

**MINUTES OF THE REGULAR MEETING
OF THE CITY COUNCIL
OF THE CITY OF FAIRWAY, KANSAS**

The Council of the City of Fairway, Kansas, held their regular meeting at 6:30 P.M. at 5240 Belinder Road, Fairway, Kansas, on Monday, July 8, 2024.

Present: Council Members Jenna Brofsky, David Watkins, Jerry Williams; Kelly Ann Buszek, Lee Story, Dan Bailey, Joseph Levin and Tanya Keys.

Absent: None.

Presiding: Mayor Melanie Hepperly.

Staff Present: Nathan Nogelmeier, City Administrator; J.P. Thurlo, Police Chief; Bill Stogsdill, Director of Public Works.

Visitors: Caleb Holmes, Platform Ventures, 1511 Baltimore, Suite 300, Kansas City, Missouri.

CALL TO ORDER AND ANNOUNCEMENTS

Mayor Hepperly called the meeting to order.

City Administrator Nogelmeier announced that Ordinance #1809 has been added as Item C on the Agenda. It was discovered that Kathryn Lyon Flora Park was not officially designated as a Park by the City and official designation is required in order for the City to enforce the Rules and Regulations of the Municipal Code. A draft of Ordinance #1809 has been provided to Councilmembers.

PLEDGE OF ALLEGIANCE

Mayor Hepperly led the Council in the Pledge of Allegiance.

PROCLAMATION: PARKS AND RECREATION MONTH

Mayor Hepperly read a Proclamation designating the month of July 2024 as Parks and Recreation Month in the City of Fairway.

MONTHLY REPORTS OF STANDING COMMITTEES

CONSOLIDATED FIRE DISTRICT NO. 2, CHIEF CHICK

Mayor Hepperly stated that Chief Chick is not present at the meeting and that he is currently sending reports on a quarterly basis.

ADMINISTRATION AND FINANCE COMMITTEE, MR. NOGELMEIER

Monthly Report

City Administrator Nogelmeier stated that the Committee met on June 26, 2024 and discussed recent salary surveys that were conducted by the League of Kansas Municipalities and the Mid-America Regional Council. Based on the survey results, the Committee recommended that salary adjustments be made for staff.

The Committee also discussed a request from Mission related to costs for the crossing guard at 62nd Street near Mission Highlands School. Mission has asked that Fairway split the cost of the crossing guard and the Committee agreed. The cost of \$7,600.00 has been added to the 2025 budget to cover that expense.

Finally, the Committee discussed a number of security enhancements for Municipal Court that will begin in the fourth quarter of 2024.

As for Finance, the City's financial situation is good. The Committee discussed the 2025 budget and the revenue neutral rate and budget hearing that is scheduled for the September Council meeting. Item D under New Business is the Resolution required to establish the date of the hearing and also states that the City will cap the mill levy rate at 19.930 mills.

POLICE COMMITTEE, CHIEF THURLO

Monthly Report

Chief Thurlo referred the Council to the report in the packet subject to questions. He highlighted several situations that occurred over the past month.

Councilman Story discussed a note he received from a resident who had their truck stolen. The resident indicated that the police officers were on the scene within minutes of his call and that they were pleasant, professional and provided calming guidance throughout the process.

Responding to Councilwoman Brofsky's question, Chief Thurlo explained that when Fairway police officers arrest persons who have warrants from an outside jurisdiction, that other jurisdiction will come and serve the warrant and take the individual to that jurisdiction. He added that there has been an uptick in warrants identified because of technology the City is using with license plate readers during a traffic stops.

PUBLIC WORKS COMMITTEE, MR. STOGSDILL

Monthly Report

Director Stogsdill referred the Council to the report in the packet subject to questions. He discussed the successful Touch-A-Truck event that occurred on June 10, 2024.

Director Stogsdill also recognized and thanked the Public Works staff for their responsiveness in assisting residents with concerns, for clearing streets after storms and for helping get the pool opened for the summer.

He reported that he and City Administrator Nogelmeier met with the City of Mission Hills and their stormwater engineers on June 20, 2024 related to extensive work being done at the golf course at the Kansas City Country Club. Rock Creek runs through the golf course and some of the work they are doing is in the flood plain. While the work does not affect the flood plain in any way, engineers involved did notice that the base flood elevation on record is inaccurate and is actually lower than what is recorded. This situation will require Fairway to notify the public. The notification will be filed jointly with the City of Mission Hills concerning the inaccurate base flood elevation,

He explained that the City adopted the (now determined to be inaccurate) floodplain maps in 2007. He researched Fairway homes adjacent to the floodplain and with the corrected base flood elevation, one home that was previously not in the floodplain will now be approximately 6 inches into the floodplain. He pointed out that the home has always actually been in the floodplain, but it was inaccurately recorded as being out of the floodplain.

Director Stogsdill explained that he was disheartened about the situation because when projects were ongoing in the floodplain, the City spent a lot of time with an agency studying the Rock Creek floodplain.

Responding to Mayor Hepperly's question, Director Stogsdill explained that in addition to the legal publication concerning the correction to the base flood elevation, representatives of both Mission Hills and Fairway, and possibly the engineers involved, will schedule a meeting to discuss the situation personally with the homeowner.

Director Stogsdill added because the County will be checking all the base flood elevations and will be updating the maps over the next 18 to 24 months, another publication will be required.

Responding to Councilman Bailey's question, Director Stogsdill agreed that watershed meetings have been basically on hold since Covid. A Zoom meeting was held recently during which a promise for a face-to-face meeting was made. He would be happy to reach out to Stormwater Management Advisory Council (SMAC) to let them know there is a desire to meet.

There is a discussion concerning what recourse the City could have against the company who helped determine where the floodplain was located. Director Stogsdill explained that when FEMA puts out new floodplain maps, the City gets a chance to review the data. Fairway hired the company to review that data and the company indicated that the data was correct when it was actually not correct. Someone else made the error and the company did not catch it and that error has

been on record for 17 years. There is likely no recourse for the City because the company the City hired no longer exists.

There is also a discussion about the recent flooding on State Park Road. Councilwoman Buszek thinks the City needs to find solutions for residents so they are not losing their cars or their property when bad weather occurs.

Director Stogsdill stated there are engineering solutions to solve the flooding problems, but the question would be whether Fairway wants to spend, for example, \$25M to take \$7M worth of properties out of the floodplain. He thinks the solution would probably be a combination of engineering solutions and pre-warning floodgates or something similar to stop people from driving down State Park Road. The creek is built very close to the road that is lower than the floodplain. The road could be raised, which would eliminate most of the houses that are along State Park Road because their topography would change such that it may not be feasible for them to drive into their driveways.

While the cost of \$25M isn't feasible, Councilwoman Buszek thinks the City needs to look out for and help its citizens and should contact the County or whatever Committees are involved because it is never going to change.

City Administrator Nogelmeier stated that SMAC is working on a County-wide plan rolling out new FEMA maps within the next two years. His understanding is that there is going to be some big changes to the floodplain maps throughout the County. While he hates to say that the City should wait, he believes the new data should drive whatever engineered approaches are taken. The City's ability to obtain outside funding is heavily dependent on what it is trying to remove from the floodplain. In order to receive the outside funding, the project has to be closely tied to public infrastructure improvements, such as raising State Park Road to remove it and the homes from the floodplain. Any private infrastructure improvements are the ancillary benefit of the public infrastructure work.

Councilman Watkins thinks that the raising of State Park Road is something that should be investigated as a long-term solution. There is a discussion concerning Prairie Village recently raising of Mission Road.

Mayor Hepperly stated that the City does want to find a solution for neighbors both on State Park Road and on Brookridge, both of which are bad flooding areas. Finding a solution is difficult primarily because of the cost involved.

There is a discussion concerning the meeting at the Kansas City Country Club where the improvements at the Country Club were discussed. Councilmembers and residents on State Park Road were invited to that meeting. The primary focus was renovations to the golf course and the Country Club was not doing anything related to creek bed improvements. Because the Country Club is on private property, the City's hands are somewhat limited in what it can enforce.

Councilman Bailey suggested that whenever any project is being done in the creek area, that the City push for improvements to the creek as opposed to getting letters stating that they are not going to make it any worse.

Councilman Story agreed, and wondered if it might be worthwhile to ask the Country Club whether there are any small improvements that could be made to the creek during the golf course renovations.

Mayor Hepperly pointed out that the Kansas City Country Club is on private property.

PARKS AND RECREATION COMMITTEE, MR. SOEKEN

Monthly Report

City Administrator Nogelmeier reported that Director Soeken is not present at the meeting. He referred to the Council to the report in the packet and offered to answer questions.

MONTHLY REPORTS OF SPECIAL COMMITTEES

Tree Board

No report.

APPROVAL OF CONSENT AGENDA

Mayor Hepperly outlined the three items on the Consent Agenda. The Consent Agenda items include the following: (A) Minutes of Previous Regular City Council Meeting; (B) Claims and Appropriations – Ordinance #1807 – June 2024; (C) Mayoral Appointments.

Mayor Hepperly discussed her appointment of Drew Canning to the Planning Commission, Gary Young to the Public Works Committee and Zach Cleary to the Parks and Recreation Committee. She thanked each of the appointees for volunteering to help the City.

Mayor Hepperly asked for discussion. Hearing none, she asked for public comment. Hearing none, she asked for a motion.

Councilman Williams moved that the Council approve Consent Agenda items A, B and C on the Consent Agenda. Councilwoman Brofsky seconded the motion and the motion carried unanimously.

NEW BUSINESS

A. Consider Ordinance #1808 – An Ordinance Approving a Special Use Permit for a Temporary Sales Office (Trailer with Signage) at 4100 Shawnee Mission Parkway.

City Administrator Nogelmeier explained that the request for a Special Use Permit is to allow a temporary trailer for leasing offices for the new Fieldston development. The Planning Commission has recommended approval of the Special Use Permit through July of 2025.

Mayor Hepperly asked for the applicant to address the Council.

Caleb Holmes, Platform Ventures, 1511 Baltimore, Suite 300, Kansas City, Missouri, stated that they are one of the developers of the project. He explained that he does not believe the temporary trailer will have outside lighting. Any lighting will not be brighter than the retail lighting that is currently on the site. The temporary trailer will only be open during business hours.

Responding to Councilman Bailey's question, Mr. Holmes explained that they are actively trying to lease the remaining retail spaces on the property.

Responding to Councilman Bailey's question, City Administrator Nogelmeier explained that any extensions past the current term of July 2025 would require the applicant to go back to the Planning Commission to request a new Special Use Permit.

Responding to Councilwoman Brofsky's question, Mr. Holmes stated that the permanent leasing office will be in the actual building once the construction is completed.

Responding to Councilman Story's question, Mr. Holmes stated that the signage on the proposal will be a wrap of the trailer. In addition, all interested parties have agreed to allow the trailer to be placed on the parking spots in the parking lot.

Mayor Hepperly asked for further discussion. Hearing none, she asked for public comment on this item. Hearing none, she asked for a motion.

Councilman Watkins moved that the Council approve Ordinance #1808 – An Ordinance Approving a Special Use Permit for a Temporary Sales Office (Trailer with Signage) at 4100 Shawnee Mission Parkway, subject to staff recommendations. Councilman Bailey seconded the motion and the motion carried unanimously.

B. Consider CDBG HOME Cooperation Agreement Amendment.

City Administrator Nogelmeier reported that he was not aware that this agreement existed as it was entered into a long time ago. He and the Mayor agree that it

makes sense to sign the amendment in order to explore opportunities that are available under the program.

Mayor Hepperly asked for discussion on this item. Hearing none, she asked for public comment. Hearing none, she asked for a motion.

Councilman Story moved that the Council approve the CDBG HOME Cooperation Agreement Amendment. Councilwoman Buszek seconded the motion and the motion carried unanimously.

C. Consider Ordinance #1809 – An Ordinance Amending the Designation of Public Parks in the Fairway City Code, Amending and Repealing Existing Section 9-268 of the Fairway City Code.

City Administrator Nogelmeier stated that the amendment will add Kathryn Lyon Flora Park as a designated park in the City so that the City Code and Park Regulations can be enforced at the park.

Mayor Hepperly asked for discussion from the Council. Hearing none, she asked for public comment on this item. Hearing none, she asked for a motion.

Councilman Watkins moved that the Council approve Ordinance #1809 – An Ordinance Amending the Designation of Public Parks in the Fairway City Code, Amending and Repealing Existing Section 9-268 of the Fairway City Code. Councilman Williams seconded the motion and the motion carried unanimously.

D. Presentation: 2024 Budget Public Forum.

Mayor Hepperly referred Councilmembers to the draft of the 2025 budget, which has been discussed in the Committees.

City Administrator Nogelmeier explained that the draft budget will be available on the website tomorrow. He referred to page 16, which shows the breakdown of the taxes for the average home in Fairway. The average appraised value is \$651,000 and the annual tax liability is shown. Page 16 also shows statistics of where Fairway rates in terms of other first and second-class cities in Kansas. If Councilmembers get questions from residents as to how their taxes are calculated, the information can be found on Page 16. He reminded everyone that the \$1,500 shown in annual tax liability is only a portion of the resident's annual tax liability because other jurisdictions would also need to be taken into account.

City Administrator Nogelmeier added that he implemented changes discussed at the Administration and Finance Committee meeting related to the PetWay stations, consulting services with Federico and Durst, and the crossing guard. The market adjustments for staff salaries have also been built into the 2025 budget. Each of the various department budgets show percentages of increase that are reflective of the market adjustments that are being made in 2024, plus a 5 percent merit increase for 2025.

Councilman Story thanked City Administrator Nogelmeier for pulling together the information on salaries and he thinks that the Council did a nice job of getting their arms around the situation. He does not think there is any better investment than the people in an organization. He reminded Council that the money needs to come from somewhere and there will be some projects that would otherwise have been funded that will not be funded. He asked that the Council find ways to save money or raise revenues in order to fund some of those projects that residents want.

Mayor Hepperly asked for additional discussion and there was no additional discussion from the Council.

E. Resolution 2024-B – A Resolution of the Governing Body of the City of Fairway, Kansas, of the City’s Intent to Exceed its ‘Revenue Neutral Rate’, Establishing the Date and Time of a Public Hearing on Such Matter, and Providing for the Giving of Notice of Such Public Hearing.

Mayor Hepperly explained that the revenue neutral rate is 18.646. That rate is provided by the County and is based on the actual revenue collected; however, the rate may change based on the outcome of outstanding appeals.

Councilwoman Buszek explained that she has been consistent in her opposition to increasing the revenue neutral rate largely based on feedback from neighbors in Ward 1 who state that it results in financial hardship. Many of those residents have seen a 40 percent or more increase in their property tax bills since 2017. Councilwoman Buszek would be willing to support the revenue neutral rate increase if Fairway would commit to a hard ceiling of 2 or 3 percent annually to cover increased inflationary costs. This would help families budget and plan for the predictable and reoccurring increase. She knows that the City cannot control what other taxing authorities do, but a hard ceiling would set a good example to citizens that the City is mindful of the burden of increasing annual tax bills.

Mayor Hepperly pointed out that the County increases the revenue neutral rate annually and that is not something over which Fairway has control.

Councilwoman Buszek responded that she is aware that the County sets the rate. She asked why the City could not base its costs yearly on a 2 or 3 percent increase versus the 7 to 10 percent increase that has been occurring. She would like to see the City decide that it is not going to increase spending and stay within budget because it is not sustainable.

Councilman Levin discussed the budget process, explaining that the Committee did not increase any services but did maintain the current services. Those services are the expense side of the equation. Then there are three basic groups that provide revenue: sales tax, property tax, and other revenue. Sales taxes are used to cover expenses first, then property taxes and then other revenue. While everyone would like to keep the expenses in line with the revenue, the number

one priority is to continue to provide services to citizens that they expect and then find a way to pay for those services.

Mayor Hepperly explained that if the increase is capped at 2 or 3 percent, inflation is more than that and the only alternative would be to cut services, which is something residents have indicated they do not want to happen.

Councilwoman Buszek understands the budgeting process, but she wondered if the City could keep services while still being responsible to citizens. The inflation and other costs are strapping people and they are selling their homes. She would like the City to be as proactive as possible to try to keep costs in line.

Responding to Mayor Hepperly's question, City Administrator Nogelmeier explained that 16 percent of a resident's total tax bill is attributable to the City.

Mayor Hepperly stated that if only 16 percent of a resident's total tax bill is for Fairway taxes, it will take a significant cut in Fairway services to affect the total tax bill for residents. The City cannot control what the County, the schools and the fire department do with their portions of the total tax bill.

Councilman Bailey agreed with some of what Councilwoman Buszek is saying; however, he does not see this as a Fairway problem but a problem for every taxing entity. He thinks that the Johnson County appraisal system is completely broken because they are appraising homes where one home is being compared against the top two or three sales in the neighborhood. If every home came up for sale at the same time, that one home would not be worth what it is being appraised for. Until the appraisal issue is fixed, he does not think the situation will change. He added that according to the surveys, residents are happy with the services that Fairway is providing them, even though he is sure they would like to save some money.

Councilman Watkins stated that he would also like to see a slow flat budget increase every year. This year, the City is making a market rate adjustment to salaries because it has fallen behind in compensating its valuable staff. If there was an absolute cap on tax increases, the City would not be able to keep employees fairly compensated. He added that the City cannot operate at a deficit and if the rate was capped at 2 or 3 percent, the City would be operating at a deficit or would be slashing services.

Councilman Williams stated that he is not in favor of a cap because it would tie the City's hands to do things like increasing employee salaries. He agrees the tax increases are unsustainable. He thinks that the City should look out for citizens and watch every penny being spent so that it is being spent effectively.

Councilwoman Brofsky stated that the City wants to keep providing services because that is a priority of residents; however, maybe there is also a priority of having lower property taxes. She suggested that if the Council is talking about

enhancing services, that there should also be a reminder that there is a priority of reducing or not increasing property taxes.

Councilwoman Keys discussed the importance of accountability. For example, a suggestion came from the resident survey that animal waste stations were needed. Director Soeken was innovative in paying for the stations by increasing the dog registration fees a small amount. Another example is the bathroom at the park, where the final cost was a fraction of the initial estimate. She thinks that the Council should be reminded and recognize that staff is continually finding ways to be responsible and accountable for costs.

Mayor Hepperly understands Councilwoman Buszek's concerns. Adding to Councilwoman Keyes' point, she stated that all staff critically analyze costs involved and they don't just spend the budget because it is there. This is part of having the quality staff that Fairway has.

Councilwoman Buszek knows that staff solves problems and are cutting costs, being innovative and thinking outside the box. She appreciates everything that staff does. But, if there were 25 residents in the audience asking what the City could do about decreasing taxes, she wondered if that would cause the City to think more outside the box. She understands that the State and the County also have to do their part. There has to be some way to make living in Fairway less expensive. For example, the previous Houlihan's restaurant is empty and there are also other stores that do not have tenants, both of which lead to lost revenue.

Councilman Story thinks it would be interesting to know to what degree residents are in the position that they cannot afford to live in Fairway. He does not know how that can be determined, but understands there are targeted programs that help people stay in their homes and maybe those programs, along with what Councilwoman Buszek is proposing, would help them.

Councilwoman Brofsky pointed out that the County does have programs that help people stay in their homes.

Mayor Hepperly added that Fairway participates in two of those programs.

Councilman Bailey understands that those programs have qualifications and that many residents of Fairway do not qualify for those programs.

Mayor Hepperly asked for additional discussion from the Council. Hearing none, she asked for public comment on this item. Hearing none, she asked for a motion.

Councilman Watkins moved that the Council approve Resolution 2024-B – A Resolution of the Governing Body of the City of Fairway, Kansas, of the City's Intent to Exceed its "Revenue Neutral Rate", Establishing the Date and Time of a Public Hearing on Such Matter, and Providing for the Giving of Notice of Such Public Hearing. Councilman Williams seconded the motion and the motion carried 7 to 1 with the one vote in protest by Councilwoman Buszek.

COMMENTS BY GOVERNING BODY

Mayor Hepperly asked for comments by the Governing Body.

Councilwoman Buszek thanked the Consolidated Fire District No. 2 for being the escort in Ward 1 at the July 4th parade. She also thanked Chief Thurlo for leading the parade.

PUBLIC COMMENT

Mayor Hepperly asked if there were members of the public who would like to comment. Hearing none, she closed public comment.

ADJOURNMENT

There being no further business to come before the Council, Mayor Hepperly adjourned the meeting at 8:08 P.M.

Mayor Melanie Hepperly

Attest:

Barb Fox, Recording Secretary