



MINUTES

City Council Meeting

6:30 PM - Tuesday, March 25, 2025

Council Room

1 CALL MEETING TO ORDER

The City Council meeting was called to order on March 25, 2025, at 6:30 p.m. in the Council Room.

2 FLAG SALUTE

Council President Nick Engle led the flag salute.

3 INVOCATION

Pastor Ben Ray, First Presbyterian Church, offered 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 Rick Coleman
Council Member Chris Unkel
Council Member Wayne Molt, Jr.

ABSENT: None

5 ACCEPTANCE OF AGENDA

5.1 Adoption of the Agenda

Nick Engle moved, seconded by Rick Coleman, to approve the meeting agenda, as presented.

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

6 PRESENTATIONS

6.1 2024 Derby Recreation Commission Annual Report and Audit

Chris Drum, Superintendent of Recreation, DRC, introduced DRC Board members Ken Boote, Eric Tauer, Brent Renberger, Rick Ruff, and David Sowden.

Ken Boote and Eric Tauer, DRC Board Members, presented the report.

BACKGROUND:

- Each year, the Derby Recreation Commission (DRC) publishes a report about its activities and financial information.
- The report is presented to the Board of Education and the City Council because these two organizations jointly established the commission more than 30 years ago to serve not only city residents, but also the entire Derby school district by providing recreational leisure opportunities to the community.

FINANCIAL/SUSTAINABILITY CONSIDERATIONS:

- Each year, the DRC also provides the City with a copy of its annual financial audit. This document is attached for City Council Review.

Council Member Rick Coleman asked of the 7,370 members, how many are from Derby?

Chris Drum, Superintendent of Recreation, DRC, replied around 80% are Derby residents.

Mr. Coleman said the report notes 21 students who are transported to Derby North Middle School. Is the 500 number shown those same students being driven daily?

Mr. Drum confirmed yes, the 500 is the total rides for those students.

Council Member Mike Neel said I know expenses fluctuate year-to-year, but the line for "other" expenses in 2024 was \$132,122, which is more than twice the previous two years.

Mr. Drum said that includes our bus purchase and maintenance.

Mr. Neel said the average monthly members is listed at 7,370. Is that actually over 7,000 members, or is it the same people making multiple visits in a month?

Mr. Drum clarified it is the average number in each membership category over the 12-month period.

Council Member Elizabeth Stanton said I know it has been brought up before, but I would love to see one of our groups change their designated

meeting night so there is not a conflict. It would be nice to allow us to participate in one another's meetings and for the public to attend both.

Eric Tauer, DRC Board, said we have had that discussion. The problem we have is that our meetings are a summary of the prior month's activities. If we move our meeting to later in the month, the information shared is no longer new. We have begun sharing recordings of our meetings on the website so the public can access those if they are unable to attend.

Kiel Mangus, City Manager, remarked the Council recently approved just under \$20 million for the next phase of Decarsky Park. We are excited to partner with Mr. Drum and the DRC in managing and running the park for the City.

Mayor Mark Staats thanked Mr. Drum and the Board for their presentation allowing us a snapshot of all the DRC has accomplished in the last year.

6.2 Planning & Engineering 2024 Annual Report

Dan Squires, Development Director, presented the annual report.

BACKGROUND:

- The annual report highlights the activities and accomplishments of the Planning & Engineering Department in 2024.
- A presentation will be available at the meeting reviewed by Dan Squires, Planning & Engineering Director.

Council Member Wayne Molt, Jr. said we show 86 new dwelling units, but you mentioned our housing study said we need 200. What is keeping us from meeting that goal?

Dan Squires, Development Director, replied the private market will dictate some of that. Derby has been in a situation where we have not had a lot of affordable lots available. We have now been starting to see projects with 3-plexes and 4-plexes coming in. Sky Ridge includes an apartment complex, which will help add to the number of dwellings. I do not know that we will reach the 200 mark, but we are making good strides toward it. For quite a while, Derby was solely single-family residences, with the exception of the apartments at The Oaks.

Kiel Mangus, City Manager, noted the housing study is a recommendation based on the demand and pent-up demand. I believe we are moving in the right direction, but we face challenges as we grow north and east because of infrastructure needs. Most of the easy development is gone. City Council has helped by updating cost sharing policies to include scenarios for future specials that assist in moving toward more available housing. In Derby we have not been actively incentivizing housing, allowing the private market to come to us.

Mr. Molt asked is there anything the Council can do to assist in getting the needed infrastructure in place?

Mr. Squires said you already have. The cost-sharing policy updates have opened the door for developments such as Sky Ridge, Greenwood Village, and the Courtyards at Crosswater. All are a direct result of this Council's action in updating public improvement cost-sharing policies. Other factors also come into play, however, such as material costs and interest rates. We are seeing developers come in wanting to build more of a variety of housing types.

Council Member Elizabeth Stanton said I feel it is a slippery slope to begin incentivizing developers to build in Derby. We do not have a lack of interest. Derby is a growing, thriving community that developers desire to be a part of. What we hear from the study seems to be we should turn our suburban community into one that is more urban in nature. I don't believe that is what our residents want. Council should actively engage with our constituents to see what they want. Why is it they chose Derby as their home instead of Wichita? Let's make sure we are working to preserve what Derby is to those who live here.

Mr. Mangus said the City has never incentivized housing; the closest thing to an incentive was the RHID program policy passed by Council but there have been no projects. We do have residential developers come in to talk and one of the first things they ask is, "What kind of incentives do you offer?" We simply reply, "None." We need to be selective with incentives, and I feel Derby has with our IRB use and other limited incentives given. As far as becoming a more commercial community, it ties back to the market. We need to let developers who want to invest in commercial properties in Derby come here and do so. The Council works alongside our Planning Commission and through zoning processes to determine where to allow certain types of development to be added.

Mr. Squires added we incentivized the hotel when Derby had none. Likewise, we worked to bring in senior housing. Derby tries to operate by the "but for" principal regarding incentives. This means the project type would not exist without the incentive.

Mayor Mark Staats commented during the housing crisis of 2009, City Council considered tax rebates, but decided not to go that route, even though several neighboring communities did. It was a rough couple of years, but then Derby emerged fine because it sells itself. As Ms. Stanton mentioned, it can become a matter of fairness. If you built your home a year before the incentives began but your new neighbor received incentives, it doesn't seem right.

Mr. Molt clarified I was not proposing incentives. I agree the private, free market will decide what is needed. For some situations, incentives might be

considered, but overall, I agree with Ms. Stanton that I'd rather not have Derby start down that route.

Mr. Squires said to Ms. Stanton's point of what drives people to choose Derby, it is the community. The quality-of-life decisions Council has made about parks, the hike-and-bike paths, green spaces, and our library are what makes Derby a desirable community. Over the last several years, we also have added more places to shop and eat, eliminating the need to go to Wichita for those things. They both work hand-in-hand.

Ms. Stanton said I like to see Derby is coordinating licensing processes with MABCD to be on the same page; this benefits our contractors and tradesmen as well as homeowners and even our own staff. Thank you for a very informative presentation.

Council Member Mike Neel said there is a lot happening in Derby; you and your staff are doing a great job. Keep it up.

Mr. Coleman said I've received some calls about the recent letters with the City logo that are selling insurance for sewer lines. Is that company authorized to use our logo?

Mr. Mangus said those are coordinated through our Utility Billing department. This dates back to around 2011 or 2012. It was the result of a push from the National League of Cities to inform and educate residents about liability related to owner-owned water and sewer lines. Only issues with and repairs to the sewer and water main lines are covered by the City. The line servicing your home is the property-owner's responsibility. This company is credible and registered with the Better Business Bureau. They send us their letter every year for approval, to verify the information is correct and does not include any misleading or false statements. The City does receive an annual payment of around \$9,500 for the ability to use our name and logo. They also report back to us the number of claims and repairs they handle within Derby. Just like with any other insurance, it is a risk-reward choice each homeowner needs to make. Line repairs are costly, and we want residents to be aware.

Mayor Staats said this seems to be a common question that causes confusion. Could the City do a better job of getting that message out to the community when those letters go out to help explain what it is and how it works?

Mr. Mangus agreed we can certainly do that.

7 PUBLIC FORUM & ANNOUNCEMENTS

Council President Nick Engle said it is short notice, but WAMPO is hosting an open-house tomorrow from 4 to 6 p.m. at the Wichita Regional Chamber of Commerce. Community input is vital for the organization to know and work toward the priorities of

our citizens as they develop their Metropolitan Transportation Plan 2050. I encourage everyone to take a few minutes to go online to review the plan and give their input (wampo.org/mtp2050). Public comments are accepted until April 7th.

8 CONSENT AGENDA

8.1 Consideration of Minutes

8.2 Assessment Ordinance for Sanitary Sewer and Stormwater Fees

BACKGROUND:

- At the March 26, 2024 City Council meeting, assessments of delinquent accounts were last approved.
 - Properties not connected to the water distribution system, but having sanitary sewer service are billed monthly.
 - Properties not connected to either the sewer or water distribution systems are billed semi-annually for the stormwater utility fee.
 - Delinquent sewer accounts cannot be disconnected from the system, as with water utility accounts, so levy of assessments is the best method of collecting overdue payments.
- Each owner of record at the time the fee was incurred was sent a bill, then sent a reminder/overdue notice, and finally sent notification the City Council will consider an assessment of the fees by ordinance.

FINANCIAL/SUSTAINABILITY CONSIDERATIONS:

- Assessments total \$7,002.14 across 41 properties. 23 of the 41 have been delinquent each year for the past several years, indicating they prefer to pay by assessment.
 - The first 17 properties listed on the ordinance are delinquent sewer accounts totaling \$5,648.70.
 - The next 22 properties listed are residential properties owing stormwater fees totaling \$826.21.
 - The final 2 properties are commercial properties that owe stormwater fees in the amount of \$527.23.
- The stormwater fee is \$3 per month per residential unit and \$2 per ERU (equivalent residential unit) for non-residential properties.
 - Some assessments are smaller than others because of payment received during this period.

LEGAL CONSIDERATIONS:

- Staff routinely exhausts all informal options for collection of delinquent sanitary sewer and stormwater fees before recommending assessment and has made multiple efforts to collect delinquent fees in these cases.
- City ordinance authorizes the assessment of sanitary sewer and stormwater fees that are not paid in a timely manner.

RECOMMENDED MOTION

- Adopt an ordinance levying special assessment upon certain properties for unpaid sanitary sewer and stormwater fees.

Nick Engle moved, seconded by Jenny Webster, to approve the Consent Agenda, as presented.

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

9 NEW BUSINESS

- 9.1 Zone Change: North of 55th St. S. and west of Rock Rd. (R-1 "Single-Family Residential District" to R-2 "Two-Family Residential District" and B-3 "General Business District")**

Scott Knebel, City Planner, gave the agenda report.

BACKGROUND:

General Location:

- North of 55th St. S. and west of Rock Rd. (Location Map attached).

Applicant:

- Property Owner: Abraham A. Yazdani
- Agent: Jay Cook, Baughman Company, PA

Background Information:

- The 36.43-acre property is an unplatted tract located at the northwest corner of 55th St. S. and Rock Rd.
 - The subject property was annexed on November 6, 2024.
- The property is zoned R-1 "Single-Family Residential" and is currently used for agriculture.
- The zone change application requests 26.75 acres be rezoned to the R-2 "Two-Family Residential District" and 9.68 acres be rezoned to B-3 "General Business District" (Proposed Rezoning Exhibit attached).
- The 9.68 acres proposed to be zoned B-3 are located immediately at the northwest corner of 55th St. S. and Rock Rd.
 - The B-3 district is intended to group more intensive retail merchandising activities of the City into concentrated areas. Uses permitted in this district are intended to serve the shopping needs and activities of the City's residents and the residents of Derby's retail trade area.
 - Typical uses in the B-3 district include retail, restaurant, convenience store, vehicle repair, office, medical office, and service businesses.
 - Development in the B-3 district must adhere to the Design Criteria of the Zoning Regulations as determined by the Planning Commission through Site Plan Review.
- The 26.75 acres proposed to be zoned R-2 is the remainder of the subject property and is located west of the 9.68-acre tract requested to be rezoned B-3.

- The R-2 district is intended to permit medium-density residential uses comprised of single-family and two-family dwellings along with schools, parks, and golf courses.
- The subject property is unplatte, so the property will need to be platted prior to the requested zone change becoming effective.
- The Planning Commission held the required public hearing for the zone change request on February 20, 2025.
 - During the hearing, the Planning Commission discussed a recommendation in the 47th-55th Street South Joint Area Plan that urban-scale development, like that proposed for the subject property, should be subject to a "transition" policy addressing development layout, lot sizes, density, and other elements to minimize growth conflicts when located adjacent to suburban acreages with different levels of compactness.
 - Staff recommended that the zoning of the west 150 feet of the subject property remain R-1 "Single-Family Residential" to provide the recommended "transition" zone from adjacent large-lot, single-family residential development (Staff Recommended Rezoning Exhibit attached).
 - Following the public hearing, the Planning Commission voted (8-0) to adopt the findings of fact as presented and recommended that the City Council approve the zone change from R-1 "Single-Family Residential District" to R-2 "Two-Family Residential District" except for the west 150 feet of the subject property, and B-3 "General Business District," all based on the findings of fact and subject to platting the subject property within one year. (Planning Commission Minutes Excerpt attached).

FINANCIAL/SUSTAINABILITY CONSIDERATIONS:

- Development of the property as proposed 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 presented for consideration with the final plat.

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.
- No protest petitions were filed with the City Clerk within the statutory 14-day protest period following the public hearing.
- 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.

- Adopt the recommendation of the Planning Commission and approve the zone change via ordinance by a majority vote of the City Council (5 votes).
- Override the Planning Commission by two-thirds majority vote of the City Council membership (6 votes) and modify or disapprove the zone change. If this option is selected, the City Council must adopt findings of fact in support of modification or disapproval.
- Return the recommendation to the Planning Commission with a statement specifying the basis for the Council's failure to approve or disapprove by a majority vote of the City Council members present.
- The attached zone change ordinance has been reviewed and approved by the City Attorney.

RECOMMENDED MOTION

- Adopt an ordinance changing the zoning of the subject property from R-1 "Single-Family Residential District" to R-2 "Two-Family Residential District" except for the west 150 feet of the subject property, and B-3 "General Business District" 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 one year after adoption of the ordinance.

Mayor Mark Staats asked Council to disclose any *ex parte* communications regarding this zone change. None were reported.

Council President Nick Engle said I appreciate staff and the Planning Commission adding in the buffer zone. That is a conversation had frequently when a new development is proposed. I like to see we are taking into consideration how the new area may impact already existing properties.

Nick Engle moved, seconded by Rick Coleman, to adopt an ordinance changing the zoning of the subject property from R-1 "Single-Family Residential District" to R-2 "Two-Family Residential District" except for the west 150 feet of the subject property, and B-3 "General Business District" 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 one year after adoption of the ordinance.

Council Member Rick Coleman asked how are we doing with sewer on the west side of Rock Rd.?

Scott Knebel, City Planner, said the sewer for this property will go through the mid-town lift station in Stone Creek Park.

Mr. Coleman said we are good on capacity, then?

Mr. Knebel confirmed we are. The challenge is the cost of getting it there.

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

9.2 Senior Center Construction Contract

Tom Keil, Assistant Public Works Director, gave the agenda report, recognizing representatives from Hutton Corporation and Schneider Electric, along with members of the Senior Center Advisory Board in attendance.

BACKGROUND:

- In October 2024, the Hutton Corporation presented City Council with design options for the new Senior Center facility.
- City Council approved moving forward with a new build option, and recommended further evaluation of the proposed size to ensure it will meet the future needs of the growing community.
- City staff, Mayor Staats, Councilmembers Molt and Coleman, Senior Center Director - Jenny Foster-Farquhar and the Senior Center advisory board have been working closely with Hutton, to ensure the new facility is carefully designed to support the immediate and long-term needs of our senior community.
- The final design for the state-of-the-art Senior Center includes 13,750 square feet, offering a wide range of services and amenities.
- This facility is designed with care to be a welcoming and vibrant hub for local seniors to connect, engage, and thrive.
- The new center will include:
 - Multipurpose room with a capacity of nearly 100.
 - A cozy living room area designed as a quiet retreat.
 - A lively game room for friendly competitions and socializing.
 - A fully equipped warming kitchen for Meals on Wheels, food service and community events.
 - A dedicated quilting and sewing space to foster creativity and community.
 - Rooms designed to support fitness and aerobic programs that promote healthier living.
 - Flexible meeting and conference rooms for a variety of activities and events.
 - A modern computer lab to help seniors stay connected and engaged with technology.
 - A beautiful outdoor seating and gathering area for enjoying the fresh air and good company.
 - A senior garden promoting health, social connection and growing and enjoying fresh produce.
 - Safe walking paths for exercise and leisurely strolls.
 - 99 parking spaces, including 10 ADA stalls, with the flexibility to expand to 20 if needed in the future.

- Site clearing is planned to begin in early April with construction following shortly after.
- We are excited to see this new facility constructed and serve as an incredible resource for our senior community for many years to come.

FINANCIAL/SUSTAINABILITY CONSIDERATIONS:

- The next phase of the Design-Build process is to approve the construction contract for a Guaranteed Maximum Price (GMP).
- The GMP contract is an agreed amount, where Hutton agrees to construct and finish the project for a fixed amount.
- The City plans to directly purchase site furnishings and appliances from Galaxie Business Equipment outside of the construction contract GMP in the amount of \$220,992.
 - Galaxie purchases through the State of Kansas contract, Sourcewell, or other contracts which we are eligible to utilize and save on costs.
- Schneider Electric will install the Building Automation System for \$74,983.
- Staff will coordinate with Schneider Electric and Hutton during construction.
 - The Senior Center was not included in the scope of the building automation project that City Council recently approved for Phase 1 of the energy improvements.
- The total project cost is \$7,383,371.00.

LEGAL CONSIDERATIONS:

- The City Attorney will review and approve the final construction agreement.
- Bond Counsel (Gilmore and Bell) prepared the project resolution and will assist in the bond sale.

POLICY IMPLICATIONS:

- A new Senior Center supports the Vision Derby 2040 Comprehensive Plan, which highlights the continued growth of our senior population. It aligns with Derby's Core Values, which emphasize providing exceptional recreational and senior facilities.

RECOMMENDED MOTION

- Approve a resolution authorizing the construction of the Senior Center and providing for issuance of bonds for payment of the costs, authorize the City Manager to enter into an agreement with the Hutton Corporation for the Guaranteed Maximum Price of \$7,087,396 for construction of the project, authorize the City Manager to enter into an agreement with Schneider Electric in an amount not to exceed \$74,983 for the installation of a Building Automation System, and authorize the purchase of site furnishings and appliances from Galaxie Business Equipment in the total amount of \$220,992.

Kiel Mangus, City Manager, explained this is our first design-build project with a Maximum Guaranteed Price. It is just what it sounds like; that is the maximum cost. Hutton takes their design and bids it out to determine the cost. There are some add-alternates included. We also have contingency built-in to allow for some flexibility. What is that amount?

Tom Keil, Assistant Public Works Director, said it is 2%, or around \$134,500.

Mr. Mangus said the bids came back well. The one surprise encountered was the HVAC came in around \$200,000 higher than expected, but we have also seen savings in other areas. Although we do not yet know how or if tariffs will affect pricing, the discussion of tariffs is already having some impact. We've addressed that in the contract for this. We are also keeping an eye on tariffs as they relate to Decarsky, our water and wastewater facility projects.

Mr. Keil said the way the bidding was done, we have most of those prices locked in for about 30 days. The one for steel was only for 15 days. We will continue to work with our City Attorney on the contract and once it is in place, the subcontractors will order the materials.

Mr. Mangus pointed out this item also approves the Resolution for bonding this project, so we are not paying cash.

Council Member Wayne Molt, Jr. said it is exciting to see this one step closer to becoming reality. I appreciate being able to serve on the committee to help with designing the new Senior Center; thank you to staff and the Senior Services Advisory Board for including Mr. Coleman and me in the process. It is a big deal that a church sacrificed to give us this gift that will provide a Center for many years to come and enhance our community and quality of life.

Wayne Molt, Jr. moved, seconded by Rick Coleman, to approve a resolution authorizing the construction of the Senior Center and providing for issuance of bonds for payment of the costs, authorize the City Manager to enter into an agreement with the Hutton Corporation for the Guaranteed Maximum Price of \$7,087,396 for construction of the project, authorize the City Manager to enter into an agreement with Schneider Electric in an amount not to exceed \$74,983 for the installation of a Building Automation System, and authorize the purchase of site furnishings and appliances from Galaxie Business Equipment in the total amount of \$220,992.

Council Member Rick Coleman said I am happy to see us getting a facility to match the programming of our Senior Center, which is already the best in the state, if not the nation. I'm proud to have been involved on the committee. What a great addition to and for our City!

Mr. Mangus asked Mr. Keil to share the proposed construction schedule.

Mr. Keil said on April 3, we have a pre-construction meeting. Site work will begin April 7. The third week in April, dirt work will start. A year from now, we will be in the building, with a completion date scheduled for February 27, 2026.

Council Member Chris Unkel said I feel this is almost an extension of our parks projects. We have so many wonderful outdoor spaces, and this allows for both inside and outside gathering places for seniors in our community. I feel this will draw even more participants for our senior programming and reach those who don't already attend. I see a sewing and quilting room included, which is great. As the next generation of folks grows older and at 55 can join the Senior Center, will there be a space for playing X-Box or Super Nintendo?

Mr. Keil said we purposely designed the space for flexibility and changes like that which may occur.

Mr. Mangus noted those discussions did come up. Quilting is big right now, but in another 20 or 30 years, there may be something else that our members desire to have available. For instance, at one time there was more of a need for large spaces in the computer lab, but now there is less of a demand for that. Flexibility throughout the facility has been a focus.

Council Member Elizabeth Stanton thanked Mr. Unkel for the question because it is one she had as well. We are not involved in the same hobbies and interests as our parents. I'm glad to see we've thought ahead to having space for multiple interests and different ways for members to be involved. Is the warming kitchen a fully functioning kitchen?

Mr. Keil replied it will be a kitchen similar to the one that exists at The Venue; it is not commercial grade. Meals on Wheels or caterers for special events can warm food that is brought in. It will not be a place to fully prepare or cook a meal.

Ms. Stanton said cooking is quite popular, but we have Hubbard Arts Center that offers culinary classes, so there might not be need for such a space in the Senior Center.

Council President Nick Engle noted the Council is approving some very expensive projects of late, but they are ones that will improve and serve our community for several decades to come. I would be remiss if I did not again mention how grateful we are to Cross of Glory for their generous gift which is allowing this project to even be a possibility. While it was difficult to decide to remove the existing structure they built, we did determine building something new would best meet our needs and accommodate future growth. That in no way dishonors or diminishes the valuable gift from the congregation.

Mr. Mangus said Hutton understood our desire to honor the donation and in the fireplace area, they have planned a framing wall with a plaque to highlight Cross of Glory. I think everyone will be pleased with the tribute.

Mayor Mark Staats thanked Mr. Molt and Mr. Coleman for making time in their schedules to attend the various planning meetings. Between Hutton, staff, the Council representatives, and members of the Senior Services Advisory Board, this truly has been a team effort with great results.

RESULT:	Carried
MOVED:	Wayne Molt, Jr.
SECONDER:	Rick Coleman
AYES:	Kristi Truitt, Mike Neel, Elizabeth Stanton, Nick Engle, Jenny Webster, Rick Coleman, Chris Unkel, and Wayne Molt, Jr.

9.3 2025 Asphalt Pavement Crack Sealing

Tom Keil, Assistant Public Works Director, gave the agenda report.

BACKGROUND:

- Crack sealing is a long-term pavement preservation strategy that helps reduce water infiltration into the roadbed.
 - It extends the life of the pavement and enhances safety.
 - It is the most cost-effective measure to prevent further damage, more expensive repairs and delays resurfacing.
- Staff identified two streets for crack sealing in 2025:
 - On Chet Smith from Rock Road to Woodlawn Blvd.
 - On Woodlawn from southern city limits to Patriot Ave.
- The two streets have a Pavement Condition Index (PCI) of 78-81 which indicates the area is in Fair to Good condition.
 - A PCI of 78-81 is a good range for crack sealing because at that level of pavement condition, the surface has small cracks that haven't yet caused significant structural damage.
- A request for bids was posted on the City website.
 - The bid specification requested a cost for sealing 200,000 linear feet of cracks.
 - Linear foot pricing allows us to track and adjust the project as work progresses based on actual footage sealed.
- It is possible the project work may exceed the budget before completing the planned area due to number, depth and width of cracks sealed.
 - If the planned work is not completed within the bid amount, staff will negotiate with vendor to complete the project using available budgeted funds.
- If all initial work is completed within the bid amount, staff will negotiate with vendor to complete crack sealing in other areas identified in the pavement management plan up to the full approved budget.
 - Vendor is available to perform additional work if requested.
- Bids were opened on March 14, with seven vendors responding.

Company	Linear Foot Price	Total
Innovative Road Composites LLC	\$0.28	\$56,000
Pavement Pro's LLC	\$0.75	\$150,000
Midwest Demolition	\$1.95	\$390,000
Kansas Paving	\$1.89	\$378,000
PPJ Construction	\$.48	\$96,000

South Central Sealing	\$.60	\$120,000
Barkley Construction	\$1.41	\$ 282,000

- Staff met with the low bidder Innovative Road Composites LLC, to review product specs, scope of work, timeline and pricing.
- Staff contacted references provided by the vendor and are comfortable moving forward.
- Innovative Road Composites LLC provided the lowest, responsible bid in the amount of \$0.28 per linear foot for a total project cost of \$56,000 and staff recommends moving forward with their bid.
- Innovative Road Composites has completed similar work in Wichita and Overland Park.

FINANCIAL/SUSTAINABILITY CONSIDERATIONS:

- The 2025 approved pavement crack sealing budget is \$155,000 with funding coming from the Special Streets Fund.
- The low bid from Innovative Road Composites is under budget by \$99,000
- Staff intends to use the full budget of \$155,000 if possible.
- The City Bid Board reviewed and recommended approval of the bid on March 19.

LEGAL CONSIDERATIONS:

- The City Attorney will review and approve the final agreement.

POLICY IMPLICATIONS:

- This work continues our commitment to the City Pavement Management Plan and maintaining street infrastructure.

RECOMMENDED MOTION

- Authorize the City Manager to enter into an agreement with Innovative Road Composites, LLC in the amount of \$56,000 for the 2025 crack sealing project and authorize staff to negotiate further work up to the approved budget of \$155,000.

Kiel Mangus, City Manager, said Council may remember over the last several years we have done between \$20,000 and \$25,000 in crack sealing. With the Derby Difference, we will now be able to complete a much larger amount annually. I believe this increased amount as well as the change in bidding to a per-foot fee led to a lower cost. Crack sealing is the least expensive way to repair streets and extend their life by keeping out moisture. The freeze-thaw cycle in Kansas is extremely hard on streets.

Council Member Rick Coleman said I like that we have the option to use the remaining budgeted amount of nearly another \$100,000 for more crack sealing now if we are pleased with this company, rather than waiting and having the conditions of our streets worsen.

Rick Coleman moved, seconded by Jenny Webster, to authorize the City Manager to enter into an agreement with Innovative Road Composites, LLC in the amount of \$56,000 for the 2025 crack sealing project and authorize staff to negotiate further work up to the approved budget of \$155,000.

Council Member Elizabeth Stanton said this sounds like we are hiring from out of state. Do we keep a list of companies we want to stay away from if we have had a bad experience?

Mr. Mangus replied as staff, we have the ability to not recommend companies to Council if there has been an issue with them in the past. Mr. Keil spent time vetting this company because we have not used them previously. They have done work for two of the largest cities in Kansas, Wichita and Overland Park, who provided reviews. I think the flexibility piece is where if we are not happy after the first \$56,000 we will not pursue a further relationship for the remaining work.

Ms. Stanton said for me, it is hard to give the job to a company that is not local because I choose to eat and shop at our locally owned businesses. However, there is such a discrepancy in pricing it would not be responsible use of tax dollars not to move forward with this low bid. In the past, when we have had repair work on some of the streets, it leaves a "thud-thud, thud-thud" feel as you drive over it. Is this that kind of work?

Mr. Mangus said no. That uneven feel and bumpy ride comes from repairs that require a complete cut-out. Crack sealing is different.

Ms. Stanton said I think the idea of changing the bids to be based on linear feet rather than weight of product used is incredibly smart. Thank you for thinking outside the box and finding ways to better use our resources.

Council Member Mike Neel said we are doing more of this type of work this year than usual. Is it common to get 7 bids on a project like this? How did we determine the budgeted amount of \$155,000 if the average bid shown here is around \$210,000? I am a bit skeptical, as well, that the winning bid is only \$56,000 compared to the other bids. Where is Innovative Road Composites located?

Mr. Keil replied the company is out of Oklahoma.

Mr. Mangus explained we set a budget number, in this case, \$155,000 and then look to see how much we can get done for that amount. With the new Derby Difference, we wanted to increase the amount spend on asphalt crack sealing and pavement markings. Some of the companies that bid, such as Barkley and Kansas Paving do not mainly work on crack sealing, although it is work they can do. Therefore, I think sometimes they just throw a number out there as a bid. Availability also dictates bid amount often. It seems crack sealing is one of the main things Innovative Road Composites' does. The budgeted amount is set by

working backward from the forecasted number of projects we want to fund and allocating the available money accordingly.

Mr. Neel said ultimately the ball is in their court. If they do a good job for us, they have the opportunity for another nearly \$100,000 in work for the City. We will see how it goes.

Mr. Keil said when I attend APWA conferences with huge vendor halls, there are always a lot of companies on-hand to show their newest and innovative products. Trying something different can be risky, but we do our research, try to ask the right questions, and fully vet anyone to whom we award work. I think this may be a way to have our taxpayer dollars go further.

Mr. Neel said I appreciate your due diligence in making decisions for the City.

Council Member Chris Unkel said this is interesting. If we are satisfied with the work this company does, we will spend more money with them because we have the funds available. That seems like an odd approach to conducting business, but after listening to the discussions and explanation, it makes more sense. Their bid is almost half of the next lowest one, however, so if the work is not acceptable, I guess we still have enough to cover having a different company come in. We are looking at completing how many feet?

Mr. Keil responded 200,000 linear feet.

Mr. Unkel asked how many linear feet would we get out of the \$25,000 we spent in previous years?

Mr. Mangus said far less than 200,000 feet, but I'd have to look it up and get back to you. A year or two ago, we did a small section on Patriot Ave. with a lot of linear feet. The product chosen for that was not the best for that road. As we move toward presenting our pavement management plan in a few months, we are looking at remedies beyond total reconstruction, mill and overlay and crack sealing. Processes such as slurry seals and cape seals are less expensive than reconstruction or mill and overlay, yet they provide longevity similar to a crack seal. They are also more aesthetically pleasing since they do not leave black stripes all over the road. I'm sharing this in order to prepare you that you'll begin seeing some different sealing options come before Council as we work these into our plan.

Mr. Unkel said I'm in favor of giving this company a shot and hopefully it will turn out well.

Council Member Kristi Truitt said when I looked at the bids, both the really high numbers and this very low bid stuck out to me. While it was explained some of the higher bids were probably just throwing out a number, this low one really looked like they were trying to get our business. Will they keep that same low price for future projects?

Mr. Keil said they may raise their cost for future work.

Mr. Mangus noted bid prices seem to be somewhat cyclical. One year a company may bid really low, but then the next year bump their price up because of how competitors bid the same project. On the other hand, someone may lower their bid because of how low the winning bid was the last time around.

Ms. Truitt asked is our vote tonight committing to up to the \$155,000 amount if we like the work they do?

Mr. Mangus said we are committing to \$56,000 and authorizing the option to increase to \$155,000 at the bid price of \$0.28 per linear foot and determine which areas to serve based on our pavement management plan. We will not re-bid for the potential additional work.

Jacque Butler, City Attorney, commented we will draft the contract with the option for the City to authorize additional work on the same terms.

Mr. Keil noted last year Council approved a pavement striping contract last year with a firm from Kansas City that was around \$58,000 under budget. They did a phenomenal job. This year when similar work was bid, they came in with a way higher number than other companies. So, as Mr. Mangus said, the bids tend to fluctuate.

Council Member Wayne Molt, Jr. added I was skeptical too, as other members have said, when I saw how much less this bid was than the others. However, the company willingly offered that price. There is also the potential for even more work than what was bid. How and when will we decide if we are satisfied with their work and offer more? Will we wait for a while to see how it holds up before proceeding with additional work?

Mr. Keil said they offer the same warranty as other crack seal companies. I also want to point out this was a sealed bid process where all bids were opened and recorded at the same time.

Mr. Molt said I trust you have done your due diligence, and I have faith in your expertise on such matters.

Council Member Jenny Webster said when we receive references, do they mention that this is a company they'd use again?

Mr. Keil said I'd have to get back with you; I'm not sure.

Ms. Webster said I've already seconded the motion, so I'm in favor of it. I'm just interested in knowing that piece.

Mr. Mangus said most crack seal projects are hard bid; there is not negotiating involved. The company can still bid again, and the work is awarded based on that bid. As far as how long it will take to evaluate the quality of work, it doesn't take very long. We will be able to make that determination within a week or so, rather than several weeks or a month. George Brown, our Streets Superintendent, and his crew will be out there throughout the process and know what is happening. Satisfaction with the work is not only dependent on the product used, but also includes such factors as how they manage traffic control and safety. I appreciate the thoughts Council has shared about the gap in bid prices and the questions you've raised. If no one else bids on a project, whether you threw out a high number or a low one, you get the job. That's kind of both the good and bad side of the public bid process. Luckily, Derby is big enough we tend to get a fair number of companies bidding on our projects. Some smaller communities can really end up paying way too much because fewer companies are interested in bidding those jobs.

Council President Nick Engle said I've appreciated all the discussion on this item, since I, too, had many of the same thoughts and questions that have been shared. Before the meeting I briefly asked about this and Mr. Keil's explanation helped me understand it better. When we were accepting a bid-by-pound and there was a 4-inch crack, the contractor could fill the entire thing with the expensive product, increasing the price owed. However, if the bid is per linear foot, they can use aggregate material for filling around 70% and then using the more expensive sealing composite product for the remaining top 30%. Doing so results in lower costs for both the contractor and the City. I'd assume some of those higher bids took the cost of the polymer times a 4-inch depth times the linear feet in order to come up with a per-foot bid price. The winning bid seems to have taken a more thoughtful approach and factored in the 70% - 30% split in product use so they could have a more reasonable bid and be awarded the contract. From my viewpoint, that seems a more likely explanation for the variance in bids.

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

9.4 2025 Water Main Replacement Project

Dillan Curtis, Assistant Public Works Director, gave the agenda report, acknowledging Matthew Tucker from BHC in attendance.

BACKGROUND:

- Since 2014 the City has planned and implemented water infrastructure replacement projects in areas with high volume line failures and/or aged or inadequate infrastructure.
- The proposed replacement project areas for 2025 include Market Street between K-15/Baltimore and Westview and Crosswood and Springwood, east of Rock Rd. and Osage.

- Market Street currently consists of 2" water lines constructed in 1955 and the pipe has failed in multiple areas.
 - Crosswood and Springwood infrastructure was constructed in 1987 with ductile iron pipe and corrosive soils are causing the pipe to fail in multiple areas.
- In November 2024, staff contracted with the engineering firm BHC to design the system improvements.
- The proposed project includes the following:
 - Replacement of 3,706 linear feet of 2" and 6" ductile iron pipe with 8" and 6" PVC pipe
 - Replacement of 10 water valves
 - Reconnection of 43 water meters
- An add/alternate was provided in the bids to replace 2 broken water valves at the corner of Market St. and Woodlawn with both contractors responding.
 - These valves are located on the line that provides water for critical infrastructure in Fire Station 81, Derby Middle School and the Derby Recreation Center.
 - These valves allow for shut down of a smaller area in an emergency situation allowing staff to keep water flowing in these facilities. Currently, Water must be shut down from English St. to Wedgewood Dr. or one mile approximately.
- Project bids and specifications were posted on February 26 and were publicly opened on March 11 with the following results:

<u>Contractor:</u>	<u>Bid Amount:</u>
Nowak Construction	\$ 784,598
Mies Construction	\$ 866,589
● Nowak Construction is the lowest, responsible bidder with a total bid of \$784,598.	
● Staff have worked with Nowak construction in the past and has a good working history with them.	

FINANCIAL/SUSTAINABILITY CONSIDERATIONS:

- Staff recommends contracting with Nowak construction for \$784,598.
 - The \$784,598 price includes the add/alternate price of \$23,551 to replace the two broken water valves at Woodlawn and Market St.
- The 2025 CIP budget includes \$810,00 for Water Distribution System Improvements.
 - The recommended lowest, responsible bid is under budget by \$25,402.

POLICY IMPLICATIONS:

- Market St. will be reconstructed this summer and the proposed water main replacement project will be completed before road construction begins.

RECOMMENDED MOTION

- Authorize execution of an agreement with Nowak Construction in the amount of \$784,598 for construction of the 2025 water main replacement project.

Council Member Elizabeth Stanton said I really appreciate that when you do these projects, you also consider the need to replace valves and take care of all the maintenance while you are digging things up, only digging them once. I also like you are planning to finish before the roadwork is taking place.

Elizabeth Stanton moved, seconded by Mike Neel, to authorize execution of an agreement with Nowak Construction in the amount of \$784,598 for construction of the 2025 water main replacement project.

Council Member Wayne Molt, Jr. asked will we replace these lines with polymer or plastic line?

Dillan Curtis, Assistant Public Works Director, replied you'll see out at the site a blue pipe. We call it C-900, and it is a 100-year pipe.

Mr. Molt asked how much steel pipeline do we still have in Derby?

Mr. Curtis said what we have is ductile iron and there is a lot of it.

Mr. Molt asked have you explored using CPE or external pitting or alternatives to help protect the pipe against corrosive soils?

Mr. Curtis said no.

Mr. Molt agreed with Ms. Stanton that your forethought to coordinate this before needed road work is helpful and appreciated.

Mr. Curtis added a lot of the pipes are lined, which does help some with the corrosive elements.

Kiel Mangus, City Manager, commented the line is being replaced because it is only 2-inches in diameter, which is much too small.

Mr. Curtis added 6-inch is the minimum standard for fire.

Mr. Mangus said most of our main lines are between 6- and 12-inches, correct?

Mr. Curtis said yes, but in some of our older areas, they still have 4-inch pipe.

Council Member Rick Coleman said we already replaced from Woodlawn to Westview with 8-inch pipe, correct?

Mr. Curtis clarified on the north side, it is 8-inch and as you move south of Market, it is 6-inch.

Mr. Coleman asked is it still ductile iron from Westview to Woodlawn?

Mr. Curtis replied yes, but it is 30 years newer than the other areas. There are not as many issues with it.

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

9.5 Resolution Authorizing Sale of General Obligation Bonds and Temporary Notes

Megan Sneller, Finance Director, gave the agenda report recognizing Garth Herrmann, Gilmore & Bell P.C. in attendance.

BACKGROUND:

- The proposed action is to authorize marketing of bonds and notes, which is the final step before approval of the sale of general obligation bonds and notes.
- General Obligation Bonds:
 - Decarsky Park
 - At the February 25 Council meeting, a resolution was adopted to provide for the Decarsky Park Phase II project. Estimated project cost is \$18,580,542.
 - Building Automation Improvements
 - At the February 11 Council meeting, a resolution was adopted to provide for the Building Automation Improvements project. Estimated project cost is \$700,995.
- Temporary Notes:
 - Senior Center
 - At tonight's Council meeting, a resolution was presented to provide for the Senior Center construction project (including design) and design for City Hall and Police Department remodels. Estimated project cost is \$7,690,554.

FINANCIAL/SUSTAINABILITY CONSIDERATIONS:

- The competitive sale will be held April 17. The sale resolution contains parameters that allow for the Mayor to award the sale.
 - G.O. Bond Series 2025-A has a maximum principal amount of \$20,000,000 and true interest cost shall not exceed 4.50%.
 - Temporary Note Series 2025-1 has a maximum principal amount of \$8,400,000 and true interest cost shall not exceed 4.25%.
- The City Council will be asked at the April 22 meeting to ratify the sale by adopting an ordinance and resolutions or reject proposals.

LEGAL CONSIDERATIONS:

- Gilmore & 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

- Approve a resolution authorizing the sale of General Obligation Bonds Series 2025-A and Temporary Notes Series 2025-1 of the City of Derby.

Council Member Rick Coleman asked Mr. Herrmann what the bond market looks like over the last couple of months.

Garth Herrmann, Gilmore & Bell, P.C., stated as your bond counsel, I am not authorized to offer financial advice. You'd need to reach out to Ben Hart, your financial advisor with Baker-Tilly. Based on sales in which I have been involved over the last few months, interest seems fairly solid and steady for municipal bonds. Other areas have been more volatile, but General Obligation Bonds for cities like Derby with a good rating, they've been steady.

Nick Engle moved, seconded by Rick Coleman, to approve a resolution authorizing the sale of General Obligation Bonds Series 2025-A and Temporary Notes Series 2025-1 of the City of Derby.

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

10 ADJOURNMENT

Rick Coleman moved, seconded by Jenny Webster, to adjourn the meeting at 8:44 p.m.

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

City Clerk

Mayor