

MANAGER'S REPORT

DATE: December 11, 2025
TO: Mayor Benage and City Council
FROM: Ted Henry, City Manager
RE: December 16, 2025 Agenda



Consent Agenda (Item VI)

The consent agenda contains the Minutes of the December 2nd City Council meeting, as well as one appointment and two request for Cereal Malt Beverage License Renewal.

Kent Koehler has volunteered to serve on the Steering Committee for Sedgwick County Fire District No. 1. He would replace Jesse Miller, who has asked to step down.

Two applications for renewal of Cereal Malt Beverage (beer) Licenses were received by the City. Both applications have received the required stamps from the Kansas Department of Revenue, Alcoholic Beverage Control and have met all City requirements for renewal. Staff recommend approval of both licenses.

Appropriations Ordinance (Item VII)

This appropriation ordinance encompasses 11/26/2025 through 12/09/2025 expenses and one payroll cycle. Expenditures amounted to \$2,127,910.28. Of the reported expenses, \$1,109,681.09 are infrastructure costs for new developments. These costs are paid through special assessments.

Public Hearing for Budget Amendment (Item IX)

On December 2nd, the City Council approved a Notice of Public Hearing and set the date to hold this hearing, as required by state statute. At this time, anyone may speak about the proposed Budget Amendment. When everyone has had a chance to speak, the public hearing may be closed with a motion and vote of the Council.

Budget Amendment (Item A)

Earlier in the meeting, a public hearing will be held to allow citizens and other interested parties to speak on the amendment. After the public hearing has been closed, the City Council may consider the budget amendment. Per state legislation, local units of government are allowed to amend their annual budget if needed. The amended budget must balance any proposed increase in spending with new revenue from sources other than property taxes. Some common reasons for budget amendments include:

- Increases in unexpected expenditures in the current fiscal year, for example, street maintenance.
- Additional approved projects or grants that were not in the current fiscal year budget.

- To record transfers from one fund to another that were not originally budgeted.
- Grant programs that were awarded after the current fiscal year budget was adopted.

Additional property taxes cannot be levied during the amendment process. K.S.A. 79-2929a outlines the process a city must follow if a budget amendment is needed. Similar to the budget adoption process, an amendment requires public notice, hearing, and adoption by the governing body; followed by submitting the amendment to the County Clerk and filing it with the State of Kansas. The budget amendment process will balance all increased spending with new revenue from sources other than property taxes. In the City's case, all additional revenue sources will come from unencumbered fund balances and transfers from other funds. Barry Smith, Director of Finance, will be available to answer any questions.

IRB Issuance, Bel Aire Secure Storage, LLC (Item B)

Bel Aire Secure Storage, LLC requested (and the City Council approved) an IRB and PILOT Agreement in 2022 to support development of their storage facility located on the west side of Webb Road, north of Tierra Verde. The project was divided into two phases. Phase 1 (\$2.5 million) was completed in 2023. Phase 2 (\$484,000) has now been completed and is ready for issuance.

Please note: Bel Aire Secure Storage, LLC is responsible for placing the IRB and meeting all associated financial obligations. The City of Bel Aire assumes no debt responsibility and serves only as a conduit for the bond. Kevin Cowan will attend the meeting to answer any questions. Staff recommends approving the ordinance and related documents.

Fee Schedule Resolution for 2026 (Item C)

Near the end of each fiscal year, the Bel Aire City Council reviews and approves updates to the City's fee schedule. Municipalities have authority to establish fees for services they provide and fee schedules to outline the various set fees. The fee schedule serves as a quick reference point for citizens and staff. It is best practice to review the fee schedule annually. City staff from all departments have recently reviewed the schedule and provided their updates. Some of the updates reflect City policy, such as the 3% annual sewer and water fee increases. Other changes are brought on by changes in County, State, or Federal regulations, such as removing the copying fees for record requests due to recent changes in State open records policy. Barry Smith, Director of Finance, has provided a detailed report in your packet. If other changes become necessary during the coming year, the schedule can be revised or amended. Staff recommends that the Council approve and adopt the fee schedule as presented.

Real Estate Purchase Agreement (Item D)

The sanitary sewer lift station at 37th and Harding is our primary lift station and serves the majority of the community. Because of its importance, it is critical that this facility remain fully operational. During our review of the easements and existing sanitary sewer mains leading into the lift station staff determined more room was needed. The City has discussed the potential installation of a screening device to reduce wear and tear on the pumps. Installing this device would require placing it in line with the existing sewer mains entering the lift station and would involve significant excavation. If a building or other semi-permanent structure (such as a concrete

wall) were constructed along the property boundary, it would substantially limit our ability to install a future screening device or to excavate and access existing sewer infrastructure.

The vacant land surrounding the lift station recently came up for sale. The City previously submitted a bid, but the seller accepted a higher offer from a private party. That buyer has since backed out, making the property available again. A purchase price of \$75,000 was discussed and negotiated with the City Council, and staff believes this price represents fair market value based on inputs from the seller's prior offer.

Resolution amending City Boundaries (Item E)

State law (K.S.A. 12-517) requires cities to adopt a resolution declaring the official boundary of the city's incorporated area before the last day in December in any year in which any territory has been added to or excluded from the city. The City hired PEC to update the boundary to include the annexations that occurred in the current year. The boundary resolution is now ready to adopt and file with the County. This resolution must be filed prior to the end of the year for the newly annexed properties to be added to Bel Aire's tax rolls, establishes jurisdictions for emergency response departments, and elections. Staff recommends that City Council adopt the boundary resolution as presented.

Executive Session (Item XIII)

There is one Executive Session on the agenda.

Discussion And Future Issues – Sidewalk Cost Estimate (Item XIV)

PEC is working on a cost update to Phase 1 improvements. I will provide the estimate at the meeting to discuss.