

EL DORADO CITY COMMISSION – REGULAR MEETING AGENDA
CITY HALL – 220 E. FIRST AVENUE
June 1, 2020 – 6:30 PM

1. **Call to Order**
2. **Roll Call**
3. **Invocation**
4. **Pledge of Allegiance** – Reverend Mark Somerville, Family Worship Center

Proclamations and Recognition

Personal Appearances. Personal appearances are opportunities for organizations or citizens to make special presentations before the City Commission. Such appearances are scheduled in advance of the meeting by calling City Clerk Tabitha Sharp at (316) 321-9100 by 5:00 pm the Tuesday preceding the meeting. Presentations are limited to ten minutes. Any presentation is for information purposes only; no action will be taken.

5. Linda Jolly – El Dorado Inc. Annual Report

6. Public Comments. Persons who wish to address the City Commission regarding items not on the agenda and that are under the jurisdiction of the City Commission may do so when called upon the Mayor. Comments on personnel matters and matters pending in court are not permitted. Speakers are limited to three minutes. Any presentation is for information purposes only; no action will be taken. Citizens with information for the City Commission are encouraged to contact City Clerk Tabitha Sharp at (316) 321-9100 for instructions on alternative ways of communicating with the City Commission.

Consent Agenda (*Consent agenda items will be acted on by one motion unless a majority of the City Commission votes to remove an item for discussion and separate action.*)

7. [Approval of City Commission Minutes from May 18, 2020](#)
8. [Acquisition of 619 and 621 West Ash Avenue](#)

Old Business

9. None

New Business

10. [Approval of Bid for Project #542 Douglas Road Improvement Project \(Towanda Avenue to Sunset Road\)](#)
11. [West Central Gateway TIF District Public Hearing and Ordinance](#)
12. [Airport Lighting Project Bid Approval](#)
13. [COVID-19 Economic Development Relief Fund Proposal](#)

Reports

14. City Commission and Advisory Board Updates
15. City Manager

Executive Session

16. None

Adjournment

17. Motion to adjourn the June 1, 2020 regular meeting

PUBLIC COMMENT POLICY:

Citizens are encouraged to address the City Commission during regularly scheduled meetings. This policy is intended to provide some guidelines to ensure that all El Dorado citizens have a chance to address the Commission.

1. Each citizen will state their name and address before making comments.
2. There are no residency requirements.
3. Each citizen will have 3 minutes to present his or her comments.
4. An extension of time, if necessary, may be approved but must be by a majority of the City Commission.
5. Comments or questions will be directed only to the City Commission.
6. Citizens will follow the decorum policy.
7. Debate or argument between parties in the audience will not be allowed.
8. Certain legal issues may not be discussed. (Examples include but are not limited to personnel issues, lawsuits, etc.)

Violation of this public comment policy will result in the citizen being directed to cease or resume sitting.

Approved by the Commission this 2nd day of May 2005.

EL DORADO CITY COMMISSION MEETING

May 18, 2020

The El Dorado City Commission met in a regular session on May 18, 2020 at 6:30 p.m. in the Commission Room with the following present: Mayor Bill Young, Commissioner Matt Guthrie, Commissioner Gregg Lewis, Commissioner Nick Badwey, Commissioner Kendra Wilkinson, City Manager David Dillner, City Engineer Scott Rickard and City Clerk Tabitha Sharp.

VISITORS

Kevin Wishart

220 E 1st Ave

El Dorado, KS

CALL TO ORDER

Mayor Bill Young called the May 18, 2020 meeting to order.

INVOCATION

Commissioner Kendra Wilkinson opened the meeting with an invocation.

PLEDGE OF ALLEGIANCE

The City Commission led the Pledge of Allegiance.

PUBLIC COMMENT

There were no comments.

CONSENT AGENDA

Approval of the City Commission minutes from May 4, 2020.

Approval of Appropriation Ordinance No. 04-20 in the amount of \$1,723,795.81.

Commissioner Nick Badwey moved to approve the consent agenda as presented.

Commissioner Kendra Wilkinson seconded the motion.

Motion carried 5 – 0.

PROJECT NO. 564 – WATERLINES TO SERVE FLINT CREEK ESTATES

City Engineer Scott Rickard stated that this is for the development of 32 single family homes at Flint Creek Estates. He stated that the City has the responsibility for waterlines and the developer is responsible for other utility extensions. He stated that the Engineer's estimate was \$122,030.40 and the low bid was from Nowak Construction for \$59,645.

Mayor Bill Young asked what the timeline was.

City Engineer Rickard stated that the developer hopes to open the homes next spring.

Commissioner Kendra Wilkinson moved that since Nowak Construction has submitted the lowest and best bid of \$59,645 for Project No. 564, the City manager be directed to award the contract to said contractor providing that the company furnish the correct bonds.

Commissioner Nick Badwey seconded the motion.

Motion carried 5 – 0.

AWARD OF BID FOR PROJECT NO. 565 – MILL AND OVERLAY OF SOUTH HAVERHILL ROAD FROM CENTRAL AVENUE TO TOWANDA AVENUE

City Engineer Scott Rickard stated that this is a two inch mill and overlay of the existing pavement. He stated that the project will be funded by street sales tax funds.

Commissioner Kendra Wilkinson asked if it will include the intersection at Haverhill and Towanda.

City Engineer Rickard stated that there will not be a complete removal, but they will repair the joints that are in bad condition.

Commissioner Gregg Lewis moved that since APAC-Kansas, Inc. has submitted the lowest and best bid of \$161,622.56 for Project No. 565, the City Manager be directed to award the contract to said contractor providing that the company furnish the proper bonds.

Commissioner Matt Guthrie seconded the motion.

Mayor Bill Young asked what the timeline was.

City Engineer Rickard stated that the contract states it must be complete no later than October 30th, but we do not have a start date yet.

Mayor Young and Commissioner Guthrie stated that they would like to see it completed before school begins.

Motion carried 5 – 0.

AWARD OF BID FOR PROJECT NO. 566 – MILL AND OVERLAY OF GENTRY LANE, WEDGEWOOD DRIVE, CHELSEA DRIVE, DRAGONFLY DRIVE, PLOVER COURT AND EL DORADO ACTIVITY CENTER PARKING LOT

City Engineer Scott Rickard stated that there will be a mill and overlay of these streets. He stated that these areas have not been addressed since they were developed and are in need of repair. He stated that the school district will be responsible for half of the activity center parking lot cost. Sales tax dollars will be used to fund this. APAC-Kansas was the lowest bid.

Commissioner Matt Guthrie asked how much the school district would be responsible for.

City Engineer Scott Rickard replied that he did not have the breakdown in front of him but the school district did approve the costs last Tuesday.

Commissioner Matt Guthrie and Mayor Bill Young both asked if the \$149,477.04 was total bid for entire project.

City Engineer Scott Rickard confirmed that the \$149,477.04 was the total bid for the entire project.

Mayor Bill Young asked about the timeline.

City Engineer Rickard stated that the portion for the parking lot must be completed by August 1st.

Commissioner Matt Guthrie moved that since APAC-Kansas, Inc. has submitted the lowest and best bid of \$149,477.04 for Project No. 566, the City Manager be directed to award the contract to said contractor providing that the company furnish the proper bonds.

Commissioner Gregg Lewis seconded the motion.

Commissioner Guthrie confirmed that this would be about \$400,000 from the sales tax fund. He asked what the rest would be used for.

City Engineer Rickard stated that if other projects are brought forward, they will add them and other funds will be carried forward to other years.

Commissioner Guthrie asked if he could see the balance in the fund.

Motion carried 5 – 0.

AWARD OF BID FOR PROJECT NO. 567 – MILL AND OVERLAY OF NORTH TAYLOR STREET FROM 6TH STREET TO 10TH AVENUE

City Engineer Scott Rickard confirmed there will be a 2 inch mill overlay. APAC-Kansas submitted the lowest bid of \$83,189.50.

Commissioner Nick Badwey moved that since APAC-Kansas, Inc. has submitted the lowest and best bid of \$83,189.50 for Project No. 567, the City Manager be directed to award the contract to said contractor providing that the company furnish the proper bonds.

Commissioner Kendra Wilkinson seconded the motion.

Mayor Bill Young asked what the timeline on this one was.

City Engineer Rickard stated that because APAC-Kansas got all of these projects, they will likely only be in town once for everything. He stated that the deadline for this one is also October 30th.

Mayor Young asked how long this work lasts.

City Engineer Rickard stated that it depends on the base of the roads, but a road like Taylor will last quite a while with preventative maintenance.

Commissioner Guthrie asked why this project stops at 10th.

City Engineer Rickard stated that a project has already been completed in that area.

Motion carried 5 – 0.

ITEMS FOR DISCUSSION

July 4th Fireworks Display

City Manager David Dillner stated that staff need to plan for the fireworks display. He stated that in the past, the City has used BG Stadium, McDonald Stadium, the lake and Prairie Trails.

Commissioners Wilkinson and Badwey stated that they didn't have an opinion.

Commissioner Gregg Lewis stated that he would like to see them at the lake.

Commissioner Matt Guthrie stated that he would like to see them at McDonald Stadium where kids can ride their bikes.

Mayor Bill Young stated that he liked to do them at McDonald Stadium. He stated that access is easier at McDonald Stadium. He stated that this was also a great way to get people downtown in a year where those businesses are struggling.

There was consensus for McDonald Stadium.

City Pool

City Manager David Dillner stated that staff have developed a plan for opening the pool in accordance with the Governor's guidelines.

Parks and Recreation Director Kevin Wishart stated that this plan will open the pool June 6th for six days a week 1 p.m. to 6 p.m. He stated that there will be no outdoor swim lessons and parties will be limited. He stated that there will be two sessions, one from 1 to 3 for 30 swimmers and another from 3:30 to 5:30 again for thirty swimmers. He stated that we have eight lifeguards ready, but will have to find more as the numbers are allowed to increase.

Commissioner Matt Guthrie asked if they would have to pay for both sessions.

Parks and Recreation Director Wishart stated that the plan currently is to allow free admission this year. He stated that the hope will be that people reserve times and once they leave, they will not be allowed back in unless they are reserved for the second session.

Mayor Bill Young questioned if it was necessary to arrive precisely at a certain time frame at the 1 p.m. time and 3:30 p.m. time slots.

Parks and Recreation Director Wishart mentioned that if someone calls in that day for reservation and it is available, they are able to attend. It was also confirmed it would be ok if they were running late. If the participant(s) would like to attend the second session and there is an open reservation, that participant(s) can attend.

Commissioner Kendra Wilkinson asked what information will be gathered in an effort to be able to do contact tracing.

Parks and Recreation Director Wishart stated that they will gather the information required by the health department.

Commissioner Wilkinson asked if parents will be included in the count.

Parks and Recreation Director Wishart stated that they were still working on that.

Commissioner Wilkinson asked about the mask requirements.

Parks and Recreation Director Wishart stated that those are recommended not required and we would be managing that as the season progresses.

Commissioner Wilkinson asked where the showers were.

Parks and Recreation Director Wishart stated that in the current climate, they will be required. They have not been required in previous years because of new treatments for pool water.

Commissioner Wilkinson asked who would be enforcing these rules.

Parks and Recreation Director Wishart stated that the pool manager and assistant manager and other recreation employees will be responsible for that and they are all over 18.

Mayor Young stated that the hope will be that there is patience and understanding from our citizens and he asked that we make sure that everything is communicated well.

Commissioner Wilkinson asked if splash parks will be open.

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Parks and Recreation Director Wishart stated that the splash parks are difficult because of the proximity of users.

City Manager Dillner stated that they have made the pool free to help the families who use splash parks because they are free.

Commissioner Wilkinson stated that the plan is well thought out, but she felt that the pool shouldn't be open in the current situation.

Commissioner Gregg Lewis stated that he felt that parents should monitor their children's safety and we should open the pool.

Commissioner Guthrie stated that he agreed with Commissioner Lewis, as long as we are legally able to open, the parents should choose on their own.

Commissioner Nick Badwey stated that he was in favor of opening as well.

Mayor Young stated that the Governor's guidelines allow it in the phase in which we have chosen to open and so he felt like we could open.

City Manager Dillner asked if the Commission was okay with opening splash pads and playgrounds when the Governor allows it. He did not want to put it off for two weeks while waiting on a Commission meeting to happen.

The Commission agreed to follow the Governor's guidelines.

Softball/Baseball

Parks and Recreation Director Kevin Wishart stated that the Heights League voted to cancel their 2020 season last week. He stated that if the Commission desired, we could offer an El Dorado program, limited to four games for the season in order to spread out as required. Practices and games would be limited to one per field per night in order to allow for proper cleaning of fields and equipment. The number of spectators would be limited to two per player and would be encouraged to bring their own seating.

Mayor Bill Young asked how many teams would be playing.

Parks and Recreation Director Wishart stated that they anticipated maybe 20 to 24 games.

Mayor Young asked if they could modify schedules if fewer teams register.

Parks and Recreation Director Wishart stated that it could be possible, but they would need to know numbers before they could commit.

Mayor Young asked if this would include all of the surrounding cities.

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Parks and Recreation Director Wishart stated that they would offer to those teams who were already formed in the Heights League which would include other cities. He stated that t-ball and machine pitch would need a different decision. He stated that the Commission needs to make a decision on if we would invite other cities for the younger leagues.

Commissioner Kendra Wilkinson stated that she was not in favor of holding the season. She stated that it would be harder to enforce than the pool.

Commissioners Badwey, Guthrie and Mayor Young stated that they were okay proceeding with the plan.

Auction of Prairie Trails Furniture and Fixtures

Mayor Bill Young stated that he had discussed this with the City Manager earlier in the day. He stated that there is potentially growing interest in the golf course sale and so he thought that it would need to be discussed.

City Manager David Dillner stated that because there is interest in purchasing the course, he thought it might be best to strike the auction discussion and instead think about marketing or selling the course.

Mayor Young stated that there needs to be a standard package of information for anyone who is looking at the golf course.

Commissioner Matt Guthrie stated that he wanted to see if we could sell the facility as a whole first.

Mayor Young stated that he thought we should send out a request for proposals to maintain the golf course.

Commissioner Guthrie asked if there was a reason we shouldn't engage a realtor.

City Manager Dillner stated that they could do that. He stated that he needed director from the Commission on what they would like to offer so that we can compare like proposals.

There was agreement to do a request for proposals.

Water and Sewer Capacity Studies

Public Utilities Director Kurt Bookout stated that staff believe it is time to look at the water and sewer capacities again. He stated that we need to update our previous studies so that we can better address maintenance and capacity issues.

City Engineer Scott Rickard stated that this study would look at the core area and help us get a grasp of what is happening with the older infrastructure. He stated that this will also help us understand the triggers for future development.

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Commissioner Gregg Lewis stated that he felt we needed to do this study because water is the future of our community.

Commissioner Nick Badwey stated that if staff were recommending it, they should move forward.

Mayor Bill Young asked where the funds would come from.

City Manager David Dillner stated that it would come from the fund balance in each fund.

Mayor Young and Commissioner Wilkinson agreed that it should be done.

Commissioner Matt Guthrie stated that he is just wondering who else needs a study.

City Manager Dillner stated that the Industrial Park Study called for this study to be done in order to be prepared for development.

Mayor Young stated that this is why he supported it, he wanted to get them done so that we can have all of the information and be done.

Commissioner Guthrie stated that he truly wanted to understand what else needed to be done so that we can be done with the studies.

City Manager Dillner stated that Stormwater is an issue and we don't have a list of projects with cost and impact, etc. He stated that we need one for our major infrastructure except for streets, that one has been completed. He stated that once we have these infrastructure plans, we can better provide a plan for the future.

City Engineer Rickard stated that there is a master plan of Stormwater for the downtown area, but there are only a few projects from that which will lessen the impact of rain events.

City Manager Dillner stated that there isn't a full comprehensive study of the City. He stated that we have to figure out the projects and plan how to pay for them.

Commissioner Guthrie stated that he would like all of the gaps in the information to be filled so that we can move forward.

REPORTS

CITY COMMISSION

Commissioner Kendra Wilkinson stated that she would like to compliment the City Employees who have done a great job for the citizens during the COVID response. She stated that they also did a great job during the rain event last week.

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Commissioner Nick Badwey stated that the library is open for curbside delivery beginning today. Books can only be returned through the book drop so that they may be properly cleaned. He stated that no donations will be accepted at this time. He stated that as soon as the software is ready, the Virtual Summer Reading Program will begin.

Commissioner Gregg Lewis also commended city staff for their response during the rain event last week.

Commissioner Matt Guthrie stated that he has seen campers on properties where the home is not livable.

City Engineer Scott Rickard stated that a camper is allowed for up to six months, possibly longer if a home is being built or worked on. He asked for addresses so that he could check them out.

Commissioner Guthrie asked where staff were on the pond by Holiday Inn and the parking around the hotels.

City Manager Dillner stated that he would get information on the pond. He stated that the parking is illegal there and the police department is enforcing it, they have talked to the hotel managers.

Commissioner Guthrie stated that if they are a patron of the business, he was okay with it, but if not, they should probably address it.

City Manager Dillner stated that if the Commission wants to allow parking, we can change the ordinance, but if not, we will not change it.

Mayor Young stated that he wanted to understand the consequences of changing the ordinance, but was unwilling to just change it.

Commissioner Guthrie stated that the SUP on North Arthur is still being violated and wanted to know what we can do about it.

City Manager Dillner stated that the SUP could be revoked. He stated that he would meet with him and discuss the issue.

Commissioner Guthrie congratulated the graduates for the class of 2020.

Mayor Young stated that he would also like to congratulate the 2020 graduates. He also echoed the compliments to city staff on the COVID and flood water response.

Mayor Young stated that he had received a comment about the Nick Badwey Senior statue and encourage staff to light that area.

Mayor Young asked what the zoning was on the old Moose Lodge. He stated that he had been told that there were multiple people living there.

City Engineer Rickard stated that he could look into it.

Mayor Young stated that he wanted to mention to the public that additional communication will be put out regarding the plans about response to the phases of re-opening.

CITY MANAGER

City Manager David Dillner stated that KDOT has announced their Eisenhower Legacy Transportation Plan, and while the City did not receive a project, Butler County did receive two and one of those will go from our western city limits to the Sedgwick County line.

City Manager Dillner stated that the city received a grant from the CARES Act that will pay for our airport lighting project at 100%. He stated that originally our cost would have been around \$75,000.

City Manager Dillner stated that KDOT and the KTA informed the City that they will not proceed with the Boyer Road/I35/254 study due to decreased revenues. He stated that it will pick back up when revenues return to normal.

City Manager Dillner stated that the City will be closed Memorial Day, Monday trash will be picked up Tuesday and Tuesday on Wednesday.

City Manager Dillner stated that at next Wednesday's meeting, the City will hold a public hearing to review a CDBG grant for the purpose of assisting local businesses with decreased revenues due to COVID-19.

ADJOURNMENT

Commissioner Nick Badwey moved to adjourn the meeting at 8:29 p.m.

Commissioner Kendra Wilkinson seconded the motion.

Motion carried 5 – 0.

City Clerk Tabitha D. Sharp

Mayor Bill Young

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TO: City Commission
FROM: Scott Rickard
SUBJ: Acquisition of 619 and 621 West Ash Avenue
DATE: May 18, 2020

Background:

The properties at 619 & 621 West Ash Avenue currently have numerous code and property maintenance issues. The Building Official has received numerous complaints from property owners in the neighborhood. The properties are in a condemnable state. With that being said the current owner is willing to walk away from the property and deed it to the City of El Dorado. The City would then proceed with demolition of the properties as soon as possible.

Completion Time:

Anticipated demolition to begin on

Attachments:

Timeline of 619 & 621 West Ash Avenue

Policy Issue:

Per the Real-Estate Policy the City Commission must give the City Manager approval to proceed with the purchase of property

Fiscal Impact:

The owner will deed the property over to the City at no cost. Demolition on these properties will be a simple teardown. Public Works may have the time to complete this as their schedule allows or I would estimate \$10,000 should we hire a contractor. The lot could and should be sold for redevelopment to recover our expenses.

Staff Recommendation:

Proceed with the acquisition of the properties.

Commission Actions:

Commissioner _____ moved to authorize the City Manager to acquire 619 and 621 West Ash Avenue.

Commissioner _____ seconded the motion.

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Timeline of 621 W Ash and 619 W Ash

Owner Larry Ricker

5/1/2006 Waring from Fire Department. Inoperable non-registered vehicles, tall grass and weeds throughout property, and trash and debris throughout property.

7/12/2006 Citation #97807 issued for trash and debris throughout property.

8/7/2006 Diversion on the citation issued.

2/3/2009 registered letter sent to the Owner. Trash and debris throughout property.

3/4/2009 registered letter sent to the Owner. Trailer parked in yard storing debris.

4/28/2010 registered letter sent to the Owner. Tall grass and weeds throughout property.

4/26/2011 registered letter sent to the Owner. Tall grass and weeds throughout property.

7/12/2011 registered letter sent to the Owner. Limbs on front porch. Debris and piles of wood throughout the property.

7/15/2011 Mow order issued.

10/17/2011 Citation #107811c issued for trash and debris throughout the property.

2/27/2012 In compliance with the citation issued.

3/27/2012 registered letter sent to the Owner. Tall grass and weeds throughout property.

4/22/2013 registered letter sent to the Owner. Tall grass and weeds throughout property.

5/13/2013 Mow order issued.

8/8/2014 registered letter sent to the Owner. Tall grass and weeds throughout property.

8/26/2015 registered letter sent to the Owner. Trash and debris on front porch.

4/18/2016 registered letter sent to the Owner. Tall grass and weeds throughout property.

6/8/2017 registered letter sent to the Owner. Tall grass and weeds throughout property.

9/2/2016 registered letter sent to the Owner. Unfit unsafe structure remove both structures completely. The roof is caving in and both porches are collapsing. There are several structural issues. The foundation is collapsing and failing there are several holes in the foundation on both structures. The structures are dilapidated and deteriorating. It has inadequate weatherproofing on the roof, siding, doors, and broken windows. There is exposed electrical lines that are unsafe in the backyard. In addition, there is trash and debris throughout the backyard of the property.

10/2/2016 Gave owner a six month extension 3/2/2017. The owner wants to fix the property.

3/2/2017 Owner wants another extension he is going to tear down the properties and is lining up help to do that. Gave owner extension six months 9/4/2017.

9/5/2017 Owner needs more time to get help with cleaning out the property and tearing it down. Gave owner six month extension 3/5/2018.

5/9/2018 registered letter sent to the Owner. Tall grass and weeds throughout property.

5/23/2019 Issued citation# 113523c 621 W Ash Ave. Failure to remove structure. Issued citation #113524c 619 W Ash. Failure to remove structure. To appear in court 6/10/2019.

6/10/2019 case continued requested more time 7/15/2019

7/15/2019 case continued requested more time 8/26/2019

8/29/2019 case continued requested more time 10/7/2019

10/7/2019 case continued requested more time 12/2/2019

12/2/2019 case continued requested more time 12/23/2019

12/23/2019 case continued requested more time 1/27/2020. Bank of America has a lien on the property. Bank of America Attorney appeared with Larry Ricker.

1/27/2020 case continued requested more time. 3/9/2020. Spoke with Blair attorney for Bank of America. Told Blair the bank would be liable for removing structure. Blair asked what options are out there. I told him it could go through condemnation and the City tears down the property and assess it to the property. The Bank can tear down the property. Alternatively, the bank releases the lien Larry Ricker signs over the property to the City and the City tears the structures down and then the property belongs to the City.

3/9/2020 COVID-19 Case moved to 5/18/2020.

4/27/2020 Bank of America decided to release the lien and have the City take possession of the property. Larry Ricker agreed to release the property over to the City.

5/8/2020 registered letter sent to the Owner. Tall grass and weeds throughout property.

5/18/2020 Bank of America Blair brought paper work in Quit Claim Deed for Larry Ricker and his wife to sign. Larry said that his wife was sleep and to come in at 2:00 PM 5/19/2020 to sign. Court gave new date 6/22/2020.

5/19/2020 Larry Ricker and wife signed Quit Claim Deed. Larry requested time to get his belonging out of the property. I gave him until 5/29/2020 to have all possessions out he wanted to keep and told there will be no more time given. I sent the copy to Bank of America attorney Blair. Blair then forwarded it to record.

5/20/2020 at 2:14 PM, Deed was recorded. Spoke with Blair and he said that he has given Bank of America a deadline of 6/22/2020 to release the lien on the property.

619 West Ash Avenue



619 West Ash Avenue



621 West Ash Avenue



621 West Ash Avenue



TO: City Commission
FROM: Scott Rickard
SUBJ: Approval of Bid for Project #542-Paving Douglas Road (Towanda Avenue – Sunset Road)
DATE: June 4, 2020

Background:

Bids were received for the paving of Douglas Road. This project includes paving, stormwater, and sidewalk improvements. The limits of the project are from the SW Trafficway north to Towanda Avenue. The project was initiated by the City Commission, public hearings were held in 2019. An Improvement District was created to pay for approximately 60% of the project, the remaining costs are City at Large expenses. Project anticipated completion date of November 30th, 2020.

The low bid on this project was above the Engineer's estimate, however there is adequate contingency in the authorized project costs.

Policy Issue:

The City Commission reviews the bids and awards the contract to the lowest and best bidder.

Fiscal Impact:

The total authorized cost of the project is \$1,453,392.94 which will be bonded. The Improvement District will repay their portion over 20 years through a special assessment tax.

Trade-offs:

The decision of a governing body to provide public improvements often requires nearby property owners to equally be assessed a portion of the improvements. In such instances, this requires balancing community benefits with potentially negative impacts on the assessed property owners.

Staff Recommendation:

Accept the bids and proceed with the requested improvements.

Commission Actions:

Commissioner _____ moved that since Pearson Construction, LLC has submitted the lowest and best bid of \$1,148,983.00 for project no. 542, the City Manager be directed to award the contract to said contractor providing that the company furnish the proper bonds.

Commissioner _____ seconded the motion.

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PROJECT NO. 542

Paving of Douglas Rd. (Sunset to Towanda)

Item No.	Description	Units	QTY	Unit Cost	Total
1	Site Clearing	Lump Sum	1	\$ 15,000.00	\$ 15,000.00
2	Mobilization	Lump Sum	1	\$ 65,000.00	\$ 65,000.00
3	Construction Staking	Lump Sum	1	\$ 5,000.00	\$ 5,000.00
4	Pavement Removal	Sq. Yd.	7,884	\$ 5.00	\$ 39,420.00
5	Removal of Existing Structures	Lump Sum	1	\$ 8,000.00	\$ 8,000.00
6	Compaction of Earthwork	Cu. Yd.	212	\$ 2.25	\$ 477.00
7	Common Excavation	Cu. Yd.	5,085	\$ 16.00	\$ 81,360.00
8	HMA Commercial Grade (Class A), 2"Surface	Tons	1,214	\$ 80.00	\$ 97,120.00
9	HMA Commercial Grade (Class A), 4"Base	Tons	2,655	\$ 69.00	\$ 183,195.00
10	Aggregate Surfacing (6")	Sq. Yd.	63	\$ 25.00	\$ 1,575.00
11	Concrete Driveway (6") (Reinforced)	Sq. Yd.	1,044	\$ 54.00	\$ 56,376.00
12	Concrete Driveway (8") (Reinforced)	Sq. Yd.	214	\$ 65.00	\$ 13,910.00
13	Aggregate Driveway (6")	Sq. Yd.	110	\$ 26.00	\$ 2,860.00
14	Valley Gutter	Sq. Yd.	426	\$ 85.00	\$ 36,210.00
15	Curb and Gutter	Lin. Ft.	5,407	\$ 11.75	\$ 63,532.25
16	Crushed Rock Base with Geogrid (6")	Sq. Yd.	13,699	\$ 7.75	\$ 106,237.40
17	Concrete Sidewalk (5")	Sq. Yd.	1,251	\$ 36.00	\$ 45,036.00
18	Concrete Sidewalk (4")	Sq. Yd.	11	\$ 42.00	\$ 462.00
19	Wheelchair Ramps	Each	9	\$ 1,500.00	\$ 13,500.00
20	Manhole Adjustment	Each	6	\$ 1,000.00	\$ 6,000.00
21	Mailbox Remove and Reset	Each	34	\$ 55.00	\$ 1,870.00
22	48" End Section (RC)	Each	1	\$ 2,500.00	\$ 2,500.00
23	1.5 Sq. Ft. Storm Sewer (RCPHE)	Lin. Ft.	40	\$ 200.00	\$ 8,000.00
24	15" Storm Water Sewer (RCP)	Lin. Ft.	1,269	\$ 55.00	\$ 69,795.00
25	18" Storm Water Sewer (RCP)	Lin. Ft.	173	\$ 78.00	\$ 13,494.00
26	48" Storm Water Sewer (RCP)	Lin. Ft.	52	\$ 245.00	\$ 12,740.00
27	Type 1 Curb Inlet (L=10', W=3')	Each	7	\$ 5,500.00	\$ 38,500.00
28	Type 1 Curb Inlet (L=10', W=7')	Each	1	\$ 10,000.00	\$ 10,000.00
29	Type 1 Curb Inlet (L=5', W=3')	Each	3	\$ 7,500.00	\$ 22,500.00
30	Reinforced Concrete Manhole (L=6', W=6')	Each	1	\$ 10,000.00	\$ 10,000.00
31	Reinforced Concrete Manhole (L=8', W=8')	Each	1	\$ 11,000.00	\$ 11,000.00
32	Light Stone Rip-Rap (18")	Sq. Yd.	42	\$ 80.00	\$ 3,360.00
33	Signing	Lump Sum	1	\$ 2,000.00	\$ 2,000.00
34	Erosion Control	Lump Sum	1	\$ 5,000.00	\$ 5,000.00
35	Traffic Control	Lump Sum	1	\$ 5,000.00	\$ 5,000.00
36	Site Restoration (Including Seeding)	Lump Sum	1	\$ 24,000.00	\$ 24,000.00

Construction
Sub-Total \$ 1,080,029.65

Admin Items
Temp. Financing \$ 54,001.48
Contengencies \$ 108,002.97
Engineering/Legal/Misc. \$ 107,936.00
Construction Engineering \$ 103,422.84

Project Total \$ 1,453,392.94



Scott Rickard
Engineering Department

BID TABULATIONS

Project No. 542
Paving Douglas Rd (Sunset Rd-Towanda Ave)
5/21/2020

Item No.	Description	Units	QTY	ENGINEER'S ESTIMATE		Pearson		APAC		Cornejo	
				Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total
1	Site Cleaning	Lump Sum	1	\$ 15,000.00	\$ 15,000.00	\$ 25,000.00	\$ 25,000.00	\$ 32,000.00	\$ 32,000.00	\$ 28,000.00	\$ 28,000.00
2	Mobilization	Lump Sum	1	\$ 65,000.00	\$ 65,000.00	\$ 50,000.00	\$ 50,000.00	\$ 82,300.00	\$ 82,300.00	\$ 70,000.00	\$ 70,000.00
3	Construction Staking	Lump Sum	1	\$ 5,000.00	\$ 5,000.00	\$ 9,545.00	\$ 9,545.00	\$ 9,545.00	\$ 9,545.00	\$ 9,545.00	\$ 9,545.00
4	Pavement Removal	Sq. Yd.	7,884	\$ 5.00	\$ 39,420.00	\$ 4.00	\$ 31,536.00	\$ 3.50	\$ 27,594.00	\$ 4.35	\$ 34,295.40
5	Removal of Existing Structures	Lump Sum	1	\$ 8,000.00	\$ 8,000.00	\$ 16,000.00	\$ 16,000.00	\$ 17,100.00	\$ 17,100.00	\$ 18,500.00	\$ 18,500.00
6	Compaction of Earthwork	Cu. Yd.	212	\$ 2.25	\$ 477.00	\$ 2.00	\$ 424.00	\$ 1.75	\$ 371.00	\$ 3.00	\$ 636.00
7	Common Excavation	Cu. Yd.	5,085	\$ 16.00	\$ 81,360.00	\$ 14.00	\$ 71,190.00	\$ 13.10	\$ 66,613.50	\$ 18.00	\$ 91,530.00
8	HMA Commercial Grade (Class A), 2" Surface	Tons	1,214	\$ 80.00	\$ 97,120.00	\$ 84.00	\$ 101,976.00	\$ 90.00	\$ 109,260.00	\$ 90.00	\$ 109,260.00
9	HMA Commercial Grade (Class A), 4" Base	Tons	2,655	\$ 69.00	\$ 183,195.00	\$ 70.00	\$ 185,850.00	\$ 85.00	\$ 225,675.00	\$ 80.00	\$ 212,400.00
10	Aggregate Surfacing (6")	Sq. Yd.	63	\$ 25.00	\$ 1,575.00	\$ 25.00	\$ 1,575.00	\$ 18.00	\$ 1,134.00	\$ 17.00	\$ 1,071.00
11	Concrete Driveway (6") (Reinforced)	Sq. Yd.	1,044	\$ 54.00	\$ 56,376.00	\$ 76.00	\$ 79,344.00	\$ 67.00	\$ 69,948.00	\$ 70.00	\$ 73,080.00
12	Concrete Driveway (8") (Reinforced)	Sq. Yd.	214	\$ 65.00	\$ 13,910.00	\$ 79.00	\$ 16,906.00	\$ 78.00	\$ 16,692.00	\$ 75.00	\$ 16,050.00
13	Aggregate Driveway (6")	Sq. Yd.	110	\$ 26.00	\$ 2,860.00	\$ 27.00	\$ 2,970.00	\$ 56.00	\$ 6,160.00	\$ 45.00	\$ 4,950.00
14	Valley Gutter	Sq. Yd.	426	\$ 85.00	\$ 36,210.00	\$ 85.00	\$ 36,210.00	\$ 87.00	\$ 37,062.00	\$ 60.00	\$ 25,560.00
15	Curb and Gutter	Lm. Ft.	5,407	\$ 11.75	\$ 63,532.25	\$ 12.00	\$ 64,884.00	\$ 15.00	\$ 81,105.00	\$ 22.00	\$ 118,954.00
16	Crushed Rock Base with Geogrid (6")	Sq. Yd.	13,699	\$ 7.75	\$ 106,237.40	\$ 9.00	\$ 123,291.00	\$ 7.50	\$ 102,742.50	\$ 12.00	\$ 164,388.00
17	Concrete Sidewalk (3")	Sq. Yd.	1,251	\$ 36.00	\$ 45,036.00	\$ 36.00	\$ 45,036.00	\$ 89.00	\$ 111,339.00	\$ 45.00	\$ 56,295.00
18	Concrete Sidewalk (4")	Sq. Yd.	11	\$ 42.00	\$ 462.00	\$ 75.00	\$ 825.00	\$ 180.00	\$ 1,980.00	\$ 95.00	\$ 1,045.00
19	Wheelchair Ramps	Each	9	\$ 1,500.00	\$ 13,500.00	\$ 1,025.00	\$ 9,225.00	\$ 1,150.00	\$ 10,350.00	\$ 825.00	\$ 7,425.00
20	Manhole Adjustment	Each	6	\$ 1,000.00	\$ 6,000.00	\$ 835.00	\$ 5,010.00	\$ 835.00	\$ 5,010.00	\$ 215.00	\$ 1,290.00
21	Manhole Remove and Reset	Each	34	\$ 55.00	\$ 1,870.00	\$ 150.00	\$ 5,100.00	\$ 160.00	\$ 5,440.00	\$ 225.00	\$ 7,710.00
22	48" End Section (RC)	Each	1	\$ 2,500.00	\$ 2,500.00	\$ 2,200.00	\$ 2,200.00	\$ 2,200.00	\$ 2,200.00	\$ 2,200.00	\$ 2,200.00
23	1.5 Sq. Ft. Storm Sewer (RC/PHE)	Lm. Ft.	40	\$ 200.00	\$ 8,000.00	\$ 115.00	\$ 4,600.00	\$ 115.00	\$ 4,600.00	\$ 115.00	\$ 4,600.00
24	15" Storm Water Sewer (RCP)	Lm. Ft.	1,269	\$ 55.00	\$ 69,795.00	\$ 61.00	\$ 77,409.00	\$ 61.00	\$ 77,409.00	\$ 78.00	\$ 98,770.00
25	18" Storm Water Sewer (RCP)	Lm. Ft.	173	\$ 78.00	\$ 13,494.00	\$ 78.00	\$ 13,494.00	\$ 78.00	\$ 13,494.00	\$ 78.00	\$ 13,494.00
26	48" Storm Water Sewer (RCP)	Lm. Ft.	52	\$ 245.00	\$ 12,740.00	\$ 245.00	\$ 12,740.00	\$ 245.00	\$ 12,740.00	\$ 245.00	\$ 12,740.00
27	Type 1 Curb Inlet (L=10', W=3')	Each	7	\$ 5,500.00	\$ 38,500.00	\$ 7,100.00	\$ 49,700.00	\$ 7,100.00	\$ 49,700.00	\$ 7,100.00	\$ 49,700.00
28	Type 1 Curb Inlet (L=10', W=7')	Each	1	\$ 10,000.00	\$ 10,000.00	\$ 14,400.00	\$ 14,400.00	\$ 14,400.00	\$ 14,400.00	\$ 14,400.00	\$ 14,400.00
29	Type 1 Curb Inlet (L=5', W=3')	Each	3	\$ 7,500.00	\$ 22,500.00	\$ 5,665.00	\$ 16,995.00	\$ 5,665.00	\$ 16,995.00	\$ 5,665.00	\$ 16,995.00
30	Reinforced Concrete Manhole (L=6', W=6')	Each	1	\$ 10,000.00	\$ 10,000.00	\$ 10,900.00	\$ 10,900.00	\$ 10,900.00	\$ 10,900.00	\$ 10,900.00	\$ 10,900.00
31	Reinforced Concrete Manhole (L=8', W=8')	Each	1	\$ 11,000.00	\$ 11,000.00	\$ 13,100.00	\$ 13,100.00	\$ 13,100.00	\$ 13,100.00	\$ 13,100.00	\$ 13,100.00
32	Light Stone Rip-Rap (18")	Sq. Yd.	42	\$ 80.00	\$ 3,360.00	\$ 74.00	\$ 3,108.00	\$ 74.00	\$ 3,108.00	\$ 74.00	\$ 3,108.00
33	Stippling	Lump Sum	1	\$ 2,000.00	\$ 2,000.00	\$ 1,025.00	\$ 1,025.00	\$ 4,240.00	\$ 4,240.00	\$ 4,240.00	\$ 4,240.00
34	Erosion Control	Lump Sum	1	\$ 5,000.00	\$ 5,000.00	\$ 5,650.00	\$ 5,650.00	\$ 5,650.00	\$ 5,650.00	\$ 5,650.00	\$ 5,650.00
35	Traffic Control	Lump Sum	1	\$ 5,000.00	\$ 5,000.00	\$ 6,765.00	\$ 6,765.00	\$ 15,000.00	\$ 15,000.00	\$ 41,000.00	\$ 41,000.00
36	Site Restoration (Including Seeding)	Lump Sum	1	\$ 24,000.00	\$ 24,000.00	\$ 35,000.00	\$ 35,000.00	\$ 42,000.00	\$ 42,000.00	\$ 18,000.00	\$ 18,000.00

TOTAL

\$ 1,080,029.65

\$ 1,148,983.00

\$ 1,304,957.00

\$ 1,342,840.40

TO: City Commission
FROM: David Dillner, City Manager
SUBJ: West Central Avenue Gateway TIF District Public Hearing and Ordinance
DATE: May 29, 2020

Background:

Orscheln Farm and Home Supply, LLC has requested the City authorized use of tax increment financing (TIF) to reimburse the company for certain eligible expenses related to the design and construction of public infrastructure to serve its site located on W. Central Avenue. The company estimates the total investment of the project at \$5.479 million, including private and public expenses. The public infrastructure to serve the site is estimated at about \$400,000.

Tax increment financing allows an applicant to request the allocation of the incremental increase in property taxes arising from a redevelopment project to reimburse or finance eligible public infrastructure expenses related to the project. By state law, TIF districts may be established for a period of up to twenty years or until the public infrastructure expenses are fully paid, whichever is less.

Attachments:

TIF Ordinance

Map of Proposed Redevelopment District and Proposed Project Area

Policy Issue:

Should the City approve the West Central Avenue Gateway TIF District to begin the process to authorize the capture of increased property taxes from taxing entities to reimburse the developer for public infrastructure expenses related to the project?

Alternatives:

The City Commission has the following options with respect to this item: *(listed in no particular order)*

- Approve the establishment of a TIF redevelopment district to facilitate the reimbursement of certain public infrastructure expenses related to the project;
- Deny approval of the establishment of the TIF District and require the applicant to pay for such public infrastructure expenses out-of-pocket; or
- Deny approval of the establishment of the TIF District and authorize the City at-large to finance the cost of public infrastructure expenses.

Fiscal Impact:

The City has negligible expenses related to Orscheln's project because the company is paying for the cost of the design and construction of the public infrastructure. The authorization for use of TIF will allow the company to be reimbursed for eligible public infrastructure expenses.

Trade-offs:

By establishing a TIF District, the City will authorize the capture of property taxes associated with the incremental increase in property tax valuation caused by a redevelopment project. Some of the taxes captured will be revenue that would have otherwise been distributed to other taxing entities, such as Butler County, USD

390, and Butler Community College. The property taxes captured from these entities as a result of the project will allow for the reimbursement of eligible public infrastructure expenses that would either be paid for by the City at-large or the applicant.

Staff Recommendation:

The city manager recommends approval of the ordinance establishing the West Central Avenue Gateway TIF District.

Commission Actions:

Commissioner _____ moved to approve Ordinance No. _____, an Ordinance of the governing body of the City of El Dorado, Kansas making findings and establishing a redevelopment district pursuant to K.S.A. 12-1770 et seq., and amendments thereto.

Commissioner _____ seconded the motion.

Roll Call Vote

	Mayor Bill Young	_____
Position No. 1	Commissioner Matt Guthrie	_____
Position No. 2	Commissioner Gregg Lewis	_____
Position No. 3	Commissioner Nick Badwey	_____
Position No. 4	Commissioner Kendra Wilkinson	_____

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**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
CITY OF EL DORADO, KANSAS
HELD ON JUNE 1, 2020**

The governing body met in regular session at the usual meeting place in the City, at 6:30 p.m., the following members being present and participating, to-wit:

Absent:

The Mayor declared that a quorum was present and called the meeting to order.

* * * * *

(Other Proceedings)

The matter of establishing a redevelopment district within the City came on for consideration and was discussed.

The Mayor opened the public hearing regarding establishment of the redevelopment district.

The public hearing was then closed.

Commissioner _____ presented and moved the adoption of an Ordinance entitled:

**AN ORDINANCE OF THE GOVERNING BODY OF THE CITY OF EL DORADO,
KANSAS MAKING FINDINGS AND ESTABLISHING A REDEVELOPMENT
DISTRICT PURSUANT TO K.S.A. 12-1770 ET SEQ., AND AMENDMENTS
THERE TO.**

Commissioner _____ seconded the motion to adopt the Ordinance. Thereupon, the Ordinance was read and considered, and, the question being put to a roll call vote, the vote thereon was as follows:

Aye: _____.

Nay: _____.

The Mayor declared the Ordinance duly adopted; the Clerk designating the same Ordinance No. _____.

* * * * *

(Other Proceedings)

* * * * *

CERTIFICATE

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of the City of El Dorado, Kansas, held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

Clerk

(Published in The Butler County Times-Gazette on June 6, 2020)

ORDINANCE NO. _____

AN ORDINANCE OF THE GOVERNING BODY OF THE CITY OF EL DORADO, KANSAS MAKING FINDINGS AND ESTABLISHING A REDEVELOPMENT DISTRICT PURSUANT TO K.S.A. 12-1770 ET SEQ., AND AMENDMENTS THERETO.

WHEREAS, pursuant to the provisions of K.S.A. 12-1770 *et seq.*, as amended (the “Act”), the City of El Dorado, Kansas (the “City”) is authorized to establish redevelopment districts within a defined area of the City which is an area within the City that was designated as an enterprise zone prior to July 1, 1992, and is therefore an “eligible area” as said term is defined in the Act; and

WHEREAS, the City Commission (the “Governing Body”) adopted Resolution No. 2904 on April 20, 2020, calling for a public hearing considering the establishment of a redevelopment district to be held by the Governing Body on June 1, 2020; and

WHEREAS, notice of the public hearing was given as required by the Act; and

WHEREAS, the public hearing was held on June 1, 2020 and closed on the same day.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF EL DORADO, KANSAS:

SECTION 1. The Governing Body hereby finds that the real property described in **Exhibits A** and **B** (the “Redevelopment District”) attached hereto is an eligible area for being designated as a redevelopment district pursuant to the Act because the real property is an area within the City that was designated as an enterprise zone prior to July 1, 1992.

SECTION 2. The Governing Body hereby finds that the real property described in **Exhibits A** and **B** is the same real property designated in the notice of public hearing given as required by the Act and Resolution No. 2904.

SECTION 3. The Governing Body hereby finds that the conservation, development or redevelopment of the Redevelopment District is necessary to promote the general and economic welfare of the City.

SECTION 4. The Governing Body hereby establishes the Redevelopment District, referred to as the “West Central Gateway Redevelopment District,” which shall consist of a single project area, depicted on the map attached hereto as **Exhibit A**. The district plan is hereby approved, and consists of buildings and facilities to be constructed within the Redevelopment District generally described as follows:

The acquisition of certain property, and development and redevelopment thereof to consist of some or all of the following uses, without limitation: commercial uses, retail uses, restaurant uses, hotel uses, office uses, residential uses and any other structure or use (including but not limited to non-profit, governmental, or community use), and including such associated site work, infrastructure, utilities, storm water control, access, street improvements, landscaping, lighting, parking facilities, other associated and appurtenant structures and facilities, and any other items allowable under the Act.

SECTION 5. This Ordinance shall take effect and be in force from and after its passage and publication as provided by law.

PASSED by the Governing Body and **SIGNED** by the Mayor this June 1, 2020.

Mayor

(SEAL)

City Clerk

EXHIBIT A

MAP OF PROPOSED REDEVELOPMENT DISTRICT AND PROPOSED PROJECT AREA



EXHIBIT B

LEGAL DESCRIPTION OF REDEVELOPMENT DISTRICT

***Lots 1, 2, and 3 of Block A, and Lot 1 of Block B of the Central and School Road Commercial Estates
Addition to the City of El Dorado, Butler County, Kansas***

and any and all public right-of-way immediately adjacent to the above-described land.

TO: City Commission
FROM: Brad Meyer, Director of Public Utilities
SUBJ: Award of Bid for Airport Project
DATE: May 11, 2020

Background:

The existing lighting was installed in the 1980s and has outlived its useful life. Airport staff spends a considerable amount of time trouble shooting and diagnosing runway and precision approach path indicator (PAPI) lighting issues. This project includes reconstruction of runway lighting on Runway 15/33 and Runway 4/22, and also includes reconstruction of Taxiway A lighting. All new lights will be base-mounted LED fixtures.

The project includes replacement of the existing PAPIs on Runway 15/33 and installing new PAPIs on Runway 4/22. The PAPIs will be 2-Box LED units, and these will be furnished by the City as part of the grant. New underground conductor will be installed in conduit to new junction cans/light bases throughout the project limits. The final component of the project will be to replace the regulators and control in the existing vault.

Policy Issue:

Per the Resolution No. 2849, the City Commission reviews the bids for public infrastructure projects in excess of \$50,000 and awards the contract to the best bidder.

Fiscal Impact:

The engineer's estimate for the project was \$1.0 million. The project, as an FAA cost-share project, would normally require a 10% match from the City. The recently adopted CARES Act allowed the project to receive full funding from the federal government with no match from the City. Bids were solicited and the engineer's estimate for the construction portion of the project was \$773,995. Strukel Electric Inc. submitted the low bid of \$499,235, and the total cost for the project is \$725,240.

Staff Recommendation:

Staff, as well the Project Engineer Olsson Associates, recommends the City of El Dorado award a contract for the reconstruction of Runway 15/33, Runway 4/22, and Taxiway A Lighting; Reconstruct Runway 15/33 PAPI's; and Install new Runway 4/22 PAPI's at Captain Jack Thomas Memorial Airport to Strukel Electric, Inc. of Girard, Kansas for an amount of \$499,234.80, pending FAA concurrence and successful grant award.

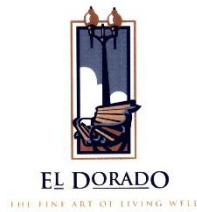
Commission Actions:

Commissioner _____ moved that since Strukel Electric Inc. has submitted the lowest and best bid of \$499,235.00 for Airport Improvement Project (AIP) No. 3-20-0018-013, the City Manager be directed to award the contract to said contractor providing that the company furnish the proper bonds.

Commissioner _____ seconded the motion.

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City Manager's Office
David B. Dillner
City Manager
220 E. First Avenue
El Dorado, KS 67042



Phone: (316) 321-9100
Fax: (316) 321-6282
Email: ddillner@eldoks.com
Web: www.eldoks.com
Twitter: @EldoCityMgr

TO: City Commission
FROM: David Dillner, City Manager
SUBJ: COVID-19 Economic Development Relief Fund Proposal
DATE: May 29, 2020

Background: Many small businesses in El Dorado have been impacted by the recent closures arising from the stay-at-home order and other subsequent executive orders to ensure public safety during the COVID pandemic. El Dorado Inc., the Chamber of Commerce, and Main Street have been surveying small businesses throughout El Dorado to get a sense of the need for financial assistance.

The City has two funds specifically set aside for economic development purposes that could be used to provide relief assistance should the City Commission desire to provide assistance. The City recently submitted an application for the Kansas Department of Commerce's CDBG-CV program that seeks to distribute \$9 million throughout Kansas to assist businesses during the COVID pandemic. The program plans to fund applicants on a first-come, first-served basis, and is likely to run out of funding as there are anticipated many applications for limited funding. The City could create a program to supplement a CDBG-CV award, or provide assistance should El Dorado not be awarded funding.

Policy Issue: Should the City authorize use of the Economic Development Sales Tax Fund to provide assistance to small businesses having difficulties due to COVID-19?

Strategic Priority: Economic Development; Business Retention

Fiscal Impact: The City currently has a balance of \$218,955 in the Economic Development Sales Tax Fund that could be allocated to COVID-19 relief assistance to support the community's small businesses. These funds cannot be spent on other projects or programs that are not specially defined as economic development by the City Commission. No operational funds would be impacted by allocation of funds to provide such assistance.

Legal Review: The city attorney has not reviewed this proposal.

Trade-offs: Failure to provide funding to small businesses may mean that some businesses in El Dorado do not receive much needed assistance to help them survive the recent closures. Businesses that fail, while a natural part of the capitalist system, would likely contribute to a reduction in sales tax receipts and may lead to reduced property tax revenue as buildings become vacant and underutilized. Even with relief assistance, some businesses may not receive enough funds or any funds at all. The City would enter the game of picking winners and losers if it should provide relief assistance because not all businesses will receive funding and some businesses may still fail even if they receive funds or not.

Staff Recommendation: The city manager recommends authorizing up to \$150,000 from the Economic Development Sales Tax Fund to provide small business assistance during this difficult pandemic. The city manager further recommends authorizing staff to develop criteria and a process to evaluate requests from businesses to distribute funds.

To maximize the benefit to the business community, the City could encourage business and individuals throughout the community to contribute funds to a relief fund. For example, the City could agree to match each dollar contributed to the relief fund with one dollar from the Sales Tax Fund to unlock up to \$300,000 of assistance.

Commission Actions:

Commissioner _____ moved to authorize up to \$150,000 from the Economic Development Sales Tax Fund to provide an initial contribution to a COVID-19 relief fund for small businesses and further authorize the city manager to develop criteria and a process to evaluate requests from businesses for the distribution of funds.

Commissioner _____ seconded the motion.