

EL DORADO

K A N S A S

TO: City Commission
FROM: David Dillner, City Manager
SUBJ: Weekly Report
DATE: September 23, 2022

Items of Note:

- Borrowing costs have increased and will continue to increase as interest rates rise. The City issued several outstanding temporary notes to provide short-term financing for residential developments and street improvement projects. The borrowing costs on these notes will not increase, although the interest rates on long-term bonds for these projects will have a higher cost than previous issuances.
- Federal Reserve Chairman Jerome Powell recently delivered a stark message concerning the state of the economy and the real potential for a recession. The Federal Reserve increased interest rates by 0.75% for the third straight time a few days ago. Interest rates will likely increase again this year as the Federal Reserve wages war on inflation. While the Federal Reserve hopes for a “soft landing,” the chairman cautions that a recession may inflict pain throughout the economy as economic growth slows and unemployment rises.
- A recession may negatively affect the City’s revenue streams. Sales taxes will likely decrease first, although property tax delinquencies may increase as property owners begin to defer these expenses for more essential purchases. Utility delinquencies may also increase, especially if unemployment in the local economy increases.
- The Police Department reached to USD 375 and Butler Community College to discuss creating an internship program for students interested in a career in law enforcement. USD 375 has an existing internship program that the department can leverage. Conversations with USD 490 will begin in earnest with the goal of establishing an internship opportunity.
- The K-254 Corridor Association conducted interviews with consulting firms for the anticipated K-254 Corridor Management Study. The study, which the City will participate in, will study the K-254 highway corridor between El Dorado and east Wichita. The study will focus primarily on safety, although it will also consider the development opportunities along the corridor and improvements that will allow development to flow efficiently and safely.
- The City anticipates receiving a petition for a Community Improvement District from the owner of District 142 in the coming weeks. Establishing a district will allow the developer and the City to recover some of the redevelopment expenses associated with the project.

- Contractors began work on the Industrial Water Tower Project earlier this week. The company prepared the interior and exterior surfaces for painting. The City's water system will operate as normal while the project moves forward. The City anticipates the project taking about six weeks.
- The Planning Commission will move its meeting start time to 5:30 pm at its October meeting. The Planning Commission will continue to meet on the fourth Thursday of the month.
- The City Commission approved a walkway/bridge on Chelsea Drive as part of the Excess Sales Tax Projects last year. The City estimated the cost of the project at about \$25,000, with the City self-performing the work. Management decided to bid the project out instead of performing the work internally primarily to complete the project in a timely manner. Staffing shortages will push the project out into the future. Bidding the project will increase its cost to about \$50,000. Staff determined the best way to reduce the cost of the project is to reduce the width of the walkway from ten feet to six feet. The adjusted cost estimate based on these modifications comes to about \$30,000.
- Management provided Butler Community College with proposed lease rate options for McDonald Stadium and the North Field at East Park. The City offered several options for a lease term, although none of them exceeded ten years. Dr. Krull presented the City's Ballfield Improvement Program to the Board of Trustees at its last meeting. Staff anticipates the distribution of an RFP for the concession/restroom facilities in the next week or so.
- The State's SPARK Executive Committee recently met to review its advisory panel's recommendations for State Fiscal Recovery Funds (SFRF). Of the \$1.58 billion granted to the State of Kansas, approximately \$374 million remains to be allocated to various uses as determined by the SPARK Executive Committee. The panel recommended the allocation of funds using four categories: Connectivity (\$150-275 million), Efficiency and Modernization (\$105-131 m), Health and Education (\$125-252 m), and Economic Revitalization (\$482 m). These categories are further divided into subcategories. The State plans to allow local governments and other eligible entities to apply for these funds through a competitive grant process. The State has not released any details about the grant process, although staff waits patiently for direction on how to apply for funds.
- The City facilitated a childcare survey to determine the need for childcare in the community. The survey had over 300 participants. The data will assist community stakeholders in developing a plan for daycare.
- The Excess Sales Tax Committee is meeting next Tuesday.

Personnel Update:

- *Vacant and advertised positions:* Public Works Maintenance Worker (4); Firefighter; Police Officer (2); Wastewater Superintendent; Park Technician; Building Maintenance Worker; and Office Assistant (part-time).
- Finance Director Alyssa Warner and Destination Services Coordinator Javan Gonzalez received recognition as honorees in the inaugural class of "NextGen Under 30 Kansas"

Recognition Program. The program recognizes young professionals who contribute significantly to their organizations and communities.

- Park Technician Trevor Meyer recently resigned to accept a position in the private sector.
- The City Manager's Office is advertising a temporary, part-time office assistant position to help with administrative tasks around.

Commission Calendar:

- *Upcoming City Commission Items (subject to change):*
 - **September 28 Work Session** – No Meeting
 - **October 3 Regular Meeting** – No items scheduled at this time
 - **October 12 Work Session** – Native Grass Ordinance
 - **October 17 Regular Meeting** – Ballfield Improvement Program Authorizing Resolution
 - **October 26 Work Session** - No items scheduled at this time