

MANAGERS REPORT

DATE: March 14, 2024
TO: Mayor Benage and City Council
FROM: Ty Lasher, City Manager
RE: March 19, 2024 Agenda



Consent Agenda (Item VI)

The Consent Agenda contains only the Minutes of the March 5, 2024 City Council meeting.

Appropriations Ordinance (Item VII)

This appropriations ordinance encompasses 02/24/24 through 03/11/2024 expenses and one payroll cycle. Expenditure amounted to \$471,383.25. Of the reported expenses, \$63,469.21 are infrastructure costs for new developments. These costs are paid through special assessments.

City Requested Appearances: City Manager Ty Lasher (Item VIII)

The Mayor would like to recognize myself for service to the City. Following a presentation by the Mayor, there will be a short recess with light refreshments available in the lobby.

Letter of Intent and Notice of Public Hearing for IRB Issue (Item A-B)

The City of Bel Aire was contacted by Walton's Inc., indicating their interest in expanding operations by constructing a new facility within our Sunflower Commerce Park. Walton's Inc. is a leading provider of supplies and equipment to commercial and home-based meat processors across North America. Walton's Inc. currently employs 60 workers and has outgrown its existing 60,000 square foot facility in Wichita. As part of their expansion plans, they intend to build a new 100,000 square foot facility, with an additional 50,000 square feet earmarked for future growth.

The proposed investment from Walton's Inc. into our community stands at \$12,000,000 for the construction of this new facility. Walton's has submitted an Industrial Revenue Bond (IRB) application to secure property tax abatement and sales tax exemptions, thereby reducing the financial burden associated with their expansion endeavors. Walton's and City Staff have agreed to the recommended abatement scale outlined in our IRB Policy, which spans over a period of 10 years, gradually reducing the abatement percentage annually.

Additionally, Walton's Inc. has agreed to the 1% origination fee as stipulated by our IRB Policy, with a request to spread this fee over a 5-year period, a request deemed reasonable by our staff, which has been included in the Letter of Intent (LOI) for your consideration.

As part of the IRB process, a cost-benefit analysis has been conducted to assess the potential impact of Walton's Inc.'s expansion. The study, conducted by the Wichita State University Center for Economic Development and Business Research, indicates a favorable 1.74 cost-benefit ratio. A ratio exceeding 1.00 signifies that public benefits outweigh public costs during the evaluated period. Furthermore, Walton's Inc. anticipates hiring 10 new employees within the first five years following the expansion.

Given the positive findings and the potential benefits to our community, staff recommends approving the Letter of Intent provided in your packet and setting a public hearing at the April 2, 2024, City Council Meeting to further discuss and consider Walton's Inc.'s proposal.

Change Order for Pool Repairs (Item C)

Last fall, the Council discussed options for the Central Park Community pool at a workshop. The pool sits in a location with a high-water table that has caused issues in the past. After considering options and costs, consensus was to replaster the pool and repair any cracks. It was understood that if the pool were to be opened for the 2024 season, repairs would need to be completed in spring 2024. Quotes were received and Council accepted the quote from the low bidder, Mid-West Plastering, LLC at a cost of \$47,200. This week, as soon as the weather allowed, Mid-West Plastering went to work on the repairs. Unfortunately, the condition of the existing plaster was much worse than anticipated. This will require more of the existing plaster to be removed, resulting in a higher overall cost for the project. Mid-West Plastering is requesting a change-order for \$19,740.00. Staff recommend accepting the change-order so that the pool can be made operational before summer. Staff will be at the meeting to answer any questions.

Agreement for Geotechnical Study, Woodlawn (Item D)

All of the geotechnical work performed so far on Woodlawn has been for forensic purposes – figuring out what went wrong. Now that we know that, additional geotechnical information is needed to design a solution for the failing roadway. Data regarding the elevation and movement of the subsurface water is needed, along with soil property data. The design solution will likely include an underdrainage system and subgrade stabilization as recommended in KDOT's February 6, 2024 Pavement Failure Investigation Memo.

Staff reached out to PEC for a proposal to provide geotechnical engineering and investigation services for Woodlawn. Staff met with representatives from both PEC and

KDOT on Monday, March 11th to walk the site. PEC's original quote for geotechnical services along with their additional recommendations based up on the March 11th site visit are included in Anne's report in your packet. Here are some of the key points of work identified:

- During installation of the monitoring wells, PEC will collect soil samples for analysis. PEC originally thought that 6 monitoring wells would be sufficient to collect the information needed (4 on the closed lane, one on the southbound lane, north of the tracks and one south of the tracks). During our on-site visit, it was decided to put in two additional monitoring wells north of the tracks on the west side of the roadway, to help determine the elevation and movement of the subsurface water.
- When walking the area south of the tracks, pavement distress that is inconsistent with one year old paving was noted. Because of this, it was determined that additional borings with 24-hour water level observations should be obtained from the pavement south of the tracks to ensure that any design or rework is going to fix the problems and provide a 20+ year roadway.
- One monitoring well will be installed south of the tracks for a longer water level observation. Additional monitoring wells were not suggested because it was desired to get pavement borings and the monitoring wells will stick up out of the ground, requiring lane closures.

PEC's quote for this work is \$19,000. The cost will be included in the bonds for the project and paid for out of the general fund. Staff recommends Council accept the quote from PEC.

Agreement for Construction Staking Services, 53rd Street (Item E)

Several years ago, Garver was selected to provide design services for 53rd Street and they have been working with City staff on the project since then. At the March 5th Council meeting, the contract for Construction Inspection was awarded to Garver, financing was arranged through the bond process, and the contractor was selected (Kansas Paving). To ensure design accuracy, the City requested that Garver provide a proposal for construction staking services. The proposal in your packet includes construction staking and construction support (answering questions during the construction process). This is a not to-exceed contract, and the City will not be billed for services that are not used. The total fee for construction staking and construction support services is \$70,100.00. The cost of these services will be financed through the general obligation bond for the project. Staff recommends that the Council accept Garver's proposal for construction staking and construction support services.

Construction Inspection Agreement with TranSystems, 53rd Street (Item F)

On March 5th, Council approved the proposal from TranSystems for Construction Inspection. Now the agreement comes before Council for consideration. City Attorney Maria Schrock will be available for questions.

Amendment to Employment Agreement (Item G)

Our City Attorney, Maria Schrock, came on board with the City about a year ago. Since that time, as the City grows and develops, the City Attorney's workload and the City's needs for legal representation have changed. Maria requested a mid-year evaluation with City Council to provide an update regarding accomplishments, goals, and workload and to gather feedback regarding role expectations, work projects, and work schedule. In lieu of the city attorney's COLA or potential performance bonus in June 2024 (12-month anniversary date), this agreement includes a compensation increase of \$10,000 which is retroactive to 01/01/24. Maria will be at the meeting to answer any questions.

Executive Session (Item XII)

Will need 1 executive session.