

## CITY COUNCIL STUDY SESSION DECEMBER 29, 2020

A Study session of the Warrensburg City Council was held on December 29, 2020, at 4:30 p.m. at 200 S. Holden and via Zoom, with Mayor Bryan Jacobs presiding. Roll was called as follows, Present were: Holmberg, Lund, Kushner, Jacobs. Brooks was present via Zoom.

The adoption of the agenda was considered. Lund moved to adopt the agenda. Yes: Brooks, Holmberg, Lund, Kushner, Jacobs.

Interim City Manager Danielle Dulin said this Study session is for Discussion of the Proposed Ballot Language for the proposed ordinance that will be considered for a first reading at the City Council meeting on January 11, 2021. Dulin said in 2017 and 2019, the City hired ETC to conduct a Community Survey. She said in both 2017 and 2019, the biggest issue the City faced in the next five years, according to our community, was road repair and expansion. Dulin said 58% in 2017 and 63% in 2019 surveyed continued to believe road repair and expansion were necessary. She said overall maintenance of City streets/sidewalks, 46% were satisfied in 2017 and 43% were satisfied in 2019. Dulin said overall flow of traffic on City streets, 33 percent were satisfied in 2017 and 38 percent in 2019.

Dulin said after a further review of community surveys, when the public was asked about support of a tax to improve roads and/or bridges, in 2017, 60 percent were supportive, and in 2019, 62 percent were supportive. She said of importance was the answer to the question of whether the City was continually improving as a place to live, and 77 percent answered yes. Dulin said she wanted to highlight to the Mayor and City Council that they are continuing to do great work for the City of Warrensburg and our community.

Dulin said the City-wide traffic study in 2008 was checking existing traffic conditions, and recommendations were made for short, intermediate, and long-term improvements. She said the Maguire Street Corridor Study in 2012 gave long and short-term improvements for Maguire Street. She said synchronizing the signals was suggested for the traffic flow, but many of the suggested improvements were not funded due to lack of funding. Dulin said a Conceptual Design Phase IA was completed in 2016.

Dulin said the bridge at Highway 50 and Maguire is at the end of its useful life. She said it is two feet below current vertical standard clearance, and the study in 2016 showed it operates under a B to C level under acceptable levels of service. Dulin said any increase in traffic at the intersections is going to move it to a D or F category. She said in planning for future growth, three alternatives were discussed, and the diverging diamond was selected as needed over Highway 50. She said at this time, no funds were available for such a large Capital Improvement Project.

Dulin explained in 2019 there was a Capital Improvement Project discussion of the Maguire/50 Interchange, Maguire Street/Stormwater Improvements, City Hall Expansion, Fire Station 3, Young Street Corridor, Community/Civic Center, and other small projects. She said in September 2020 some revenue options were presented and the current tax revenue collected was discussed and options for additional revenue. She said City Council asked for further direction concerning renewal of the debt service levy.

Dulin explained with Scenario One, \$17 million, for a period of 20 years, the City could apply for several grants offered at the state and federal level. She said this could help pay for the Highway 50 Interchange and allow the City to work on other projects. Dulin said this would offer a lot of flexibility. Dulin said Scenario Two, \$8.5 million, for a period of 10 years, could put all the bond proceeds into the interchange and the City might be able to get help with DD Highway and extend the Hawthorne Boulevard and Simpson Drive intersection improvements and would include the intersection in front of Walmart. Dulin said Scenario Three, \$4.25 million, for a period of five years, is like the Signal Project upgrade and Veterans Road. She said this dollar amount would not give the City any flexibility and the City would be on the hook for all that is invested and not be able to get any grants. She said this would not help with any needed stormwater improvements on Maguire Street.

Council member Lund said he agrees that Scenario One makes the most sense for the City of Warrensburg to pursue. Mayor Jacobs said he knows there have been prior discussions about the bridge, and this may become more expensive if the City does not move quickly. Council Member Brooks asked about the amount available for funding, and Interim City Manager Dulin explained Finance Director Marcella McCoy will be discussing this next.

McCoy reviewed the City's 5-Year Community Investment Plan that was adopted with the City's 2021 Fiscal Year Budget. She said the Maguire Street/Highway 50 Interchange Project was a \$17 million dollar project with Clark Street to DD Highway and the Spirit Trail at \$9.5 million and the south side of the 50 Highway ramps to Gay Street at \$12 million dollars. She said those are some of the pieces that are in the five-year Community Investment Plan as the City plans.

McCoy explained in the Fiscal Year 2021 Budget the Projected Revenue of \$650,000 is generated per year from the Transportation Fund, which comes from the Gasoline Tax, Vehicle Sales Tax, Vehicle Fees, and Miscellaneous/Interest. She said this money provides maintenance for existing streets. She said the ½ Cent Sales and Use Tax generates about \$1.6 million dollars per year, and most of the money is to pay the debt service payments for the existing 2017 Certificates of Participation. McCoy said those bonds do not pay off until after the sales tax expires in 2025, and the bonds pay off in 2029.

McCoy explained the City's existing debt payments and when payments are due. She also included low interest loans the City has with the State Revolving Fund. Council member Brooks asked about purchasing on a cash-basis, and McCoy responded that is difficult because of the high costs of many of the purchases the City must make to maintain vehicles, for example.

McCoy said discussions have been to maintain the current levy for an additional 20 years. She said the total capacity is based on the City's assessed values so there is a 20 percent constitutional debt capacity based on the assessed valuation. McCoy said the City could issue up to \$43 million dollars, but the citizens would have to pay a higher tax levy. McCoy said the City did not want to increase the levy as they had told the citizens in 2017.

In reviewing the options, McCoy said the current levy is 59 cents per 100 dollars assessed valuation. She said that generates around one million dollars per year. McCoy said the City would maintain the status quo with this levy and retain the existing revenues. She said this would mean \$4 million in 2021 and the remaining \$13 million would be in 2022 because in November of 2022 the debt levy would reduce. After further discussion, this was determined to be the most logical and acceptable revenue stream for the citizens of Warrensburg.

McCoy said the ballot language needs to be ready for the County Clerk's office no later than

Tuesday, January 26, 2021, to be put on the ballot for the election on Tuesday, April 6, 2021. She said the ballot language is as follows:

“Shall the Council of the City of Warrensburg, Missouri, Be Authorized to Issue its General Obligation Bonds in the Amount Not to Exceed \$17,000,000 to Acquire Rights of Way, Construct, Extend and Improve Streets and Roads in the City?”

Mayor Jacobs asked about adding sidewalks to the ballot language. Courtney said he would need to check and will get back with City staff.

Dulin asked if the City would want to include asking for an increase of personal property and to finance the debt for a different length of time. Mayor Jacobs said he would prefer no increase in property taxes and to finance the debt for 20 years. Chairman Pro Tem Holmberg asked about the interest rate and Courtney said 2.125 percent was used while working on this ballot issue. The other City Council members agreed with not including personal property and a period of 20 years.

As there was no further business, the meeting was adjourned.

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Bryan Jacobs, Mayor

Attest:

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Cindy Gabel, City Clerk