

CITY COUNCIL WORKSESSION

APRIL 29, 2015

6:00 p.m.

MISSION CITY HALL

6090 WOODSON

AGENDA

- 1. Community Investment Program (CIP)**
 - **Parks & Recreation**
 - **Stormwater**

- 2. Adjournment**

Mission City Hall
6090 Woodson, Mission, Kansas
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Date: April 24, 2015
To: Mayor and City Council
From: Laura Smith, City Administrator
RE: 2016 Budget Work Session - Parks and Stormwater

We continue our 2016 budget work with the individual project plans that make up the 2015-2020 Community Investment Program (CIP). With the transition to dedicated revenue streams over the last several years, we consider project plans in the following specific areas: Parks and Recreation, Stormwater, and Streets. Our discussions this week will be focused on the project plans for Parks and Recreation and Stormwater.

Parks and Recreation

The Parks and Recreation Project Plan includes revenues from the $\frac{3}{8}$ -cent parks and recreation sales tax and one-third of state derived alcohol tax funds. Revenues during the 5-year planning period total approximately \$800,000 each year. A portion of the sales tax revenues are dedicated to debt service for the Mission Family Aquatic Center (MFAC). The remaining revenues are programmed in three general areas:

- Facility and equipment replacement for the Sylvester Powell, Jr. Community Center (SPJCC)
- Building/facility reserves (SPJCC and MFAC)
- Park System Improvements

Facility and Equipment Replacement (SPJCC and MFAC)

The Project Plan includes facility and equipment needs detailed by year for the Community Center. Several projects that were budgeted in 2014 but not completed because of time constraints have been built back into the plan as appropriate. A reserve fund was established at the end of 2014 in the amount of \$165,000 and the plan adds to it in each subsequent year. Estimated reserve funds available by 2020 for the Community Center total \$465,000, or approximately 3% of the building's estimated \$15 million value.

Because the MFAC is so new, the addition of the second slide is the only major addition programmed to the facility over the 5-year plan. The plan does, however, set aside reserve funds of \$10,000 each year, accumulating to \$60,000 by 2020.

Park System Improvements

The City is currently conducting a Parks Master Plan process which will assist in evaluating and prioritizing existing maintenance/replacement needs, as well as identifying and prioritizing future investments in our parks and recreation amenities. Since the specific recommendations will not be completed prior to the 2016 budget adoption, an improvement fund has been included to allow money to be set aside annually to begin to address the priorities once they are identified and approved.

With the exception of \$75,000 programmed in 2015 to replace the walking trail at Mohawk Park, there are no



other specific park improvements identified in the plan. The plan includes a \$50,000 per year set-aside to be used toward implementing master plan recommendation.

The Parks and Recreation Project Plan is fairly straightforward. Staff anticipates more discussion surrounding this plan for the 2017 budget and beyond after recommendations from the Parks Master Plan are available.

Stormwater

Since 2005, the City has made significant investments in stormwater improvements along the Rock Creek Channel, removing significant sections of private commercial properties from the 100-Year FEMA Floodplain. In early 2012, the Council received the results of the Rock Creek Cost Benefit Study (Black & Veatch), and in June approved Resolution No. 862 (attached) establishing the City's preferred stormwater management and floodplain mitigation strategy as outlined below:

Option 4 eliminates flooding of properties in the study area by implementing an option from the previously discussed Rock Creek PES. This option includes a new interceptor pipe beneath Johnson Drive between Maple Street and Metcalf Avenue, secondary system improvements north of Johnson Drive to capture and convey water to the new interceptor, and reinforced concrete box improvements to Rock Creek between Maple Street and Lamar Avenue.

Based on the projects completed to date, and stormwater management best practices, the optimal approach for sequencing future stormwater projects was developed. Regardless of when they might ultimately be constructed, the remaining stormwater projects contemplated in Resolution 862 should be considered in the following order:

- Project 1: Interceptor Connection at Outlook
- Project 2: Interceptor Connection at Horton
- Project 3: Johnson Drive Interceptor Phase II (Lamar to Metcalf)
- Project 4: Rock Creek Channel Improvements (Maple to Outlook)
- Project 5: Rock Creek Channel Improvements (Outlook to Woodson)
- Project 6-7: Rock Creek Channel Improvements (Woodson to Lamar) + 61st St. Tributary

Stormwater Revenues

The current stormwater utility fee revenues (\$23/month/ERU) are structured to apply to existing debt service and do not provide funds which could be dedicated to new projects. The revenues are decreased by approximately \$90,000 per year based on an initial commitment to increase the ERU for a period of 5 years. The Stormwater Project Plan included in your packet essentially details stormwater debt service commitments from 2015-2020, including the amounts outstanding on each issue through its life.

Stormwater funding is shown to reflect a deficit position beginning in 2016 and for each subsequent year of the plan. The deficit is primarily influenced by three factors:



- Elimination of a transfer from the General Fund for debt service
- No revenue from Gateway Special Benefit District included until 2018
- Addition of a maintenance/repair fund

Last year's Stormwater Project Plan included \$138,000 in 2014 to fund three studies to guide the scope of future projects. Because of delays in the construction of the Gateway project and anticipated revenue shortfalls in future years, this work was not completed. The studies are important to: 1) establish costs for future projects; and 2) to assist the City in pursuing outside funding sources, primarily SMAC, for future projects. Details of the plans/studies are included below.

Stormwater Master Plan: Phase II (\$68,000)

A subsequent phase of the Stormwater Master Plan should be completed to prioritize the most critical improvements upstream of the main Rock Creek channel. It should integrate stormwater system improvements with available funding mechanisms and future capital improvement projects such as street projects, private redevelopment projects, green solutions, and other utility work projects. This would provide critical baseline information for how to optimally sequence those projects in future years.

PES #1 – Interceptor Connection at Outlook (\$35,000)

The first preliminary engineering study (PES) would focus on limited secondary system pipe improvements north of Johnson Drive at Outlook that connect to the Johnson Drive interceptor. These improvements are required to capture and convey stormwater from the 100-year storm event into the interceptor pipe, connecting it with the Rock Creek channel improvements that have already been constructed from Maple to the Gateway site. Strategically placed inlets are required to capture the 100-year runoff before overflows accumulate in the streets in the business district.

PES #2 – Interceptor Connection at Horton (\$35,000)

The second PES would focus on limited secondary system pipe improvements north of Johnson Drive at Horton that connect to the Johnson Drive interceptor. These improvements are required to capture and convey stormwater from the 100-year storm event into the interceptor pipe, connecting it with the Rock Creek channel improvements that have already been constructed from Maple to the Gateway site. Strategically placed inlets are required to capture the 100-year runoff before overflows accumulate in the streets in the business district.

With respect to the Stormwater Project Plan, staff is looking for specific discussion and direction on the following issues:

- How do you want to address the revenue shortfall if Gateway revenues are not available for several years?
- How/when do you want to proceed with the engineering studies originally included in the 2014 CIP?
- What is your philosophical approach to funding future stormwater projects (debt financing vs. pay as you go)?



Summary

The goal of the presenting the individual infrastructure project plans is to provide a clear picture of the dedicated revenue sources to allow for meaningful discussion and programming of future capital infrastructure projects. The comprehensive understanding of how each Project Plan works allows us to be more effective in presenting and evaluating alternatives related to operations and capital infrastructure funding throughout the remainder of the budget process. We will discuss the Street Program plans during our May 6, 2015 Finance & Administration Committee meeting.

Stormwater Program Plan (2015-2020)

	2014	2015	2016	2017	2018	2019	2020
Revenues							
Beginning Balance	750,792	581,545	6,661	(562,658)	(1,172,577)	(1,475,721)	(1,865,915)
<i>Local Revenue</i>							
Stormwater Utility Fund Revenues	2,059,536	2,070,000	2,070,000	2,070,000	1,710,000	1,710,000	1,710,000
Drainage District Revenues	78,902	80,000	80,000	80,000	80,000	80,000	80,000
Transfer from General Fund for Debt Service							
Transfer from CIP Fund for Debt Service	80,000						
Gateway Special Benefit District Revenues					600,000	600,000	600,000
Sub-total	2,218,438	2,150,000	2,150,000	2,150,000	2,390,000	2,390,000	2,390,000
<i>External Revenue</i>							
SMAC Revenues							
Miscellaneous Revenues							
Sub-total	0	0	0	0	0	0	0
<i>Debt Proceeds</i>							
2014A Proceeds	9,857,296						
2014B Proceeds	4,239,793						
Sub-total	14,097,089	0	0	0	0	0	0
Total Stormwater Revenues	16,315,527	2,150,000	2,150,000	2,150,000	2,390,000	2,390,000	2,390,000
Expenses							
<i>Capital Projects</i>							
Sub-total	0	0	0	0	0	0	0
<i>Maintenance Programs</i>							
Repair and Maintenance Fund	0	20,000	50,000	50,000	50,000	50,000	50,000
Stormwater Administrative Costs	45,672	50,000	50,000	50,000	50,000	50,000	50,000
Miscellaneous Engineering	8,962						
Stormwater Master Plan: Phase II Study							
PES - Secondary System at Outlook				35,000			
PES - Secondary System at Horton				35,000			
Sub-total	54,634	70,000	100,000	170,000	100,000	100,000	100,000
<i>Debt Service/Loan Repayment</i>							
KDHE ARRA Loan Repayment	6,562	6,562	6,562	6,562	6,562	6,562	6,562
GO Series 2009A	15,710,048						
GO Series 2010A	369,113	367,913	366,613	367,813	368,738	369,388	364,763
GO Series 2010B	279,131	279,131	279,131	279,131	279,131	279,131	974,131
GO Series 2013C - Stormwater Portion	65,286	283,075	283,375	283,575	283,675	283,675	283,575
GO Series 2014-A	0	343,027	324,838	321,838	1,389,838	1,741,438	1,050,538
GO Series 2014-B	0	1,375,176	1,358,800	1,331,000	265,200	0	0
Sub-total	16,430,140	2,654,884	2,619,319	2,589,919	2,593,144	2,680,194	2,679,569
Total Stormwater Expenses	16,484,774	2,724,884	2,719,319	2,759,919	2,693,144	2,780,194	2,779,569
Ending Balance	581,545	6,661	(562,658)	(1,172,577)	(1,475,721)	(1,865,915)	(2,255,484)

Remaining Debt Service/ Year Retires
\$ 68,902 (2031)
(2020)
\$ 853,450 (2023)
\$6,563,963 (2029)
(2018)

