



MINUTES

City Council Meeting

6:30 PM - Tuesday, October 28, 2025
Council Room

1 CALL MEETING TO ORDER

The Council meeting was called to order on October 28, 2025, at 6:30 p.m. in the Council Room.

2 FLAG SALUTE

Council President **Nick Engle** led the flag salute.

3 INVOCATION

Pastor Andy Jones, **South Rock Christian Church**, gave the invocation.

4 ROLL CALL

PRESENT:	Council Member Kristi Truitt Council Member Mike Neel Council Member Elizabeth Stanton Council President Nick Engle Mayor Mark Staats Council Member Jenny Webster Council Member Wayne Molt, Jr. Council Member Larry Gould
ABSENT:	Council Member Rick Coleman

5 ACCEPTANCE OF AGENDA

5.1 Adoption of the Agenda

Nick Engle moved, seconded by Wayne Molt, Jr., to approve the meeting agenda, as presented.

RESULT:	Carried
MOVER:	Nick Engle
SECONDER:	Wayne Molt, Jr.
AYES:	Kristi Truitt, Mike Neel, Elizabeth Stanton, Nick Engle, Jenny Webster, Wayne Molt, Jr., and Larry Gould
ABSENT:	Rick Coleman

6 PUBLIC FORUM & ANNOUNCEMENTS

Audrey Goff, 3201 N. Woodlawn Blvd., said I take issue with the 63-page Agenda Report from Scott Knebel regarding the zone change at the Woodlawn and 55th

property. The fact-findings listed are disputable and biased. The report also lists several of the concerns shared by those in opposition to the zone change, including the fact this would be the largest duplex development in Derby. This is the only concern listed with a response, which states it does not matter because there are many multi-family developments almost this size already approved in Derby. I'd like to point out that this response is exactly the reason why this 40-acre plot of land should not be developed into duplexes. It is no longer needed since the so-called demand has already been met. I'd like to address an oft-repeated statement, "R-1 is the most restrictive zoning in Derby". From my research, I've found this statement to be false. The frequency with which the statement has been repeated implies an effort to subdue the protesting public and create a slippery slope of justification for further zone changes with other fables such as, "R-2 is basically the same as R-1A". Forcing R-1A on rural edges of town is, in fact, the characteristic of unsustainable development. Derby's recent zoning update to include R-1B and C was a direct correction to unsustainable practice of R-1A zoning that began in 2019 with a housing boom that is now cooling. Given this very recent change in zoning policy, I'm here also to respectfully ask the Council to consider the wisdom in retro-actively reviewing the zoning of R-1A to the parcel of land on the southwest corner of 55th and Woodlawn, as an urban-density zoning is unfit for the characteristics of the rural area and also violates the terms of sustainable development. Let me remind the Council that the developer is only one entity involved in this situation, and their singular interest does not outweigh the super-majority of residents who live nearby and oppose urban-density development. Nor does it outweigh the City of Derby at-large and the stated goals of sustainable development. As stated in Fact #4 in the report, the focus should be on facts and not fear. Exactly. Council do not fear the disappointment of a developer or city planner. During my crash-course in city government over the last few months and the many conversations I've had with local residents, it is clear the Council quite often acts in ways that are in opposition to the wishes of private citizens. Let the Council not be more sensitive to the possible disappointment of one developer any more than they have with disappointing the residents whom they represent. I would also like to ask why we observed the city planners acting almost as if they are representatives of the developers. Instead of acting as their role demands, as objective voices in the matter, they present themselves with bias in favor of developers. This pattern of behavior is obvious. Many of us received a letter from Mr. Knebel, notifying us of tonight's meeting and stating that no new testimony would be heard on the matter of the zone change. We assume this does not apply to the Public Forum, which affords us the right to speak on any pertinent subject matter before the Council and is our only form of recourse without taking legal action. We assume that if the City Planner would make such a statement, it also applies to City employees and the developer, unless they were to sign up for the Public Forum themselves to make their case tonight. Lastly, I wish to add to the record that we the people fully expect that if there is discussion by the Council, City staff, or the developer addressing concerns brought up by the people, that it will be just like the other meetings we have experienced. The citizens concerns are brought up one-by-one and through genius rhetorical techniques, they misrepresent the concerns, gaslight the people, and conclude that such-and-such concern isn't really an issue. Poof, the problems are gone, and we citizens get a proverbial pat on the head as all our worries have been dismissed right before our eyes. At the very least, we the people request a no vote tonight from the Council on the zone change to R-2. There has been clear objection from the public. Thank you for your time.

Trena Hodges, 6400 E. 55th St. S., said I'd like to raise some concerns I have with you tonight. Planning Commission meetings have been an eye-opening experience for me. The bylaws of the Planning Commission, as posted on the website say, "Members of the Commission shall be aware at all times of their responsibility to the citizenry of the City of Derby, and to the residents of the surrounding Planning Area, and shall refrain from any recommendation or action that would benefit individuals or special interest groups rather than serve the best interests of the entire Planning Area." That is their responsibility, and I will tell you I have seen very little of that. This developer's interest is being favored repeatedly over the citizens and residents that surround this zoning area. This is a violation of Derby's own rules. The Planning Commission was all set to approve the zone change with no regard to the wishes of the residents, which is normal for this Planning Commission. Why? Their habit of voting unanimously for the developer is contrary to the normal voting habits of other communities. Again, I ask why? Why did it take this very Council to request they find a good compromise with the citizens and those who live in the surrounding area? You sent it back to them with an idea of what else could be done, and they said, "Okay, we're going to do that". They did not entertain or even discuss anything other than the Council said to do, and it was again approved unanimously. This was after a very rough sketch showing over 100 duplexes proposed for the area. Are you going to tell me 100 duplexes will not impact the area? There are not that many in Northbrook, and I can tell you every 2 or 3 weeks, we have bad accidents on the Woodlawn corner. After we saw this sketch, we were told that may be what is built, but it may not be. So, are we to take it on faith? We have listened to the developer side-step issues and concerns raised over their plans. Why is the public servant presenting only on behalf of the developer? Just who pays that salary? It is definitely not the developer; it is the citizens who elected this Council and who vote and support Derby. He refers to years of research done, but we want to see that research. How do you sit there and tell me there is not going to be an increase in crime in my neighborhood when you are adding 100 residences to the area? And the type of residences are, in his words, starters. Mr. Knebel said our children will use those rental duplexes to bridge into home ownership to keep them from moving out of Derby. Really? How can he qualify that answer? All the while, he justifies every request the developer has. The Planning Commission is already nodding their heads whenever Mr. Knebel makes a statement, without seeing any justification. I also happen to know he is not sworn in; he can say whatever the heck he wants to.

Elizabeth Stanton moved, seconded by Nick Engle, to allow Ms. Hodges an additional 3 minutes.

RESULT:	Carried
MOVER:	Elizabeth Stanton
SECONDER:	Nick Engle
AYES:	Kristi Truitt, Mike Neel, Elizabeth Stanton, Nick Engle, Jenny Webster, Wayne Molt, Jr., and Larry Gould
ABSENT:	Rick Coleman

Ms. Hodges continued, we have been personally impacted when developers lie. We catch every piece of trash that comes out of Northbrook. We were told a lie that there would not be an entrance onto 55th Street from Northbrook. What about their

qualifications? Is there anyone on the Planning Commission who holds a general contractor's license? Have they completed any certification in streams, dams, or roads? What about any knowledge of hydrolysis; do any of them understand what force of water can do to an area? So, in closing, I'll ask you to think about the citizens around this zone change area. We see in Mr. Knebel's report there were only 4 people who called, with only one of those in opposition. Really? What about the petitions that were submitted by affected property owners? Single-family dwellings are all over this area, and they fit perfectly in the neighborhood. Why would you do this to us? These Commissioners, in my opinion, are not qualified to build an outhouse for the Flintstones.

Kyle Beauchamp, 901 N. Lakeview Dr., is a local science teacher. Recently, *The Derby Informer* covered a former student of mine named Maci Ahlmann who travels our town on foot collecting trash to keep Derby free of garbage. Although she is young, I believe she meets age requirements for lawful employment. I'd like to encourage the City to consider creating a position specifically for Maci who has probably already picked up more trash than most employees paid to do so. I think it would be wonderful to extend such an opportunity to her; I know she'd be glad to have it. It would be a good investment on behalf of Derby.

Mayor Mark Staats thanked Mr. Beauchamp for spotlighting Maci's efforts. I have actually met with Maci before and think there may be a chance to formally recognize her at some point from the Mayor's office. We do not take action on items during Public Forum, and this is something that would need to be discussed at the staff level regarding any hiring decisions. She is definitely making quite an impact, particularly in the south end of town; I see her out collecting trash quite often.

Council Member Mike Neel said the Derby Historical Museum is doing a capital campaign to raise funding for their very old building. I encourage everyone to go visit the Museum, and if you are able to donate, they are matching donations. To find out more, go to derbykshistorymuseum.org/donate.

7 CONSENT AGENDA

- 7.1 Consideration of Minutes
- 7.2 Assessment Ordinance for Nuisance Abatement

BACKGROUND:

- City ordinance requires lawns be maintained at 10 inches or less to protect the public health and safety.
- The City has incurred costs in abating nuisances found to exist on 2 properties, both are vacant lots.
- Because affected lots are often in foreclosure or in the process of being sold, timely assessment is important to an equitable recovery of City funds.

FINANCIAL/SUSTAINABILITY CONSIDERATIONS:

- Costs total \$520, which include the City's mowing costs plus administrative fees.

LEGAL CONSIDERATIONS:

- City ordinance authorizes staff to mow excessively tall vegetation when property owners fail to do so. Staff seeks to collect reimbursement through informal efforts to avoid the need for formal remedies. Charges not timely paid may be assessed against the properties on which the work was performed.
- The City is authorized to recover costs incurred for mowing by levying assessments against respective lots and parcels upon which such remedial work was performed by or on behalf of the City.

RECOMMENDED MOTION

- Adopt an ordinance levying special assessments upon certain properties the costs incurred by the City of Derby in abating nuisances found to exist thereon.

7.3 Resolutions for Construction of Public Improvements: Spring Ridge 4th Addition

BACKGROUND:

General Location:

- South of Meadowlark Blvd. and west of Spring Ridge Dr. (Location Map attached).

Applicant/Agent:

- Property Owner: Rob Roy, P/R Development LLC
- Agent: Matthew Tucker, BHC, Inc.

Background Information:

- The Council approved the final plat of Spring Ridge 4th Addition on October 14, 2025.
- Part of the Council action was to adopt resolutions for the construction of public improvements.
- The resolutions are based on petitions submitted by the property owner pledging to pay 100% of the cost of the improvements through special assessments.
- After Council action it was determined that there were deficiencies in the petition signatures and, therefore, the Council action adopting the resolutions was not valid.
- New petitions with proper signatures have been submitted; however, additional Council action is needed to adopt resolutions based on the new petitions.

FINANCIAL/SUSTAINABILITY CONSIDERATIONS:

- The developer submitted petitions as financial guarantees for installation of public improvements necessary to serve the development, including paving, stormwater, sanitary sewer, water, and sidewalks.
- The cost of development will be assessed 100% against the property within the development in accordance with the City's public improvement finance policy.

LEGAL CONSIDERATIONS:

- The attached resolutions for public improvements were prepared by the city's bond counsel, Gilmore & Bell, P.C., in accordance with K.S.A. 12-6a01, *et seq.*
- Because of a desire to keep all development resolutions together as one group, rescission of the prior action and new adoption of the resolutions is necessary.

RECOMMENDED MOTION

- Adopt resolutions for construction of public improvements to serve the addition as presented and authorize the Mayor to sign and staff to publish and record the necessary documents.

7.4 Notification of Emergency Signal Light Controller Replacement**BACKGROUND:**

- The traffic control detection system at Market and K-15 has failed and the camera detection is no longer working.
- The current system is an antiquated system and parts are no longer available.
- We have worked with our supplier to identify the next generation system, which includes a new controller and cameras that aligns with our signal systems used currently throughout the City.

FINANCIAL/SUSTAINABILITY CONSIDERATIONS:

- Mobotrex provided a cost estimate of \$25,309 to replace the system and Phillips Southern will complete the installation and programming for \$6,965.
- Due to the urgency of ordering the system in order to get equipment here and fixing the traffic flow issue expediently, the City Manager approved the emergency purchase.

POLICY IMPLICATIONS:

- The City's purchasing policy allows the City Manager to exercise discretion to authorize emergency purchase when deemed in the best interest of the City and report said decisions to the City Council at the next available meeting.
- This report serves as the notification required by the policy.

RECOMMENDED MOTION

- Receive and file the report.

7.5 Vacation: Reserve GC-4, The Oaks Addition Plat Text**BACKGROUND:****General Location:**

- North of Meadowlark Blvd. and west of Triple Creek Dr. at 1737 E. Summerchase St. (Location Map Attached).

Applicant/Agent:

- Robert Rader, Property Owner

Reason for Request:

- Vacate plat text that restricts the use of the property to a golf course and golf course facilities and prohibits the construction of structures on the property.

Background:

- The Oaks Addition was platted in 2001 with Reserve GC-4 reserved for "all uses related to a golf course and golf course facilities, including a club house (as approved by a conditional use permit), recreational uses (including swimming pools, playgrounds, tennis courts, multi-purpose courts, basketball courts, gazebos, etc. as approved by a conditional use permit when required), drainage purposes, utilities confined to easements, and electric lines as confined to easements."
- Reserve GC-4 is also reserved for "floodway purposes where applicable and no buildings shall be constructed or placed on or within said floodway, nor shall any fill, change of grade, creation of channel, or any other work be carried on without the permission of the City Engineer of the City of Derby, Kansas."
 - An exhibit highlighting the existing plat text and reserve dedications is attached.
- The owner of Lot 1, Block H, The Oaks Addition (Robert Rader) purchased a 3,621 sq. ft. portion of Reserve GC-4 for the purpose of expanding the adjoining back yard.
- The owner proposes to place a shed on Reserve GC-4; however, the plat text reserves the land for golf course use and prohibits the placement of structures on the property.
- The vacation is required to modify the existing plat text as it relates to the 3,621 sq. ft. portion of Reserve GC-4 adjoining Lot 1, Block H.
 - Vacation of the reservations allows the City to permit a portion of Reserve GC-4 to be used as the back yard for Lot 1, Block H and to permit the placement of a shed on a portion of Reserve GC-4.
- The Planning Commission conducted the required public hearing on October 2, 2025. There were no speakers other than the applicant at the public hearing.
 - Following the public hearing, the Planning Commission (8-0) to recommend approval of the vacation (Planning Commission Minutes Excerpt and Planning Commission Resolution attached).

LEGAL CONSIDERATIONS:

- The petition for vacation was processed pursuant to K.S.A 12-504 *et seq.*
- Notice of the proposed vacation was advertised in accordance with state law. No written objections/protests have been received by staff.
- In accordance with state law, the vacation should be granted if the Council finds:
 - Notice was given as required by law;

- No private rights will be injured or endangered;
- The public will suffer no loss or inconvenience; and
- In justice to the petitioner, the vacation should be granted.
- The attached vacation ordinance has been reviewed and approved by the City Attorney.

RECOMMENDED MOTION

- Adopt an ordinance vacating the plat text for Reserve GC-4, The Oaks Addition.

Nick Engle moved, seconded by Wayne Molt, Jr., to approve the Consent Agenda, as presented.

RESULT:	Carried
MOVER:	Nick Engle
SECONDER:	Wayne Molt, Jr.
AYES:	Kristi Truitt, Mike Neel, Elizabeth Stanton, Nick Engle, Jenny Webster, Wayne Molt, Jr., and Larry Gould
ABSENT:	Rick Coleman

8 NEW BUSINESS

- 8.1 Zone Change: South of 55th St. S. and west of Woodlawn Blvd. (R-1A "Urban Density Residential District" to R-2 "Two-Family Residential District")**

Scott Knebel, City Planner, gave the agenda report.

BACKGROUND:

General Location:

- South of 55th St. S. and west of Woodlawn Blvd. (Location Map attached).

Applicant:

- Property Owners: Equity Trust Company and Derbdev, LLC
- Agent: Philip J. Meyer, Baughman Company, PA

Background Information:

- The 39.8-acre subject property is part of a larger 50.8-acre unplatte tract located at the southwest corner of 55th St. S. and Woodlawn Blvd.
- The 50.8-acre unplatte tract was annexed effective August 27, 2025, at which time the zoning of the property was established as R-1A "Urban Density Residential District".
- The applicant proposes to develop the portion of the annexed property located outside of the floodplain with two-family development.
 - Two-family dwellings are first permitted by right in the R-2 "Two-Family Residential District"; therefore, a zone change application from R-1A to R-2 for 39.8 acres has been submitted (Proposed Rezoning Exhibit attached).
 - The applicant provided the attached floor plans and building elevations for the five types of two-family dwellings that are proposed to be developed on the property.
 - The proposed two-family dwellings contain either three, four, or five bedrooms in either one or two-story buildings with no basements.

- The Planning Commission held the required public hearing for the zone change request on August 7, 2025.
 - Eight people spoke in opposition to the request and cited the following concerns:
 - State and federal reviews have not occurred.
 - Two-family development is not consistent with the single-family and semi-rural character of surrounding development.
 - Development of the property will make flooding on surrounding properties worse.
 - Development of the property will make flooding on Woodlawn Blvd. worse.
 - Annexation and zone change processes lack transparency.
 - City staff provides favorable treatment to developers and ignores resident concerns.
 - The property will be developed with Section 8 housing.
 - Woodlawn Blvd. is required to be widened to support the project.
 - Development of the property will negatively impact operations of McConnell Air Force Base.
 - Commissioners always vote in favor of development projects and ignore citizen concerns.
 - Drainage facilities in the development will not be properly maintained.
 - The applicant spoke at the public hearing to address the concerns and provided the following information:
 - A drainage plan, wetland study, and state and federal agency review will occur as part of the platting process.
 - The drainage impacts of the development is nearly the same if the property is developed with two-family or single-family dwellings.
 - The development will be designed in accordance with standard engineering practices that will limit the discharge rate from the site to the same or less than pre-development conditions as required per City standards.
 - Section 8 housing is not proposed.
 - The proposed two-family housing is much needed entry-level housing.
 - Woodlawn Blvd. is not being widened by them, and there is no correlation between development of the property and the reconstruction of Woodlawn Blvd.
- At the conclusion of the public hearing, the Planning Commission voted (9-0) to recommend approval of a zone change from R-1A "Urban Density Residential District" to R-2 "Two-Family Residential District," subject to platting the subject property within one year.
 - The Planning Commission recommendation is based on the findings of fact stated in the attached Planning Commission Minutes Excerpt for August 7, 2025.
 - One of the findings is that the infrastructure needed to serve the subject property will be financed, designed, and constructed through the platting process.

- The infrastructure to be designed and constructed includes drainage facilities that will detain stormwater run-off on the subject property and release it at a rate the same or less than pre-development.
 - The drainage plan will be developed by a professional engineer licensed to practice engineering in the State of Kansas and reviewed by the city's engineering staff.
 - The subject property is adjacent to large areas of floodway and floodplain for Dry Creek, which encompasses the proposed drainage reserve to serve the subject property, much of the Woodlawn Blvd. right-of-way, and several lots to the south of the subject property (2016 FEMA Flood Map attached).
 - Development of the subject property, in accordance with accepted engineering standards, will not make the adjacent properties more flood prone. However, the development will not significantly reduce the existing flood prone condition, which has been a known condition since at least 1979 when the Hillsdale Addition was platted with floodway easements and minimum pad elevations.
- On September 9, 2025, the City Council considered the zone change request and voted (7-0) to send the request back to the Planning Commission for reconsideration (City Council Minutes Excerpt attached).
 - The City Council directed the Planning Commission to consider a "single-family buffer" at the north and south ends of the subject property.
 - The applicant submitted the attached Single-Family Buffer Zoning Exhibit illustrating the proposed areas to remain zoned R-1A.
 - The applicant is proposing that the north 365 ft. and the south 150 ft. of the subject property not be rezoned and remain zoned R-1A.
 - Note that the lots illustrated on the exhibit is intended to determine the maximum number of lots that can be developed on the property. After the drainage system is designed for the development, the number of lots may need to be reduced to add stormwater detention areas.
- On October 2, 2025, the Planning Commission reconsidered the zone change request with a single-family zoning buffer at the north and south ends.
 - Four people spoke in opposition to request and cited the following concerns.
 - Increased traffic
 - Increased noise.
 - Reduced property values.
 - Increased crime.
 - The property should be limited to R-1B or R-1C zoning.
 - Two-family development is out of character with surrounding development.
 - Proposed two-family development would be the largest in Derby.

- This issue arose at the September 9th City Council meeting when staff stated in response to a council member question that this would be the largest contiguous two-family development in Derby. While factual, it was not a complete answer to the question and does not reflect the many zone changes approved by the City Council to permit two-family development, including zoning for a two-family development north of 55th St. S. and west of Rock Rd. that is the same size as the subject property. Since 2022, the City Council has approved the following zone changes to support two-family development (those marked with an asterisk have yet to be perfected by platting the property).
 - R-1A to R-2 for 28.34 acres south of 55th St. S. and east of Rock Rd. (Sky Ridge)
 - R-1 to R-3 for 18.62 acres south of Meadowlark Ave. and east of Rock Rd. (Meadowlark Landing)
 - R-1 to R-3 for 6.25 acres south of Meadowlark Ave. and east of Rock Rd. (Spring Ridge)
 - R-1 to R-2 for 36.8 acres north of 95th St. S. and east of Rock Rd.*
 - R-1 to R-2 for 39.8 acres north of 55th St. S. and west of Rock Rd.*
- After reconsideration, the Planning Commission voted (8-0) to recommend a zone change from R-1A to R-2 for the subject property except for the north 365 feet and south 165 feet thereof. The reconsidered recommendation is based on the same findings of fact as the original recommendation (Planning Commission Minutes Excerpt for October 2, 2025, attached).

FINANCIAL/SUSTAINABILITY CONSIDERATIONS:

- Development of the property will result in an increase in the taxable value of the property; and consequently, an increase in property tax revenue.
- Infrastructure necessary to serve the development is in close proximity to the site and can reasonably be extended.
- Financial guarantees for infrastructure necessary to serve the site and associated cost sharing will be determined through the platting process.

LEGAL CONSIDERATIONS:

- All conditions precedent to the Council's consideration of this requested zone change have been satisfied, including notification of surrounding properties in accordance with state law.
- Multiple protest petitions were filed with the City Clerk within the statutory 14-day protest period following the public hearing.
- Protest petitions were received from owners of eight properties, all of which are located within the statutory notification area.

- The protest petitions represent 65.79% of the land area within the statutory notification area (Protest Petition Map attached).
 - Because the protest petitions represent more than 20% of the land area within the statutory notification area, a three-fourths majority vote is required to approve the zone change.
- Rezoning a specific tract of land is a quasi-judicial proceeding and requires disclosure of *ex parte* communications.
- In accordance with state law, the Council may take one of the following actions when considering adoption of the requested zone change.
 - Due to protest petitions, adopt the recommendation of the Planning Commission and approve the zone change via ordinance by a three-fourths majority vote of the City Council (6 votes).
 - Due to reconsideration, override the Planning Commission by simple majority vote of the City Council (5 votes) and deny the zone change. If this option is selected, the City Council must adopt findings of fact in support of disapproval.
- The attached zone change ordinance has been reviewed and approved by the City Attorney.

RECOMMENDED MOTION

- Adopt an ordinance changing the zoning district classification of the subject property from R-1A "Urban Density Residential District" to R-2 "Two-Family Residential District", except for the north 365 feet and south 165 feet thereof, based on the Planning Commission's findings of fact and instruct the City Clerk to withhold publication of the ordinance until the plat of the property is recorded, which shall occur no later than 1 year after adoption of the ordinance.

Mayor Mark Staats asked Council to report any *ex parte* communications regarding the zone change.

Council Member Elizabeth Stanton said I have had *ex parte* with Ms. May, Ms. Goff, and Mr. Blankenship regarding this item, but it will not affect my vote. I spoke with them in order to gather more information.

Council Member Mike Neel said I have also had *ex parte* communication with several community members on this item since it was last discussed at Council, but it will not impact my decision tonight.

Council Member Wayne Molt, Jr. added I, too, have had conversations with residents who live in this area since the Council last discussed the item.

No additional *ex parte* communications were reported.

Council President Nick Engle said I think the issue we get into here on the bench is that we are not legally allowed to just deny a zone change based solely on opposition. We have to have a root in the Findings of Fact that there is an issue. Most of these Findings are technical in nature. Platting comes later where

we address things like floodway, water discharge, and traffic. Integration with the surrounding area seems to be the softest finding we might be able to use as reason for a denial. I'd like to hear what others on the bench think.

Ms. Stanton asked why don't any of these proposed residences have basements? Is it because of the potential for flooding in the area, and they don't want water in the basements?

Phil Meyer, Baughman Company, replied it is not. About half the houses built nowadays are slab on grade construction. Sometimes this is done for economic and affordability reasons and other times it is for the older population who do not do as well with stairs. We went from basements with window wells to a view-out basement, and now the trend is more toward the slab on grade model.

Ms. Stanton said after speaking with Mr. Mangus, he provided information that we have built 178 duplexes since 2020, which I thought was good information to have as well.

Mr. Molt thanked Mr. Engle for stating the situation so well. My heart does go out to residents in the area. What I find intriguing is when this all first began, the main concern and issue was flooding. Now we are more focused on the multi-family piece, but I understand. When duplexes came in behind my own residence, when we'd purposely bought in a single-family area, it was a bit unsettling. There have only been mild issues, however, since the two-family residences were built. One thing I did notice is that as fast as they were built, they were occupied, which tells me there is a need for them in our community. There is a waiting list to get into the apartments in town as well, so are we really meeting the needs for housing in Derby? I agree it is a lot of units covering one location. I like the fact they are buffering it with some single-family homes, but looking at the property itself, it is really shielded from the existing neighborhoods. The big concern I hear about is property values. The week I closed on my home, the zone change was approved for The Trails apartment complex. I was told not to move forward with closing on our home because my property value was going to tank, crime was going to increase, and other "what if" scares. My home value has gone up every single year; the apartments and duplexes have had no negative impact on it. Crime has not changed any more than anywhere else in town. While this may not be the experience everyone has, it is what I have noticed in my own situation. I struggle with this vote; I could go either way. Among those I've spoken with, the reaction has been mixed. Many do not care because they will not be seeing them. We also have those who do not want multi-family housing to come in. I understand both sides and do want to hear from others on Council.

Mr. Engle asked Mr. Knebel to speak a bit about the issue of traffic. I also have some questions about some of the numbers of permits pulled over the last 5 years. Do you happen to have that information, or at least an estimate? What is a healthy ratio of single- to multi-family housing on a broad scale?

Scott Knebel, City Planner, replied in terms of permits, it is a bit hard to say if there's a healthy ratio. If you look at the way they happen, they come in bunches.

Mr. Mangus' information said there were roughly 180 duplexes since 2020, but the majority of those were issued in one year. Community-wide, the way our policies are laid out, there is very little difference between two-family and single-family residential districts. Screening and buffering are not required between them. Policies on land use and guidance from the Comprehensive Plan are nearly identical for the two. In terms of a healthy balance saying we need X percent of single-family and Y percent of two-family, I don't believe there is an answer to that question. It is a matter of policy for the Council to determine based on the community's input. Certainly, the market demand over the last 5 years has been more heavily geared toward multi-family. If you were to go back 10 or 15 years, because of the apartments in The Oaks, it looks like we build thousands of apartment units. Well, we did, but we haven't built any since then. What are you asking about traffic?

Mr. Engle clarified the matter of accidents in this area was brought up during Public Forum. Can you refresh my memory about what the plan is for the intersection?

Mr. Knebel said I do not know the specifics of the design, but I do know they are going to reconstruct that intersection and make it safer. I personally have not seen the design; that comes later in the process and will be presented to Council.

Mr. Engle said I continue to struggle with this. I do not want something the majority of the existing neighborhood is clearly opposed to, but we have a legal obligation where we cannot say no without cause. Traffic will be addressed through site plans and the continued development in the area, as will the issue of water and drainage. I'm also aware we do need attainable entry-level homes still. When I think of who might occupy these residences, I think of those at McConnell, of our own police officers and firefighters, teachers, and others who may be early on in their careers who need something they can afford on their salaries. I'd certainly like to have our public servants living here in City which they serve.

Mr. Neel said I have lots of thoughts and am not yet sure which way I'll vote. I have an issue with the density. I don't feel that thirty-some-odd acres of duplexes is a good use of the property. I know we have the 10 Golden Factors which are what we can consider when voting on this. Even if it is two 3-bedroom or two 5-bedroom duplexes with a roof size comparable to that of a single-family home, I don't think you can convince me that density is equal to that of a single-family residence. I just think it is too much. Do we need entry-level homes? Yes. Do we have an older population that needs more affordable housing? Absolutely. I don't know if this project, as it looks now is the answer. I'm just not comfortable with what I'm seeing.

Ms. Stanton said as I recall, we are reconstructing Woodlawn up to 55th St. with curb and gutter, is that right?

Mr. Knebel said yes.

Ms. Stanton said and at some point, will we add a traffic light at 55th and Woodlawn?

Alex Lane, City Engineer, confirmed Woodlawn will be reconstructed as curb and gutter up to 55th St. There is no plan for a traffic signal at this point, but that is not to say there will not be one someday.

Ms. Stanton asked how much will the specials be to do all of these things and who will be affected by the cost of improvements?

Mr. Lane clarified the reconstruction of Woodlawn is a separate project being paid for by the City at large, so there are no specials related to it.

Council Member Kristi Truitt said I'm aligned with those who have expressed they are conflicted on this one. As I said the last time this was before us, the character of the neighborhood does not seem to fit. I still believe that, even with the change presented tonight. I guess I had expected a bit more of a single-family buffer than what the rendering shows, which is disappointing. I agree with Mr. Engle we need more attainable housing. I left here for college and got married; I moved back in 2003 and lived in a duplex. The owner lived on the other side. That was where we lived when my daughter was born; it is where she took her first steps and learned to ride a bike. If we had not had that duplex available, I would not be in Derby today. That's tough. Are we really wanting to say, "Sorry, you have to have more money to be able to live in Derby"? It's a struggle for me, but the character of the neighborhood does not fit. It still falls short for me on that point.

Mr. Engle said this is tough. I don't believe any of us is 100% sure what action we want to take on this item. It seems we all have conflicting feelings and thoughts about it. We have a desire and need for more housing, especially for entry-level and young families. We also want to be good stewards to the others in the existing neighborhood. A lot of times people think we just rubber stamp things up here to keep them moving along, but we really do think hard about each decision. Ms. Butler, when it comes to findings of fact, and we're talking about the character of the neighborhood, how much room is there for interpretation?

Jacque Butler, City Attorney, said I think you can either make the motion that is in your packet, noting it is subject to a protest petition, and see if you have the votes for it to pass. You could also make an alternate motion where you move to override the recommendation of the Planning Commission based on the following assessment, stating your assessment of the Golden Factors. You do not have to list all of them, but you could say we disagree that the proposed development fits the character of the neighborhood, or we disagree with the staff report and we are noting the opposition of the neighborhood, continued concerns with the following. You could make an alternate motion to that effect and see how that goes as well. If you'd like, we could take a recess during which we could work on drafting such a motion, rather than doing it on the fly from the bench. Procedurally we have several options.

Mr. Engle said thank you for laying that out. I don't suppose one option is for the developer to have further leeway. It's probably not a good idea to have that open debate in our meeting.

Ms. Butler advised that is probably not the best way to move forward. You've already sent it back down to the Planning Commission once for further review and it's back before you. If you'd like to hear from the developer as to whether they are open to further discussions, you certainly may ask for their input.

Mr. Engle asked Mr. Meyer to come back to the podium. I think our biggest struggle right now is with the density and the size of the duplex development. I believe there is an issue with it fitting in with the character of the existing neighborhood. I invite you to address that and share your thoughts.

Mr. Meyer showed the rendering to Council again, noting this is what I discussed with you when I was here before. We have a large lot residential development to the south, making sure all the houses that abut the homes on Winding Lane are single-family. To the north, along 55th St., as people drive by, they will see single-family residences at the entrance. As far as density, this is a sketch we provided to give an idea of what may be platted. There is a lot of work yet to be done in platting with engineering staff regarding drainage, sewer, and water, so that will likely change how things are laid out. If City Council is still struggling with approving it because there is not enough single-family, you can tell us "this needs to be X" or "extend the single homes further south". I've even had cities tell us a only a certain percentage can be duplexes compared to single-family. I cannot tell you my developer will accept that or do it. I'm simply their agent. In my opinion, kicking it back to Planning Commission and then back to City Council again will not do us any good. There comes a point where Council can just make a decision. My thought on it is even if it is kept single-family, they can be on 50-foot-wide lots, which does nothing to alleviate the density issue you've raised about the proposed duplexes. It will be Council's decision.

Mr. Molt said I believe my issue is with the density as well, but as was pointed out, even with single-family homes, the density could be the same. Is it appropriate for us to recess to collect our thoughts? I don't believe any of us is ready to make a motion or vote.

Ms. Butler clarified; we cannot recess as a group to work on a motion. If we want to have legal advice on considering a quasi-judicial deliberation, which this is as a zoning hearing, we can recess to executive session for legal advice. If Mr. Engle wanted to request a recess to work on a draft motion independently and come back to make that motion, we can do it that way. Those are different options. If you are wanting to brainstorm a motion as a group, then that needs to take place in executive session.

Council Member Jenny Webster said I feel somewhat like Ms. Truitt. I thought when we talked about buffering, I thought it would be more of a buffer around the whole outside edge, with duplexes in the center. This one has been very hard, and I know we've all put a lot of time and thought into it. Do I think this is the right

place for a development like this? I do; it is open land. We couldn't build something like this in the middle of Derby. The developer is being honest that he intends to build duplexes; he's not trying to bring them in later on. I like they are being up front and honest, and that they've been willing to work with different ideas we proposed. Seeing this rendering when I got the packet was a bit of a disappointment because I'd envisioned something different. I'd be open to going into executive session to get some advice on how to move forward because this is a hard decision. I know our Planning Commission worked hard to review this and bring it back to us for consideration again. I'm still just not sure.

Mr. Neel asked Ms. Butler what happens if the recommended motion is made but does not pass?

Ms. Butler you would need to have a 3/4 majority vote because of the valid protest petition in order to make the zone change. You cannot approve the zone change without the 3/4 majority vote. So, if you make the recommended motion and do not obtain six affirmative votes to adopt the ordinance, the motion fails.

Ms. Webster said we are only voting on the zone change, not a final plat, so we will see this again later, correct?

Ms. Butler said you will not see the zone change again. If it fails, the zoning will remain zoned as R-1A. You may see a plat later on for R-1A, or the developer may choose to develop only a portion of it. What is the waiting period before they'd be able to again request a zone change?

Mr. Knebel replied to seek the exact same zone change, they would have to wait a year. If they were to make a zone change application that is considered to be substantially different than the one that failed, they can do so after six months. That time frame is measured from August 7, 2025, when the request was first brought before the Planning Commission.

Ms. Butler said so, it is possible if you override the Planning Commission recommendation or the approval fails due to lack of a 3/4-majority vote, then it might come back to you as a plat for single-family housing, or it might come back after the waiting period as another request for a zone change.

Mayor Staats said hypothetically, if this does pass as presented, what we see as a sketch in the packet is not necessarily what the development will look like. We would have a chance to vote on the plat where we could then tweak things and ask for more single-family housing or some other changes, right?

Ms. Butler said not necessarily. When you are reviewing a plat, you are only reviewing it for conformity with your regulations, not the zone change or the use of the property.

Mr. Engle requested a recess to draft an alternate motion.

Ms. Butler clarified you are asking to recess to draft a motion, not to go into executive session.

Mr. Engle said correct. Ten minutes should be enough time.

Mayor Mark Staats called for a ten-minute recess at 7:27 p.m. The Council meeting resumed at 7:38 p.m.

Mr. Engle thanked everyone for their patience as I hashed through some different options. We even considered drafting a stricter motion based on square-footage, but I am not comfortable making up arbitrary measurements or numbers at this time. I do think the character of the neighborhood finding of fact is still an issue. Obviously, we have also seen a fair amount of opposition to the proposed zone change. We are going to have the opportunity to talk as a Council, since it is on our priority list, about percentages of density and how things will be blended together. At this moment, however, I'm not willing to make some rule that becomes precedent for other Councils to follow or change at a later date.

Nick Engle moved, seconded by Elizabeth Stanton, to override the recommendation of the Planning Commission and deny the zone change based on the following findings: the proposed R-2 zoning does not fit the character of the neighborhood at the proposed level, the proposed density and proposed size, the opposition of the neighborhood, the valid protest petition, and noting in the public record many findings in opposition to the proposed change.

Mr. Engle emphasized I am not opposed to multi-family housing. I am not opposed to duplexes. I do think the blending of types of housing, which we will get to discuss and decide on as a Council from our priority list items, needs to be leaning a bit less toward this level of density and this size. That is something that has come up multiple times as this item has been discussed; the acreage involved is one of the factors making us all uncomfortable. If my motion passes, it has been mentioned small lot, single-family could be built here. I'd encourage the developer to instead come back with a different blend of R-1 and R-2; I think we'd all consider that as a viable option.

Mr. Neel asked that the motion be read again.

Mr. Engle obliged.

RESULT:	Carried
MOVER:	Nick Engle
SECONDER:	Elizabeth Stanton
AYES:	Kristi Truitt, Mike Neel, Elizabeth Stanton, Nick Engle, Wayne Molt, Jr., and Larry Gould
NAYS:	Jenny Webster
ABSENT:	Rick Coleman

8.2 Sale of General Obligation Bonds Series 2025-B and Temporary Notes Series 2025-2

Megan Pater, Finance Director, gave the agenda report, recognizing Ben Hart and Garth Herrmann in attendance.

BACKGROUND:

- On September 23, the City Council authorized the sale of General Obligation Bonds Series 2025-B and Temporary Notes Series 2025-2 to finance the following projects:
 - Special Assessment Bonds:
 - Hendricks Addition - Sanitary Sewer, Water Line, Streets and Sidewalks
 - Meadowlark Landing Addition - Paving Phase 1, Sanitary Sewer Phase 1, Storm Water Drain, Water Line Phase 1, Water Main
 - Sterling East Addition - Paving Phase 1, Sanitary Sewer Phase 1, Water Line Phase 1, Storm Water Drain Phase 1, Sanitary Sewer Main, Madison Water Main
 - General Obligation Bonds:
 - Patriot & Triple Creek Intersection Improvements
 - High Park Remodel
 - Wastewater Master Plan Improvements Phase 1A
 - Water Tower Painting
 - McIntosh Road Reconstruction
 - Temporary Notes:
 - Foxfire Addition - Paving (Corporate Park Drive), Paving Phase 2, Sanitary Sewer Phase 2, Sidewalk (55th Street South), Stormwater Phase 2, Water Phase 2
 - Courtyards at Crosswater (Renewal of 2023-1 Notes) - Sanitary Sewer Lift Station and Force Main, Paving Arterial, Storm Water Grading, Paving Phase 1, Sanitary Sewer Phase 1A, Sanitary Sewer Phase 1B, Sanitary Sewer Phase 1C, Water Phase 1
- The competitive sale was held the morning of October 22. The resolution authorizing the sale of the bonds and notes contained parameters that allowed the Mayor to award the sale if the bids were within the following parameters:
 - General Obligation Bonds
 - Maximum principal of \$34,700,000
 - Maximum true interest cost of 6.15%
 - Temporary Notes
 - Maximum principal of \$7,700,000
 - Maximum true interest cost of 5.31%
- City Council approval of the bond ordinance and resolution will ratify the sale.

FINANCIAL/SUSTAINABILITY CONSIDERATIONS:

- Resolution 36-2025 adopted the sale resolution, authorized the sale of the bonds and provided that the aggregate principal amount shall not exceed \$34,700,000.

- An agreement was entered into with Robert W. Baird on October 22, 2025 with a principal amount of \$31,895,000.
 - A true interest cost (TIC) of the bonds is 3.928396%, which was lower than the maximum rate provided for in the authorizing bond resolutions of 6.15%.
- Resolution 36-2025 adopted the sale resolution, authorized the sale of the temp notes and provided that the aggregate principal amount shall not exceed \$7,700,000.
 - A temp note agreement was entered into with Robert W. Baird on October 22, 2025 with a principal amount of \$7,415,000.
 - A true interest cost of the notes is 3.177369%, which was lower than the maximum rate provided for in the authorizing temp note resolution of 5.31%.

LEGAL CONSIDERATIONS:

- Gilmore and Bell serves as the City's bond counsel and has verified this issue is in full compliance with state laws and local resolutions and ordinances.

RECOMMENDED MOTION

- Adopt an ordinance authorizing and providing for issuance of \$31,895,000 principal amount of General Obligation Bonds Series 2025-B, and
- Adopt a resolution prescribing the form and details of and authorizing and directing the sale and delivery of \$31,895,000 principal amount of General Obligation Bonds Series 2025-B, and
- Adopt a resolution prescribing the form and details of and authorizing and directing the sale and delivery of \$7,415,000 principal amount of Temporary Notes Series 2025-2.

Council Member Mike Neel said we had 8 bids; that seems higher than usual.

Ms. Pater said I do not recall the last sale we had, but the one in 2024 also received 8.

Mr. Neel said I would think that is good news to have so much interest.

Ben Hart, Baker-Tilly, said we had two sales the week before which had 7 bids and 11 bids. Your sale came right in the middle of that, and I was glad to see the 8 bids. That's pretty intense competition. There was also a 20 basis point difference between the low and high bids. The way you've debt-financed over the last 3 years, you've seen some of the lowest rates.

Jenny Webster moved, seconded by Wayne Molt, Jr., to

- Adopt an ordinance authorizing and providing for issuance of \$31,895,000 principal amount of General Obligation Bonds Series 2025-B, and

- Adopt a resolution prescribing the form and details of and authorizing and directing the sale and delivery of \$31,895,000 principal amount of General Obligation Bonds Series 2025-B, and
- Adopt a resolution prescribing the form and details of and authorizing and directing the sale and delivery of \$7,415,000 principal amount of Temporary Notes Series 2025-2.

RESULT:	Carried
MOVER:	Jenny Webster
SECONDER:	Wayne Molt, Jr.
AYES:	Kristi Truitt, Mike Neel, Elizabeth Stanton, Jenny Webster, Wayne Molt, Jr., and Larry Gould
ABSTAINED:	Nick Engle
ABSENT:	Rick Coleman

8.3 Employee Health and Dental Insurance

Jenny Turner, Human Resources Director, gave the agenda report.

BACKGROUND:

Health Insurance

- For the first three quarters of 2025, health insurance claim costs are running at 90% of the expected amount.
 - On a per employee yearly basis, annualized net claims are running 31.4% lower than 2024.
 - Claim reports show the primary cost drivers for our plans continue to be prescriptions, in-patient hospital stays, and outpatient surgeries.
- We plan to continue using Luminare Health Benefits (aka Trustmark Benefits) as our third-party administrator, as they've done a good job with processing claims and addressing issues as they arise.
- Based upon current 2025 claim totals, USI is not recommending any additional plan design changes, as the City made numerous plan design changes in 2024.
- USI does recommend increasing total premiums by 9.5%. The City proposes to absorb the majority of this increase and only increase employee premiums by 5%.
- In 2025, 85% of eligible employees participated in City-provided health plans (485covered lives), as follows:
 - Premium Plan - 118 employees, 8 retirees/COBRA
 - Value Plan - 68 employees, 0 retirees/COBRA
- The overall history of health insurance premium increases since the City adopted self-funding has been favorable with an average annual increase to the City of 4.68% as outlined below:
 - 0% in 2012
 - 0% in 2013
 - 32% in 2014 (due to funding to max claims)
 - 0% in 2015
 - 0% in 2016
 - 5% in 2017
 - 5% in 2018

- 5% in 2019
 - 0% in 2020
 - 0% in 2021
 - 5.2% in 2022
 - 0% in 2023
 - 0% in 2024
 - 8.5% in 2025
 - 9.5% in 2026
- **Pharmacy Benefits.** USI recommends continuing with Oread for our pharmaceutical benefit management (PBM), as we have experienced significant savings since we switched to them in 2023. Our rebates from Oread total \$121,964 through September 2025. The Oread Patient Assistance Program is estimated to provide an annualized savings of \$649,111.
 - **Stop-Loss Coverage.** In 2022, the City began using Everlong, a stop-loss captive, to provide stop-loss coverage.
 - Through the use of a captive, there is potential for a return of premiums of up to \$98,071, if we were to have an exceptionally good year.
 - There was no return of premiums in 2024 as we exceeded the set limits for the specific deductible and aggregating specific.

Dental Insurance

- A 2% increase in premiums is recommended as 3rd quarter claims were running higher than expected.
- Delta Dental of Kansas has provided the City with dental insurance benefits through a separate contract for 25 years. In 2013, the City began partially self-funding dental insurance for City and Library employees. We are in the second year of a three-year agreement, which includes no increase in administrative fees for 2025 or 2026.
 - In 2025, 89% of eligible employees participated in City-provided dental insurance.
 - A total of 195 employees and 6 retirees/COBRA participants bring the total number of covered lives to 539.
- The history of premium increases since self-funding began has been favorable with an average annual increase of 1.52% as follows:
 - 2% in 2013
 - 0% in 2014
 - 0% in 2015
 - 10% in 2016
 - 3% in 2017
 - 0% in 2018
 - 0% in 2019
 - 0% in 2020
 - 0% in 2021
 - 0% in 2022
 - 0% in 2023
 - 2.3% in 2024

- 2% in 2025
- 2% in 2026

FINANCIAL/SUSTAINABILITY CONSIDERATIONS:

Health Insurance

- The 2026 budget includes \$3,029,667 for the cost of providing health insurance to employees and their families (186 employees and 8 retirees/COBRA; 485 total covered lives), which was based on a 5% increase in premiums.
- The 2026 budget indicates a carryover of \$638,654, which provides for a total of \$3,668,320 in funds available for health insurance. We are now anticipating a higher carryover for 2025, so we are expecting the funds available to be approximately \$300,000 higher than budgeted. This is important as we like to maintain over \$900K in our self-insurance reserve fund.
- Efforts to reduce our costs this year have been successful based on the following data:
 - The family savings program has produced a savings of at least \$63,193 and is anticipated to produce a savings of approximately \$118,000 next year.
 - Changes to our prescription plan resulted in \$129,015 in savings to the plan.
- Based on 197 participating employees, the total estimated cost for health insurance in 2026 is \$3,131,177 (includes \$100,000 for family savings program claims). The maximum possible cost of health insurance is currently set at \$3,698,302, which is slightly higher than the total funds budgeted, but lower than our revised estimates when an increase in premiums for 2026 is factored in.

Dental Insurance

- The 2026 budget includes \$223,431 for the full cost of providing dental insurance to employees and their families (195 employees; 6 retirees/COBRA; 539 total covered lives).
- The total estimated cost for dental insurance in 2026 is \$208,227, which is lower than the budget. No increase in premiums is needed.

POLICY IMPLICATIONS:

- The Kaiser Family Foundation (KFF) has not released a 2025 report, so the data below compares our 2025 premiums and deductibles with their 2024 report.
 - Nationwide the average annual premiums for employer-sponsored family health coverage were \$25,572 in 2024, up 7% over 2023.
 - Derby's 2026 projected annual premiums for family coverage total \$21,374 for the Value plan and \$21,717.12 for the Premium plan, both well below the 2024 national average.
 - In 2024, nationally, workers are paying an average premium of \$6,296 for family coverage. For the City of Derby, an employee on the Value or Premium Plan will pay between \$2,581 and \$9,251 (depending on wellness program status, tobacco status, and choice of plan).

- Nationwide, the average deductible for employer-sponsored single health coverage was \$1,787 in 2024. Employees have no deductibles on the City of Derby plans.
- Derby's Value and Premium plans rely on reasonable copayments for services rendered (doctor visits, tests, hospital admission, etc.) instead of deductibles in an attempt to be more employee-friendly while also ensuring employees share in the cost of using health care services.
 - Derby's program structure provides financial incentives to employees to participate in the wellness program and helps ensure employees and their family members take ownership of their health.
 - Healthy habits address chronic health conditions, which affect absenteeism and the likelihood of expensive medical procedures.

RECOMMENDED MOTION

- Authorize implementation of plan design changes as presented and execution of contracts with Luminare Health Benefits for third-party administration of claims, ProviDr's Care for network access to medical providers, Everlong for stop-loss insurance, Oread for pharmacy benefit management, and Delta Dental for dental insurance.

Council President Nick Engle said I know dealing with health insurance alone is a lot of work, not to mention implementing and maintaining the wellness program and all the other pieces of making it work. I know as a City, we strive to take good care of our people while keeping costs below average. Thank you; I appreciate the hard work you and your team do.

Nick Engle moved, seconded by Kristi Truitt, to authorize implementation of plan design changes as presented and execution of contracts with Luminare Health Benefits for third-party administration of claims, ProviDr's Care for network access to medical providers, Everlong for stop-loss insurance, Oread for pharmacy benefit management, and Delta Dental for dental insurance.

Council Member Elizabeth Stanton said this is the best health coverage I have ever seen, hands-down. I know there are others on this bench who work for big corporations; do you guys get anything like this? I hope that the City employees realize what a big deal this is. Once my term is up, I might get a job in Public Works to be part of this plan. It is such good coverage. To not have any deductible is insane in 2025. I'm glad we are able to offer this to our City employees.

Council Member Kristi Truitt agreed with Ms. Stanton. It is wonderful coverage, and I know you do a lot of work to make it a good plan. I hope City employees also realize what a blessing it is for only 5% of the increased premiums to be passed along to them. That is not how companies usually handle cost increases.

Jenny Turner, Human Resources Director, mentioned we are competing with the private sector and sometimes when it comes to compensation, we cannot be

very competitive. I'm happy to say, when it comes to benefits, however, we are much more competitive. Even in comparison with other cities or counties who have deductibles, our costs are lower than theirs.

Dan Bronson, Deputy City Manager, said this is the biggest driver for a lot of employees who choose to work for Derby. It's because of the insurance, not the pay or retirement plan. You've advised us in the past to use this to recruit, and we do. We include information about our health benefits when advertising openings. On their paycheck stubs, too, they are shown how much the City is paying in compared to what they have taken out each check.

Mayor Mark Staats thanked Ms. Turner for the forethought that went into moving Derby to a self-insured plan. The change was made back in 2012 and a large amount of money had to be put up to back the plan. A lot of work went into connecting all the dots and showing the Council at the time what a good move it would be. I don't even know if an organization could do it today, given the significant upfront cost required. I've had a friend who retired quite a while ago advised me to never change the City health insurance because it is so good and robust; it really is a way we can take care of our employees beyond just a paycheck.

RESULT:	Carried
MOVER:	Nick Engle
SECONDER:	Kristi Truitt
AYES:	Kristi Truitt, Mike Neel, Elizabeth Stanton, Nick Engle, Jenny Webster, Wayne Molt, Jr., and Larry Gould
ABSENT:	Rick Coleman

8.4 ESRI Enterprise and Cloud Hosting Services

Alex Lane, City Engineer, gave the agenda report.

BACKGROUND:

- The City has been utilizing Geographic Information System (GIS) software developed by ESRI for more than 25 years.
 - During that time, GIS has become an essential tool supporting the day-to-day operations of nearly every City department.
 - It serves as a backbone for managing spatial data, mapping infrastructure, and supporting informed decision-making whether in the office or in the field.
- The City currently operates under a desktop-based GIS environment, where the software is installed on individual computers.
 - The GIS data and associated map files are stored on a server physically located within City facilities.
 - This setup functions within a single-user editing environment, which creates several limitations including:
 - Only one user can edit a specific GIS file at a time.
 - The total number of users who can simultaneously access and modify data is restricted.
- In addition to the desktop software, the City will use ESRI's online mapping tools to:

- Share GIS data and maps internally among City departments.
 - Provide integration between the City's GIS and the Cartegraph Asset Management system used by the Public Works Department.
 - This integration is intended to allow field and office staff to reference accurate, up-to-date asset information for maintenance and infrastructure management.
- As the City of Derby continues to grow, so do the demands placed on its GIS system. A more capable and flexible GIS environment is needed than the current system. The recommended approach is to transition from Desktop GIS to ArcGIS Enterprise, ESRI's enterprise-level GIS platform.
- The new enterprise system will:
 - Operate in a multi-user editing environment, allowing multiple staff members to work concurrently.
 - Seamlessly integrate with other critical software systems, including Cartegraph and additional GIS-centric tools.
 - Provide online, public-facing access to GIS maps and data, enhancing transparency and public engagement.
- The GIS system will be hosted and managed in the cloud by a qualified third-party vendor.
- The City will move from a perpetual license model to a subscription-based system with ESRI. A separate subscription will also be required for the third-party cloud hosting and management services.
- Engineering staff solicited and reviewed proposals from two qualified cloud hosting vendors recommended by ESRI for the hosting/storage piece of the project.
 - After evaluating the proposals, City staff recommends ROK Technologies to provide cloud hosting and management services for the ArcGIS Enterprise environment.
 - ROK Technologies specializes in ESRI cloud deployments and provides secure, scalable solutions tailored to municipal GIS needs.
- The upgrade to ESRI Enterprise and cloud hosting will provide a number of benefits including the following:
 - Will allow a greater number of City employees to access and use GIS tools, both in the office and in the field.
 - Provide improved compatibility with systems such as Cartegraph Asset Management and Energov, and streamline workflows and data sharing across departments.
 - Unlimited access to ESRI's suite of office and field applications, which will greatly expand GIS capabilities.
 - Staff working in the field will be able to view and edit GIS data in real time, improving efficiency and data accuracy.
 - Support for public-facing GIS applications, allowing residents to view maps and access useful geographic information online.
 - Currently, the City pays an external vendor to prepare and integrate GIS data for use in the Energov permitting and code enforcement system.
 - With ArcGIS Enterprise, this integration can be performed in-house, reducing costs and improving data accuracy and timeliness.

- As the City continues to implement and expand the use of GIS-centric systems, such as Cartograph for asset management and Energov for development services, it is essential that the City's GIS environment evolve accordingly.
 - A cloud-based ArcGIS Enterprise system will provide the scalability, integration capability, and accessibility required to meet those future needs.

FINANCIAL/SUSTAINABILITY CONSIDERATIONS:

- The price to switch to ESRI Enterprise is determined by a population based pricing model.
 - Derby's population is in the 25,000-50,000 range which results in an annual base price of \$42,200.
 - The term of the agreement is for 3 years.
 - An additional one-time setup fee in year one in the amount of \$17,500.
- ROK Technologies cloud hosting services have the following costs:
 - The annual base price is \$71,964.
 - A one-time setup fee of \$17,000 in year one.
 - Signing a three year contract provides a price break and will result in savings over a year to year agreement of over \$10,000 per year.
- The total cost for the agreements combined is \$148,664 for the first year and \$111,164 for the following two years, for an overall total price of \$376,992.
- Total costs could increase in three years after the term of the agreements expire based upon software price increases.
- The upgrades to ESRI Enterprise and cloud hosting was budgeted for in the 2025 Revised budget for the required amount and costs will be paid for using the General Fund and Utilities Funds (Water, Wastewater, Stormwater).

LEGAL CONSIDERATIONS:

- The final agreement forms will be reviewed and approved by the City Attorney

RECOMMENDED MOTION

- Authorize an agreement with ESRI for a total of \$144,100 and an agreement with ROK Technologies for a total of \$232,892 to provide ESRI Enterprise and cloud hosting services.

Council Member Wayne Molt, Jr. said information is power. While this is expensive, it is a good and necessary tool allowing us access to the needed information while in the field.

Wayne Molt, Jr. moved, seconded by Mike Neel, to authorize an agreement with ESRI for a total of \$144,100 and an agreement with ROK Technologies for a total of \$232,892 to provide ESRI Enterprise and cloud hosting services.

Council Member Kristi Truitt said I agree with Mr. Molt's comments. This will be great for the City. I do have a question about the totals. Are the totals listed for the full recommended 3 years?

Alex Lane, City Engineer, said yes.

RESULT:	Carried
MOVER:	Wayne Molt, Jr.
SECONDER:	Mike Neel
AYES:	Kristi Truitt, Mike Neel, Elizabeth Stanton, Nick Engle, Jenny Webster, Wayne Molt, Jr., and Larry Gould
ABSENT:	Rick Coleman

At 8:09 p.m. Mayor Mark Staats recessed the City Council meeting to hold the El Paso Water Company Board meeting. The City Council meeting reconvened at 8:17 p.m.

8.5 Resolution Regarding Dissolution of El Paso Water Company, Inc.

Jacque Butler, City Attorney, gave the agenda report.

BACKGROUND:

- In 1999 the City of Derby purchased El Paso Water Company, Inc. (the "Corporation") and since that time the City has remained the sole stockholder of the Corporation.
- The City investigated dissolution of the Corporation shortly after it was purchased but opted to leave the Corporation intact after it learned that the dissolution would result in a tax liability of approximately \$1,000,000.
- In 2024, the City revisited the process and tax liability associated with dissolution of the Corporation.
 - The City engaged Hinkle law firm, MR Valuation, and BT & Co. to assist in the appraising corporate assets and evaluating the process and tax impacts of dissolution.
- Changes in corporate tax laws as well as depreciation in the Corporation's assets since 1999 have reduced the tax liability associated with dissolution.
- The Board of Directors of El Paso is considering a Resolution to dissolve the Corporation. Upon dissolution and following payment of Corporation liabilities, all assets of the Corporation would be distributed to the City, as the sole stockholder.
- A resolution is presented for consideration of the City, as sole stockholder of the Corporation, approving of the decision to dissolve the Corporation and agreeing to accept the distributed assets.

FINANCIAL/SUSTAINABILITY CONSIDERATIONS:

- Operating the Corporation separately from the City requires separate budgets, financial software, bank accounts, board meetings, and audits. It also requires multiple transfers of revenue/expenses each month between the City and the Corporation.

- The costs of these separate processes are estimated to be \$60,000 annually and are anticipated to increase each year.
- The receipt of distributed assets from the Corporation will accrue to the City's accounts and asset listing.
- It is anticipated there are sufficient cash assets in the Corporation to pay tax liabilities and final expenses associated with the dissolution.

LEGAL CONSIDERATIONS:

- If approved, staff will continue working with Hinkle Law firm and BT&Co. to effectuate the dissolution of the Corporation, pay final corporate liabilities, and document the distribution of assets, and confirm filing of necessary documents.

RECOMMENDED MOTION

- Adopt a resolution as sole stockholder of El Paso Water Company, Inc. approving the resolution of the Corporation's Board of Directors deeming dissolution of the Corporation advisable and in the best interests of the Corporation and the sole stockholder.

Wayne Molt, Jr. moved, seconded by Jenny Webster, to adopt a resolution as sole stockholder of El Paso Water Company, Inc. approving the resolution of the Corporation's Board of Directors deeming dissolution of the Corporation advisable and in the best interests of the Corporation and the sole stockholder.

RESULT:	Carried
MOVER:	Wayne Molt, Jr.
SECONDER:	Jenny Webster
AYES:	Kristi Truitt, Mike Neel, Elizabeth Stanton, Nick Engle, Jenny Webster, Wayne Molt, Jr., and Larry Gould
ABSENT:	Rick Coleman

9 ADJOURNMENT

Jenny Webster moved, seconded by Wayne Molt, Jr., to adjourn the meeting at 8:19 p.m.

RESULT:	Carried
MOVER:	Jenny Webster
SECONDER:	Wayne Molt, Jr.
AYES:	Kristi Truitt, Mike Neel, Elizabeth Stanton, Nick Engle, Jenny Webster, Wayne Molt, Jr., and Larry Gould
ABSENT:	Rick Coleman

City Clerk

Mayor

DRAFT