



EL DORADO

THE FINE ART OF LIVING WELL

City of El Dorado, KS
220 E. First Avenue
El Dorado, KS 67402
Phone: (316) 321-9100
Fax: (316) 321-6282
www.eldoks.com

TO: City Commission
FROM: Tabitha Sharp, City Clerk
SUBJ: Work Session Meeting Agenda
DATE: May 30, 2018

A Work Session is scheduled for May 30, 2018 at 4:00 pm in the Commission Chambers at City Hall, 220 E. First Avenue. The following items will be presented:

I. ITEMS FOR PRESENTATION AND DISCUSSION

- a. Sales Tax Committee Recommendation Discussion
- b. Lake Debt Discussion
- c. Advisory Board Appointments

II. MAY 21st REGULAR AGENDA REVIEW

- a. Consent Agenda
 - i. City Commission Minutes
 - ii. Advisory Board Appointment
- b. New Business
 - i. Country Club Bike Lane
 - ii. No Parking Zone on North Country Club Lane
 - iii. School Zone on 6th
 - iv. Bike Path on 6th
 - v. Spread Assessments on Griffith and Locust Project
 - vi. Acceptance for Consideration of Sales Tax Recommendation

III. REPORTS

- a. City Commission Reports
- b. City Manager's Report

2018 Commission Priorities

Water Sales • Community Image • Industrial and Business Parks • Parks and Recreation • Public Safety

Agenda
Sales Tax Committee Meeting
April 3, 2018

- Welcome/Thank-you
- Introductions
- What is excess sales tax and how is it used

Agenda Item 1: Select a Chairperson

Agenda Item 2: Requests received

Agenda Item 3: Committee Questions or Discussion

Agenda Item 4: Next Meeting Date April 23, 2018 at 5:30 p.m.

If you get any request from the public, please forward the information to Tabitha Sharp so she can forward the information on to the rest of the committee. She can be reached at 316-321-9100 and by email tsharp@eldoks.com.

2018

Sales Tax Committee

Ordinance S - 1323

- The City of El Dorado has voted in favor of a 1 percent sales tax since 1990.
- The current sales tax began October 1, 2014 and will end September 30, 2019.
- The ordinance states the following:
 - \$600,000 for street rehabilitation
 - \$1,350,000 for property tax reduction
 - \$50,000 for economic development
- After Ordinance items are removed, the remainder is deemed excess sales tax.
- The Sales Tax Committee makes recommendations for the use of excess sales tax and submits them to the City Commission for approval.

Excess Sales Tax

- Per Ordinance, the excess sales tax can be used for additional street rehabilitation, property tax reduction, and capital expenditures.
 - Property Tax Reduction can be no more than \$1,650,000
 - (\$1,350,000 + 3.49 mills)
 - Capital Expenditure – an addition or structure that enhances the value of a property, a replacement or upgrade that extends the life of an asset or equipment acquisition
 - Street Rehabilitation – maintaining and rehabilitating the existing geometrical alignment of improved city streets, which includes portions of curb and gutter removal and replacement, mill and overlays, pavement surface treatments, full depth pavement replacement and pavement related storm drainage facilities.

Calendar

- April 4, 2018— Introduction Meeting at 5:30 p.m.
- April 23, 2018 – Tentative Public Request meeting at 5:30 p.m.
- May 9, 2018 – Optional 3rd Sales Tax Advisory Meeting
- May 30, 2018 – Work Session Presentation 4:00 p.m.
- June 4, 2018 – Commission Presentation 6:30 p.m.
- The public meetings must be published in the paper ten days prior to the meeting.
- Due to the new publication requirements of our local paper, we need at least four days prior to the ten day period in order to have it published.

Update on Prior Allocations

- 2013 – Tennis Courts (\$25,000) – Staff will be presenting this year's committee with a proposal for the use of this money.
- 2016 -6th Avenue Sidewalks, Orchard to Star (\$100,000) – Working on negotiations with railroad soon, plan to have them complete for the opening of Blackmore Elementary School.
- 2016 & 2017 – Elks Building (\$25,000 & \$30,000) – The Elks visited with the City Commission this year, they have requested to reallocate their funds to the renovation of a building downtown that they are hoping to purchase. The Commission has given them 6 months to make progress (August 2018).
- 2016, 2017 & 2018 – Main Street Façade Grant (\$3,000 each year) – At this time, they have spent \$2,823.96 of their \$9,000.

Update on Prior Allocations - 2017

- McDonald Stadium (\$35,000) – We have bids for the electric work in, still waiting on plumbing bids
- Bike Path Solar Lights (\$59,000) – The original lights scheduled to be installed have been the ones that are vandalized often. We have gone out for bid on a new, taller version of the solar lights that will be more vandal proof.
- Engineering Building Solar Lights (\$18,000) – Completed
- Ball Field improvements (\$20,198.12) – The field flip is complete and shade structures, trees and replacement bleachers are being bid this month.
- Police storage building with solar upgrades (\$85,000) – The City Commission was presented with the opportunity to purchase a building for the Parks and Recreation Department, so they re-allocated this money to that purchase and gave the buildings that the Parks and Recreation Department vacated to the Police Department.
- Arena Feasibility Study (\$30,000) – The City funds have not been spent at this time. The 4-H group has decided to move in a different direction so we are waiting on a response from Butler County.
- Disc Golf Course (\$65,000) - Completed

Update on Prior Allocations - 2018

- Library Computers (\$5,000) – Purchase Completed
- USD 490 Fitness Trail (\$16,000) – City Commission re-allocated to the Parks and Recreation Master Plan, it was utilized to purchase the new Parks and Recreation building
- East Park Shelter (\$25,000) – Will be built after Labor Day
- Graham Park Restroom (\$60,000) – Bids are being gathered
- Graham Park Basketball Court (\$20,000) – Project not started yet
- Graham Park Shelter (\$16,000) – Will be built in conjunction with the restrooms
- Riverview Parking (\$30,000) – Will be completed this summer
- Summit Shelter (\$20,000) – Beginning the planning process
- Library Playground (\$40,000) – Have preliminary designs chosen, working on placement

2017 Collections

Date Received	Amount
1/30/2017	\$200,078.71
2/27/2017	\$237,041.87
3/30/2017	\$173,574.07
4/27/2017	\$189,435.51
5/30/2017	\$212,594.77
6/29/2017	\$195,783.79
7/28/2017	\$197,569.10
8/30/2017	\$200,093.17
9/29/2017	\$196,397.17
10/30/2017	\$205,072.40
11/29/2017	\$223,267.36
12/28/2017	\$191,239.32
Total	\$2,422,147.24

Excess available for allocation

Sales Tax Calculation

2017 Total Sales Tax Collections	2,422,147.24
Subtract Street Rehabilitation	(600,000.00)
Subtract Property Tax Reduction	(1,350,000.00)
Subtract Economic Development	(50,000.00)
Excess Sales Tax	<u>422,147.24</u>

\$\$ Added back to Excess Sales Tax:

Left over from Project 0510-Solar Lights Eng Bldg	111.50
Left over from Fire Station Training Facility (Proj 464)	17,274.23
Left over from Forest Park Restroom Facility (Proj 320)	7,317.43
Left over from Committee Allocations in 2017 for 2018	126.75
	<u>24,829.91</u>

Total Excess Sales Tax Available for 2018	<u><u>446,977.15</u></u>
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Recommended:

Excess Sales Tax	446,977.15
Additional Property Tax Reduction (3.49 Mills X 84,350) (2017 Assessed Valuation for 2018 Budget)	(294,381.50)
Remaining Excess Sales Tax Available for Allocation	<u><u>152,595.65</u></u>

Proposed Projects for 2019

- Parks and Recreation Master Plan
 - 3 Wireless Controllers at the Activity Center - \$4,000
 - 8 Picnic Tables - \$6,400
 - Batting Cage at Central Park - \$15,000
 - New Concession Stand/Restroom Building at East Park - \$30,000
 - 2 Tennis Courts at Prairie Trails - \$40,000
 - Basketball Court at the Library Playground - \$10,000
- Police Department Body Cameras – Bid not in yet
- Police Department In-Car Cameras – Bid not in yet
- El Dorado Main Street - \$3,000 Façade Grant
- El Dorado Chamber of Commerce - \$15,000 for Business Improvement Grant

ORDINANCE NO. S - 1323

AN ORDINANCE PLEDGING THE FUTURE USE OF ALL THE REVENUE WHICH MAY BE RECEIVED BY A ONE PERCENT RETAILERS' SALES TAX LEVIED IN THE CITY OF EL DORADO, SHOULD THE QUALIFIED ELECTORS OF SUCH CITY VOTE IN FAVOR THEREOF.

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

Section 1: In the event the electors of El Dorado, Kansas, approve the continuation of the one percent (1%) retailers' sales tax, at an election to be held in association with the general election on April 2, 2013, the Governing Body hereby pledges to use the revenues in the following manner:

- "The first \$600,000 shall be allocated annually for street rehabilitation within the City of El Dorado; and
- The next \$1,350,000 from the tax shall be used annually for property tax reduction for the inhabitants of the city; and
- The next \$50,000 to be allocated annually for a fund for economic development/job creation; and
- The balance will be distributed per Ordinance. The retailers' sales tax shall continue in full force and effect for a period of five (5) years from and after the first day of October 2014."

Section 2: In the event the electors determine to extend the one percent (1%) sales tax for another five (5) year period, the existing Sales Tax Advisory Committee shall continue in existence, the membership to remain the same or be changed as per prior action by the Governing Body. The Committee shall continue to solicit input from the community for suggestions on appropriate uses, and shall annually hold meetings and a public hearing concerning the proposed uses of the sales tax revenue in accordance with the provisions of this ordinance.

Section 3: The purposes for the use of any excess sales tax collections are additional street rehabilitation, additional property tax reduction, and capital expenditures. The Sales Tax Advisory Committee shall consider consistent requests.

Section 4: The Governing Body pledges, after a full and open discussion, to annually prepare a Capital Improvement Plan that will list specific projects which will be undertaken in the subsequent year and projects anticipated for the next five (5) years.

This plan will include funding sources including any recommendations for proposed future uses of excess sales tax revenues collected.

Section 5: No more than \$1,650,000 of the sales tax collections may be used for property tax reduction annually.

Section 6: The Governing Body shall annually publish and make available to the public the estimated sales tax revenue and the proposed uses of the funds. The Governing Body shall hold a public hearing to hear and consider comments and suggestions made by interested individuals, special interest groups, advisory commissions and other parties prior to making a decision on the utilization of any excess sales tax revenues, prior to the adoption of the annual budget.

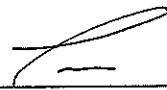
Section 7: For the purposes of this ordinance, the following definitions are included:

Capital expenditure: An addition or structure that enhances the value of a property, a replacement or upgrade that extends the useful life of an asset or equipment acquisition.

Street rehabilitation: Maintaining and rehabilitating the existing geometrical alignment of improved city streets, which includes portions of curb and gutter removal and replacement, mill and overlays, pavement surface treatments, full depth pavement replacement, and pavement related storm drainage facilities.

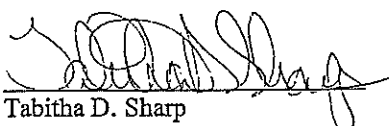
Section 8: This Ordinance shall be published once in the official city newspaper.

PASSED by the Governing Body of the City of El Dorado, Kansas, and
APPROVED by its Mayor, this 22nd day of January 2013.



Tom McKibban
Mayor

Attest:



Tabitha D. Sharp
City Clerk

April 3, 2018First Sales Tax Committee meeting

- Time of Meeting – 5:30
- Departments present funding requests to the Sales Tax Committee

April 10, 2018Send notice of the Sales Tax Committee public hearing to The Butler County Times Gazette to receive funding requests from the public for the use of uncommitted sales tax.

April 23, 2018Second Sales Tax Committee meeting to hold public hearing to receive funding requests

- Time of Meeting – 5:30 p.m.
- The Sales Tax Committee reviews and prepares a recommendation for the City Commission

May 9, 2018.....Third Sales Tax Committee meeting (Optional)

- Time of Meeting – 5:30 p.m.
- The Sales Tax Committee reviews and prepares a recommendation for the City Commission

May 30, 2018.....City Commission Work Session to discuss sales tax request.

- Time of Meeting - 4:00 p.m.

June 4, 2018City Commission holds public hearing to consider the funding recommendation from the Sales Tax Committee

- Time of Meeting – 6:30 p.m.
- Chairperson presents Sales Tax Committee Recommendations



El Dorado Police Department

Number One Police Plaza

128 N. Vine

El Dorado, KS 67042

To: Sales Tax Committee
From: Chief Curtis E. Zieman
Re: Request for Funding
Date: 04/03/2018

Excess Sales Tax Committee Members,

The El Dorado Police Department is requesting funding to augment and update our body-worn camera technology.

In keeping up with technology and tools made available to law enforcement, Body-worn cameras play a vital part in the tools used by Law Enforcement nationally and internationally. Within the last couple of years, there has been a stronger push to make body-worn cameras in police departments the norm. There have been recent bills passed in numerous states in regards to body-worn cameras for police. There have been bills proposed in Kansas Legislature to mandate body-worn cameras, however, this has not passed as yet.

The El Dorado Police Department has utilized body worn cameras of some form since 2009. Our current body-worn cameras are plug and play civilian models which do not have the robust features as a police model. More importantly, however, our cameras do not have an evidence management program or system, which is vital for the integrity of the digital evidence. We currently manage the video through an in-house secure server.

As with all technological advances, they come with a price. The costs associated with acquisition and deployment of a Body-worn camera system to include all software, licenses and storage of the digital data, seems rather expensive, however, one must consider why they are used and the potential savings in other expenses.

It is our experience that body-worn cameras help bolster cases as they give another layer of evidence that we did not have in the past. Body-worn cameras also reduce the number of substantiated complaints against officers greatly. There have been many instances where people have complained on an officer and once the body camera video was reviewed, the complaint was either withdrawn by the individual or unfounded. This eliminates time and resources spent on internal investigations, etc.

The El Dorado Police Department has a new Body-worn Camera Policy which is an adaptation of the International Association of Chiefs of Police model policy. These policies are highly researched by police and legal professionals and widely regarded as best practices. Our new policy has been approved and will be implemented soon.

"virtus integritas fortitudo"



El Dorado Police Department

Number One Police Plaza

128 N. Vine

El Dorado, KS 67042

The El Dorado Police Department requests funding for a law enforcement body-worn camera system which includes 28 Body-worn cameras, evidence management system, software and licenses.

We are currently researching and comparing Body-worn camera systems. I am waiting on quotes from two different companies. As of this writing, I have not received the quotes.

I believe a reasonable estimate for a Body-worn camera system as described above would be in the \$50,000.00 range.

Respectfully Submitted,

Curtis E. Zieman
Chief of Police
El Dorado Police Department



"virtus integritas fortitudo"

March 15, 2018

Dear City of El Dorado and Sales Tax Committee,

Thank you for the opportunity to apply for the 2018 Excess Sales Tax Round in El Dorado. We greatly appreciate the opportunity to present this idea and your willingness to serve our community.

The El Dorado Chamber of Commerce would like to request \$15,000 from the Sales Tax Committee, to create and fund, a local El Dorado Businesses Improvement Grant. This grant, named "Welcome to El Dorado," encourages business owners to make improvements on the aesthetics of their business, while improving the overall image of our community.

We would like to propose the creation of this grant to help fund exterior building repairs, or any improvements to the exterior of the business that makes the area more pleasing. If awarded, these grants will leverage *at least an equal amount of money* to be invested into our community. We have created a prototype for the parameters of this program and the areas in which we hope to address. They are included for you to review. This program, would be operated and administered by the El Dorado Chamber of Commerce, in close communication and partnership with the City of El Dorado and its building and zoning department.

A program like this, is not a new concept to our community, in fact El Dorado Mainstreet has run a program similar to this one for years, administered by El Dorado Mainstreet, funded through the Excess Sales Tax Committee and focused on businesses in our Downtown area.

We hope to extend the benefits a program such as this can provide, to other businesses and property owners in El Dorado. Businesses such as Robin's and Walter's visibly display the benefits of a program such as this one. We hope to compliment the successes Mainstreet has had thus far and extend the program beyond our downtown into other areas of our community which are highly visible.

We hope this will be an opportunity for a great partnership, that encourages businesses to invest in our community, while at the same time, giving back to those very businesses that often provide the goods and services in which this sales tax is collected.

We thank you for the opportunity to present this idea and hope you take a few moments to look over the program and consider the possibilities.

I look forward to any questions or suggestions you may have.

Respectfully,



Susie Carson
Chief Executive Officer
El Dorado Chamber of Commerce

We work to enhance the economic vitality of businesses through leadership, education, advocacy, and relationship development.

El Dorado Chamber of Commerce

“Welcome to El Dorado” Business Improvement Grant Application Round 2018

The goal of the El Dorado Chamber of Commerce’s “Welcome to El Dorado” Business Improvement Grant Program is to support local businesses, through funding for exterior building repairs or façade improvements, to replace legally nonconforming signs with conforming signs, to increase landscaping specifically in areas adjacent to sidewalks, to make ADA compliance improvements, or any improvements to the exterior of the business that makes the area more inviting and pleasant for those traveling through our community and to those living in our community. 2018 will be the first year for this program, we hope to have a total of \$15,000 to award to El Dorado businesses. The grants will leverage at least an equal amount of money to be investment into the community. The grant program allows applicants to be reimbursed up to one half (50%) of approved costs, with the Chamber’s share not to exceed \$5,000 per project annually.

2018 Eligibility and Program Details

- Applications will not be accepted until adequate funding for the program is secured.
- The grant is open to any properties located on heavy populated roads in our community, these areas include but are not limited to properties on West Central, East Central, 6th Street, South Main and North Main. (If a property exists within the Mainstreet District, whereas a current façade program is already in use, that property is ineligible for this program.)
- All properties must be within the El Dorado City limits and have a designation of Commercial, Industrial, or Mixed-Use zoning.
- Grant applications may be made by either a business or property owner.
- All grant monies will be issued as a reimbursement to the applicant.
- Application must be filled out and approved prior to beginning the project. Project costs incurred prior to grant approval will not be reimbursed. Projects already underway are not eligible for consideration.
- Property owners must be current on their property taxes.
- Projects must meet all applicable Site Plan Review Guidelines, Zoning, Sign and Building Code requirements.
- Only one grant is allowed per annual cycle, per applicant.
- Businesses or property owners may only submit a new application once all existing grant funded projects are completed.
- Reported project values shall include the total value of work, including materials and labor, for which the grant is being issued. Projects or project elements valued at over \$3,000 will be required to submit three bids. The Chamber will reimburse at the rate of the lowest bid, but the applicant is free to select whichever bid they prefer.
- Grant awards will be assigned based on project scores and agreement to meet the required elements, until all funds are committed. Grant scoring criteria is listed on the next page.
- Applications will be reviewed and scored by a committee of the Chamber.
- Projects must be complete or substantially complete within six (6) months of approval. If the project is going to take longer than the current recommended deadline, a new deadline may be requested. Once agreed upon, the adjusted deadline for completion will be included in the grant approval. Projects may only receive one deadline extension. Projects not completed in the required timeframe may lose their grant award and may not be reimbursed the full value of the grant.
- For projects that require building permits, a passing final building inspection is required prior to the disbursement of any grant funds.

We work to enhance the economic vitality of businesses through leadership, education, advocacy, and relationship development.

Examples of Qualifying Exterior Improvements

- Building repairs (painting, tuck pointing, awning replacement, etc.)
- Building improvements (additions, replacements)
- Sidewalk and streetscape improvements (pedestrian pavement, seating, landscape, etc.)

Application Process

- Submit a grant application form, W9, and “before” photos of project to the El Dorado Chamber of Commerce. Site plans, elevations, architectural renderings, and contractor bids may also be required prior to the start of the project depending on the project scope.
- Projects must meet all applicable Site Plan Review Guidelines, Zoning, Sign and Building Code requirements.
- Receive grant approval, then complete work by the specified deadline.
- Upon completion of the project, submit all receipts, proof of payment and “after” photos for review.
- If all program requirements have been met, the Chamber will reimburse the applicant up to one half (50%) of the approved costs, with the Chamber’s share not to exceed \$5,000 per project annually.

Contact: Susie Carson
 Susie.carson@eldoradochamber.com
 Phone: 316.321-3150
www.eldoradochamber.com

Grant Scoring Criteria

An application must satisfy all of the required elements in order to proceed on to review for optional elements

Required Elements	Points
Zoning district (commercial, industrial, mixed use, or business)	
Current on payment of property taxes	
Meets applicable Site Plan Review Guidelines, Zoning, Sign, and Building Codes	
Total	

Optional Elements	Points
Facade Improvement Project - makes improvement to the primary facade of the building excluding signs	
Professional Design Project - includes work by a design professional/architect	
Removes a nonconforming feature - situation, sign, or other code violation	
Includes site improvements - for non-motorists such as sidewalks, crosswalks, shade, bike facilities, landscaping and other amenities	
Mixed Use Project - for a property that includes a mix of uses such as commercial, residential, office	
First time applicant - First grant application for the subject property by either a business or property owner or minimum of 5 years between applications	
Accessibility Project - includes improvements for the accessibility of the property for those with physical limitations and mobility needs in conformance with ADA	
Total	

We work to enhance the economic vitality of businesses through leadership, education, advocacy, and relationship development.

El Dorado Chamber of Commerce
“Welcome to El Dorado” Business Improvement Grant
Application 2018

Please fill out online at www.eldoradochamber.com OR return completed form to
201 E. Central Ave. El Dorado, KS 67042.

Applicant

Business or Property Owner Name (Please specify which:)

Applicant Address: _____

Project Location: _____

City/State/Zip: _____

Contact Phone: _____

Project Description – Attach additional pages if necessary

Projects must meet all applicable Site Plan Review Criteria, Zoning Regulations, and Sign and Building Code requirements of the City of El Dorado.

Project Valuation: \$_____

I hereby acknowledge understanding of grant guidelines and agree to the stipulations of the program.

Applicant Signature

Date

Please Include the following with this Application

☐ IRS W9

☐ Proof of Current Tax Status

☐ Before Photos

We work to enhance the economic vitality of businesses through leadership, education, advocacy, and relationship development.

***** Chamber Use Only *****

Project Score: _____ Zoning District _____ Grant Amount: \$ _____

Site Plan (if applicable) _____ Building Permit (if applicable) _____

Notes: _____

Approved by: _____ Date: _____

Grant Disbursement

- ☐ Three (3) Bids (if project is over \$3,000)
- ☐ Met with Community Development Director (if applicable) (date) _____
- ☐ Planning & Zoning Approval (if applicable) (date) _____
- ☐ After Photos
- ☐ Receipts and Proof of Payment

Disbursement Approved by: _____ Date: _____

Check Request

Issue check in the amount of \$ _____

Name and Address



El Dorado Main Street
P.O. Box 1281
116 W. Pine
El Dorado, KS 67042

March 15, 2018

Sales Tax Committee
220 East 1st Street
El Dorado, KS 67042

Dear Sales Tax Committee:

On behalf of El Dorado Main Street, we respectfully request consideration from the Sales Tax Committee for financial assistance for the Facade Improvement Grant Program.

We are requesting \$3,000 to offer to property owners for matching grants for façade restoration and/or improvements to Historic District Downtown properties. The façade restoration(s) and/or improvement(s) will be required to follow the Historic District guidelines. On a typical year we have competing projects for Facade Grant funds.

The goal of the Façade Grants is to continually support the enhancement of the Downtown Historic District, the heart of El Dorado.

The funds currently in the façade account are designated for current applications.

Sincerely,

A handwritten signature in cursive script that reads "Frank Patton".

Frank Patton
President
El Dorado Main Street

**Sales Tax Advisory Committee
April 3, 2018 5:30 p.m.
City Conference Room**

Members Present

Andy Waller
Dan Davis
David Stewart
Josh Hall
Patrick Todd

Members Absent

Stacey Guthrie
Wendy Wilkinson

Staff Present

Tabitha Sharp
David Dillner
Tammy Schaffer
Kevin Wishart

City Clerk Tabitha Sharp stated that the City of El Dorado has had a 1 cent sales tax since 1990. She stated that the current sales tax began on October 1, 2014 and will sunset on September 30, 2019. Ordinance S-1323 states that \$600,000 will be used for street rehabilitation, \$1,350,000 will be used for property tax reduction and \$50,000 will be used for economic development.

Ms. Sharp stated that after the ordinance items are removed, the remainder is deemed excess sales tax. The committee, appointed by the City Commission, makes recommendations for the use of excess sales tax and submits them to the City Commission for approval.

Ms. Sharp stated that per the ordinance, the excess sales tax can be used for additional street rehabilitation, property tax reduction and capital expenditures. The additional property tax reduction can be no more than \$300,000 or 3.49 mills. A capital expenditure is referred to as an addition or structure that enhances the value of a property, a replacement or upgrade that extends the life of an asset or equipment acquisition.

Ms. Sharp stated that the calendar for the Sales Tax Committee is tentatively set for a public hearing on April 23 at 5:30 and a presentation to the City Commission on March 6. She stated that public hearings must be published in the paper ten days prior to the meeting and due to the publication requirements of our local paper, we need at least four days prior to the ten day period for something to be published.

Ms. Sharp reviewed the previous year's allocations and the status of those projects.

Ms. Sharp reviewed the collections for 2017, she stated that the City collected \$2,422,147.24. The excess sales tax available for allocation in 2018 for 2019 is \$152,595.65.

Ms. Sharp reviewed the requests received, they included:

- Parks and Recreation Master Plan
 - 3 Wireless Controllers at the Activity Center - \$4,000
 - 8 Picnic Tables - \$6,400
 - Batting Cage at Central Park - \$15,000
 - New Concession Stand/Restroom Building at East Park - \$30,000
 - 2 Tennis Courts at Prairie Trails - \$40,000
 - Basketball Court at the Library Playground - \$10,000

- Police Body Cameras – Amount to be determined
- Police In-Car Cameras – Amount to be Determined
- El Dorado Main Street - \$3,000 Façade Grant
- El Dorado Chamber of Commerce - \$15,000 for Business Improvement Grant

Ms. Sharp stated that a committee chair needed to be chosen.

Mr. Davis nominated Mr. Waller.

Mr. Stewart seconded the motion.

Motion carried 5 – 0.

Ms. Sharp asked if there were questions.

Mr. Waller stated that he had been told that changes needed to be made to the Disc Golf Course to make it flow better.

Mr. Waller asked for clarification on the amount of money Main Street had expended.

Ms. Sharp stated that of their \$9,000 allocated, they had spent \$2,823.96.

Mr. Stewart asked if the Chamber of Commerce request was a new program.

Ms. Sharp stated that it was.

Agenda
Sales Tax Committee Meeting
April 23, 2018

Agenda Item 1: Public Hearing

Agenda Item 2: Review requests received

Agenda Item 3: Committee Questions or Discussion

Agenda Item 4: Next Meeting ?

If you get any request from the public, please forward the information to Tabitha Sharp so she can forward the information on to the rest of the committee. She can be reached at 316-321-9100 and by email tsharp@eldoks.com.

Proposed Projects for 2019 (Updated 4/3/18)

- Parks and Recreation Master Plan
 - 3 Wireless Controllers at the Activity Center - \$4,000
 - 8 Picnic Tables - \$6,400
 - Batting Cage at Central Park - \$15,000
 - New Concession Stand/Restroom Building at East Park - \$30,000
 - 2 Tennis Courts at Prairie Trails - \$40,000
 - Basketball Court at the Library Playground - \$10,000
 - Playground Equipment at Gordy Park - \$40,000
 - Upgrades to Disc Golf Course - \$10,000
- El Dorado Main Street - \$3,000 Façade Grant
- El Dorado Chamber of Commerce - \$15,000 for Business Improvement Grant

Sales Tax Advisory Committee
April 23, 2018 5:30 p.m.
City Commission Room

Members Present

Andy Waller
Dan Davis
David Stewart
Josh Hall
Wendy Wilkinson
Patrick Todd
Stacey Guthrie

Staff Present

Tabitha Sharp
Tammy Schaffer
Kevin Wishart

Public

Matt Guthrie
Susie Carson

Committee Chair Andy Waller opened the meeting.

Mr. Davis moved to approve the April 3, 2018 minutes.

Mr. Hall seconded the motion.

Motion carried 7 – 0.

Mr. Waller stated that after ordinance items are taken out and the additional property tax reduction is taken out, there is \$152,595.65 for allocation.

Mr. Waller opened the public hearing.

Chamber of Commerce Director Susie Carson stated that the Chamber has provided information for a program based on what is done in other nearby communities. She stated that this program will be a little more involved than the Main Street Façade Grant, it will be for improvements to the exterior and aesthetics (e.g. window repair, new signs, landscaping).

Ms. Wilkinson asked if it was for Main Street businesses only.

Mr. Stewart clarified that it would exclude Main Street businesses.

Ms. Carson stated that currently it would be open to businesses outside of the Main Street District who do not have access to that Façade Grant. She stated that they will have to present their case to a Chamber committee, proving that they have high visibility and need assistance with their exterior presentation. She stated that it will be a one to one match.

Ms. Guthrie asked if there had been interest that prompted the creation of this program.

Ms. Carson stated that a local banker brought it to the Chamber, they had spoken to a local business who had heard of the program in other areas and wanted to find out if El Dorado offered it.

Ms. Guthrie asked how the scoring sheet was developed.

Ms. Carson stated that she borrowed from other groups who offer this program and then tailored it to fit El Dorado.

Mr. Stewart asked if the Chamber Board approved the criteria.

Ms. Carson stated that they did, but that they will still be taking it to the Engineering Department for suggestions and will also take recommendations from others.

Ms. Guthrie stated that she felt like it was a good program because there is no risk, if no one is interested, the money will still be there the following year and could be reallocated.

Mr. Hall stated that he liked the idea as well, there were some highly visible areas that could use improvement.

Mr. Stewart stated that he was happy to see a program available to others in town because some were upset that they did not qualify for the Main Street grant.

Mr. Waller asked if there was a purpose behind the \$5,000 recommendation.

Ms. Carson stated that the Chamber Board believed that a \$10,000 investment would make significant improvements in areas that needed it. She stated that businesses do not have to apply for the entire \$5,000, they can apply for a lesser amount and the Chamber will be able to give more grants out.

Mr. Hall stated that he didn't like the landscaping part because there was no guarantee that they would maintain it.

Ms. Carson stated that they could add a requirement that landscaping has to be something that has an extended lifetime.

Ms. Guthrie suggested that they offer hardscaping.

Ms. Carson thanked the committee for their consideration.

Mr. Waller confirmed that Main Street had not spent all of the previous years' allocations.

Ms. Sharp stated that at the time, the City has expended \$2,823.96 of the \$9,000 allocated.

Ms. Guthrie stated that their letter states that all of the money is spoken for.

There was a consensus that no allocation would be recommended for next year, and to encourage Main Street to apply again next year if all of the money has been spent.

Mr. Waller asked Mr. Wishart to come forward to discuss the Parks and Recreation projects.

Ms. Guthrie asked if the projects were listed in any particular order.

Mr. Wishart stated that they were not. He stated that if he had to choose, he would place them in the following order:

- Tennis Courts – He stated that the ones at the water department are failing badly and the Master Plan has recommended moving them to Prairie Trails.
- Wireless Controllers at the Activity Center – The current controllers are very old and we are beginning to have a lot of trouble with them.
- Batting Cage at Central – The plan is to have two at Central and two at East Park, the cages are very popular.
- Disc Golf Course – After discussion with local disc golfers and the designer, it appears that the cost to change the layout to a more player friendly format would be minimal and may help with the image of the course and to recruitment of tournaments.
- Picnic Tables – We have several in disrepair and they are in high demand throughout the spring and summer.
- Gordy Park Playground Equipment – This was an item requested last year but denied in favor of other projects, we are bringing it back for consideration because the equipment is wooden and age is showing.

Mr. Hall stated that we could wait on the basketball court at the library since they are getting new playground equipment this year.

Mr. Waller asked if funds could be found elsewhere for the East Park Concession project if it was short.

Mr. Wishart stated that last year in the allocations, staff were given permission to use the savings on other projects in the Master Plan. He stated that he would request the same this year and that hopefully the cost could be covered that way.

Ms. Wilkinson asked if the funds are ear-marked.

Ms. Sharp stated that they are moved into a project and kept there until the project is completed. If we were unable to find the funds to finish that project, we would request additional funding from the following year's committee and if declined again, we would put the money back into the sales tax fund.

Mr. Hall asked if they would level the current rest room/concession facility at East Park.

Mr. Wishart stated that they will probably do that.

Mr. Waller asked if it could wait two years.

Mr. Wishart stated that it could.

Ms. Guthrie asked what the problem with the Disc Golf Course was.

Mr. Wishart stated that staff have been approached by local disc golfers and there is an issue with the flow of the course.

Ms. Guthrie stated that East Park is used more than the Disc Golf Course.

Mr. Waller stated that he has heard that there is a lot of negative talk regarding our Disc Golf Course because of the flow issue.

Ms. Wilkinson stated that we need it repaired so that we can recruit tournaments and stated that it was her understanding the designer would not be charging for the redesign.

Mr. Wishart stated that in fact, local disc golfers have provided the redesign.

Mr. Hall stated that he supports both projects, they are both needed. He stated that the East Park restrooms give El Dorado a bad image.

Mr. Todd asked Mr. Wishart to explain the tennis court plan.

Mr. Wishart stated that with the existing \$25,000 that was allocated to future tennis courts, staff are confident that they can build two new courts on the existing base at Prairie Trails. He stated that core samples there have proven that the base is in better condition than the one at the current courts. He also stated that if the water plant is ever expanded, they are only able to go to the west and so any tennis courts would be torn down at that point. He stated that discussions with the school district have led him to believe that the superintendent will go to her board and request funding for two other courts so that there will eventually be four at Prairie Trails.

Mr. Hall asked if four will fit at Prairie Trails.

Mr. Wishart stated that yes, there will be some rearranging, but they will fit.

Ms. Guthrie confirmed that we are currently unable to hold tournaments here.

Mr. Wishart stated that she was correct.

Mr. Hall stated that he preferred to send more people out to the golf course in hopes that it would get more notice as well.

Mr. Wishart stated that if these are approved, the first two will happen very quickly, the second two will take time based on what the school district is able to do.

Ms. Guthrie asked if we had the cost for brand new courts.

Ms. Sharp stated that they were estimated at \$600,000 for six courts.

Mr. Hall asked if the new courts would include bleachers.

Mr. Wishart stated that they would.

Mr. Waller closed the public hearing.

Mr. Davis recommended cutting the Chamber of Commerce request to \$10,000, funding the East Park Concessions completely and purchasing picnic tables with what was left.

There was consensus amongst the committee for that plan.

Mr. Hall asked about the Elks funding.

Ms. Sharp stated that they currently have \$55,000 allocated, the Commission gave them thru August to move forward with the purchase of their building downtown.

Mr. Stewart moved to recommend to the City Commission the following allocation of 2017 excess sales tax monies:

- Additional Property Tax Reduction - \$294,381.50
- East Park Concession/Restroom Facility - \$30,000
- Gordy Park Playground Equipment - \$40,000
- Tennis Courts at Prairie Trails - \$40,000
- Repairs to the Disc Golf Course - \$10,000
- Batting Cage at Central Park - \$15,000
- Wireless Controllers at the Activity Center - \$4,000
- Picnic Tables - \$3,595.65
- Chamber of Commerce Grant Program - \$10,000
- Any funds saved can be spent on projects relating to the Parks and Recreation Master Plan

Ms. Guthrie seconded the motion.

Motion carried 7 – 0.

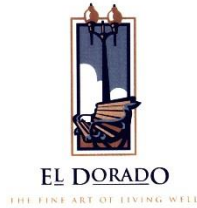
Ms. Schaffer stated that the City Commission work session would be on May 30th at 4 p.m. and the regular meeting would be June 4th at 6:30 p.m.

Meeting adjourned at 6:15 p.m.

2018 Commission Priorities

Water Sales • Community Image • Industrial and Business Parks • Parks and Recreation • Public Safety

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TO: City Commission
FROM: David Dillner, City Manager
SUBJ: Lake Debt Options
DATE: May 24, 2018

Background: In 1981, the U.S. Army Corps of Engineers (USACE) commenced activities for the construction of El Dorado Lake by combining Bluestem and El Dorado Lakes. The newly constructed lake serves primarily as regional flood control and as a supply of municipal and industrial water. Secondly, El Dorado Lake also serves as a recreational amenity for the region.

The City of El Dorado contracted with the USACE for access to water stored between elevations 1,296 and 1,339 feet above mean sea level for municipal or industrial use, equal to about 142,800 acre feet or about 22 million gallons per day (MGD). The water in El Dorado Lake was divided into sections as follows:

	Usable Storage (ac-ft)	Percent of Supply
Storage Space No. 1	39,793	27.9%
Storage Space No. 2	11,666	8.2%
Storage Space No. 3	19,254	13.5%
Future Space	72,087	50.4%

The City presently uses about 9.0 MGD of this available capacity. Following construction of El Dorado Lake, the USACE amortized the principal amounts of \$2.92 million and \$7.41 million for Stages 2 and 3, respectively, with a fifty-year repayment schedule. Incidentally, the City received credit for the two combined lakes and did not owe any funds for Stage 1. The City annually pays a total of about \$441,350 to service the debt for Stages 2 and 3.

Presently, the City of El Dorado owes an outstanding balance of \$8.3 million for debt issued for the construction of Stages 2 and 3. Future stages for the remainder of the available water in El Dorado Lake have not yet been amortized, although the debt associated with future stages continues to compound annually at a rate of 3.502% with a final maturity year of 2081.

The City has been investing \$225,000 each year, with the purpose of having funds available to contribute to debt service attributed to future stages, when such stages are activated and amortized. To date, the City has reserved approximately \$7.24 million, and expects to have another \$550,000 available by year-end in addition to the \$440,000 appropriated for annual debt service payments.

The City had previously assumed its rate of return for lake debt investments at 6.0%, although this assumption has since been adjusted down to a more realistic rate that better reflects the low interest rate environment as well as the investment options available to the City as a municipality.

State and local law limits the instruments the City may invest its excess cash to investment instruments that are either cash or cash equivalents, certificates of deposit (or similar instruments), or obligations that are insured by the U.S. government or agency thereof; or U.S. treasury bills or notes. The current environment does not provide rates of return that will generate sufficient revenue to offset future debt payments on future stages of water supply.

Policy Issues: The City needs to determine the preferred course of action to address outstanding debt associated with the construction of El Dorado Lake in 1981. In other words, should the City continue the practice of setting aside funds for future payments or follow a change strategic direction that better addresses changes in the environment and assumptions?

Alternatives: The City Manager has determined the following options exist with respect to this issue (*listed in no particular order*):

- **Status Quo** – The City continues to make annual transfers of about \$225,000 to the Lake Debt Fund for payment on future stages activated from El Dorado Lake. In addition to making these transfers, the City will continue to make annual debt service payments of \$440,000 applied to Stages 2 and 3.
- **Pre-Payment** – The City elects to pre-pay Stages 2 and 3 with existing funds from the Lake Debt Fund, presently estimated at \$8.05 million, and including the annual debt service payment of \$440,000. In this scenario, the City would have an outstanding balance on Stage 3 of about \$250,000. The City would pay this remaining balance off in the following year with a payment of about \$265,000.
- **Increased Payment** – In lieu of pre-paying the remaining balance on Stages 2 and 3, the City could elect to increase the payment from \$440,000. This would accelerate the payment of these stages while decreasing the amount paid in interest.
- **Increased Transfer** – The City could also increase the amount set aside for payment of future stages currently set at \$225,000. An increased transfer would allow additional funds to accrue interest, albeit at rates between 0.75% and 2.5%. A significant increase would be required in order for the City to make up the difference in assumed rates of return from 6% to the much lower rates available in today's market in qualified instruments.

Fiscal Impact: Presently, the City's water rates are set at a rate that provides for the \$440,000 annual debt service payment as well as the \$225,000 annual transfer. A rate increase will only be necessary should the City Commission elect to increase either the annual debt service payment or the transfer. An analysis could be completed to determine how much revenue would be required for different scenarios should the City Commission elect to proceed with either of these two options. Should the City Commission elect to proceed with pre-payment, future stages would be paid from revenue generated from selling water.

Legal Review: The City Attorney has reviewed the USACE agreement, as well as other similar agreements made by the Corps of Engineers, and is of the opinion that the City may pre-pay debt service obligations.

Trade-offs: If the City elects to continue with the status quo, additional interest equaling about \$5.9 million will be paid on Stages 2 and 3 through maturity. These funds would not be available for additional investment, although the \$440,000 set aside for these debt service payments could be reallocated to other uses, such as a water marketing program. The City has already paid \$3.3 million in interest on these two stages.

Staff Recommendation: The City Manager recommends pre-paying Stages 2 and 3 to fully pay off the outstanding debt on these two stages by December 2019. The City could then consider options for activating and amortizing future stages with the primary purpose of actively marketing such water for wholesale and industrial purposes.

By activating and amortizing a portion of the future stages, the City could allocate \$670,000 towards annual debt service that would have otherwise been used to make debt service payments on Stages 2 and 3, as well as provide additional funds to the Lake Debt Fund for payment on future stages. Said another way, the City could begin making payments on at least a portion of the future stages to accelerate retirement of debt issued for El Dorado Lake.

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

- **Direct the City Manager to continue annual debt service payments as amortized as well as continue to make the annual transfer of \$225,000 to the Lake Debt Fund.**
- **Direct the City Manager to provide a fiscal impact of increasing the annual debt service payment and/or transfer to the Lake Debt Fund.** The City Manager will develop a few scenarios for both increasing the annual debt service payment and the transfer to the Lake Debt Fund to provide the City Commission with information to help the understand the financial impact of either of these two options.
- **Direct the City Manager to proceed with pre-paying the debt service obligations with available assets from the Lake Debt Fund.** The City Manager would pay outstanding debt on Stages 2 and 3 with available assets at such time as when the payment is due later this year. The City Manager will coordinate with the USACE prior to making such payment to ensure the proper procedure is followed.
- **Request additional information from the City Manager.** The City Manager will collect such other information as may be necessary to assist the City Commission in making an informed decision on this matter. The City Commission will need to specify the information desired if this option is selected.

TO: City Commission
FROM: Tabitha Sharp, City Clerk
SUBJ: Advisory Board Appointments
DATE: May 30, 2018

Background:

The following boards have open positions currently. Applications received are listed.

Advisory Board	Number of Seats	Term	Applications Received
Airport	1	2018 – December 2019 (Completing a term for Aren Larsen who resigned)	
CTC	3	2018 – December 2019 (1 must be representative of the tourism business)	Jean Plummer Gavin Shank
Planning Commission	1 (Must be outside City Limits)	2018 – December 2020	
Sales Tax Task Force	6	2018	

Policy Issue:

Advisory board appointments must be approved by the City Commission.

Alternatives:

Not applicable.

Fiscal Impact:

Each advisory board has the ability to influence decisions regarding the budget, the Commission must ensure that they choose individuals who will be responsible board members who will consider the ramifications of their recommendations on the citizens.

Trade-offs:

None

Staff Recommendation:

The Commission should provide the names of individuals who would be willing to serve on these Advisory Boards and Committees.

Commission Actions:

The Commission will take official action on these nominations at a regular meeting.