments in the past, they did not encounter these issues nor have they encountered them with any other event or convention. Stated they have noted that the contracts have also changed and are more detailed and more complicated. Stated the time frame for negotiating this contract was also long and the bowling organizations merged, which caused time delays in the negotiation process even beginning to allow for the women and men's bowling associations to become one entity. Stated the CVB was faced with securing new legal services due to the untimely death of their attorney and there was also a change in practice and with past bowling tournaments the contracts were handled by the CVB in conversations with Century II. Stated the difference was the City's law department did not get involved. Stated the City's law department got involved for the following reasons: this tournament requires a very large City subsidy, \$700,000.00 from the convention and tourism fund; Century II staff who were new to the organization felt that a prudent management practice would be to involve the City's law department in contract review; Century II staff was also following City practices to disclose issues as early as possible so that if policy decisions are required, those decisions can come before the Council to be resolved; City lawyers are charged with representing the City's best interest and in doing so it is their legal obligation as professionals to point out issues that are not supported by Kansas law, such as the guaranteeing improvements to Century II that violate the cash basis law and the use of binding arbitration; conversations between City, attorneys, and the USBC clearly reflect these differences and the legal conversations between attorneys seem to be frank and forthright with the intent by the City attorneys to get the deal done mutually beneficial to all parties. The attorneys did not see this type of back and forth conversation as deal breakers and the deal breaker in his opinion was the truncation of the negotiations by the USBC without a clear reason for shutting down talks. Stated in their investigation there is no doubt that the City had every intention of working through these issues as evidence by the City's commitment of \$700,000.00 to this tournament and the negotiations that were undertaken with other organizations who were displaced by this tournament to find alternate dates or other locations for their venues. Stated there was never any intent by the City to take any action that would drive this tournament from Wichita. Stated his comments are an attempt to answer two critical questions, could this situation been avoided if we had just signed the contract without legal review and should we have risked City and CVB assets by doing so. Stated we can ask ourselves even more questions, was the real \$2.5 million dollars that the City and community had offered the USBC enough to close the deal; should we have offered more; it is impossible to know since the USBC never gave us any indication that there were any deficiencies in our position with them and no warning that any obstacles presented were deal breakers. Stated that going forward he believes we need to change how we do business in the events and convention business arena and are proposing to put the entire power of negotiations with the CVB so that potential events or conventions would be working with only one entity. Stated the City Council would approve any significant incentive package

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but CVB and their legal representatives would be responsible for negotiating the contract. Stated the City's interest would be protected through an agreement with the CVB who would ensure that City interests would not be at risk. Stated Staff is prepared to research and formalize this way of doing business with the CVB. Stated they stand ready to continue negotiations with the bowlers through the more streamline approach of working with just the CVB should they give us any indication that they wish to do so.

- Council Member Skelton Council Member Skelton stated what he has heard today is a lot of red tape and three suggestions were made to address that red tape issue. Asked what a City can do to mitigate the concerns in the future regarding the cash basis law.
- Gary Rebenstorf Director of Law explained that this issue comes up in almost all the negotiations that we have for contracts that deal with City funds. Stated we have always been able to work that out with the other entities and their lawyers that this is a requirement of state law and that we have to put in the language that the City's financial obligations in the future are subject to these annual appropriations and we never have had anyone back out of a contract because of that.
- Council Member Longwell Council Member Longwell stated we are trying to figure out why they got cold feet. Stated we have never had these provisions in any contract ever in the history of this City and all of a sudden they are demanding specific contracts. Stated we have the knowledge of two significant events held at the same venue and asked if there were any issues with those two events on the condition of that building at any given time in 1989 and 2004 that would cause them to want to make this provision in the contract.
- John Rolfe CEO of the Greater Wichita Convention and Visitor's Bureau stated to his knowledge, absolutely not. Stated the expo hall was added on in 1987 so it was new when they came here in 1989 and in 2004 there were no indications and the lady bowlers and officials were very pleased with the condition of the building.
- Gary Rebenstorf Director of Law stated in their review of those two previous agreements, there was no contract provision in there about the maintenance requirement and it just had a very miscellaneous item that any specific improvements, which the site committee noted and required and was agreed to by Century II and the CVB must be completed by the date required.
- Council Member Longwell Council Member Longwell stated that his other concern is regarding a rumor that has been circulating recently, which pertains to the legal representation from CVB. Asked if it were true that the CVB attorney has been representing another entity to negotiate for Century II and was that disclosed to both parties?
- John Rolfe CEO of the Greater Wichita Convention and Visitor's Bureau stated yes there is a group out there that has made a proposal that would impact Century II. As it relates to legal representation their attorney Tom Docking is representing that group but the two are two totally different unrelated items.
- Council Member Longwell Council Member Longwell asked if that was disclosed at any given time to USBC.
- John Rolfe CEO of the Greater Wichita Convention and Visitor's Bureau stated no it never has been disclosed to USBC. Stated in their search process for an attorney in 2004, the CVB Board of Directors had taken position in favor of a casino and while that was a non-issue and they had a separate attorney at that time, during this process it was clearly indicated that he would only represent them as a CVB unrelated to whatever happened as it relates to a casino. Stated that was very clear from day one upon the hiring of their new attorney.
- Council Member Longwell Council Member Longwell stated at any given time then if USBC were to find out that this attorney was representing two different entities with two distinct different interests for the same venue, would that give them cold feet and want to put provisions in there. Stated there are a lot of unanswered questions that we will not get to today but it seems to him that would be a real conflict of interest and it should have been disclosed.

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Council Member Schlapp Council Member Schlapp stated the minute those provisions were put in there indicates that was the point in which possibly there was a change in their feelings. Stated that they fact that they could not find a time to negotiate until May 14<sup>th</sup>, was an indicator that they had no intention of talking or dealing with us. Stated in looking back there were a lot of those indicators. Stated as we get down the road she feels we need to have some established policy in this City that when “x” amount of money, the manager and legal department is directly hands on. Stated she has great concern with who was being involved and with doing what and was it not obvious that something was not going well.

(Council Member Schlapp momentarily absent)

Mayor Brewer Mayor Brewer stated at \$100 million dollars and 10 issues, is a “log jam” and there should have been red flags put out throughout this entire City that there are problems and issues that need to be paid close attention to. Asked the City Manager at what point in time was he planning on talking to the City Council because he is seeing a 90 day time frame and with something like that we do not take risks on.

George Kolb City Manager stated they had responded to the bowlers and their issues and their position on this was that they were waiting for them to respond. Stated he cannot say when he would have brought it to the Council but when it became obvious that there was some impasse, they would have brought it to the Council. Stated in there opinion they were not there. Stated they were following City policy and trying to negotiate a deal and to not bring it to the Council until they either have that deal negotiated or there is an indication that they cannot get to closure. Stated they had scheduled a couple of times to bring the final contract to Council because they were of the mind that they were going to get to a negotiated settlement and they had to postpone it a couple of times because of time issues and getting responses back from the other side.

Mayor Brewer Mayor Brewer stated he understands what the Manager is saying but does not agree with his time line on what you should have been doing. Stated \$100 million dollars is a huge impact to the City and it did not register to a lot of people to let a contract ride out there for 18 months. Stated he is still struggling with the 18 months and why it took so long and with why it took so long for the Council to find out. Stated it would have given them an opportunity to try and make some phone calls or come up with some type of strategy to be able to help out the CVB and they were not given those opportunities.

Council Member Skelton Council Member Skelton stated he agrees with what the Mayor is saying. Stated there are things to be learned from this and suggestions were made on what we need to do differently and what changes can be made in structure and processes to prevent something from happening like this again. Stated the cash basis issue is the epitome of bureaucracy, where we have so much red tape and if we can streamline these processes and make them more customer friendly and in turn gain greater success in recruiting tournaments and other groups to Wichita, which is one of the City’s core missions.

Mayor Brewer Mayor Brewer asked Gary Rebenstorf, George Kolb, and John Rolfe if there anything that they believe that could have changed the outcome or information that they believe the Council should have whether it be a personnel issue or anything else that the Council may need to discuss or anything else about this convention that needs to be presented to the Council at this time.

John Rolfe CEO of the Greater Wichita Convention and Visitor’s Bureau stated he has nothing to add but commented on the perceived conflict of interest raised by Council Member Longwell.

George Kolb City Manager stated he has nothing to add and that they have gone over this from their point of view and as stated before there are still some unanswered questions but the only the only ones that can answer them are the USBC.

Gary Rebenstorf Director of Law stated that he does not have any further information that he has not provided to the Council today that touches on the issues. Stated regarding his conversations with their outside attorney, it was very frustrating and odd to him that everything was turned over to an outside attorney and no further communications with the USBC would be appropriate. Stated to him that sends a red flag that there is a question that needs to be answered but they cannot get it.

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- Council Member Gray Council Member Gray asked Gary Rebenstorf when he started getting involved as far as having direct communications with them and was it May 9<sup>th</sup>.
- Gary Rebenstorf Director of Law stated he was involved from that standpoint of directing what was going on during all of the negotiations. Stated his first communication was a telephone conversation on May 9<sup>th</sup>.
- Council Member Gray Council Member Gray stated he is extremely disappointed and when he looks at this he sees a series of red flags that somebody should have been a little more in-tuned to and let the Council know earlier. Stated after listening to the explanations given, he feels that there were a lot of warning signs earlier than May 9<sup>th</sup>. Stated if there was a warning sign just to the law department and management, why are we having a junior attorney doing the negotiations on this if it starts to dissolve that quickly and we are having issues that are posing a threat on such an important event. Asked why the senior attorney was not handling this directly himself and getting involved and why are we having one of his assistant attorneys negotiating the deal. Stated that when you have a significant project and contract that you are working on, that is when the Director of Law as a manager should take over because the significance of it warrants it. Stated this is not something that should have been delegated down and too often in failed organizations, they have problems with delegating things to people who are not capable of handling the severity and the critical nature of some things that are large. Stated he feels we will not hear from the USBC because they are tired of messing with us and are not going to call us and tell us what their side of the story is because they are done. Stated they have moved down the road and have more important things to do then pay their attorney \$200-\$300.00 an hour to contact us and deal with this when they can move on to somebody else to do this. Stated we can blame them, which is what he has heard but has failed to see much self-reflection through this and maybe we are not as business friendly as we like to think we are and we need to be more cognizant of that going forward.
- Mayor Brewer Mayor Brewer inquired whether anyone from the audience wished to be heard.  
  
(Council Member Skelton momentarily absent)
- Mark Jensen Mr. Jensen stated he was the past ABC Director from 1992 to 2005 and served on the ABC Finance and Budget Committee for several years and was involved with the bid process for the City of Wichita for 10 of those 13 years. Stated that John Rolfe had represented the City very professionally and have always done a tremendous job in the bid. Mr. Jensen gave a brief history of this event. Stated it is unforgivable in his mind that we would let something like this slip by and this is the "mother lode" of events for this community and we lost it and does not see how we could have let that happen. Stated from USBC's point of view, the two issues that broke the deal were the arbitration issue and Century II. Stated historically USBC does not take their event to facilities that are old and it is not unreasonable for them to request that when they come to a facility that is 22 years old, that the roof is not leaking, the walls are not falling apart and that is what they wanted us to do. Stated they wanted us to tell them that the facility is going to be in pristine condition because this is their main event. Stated Wichita and bowling has a great symbiosis and work well together. Stated regarding the arbitration, USBC does not want to get involved in a lengthy and costly legal battle for many years on something that they could arbitrate. Stated the experience they have had with Wichita and Kansas are unique to us and this event is almost 100 years old and they have never experienced these problems with any other City. Stated he hopes we can fix the problem and they would like for us to bid again but if we bid again we better walk in there with a signed contract and a check for a minimum of a half million dollars.
- Mayor Brewer Mayor Brewer stated that the rumor is the possibility of them going to Memphis or Nevada.
- Mark Jensen Mr. Jensen stated he can assure the Council that the bid process from USBC's point of view is torture for them and the bidding cities and they do not like to do it. Stated there is no City behind the scenes that is trying to pull this event away. Stated we can bid again but have a lot of obstacles to overcome if we are going to get that tournament back.
- Mayor Brewer Mayor Brewer stated one of the things that he would like to do is to have an opportunity to bring closure to this and find out what is going on. Asked if they would be willing with no attorneys present, to meet with two of the Council Members if we come to their location.

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- Mark Jensen Mr. Jensen stated he would ask them but cannot guarantee that they will.
- Mayor Brewer Mayor Brewer stated he would like to have an opportunity to find out what was said and done to fix it and make sure it never happens again. Asked Mr. Jensen if there is any way for him to set up this meeting and feels it would be appropriate to have a couple of Council Members to go to bring some closure and to know what the facts are and mend this relationship.
- Cybil Strum Ms. Strum stated that she thinks they breached their contract.
- Mayor Brewer Mayor Brewer stated that the Council has agreed to look at a resolution, which would provide CVB with the necessary tools that they would need to avoid this from happening again.
- Motion-- Gray moved to authorize travel expenses if the opportunity becomes available for the Mayor and one of the City Council Members and pertinent Staff that the Mayor sees fit. Motion carried 6 to 0.  
--carried
- Gary Rebenstorf Director of Law read aloud the resolution.
- Council Member Schlapp Council Member Schlapp stated she has a question in section 1 and asked if the statement that reads "and the City will contract with the CVB to provide the CVB with the necessary space and utilities at Century II to offer suitable facilities for future USCB or similar events." Asked if that future means 2011 and instead of saying future it should read for "the 2011 future conference."
- Council Member Fearey Council Member Fearey stated she has a question in section 2, it says "for its 2011 conference" and was worried that we be limiting to that one..
- Council Member Longwell Council Member Longwell stated he would like for it to include both the 2011 and any future conference, to show that we really intend to pursue the 2011 to add the 2011 and any future conference.
- Gary Rebenstorf Director of Law stated they could make that change and wanted to advise the Council that the language in Section 1 where it says "the City will contract to provide CVB", what that means is that this a way for the Council to resolve this issue right now and make this a policy decision of the Council and then a contract will come back to the Council between the CVB and the City to formalize all of these issues for this one and all future events. Stated we can make the recommended amendments to the motion once the motion is made regarding this and then the final draft of the resolution will include that language.
- Motion-- Mayor Brewer moved to adopt the resolution with the amendments that have been made and those changes are in section 1, the last sentence where it says "the necessary space and utilities at Century II to offer suitable facilities for the *2011 Conference and future* USBC or similar events and in section 2, in the first sentence will it says "CVB will be the sole party to negotiate and sign terms with USBC for its 2011 Conference *or any future Conference,*" Motion carried 6 to 0.  
--carried
- Council Member Schlapp Council Member Schlapp stated she wanted to commend the Mayor for his insistence that this be brought forward to the public and be discussed publicly and the Council felt that was an important part of this and appreciated his leadership is seeing that happened.

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Mayor Brewer

Mayor Brewer stated that the City Manager should have been informed and should have informed the Council a lot sooner. Stated the Council sees some issues with that and recognizes the fact that there is fault to be placed on a lot of other areas and we will continue to look into this to find out what the problem was and how this fell through the cracks. Stated on high profile issues that have this much of a significant impact on the City of Wichita to include some that do not have this much of a significant impact on the City, but puts us in a situation where we can be recognized nationally and the City's reputation and image are at stake and we must protect those. Stated we cannot afford to make those kinds of mistakes and there is an issue of getting the information out to the Council earlier and we are still look at this and hopefully USBC will be gracious enough to give us that opportunity to meet with them face to face. Because we have to find out what those mistakes are so that we can make sure we do not make those mistakes again and if we are going to be a progressive City we cannot afford to make those kind of mistakes and thought thinking a lot clearer and outside of the box and get our hands around everything that is going on and happening in the City.

## RECESS

## EXECUTIVE SESSION

Motion--

Brewer moved that the City Council recess into Executive Session at 12:07 p.m. to consider: consultation with legal counsel on matters privileged in the attorney-client relationship relating to: legal advice and personnel matters of non-elected personnel and that the Council return from Executive Session no earlier than 12:30 p.m. and reconvene in the City Council Chambers on the first floor of City Hall. Motion carried 6 to 0.

--carried

## RECONVENE

The City Council reconvened in the City Council Chambers at 12:30 p.m.

Motion--carried

Brewer moved to extend the Executive Session until 12:45 p.m. Motion carried 4 to 0, (Longwell and Gray absent).

## RECONVENE

The City Council reconvened in the City Council Chambers at 12: 50 p.m. Mayor Brewer announced that no action was taken.

Motion--carried

Brewer moved to close the Executive Session at 12:50 p.m. Motion carried 6 to 0.

Motion--carried

Brewer moved to close the Regular Meeting at 12:51 p.m. Motion carried 6 to 0.

## ADJOURNMENT

The Meeting adjourned at 12:51 p.m.

Respectfully submitted,

Karen Sublett, CMC  
City Clerk

\*\*\*Workshop followed in the City Council Chambers at 1:30 p.m. \*\*\*