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**FINAL**  
CITY COUNCIL  
CITY OF WICHITA  
KANSAS

City Council Meeting  
09:00 a.m. April 21, 2015

City Council Chambers  
455 North Main

**OPENING OF REGULAR MEETING**

- Call to Order
- Invocation
- Pledge of Allegiance
- Approve the minutes of the regular meeting on April 14, 2015

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**AWARDS AND PROCLAMATIONS**

- Proclamations:  
  
Arkansas River Trash Round-up  
Financially Literacy Month  
Community Development Week

**I. PUBLIC AGENDA**

NOTICE: No action will be taken relative to items on this agenda other than referral for information. Requests to appear will be placed on a "first-come, first-served" basis. This portion of the meeting is limited to thirty minutes and shall be subject to a limitation of five minutes for each presentation with no extension of time permitted. No speaker shall be allowed to appear more frequently than once every fourth meeting. Members of the public desiring to present matters to the Council on the public agenda must submit a request in writing to the office of the city clerk prior to twelve noon on the Tuesday preceding the council meeting. Matter pertaining to personnel, litigation and violations of laws and ordinances are excluded from the agenda. Rules of decorum as provided in this code will be observed.

1. Kevin Kimmel - City of Wichita Water Department policies.
2. Esau Freeman - Marijuana reform.
3. Sharon Fearey - Art "Day of Giving" (DOG), April 24, 2015.

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**II. CONSENT AGENDAS ITEMS 1 THROUGH 15**

NOTICE: Items listed under the "Consent Agendas" will be enacted by one motion with no separate discussion. If discussion on an item is desired, the item will be removed from the "Consent Agendas" and considered separately

*(The Council will be considering the City Council Consent Agenda as well as the Planning, Housing, and Airport Consent Agendas. Please see "ATTACHMENT 1 – CONSENT AGENDA ITEMS" for a listing of all Consent Agenda Items.)*

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**COUNCIL BUSINESS**

**III. UNFINISHED COUNCIL BUSINESS**

None

**IV. NEW COUNCIL BUSINESS**

1. Building Facade Improvements at – 818-826 West Douglas. (District VI)

RECOMMENDED ACTION: Approve the final statement of cost and place the ordinance on first reading.

2. Asbestos and Lead Based Paint Abatement and Building Facade Improvements at 120 East 1st. (District VI)

RECOMMENDED ACTION: Approve the final statement of cost and place the ordinance on first reading.

3. Building Facade Improvements at – 623 West Douglas. (District IV)

RECOMMENDED ACTION: Approve the final statement of cost and place the ordinance on first reading.

4. Building Facade Improvements at – 143 N. Rock Island. (District VI)

RECOMMENDED ACTION: Approve the final statement of cost and place the ordinance on first reading.

5. Byrne Criminal Justice Innovation Program Grant Application.

RECOMMENDED ACTION: Approve the FY 2015 Byrne Grant application.

6. Improvements to 37th Street North, Oliver to Woodlawn. (District I)

RECOMMENDED ACTION: Approve the design concept and authorize the necessary signatures for the acquisition or granting of easements, utility relocation agreements, and required permits.

7. Improvements to 143rd Street East, Kellogg to Central. (District II)

RECOMMENDED ACTION: Approve the design concept and authorize the necessary signatures for the acquisition or granting of easements, utility relocation agreements, and required permits.

8. New Utility Billing Customer Information System (CIS).

RECOMMENDED ACTION: Approve the contract, adopt the resolution, and authorize the necessary signatures.

9. Wichita Employees' Retirement and Police and Fire Retirement Systems Actuarial Valuation Reports as of December 31, 2014.

RECOMMENDED ACTION: Receive and file the Wichita Employees' Retirement and Police and Fire Retirement Systems' Actuarial Valuation Reports as of December 31, 2014 as submitted, and approve the 2016 employer retirement fund contribution rates.

10. Naming of the Central and Grove Park Site. (District I)

RECOMMENDED ACTION: Approve naming of the site at Central and Grove to be Elm Neighborhood Park.

11. Tourism Business Improvement District - 2016 Scope of Services.

RECOMMENDED ACTION: Receive, approve and file the Tourism Business Improvement District (TBID) 2016 Scope of Services and Budget.

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**COUNCIL BUSINESS SUBMITTED BY CITY AUTHORITIES**

**PLANNING AGENDA**

NOTICE:Public hearing on planning items is conducted by the MAPC under provisions of State law. Adopted policy is that additional hearing on zoning applications will not be conducted by the City Council unless a statement alleging (1) unfair hearing before the MAPC, or (2) alleging new facts or evidence has been filed with the City Clerk by 5p.m. on the Wednesday preceding this meeting. The Council will determine from the written statement whether to return the matter to the MAPC for rehearing.

**V. NON-CONSENT PLANNING AGENDA**

None

**HOUSING AGENDA**

NOTICE:The City Council is meeting as the governing body of the Housing Authority for consideration and action on the items on this Agenda, pursuant to State law, HUD, and City ordinance. The meeting of the Authority is deemed called to order at the start of this Agenda and adjourned at the conclusion. **Carole Trapp Housing Member is also seated with the City Council.**

**VI. NON-CONSENT HOUSING AGENDA**

None

**AIRPORT AGENDA**

NOTICE: The City Council is meeting as the governing body of the Airport Authority for consideration and action on items on this Agenda, pursuant to State law and City ordinance. The meeting of the Authority is deemed called to order at the start of this Agenda and adjourned at the conclusion.

**VII. NON-CONSENT AIRPORT AGENDA**

None

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**COUNCIL AGENDA**

**VIII. COUNCIL MEMBER AGENDA**

1. Evaluation and Salary Increase for City Manager.

RECOMMENDED ACTION: Approve a total salary increase of 2.5 percent for the City Manager, retroactive to January 1, 2015.

**IX. COUNCIL MEMBER APPOINTMENTS AND COMMENTS**

1. Board Appointments.

RECOMMENDED ACTION: Approve the Appointments.

Adjournment

(ATTACHMENT 1 – CONSENT AGENDA ITEMS 1 THROUGH 15)

**II. CITY COUNCIL CONSENT AGENDA ITEMS**

1. Report of Board of Bids and Contracts dated April 20, 2015.

- a. List of Board of Bids and Contracts.

RECOMMENDED ACTION: Receive and file report; approve the Contracts; and authorize necessary signatures.

2. Applications for Licenses to Retail Cereal Malt Beverages:

<u>Renewal</u>	<u>2015</u>	<u>(Consumption on Premises)</u>
Steve Blaske	Tex Consolver Golf Course**	1931 S Tyler Road
Mary T Villar	Mexico Café**	555 West Douglas
Richard Lane	Pop-A-Top**	2804 South Hydraulic
Tom Monahan	MacDonald Municipal Golf Course**	840 North Yale
Mary T Villar	Villar’s Mexico Café**	1860 South Hillside

<u>Renewal</u>	<u>2015</u>	<u>(Consumption off Premises)</u>
Ishika Wijeyesekera	Convenience Mart #3***	2199 North Woodlawn
Phillip L Near	Jump Start Store #1***	1535 East Pawnee

\*\*General/Restaurant (need 50% or more gross revenue from sale of food)

\*\*\*Retailer (Grocery stores, convenience stores, etc.)

RECOMMENDED ACTION: Approve licenses subject to Staff review and approval.

3. Preliminary Estimates:

- a. List of Preliminary Estimates.

RECOMMENDED ACTION: Receive and file.

4. Consideration of Street Closures/Uses.

- a. Community Events - 2015 Food Trucks at the Fountains. (District I)  
b. Community Events - Get Your Rear in Gear Wichita. (District VI)  
c. Community Events - Girls on the Run Spring 5K. (Districts I, IV and VI)  
d. Community Events - Victory in the Valley East Meets West Walk/Run. (District VI)

RECOMMENDED ACTION: Approve the request subject to; (1) Hiring off-duty certified law enforcement officers as required; (2) Obtaining barricades to close the streets in accordance with requirements of Police, Fire and Public Works Department; and (3) Securing a Certificate of Liability Insurance on file with the Community Events Coordinator.

5. Property Acquisitions:

- a. Acquisition of a Temporary Construction Easement at 1702 S. Meridian for the Meridian from Pawnee to McCormick Road Improvement Project. (District IV)
- b. Acquisition of a Temporary Construction Easement at 1743 S. Meridian for the Meridian from Pawnee to McCormick Road Improvement Project. (District IV)
- c. Acquisition of a Temporary Construction Easement at 2243 S. Meridian for the Meridian from Pawnee to McCormick Road Improvement Project. (District IV)
- d. Acquisition of Utility Easement at 10310 E. Windemere Court. (District II)

RECOMMENDED ACTION: Approve budgets and Contracts; authorize necessary signatures.

6. Minutes of Advisory Boards/Commissions

Board of Building Code Standards and Appeals, March 2, 2015

RECOMMENDED ACTION: Receive and file.

7. Supplemental Design Agreement No. 1 and Funding for the 17th Street Sanitary Sewer Improvements, Wichita State University Innovation Campus. (District I)

RECOMMENDED ACTION: Approve the supplemental agreement, approve the project and budget, adopt the resolution, and authorize all necessary signatures, including those for the acquisition or granting of easements, required permits, and all related agreements.

8. Construction Funding for Improvements to 37th and Hillside Intersection. (District I)

RECOMMENDED ACTION: Approve the revised budget, adopt the amending resolution, and authorize all necessary signatures, including those for the acquisition or granting of easements, utility relocation agreements, and all required permits

9. General Obligation Bond and Note Sale.

RECOMMENDED ACTION: Adopt the resolutions: 1) authorizing the general obligation bond and note sales; 2) authorizing preparation of the Preliminary Official Statements in connection with the bond and note sales; 3) approving the distribution to prospective bidders of the Preliminary Official Statements; 4) authorizing publication and distribution of the Notices of Sale; 5) authorizing the City Manager to award the bond and note sales subject to the parameters of the resolutions; and 6) authorizing City staff, in consultation with Bond Counsel to take such further action as is reasonably required to implement the resolutions.

10. Agreement to Respread Assessments - Waterfront 7th Addition. (District II)

RECOMMENDED ACTION: Approve the agreement and authorize the necessary signatures.

11. National Recreation and Park Association (NRPA) Out of School Time Grant Program. (Districts I, III, and VI)

RECOMMENDED ACTION: Authorize the Memorandum of Understanding with NRPA.

12. First Supplemental Memorandum of Understanding with Friends of the Historic Fresh Air Baby Camp, Inc. to Rehabilitate Fresh Air Baby Camp

RECOMMENDED ACTION: Approve the first Supplemental Memorandum of Understanding with the Friends of the Historic Fresh Air Baby Camp, Inc

13. Second Reading Ordinances: (First Read April 14, 2015)

RECOMMENDED ACTION: Adopt the Ordinances.

## **II. CONSENT PLANNING AGENDA ITEMS**

NOTICE: Public hearing on planning items is conducted by the MAPC under provisions of State law. Adopted policy is that additional hearing on zoning applications will not be conducted by the City Council unless a statement alleging (1) unfair hearing before the MAPC, or (2) alleging new facts or evidence has been filed with the City Clerk by 5p.m. on the Wednesday preceding this meeting. The Council will determine from the written statement whether to return the matter to the MAPC for rehearing.

14. \*ZON2015-00008 – City Zone Change from SF-5 Single-Family Residential to GO General Office on Property Generally Located on the Northwest Corner of West 9th Street North and North McLean Boulevard. (District VI)

RECOMMENDED ACTION: Adopt the findings of the MAPC and approve the requested zone change as recommended by MAPC and place the ordinance on first reading (simple majority vote).

15. \*CUP2015-00003 and ZON2015-00010 – Amendment to Community Unit Plan DP-305 to Add 1.43 Acres to DP-305 and Rezone the Same Acreage to the Limited Commercial District to Permit the Expansion of an Auto Dealership. (District II)

RECOMMENDED ACTION: Adopt the findings of the MAPC, approve the request subject to platting within one year and withhold publication of the ordinance enacting the zone change until the ordinance has been published (simple majority vote).

## **II. CONSENT HOUSING AGENDA ITEMS**

NOTICE: The City Council is meeting as the governing body of the Housing Authority for consideration and action on the items on this Agenda, pursuant to State law, HUD, and City ordinance. The meeting of the Authority is deemed called to order at the start of this Agenda and adjourned at the conclusion.

**Carole Trapp, Housing Member is also seated with the City Council.**

None

**II. CONSENT AIRPORT AGENDA ITEMS**

NOTICE: The City Council is meeting as the governing body of the Airport Authority for consideration and action on items on this Agenda, pursuant to State law and City ordinance. The meeting of the Authority is deemed called to order at the start of this Agenda and adjourned at the conclusion.

None

City of Wichita  
City Council Meeting  
April 21, 2015

**TO:** Mayor and City Council  
**SUBJECT:** Building Facade Improvements at – 818-826 West Douglas (District VI)  
**INITIATED BY:** Office of Urban Development  
**AGENDA:** New Business

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**Recommendation:** Approve the statement of cost and first reading of the ordinance.

**Background:** Since 2001, the City has provided a Façade Improvement Program. It is available to properties in defined areas, including the City’s core area. On January 14, 2014, the City Council authorized maximum special assessments for the façade improvements at 818, 822 and 826 West Douglas, by maximum assessment ordinance in an amount not to exceed \$465,000. Façade improvements were part of an overall rehabilitation project for the relocation of All Things BBQ. Construction of the façade improvements is now complete. It is now necessary to approve the statement of costs and amend the assessment ordinance to reflect the final assessment amount prior to bonding.

**Analysis:** For purposes of establishing the final assessment amount, an ordinance has been prepared reflecting the final costs upon completion of the façade project. Final costs of the project include construction costs including architectural/engineering fees, City administrative charges, interim financing costs, estimated costs of issuance related to permanent financing, and a one-year debt service reserve based upon permanent financing assumptions. Upon adoption of the ordinance by the governing body, the ordinance will be published and a notice of the final assessment amount will be mailed to the affected property owner.

State statutes provide the City Council authority to use special assessment funding for the projects. Pursuant to K.S.A. 12-6a01 *et seq.*, if the final cost of completed improvements are less than the maximum amount of the assessment as set forth in the Original Maximum Assessment Ordinance, it is necessary to reduce the assessment to an amount equal to the final cost of the improvements.

**Financial Considerations:** The final assessment amount to be paid by special assessments totals \$378,595.76. Taxable General Obligation Special Assessment Bonds will be issued in September 2015, paid as to principal and interest over a 15-year term, with special assessments levied against the improved property which will be backed by the full faith and credit of the City of Wichita.

**Legal Considerations:** The authorizing ordinance adjusting the special assessment to reflect the final costs of the project was prepared by Bond Counsel and has been reviewed and approved as to form by the Law Department.

**Recommendation/Action:** It is recommended that the City Council approve the final statement of cost and place the ordinance on first reading.

**Attachments:** Statement of Cost  
Ordinance

**ORDINANCE NO. 49-980**

**AN ORDINANCE ADJUSTING MAXIMUM SPECIAL ASSESSMENTS ON CERTAIN LOTS, PIECES AND PARCELS OF PROPERTY LIABLE FOR SUCH SPECIAL ASSESSMENTS TO PAY THE COSTS OF INTERNAL IMPROVEMENTS IN THE CITY OF WICHITA, KANSAS (FAÇADE IMPROVEMENTS – 818, 822 AND 826 WEST DOUGLAS FAÇADE IMPROVEMENT DISTRICT).**

**WHEREAS**, pursuant to Resolution No. 13-248 (the “Resolution”), the City Council (the “Governing Body”) of the City of Wichita, Kansas (the “City”) has authorized, pursuant to K.S.A. 12-6a01 *et seq.* (the “Act”) the creation of an improvement district (the “Improvement District”) and the construction of the following improvements therein:

Construction of improvements to area walls on public ways or land abutting thereto consisting of façade improvements to 818, 822 and 826 West Douglas including West Douglas Avenue, north Handley Street, a north/south and an east/west alley (the "Improvements").

**WHEREAS**, pursuant to the Act and Ordinance No. 49-465 (the “Original Assessment Ordinance”), the Governing Body has levied special assessments against certain property in the City in connection with the Improvements at the maximum amount deemed necessary by the Governing Body to pay the cost of the Improvements; and

**WHEREAS**, *Section 1* of the Original Assessment Ordinance provides that if the final cost of the completed Improvements is less than the maximum amount of the assessments set forth in *Exhibit A* to the Original Assessment Ordinance, the Governing Body shall adjust the assessments to reflect the cost of the completed Improvements; and

**WHEREAS**, the Improvements have been completed and the final costs are less than the amount used to calculate the maximum special assessments levied in the Original Assessment Ordinance; and

**WHEREAS**, it is necessary to reduce the assessments levied in the Original Assessment Ordinance to an amount equal to the final cost of the Improvements.

**NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS:**

**Section 1. Assessment Adjustments.** Pursuant to the Act and *Section 1* of the Original Assessment Ordinance, the special assessments to pay the costs of the Improvements are hereby adjusted based on the final cost of the Improvements and are levied in the amounts and assessed against the lots, pieces and parcels of land liable therefor as described in *Exhibit A* to this Ordinance, which is incorporated herein by reference. All other terms and provisions of the Original Assessment Ordinance shall remain in full force and effect.

**Section 2. Notification.** The City Clerk is hereby authorized and directed to: (a) mail a Notice of Adjusted Assessment to the owners of property assessed for the Improvements pursuant to the Original Assessment Ordinance; and (b) return to any property owners that prepaid the special assessments during the prepayment period authorized by the Original Assessment Ordinance, the difference between the assessment paid and the adjusted assessment amount set forth in this Ordinance.

**Section 4. Effective Date.** This Ordinance shall take effect and be in force from and after its passage by the Governing Body and publication once in the official City newspaper. The City Clerk is directed to file this Ordinance with the Register of Deeds of Sedgwick County, Kansas.

**PASSED** by the City Council of the City on April 28, 2015 and **SIGNED** by the Mayor.

(SEAL)

\_\_\_\_\_  
Carl Brewer, Mayor

ATTEST:

\_\_\_\_\_  
Karen Sublett, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Gary E. Rebenstorf, Director of Law

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*Exhibit A*

**(FAÇADE IMPROVEMENTS – 818, 822 and 826 West Douglas Façade Improvement District)  
RESOLUTION NO. 13-248**

**826 W. Douglas Ave**

Lot 41 Chicago Now Douglas Ave  
Together With the East 10 Feet of Vacated Handley Street \$96,919.63  
West Wichita Addition of Wichita, Sedgwick County,  
Kansas.  
Pin #00198088  
Geo Code #D-00168

**822 W. Douglas Ave**

Lot 43 Chicago Now Douglas Ave West Wichita \$73,991.21  
Addition of Wichita, Sedgwick County, Kansas.  
Pin #00198091  
Geo Code #D-00169

**818 W. Douglas Ave**

Lots 45-47-49 Chicago Now Douglas Ave West Wichita \$207,684.92  
Addition of Wichita, Sedgwick County, Kansas.  
Pin #00198093  
Geo Code #D-00170

Approved /Accepted by City Council

Wichita, Kansas

October 15, 2013

This \_\_\_\_\_

City Clerk  
Wichita, Kansas

OCA# 766043  
Project# 491043  
Setup 03/21/14

Dear City Clerk:

Following is the cost of constructing:  
Façade Improvements at 818 West Douglas

Lump Sum Contract Amount	\$	352,052.71
Change Orders		\$0.00
Recording Façade Documents		\$0.00
Project Administration		\$7,041.05
Publication		\$0.00
Abstract		\$20.00
Construction Cost		<u>\$359,113.76</u>
Idle Fund Interest Estimated		\$0.00
Temporary Finance Cost		\$0.00
Finance Administration		\$6,582.00
1 Year Debt Service reserve		<u>\$42,900.00</u>
TOTAL COST		\$408,595.76

Respectfully Submitted,

\_\_\_\_\_  
Mark Elder, Development Analyst

Property: \$378,595.76  
City: \$30,000.00

Fall 2015

Petition/Resolution Amount: \$465,000

City of Wichita  
City Council Meeting  
April 21, 2015

**TO:** Mayor and City Council  
**SUBJECT:** Asbestos and Lead Based Paint Abatement and Building Facade Improvements at 120 East 1st (District VI)  
**INITIATED BY:** Office of Urban Development  
**AGENDA:** New Business

---

**Recommendation:** Approve the statement of cost and first reading of the ordinance.

**Background:** Since 2001, the City has provided a Façade Improvement Program. It is available to properties in defined areas, including the City's core area. In 2009, the Façade and Asbestos and Lead Based Paint (ALBP) Programs were revised to require that private funding for overall project costs be at least equal to public funding and that applicants show a financial need for public assistance in order to complete the project, based on the owner's ability to finance the project and assuming a market-based return on investment. On February 12, 2013, the City Council authorized maximum special assessments for the façade improvements and asbestos and lead based paint abatement at 120 East First, by maximum assessment ordinance in an amount not to exceed \$1,705,000. Construction of the improvements is now complete. It is now necessary to approve the statement of costs and amend the assessment ordinance to reflect the final assessment amount prior to bonding.

**Analysis:** For purposes of establishing the final assessment amount, an ordinance has been prepared reflecting the final costs upon completion of the project. Final costs of the project include abatement costs, construction costs including architectural/engineering fees, City administrative charges, interim financing costs, estimated costs of issuance related to permanent financing, and a one-year debt service reserve based upon permanent financing assumptions. Upon adoption of the ordinance by the governing body, the ordinance will be published and a notice of the final assessment amount will be mailed to the affected property owner.

State statutes provide the City Council authority to use special assessment funding for the projects. Pursuant to K.S.A. 12-6a01 *et seq.*, if the final cost of completed improvement is less than the maximum amount of the assessment as set forth in the Original Maximum Assessment Ordinance, it is necessary to reduce the assessment to an amount equal to the final cost of the improvements.

**Financial Considerations:** The final assessment amount to be paid by special assessments totals \$1,679,214.23. Taxable General Obligation Special Assessment Bonds will be issued in September 2015, paid as to principal and interest over a 15 year term, with special assessments levied against the improved property and will be backed by the full faith and credit of the City of Wichita.

**Legal Considerations:** The authorizing ordinance adjusting the special assessment to reflect the final costs of the project was prepared by Bond Counsel and has been reviewed and approved as to form by the Law Department.

**Recommendation/Action:** It is recommended that the City Council approve the final statement of cost and place the ordinance on first reading.

**Attachments:** Statement of Cost; Ordinance

**ORDINANCE NO. 49-981**

**AN ORDINANCE ADJUSTING MAXIMUM SPECIAL ASSESSMENTS ON CERTAIN LOTS, PIECES AND PARCELS OF PROPERTY LIABLE FOR SUCH SPECIAL ASSESSMENTS TO PAY THE COSTS OF INTERNAL IMPROVEMENTS IN THE CITY OF WICHITA, KANSAS (FAÇADE IMPROVEMENTS – 120 East 1<sup>st</sup> STREET IMPROVEMENT DISTRICT).**

**WHEREAS**, pursuant to Resolution No. 12-260 (the “Resolution”), the City Council (the “Governing Body”) of the City of Wichita, Kansas (the “City”) has authorized, pursuant to K.S.A. 12-6a01 *et seq.* (the “Act”) the creation of an improvement district (the “Improvement District”) and the construction of the following improvements therein:

Mitigation of Asbestos and Lead Based Paint and Construction of improvements to area walls on public ways or land abutting thereto consisting of Façade Improvements at 120 East 1<sup>st</sup> Street, including 1<sup>st</sup> and Market Streets (the "Improvements").

**WHEREAS**, pursuant to the Act and Ordinance No. 49-440 (the “Original Assessment Ordinance”), the Governing Body has levied special assessments against certain property in the City in connection with the Improvements at the maximum amount deemed necessary by the Governing Body to pay the cost of the Improvements; and

**WHEREAS**, *Section 1* of the Original Assessment Ordinance provides that if the final cost of the completed Improvements is less than the maximum amount of the assessments set forth in *Exhibit A* to the Original Assessment Ordinance, the Governing Body shall adjust the assessments to reflect the cost of the completed Improvements; and

**WHEREAS**, the Improvements have been completed and the final costs are less than the amount used to calculate the maximum special assessments levied in the Original Assessment Ordinance; and

**WHEREAS**, it is necessary to reduce the assessments levied in the Original Assessment Ordinance to an amount equal to the final cost of the Improvements.

**NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS:**

**Section 1. Assessment Adjustments.** Pursuant to the Act and *Section 1* of the Original Assessment Ordinance, the special assessments to pay the costs of the Improvements are hereby adjusted based on the final cost of the Improvements and are levied in the amounts and assessed against the lots, pieces and parcels of land liable therefor as described in *Exhibit A* to this Ordinance, which is incorporated herein by reference. All other terms and provisions of the Original Assessment Ordinance shall remain in full force and effect.

**Section 2. Notification.** The City Clerk is hereby authorized and directed to: (a) mail a Notice of Adjusted Assessment to the owners of property assessed for the Improvements pursuant to the Original Assessment Ordinance; and (b) return to any property owners that prepaid the special assessments during the prepayment period authorized by the Original Assessment Ordinance, the difference between the assessment paid and the adjusted assessment amount set forth in this Ordinance.

**Section 4. Effective Date.** This Ordinance shall take effect and be in force from and after its passage by the Governing Body and publication once in the official City newspaper. The City Clerk is directed to file this Ordinance with the Register of Deeds of Sedgwick County, Kansas.

**PASSED** by the City Council of the City on April 28, 2015 and **SIGNED** by the Mayor.

(SEAL)

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Carl Brewer, Mayor

ATTEST:

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Karen Sublett, City Clerk

APPROVED AS TO FORM:

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Sharon Dickgrafe,  
Interim Director of Law

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*Exhibit A*

**(FAÇADE IMPROVEMENTS – 120 East 1<sup>st</sup> Street Improvement District  
RESOLUTION NO. 12-260**

<b>Description of Property</b>	<b>Amount of Maximum Assessment</b>
ODD LOTS 49 TO 61 & S 8.37 FT LOT 63 & 2.46 FT SURPLUS MARKET ST. GREIFFENSTEIN'S ORIGINAL TOWN	
Pin #00099243	
Tax Key #A-00112	\$1,679,214.23

Approved /Accepted by City Council

Wichita, Kansas

April 21, 2015

This \_\_\_\_\_

City Clerk  
Wichita, Kansas

OCA# 766043  
Project# 491043  
Setup 05/20/13

Dear City Clerk:

Following is the cost of constructing:

    Façade Improvements at 120 E. First St. (The Lux)

Lump Sum Contract Amount	\$	1,457,064.19
Change Orders		\$0.00
Recording Façade Documents		\$0.00
Project Administration		\$29,141.28
Publication		\$0.00
Abstract		\$20.00

    Construction Cost                     \$1,486,225.47

Idle Fund Interest Estimated	\$0.00
Temporary Finance Cost	\$1,263.76
Finance Administration	\$29,725.00
1 Year Debt Service reserve	<u>\$162,000.00</u>

TOTAL COST                     \$1,679,214.23

Respectfully Submitted,

\_\_\_\_\_  
Mark Elder, Development Analyst

Property: \$1,679,214.23  
City: \$0.00

Fall 2015

Petition/Resolution Amount: \$1,705,000

City of Wichita  
City Council Meeting  
April 21, 2015

**TO:** Mayor and City Council  
**SUBJECT:** Building Facade Improvements at – 623 West Douglas (District IV)  
**INITIATED BY:** Office of Urban Development  
**AGENDA:** New Business

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**Recommendation:** Approve the statement of cost and first reading of the ordinance.

**Background:** Since 2001, the City has provided a Façade Improvement Program. It is available to properties in defined areas, including the City’s core area. On February 11, 2014, the City Council authorized maximum special assessments for the façade improvements at 623 West Douglas, for the new location of Visual Fusion design studio, by maximum assessment ordinance in an amount not to exceed \$135,000. Construction of the façade improvements is now complete. It is now necessary to approve the statement of costs and amend the assessment ordinance to reflect the final assessment amount prior to bonding.

**Analysis:** For purposes of establishing the final assessment amount, an ordinance has been prepared reflecting the final costs upon completion of the façade project. Final costs of the project include construction costs including architectural/engineering fees, City administrative charges, interim financing costs, estimated costs of issuance related to permanent financing, and a one-year debt service reserve based upon permanent financing assumptions. Upon adoption of the ordinance by the governing body, the ordinance will be published and a notice of the final assessment amount will be mailed to the affected property owner.

State statutes provide the City Council authority to use special assessment funding for the projects. Pursuant to K.S.A. 12-6a01 *et seq.*, if the final cost of completed improvements are less than the maximum amount of the assessment as set forth in the Original Maximum Assessment Ordinance, it is necessary to reduce the assessment to an amount equal to the final cost of the improvements.

**Financial Considerations:** The final assessment amount to be paid by special assessments totals \$111,961.08. Taxable General Obligation Special Assessment Bonds will be issued in September 2015, paid as to principal and interest over a 15-year term, with special assessments levied against the improved property which will be backed by the full faith and credit of the City of Wichita.

**Legal Considerations:** The authorizing ordinance adjusting the special assessment to reflect the final costs of the project was prepared by Bond Counsel and has been reviewed and approved as to form by the Law Department.

**Recommendation/Action:** It is recommended that the City Council approve the final statement of cost and place the ordinance on first reading.

**Attachments:** Statement of Cost  
Ordinance

**ORDINANCE NO. 49-982**

**AN ORDINANCE ADJUSTING MAXIMUM SPECIAL ASSESSMENTS ON CERTAIN LOTS, PIECES AND PARCELS OF PROPERTY LIABLE FOR SUCH SPECIAL ASSESSMENTS TO PAY THE COSTS OF INTERNAL IMPROVEMENTS IN THE CITY OF WICHITA, KANSAS (FAÇADE IMPROVEMENTS – (623 WEST DOUGLAS FAÇADE IMPROVEMENT DISTRICT)).**

**WHEREAS**, pursuant to Resolution No. 14-019 (the “Resolution”), the City Council (the “Governing Body”) of the City of Wichita, Kansas (the “City”) has authorized, pursuant to K.S.A. 12-6a01 *et seq.* (the “Act”) the creation of an improvement district (the “Improvement District”) and the construction of the following improvements therein:

Construction of improvements to area walls on public ways or land abutting thereto consisting of façade improvements to 623 West Douglas Avenue including West Douglas Avenue, South Oak Street and an east/west alley (the "Improvements").

**WHEREAS**, pursuant to the Act and Ordinance No. 49-662 (the “Original Assessment Ordinance”), the Governing Body has levied special assessments against certain property in the City in connection with the Improvements at the maximum amount deemed necessary by the Governing Body to pay the cost of the Improvements; and

**WHEREAS**, *Section 1* of the Original Assessment Ordinance provides that if the final cost of the completed Improvements is less than the maximum amount of the assessments set forth in *Exhibit A* to the Original Assessment Ordinance, the Governing Body shall adjust the assessments to reflect the cost of the completed Improvements; and

**WHEREAS**, the Improvements have been completed and the final costs are less than the amount used to calculate the maximum special assessments levied in the Original Assessment Ordinance; and

**WHEREAS**, it is necessary to reduce the assessments levied in the Original Assessment Ordinance to an amount equal to the final cost of the Improvements.

**NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS:**

**Section 1. Assessment Adjustments.** Pursuant to the Act and *Section 1* of the Original Assessment Ordinance, the special assessments to pay the costs of the Improvements are hereby adjusted based on the final cost of the Improvements and are levied in the amounts and assessed against the lots, pieces and parcels of land liable therefor as described in *Exhibit A* to this Ordinance, which is incorporated herein by reference. All other terms and provisions of the Original Assessment Ordinance shall remain in full force and effect.

**Section 2. Notification.** The City Clerk is hereby authorized and directed to: (a) mail a Notice of Adjusted Assessment to the owners of property assessed for the Improvements pursuant to the Original Assessment Ordinance; and (b) return to any property owners that prepaid the special assessments during the prepayment period authorized by the Original Assessment Ordinance, the difference between the assessment paid and the adjusted assessment amount set forth in this Ordinance.

**Section 4. Effective Date.** This Ordinance shall take effect and be in force from and after its passage by the Governing Body and publication once in the official City newspaper. The City Clerk is directed to file this Ordinance with the Register of Deeds of Sedgwick County, Kansas.

**PASSED** by the City Council of the City on April 28, 2015 and **SIGNED** by the Mayor.

(SEAL)

\_\_\_\_\_  
Carl Brewer, Mayor

ATTEST:

\_\_\_\_\_  
Karen Sublett, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Sharon Dickgrafe,  
Interim Director of Law

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*Exhibit A*

**(FAÇADE IMPROVEMENTS – [623 WEST DOUGLAS FAÇADE IMPROVEMENT  
DISTRICT])  
RESOLUTION NO. 14-019**

<b>Description of Property</b>	<b>Amount of Maximum Assessment</b>
LOT 82 CHICAGO NOW DOUGLAS AVE. WEST WICHITA ADDITION	
Pin #00198205	
Tax Key #D-00217	\$111,961.08

Approved /Accepted by City Council

Wichita, Kansas

October 15, 2015

This \_\_\_\_\_

City Clerk  
Wichita, Kansas

OCA# 766046  
Project# 491046  
Setup 03/21/14

Dear City Clerk:

Following is the cost of constructing:  
Façade Improvements at 623 W. Douglas

Lump Sum Contract Amount	\$	125,279.49
Change Orders		\$0.00
Recording Façade Documents		\$0.00
Project Administration		\$2,505.59
Publication		\$0.00
Abstract		\$20.00
Construction Cost		<u>\$127,805.08</u>
Idle Fund Interest Estimated		\$0.00
Temporary Finance Cost		\$0.00
Finance Administration		\$1,956.00
1 Year Debt Service reserve		<u>\$12,200.00</u>
TOTAL COST		\$141,961.08

Respectfully Submitted,

\_\_\_\_\_  
Mark Elder, Development Analyst

Property: \$111,961.08  
City: \$30,000.00

Fall 2015

Petition/Resolution Amount: \$135,000

City of Wichita  
City Council Meeting  
April 21, 2015

**TO:** Mayor and City Council  
**SUBJECT:** Building Facade Improvements at – 143 N. Rock Island (District VI)  
**INITIATED BY:** Office of Urban Development  
**AGENDA:** New Business

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**Recommendation:** Approve the statement of cost and first reading of the ordinance.

**Background:** Since 2001, the City has provided a Façade Improvement Program. It is available to properties in defined areas, including the City’s core area. On June 24, 2014, the City Council authorized maximum special assessments for the façade improvements at 143 North Rock Island, by maximum assessment ordinance in an amount not to exceed \$160,000. The façade project was part of a larger rehabilitation project by Kamen GT, LLC to renovate the building into Rock Island Lofts, Construction of the façade improvements is now complete. It is now necessary to approve the statement of costs and amend the assessment ordinance to reflect the final assessment amount prior to bonding.

**Analysis:** For purposes of establishing the final assessment amount, an ordinance has been prepared reflecting the final costs upon completion of the façade project. Final costs of the project include construction costs including architectural/engineering fees, City administrative charges, interim financing costs, estimated costs of issuance related to permanent financing, and a one-year debt service reserve based upon permanent financing assumptions. Upon adoption of the ordinance by the governing body, the ordinance will be published and a notice of the final assessment amount will be mailed to the affected property owner.

State statutes provide the City Council authority to use special assessment funding for the projects. Pursuant to K.S.A. 12-6a01 *et seq.*, if the final cost of completed improvements are less than the maximum amount of the assessment as set forth in the Original Maximum Assessment Ordinance, it is necessary to reduce the assessment to an amount equal to the final cost of the improvements.

**Financial Considerations:** The final assessment amount to be paid by special assessments totals \$144,650.46. Taxable General Obligation Special Assessment Bonds will be issued in September 2015, paid as to principal and interest over a 15-year term, with special assessments levied against the improved property which will be backed by the full faith and credit of the City of Wichita.

**Legal Considerations:** The authorizing ordinance adjusting the special assessment to reflect the final costs of the project was prepared by Bond Counsel and has been reviewed and approved as to form by the Law Department.

**Recommendation/Action:** It is recommended that the City Council approve the final statement of cost and place the ordinance on first reading.

**Attachments:** Statement of Cost  
Ordinance

**ORDINANCE NO. 49-983**

**AN ORDINANCE ADJUSTING MAXIMUM SPECIAL ASSESSMENTS ON CERTAIN LOTS, PIECES AND PARCELS OF PROPERTY LIABLE FOR SUCH SPECIAL ASSESSMENTS TO PAY THE COSTS OF INTERNAL IMPROVEMENTS IN THE CITY OF WICHITA, KANSAS (FAÇADE IMPROVEMENTS – (143 NORTH ROCK ISLAND IMPROVEMENT DISTRICT)).**

**WHEREAS**, pursuant to Resolution No. 14-149 (the “Resolution”), the City Council (the “Governing Body”) of the City of Wichita, Kansas (the “City”) has authorized, pursuant to K.S.A. 12-6a01 *et seq.* (the “Act”) the creation of an improvement district (the “Improvement District”) and the construction of the following improvements therein:

Construction of improvements to area walls on public ways or land abutting thereto consisting of façade improvements (the "Improvements").

**WHEREAS**, pursuant to the Act and Ordinance No. 49-773 (the “Original Assessment Ordinance”), the Governing Body has levied special assessments against certain property in the City in connection with the Improvements at the maximum amount deemed necessary by the Governing Body to pay the cost of the Improvements; and

**WHEREAS**, *Section 1* of the Original Assessment Ordinance provides that if the final cost of the completed Improvements is less than the maximum amount of the assessments set forth in *Exhibit A* to the Original Assessment Ordinance, the Governing Body shall adjust the assessments to reflect the cost of the completed Improvements; and

**WHEREAS**, the Improvements have been completed and the final costs are less than the amount used to calculate the maximum special assessments levied in the Original Assessment Ordinance; and

**WHEREAS**, it is necessary to reduce the assessments levied in the Original Assessment Ordinance to an amount equal to the final cost of the Improvements.

**NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS:**

**Section 1. Assessment Adjustments.** Pursuant to the Act and *Section 1* of the Original Assessment Ordinance, the special assessments to pay the costs of the Improvements are hereby adjusted based on the final cost of the Improvements and are levied in the amounts and assessed against the lots, pieces and parcels of land liable therefor as described in *Exhibit A* to this Ordinance, which is incorporated herein by reference. All other terms and provisions of the Original Assessment Ordinance shall remain in full force and effect.

**Section 2. Notification.** The City Clerk is hereby authorized and directed to: (a) mail a Notice of Adjusted Assessment to the owners of property assessed for the Improvements pursuant to the Original Assessment Ordinance; and (b) return to any property owners that prepaid the special assessments during the prepayment period authorized by the Original Assessment Ordinance, the difference between the assessment paid and the adjusted assessment amount set forth in this Ordinance.

**Section 4. Effective Date.** This Ordinance shall take effect and be in force from and after its passage by the Governing Body and publication once in the official City newspaper. The City Clerk is directed to file this Ordinance with the Register of Deeds of Sedgwick County, Kansas.

**PASSED** by the City Council of the City on April 28, 2015 and **SIGNED** by the Mayor.

(SEAL)

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Jeff Longwell, Mayor

ATTEST:

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Karen Sublett, City Clerk

APPROVED AS TO FORM:

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Sharon Dickgrafe,  
Interim Director of Law

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*Exhibit A*

**(FAÇADE IMPROVEMENTS – 143 NORTH ROCK ISLAND IMPROVEMENT DISTRICT)  
RESOLUTION NO. 14-149**

<b>Description of Property</b>	<b>Amount of Maximum Assessment</b>
143 North Rock Island	\$144,650.46

Approved /Accepted by City Council

Wichita, Kansas

October 15, 2015

This \_\_\_\_\_

City Clerk  
Wichita, Kansas

OCA# 766047  
Project# 491047  
Setup 08/14/14

Dear City Clerk:

Following is the cost of constructing:

Façade Improvements at 141-143 N Rock Island

Lump Sum Contract Amount	\$	144,973.00
Change Orders		\$0.00
Recording Façade Documents		\$0.00
Project Administration		\$2,899.46
Publication		\$0.00
Abstract		\$20.00

Construction Cost \$147,892.46

Idle Fund Interest Estimated	\$0.00
Temporary Finance Cost	\$0.00
Finance Administration	\$2,558.00
1 Year Debt Service reserve	\$14,200.00

TOTAL COST \$164,650.46

Respectfully Submitted,

\_\_\_\_\_  
Mark Elder, Development Analyst

Property: \$144,650.46  
City: \$20,000.00

Fall 2015

Petition/Resolution Amount: \$160,000

City of Wichita  
City Council Meeting  
April 21, 2015

**TO:** Mayor and City Council

**SUBJECT:** Byrne Criminal Justice Innovation Program Grant Application

**INITIATED BY:** City Manager's Office

**AGENDA:** New Business

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**Recommendation:** Approve the grant application.

**Background:** The U.S. Department of Justice (DOJ) administers the Byrne Criminal Justice Innovation Program grant (Byrne Grant) to states, local government agencies, and nonprofit organizations across the country to plan and implement place-based, community-oriented strategies to address targeted crime issues within a neighborhood as part of a broader neighborhood revitalization initiative. The Byrne Grant is intended to target hot spots of crime and to enhance the capacity of local communities to effectively address significant crime issues through collaborative cross-sector approaches that help advance broader neighborhood development goals. The City seeks a planning award in the amount of \$175,000. If received, DOJ will provide funding over an 18-month period, beginning October 1, 2015.

**Analysis:** Since the Byrne Grant was reconstituted in 2012, forty-six communities have received funding of various amounts. No community in Kansas has been selected to date, with the nearest grantees being Kansas City, Missouri, and Tulsa, Oklahoma. The City Manager's Office (CMO) will enter into a cross-sector partnership with the Police Department, Boys and Girls Club of South Central Kansas, and researchers from Wichita State University, along with additional community supporters, such as the Wichita Independent Neighborhoods and members of the educational and faith community. The City will serve as the fiscal agent, which includes financial and programmatic responsibilities. The intended outcome of the grant would be the development of a comprehensive and coordinated strategic plan, the execution of community-based early action projects, and the leveraging of additional funds to sustain project successes and implement the strategic plan.

If received, the award would fund a full-time program manager (limited), part-time program assistant (limited), travel for required training sessions and fieldwork, office and meeting supplies, early action projects, research, and indirect costs (see attached budget). The Office of Community Engagement would supervise the program manager, who will supervise the program assistant. It has not yet been determined whether CMO or the Boys and Girls Club would employ the new positions. The Police Department would manage the grant funds.

**Financial Considerations:** The Byrne Grant does not require a match, and a match is not requested by CMO. All expenses will be covered by the Grant, including indirect costs.

**Legal Considerations:** The application process will make the City a potential grantee, but does not commit the City to accept the grant or to accepting employer status for the positions created. The Council retains control over that process, and any resulting agreement will be reviewed as to form.

**Recommendation/Actions:** It is recommended that the City Council approve the FY 2015 Byrne Grant application.

**Attachments:** Budget, Application

**Byrne Criminal Justice Innovation Program Grant**  
Suggested Budget: \$175,000  
(18-Month Project Period)

<b>Category</b>	<b>Amount</b>
Personnel	\$78,720
Fringe Benefits	\$30,072
Travel	\$3,219
Supplies	\$540
Contracts	\$45,300
Early Action Projects	\$15,000
Indirect Costs	\$2,449
<b>Total</b>	<b>\$175,000</b>

City of Wichita  
City Council Meeting  
April 21, 2015

**TO:** Mayor and City Council  
**SUBJECT:** Improvements to 37<sup>th</sup> Street North, Oliver to Woodlawn (District I)  
**INITIATED BY:** Department of Public Works & Utilities  
**AGENDA:** New Business

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**Recommendations:** Approve the design concept.

**Background:** Design work for a project to improve 37<sup>th</sup> Street North between Oliver and Woodlawn is currently underway. The project was presented to the Bel Aire City Council on February 17, 2015, as the improvement area borders the Bel Aire city limits. On March 30, 2015, the District I Advisory Board sponsored a neighborhood hearing on the proposed improvements. Design concepts for widening 37<sup>th</sup> Street from a two-lane to a three- or five-lane roadway were presented to both. The Bel Aire City Council unanimously approved the project and selected the three-lane option as described below. The Board voted 5-2 in favor of the project and selected the three-lane design as well.

**Analysis:** Proposed improvements consist of widening 37<sup>th</sup> Street from a two-lane to a three-lane roadway with curb and gutter, and an underground storm sewer. On-street bike lanes and sidewalk along both sides of the street are proposed as well. The three-lane design concept will not require relocation of the Westar-owned utility line, or offsetting of the roadway to avoid the utility conflict, as the five-lane option would have required, but will still have the capacity to meet projected future traffic counts.

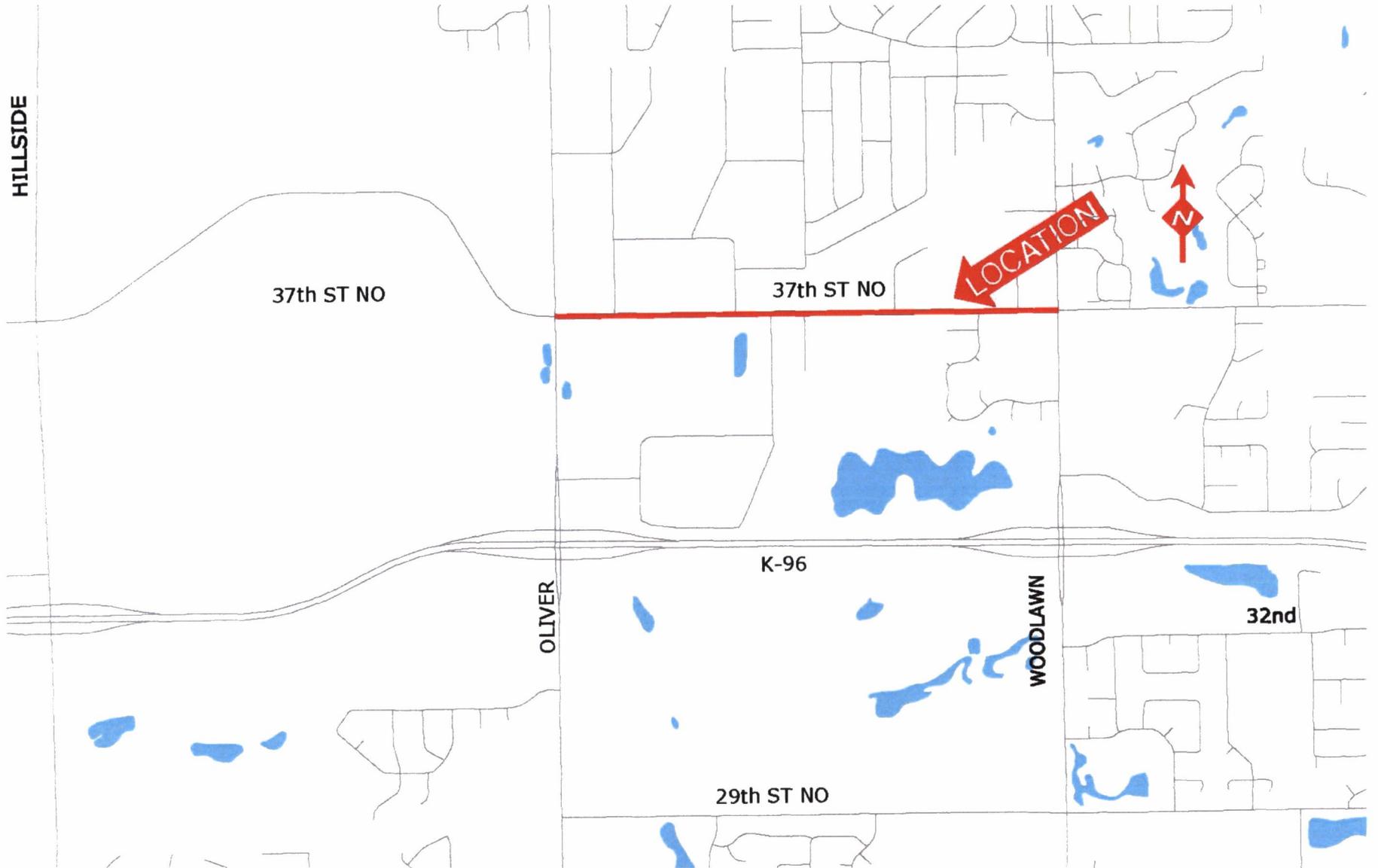
Construction is planned to begin in the spring of 2016 and be completed in late 2016. One lane of westbound traffic will be carried throughout construction, except during a four-week period when 37<sup>th</sup> Street will be closed at the railroad tracks. During that time, local access will be maintained through two-way traffic east and west of the closure.

**Financial Considerations:** The existing approved budget is \$90,000, funded by general obligation (GO) at-large bonds. Federal funding of \$2,954,791 is available in the Transportation Improvement Program in 2016 and 2017. The proposed Capital Improvement Program includes the local match of \$1,295,209 in GO bond funding in 2015, for a total budget of \$4,250,000. On January 27, 2015, the City Council approved an agreement with the City of Bel Aire, which provides reimbursement to the City of Wichita for half of the design, construction, and construction engineering costs, as well as, all of the required right-of-way costs for the north side of 37<sup>th</sup> Street. The project will be returned to the City Council at a later date for approval of the construction funding.

**Legal Considerations:** There are no legal considerations associated with the City Council's approval of the design concept.

**Recommendation/Actions:** It is recommended that the City Council approve the design concept and authorize the necessary signatures for the acquisition or granting of easements, utility relocation agreements, and required permits.

**Attachment:** Map.



City of Wichita  
City Council Meeting  
April 21, 2015

**TO:** Mayor and City Council  
**SUBJECT:** Improvements to 143<sup>rd</sup> Street East, Kellogg to Central (District II)  
**INITIATED BY:** Department of Public Works & Utilities  
**AGENDA:** New Business

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**Recommendations:** Approve the design concept.

**Background:** Design work for a project to improve 143<sup>rd</sup> Street East between Kellogg and the Kansas Turnpike Authority (KTA) Bridge, south of Central, is currently underway. On March 9, 2015, the District II Advisory Board sponsored a neighborhood hearing on the proposed improvements. The Board voted 7-0 to approve the project.

**Analysis:** Proposed improvements consist of widening 143<sup>rd</sup> Street from a two-lane to a five-lane roadway with two through lanes in each direction and a center two-way left turn lane, as well as curb and gutter, and drainage improvements. A six-foot wide sidewalk will be constructed on both sides of 143<sup>rd</sup> Street, with a pedestrian crossing at the north end of the project between Siefkin Street and the KTA Bridge.

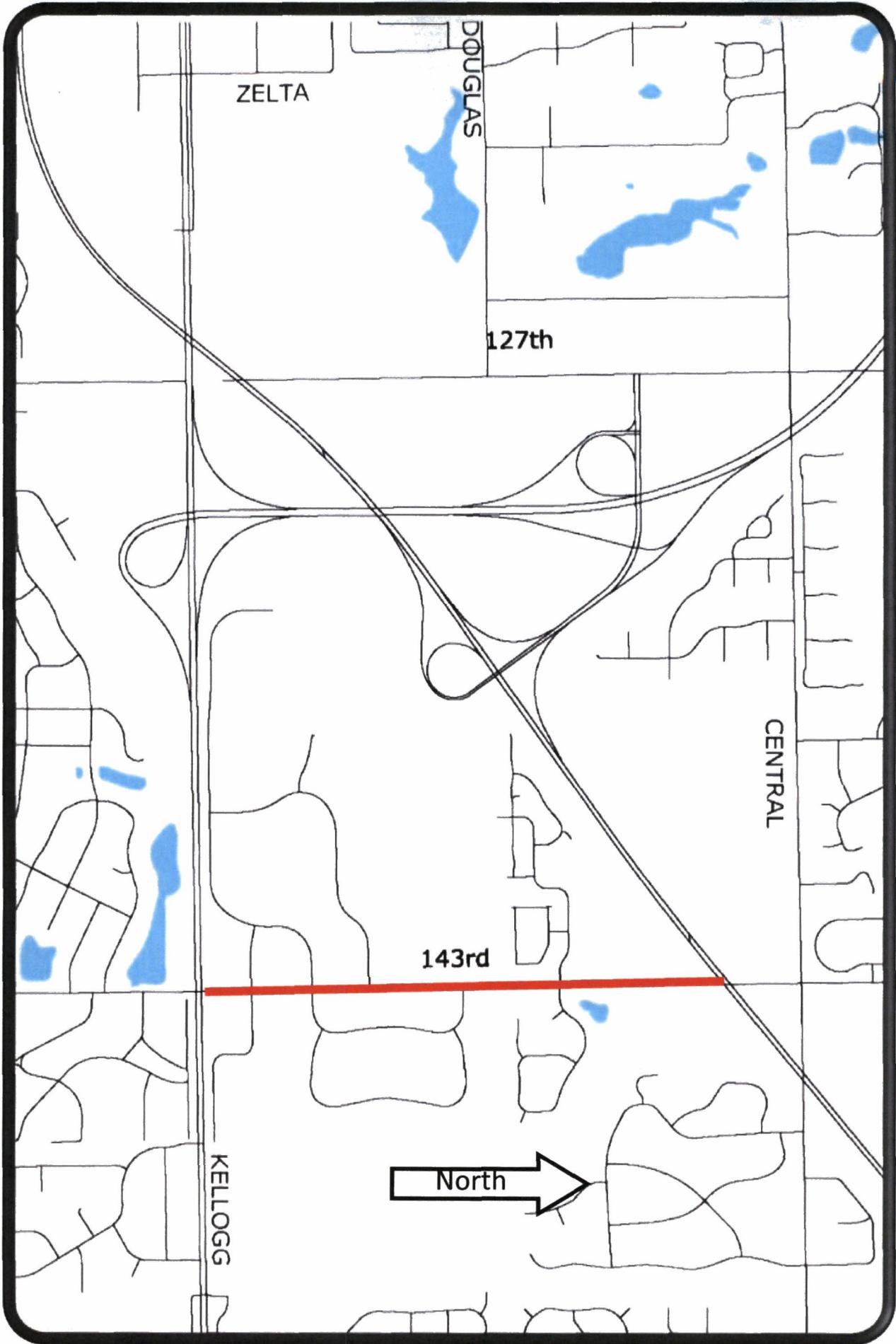
Construction is planned to begin in the spring of 2017 and be completed in late 2017. One lane of southbound traffic will be carried throughout construction, except at the south end, just north of Kellogg, where traffic will be two-way from Kellogg to the commercial properties of QuikTrip and Integrity Auto Group.

**Financial Considerations:** The existing approved budget is \$60,000, funded by general obligation (GO) at-large bonds. Federal funding of \$2,974,400 is available in the Transportation Improvement Program in 2017. The proposed Capital Improvement Program includes the local match of \$1,275,600 in GO bond funding in 2015, for a total budget of \$4,250,000. The project will be returned to the City Council at a later date for approval of the construction funding.

**Legal Considerations:** There are no legal considerations associated with the City Council's approval of the design concept.

**Recommendation/Actions:** It is recommended that the City Council approve the design concept and authorize the necessary signatures for the acquisition or granting of easements, utility relocation agreements, and required permits.

**Attachments:** Map.



City of Wichita  
City Council Meeting  
April 21, 2015

**TO:** Mayor and City Council

**SUBJECT:** New Utility Billing Customer Information System (CIS) (All Districts)

**INITIATED BY:** Department of Public Works & I Utilities

**AGENDA:** New Business

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**Recommendation:** Approve the contract with Advanced Utility Systems, adopt the resolution, and authorize the necessary signatures.

**Background:** Three City-owned utilities rely on a Customer Information System (CIS) to send and receive monthly bills to customers. The system also provides account information utilized by City staff in its customer service efforts. The Water, Sewer, and Stormwater Utilities work with the current CIS, known as Banner, to issue more than 1.8 million bills per year. This accounts for more than \$150 million in annual revenue used to operate the three utilities. First deployed in 2000, the Banner system has now been in use for 15 years.

There have been a multitude of customized components built into the system, which have degraded its performance and security. The current system also relies greatly on manual processes for service orders, reports, and customer service. A new system can improve the service experience of utility customers and make City operations more efficient through automation.

In March 2014, a Request for Proposals (RFP) was distributed with responses due by May 5, 2014. A total of nine responses to the RFP were received and evaluated. The Staff Screening and Selection Committee, consisting of five departments including: City Manager's Office, Finance, IT, Law and Public Works & Utilities, reviewed the proposals and selected three vendors to provide demonstrations/presentations.

**Analysis:** After the demonstrations, it was determined by the Staff Screening and Selection Committee that Advanced Utility Systems (Advanced) ranked as the best firm in terms of cost, functional and technical requirements, customer support, and other criteria used in the evaluation process. Advanced is a division of a larger company known as N. Harris Computer Corporation.

Advanced offers a proven customer information and utility billing software, CIS Infinity®, with over 150 successful installs in organizations across North America and the Caribbean. Further, Advanced has had 31 successful implementations of similar systems and services within the last five years. Advanced offered several critical benefits over the other two systems:

- User-friendly
  - Provided the best user-interface for effective customer service and staff training.
  - Demonstrated great analytical and reporting tools and functions.
  - Demonstrated functions that would allow the City to automate several manual processes.
  
- Feature-rich and flexible software
  - Offered an interface that is simple and provides the web, business and mobile interfaces needed to serve customers and increase staff efficiency.

- Provided the core modules of cash processing, billing, reporting and collections that support revenue management activities. It includes many features (contact management, alerts, bill formatting, inventory management) designed to allow the City to provide exceptional customer service.
- Served as an on premise system that can run on virtual hardware to reduce implementation and ongoing costs.
- Provided proof of being fully certified and compliant through the Payment Card Industry (PCI) Security Standards Council Quality Assurance Program.
- Connected well with the City's Geographic Information System (GIS).

**Financial Considerations:** The contract with Advanced would include \$2,959,250 for one-time installation costs, and annual support costs of \$179,375. An additional contingency of approximately 19%, totaling \$570,750, would be reserved to cover any overruns. Any unspent contingency funds at the end of the project would be credited back to the Water and Sewer Utility Funds. The total project budget would be \$3,530,000.

Funding is available from three different sources. The 2015-2024 Proposed CIP includes \$2,200,000 from the Water Utility and \$900,000 from the Sewer Utility. An additional \$430,000 is available in the City's Software Replacement Fund. The combined \$3,530,000 in available funding is sufficient to cover the Advanced contract and the contingency in the project budget.

**Legal Considerations:** The contract and bonding resolution have been reviewed and approved as to form by the Law Department.

**Recommendations/Actions:** It is recommended that the City Council approve the contract, adopt the resolution, and authorize the necessary signatures.

**Attachments:** Contract with Advanced Utility Systems, bonding resolution, and Notice of Intent.

**Appendix A – IT  
Technology Agreement**

**CITY OF WICHITA**  
**Information Technology Agreement**

THIS Information Technology Agreement (“Agreement”) is made by and between the City of Wichita, hereinafter referred to as the “City” and N. Harris Computer Corporation, hereinafter referred to as the “Contractor” and collectively referred to as the “Parties”.

WHEREAS, the Contractor is a provider of high technology products and services for which City Code section 2.64.020(g) allows the Purchasing Manager to directly negotiate for services on a non-competitive basis, and

WHEREAS, the Contractor has represented that it is capable of implementing the Scope of Work as contained herein and the City has selected the Contractor as the offer or most advantageous to the City of Wichita; and

WHEREAS, all terms and conditions of the City’s solicitation and the Contractor’s response to such document(s) are incorporated herein by reference; and

NOW, THEREFORE, IT IS MUTUALLY AGREED BETWEEN THE PARTIES:

1. **Definitions.** [Add or delete definitions as appropriate]
  - A. **Acceptance** shall mean the approval of all Deliverables by the CIO of the City or designated representative.
  - B. **Anonymous Data** shall mean anonymous web data that by virtue of the method of collection can never reasonably be connected with the person providing. This data will be limited to aggregate information relevant to system utilization as associated with the Contractor’s application implemented for the City.
  - C. **Annual Support** shall mean those services supplied in accordance with section 2 G of this Agreement which are provided on a Subscription basis for which an annual support fee is required to be paid by City, with each such year (or part thereof) being an applicable term.
  - D. **Change Request** shall mean the document utilized to request changes or revisions in the Scope of Work.
  - E. **Chief Information Officer (CIO)** shall mean the CIO of the City of Wichita or designated representative.
  - F. **Compliant Product** shall mean a product or service that implements all of the PCI Security Standards Council Required Elements.
  - G. **Concurrent User License** means this license that restricts the total number of Users who can access the Software at any one time.
  - H. **Contractor Data Libraries** shall mean information, which may or may not be publicly available, that is selected, gathered and assembled by the Contractor into compilations in various forms and formats for use with the system components of the licensed application.
  - I. **Deliverable** shall mean any verifiable outcome, result, service or product that must be delivered, developed, performed or produced by the Contractor as defined in Paragraph 2., Scope of Work.

- J. Emergency Support shall be defined as technical support provided by the Contractor outside of normal support hours for any problem or issue that is impacting the City's ability to conduct business and cannot wait until the next business day to resolve.
- K. Go-Live means the event occurring when the City first uses the licensed application as the City's predominant CIS or following the Acceptance of the final Deliverable, whichever occurs first. The Go Live date may be amended or modified by mutual specific written agreement by the Contractor and the City as specified in the Change Control Process.
- L. Know How shall mean all technical information, data and knowledge including, but not limited to, all documents, computer storage devices, drawings, flow charts, plans, proposals, records, notes, memoranda, manuals and other tangible items containing, relating or causing the enablement of any Intellectual Property developed under this Agreement.
- M. Intellectual Property shall mean any and all proprietary information developed pursuant to the terms of this Agreement except for those proprietary rights directly related to software and the licensed application, as is further detailed in section 2 E of this Agreement.
- N. PA-DSS shall mean Payment Application Data Security Standard which provides a framework for software developers to develop secure payment applications
- O. Payment Invoice shall mean a detailed, certified and written request for payment of services rendered from the Contractor to the City. Payment Invoice(s) must contain the fixed price Deliverable cost and identify the Deliverable for which the invoice is submitted.
- P. PCI shall mean Payment Card Industry.
- Q. Project shall mean a process undertaken to solve a well-defined goal or objective with clearly defined start and end times, a set of clearly defined tasks, and a budget. The project terminates once the project scope is achieved and project approval is given by the City Project Manager and verified by the City CIO. Under the terms of this Agreement the Project is defined within Paragraph 2., Scope of Work.
- R. Project Manager shall mean a qualified person from the City responsible for all aspects of the Project. Under the terms of this Agreement, the City Project Manager shall be Curtis Corning or designated representative.
- S. Required Element shall mean any element of the Specification, whether identified as "Mandatory", "Alternate", or "Optional".
- T. Software shall mean any software or other products, including the licensed application, delivered or utilized in conjunction with the licensed application under this Agreement and as defined in Schedule A. References to licensed application and application software means the "Software".
- U. Subscription shall mean the annual fee for license renewal and maintenance of an operational CIS Infinity, Infinity.Link and Infinity.Mobile including maintenance and technical Annual Support.
- V. Update means a minor modification or enhancement to the Software related to a bug fix, minor additional functionality or legislative changes.
- W. Upgrade means a major overhaul of the Software which is a complete new version of the Software and together Upgrades and Updates are "Releases".

- X. **Adequate Security** shall mean that protection measures applied are commensurate with the risks (i.e., consequences and their probability) of loss, misuse, or unauthorized access to or modification of information.
- Y. **Advanced Persistent Threat** shall mean an extremely proficient, patient, determined, and capable adversary, including such adversaries working together.
- Z. **City Information** shall mean any information that has not been cleared for public release in accordance with applicable City statutes, regulations, and policies and is provided by or on behalf of the City to the Contractor or its subcontractor(s) or collected, developed, received, transmitted, used, or stored by the Contractor or its Contractor Information System in support of an official City activity.
- AA. **Contractor Information System** shall mean the CIS application belonging to, licensed by, or operated, supported, or maintained by the Contractor.
- BB. **Cyber Intrusion Event** shall mean unauthorized access to an information system, such as an act of entering, seizing, or taking possession of another's property to include electromagnetic media.
- CC. **Exfiltration** shall mean any unauthorized release of data from within an information system. This includes copying the data through covert network channels or the copying of data to unauthorized media.
- DD. **Information** shall mean any communicable knowledge or documentary material, regardless of its physical form or characteristics.
- EE. **Information System** shall mean a set of information resources organized for the collection, storage, processing, maintenance, use, sharing, dissemination, disposition, display, or transmission of information.
2. **Scope of Work.**
- A. The Contractor shall perform the following work:
- The contractor will install, configure, train, license, support, and maintain the Contractor's CIS Infinity, Infinity.Link and Infinity.Mobile for the replacement of the current City's CIS system as specified in the solicitation.
- This scope of work includes:
- 1) **Project Initiation (Kick-off).**
- The Contractor will perform a Project Initiation meeting thirty (30) calendar days prior to the start of the system implementation/integration/installation either through an audio-video conference call or an on-site meeting with the City. Prior to the call or meeting, the Contractor will forward, via email, the Contractor's Implementation/Integration/Installation Guide that details the implementation/integration/installation process and steps including, but not limited to those process and steps associated with the configuration, testing, and product/system acceptance that will be completed during the project. The key tasks include:
- *Formally* transition and introduce the project team and their respective

responsibilities.

- Define the success criteria of the City to meet expectations and achieve appropriate outcomes and the metrics in which these will be measured.
- Discuss potential risks/issues based upon the City's and the Contractor's experience.
- Review the Contractor's Implementation/Integration/Installation Guide that outlines the implementation/integration/installation process and steps.
- Establish the project schedule including, but not limited to:
  - Milestones
  - Dependencies
  - Contingencies
  - Resources
  - Durations

This schedule will be created by the Contractor and maintained by the City's Project Manager in coordination with the Contractor's and City's project teams.

- Define the project Communications Plan covering methods used to gather and store information; limits, if any, on who may give direction and to whom; reporting relationships; list of contact information; schedule for distribution of information; weekly status meetings; and a method to update the communications plan as the project progresses.

**2) Deliverables as listed in Schedule "C" Scope of Work.**

**B. Services will be performed in the City of Wichita, 455 N. Main Street Wichita, KS 67202**

**C. Deliverable(s). As shown in Schedule "C" Scope of Work**

**D. Contractor Reimbursable Expenses.**

Reimbursable expenses include coach class air fare, airport parking, economy class vehicle rental, cab, or public transportation, parking and tolls, fuel, reasonable lodging and meals, excluding alcohol, and other travel incidentals required to fulfill the Agreement. The Contractor shall provide the City with an estimate of reimbursable expenses for approval prior to any scheduled travel. Upon completion or execution of the prior-approved travel, the Contractor shall submit an invoice to the City CIO for actual expenditures incurred and shall attach receipts to the invoice requesting reimbursement, as backup for accounting purposes.

**E. Application License.**

Contractor hereby grants the City a non-exclusive, irrevocable, royalty free license to use, the Infinity, Infinity.Link and Infinity.Mobile and any and all upgrades / updates, bug fixes / corrections and revisions which may occur during the term of the contract.

Configuration or customization of the application made according to the City's requirements will be performed by the Contractor. Ongoing maintenance of these configurations or customizations will be provided by the Contractor to maintain continued compatibility with the Infinity, Infinity.Link and Infinity.Mobile as upgrades / updates, bug fixes / corrections, or revisions occur to the application.

The Contractor will own in its entirety such configuration development and the intellectual property related to the Contractor's application; however the City shall have a non-

exclusive, irrevocable, royalty free license to use such works from the date that such work is completed and released to the City.

The City shall own all right, title, and interest to all City Data entered into the licensed application by any user who is or has been authorized and licensed to use the application. The Contractor shall own all right, title, and interest in any Anonymous Data. Upon request, the Contractor shall provide copies of the Anonymous Data to the City in the format requested.

All archival and backup copies of the application are subject to the provisions of this Agreement, and all titles, patent numbers, trademarks, copyright and other restricted rights notices shall be reproduced on any such copies.

The Contractor must uphold the agreement and all the terms therein which includes the Infinity, Infinity.Link and Infinity.Mobile application and all deliverables as set forth in Paragraph 2.C. If the Contractor 1) breaches the Agreement; 2) ceases to do business; or 3) this Agreement is terminated by either party as defined in Paragraph 7, the Contractor shall provide the City with a 1 year license subscription that the City may or may not exercise. If the Contractor is not able to or does not provide said license subscription, the Contractor shall make available to the City:

- 1) The latest available licensed application program source code, compiler, utilities, and related documentation necessary for the continued operation and maintenance of the application as meant for the licensed application provided or developed under this Agreement by the Contractor and listed as part of the purchased system. The source code, compiler, utilities, and related documentation shall be provided on CD or via an Electronic Data Transfer to the City.
- 2) All related documentation for software developed by third parties to the extent that the Contractor is authorized to disclose such software. In such circumstances, the City shall have an unlimited right to use, modify and copy the source code and documentation.

Infinity, Infinity.Link and Infinity.Mobile, 1Year License, Annual Support Subscription may be renewed annually as set forth in Paragraph 2.C. Users are defined as City employees or partners and Proposers that work with the City. Each license includes full use of the Infinity, Infinity.Link and Infinity.Mobile

- F. Restrictions on Application Use. The City shall not, directly or by permitting any third party to: 1) disassemble, reverse engineer, decompile, or otherwise attempt to derive source code from the licensed application; 2) modify, adapt, create derivative works based upon, or translate the licensed application or any portion thereof; 3) resell, distribute, or otherwise grant any rights in licensed application or any portion thereof to any third party, including commercial time-sharing, rental, or service bureau use, or use the licensed application for the benefit of any third party; 4) access the licensed application or any portion thereof other than in connection with the City's internal use; or 5) publish or participate with any third party in any performance or benchmark tests or analysis relating to the licensed application or any portion thereof. A portion of the licensed application may be comprised of Contractor Data Libraries. The City acknowledges and agrees that the Contractor Data Libraries are original works of authorship created, developed and maintained by Contractor at great expense and that, in addition to being subject to the foregoing restrictions 1)

through 5) and applicable copyright laws, are confidential information of the Contractor that may only be used by the City for its internal use in conjunction with the use of the application components of the licensed application on the terms set forth in this Agreement.

G. **Support and Maintenance.**

Contractor will provide to City the following Annual Support after Go-Live and on an annual Subscription basis, provided the annual support fees are paid annually:

- 1) **Help Desk Hours.** Contractor standard hours of support are from 8:00 a.m. EST to 8:00 p.m. EST, Sunday to Saturday, excluding designated US statutory holidays. After hours telephone support is available from 8:00 p.m. EST through to 8:00 a.m. EST.
- 2) **Response Times.** Response times will vary and are dependent on the priority of the call. Contractor does best to ensure incoming calls are handled in the order that they are received, however calls will be escalated based on the urgency of the issue reported. Contractor response time guidelines are as follows:
  - Priority 1: 1 - 4 hours
  - Priority 2: 1 - 8 hours
  - Priority 3: 1 - 24 hours
- 3) **Call Priorities.** In an effort to assign contractor resources to incoming calls as effectively as possible, contractor has identified three types of call priorities, 1, 2 and 3. A Priority 1 call is deemed by contractor support staff to be an Urgent or High Priority call, Priority 2 is classified as a Medium Priority and Priority 3 is deemed to be a Low Priority. The criteria used to establish guidelines for these calls are as follows:
  - Priority 1 – High**
    - System Down (Software Application, Hardware, Operating System, Database)
    - Inability to process bills
    - Program errors without workarounds
    - Aborted postings or error messages preventing data integration and update
    - Performance issues of severe nature impacting critical processes
  - Priority 2 - Medium**
    - System errors that have workarounds
    - Reports calculation Issues
    - Printer related issues (related to interfaces with our software and not the printer itself)
    - Security issues
    - Hand-held issues not preventing billing
    - Performance issues not impacting critical processes
    - Usability issues
    - Workstation connectivity issues (Workstation specific)
  - Priority 3 - Low**
    - Report formatting issues
    - Training questions, how to, or implementing new processes
    - Aesthetic issues

- Issues with workarounds
  - Recommendations for enhancements on system changes
  - Questions on documentation
- 4) **Call Process.** All issues or questions reported to support are tracked via a support call, contractor support analysts cannot provide assistance unless a support call is logged. Contract or current process for logging calls includes the following: eSupport (via website), email, phone and fax.
- The City call must contain at a minimum: organization name, contact person, software product and version, module and/or menu selection, nature of issue, detailed description of question or issue and any other pertinent information.
  - Contractor support system or one of contractor support analysts will provide the City with a call ID to track City issue and City call will be logged into Contractor support tracking database.
  - The City call will be stored in a queue and the first available support representative will be assigned to deal with the City issue.
  - As the support representative assigned to the City call investigates your issue, the City will be contacted and advised as to where the issue stands and the course of action that will be taken for resolution. If contractor require additional information, the City will be contacted by the assigned support representative to supply the information required.
  - All correspondence and actions associated with the City call will be tracked against the City call in contractor's support database. At any time, if available to the City, the City may log onto our website to see the status of the City call.
  - Once the City call has been resolved, the City will receive an automated notification by email that the City call has been closed. This email will contain the entire event history of the call from the time the call was created and leading up to the resolution of the call. The City also have the option of viewing both open and closed calls, if available, via our website.
  - If the City issue needs to be escalated to a development resource or programmer for resolution, the City issue will be logged into our development tracking database and the City will be provided with a separate ID number to track the progress of the issue. At this time, the City support call will be closed and replaced by the development ID number. The development ID number will remain open until the City issue has been completely resolved. Issues escalated to development will be scheduled for resolution and may not be resolved immediately depending on the nature and complexity of the issue.
  - Contact the support department at the City's convenience for a status update on the City's development issues, or log onto our website (if available) to view issues on-line.
- 5) **Escalation Process.** Contractor escalation process is defined below. This process has been put in place to ensure that issues are being dealt with appropriately. If at any time the City are not completely satisfied with the resolution of the City issue, the City are encouraged to escalate with the support department as follows:
- Level 1:** Contact the support representative working on issue
  - Level 2:** Contact the support supervisor or group lead
  - Level 3:** Contact the Director of Support

**Level 4: Contact the Vice President of Operations**

**Level 5: Contact the Executive Vice President**

- 6) Holiday Schedule. Below is a listing of statutory US holidays. Please note that support services will be closed on designated days as outlined below.**

New Year's Day	Closed
President's Day	Closed
Memorial Day	Closed
Independence Day	Closed
Labor Day	Closed
Thanksgiving	Closed
Christmas Day	Closed

- 7) Billable Support Services. The services listed below are services that are out of scope of the City's Annual Support and are therefore considered billable services.**

- Forms redesign or creation (includes Bill Prints, Notice Prints and Letters)
- Setup and changes to interfaces or creation of new interface; not created by patch or upgrade supplied by contractor
- Setup of new services or changes to services (PAP, ACH, etc.); unless initiated by the contractor
- File imports/exports
- Custom modifications (reports, bills, forms, reversal of customizations); not created by patch or upgrade or otherwise initiated and/or supplied by contractor
- Setting up additional companies / agencies / tokens / general ledgers
- Data conversions / global modification to setup table data; not created by patch or upgrade or otherwise initiated and/or supplied by contractor
- Database maintenance, repairs and optimization; not created by patch or upgrade or otherwise initiated and/or supplied by contractor
- Installations / re-installations (workstations, servers); not created by patch or upgrade or otherwise initiated and/or supplied by contractor

- 8) Test Databases and Environments. Contractor support customers, free of additional licensing fees, in the maintenance of independent test environments for testing purposes. This allows customers the opportunity to test fixes, modifications, new business processes and/or scenarios without risking any potentially unwanted changes to the live environment.**

- 9) Connection Methods. To ensure we can effectively support our clients, contractor require that a communication link is established and maintained between our two sites. It is the Organization's responsibility to ensure the connection is valid at your location so that we can connect to your site and resolve any issues. Contractor supported methods of connection are: Direct internet, Virtual Private Network (VPN), Remote Access Server (RAS), Direct Connection (modem) and Terminal Services (a backup connection may be required for file transfers) however; Contractor will work with the City to establish a mutually agreeable remote connection policy**

**10) Exclusions.** No Annual Support shall be available, and the Contractor shall not be liable, for: (i) problems, errors, or Bugs resulting from configuration or faults in the City's computer or network operating systems or any third party software; (ii) hardware malfunctions, including cables, ports, printers, disk drives, etc.; or (iii) modifications made to the licensed application by a party other than the Contractor.

**11) Maintenance.** The Contractor shall provide Release notes and /or training material updates for any changes occurring as a result of application enhancements, updates and upgrades. The Contractor shall update all related [Name of System or Application] documentation as a result of enhancements or major or minor revision releases which directly or indirectly impact the [Name of System or Application] and the City's configuration and use thereof.

- H. The Contractor shall provide training updates to the City's staff to acquaint them with new or changed functionality and capabilities resulting from enhancements updates and upgrades. Contractor's liability for breach of the Annual Support obligations found in this section shall be governed by Section 19. Progress/Status/Risk/Issue Meetings.

Progress/Status/Risk/Issue meetings shall be scheduled every week throughout the project unless agreed to in advance by all parties to be rescheduled. Attendance by the Contractor and the City is required unless otherwise indicated. These meetings shall include:

- Progress Updates
- Milestones Achieved
- Milestones Missed
- Future Milestones
- Dependencies
- Issues
- Risks
- Project Communications
- Actions Review

- I. Schedule. The due dates of the deliverable(s) or otherwise, as set forth in Paragraph 2. C., shall not be altered or waived by the City without prior written approval, through the Change Management process, as defined in Paragraph 15.

J. Intrusion Prevention and Data Protection

- a. The Contractor shall provide adequate security against computer intrusions and data exfiltration as follows:
  - i. Prompt application of security-relevant software upgrades (e.g. patches, service-packs, and hot fixes).
  - ii. Report to the City within 1 hour of discovery of any cyber intrusion event against an installation of the Contractor Information System that affects the City's installation of the Contractor information system or the City's information.
    1. Reportable cyber intrusion events or include the following:

- 
- a. A cyber intrusion event appearing to be an advanced persistent threat.
      - b. A cyber intrusion event involving data exfiltration or manipulation or other loss of any information resident on or transiting the Contractors, information systems.
      - c. Intrusion activities not included in section 1.b.i.1. or
    2. Other reporting requirements. This reporting in no way abrogates the Contractor's responsibility for additional safeguarding and cyber intrusion reporting requirements pertaining to its information systems under other clauses that may apply to this contract, or as a result of other statutes, regulations, and policies requirements that may apply.
    3. Contents of the incident report. The incident report shall include, at a minimum, the following information:
      - a. Applicable dates (date of compromise and/or date of discovery).
      - b. Threat methodology (all known resources used such as Internet Protocol (IP) addresses, domain names, software tools, etc.).
      - c. An account of what actions the adversary may have taken on the victim system/network, and what information may have been accessed.
      - d. A description of the roles and function of the threat-accessed systems.
      - e. Potential impact on City programs or information and an initial list of impacted City programs or information.
      - f. Contractor actions to support forensic analysis and damage assessment.
  3. **Compensation.**
    - A. **Compensation Schedule.** The City shall pay to the Contractor based upon fixed prices for each Deliverable, per the schedule outlined in Paragraph 2.C.
    - B. **Payment.** The City shall pay to the Contractor for services satisfactorily performed based upon deliverables, milestones, and budget, with such compensation not to exceed \$2,581,250 excluding travel expenses and Annual Support. This amount is a maximum and not a guarantee that the work assigned to Contractor to be performed under this Agreement shall equal the amount stated herein. The parties do not intend for the Contractor to continue to provide services without compensation when the total compensation amount is reached. Contractor is responsible for notifying the City when the services provided under this Agreement reach the total compensation amount. In no event will the Contractor be paid for services provided in excess of the total compensation amount without this Agreement being amended in writing prior to those services in excess

of the total compensation amount being provided. Annual Support Subscription payments are outlined in paragraph 2.C.

Payment shall be made upon Acceptance of each Deliverable and upon the receipt and acceptance of a detailed, certified Payment Invoice. Payment will be made to the Contractor's designated mailing address. Payment shall be tendered to the Contractor within thirty (30) days of the date of written Certification of Acceptance. If payment is made by mail, the payment shall be deemed tendered on the date it is postmarked. The City shall not incur late charges, interest, or penalties for failure to make payment within the time specified herein. All Payment Invoices MUST BE received by the City no later than fifteen (15) days after the termination of this Agreement. Payment Invoices received after such date WILL NOT BE PAID.

- C. Costs Adjustment. If, during the term of this Agreement, the Contractor provides any equipment, operating software, licensed software, maintenance, training or documentation in relation to the application software licensed in this Agreement and for the exact same scope to any other of its customers at prices less than those specified in this Agreement or the Proposal, the City shall receive the benefit of those lower prices for any equipment, operating software, licensed software, maintenance, training or documentation received subsequently, and the costs for services and equipment specified in the Proposal or this Agreement shall be reduced accordingly.

Consumer Price Index (CPI). Agreement prices for hardware, software, and/or service will remain firm through end of the Agreement Term pursuant to Paragraph 6.

Contractor must request price adjustments, in writing, 30 days prior to the renewal or termination date of the Agreement. If Contractor fails to request a price adjustment, no price adjustment request will be permitted until 30 calendar days prior to the next or following renewal or termination date of the Agreement. No retroactive contract price adjustments will be allowed.

The Contractor shall provide the City CIO clear and convincing evidence, satisfactory to the City, that all of the following conditions exist:

- 1) The increase is the result of increased costs outside the Contractor's control and not cost under the Contractor's control, and that;
- 2) The increase will not produce a higher profit margin for the Contractor than that on the original contract.

Price adjustments will be made in accordance with the percentage change in the U.S. Department of Labor Consumer Price Index (CPI-U) for All Urban Consumers, All Items, and Wichita Area.

The price adjustment rate will be determined by comparing the percentage difference between the CPI in effect for the base year six month average (January through June OR July through December 2015 and each (January through June OR July through December 2020 six month average) thereafter. The percentage difference between those two CPI issues will be the price adjustment rate.

**4. Acceptance.**

- A. **Submission.** Upon completion of agreed upon Deliverables as set forth in Paragraph 2.C., Contractor shall submit a Payment Invoice with the Deliverable, or description of the Deliverable, to the City Project Manager. Each Payment Invoice shall be for the fixed Deliverable price as set forth in Paragraph 2.C..
- B. **Acceptance.** The City CIO in conjunction with the City Project Manager shall determine if the Deliverable provided meets specifications. No payment shall be made for any Deliverable until the individual Deliverable that is the subject of the Payment Invoice has been accepted, in writing, by the City CIO. In order to accept the Deliverable, the City CIO, in conjunction with the City Project Manager, will assess the Deliverable and determine, at a minimum, that the Deliverable:
- 1) Complies with the Scope of Work as set forth in Paragraph 2;
  - 2) Complies with the terms and conditions of the City's solicitation;
  - 3) Complies with the Deliverable requirements as set forth in Paragraph 2.C.;
  - 4) Meets or exceeds the generally accepted industry standards and procedures for the Deliverable(s); and
  - 5) Complies with all the requirements of this Agreement.

If the Deliverable is deemed Acceptable by the City CIO, in conjunction with the City Project Manager, the City CIO will notify the Contractor of Acceptance, in writing, within fifteen (15) business days from the date the City Project Manager receives the Deliverable(s) and accompanying Payment Invoice.

- C. **Rejection.** Unless the City CIO gives notice of rejection within the fifteen (15) business day Acceptance period, the Deliverable will be deemed to have been accepted. If the Deliverable is deemed unacceptable, fifteen (15) days from the date the City Project Manager receives the Deliverable(s) and accompanying Payment Invoice, the City Project Manager will send a consolidated set of comments indicating issues, unacceptable items, and/or requested revisions accompanying the rejection. Upon rejection and receipt of comments, the Contractor will have fifteen (15) business days to resubmit the Deliverable to the City Project Manager with all appropriate corrections or modifications made and/or addressed. The City CIO, in conjunction with the City Project Manager, will again determine whether the Deliverable(s) is Acceptable under and provide a written determination within fifteen (15) business days of receipt of the revised or amended Deliverable. If the Deliverable is once again deemed unacceptable and thus rejected, the Contractor will be required to provide a remediation plan that shall include a timeline for corrective action acceptable to the City CIO. The Contractor shall also be subject to all damages and remedies attributable to the late delivery of the Deliverable under the terms of this Agreement and available at law or equity. In the event that the Contractor is unable to comply the terms of the remediation plan, as it may be altered by CIO approval, the Contractor shall be deemed as in breach of this Agreement. The City may seek any and all damages and remedies available under the terms of this Agreement and available at law or equity. Additionally, the City may terminate this Agreement.

**5. Terms.**

THIS AGREEMENT SHALL NEITHER BE EFFECTIVE NOR BINDING UNTIL APPROVED BY ALL PARTIES. This Agreement shall terminate five (5) years from the last signature date below unless terminated pursuant to Paragraph 7. This Agreement will automatically renew for additional one (1) year terms thereafter unless either Party provides the other Party with at least ninety (90) days written notice that such Party is not renewing this Agreement.

**6. Termination.**

This Agreement may be terminated as follows:

- A. General. By either Party upon written notice to be delivered to the other party not less than sixty (60) calendar days prior to the intended date of termination. Except as otherwise allowed or provided under this Agreement, the City's sole liability upon such termination shall be to pay for acceptable work performed prior to the Contractor's receipt of the notice of termination, if the City is the terminating party, or the Contractor's sending of the notice of termination, if the Contractor is the terminating party; provided, however, that a notice of termination shall not nullify or otherwise affect either party's liability for pre-termination defaults under or breaches of this Agreement. The Contractor shall submit an invoice for such work within thirty (30) days of receiving or sending the notice of termination. Notwithstanding the foregoing, this Agreement may be terminated immediately upon written notice to the Contractor if the Contractor becomes unable to perform the services contracted for, as determined by the City or if, during the term of this Agreement, the Contractor or any of its officers, employees or agents is indicted for fraud, embezzlement or other crimes due to misuse of state funds or due to the Appropriations paragraph herein.
- B. Right to Cure.
  - 1) As to the Contractor, the Notice of Termination shall include a description of the nonconformance or nonperformance by the Contractor. The Notice of Termination may include a period of fifteen (15) calendar days from date of Notice of Termination, for the Contractor to respond to the City to address the nonconformance or nonperformance of the Agreement that includes a Correction Plan and a Schedule for implementation of the Correction Plan. If the proposed Correction Plan and Schedule is acceptable to the City, the City shall notify the Contractor and the Notice of Termination shall be on hold pending satisfactory completion of the correction plan. If the Correction Plan and schedule are not met, the City shall re-issue the Notice of Termination.
  - 2) As to the City, the Notice of Termination shall include a description of the nonconformance or nonperformance by the City. The Notice of Termination may include a period of fifteen (15) calendar days from date of Notice of Termination, for the City to respond to the Contractor to address the nonconformance or nonperformance of the Agreement that includes a Correction Plan and a Schedule for implementation of the Correction Plan. If the proposed Correction Plan and Schedule is acceptable to the Contractor, the Contractor shall notify the City and the Notice of Termination shall be on hold pending satisfactory completion of the correction plan. If the Correction Plan and schedule are not met, the Contractor shall re-issue the Notice of Termination.

- C. **Appropriations.** By the City, if required by changes in city, state or federal law, or because of court order, or because of insufficient appropriations for the performance of this Agreement, the City's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. If the City terminates this Agreement pursuant to this subsection, the City shall provide the Contractor written notice of such termination at least ninety (90) calendar days prior to the effective date of the termination.
- D. **Obligations and Waiver.** By termination pursuant to this Paragraph, neither party may nullify obligations already incurred for performance or failure to perform prior to the date of termination. THIS PARAGRAPH IS NOT EXCLUSIVE AND DOES NOT CONSTITUTE A WAIVER OF ANY OTHER LEGAL RIGHTS AND REMEDIES AFFORDED THE CITY CAUSED BY THE CONTRACTOR'S DEFAULT OR BREACH OF THIS AGREEMENT.

## **7. Termination Management.**

- A. **Contractor.** In the event this Agreement is terminated for any reason, or upon expiration, and in addition to all other rights to property set forth in this Agreement, the Contractor shall:
- 1) Transfer, deliver, and/or make readily available to the City property in which the City has a financial interest and any and all data, Know How, Intellectual Property, inventions or property of the City.
  - 2) Incur no further financial obligations for materials, services, or facilities under the Agreement without prior written approval of the City;
  - 3) Terminate all purchase orders or procurements and any subcontractors and cease all work, except as the City may direct, for orderly completion and transition;
  - 4) Take such action as the City may reasonably direct, for the protection and preservation of all property and all records related to and required by this Agreement;
  - 5) Agree that the City is not liable for any costs arising out of termination and that the City is liable only for the costs of Deliverables Accepted prior to the termination of the Agreement;
  - 6) Cooperate fully in the closeout or transition of any activities to permit continuity in the administration of City programs;
  - 7) In the event that this Agreement is terminated due to the Contractor's course of performance, negligence or willful misconduct and that course of performance, negligence, or willful misconduct results in reductions in the City's receipt of program funds, it is expected that the City will first attempt to mitigate any potential loss prior to the Contractor remitting to the City the full amount of the reduction. This is the City's sole remedy under this subsection and in no event is Contractor liable to pay an amount in excess of \$50,000.00 (FIFTY THOUSAND DOLLARS) in the aggregate over the lifetime of this Agreement regardless of the claim or form of reduction including for claims based on loss of revenue, loss of receipts, loss of income, and/or a loss of profits for any such liability that arises prior to the Go Live date; thereafter, the City's sole remedy under this subsection and in no event is Contractor liable to pay an amount in excess of ten percent (10%) of the amount of support fees paid under this Agreement in the

applicable term during which the basis for the claim arose regardless of the claim or form of reduction including for claims based on loss of revenue, loss of receipts, loss of income, and/or a loss of profits for any such liability that arises during such term.

- 8) Should this Agreement terminate due to the Contractor's default, the Contractor shall be paid for the work completed and accepted to the date of the termination. Any remaining contract funds shall be used to procure a new contractor/subcontractor to complete the work. If the new contract's software license fees exceed the funds remaining on the terminated contract, the Contractor agrees to reimburse the City for the difference between the balance remaining on the terminated contract and the new license fees but in no event shall Contractor be obligated to pay an amount that exceeds the aggregate of 200% of the fees paid under this Agreement as stipulated in section 19 of this Agreement.
  - 9) In the event this Agreement is terminated for any reason or prior to term expiration, the Contractor shall, within five (5) business days of receiving or sending the notice of termination or sixty (60) business days prior to the term expiration date, provide to the City CIO at no additional cost a system/software transition plan that includes a transition schedule, transition tasks and activities, resource requirements, acceptance criteria, management controls, risks and contingencies, transition team information, and a transition impact statement (to include, but not limited to, performance requirements, system availability, security requirements, expected response times, system backups, expected transaction rates, initial storage requirements with expected growth rate, as well as help desk support requirements). Upon acceptance of the system/software transition plan by the City CIO the Contractor shall, within ninety (90) business days and at no additional cost, transfer all data files and directories, computer software, documentation, Know How, Intellectual Property and other materials, whether provided by the City or created by the Contractor under this Agreement, to the City, including but not limited to, the City's data libraries and related passive/active data dictionaries, data description specifications, all current user, administrator, and operational documentation, and functional technical descriptions of each program and data flow diagrams.
- B. City. In the event this Agreement is terminated for any reason, or upon expiration, and in addition to all other rights to property set forth in this Agreement, the City shall:
- 1) Retain ownership of all work products and documentation created pursuant to this Agreement; and
  - 2) Pay the Contractor all amounts due for services Accepted prior to the effective date of such termination or expiration.
8. **Indemnification.**
- Subject to the limitation of liability clause in Section 19, Contractor shall save and hold the City harmless against all suits, claims, damages and losses for injuries to persons or property or for liability arising from or caused by errors, omissions, negligent or intentional acts of the Contractor, its officers, agents, servants, or employees, occurring in the performance of its services under this Agreement.

**9. Intellectual Property.**

Contractor hereby acknowledges and grants to the City a non-exclusive, royalty free license to reproduce, publish, use, copy and modify the Intellectual Property and Know How created or conceived pursuant to, or as a result of, performance of this Agreement.

**10. Intellectual Property Indemnification.**

A. Intellectual Property Indemnification. The Contractor shall defend, at its own expense, the City, and/or any other body against any claim that any product or service provided under this Agreement infringes any patent, copyright or trademark, and shall pay all costs, damages and attorney's fees that may be awarded as a result of such claim. In addition, if any third party obtains a judgment against the City based upon Contractor's trade secret infringement relating to any product or services provided under this Agreement, the Contractor agrees to reimburse the City for all costs, attorneys' fees and the amount of the judgment. To qualify for such defense and/or payment, the City shall:

- 1) Give the Contractor written notice, within forty-eight (48) hours, of its notification of any claim;
- 2) Allow the Contractor to control the defense and settlement of the claim; and
- 3) Cooperate with the Contractor, in a reasonable manner, to facilitate the defense or settlement of the claim.

B. City Rights. If any product or service becomes, or in the Contractor's opinion is likely to become, the subject of a claim of infringement, the Contractor shall, at its sole expense:

- 1) Provide the City the right to continue using the product or service and fully indemnify the City against all claims that may arise out of the City's use of the product or service;
- 2) Replace or modify the product or service so that it becomes non-infringing; or
- 3) Accept the return of the product or service and refund an amount equal to the value of the returned product or service, less the unpaid portion of the purchase price and any other amounts, which are due to the Contractor. The Contractor's obligation will be void as to any product or service modified by the City to the extent such modification is the cause of the claim.

**11. Warranties.**

A. General. The Contractor hereby expressly warrants the Deliverables as being correct and compliant with the terms of this Agreement, Contractor's official published specification and technical specifications of this Agreement and all generally accepted industry standards. This warranty encompasses correction of defective Deliverables and revision of the same, as necessary, including deficiencies found during the implementation, or post-implementation phase.

B. Software. The Contractor warrants that any software or other products, including the licensed application, delivered under this Agreement shall comply with the terms of this Agreement, Contractor's official published specification(s) and technical specifications of this Agreement and all generally accepted industry standards. The Contractor further warrants that the software or other products, including the licensed application, provided under this Agreement will meet the applicable specifications for two (2) years after

Acceptance by the City CIO and implementation by the City. If the software or other products, including the licensed application, fails to meet the applicable specifications during the warranty period, the Contractor will correct the deficiencies, at no additional cost to the City, so that the software or other products, including the licensed application, meets the applicable specifications.

**12. Contractor Personnel.**

A. **Key Personnel.** Contractor's key personnel shall not be diverted from this Agreement without the prior written approval of the City. Key personnel are those individuals considered by the City to be mandatory to the work to be performed under this Agreement. Key Contractor personnel shall be:

- Jeff Bissonnette, Project Manager

B. **Personnel Changes.** Replacement of any personnel shall be made with personnel of equal ability, experience, and qualification and shall be approved by the City. For all personnel, the City reserves the right to require submission of their resumes prior to approval. If the number of Contractor's personnel assigned to the Project is reduced for any reason, Contractor shall, within ten (10) calendar days of the reduction, replace with the same or greater number of personnel with equal ability, experience, and qualifications, subject to City approval. The City, in its sole discretion, may approve additional time beyond the ten (10) calendar days for replacement of personnel. The Contractor shall include status reports of its efforts and progress in finding replacements and the effect of the absence of the personnel on the progress of the project. The Contractor shall also make interim arrangements to assure that the project progress is not affected by the loss of personnel. The City reserves the right to require a change in Contractor's personnel if the assigned personnel are not, in the sole opinion of the City, meeting the City's expectations.

**13. Status of Contractor.**

A. **Independent Contractor.** The Contractor and its agents and employees are independent contractors performing services for the City and are not employees of the City. The Contractor and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of state vehicles, or any other benefits afforded to employees of the City as a result of this Agreement. The Contractor acknowledges that all sums received hereunder are personally reportable by it for income tax purposes as self-employment or business income and are reportable for self-employment tax. The Contractor agrees not to purport to bind the City unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

**14. Subject of Proceedings.** Contractor warrants that neither the Contractor nor any officer, stockholder, director or employee of the Contractor, is presently subject to any litigation or administrative proceeding before any court or administrative body which would have an adverse effect on the Contractor's ability to perform under this Agreement; nor, to the best knowledge of the Contractor, is any such litigation or proceeding presently threatened against it or any of its officers, stockholders, directors or employees. If any such proceeding is initiated or threatened during the term of this Agreement, the Contractor shall immediately disclose such fact to the City.

**15. Change Management.**

- A. **Changes.** The Contractor and/or the City may request changes or revisions to the Scope of Work or Project Tasks as defined in Paragraph 2 in accordance with the "Change Request Process", Paragraph 15. B. described herein.
- B. **Change Request Process.** In the event that circumstances warrant a change to accomplish the Scope of Work or Project Tasks as defined in Paragraph 2, a Change Request shall be submitted that includes the following:

The name of the person requesting the change, a summary of the required change, the start date for the change, the reason and necessity for change, the urgency level for the change, the elements to be altered, the impact of the change, the staffing plan associated with the change, the impact on the schedule for implementing the change, the cost impact, the risk assessment and a recommended approach to the change, as defined in Schedule B.

- C. **Change Request Approval.**

- 1) **City.** The City shall provide a written decision on the Change Request to the Contractor within a maximum of ten (10) business days of receipt of the Change Request.
- 2) **Contractor.** The Contractor shall provide a written decision on the Change Request to the City within a maximum of ten (10) business days of receipt of the Change Request.

The City CIO, upon a Change Request approval, shall formally amend the original Agreement. The Change Request shall then be bound by the Terms and Conditions of the original Agreement.

**15. Professional Services Certification.**

Contractor certifies that at the time of the issuance of this Agreement, the Contractor does not serve as an expert witness for any litigation against the City, and that it will not serve as an expert witness for any litigation against the City during the term of this Agreement.

**16. Default/Breach.**

In case of default and/or breach by the Contractor, the City may procure the goods or services from another source and the Contractor shall be responsible for providing to and assisting the new contractor in transitioning any data in a form acceptable to both parties, leaving any hardware in a manner acceptable to the new contractor and providing any other information to the new contractor to assist in these transition activities. Subsection 8 (A) (6) shall otherwise continue to apply to this Section 17.

**17. Equitable Remedies.**

Contractor acknowledges that its failure to comply with any provision of this Agreement related to Confidential Information will cause the City irrevocable harm and that a remedy at law for such a failure would be an inadequate remedy for the City, and the Contractor consents to the City's obtaining from a court of competent jurisdiction, specific performance, or injunction, or any other equitable relief in order to enforce such compliance. City's rights to obtain equitable relief pursuant to this Agreement shall be in addition to, and not in lieu of, any other remedy that City may have under applicable law, including, but not limited to, monetary damages.

**18. Liability.**

The parties agree that each party's liabilities pursuant to or relating to this Agreement will be limited as set forth below and that these provisions will survive notwithstanding the termination or other discharge of the obligations of the parties under this Agreement.

a) EXCEPT FOR DAMAGES ARISING OUT OF (i) CONTRACTOR'S BREACH OF ITS CONFIDENTIALITY OBLIGATIONS, (ii) CONTRACTOR'S INTENTIONAL MISREPRESENTATION, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, OR (iii) CONTRACTOR'S INDEMNIFICATION OBLIGATIONS SET FORTH IN SECTION 11, BOTH PARTIES AGREE THAT CONTRACTOR'S LIABILITY, IF ANY, FOR ANY DAMAGES RELATING TO OR ARISING UNDER THIS AGREEMENT SHALL NOT EXCEED IN THE AGGREGATE 200% OF THE LICENSE FEES PAID AND PROFESSIONAL SERVICE FEES PAID UNDER THIS AGREEMENT FOR ANY LIABILITY ARISING UP TO THE GO LIVE DATE; THEREAFTER, CONTRACTOR'S LIABILITY SHALL NOT EXCEED, IN THE AGGREGATE, TWO TIMES THE AMOUNT OF SUPPORT FEES ACTUALLY PAID BY THE CITY TO CONTRACTOR IN RELATION TO THE ANNUAL SUPPORT SUPPLIED BY CONTRACTOR UNDER THIS AGREEMENT DURING THE THEN-CURRENT TERM OF ANNUAL SUPPORT (AND IN NO EVENT BEING GREATER THAN 12 MONTHS).

b) IN ADDITION TO THE FOREGOING, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT, OR SPECIAL DAMAGES AND CONTRACTOR'S ONLY LIABILITY FOR LOSS OF REVENUE, LOSS OF PROFITS, AND ANY OTHER SIMILAR REMEDY IS STIPULATED IN SUBSECTION 8 A) 7) OF THIS AGREEMENT. THESE LIMITATIONS SHALL APPLY EVEN IF SUCH OTHER PARTY HAS BEEN ADVISED OF THE LIKELIHOOD OF THE OCCURRENCE OF SUCH DAMAGES AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OR ANY LIMITED REMEDY.

c) CLAUSES (a) AND (b) SHALL APPLY IN RESPECT OF ANY CLAIM, DEMAND OR ACTION BY A PARTY IRRESPECTIVE OF THE NATURE OF THE CAUSE OF ACTION UNDERLYING SUCH CLAIM, DEMAND OR ACTION, INCLUDING, BUT NOT LIMITED TO, BREACH OF CONTRACT, RESCISSION OF CONTRACT, NEGLIGENCE, TORT OR OTHERWISE.

The parties hereby confirm that the terms of this Section 19 only shall extend to such party's affiliates and to all of their respective shareholders, directors, officers, employees and elected officials. Where remedies are expressly afforded by this Agreement, such remedies are intended by the parties to be the sole and exclusive remedies of the City for liabilities of Contractor arising out of or in connection with this Agreement, except for equitable remedy provided in Section 18.

**19. Assignment.**

The Contractor shall not assign or transfer any interest in this Agreement or assign any claims for money due or to become due under this Agreement without the prior written approval of the City, except that the Contractor shall be permitted to assign its rights and obligations under this Agreement when such assignment is by way of merger or acquisition in connection with a corporate reorganization or a sale of substantially all of the assets of the Contractor and where the resulting entity is bound by the terms of this Agreement.

**20. Subcontracting.**

The Contractor shall not subcontract any portion of this Agreement without the prior written approval of the City. No such subcontracting shall relieve the Contractor from its obligations and liabilities under this Agreement, nor shall any subcontracting obligate payment from the City.

**21. Release.**

The Contractor's acceptance of final payment of the amount due under this Agreement shall operate as a release of the City, its officers, employees and agents from all liabilities, claims and obligations whatsoever arising from or under this Agreement.

**22. Confidentiality.**

Any confidential information provided to the contractor by the City or, developed by the Contractor based on information provided by the City in the performance of this Agreement shall be kept confidential and shall not be made available to any individual or organization by the Contractor without the prior written approval of the City. Upon termination of this Agreement, Contractor shall deliver all confidential material in its possession to the City within thirty (30) calendar days of such termination. Contractor acknowledges that failure to deliver such confidential information to the City will result in direct damages.

**23. Conflict of Interest.**

The Contractor warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required under the Agreement.

**24. Records and Audit.**

The Contractor shall maintain detailed time and expenditure records that indicate the date; time, nature and cost of services rendered during the Agreement's term and effect and retain them for a period of three (3) years from the date of final payment under this Agreement. The records shall be subject to inspection by the City or designated representative. The City shall have the right to audit billings both before and after payment. Payment under this Agreement shall not foreclose the right of the City to recover excessive or illegal payments.

**25. Amendment.**

This Agreement shall not be altered, changed, or amended except by an instrument in writing executed by the Parties hereto. No amendment shall be effective or binding unless approved by all of the approval authorities.

**26. Merger, Scope, Order of Precedence.**

- A. Severable. The provisions of this Agreement are severable, and if for any reason, a clause, sentence or paragraph of this Agreement is determined to be invalid by a court or City or commission having jurisdiction over the subject matter hereof, such invalidity shall not affect other provisions of this Agreement, which can be given effect without the invalid provision.
- B. Merger/Scope/Order. This Agreement incorporates any and all agreements, covenants and understandings between the Parties concerning the subject matter hereof, and all such

agreements, covenants and understanding have been merged into this Agreement. No prior agreement or understanding, verbal or otherwise, of the Parties or their agents or assignees shall be valid or enforceable unless embodied in this Agreement.

**27. Non-Discrimination.**

The Contractor shall comply with all applicable requirements of the City of Wichita Revised Non-Discrimination and Equal Employment /Affirmative Action Program Requirements Statement for Contracts or Agreements incorporated herein by reference.

**28. Workers Compensation.**

The Contractor agrees to comply with all federal, state, and city laws and rules applicable to workers compensation benefits for its employees. If the Contractor fails to comply with the *Workers Compensation Act and applicable rules when required to do so*, this Agreement may be terminated by the City.

**29. Applicable Law and Venue.**

This contract shall be subject to, governed by, and construed according to the laws of the City and the State of Kansas, and jurisdiction and venue of any suit in connection with this contract shall reside only in courts located in Sedgwick County, Kansas.

**30. Waiver.**

A party's failure to require strict performance of any provision of this Agreement shall not waive or diminish that party's right thereafter to demand strict compliance with that or any other provision. No waiver by a party of any of its rights under this Agreement shall be effective unless expressed and in writing, and no effective waiver by a party of any of its rights shall be effective to waive any other rights.

**31. Headings.**

Any and all headings herein are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of this Agreement. Numbered or lettered provisions, sections and subsections contained herein, refer only to provisions, sections and subsections of this Agreement unless otherwise expressly stated.

**32. Survival.**

The Articles entitled Intellectual Property, Intellectual Property Ownership, Confidentiality, and Warranties shall survive the expiration or termination of this Agreement. Software License and Software Escrow agreements and other unexpired agreements entered into in conjunction with this Agreement shall survive the expiration or termination of this Agreement.

**33. Calculation of Time.**

Any time period herein calculated by reference to "days" means calendar days, unless specifically stated otherwise; provided, however, that if the last day for a given act falls on a Saturday, Sunday, or a holiday as observed by the City, the day for such act shall be the first day following that is not a Saturday, Sunday, or such observed holiday.

**34. Force Majeure.**

Neither party shall be liable in damages or have any right to terminate this Agreement for any delay or default in performing hereunder if such delay or default is caused by conditions beyond

its control including, but not limited to Acts of God, Government restrictions (including the denial or cancellation of any export or other necessary license), wars, insurrections and/or any other cause beyond the reasonable control of the party whose performance is affected.

**35. Notices.**

All deliveries, notices, requests, demands or other communications provided for or required by this Agreement shall be in writing and shall be deemed to have been given when sent by overnight carrier or upon telephone confirmation by Contractor to the sender of receipt of a facsimile communication or e-mail that is followed by a mailed hard copy from the sender. Notices shall be addressed as follows:

To the City:                      City of Wichita  
    455 N Main, FL 9  
    Wichita, KS 67202  
    Attention:     IT Project Manager  
    Telephone:    316-303-8140

To the Contractor:                N. HARRIS COMPUTER CORPORATION  
    1 Antares Drive, Suite 400  
    Ottawa, Ontario K2E 8C4  
    Attention:     CEO  
    Telephone:    613-226-5511, extension 2149

Any change to the Notice individual or the address, shall be effective only in writing.

**36. Authority.**

If Contractor is other than a natural person, the individual(s) signing this Agreement on behalf of Contractor represents that he or she has the power and authority to bind Contractor, and that no further action, resolution, or approval from Contractor is necessary to enter into a binding contract and that the Contractor agrees to be bound by the provisions thereof.

**37. No Arbitration.**

The Contractor and the City shall not be obligated to resolve any claim or dispute related to the contract by arbitration. Any reference to arbitration in prior discussions or documents is deemed void.

**IN WITNESS WHEREOF, the parties have executed this Agreement as of the date of signature by the required approval authorities below.**

City of Wichita

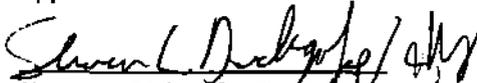
\_\_\_\_\_  
Mayor

Date: \_\_\_\_\_

Attest:

\_\_\_\_\_  
Karen Sublett, City Clerk

Approved as to form:

  
\_\_\_\_\_  
Sharon L. Dickgrafe, City Attorney

N. Harris Computer Corporation

  
\_\_\_\_\_  
Jeff Bender, Chief Executive Officer

Date: March 24, 2015

**Schedule "A"**  
**Description of Software**

<b>Software</b>	<b>License Type</b>	<b>Quantity</b>
CIS Infinity	Concurrent User License	95
Infinity.Link	Site License	1
Infinity.Mobile	Site License	1

## **Required Operating System & Programs for CIS Infinity (V4) and Add-On Products**

### **CIS Infinity Version 4 Requirements**

#### **Application Server Operating System**

- Windows Server 2008 or Higher with Microsoft Internet Information Service (IIS 7.5)

#### **Optional Software**

- On Application Server, or workstation accessible to Advanced Support staff with access to application server and database server
- For Advanced Support use: Any modern office suite that supports Open Document Format file (ODF), such as Microsoft Office (Word/Excel) 2007 or Higher (2010/2013/365), OpenOffice, Google Docs, etc.
- Microsoft Access or another SQL data access tool.

#### **Database Server**

- Windows Server 2008/2012 running Microsoft SQL Server 2008 R2 or Higher (2012, 2014) or;
- Windows Server 2008/2012 or Higher running Oracle 9 or Higher or;
- Unix/Linux/AIX (any version) running Oracle 9 or Higher

**Network**

- Widely accepted network infrastructure utilizing TCP/IP as its primary communication protocol.

**Workstation Operating System**

- Windows 7 or Higher (Windows 7, Windows 8/8.1)

**Required Workstation Software**

- NET 4.51 Framework Installed
- PowerShell 3.0 or Higher (separate install not required for Windows 7/8/8.1)

**Optional Workstation Software**

- Any modern office suite that supports Open Document Format file (ODF), such as Microsoft Office (Word/Excel) 2007 or Higher (2010/2013/365), OpenOffice, Google Docs, etc.
- A comprehensive list of all optional workstation software cannot be provided; it is possible other workstation software may be required for specific client interfaces.

**Note:** All software must be running the latest recommended patches from the respective provider of such software.

**User Permissions**

Each user of CIS Infinity will require the following rights on the CIS Infinity folder on the network (for example:

\\cisappserver\CISInfinity - for Production  
\\Cisappserver\CISTest - for Test

- Read
- Write
- Modify

Each user will require the following rights to the defined local CIS folder of the local workstation they are working from:

- Read

- Write
- Modify

## **Infinity.Link Requirements**

### **Application Server Operating System**

- Windows Server 2008 or Higher with Microsoft Internet Information Service (IIS 7.5)
- .NET 4.x Framework Installed

### **Network**

- Widely accepted network infrastructure utilizing the TCP/IP as its primary communication protocol.

### **Supported browsers**

- Latest versions of common browsers (Microsoft Internet Explorer, Mozilla Firefox, Google Chrome, Apple Safari)
- Any of the above browsers that are available on popular smartphones and tablets

**Note:** All software must be running the latest recommended patches from the respective provider of such software.

Internet payment processing and payment clearing is provided, at no extra license fee, for Infinity.Link and applicable CIS Infinity functionality via the Harris Payment Gateway.

## **Infinity.Mobile Requirements**

### **Application Server Operating System**

- Windows Server 2008 or Higher with Microsoft Internet Information Service (IIS 7.5)
- .NET 4.x Framework Installed

**Network**

- Widely accepted network infrastructure utilizing the TCP/IP as its primary communication protocol.

**Supported browsers**

- Latest versions of common browsers (Microsoft Internet Explorer, Mozilla Firefox, Apple Safari)
- Any of the above browsers that are available on tablets

**Schedule "B"**  
**Sample Form Change Order**

**Change Order**



<b>Client:</b>	_____	<b>Date</b>	_____
<b>Client</b>	_____		
<b>Contact</b>	_____	<b>Software</b>	_____
<b>Client Email</b>	_____	<b>Application</b>	_____



**Attachments:**



000		\$0.00
<b>Chargeable Hours</b>	<b>Rate</b>	<b>Amount</b>
000	000	
<b>Non-Chargeable Hours</b>	<b>Total Hours</b>	

**Client Signature** \_\_\_\_\_ **Date** \_\_\_\_\_

Your signature serves as an acceptance of the "Amount" listed above as it relates to the description of work contained in this Change Order. Your signature also indicates you have reviewed and agree to the scope of work as detailed in any accompanying enclosures or attachments. This signed document indicates that you have provided all of the accurate information necessary to produce the work as stated in the above Change Order.

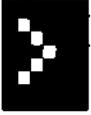


**Customer #** \_\_\_\_\_ **Application #** \_\_\_\_\_ **Originated by #** \_\_\_\_\_ **PO#** 0000000

**Schedule "C"**  
**Scope of Work**



Advanced Master  
Scope of Work 0312



**City of Wichita**  
**Scope of Work**

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**For the Implementation of**  
**CIS Infinity**

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# Introduction

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The project is defined as the provision of a complete Customer Information and Utility Billing System ("CIS System") inclusive of software and implementation services. The CIS System to be implemented by Harris' Advanced Utility Systems ("Advanced"), for City of Wichita's ("City") customer information system (CIS) replacement is CIS Infinity, Advanced's comprehensive customer information and utility billing software along with Infinity.Link and Infinity.Mobile.

This document sets forth the general Scope of Work (SOW) required from Advanced, as well as defines the principal activities and responsibilities of both Advanced and City for the installation and implementation of a new CIS System. This document contains the following Appendices:

- Appendix A – Draft Project Schedule
- Appendix B – Table of Responsibilities
- Appendix C - Advanced - Copy of Appendix B Functional Technical Requirements Criteria Matrix

The project as outlined in this SOW encompasses all aspects of the CIS System implementation services, including but not limited to project management, data conversion, software control file configuration, design, development and testing support of interfaces, modifications and reports, and training.

## Background

The CIS System will replace the current legacy Banner CIS in use by City which runs on windows platform. The CIS System will be installed and configured to meet the customer information and billing needs identified by City and will be consistent with existing and planned utility customer service business processes and technology. The CIS System data will be stored in a Microsoft SQL Server database.

The CIS System shall provide City with CIS capabilities for the various utilities services provided by City which include water, sewer, storm, backflow.

## Objectives

City will replace its existing system with the CIS System as defined in RFP 440018, with no modification (customizations) within budget and on-time. The solution will be functionally rich and meet the functional requirements listed in Appendix C and Discovery Analysis.

City's objectives are to:

Ensure details outlined in RFP-440018 are met within the agreed upon deadline and budget. The City must focus on providing its customers with exceptional levels of customer service. The new system shall promote exceptional levels of service to both internal users and external customers, as well as provide with the technical foundation to ensure long-term effectiveness and efficiency. Financial accountability and systems integration is required.

# Points of Contact

City of Wichita		Advanced	
<b>Level 1</b>	<b>Melisa Roesle</b> <b>IT Project Manager</b> City Manager's Office City of Wichita 455 N. Main Street, 9 <sup>th</sup> Floor Wichita, KS 67202 Work: 316.303.8140 Cell: 303.881.1468 Email: <a href="mailto:mroesle@wichita.gov">mroesle@wichita.gov</a>	<b>Level 1</b>	<b>Jeff Bissonnette</b> <b>Project Manager</b> Tel (416) 496-0149 x389 <a href="mailto:JBissonnette@advancedutility.com">JBissonnette@advancedutility.com</a>
<b>Level 2 (Escalation)</b>	<b>Denise Peters</b> <b>Program Coordinator</b> City Manager's Office 455 N. Main Street, 13 <sup>th</sup> Floor Work (316) 268-4694 Cell: (316) 858-7890 Email: <a href="mailto:dpeters@wichita.gov">dpeters@wichita.gov</a>	<b>Level 2 (Escalation)</b>	<b>Sue Martin</b> <b>Director, Project Management</b> Tel (416) 496-0149 x258 <a href="mailto:SMartin@advancedutility.com">SMartin@advancedutility.com</a>
<b>Level 3 (Escalation)</b>	<b>Michael Mayta</b> <b>Chief Information Officer</b> City of Wichita, KS 455 North Main , 9 <sup>th</sup> Floor Wichita, Kansas 67202 Work (316) 268-4318 Email: <a href="mailto:mmayta@wichita.gov">mmayta@wichita.gov</a>	<b>Level 3 (Escalation)</b>	<b>Peter Fanous</b> <b>Executive Vice President</b> Tel (416) 496-0149 x231 <a href="mailto:PFanous@advancedutility.com">PFanous@advancedutility.com</a>

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## **Project Scope**

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Advanced will take responsibility for providing implementation and services for the CIS System, ensuring the fulfillment of all the technical and functional requirements as listed in the Advanced response to City's RFR 440018, Appendix C, of this document. Advanced will partner with the City's Project Manager for success. Advanced is the Lead Project Manager and responsible for coordination of all Advanced Resources in conjunction with the City's Project Manager who will coordinate the City's Resources and any applicable 3<sup>rd</sup> parties. The Advanced Project Manager will ensure collaboration with the City's Project Manager to set expectations and mutually agree when deliverables have been deemed completed. Advanced will provide the following implementation services.

- Project Initiation and Management
- Installation of CIS Infinity
- Installation of Infinity.Mobile and Infinity.Link
- Discovery Analysis to include Business Process Reengineering
- Configuration and Conversion
- Core Team Training
- Custom Reports Development and Delivery
- Standard Reports
- Interface and Modification Specification, Development and Delivery (exclusive of the non-CIS Infinity side of the interface)
- System Testing and User Acceptance Testing
- End User Training
- Transition to Live
- Post Go Live Support

# Definitions

Name	Definition
Baseline Accounts	A cross selection of accounts types and services that are used for testing purposes the CIS System
CIS	Customer information and billing system.
CIS Infinity	The Advanced customer information and billing system.
CIS System	All Advanced licensed software (CIS Infinity, Infinity.Link, Infinity.Mobile,) and implementation services.
Configuration	Changes to the software without source code or structural data model changes occurring.
Core Team Training	Instructor led training delivered by Advanced to the identified Project Team members of City on the CIS System encompassing all modules that will be utilized by them.
End User Training	Instructor led training of the CIS System delivered by Advanced in coordination with the City Core Team to City employee base utilizing specific areas of the system.
Lead/Support	The party responsible for the deliverable. Support is the party contributing to the creation of the deliverable.
Modification	A change to the code base or a structural data model change.
Banner	City's current customer information and billing system to be replaced by CIS Infinity.
Advanced Project Manager (APM)	Advanced is the Lead Project Manager and responsible for coordination of all Advanced Resources in conjunction with the City's Project Manager who will coordinate the City's Resources and any applicable 3 <sup>rd</sup> parties.
City Project Manager (CPM)	Advanced is the Lead Project Manager and responsible for coordination of all Advanced Resources in conjunction with the City's Project Manager who will coordinate the City's Resources and any applicable 3 <sup>rd</sup> parties.
Go-Live	Go-Live means the event occurring when the City first uses the licensed application as the City's predominant CIS or following the Acceptance of the final Deliverable, whichever occurs first. The Go Live date may be amended or modified by mutual specific written agreement by the Contractor and the City as specified in the Change Control Process.
Rollback	A rollback is exercised as a contingency plan should we have a catastrophic failure, e.g. the undoing of partly completed database changes when a database transaction is determined to have failed.
Change Management Plan	Recognized as changes to the organization or culture and is distinguished from the change control process.
Change Control Process	RFP-440018 refers to this as Change Management and covers discoveries, modifications and any increase to costs.

# Roles and Responsibilities

The roles and responsibilities are summarized below and further detailed by task and subtask in *Appendix B – Table of Responsibilities*.

## **Advanced Responsibilities:**

1. Advanced will maintain project communications with City's Project Manager.
2. Advanced will manage the efforts of the Advanced staff and coordinate Advanced activities with the City's Project Manager.
3. Advanced will Conduct regular (e.g. weekly or as required) *telephone status report conversations* with the City's Project Manager.
4. Advanced will participate in weekly reviews with City's implementation team. Participation can be waived by mutual agreement.
5. Advanced will provide timely (1-2 business days) acknowledgements to critical issues raised by City's Project Manager.
6. Advanced will prepare and submit a status report that includes: the accomplishments of the previous month, activities planned for the current month and an update to the Project Schedule in MS Project format, as well as an update to the action item list.
7. Advanced will prepare and submit project change proposals to City's Project Manager as necessary.
8. Advanced will resolve deviations from the Project Schedule.
9. Advanced will monitor the project to ensure that support resources are available as scheduled.
10. Advanced will coordinate and oversee the installation of all licensed Advanced software.
11. Advanced will coordinate and oversee the development efforts of all enhancements and interfaces.
12. Advanced will promote and recommend best practices throughout the process

## **City Responsibilities:**

1. City will provide, install and configure the hardware, operating system and database platform required for the CIS System.
2. City will provide information required to configure the CIS System.
3. City will provide Advanced full and supervised access to the facilities and appropriate personnel that are required to accomplish their tasks.
4. City will establish an Implementation Team that is representative of the operational areas that will be affected by this project.

5. City will designate a Project Manager who will manage the efforts of City Implementation Team and/or staff and coordinate activities with the Advanced's Project Manager.
6. City's Project Manager will maintain project communications with Advanced's Project Manager.
7. City's Project Manager must ensure that City's personnel have the time, resources, and expertise to carry out their respective tasks and responsibilities.
8. City's Project Manager or designee will participate in the scheduled (e.g. weekly or as required) status meetings with the Advanced's Project Manager.
9. City will review current business practices, consider *and/or adopt new* business practices as needed.
10. City will provide timely (1-2 business days) acknowledgements to critical issues raised by the Advanced's Project Manager.
11. City will supply the training room, computers for all users as well as the projector, screen and internet.
12. City will ensure mutually agreed upon Change Orders are approved and process in accordance with the Change Order Procedure.
13. City will ensure Advanced VPN remote access and on-site access to City's CIS System server equipment, including all development and system accounts on all CIS System servers.
14. City will ensure workspace is available at City work site for Advanced's project team.
15. City will ensure access to telephones at the work location for the duration of the project.
16. City Staff will attend scheduled training sessions.
17. City will perform testing as required including data conversion testing, interface integration testing, and system acceptance testing.
18. City has the right to request replacements and/or new resources if performance is not meeting expectations.

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# Task 1 – Project Management

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## General

Project management occurs throughout the project. Advanced shall provide all required project management to complete the installation and implementation of the CIS System. The Advanced Project Manager (PM) will meet with City Project Manager to describe the methodology that Advanced will employ in the delivery of services.

The Project Schedule and SOW are the primary documents defining work scope, resources and schedule. Each Project Schedule task shall include:

- Task name/description
- Relevant task predecessors
- Task duration (measured in days)
- Resources assigned accomplish the task.
- Task location (where the task will be performed on site vs remote)

The Project Schedule shall be reviewed and confirmed with the City's Project Manager.

City Project Manager will approve all deliverables and associated invoices for this SOW as well as provide oversight and guidance to ensure that completion of this SOW meets City's objectives within the designated timeframe and budget.

Acceptance of Project deliverables will be tracked as tasks on the Project Schedule. As deliverables are accepted by City, Advanced will update the Project Schedule to mark deliverable tasks as 100% completed. The Project Schedule will act as an acceptance document checklist for each deliverable developed and/or delivered to City

Project Start-up will involve all members of the Advanced and City's Project Team. Advanced and City will partner together for successful project execution. City will establish an Implementation Team as set forth under "City Responsibilities" to help Advanced better understand business requirements and to learn and assist Advanced in the implementation of the CIS System.

## Subtask 1.1 – Project Planning

Advanced shall approach implementation by organizing the work effort into manageable sub-phases, each with a series of activities and tasks organized by task dependencies and prerequisites. Each task will be designated as a City or Advanced responsibility. Assumptions for completing the work according to the schedule will also be prepared as well as tasks for each sub-phase if applicable. Ongoing review of the project schedule by City and Advanced is required to ensure the successful implementation of the project.

Project Planning will consist of developing project control policies and procedures in accordance with industry standard practices for project administration, execution, and tracking. Advanced will lead the effort to complete the Project Planning with City input and approval. Project Planning will include the following:

### ***Project Schedule***

A preliminary Project Schedule based on this Scope of Work is included in Appendix A. Advanced will present a draft Project Schedule at the Project Kick-off. Following collaborative review by City and

Advanced Project Managers, the Project Schedule will be updated by the Advanced Project Manager for approval by City's Project Manager. This initial Project Schedule will be used as a baseline for control of the project. Advanced will be responsible for updates to the Project Schedule based on changes approved by City. The Project Schedule will be one project control mechanism used to manage, track, and evaluate Advanced's performance. Advanced will work with City's Project Manager to identify all tasks, deliverables, and appropriate milestones where City information/activity is required and where timeline dependencies for subsequent Advanced activities exist within the Project Schedule.

### ***Communication Plan***

Advanced will lead the effort with assistance from City to identify the Advanced and City human resource needs and how they will be used to accomplish tasks and document the methods by which communication will take place during the CIS System implementation. There will be weekly and monthly review meetings, monthly reports, and quarterly sponsor review meetings. The content and format of review meetings, status reports, and presentations to the Executive Sponsor(s) will be outlined. An escalation process and several communication tools within these processes will be updated to ensure a clear understanding of the project standing relative to an on-time, on-budget delivery. The timing of these meetings will be scheduled with City and Advanced PM's during the project kick off meeting.

### ***Change Management Plan***

Advanced will lead the effort with assistance from City to document the approach to effectively prepare City for the changes to the organization resulting from the CIS System implementation. The Change Management Plan will document the internal and external communication approaches to be used by City to keep employees and customers informed of change throughout the project. This plan will also address organizational impacts and readiness preparation for City staff and external vendors.

### ***Test Plan***

Advanced will coordinate a joint effort with City to document the overall testing approach for the three testing phases: Functional, Integration, and User Acceptance testing. A Test Matrix will be used to document the test scripts for the Integration and User Acceptance test phases, logging the responsibility for testing, timing and the test results. For the Functional test phase baseline accounts will be used to compare legacy data to converted data in CIS Infinity.

The approach to issue (defect) identification and resolution will be addressed in the Test Plan, including use of CustomerWise, Advanced's online tool for documenting and tracking issues. Responsibility for assignment of ownership and priority; correcting; tracking and status review; retesting; and confirmation of closure of issues, will be defined.

### ***Training Plan***

Advanced will coordinate a joint effort with City to document how users will be trained on the software taking into consideration the CIS System configuration, enhancements, interfaces, City business processes and other changes as a result of the Discovery Analyses. The Training Plan will include training matrices that outline what users (technical, core team, and end users) will learn in each class and will describe course material.

### ***Risk Management Plan***

Advanced will coordinate a joint effort with City to document project risks. The Risk Management Plan documents processes to identify, control, monitor and communicate risks and/or issues, thereby ensuring timely and effective resolution. The Risk Plan outlines risk/issue ownership, decision-making authority and accountability.

### ***Change Control Process***

Advanced will coordinate a joint effort with City to document a Change Control process to manage project scope. The Change Control process will identify how changes are initiated and their impact on the project will be identified, documented and communicated to City. Appropriate sign-off channels will be developed for Change Order approval.

### ***On Site Project Facilities***

City will provide desk space for the Advanced team members while onsite at City. City will provide access to; printers within the facility, all network drives required for the shared project resources, project servers, all instances of the CIS software and full external internet access, (wireless preferred) for each Advanced team member including unimpeded access to Advanced's VPN. City will make available meeting spaces as required for project meetings. Meeting spaces should be equipped with a white board and markers, flip chart, LCD projector, conference phone and internet connection.

City shall establish a training/testing room that will provide space, computers (with necessary software) and access to the software for the number of users specified in the contract plus one for Advanced. The training room will be equipped with a white board and markers, flip chart, LCD projector, conference phone and internet connections.

Advanced will install CIS Infinity in a production/training and test environment on City supplied hardware and will support both throughout the implementation. Once City is live on CIS Infinity, the production environment will be supported by Advanced. Advanced will provide technical documentation to City on the procedures to create additional domains at the City's discretion.

Advanced employees will provide their own laptops for use when On-Site.

### ***Subtask 1.2 – Status Reports***

Status reporting provides a mechanism for monitoring and controlling the project progress. Advanced will use various methods to communicate regularly with City including status reports and status meetings. Additional project communications will be performed via E-mail and telephone on an as needed basis.

Advanced's Project Manager will attend status meetings with City Project Manager either in person or via telephone conference call to focus on project status/progress, issues which could impact project schedule, technical or operational issues affecting the project and risk assessment. These meetings shall occur on a weekly basis unless otherwise agreed upon.

Advanced will provide a weekly status report documenting work in progress compared to schedule, issues, actions, risks and budget. Advanced will also provide a monthly summary of project progress, including significant risks and issues resolved and significant risks and issues raised.

**Subtask 1.2 – Deliverables**

<b>Subtask 1.2 Deliverables</b>	<ul style="list-style-type: none"><li>• Weekly Status Meeting and Report</li><li>• Monthly Project Progress Summary</li></ul>
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**Subtask 1.3 – Quarterly Sponsor Review**

Advanced will prepare a Quarterly Sponsor Review to be attended by project management and project sponsor staff from both City and Advanced. The quarterly sponsor review meeting will review progress to date, future actions, and will validate, on a quarterly basis, that the Go Live date is still achievable for both parties. The dates for these meeting will be determined jointly by the City and the Advanced PM.

**Subtask 1.3 – Deliverables**

<b>Subtask 1.3 Deliverables</b>	<ul style="list-style-type: none"><li>• Quarterly Sponsor Review</li></ul>
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## **Task 2 – CIS Infinity Interfaces and Software Modifications**

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This task covers the development and configuration of CIS Infinity interfaces to existing City of Wichita systems and modifications to CIS Infinity, and/or related products in the Infinity product suite, if any, to meet Wichita's CIS needs. All development work completed by Advanced will be communicated, in advance, to the Wichita Project Manager so that the Project Manager has visibility to all Advanced interface development work.

### **Subtask 2.1 – Modified Interfaces**

The following group of interfaces will require development efforts from Advanced, and potentially Wichita staff or a third party vendor, to support the specific interface requirements. Advanced will analyze, specify, develop, Q/A, and deploy the following group of interfaces required by Wichita under this SOW.

The specific system Modifications required to support a specific interface will be determined during the Interface/Modification Discovery process. Advanced will create detailed combined **Functional/Technical Specifications** for each interface requiring development effort from Advanced's technical staff.

#### ***Subtask 2.1.1 – ESRI Geographic Information System (GIS)***

Wichita requires a two-way interface between CIS Infinity and their GIS system that utilizes ESRI Arc GIS products. This two-way interface will provide access to GIS information from CIS Infinity, and provide to the GIS CIS Infinity data for presentation in the GIS.

- i. Using dynamic hyperlink functionality users of CIS Infinity will be able to access GIS information related to a specific service address presented in a GIS web-based viewer. Any data element (or combination of data elements), such as GPS (X/Y) coordinates, on the Customer/Account Inquiry form, can be linked to the GIS application. Clicking on a linked data element will call a web page created by Wichita displaying GIS information specific to the linked data element.
- ii. Using web services or SQL views, Wichita can retrieve and format data from CIS Infinity as an output for import to and presentation in the GIS application in a web-based map viewer.
- iii. The users of the GIS application will have the ability to generate actions in CIS Infinity, based on the selection of multiple account locations, and the desired CIS action in the GIS application.
- iv. **Master Address:** For services addresses added or updated within CIS Infinity, a real time verification of the service address against the GIS database will be performed. The interface will validate service address information entered in CIS Infinity against the master address system. The interface will also support the ability to update information related to a service address in CIS Infinity from the master address information in the GIS system.

The specific system modifications required to support the various components of the GIS interface will be determined during the Interface and Modifications Discovery process. Separate specifications may be developed for each component of the GIS interface depending on complexity and technology.

#### ***Subtask 2.1.2 – Hansen Permitting***

Wichita requires a near real-time interface between CIS Infinity and the Hansen permitting system to exchange new premise, service and occupancy information. The interface will utilize the existing

interface table framework integration between CIS Infinity and Hansen, and be enhanced as required for the specific requirements of Wichita.

The interface will create new accounts and services in CIS Infinity based on information received from Hansen. Creation of a new account and services in CIS Infinity. When a building permit is issued, Hansen will populate selected interface tables with information about the new account, such as address information, and services associated with the permit (e.g. water, sewer, storm water). Based on this information, CIS Infinity will create a new account record with assigned services and default bill codes based on account type as well as generating appropriate follow-up actions (e.g., tasks or service orders).

### ***Subtask 2.1.3 – Siemens CTI Incoming Call Display***

Wichita requires a real-time interface between CIS Infinity and the Siemens ACD system for incoming call display recognition purposes. The interface will, based on customer/account determinants, such as phone number, or account number, being passed from the Siemens system, bring up the appropriate customer/account record on the Customer/Account Inquiry Form within CIS Infinity.

Advanced will utilize the existing CTI (screen-pop) integration framework and enhance it as required to interface with Wichita's Siemens ACD system.

### ***Subtask 2.1.4 – Linko Industrial Waste Sampling***

Wichita requires a two-way batch interface between CIS Infinity and Linko to export customer/account information and to import daily samples, sample identifiers, and discharge concentrations by type of pollutant to be used for informational and billing purposes.

CIS Infinity currently interfaces with Linko for the purposes of exporting customer/account information and for importing samples and discharge values. These imported values are stored in CIS Infinity and used for informational and billing purposes for applicable industrial waste surcharges.

This two-way batch import, using configurable file formats defined using the Advanced Interface Manager, will be enhanced as required for the specific requirements of Wichita.

### ***Subtask 2.1.5 – Lucity Work Order Management***

Wichita requires a two-way near real-time interface between CIS Infinity and Lucity work order management system to exchange service order, account and meter information. The interface will utilize the existing interface table framework integration between CIS Infinity and Lucity, and be enhanced as required for the specific requirements of Wichita.

All information for applicable service orders created in CIS Infinity will be passed to Lucity, where a service request or work order is generated. Upon completion of the service request or work order, information is then sent back to CIS Infinity from Lucity including the completion date, completion notes, field worker id, etc. Meter install and exchange information can also be received from Lucity and processed in CIS Infinity.

The interface can also create service order within CIS Infinity that originate as work orders in Lucity, and can be associated with a CIS Infinity account. Additionally changes to customer, account, and meter inventory information can be passed from CIS Infinity to Lucity.

Advanced will enhance the existing CIS Infinity – Lucy interface to support the specific requirements of Wichita.

### ***Subtask 2.1.6 – Dynamics CRM***

Wichita requires a two-way interface between CIS Infinity and Dynamics CRM to exchange customer/account and service request information.

CIS Infinity will provide customer/account information to Dynamics CRM, and Dynamics CRM will provide service request information related to utility billing inquiries to CIS Infinity. The technology and specific interface touch points for the Dynamics CRM are to be determined later.

### ***Subtask 2.2 – Configured Interfaces***

The following group of interfaces will be configured using CIS Infinity configuration. Specifications will not be produced for configurable interfaces, as they are configured rather than programmed into the system. Advanced will produce a **Configuration Document** for the following interfaces.

Configurable interfaces are typically configured using the built-in Advanced Interface Manager configuration module. Advanced will configure the following interfaces.

#### ***Subtask 2.2.1 – Selectron IVR***

Wichita requires a two-way real-time interface between CIS Infinity and Selectron's IVR product for inbound customer calls.

CIS Infinity will provide customers with a real-time interface from the TWI IVR allowing customers to hear their utility account balance, check payment history, and make payments to their account that are then reflected real-time in CIS Infinity. This will be done utilizing the Infinity.Teleconnect Web services API.

#### ***Subtask 2.2.2 – Meter Reading – Itron MVRS***

Wichita requires a two-way batch file interface between CIS Infinity and their Itron MV-RS meter reading software.

The interface will export account and meter related information from CIS Infinity to Itron MV-RS. The interface will support the import of the meter data reads, meter notes, comments and trouble codes for billing purposes. Both the export and the import files will be configured using the standard configurable Itron MV-RS formats.

#### ***Subtask 2.2.3 – Meter Reading – Electronic Read Meters***

Wichita requires a one-way batch file interface between CIS Infinity and their meter reading software for electronically read meters

The interface will export account and meter related information from CIS Infinity for electronically read (drive-by) meters. The export file will be configured using the Advanced Interface Manager formats.

#### ***Subtask 2.2.4 – Lockbox Payment***

Wichita requires a one-way batch interface to import payment information contained in a lockbox file. CIS Infinity currently supports the importing of payment information on demand or scheduled using a configurable text file format defined using the Advanced Interface Manager.

#### ***Subtask 2.2.5 – Bank of America PayMode Concentrator***

Wichita requires a one-way batch interface to import payment information from Bank of America PayMode concentrator. CIS Infinity currently supports the importing of payment information on demand or scheduled using a configurable text file format defined using the Advanced Interface Manager.

#### ***Subtask 2.2.6 – ACH***

Wichita requires an interface to export a file of customers signed up for ACH payments to Wichita's bank. CIS Infinity currently supports the exporting of standard ACH files that conform to NACHA standards. This interface will be configured within the configuration hours outlined.

#### ***Subtask 2.2.7 – Performance Financial System – General Ledger***

Wichita requires a one-way interface to export general ledger information from CIS Infinity to the Performance financial system general ledger module.

The General Ledger interface will export in batch a text file containing summarized general ledger journal entries for updated billing, cash and adjustment batches from CIS Infinity to the General Ledger module. The General Ledger Interface process will transfer summarized general ledger information to the General Ledger application as un-posted journal entries where they can then be processed. The general ledger information transferred contains details about the originating batch in CIS Infinity for cross-referencing purposes. The export file of the General Ledger interface will be configured using the AIM.

#### ***Subtask 2.2.8 – Performance Financial System – Accounts Payable (Refunds)***

Wichita requires a one-way interface to exchange accounts payable information for customer refunds between CIS Infinity and the Performance financial system accounts payable module.

The Accounts Payable interface will export a text file containing customer and refund amount information for the purposes of issuing refund checks to customers in the Accounts Payable module. Refund check transactions would be based on the existing refund transactions configured in CIS Infinity. This will be a periodic batch process. The export file of the Accounts Payable interface will be configured using the AIM.

### ***Subtask 2.2.9 – Third Party Bill Print and Notices***

Wichita requires an interface to export text files of information required by their third party bill print and notice provider (High Cotton) to generate customer bills and collection notices. An electronic file will be created to export in the Advanced standard electronic bill presentment (EBP) and collection notice formats, from CIS Infinity, all billing and customer information required by the third party vendor.

### ***Subtask 2.2.10 - Online Utility Exchange***

Wichita requires an interface between CIS Infinity and Online Utility Exchange to provide real-time credit score information for customers receiving service from Wichita. The Infinity.CreditCheck API provides real-time credit score information from Online Utility Exchange from the Customer/Account Inquiry Form for purposes of identity verification and deposit quoting.

Wichita requires a one-way batch interface to export basic customer/account/balance information for collections purposes from CIS Infinity, for customers with outstanding amounts owing. CIS Infinity currently supports the exporting of customer/account information using a configurable text file format defined using the AIM.

### ***Subtask 2.2.11 – State Set-Off***

Wichita requires a two-way batch interface between CIS Infinity and the State Set-Off program for customers with outstanding amounts owing.

The interface will export basic customer/account/balance information for state set-off purposes from CIS Infinity, for customers with outstanding amounts owing. CIS Infinity currently supports the exporting of customer/account information using a configurable text file format defined using the AIM. CIS Infinity will also create a state set-off record on the account with pertinent details.

The interface will import a payment file for customers sent for state set-off purposes. The import process will generate a batch of payments and update the state set-off record with the pertinent payment details.

### ***Subtask 2.2.12 – Collection Agency***

Wichita requires a two-way batch interface between CIS Infinity and their collection agency for customers with outstanding amounts owing.

The interface will export basic customer/account/balance information for collection agency debt recovery purposes from CIS Infinity, for customers with outstanding amounts owing. CIS Infinity currently supports the exporting of customer/account information using a configurable text file format defined using the AIM. CIS Infinity will also create a collection agency record on the account with pertinent details.

The interface will import a payment file for customers sent for collection agency purposes. The import process will generate a batch of payments and update the collection agency record with the pertinent payment details.

### ***Subtask 2.2.13 – Meter Inventory***

Wichita requires a one-way batch interface to import new water meter and ERT records into CIS Infinity from a file received from the meter vendor. The meter/ERT inventory interface will import new meter and ERT information and create new meter and ERT records in the meter/ERT inventory tables in CIS Infinity.

CIS Infinity currently contains functionality to import meter and ERT information using a configurable file format defined using the Advanced Interface Manager. This information can be imported on demand or scheduled using the Meter Inventory Import Process.

### ***Subtask 2.2.14 – Meter Test Results***

Wichita requires a one-way batch interface to import water meter test results into CIS Infinity from their meter testing system (vendor TBD). The meter testing interface will import testing information for meters stored in CIS Infinity and create new meter test records in the meter test results table.

CIS Infinity currently contains functionality to import meter testing results using a configurable file format defined using the Advanced Interface Manager. This information can be imported on demand or scheduled using the Meter Inventory Import Process.

### ***Subtask 2.2.15 – Document Management (Laserfiche)***

Wichita requires an interface to support access from CIS Infinity to documents stored in the Laserfiche document management system. The interface will utilize the API created by Wichita in order to provide access from users of CIS Infinity to Laserfiche documents associated with a customer/account in CIS Infinity.

### ***Subtask 2.2.16 – Outbound Dialer***

Wichita requires a one-way batch interface to export customer and contact information from CIS Infinity into their outbound dialing system. The meter testing interface will export customer and contact information for customers that need to be contacted with the outbound dialer system.

CIS Infinity currently contains functionality to export customer and contact information using a configurable file format defined using the Advanced Interface Manager. This information can be exported on demand, as part of an action triggered by a CIS Infinity process, or scheduled using the File Export Process.

### **Subtask 2.3 – Software Modifications**

Advanced will analyze, specify, develop, Q/A, and deploy the following modifications required by Wichita under this SOW. Advanced will identify the specific development efforts required to support these modifications during the Interface/Modification Discovery and Specification Phase. Advanced will create detailed combined **Functional/Technical Specifications** for each modification requiring development effort from Advanced's technical staff.

No software modifications have been identified.

In the event that additional modifications are identified during the Discovery process, the jointly developed Change Order process as defined in Subtask 1.1 will be followed.

### **Exclusions**

The following have been excluded from this Scope of Work, unless noted otherwise:

#### **1. Rate Structural Changes**

Advanced will provide normal rate updates throughout the course of the implementation at no extra charge providing the rate change occurs during the implementation timeframe. Advanced will not support a rate change that departs substantially from the current rate structures that are in force at the time of contract signing and/or as documented in the Functional Discovery document. Any substantial change in rates methodology and deployment will be considered out of scope and will be subject to a Change Order.

#### **2. Harris Payment Gateway and Third Party Payment Processor**

Electronic payment processing is provided via the Harris Payment Gateway (HPG) and our HPG payment partners. Payment transaction fees apply. An interface to a non HPG payment partner is considered customized development. A minimum \$30,000 development fee, 25% annual maintenance fee and payment gateway transaction fee will apply.

## **Task 3 - Implementation Approach**

This task covers the implementation approach Advanced will take to replace City's current CIS with the CIS System. Advanced will implement a phased approach as described herein.

### **Subtask 3.1 – Phase 1 – Project Initiation**

The Advanced PM will work with the City Project Manager and staff to organize project information for the preparation of the Project Schedule (see Task1). The Advanced PM will be onsite to organize and present all of the information required to start the project and will, at a minimum, address the following areas:

- Project Schedule
- Project planning documents including but not limited to the Communication Plan, Change Management Plan, Test Plan, Training Plan, Risk Management Plan, and Change Control Process as described in Subtask 1.1
- CIS Infinity server software installation and desktop installation rollout
- Training Course Syllabus for Core Team, Technical Team, and End User Training (part of the Training Plan)
- CustomerWise set-up and overview
- Access to CIS Infinity Entity Relationship Diagram and Data Dictionary
- Project Team Contact List which includes users that need access to CustomerWise
- Overview of the operations of CIS Infinity via WebEx
- Functional and Data Conversion Discovery agendas delivery and review

The Advanced PM will oversee the daily activities of the project and work in conjunction with the City's Project Manager and staff to ensure effective management of staff resourcing, forward planning initiatives and day to day project deliveries.

### **Subtask 3.1 – Deliverables**

<b>Subtask 3.1 Deliverables</b>	<ul style="list-style-type: none"><li>• Project Kickoff Meeting</li><li>• Initial Project Schedule</li><li>• Project planning documents including but not limited to the, Communication Plan, Change Management Plan, Test Plan, Training Plan, Risk Management Plan and Change Control Process</li><li>• Software Installation, Installation Training and Installation Report</li><li>• Training Course Syllabus</li><li>• CustomerWise Overview</li><li>• Access to the Data Dictionary</li></ul>
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	<ul style="list-style-type: none"> <li>• Access to the Entity Relationship Diagrams</li> <li>• Project Team Contact List</li> <li>• CIS Infinity System Overview</li> <li>• Functional and Data Conversion Discovery agendas delivery and review</li> </ul>
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**Subtask 3.2 – Phase 2 – Functional and Data Conversion Discovery Analysis**

Advanced will review the detailed data and business, requirements of City. This analysis will provide an association between City’s business practices and the required CIS Infinity configuration.

The Functional and Data Conversion Discovery Analysis phase will be led by Advanced and broken out into functional and data conversion workshops. The workshops review the functional and data conversion areas of the system and are the basis for how Advanced will configure, and convert all of the required business functions, business logic and data in the system.

Prior to the start of the Functional and Data Conversion Discovery Analysis phase, City will gather the following information in preparation for the sessions, if documentation is available:

- All rate tariffs and system generated fees
- Chart of Accounts for GL/AP interfacing
- Meter Reading process flow, vendor and file layout
- All required service order information
- File layouts for all required interfaces
- File layouts and samples of current bill prints, notices, door hangers and letters
- All payment types received and any associated payment information, source of payments, tender types, interface files
- Process flows of penalties, collections, disconnections, bankruptcy and write offs
- Process flows of move in, move out process
- Billing process flow
- All Daily, weekly, Month End and Year End Report Requirements
- Data setup of persons, premises, service types
- City ordinances related to business processes

**Subtask 3.2.1 – Functional Discovery Analysis Workshops**

Advanced will conduct onsite Functional Discovery Analysis Workshops. These workshops will be led by Advanced to appropriately review and confirm all required information for the areas listed below. Advanced and City will identify the necessary City staff needed to attend these workshops two to four weeks in advance. Reports and Bill Print discoveries as outlined in Subtask 3.4 will be separate from the main functional discovery workshops and will be conducted at a time indicated in the Project Schedule.

Advanced will create a Functional Discovery Document that will address the items from the functional requirements and include, at a minimum, the following areas:

- 1. Foundation**  
Review of all of the basic system set up areas and logical business rules including but not limited to account types, services, account number structure and customer number structure.
- 2. Customer Information**  
Review of addresses and phone numbers, lookups and address and occupancy types.
- 3. Meters and Meter Inventory**  
Review of meter types, meter inventory process and controls, manufacturers, units and other pertinent meter information.
- 4. Billing**  
Review of the entire meter reading to billing process with a review of all processing and exceptions reporting.
- 5. Rates**  
Review of the rate tariff and functional requirements for setting up rates, seasonal rates, temporary rates, proration, and taxes and any rate rebates or discounts.
- 6. Cashiering**  
Review of all payment types, interfaces, automated clearing house, endorsements, receipts and unapplied payments processing.
- 7. Collections**  
Review of all collections procedures, payment arrangements, exemptions, penalties, notices, disconnections, and agency, add to tax/liens, tax certification, bankruptcy and write-off processes including all applicable fees.
- 8. Move In Move Out**  
Review of the process flow and all applicable setups, fees and follow up processes with the move in move out process.
- 9. Accounting**  
Review of General Ledger Setup and chart of accounts for GL/AP processing and refunds processing. Review of Year and month end closing including reporting requirements.
- 10. Service Orders**  
Review of requirements for full service order processing and follow up actions control.

**Subtask 3.2.1 – Deliverables**

<b>Subtask 3.2.1 Deliverables</b>	<ul style="list-style-type: none"><li>• Functional Discovery Workshop</li><li>• Functional Discovery Document</li></ul>
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### **Subtask 3.2.2 – Data Conversion Analysis Workshop**

In addition to Functional Discovery Analysis Workshops, Advanced will conduct a remote or onsite Data Conversion Discovery Analysis Workshop. From this workshop Advanced will produce a Data Conversion Plan. The data conversion analysis workshop will be led by Advanced to appropriately review and confirm all required information for these areas. Advanced will identify the City staff needed to attend these workshops two weeks in advance.

Advanced will work with City to determine how to convert the existing legacy data into CIS Infinity. A full explanation of the process and definition of standard data validation parameters, as well as any site-specific data validation parameters will be reviewed and adopted. Data validation criteria and a data map are presented and reviewed jointly by Advanced and City. The Data Conversion Plan will include the data mapping document and data validation parameters.

### **Subtask 3.2.2 – Deliverables**

<b>Subtask 3.2.2 Deliverables</b>	<ul style="list-style-type: none"><li>• Data Conversion Workshop</li><li>• Data Conversion Plan</li></ul>
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### **Subtask 3.3 – Phase 3 – Interface/Modification Discovery & Specification**

Advanced will conduct a remote or onsite Interface/Modification Discovery Analysis Workshop. Advanced will provide a Discovery Agenda and working with City identify necessary City staff needed to attend this workshop two weeks in advance. Advanced will review with City all interfaces and modifications identified in Task 2, to be configured or programmed in CIS Infinity. Advanced will review the specification process and map out the timeline required to complete the specifications, coding, Q/A, deployment, and testing. Below are the minimum topics that will be covered:

- Data source(s) identification; obtain data dictionaries, table relationships, etc.
- Method of moving the data between databases, including the format the data might be in, during the move (e.g., XML, ASCII, staging tables, DTS, etc.)
- Direction of dataflow and frequency of data exchange
- Data validation efforts needed, if any
- Error handling
- Data mapping from one database to another
- Requirements analysis

Advanced will produce a Functional Specification Document and Technical Specification Document for review and acceptance by City.

Each specification will outline the following:

- Document Overview
- Revision History
- Functional/Technical (as appropriate) Summary

- Process Overview
- Functional/Technical (as appropriate) Modification
- Impact to System Operation
- Questions

Advanced will conduct a review of the documentation with City remotely to make any changes to the specifications.

**Subtask 3.3 – Deliverables**

<p><b>Subtask 3.3 Deliverables</b></p>	<ul style="list-style-type: none"> <li>• Interface and Modification Discovery Agenda</li> <li>• Interface/Modification Discovery Workshop</li> <li>• Interface Configuration Document</li> <li>• Functional Specification Document</li> <li>• Technical Specification Document</li> </ul>
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**Subtask 3.4 – Phase 4 – Other Discoveries**

**Subtask 3.4.1 – Reports Discovery**

City will complete a report template and Advanced will conduct a remote Reports Discovery Analysis Workshop to review City's CIS Infinity reporting requirements. The discussion will include searches, querying, and a review of CIS Infinity's standard reports.

City will outline all the required base reports including but not limited to the auditor's, rates, revenue, and cash reports in a Reports Analysis Spreadsheet. During the Reports Discovery, Advanced will work with City to align each required report to an already existing report in CIS Infinity.

Any required report that does not have a standard report match or has not been identified below as a required custom report, will be considered out of scope and will follow the Change Order process as identified in Subtask 1.1. City will need to provide the logic to complete these reports.

Reports identified as required by City in the Reports Discovery phase will be documented in the Reporting Analysis Spreadsheet. The Reporting Analysis Spreadsheet will indicate the available CIS Infinity standard report names to each required report and identify those that would require customization.

**Subtask 3.4.1 – Deliverables**

<p><b>Subtask 3.4.1 Deliverables</b></p>	<ul style="list-style-type: none"> <li>• Reports Discovery</li> <li>• Reports Analysis Spreadsheet</li> </ul>
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**Subtask 3.4.2 – Bill Print Discovery**

Advanced will conduct a remote Bill Print Discovery Workshop. This workshop will be led by Advanced to review of all bill print types, notices and receipts including e-bills (Infinity.Link).

City outsources its bill print to a third party vendor. Advanced will replicate the third party vendor's layout for the bill print, so that City can re-print these documents in house if desired. Advanced will produce a Bill Print Specification for review and acceptance by City.

**Subtask 3.4.2 – Deliverables**

<b>Subtask 3.4.2 Deliverables</b>	<ul style="list-style-type: none"><li>• Bill Print Discovery Workshop</li><li>• Bill Print Specifications</li></ul>
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**Subtask 3.4.3 – Infinity.Mobile Discovery**

Advanced will conduct a remote Infinity.Mobile Discovery Workshop. This workshop will be led by Advanced and will review City's mobile service order requirements including a detailed review of City's business rules and technical environment.

Prior to the start of the Infinity.Mobile workshop, City will complete the Infinity.Mobile Checklist provided by Advanced.

Advanced will create an Infinity.Mobile Discovery Document that will include the Technical Checklist.

**Subtask 3.4.3 – Deliverables**

<b>Subtask 3.4.3 Deliverables</b>	<ul style="list-style-type: none"><li>• Infinity.Mobile Discovery Workshop</li><li>• Infinity.Mobile Checklist</li><li>• Infinity.Mobile Discovery Document</li></ul>
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**Subtask 3.4.4 – Infinity.Link Discovery**

Advanced will conduct a remote Infinity.Link Discovery Workshop. This workshop will be led by Advanced and will review City's Infinity.Link customer web requirements including a detailed review of City's business rules and technical environment.

Prior to the start of the Infinity.Link technical workshop, City will complete the Infinity.Link Checklist provided by Advanced.

Advanced will create an Infinity.Link Discovery Document that will include the Technical Checklist.

**Subtask 3.4.4 – Deliverables**

<b>Subtask 3.4.4 Deliverables</b>	<ul style="list-style-type: none"><li>• Infinity.Link Discovery Workshop</li></ul>
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	<ul style="list-style-type: none"> <li>• Infinity.Link Technical Checklist</li> <li>• Infinity.Link Discovery Document</li> </ul>
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**Subtask 3.5 – Phase 5 – Initial Configuration and Conversion**

City will provide a data extract to Advanced that will be loaded onto an Advanced secured FTP site. Advanced will convert City's data so that it can be loaded into CIS Infinity. Configuration and conversion are tightly integrated in CIS Infinity. Advanced will create validated mapping that ties existing customers' rates to their accounts. Advanced will develop a conversion routine to reflect the requirements of City.

Advanced's Conversion Specialist will prepare the Initial Data Conversion and Configuration to be delivered and loaded onsite. The results for the Data Validation parameters specified in the Data Conversion Plan will be included for review by City.

Advanced will assist City in identifying Baseline Accounts (approximately 150) which are a representative cross section of City customers (e.g., rates, customer type etc.). The baseline accounts will be used to test and QA both the validity of the converted data and that the configuration begins to conform to the Functional Discovery document.

**Subtask 3.5 – Deliverables**

<b>Subtask 3.5 Deliverables</b>	<ul style="list-style-type: none"> <li>• Initial Data Conversion Load</li> <li>• Data Validation Results</li> <li>• Initial Configuration Rollout</li> </ul>
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**Subtask 3.6 – Phase 6 – Core Team Training**

Advanced will provide, as part of the Training Plan in Subtask 1.1 and Project Initiation in Subtask 3.1, the specific training timelines and topics to be provided to City.

City Core Team will be trained on Daily Processing, Cash, Billing and Collections prior to the start of the Discovery sessions. This training is typically conducted over two weeks. This training will help ensure that the basic functionality of CIS Infinity is understood prior to the Discovery Sessions. After the Discovery sessions, City Core Team will complete training on all other areas of CIS Infinity. This training is typically conducted over three weeks. A full training syllabus is included in the Training Plan.

Core Team training will show all aspects of CIS Infinity functions to introduce City to alternative methods to operate the CIS System and to document proposed changes to existing system processes. Each Core Team training session will include City's subject matter experts to ensure that business objectives are met. Core Team training will also include the CustomerWise tracking tool.

Periodically, throughout the Testing phases, an Advanced trainer will be onsite to conduct On the Job Learning sessions. On the Job Learning provides training/testing assistance to the Core Team. It is generally informal and client driven based on their individual roles.

During training sessions, City will document any potentially new processes. Any system bugs, set up issues, conversion issues and deficiencies shall be entered in CustomerWise by City. Advanced will assist City with this process to ensure all items are documented through CustomerWise. Deficiencies can

be entered into CustomerWise by City testers or Advanced testers, any users who are given access to the system, and other personnel who may be involved during the Software Testing phases.

Advanced is responsible for fully testing and correcting any deficiencies found during training.

**Subtask 3.6 – Deliverables**

<b>Subtask 3.6 Deliverables</b>	<ul style="list-style-type: none"> <li>• Standard CIS Infinity Training Agendas</li> <li>• Standard CIS Infinity Training Workbooks</li> <li>• Completion of onsite Instructor-Led Core Team Training</li> <li>• CustomerWise Training for software issue entry and tracking</li> </ul>
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**Subtask 3.7 – Phase 7– Reports Development and Delivery**

A specification/mockup will be created for review and acceptance by City for reports identified as custom in the Reports Discovery phase (Subtask 3.4.1) and documented by Advanced in the Reports Analysis Spreadsheet.

Custom reports to be developed and delivered by Advanced, once City has signed off on the specifications.

**Subtask 3.7 – Deliverables**

<b>Subtask 3.7 Deliverables</b>	<ul style="list-style-type: none"> <li>• Custom Reports Specification, Development &amp; Delivery (if applicable)</li> </ul>
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**Subtask 3.8 – Phase 8 – Interface/Modification Delivery**

**Subtask 3.8.1 – Configurable Interface Delivery**

Once a configuration type interface as identified in Subtask 2.2 has been configured, unit tested and QA'd internally by Advanced, City will be notified that the interface is ready to be released and applied for testing through a configuration build. Advanced will roll out the interfaces remotely via WebEx according to a mutually agreed schedule.

**Subtask 3.8.1 – Deliverables**

<b>Subtask 3.8.1 Deliverables</b>	<ul style="list-style-type: none"> <li>• Rollout of Configuration Type Interfaces</li> </ul>
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**Subtask 3.8.2 – Modified Software and Modified Interfaces Delivery**

Once each of the modified interface/software as identified in Subtask 2.1 and Subtask 2.3 has been developed, unit tested and QA'd internally by Advanced and successfully compiled, City will be notified that the interface/modification is ready to be released and applied to for testing through an executable or build. Advanced will roll out the modifications either onsite or remotely via WebEx according to a mutually agreeable schedule.

**Subtask 3.8.2 – Deliverables**

<b>Subtask 3.8.2 Deliverables</b>	<ul style="list-style-type: none"> <li>• Rollout of Modified Software and Interfaces</li> </ul>
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**Subtask 3.9 – Phase 9 – Software Testing**

Advanced will support all software testing through a combination of onsite support, remote support and WebEx online support. Validated testing criteria will be used to determine if the testing phase is complete and the system is ready for the next cycle of testing. As part of the Testing assistance request from the City, Advanced will conduct a Business Process Review of the City’s core business rules and provide the City with customized test scripts in preparation for the Functional Test Phase. From the test scripts City will create an ITC Plan (Integration Testing Cycle), and User Acceptance Test (UAT) Plan.

At the start of each test cycle, a full data conversion using a fresh data extract will be performed to exercise the data conversion process and to update any required data fixes that are found through testing. With each data conversion Advanced will provide and City will verify all balancing metrics that were agreed upon in the Data Conversion Discovery. Deficiencies found during the Software Testing Phase will be entered into CustomerWise for the correction of configuration, data conversion and/or system deficiencies. Deficiencies will be entered into CustomerWise by City. CustomerWise maintains a history of analysis and problem resolution.

CustomerWise will be managed and maintained by the Advanced PM and will be reviewed with both Advanced and City staff to ensure the issues are being actively worked and tested. The Advanced PM will be proactive in the resolution of items logged in CustomerWise so that they will be resolved within a timely manner. The Advanced PM or designate will document to the City Project Manager (in detail) the issue or defect, the resolution or workaround alternative, if applicable.

Advanced will provide a technical point of contact during all testing phases, Advanced will provide responses that include justification and mitigation plans, where applicable.

The software testing phase is spilt into the following three test cycles:

**1. Functional Testing**

Functional testing will utilize the baseline accounts to confirm that the data conversion and basic functions in the system are working as expected. Individual accounts will be reviewed and will run through a full meter to cash process. In the review of these individual accounts, City will be tasked with testing each rate element in the system and documenting the results to confirm that the billing process works prior to starting a cycle billing process. This rate testing will be done against a series of baseline accounts and will look at each rate scenario and all of the associated proration activities that can affect a rate calculation.

Functional Testing is modular and does not test the system end-to-end utilizing interfaces.

**Subtask 3.9.1 – Functional Testing Deliverables**

<b>Subtask 3.9.1 Deliverables</b>	<ul style="list-style-type: none"> <li>• Functional Test Data Conversion Refresh and Validation Report</li> <li>• Rates Testing Matrix</li> <li>• Customized Test Scripts</li> <li>• Business Process Review</li> </ul>
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**2. Integrated Testing Cycle (ITC)**

ITC will utilize generic testing scripts and system scenarios to confirm that the data conversion and system processes are functioning as expected. ITC is broken down into two sub-phases.

- ITC1 is intended to exercise full scale testing of the system incorporating the testing of interfaces and modifications. This will also involve testing the customer service functions within the system for items such as Move In and Move Out and service order processing.
- ITC2 emulates the same process with a refreshed data conversion set and any configuration changes as well as updates to interfaces and modifications. Prior to the start of ITC2, another full rollout of data conversion and configuration review is performed onsite or remotely to ensure additional knowledge transfer to City on how CIS Infinity is configured to meet City's business needs. Once the rollout is complete, testing of the system through ITC2 will commence to ensure that all system processes are performing as expected. Both ITC1 and ITC2 will have mutually agreed-upon performance and accuracy metrics and criteria to ensure the system is matching the expected results. These performance and accuracy metrics will be presented for approval to City Project Manager for adoption prior to starting User Acceptance Testing.

**Subtask 3.9.2 – Integration Testing Deliverables**

<b>Subtask 3.9.2 Deliverables</b>	<ul style="list-style-type: none"><li>• ITC1 Data Conversion Refresh and Validation Report</li><li>• ITC2 Data Conversion Refresh and Validation Report</li><li>• ITC1 Build Release for Modifications</li><li>• ITC2 Build Release for Modifications</li></ul>
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**3. User Acceptance Testing (UAT)**

The final phase of testing is UAT and starts with a code freeze. Only critical path items will be altered during this phase as agreed upon by both parties after analyzing the risk of introducing these changes. Once complete, the UAT constitutes acceptance of the system as ready for Go Live. In combination with staff training readiness and organization readiness, the UAT and its acceptance help to drive the Go/No Go criteria that lock down the live date of the software.

Advanced will coordinate with City to select the integration test scripts that will be used during UAT.

**Subtask 3.9.3 – User Acceptance Testing Deliverables**

<b>Subtask 3.9.3 Deliverables</b>	<ul style="list-style-type: none"><li>• UAT Data Conversion Refresh and Validation Report</li><li>• UAT Acceptance Criteria</li></ul>
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The Advanced PM will work with City to ensure that test results for each testing phase provide evidence that CIS Infinity capabilities have been properly integrated and tested in City's test environment. Advanced will work with City to support performance tests.

### **Subtask 3.10 – Phase 10 – End User Training**

Advanced will provide CIS Infinity End User training to City to secure a working knowledge of CIS Infinity. As part of the Training Plan, Advanced will work with City to jointly create the appropriate Training Matrices (part of the Training Plan) that will identify classes and the Advanced and City staff attendance needs.

Each End User training session will have an attendance sheet that matches the End User training schedule. Once each session is complete, City will sign-off on a Training Session Sign-off Form signifying that the training session has been completed.

#### **Subtask 3.10 – Deliverables**

<b>Subtask 3.10 Deliverables</b>	<ul style="list-style-type: none"><li>• Completion of onsite Instructor Led End User Training</li><li>• Training Session Attendance Report</li><li>• Training Session Signoff form</li></ul>
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### **Subtask 3.11 – Phase 11 – Cut Over Plan/Go/No Go Criteria**

City will assist Advanced in the construction of Go/No-Go criteria. These criteria shall be used to determine whether or not to proceed to Phase 12 - Transition to Live. Criteria shall be measured on a weekly basis starting no later than the commencement of User Acceptance Testing. When all criteria are met, City shall issue formal authorization to proceed with the Cut-Over Plan to production.

The Advanced PM will develop a Cut-Over Plan throughout the lifecycle of the project in preparation for a final transition to live. This plan details the steps and responsibilities for Advanced and City to transition CIS Infinity to City production (live) environment. The Cut-Over Plan will include but not be limited to the following items:

- Full emergency contact information
- Detailed steps and communications of when data extract is obtained and data conversion is returned
- Ordered steps for ensuring balancing of the system
- Determination of whether a test system is refreshed at the same time as production for any required process testing
- Post-cut-over checklist
- Criteria that determine when the system will be turned over to end user staff
- A formal release from Advanced that documents that the system has been handed to City in full balance

#### **Subtask 3.11 – Deliverables**

<b>Subtask 3.11 Deliverables</b>	<ul style="list-style-type: none"><li>• Go/No Go Criteria</li><li>• Cut Over Plan</li><li>• Formal City Authorization to Transition to Live</li></ul>
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### **Subtask 3.12 – Phase 12 – Transition to Live**

The cutover to live will occur over a weekend and will be coordinated by the Advanced PM and City staff.

The transition to live will have a new data conversion in which the data validation parameters, bill codes, rate mapping and transaction codes will all be approved by City and the Advanced PM.

#### **Subtask 3.12 – Deliverables**

<b>Subtask 3.12 Deliverables</b>	<ul style="list-style-type: none"><li>• Final Cut-Over Plan Report</li><li>• Final Release Data Conversion Refresh and Validation Report</li><li>• AR Balancing Report</li><li>• Year and month active confirmation</li><li>• AR summary details Report</li><li>• Transaction code Report</li><li>• Rates Report</li></ul>
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### **Subtask 3.13 – Phase 13 – Post Go Live**

Advanced will assist City throughout the post live implementation phase to identify and respond to any needs and concerns. During the Post Go Live period, Advanced will supply, as per the agreement, a combination of onsite, remote, and WebEx online support to ensure a smooth transition to support. During this phase of the project, the following items will be supplied to City:

- Weekly PM and technical staff meetings to review all high-priority items.
- Combination of onsite and remote customer support.
- Introduction and transition to Support.

Throughout the Post Go Live period, the Advanced PM will continue to act as primary resource for all issues. Upon completion of the Post live support period, City will transition to the Advanced's Customer Service and Support Department as per the Support and Maintenance agreement.

#### **Subtask 3.13 – Deliverables**

<b>Subtask 3.13 Deliverables</b>	<ul style="list-style-type: none"><li>• Monthly Support Log</li><li>• Transition to Support</li></ul>
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## Schedule 1 – Fee Structure and Services Payment Milestones

	Description	Quantity/ Hours	Unit Price	Cost	Annual Support & Maintenance Expense
<b>License Fees</b>	CIS Infinity – Concurrent Users	95	\$3,500	\$332,500	\$159,375
	CIS Infinity – 1 Server License	1 Server License	\$305,000	\$305,000	Included in Concurrent Users above
	Optional Add-on Products: <b>Infinity.Link</b> – online customer web portal	1 Site License	\$40,000	\$40,000	\$10,000
	Optional Add-on Products: <b>Infinity.Mobile</b> – mobile/automated service orders	1 Site License	\$30,000	\$30,000	\$10,000
	<b>Total License Fees</b>			<b>\$707,500</b>	
<b>Services Fees</b>	Project Management	2200	\$150	\$330,000	
	Discovery & Business Process Reengineering (BPR) Services	600	\$150	\$90,000	
	Data Conversion	800	\$150	\$120,000	
	Implementation: Installation and Configuration	4000	\$150	\$600,000	
	Training/UAT Scripts	1700	\$150	\$255,000	
	Integration, Interfaces (Temporary & Permanent) & Modifications (As outlined in task 2)	1750	\$150	\$262,500	
	Custom Reports	400	\$150	\$60,000	
	Post Live Support ( <i>Go-live onsite hours are included in the Implementation line item in Section-G. The cost of 4 months of Post-go-live onsite support is shown here.</i> )	750	\$150	\$112,500	
	Infinity.Link	150	\$175	\$26,250	
	Infinity.Mobile	100	\$175	\$17,500	
	<b>Total Service Fees</b>			<b>\$1,873,750</b>	
	<b>Total License and Implementation Service Fees</b>			<b>\$2,581,250</b>	

<b>Other Costs</b>	<b>Travel Expenses (Estimate)</b>  The City shall reimburse Advanced for its direct travel expenses including, but not limited to hotel, airfare, car rental, tolls, parking and airline, travel agent fees and a per diem rate in compliance with the USGSA website - <a href="http://www.gsa.gov/portal/category/21287">http://www.gsa.gov/portal/category/21287</a> .  Per Diem is listed at \$56/day. First and last day of travel is \$34.50.  Receipts are required as back-up to an invoice with travel expenses references on major expenses to include: transportation (air and ground) tolls, parking when its airport, hotel, garage, etc. and lodging. Receipts will not be required for meals.			<b>\$378,000</b>	
	<b>Total Other Costs</b>			<b>\$378,000</b>	
<b>Total</b>			<b>\$2,959,250</b>	<b>\$179,375</b>	

### License Payment Milestones

Reference	Milestone	Invoice Amount	Estimated Month of Completion
LP1	50% of total license costs due at Contract Signature	\$353,750	Contract Signing
LP2	50% of total license costs due at installation of Software	\$353,750	Software Installation
<b>TOTAL</b>		<b>\$707,500</b>	

### Service Payment Milestones

City will be billed monthly by Advanced for milestones completed during the month. The service fees milestones are as follows:

Reference	Milestone – Organization will be billed monthly for all milestones completed during the month (i.e. one invoice per month).	Invoice Amount	Estimated Month of Completion
SP1	Project Management Month 1	\$ 22,500	2
SP2	Project Management Month 2	\$ 22,500	2
SP3	Project Management Month 3	\$ 22,500	3
SP4	Project Management Month 4	\$ 22,500	4
SP5	Project Management Month 5	\$ 22,500	5
SP6	Project Management Month 6	\$ 22,500	6
SP7	Project Management Month 7	\$ 22,500	7
SP8	Project Management Month 8	\$ 22,500	8
SP9	Project Management Month 9	\$ 22,500	9
SP10	Project Management Month 10	\$ 22,500	10
SP11	Project Management Month 11	\$ 22,500	11
SP12	Project Management Month 12	\$ 22,500	12
SP13	Project Management Month 13	\$ 22,500	13
SP14	Project Management Month 14	\$ 22,500	14
SP15	Project Management Month 15	\$ 22,500	15
SP16	Project Management Month 16	\$ 22,500	16
SP17	Installation of CIS Infinity Sign off	\$ 30,000	2
SP18	Week 3 Functional Discovery Workshops Completion	\$ 30,000	2
SP19	Functional Discovery Document Signoff	\$ 60,000	3
SP20	Delivery of Data Conversion Workshop	\$ 20,000	3
SP21	Data Conversion Plan Sign off	\$ 20,000	4

SP22	Interface & Modification Workshop	\$ 50,000	4
SP23	Functional & Technical Specification Signoff - Modifications & Development Interfaces	\$ 80,000	5
SP24	Delivery of Reports Matrix	\$ 20,000	6
SP25	Initial Conversion Rollout	\$ 100,000	7
SP26	Initial Configuration Rollout	\$ 20,000	7
SP27	Completion of Core Team Training	\$ 90,000	4
SP28	Data Refresh # 2 Load (Functional Testing)	\$ 15,000	8
SP29	Functional Testing Sign off	\$ 100,000	9
SP30	Custom Reports Completion & Signoff	\$ 40,000	9
SP31	Data Refresh # 3 Load (ITC #1)	\$ 15,000	9
SP32	Integration Testing Cycle 1 Sign off	\$ 100,000	10
SP33	Deployment of Modifications	\$ 55,000	12
SP34	Deployment of Configuration Type Interfaces	\$ 40,000	8
SP35	Deployment of Development Type Interfaces	\$ 37,500	8
SP36	Installation of Infinity.Link	\$ 15,000	11
SP37	Completion of Infinity.Link	\$ 11,250	12
SP38	Installation of Infinity.Mobile	\$ 10,000	11
SP39	Completion of Infinity.Mobile	\$ 7,500	12
SP40	Data Refresh # 4 Load (ITC #2)	\$ 15,000	11
SP41	Integration Testing Cycle 2 Signoff	\$ 100,000	12
SP42	Data Refresh # 5 Load (UAT)	\$ 15,000	13
SP43	User Acceptance Testing Sign off	\$ 70,000	14
SP44	Completion of Week 1 End User Training	\$ 67,500	15
SP45	Completion of Week 2 End User Training	\$ 67,500	15
SP46	Go Live	\$ 100,000	16
SP47	Completion of Month 1 Post Live Support	\$ 28,125	17
SP48	Completion of Month 2 Post Live Support	\$ 28,125	18
SP49	Completion of Month 3 Post Live Support	\$ 28,125	19
SP50	Completion of Month 4 Post Live Support	\$ 28,125	20
	<b>Totals</b>	<b>\$ 1,873,750</b>	

### Annual Support and Maintenance Payment Milestones

City will be billed annually by Advanced for Annual Support and Maintenance.

Reference	Milestone	Due Date	Invoice Amount
MP1	First year Annual Support and Maintenance is \$179,375.	Go-Live	Prorated to December 31 <sup>st</sup> of 2016
After Go-Live, the City will be billed annually in advance on January 1 <sup>st</sup> .			

# Appendix A – Draft Project Schedule



CIS Infinity Project  
Plan - Wichita, KS (2)

ID	WBS	Task Name	Work	Duration	Start	Finish	Resource Names	W
1	1	<b>CIS Infinity Wichita</b>	<b>12,450 hrs</b>	<b>404.19 days</b>	<b>Fri 5/1/15</b>	<b>Wed 12/7/16</b>		
2	1.1	<b>1.1 Project Planning</b>	<b>200 hrs</b>	<b>16.84 days</b>	<b>Fri 5/1/15</b>	<b>Wed 5/27/15</b>		
3	1.1.1	Confirm Hardware Delivery	1 hr	0.13 days	Fri 5/1/15	Fri 5/1/15	Project Manager	
4	1.1.2	Develop Draft Project Schedule	160 hrs	16.84 days	Fri 5/1/15	Wed 5/27/15	Project Manager, Application Consultant[50%]	
5	1.1.3	Develop Draft Communication Plan	1 hr	0.13 days	Wed 5/27/15	Wed 5/27/15	Project Manager	
6	1.1.4	Develop Draft Change Order Process	1 hr	0.13 days	Wed 5/27/15	Wed 5/27/15	Project Manager	
7	1.1.5	Develop Draft Change Management Plan	1 hr	0.13 days	Wed 5/27/15	Wed 5/27/15	Project Manager	
8	1.1.6	Develop Draft Test Plan	1 hr	0.13 days	Wed 5/27/15	Wed 5/27/15	Project Manager	
9	1.1.7	Develop Draft Training Plan	1 hr	0.13 days	Wed 5/27/15	Wed 5/27/15	Project Manager	
10	1.1.8	Develop Draft Risk Plan	1 hr	0.13 days	Wed 5/27/15	Wed 5/27/15	Project Manager	
11	1.1.9	Develop sample Weekly Team Meeting	1 hr	0.13 days	Wed 5/27/15	Wed 5/27/15	Project Manager	
12	1.1.10	Develop sample Weekly Status Report	1 hr	0.13 days	Wed 5/27/15	Wed 5/27/15	Project Manager	
13	1.1.11	Develop sample Monthly Invoice	1 hr	0.13 days	Wed 5/27/15	Wed 5/27/15	Project Manager	
14	1.1.12	Develop sample Monthly Project Progress Summary	1 hr	0.13 days	Wed 5/27/15	Wed 5/27/15	Project Manager	
15	1.1.13	Develop sample Quarterly Sponsor Review	1 hr	0.13 days	Wed 5/27/15	Wed 5/27/15	Project Manager	
16	1.1.14	Internal Project Team Kick-off	28 hrs	0.89 days	Tue 5/26/15	Wed 5/27/15	Application Consultant, Conversion, Crystal Reports, Development, Link, Tech Lead, Trainer, CIS Mobile, Installer, Project Manager	
17	1.2	<b>1.2 Status Reports</b>	<b>1,634 hrs</b>	<b>115 days</b>	<b>Fri 5/1/15</b>	<b>Tue 10/20/15</b>		
18	1.2.1	Process Customer Wise tickets	920 hrs	115 days	Fri 5/1/15	Tue 10/20/15	PM	
19	1.2.2	Weekly Team Meeting	240 hrs	30 days	Tue 9/8/15	Tue 10/20/15	PM	
20	1.2.3	Weekly Status Report	160 hrs	20 days	Tue 9/22/15	Tue 10/20/15	PM	
21	1.2.4	Monthly Invoice	42 hrs	5.25 days	Tue 10/13/15	Tue 10/20/15	PM	
22	1.2.5	Monthly Resourcing	136 hrs	17 days	Fri 9/25/15	Tue 10/20/15	PM	
23	1.2.6	Monthly Project Progress Summary	136 hrs	17 days	Fri 9/25/15	Tue 10/20/15	PM	
24	1.3	<b>1.3 Quarterly Sponsor Review</b>	<b>32 hrs</b>	<b>4 days</b>	<b>Thu 10/15/15</b>	<b>Tue 10/20/15</b>		
25	1.3.1	Quarterly Sponsor Review	32 hrs	4 days	Thu 10/15/15	Tue 10/20/15	PM	
26	1.4	<b>3.1 Project Initiation</b>	<b>94 hrs</b>	<b>2.83 days</b>	<b>Fri 6/5/15</b>	<b>Wed 6/10/15</b>		
27	1.4.1	Conduct Project Kick-off meeting	68 hrs	2.83 days	Fri 6/5/15	Wed 6/10/15	Project Manager, Application Consultant, Tech Lead	
28	1.4.2	Deliver Draft Project Schedule	2 hrs	0.25 days	Wed 6/10/15	Wed 6/10/15	Project Manager	
29	1.4.3	Deliver Draft Communication Plan	2 hrs	0.25 days	Wed 6/10/15	Wed 6/10/15	Project Manager	
30	1.4.4	Deliver Draft Risk Plan	2 hrs	0.25 days	Wed 6/10/15	Wed 6/10/15	Project Manager	
31	1.4.5	Deliver Draft Change Management Plan	2 hrs	0.25 days	Wed 6/10/15	Wed 6/10/15	Project Manager	
32	1.4.6	Deliver Draft Training Plan	2 hrs	0.25 days	Wed 6/10/15	Wed 6/10/15	Project Manager	

ID	WBS	Task Name	Work	Duration	Start	Finish	Resource Names	W
33	1.4.7	Deliver Draft Test Plan	2 hrs	0.25 days	Wed 6/10/15	Wed 6/10/15	Project Manager	
34	1.4.8	Deliver Draft Change Order Process	2 hrs	0.25 days	Wed 6/10/15	Wed 6/10/15	Project Manager	
35	1.4.9	Deliver Report matrix template	2 hrs	0.25 days	Wed 6/10/15	Wed 6/10/15	Project Manager	
36	1.4.10	Deliver Training Course Syllabus	1 hr	0.13 days	Wed 6/10/15	Wed 6/10/15	Project Manager	
37	1.4.11	Deliver CustomerWise Overview	1 hr	0.13 days	Wed 6/10/15	Wed 6/10/15	Project Manager	
38	1.4.12	Give Access to the Data Dictionary	1 hr	0.13 days	Wed 6/10/15	Wed 6/10/15	Project Manager	
39	1.4.13	Give Access to the Entity Relationship Diagrams	1 hr	0.13 days	Wed 6/10/15	Wed 6/10/15	Project Manager	
40	1.4.14	Deliver Project Team Contact List	1 hr	0.13 days	Wed 6/10/15	Wed 6/10/15	Project Manager	
41	1.4.15	Deliver Functional and Data Conversion Discovery agenda	1 hr	0.13 days	Wed 6/10/15	Wed 6/10/15	Project Manager	
42	1.4.16	Deliver CIS Infinity System Overview (remote)	4 hrs	0.5 days	Mon 6/8/15	Tue 6/9/15	Trainer	
43	1.5	<b>3.2 Software Installation of CIS Infinity</b>	<b>32 hrs</b>	<b>10.5 days</b>	<b>Wed 5/27/15</b>	<b>Thu 6/11/15</b>		
44	1.5.1	ADV - Install/Config Database Server In-house	20 hrs	2.5 days	Wed 5/27/15	Mon 6/1/15	Installer DB	
45	1.5.2	ADV - Install/Config Database Server	4 hrs	0.5 days	Tue 6/9/15	Wed 6/10/15	Installer DB	
46	1.5.3	ADV - Install/Config Application Server	4 hrs	0.5 days	Tue 6/9/15	Wed 6/10/15	Installer APP	
47	1.5.4	ADV - Install Desktop Application (1-2 machines)	2 hrs	0.25 days	Wed 6/10/15	Wed 6/10/15	Installer APP	
48	1.5.5	ADV - Installation Training (Server & Desktops)	1 hr	0.13 days	Wed 6/10/15	Wed 6/10/15	Installer APP	
49	1.5.6	ADV - Deliver Installation Report	1 hr	0.13 days	Wed 6/10/15	Wed 6/10/15	Installer APP	
50	1.5.7	Wichita - Sign-off on Installation	0 hrs	0 days	Wed 6/10/15	Wed 6/10/15		
51	1.5.8	Wichita - Complete Installation of Desktops	0 hrs	1 day	Wed 6/10/15	Thu 6/11/15		
52	1.6	<b>3.2.1 Functional Discovery Analysis Workshops</b>	<b>600 hrs</b>	<b>117.25 days</b>	<b>Thu 6/11/15</b>	<b>Fri 12/4/15</b>		
53	1.6.1	ADV - Deliver Discovery Agenda	2 hrs	0.25 days	Thu 6/11/15	Thu 6/11/15	Application Consultant	
54	1.6.2	<b>Functional Discovery Workshop Week 1 (Onsite)</b>	<b>120 hrs</b>	<b>3 days</b>	<b>Tue 7/14/15</b>	<b>Fri 7/17/15</b>		
55	1.6.2.1	Foundation Workshop	24 hrs	1 day	Tue 7/14/15	Wed 7/15/15	Application Consultant,Tech Lead,Project Manager	
56	1.6.2.2	Customer Information Workshop	24 hrs	1 day	Wed 7/15/15	Thu 7/16/15	Application Consultant,Tech Lead,Project Manager	
57	1.6.2.3	Move In - Move Out Workshop	24 hrs	1 day	Thu 7/16/15	Fri 7/17/15	Application Consultant,Tech Lead,Project Manager	
58	1.6.2.4	Cashiering and Inquiry Workshop	24 hrs	1 day	Thu 7/16/15	Fri 7/17/15	Application Consultant,Tech Lead,Project Manager	
59	1.6.2.5	General review	24 hrs	1 day	Thu 7/16/15	Fri 7/17/15	Application Consultant,Tech Lead,Project Manager	
60	1.6.3	<b>Functional Discovery Workshop Week 2 (Onsite)</b>	<b>120 hrs</b>	<b>3 days</b>	<b>Tue 7/21/15</b>	<b>Fri 7/24/15</b>		
61	1.6.3.1	Billing Rates Workshop	24 hrs	1 day	Tue 7/21/15	Wed 7/22/15	Application Consultant,Tech Lead,Project Manager	
62	1.6.3.2	Cashiering Workshop	24 hrs	1 day	Wed 7/22/15	Thu 7/23/15	Application Consultant,Tech Lead,Project Manager	
63	1.6.3.3	Accounting Workshop	24 hrs	1 day	Thu 7/23/15	Fri 7/24/15	Application Consultant,Tech Lead,Project Manager	
64	1.6.3.4	Meters and Meter Inventory Workshop	24 hrs	1 day	Thu 7/23/15	Fri 7/24/15	Application Consultant,Tech Lead,Project Manager	
65	1.6.3.5	General review	24 hrs	1 day	Thu 7/23/15	Fri 7/24/15	Application Consultant,Tech Lead,Project Manager	

ID	WBS	Task Name	Work	Duration	Start	Finish	Resource Names	W
66	1.6.4	<b>Functional Discovery Workshop Week 3 (Onsite)</b>	120 hrs	3 days	Tue 8/4/15	Fri 8/7/15		
67	1.6.4.1	Service Orders Workshop	24 hrs	1 day	Tue 8/4/15	Wed 8/5/15	Application Consultant,Tech Lead,Project Manager	
68	1.6.4.2	Collections Workshop	24 hrs	1 day	Wed 8/5/15	Thu 8/6/15	Application Consultant,Tech Lead,Project Manager	
69	1.6.4.3	Reports, Notices and Letters Workshop	24 hrs	1 day	Thu 8/6/15	Fri 8/7/15	Application Consultant,Tech Lead,Project Manager	
70	1.6.4.4	General review	48 hrs	2 days	Wed 8/5/15	Fri 8/7/15	Application Consultant,Tech Lead,Project Manager	
71	1.6.5	<b>Discovery Workshop finalization</b>	238 hrs	57.42 days	Thu 9/10/15	Fri 12/4/15		
72	1.6.5.1	ADV - Update Discovery Document	160 hrs	12 days	Thu 9/10/15	Mon 9/28/15	Application Consultant,Tech Lead	
73	1.6.5.2	ADV - Delivery Functional Discovery Document	20 hrs	2.5 days	Mon 9/28/15	Wed 9/30/15	Project Manager	
74	1.6.5.3	Wichita - Review Functional Discovery Document	0 hrs	5 days	Wed 9/30/15	Wed 10/7/15		
75	1.6.5.4	Wichita - Provide Comments	0 hrs	3.75 days	Wed 10/7/15	Wed 10/14/15		
76	1.6.5.5	ADV - Update Functional Discovery Document	58 hrs	24.17 days	Wed 10/14/15	Wed 11/18/15	Application Consultant(20%),Tech Lead(10%)	
77	1.6.5.6	Wichita - Sign-Off on Functional Discovery Document	0 hrs	10 days	Wed 11/18/15	Fri 12/4/15		
78	1.7	<b>3.2.2 Data Conversion Analysis Workshop</b>	200 hrs	164.84 days	Fri 5/1/15	Wed 1/6/16		
79	1.7.1	Wichita - Deliver initial Extract	0 hrs	5 days	Fri 5/1/15	Thu 5/7/15		
80	1.7.2	Wichita - Deliver Data Dictionary	0 hrs	5 days	Fri 5/1/15	Thu 5/7/15		
81	1.7.3	ADV - Legacy Data Assessment	40 hrs	25 days	Fri 5/8/15	Mon 6/15/15	Conversion(20%)	
82	1.7.4	ADV - Setup Conversion Environment	22 hrs	27.5 days	Tue 6/16/15	Tue 7/28/15	Conversion(10%)	
83	1.7.5	ADV - Develop MS Access DB for Data Mapping Exercise	16 hrs	6.67 days	Tue 7/28/15	Fri 8/7/15	Conversion(30%)	
84	1.7.6	ADV - Data Conversion Workshop	40 hrs	5 days	Fri 12/4/15	Fri 12/11/15	Conversion	
85	1.7.7	ADV - Update Data Mapping DB	80 hrs	10 days	Fri 12/11/15	Tue 12/29/15	Conversion	
86	1.7.8	ADV - Deliver Data Mapping DB	1 hr	0.13 days	Tue 12/29/15	Tue 12/29/15	Conversion	
87	1.7.9	ADV - Deliver Data Conversion Plan	1 hr	0.13 days	Tue 12/29/15	Tue 12/29/15	Conversion	
88	1.7.10	Wichita - Signoff on Data Mapping DB	0 hrs	5 days	Tue 12/29/15	Wed 1/6/16		
89	1.8	<b>3.3 Interface/Modification Discovery &amp; Specification</b>	1,750 hrs	268.44 days	Fri 8/7/15	Tue 8/30/16		
90	1.8.1	ADV - Request necessary files/layout from Wichita	1 hr	0.13 days	Fri 8/7/15	Fri 8/7/15	Tech Lead	
91	1.8.2	Wichita - Deliver the Requested files/layouts to ADV	0 hrs	12.5 days	Fri 8/7/15	Wed 8/26/15		
92	1.8.3	ADV - Interface and Modification Discovery Agenda	2 hrs	0.25 days	Fri 8/7/15	Mon 8/10/15	Project Manager	
93	1.8.4	ADV - Interface/Modification Discovery Workshop (0	120 hrs	5 days	Fri 8/7/15	Fri 8/14/15	Development,Project Manager,Tech Lead	
94	1.8.5	ADV - Development Functional & Technical Specification	180 hrs	28.13 days	Fri 8/14/15	Thu 9/24/15	Development(75%),Tech Lead	
95	1.8.6	ADV - Deliver Functional & Technical Specification Documents	8 hrs	1 day	Thu 9/24/15	Fri 9/25/15	Project Manager	
96	1.8.7	Wichita - Review Specification Documents	0 hrs	12.5 days	Fri 9/25/15	Thu 10/15/15		
97	1.8.8	ADV - Update Specification Documents	89 hrs	50.57 days	Thu 10/15/15	Mon 1/4/16	Development(20%),Tech Lead(50%)	
98	1.8.9	Wichita - Signoff on Specifications	0 hrs	2.5 days	Mon 1/4/16	Wed 1/6/16		

ID	WBS	Task Name	Work	Duration	Start	Finish	Resource Names	W
99	1.8.10	ADV - Develop Modifications	1,350 hrs	168.75 days	Wed 1/6/16	Tue 8/30/16	Development	
100	1.8.11	Wichita - Test Modifications	0 hrs	80 days	Tue 4/12/16	Tue 8/2/16		
101	1.8.12	Wichita - Signoff on Modifications	0 hrs	0 days	Tue 8/2/16	Tue 8/2/16		
102	1.9	<b>3.4 Reports, Bill Print, Notices and Receipts</b>	<b>880 hrs</b>	<b>276.76 days</b>	<b>Fri 5/1/15</b>	<b>Fri 6/10/16</b>		
103	1.9.1	<b>Reporting</b>	<b>400 hrs</b>	<b>113.58 days</b>	<b>Fri 8/7/15</b>	<b>Tue 1/26/16</b>		
104	1.9.1.1	ADV - Review of current reporting obligations	8 hrs	0.5 days	Fri 8/7/15	Mon 8/10/15	Crystal Reports,Project Manager	
105	1.9.1.2	ADV - Analyze Wichita Reports	22 hrs	2.75 days	Mon 8/10/15	Thu 8/13/15	Crystal Reports	
106	1.9.1.3	ADV - 3.4.1 Reports Discovery Workshop	16 hrs	2 days	Tue 9/29/15	Thu 10/1/15	Crystal Reports	
107	1.9.1.4	ADV - 3.7 Report matrix template	4 hrs	0.5 days	Thu 10/1/15	Thu 10/1/15	Crystal Reports	
108	1.9.1.5	ADV - 3.7 Custom Reports Specification, Developm	40 hrs	5 days	Thu 10/1/15	Thu 10/8/15	Crystal Reports	
109	1.9.1.6	Wichita - Signoff on specs	0 hrs	6.25 days	Thu 10/8/15	Mon 10/19/15		
110	1.9.1.7	ADV - Program Custom Reports	250 hrs	38.58 days	Mon 10/19/15	Wed 12/16/15	Crystal Reports[81%]	
111	1.9.1.8	Wichita - Test Custom Reports	0 hrs	12.5 days	Wed 12/16/15	Wed 1/6/16		
112	1.9.1.9	ADV - Make any adjustments	60 hrs	7.5 days	Wed 1/6/16	Mon 1/18/16	Crystal Reports	
113	1.9.1.10	Wichita - Re-test Custom Reports	0 hrs	6.25 days	Mon 1/18/16	Tue 1/26/16		
114	1.9.1.11	Wichita - Signoff on Custom Reports	0 hrs	0 days	Tue 1/26/16	Tue 1/26/16		
115	1.9.2	<b>Bill Print Design</b>	<b>360 hrs</b>	<b>276.76 days</b>	<b>Fri 5/1/15</b>	<b>Fri 6/10/16</b>		
116	1.9.2.1	ADV - Provide Sample Bills	1 hr	1.25 days	Wed 6/10/15	Thu 6/11/15	Project Manager[10%]	
117	1.9.2.2	Wichita - Provide Bill Print Mock-Up	0 hrs	62.5 days	Wed 3/16/16	Fri 6/10/16		
118	1.9.2.3	ADV - 3.4.2 – Bill Print Discovery	18 hrs	2.25 days	Thu 10/1/15	Mon 10/5/15	Crystal Reports	
119	1.9.2.4	ADV - 3.4.2 – Bill Print Specifications	80 hrs	10 days	Fri 5/1/15	Thu 5/14/15	Crystal Reports	
120	1.9.2.5	ADV - Code and test Bill Print	200 hrs	50 days	Mon 10/5/15	Fri 12/18/15	Crystal Reports[50%]	
121	1.9.2.6	ADV - Rollout Bill Print	1 hr	1.25 days	Fri 12/18/15	Mon 12/21/15	Crystal Reports[10%]	
122	1.9.2.7	Wichita - Test Bill Print (1500+ Bills)	0 hrs	18.75 days	Mon 12/21/15	Wed 1/20/16		
123	1.9.2.8	ADV - Make any necessary code changes	60 hrs	225 days	Fri 5/1/15	Wed 3/30/16	Crystal Reports[3%]	
124	1.9.2.9	Wichita - Signoff on Bill Print	0 hrs	0 days	Wed 3/30/16	Wed 3/30/16		
125	1.9.3	<b>Notices</b>	<b>60 hrs</b>	<b>57.5 days</b>	<b>Thu 8/27/15</b>	<b>Thu 11/19/15</b>		
126	1.9.3.1	Wichita - Design New Notices	0 hrs	12.5 days	Thu 8/27/15	Tue 9/15/15		
127	1.9.3.2	Wichita - Deliver Notices Design to ADV	0 hrs	0 days	Tue 9/15/15	Tue 9/15/15		
128	1.9.3.3	ADV - Program Notices	50 hrs	37.5 days	Tue 9/15/15	Mon 11/9/15	Crystal Reports[17%]	
129	1.9.3.4	ADV - Rollout Notices Onsite	1 hr	1.25 days	Mon 11/9/15	Tue 11/10/15	Crystal Reports[10%]	
130	1.9.3.5	Wichita - Test Notices	0 hrs	6.25 days	Tue 11/10/15	Thu 11/19/15		
131	1.9.3.6	ADV - Make any necessary code changes	9 hrs	28.13 days	Thu 10/8/15	Thu 11/19/15	Crystal Reports[4%]	

ID	WBS	Task Name	Work	Duration	Start	Finish	Resource Names	W
132	1.9.3.7	Wichita - Signoff on Notices	0 hrs	0 days	Thu 11/19/15	Thu 11/19/15		
133	1.9.4	<b>Receipts</b>	<b>60 hrs</b>	<b>16.25 days</b>	<b>Thu 8/27/15</b>	<b>Mon 9/21/15</b>		
134	1.9.4.1	Wichita - Design New Receipts	0 hrs	1.25 days	Thu 8/27/15	Fri 8/28/15		
135	1.9.4.2	Wichita - Deliver Receipt Design to ADV	0 hrs	0 days	Fri 8/28/15	Fri 8/28/15		
136	1.9.4.3	ADV - Program Receipt	50 hrs	12.5 days	Fri 8/28/15	Wed 9/16/15	Crystal Reports[50%]	
137	1.9.4.4	ADV - Rollout Receipt Onsite	1 hr	1.25 days	Wed 9/16/15	Fri 9/18/15	Crystal Reports[10%]	
138	1.9.4.5	Wichita - Test Receipt	0 hrs	1.25 days	Fri 9/18/15	Mon 9/21/15		
139	1.9.4.6	ADV - Make any necessary code changes	9 hrs	11.25 days	Thu 9/3/15	Mon 9/21/15	Crystal Reports[10%]	
140	1.9.4.7	Wichita - Signoff on Receipt	0 hrs	0 days	Mon 9/21/15	Mon 9/21/15		
141	1.10	<b>3.4.3 Infinity.Mobile</b>	<b>100 hrs</b>	<b>16.38 days</b>	<b>Fri 5/1/15</b>	<b>Wed 5/27/15</b>		
142	1.10.1	Wichita - Purchase any necessary Hardware	0 hrs	0 days	Wed 5/27/15	Wed 5/27/15		
143	1.10.2	ADV - Provide Mobile Checklist to Wichita	2 hrs	0.25 days	Fri 5/1/15	Fri 5/1/15	CIS Mobile	
144	1.10.3	Wichita - Configure Hardware	0 hrs	0 days	Fri 5/1/15	Fri 5/1/15		
145	1.10.4	Wichita - Configure Network Security	0 hrs	5 days	Fri 5/1/15	Fri 5/8/15		
146	1.10.5	ADV - Mobile Discovery Workshop	16 hrs	2 days	Fri 5/8/15	Tue 5/12/15	CIS Mobile	
147	1.10.6	ADV - Send Install package	5 hrs	0.63 days	Tue 5/12/15	Tue 5/12/15	CIS Mobile	
148	1.10.7	ADV - Install/Configure Mobile	60 hrs	7.5 days	Tue 5/12/15	Tue 5/26/15	CIS Mobile	
149	1.10.8	ADV - Office Workers on Mobile	4 hrs	0.5 days	Tue 5/26/15	Tue 5/26/15	Trainer	
150	1.10.9	Wichita - Test Mobile	4 hrs	0.5 days	Tue 5/26/15	Wed 5/27/15	Trainer	
151	1.10.10	ADV - Testing Support	9 hrs	10 days	Mon 5/11/15	Wed 5/27/15		
152	1.10.11	Wichita - Signoff on Mobile	0 hrs	0 days	Wed 5/27/15	Wed 5/27/15		
153	1.11	<b>3.4.4 Infinity.Link</b>	<b>150 hrs</b>	<b>49.13 days</b>	<b>Fri 5/1/15</b>	<b>Thu 7/16/15</b>		
154	1.11.1	Wichita - Purchase any necessary Hardware	0 hrs	5 days	Fri 5/1/15	Thu 5/7/15		
155	1.11.2	ADV - Provide Link Checklist to Wichita	1 hr	0.13 days	Fri 5/8/15	Fri 5/8/15	Link	
156	1.11.3	Wichita - Configure Hardware	0 hrs	5 days	Fri 5/8/15	Fri 5/15/15		
157	1.11.4	Wichita - Configure Network Security	0 hrs	5 days	Fri 5/15/15	Tue 5/26/15		
158	1.11.5	ADV - Link Discovery Workshop	16 hrs	2 days	Tue 5/26/15	Thu 5/28/15	Link	
159	1.11.6	ADV - Install/Configure Link	72 hrs	9 days	Thu 5/28/15	Wed 6/10/15	Link	
160	1.11.7	ADV - Train CSRs on Link	8 hrs	1 day	Wed 6/10/15	Thu 6/11/15	Link	
161	1.11.8	ADV - Train IT on Link	8 hrs	1 day	Thu 6/11/15	Fri 6/12/15	Trainer	
162	1.11.9	Wichita - Test Link	0 hrs	1 day	Fri 6/12/15	Mon 6/15/15		
163	1.11.10	Wichita - Develop GUI/Skin for Link	0 hrs	10 days	Mon 6/15/15	Mon 6/29/15		
164	1.11.11	Wichita - Configure Link Functionality	0 hrs	10 days	Mon 6/29/15	Thu 7/16/15		

ID	WBS	Task Name	Work	Duration	Start	Finish	Resource Names	W
165	1.11.12	ADV - Testing Support	45 hrs	22.5 days	Wed 6/10/15	Thu 7/16/15	Link[25%]	
166	1.11.13	Wichita - Signoff on Link	0 hrs	0 days	Thu 7/16/15	Thu 7/16/15		
167	1.12	<b>3.5 Configuration and Conversion</b>	<b>1,398 hrs</b>	<b>354.26 days</b>	<b>Fri 5/1/15</b>	<b>Wed 9/28/16</b>		
168	1.12.1	<b>3.5.1 Initial Configuration</b>	<b>798 hrs</b>	<b>197.42 days</b>	<b>Wed 5/27/15</b>	<b>Wed 3/16/16</b>		
169	1.12.1.1	ADV - Initial System Clean-up	24 hrs	1.5 days	Wed 5/27/15	Fri 5/29/15	Tech Lead,Application Consultant	
170	1.12.1.2	ADV - Review SOW	22 hrs	2.29 days	Fri 5/29/15	Tue 6/2/15	Tech Lead,Application Consultant	
171	1.12.1.3	ADV - Review Discovery Document	40 hrs	1.67 days	Tue 8/4/15	Thu 8/6/15	Application Consultant,Project Manager,Tech Lead	
172	1.12.1.4	ADV - configure discovery items	348 hrs	14.5 days	Thu 8/6/15	Thu 8/27/15	Application Consultant,Project Manager,Tech Lead	
173	1.12.1.5	ADV - Configure configurable Interfaces	220 hrs	9.17 days	Thu 8/27/15	Thu 9/10/15	Application Consultant,Project Manager,Tech Lead	
174	1.12.1.6	ADV - Review Discovery Document Final	80 hrs	14.81 days	Tue 11/10/15	Fri 12/4/15	Tech Lead[60%],Application Consultant[60%]	
175	1.12.1.7	ADV - Q/A Analysis of the In-house System	16 hrs	1.67 days	Mon 2/1/16	Wed 2/3/16	Tech Lead[60%],Application Consultant[60%]	
176	1.12.1.8	ADV - Rollout Configuration Onsite	48 hrs	30 days	Wed 2/3/16	Wed 3/16/16	Tech Lead[20%]	
177	1.12.2	<b>3.5.1 Data Refresh # 1 (Conversion)</b>	<b>292 hrs</b>	<b>184.34 days</b>	<b>Fri 5/1/15</b>	<b>Wed 2/3/16</b>		
178	1.12.2.1	ADV - Programming of the Conversion	240 hrs	30 days	Fri 12/11/15	Wed 1/27/16	Conversion	
179	1.12.2.2	ADV - Run Initial Conversion	16 hrs	2 days	Wed 1/27/16	Fri 1/29/16	Conversion	
180	1.12.2.3	ADV - Identification of Baseline Accounts	1 hr	0.13 days	Fri 5/1/15	Fri 5/1/15	Conversion	
181	1.12.2.4	ADV - Load Converted Data to In-house Systems	8 hrs	1 day	Fri 1/29/16	Mon 2/1/16	Conversion	
182	1.12.2.5	ADV - Run Data Integrity Report	8 hrs	1 day	Mon 2/1/16	Tue 2/2/16	Conversion	
183	1.12.2.6	ADV - Q/A Analysis of Converted Data	10 hrs	0.56 days	Tue 2/2/16	Tue 2/2/16	Conversion,Tech Lead,Application Consultant	
184	1.12.2.7	ADV - Upload Data to FTP site	4 hrs	0.5 days	Tue 2/2/16	Wed 2/3/16	Conversion	
185	1.12.2.8	<b>ADV - Data Refresh</b>	<b>4 hrs</b>	<b>0.25 days</b>	<b>Wed 2/3/16</b>	<b>Wed 2/3/16</b>		
186	1.12.2.8.1	ADV - Refresh Data to Onsite Production System	2 hrs	0.25 days	Wed 2/3/16	Wed 2/3/16	Conversion	
187	1.12.2.8.2	ADV - Refresh Converted Data to Onsite Test Sys	2 hrs	0.25 days	Wed 2/3/16	Wed 2/3/16	Conversion	
188	1.12.2.9	ADV - Data Validation Results	1 hr	0.13 days	Wed 2/3/16	Wed 2/3/16	Conversion	
189	1.12.3	<b>3.5.2 Data Refresh #2 (Functional Testing)</b>	<b>91 hrs</b>	<b>8.88 days</b>	<b>Fri 4/8/16</b>	<b>Thu 4/21/16</b>		
190	1.12.3.1	Wichita - Deliver Data Extract	0 hrs	1 day	Fri 4/8/16	Mon 4/11/16		
191	1.12.3.2	Wichita - Deliver Data Validation Numbers	0 hrs	1 day	Fri 4/8/16	Mon 4/11/16		
192	1.12.3.3	ADV - Run Initial Conversion	35 hrs	4.38 days	Mon 4/11/16	Mon 4/18/16	Conversion	
193	1.12.3.4	ADV - Load Converted Data to In-house Systems	1 hr	0.13 days	Mon 4/18/16	Mon 4/18/16	Conversion	
194	1.12.3.5	ADV - Run Data Integrity Report	1 hr	0.13 days	Mon 4/18/16	Mon 4/18/16	Conversion	
195	1.12.3.6	ADV - Q/A Analysis of Converted Data	12 hrs	1.5 days	Mon 4/18/16	Tue 4/19/16	Conversion	
196	1.12.3.7	ADV - Upload Data to FTP site	4 hrs	0.5 days	Tue 4/19/16	Tue 4/19/16	Conversion	
197	1.12.3.8	<b>ADV - Data Refresh</b>	<b>8 hrs</b>	<b>0.5 days</b>	<b>Tue 4/19/16</b>	<b>Wed 4/20/16</b>		

ID	WBS	Task Name	Work	Duration	Start	Finish	Resource Names	
198	1.12.3.8.1	ADV - Load Converted Data to Onsite Production	4 hrs	0.5 days	Tue 4/19/16	Wed 4/20/16	Conversion	
199	1.12.3.8.2	ADV - Load Converted Data to Onsite Test System	4 hrs	0.5 days	Tue 4/19/16	Wed 4/20/16	Conversion	
200	1.12.3.9	ADV - Data Validation Results	8 hrs	1 day	Tue 4/19/16	Wed 4/20/16	Conversion	
201	1.12.3.10	ADV - Reconcile any differences	11 hrs	1.38 days	Wed 4/20/16	Thu 4/21/16	Conversion	
202	1.12.3.11	ADV - Make any necessary code changes	11 hrs	1.38 days	Wed 4/20/16	Thu 4/21/16	Conversion	
203	1.12.4	<b>3.5.2 Data Refresh #3 (Integration Testing Cycle 1)</b>	<b>59 hrs</b>	<b>6.75 days</b>	<b>Tue 5/10/16</b>	<b>Wed 5/18/16</b>		
204	1.12.4.1	Wichita - Deliver Data Extract	0 hrs	1 day	Tue 5/10/16	Wed 5/11/16		
205	1.12.4.2	Wichita - Deliver Data Validation Numbers	0 hrs	1 day	Tue 5/10/16	Wed 5/11/16		
206	1.12.4.3	ADV - Run Initial Conversion	25 hrs	3.13 days	Wed 5/11/16	Mon 5/16/16	Conversion	
207	1.12.4.4	ADV - Load Converted Data to In-house Systems	1 hr	0.13 days	Mon 5/16/16	Mon 5/16/16	Conversion	
208	1.12.4.5	ADV - Run Data Integrity Report	1 hr	0.13 days	Mon 5/16/16	Mon 5/16/16	Conversion	
209	1.12.4.6	ADV - Q/A Analysis of Converted Data	8 hrs	1 day	Mon 5/16/16	Tue 5/17/16	Conversion	
210	1.12.4.7	ADV - Upload Data to FTP site	4 hrs	0.5 days	Tue 5/17/16	Tue 5/17/16	Conversion	
211	1.12.4.8	<b>ADV - Data Refresh</b>	<b>8 hrs</b>	<b>0.5 days</b>	<b>Tue 5/17/16</b>	<b>Wed 5/18/16</b>		
212	1.12.4.8.1	ADV - Load Converted Data to Onsite Production	4 hrs	0.5 days	Tue 5/17/16	Wed 5/18/16	Conversion	
213	1.12.4.8.2	ADV - Load Converted Data to Onsite Test System	4 hrs	0.5 days	Tue 5/17/16	Wed 5/18/16	Conversion	
214	1.12.4.9	ADV - Data Validation Results	4 hrs	0.5 days	Tue 5/17/16	Wed 5/18/16	Conversion	
215	1.12.4.10	ADV - Reconcile any differences	4 hrs	0.5 days	Wed 5/18/16	Wed 5/18/16	Conversion	
216	1.12.4.11	ADV - Make any necessary code changes	4 hrs	0.5 days	Wed 5/18/16	Wed 5/18/16	Conversion	
217	1.12.5	<b>3.5.2 Data Refresh #4 (Integration Testing Cycle 2)</b>	<b>58 hrs</b>	<b>6.13 days</b>	<b>Wed 6/29/16</b>	<b>Thu 7/7/16</b>		
218	1.12.5.1	Wichita - Deliver Data Extract	0 hrs	1 day	Wed 6/29/16	Thu 6/30/16		
219	1.12.5.2	Wichita - Deliver Data Validation Numbers	0 hrs	1 day	Wed 6/29/16	Thu 6/30/16		
220	1.12.5.3	ADV - Run Initial Conversion	24 hrs	3 days	Thu 6/30/16	Tue 7/5/16	Conversion	
221	1.12.5.4	ADV - Load Converted Data to In-house Systems	1 hr	0.13 days	Tue 7/5/16	Tue 7/5/16	Conversion	
222	1.12.5.5	ADV - Run Data Integrity Report	1 hr	0.13 days	Tue 7/5/16	Tue 7/5/16	Conversion	
223	1.12.5.6	ADV - Q/A Analysis of Converted Data	8 hrs	1 day	Tue 7/5/16	Wed 7/6/16	Conversion	
224	1.12.5.7	ADV - Upload Data to FTP site	4 hrs	0.5 days	Tue 7/5/16	Wed 7/6/16	Conversion	
225	1.12.5.8	<b>ADV - Data Refresh</b>	<b>8 hrs</b>	<b>0.5 days</b>	<b>Wed 7/6/16</b>	<b>Wed 7/6/16</b>		
226	1.12.5.8.1	ADV - Load Converted Data to Onsite Production	4 hrs	0.5 days	Wed 7/6/16	Wed 7/6/16	Conversion	
227	1.12.5.8.2	ADV - Load Converted Data to Onsite Test System	4 hrs	0.5 days	Wed 7/6/16	Wed 7/6/16	Conversion	
228	1.12.5.9	ADV - Data Validation Results	4 hrs	0.5 days	Wed 7/6/16	Wed 7/6/16	Conversion	
229	1.12.5.10	ADV - Reconcile any differences	4 hrs	0.5 days	Wed 7/6/16	Thu 7/7/16	Conversion	
230	1.12.5.11	ADV - Make any necessary code changes	4 hrs	0.5 days	Wed 7/6/16	Thu 7/7/16	Conversion	

ID	WBS	Task Name	Work	Duration	Start	Finish	Resource Names	W
231	1.12.6	<b>3.5.2 Data Refresh #5 (UAT)</b>	<b>50 hrs</b>	<b>5.13 days</b>	<b>Tue 8/2/16</b>	<b>Tue 8/9/16</b>		
232	1.12.6.1	Wichita - Deliver Data Extract	0 hrs	1 day	Tue 8/2/16	Wed 8/3/16		
233	1.12.6.2	Wichita - Deliver Data Validation Numbers	0 hrs	1 day	Tue 8/2/16	Wed 8/3/16		
234	1.12.6.3	ADV - Run Initial Conversion	12 hrs	1.5 days	Wed 8/3/16	Fri 8/5/16	Conversion	
235	1.12.6.4	ADV - Load Converted Data to In-house Systems	1 hr	0.13 days	Fri 8/5/16	Fri 8/5/16	Conversion	
236	1.12.6.5	ADV - Run Data Integrity Report	1 hr	0.13 days	Fri 8/5/16	Fri 8/5/16	Conversion	
237	1.12.6.6	ADV - Q/A Analysis of Converted Data	12 hrs	1.5 days	Fri 8/5/16	Mon 8/8/16	Conversion	
238	1.12.6.7	ADV - Upload Data to FTP site	4 hrs	0.5 days	Mon 8/8/16	Mon 8/8/16	Conversion	
239	1.12.6.8	<b>ADV - Data Refresh</b>	<b>8 hrs</b>	<b>0.5 days</b>	<b>Mon 8/8/16</b>	<b>Tue 8/9/16</b>		
240	1.12.6.8.1	ADV - Load Converted Data to Onsite Production	4 hrs	0.5 days	Mon 8/8/16	Tue 8/9/16	Conversion	
241	1.12.6.8.2	ADV - Load Converted Data to Onsite Test System	4 hrs	0.5 days	Mon 8/8/16	Tue 8/9/16	Conversion	
242	1.12.6.9	ADV - Data Validation Results	4 hrs	0.5 days	Mon 8/8/16	Tue 8/9/16	Conversion	
243	1.12.6.10	ADV - Reconcile any differences	4 hrs	0.5 days	Tue 8/9/16	Tue 8/9/16	Conversion	
244	1.12.6.11	ADV - Make any necessary code changes	4 hrs	0.5 days	Tue 8/9/16	Tue 8/9/16	Conversion	
245	1.12.7	<b>3.5.2 Data Refresh #6 (Go Live)</b>	<b>50 hrs</b>	<b>4.63 days</b>	<b>Wed 9/21/16</b>	<b>Wed 9/28/16</b>		
246	1.12.7.1	Wichita - Deliver Data Extract	0 hrs	1 day	Wed 9/21/16	Thu 9/22/16		
247	1.12.7.2	Wichita - Deliver Data Validation Numbers	0 hrs	1 day	Wed 9/21/16	Thu 9/22/16		
248	1.12.7.3	ADV - Run Initial Conversion	12 hrs	1.5 days	Thu 9/22/16	Mon 9/26/16	Conversion	
249	1.12.7.4	ADV - Load Converted Data to In-house Systems	1 hr	0.13 days	Mon 9/26/16	Mon 9/26/16	Conversion	
250	1.12.7.5	ADV - Run Data Integrity Report	1 hr	0.13 days	Mon 9/26/16	Mon 9/26/16	Conversion	
251	1.12.7.6	ADV - Q/A Analysis of Converted Data	12 hrs	1.5 days	Mon 9/26/16	Tue 9/27/16	Conversion	
252	1.12.7.7	ADV - Upload Data to FTP site	4 hrs	0.5 days	Tue 9/27/16	Tue 9/27/16	Conversion	
253	1.12.7.8	<b>ADV - Data Refresh</b>	<b>8 hrs</b>	<b>0.5 days</b>	<b>Tue 9/27/16</b>	<b>Wed 9/28/16</b>		
254	1.12.7.8.1	ADV - Load Converted Data to Onsite Production	4 hrs	0.5 days	Tue 9/27/16	Wed 9/28/16	Conversion	
255	1.12.7.8.2	ADV - Load Converted Data to Onsite Test System	4 hrs	0.5 days	Tue 9/27/16	Wed 9/28/16	Conversion	
256	1.12.7.9	ADV - Data Validation Results	4 hrs	0.5 days	Tue 9/27/16	Wed 9/28/16	Conversion	
257	1.12.7.10	ADV - Reconcile any differences	4 hrs	0.5 days	Tue 9/27/16	Wed 9/28/16	Conversion	
258	1.12.7.11	ADV - Make any necessary code changes	4 hrs	0.5 days	Tue 9/27/16	Wed 9/28/16	Conversion	
259	1.13	<b>3.6 Core Team Training</b>	<b>200 hrs</b>	<b>100.34 days</b>	<b>Fri 5/1/15</b>	<b>Tue 9/29/15</b>		
260	1.13.1	Standard Training Documentation	0 hrs	0 days	Fri 5/1/15	Fri 5/1/15	Trainer	
261	1.13.2	<b>Week 1</b>	<b>40 hrs</b>	<b>2.5 days</b>	<b>Mon 6/22/15</b>	<b>Wed 6/24/15</b>		
262	1.13.2.1	ADV - Orientation & Overview and Daily Process	30 hrs	2.5 days	Mon 6/22/15	Wed 6/24/15	Trainer[150%]	
263	1.13.2.2	ADV - Cash	10 hrs	1.25 days	Tue 6/23/15	Wed 6/24/15	Trainer	

ID	WBS	Task Name	Work	Duration	Start	Finish	Resource Names	W
264	1.13.3	<b>Week 2</b>	40 hrs	3.13 days	Fri 8/14/15	Wed 8/19/15		
265	1.13.3.1	ADV - Billing	20 hrs	2.5 days	Fri 8/14/15	Wed 8/19/15	Trainer	
266	1.13.3.2	ADV - Designing SO	5 hrs	0.63 days	Wed 8/19/15	Wed 8/19/15	Trainer	
267	1.13.3.3	ADV - Generating Service Orders	5 hrs	0.63 days	Wed 8/19/15	Wed 8/19/15	Trainer	
268	1.13.3.4	ADV - Review	10 hrs	1.25 days	Tue 8/18/15	Wed 8/19/15	Trainer	
269	1.13.4	<b>Week 3</b>	40 hrs	3.13 days	Fri 8/21/15	Thu 8/27/15		
270	1.13.4.1	ADV - Collections	20 hrs	2.5 days	Fri 8/21/15	Wed 8/26/15	Trainer	
271	1.13.4.2	ADV - GL and Month/Year End	5 hrs	0.63 days	Wed 8/26/15	Thu 8/27/15	Trainer	
272	1.13.4.3	ADV - Security	5 hrs	0.63 days	Wed 8/26/15	Thu 8/27/15	Trainer	
273	1.13.4.4	ADV - Scheduler	5 hrs	0.63 days	Wed 8/26/15	Thu 8/27/15	Trainer	
274	1.13.4.5	ADV - Point Of Sale/Loans	5 hrs	0.63 days	Wed 8/26/15	Thu 8/27/15	Trainer	
275	1.13.5	<b>Week 4</b>	40 hrs	2.5 days	Thu 9/17/15	Mon 9/21/15		
276	1.13.5.1	ADV - System Administration	20 hrs	2.5 days	Thu 9/17/15	Mon 9/21/15	Trainer	
277	1.13.5.2	ADV - Water Inventory	10 hrs	1.25 days	Fri 9/18/15	Mon 9/21/15	Trainer	
278	1.13.5.3	ADV - Solid Waste Management	10 hrs	1.25 days	Fri 9/18/15	Mon 9/21/15	Trainer	
279	1.13.6	<b>Week 5</b>	40 hrs	3.75 days	Wed 9/23/15	Tue 9/29/15		
280	1.13.6.1	ADV - Rate Management	10 hrs	1.25 days	Wed 9/23/15	Thu 9/24/15	Trainer	
281	1.13.6.2	ADV - Backflow Inventory	10 hrs	1.25 days	Thu 9/24/15	Mon 9/28/15	Trainer	
282	1.13.6.3	ADV - Reports	10 hrs	1.25 days	Mon 9/28/15	Tue 9/29/15	Trainer	
283	1.13.6.4	ADV - CustomerWise Training for software issue er	10 hrs	1.25 days	Mon 9/28/15	Tue 9/29/15	Trainer	
284	1.13.7	<b>Core Training deliverables with each week</b>	0 hrs	0 days	Fri 5/1/15	Fri 5/1/15		
285	1.13.7.1	Completion of onsite Instructor-Led Core Team Tr	0 hrs	0 days	Fri 5/1/15	Fri 5/1/15	Trainer	
286	1.14	<b>3.9 Software Testing</b>	2,722 hrs	121.38 days	Wed 3/16/16	Thu 9/1/16		
287	1.14.1	<b>3.5.1 Initial Configuration and Conversion (Conversion Testing)</b>	244 hrs	17.5 days	Wed 3/16/16	Fri 4/8/16		
288	1.14.1.1	ADV - Deliver Initial Configuration	1 hr	0.13 days	Wed 3/16/16	Wed 3/16/16	Tech Lead	
289	1.14.1.2	ADV - Data Refresh # 1 (Conversion)	1 hr	0.13 days	Wed 3/16/16	Wed 3/16/16	Conversion	
290	1.14.1.3	ADV - Data Validation Results	2 hrs	2.5 days	Wed 3/16/16	Fri 3/18/16	Project Manager[10%]	
291	1.14.1.4	ADV - Walk Through Testing worksheets	120 hrs	5 days	Wed 3/16/16	Wed 3/23/16	Conversion,Project Manager,Tech Lead	
292	1.14.1.5	Wichita - Conduct Testing	0 hrs	5 days	Fri 3/18/16	Fri 3/25/16		
293	1.14.1.6	Wichita - Report any issues into CustomerWise	0 hrs	5 days	Fri 3/18/16	Fri 3/25/16		
294	1.14.1.7	ADV - Make any necessary Conversion changes	80 hrs	10 days	Fri 3/25/16	Fri 4/8/16	Conversion	
295	1.14.1.8	ADV - Make config changes	40 hrs	5 days	Fri 3/25/16	Fri 4/1/16	Tech Lead	
296	1.14.2	<b>3.9 Functional Testing</b>	322 hrs	12.5 days	Thu 4/21/16	Tue 5/10/16		

ID	WBS	Task Name	Work	Duration	Start	Finish	Resource Names	W
297	1.14.2.1	ADV - 3.9.1 Functional Test Data Conversion Load	0 hrs	0 days	Thu 4/21/16	Thu 4/21/16	Conversion	
298	1.14.2.2	ADV - 3.9.1 Rate Testing Matrix	0 hrs	0 days	Thu 4/21/16	Thu 4/21/16	Tech Lead	
299	1.14.2.3	ADV - Provide Testing Worksheets	2 hrs	2.5 days	Thu 4/21/16	Tue 4/26/16	Project Manager[10%]	
300	1.14.2.4	ADV - OTJL	120 hrs	5 days	Tue 4/26/16	Tue 5/3/16	Project Manager,Tech Lead,Trainer	
301	1.14.2.5	Wichita - Conduct Testing	0 hrs	10 days	Tue 4/26/16	Tue 5/10/16		
302	1.14.2.6	Wichita - Report any issues into CustomerWise	0 hrs	10 days	Tue 4/26/16	Tue 5/10/16		
303	1.14.2.7	ADV - Make any necessary configuration changes	60 hrs	10 days	Tue 4/26/16	Tue 5/10/16	Tech Lead[75%]	
304	1.14.2.8	ADV - OTJL	140 hrs	8.75 days	Tue 4/26/16	Fri 5/6/16	Trainer,Tech Lead	
305	1.14.2.9	Wichita - Re-test CustomerWise Items	0 hrs	5 days	Tue 5/3/16	Tue 5/10/16		
306	1.14.3	<b>3.9 Integration Testing Cycle 1</b>	<b>872 hrs</b>	<b>29.17 days</b>	<b>Wed 5/18/16</b>	<b>Wed 6/29/16</b>		
307	1.14.3.1	3.9.2 Integration Test Scripts	2 hrs	0.25 days	Wed 5/18/16	Thu 5/19/16	Application Consultant	
308	1.14.3.2	3.9.2 ITC1 Data Conversion Load	2 hrs	0.25 days	Wed 5/18/16	Thu 5/19/16	Conversion	
309	1.14.3.3	3.9.2 ITC1 Test Plan Outline	4 hrs	0.5 days	Wed 5/18/16	Thu 5/19/16	Application Consultant	
310	1.14.3.4	3.9.2 ITC1 Acceptance Criteria	4 hrs	0.5 days	Wed 5/18/16	Thu 5/19/16	Project Manager	
311	1.14.3.5	3.9.2 ITC1 Plan Completion and Signoff	4 hrs	0.5 days	Wed 5/18/16	Thu 5/19/16	Project Manager	
312	1.14.3.6	Develop Stress Test Plan	8 hrs	0.5 days	Wed 5/18/16	Thu 5/19/16	Project Manager,Tech Lead	
313	1.14.3.7	Develop Integration Test Plan	8 hrs	2 days	Wed 5/18/16	Fri 5/20/16	Project Manager[50%]	
314	1.14.3.8	Wichita - Develop Integration Test Scripts	0 hrs	5 days	Wed 5/18/16	Wed 5/25/16		
315	1.14.3.9	ADV - OTJL	140 hrs	5.83 days	Wed 5/25/16	Thu 6/2/16	Project Manager,Tech Lead,Trainer	
316	1.14.3.10	Wichita - Conduct Testing	0 hrs	20 days	Wed 5/25/16	Wed 6/22/16		
317	1.14.3.11	Wichita - Report any issues into CustomerWise	0 hrs	20 days	Wed 5/25/16	Wed 6/22/16		
318	1.14.3.12	ADV - Make any necessary configuration changes	120 hrs	15 days	Wed 5/25/16	Wed 6/15/16	Tech Lead	
319	1.14.3.13	ADV - OTJL	580 hrs	24.17 days	Wed 5/25/16	Wed 6/29/16	Tech Lead,Application Consultant,Trainer	
320	1.14.3.14	Wichita - Re-test CustomerWise Items	0 hrs	7 days	Mon 6/6/16	Wed 6/15/16		
321	1.14.4	<b>3.9 Integration Testing Cycle 2</b>	<b>658 hrs</b>	<b>18.67 days</b>	<b>Thu 7/7/16</b>	<b>Tue 8/2/16</b>		
322	1.14.4.1	3.9.2 Integration Test Scripts	2 hrs	0.25 days	Thu 7/7/16	Thu 7/7/16	Application Consultant	
323	1.14.4.2	3.9.2 ITC2 Data Conversion Load	2 hrs	0.25 days	Thu 7/7/16	Thu 7/7/16	Conversion	
324	1.14.4.3	3.9.2 ITC2 Test Plan Outline	4 hrs	0.5 days	Thu 7/7/16	Thu 7/7/16	Application Consultant	
325	1.14.4.4	3.9.2 ITC2 Acceptance Criteria	4 hrs	0.5 days	Thu 7/7/16	Thu 7/7/16	Project Manager	
326	1.14.4.5	3.9.2 ITC2 Plan Completion and Signoff	4 hrs	0.5 days	Thu 7/7/16	Thu 7/7/16	Project Manager	
327	1.14.4.6	<b>3.8 Interface/Modification Delivery</b>	2 hrs	<b>0.25 days</b>	<b>Thu 7/7/16</b>	<b>Thu 7/7/16</b>		
328	1.14.4.6.1	Deployment and Rollout of Modifications and In	2 hrs	0.25 days	Thu 7/7/16	Thu 7/7/16	Tech Lead	
329	1.14.4.7	Wichita - Develop Integration Test Scripts	0 hrs	2 days	Thu 7/7/16	Mon 7/11/16		

ID	WBS	Task Name	Work	Duration	Start	Finish	Resource Names	W
330	1.14.4.8	ADV - OTJL	120 hrs	5 days	Thu 7/7/16	Thu 7/14/16	Tech Lead,Project Manager,Trainer	
331	1.14.4.9	Wichita - Conduct Testing	0 hrs	15 days	Mon 7/11/16	Mon 8/1/16		
332	1.14.4.10	Wichita - Report any issues into CustomerWise	0 hrs	15 days	Mon 7/11/16	Mon 8/1/16		
333	1.14.4.11	ADV - Make any necessary configuration changes	120 hrs	15 days	Mon 7/11/16	Mon 8/1/16	Tech Lead	
334	1.14.4.12	ADV - OTJL	400 hrs	16.67 days	Mon 7/11/16	Tue 8/2/16	Tech Lead,Application Consultant,Trainer	
335	1.14.4.13	Wichita - Re-test CustomerWise Items	0 hrs	6.25 days	Thu 7/21/16	Mon 8/1/16		
336	1.14.5	<b>3.9 User Acceptance Testing</b>	<b>626 hrs</b>	<b>16.67 days</b>	<b>Tue 8/9/16</b>	<b>Thu 9/1/16</b>		
337	1.14.5.1	3.9.2 Integration Test Scripts	2 hrs	0.25 days	Tue 8/9/16	Wed 8/10/16	Application Consultant	
338	1.14.5.2	3.9.2 UAT Data Conversion Load	2 hrs	0.25 days	Tue 8/9/16	Wed 8/10/16	Conversion	
339	1.14.5.3	3.9.2 UAT Test Plan Outline	4 hrs	0.5 days	Tue 8/9/16	Wed 8/10/16	Application Consultant	
340	1.14.5.4	3.9.2 UAT Acceptance Criteria	4 hrs	0.5 days	Tue 8/9/16	Wed 8/10/16	Project Manager	
341	1.14.5.5	3.9.2 UAT Plan Completion and Signoff	4 hrs	0.5 days	Tue 8/9/16	Wed 8/10/16	Project Manager	
342	1.14.5.6	Wichita - Develop Integration Test Scripts	0 hrs	3 days	Tue 8/9/16	Fri 8/12/16		
343	1.14.5.7	Wichita - Conduct Testing	0 hrs	12 days	Fri 8/12/16	Tue 8/30/16		
344	1.14.5.8	ADV - OTJL	120 hrs	9 days	Fri 8/12/16	Thu 8/25/16	Tech Lead,Trainer,Project Manager	
345	1.14.5.9	Wichita - Report any issues into CustomerWise	0 hrs	12 days	Fri 8/12/16	Tue 8/30/16		
346	1.14.5.10	ADV - Make any necessary configuration changes	90 hrs	11.25 days	Mon 8/15/16	Tue 8/30/16	Tech Lead	
347	1.14.5.11	ADV - OTJL	400 hrs	16.67 days	Tue 8/9/16	Thu 9/1/16	Tech Lead,Application Consultant,Trainer	
348	1.14.5.12	Wichita - Re-test CustomerWise Items	0 hrs	12 days	Fri 8/12/16	Tue 8/30/16		
349	1.15	<b>3.10 End User Training</b>	<b>1,500 hrs</b>	<b>319.22 days</b>	<b>Fri 5/1/15</b>	<b>Wed 8/10/16</b>		
350	1.15.1	ADV/Wichita Develop Test Scripts	500 hrs	62.5 days	Fri 5/13/16	Wed 8/10/16	Tech Lead	
351	1.15.2	Wichita - Finalize End User Training Plan	0 hrs	5 days	Thu 4/21/16	Thu 4/28/16		
352	1.15.3	ADV - End User Week 10	1,000 hrs	5 days	Thu 4/28/16	Thu 5/5/16	Trainer	
353	1.15.4	Completion of onsite Instructor Led End User Training	0 hrs	0 days	Thu 5/5/16	Thu 5/5/16		
354	1.15.5	Training Session Sign-off	0 hrs	0 days	Fri 5/1/15	Fri 5/1/15		
355	1.16	<b>3.11 Go/No Go Criteria</b>	<b>48 hrs</b>	<b>10 days</b>	<b>Thu 9/1/16</b>	<b>Thu 9/15/16</b>		
356	1.16.1	ADV - Finalize Go/No Go Criteria list	8 hrs	10 days	Thu 9/1/16	Thu 9/15/16	Project Manager[10%]	
357	1.16.2	ADV - Finalize Organization Readiness Checklist	8 hrs	10 days	Thu 9/1/16	Thu 9/15/16	Project Manager[10%]	
358	1.16.3	ADV - Finalize Post Go Live Plan	8 hrs	10 days	Thu 9/1/16	Thu 9/15/16	Project Manager[10%]	
359	1.16.4	ADV - Finalize Transition Plan to Support	8 hrs	10 days	Thu 9/1/16	Thu 9/15/16	Project Manager[10%]	
360	1.16.5	ADV - Finalize Cutover Plan	8 hrs	10 days	Thu 9/1/16	Thu 9/15/16	Project Manager[10%]	
361	1.16.6	Wichita - Go / No Go Decision	0 hrs	10 days	Thu 9/1/16	Thu 9/15/16		
362	1.16.7	ADV - Review, Sign-off and Authorization	8 hrs	10 days	Thu 9/1/16	Thu 9/15/16	Project Manager[10%]	

ID	WBS	Task Name	Work	Duration	Start	Finish	Resource Names	W
363	1.17	<b>3.12 Transition to Live</b>	<b>160 hrs</b>	<b>52.13 days</b>	<b>Mon 7/18/16</b>	<b>Wed 9/28/16</b>		
364	1.17.1	Cutover Plan	9 hrs	1.13 days	Mon 7/18/16	Tue 7/19/16	Project Manager	
365	1.17.2	Go Live	151 hrs	4.5 days	Wed 9/21/16	Wed 9/28/16		
366	1.17.2.1	ADV - Onsite Go Live	144 hrs	4.5 days	Wed 9/21/16	Wed 9/28/16	Application Consultant,Project Manager,Tech Lead,Trainer	
367	1.17.2.2	Final Release Data Conversion Load	1 hr	0.13 days	Wed 9/21/16	Wed 9/21/16	Conversion	
368	1.17.2.3	AR Balancing Sign Off	1 hr	0.13 days	Wed 9/21/16	Wed 9/21/16	Project Manager	
369	1.17.2.4	Data Conversion Validation Parameters sign off	1 hr	0.13 days	Wed 9/21/16	Wed 9/21/16	Project Manager	
370	1.17.2.5	Year and month active confirmation	1 hr	0.13 days	Wed 9/21/16	Wed 9/21/16	Project Manager	
371	1.17.2.6	AR summary details Sign Off	1 hr	0.13 days	Wed 9/21/16	Wed 9/21/16	Project Manager	
372	1.17.2.7	Transaction code Sign Off	1 hr	0.13 days	Wed 9/21/16	Wed 9/21/16	Project Manager	
373	1.17.2.8	Rates Sign Off	1 hr	0.13 days	Wed 9/21/16	Wed 9/21/16	Project Manager	
374	1.18	<b>3.13 Post Go Live</b>	<b>750 hrs</b>	<b>50.06 days</b>	<b>Wed 9/28/16</b>	<b>Wed 12/7/16</b>		
375	1.18.1	Month 1	280 hrs	17.5 days	Wed 9/28/16	Fri 10/21/16	Tech Lead,Project Manager	
376	1.18.2	Month 2	220 hrs	13.75 days	Fri 10/21/16	Thu 11/10/16	Tech Lead,Project Manager	
377	1.18.3	Month 3	140 hrs	11.2 days	Thu 11/10/16	Fri 11/25/16	Tech Lead,Project Manager[90%]	
378	1.18.4	Month 4	106 hrs	7.36 days	Fri 11/25/16	Tue 12/6/16	Tech Lead,Project Manager[90%]	
379	1.18.5	Completion of Post Go Live Support	2 hrs	0.13 days	Tue 12/6/16	Wed 12/7/16		
380	1.18.6	Transition to Support	2 hrs	0.13 days	Wed 12/7/16	Wed 12/7/16		

# Appendix B – Table of Responsibilities for Deliverables

Del #	Task Per SOW	Subtask Per SOW	Name	Deliverable Description/Definition	Deliverable Lead
1	1	1.2	Weekly and Monthly Status Meetings & Reports	Project meetings to be attended by Advanced and City. Project core team members to discuss work in progress, issues, risks, actions, near-term planned activities and associated resource commitments. Status reports to document project progress.	Advanced
2	1	1.3	Quarterly Sponsor Meeting	Meeting attended by Advanced and City Project Manager and Project Sponsors to review project status.	Advanced
3	3	3.1	Hardware ready for Software Installation	Application and database server (production and test) are on City network and the operating system and database software have been loaded.	City
4	3	3.1	Project Kick-Off Meeting	On-Site kick-off meeting held with the project team.	Advanced
5	3	3.1	Draft Project Schedule	Initial draft Project Schedule delivered at project kickoff meeting. Project Schedule updates performed throughout the project. The schedule is updated for refinements to tasks, and percent complete inclusive of resource updates and timeframe updates. Both parties will commit to staffing and resources to meet a rolling 3-month window.	Advanced
6	3	3.1	Risk Management Plan	Plan that defines how project risks will be logged, prioritized, assigned and managed to closure using a jointly agreed resolution strategy. Risk Log will be reviewed at project status meetings.	Advanced
7	3	3.1	Communication Plan	Plan that defines the Project Strategy for communicating internally within the Project Team.	Advanced
8	3	3.1	Change Management Plan	Plan that defines the strategy for communicating with employees and externally.	City
9	3	3.1	Change Control Process	Process that defines how changes to project scope will be logged, approved, and managed as agreed to by both parties.	Advanced
10	3	3.1	Training Plan	Plan that defines City resources to be trained, the courses to be delivered, materials, locations, facilities and other resources.	Advanced
11	3	3.1	Test Plan	Plan that defines City's testing approach.	Advanced
12	3	3.1	CIS Infinity Server Installation	Installation of CIS Infinity on City servers.	Advanced
13	3	3.1	Installation Training	Installation training for technical personnel.	Advanced
14	3	3.1	Desktop Client Installation	City to install client on remaining desktops.	City
15	3	3.1	Training Courses Syllabus	Document that outlines the duration, prerequisites and topics to be covered during the Advanced delivered standard training courses.	Advanced
16	3	3.1	Project Team Contact List	Project listing of all Advanced and City project team members' contact information.	Advanced
17	3	3.1	System Overview	CIS Infinity system overview demonstration	Advanced
18	3	3.1	CustomerWise Overview and Set up	Advanced will provide City with and overview of CustomerWise, the online tool for documenting and tracking issues as part of the overall implementation. City users will be provided with user ids and passwords which also provide access to the Software Entity relationship diagrams and the Data Dictionary.	Advanced
19	3	3.1	Functional and Data Conversion Discovery Workshop Agendas	Documents that outline the business and conversion processes to be discussed during the Functional and Data Conversion Discovery Workshops.	Advanced
20	3	3.2	Data Requirements for Functional Workshops	City to provide current business processes as identified in Subtask 3.2.	City

Del #	Task Per SOW	Subtask Per SOW	Name	Deliverable Description/Definition	Deliverable Lead
21	3	3.2.1	Functional Discovery Analysis Workshop	Sessions that will assist Advanced in learning City business processes and educating City about the features and limitations of the software. Advanced will lead the sessions with City business process experts participating.	Advanced
22	3	3.2.1	Functional Discovery Document	Document that captures all learning and understanding gained in the Functional Discovery Analysis Workshops. Document will serve as a template for configuring the software.	Advanced
23	3	3.2.2	Legacy System Conversion Information	City to provide Advanced with key information to assist Advanced in developing the conversion programs and activities. Legacy CIS table layouts, ERDs (if available), screen shots, baseline accounts etc. to be provided by City.	City
24	3	3.2.2	Data Conversion Discovery Analysis Workshop	Sessions that will assist Advanced in determining the best approach to converting legacy data. Advanced will lead these sessions with City technical and conversion/legacy data experts participating.	Advanced
25	3	3.2.2	Data Conversion Plan	Plan that defines detailed processes and tools that will be utilized for the conversion and includes data mapping, legacy data quality assessment, data cleansing, technical design, development and testing. It will also define timing for when data cleansing will be complete as well as defining the amount of historical data that will be converted.  The Plan will also identify data conversion validation parameters that define how the source and target data will be reviewed and validated as being correctly extracted.	Advanced
26	3	3.2.2	Data Cleansing and Initial Data Extract from Legacy CIS	City to perform data cleansing activities as identified during the Data Conversion Discovery Workshop. City to provide an initial extract of Legacy CIS data in the agreed upon format to Advanced. Data extract from the legacy system will be repeated for each test conversion.	City
27	3	3.3	Interface/Modification Discovery Workshop Agendas	Documents that outlines the items to be discussed during the Interface/Modification Discovery Workshop.	Advanced
28	3	3.3	Interfaces/Modification Workshop	Session that will aid Advanced in understanding modification requirements and the third party systems' interfacing capabilities to determine the best approach for interfacing with the identified third party systems.	Advanced
29	3	3.3	Configuration/Specifications for Interfaces/Modifications	Technical Specifications for interfaces/modifications identified in Task 2.1 and 2.3. Configuration document for interfaces identified in Subtask 2.2.	Advanced
30	3	3.4.1	Reports Discovery Workshop	Sessions to review the reporting requirements of City. Advanced will lead the sessions with City business process experts participating.	Advanced
31	3	3.4.1	Reports Analysis Spreadsheet	Document that lists all reports provided by City and designates those reports that are standard within CIS Infinity and those that require modification.	Advanced
32	3	3.4.2	Bill Print Discovery Workshop	Session to review of all bill print types, notices, receipts including a review of the bill printing and bill re-printing processes. Advanced will lead the sessions with City experts participating.	Advanced
33	3	3.4.2	Bill Print Specification	Specification for bill print design	Advanced
34	3	3.4.3	Infinity Mobile Discovery Workshop	Session that will assist Advanced in learning how City will deploy mobile service orders and educating City	Advanced

Del #	Task Per SOW	Subtask Per SOW	Name	Deliverable Description/Definition	Deliverable Lead
				about the features and limitations of the software. Advanced will lead the sessions with City business and technical experts participating.	
35	3	3.4.3	Infinity.Mobile Technical Checklist	Document that captures the technical environment in which Infinity.Mobile will be deployed. City to complete the checklist with Advanced's assistance.	City
36	3	3.4.3	Infinity.Mobile Discovery Document	Document that captures all learning and understanding gained in the Discovery Workshop. Document will serve as a template for configuring Infinity.Mobile.	Advanced
37	3	3.4.4	Infinity.Link Discovery Workshop	Session that will assist Advanced in learning how City will deploy the customer web portal and educating City about the features and limitations of the software. Advanced will lead the sessions with City business and technical experts participating.	Advanced
38	3	3.4.4	Infinity.Link Technical Checklist	Document that captures the technical environment in which Infinity.Link will be deployed. City to complete the checklist with Advanced's assistance.	City
38	3	3.4.4	Infinity.Link Discovery Document	Document that captures all learning and understanding gained in the Discovery Workshop. Document will serve as a template for configuring Infinity.Link.	Advanced
40	3	3.5.1	Initial Data Conversion Load	Loading of initial conversion by Advanced on City's system.	Advanced
41	3	3.5.1	Baseline Accounts	City, with Advanced's assistance will identify baseline accounts to be used for testing.	City
42	3	3.5.1	Data Validation Results	Report that documents the results of the agreed upon conversion validation parameters for both the source and target data.	Advanced
43	3	3.5.1	Initial System Configuration Rollout	Configuration of the control forms and rates by Advanced based on the Functional Discovery document.	Advanced
44	3	3.6	Training Agendas	Standard Training Agenda for each training course identified in the Training Plan.	Advanced
45	3	3.6	Training Workbooks	Standard Training Workbooks that will be used to facilitate Core Team and End User training execution for each training course identified in the Training Plan.	Advanced
46	3	3.6	Core Team Training	Execution and completion of Core Team training per the Training Plan. Training will include CustomerWise training.	Advanced
47	3	3.7	Custom Reports Delivery	Delivery of custom reports identified in the Reports Analysis Spreadsheet.	Advanced
48	3	3.8.1	Interface Configuration, Testing and Rollout	Configuration, testing, and rollout of configuration type interfaces that have been identified in Task 2.2 of this SOW.	Advanced
49	3	3.8.2	Software and Interfaces Modifications: Code, Testing and Rollout	Coding of Modifications and Interfaces as described in Task 2.1 of this Statement of Work. Advanced developed interfaces will be tested/QA'd by Advanced before integrating into City environment.	Advanced
50	3	3.9.1, 3.9.2, 3.9.3.	Legacy Data Refreshes	City to provide Advanced an extract of Legacy CIS data in the agreed upon format throughout the testing phases (Functional, ITC1, ITC2, UAT), as required. Six data refreshes are anticipated throughout the project, which include the data refresh prior to Go Live. Advanced will support City where required.	City
51	3	3.9.1	Functional Test - Data Conversion Data Load & Validation	Loading of conversion data by Advanced on City's system. Includes audit report that documents the results of the agreed upon conversion validation parameters for both the source and target data.	Advanced
52	3	3.9.1	Generic Test Scripts	Generic Integration Test scripts provided by Advanced	Advanced

Del #	Task Per SOW	Subtask Per SOW	Name	Deliverable Description/Definition	Deliverable Lead
				to test system functionality.	
53	3	3.9.1, 3.9.2, 3.9.3.	System Testing	City to conduct testing as outlined in the Test Plan, document test results (pass/fail) and log any issues in CustomerWise for resolution by Advanced.	City
54	3	3.9.1	Rates Testing Matrix	Document outlining all necessary rates and rate scenario's to be tested. City is responsible for testing and confirming all rates and rate scenarios are accurate and reflect the billing requirements of City.	Advanced
55	3	3.9.2	Build Releases (ITC1 and ITC2)	Installation of new builds on City's system which include City's modified software and interfaces.	Advanced
56	3	3.9.2	Integration Test - Data Conversion Data Load & Validation	Loading of conversion data by Advanced on City's system. Includes audit report that documents the results of agreed upon conversion validation parameters.	Advanced
57	3	3.9.3	User Acceptance Test - Data Conversion Data Load & Validation	Loading of conversion data by Advanced on City's system. Includes audit report that documents the results of the agreed upon conversion validation parameters for both the source and target data.	Advanced
58	3	3.10	End User Training, Signoff and Attendance Report	Execution and completion of End-User training per the Training Plan. Each training session will have an Attendance Report.	Advanced
59	3	3.11	Go/No Go Criteria Document	Document that identifies the criteria that will be adhered to enable cutover to Production to proceed. It includes metrics to evaluate project management readiness, business solution testing readiness, business readiness, IT Infrastructure readiness and reorganization/people readiness.	Advanced
60	3	3.11	Go / No Go Decision Document approved for Go Live	Document that defines the outcomes of application readiness based on the defined Go/No Go Criteria document and Cutover Plan defined. The result will be a joint decision to Go-live or to identify issues that will need to be resolved prior to Go-Live or can be deferred to post go-live. The decision to transition to Go Live will be approved when the items defined in the Cut-Over and readiness assessment has been successfully achieved and there are no significant agreed upon issues that will impact transition to Production.	Advanced
61	3	3.11	Cutover Plan	Document that defines steps and responsibilities of Advanced and City during transition to Production. Includes steps to achieve system balance and includes a conversion cutover plan.	Advanced
62	3	3.12	Go Live - Data Conversion Data Load & Validation	Loading of conversion data by Advanced on City's system. Includes audit report that documents the results of the agreed upon conversion validation parameters for both the source and target data.	Advanced
63	3	3.12	Go Live	System is operating and being used. Balancing of legacy and Advanced CIS has been validated and signed-off by City.	Advanced
64	3	3.13	Completion of Post Live Support	Conclusion of Post live support period, which includes remote and/or onsite presence.	Advanced
65	3	3.13	Support Transition Meeting	A transition meeting to transfer from the project implementation phase to the support phase of the contract.	Advanced

# Appendix C – Advanced - Copy of Appendix B Functional Technical Requirements Criteria Matrix



Appendix C –  
Advanced - Copy of

**Appendix B COW CIS & Water Billing  
Functional and Technical Requirements Criteria Matrix**

ID	Requirement Task	Required	Desired	Baseline	Third Party App. Req.	Planned for Future Release	Req. Source code Mods.	Not Available	Vendor Comments
<b>Customer Management</b>									
1.00	Validate SSN		X	X					
1.01	Mandate required fields for setting up new accounts	X		X					
1.02	Ability for Predetermined Status selection		X	X					
1.03	Ability to Design or create a bill print		X	X					
1.04	Ability to view customers account history	X		X					
1.05	Ability for Rent or Own selection			X					
1.06	Ability to have E Signature for customers		X	X					
1.07	Ability to Deposit adjustment credit to account	X		X					
1.08	Populate bank or Routing information		X	X					
1.09	When entering customer information, pop up with similar names	X		X					
1.10	SSN required field	X		X					
1.11	Tax ID required field	X		X					
1.12	Consolidate customer accounts (old addresses, name change, etc.)	X		X					
<b>Document Management</b>									
1.12	Ability to store attachments in different location besides Database		X	X					
1.13	Repository of Letter templates	X		X					
1.14	View attached images on accounts in system	X		X					
<b>Financial Management</b>									
1.15	Ability to have a "soft close" account - deposit is held for 10 days		X	X					
1.16	Create Refund Checks	X		X					
1.17	Set up different payment codes for PFC, State Set off, customer pay in person	X		X					
1.18	Allow more than 13 digits to be read in bank accounts	X		X					
1.19	Allow increase in customer account digits and premises number	X		X					
1.20	Refund checks done by transfer	X		X					
1.21	Update Adjustments for Bankruptcy automatically	X		X					
1.22	Automatically reverse out posted payments and update system	X		X					
<b>Report Management</b>									
1.23	Monitor inactive accounts for over 5 units consumption	X		X					
<b>System Management</b>									
1.24	Data Conversion - bring over 1 to 1		X	X					

**Appendix B COW CIS & Water Billing  
Functional and Technical Requirements Criteria Matrix**

ID	Requirement Task	Required	Desired	Baseline	Third Party App. Req.	Planned for Future Release	Req. Source code Mods.	Not Available	Vendor Comments
1.25	Allow special characters during Data Conversion	X		X					
1.26	Ability to extract data easily	X		X					
1.27	Software can handle State Plane Coordinates	X		X					
1.28	Ability to Import daily data file from National Meter & Automation	X		X					
1.29	Billing system have XY Coordinates	X		X					
1.30	Utility Services and Program Management	X		X					
1.30	Ability for Work Order flow	X		X					
1.31	System will allow for association between Lawn meter and Domestic meter	X		X					
1.32	System creates work order automatically	X		X					
1.33	Premise workflow for shutoff and turn on (read only)	X		X					
1.34	Ability to update out of cycle reads	X		X					
1.35	Ability to change rates in middle of bill cycle	X		X					
1.36	Ability to print bill past 13 months		X	X					
1.37	Ability to generate letters	X		X					
1.38	Ability to do Rate Calculations	X		X					
1.39	Ability to automate processes	X		X					
1.40	Automate Notifications sent for Tax Exemption Expiration	X		X					
1.41	Ability to Cancel / Re-bill / Estimate Multi-periods with 2 different rates	X		X					
1.42	Capability for Address Hierarchy	X		X					
1.43	Allow Electronic work order management capabilities in Real time	X		X					
1.44	Ability to run various processes (Delinquency, lockbox)	X		X					
1.45	Ability to show average bill for customer	X		X					
1.46	Ability for Multi-period rate changes	X		X					
1.47	Monitor Inactive accounts for over 5 units consumption	X		X					
1.48	Ability to revert back to landlord on rental properties	X		X					
1.49	Capability to allow for Utility Assistance Program	X		X					
1.50	Ability to send a reminder letter to customers for testing backflow		X	X					
1.51	History of ERT Location and maintenance completed on accounts	X		X					
1.52	History of backflow on accounts	X		X					
1.53	Be able to create more than 2 files	X		X					
1.54	Ability to do Mass Estimation and recalculation	X		X					

**Appendix B COW CIS & Water Billing  
Functional and Technical Requirements Criteria Matrix**

ID	Requirement Task	Required	Desired	Baseline	Third Party App. Req.	Planned for Future Release	Req. Source code Mods.	Not Available	Vendor Comments
1.55	Drop down options for meter size and other requirement options in meter change out	X		X					
1.56	History of last work order ERT & Service Number	X		X					
1.57	Meter Reading Exception Audit	X		X					
1.58	Ability to see Final Meter Read/Meter Pull	X		X					
1.59	Ability to view accounts that have been shutoff from using Grease	X		X					
1.60	Ability to charge FOG each month, Annually and violation fines	X		X					
1.61	Ability to put hold on account and Release to Restart services	X		X					
1.62	Ability to run Mass change out on meters	X		X					
1.63	Ability to show old Work Orders and history of issue and resolution	X		X					
1.64	Ability to input testing results from MARS	X		X					
1.65	Ability to load file with Rejects received from bank draft and automate letters		X	X					
1.66	Automate Signing up for Water Programs		X	X					
1.67	Ability to put holds on Bank Drafts	X		X					
1.68	Automatically take hold off on bank drafts after certain amount of time		X	X					
1.69	Automate a letter to customer if bank information is incorrect for Bank draft		X	X					
1.70	Ability to change Tax Exemptions	X		X					
1.71	Ability to populate with different taxable services	X		X					
1.72	Ability for GEO code Input	X		X					
1.73	Ability for Rate code Input	X		X					
1.74	Ability to translate into performance ledger	X		X					
1.75	Populate customer consumption in units	X		X					
1.76	Ability to calculate sales tax	X		X					
1.77	Ability to Pro-Rate		X	X					
1.78	Ability to base rate charges		X	X					
1.79	Code for Collections	X		X					
1.80	Ability to pull Bill charges for Bad Debt	X		X					
1.81	Ability to adjust leak rates	X		X					
1.82	Ability to flag any potential leaks according to data on account	X		X					
1.83	Ability to run Mass Credit Balance Refund	X		X					
1.84	Account for new Taps	X		X					
1.85	Ability to measure Average Winter Consumption (AWC)	X		X					
1.86	Ability to identify High / Low Bill Exceptions	X		X					

**Appendix B COW CIS & Water Billing  
Functional and Technical Requirements Criteria Matrix**

ID	Requirement/Task	Required	Desired	Baseline	Third-Party App. Req.	Planned for Future Release	Req. Source code Mods.	Not Available	Vendor Comments
1.87	Generate meter reads routes from billing cycles	X		X					
1.88	Consolidate customer accounts (old addresses, name change, etc.)	X		X					
1.89	Ability for Reconciliation for uncashed checks	X		X					
1.90	Hydrant Meter Reads	X		X					
1.91	Account Receivables	X		X					
1.92	Financial and Bond Requirements	X		X					
1.93	Water Usage History	X		X					
1.94									
				<b>Totals</b>	<b>475</b>	<b>0</b>	<b>0</b>	<b>0</b>	
2.00	<b>Customer Satisfaction</b>								
2.01	Reliable Bills	X		X					
2.02	Timely Bills	X		X					
2.03	Helpful Billing Information	X		X					
2.04	Easy to Access Information	X		X					
2.05	Ability to reprint a customer receipt	X		X					
2.06	Include type of payment on when payments are made (Credit Card, ACH, etc.)	X		X					
2.07	Online Customer Information	X		X					
2.08	Web Payment options (Credit Card, ACH, etc.)	X		X					
2.09	Payment by Phone (IVR) ACH, Credit Card, Debit Card, etc.	X		X					
2.10	Online Banking Payments (ACH, Paper Check, etc.)	X		X					
2.11	Payment Plan Options	X		X					
2.12	Call Center Adjustment for Deposit & Account Origination Fee	X		X					
2.13									
				<b>Totals</b>	<b>60</b>	<b>0</b>	<b>0</b>	<b>0</b>	
3.00	<b>MODULES</b>								
3.01	Meter Maintenance Modules	X		X					
3.02	Fats Oil Grease Module		X	X					Further discussion necessary. Assumed handled through existing functionality and custom fields.
3.03	Call Center Module		X						
3.04	Data Analytics Module	X		X					KPI charts available via standard functionality. For additional web based Business intelligence we also offer Infinity BI. Further discussion necessary.
3.05	Paperless Work order Management (Mobile Dispatch)	X		X					
3.06	Backflow Module	X		X					
3.07	Customer Management	X		X					

**Appendix B COW CIS & Water Billing  
Functional and Technical Requirements Criteria Matrix**

ID	Requirement Task	Required	Desired	Baseline	Third Party Application	Planned for Future Release	Req. Source code Mods.	Not Available	Vendor Comments
3.08	Customer Service Care	X		X					
3.09	Account Management	X		X					
3.10	Billing Management	X		X					
3.11	Program Management	X		X					
3.12	Collection Management	X		X					
3.13	Equipment Management	X		X					
3.14	Financial Management	X		X					
3.15	Service Order Management	X		X					
3.16	Document Management	X		X					Attachments management allowed via standard functionality.
3.17	Report Management	X		X					
3.18									
			<b>Totals</b>	<b>80</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
4.00	<b>TECHNICAL</b>								
4.01	Efficiency in software performance	X		X					
4.02	64 bit Operating Database System	X		X					
4.03	Reporting on separate Databases	X		X					
4.04	Batch Processing	X		X					
4.05	Application Server separate from Database server	X		X					
4.06	Separation of financial and inquiry	X		X					
4.07	Archiving ability	X		X					
4.08	Experience with Converting Banner Data	X		X					Several utilities has recently converted off Banner and onto CIS infinity.
4.09	Web software option without Java client	X		X					
4.10	API / Web Service interfaces between CIS and External Systems	X		X					
4.11	CSS and Master page	X		X					
4.12	PCI Compliance	X		X					Advanced Utility Systems is PCI compliant and listed on the official PCI website.
4.13	Windows OS 2008 R2 or newer	X		X					
4.14	Work with Web and IVR systems	X		X					
4.15	Software fully supported on Vmware Virtual Machine	X		X					
4.16	Loosely Coupled Imaging system	X		X					
4.17	Ability to view different screens on dual monitors	X		X					
4.18	Compatible with Future Hardware/software/ OS/AMI	X		X					
4.19	All jobs implemented as services (no privileged interactive logins on servers)	X		X					
4.20	Client software deployable through Microsoft SCCM	X		X					

**Appendix B COW CIS & Water Billing  
Functional and Technical Requirements Criteria Matrix**

ID	Requirement Task	Required	Desired	Baseline	Third Party App. Req.	Planned for Future Release	Open Source code Mods.	Not Available	Vendor Comments
4.21	Client software does not require elevated user privileges to run	X		X					
4.22	Jobs are managed through the client interface (no direct access to the servers)	X		X					
4.22									
				<b>Totals</b>	<b>110</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>5.00</b>	<b>SECURITY</b>								
5.01	Ability to define security to the job roles	X		X					
5.02	Shows footprints of activities performed	X		X					
5.03	Ability to view information	X		X					
5.04	Authority to edit according to job roles	X		X					
5.05	Ability to see full SSN of customers (minimum number of people allowed)	X		X					Our security module will allow for this type of flexibility in seeing/masking/hiding fields.
5.06	Ability to limit access to charge payments to batch originator	X		X					
5.07	Ability to allow only supervisor to approve batches	X		X					
5.08									
				<b>Totals</b>	<b>35</b>	<b>0</b>	<b>0</b>	<b>0</b>	
6.00	<b>INTERFACES</b>								A solid estimate of hours are included in our cost proposal for each interface in this section. Our process is to further evaluate and discuss each interface to include appropriate scope language and costs into the contract if we are fortunate to be the City's vendor of choice.
6.01	Experience in working with preferred asset manager system (Lucity) (Meter Information and Work Orders)	X		X					We currently have a working and business relationship with Lucity and attend their annual user conferences.
6.02	Interface with Linko	X		X					
6.03	Standard file formats (API; Web Services, DAT, XML)	X		X					
6.04	State Set Off Web site	X		X					
6.05	Work with current Payment Interface, unless one is in new software	X		X					We can offer the City discount credit card / e-check processing
6.06	Document Management	X		X					
6.07	High Colton web page	X		X					
6.08	Ability to interface with Selectron (IVR, Web solutions, Tsys)	X		X					
6.09	Ability to interface with Laserfiche	X		X					
6.10	Interface with MVRS (Handheld Meter Reading System)	X		X					
6.11	Interface with MARS	X		X					
6.12	Performance Series (financial application)	X		X					
6.13	GIS - several programs that use views in Banner	X		X					

**Appendix B COW CIS & Water Billing  
Functional and Technical Requirements Criteria Matrix**

ID	Requirement Task	Required	Desired	Baseline	Third Party App. Req.	Planned for Future Release	Req. Source code Mods.	Not Available	Vendor Comments
6.14	Electronic Meter file load – ERT file - COW_ERT_XY – GIS sends x,y coordinates and premises to this table in Banner which is then used with address information to create a file. The file is loaded on the ITRON laptop and used to create map points for the electronic read meters.	X		X					
6.15	UWVDIAL – View used by GIS for Dialysis patients – customer, prem, address, route, inventory code, serial number, service location, status code.	X		X					
6.16	Mass Meter Inventory Load – Allows large groups of meters and ERTs to be loaded into Banner inventory as a batch. Data is received from the meter vendor in a Banner specific format and loaded into Banner with a custom program.	X		X					
6.17	Interface with CRM, if call center software is not available	X		X					
6.18	Standard, Built-in or configured reason codes	X		X					
6.19	Ability to accept external bank file to post individual payments (Lockbox). Posting report should be able to be viewed with dollar and transaction totals. Exceptions should be separated into different report with total dollars and transaction totals.	X		X					
6.20	Ability to interface Electronic Bill Printing and Presentment (EBPP)	X		X					
6.21									
				<b>Totals</b>	<b>95</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>7.00</b>	<b>REPORTS:</b>								
7.01	Schedule of meter maintenance/replacement	X		X					
7.02	Schedule of ERT replacement	X		X					
7.03	Meters by age	X		X					
7.04	Meters by size and type, with information such as date of installation, history, and maintenance	X		X					
7.05	Service orders and notes on an account	X		X					
7.06	Open service orders	X		X					
7.07	Completed service orders, by type, with drill-down	X		X					
7.08	Parts used on service orders	X		X					
7.09	Billing adjustments by type and reason	X		X					
7.10	Ability to create reports, based on filtered fields, such as 12 MTD consumption on selected meters	X		X					
7.11	Meters with Reading devices	X		X					
7.12	Meters with no Reading devices	X		X					
7.13	Ad-hoc Reports	X		X					



**Appendix B COW CIS & Water Billing  
Functional and Technical Requirements Criteria Matrix**

ID	Requirement Task	Required	Desired	Baseline	Third-Party App. Req.	Planned for Future Release	Req. Source code Mods.	Not Available	Vendor Comments
8.00	<b>JOBS</b>								
8.01	Scheduled batch jobs	X		X					
8.02	Bill Batch Processing	X		X					
8.03	Set up parameters for jobs	X		X					
8.04	Create output for letters/postcards to be printed by 3rd party	X		X					
8.05	Create job on collection accounts if not satisfied by 16th day	X		X					
8.06									
	<b>Totals</b>			25	0	0	0	0	

9.00	<b>PAYMENT PROCESSING</b>								
9.01	Ability to enter cash remittance and print receipt	X		X					
9.02	Ability to perform account inquiry by name and address from cash remittance screen and pay from that screen	X		X					
9.03	Ability to reprint receipt for current day and previous days.	X		X					
9.04	Ability to perform payment reversals on current day's batch	X		X					
9.05	Need to receive an NSF alert and Service Off alert when accessing account for payment	X		X					
9.06	Need the ability to process payment arrangements and SONP (Shut off for Non Payment)	X		X					
9.07	Need ability to reprint a bill for a customer at the teller window	X		X					
9.08	Need the ability to correct and delete accounts in the Lockbox Exceptions. These types are included with all other exceptions.	X		X					
9.08									
	<b>Totals</b>			20	0	0	0	0	

	Baseline	Third-Party App. Req.	Planned for Future Release	Req. Source code Mods.	Not Available
<b>Grand Totals</b>	1050	0	0	0	0

**RESOLUTION NO. 15-099**

**A RESOLUTION DECLARING IT NECESSARY TO CONSTRUCT, RECONSTRUCT, ALTER, REPAIR, IMPROVE, EXTEND AND ENLARGE THE WATER AND SEWER UTILITY OWNED AND OPERATED BY THE CITY OF WICHITA, KANSAS, TO ISSUE REVENUE BONDS FOR THE PURPOSE OF PAYING CERTAIN COSTS THEREOF, AND PROVIDING FOR THE GIVING OF NOTICE OF SUCH INTENTION IN THE MANNER REQUIRED BY LAW.**

---

**WHEREAS**, the City of Wichita, Kansas (the "City") is a municipal corporation, duly created, organized and existing under the Constitution and laws of the State; and

**WHEREAS**, the City Council of the City (the "Governing Body"), has heretofore by Ordinance No. 39-888, passed May 26, 1987 and published in the official newspaper of the City on May 29, 1987, as required by law, authorized the combining of the City-owned and operated municipal water utility and municipal sewer utility thereby creating the City of Wichita, Kansas Water and Sewer Utility (the "Utility"); and

**WHEREAS**, the City is authorized under the Constitution and laws of the State of Kansas, including K.S.A. 10-1201 *et seq.*, as amended and supplemented by Charter Ordinance No. 211 of the City (collectively, the "Act"), to issue revenue bonds to construct, reconstruct, alter, repair, improve, extend and enlarge the Utility;

**WHEREAS**, the Governing Body hereby finds and determines that it is necessary and advisable to **replace the billing system to improve the service experience of customers and improve the efficiency of** the Utility in the following manner:

**Acquire and Install New Utility Billing Customer Information System (CIS) (W-57)**

(the "Project") and to provide for the payment of all or a portion of the costs thereof by the issuance of revenue bonds of the City pursuant to the Act; said bonds to be payable from the revenues of the Utility.

**BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, AS FOLLOWS:**

**Section 1. Project Authorization.** It is hereby authorized, ordered and directed that the Project be acquired, constructed and/or installed in accordance with plans and specifications therefor prepared under the direction of the City Engineer or designee and approved by the Governing Body; said plans and specifications to be placed on file in the offices of the Utility. The estimated cost of the Project, including related design and engineering expenses is **\$3,100,000**. The Project will not cause duplication of any existing water or sewer utility service furnished by a private utility in the City.

**Section 2. Project Financing.** It is hereby found and determined to be necessary and advisable to issue revenue bonds of the City under the authority of the Act, in an aggregate principal amount not to exceed **\$3,348,000** in order to pay all or a portion of the costs of the Project and related reserves, interest on financing and administrative and financing costs (the "Bonds"). The Bonds shall not be general obligations of the City payable from taxation, but shall be payable from the revenues derived from the

operations of the Utility. Costs of the Project in excess of the proceeds of the Bonds, if any, shall be paid from unencumbered moneys of the Utility which will be available for that purpose. The Bonds may be issued to reimburse expenditures made on or after the date which is 60 days before the date of this Resolution, pursuant to Treasury Regulation 1.150-2.

**Section 3. Notice.** Before issuing the Bonds, there shall be published one (1) time in the official newspaper of the City, a notice of the intention of the Governing Body to undertake the Project and to issue the Bonds (the "Notice"); and if within fifteen (15) days after the publication of such Notice, there shall be filed with the City Clerk, a written protest against the Project or the issuance of the Bonds, signed by not less than twenty per cent (20%) of the qualified electors of the City, the Governing Body shall thereupon submit such proposed Project and the Bonds to the electors of the City at a special election to be called for that purpose as provided by the Act. If no sufficient protest is filed with the City Clerk within the period of time hereinbefore stated, then the Governing Body shall have the authority to proceed with the Project and issuance of the Bonds.

**Section 4. Effective Date.** This Resolution shall be in full force and effect from and after its adoption by the Governing Body.

**ADOPTED** by the City Council of the City of Wichita, Kansas, by not less than two-thirds of the members voting in favor thereof, on April 21, 2015.

(SEAL)

---

Jeff Longwell, Mayor

ATTEST:

---

Karen Sublett, City Clerk

APPROVED AS TO FORM:

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Sharon Dickgrafe, Interim Director of  
Law

(Published in *The Wichita Eagle*, on May 1, 2015.)

**NOTICE**

TO: THE RESIDENTS OF THE CITY OF WICHITA, KANSAS

You are hereby notified that the City Council (the “Governing Body”) of the City of Wichita, Kansas (the “City”), by Resolution No.15-099 duly adopted April 21, 2015, has found and determined it to be necessary and declared its intention to construct, reconstruct, alter, repair, improve, extend and enlarge the City of Wichita, Kansas Water and Sewer Utility, which is owned and operated by the City (the “Utility”), in the following manner:

**Acquire and Install New Utility Billing Customer Information System (CIS) (W-57)**

(the “Project”) at an estimated cost, including **one-time installation** expenses of **\$3,100,000**.

In order to finance all or a portion of the costs of the Project and related reserves, interest on financing and administrative and financing costs, the Governing Body has further found and determined it to be necessary and declared its intention to issue revenue bonds an aggregate principal amount not to exceed **\$3,348,000** under the authority of K.S.A. 10-1201 *et seq.*, as amended and supplemented by Charter Ordinance No. 211 of the City (the “Bonds”). The Bonds shall not be general obligation bonds of the City payable from taxation, but shall be payable only from the revenues derived from the operations of the Utility. Costs of the Project in excess of the proceeds of the Bonds shall be paid from unencumbered moneys of the Utility which will be available for that purpose.

This Notice shall be published one time in the official newspaper of the City; and if, within fifteen (15) days from and after the publication date hereof, there shall be filed in the Office of the City Clerk a written protest against the Project and the issuance of the Bonds, which protest is signed by not less than twenty percent (20%) of the qualified electors of the City, then the question of the Project and the issuance of the Bonds shall be submitted to the electors of the City at a special election which shall be called for that purpose as provided by law. If no sufficient protest to the Project and the issuance of the Bonds is filed within said period, then the Governing Body shall have the authority to proceed with the Project and issuance of the Bonds.

BY ORDER of the Governing Body of the City of Wichita, Kansas, on April 21, 2015.

/s/ JEFF LONGWELL, Mayor

ATTEST:

/s/ Karen Sublett, City Clerk

**City of Wichita  
City Council Meeting  
April 21, 2015**

**TO:** Mayor and City Council

**SUBJECT:** Wichita Employees' Retirement and Police and Fire Retirement Systems Actuarial Valuation Reports as of December 31, 2014

**INITIATED BY:** Department of Finance

**AGENDA:** New Business

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**Recommendations:** Receive and file the Actuarial Reports and approve the 2016 employer contribution rates.

**Background:** The Board of Trustees for both the Wichita Employees' Retirement (WER) System and the Police and Fire (P&F) Retirement System employ Cavanaugh Macdonald Consulting, LLC to serve as technical advisor/consultant, supplying the Boards with required actuarial services and information pertaining to the Retirement Systems. The actuary recommends the mortality, interest rates, and other required actuarial tables; prepares an annual valuation of assets and liabilities; makes an annual determination of the amount of contributions necessary to meet requirements for annuities and benefits, certifying the results to the Boards; and reviews the operating experience of the Retirement Systems as an evaluation of the adequacy of the recommended actuarial standards.

**Analysis:** The funding objective of the WER and P&F Retirement Systems is to establish and receive contributions, expressed as percents of active member pensionable payroll, which will remain approximately level from year to year, minimizing increases for future generations of citizens. This funding objective should be attainable, as long as the benefits and the demographic make-up of members does not change materially, and actuarial assumptions are realized. The Retirement Systems are supported by: (1) member contributions; (2) City contributions; and (3) investment income from the Retirement Systems' assets. Key results of the actuarial valuations are summarized below.

1. The actuary's valuations state that for the fiscal year beginning January 1, 2016, the City's required contribution to the defined benefit plans in the WER System is 11.6% and the required contribution to the P&F System is 18.8%. Contribution rates are stated as a percent of active member pensionable payroll. These rates are based on the benefit provisions and active member contribution rates in effect on December 31, 2014. The City's required contribution to Plan 3, the defined contribution plan in the WER System, is 4.7%.
2. The funded ratios (liabilities covered by assets) and employer (City) contribution rates for the WER and P&F Retirement Systems over the past five (5) years are shown below:

Wichita Employees' Retirement System

<u>Period</u> <u>Ending 12/31</u>	<u>Budget</u> <u>Year</u>	<u>Funded</u> <u>Ratio</u>	<u>Employer Contributions</u>	
			<u>Pension</u> <u>Trust</u>	<u>Pension</u> <u>Reserve</u>
2010	2012	95.5%	10.6%	0.0%
2011	2013	92.5%	12.6%	0.0%
2012	2014	91.0%	13.2%	0.0%
2013	2015	93.1%	12.2%	0.0%
2014	2016	94.9%	11.6%	0.3%

Police and Fire Retirement System

<u>Period</u> <u>Ending 12/31</u>	<u>Budget</u> <u>Year</u>	<u>Funded</u> <u>Ratio</u>	<u>Employer Contributions</u>	
			<u>Pension</u> <u>Trust</u>	<u>Pension</u> <u>Reserve</u>
2010	2012	92.7%	22.0%	0.0%
2011	2013	90.8%	22.8%	0.0%
2012	2014	90.5%	22.4%	0.0%
2013	2015	92.5%	21.3%	0.0%
2014	2016	95.1%	18.8%	1.3%

3. In summary, the actuary's reports reflect that the aggregate experience of the Retirement Systems during the twelve (12) months ended December 31, 2014 resulted in a net gain for WER and P&F, due to positive experience on assets and liabilities. The actual market value return for 2014 was 5.1%, however the actuarial return on assets was 8.2% for WER and 8.4% for P&F, due to partial recognition of deferred gains from the positive investment experience in 2013. Additionally, both Systems had positive liability experience as salary increases in 2014 were less than expected. This, in turn, resulted in a decrease in the City's required contribution rates for 2016 for both WER and P&F.

**Financial Considerations:** In conjunction with the actuary's recommendation and in keeping with the City's current policy of maintaining level contribution rates, the Department of Finance recommends the City's contribution rates, expressed as a percent of active member pensionable payroll, decrease from 12.2% to 11.9% for WER, and decrease from 21.3% to 20.1% for P&F for the fiscal year 2016. Of the 11.9% WER and 20.1% P&F contribution rates, 11.6% and 18.8%, respectively, will be paid into the trust and the remaining 0.3% for WER and 1.3% for P&F will be directed to the pension reserve to assist in meeting possible future increases in contribution rates resulting from unfavorable market conditions or other negative plan experience.

**Legal Considerations:** Under the Ordinances creating the two pension systems, the City is required to make the actuarially required contributions to the Retirement Systems.

**Recommendation/Actions:** It is recommended that the City Council receive and file the Wichita Employees' Retirement and Police and Fire Retirement Systems' Actuarial Valuation Reports as of December 31, 2014 as submitted, and approve the 2016 employer retirement fund contribution rates.

**Attachments:** Wichita Employees' Retirement System *Actuarial Valuation* as of December 31, 2014 and Police and Fire Retirement System of Wichita, Kansas, *Actuarial Valuation* as of December 31, 2014.



**Cavanaugh Macdonald**  
CONSULTING, LLC

*The experience and dedication you deserve*

## **Wichita Employees' Retirement System**

**Actuarial Valuation as of December 31, 2014**



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# Cavanaugh Macdonald

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April 2, 2015

The Board of Trustees  
Wichita Employees' Retirement System  
City Hall, 12<sup>th</sup> Floor  
455 N. Main Street  
Wichita, KS 67202

Dear Members of the Board:

In accordance with your request, we have completed an actuarial valuation of the Wichita Employees' Retirement System as of December 31, 2014. The major findings of the valuation are contained in this report, including the employer contribution rate for fiscal year 2016. The plan provisions are the same as the prior valuation. However, there were some changes to the actuarial assumptions and methods used in the current valuation as a result of an experience study that was performed in 2014. The study covered the System's experience in calendar years 2009 through 2013 and resulted in several recommendations that were ultimately adopted by the Board of Trustees. The changes to the actuarial assumptions and methods are discussed in detail in the Executive Summary section of this report.

In preparing this report, we relied, without audit, on information (some oral and some in writing) supplied by the System's staff. This information includes, but is not limited to, plan provisions, member data, and financial information. We found this information to be reasonably consistent and comparable with information for the last valuation. The valuation results depend on the integrity of the data provided. If any of this information is inaccurate or incomplete, our valuation results may be different and our calculations may need to be revised.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the System's funded status); and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements.

3906 Raynor Pkwy, Suite 106, Bellevue, NE 68123

Phone (402) 905-4461 • Fax (402) 905-4464

[www.CavMacConsulting.com](http://www.CavMacConsulting.com)

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Actuarial computations presented in this report are for purposes of determining the actuarial contribution rates for funding the System. The calculations in the enclosed report have been made on a basis consistent with our understanding of the System's funding requirements and goals. Determinations for purposes other than meeting these requirements may be significantly different from the results contained in this report. Accordingly, additional determinations may be needed for other purposes. For example, actuarial computations for purposes of fulfilling financial accounting requirements for the System under Governmental Accounting Standard No. 67 are provided in a separate report.

The consultants who worked on this assignment are pension actuaries. CMC's advice is not intended to be a substitute for qualified legal or accounting counsel.

This is to certify that the independent consulting actuaries are members of the American Academy of Actuaries and have experience in performing valuations for public retirement plans, that the valuation was prepared in accordance with principles of practice prescribed by the Actuarial Standards Board, and that the actuarial calculations were performed by qualified actuaries in accordance with accepted actuarial procedures, based on the current provisions of the retirement plan and on actuarial assumptions that are internally consistent and reasonably based on the actual experience of the System. The Board of Trustees has the final decision regarding the appropriateness of the assumptions and adopted them as indicated in Appendix C.

We respectfully submit the following report and look forward to discussing it with you.

Sincerely,

A handwritten signature in blue ink that reads "Patrice Beckham".

Patrice A. Beckham, FSA, EA, FCA, MAAA  
Principal and Consulting Actuary

A handwritten signature in blue ink that reads "Brent A. Banister".

Brent A. Banister, PhD, FSA, EA, FCA, MAAA  
Chief Pension Actuary



## SECTION I: EXECUTIVE SUMMARY

---

This report presents the results of the December 31, 2014 actuarial valuation of the Wichita Employees' Retirement System. The primary purposes of performing a valuation are to:

- estimate the liabilities for the benefits provided by the System;
- determine the employer contribution rates required to fund the System on an actuarial basis;
- disclose certain asset and liability measures as of the valuation date;
- monitor any deviation between actual plan experience and experience projected by the actuarial assumptions, so that recommendations for assumption changes can be made when appropriate; and
- analyze and report on any significant trends in contributions, assets and liabilities over the past several years.

There were no changes in the benefit provisions from the last valuation. However, there were some changes to the actuarial assumptions and methods used in the current valuation as a result of an experience study that was performed in 2014. That study covered the System's experience in calendar years 2009 through 2013 and resulted in several recommendations to the Board of Trustees that they adopted, effective with the January 1, 2015 actuarial valuation. The assumption changes included:

- (1) reducing the inflation assumption from 3.50% to 3.25%;
- (2) modifying Plan 2 retirement rates to partially reflect actual, observed experience;
- (3) eliminating the disability assumption;
- (4) changing the termination of employment assumption to a pure service-based assumption; and
- (5) reducing the sick-leave load from 4.0% to 2.5%.

With the implementation of financial reporting under GASB 67 and 68, some technical adjustments to the liability calculations were required. In conjunction with these changes, there were also some minor technical adjustments made to better utilize recent enhancements in our valuation software. The net impact of the revised actuarial assumptions and programming changes was a decrease in the actuarial liability as of December 31, 2014 of \$3.6 million, or 0.6%, and an increase in the normal cost rate of 0.2% of payroll. The net result of these changes was a small decrease in the actuarially determined contribution rate of 0.1%.

There was one minor change to the actuarial methods as a result of the experience study. The current asset valuation method was retained, but a 20% corridor was added so the resulting actuarial value of assets can be no less than 80% of the market value, nor greater than 120% of the market value. This change had no impact on the December 31, 2014 valuation results.

The System had an unfunded actuarial liability of \$40.2 million in the December 31, 2013 valuation, which has decreased to \$30.1 million in the December 31, 2014 valuation. A detailed analysis of the change in the unfunded actuarial liability from December 31, 2013 to December 31, 2014 is shown on page 4. The actuarial valuation results provide a "snapshot" view of the System's financial condition on December 31, 2014. The valuation results reflect net favorable experience for the past plan year as demonstrated by an unfunded actuarial liability that was lower than expected based on the actuarial assumptions used in the December 31, 2013 actuarial valuation. Favorable experience on the actuarial value of assets resulted in an actuarial gain of \$2.2 million and experience on liabilities resulted in a gain of \$3.4 million for an overall actuarial gain of \$5.6 million.

The System uses an asset smoothing method in the valuation process. As a result, the System's funded status and the actuarial contribution rate are based on the actuarial (smoothed) value of assets – not the



## SECTION I: EXECUTIVE SUMMARY

market value. The investment return on the market value of assets during 2014 was 5.1%, which was less than the 7.75% assumption. As a result of the deferred (unrecognized) asset gains, the rate of return on the actuarial value of assets was 8.2%. The actuarial (smoothed) value of assets is less than the market value by \$6.8 million as of December 31, 2014. Actual returns over the next few years will determine if, and how, the \$6.8 million of deferred investment gain will be recognized. For example, a return of around 6.4% on the market value of assets in 2015 would eliminate the deferred investment gains and result in no gain or loss on investment experience for the year.

Additional detail on the impact of the change in actuarial assumptions and methods on the December 31, 2014 valuation is summarized in the following table:

	<u>No Changes</u>	<u>With Assumption Changes</u>	<u>Difference</u>
Total Actuarial Liability	\$ 593,665,571	\$ 590,115,082	\$(3,550,489)
Actuarial Value of Assets	<u>560,031,764</u>	<u>560,031,764</u>	<u>0</u>
Unfunded Actuarial Liability (UAL)	\$ 33,633,807	\$ 30,083,318	\$(3,550,489)
Funded Ratio	94.3%	94.9%	0.6%
Normal Cost	13.2%	13.4%	0.2%
Amortization of Unfunded Actuarial Liability	<u>3.2%</u>	<u>2.9%</u>	<u>(0.3)%</u>
Total Actuarial Required Contribution	16.4%	16.3%	(0.1)%
Member Financed	<u>(4.7)%</u>	<u>(4.7)%</u>	<u>0.0%</u>
Employer Contribution Rate	11.7%	11.6%	(0.1)%

In the following pages, changes in the assets, liabilities, and contributions of the System over the last year are discussed in more detail.

### ASSETS

As of December 31, 2014, the System had total assets of \$566.8 million when measured on a market value basis. This was an increase of \$2.6 million from the December 31, 2013 figure of \$564.2 million. The market value of assets is not used directly in the calculation of the City's contribution rate. An asset valuation method, which smoothes the effect of market fluctuations, is used to determine the value of assets used in the valuation, called the "actuarial value of assets". The actuarial value of assets is equal to the expected value (calculated using the actuarial assumed rate of 7.75%) plus 25% of the difference between the market and expected value. See Table 3 on page 13 for a detailed development of the actuarial value of assets. The rate of return on the actuarial value of assets was 8.2%. Due to deferred investment experience, the market value of assets exceeds the actuarial value by \$6.8 million.

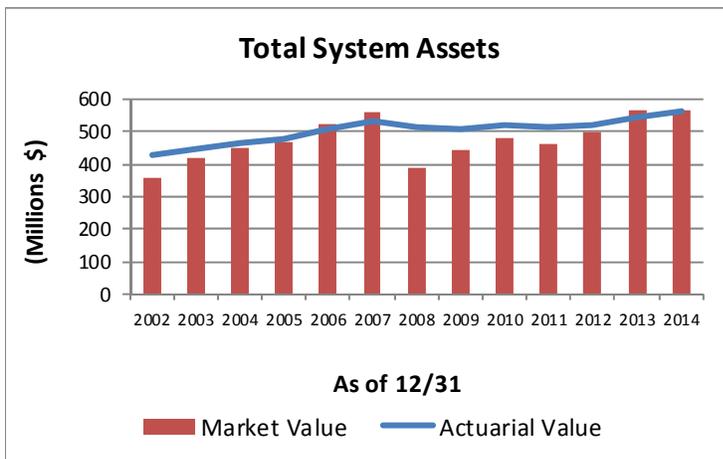


**SECTION I: EXECUTIVE SUMMARY**

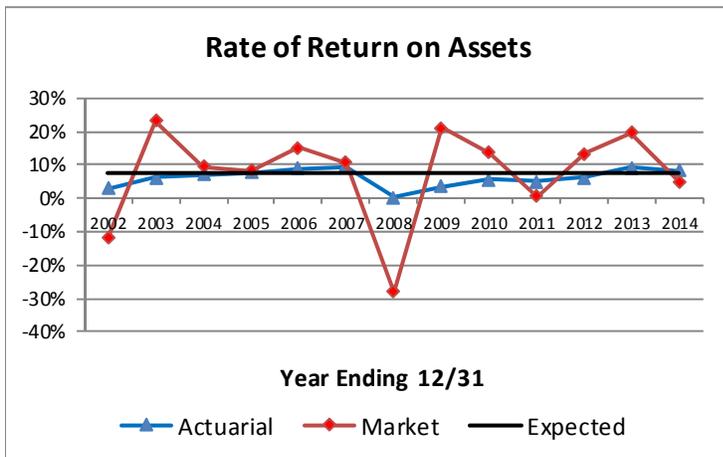
The components of the change in the market and actuarial value of assets for the System (in millions) are set forth below:

	Market Value (\$M)	Actuarial Value (\$M)
Assets, December 31, 2013	\$564.2	\$542.2
- City and Member Contributions	12.8	12.8
- Benefit Payments and Refunds	(38.3)	(38.3)
- Investment Income (net of expenses)	28.1	43.3
Assets, December 31, 2014	\$566.8	\$560.0

The unrecognized investment gain represents about 1% of the market value of assets. Unless offset by future investment losses or other unfavorable experience, the recognition of the \$6.8 million deferred gain is expected to have a positive impact on the future funded ratio and actuarial contribution requirement. If the deferred gain was recognized immediately in the actuarial value of assets, the funded percentage would increase from 95% to 96% and the actuarially determined contribution rate for the City would decrease from 11.6% to 10.9% of payroll.



*The actuarial value of assets has both been greater than and less than the market value of assets during this period, which is expected when using a smoothing method.*



*The rate of return on the actuarial value of assets has been less volatile than the market value return, which is the main reason for using an asset smoothing method.*



## SECTION I: EXECUTIVE SUMMARY

### LIABILITIES

The actuarial liability is that portion of the present value of future benefits that will not be paid by future employer normal costs or member contributions. The difference between this liability and asset values at the same date is referred to as the unfunded actuarial liability (UAL), or (surplus) if the asset value exceeds the actuarial liability. The unfunded actuarial liability will be reduced if the employer's contributions exceed the employer's normal cost for the year, after allowing for interest earned on the previous balance of the unfunded actuarial liability. Benefit improvements, experience gains and losses, and changes in actuarial assumptions and procedures will also impact the total actuarial liability and the unfunded portion thereof.

As was discussed earlier, an experience study was performed in 2014 and, as a result, several changes were made to the actuarial assumptions. These changes are first reflected in the December 31, 2014 actuarial valuation. The detailed financial impact of the changes was summarized earlier in this section of the report. The unfunded actuarial liability decreased by \$3.6 million due to the assumption changes.

The Actuarial Liability and Unfunded Actuarial Liability for the System as of December 31, 2014 are:

Actuarial Liability	\$590,115,082
Actuarial Value of Assets	<u>560,031,764</u>
Unfunded Actuarial Liability/(Surplus)	\$ 30,083,318

Between December 31, 2013 and December 31, 2014, the change in the unfunded actuarial liability for the System was as follows (in millions):

Change in Unfunded Actuarial Liability		(\$M)
UAL, December 31, 2013		\$40.2
+ Normal cost for year		8.6
+ Assumed investment return for year		3.8
- Actual contributions (member + city)		12.8
- Assumed investment return on contributions		0.5
= Expected Unfunded Actuarial Liability, December 31, 2014		39.3
+ Change from assumption changes		(3.6)
= Expected UAL after changes		35.7
Actual UAL, December 31, 2014		30.1
Experience gain/(loss): Expected UAL - Actual UAL		\$5.6

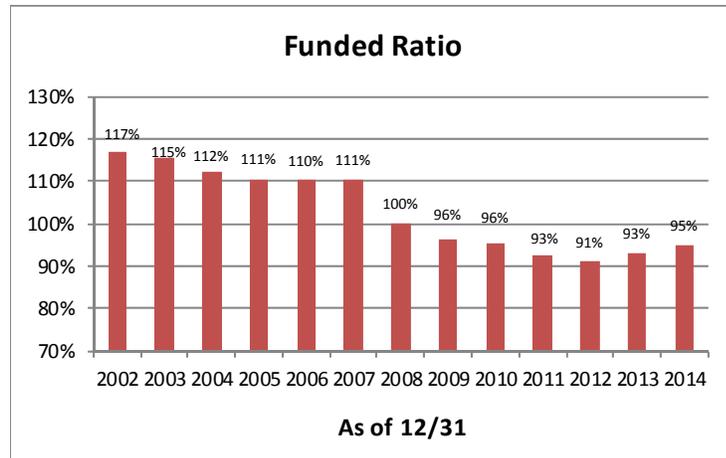
The experience gain for the 2014 plan year of \$5.6 million reflects the combined impact of an actuarial gain of about \$2.2 million on System assets (actuarial value) and an actuarial gain of about \$3.4 million on System liabilities.

Analysis of the unfunded actuarial liability strictly as a dollar amount can be misleading. Another way to evaluate the unfunded actuarial liability and the progress made in its funding is to track the funded status, the ratio of the actuarial value of assets to the actuarial liability. This information for recent years is shown below (in millions). Longer term historical information is shown in the graph following the chart.



## SECTION I: EXECUTIVE SUMMARY

	12/31/2010	12/31/2011	12/31/2012	12/31/2013	12/31/2014
Actuarial Liability (\$M)	\$540.4	\$555.2	\$571.8	\$582.4	\$590.1
Actuarial Value of Assets (\$M)	\$516.3	\$513.3	\$520.3	\$542.2	\$560.0
Funded Ratio (Actuarial Value)	95.5%	92.5%	91.0%	93.1%	94.9%
Funded Ratio (Market Value)	88.9%	82.6%	86.5%	96.9%	96.1%



*The funded ratio has generally declined over this period due to various reasons including assumption changes and more significantly, investment experience. The deferred investment losses have been eliminated and a deferred gain now exists. Absent investment returns below the 7.75% assumption, the deferred gain will be recognized and the funded ratio will increase moving toward the market value percentage shown in the table above.*

As mentioned earlier in this report, due to the asset smoothing method there is currently about a \$6.8 million difference between the actuarial value and the market value of assets. To the extent there is not unfavorable investment experience to offset the deferred gain, the \$6.8 million deferred gain will be recognized in future years and the System's funded status will improve. The System's funded status will continue to be heavily dependent on future investment experience.

### CONTRIBUTION RATES

Generally, contributions to the System consist of:

- A "normal cost" for the portion of projected liabilities allocated to service of members during the year following the valuation date by the actuarial cost method, and
- An "unfunded actuarial liability or (surplus) contribution" for the excess of the portion of projected liabilities allocated to service to date over the actuarial value of assets.

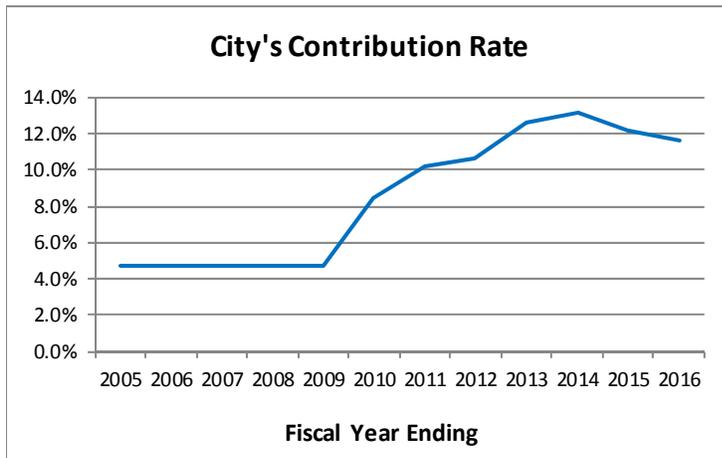
Contribution rates are computed with the objective of developing costs that are level as a percentage of covered payroll. The contribution rate for fiscal year 2016 is based on the December 31, 2014 actuarial valuation results.

As of December 31, 2014, the actuarial liability exceeds the actuarial value of assets so an unfunded actuarial liability (UAL) exists. When amortized over a rolling 20-year period, the resulting contribution is 2.9% of pay. The City's contribution rate is the sum of employer normal cost rate and the UAL amortization contribution. This valuation indicates the City's contribution should be 11.6% of pay (8.7% employer normal cost rate plus 2.9% UAL contribution).



## SECTION I: EXECUTIVE SUMMARY

A summary of the City's historical contribution rate for the System is shown below:



*After increasing from 2010 through 2014, the City's contribution rate has declined in the last two years. The City's contribution rate is 12.2% and 11.6% for the Fiscal Year Ending 12/31/2015 and 12/31/2016, respectively.*

### COMMENTS

The System does not use the actual market value of assets in developing the actuarial contribution rate, but utilizes an asset valuation method to smooth out the peaks and valleys in investment returns from year to year. Under the asset valuation method, the actuarial value of assets is determined as 75% of the expected value (using the actuarial assumed rate of return) and 25% of the actual market value. The net return on the market value of assets for 2014 was 5.1%. Due to deferred assets gains, the return on the actuarial value of assets was 8.2%. As a result, the System experienced an actuarial gain on assets of \$2.2 million. This gain and the actuarial gain on liabilities of \$3.4 million combined for a total actuarial gain of \$5.6 million.

The deferred investment gain (market value less actuarial value of assets) is \$6.8 million as of December 31, 2014. Absent investment losses in future years, the deferred investment gain of \$6.8 million will eventually be reflected in the actuarial value of assets in future years. While the use of an asset smoothing method is a common procedure for public retirement systems, it is important to identify the potential impact of the deferred investment experience. This is accomplished by comparing the key valuation results from the December 31, 2014 actuarial valuation using both the actuarial and market value of assets (see table on next page).



## SECTION I: EXECUTIVE SUMMARY

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	Using Actuarial Value of Assets	Using Market Value of Assets
Actuarial Liability	\$590,115,082	\$590,115,082
Asset Value	560,031,764	566,807,293
Unfunded Actuarial Liability	30,083,318	23,307,789
Funded Ratio	94.9%	96.1%
Normal Cost Rate	13.4%	13.4%
UAL Contribution Rate	<u>2.9%</u>	<u>2.2%</u>
Total Contribution Rate	16.3%	15.6%
Employee Contribution Rate	<u>(4.7%)</u>	<u>(4.7%)</u>
Employer Contribution Rate	11.6%	10.9%

The actuarial gain resulting from experience in 2014 lowered the City's contribution rate from 12.2% in the December 31, 2013 valuation to 11.6% in this valuation. The actuarial contribution rate to be paid by the City has been, and will continue to be, heavily impacted by investment returns from year to year. Despite the use of an asset smoothing method, actual returns that are significantly different from the 7.75% assumption tend to create volatility in the City's contribution rate.

**SECTION I: EXECUTIVE SUMMARY****SUMMARY OF PRINCIPAL RESULTS**

	12/31/2014 <u>Valuation</u>	12/31/2013 <u>Valuation</u>	% <u>Change</u>
<b>1. PARTICIPANT DATA</b>			
Number of:			
Active Members			
Plan 1	0	2	(100.0)%
Plan 2	943	927	1.7%
Plan 3 (excluding Plan 3b)	520	517	0.6%
Total	<u>1,463</u>	<u>1,446</u>	1.2%
DROP Members			
Plan 1	8	13	(38.5)%
Plan 2	46	30	53.3%
Total	<u>54</u>	<u>43</u>	25.6%
Retired Members and Beneficiaries	1,341	1,327	1.1%
Inactive Vested Members	<u>147</u>	<u>147</u>	0.0%
Total Members	3,005	2,963	1.4%
Annual Projected Payroll (Including DROP)			
Plan 1	\$ 373,381	\$ 940,816	(60.3)%
Plan 2	53,011,068	50,731,542	4.5%
Plan 3	21,639,627	21,198,908	2.1%
Total	<u>\$ 75,024,076</u>	<u>\$ 72,871,266</u>	3.0%
Annual Retirement Payments for Retired Members and Beneficiaries	\$ 36,079,608	\$ 34,794,864	3.7%
<b>2. ASSETS AND LIABILITIES</b>			
Total Actuarial Liability	\$ 590,115,082	\$ 582,385,829	1.3%
Market Value of Assets	566,807,293	564,204,318	0.5%
Actuarial Value of Assets	560,031,764	542,157,342	3.3%
Unfunded Actuarial Liability (UAL)	\$ 30,083,318	\$ 40,228,487	(25.2)%
Funded Ratio	94.9%	93.1%	1.9%
<b>3. EMPLOYER CONTRIBUTION RATES AS A PERCENT OF PAYROLL</b>			
Normal Cost	13.4%	13.0%	3.1%
Member Financed	(4.7)%	(4.7)%	0.0%
Employer Normal Cost	<u>8.7%</u>	<u>8.3%</u>	4.8%
Amortization of Unfunded Actuarial Liability or (Surplus)	<u>2.9%</u>	<u>3.9%</u>	(25.6)%
Employer Contribution Rate	11.6%	12.2%	(4.9)%



## SECTION II: SCOPE OF THE REPORT

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This report presents the actuarial valuation of the Wichita Employees' Retirement System as of December 31, 2014. This valuation was prepared at the request of the System's Board of Trustees. The report is based on plan provisions that are unchanged from last year. Due to the experience study performed in 2014, there were some changes to the actuarial assumptions used in last year's valuation.

Please pay particular attention to our cover letter, where the guidelines employed in the preparation of this report are outlined. We also comment on the sources and reliability of both the data and the actuarial assumptions upon which our findings are based. Those comments are the basis for our certification that this report is complete and accurate to the best of our knowledge and belief.

A summary of the findings resulting from this valuation is presented in the previous section. Section 3 describes the assets and investment experience of the System. Sections 4 and 5 describe how the obligations of the System are to be met under the actuarial cost method in use. Section 6 includes additional information regarding the System's funding history.

This report includes several appendices:

- Appendix A Schedules of valuation data classified by various categories of members.
- Appendix B A summary of the current benefit structure, as determined by the provisions of governing law on the valuation date.
- Appendix C A summary of the actuarial methods and assumptions used to estimate liabilities and determine contribution rates.
- Appendix D A glossary of actuarial terms.



## **SECTION III: ASSETS**

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In many respects, an actuarial valuation can be thought of as an inventory process. The inventory is taken as of the actuarial valuation date, which for this valuation is December 31, 2014. On that date, the assets available for the payment of benefits are appraised. The assets are compared with the liabilities of the System. The actuarial process then leads to a method of determining the contributions needed by members and the employer in the future to balance the System assets and liabilities.

### **MARKET VALUE OF ASSETS**

The current market value represents the “snapshot” or “cash-out” value of System assets as of the valuation date. In addition, the market value of assets provides a basis for measuring investment performance from time to time. On December 31, 2014, the market value of assets for the System was \$567 million. Table 1 is a comparison, at market values, of System assets as of December 31, 2014, and December 31, 2013, in total and by investment category. Table 2 summarizes the change in the market value of assets from December 31, 2013 to December 31, 2014.

### **ACTUARIAL VALUE OF ASSETS**

Neither the market value of assets, representing a “cash-out” value of System assets, nor the book values of assets, representing the cost of investments, may be the best measure of the System’s ongoing ability to meet its obligations.

To arrive at a suitable value for the actuarial valuation, a technique for determining the actuarial value of assets is used which dampens swings in the market value while still indirectly recognizing market values. This methodology, first adopted for the December 31, 2002 valuation, smoothes market experience by recognizing 25% of the difference between the expected value (based on the actuarial assumption) and the actual market value. Table 3 shows the development of the actuarial value of assets (AVA) as of December 31, 2014.



SECTION III: ASSETS

TABLE 1

Analysis of Net Assets at Market Value

	As of December 31, 2014		As of December 31, 2013	
	<u>Amount</u> <u>(\$ Millions)</u>	<u>% of</u> <u>Total</u>	<u>Amount</u> <u>(\$ Millions)</u>	<u>% of</u> <u>Total</u>
Cash and Equivalents	\$ 0.3	0.1 %	\$ 0.3	0.1 %
Government Securities	37.5	6.8	33.2	6.1
Corporate Debt	43.1	7.8	40.6	7.4
Mortgage Backed Securities	36.5	6.6	34.7	6.3
Pooled Funds	148.1	26.8	101.9	18.6
Domestic Equity	204.2	37.0	206.0	37.6
International Equity	47.4	8.6	96.0	17.5
Real Estate	30.2	5.5	29.2	5.3
Timber	11.1	2.0	11.7	2.1
Securities Lending Collateral Pool	34.5	6.2	38.5	7.0
Other	0.0	0.0	0.1	0.0
Receivables	7.3	1.3	11.5	2.1
Liabilities	(48.0)	(8.7)	(55.5)	(10.1)
<b>Total Plans 1 and 2</b>	<u>\$ 552.2</u>	<u>100.0 %</u>	<u>\$ 548.2</u>	<u>100.0 %</u>
<b><u>Plan 3 Assets</u></b>				
Members Electing to Stay in Plan 3 (3b)	\$ 6.6		\$ 5.9	
Other Plan 3 Members	14.6		16.0	
<b>Total Plan 3 Assets</b>	<u>21.2</u>		<u>21.9</u>	
<b>Net Assets (Plans 1, 2, 3, and 3b)</b>	<b>\$ 573.4</b>		<b>\$ 570.1</b>	



**SECTION III: ASSETS**

**TABLE 2**

**Summary of Changes in Net Assets  
During Year Ended December 31, 2014**

(Market Value)

	<u>Plans 1 &amp; 2</u>	<u>Plan 3*</u>	<u>Total</u>
1. Market Value of Assets as of December 31, 2013	\$ 548,180,102	\$ 16,024,216	\$ 564,204,318
2. Adjustment to Tie to Audited Financial Statements	\$ (517)	\$ (439)	\$ (956)
3. Contributions:			
a. Employee	\$ 2,435,831	\$ 958,713	\$ 3,394,544
b. Employer	8,464,927	958,713	9,423,640
c. Transfers	2,942,734	(3,513,976)	(571,242)
d. Total	<u>\$ 13,843,492</u>	<u>\$ (1,596,550)</u>	<u>\$ 12,246,942</u>
4. Investment Income:			
a. Interest and Dividends	\$ 14,605,740	\$ 408,545	\$ 15,014,285
b. Net Appreciation in Fair Value	15,871,731	383,499	16,255,230
c. Commission Recapture	10,114	283	10,397
d. Net Securities Lending Income	138,815	3,881	142,696
e. Investment Expenses	2,799,289	82,484	2,881,773
f. Net Investment Income	<u>\$ 27,827,111</u>	<u>\$ 713,724</u>	<u>\$ 28,540,835</u>
5. Expenditures:			
a. Refunds of Member Contributions	\$ 400,433	\$ 501,920	\$ 902,353
b. Benefits Paid:			
(1) Pension and Death Benefits	33,980,293	0	33,980,293
(2) DROP Payments	2,798,396	0	2,798,396
c. Administrative Expenses	441,869	60,935	502,804
d. Total	<u>\$ 37,620,991</u>	<u>\$ 562,855</u>	<u>\$ 38,183,846</u>
6. Net Change [3(d) + 4(f) - 5(d)]	\$ 4,049,612	\$ (1,445,681)	\$ 2,603,931
7. Market Value of Assets as of December 31, 2014 (1) + (2) + (6)	\$ 552,229,197	\$ 14,578,096	\$ 566,807,293

\* Excludes assets for Plan 3b members. The December 31, 2014 market value of the assets for this group was \$6,578,677.



**SECTION III: ASSETS**

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**TABLE 3**

**Development of Actuarial Value of Assets  
as of December 31, 2014**

	<u>Plans 1 &amp; 2</u>	<u>Plan 3*</u>	<u>Total</u>
1. Actuarial Value of Assets as of December 31, 2013	\$ 526,700,569	\$ 15,456,773	\$ 542,157,342
2. Actual Contributions/Disbursements			
a. Contributions	\$ 10,900,758	\$ 1,917,426	\$ 12,818,184
b. Transfers	2,942,734	(3,513,976)	(571,242)
c. Benefit Payments and Refunds	(37,179,122)	(501,920)	(37,681,042)
d. Net	\$ (23,335,630)	\$ (2,098,470)	\$ (25,434,100)
3. Expected Value of Assets as of December 31, 2014 [(1) * 1.0775] + [2(d) * (1.0775) <sup>-5</sup> ]	\$ 543,296,850	\$ 14,476,404	\$ 557,773,254
4. Market Value of Assets as of December 31, 2014	\$ 552,229,197	\$ 14,578,096	\$ 566,807,293
5. Difference Between Actual and Expected Values	\$ 8,932,347	\$ 101,692	\$ 9,034,039
6. Initial Actuarial Value of Assets (3) + [(5) * 0.25]	\$ 545,529,937	\$ 14,501,827	\$ 560,031,764
7. Corridor for Actuarial Value of Assets			
a. 80% of Market Value of Assets	441,783,358	11,662,477	453,445,834
b. 120% of Market Value of Assets	662,675,036	17,493,715	680,168,752
8. Actuarial Value of Assets as of December 31, 2014	545,529,937	14,501,827	560,031,764
9. Actuarial Value of Assets Divided by Market Value of Assets	98.8%	99.5%	98.8%
10. Market Value of Assets Less Actuarial Value of Assets	\$ 6,699,260	\$ 76,269	\$ 6,775,529

\* Excludes Plan 3b



## **SECTION IV: SYSTEM LIABILITIES**

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In the previous section, an actuarial valuation was compared with an inventory process, and an analysis was given of the inventory of assets of the System as of the valuation date, December 31, 2014. In this section, the discussion will focus on the commitments of the System, which are referred to as its liabilities.

Table 4 contains an analysis of the actuarial present value of all future benefits (PVFB) for contributing members, inactive members, retirees and their beneficiaries.

The liabilities summarized in Table 4 include the actuarial present value of all future benefits expected to be paid with respect to each member. For an active member, this value includes the measurement of both benefits already earned and future benefits to be earned. For all members, active and retired, the value extends over benefits earnable and payable for the rest of their lives and for the lives of the surviving beneficiaries.

All liabilities reflect the benefit provisions in place as of December 31, 2014.

### **ACTUARIAL LIABILITY**

A fundamental principle in financing the liabilities of a prefunded retirement program is that the cost of its benefits should be related to the period in which benefits are earned, rather than to the period of benefit distribution. An actuarial cost method is a mathematical technique that allocates the present value of future benefits into annual costs. In order to do this allocation, it is necessary for the funding method to “breakdown” the present value of future benefits into two components:

1. That which is attributable to the past and
2. That which is attributable to the future.

Actuarial terminology calls the part attributable to the past the “past service liability” or the “actuarial liability”. The portion allocated to the future is known as the present value of future normal costs, with the specific piece of it allocated to the current year being called the “normal cost”. Table 5 contains the calculation of actuarial liability to the System. The Entry Age Normal actuarial cost method is used to develop the actuarial liability.

**SECTION IV: SYSTEM LIABILITIES****TABLE 4****Present Value of Future Benefits (PVFB)  
as of December 31, 2014**

	<u>Plan 1</u>	<u>Plan 2</u>	<u>Plan 3</u>	<u>Total</u>
1. Active Employees				
a. Retirement Benefit	\$ 0	\$ 216,819,857	\$ 32,558,663	\$ 249,378,520
b. Pre-Retirement Death Benefit	0	3,490,716	912,654	4,403,370
c. Withdrawal Benefit	0	10,474,041	5,440,154	15,914,195
d. Total	\$ 0	\$ 230,784,614	\$ 38,911,471	\$ 269,696,085
2. DROP Members				
a. DROP Account Balance	\$ 1,689,993	\$ 1,780,890	\$ 0	\$ 3,470,883
b. Monthly Retirement Benefit	4,934,805	15,213,489	0	20,148,294
c. Total	\$ 6,624,798	\$ 16,994,379	\$ 0	\$ 23,619,177
3. Inactive Vested Members	\$ 0	\$ 28,089,882	\$ 0	\$ 28,089,882
4. Inactive Nonvested Members	\$ 0	\$ 0	\$ 75,084	\$ 75,084
5. In Pay Members				
a. Retirees	\$ 214,103,385	\$ 101,310,863	\$ 0	\$ 315,414,248
b. Disabled Members	1,142,579	1,702,570	0	2,845,149
c. Beneficiaries	16,624,777	6,877,768	0	23,502,545
d. Total	\$ 231,870,741	\$ 109,891,201	\$ 0	\$ 341,761,942
6. Total Present Value of Future Benefits 1(d) + 2(c) + 3 + 4 + 5(d)	\$ 238,495,539	\$ 385,760,076	\$ 38,986,555	\$ 663,242,170



SECTION IV: SYSTEM LIABILITIES

TABLE 5

Actuarial Liability  
as of December 31, 2014

	<u>Plan 1</u>	<u>Plan 2</u>	<u>Plan 3</u>	<u>Total</u>
1. Active Employees				
a. Present Value of Future Benefits	\$ 0	\$ 230,784,614	\$ 38,911,471	\$ 269,696,085
b. Present Value of Future Normal Costs	0	45,073,629	28,053,459	73,127,088
c. Actuarial Liability 1(a) - 1(b)	\$ 0	\$ 185,710,985	\$ 10,858,012	\$ 196,568,997
2. DROP Members	\$ 6,624,798	\$ 16,994,379	\$ 0	\$ 23,619,177
3. Inactive Vested Members	\$ 0	\$ 28,089,882	\$ 0	\$ 28,089,882
4. Inactive Nonvested Members	\$ 0	\$ 0	\$ 75,084	\$ 75,084
5. In Pay Members				
a. Retirees	\$ 214,103,385	\$ 101,310,863	\$ 0	\$ 315,414,248
b. Disabled Members	1,142,579	1,702,570	0	2,845,149
c. Beneficiaries	16,624,777	6,877,768	0	23,502,545
d. Total	\$ 231,870,741	\$ 109,891,201	\$ 0	\$ 341,761,942
6. Reserve for Plan 3 Members	\$ 0	\$ 0	\$ 0	\$ 0
7. Total Actuarial Liability 1(c) + 2 + 3 + 4 + 5(d) + 6	\$ 238,495,539	\$ 340,686,447	\$ 10,933,096	\$ 590,115,082



**SECTION IV: SYSTEM LIABILITIES**

**TABLE 6**

**Present Value of Accrued Benefits  
as of December 31, 2014**

The present value of accrued benefits for the System reflects the benefits earned based on service, earnings, and the System provisions as of the valuation date. It also reflects the on-going nature of the System by using the same actuarial assumptions as are used for funding purposes. Further, because the System provides that the accrued benefits of deferred vested members are indexed until benefits begin, the present value of the accrued benefit liability for active members reflects this provision from the assumed termination of employment to the assumed benefit commencement date.

	<u>Plan 1</u>	<u>Plan 2</u>	<u>Plan 3</u>	<u>Total</u>
1. Active Employees	\$ 0	\$ 129,573,004	\$ 4,959,811	\$ 134,532,815
2. DROP Members	\$ 6,624,798	\$ 16,994,379	\$ 0	\$ 23,619,177
3. Inactive Vested Members	\$ 0	\$ 28,089,882	\$ 0	\$ 28,089,882
4. Inactive Nonvested Members	\$ 0	\$ 0	\$ 75,084	\$ 75,084
5. In Pay Members				
a. Retirees	\$ 214,103,385	\$ 101,310,863	\$ 0	\$ 315,414,248
b. Disabled Members	1,142,579	1,702,570	0	2,845,149
c. Beneficiaries	16,624,777	6,877,768	0	23,502,545
d. Total	\$ 231,870,741	\$ 109,891,201	\$ 0	\$ 341,761,942
6. Total	\$ 238,495,539	\$ 284,548,466	\$ 5,034,895	\$ 528,078,900
7. Market Value of Assets*	\$ 256,154,759	\$ 305,617,639	\$ 5,034,895	\$ 566,807,293
8. Funded Ratio (7)/(6)	107%	107%	100%	107%

\* Split of assets between Plan 1 and Plan 2 is in proportion to the liabilities for illustrative purposes only.



## **SECTION V: EMPLOYER CONTRIBUTIONS**

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The previous two sections were devoted to a discussion of the assets and liabilities of the System. A comparison of Tables 3 and 4 indicates that current assets fall short of meeting the present value of future benefits (total liability). This is expected in all but a completely closed plan, where no further contributions are anticipated. In an active system, there will almost always be a difference between the actuarial value of assets and total liabilities. This deficiency has to be made up by future contributions and investment returns. An actuarial valuation sets out a schedule of future contributions that will deal with this deficiency in an orderly fashion.

The method used to determine the incidence of the contributions in various years is called the actuarial cost method. Under an actuarial cost method, the contributions required to meet the difference between current assets and current liabilities are allocated each year between two elements: (1) the normal cost rate and (2) the unfunded actuarial liability contribution rate.

The term “fully funded” is often applied to a system in which contributions at the normal cost rate are sufficient to pay for the benefits of existing employees as well as for those of new employees. More often than not, systems are not fully funded, either because of past benefit improvements that have not been completely funded or because of actuarial deficiencies that have occurred because experience has not been as favorable as anticipated. Under these circumstances, an unfunded actuarial liability (UAL) exists. Likewise, when the actuarial value of assets is greater than the actuarial liability, a surplus exists.

### **DESCRIPTION OF CONTRIBUTION RATE COMPONENTS**

The Entry Age Normal (EAN) actuarial cost method is used for the valuation. Under this method, the normal cost for each year from entry age to assumed exit age is a constant percentage of the member’s year by year projected compensation. The portion of the present value of future benefits not provided by the present value of future normal costs is the actuarial liability. The unfunded actuarial liability/(surplus) represents the difference between the actuarial liability and the actuarial value of assets as of the valuation date. The unfunded actuarial liability is calculated each year and reflects experience gains/(losses).

In general, contributions are computed in accordance with a level percent-of-payroll funding objective. The contribution rates based on this December 31, 2014 actuarial valuation will be used to determine employer contribution rates to the Wichita Employees’ Retirement System for fiscal year 2016. In this context, the term “contribution rate” means the percentage, which is applied to a particular active member payroll to determine the actual employer contribution amount (i.e., in dollars) for the group.

As of December 31, 2014, the valuation assets were less than the actuarial liability so an unfunded actuarial liability exists. The City’s funding policy is to amortize the UAL over a rolling 20-year period. The amortization of the UAL results in an employer contribution that is more than the employer normal cost rate.

### **CONTRIBUTION RATE SUMMARY**

In Table 7, the amortization payment related to the unfunded actuarial liability/(surplus), as of December 31, 2014, is developed. Table 8 develops the normal cost rate for the System. The derivation of the total contribution rate for the City is shown in Table 9. Table 10 shows the historical summary of the City’s contribution rates. Table 11 develops the experience gain/(loss) for the year ended December 31, 2014.

The rates shown in this report are based on the actuarial assumptions and cost methods described in Appendix C.



**SECTION V: EMPLOYER CONTRIBUTIONS**

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**TABLE 7**

**Derivation of Unfunded Actuarial Liability Contribution Rate**

1. Actuarial Accrued Liability	\$	590,115,082
2. Actuarial Value of Assets	\$	560,031,764
3. Unfunded Actuarial Liability (UAL)	\$	30,083,318
4. Payment (Adjusted to Mid-Year) to Amortize Unfunded Actuarial Liability/(Surplus) Over 20 Years*	\$	2,141,065
5. Total Projected Payroll for the Year	\$	75,024,076
6. Amortization Payment as a Percent of Payroll		2.9%

\* *The UAL is amortized as a level percent of payroll over a rolling 20-year period.*



**SECTION V: EMPLOYER CONTRIBUTIONS**

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**TABLE 8**

**Derivation of Normal Cost Rate**

Normal Cost for Year End December 31, 2014	
Service pensions	\$ 7,235,788
Survivor Pensions	220,993
Termination Benefits	1,493,990
Total Normal Cost	\$ <u>8,950,771</u>
Expected Payroll in 2015 for Current Actives	\$ 66,776,616
Total Normal Cost Rate for Year	13.4%



**SECTION V: EMPLOYER CONTRIBUTIONS**

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**TABLE 9**

**Employer Contribution Rates  
for Fiscal Year Commencing in 2016**

	<b>Contribution Requirement as a % of Payroll</b>
Normal Cost	
Service pensions	10.9%
Survivor pensions	0.3%
Termination pensions	2.2%
Total Normal Cost	<u>13.4%</u>
Unfunded Actuarial Liability	
Retired members and beneficiaries <sup>(1)</sup>	0.0%
Active and former members <sup>(2)</sup>	2.9%
Total UAL Contribution	<u>2.9%</u>
Total Contribution Requirement	
Member Financed Portion <sup>(3)</sup>	4.7%
City Financed Portion	<u>11.6%</u>
Total	<u>16.3%</u>

<sup>(1)</sup> Actuarial liability for retired members and beneficiaries was fully funded as of December 31, 2014.

<sup>(2)</sup> The excess of the actuarial liability over actuarial value of assets is amortized as a level percent of active member payroll over a rolling 20-year period.

<sup>(3)</sup> The weighted average of member contribution rates: 6.4% for Plan 1 and 4.7% for Plans 2 & 3.



**SECTION V: EMPLOYER CONTRIBUTIONS**

**TABLE 10**

**Historical Summary of City Contribution Rates**

Contribution rates are computed in accordance with a level percent of payroll funding objective. As of December 31, 2014, the actuarial value of assets is less than actuarial liabilities resulting in an unfunded actuarial liability (UAL). The UAL is amortized over a rolling 20-year period.

<b>Valuation Date</b>	<b>Fiscal Year</b>	<b>City Contributions as Percents of Active Member Pensionable Payroll</b>	
		<b>Funding Objective</b>	<b>Amortization (Credit)/Payment</b>
11/30/1992	1994	9.5%	0.0%
11/30/1993	1995	9.5	0.0
11/30/1994	1996	9.4	0.0
12/31/1995	1997	9.0	0.0
12/31/1996	1998	6.9 - 8.4	(1.5)
12/31/1997	1999	4.6 - 8.5	(3.9)
12/31/1998	2000	0.8 - 8.3	(7.5)
12/31/1999	2001	2.5 - 9.8	(7.3)
12/31/2000	2002	0.5 - 9.7	(9.2)
12/31/2001	2003	1.9 - 9.4	(7.5)
12/31/2002	2004	2.7 - 8.8	(6.1)
12/31/2003	2005	3.1 - 8.9	(5.8)
12/31/2004	2006	3.5 - 8.2	(4.7)
12/31/2005	2007	3.9 - 8.2	(4.3)
12/31/2006	2008	4.2 - 8.3	(4.1)
12/31/2007	2009	4.2 - 8.4	(4.2)
12/31/2008	2010	8.4	0.0
12/31/2009	2011	10.2	1.7
12/31/2010	2012	10.6	2.1
12/31/2011	2013	12.6	4.1
12/31/2012	2014	13.2	5.0
12/31/2013	2015	12.2	3.9
12/31/2014	2016	11.6	2.9



**SECTION V: EMPLOYER CONTRIBUTIONS**

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**TABLE 11**  
**Derivation of System Experience Gain/(Loss)**

	(\$M)
	<b>Year Ended</b>
	<b><u>12/31/2014</u></b>
(1) UAL* at start of year	\$ 40.2
(2) + Normal cost for year	8.6
(3) + Assumed investment return on (1) and (2)	3.8
(4) - Actual contributions (member + City)	12.8
(5) - Assumed investment return on (4)	0.5
(6) = Expected UAL at end of year	39.3
(7) + Increase (decrease) from assumption changes	(3.6)
(8) = Expected UAL after changes	35.7
(9) = Actual UAL at year end	30.1
(10) = Experience gain/(loss) (8) - (9)	\$5.6 **
(11) = Percent of beginning of year AL	1.0%

\* *Unfunded actuarial liability/(surplus)*

\*\* *Of this amount, \$2.2 million of the experience gain is due to an experience gain on the actuarial value of assets and \$3.4 million represents an experience gain on liabilities.*



**SECTION VI: OTHER INFORMATION**

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The actuarial liability is a measure intended to help the reader assess (i) a retirement system’s funded status on an on-going concern basis, and (ii) progress being made toward accumulating the assets needed to pay benefits as due. Allocation of the actuarial present value of projected benefits between past and future service was based on service using the Entry Age Normal actuarial cost method. Assumptions, including projected pay increases, were the same as used to determine the System’s level percent of payroll annual required contribution between entry age and assumed exit age. Entry age was established by subtracting credited service from current age on the valuation date.

The Entry Age Normal actuarial liability was determined as part of an actuarial valuation of the System as of December 31, 2014. Significant actuarial assumptions used in determining the actuarial liability include:

- (a) A rate of return on the investment of present and future assets of 7.75% per year compounded annually,
- (b) Projected salary increases of 4.00% per year compounded annually, (3.25% attributable to inflation, and 0.75% attributable to productivity),
- (c) Additional projected salary increases of 0.25% to 3.20% per year attributable to seniority/merit, and
- (d) The assumption that benefits will increase 3.00% per year of retirement, non-compounded, for Plan 1 members and 2.00% per year of retirement, non-compounded, for Plan 2 members.

Actuarial Liability:

Active members	\$ 196,568,997
DROP members	23,619,177
Retired members and beneficiaries currently receiving benefits	341,761,942
Nonvested terminated members due a refund	75,084
Vested terminated members not yet receiving benefits	<u>28,089,882</u>
Total Actuarial Liability	\$ 590,115,082
Actuarial Value of Assets (market value was \$566,807,293)	\$ 560,031,764
Unfunded Actuarial Liability	\$ 30,083,318

During the year ended December 31, 2014, the System experienced a net increase of \$8 million in the actuarial liability.



**SECTION VI: OTHER INFORMATION**

**TABLE 12**

**Schedule of Funding Progress**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Liability (AL) (b)</b>	<b>Unfunded AL (UAL) (b)-(a)</b>	<b>Funded Ratio (a)/(b)</b>	<b>Active Member Covered Payroll (c)</b>	<b>UAL as a Percentage of Active Member Covered Payroll [(b)-(a)]/(c)</b>
11/30/1992	\$182,186	\$204,730	\$22,544	89.0 %	\$49,552	45.5 %
11/30/1993	200,853	218,603	17,750	91.9	52,093	34.1
11/30/1994	215,385	230,217	14,832	93.6	52,169	28.4
12/31/1995	238,441	242,354	3,913	98.4	54,039	7.2
12/31/1996	266,404	252,968	(13,436)	105.3	53,534	(25.1)
12/31/1997	296,705	263,573	(33,132)	112.6	54,346	(61.0)
12/31/1998	340,417	276,980	(63,437)	122.9	56,093	(113.1)
12/31/1999 *	383,338	319,289	(64,049)	120.1	57,562	(111.3)
12/31/2000	414,643	329,390	(85,253)	125.9	61,112	(139.5)
12/31/2001	428,204	353,158	(75,046)	121.2	65,347	(114.8)
12/31/2002	433,366 **	370,399	(62,967)	117.0	68,117	(92.4)
12/31/2003	446,794 **	387,037	(59,757)	115.4	69,161	(86.4)
12/31/2004 *	462,994 **	413,159	(49,835)	112.1	72,154	(69.1)
12/31/2005 *	479,275 **	433,297	(45,978)	110.6	72,367	(63.5)
12/31/2006 *	505,756 **	459,062	(46,694)	110.2	75,881	(61.5)
12/31/2007 *	533,911 **	483,387	(50,524)	110.5	78,736	(64.2)
12/31/2008 *	512,853 **	512,374	(479)	100.1	81,580	(0.6)
12/31/2009 *	509,494 **	529,271	19,777	96.3	82,704	23.9
12/31/2010 *	516,308 **	540,436	24,128	95.5	79,636	30.3
12/31/2011 *	513,298 **	555,174	41,876	92.5	75,444	55.5
12/31/2012	520,320 **	571,805	51,485	91.0	70,783	72.7
12/31/2013	542,157 **	582,386	40,228	93.1	70,953	56.7
12/31/2014 *	560,032 **	590,115	30,083	94.9	71,391	42.1

*Rounded dollar amounts are in thousands.*

*Note: Years prior to 12/31/2012 were provided by prior Actuary.*

\* *After changes in benefits and/or actuarial assumptions and/or actuarial cost methods.*

\*\* *Includes all members except Plan 3b.*

Analysis of the dollar amounts of actuarial value of assets, actuarial liability, or unfunded actuarial liability in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the actuarial liability provides one indication of the System's funded status on an on-going concern basis. Analysis of this percentage over time indicates whether the System is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the System's funding. The unfunded actuarial liability and annual covered payroll are both affected by inflation. Expressing the unfunded actuarial liability as a percentage of covered payroll approximately adjusts for the effects of inflation and aids analysis of the progress being made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the System's funding.



TABLE 13

Schedule of Employer Contributions

Fiscal Year	Actuarial Valuation Date	Annual Required Contribution	Percent Contributed
1997	12/31/1995	\$4,459,654	100 %
1998	12/31/1996	4,140,163	100
1999	12/31/1997	4,134,826	100
2000	12/31/1998	2,751,084	100
2001	12/31/1999	1,843,213	100
2002	12/31/2000	3,137,912 *	100
2003	12/31/2001	3,189,513 *	100
2004	12/31/2002	3,266,706 *	100
2005	12/31/2003	3,589,063 *	100
2006	12/31/2004	3,566,429 *	100
2007	12/31/2005	3,700,590 *	100
2008	12/31/2006	3,834,270 *	100
2009	12/31/2007	3,887,085 *	100
2010	12/31/2008	6,689,450 *	100
2011	12/31/2009	7,695,317 *	100
2012	12/31/2010	7,503,003 *	100
2013	12/31/2011	8,940,135 *	100
2014	12/31/2012	9,423,640 *	100

\* Reflects contributions to Plans 1, 2, and 3. Excludes contributions for Plan 3b members.  
 Note: Years prior to 2012 were provided by prior Actuary.

Summary of Actuarial Methods and Assumptions

Valuation Date	December 31, 2014
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percent of payroll, open
Remaining Amortization Period	20 years
Asset Valuation Method	Expected + 25% of (Market – Expected Values)
Actuarial Assumptions:	
Investment Rate of Return*	7.75%
Projected Salary Increases*	4.25% - 7.20%
*Includes Inflation at	3.25%
Cost-of-Living Adjustment Provisions	3.00% Non-compounded (Plan 1) 2.00% Non-compounded (Plan 2)



SECTION VI: OTHER INFORMATION

TABLE 14  
Solvency Test

Valuation Date	Aggregate Actuarial Liability For				Portion of Actuarial Liabilities Covered by Reported Assets					
	(1)	(2)	(3)	Reported Valuation Assets	(1)		(2)		(3)	
	Active Member Contributions	Retirants and Beneficiaries*	Active Members (Employer Financed Portion)							
12/31/1995	\$28,549,082	\$123,759,638	\$90,046,029	\$238,441,351	100.0	%	100.0	%	95.7	%
12/31/1996	28,996,944	133,093,326	90,877,809	266,403,759	100.0		100.0		114.8	
12/31/1997	29,881,922	141,922,445	91,768,436	296,704,769	100.0		100.0		136.1	
12/31/1998	29,694,389	156,764,183	90,521,375	340,417,265	100.0		100.0		170.1	
12/31/1999	32,017,194	169,602,958	117,669,351	383,337,991	100.0		100.0		154.4	
12/31/2000	34,189,528	177,095,907	118,104,491	414,642,694	100.0		100.0		172.2	
12/31/2001	33,516,616	179,374,487	140,266,410	428,204,828	100.0		100.0		153.5	
12/31/2002	38,291,472	192,615,216	139,492,410	433,365,890	100.0		100.0		145.1	
12/31/2003	39,847,119	205,799,341	141,390,445	446,794,052	100.0		100.0		142.3	
12/31/2004	41,852,724	218,518,676	152,632,267	462,994,047	100.0		100.0		132.8	
12/31/2005	43,397,403	228,408,201	161,491,272	479,274,508	100.0		100.0		128.5	
12/31/2006	45,475,389	237,860,848	175,725,905	505,755,995	100.0		100.0		126.6	
12/31/2007	46,189,489	256,374,002	180,823,537	533,911,465	100.0		100.0		127.9	
12/31/2008	46,541,280	272,176,420	193,655,822	512,853,345	100.0		100.0		100.2	
12/31/2009	49,152,328	279,396,973	200,722,170	509,493,888	100.0		100.0		90.1	
12/31/2010	50,473,365	293,227,477	196,734,871	516,307,845	100.0		100.0		87.7	
12/31/2011	45,440,569	349,202,490	160,530,664	513,298,382	100.0		100.0		73.9	
12/31/2012	49,519,050	347,350,296	174,936,109	520,320,051	100.0		100.0		70.6	
12/31/2013	50,337,976	362,224,034	169,823,819	542,157,342	100.0		100.0		76.3	
12/31/2014	51,408,059	369,926,908	168,780,115	560,031,764	100.0		100.0		82.2	

\* Includes vested and nonvested terminated members.

During the twelve months ended December 31, 2014, the Wichita Employees' Retirement System generated a net actuarial gain of \$5.6 million. The amount is 1.0% of the actuarial liability at the beginning of the year.

Note: Years prior to 12/31/2012 were provided by prior Actuary.



**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**MEMBER DATA RECONCILIATION**

December 31, 2013 to December 31, 2014

The number of members included in the valuation, as summarized in the table below, is in accordance with the data submitted by the System for members of the valuation date.

	Active Participants			DROP Participants		Retirees And Beneficiaries		Inactive Vested		Total
	Plan 1	Plan 2	Plan 3	Plan 1	Plan 2	Plan 1	Plan 2	Plan 1	Plan 2	
Members as of 12/31/2013	2	927	517	13	30	795	532	0	147	2,963
New Members	0	+2	+148	0	0	+7	+11	0	0	+168
Transfers	0	+87	-97	0	0	0	0	0	0	-10
Rehires	0	+1	+6	0	0	0	0	0	0	+7
Terminations										
Refunded	0	-9	-34	0	0	0	0	0	-1	-44
Refund Due	0	0	-18	0	0	0	0	0	-3	-21
Deferred Vested	0	-14	0	0	0	0	0	0	+14	0
Retirements										
Service	0	-27	0	-6	-6	+6	+43	0	-10	0
Disability	0	-1	0	0	0	0	+1	0	0	0
DROP	-1	-22	0	+1	+22	0	0	0	0	0
Payment Ended	0	0	0	0	0	0	0	0	0	0
Deaths										
Cashed Out	0	0	0	0	0	0	0	0	0	0
With Beneficiary	0	-1	0	0	0	-7	-9	0	0	-17
Without Beneficiary	-1	0	-2	0	0	-33	-5	0	0	-41
Data Adjustments	0	0	0	0	0	0	0	0	0	0
<b>Members as of 12/31/2014</b>	<b>0</b>	<b>943</b>	<b>520</b>	<b>8</b>	<b>46</b>	<b>768</b>	<b>573</b>	<b>0</b>	<b>147</b>	<b>3,005</b>



**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**SUMMARY OF ACTIVE MEMBERS  
(Excluding DROP Members)  
as of December 31, 2014**

All Plans

Age	Number			Valuation Salaries*		
	Male	Female	Total	Male	Female	Total
Under 25	26	4	30	\$ 787,517	\$ 135,194	\$ 922,711
25 to 29	49	34	83	1,681,252	1,114,723	2,795,975
30 to 34	87	42	129	3,325,606	1,537,914	4,863,520
35 to 39	83	60	143	3,211,017	2,627,237	5,838,254
40 to 44	77	67	144	3,445,180	2,853,509	6,298,689
45 to 49	131	76	207	6,401,587	3,689,835	10,091,422
50 to 54	141	93	234	7,044,430	4,570,474	11,614,904
55 to 59	175	108	283	9,363,908	5,470,057	14,833,965
60 to 64	114	72	186	6,267,876	3,776,046	10,043,922
65 & Up	11	13	24	649,559	545,516	1,195,075
<b>Total</b>	<b>894</b>	<b>569</b>	<b>1,463</b>	<b>\$42,177,932</b>	<b>\$26,320,505</b>	<b>\$68,498,437</b>

\* Actual salary as reported by System for year ending 12/31/2014.





**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**SUMMARY OF ACTIVE MEMBERS  
(Excluding DROP Members)  
as of December 31, 2014**

Plan 2

Age	Number			Valuation Salaries*		
	Male	Female	Total	Male	Female	Total
Under 25	0	0	0	\$ 0	\$ 0	\$ 0
25 to 29	5	0	5	169,051	0	169,051
30 to 34	32	7	39	1,248,807	284,980	1,533,787
35 to 39	36	26	62	1,568,511	1,230,635	2,799,146
40 to 44	45	34	79	2,105,001	1,556,206	3,661,207
45 to 49	98	54	152	5,078,487	2,741,431	7,819,918
50 to 54	120	74	194	6,125,067	3,841,490	9,966,557
55 to 59	147	90	237	8,054,891	4,782,723	12,837,614
60 to 64	98	58	156	5,413,259	3,164,991	8,578,250
65 & Up	8	11	19	429,548	469,311	898,859
<b>Total</b>	<b>589</b>	<b>354</b>	<b>943</b>	<b>\$30,192,622</b>	<b>\$18,071,767</b>	<b>\$48,264,389</b>

\* Actual salary as reported by System for year ending 12/31/2014.





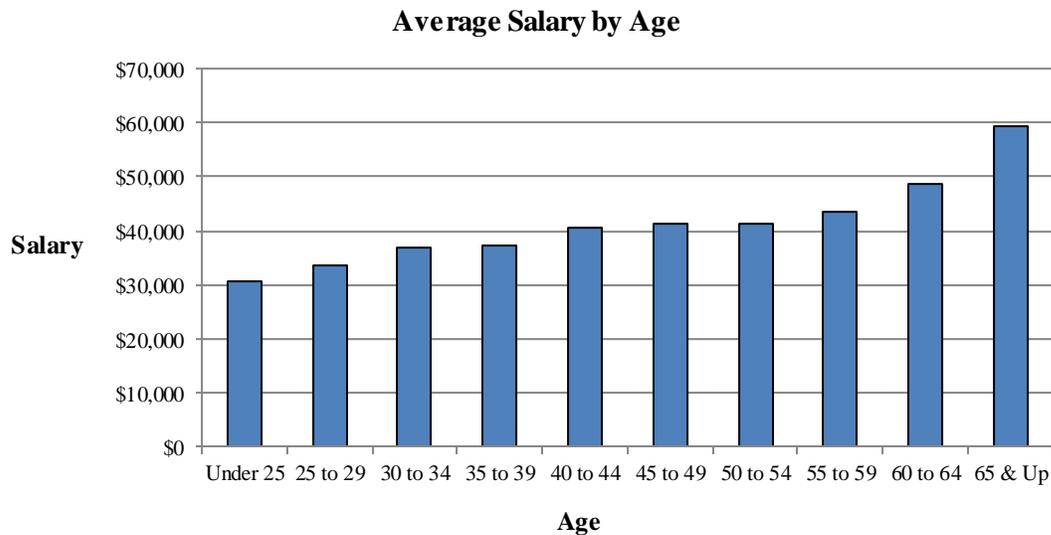
**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**SUMMARY OF ACTIVE MEMBERS**  
as of December 31, 2014

Plan 3

Age	Number			Valuation Salaries*		
	Male	Female	Total	Male	Female	Total
Under 25	26	4	30	\$ 787,517	\$ 135,194	\$ 922,711
25 to 29	44	34	78	1,512,201	1,114,723	2,626,924
30 to 34	55	35	90	2,076,799	1,252,934	3,329,733
35 to 39	47	34	81	1,642,506	1,396,602	3,039,108
40 to 44	32	33	65	1,340,179	1,297,303	2,637,482
45 to 49	33	22	55	1,323,100	948,404	2,271,504
50 to 54	21	19	40	919,363	728,984	1,648,347
55 to 59	28	18	46	1,309,017	687,334	1,996,351
60 to 64	16	14	30	854,617	611,055	1,465,672
65 & Up	3	2	5	220,011	76,205	296,216
<b>Total</b>	<b>305</b>	<b>215</b>	<b>520</b>	<b>\$11,985,310</b>	<b>\$8,248,738</b>	<b>\$20,234,048</b>

\* Actual salary as reported by System for year ending 12/31/2014.





**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

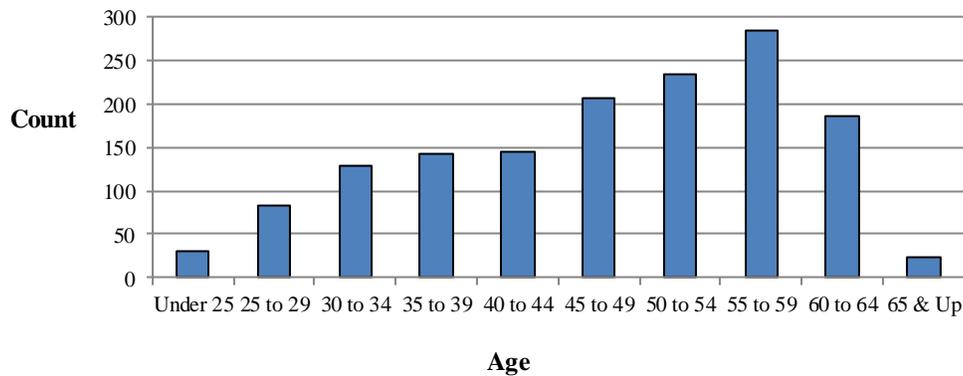
**DISTRIBUTION OF ACTIVE MEMBERS  
(Excluding DROP Members)  
as of December 31, 2014**

All Plans

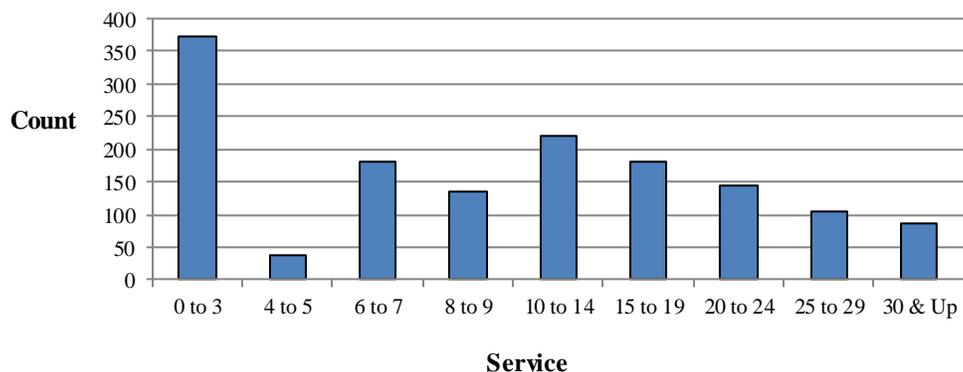
**Years of Service**

Age	0 to 3	4 to 5	6 to 7	8 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 & Up	Total
Under 25	30	0	0	0	0	0	0	0	0	30
25 to 29	66	4	10	3	0	0	0	0	0	83
30 to 34	65	7	26	15	16	0	0	0	0	129
35 to 39	61	6	27	18	22	9	0	0	0	143
40 to 44	40	7	23	16	30	23	4	1	0	144
45 to 49	33	4	31	18	38	31	41	11	0	207
50 to 54	31	4	18	15	42	34	38	32	20	234
55 to 59	29	5	20	24	47	42	40	38	38	283
60 to 64	16	1	19	23	17	37	22	23	28	186
65 & Up	1	0	6	4	8	4	0	0	1	24
<b>Total</b>	<b>372</b>	<b>38</b>	<b>180</b>	<b>136</b>	<b>220</b>	<b>180</b>	<b>145</b>	<b>105</b>	<b>87</b>	<b>1,463</b>

**Age Distribution**



**Service Distribution**





**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

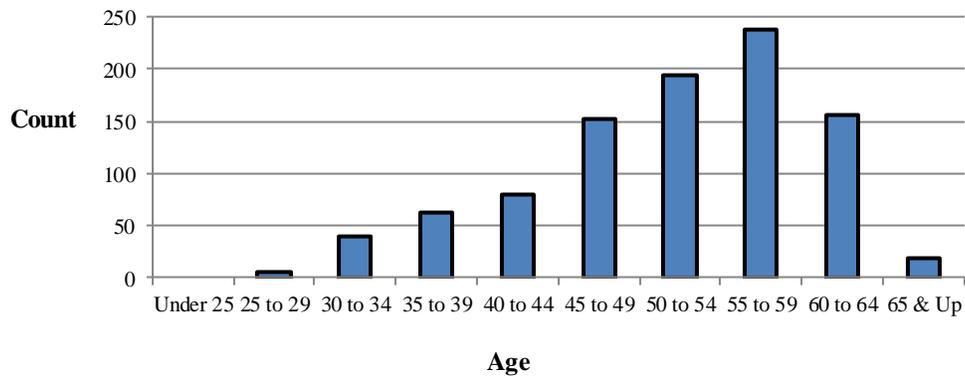
**DISTRIBUTION OF ACTIVE MEMBERS  
(Excluding DROP Members)  
as of December 31, 2014**

Plan 2

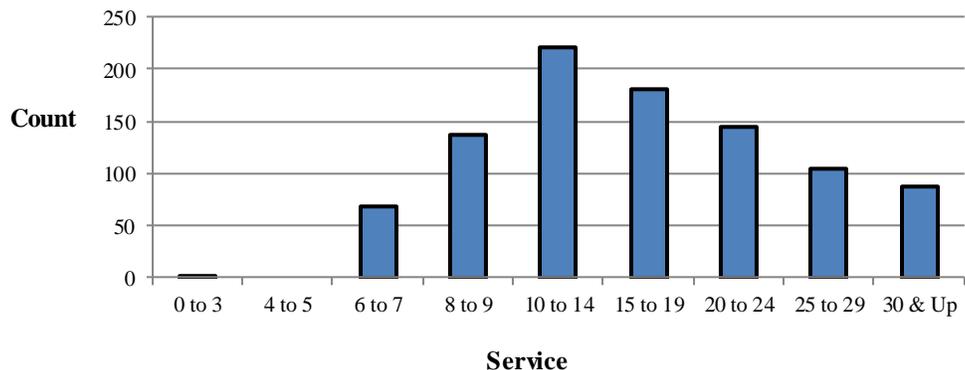
**Years of Service**

Age	0 to 3	4 to 5	6 to 7	8 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 & Up	Total
Under 25	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	2	3	0	0	0	0	0	5
30 to 34	0	0	8	15	16	0	0	0	0	39
35 to 39	0	0	13	18	22	9	0	0	0	62
40 to 44	0	0	5	16	30	23	4	1	0	79
45 to 49	1	0	12	18	38	31	41	11	0	152
50 to 54	0	0	13	15	42	34	38	32	20	194
55 to 59	0	0	8	24	47	42	40	38	38	237
60 to 64	0	0	6	23	17	37	22	23	28	156
65 & Up	0	0	2	4	8	4	0	0	1	19
<b>Total</b>	<b>1</b>	<b>0</b>	<b>69</b>	<b>136</b>	<b>220</b>	<b>180</b>	<b>145</b>	<b>105</b>	<b>87</b>	<b>943</b>

**Age Distribution**



**Service Distribution**





**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

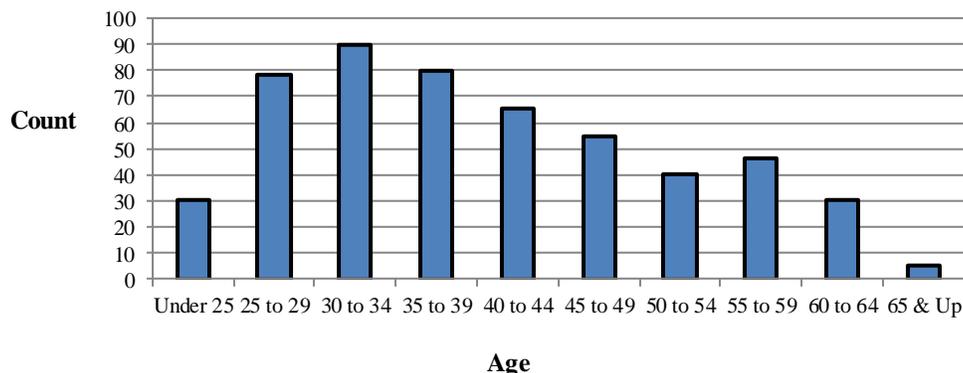
**DISTRIBUTION OF ACTIVE MEMBERS**  
as of December 31, 2014

Plan 3

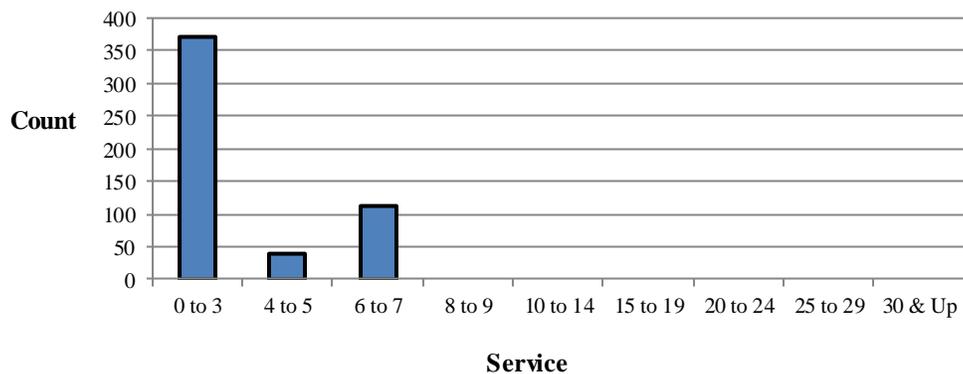
**Years of Service**

Age	0 to 3	4 to 5	6 to 7	8 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 & Up	Total
Under 25	30	0	0	0	0	0	0	0	0	30
25 to 29	66	4	8	0	0	0	0	0	0	78
30 to 34	65	7	18	0	0	0	0	0	0	90
35 to 39	61	6	14	0	0	0	0	0	0	81
40 to 44	40	7	18	0	0	0	0	0	0	65
45 to 49	32	4	19	0	0	0	0	0	0	55
50 to 54	31	4	5	0	0	0	0	0	0	40
55 to 59	29	5	12	0	0	0	0	0	0	46
60 to 64	16	1	13	0	0	0	0	0	0	30
65 & Up	1	0	4	0	0	0	0	0	0	5
<b>Total</b>	<b>371</b>	<b>38</b>	<b>111</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>520</b>

**Age Distribution**



**Service Distribution**





**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**DISTRIBUTION OF DROP MEMBERS**  
as of December 31, 2014

Plan 1

Age	Service					Total
	Under 20	20 to 24	25 to 29	30 to 34	35 & Up	
Under 50	0	0	0	0	0	0
50-54	0	0	0	0	0	0
55-59	0	0	0	4	0	4
60-64	0	0	0	2	1	3
65 & Up	0	0	0	1	0	1
Total	0	0	0	7	1	8

Age	DROP Duration Elected (months)					Total
	1 to 12	13 to 24	25 to 36	37 to 48	49 to 60	
Under 50	0	0	0	0	0	0
50-54	0	0	0	0	0	0
55-59	0	0	0	0	4	4
60-64	0	0	0	0	3	3
65 & Up	0	0	0	0	1	1
Total	0	0	0	0	8	8

Age	Monthly Benefits	Current Balance
Under 50	\$ 0	\$ 0
50-54	0	0
55-59	15,905	888,479
60-64	10,869	549,433
65 & Up	4,652	252,080
Total	\$ 31,426	\$ 1,689,992

Covered Payroll                      \$358,159



**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**DISTRIBUTION OF DROP MEMBERS**  
as of December 31, 2014

Plan 2

Age	Service					Total
	Under 20	20 to 24	25 to 29	30 to 34	35 & Up	
Under 50	0	0	0	0	0	0
50-54	0	0	0	0	0	0
55-59	0	0	0	0	0	0
60-64	10	6	5	10	0	31
65 & Up	8	2	1	2	2	15
Total	18	8	6	12	2	46

Age	DROP Duration Elected (months)					Total
	1 to 12	13 to 24	25 to 36	37 to 48	49 to 60	
Under 50	0	0	0	0	0	0
50-54	0	0	0	0	0	0
55-59	0	0	0	0	0	0
60-64	5	4	6	8	8	31
65 & Up	0	1	4	3	7	15
Total	5	5	10	11	15	46

Age	Monthly Benefits	Current Balance
Under 50	\$ 0	\$ 0
50-54	0	0
55-59	0	0
60-64	72,841	734,246
65 & Up	33,418	1,046,644
Total	\$ 106,259	\$ 1,780,890

Covered Payroll \$2,226,958



**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

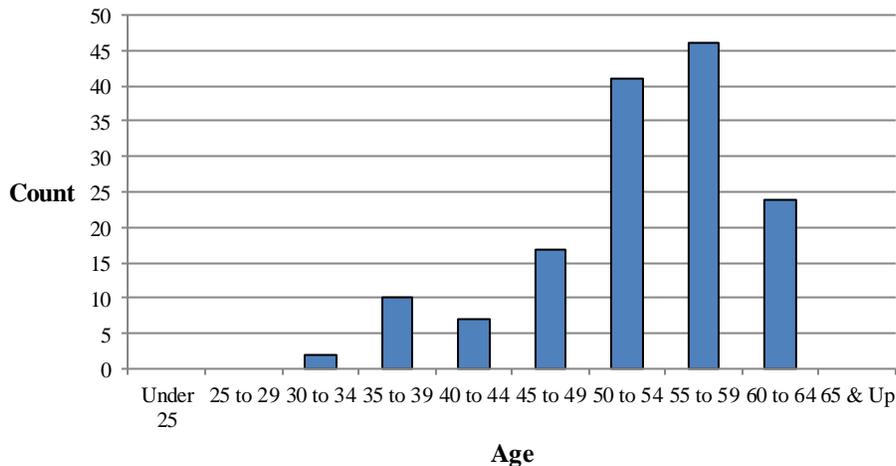
**SUMMARY OF INACTIVE VESTED MEMBERS**  
as of December 31, 2014

All Plans\*

Age	Number			Current Monthly Benefit at Retirement		
	Male	Female	Total	Male	Female	Total
Under 25	0	0	0	\$ 0	\$ 0	\$ 0
25 to 29	0	0	0	0	0	0
30 to 34	2	0	2	1,408	0	1,408
35 to 39	6	4	10	4,486	4,787	9,273
40 to 44	3	4	7	4,678	4,706	9,384
45 to 49	10	7	17	11,047	12,240	23,287
50 to 54	23	18	41	30,570	32,965	63,535
55 to 59	21	25	46	43,574	41,997	85,571
60 to 64	11	13	24	21,798	29,326	51,124
65 & Up	0	0	0	0	0	0
<b>Total</b>	<b>76</b>	<b>71</b>	<b>147</b>	<b>\$ 117,561</b>	<b>\$ 126,021</b>	<b>\$ 243,582</b>

\*All Inactive Vested Members are Plan 2 Members

**Age Distribution**





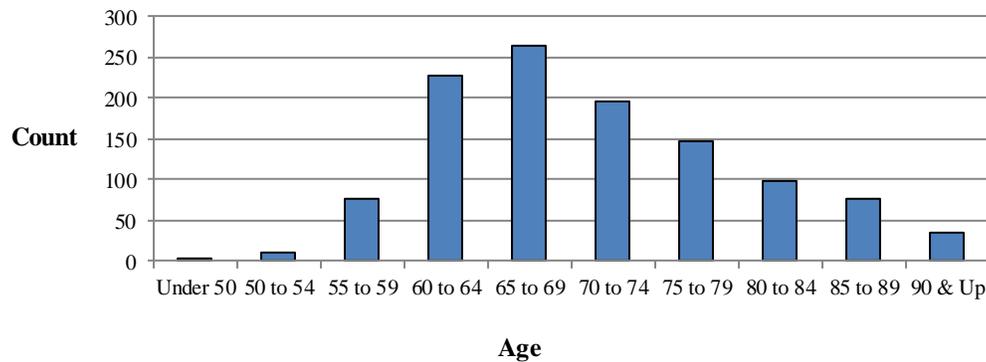
**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**SUMMARY OF RETIRED MEMBERS\***  
as of December 31, 2014

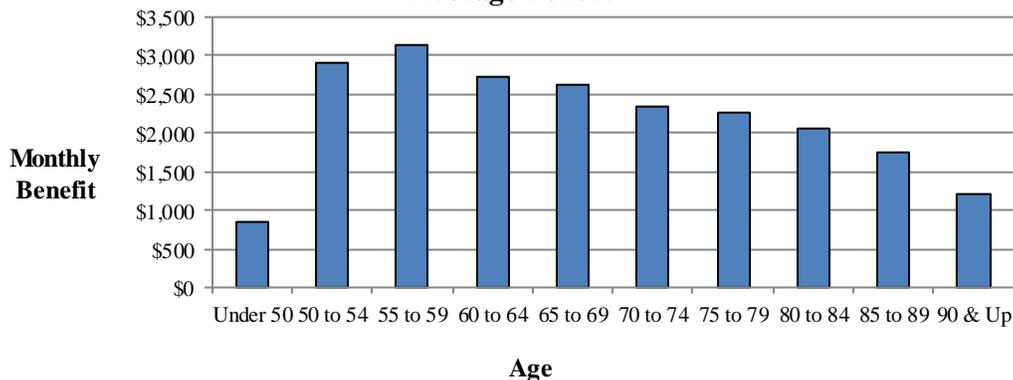
All Plans

Age	Number			Monthly Benefit		
	Male	Female	Total	Male	Female	Total
Under 50	1	0	1	\$ 846	\$ 0	\$ 846
50 to 54	7	3	10	23,509	5,598	29,107
55 to 59	50	27	77	163,687	77,585	241,272
60 to 64	148	79	227	438,035	178,712	616,747
65 to 69	164	99	263	478,964	212,052	691,016
70 to 74	117	79	196	309,821	151,559	461,380
75 to 79	86	61	147	221,423	111,047	332,470
80 to 84	52	47	99	115,551	87,500	203,051
85 to 89	41	35	76	88,245	43,981	132,226
90 & Up	10	24	34	21,336	20,110	41,446
<b>Total</b>	<b>676</b>	<b>454</b>	<b>1,130</b>	<b>\$ 1,861,417</b>	<b>\$ 888,144</b>	<b>\$ 2,749,561</b>

**Age Distribution**



**Average Benefit**



\*Includes DROP members



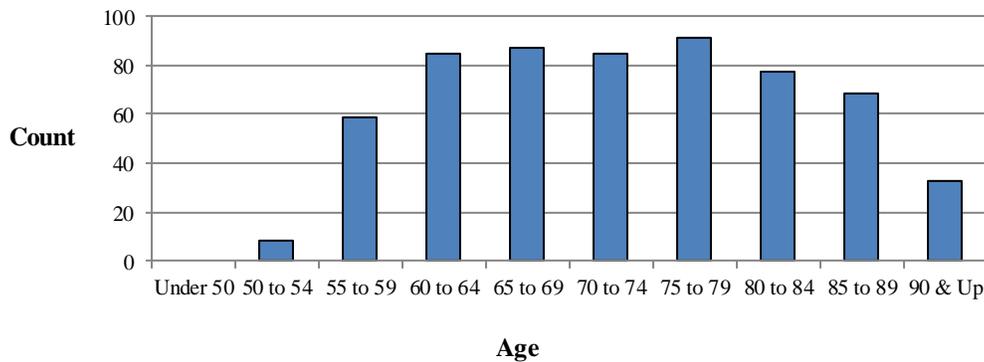
**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**SUMMARY OF RETIRED MEMBERS\***  
as of December 31, 2014

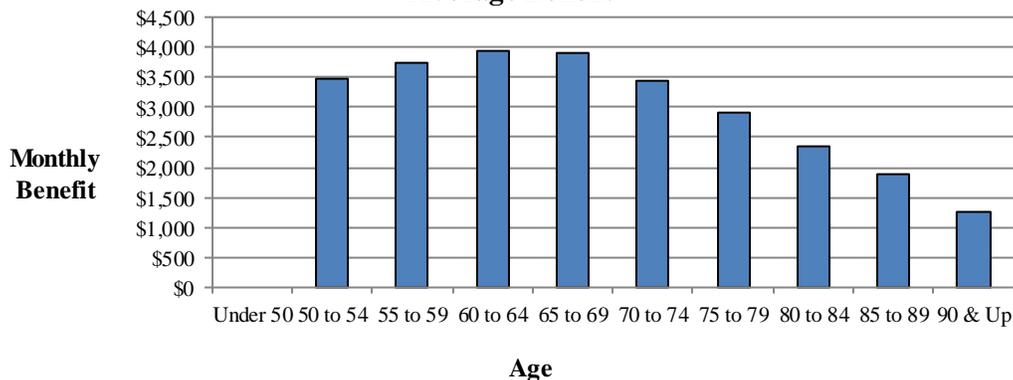
Plan 1

Age	Number			Monthly Benefit		
	Male	Female	Total	Male	Female	Total
Under 50	0	0	0	\$ 0	\$ 0	\$ 0
50 to 54	6	2	8	23,015	4,750	27,765
55 to 59	39	20	59	150,602	69,679	220,281
60 to 64	61	24	85	258,047	76,681	334,728
65 to 69	61	26	87	253,678	85,456	339,134
70 to 74	55	30	85	216,922	75,212	292,134
75 to 79	60	31	91	189,530	76,657	266,187
80 to 84	39	38	77	102,159	78,737	180,896
85 to 89	38	30	68	86,631	41,467	128,098
90 & Up	10	23	33	21,336	19,762	41,098
<b>Total</b>	<b>369</b>	<b>224</b>	<b>593</b>	<b>\$ 1,301,920</b>	<b>\$ 528,401</b>	<b>\$ 1,830,321</b>

**Age Distribution**



**Average Benefit**



\*Includes DROP members



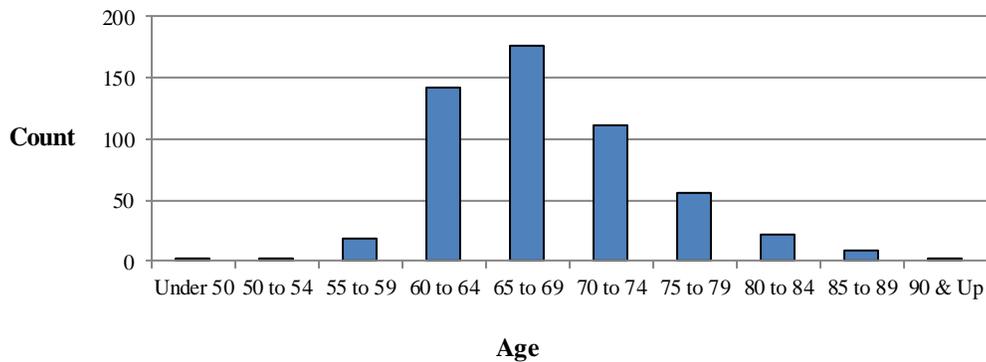
**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**SUMMARY OF RETIRED MEMBERS\***  
as of December 31, 2014

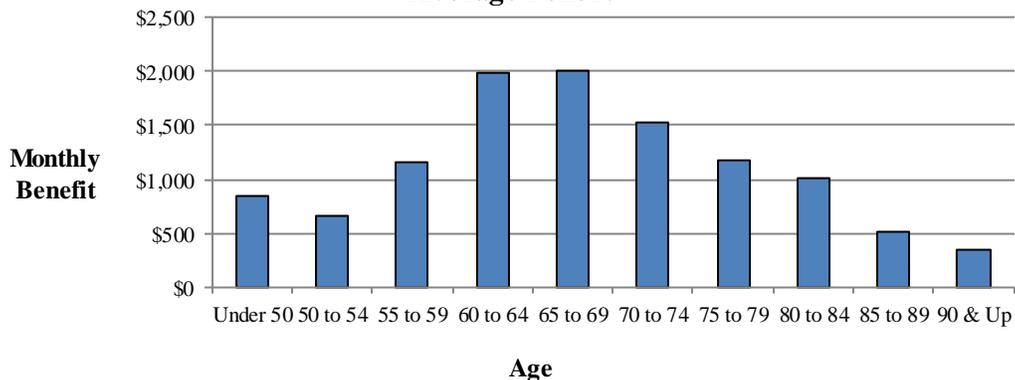
Plan 2

Age	Number			Monthly Benefit		
	Male	Female	Total	Male	Female	Total
Under 50	1	0	1	\$ 846	\$ 0	\$ 846
50 to 54	1	1	2	494	848	1,342
55 to 59	11	7	18	13,085	7,906	20,991
60 to 64	87	55	142	179,988	102,031	282,019
65 to 69	103	73	176	225,286	126,596	351,882
70 to 74	62	49	111	92,899	76,347	169,246
75 to 79	26	30	56	31,893	34,390	66,283
80 to 84	13	9	22	13,392	8,763	22,155
85 to 89	3	5	8	1,614	2,514	4,128
90 & Up	0	1	1	0	348	348
<b>Total</b>	<b>307</b>	<b>230</b>	<b>537</b>	<b>\$ 559,497</b>	<b>\$ 359,743</b>	<b>\$ 919,240</b>

**Age Distribution**



**Average Benefit**



\*Includes DROP members



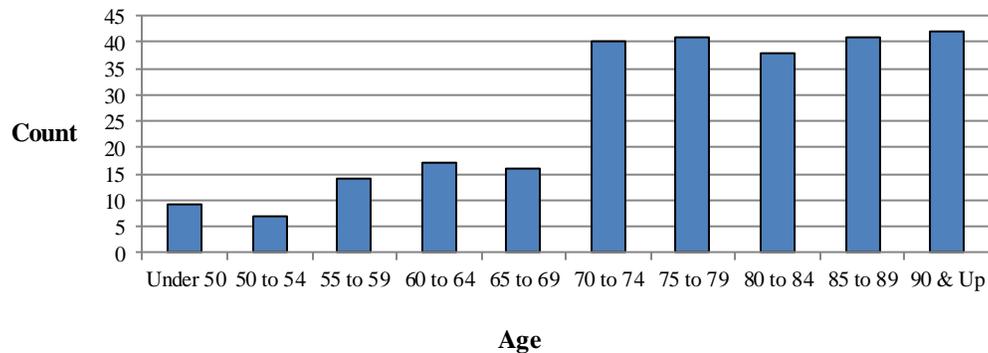
**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**SUMMARY OF BENEFICIARIES**  
as of December 31, 2014

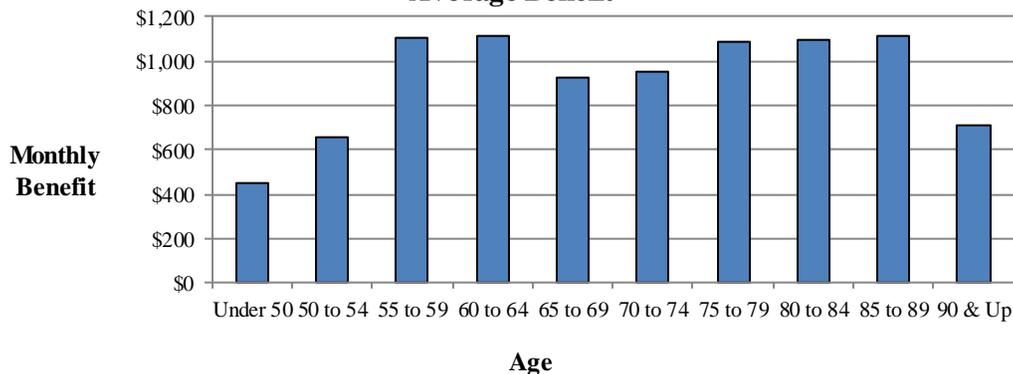
All Plans

Age	Number			Monthly Benefit		
	Male	Female	Total	Male	Female	Total
Under 50	1	8	9	\$ 564	\$ 3,484	\$ 4,048
50 to 54	2	5	7	1,550	3,070	4,620
55 to 59	3	11	14	3,455	11,997	15,452
60 to 64	3	14	17	3,158	15,834	18,992
65 to 69	2	14	16	1,376	13,370	14,746
70 to 74	5	35	40	2,656	35,448	38,104
75 to 79	4	37	41	2,957	41,522	44,479
80 to 84	5	33	38	4,732	36,732	41,464
85 to 89	6	35	41	2,990	42,536	45,526
90 & Up	5	37	42	2,514	27,128	29,642
<b>Total</b>	<b>36</b>	<b>229</b>	<b>265</b>	<b>\$ 25,952</b>	<b>\$ 231,121</b>	<b>\$ 257,073</b>

**Age Distribution**



**Average Benefit**





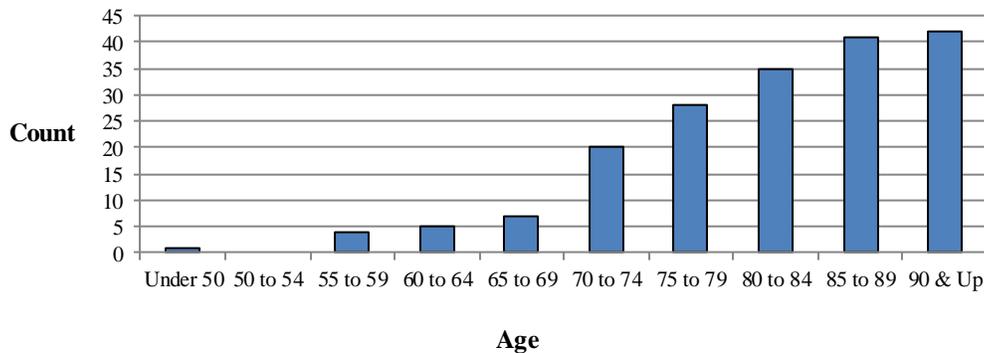
**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**SUMMARY OF BENEFICIARIES**  
as of December 31, 2014

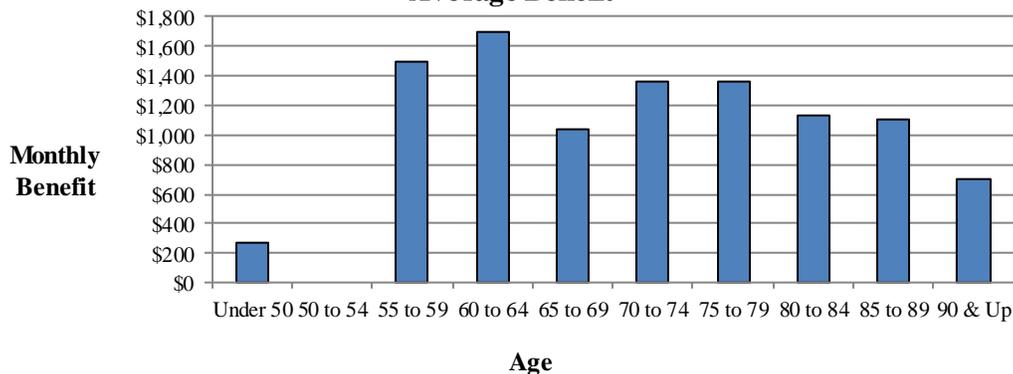
Plan 1

Age	Number			Monthly Benefit		
	Male	Female	Total	Male	Female	Total
Under 50	0	1	1	\$ 0	\$ 272	\$ 272
50 to 54	0	0	0	0	0	0
55 to 59	0	4	4	0	5,971	5,971
60 to 64	2	3	5	2,662	5,791	8,453
65 to 69	0	7	7	0	7,221	7,221
70 to 74	2	18	20	1,506	25,766	27,272
75 to 79	3	25	28	2,608	35,299	37,907
80 to 84	5	30	35	4,732	35,080	39,812
85 to 89	6	35	41	2,990	42,536	45,526
90 & Up	5	37	42	2,514	27,128	29,642
<b>Total</b>	<b>23</b>	<b>160</b>	<b>183</b>	<b>\$ 17,012</b>	<b>\$ 185,064</b>	<b>\$ 202,076</b>

**Age Distribution**



**Average Benefit**





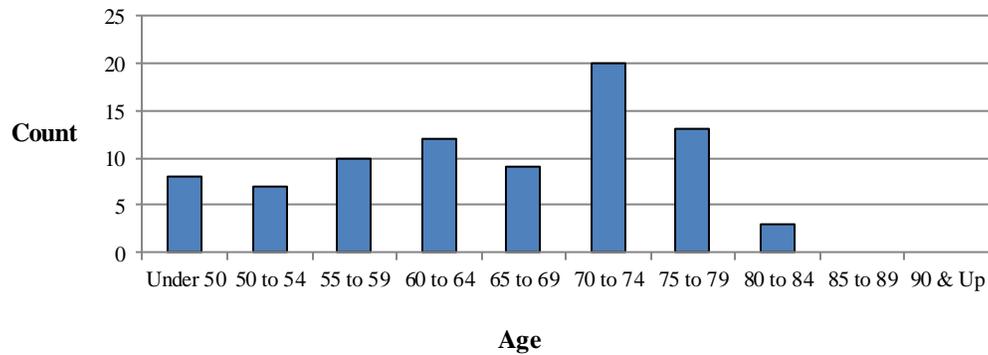
**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**SUMMARY OF BENEFICIARIES**  
as of December 31, 2014

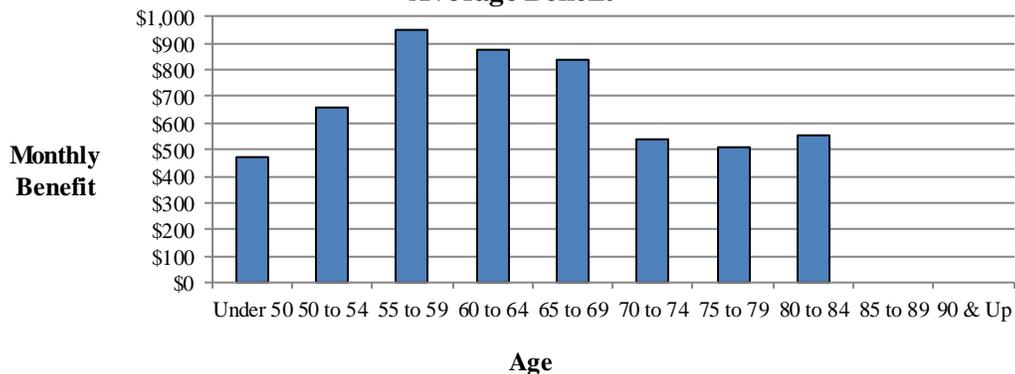
Plan 2

Age	Number			Monthly Benefit		
	Male	Female	Total	Male	Female	Total
Under 50	1	7	8	\$ 564	\$ 3,212	\$ 3,776
50 to 54	2	5	7	1,550	3,070	4,620
55 to 59	3	7	10	3,455	6,026	9,481
60 to 64	1	11	12	496	10,043	10,539
65 to 69	2	7	9	1,376	6,149	7,525
70 to 74	3	17	20	1,150	9,682	10,832
75 to 79	1	12	13	349	6,223	6,572
80 to 84	0	3	3	0	1,652	1,652
85 to 89	0	0	0	0	0	0
90 & Up	0	0	0	0	0	0
<b>Total</b>	<b>13</b>	<b>69</b>	<b>82</b>	<b>\$ 8,940</b>	<b>\$ 46,057</b>	<b>\$ 54,997</b>

**Age Distribution**



**Average Benefit**





## Summary of Benefit Provisions

### Defined Benefit Plans 1 and 2

**Plan 1** is applicable to members employed prior to July 18, 1981 who have not elected to be covered by Plan 2.

**Plan 2** is applicable to members employed or re-employed on or after July 18, 1981 and before January 1, 1994 and to other employees who have elected Plan 2 coverage.

**Plan 3** is applicable to members employed on or after January 1, 1994 who have not become covered by Plan 2. Plan 3 members are automatically transferred to Plan 2 after they have 7 years of service unless they file an irrevocable election to remain in Plan 3.

#### NORMAL RETIREMENT (NO REDUCTION FACTOR)

**Eligibility – Plan 1:** Age 60 with 7 or more years of service, or any age with 30 or more years of service.

**Eligibility – Plan 2:** Age 62 with 7 or more years of service (effective August 1, 1990).

**Amount of Pension – Plan 1:** Service times 2.5% of Final Average Salary to a maximum of 75% of Final Average Salary.

**Amount of Pension – Plan 2:** Service times 2.25% of Final Average Salary to a maximum of 75% of Final Average Salary (effective January 1, 2000).

**Final Average Salary – all plans:** Average for the 3 consecutive years of service which produce the highest average and which are within the last 10 years of service.

#### EARLY RETIREMENT (WITH REDUCTION FACTOR)

**Eligibility – all plans:** Age 55 with 7 or more years of service.

**Amount of Pension – Plan 1:** Computed as for normal retirement, but reduced for each month retirement precedes age 60. The reduction is 0.05 of 1% if service is 29 years but less than 30 years, increasing by 0.05 of 1% for each additional year of service less than 30 years, to a maximum of 0.50 of 1% if service is less than 21 years.

**Amount of Pension – Plan 2:** Computed as for normal retirement, but reduced for each month retirement precedes age 62. The reduction is 0.6% per month for every year of age less than 62 with a maximum reduction of 50.4% at age 55.



## APPENDIX B: SUMMARY OF BENEFIT PROVISIONS

---

### DEFERRED RETIREMENT (VESTED TERMINATION)

**Eligibility – all plans:** 7 or more years of service. A terminated employee may apply for a reduced pension upon meeting the applicable age requirement for early retirement or an unreduced pension upon meeting the applicable age requirement for normal retirement. A terminated employee may elect a refund of employee contributions, plus applicable interest, in lieu of a deferred retirement benefit.

**Amount of Pension – all plans:** An amount computed as for normal retirement. Vested deferred pensions are adjusted during the deferral period based on changes in National Average Earnings, up to 5.5% annual adjustments.

### DEFERRED RETIREMENT OPTION PLAN (DROP)

**Eligibility – all plans:** Member must be eligible to retire under early reduced or normal age and/or service requirements and elect to participate in DROP for up to 5 years.

**Amount of Benefit – all plans:** Benefit computed based on years of service, Final Average Salary as of the DROP election date, and length of DROP period. Benefit is paid into member's notional DROP account during the deferral period. Member and City continue to make required employee and employer contributions during the deferral period. Interest at an annual rate of 5%, compounded monthly, is credited to the notional DROP account. Voluntary termination of employment during the DROP period results in loss of accrued interest. Balance of DROP account is payable within 90 days of actual termination of employment.

### SERVICE-CONNECTED DISABILITY

**Eligibility – all plans:** No age or service requirement. Requires total and permanent disability, as defined in State worker's compensation act, for employment by the City in a position commensurate with the employee's training, experience and education.

**Amount of Pension – Plan 1:** 60% of final rate of Salary.

**Amount of Pension – Plan 2:** 50% of final rate of Salary.

### NON-SERVICE DISABILITY

**Eligibility – all plans:** 7 or more years of service. Requires total and permanent disability for employment by the City in a position commensurate with the employee's training, experience and education.

**Amount of Pension – Plan 1:** 30% of Final Average Salary plus 1% of Final Average Salary times service over 7 years; maximum is 50% of Final Average Salary.

**Amount of Pension – Plan 2:** 25% of final rate of Salary.



## **APPENDIX B: SUMMARY OF BENEFIT PROVISIONS**

---

### **POST-RETIREMENT SURVIVOR BENEFITS**

**Eligibility – all plans Surviving Spouse:** Must have been married to retired employee for one year or more, at time of death if retired after January 1, 2000. If retired prior to January 1, 2000, must have been married to retired employee at retirement.

**Eligibility – all plans Minor Children:** Must be less than 18 years old.

**Amount of Pension – all plans Surviving Spouse:** 50% of amount that was being paid to retiree.

**Amount of Pension – all plans Minor Child with Surviving Spouse:** 10% of the member's Final Average Salary for each child under age 18. Maximum, including surviving spouse benefit, is 75% of Final Average Salary.

**Amount of Pension – all plans Minor Child without Surviving Spouse:** 20% of the member's Final Average Salary for each child under age 18. Maximum benefit is 60% of Final Average Salary.

### **POST-RETIREMENT FUNERAL BENEFITS**

**Eligibility – Designated Beneficiary:** Must have been designated by the retired employee.

**Amount of Benefit – Plan 1:** \$1,500

**Amount of Benefit – Plan 2:** None

### **PRE-RETIREMENT SURVIVOR BENEFITS**

**Eligibility – Surviving Spouse:** Death of employee with 7 or more years of service.

**Eligibility – Designated Beneficiary:** The beneficiary designated by an unmarried member or by a member who fails to meet the 7 year service requirement for the surviving spouse benefit.

**Amount of Pension – Surviving Spouse:** 50% of amount that that the deceased employee would have been entitled to had he/she been on an unreduced retirement at time of death.

**Amount of Pension –Designated Beneficiary:** The deceased employee's contributions, plus applicable interest, plus one month's Salary for each full year of service up to a maximum benefit of 6 months of Salary.

### **OTHER TERMINATION BENEFITS**

**Eligibility – all plans:** Termination of employment without eligibility for any other benefit.

**Amount of Benefit – all plans:** Accumulated employee contributions with interest at 5% per year compounded monthly are refunded.



## **APPENDIX B: SUMMARY OF BENEFIT PROVISIONS**

---

### **POST-RETIREMENT ADJUSTMENTS OF PENSIONS**

**Eligibility – Plan 1:** Completion of 12 months of retirement.

**Eligibility – Plan 2:** If retired on or after January 1, 2000, completion of 12 months of retirement. If retired before January 1, 2000, there is no adjustment (effective February 19, 2000).

**Annual Amount – Plan 1:** 3% of the original base amount of benefit (simple COLA).

**Annual Amount – Plan 2:** 2% of the original base amount of benefit (simple COLA).

### **EMPLOYEE CONTRIBUTIONS**

Plan 1: 6.4% of total compensation

Plan 2: 4.7% of base salary and longevity pay

Plan 3: 4.7% of base salary and longevity pay

### **CITY CONTRIBUTIONS**

Actuarially determined amount which together with employee contributions and investment earnings will fund the obligations of the System in accordance with accepted actuarial principles

Plan 3: 4.7% of base salary and longevity pay, less forfeitures from non-vested terminations.

### **UNUSED SICK LEAVE**

Each bi-weekly service credit of accumulated unused sick leave is converted to a service credit for the purpose of computing annual benefit amounts.

### **VESTING OF CONTRIBUTIONS**

**Plan 3:** Member contributions and investment earnings thereon are 100% vested. City contributions and investment earnings thereon are 25% vested after 3 years of service, 50% vested after 5 years of service, and 100% vested after 7 years of service.

### **DISTRIBUTION OF VESTED ACCOUNTS**

**Plan 3:** Vested accounts are payable upon termination of City employment or death. Available forms of payment are prescribed by the Board.

### **DISABILITY RETIREMENT**

**Plan 3:** Service and non-service connected disability benefits are the same as those of Plan 2. Plan 3 members may alternatively elect to receive a refund of their Plan 3 vested account.



## **APPENDIX C: ACTUARIAL COST METHOD AND ASSUMPTIONS**

---

### **ACTUARIAL COST METHOD**

The actuarial cost method is a procedure for allocating the actuarial present value of pension benefits and expenses to time periods. The method used for the valuation is known as the Entry Age Normal actuarial cost method, and have the following characteristics:

- (i) The annual normal costs for each individual active member are sufficient to accumulate the value of the member's pension at time of retirement.
- (ii) Each annual normal cost is a constant percentage of the member's year-by-year projected covered compensation.

The Entry Age Normal actuarial cost method allocates the actuarial present value of each member's projected benefits on a level basis over the member's assumed pensionable compensation rates between the entry age of the member and the assumed exit ages.

The portion of the actuarial present value allocated to the valuation year is called the normal cost. The portion of the actuarial present value not provided for by the actuarial present value of future normal costs is called actuarial liability. Deducting actuarial assets from the actuarial liability determines the unfunded actuarial liability or (surplus). The unfunded actuarial liability/(surplus) is financed as a level percent of member payroll over an open 20-year period.

### **ACTUARIAL ASSUMPTIONS**

Retirement System contribution requirements and actuarial present values are calculated by applying experience assumptions to the benefit provisions and membership information of the Retirement System, using the actuarial cost method.

The principal areas of risk which require experience assumptions about future activities of the Retirement System are:

- (i) Long-term rates of investment return to be generated by the assets of the System
- (ii) Patterns of pay increases to members
- (iii) Rates of mortality among members, retirees and beneficiaries
- (iv) Rates of termination of employment by active members
- (v) The age patterns of actual retirements



## APPENDIX C: ACTUARIAL COST METHOD AND ASSUMPTIONS

In making a valuation, the monetary effect of each assumption is calculated for as long as a present covered person survives – a period of time which can be as long as a century.

Actual experience of the Retirement System will not coincide exactly with assumed experience. Each valuation provides a complete recalculation of assumed future experience and takes into account all past differences between assumed and actual experiences. The result is a continual series of adjustments (usually small) to the computed contribution rate.

From time to time, one or more of the assumptions are modified to reflect experience trends (but not random or temporary year-to-year fluctuations). A complete review of the actuarial assumptions was completed in 2014. The use of updated assumptions was first effective with the December 31, 2014 valuation.

**Investment Rate of Return** (net of administrative expenses): This assumption is 7.75% a year, compounded annually and consists of 3.25% long-term price inflation and a 4.50% real rate of return over price inflation. This assumption, used to equate the value of payments due at different points in time, was adopted by the Board and was first used for the December 31, 1981 valuation, although the allocation between inflation and real return has changed periodically, most recently in 2014.

**Salary Increase Rates:** These rates are used to project current pay amounts to those upon which a benefit will be based. This table was first used in the December 31, 2014 valuation.

Years of Service	Annual Rate of Salary Increase for Sample Service Durations			
	Inflation Component	Productivity Component	Merit and Longevity	Total
1	3.25%	0.75%	3.20%	7.20%
2	3.25	0.75	3.00	7.00
3	3.25	0.75	2.80	6.80
4	3.25	0.75	2.60	6.60
5	3.25	0.75	2.40	6.40
6	3.25	0.75	2.20	6.20
7	3.20	0.75	2.00	6.00
8	3.25	0.75	1.80	5.80
9	3.25	0.75	1.70	5.70
10	3.25	0.75	1.60	5.60
11	3.25	0.75	1.50	5.50
12	3.25	0.75	1.40	5.40
13	3.25	0.75	1.30	5.30
14	3.25	0.75	1.20	5.20
15	3.25	0.75	1.06	5.06
16	3.25	0.75	0.92	4.92
17	3.25	0.75	0.78	4.78
18	3.25	0.75	0.64	4.64
19	3.25	0.75	0.50	4.50
20	3.25	0.75	0.50	4.50
21	3.25	0.75	0.50	4.50
22	3.25	0.75	0.50	4.50
23	3.25	0.75	0.50	4.50
24	3.25	0.75	0.50	4.50
25	3.25	0.75	0.50	4.50
Over 25	3.25	0.75	0.25	4.25



**APPENDIX C: ACTUARIAL COST METHOD AND ASSUMPTIONS**

The salary increase assumptions will produce 4.0% annual increases in active member payroll (the inflation and productivity base rate) given a constant active member group size. This is the same payroll growth assumption used to amortize the unfunded actuarial liability. The real rate of return over assumed wage growth is 3.75% per year.

Changes actually experienced in average pay and total payroll (excluding DROP participants) have been as follows:

	Year Ended					5 Year (Average) Compounded Annual Increase
	12/31/14	12/31/13	12/31/12	12/31/11	12/31/10	
Average Payroll	1.7%	0.8%	3.2%	(1.1)%	1.1%	1.1%
Total Payroll	3.0%	(0.2)%	2.3%	(10.0)%	(4.3)%	(2.0)%

**Mortality Table:** This assumption is used to measure the probabilities of members dying and the probabilities of each pension payment being made after retirement.

Healthy Retirees

And Beneficiaries: RP-2000 Healthy Annuitant Table (ages set forward two years for males, zero for females)

Disabled Retirees: RP-2000 Disabled Table for Males and Females

Active Members: RP-2000 Employee Table (ages set forward two years for males, zero for females)

The RP-2000 Tables are used with generational mortality.

Sample Ages <sup>(1)</sup>	Present Value of \$1 Monthly for Life		Future Life Expectancy (Years)	
	Men	Women	Men	Women
50	\$136.27	\$141.98	30.4	34.6
55	128.67	135.41	25.7	29.7
60	118.41	127.04	21.2	25.1
65	150.86	116.91	16.9	20.7
70	91.20	104.80	13.0	16.7
75	75.12	90.90	9.7	13.0
80	58.98	75.76	6.9	9.8
85	44.42	60.20	4.8	7.1

(1) Reflects values from the basic table based on ages in 2000

This table was first used for the December 31, 2004 actuarial valuation.



**APPENDIX C: ACTUARIAL COST METHOD AND ASSUMPTIONS**

**Rates of Retirement and Deferred Retirement Option Plan (DROP) Elections:** These rates are used to measure the probability of eligible members retiring under either the regular retirement provisions or from the Deferred Retirement Option Plan.

**Percent Retiring During Year**

Retirement		
Age	Plan 1	Plan 2
55	15%	3%
56	15	3
57	15	3
58	15	3
59	15	3
60	40	3
61	40	20
62	20	40
63	20	25
64	20	25
65	100	50
66	N/A	35
67	N/A	20
68	N/A	20
69	N/A	20
70	N/A	100

In addition, the following assumptions would apply to members in this category:

**Plan 1:** 70% of members with 30 or more years of service will elect the DROP with an average DROP period of 48 months. The remaining 30% are assumed to retire immediately.

**Plan 2:** 70% of members with 33.33 or more years of service and are at least age 62 will elect the DROP with an average DROP period of 36 months.

All members of the retirement system were assumed to retire on or before age 70.

Deferred vested members are assumed to retire at age 62.

This assumption was first used in the December 31, 2014 actuarial valuation.



## APPENDIX C: ACTUARIAL COST METHOD AND ASSUMPTIONS

**Rates of Separation from Active Membership:** This assumption measures the probabilities of a member terminating employment. The rates do not apply to members who are eligible to retire.

Years of Service	Probability of Terminating During Year
0	13.00%
1	13.00
2	11.00
3	9.00
4	8.00
5	7.00
6	6.00
7	5.00
8-12	4.50
13	4.00
14	3.50
15	3.00
16	2.75
17	2.50
18	2.50
19	2.25
20 or more	2.00

These rates were first used for the December 31, 2014 valuation.

**Forfeiture of Vested Benefits:** The assumption is that a percentage of the actuarial present value of vested termination benefits will be forfeited by a withdrawal of accumulated contributions.

Years of Service	Percent Forfeiting
Under 15	60%
15-19	40
20-24	20
25 or more	0

This table was first used for the December 31, 2004 actuarial valuation.

**Rates of Disability:** There is no disability assumption. This assumption was first eliminated in the December 31, 2014 valuation.

**Administrative Expenses:** Assumed to be paid from investment earnings.

**Active Member Group Size:** Assumed to remain constant.

**Vested Deferred Pensions:** Amounts are assumed to increase during the deferral period at 4.0% per year, compounded annually. This assumption was first used for the December 31, 2009 valuation.



## APPENDIX C: ACTUARIAL COST METHOD AND ASSUMPTIONS

---

### MISCELLANEOUS AND TECHNICAL ASSUMPTIONS

**Marriage Assumption:** 70% of non-retired participants are assumed to be married for purposes of death benefits. In each case, the male was assumed to be three years older than the female.

**Decrement Timing:** Decrements of all types are assumed to occur mid-year.

**Eligibility Testing:** Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year at the start of the year in which the decrement is assumed to occur.

**Benefit Service:** Service calculated to the nearest month, as of the decrement date, is used to determine the amount of benefit payable.

**Other:** The turnover decrement does not operate during retirement eligibility.

**Miscellaneous Loading Factors:** The calculated normal retirement benefits are increased by 2.5% to account for the inclusion of unused sick leave in the calculation of Service. This assumption was changed with the December 31, 2014 valuation.

**Plan 3 Transfer Assumption:** For purposes of the valuation, Plan 3 members are assumed to transfer to Plan 2 if they acquire 7 years of service. An additional reserve is held for this group and equals the excess, if any, of the actuarial value of assets over the market value of assets. This assumption was changed with the December 31, 2004 valuation.



## APPENDIX D: GLOSSARY OF TERMS

---

<b>Actuarial Liability</b>	The difference between the actuarial present value of system benefits and the actuarial present value of future normal costs. Also referred to as “accrued liability” or “actuarial liability”
<b>Actuarial Assumptions</b>	Estimates of future experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and salary increases. Decrement assumptions (rates of mortality, disability, turnover and retirement) are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (salary increases and investment income) consist of an underlying rate in an inflation-free environment plus a provision for a long-term average rate of inflation.
<b>Accrued Service</b>	Service credited under the system which was rendered before the date of the actuarial valuation.
<b>Actuarial Equivalent</b>	A single amount or series of amounts of equal actuarial value to another single amount or series of amounts, computed on the basis of appropriate assumptions.
<b>Actuarial Cost Method</b>	A mathematical budgeting procedure for allocating the dollar amount of the actuarial present value of retirement system benefit between future normal cost and actuarial liability; sometimes referred to as the “actuarial funding method”.
<b>Experience Gain (Loss)</b>	The difference between actual experience and actuarial assumptions anticipated experience during the period between two actuarial valuation dates.
<b>Actuarial Present Value</b>	The amount of funds currently required to provide a payment or series of payments in the future. It is determined by discounting future payments at predetermined rates of interest and by probabilities of payment.
<b>Amortization</b>	Paying off an interest-discounted amount with periodic payments of interest and principal, as opposed to paying off with lump sum payment.
<b>Normal Cost</b>	The actuarial present value of retirement system benefits allocated to the current year by the actuarial cost method.
<b>Unfunded Actuarial Liability</b>	<p>The difference between actuarial liability and the valuation assets.</p> <p>Most retirement systems have unfunded actuarial liability. They arise each time new benefits are added and each time an actuarial loss is realized.</p> <p>The existence of unfunded actuarial liability is not in itself bad, anymore than a mortgage on a house is bad. Unfunded actuarial liability does not represent a debt that is payable today. What is important is the ability to amortize the unfunded actuarial liability and the trend in its amount.</p>



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*The experience and dedication you deserve*

## **Police and Fire Retirement System of Wichita, Kansas**

**Actuarial Valuation as of December 31, 2014**



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# Cavanaugh Macdonald

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April 9, 2015

The Board of Trustees  
Police and Fire Retirement System of Wichita, Kansas  
City Hall, 12<sup>th</sup> Floor  
455 N. Main Street  
Wichita, KS 67202

Dear Members of the Board:

In accordance with your request, we have completed an actuarial valuation of the Police and Fire Retirement System of Wichita, Kansas as of December 31, 2014. The major findings of the valuation are contained in this report, including the employer contribution rate for fiscal year 2016. The plan provisions are the same as the prior valuation. However, there were some changes to the actuarial assumptions and methods used in the current valuation as a result of an experience study that was performed in 2014. The study covered the System's experience in calendar years 2009 through 2013 and resulted in several recommendations that were ultimately adopted by the Board of Trustees. The changes to the actuarial assumptions and methods are discussed in detail in the Executive Summary section of this report.

In preparing this report, we relied, without audit, on information (some oral and some in writing) supplied by the System's staff. This information includes, but is not limited to, plan provisions, member data, and financial information. We found this information to be reasonably consistent and comparable with information for the last valuation. The valuation results depend on the integrity of the data provided. If any of this information is inaccurate or incomplete, our valuation results may be different and our calculations may need to be revised.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the System's funded status); and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements.

3906 Raynor Pkwy, Suite 106, Bellevue, NE 68123

Phone (402) 905-4461 • Fax (402) 905-4464

[www.CavMacConsulting.com](http://www.CavMacConsulting.com)

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Actuarial computations presented in this report are for purposes of determining the actuarial contribution rates for funding the System. The calculations in the enclosed report have been made on a basis consistent with our understanding of the System's funding requirements and goals. Determinations for purposes other than meeting these requirements may be significantly different from the results contained in this report. Accordingly, additional determinations may be needed for other purposes. For example, actuarial computations for purposes of fulfilling financial accounting requirements for the System under Governmental Accounting Standard No. 67 are provided in a separate report.

The consultants who worked on this assignment are pension actuaries. CMC's advice is not intended to be a substitute for qualified legal or accounting counsel.

This is to certify that the independent consulting actuaries are members of the American Academy of Actuaries and have experience in performing valuations for public retirement plans, that the valuation was prepared in accordance with principles of practice prescribed by the Actuarial Standards Board, and that the actuarial calculations were performed by qualified actuaries in accordance with accepted actuarial procedures, based on the current provisions of the retirement plan and on actuarial assumptions that are internally consistent and reasonably based on the actual experience of the System. The Board of Trustees has the final decision regarding the appropriateness of the assumptions and adopted them as indicated in Appendix C.

We respectfully submit the following report and look forward to discussing it with you.

Sincerely,

A handwritten signature in blue ink that reads 'Patrice Beckham'.

Patrice A. Beckham, FSA, EA, FCA, MAAA  
Principal and Consulting Actuary

A handwritten signature in blue ink that reads 'Brent A. Banister'.

Brent A. Banister, PhD, FSA, EA, FCA, MAAA  
Chief Pension Actuary



## SECTION I: EXECUTIVE SUMMARY

---

This report presents the results of the December 31, 2014 actuarial valuation of the Police and Fire Retirement System of Wichita, Kansas (WPF). The primary purposes of performing a valuation are to:

- estimate the liabilities for the benefits provided by the System;
- determine the employer contribution rate required to fund the System on an actuarial basis;
- disclose certain asset and liability measures as of the valuation date;
- monitor any deviation between actual plan experience and experience projected by the actuarial assumptions, so that recommendations for assumption changes can be made when appropriate; and
- analyze and report on any significant trends in contributions, assets and liabilities over the past several years.

There were no changes in the benefit provisions from the last valuation. However, there were some changes to the actuarial assumptions and methods used in the current valuation as a result of an experience study that was performed in 2014. That study covered the System's experience in calendar years 2009 through 2013 and resulted in several recommendations to the Board of Trustees that they adopted, effective with the January 1, 2015 actuarial valuation. The assumption changes included:

- (1) reducing the inflation assumption from 3.50% to 3.25%;
- (2) modifying Plan C retirement rates to partially reflect actual, observed experience;
- (3) lowering the assumed disability rates;
- (4) changing the termination of employment assumption to a pure service-based assumption;
- (5) modifying the probability of electing a refund to partially reflect actual, observed experience; and
- (6) reducing the sick-leave load from 4.0% to 3.0%.

With the implementation of financial reporting under GASB 67 and 68, some technical adjustments to the liability calculations were required. In conjunction with these changes, there were also some technical adjustments made to better utilize recent enhancements in our valuation software. The net impact of the revised actuarial assumptions and programming changes was an increase in the actuarial liability as of December 31, 2014 by \$0.2 million, or 0.04%, and a decrease in the normal cost rate of 1.0% of payroll. The net result of these changes was a decrease in the actuarially determined contribution rate of 0.9%.

There was one minor change to the actuarial methods as a result of the experience study. The current asset valuation method was retained, but a 20% corridor was added so the resulting actuarial value of assets can be no less than 80% of the market value, nor greater than 120% of the market value. This change had no impact on the December 31, 2014 valuation results.

The System had an unfunded actuarial liability of \$46.5 million in the December 31, 2013 valuation, which has decreased to \$31.0 million in the December 31, 2014 valuation. A detailed analysis of the change in the unfunded actuarial liability from December 31, 2013 to December 31, 2014 is shown on page 4. The actuarial valuation results provide a "snapshot" view of the System's financial condition on December 31, 2014. The valuation results reflect net favorable experience for the past plan year as demonstrated by an unfunded actuarial liability that was lower than expected based on the actuarial assumptions used in the December 31, 2013 actuarial valuation. Favorable experience on the actuarial value of assets resulted in an actuarial gain of \$3.4 million and experience on liabilities resulted in a gain of \$12.0 million for an overall actuarial gain of \$15.4 million.



## SECTION I: EXECUTIVE SUMMARY

The System uses an asset smoothing method in the valuation process. As a result, the System's funded status and the actuarial contribution rate are based on the actuarial (smoothed) value of assets – not the market value. The investment return on the market value of assets during 2014 was 5.1%, which was less than the 7.75% assumption. As a result of the deferred (unrecognized) asset gains, the rate of return on the actuarial value of assets was 8.4%. The actuarial (smoothed) value of assets is less than the market value by \$10.2 million as of December 31, 2014. Actual returns over the next few years will determine if, and how, the \$10.2 million of deferred investment gain will be recognized. For example, a return of around 5.9% on the market value of assets in 2015 would eliminate the deferred investment gains and result in no gain or loss on investment experience for the year.

Additional detail on the impact of the change in actuarial assumptions and methods on the December 31, 2014 valuation is summarized in the following table:

	<u>No Changes</u>	With Assumption <u>Changes</u>	<u>Difference</u>
Total Actuarial Liability	\$ 631,678,025	\$ 631,904,401	\$226,376
Actuarial Value of Assets	<u>600,860,146</u>	<u>600,860,146</u>	<u>0</u>
Unfunded Actuarial Liability (UAL)	\$ 30,817,879	\$ 31,044,255	\$226,376
Funded Ratio	95.1%	95.1%	0.0%
Normal Cost	23.5%	22.5%	(1.0)%
Amortization of Unfunded Actuarial Liability	<u>3.2%</u>	<u>3.3%</u>	<u>0.1%</u>
Total Actuarial Required Contribution	26.7%	25.8%	(0.9)%
Member Financed	<u>(7.0)%</u>	<u>(7.0)%</u>	<u>0.0%</u>
Employer Contribution Rate	19.7%	18.8%	(0.9)%

In the following pages, changes in the assets, liabilities, and contributions of the System over the last year are discussed in more detail.

### ASSETS

As of December 31, 2014, the System had total assets of \$611.1 million when measured on a market value basis. This was an increase of \$12.6 million from the December 31, 2013 figure of \$598.5 million. The market value of assets is not used directly in the calculation of the City's contribution rate. An asset valuation method, which smoothes the effect of market fluctuations, is used to determine the value of assets used in the valuation, called the "actuarial value of assets". The actuarial value of assets is equal to the expected value (calculated using the actuarial assumed rate of 7.75%) plus 25% of the difference between the market and expected value. See Table 3 on page 13 for a detailed development of the actuarial value of assets. The rate of return on the actuarial value of assets was 8.4%. Due to deferred investment experience, the market value of assets exceeds the actuarial value by \$10.2 million.

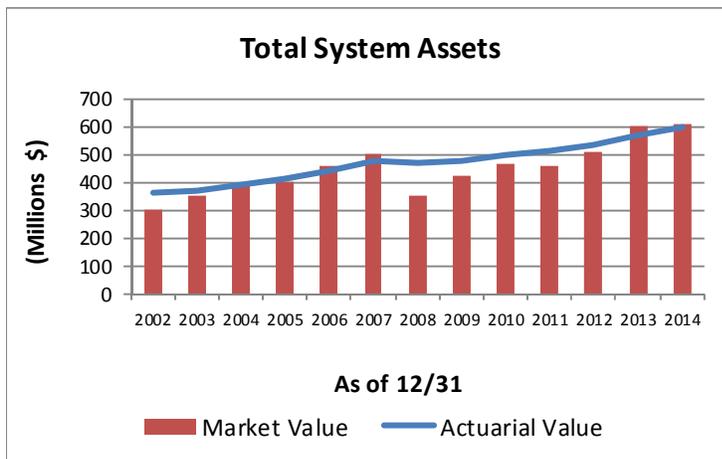


**SECTION I: EXECUTIVE SUMMARY**

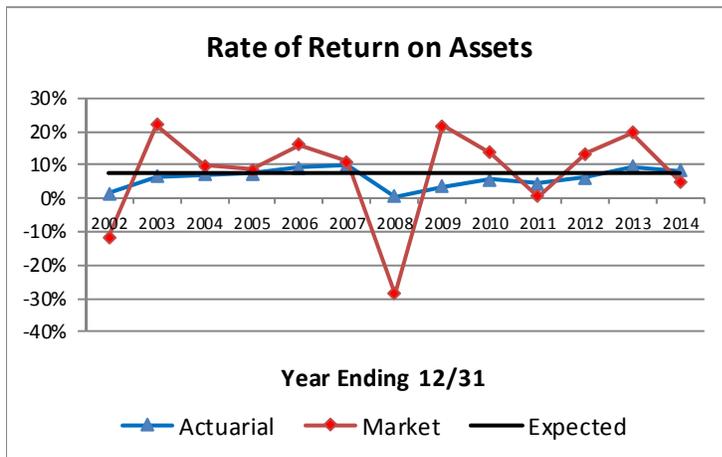
The components of the change in the market and actuarial value of assets for the System (in millions) are set forth below:

	Market Value (\$M)	Actuarial Value (\$M)
Assets, December 31, 2013	\$598.5	\$571.3
- City and Member Contributions	19.0	19.0
- Benefit Payments and Refunds	(36.4)	(36.4)
- Investment Income (net of expenses)	30.0	47.0
Assets, December 31, 2014	\$611.1	\$600.9

The unrecognized investment gain represents about 2% of the market value of assets. Unless offset by future investment losses or other unfavorable experience, the recognition of the \$10.2 million deferred gain is expected to have a positive impact on the future funded ratio and actuarial contribution requirement. If the deferred gain was recognized immediately in the actuarial value of assets, the funded percentage would increase from 95% to 97% and the actuarially determined contribution rate for the City would decrease from 18.8% to 17.7% of payroll.



*The actuarial value of assets has both been greater than and less than the market value of assets during this period, which is expected when using a smoothing method.*



*The rate of return on the actuarial value of assets has been less volatile than the market value return, which is the main reason for using an asset smoothing method.*



## SECTION I: EXECUTIVE SUMMARY

### LIABILITIES

The actuarial liability is that portion of the present value of future benefits that will not be paid by future employer normal costs or member contributions. The difference between this liability and asset values at the same date is referred to as the unfunded actuarial liability (UAL), or (surplus) if the asset value exceeds the actuarial liability. The unfunded actuarial liability will be reduced if the employer's contributions exceed the employer's normal cost for the year, after allowing for interest earned on the previous balance of the unfunded actuarial liability. Benefit improvements, experience gains and losses, and changes in actuarial assumptions and procedures will also impact the total actuarial liability and the unfunded portion thereof.

As was discussed earlier, an experience study was performed in 2014 and, as a result, several changes were made to the actuarial assumptions. These changes are first reflected in the December 31, 2014 actuarial valuation. The detailed financial impact of the changes was summarized earlier in this section of the report. The unfunded actuarial liability increased by \$0.2 million due to the assumption changes.

The Actuarial Liability and Unfunded Actuarial Liability for the System as of December 31, 2014 are:

Actuarial Liability	\$631,904,401
Actuarial Value of Assets	<u>600,860,146</u>
Unfunded Actuarial Liability/(Surplus)	\$ 31,044,255

Between December 31, 2013 and December 31, 2014, the change in the unfunded actuarial liability for the System was as follows (in millions):

Change in Unfunded Actuarial Liability		(\$M)
UAL, December 31, 2013		\$46.5
+ Normal cost for year		15.3
+ Assumed investment return for year		4.1
- Actual contributions (member + city)		19.0
- Assumed investment return on contributions		0.7
= Expected Unfunded Actuarial Liability, December 31, 2014		46.2
+ Change from assumption changes		0.2
= Expected UAL after changes		46.4
Actual UAL, December 31, 2014		31.0
Experience gain/(loss): Expected UAL - Actual UAL		\$15.4

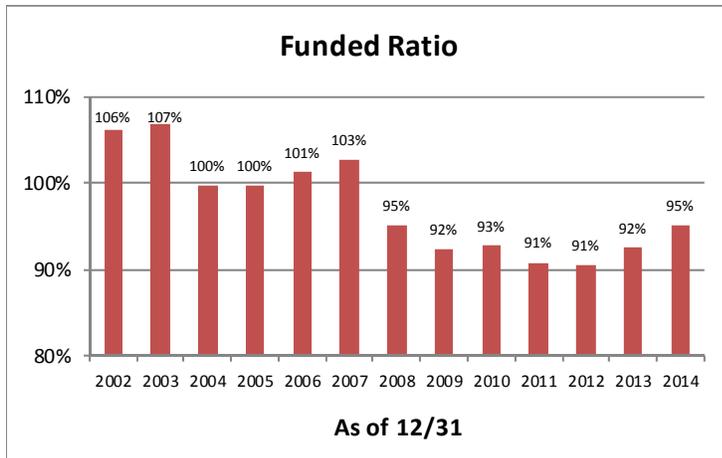
The experience gain for the 2014 plan year of \$15.4 million reflects the combined impact of an actuarial gain of about \$3.4 million on System assets (actuarial value) and an actuarial gain of about \$12.0 million on System liabilities, of which the largest component was salary increases that were less than expected.

Analysis of the unfunded actuarial liability strictly as a dollar amount can be misleading. Another way to evaluate the unfunded actuarial liability and the progress made in its funding is to track the funded status, the ratio of the actuarial value of assets to the actuarial liability. This information for recent years is shown below (in millions). Longer term historical information is shown in the graph following the chart.



## SECTION I: EXECUTIVE SUMMARY

	12/31/2010	12/31/2011	12/31/2012	12/31/2013	12/31/2014
Actuarial Liability (\$M)	\$536.9	\$562.5	\$589.1	\$617.7	\$631.9
Actuarial Value of Assets (\$M)	497.9	510.9	533.4	571.3	600.9
Funded Ratio (Actuarial Value)	92.7%	90.8%	90.5%	92.5%	95.1%
Funded Ratio (Market Value)	87.1%	81.9%	86.8%	96.9%	96.7%



*The funded ratio has generally declined over this period due to various reasons including assumption changes and more significantly, investment experience. The deferred investment losses have been eliminated and a deferred gain now exists. Absent investment returns below the 7.75% assumption, the deferred gain will be recognized and the funded ratio will increase moving toward the market value percentage shown in the table above.*

As mentioned earlier in this report, due to the asset smoothing method there is currently about a \$10.2 million difference between the actuarial value and the market value of assets. To the extent there is not unfavorable investment experience to offset the deferred gain, the \$10.2 million deferred gain will be recognized in future years and the System's funded status will improve. The System's funded status will continue to be heavily dependent on future investment experience.

### CONTRIBUTION RATES

Generally, contributions to the System consist of:

- A "normal cost" for the portion of projected liabilities allocated to service of members during the year following the valuation date by the actuarial cost method, and
- An "unfunded actuarial liability or (surplus) contribution" for the excess of the portion of projected liabilities allocated to service to date over the actuarial value of assets.

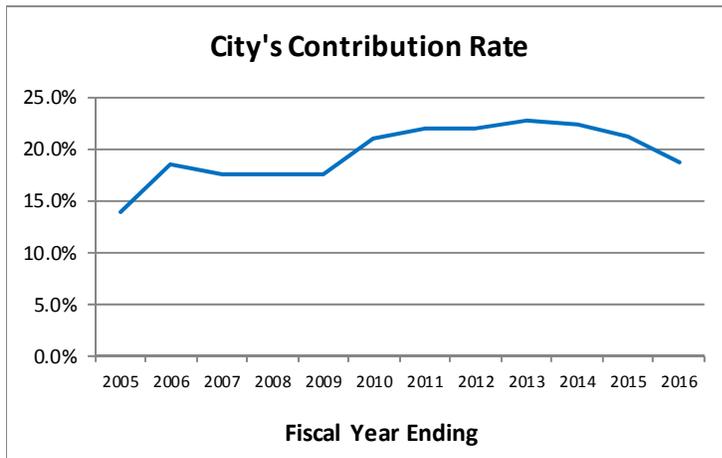
Contribution rates are computed with the objective of developing costs that are level as a percentage of covered payroll. The contribution rate for fiscal year 2016 is based on the December 31, 2014 actuarial valuation results.

As of December 31, 2014, the actuarial liability exceeds the actuarial value of assets so an unfunded actuarial liability (UAL) exists. When amortized over a rolling 20-year period, the resulting contribution is 3.3% of pay. The City's contribution rate is the sum of employer normal cost rate and the UAL amortization contribution. This valuation indicates the City's contribution should be 18.8% of pay (15.5% employer normal cost rate plus 3.3% UAL contribution).



## SECTION I: EXECUTIVE SUMMARY

A summary of the City's historical contribution rate for the System is shown below:



*After increasing from 2010 through 2013, the City's contribution rate has declined in the last three years. The City's contribution rate is 21.3% and 18.8% for the Fiscal Year Ending 12/31/2015 and 12/31/2016, respectively.*

### COMMENTS

The System does not use the actual market value of assets in developing the actuarial contribution rate, but utilizes an asset valuation method to smooth out the peaks and valleys in investment returns from year to year. Under the asset valuation method, the actuarial value of assets is determined as 75% of the expected value (using the actuarial assumed rate of return) and 25% of the actual market value. The net return on the market value of assets for 2014 was 5.1%. Due to deferred assets gains, the return on the actuarial value of assets was 8.4%. As a result, the System experienced an actuarial gain on assets of \$3.4 million. This gain and the actuarial gain on liabilities of \$12.0 million combined for a total actuarial gain of \$15.4 million.

The deferred investment gain (market value less actuarial value of assets) is \$10.2 million as of December 31, 2014. Absent investment losses in future years, the deferred investment gain of \$10.2 million will eventually be reflected in the actuarial value of assets in future years. While the use of an asset smoothing method is a common procedure for public retirement systems, it is important to identify the potential impact of the deferred investment experience. This is accomplished by comparing the key valuation results from the December 31, 2014 actuarial valuation using both the actuarial and market value of assets (see table on next page).



## SECTION I: EXECUTIVE SUMMARY

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	Using Actuarial Value of Assets	Using Market Value of Assets
Actuarial Liability	\$631,904,401	\$631,904,401
Asset Value	600,860,146	611,087,051
Unfunded Actuarial Liability	31,044,255	20,817,350
Funded Ratio	95.1%	96.7%
Normal Cost Rate	22.5%	22.5%
UAL Contribution Rate	<u>3.3%</u>	<u>2.2%</u>
Total Contribution Rate	25.8%	24.7%
Employee Contribution Rate	<u>(7.0%)</u>	<u>(7.0%)</u>
Employer Contribution Rate	18.8%	17.7%

The actuarial gain resulting from experience in 2014, coupled with the change in assumptions, lowered the City's contribution rate from 21.3% in the December 31, 2013 valuation to 18.8% in this valuation. The actuarial contribution rate to be paid by the City has been, and will continue to be, heavily impacted by investment returns from year to year. Despite the use of an asset smoothing method, actual returns that are significantly different from the 7.75% assumption tend to create volatility in the City's contribution rate.



**SECTION I: EXECUTIVE SUMMARY**

**SUMMARY OF PRINCIPAL RESULTS**

	12/31/2014 <u>Valuation</u>	12/31/2013 <u>Valuation</u>	% <u>Change</u>
<b>1. PARTICIPANT DATA</b>			
Number of:			
Active Members			
Police	613	636	(3.6%)
Fire	455	449	1.3%
Total	<u>1,068</u>	<u>1,085</u>	(1.6%)
Retired Members and Beneficiaries	971	952	2.0%
Inactive Vested Members	<u>31</u>	<u>28</u>	10.7%
Total Members	2,070	2,065	0.2%
Annual Projected Payroll			
Police	\$ 40,422,736	\$ 41,425,907	(2.4%)
Fire	27,260,378	27,466,328	(0.7%)
Total	<u>\$ 67,683,114</u>	<u>\$ 68,892,235</u>	(1.8%)
Annual Retirement Payments for Retired Members and Beneficiaries	\$ 29,165,652	\$ 27,143,376	7.5%
<b>2. ASSETS AND LIABILITIES</b>			
Total Actuarial Liability	\$ 631,904,401	\$ 617,748,283	2.3%
Market Value of Assets	611,087,051	598,458,793	2.1%
Actuarial Value of Assets	600,860,146	571,261,929	5.2%
Unfunded Actuarial Liability/(Surplus)	\$ 31,044,255	\$ 46,486,354	(33.2%)
Funded Ratio	95.1%	92.5%	2.8%
<b>3. EMPLOYER CONTRIBUTION RATES AS A PERCENT OF PAYROLL</b>			
Normal Cost	22.5%	23.5%	(4.3%)
Member Financed	(7.0%)	(7.0%)	0.0%
Employer Normal Cost	<u>15.5%</u>	<u>16.5%</u>	(6.1%)
Amortization of Unfunded Actuarial Liability or (Surplus)	<u>3.3%</u>	<u>4.8%</u>	(31.3%)
Employer Contribution Rate	18.8%	21.3%	(11.7%)



## SECTION II: SCOPE OF THE REPORT

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This report presents the actuarial valuation of the Police and Fire Retirement System of Wichita, Kansas (WPF) as of December 31, 2014. This valuation was prepared at the request of the System's Board of Trustees. The report is based on plan provisions that are unchanged from last year. Due to the experience study performed in 2014, there were some changes to the actuarial assumptions used in last year's valuation.

Please pay particular attention to our cover letter, where the guidelines employed in the preparation of this report are outlined. We also comment on the sources and reliability of both the data and the actuarial assumptions upon which our findings are based. Those comments are the basis for our certification that this report is complete and accurate to the best of our knowledge and belief.

A summary of the findings resulting from this valuation is presented in the previous section. Section 3 describes the assets and investment experience of the System. Sections 4 and 5 describe how the obligations of the System are to be met under the actuarial cost method in use. Section 6 includes additional information regarding the System's funding history.

This report includes several appendices:

- Appendix A Schedules of valuation data classified by various categories of members.
- Appendix B A summary of the current benefit structure, as determined by the provisions of governing law on the valuation date.
- Appendix C A summary of the actuarial methods and assumptions used to estimate liabilities and determine contribution rates.
- Appendix D A glossary of actuarial terms.



## **SECTION III: ASSETS**

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In many respects, an actuarial valuation can be thought of as an inventory process. The inventory is taken as of the actuarial valuation date, which for this valuation is December 31, 2014. On that date, the assets available for the payment of benefits are appraised. The assets are compared with the liabilities of the System. The actuarial process then leads to a method of determining the contributions needed by members and the employer in the future to balance the System assets and liabilities.

### **MARKET VALUE OF ASSETS**

The current market value represents the “snapshot” or “cash-out” value of System assets as of the valuation date. In addition, the market value of assets provides a basis for measuring investment performance from time to time. On December 31, 2014, the market value of assets for the System was \$611 million. Table 1 is a comparison, at market values, of System assets as of December 31, 2014, and December 31, 2013, in total and by investment category. Table 2 summarizes the change in the market value of assets from December 31, 2013 to December 31, 2014.

### **ACTUARIAL VALUE OF ASSETS**

Neither the market value of assets, representing a “cash-out” value of System assets, nor the book values of assets, representing the cost of investments, may be the best measure of the System’s ongoing ability to meet its obligations.

To arrive at a suitable value for the actuarial valuation, a technique for determining the actuarial value of assets is used which dampens swings in the market value while still indirectly recognizing market values. This methodology, first adopted for the December 31, 2002 valuation, smoothes market experience by recognizing 25% of the difference between the expected value (based on the actuarial assumption) and the actual market value. Table 3 shows the development of the actuarial value of assets (AVA) as of December 31, 2014.



SECTION III: ASSETS

TABLE 1
Analysis of Net Assets at Market Value

Table with 5 columns: Asset Category, Amount (\$ Millions) as of Dec 31, 2014, % of Total as of Dec 31, 2014, Amount (\$ Millions) as of Dec 31, 2013, % of Total as of Dec 31, 2013. Rows include Cash and Equivalents, Government Securities, Corporate Debt, Mortgage Backed Securities, Pooled Funds, Domestic Equity, International Equity, Real Estate, Timber, Securities Lending Collateral Pool, Other, Receivables, Liabilities, and Total.



TABLE 2

Summary of Changes in Net Assets  
During Year Ended December 31, 2014

(Market Value)

1. Market Value of Assets as of December 31, 2013	\$ 598,458,793
2. Adjustment to Tie to Audited Financial Statements	\$ 0
3. Contributions:	
a. Members	\$ 4,529,895
b. City	14,464,181
c. Total	\$ 18,994,076
4. Investment Income:	
a. Interest and Dividends	\$ 16,009,243
b. Net Appreciation in Fair Value	17,418,331
c. Commission Recapture	11,105
d. Net Securities Lending Income	152,378
e. Investment Expenses	3,063,399
f. Net Investment Income	\$ 30,527,658
5. Expenditures:	
a. Refunds of Member Contributions	\$ 457,423
b. Benefits Paid:	
(1) Pension and Death Benefits	28,054,481
(2) BackDROP Payments	7,903,252
c. Administrative Expenses	478,320
d. Total	\$ 36,893,476
6. Net Change [3(c) + 4(f) - 5(d)]	\$ 12,628,258
7. Market Value of Assets as of December 31, 2014 [(1) + (2) + (6)]	\$ 611,087,051



SECTION III: ASSETS

TABLE 3

Development of Actuarial Value of Assets  
as of December 31, 2014

1. Actuarial Value of Assets as of December 31, 2013	\$ 571,261,929
2. Actual Contributions/Disbursements	
a. Contributions	\$ 18,994,076
b. Benefit Payments and Refunds	(36,415,156)
c. Net	\$ (17,421,080)
3. Expected Value of Assets as of December 31, 2014 [(1) * 1.0775] + [2(c) * (1.0775) <sup>-5</sup> ]	\$ 597,451,178
4. Market Value of Assets as of December 31, 2014	\$ 611,087,051
5. Difference Between Actual and Expected Values	\$ 13,635,873
6. Initial Actuarial Value of Assets (3) + [(5) * 0.25]	\$ 600,860,146
7. Corridor for Actuarial Value of Assets	
a. 80% of Market Value of Assets	488,869,641
b. 120% of Market Value of Assets	733,304,461
8. Actuarial Value of Assets as of December 31, 2014	600,860,146
9. Actuarial Value of Assets Divided by Market Value of Assets	98.3%
10. Market Value of Assets Minus Actuarial Value of Assets	\$ 10,226,905



## **SECTION IV: SYSTEM LIABILITIES**

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In the previous section, an actuarial valuation was compared with an inventory process, and an analysis was given of the inventory of assets of the System as of the valuation date, December 31, 2014. In this section, the discussion will focus on the commitments of the System, which are referred to as its liabilities.

Table 4 contains an analysis of the actuarial present value of all future benefits (PVFB) for contributing members, inactive members, retirees and their beneficiaries.

The liabilities summarized in Table 4 include the actuarial present value of all future benefits expected to be paid with respect to each member. For an active member, this value includes the measurement of both benefits already earned and future benefits to be earned. For all members, active and retired, the value extends over benefits earnable and payable for the rest of their lives and for the lives of the surviving beneficiaries.

All liabilities reflect the benefit provisions in place as of December 31, 2014.

### **ACTUARIAL LIABILITY**

A fundamental principle in financing the liabilities of a prefunded retirement program is that the cost of its benefits should be related to the period in which benefits are earned, rather than to the period of benefit distribution. An actuarial cost method is a mathematical technique that allocates the present value of future benefits into annual costs. In order to do this allocation, it is necessary for the funding method to “breakdown” the present value of future benefits into two components:

1. That which is attributable to the past and
2. That which is attributable to the future.

Actuarial terminology calls the part attributable to the past the “past service liability” or the “actuarial liability”. The portion allocated to the future is known as the present value of future normal costs, with the specific piece of it allocated to the current year being called the “normal cost”. Table 5 contains the calculation of actuarial liability to the System. The Entry Age Normal actuarial cost method is used to develop the actuarial liability.



**SECTION IV: SYSTEM LIABILITIES**

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**TABLE 4**

**Present Value of Future Benefits (PVFB)  
as of December 31, 2014**

	<u>Plans A and B</u>	<u>Plan C</u>	<u>Total</u>
1. Active Employees			
a. Retirement Benefit	\$ 7,302,578	\$ 359,402,427	\$ 366,705,005
b. Pre-Retirement Death Benefit	0	4,647,925	4,647,925
c. Withdrawal Benefit	0	8,662,730	8,662,730
d. Disability Benefit	0	45,821,034	45,821,034
e. Total	<u>\$ 7,302,578</u>	<u>\$ 418,534,116</u>	<u>\$ 425,836,694</u>
2. Inactive Vested Members	\$ 0	\$ 8,094,090	\$ 8,094,090
3. Inactive Nonvested Members	\$ 0	\$ 94,193	\$ 94,193
4. In Pay Members			
a. Retirees	\$ 148,667,633	\$ 107,961,056	\$ 256,628,689
b. Disabled Members	15,627,392	37,880,289	53,507,681
c. Beneficiaries	24,109,281	6,482,045	30,591,326
d. Total	<u>\$ 188,404,306</u>	<u>\$ 152,323,390</u>	<u>\$ 340,727,696</u>
5. Total Present Value of Future Benefits 1(e) + 2 + 3 + 4(d)	\$ 195,706,884	\$ 579,045,789	\$ 774,752,673



**SECTION IV: SYSTEM LIABILITIES**

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**TABLE 5**

**Actuarial Liability  
as of December 31, 2014**

	<u>Plans A and B</u>	<u>Plan C</u>	<u>Total</u>
1. Active Employees			
a. Present Value of Future Benefits	\$ 7,302,578	\$ 418,534,116	\$ 425,836,694
b. Present Value of Future Normal Costs	0	142,848,272	142,848,272
c. Actuarial Liability 1(a) - 1(b)	\$ <u>7,302,578</u>	\$ <u>275,685,844</u>	\$ <u>282,988,422</u>
2. Inactive Vested Members	\$ 0	\$ 8,094,090	\$ 8,094,090
3. Inactive Nonvested Members	\$ 0	\$ 94,193	\$ 94,193
4. In Pay Members			
a. Retirees	\$ 148,667,633	\$ 107,961,056	\$ 256,628,689
b. Disabled Members	15,627,392	37,880,289	53,507,681
c. Beneficiaries	24,109,281	6,482,045	30,591,326
d. Total	\$ <u>188,404,306</u>	\$ <u>152,323,390</u>	\$ <u>340,727,696</u>
5. Total Actuarial Liability 1(c) + 2 + 3 + 4(d)	\$ 195,706,884	\$ 436,197,517	\$ 631,904,401



**SECTION IV: SYSTEM LIABILITIES**

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**TABLE 6**

**Present Value of Accrued Benefits  
as of December 31, 2014**

The present value of accrued benefits for the System reflects the benefits earned based on service, earnings, and the System provisions as of the valuation date. It also reflects the on-going nature of the System by using the same actuarial assumptions as are used for funding purposes. Further, because the System provides that the accrued benefits of deferred vested members are indexed until benefits begin, the present value of the accrued benefit liability for active members reflects this provision from the assumed termination of employment to the assumed benefit commencement date.

	<b>Plans</b>		
	<b><u>A and B</u></b>	<b><u>Plan C</u></b>	<b><u>Total</u></b>
1. Active Employees	\$ 7,302,578	\$ 207,728,514	\$ 215,031,092
2. Inactive Vested Members	\$ 0	\$ 8,094,090	\$ 8,094,090
3. Inactive Nonvested Members	\$ 0	\$ 94,193	\$ 94,193
4. In Pay Members			
a. Retirees	\$ 148,667,633	\$ 107,961,056	\$ 256,628,689
b. Disabled Members	15,627,392	37,880,289	53,507,681
c. Beneficiaries	24,109,281	6,482,045	30,591,326
d. Total	<u>\$ 188,404,306</u>	<u>\$ 152,323,390</u>	<u>\$ 340,727,696</u>
5. Total	\$ 195,706,884	\$ 368,240,187	\$ 563,947,071
6. Market Value of Assets*	\$ 212,065,899	\$ 399,021,152	\$ 611,087,051
7. Funded Ratio (6)/(5)	108%	108%	108%

\* Split of assets between Plans A and B and Plan C is in proportion to the liabilities for illustrative purposes only.



## **SECTION V: EMPLOYER CONTRIBUTIONS**

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The previous two sections were devoted to a discussion of the assets and liabilities of the System. A comparison of Tables 3 and 4 indicates that current assets fall short of meeting the present value of future benefits (total liability). This is expected in all but a completely closed plan, where no further contributions are anticipated. In an active system, there will almost always be a difference between the actuarial value of assets and total liabilities. This deficiency has to be made up by future contributions and investment returns. An actuarial valuation sets out a schedule of future contributions that will deal with this deficiency in an orderly fashion.

The method used to determine the incidence of the contributions in various years is called the actuarial cost method. Under an actuarial cost method, the contributions required to meet the difference between current assets and current liabilities are allocated each year between two elements: (1) the normal cost rate and (2) the unfunded actuarial liability contribution rate.

The term “fully funded” is often applied to a system in which contributions at the normal cost rate are sufficient to pay for the benefits of existing employees as well as for those of new employees. More often than not, systems are not fully funded, either because of past benefit improvements that have not been completely funded or because of actuarial deficiencies that have occurred because experience has not been as favorable as anticipated. Under these circumstances, an unfunded actuarial liability (UAL) exists. Likewise, when the actuarial value of assets is greater than the actuarial liability, a surplus exists.

### **DESCRIPTION OF CONTRIBUTION RATE COMPONENTS**

The Entry Age Normal (EAN) actuarial cost method is used for the valuation. Under this method, the normal cost for each year from entry age to assumed exit age is a constant percentage of the member’s year by year projected compensation. The portion of the present value of future benefits not provided by the present value of future normal costs is the actuarial liability. The unfunded actuarial liability/(surplus) represents the difference between the actuarial liability and the actuarial value of assets as of the valuation date. The unfunded actuarial liability is calculated each year and reflects experience gains/(losses).

In general, contributions are computed in accordance with a level percent-of-payroll funding objective. The contribution rates based on this December 31, 2014 actuarial valuation will be used to determine employer contribution rates to the Police and Fire Retirement System of Wichita, Kansas for fiscal year 2016. In this context, the term “contribution rate” means the percentage, which is applied to a particular active member payroll to determine the actual employer contribution amount (i.e., in dollars) for the group.

As of December 31, 2014, the valuation assets were less than the actuarial liability so an unfunded actuarial liability exists. State statutes require any unfunded actuarial liability/(surplus) in municipal police and fire retirement systems to be amortized over a rolling 20-year period. The amortization of the UAL results in an employer contribution that is more than the employer normal cost rate.

### **CONTRIBUTION RATE SUMMARY**

In Table 7, the amortization payment related to the unfunded actuarial liability/(surplus), as of December 31, 2014, is developed. Table 8 develops the normal cost rate for the System. The derivation of the total contribution rate for the City is shown in Table 9. Table 10 shows the historical summary of the City’s contribution rates. Table 11 develops the experience gain/(loss) for the year ended December 31, 2014.

The rates shown in this report are based on the actuarial assumptions and cost methods described in Appendix C.



**SECTION V: EMPLOYER CONTRIBUTIONS**

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**TABLE 7**

**Derivation of Unfunded Actuarial Liability Contribution Rate**

1. Actuarial Accrued Liability	\$	631,904,401
2. Actuarial Value of Assets	\$	600,860,146
3. Unfunded Actuarial Liability/(Surplus)	\$	31,044,255
4. Payment (Adjusted to Mid-Year) to Amortize Unfunded Actuarial Liability/(Surplus) Over 20 Years*	\$	2,209,456
5. Total Projected Payroll for the Year	\$	67,683,114
6. Amortization Payment as a Percent of Payroll		3.3%

*\* The UAL is amortized as a level percent of payroll over a rolling 20-year period.*



**SECTION V: EMPLOYER CONTRIBUTIONS**

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**TABLE 8**

**Derivation of Normal Cost Rate**

Normal Cost for Year End December 31, 2014	
Service pensions	\$ 10,239,767
Disability pensions	2,722,015
Survivor Pensions	296,280
Termination Benefits	645,511
Total Normal Cost	\$ 13,903,573
Expected Payroll in 2015 for Current Actives	\$ 61,762,354
Total Normal Cost Rate for Year	22.5%



SECTION V: EMPLOYER CONTRIBUTIONS

TABLE 9

Employer Contribution Rates  
for Fiscal Year Commencing in 2016

	<b>Contribution Requirement as a % of Payroll</b>
Normal Cost	
Service pensions	16.6 %
Disability pensions	4.4 %
Survivor pensions	0.5 %
Termination pensions	1.0 %
Total Normal Cost	22.5 %
Unfunded Actuarial Liability	
Retired members and beneficiaries <sup>(1)</sup>	0.0 %
Active and former members <sup>(2)</sup>	3.3 %
Total UAL Contribution	3.3 %
Total Contribution Requirement	
Member Financed Portion <sup>(3)</sup>	7.0 %
City Financed Portion	18.8 %
Total	25.8 %

<sup>(1)</sup> Actuarial liability for retired members and beneficiaries was fully funded as of December 31, 2014

<sup>(2)</sup> The excess of the actuarial liability over actuarial value of assets is amortized as a level percent of active member payroll over a rolling 20-year period.

<sup>(3)</sup> The weighted average of member contribution rates: 8.0% for Plan A and 7.0% for Plan C.



**SECTION V: EMPLOYER CONTRIBUTIONS**

**TABLE 10**

**Historical Summary of City Contribution Rates**

Contribution rates are computed in accordance with a level percent of payroll funding objective. As of December 31, 2014, the actuarial value of assets is less than actuarial liabilities resulting in an unfunded actuarial liability (UAL). The UAL is amortized over a rolling 20-year period.

<b>Valuation Date</b>	<b>Fiscal Year</b>	<b>City Contributions as Percents of Active Member Pensionable Payroll</b>	
		<b>Funding Objective</b>	<b>Amortization (Credit)/Payment</b>
11/30/1992	1994	23.3%	0.0%
11/30/1993	1995	22.7	0.0
11/30/1994	1996	22.6	0.0
12/31/1995	1997	18.3 <sup>(1)</sup>	0.0
12/31/1996	1998	17.5	0.0
12/31/1997	1999	15.2 - 15.9	(0.7)
12/31/1998	2000	12.3 - 15.9	(3.6)
12/31/1999 <sup>(2)</sup>	2001	9.6 - 16.8	(7.2)
12/31/2000	2002	8.2 - 16.8	(8.7)
12/31/2001	2003	10.0 - 16.8	(6.8)
12/31/2002	2004	14.0 - 17.0	(3.0)
12/31/2003	2005	13.6 - 17.0	(3.4)
12/31/2004 <sup>(3)</sup>	2006	18.4	0.1
12/31/2005	2007	17.5	0.2
12/31/2006	2008	16.8 - 17.5	(0.7)
12/31/2007	2009	16.0 - 17.5	(1.5)
12/31/2008	2010	20.8	2.7
12/31/2009 <sup>(4)</sup>	2011	22.0	4.3
12/31/2010	2012	22.0	4.2
12/31/2011	2013	22.8	5.6
12/31/2012	2014	22.4	5.9
12/31/2013	2015	21.3	4.8
12/31/2014 <sup>(4)</sup>	2016	18.8	3.3

<sup>(1)</sup> Reflects allocation of assets to fully fund retired life liabilities.

<sup>(2)</sup> Includes benefit provision and assumption changes and 1% decrease in member contribution rate.

<sup>(3)</sup> Reflects assumption changes and elimination of surplus assets.

<sup>(4)</sup> Reflects assumption changes.



**SECTION V: EMPLOYER CONTRIBUTIONS**

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**TABLE 11**

**Derivation of System Experience Gain/(Loss)**

	(\$M)
	<b>Year Ended</b>
	<b><u>12/31/2014</u></b>
(1) UAL* at start of year	\$46.5
(2) + Normal cost for year	15.3
(3) + Assumed investment return on (1) and (2)	4.1
(4) - Actual contributions (member + City)	19.0
(5) - Assumed investment return on (4)	0.7
(6) = Expected UAL at end of year	46.2
(7) + Increase (decrease) from assumption changes	0.2
(8) = Expected UAL after changes	46.4
(9) = Actual UAL at year end	31.0
(10) = Experience gain/(loss) (8) - (9)	\$15.4 **
(11) = Percent of beginning of year AL	2.5%

\* *Unfunded Actuarial Liability/(Surplus)*

\*\* *Of this amount, there was an experience gain of \$3.4 million due to the actuarial value of assets and an experience gain of \$12.0 million on actuarial liabilities.*



**SECTION VI: OTHER INFORMATION**

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The actuarial liability is a measure intended to help the reader assess (i) a retirement system’s funded status on an on-going concern basis, and (ii) progress being made toward accumulating the assets needed to pay benefits as due. Allocation of the actuarial present value of projected benefits between past and future service was based on service using the Entry Age Normal actuarial cost method. Assumptions, including projected pay increases, were the same as used to determine the System’s level percent of payroll annual required contribution between entry age and assumed exit age. Entry age was established by subtracting credited service from current age on the valuation date.

The Entry Age Normal actuarial liability was determined as part of an actuarial valuation of the System as of December 31, 2014. Significant actuarial assumptions used in determining the actuarial liability include:

- (a) A rate of return on the investment of present and future assets of 7.75% per year compounded annually,
- (b) Projected salary increases of 4.00% per year compounded annually, (3.25% attributable to inflation, and 0.75% attributable to productivity),
- (c) Additional projected salary increases of 1.00% to 2.75% per year attributable to seniority/merit, and
- (d) The assumption that benefits will increase 2.00% per year of retirement, non-compounded commencing 36 months after retirement.

Actuarial Liability:

Active members	\$282,988,422
Retired members and beneficiaries currently receiving benefits	340,727,696
Nonvested terminated members due a refund	94,193
Vested terminated members not yet receiving benefits	<u>8,094,090</u>
Total Actuarial Liability	\$631,904,401
Actuarial Value of Assets (market value was \$611,087,051)	\$600,860,146
Unfunded Actuarial Liability	\$ 31,044,255

During the year ended December 31, 2014, the System experienced a net increase of \$14 million in the actuarial liability.



**SECTION VI: OTHER INFORMATION**

**TABLE 12**

**Schedule of Funding Progress**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Liability (AL) (b)</b>	<b>Unfunded AL (UAL) (b)-(a)</b>	<b>Funded Ratio (a)/(b)</b>	<b>Active Member Covered Payroll (c)</b>	<b>UAL as a Percentage of Active Member Covered Payroll [(b)-(a)]/(c)</b>
11/30/1992	\$165,132	\$198,656	\$33,524	83.1 %	\$25,000	134.1 %
11/30/1993	180,457	208,966	28,509	86.4	26,008	109.6
11/30/1994	192,668	220,596	27,928	87.3	27,819	100.4
12/31/1995 <sup>(1)</sup>	213,431	231,372	17,941	92.2	29,749	60.3
12/31/1996	237,554	247,408	9,854	96.0	33,366	29.5
12/31/1997	262,815	258,706	(4,109)	101.6	35,502	(11.6)
12/31/1998	295,625	274,900	(20,725)	107.5	36,566	(56.7)
12/31/1999 <sup>(1)</sup>	330,072	291,633	(38,439)	113.2	37,969	(101.2)
12/31/2000	354,044	308,894	(45,150)	114.6	38,613	(116.9)
12/31/2001	362,493	325,335	(37,158)	111.4	42,286	(87.9)
12/31/2002	361,687	340,524	(21,163)	106.2	45,696	(46.3)
12/31/2003	374,171	350,444	(23,727)	106.8	45,876	(51.7)
12/31/2004 <sup>(1)</sup>	392,485	393,387	902	99.8	50,414	1.8
12/31/2005	412,823	414,027	1,204	99.7	52,207	2.3
12/31/2006	444,498	439,179	(5,319)	101.2	53,530	(9.9)
12/31/2007	480,820	468,115	(12,705)	102.7	57,310	(22.2)
12/31/2008	472,345	496,561	24,216	95.1	60,282	40.2
12/31/2009 <sup>(1)</sup>	480,556	519,934	39,378	92.4	63,055 <sup>(2)</sup>	62.5 <sup>(2)</sup>
12/31/2010	497,926	536,908	38,982	92.7	63,077	61.8
12/31/2011	510,946	562,488	51,542	90.8	62,759	82.1
12/31/2012	533,381	589,074	55,693	90.5	64,150	86.8
12/31/2013	571,262	617,748	46,486	92.5	65,306	71.2
12/31/2014 <sup>(1)</sup>	600,860	631,904	31,044	95.1	64,572	48.1

Dollar amounts are in thousands.

Note: Years prior to 12/31/2012 were provided by prior actuary.

<sup>(1)</sup> After changes in benefits and/or actuarial assumptions and/or actuarial cost methods.

<sup>(2)</sup> These amounts have been revised from the \$63,479,000 and 62.0% amounts reported in the December 31, 2009 actuarial valuation report.

Analysis of the dollar amounts of actuarial value of assets, actuarial liability, or unfunded actuarial liability in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the actuarial liability provides one indication of the System's funded status on an on-going concern basis. Analysis of this percentage over time indicates whether the System is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the System's funding. The unfunded actuarial liability and annual covered payroll are both affected by inflation. Expressing the unfunded actuarial liability as a percentage of covered payroll approximately adjusts for the effects of inflation and aids analysis of the progress being made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the System's funding.



SECTION VI: OTHER INFORMATION

TABLE 13

Schedule of Employer Contributions

Fiscal Year	Actuarial Valuation Date	Annual Required Contribution	Percent Contributed
1997	12/31/1995	\$6,343,027	100 %
1998	12/31/1996	6,427,744	100
1999	12/31/1997	6,043,455	100
2000	12/31/1998	5,540,575	100
2001	12/31/1999	4,796,863	100
2002	12/31/2000	4,746,504	100
2003	12/31/2001	5,043,505	100
2004	12/31/2002	6,925,467	100
2005	12/31/2003	7,308,916	100
2006	12/31/2004	9,849,536	100
2007	12/31/2005	10,029,253	100
2008	12/31/2006	10,549,401	100
2009	12/31/2007	11,034,552	100
2010	12/31/2008	13,119,984	100
2011	12/31/2009	13,806,880	100
2012	12/31/2010	14,113,014	100
2013	12/31/2011	14,889,714	100
2014	12/31/2012	14,464,181	100

Note: Years prior to 2012 were provided by prior actuary.

Summary of Actuarial Methods and Assumptions

Valuation Date	December 31, 2014
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percent of payroll, open
Remaining Amortization Period	20 years
Asset Valuation Method	Expected + 25% of (Market – Expected Values)
Actuarial Assumptions:	
Investment Rate of Return*	7.75%
Projected Salary Increases*	5.00%-6.75%
*Includes Inflation at	3.25%
Cost-of-Living Adjustment Provisions	2.00% non-compounding commencing 36 months after retirement



**SECTION VI: OTHER INFORMATION**

**TABLE 14**  
**Solvency Test**

Valuation Date	Aggregate Actuarial Liability For				Portion of Actuarial Liabilities Covered by Reported Assets					
	(1)	(2)	(3)	Reported Valuation Assets	(1)		(2)		(3)	
	Active Member Contributions	Retirants and Beneficiaries*	Active Members (Employer Financed Portion)		(1)	(2)	(1)	(2)	(1)	(2)
12/31/1995	\$19,597,012	\$132,215,980	\$79,559,050	\$213,431,416	100.0	%	100.0	%	77.4	%
12/31/1996	20,807,624	141,902,560	84,497,686	237,553,602	100.0		100.0		88.6	
12/31/1997	22,518,199	146,068,362	90,119,236	262,814,796	100.0		100.0		104.6	
12/31/1998	23,845,658	157,021,415	94,033,395	295,624,986	100.0		100.0		122.0	
12/31/1999	24,759,118	170,478,501	96,395,412	330,071,866	100.0		100.0		139.9	
12/31/2000	27,152,206	183,463,718	98,277,967	354,044,311	100.0		100.0		145.9	
12/31/2001	27,694,761	183,034,623	114,605,637	362,493,060	100.0		100.0		132.4	
12/31/2002	34,440,696	182,063,498	124,019,921	361,687,109	100.0		100.0		117.1	
12/31/2003	37,027,041	186,930,565	126,486,746	374,170,781	100.0		100.0		118.8	
12/31/2004	40,959,525	201,051,248	151,375,876	392,484,697	100.0		100.0		99.4	
12/31/2005	44,057,922	210,560,068	159,408,592	412,822,760	100.0		100.0		99.2	
12/31/2006	48,361,719	216,449,174	174,368,239	444,497,827	100.0		100.0		103.1	
12/31/2007	53,686,866	230,893,426	183,634,348	480,820,001	100.0		100.0		106.9	
12/31/2008	58,050,319	238,590,747	199,920,080	472,345,191	100.0		100.0		87.9	
12/31/2009	60,326,408	257,298,665	202,309,181	480,555,562	100.0		100.0		80.5	
12/31/2010	63,515,814	270,693,677	202,698,947	497,925,786	100.0		100.0		80.8	
12/31/2011	66,390,179	293,730,691	202,367,017	510,946,217	100.0		100.0		74.5	
12/31/2012	70,527,705	305,985,839	212,559,831	533,380,618	100.0		100.0		73.8	
12/31/2013	74,238,693	325,096,785	218,412,805	571,261,929	100.0		100.0		78.7	
12/31/2014	74,684,418	348,915,979	208,304,004	600,860,146	100.0		100.0		85.1	

\*Includes vested and nonvested terminated members

During the twelve months ended December 31, 2014, the Police and Fire Retirement System of Wichita, Kansas generated a net actuarial gain of \$15.4 million. The amount is 2.5% of the actuarial liability at the beginning of the year.

Note: Years prior to 12/31/2012 were provided by prior Actuary.



**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**MEMBER DATA RECONCILIATION**

December 31, 2013 to December 31, 2014

The number of members included in the valuation, as summarized in the table below, is in accordance with the data submitted by the System for members of the valuation date.

	Active Participants		Retirees and Beneficiaries		Inactive Vested		Total
	Police	Fire	Police	Fire	Police	Fire	
Members as of 12/31/2013	636	449	467	485	22	6	2,065
New Members	+22	+28	+8	+11	0	0	+69
Transfers	-2	+2	0	0	0	0	0
Rehires	0	0	0	0	0	0	0
Terminations							
Refunded	-10	-3	0	0	-1	-1	-15
Refund Due	-3	-1	0	0	0	0	-4
Deferred Vested	-7	0	0	0	+7	0	0
Completion of payments to minor child	0	0	-2	0	0	0	-2
Retirements							
Service	-23	-18	+25	+18	-2	0	0
Disability	0	-1	0	+1	0	0	0
Deaths							
Cashed Out	0	0	0	0	0	0	0
With Beneficiary	0	-1	-8	-10	0	0	-19
Without Beneficiary	0	0	-14	-10	-1	0	-25
Data Adjustments	0	0	0	0	0	+1	+1
<b>Members as of 12/31/2014</b>	<b>613</b>	<b>455</b>	<b>476</b>	<b>495</b>	<b>25</b>	<b>6</b>	<b>2,070</b>



**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

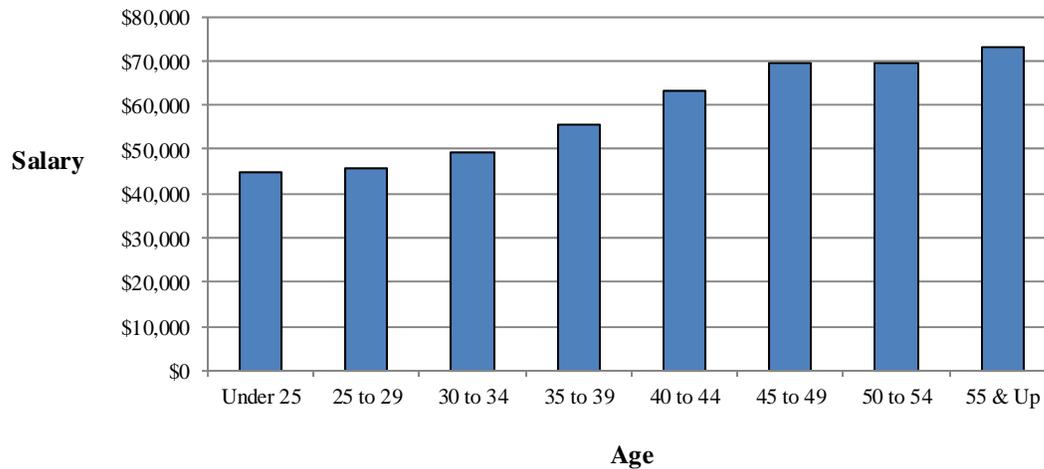
**SUMMARY OF ACTIVE MEMBERS  
as of December 31, 2014**

Total

Age	Number			Valuation Salaries*		
	Police	Fire	Total	Police	Fire	Total
Under 25	15	8	23	\$ 685,739	\$ 340,764	\$ 1,026,503
25 to 29	69	47	116	3,273,854	2,017,739	5,291,593
30 to 34	85	100	185	4,472,747	4,651,519	9,124,266
35 to 39	94	64	158	5,506,208	3,297,413	8,803,621
40 to 44	126	82	208	8,282,009	4,845,006	13,127,015
45 to 49	119	64	183	8,491,664	4,254,058	12,745,722
50 to 54	69	52	121	4,937,552	3,496,007	8,433,559
55 & Up	36	38	74	2,554,252	2,848,133	5,402,385
<b>Total</b>	<b>613</b>	<b>455</b>	<b>1,068</b>	<b>\$38,204,025</b>	<b>\$25,750,639</b>	<b>\$63,954,664</b>

\* Actual salary as reported by System for year ending 12/31/2014

**Average Salary by Age**





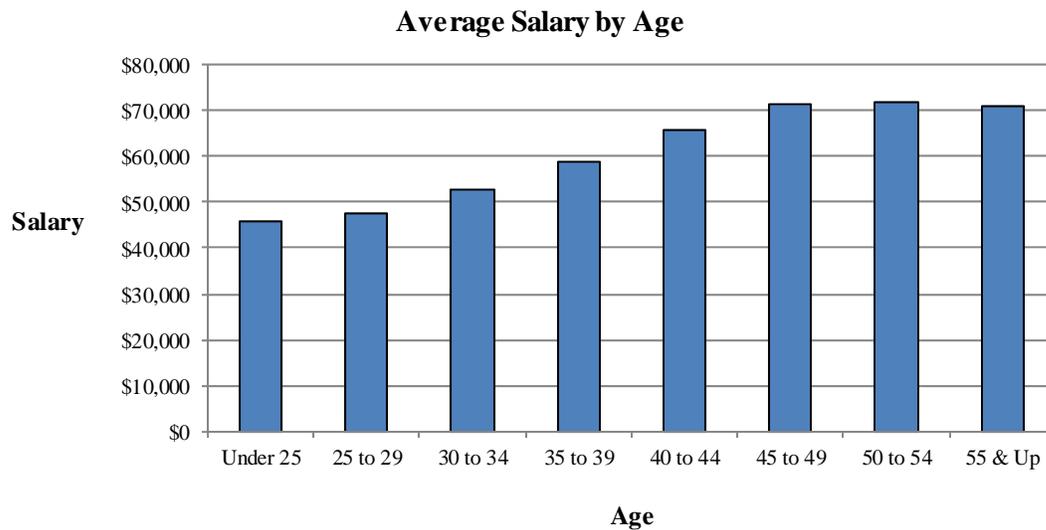
**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**SUMMARY OF ACTIVE MEMBERS**  
as of December 31, 2014

Police

Age	Number			Valuation Salaries*		
	Male	Female	Total	Male	Female	Total
Under 25	12	3	15	\$ 546,101	\$ 139,638	\$ 685,739
25 to 29	61	8	69	2,890,237	383,617	3,273,854
30 to 34	74	11	85	3,909,710	563,037	4,472,747
35 to 39	80	14	94	4,678,885	827,323	5,506,208
40 to 44	105	21	126	6,947,575	1,334,434	8,282,009
45 to 49	112	7	119	8,017,500	474,164	8,491,664
50 to 54	66	3	69	4,729,073	208,479	4,937,552
55 & Up	33	3	36	2,342,803	211,449	2,554,252
<b>Total</b>	<b>543</b>	<b>70</b>	<b>613</b>	<b>\$34,061,884</b>	<b>\$4,142,141</b>	<b>\$38,204,025</b>

\* Actual salary as reported by System for year ending 12/31/2014





**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**SUMMARY OF ACTIVE MEMBERS**  
as of December 31, 2014

Fire

Age	Number			Valuation Salaries*		
	Male	Female	Total	Male	Female	Total
Under 25	8	0	8	\$ 340,764	\$ 0	\$ 340,764
25 to 29	46	1	47	1,977,375	40,364	2,017,739
30 to 34	97	3	100	4,514,628	136,891	4,651,519
35 to 39	63	1	64	3,238,870	58,543	3,297,413
40 to 44	82	0	82	4,845,006	0	4,845,006
45 to 49	63	1	64	4,194,489	59,569	4,254,058
50 to 54	52	0	52	3,496,007	0	3,496,007
55 & Up	37	1	38	2,744,853	103,280	2,848,133
<b>Total</b>	<b>448</b>	<b>7</b>	<b>455</b>	<b>\$25,351,992</b>	<b>\$398,647</b>	<b>\$25,750,639</b>

\* Actual salary as reported by System for year ending 12/31/2014





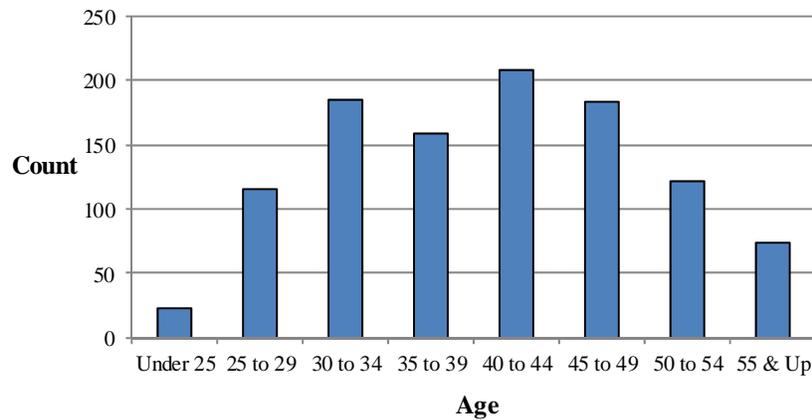
**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**DISTRIBUTION OF ACTIVE MEMBERS**  
as of December 31, 2014

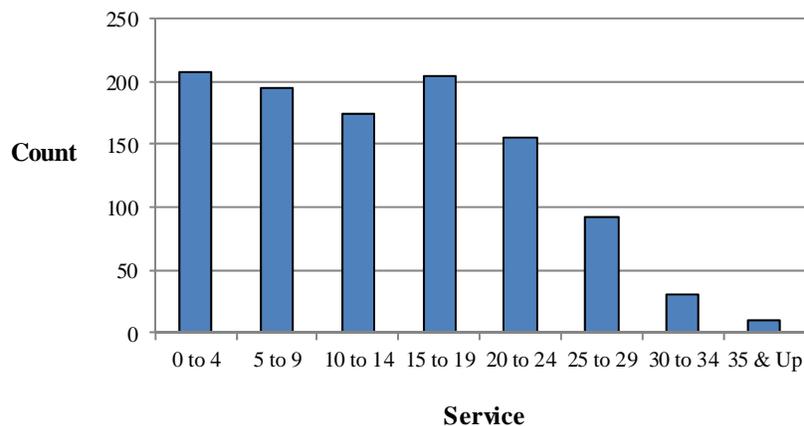
Total

Age	Years of Service								Total
	0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & Up	
Under 25	23	0	0	0	0	0	0	0	23
25 to 29	94	22	0	0	0	0	0	0	116
30 to 34	65	93	27	0	0	0	0	0	185
35 to 39	16	51	75	16	0	0	0	0	158
40 to 44	7	19	58	105	19	0	0	0	208
45 to 49	0	4	10	63	89	17	0	0	183
50 to 54	2	3	3	13	34	56	10	0	121
55 & Up	0	2	2	7	14	19	20	10	74
<b>Total</b>	<b>207</b>	<b>194</b>	<b>175</b>	<b>204</b>	<b>156</b>	<b>92</b>	<b>30</b>	<b>10</b>	<b>1,068</b>

**Age Distribution**



**Service Distribution**





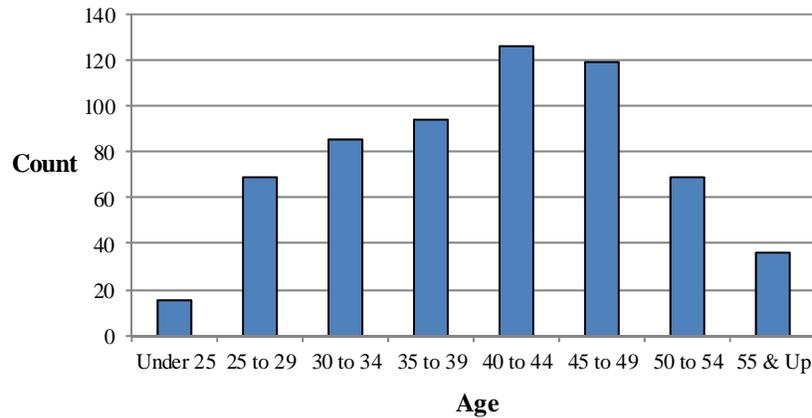
**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**DISTRIBUTION OF ACTIVE MEMBERS**  
as of December 31, 2014

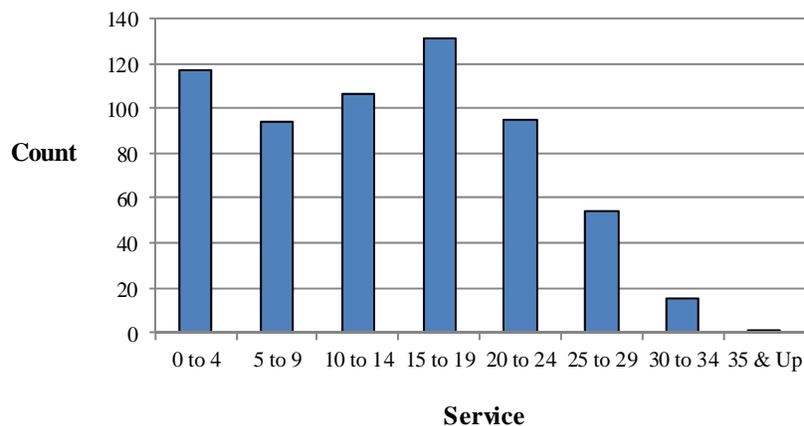
Police

Age	Years of Service								Total
	0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & Up	
Under 25	15	0	0	0	0	0	0	0	15
25 to 29	62	7	0	0	0	0	0	0	69
30 to 34	26	47	12	0	0	0	0	0	85
35 to 39	8	28	46	12	0	0	0	0	94
40 to 44	4	6	37	68	11	0	0	0	126
45 to 49	0	1	8	41	61	8	0	0	119
50 to 54	2	3	2	7	17	35	3	0	69
55 & Up	0	2	1	3	6	11	12	1	36
<b>Total</b>	<b>117</b>	<b>94</b>	<b>106</b>	<b>131</b>	<b>95</b>	<b>54</b>	<b>15</b>	<b>1</b>	<b>613</b>

**Age Distribution**



**Service Distribution**





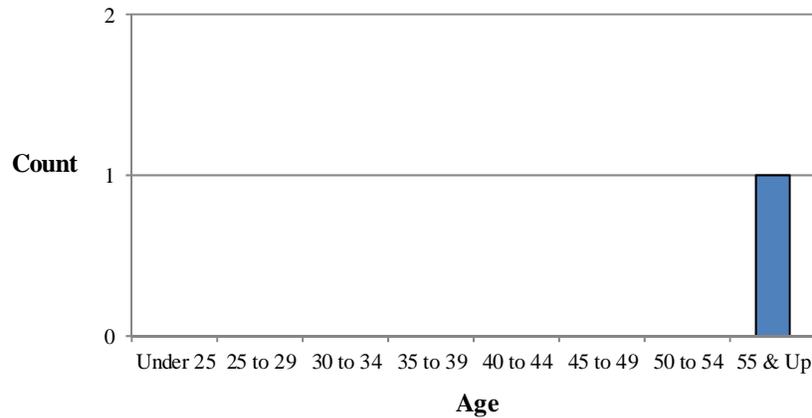
**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**DISTRIBUTION OF ACTIVE MEMBERS**  
as of December 31, 2014

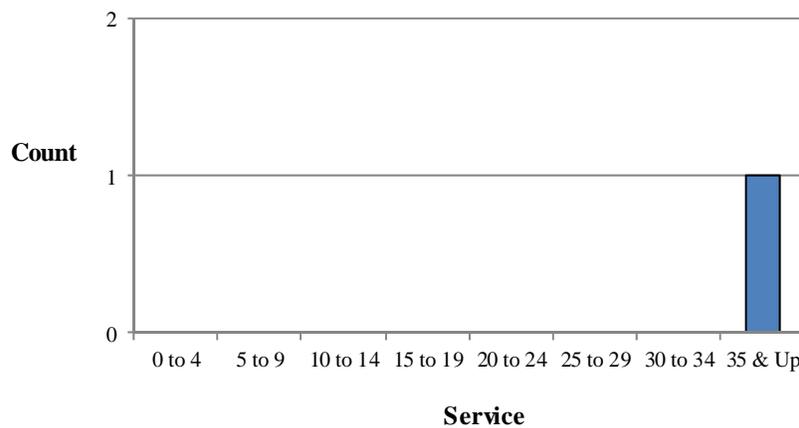
Police – Plan A

Age	Years of Service								Total
	0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & Up	
Under 25	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	0	0	0
35 to 39	0	0	0	0	0	0	0	0	0
40 to 44	0	0	0	0	0	0	0	0	0
45 to 49	0	0	0	0	0	0	0	0	0
50 to 54	0	0	0	0	0	0	0	0	0
55 & Up	0	0	0	0	0	0	0	1	1
<b>Total</b>	0	0	0	0	0	0	0	1	1

**Age Distribution**



**Service Distribution**





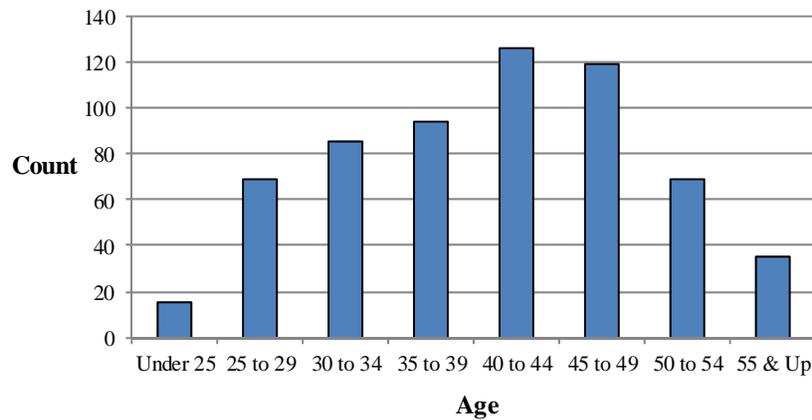
**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**DISTRIBUTION OF ACTIVE MEMBERS**  
as of December 31, 2014

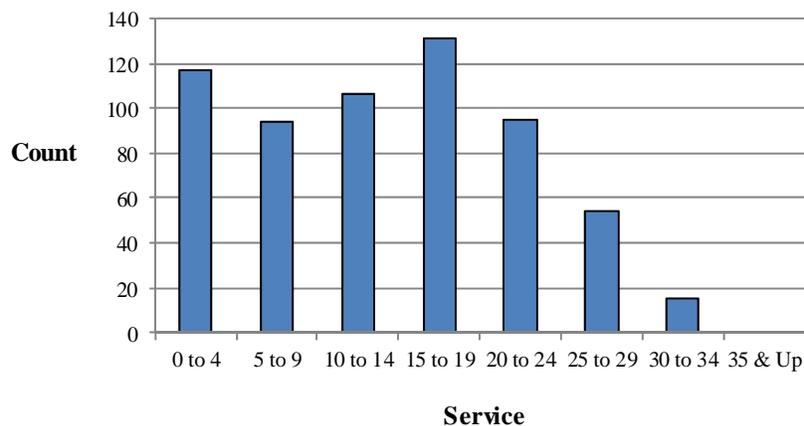
Police – Plan C

Age	Years of Service								Total
	0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & Up	
Under 25	15	0	0	0	0	0	0	0	15
25 to 29	62	7	0	0	0	0	0	0	69
30 to 34	26	47	12	0	0	0	0	0	85
35 to 39	8	28	46	12	0	0	0	0	94
40 to 44	4	6	37	68	11	0	0	0	126
45 to 49	0	1	8	41	61	8	0	0	119
50 to 54	2	3	2	7	17	35	3	0	69
55 & Up	0	2	1	3	6	11	12	0	35
<b>Total</b>	<b>117</b>	<b>94</b>	<b>106</b>	<b>131</b>	<b>95</b>	<b>54</b>	<b>15</b>	<b>0</b>	<b>612</b>

**Age Distribution**



**Service Distribution**





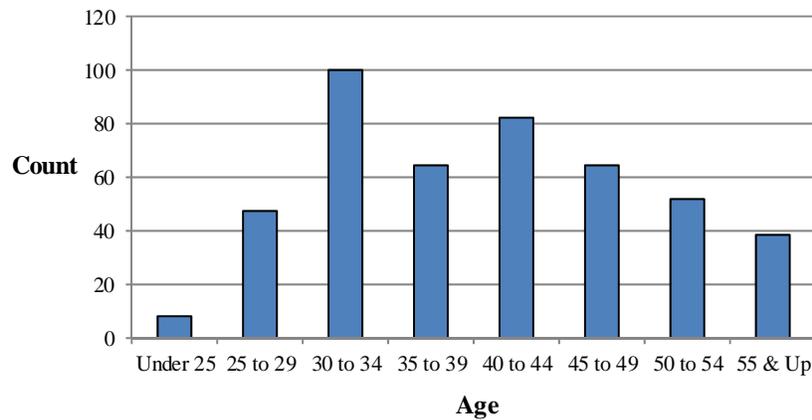
**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**DISTRIBUTION OF ACTIVE MEMBERS**  
as of December 31, 2014

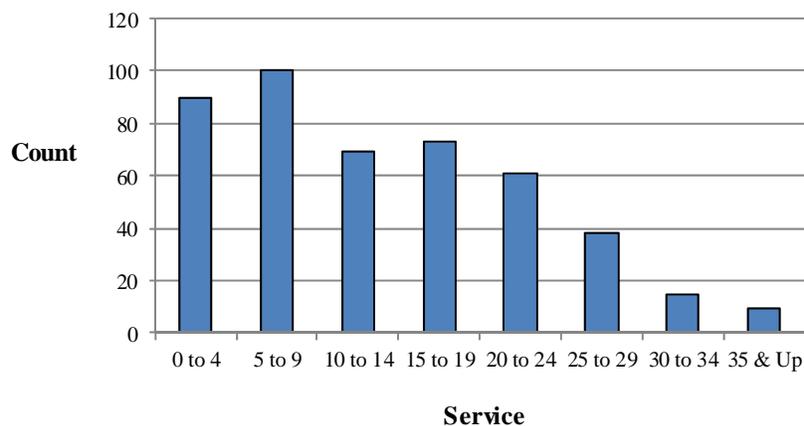
Fire

Age	Years of Service								Total
	0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & Up	
Under 25	8	0	0	0	0	0	0	0	8
25 to 29	32	15	0	0	0	0	0	0	47
30 to 34	39	46	15	0	0	0	0	0	100
35 to 39	8	23	29	4	0	0	0	0	64
40 to 44	3	13	21	37	8	0	0	0	82
45 to 49	0	3	2	22	28	9	0	0	64
50 to 54	0	0	1	6	17	21	7	0	52
55 & Up	0	0	1	4	8	8	8	9	38
<b>Total</b>	<b>90</b>	<b>100</b>	<b>69</b>	<b>73</b>	<b>61</b>	<b>38</b>	<b>15</b>	<b>9</b>	<b>455</b>

**Age Distribution**



**Service Distribution**





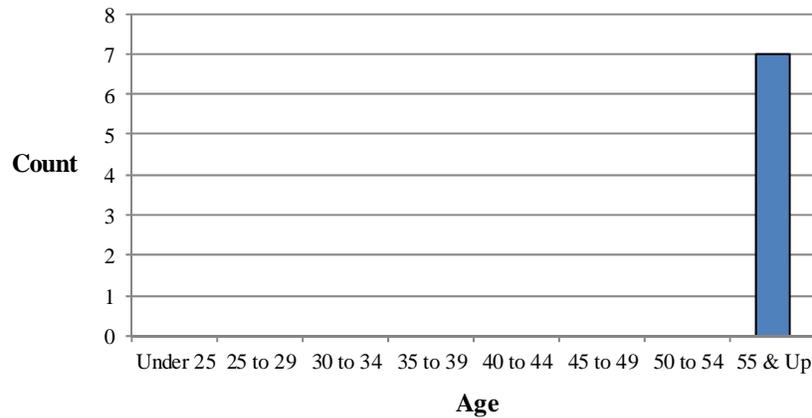
**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**DISTRIBUTION OF ACTIVE MEMBERS**  
as of December 31, 2014

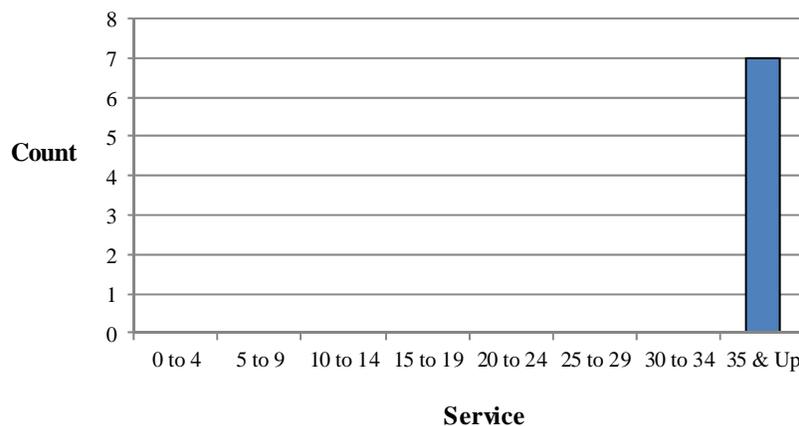
Fire – Plan A

Age	Years of Service								Total
	0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & Up	
Under 25	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	0	0	0
35 to 39	0	0	0	0	0	0	0	0	0
40 to 44	0	0	0	0	0	0	0	0	0
45 to 49	0	0	0	0	0	0	0	0	0
50 to 54	0	0	0	0	0	0	0	0	0
55 & Up	0	0	0	0	0	0	0	7	7
<b>Total</b>	0	0	0	0	0	0	0	7	7

**Age Distribution**



**Service Distribution**





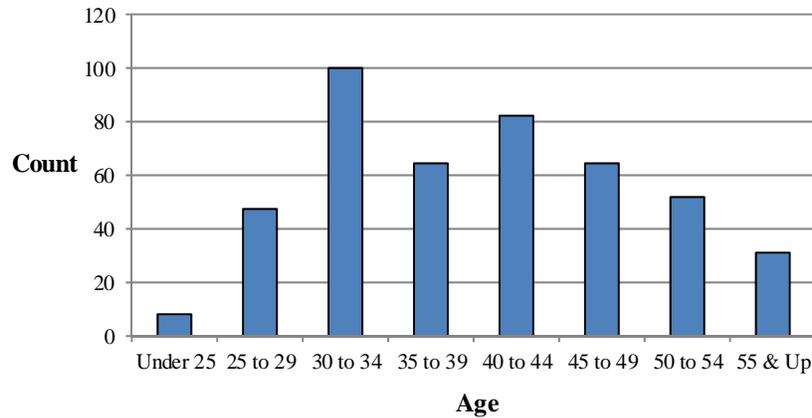
**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**DISTRIBUTION OF ACTIVE MEMBERS**  
as of December 31, 2014

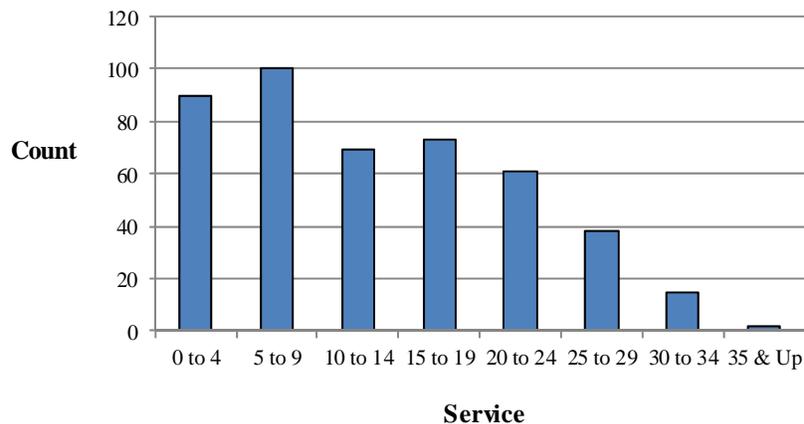
Fire – Plan C

Age	Years of Service								Total
	0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 & Up	
Under 25	8	0	0	0	0	0	0	0	8
25 to 29	32	15	0	0	0	0	0	0	47
30 to 34	39	46	15	0	0	0	0	0	100
35 to 39	8	23	29	4	0	0	0	0	64
40 to 44	3	13	21	37	8	0	0	0	82
45 to 49	0	3	2	22	28	9	0	0	64
50 to 54	0	0	1	6	17	21	7	0	52
55 & Up	0	0	1	4	8	8	8	2	31
<b>Total</b>	<b>90</b>	<b>100</b>	<b>69</b>	<b>73</b>	<b>61</b>	<b>38</b>	<b>15</b>	<b>2</b>	<b>448</b>

**Age Distribution**



**Service Distribution**





**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

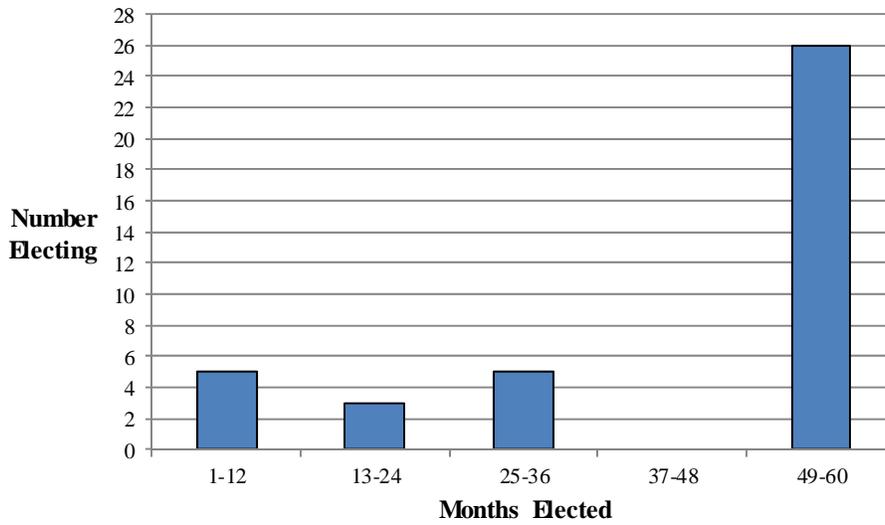
**BackDROP Experience for the 2014 Plan Year**

Total

Number Electing BackDROP

Distribution of BackDROP Election Period

Age	Final Benefit as a Proportion of Final Average Pay					Total
	Under 55%	55%-60%	60%-65%	65%-70%	70%-75%	
Under 55	2	3	2	1	2	10
55-59	2	0	0	0	20	22
60-64	3	0	0	1	1	5
65 & Up	0	0	1	0	1	2
<b>Total</b>	<b>7</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>24</b>	<b>39</b>





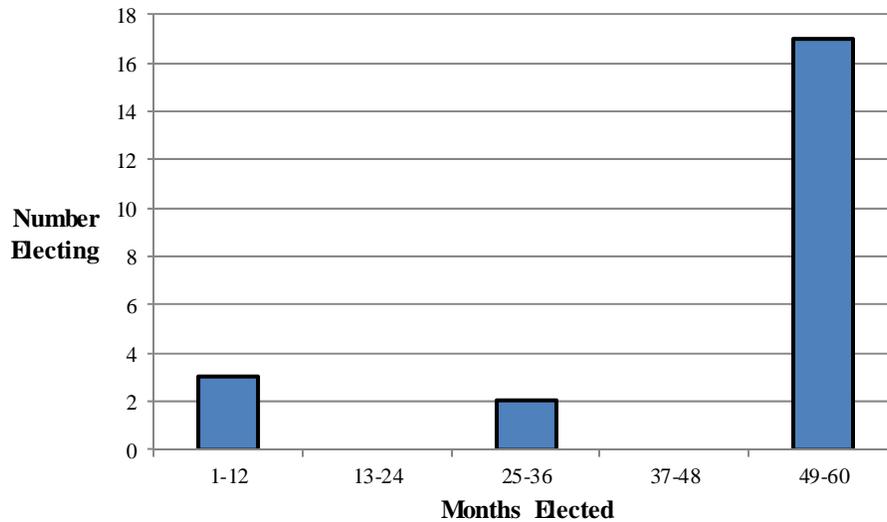
**BackDROP Experience for the 2014 Plan Year**

Police

Number Electing BackDROP

Distribution of BackDROP Election Period

Age	Final Benefit as a Proportion of Final Average Pay					Total
	Under 55%	55%-60%	60%-65%	65%-70%	70%-75%	
Under 55	2	0	1	0	2	5
55-59	0	0	0	0	15	15
60-64	0	0	0	1	1	2
65 & Up	0	0	0	0	0	0
Total	2	0	1	1	18	22





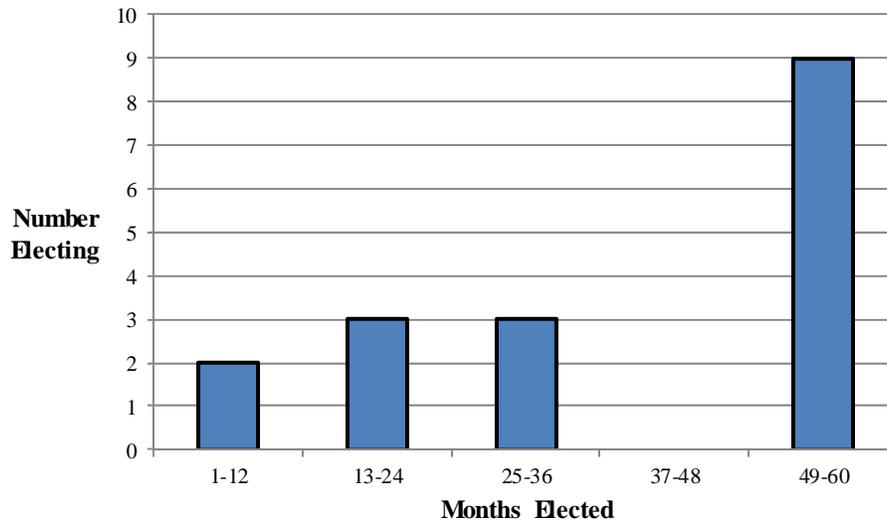
**BackDROP Experience for the 2014 Plan Year**

Fire

Number Electing BackDROP

Distribution of BackDROP Election Period

Age	Final Benefit as a Proportion of Final Average Pay					Total
	Under 55%	55%-60%	60%-65%	65%-70%	70%-75%	
Under 55	0	3	1	1	0	5
55-59	2	0	0	0	5	7
60-64	3	0	0	0	0	3
65 & Up	0	0	1	0	1	2
Total	5	3	2	1	6	17





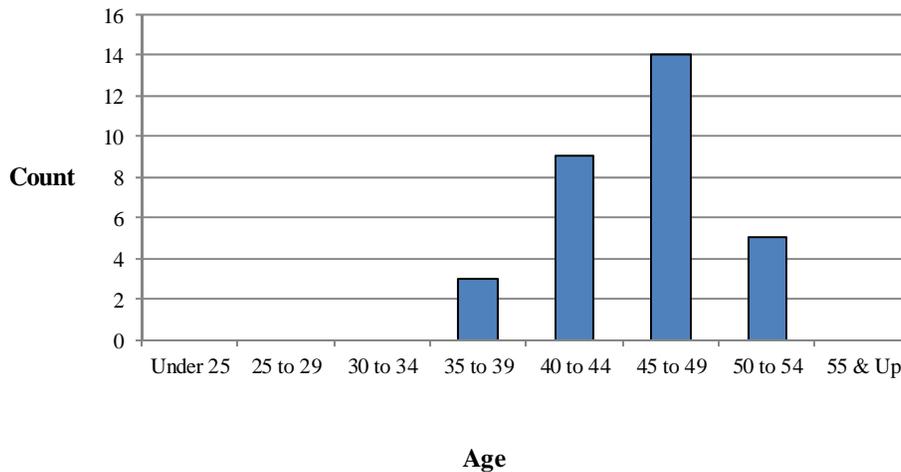
**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**SUMMARY OF INACTIVE VESTED MEMBERS**  
as of December 31, 2014

Total

Age	Number			Current Monthly Benefit at Retirement		
	Police	Fire	Total	Police	Fire	Total
Under 25	0	0	0	\$ 0	\$ 0	\$ 0
25 to 29	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0
35 to 39	2	1	3	77,173	37,460	114,633
40 to 44	7	2	9	237,548	64,379	301,927
45 to 49	12	2	14	465,734	42,736	508,470
50 to 54	4	1	5	106,523	24,994	131,517
55 & Up	0	0	0	0	0	0
<b>Total</b>	<b>25</b>	<b>6</b>	<b>31</b>	<b>\$886,978</b>	<b>\$169,569</b>	<b>\$1,056,547</b>

**Age Distribution**





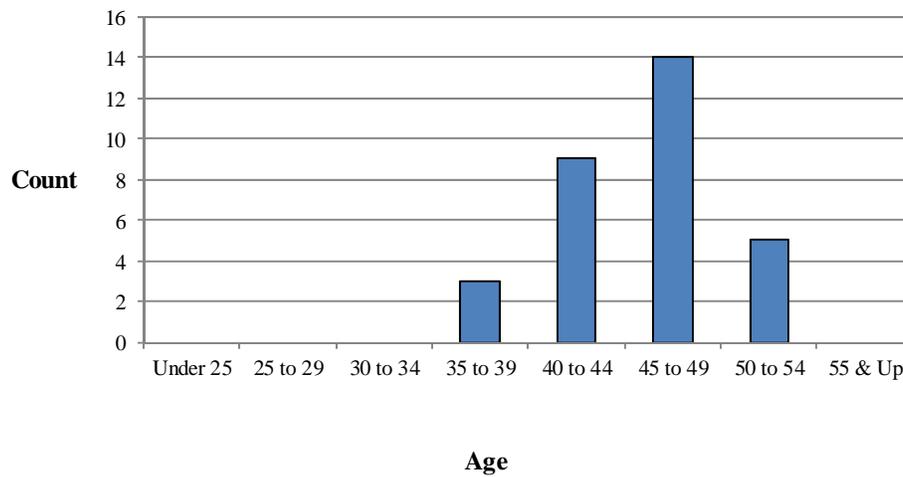
**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**SUMMARY OF INACTIVE VESTED MEMBERS**  
as of December 31, 2014

Total

Age	Number			Current Monthly Benefit at Retirement		
	Male	Female	Total	Male	Female	Total
Under 25	0	0	0	\$ 0	\$ 0	\$ 0
25 to 29	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0
35 to 39	3	0	3	114,633	0	114,633
40 to 44	7	2	9	245,964	55,963	301,927
45 to 49	14	0	14	508,470	0	508,470
50 to 54	4	1	5	98,056	33,461	131,517
55 & Up	0	0	0	0	0	0
<b>Total</b>	<b>28</b>	<b>3</b>	<b>31</b>	<b>\$967,123</b>	<b>\$89,424</b>	<b>\$1,056,547</b>

**Age Distribution**





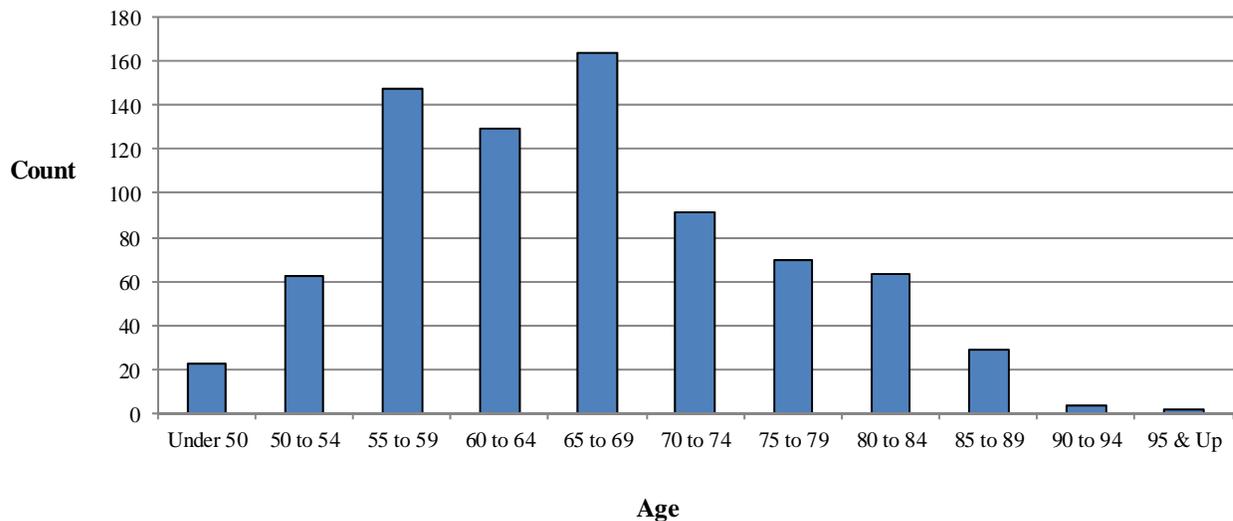
**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**SUMMARY OF RETIRED MEMBERS**  
as of December 31, 2014

Total

Age	Number			Current Monthly Benefit at Retirement		
	Police	Fire	Total	Police	Fire	Total
Under 50	20	3	23	\$ 69,028	\$ 9,478	\$ 78,506
50 to 54	34	28	62	117,506	98,522	216,028
55 to 59	79	68	147	290,972	220,434	511,406
60 to 64	67	62	129	205,630	179,515	385,145
65 to 69	67	97	164	175,527	274,512	450,039
70 to 74	46	45	91	96,975	95,707	192,682
75 to 79	33	37	70	69,665	80,459	150,124
80 to 84	26	37	63	42,945	68,096	111,041
85 to 89	11	18	29	14,987	26,688	41,675
90 to 94	3	1	4	6,979	1,991	8,970
95 & Up	1	1	2	880	887	1,767
<b>Total</b>	<b>387</b>	<b>397</b>	<b>784</b>	<b>\$1,091,094</b>	<b>\$1,056,289</b>	<b>\$2,147,383</b>

**Age Distribution**





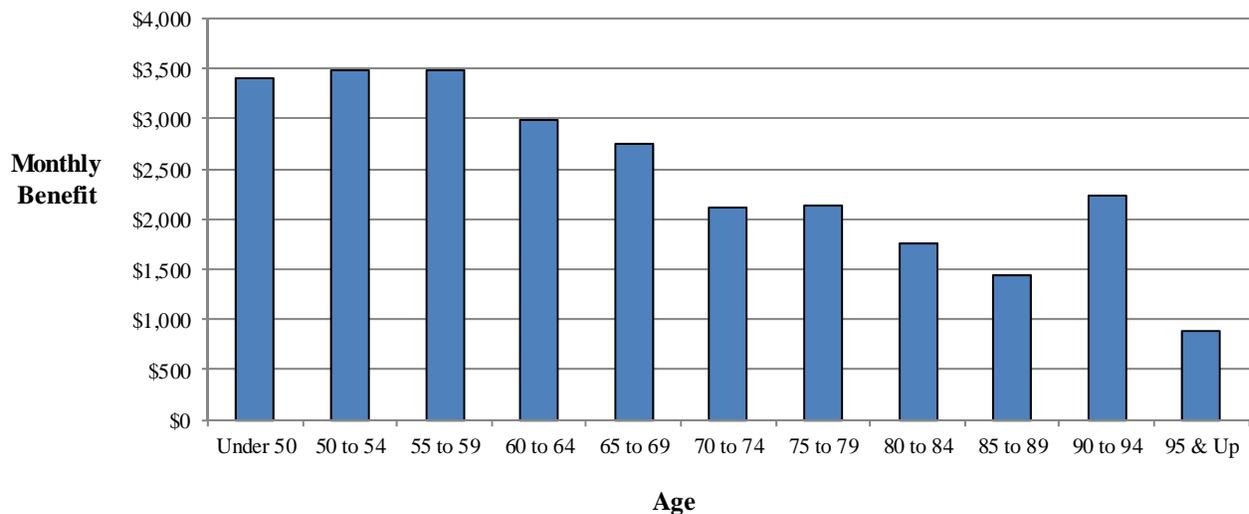
**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**SUMMARY OF RETIRED MEMBERS**  
as of December 31, 2014

Total

Age	Number			Current Monthly Benefit at Retirement		
	Male	Female	Total	Male	Female	Total
Under 50	13	10	23	\$ 43,591	\$34,915	\$ 78,506
50 to 54	58	4	62	202,142	13,886	216,028
55 to 59	140	7	147	483,075	28,331	511,406
60 to 64	128	1	129	382,312	2,833	385,145
65 to 69	161	3	164	443,937	6,102	450,039
70 to 74	89	2	91	188,999	3,683	192,682
75 to 79	67	3	70	145,213	4,911	150,124
80 to 84	62	1	63	108,940	2,101	111,041
85 to 89	29	0	29	41,675	0	41,675
90 to 94	4	0	4	8,970	0	8,970
95 & Up	2	0	2	1,767	0	1,767
<b>Total</b>	<b>753</b>	<b>31</b>	<b>784</b>	<b>\$2,050,621</b>	<b>\$96,762</b>	<b>\$2,147,383</b>

**Average Benefit**





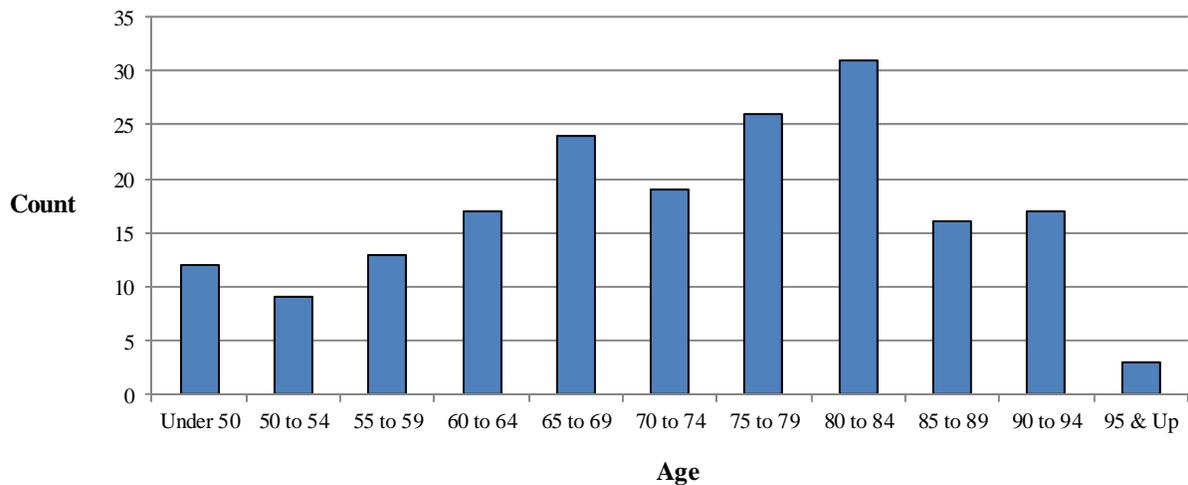
**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**SUMMARY OF BENEFICIARIES**  
as of December 31, 2014

Total

Age	Number			Current Monthly Benefit at Retirement		
	Police	Fire	Total	Police	Fire	Total
Under 50	6	6	12	\$ 5,691	\$ 6,449	\$ 12,140
50 to 54	5	4	9	5,318	7,209	12,527
55 to 59	5	8	13	9,709	21,434	31,143
60 to 64	7	10	17	11,855	13,271	25,126
65 to 69	14	10	24	25,179	17,600	42,779
70 to 74	9	10	19	15,487	18,849	34,336
75 to 79	13	13	26	20,387	20,885	41,272
80 to 84	16	15	31	22,332	24,552	46,884
85 to 89	7	9	16	8,136	8,996	17,132
90 to 94	4	13	17	4,309	12,678	16,987
95 & Up	3	0	3	2,762	0	2,762
<b>Total</b>	<b>89</b>	<b>98</b>	<b>187</b>	<b>\$131,165</b>	<b>\$151,923</b>	<b>\$283,088</b>

**Age Distribution**





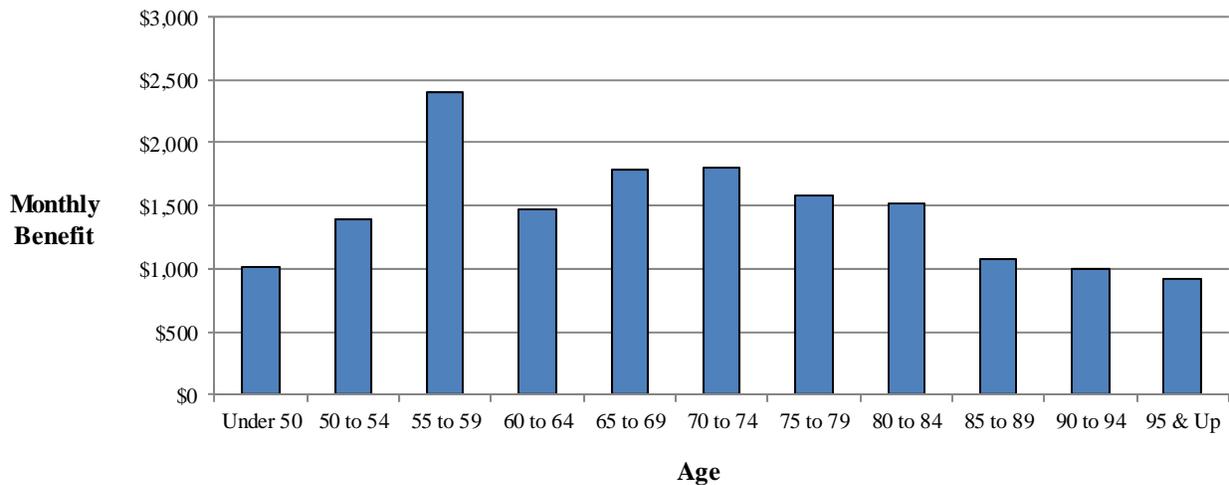
**APPENDIX A: SUMMARY OF MEMBERSHIP DATA**

**SUMMARY OF BENEFICIARIES**  
as of December 31, 2014

Total

Age	Number			Current Monthly Benefit at Retirement		
	Male	Female	Total	Male	Female	Total
Under 50	4	8	12	\$2,070	\$ 10,070	\$ 12,140
50 to 54	0	9	9	0	12,527	12,527
55 to 59	0	13	13	0	31,143	31,143
60 to 64	0	17	17	0	25,126	25,126
65 to 69	1	23	24	2,308	40,471	42,779
70 to 74	0	19	19	0	34,336	34,336
75 to 79	0	26	26	0	41,272	41,272
80 to 84	0	31	31	0	46,884	46,884
85 to 89	0	16	16	0	17,132	17,132
90 to 94	0	17	17	0	16,987	16,987
95 & Up	0	3	3	0	2,762	2,762
<b>Total</b>	<b>5</b>	<b>182</b>	<b>187</b>	<b>\$4,378</b>	<b>\$278,710</b>	<b>\$283,088</b>

**Average Benefit**





## APPENDIX B: SUMMARY OF BENEFIT PROVISIONS

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### Summary of Benefit Provisions

**Plan A** is applicable to members who entered the System between January 1, 1965 and December 31, 1978 and members who entered prior to January 1, 1965 and elected Plan A coverage.

**Plan B** is applicable to members who entered the System prior to January 1, 1965 and elected Plan B coverage.

**Plan C** is applicable to members entering the System after December 31, 1978.

#### SERVICE RETIREMENT

**Eligibility – Plan A and Plan B:** 20 years of service, regardless of age.

**Eligibility – Plan C:** 30 years of service, regardless of age; or 20 years of service at age 50; or 10 years of service, but less than 20 years at age 55.

**Amount of Pension – all plans:** Service times 2.5% of Final Average Salary to a maximum of 75% of Final Average Salary.

**Final Average Salary – all plans:** Average for the 3 consecutive years of service which produce the highest average and which are within the last 10 years of service.

#### DEFERRED RETIREMENT (VESTED TERMINATION)

**Eligibility – all plans:** 10 years of service; 20 years of service required to be eligible for survivor benefits.

**Amount of Pension – all plans:** 2.5% of Final Average Salary times years of service with payments deferred until age 55 (age 50 for Plan C members with 20 or more years of service). Vested deferred pensions for Plan C are adjusted during the deferral period based on changes in National Average Earnings, up to 5.5% annual adjustments (effective for post-1999 terminations).

#### SERVICE-CONNECTED DISABILITY

**Eligibility – all plans:** Permanent inability to perform the duties of position; no service requirement.

**Amount of Pension – all plans:** 75% of final salary rate if accident, 50% if disease.

**Miscellaneous Conditions – all plans:** Pension plus earnings from gainful employment cannot exceed current salary for rank held at time of disability. Pension recomputed at age 55 using service retirement formula, updated final average salary and service credit for period of disability.



## **APPENDIX B: SUMMARY OF BENEFIT PROVISIONS**

---

### **NON-SERVICE DISABILITY**

**Eligibility – all plans:** Permanent inability to perform duties of position; requires 7 years of service and under age 55.

**Amount of Pension – all plans:** 30% of Final Average Salary plus 1% of Final Average Salary times service over 7 years; maximum is 50% of Final Average Salary.

**Miscellaneous Conditions – all plans:** Pension plus earnings from gainful employment cannot exceed current salary for rank held at time of disability.

### **SERVICE-CONNECTED DEATH**

**Eligibility – all plans:** Death resulting directly from service-connected causes; no service requirement.

**Amount of Pension – all plans:** Surviving spouse – 50% of final Salary plus 10% of final Salary for each child under age 18 to a maximum of 75% of final Salary; terminates upon remarriage prior to age 40 for pensions effective prior to January 1, 2000.

Children (no surviving spouse's pension payable) – 20% of final Salary for each child under age 18 to a maximum of 60% of final Salary.

### **NON-SERVICE DEATH**

**Eligibility – Plan A and Plan C:** Death after 3 years of service.

**Eligibility – Plan B:** Death after 20 years of service.

**Amount of Pension – Plan A and Plan C:** Surviving spouse – 35% of Final Average Salary plus 1% of Final Average Salary for each year of service over 3 to a maximum of 50% of Final Average Salary, plus 10% of Final Average Salary for each child under age 18 to an overall maximum of 66 2/3% of Final Average Salary; terminates upon remarriage prior to age 40 for pensions effective prior to January 1, 2000.

Children (no surviving spouse's pension payable) – 15% of Final Average Salary for each child under age 18 to a maximum of 50% of Final Average Salary.

**Amount of Pension – Plan B:** Surviving spouse – 50% of final Salary.

Children (no surviving spouse's pension payable) – children under 18 share equally a benefit of 50% of final Salary.



## **APPENDIX B: SUMMARY OF BENEFIT PROVISIONS**

---

### **DEATH AFTER RETIREMENT**

**Eligibility – all plans:** Surviving spouse must have been married to retired employee for one year or more at time of death, if retired after January 1, 2000. If retired prior to January 1, 2000, must have been married to retired employee at retirement. Member must have retired with at least 20 years of service.

**Amount of Pension – Plan A and Plan C:** Surviving spouse – 35% of Final Average Salary plus 1% of Final Average Salary times Service over 3 years to a maximum of 50% of Final Average Salary, plus 10% of Final Average Salary for each child under 18 to an overall maximum of 66 2/3% of Final Average Salary. Post-retirement adjustments are granted from date of retirement to date of death. Terminates upon remarriage prior to age 40 for those retiring prior to January 1, 2000.

Children (no surviving spouse's pension payable) – 15% of Final Average Salary for each child under age 18 to a maximum of 50% of Final Average Salary.

**Amount of Pension – Plan B:** Surviving spouse – 50% of final Salary.

Children (no surviving spouse's pension payable) – children under 18 share equally a benefit of 50% of final Salary.

### **NON-VESTED TERMINATION**

**Eligibility – all plans:** Termination of employment and no pension is or will become payable.

**Amount of Benefit – all plans:** Refund of member's contributions plus 5% annual interest.

### **FUNERAL BENEFIT**

**Eligibility – Plan A and Plan C:** Death of member who retired after November 21, 1973.

**Eligibility – Plan B:** Death of retired member

**Amount of Benefit – Plan A and Plan C:** \$750

**Amount of Benefit – Plan B:** \$100 if member retired on or prior to November 21, 1973; \$750 if member retired after November 21, 1973.

### **POST-RETIREMENT ADJUSTMENTS OF PENSIONS**

**Eligibility – all plans:** Completion of 36 months of retirement.

**Annual Amount – all plans:** 2% of the original base amount of benefit (simple COLA).



## **APPENDIX B: SUMMARY OF BENEFIT PROVISIONS**

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### **BACKDROP (DEFERRED RETIREMENT OPTION PLAN)**

**Eligibility:** Member must be eligible to retire under service retirement provisions at the effective date of the BackDROP.

**Amount:** Under the BackDROP, the member may elect a benefit based on a retirement date up to 60 months prior to the current date. The monthly benefit is computed based on service, Final Average Salary and benefit formula at the selected prior date. The DROP account available to the retiring member is the computed benefit multiplied by the number of months of BackDROP plus applicable post-retirement adjustments and 5% annual interest, compounded monthly. Members are eligible to elect a sixty month BackDROP beginning January 1, 2003.

### **EMPLOYEE CONTRIBUTIONS**

Plan A: 8% of Salary

Plan B: 6% of Salary

Plan C: 7% of Salary

These member contribution rates include the 1% decrease effective in 1998 in recognition of the full funding of actuarial liabilities.

### **CITY CONTRIBUTIONS**

Actuarially determined amounts sufficient to satisfy K.S.A. 1977 Suppl. 12-5002.

### **UNUSED SICK LEAVE**

Each bi-weekly service credit of accumulated unused sick leave is converted to a service credit for the purpose of computing annual benefit amounts.



## **APPENDIX C: ACTUARIAL COST METHOD AND ASSUMPTIONS**

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### **ACTUARIAL COST METHOD**

The actuarial cost method is a procedure for allocating the actuarial present value of pension benefits and expenses to time periods. The method used for the valuation is known as the Entry Age Normal actuarial cost method, and has the following characteristics:

- (i) The annual normal costs for each individual active member are sufficient to accumulate the value of the member's pension at time of retirement.
- (ii) Each annual normal cost is a constant percentage of the member's year-by-year projected covered compensation.

The Entry Age Normal actuarial cost method allocates the actuarial present value of each member's projected benefits on a level basis over the member's assumed pensionable compensation rates between the entry age of the member and the assumed exit ages.

The portion of the actuarial present value allocated to the valuation year is called the normal cost. The portion of the actuarial present value not provided for by the actuarial present value of future normal costs is called actuarial liability. Deducting actuarial assets from the actuarial liability determines the unfunded actuarial liability or (surplus). The unfunded actuarial liability/(surplus) is financed as a level percent of member payroll over an open 20-year period.

### **ACTUARIAL ASSUMPTIONS**

Retirement System contribution requirements and actuarial present values are calculated by applying experience assumptions to the benefit provisions and membership information of the Retirement System, using the actuarial cost method.

The principal areas of risk which require experience assumptions about future activities of the Retirement System are:

- (i) Long-term rates of investment return to be generated by the assets of the System
- (ii) Patterns of pay increases to members
- (iii) Rates of mortality among members, retirees and beneficiaries
- (iv) Rates of termination of employment of active members
- (v) Rates of disability among active members
- (vi) The age patterns of actual retirements



**APPENDIX C: ACTUARIAL COST METHOD AND ASSUMPTIONS**

In making a valuation, the monetary effect of each assumption is calculated for as long as a present current member survives – a period of time which can be as long as a century.

Actual experience of the Retirement System will not coincide exactly with assumed experience. Each valuation provides a complete recalculation of assumed future experience and takes into account all past differences between assumed and actual experiences. The result is a continual series of adjustments (usually small) to the computed contribution rate.

From time to time, one or more of the assumptions are modified to reflect experience trends (but not random or temporary year-to-year fluctuations). A complete review of the actuarial assumptions was completed in 2014. The use of updated assumptions was first effective with the December 31, 2014 valuation.

**Investment Rate of Return** (net of administrative expenses): This assumption is 7.75% a year, compounded annually and consists of 3.25% long-term price inflation and a 4.50% real rate of return over price inflation. This assumption, used to equate the value of payments due at different points in time, was adopted by the Board and was first used for the December 31, 1980 valuation, although the allocation between inflation and real return has changed periodically, most recently in 2014.

**Salary Increase Rates:** These rates are used to project current salary amounts to those upon which a benefit will be based.

Years of Service	Annual Rate of Salary Increase for Sample Service Durations			
	Inflation Component	Productivity Component	Merit and Longevity	Total
1	3.25%	0.75%	2.75%	6.75%
5	3.25	0.75	2.75	6.75
10	3.25	0.75	2.75	6.75
15	3.25	0.75	2.75	6.75
20	3.25	0.75	1.00	5.00
25	3.25	0.75	1.00	5.00
30	3.25	0.75	1.00	5.00

The assumption was first used for the December 31, 2014 valuation.

The salary increase assumptions are expected to produce 4.00% annual increases in active member payroll (the inflation and productivity base rate) given a constant active member group size. This is the same payroll growth assumption used to amortize the unfunded actuarial liability. The real rate of return over assumed wage growth is 3.75% per year.

Changes actually experienced in average pay and total payroll have been as follows:

	Year Ended					5 Year (Average) Compounded Annual Increase
	12/31/14	12/31/13	12/31/12	12/31/11	12/31/10	
Average Pay	(0.2)%	2.0%	(0.3)%	0.2%	0.7%	0.5%
Total Payroll	(1.7)%	2.1%	(0.7)%	0.1%	(0.3)%	(0.1)%



**APPENDIX C: ACTUARIAL COST METHOD AND ASSUMPTIONS**

**Mortality Table:** This assumption is used to measure the probabilities of members dying.

Healthy Retirees

And Beneficiaries: RP-2000 Healthy Annuitant Table for Males and Females

Disabled Retirees: RP-2000 Disabled Table for Males and Females

Active Members: RP-2000 Employee Table for Males and Females

The RP-2000 Tables are used with generational mortality.

Sample Ages <sup>(1)</sup>	Present Value of \$1 Monthly for Life		Future Life Expectancy (Years)	
	Men	Women	Men	Women
50	\$138.63	\$141.98	32.3	34.6
55	132.05	135.41	27.6	29.7
60	122.80	127.04	23.0	25.1
65	111.13	116.91	18.5	20.7
70	97.31	104.80	14.5	16.7
75	81.63	90.90	10.9	13.0
80	65.36	75.76	7.9	9.8
85	49.97	60.20	5.6	7.1

(1) Reflects values from the basic table based on ages in 2000

This table was first used for the December 31, 2004 actuarial valuation.

**Rates of Retirement and BackDROP (Deferred Retirement Option Plan) Elections:** This assumption is used to measure the probability of eligible members retiring from active employment and applicable elections under the BackDROP program.

**Percent Retiring within Year**

Service of Member	Plans A & B		Age of Member	Plan C			
	Police	Fire		Less Than 30 YOS		30 or More YOS	
				Police	Fire	Police	Fire
28 or less	5%	5%	50	10%	10%	10%	20%
29	5	5	51	10	10	10	20
30	10	5	52	10	10	10	20
31	10	5	53	20	15	10	20
32	30	25	54	20	15	10	20
33	50	25	55	20	10	10	25
34	50	25	56	20	10	30	25
35	100	100	57	20	20	30	30
Over 35	100	100	58	20	15	30	50
			59	20	15	30	50
			60	100	100	100	100
			Over 60	100	100	100	100

These rates were first used for the December 31, 2014 valuation.



## APPENDIX C: ACTUARIAL COST METHOD AND ASSUMPTIONS

In addition, we assumed members who retire under service retirement provisions elect a BackDROP of up to 60 months which maximizes the actuarial value of the retirement benefit determined as of the retirement date. For the determination of actuarial value, the funding valuation assumptions are used.

**Rates of Separation from Active Membership:** This assumption measures the probabilities of a member terminating employment. The rates do not apply to members who are eligible to retire.

Years of Service	Percent Separating Within Year	
	Police	Fire
0-4	5.50%	3.00%
5-7	3.00	3.00
8-13	3.00	2.00
14-15	1.00	2.00
16-22	1.00	0.00
Over 22	0.00	0.00

These rates were first used for the December 31, 2014 valuation.

**Forfeiture of Vested Benefits:** The assumption is that a percentage of the actuarial present value of vested termination benefits will be forfeited by a withdrawal of accumulated contributions.

Years of Service	Percent Forfeiting
10-14	75%
15-19	10
20 or more	0

This table were first used for the December 31, 2014 actuarial valuation.

**Rates of Disability:** This assumption measures the probabilities of a member becoming disabled.

Sample Ages	% of Active Members Becoming Disabled During Next Year	
	Police	Fire
20	0.09%	0.07%
25	0.15	0.12
30	0.30	0.24
35	0.49	0.39
40	0.69	0.54
45	0.88	0.70
50	1.08	0.85
55	1.28	0.91

These rates were first used for the December 31, 2014 valuation.

**Rates of Recovery from Disability:** Assumed to be zero.



## APPENDIX C: ACTUARIAL COST METHOD AND ASSUMPTIONS

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**Administrative Expenses:** Assumed to be paid from investment earnings.

**Active Member Group Size:** Assumed to remain constant.

**Vested Deferred Pensions:** Amounts for Plan C are assumed to increase during the deferral period at 4.0% per year, compounded annually. This assumption was changed with the December 31, 2009 valuation.

### MISCELLANEOUS AND TECHNICAL ASSUMPTIONS

**Marriage Assumption:** 80% of non-retired participants are assumed to be married for purposes of death benefits. In each case, the male was assumed to be three years older than the female.

**Service Related Death and Disability:** All active member deaths and 75% of active member disablements are assumed to be service related.

**Decrement Timing:** Decrements of all types are assumed to occur mid-year.

**Eligibility Testing:** Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year at the start of the year in which the decrement is assumed to occur.

**Benefit Service:** Service calculated to the nearest month, as of the decrement date, is used to determine the amount of benefit payable.

**Other:** The termination of employment decrement does not operate during retirement eligibility.

**Miscellaneous Loading Factors:** The calculated normal retirement benefits were increased by 3% to account for the inclusion of unused sick leave in the calculation of Service. This assumption was first used for the December 31, 2014 valuation.



## APPENDIX D: GLOSSARY OF TERMS

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<b>Actuarial Liability</b>	The difference between the actuarial present value of system benefits and the actuarial present value of future normal costs. Also referred to as “accrued liability” or “actuarial liability”
<b>Actuarial Assumptions</b>	Estimates of future experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and salary increases. Decrement assumptions (rates of mortality, disability, turnover and retirement) are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (salary increases and investment income) consist of an underlying rate in an inflation-free environment plus a provision for a long-term average rate of inflation.
<b>Accrued Service</b>	Service credited under the system which was rendered before the date of the actuarial valuation.
<b>Actuarial Equivalent</b>	A single amount or series of amounts of equal actuarial value to another single amount or series of amounts, computed on the basis of appropriate assumptions.
<b>Actuarial Cost Method</b>	A mathematical budgeting procedure for allocating the dollar amount of the actuarial present value of retirement system benefit between future normal cost and actuarial liability; sometimes referred to as the “actuarial funding method”.
<b>Experience Gain (Loss)</b>	The difference between actual experience and actuarial assumptions anticipated experience during the period between two actuarial valuation dates.
<b>Actuarial Present Value</b>	The amount of funds currently required to provide a payment or series of payments in the future. It is determined by discounting future payments at predetermined rates of interest and by probabilities of payment.
<b>Amortization</b>	Paying off an interest-discounted amount with periodic payments of interest and principal, as opposed to paying off with lump sum payment.
<b>Normal Cost</b>	The actuarial present value of retirement system benefits allocated to the current year by the actuarial cost method.
<b>Unfunded Actuarial Liability</b>	<p>The difference between actuarial liability and the valuation assets.</p> <p>Most retirement systems have unfunded actuarial liability. They arise each time new benefits are added and each time an actuarial loss is realized.</p> <p>The existence of unfunded actuarial liability is not in itself bad, anymore than a mortgage on a house is bad. Unfunded actuarial liability does not represent a debt that is payable today. What is important is the ability to amortize the unfunded actuarial liability and the trend in its amount.</p>

City of Wichita  
City Council Meeting  
April 21, 2015

**TO:** Mayor and City Council  
**SUBJECT:** Naming of the Central and Grove Park Site (District I)  
**INITIATED BY:** Department of Park and Recreation  
**AGENDA:** New Business

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**Recommendation:** Name the park.

**Background:** The Elm Neighborhood Association encompasses an area bounded by Piatt, Hillside, Central and 9<sup>th</sup> Street North. At its request, a playground has been installed within this area at Central and Grove Streets. Anticipated to be mostly a walk-in park for area residents, it includes playground equipment primarily designed for elementary school-aged children, a bench and a picnic table. Perimeter fencing has been installed to increase safety.

After consultation with the neighborhood association, it is recommended that the site be named Elm Neighborhood Park. The District I Advisory Board met on March 30, 2015 and unanimously approved the name. Based on this recommendation, the Board of Park Commissioners voted on April 13, 2015 to name the Central and Grove site Elm Neighborhood Park.

**Analysis:** City Council Policy 13 establishes the requirements and procedures for the naming or renaming of public facilities. The policy calls for a seven-member committee consisting of residents appointed by the Mayor and City Council to make a recommendation for City Council consideration. On March 4, 2003, the City Council approved the Board of Park Commissioners to serve as the naming advisory committee for parks and open spaces.

**Financial Considerations:** Cost to the Department of Park and Recreation will be \$600 for the purchase and installation of signage to designate the area as a park. These costs are within the operational budget of the park. Maintenance of signage is also incorporated and included within the current operational budget of the Department.

**Legal Considerations:** The Board of Park Commissioners' action as the naming advisory committee for Park and Recreation complies with provisions of City Council Policy 13.

**Recommendation/Action:** It is recommended that the City Council approve naming of the site at Central and Grove to be Elm Neighborhood Park.

**Attachments:** None.

City of Wichita  
City Council Meeting  
April 21, 2015

**TO:** Mayor and City Council

**SUBJECT:** Tourism Business Improvement District - 2016 Scope of Services (All Districts)

**INITIATED BY:** City Manager's Office

**AGENDA:** New Business

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**Recommendation:** Receive, approve and file the Tourism Business Improvement District (TBID) 2016 Scope of Services and Budget.

**Background:** The Visit Wichita Convention and Visitors Bureau (Visit Wichita), formerly Go Wichita, receives annual funding from the City of Wichita for the promotion of tourism and convention activities. Due to economic conditions, this allocation has experienced limited growth in recent years while competition for tourists and conventions in the state has intensified. In 2013, to address a decrease in funds, Visit Wichita proposed the creation of a Tourism Business Improvement District (TBID) to promote tourism and provide certain related services within the City.

At the March 25, 2014 meeting, the City Council passed Ordinance 49-677 creating the business improvement district with boundaries the same as the legal limits of the City of Wichita. The TBID Advisory Board members were appointed on April 1, 2014 by the City Council. Upon approval of the ordinance, the City Council also entered into a contract with Visit Wichita to provide the services as established by the ordinance and approved by the City Council. Providing services as part of its contract, Visit Wichita has generated a proposed Tourism Business Improvement District 2016 Scope of Services and Budget. The document has been reviewed and approved by the TBID Board.

**Analysis:** The attached TBID 2016 Scope of Services and Budget outlines how funds received from a 2.75% nightly hotel room fee will be used to promote tourism in Wichita during 2016. As outlined in the Scope of Services, it is estimated the leisure marketing will increase hotel demand by 32,000 incremental room nights while group marketing is estimated to increase hotel demand by an additional 16,000 incremental room nights.

The budget for 2016 shows that the TBID is expected to generate \$2.7 million in revenues, which will be used to fund leisure and group marketing efforts. Approximately, \$1.35 million of revenues will be used towards leisure efforts. An additional \$860,000 will be spent on group marketing efforts with approximately half of the funds going towards attracting conventions in future years. The remainder of the funds, \$481,500, will be used to cover general expenses including personnel, research, city administrative and professional fees.

To best measure the effectiveness of the leisure marketing efforts in future years, Visit Wichita will work with Strategic Marketing & Research Insights, LLC (SMARI). SMARI will utilize data gathered on leisure visitors to establish baselines for economic impact, return on investment, average number of room

nights and paid room nights. These baselines will be used to measure increases in leisure travel and will assist in determining future years' performance measures and budgets.

**Financial Considerations:** The leisure and group marketing efforts outlined in the 2016 Scope of Services will be completely funded through TBID revenues raised through an annual fee levied on all hotels within the district having 50 rooms or more. The fee is calculated as 2.75% of the amount of the hotel's subject room rentals. Funds raised will be deposited in a budgeted special revenue fund. The district anticipates generating \$2.7 million in 2016 for enhanced marketing. Funds raised will be deposited in an agency fund.

**Legal Considerations:** Kansas statutes and the Ordinance enacting the TBID require annual preparation of a business plan and budget. The scope of services identified in the 2016 plan is consistent with the services contemplated by the Ordinance.

**Recommendation/Actions:** It is recommended that the City Council receive, approve and file the Tourism Business Improvement District (TBID) 2016 Scope of Services and Budget.

**Attachments:** TBID 2016 Scope of Services and Budget

Tourism Business Improvement District  
2016 SCOPE OF SERVICES AND BUDGET

**Purpose:**

The Tourism Business Improvement District (TBID) was created to provide incremental marketing dollars to Visit Wichita to market Wichita. The TBID dollars are supplemental to the existing Visit Wichita budget. The Wichita City Council voted to adopt the TBID ordinance on March 25, 2014, and the TBID commenced on January 1, 2015. In accordance with the Kansas Business Improvement District statute, the TBID Advisory Board must present the following year’s scope of services and budget before May 15 to the City Council for approval. This document outlines those services as well as the budget for 2016.

**Objective:**

Market Wichita to both leisure and group visitors to drive incremental hotel demand.

**Key Drivers**

*Leisure:*

- Produce two multi-channel marketing campaigns
- Gather baseline data to assist in determining future years scope of work

*Group:*

- Introduce meeting planners to Wichita
- Increase focus on sports market
- Gather baseline data to assist in determining future years scope of work

**Budget:**

Revenues		2016
CITY OF WICHITA - TBID		\$2,700,000
	TOTAL REVENUE	\$2,700,000
Expenditures		TOTAL
LEISURE		
	Summer Campaign <sup>1</sup>	\$760,000
	Holiday Campaign <sup>2</sup>	\$390,000
	Agency Creative and Production <sup>3</sup>	\$208,500
	LEISURE TOTAL	\$1,358,500
GROUP		
	Meeting Planner/Sports Initiatives <sup>4</sup>	\$450,000
	Publication Advertising <sup>5</sup>	\$410,000
	GROUP TOTAL	\$860,000

GENERAL		
	Personnel/ADM <sup>6</sup>	\$309,000
	Research/ROI <sup>7</sup>	\$95,000
	City Administrative Fee <sup>8</sup>	\$67,500
	Professional Fees <sup>9</sup>	\$10,000
	GENERAL TOTAL	\$481,500
	TOTAL EXPENDITURES	\$2,700,000

**FOOTNOTES:**

1. Media buy (TV, radio, print, digital)
2. Media buy (TV, radio, print, digital)
3. Creation of all elements of marketing campaigns (TV, print, radio, digital)
4. Incremental sports and group trade show sponsorships (hosted and future), sales calls, site visits, sports bid fees, etc.
5. Advertising in key meeting planner publications and sports publications
6. Estimated allocation of approximately 50% for additional sales employee and marketing employee and 50% allocation for existing Visit Wichita personnel to execute TBID initiatives
7. Advertisement effectiveness ROI, commercial testing, meeting planner publication research
8. 2.5% city administration fee
9. Annual audit and legal fees

*Note: Adjustments may be made based on 2015 results and/or learnings*

**Strategy:**

The Kansas Business Improvement District statute requires that the Scope of Services be presented to the City Council by May 15 for the following year. 2016 is year two of the TBID. As such, this plan was prepared prior to any implementation of the 2015 plan. Consequently, the 2016 plan is based upon the same strategies as 2015. Once the 2015 plan has been executed and key learnings identified, the 2016 plan will be adjusted accordingly.

**Group Business Performance Measurements:**

Group Sales focuses on identifying prospects that would host a meeting, convention and/or trade show in Wichita. These group meetings and events are generally in the trade association, specialty and sports market segments and typically book several years in advance. This segment is measured by confirmed future bookings through Visit Wichita.

***Group Goal: 16K future room nights.***

***Impact:***

- \$5.8M economic impact
- \$1,360,000 hotel room revenue (\$85 per night)
- \$81,600 total transient guest tax (6%)
- \$37,400 tourism fee (2.75%)
- \$410,358 total sales tax (7.15%)

### **Leisure Performance Measurements:**

Leisure market focuses on influencing a visit to Wichita through specific advertising campaigns. The effectiveness of this advertising will be measured after each campaign. Since 1983, Strategic Marketing & Research, Inc., (SMARI) has been helping clients get the research they need and apply that research to make the best business decisions. We will utilize their services after each leisure campaign to ultimately determine the Return on Investment (ROI) of the campaign. SMARI's methodology for calculating the impact of a marketing campaign relies on incremental travel. The rate of travel by those who are "unaware" is considered the base rate of travel, which would have been achieved if no advertising were placed. Any travel above this base by "aware" households is considered influenced – or the rate of incremental travel. The final measurements of the success of the marketing campaigns are the economic impact of the campaigns and return on investment that it generates. Again, the SMARI methodology does not consider all travel to the city when making such calculations. Even without any advertising, consumers would travel to Wichita. However, the research will identify those visitors, room nights and spend that would not have occurred without the additional advertising investment. In addition to the ROI, the research will also provide insight and recommendations to help guide and refine future marketing campaigns.

The charts below indicate the information we will receive to evaluate the effectiveness of the campaign. We will use this information to assist in future planning.

<b>Economic Impact &amp; ROI</b>
Aware HHs
Incremental Travel %
Incremental Traveling HHs
Avg. Trip Spending
<b>Economic Impact</b>
Media Spending
<b>ROI</b>

<b>Influenced Room Nights</b>
Incremental Trips
% using paid accommodation
Trips with paid accommodation
Ave. # nights
<b>Paid Room Nights</b>

### ***Leisure Goal: 32K room nights:***

#### ***Impact:***

- \$9.5M economic impact
- \$2,720,000 hotel revenue (\$85 per night)
- \$163,200 total transient guest tax (6%)
- \$74,800 tourism fee (2.75%)
- \$675,280 total sales tax (7.15%)

**City of Wichita  
City Council Meeting  
April 21, 2015**

**TO:** Mayor and City Council  
**SUBJECT:** Evaluation and Salary Increase for City Manager  
**INITIATED BY:** City Council  
**AGENDA:** City Council Agenda

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**Recommendation:** Approve salary increase for the City Manager.

**Background:** On December 18, 2008, the City Council entered into a City Manager Agreement with Robert Layton commencing on February 2, 2009. In late 2012, the City Council conducted a job performance evaluation of the Manager and, based upon that review, approved a salary increase on January 8, 2013. Since that time, the Manager has received a cost of living increase (GPA) for 2014, bringing his current salary to \$207,866.62 annually.

Pursuant to the City ordinances and the terms of the Manager's contract, the City Council has the discretion to increase the City Manager's salary based on an annual merit and salary review.

The City Council has conducted a merit review of the City Manager's job performance and an informal salary survey of the salaries offered to city managers in cities with populations similar to that of the City of Wichita. Based on the evaluation performed by the City Council, an increase of 1.5% GPA and 1% merit is recommended. The proposed increase is to be retroactive to January 1, 2015.

**Additionally, the Manager's car allowance will be increased to \$5,500.00 annually.**

**Analysis:** Evaluation of the City Manager's performance is not only part of the City Manager's employment agreement, but is also important for maintaining a healthy and effective council-manager relationship. The performance evaluation is an essential tool for promoting more effective decision making throughout City organizations.

Since the 2012 evaluation, a number of accomplishments have been achieved by the City Manager and by staff under his leadership and direction. Those include:

1. Assisted in the creation of the Tourism Business Improvement District.
2. Developed projects to comply with the KDHE consent order related to sewage treatment facilities.
3. Coordinated the renewal of the Transient Guest Tax.
4. Developed a fire apparatus replacement plan.
5. Prepared a policy for the bidding of construction contracts in public-private development projects.
6. Created the 2014-2018 Consolidated Plan for CDBG, Home and ESG funds.
7. Developed a rehabilitation and financing plan for the 215 South Market garage.

8. Established a funding plan for the Kansas Aviation Museum building improvements.
9. Revised the Neighborhood Clean-Up program for 2014.
10. Participated in the Brookings Institute export study.
11. Developed a Use Law for Wichita.
12. Obtained a SAFER grant to fund 6 Firefighter positions.
13. Coordinated the installation of emergency water lines in West Wichita.
14. Managed the preliminary design and cost estimate for the Advanced Learning Center project.
15. Assisted in the creation of the NBC Baseball Foundation and the transfer of assets to the Foundation.
16. Coordinated the preparation and submittal of a TIGER grant application for a passenger rail study.
17. Coordinated the strategic planning process.
18. Facilitated ACT ICT sessions and coordinated the ACT ICT process, including the reporting of results.
19. Prepared the recommended 2014, 2015 and 2016 operating budget, utilizing input from an expanded citizen engagement process.
20. Coordinated the CII planning and design study.
21. Initiated the refunding of \$41.4 million in outstanding debt, resulting in \$3.75 million in debt service savings.
22. Coordinated the staff work in support of the sales tax referendum, including the preparation of the ballot language and educational materials.
23. Prepared new funding agreements for the Cultural Arts agencies.
24. Negotiated a TIF plan for the Union Station redevelopment project.
25. Revised the RFP and vendor selection process.
26. Managed the construction of the K96 and Greenwich interchange and coordinated the implementation of the Star bond project.
27. Initiated the BREG Regional Economic Development project in coordination with WSU, GWEDC, Sedgwick County, WDDC and REAP.
28. Negotiated the use of the WSU special tax levy to support the innovation Campus.
29. Negotiated new lease terms with the Wichita Wingnuts.
30. Assisted in the development of final plans for the River Vista project.
31. Prepared the 2015-2019 Wichita Housing Authority plan.
32. Managed the construction of the Airport Terminal and Parking Garage projects, including the selection of a retail, news and gift concessionaire.
33. Negotiated a new operating agreement for the Great Plains Nature Center.
34. Conducted a review of paratransit service.
35. Prepared the Wichita Ozone Action plan.
36. Negotiated changes to the City's wrecker service ordinances.
37. Completed the Wichita Pedestrian Master plan.
38. Sold 17 surplus lots and buildings, for a total price of \$1,675,000.
39. Completed the multi-modal accommodation policy and street design guidelines.
40. Formulated state and federal legislative agenda recommendations.
41. Studied the feasibility of a public/private alliance for the operation and financing of the water and sewer utility.
42. Negotiated a three year agreement with FOP.
43. Appointed an Interim Police Chief and initiated an assessment of Police Department operations.
44. Appointed an Interim City Attorney and conducted a national search for a permanent replacement.

45. Hired a new Director of Parks and Recreation.
46. Negotiated a wage agreement with SEIU.
47. Negotiated a new franchise agreement with Westar.
48. Obtained an extension of the NIC TIF from Sedgwick County and USD 259.
49. Prepared revisions to the evaluation process for municipal court judges.
50. Initiated an engagement process for improvements to the Kansas Wildlife Exhibit.
51. Prepared preliminary options with GWEDC for a public/private redevelopment of the Skyway area.
52. Explored the creation of a high speed fiber utility using the sanitary sewer system.
53. Worked with Federal Mediation to develop an enhanced labor/management and grievance resolution process in Fire.
54. Negotiated a new funding agreement with KDOT and KTA for the East Kellogg project.
55. Initiated a county wide review of EMS service provision.
56. Negotiated a traffic signal agreement in support of the Grace Med/South YMCA project.
57. Negotiated a parking agreement to support MABCD'S and MAPC'S move to the old IRS building.
58. Deployed the E-Citations system in the Municipal Court and Police.
59. Installed GPS equipment to enhance the routing of snow removal equipment.
60. Prepared a plan for the development of a new water source.
61. Promoted Workforce Alliance opportunities on Channel 7.
62. Completed an economic impact analysis of transit.
63. Facilitated the update of the Comprehensive plan.

**Financial Considerations:** Funds for the proposed merit increase are included within the City's adopted budget.

**Legal Considerations:** Pursuant to state law, city ordinances, and the City Manager Agreement, the City Council has the legal authority to evaluate and determine the salary of the City Manager.

**Recommendations/Actions:** It is recommended that the City Council approve a total salary increase of 2.5 percent for the City Manager, retroactive to January 1, 2015.

Wichita, Kansas  
April 20, 2015  
10:00 a.m., Monday  
Conference Room, 12<sup>th</sup> Floor

**MINUTES - BOARD OF BIDS AND CONTRACTS\***

The Board of Bids and Contracts met with Diane Patton, Account Clerk III, Public Works Engineering in the Chair; Fanny Chan, Senior Accountant, Finance, representing the Director of Finance, Elizabeth Goltry-Wadle, Senior Budget Analyst, Budget Office, Clarence Rose, Senior Buyer, representing Purchasing, and Janis Edwards, Deputy City Clerk, present.

Minutes of the regular meeting dated April 13, 2015, were read and on motion approved.

Bids were opened April 17, 2015, pursuant to advertisements published on:

**Planeview Area Sanitary Sewer Improvements / 2015 Phase 2 (north of 31st Street South, east of Hillside) (468-84838/624101/652019) Traffic to be maintained during construction using flagpersons and barricades. (District III)**

Stannard Construction dba WB Carter - \$112,792.00

**2015 Outsourced Pavement Preservation Program CIP Thermal Crack Repairs Phase 2 (Various Locations) (472-85207/707084/211547) Traffic to be maintained during construction using flagpersons and barricades. (District I,III,IV,VI)**

PPJ Construction Inc.\* - \$782,391.00 \*Engineer's Estimate

Purchasing Manager recommended that the contracts be awarded as outlined above, subject to check, same being the lowest and best bids within the Engineer's construction estimate.

On motion the Board recommended that the contracts be awarded as outlined above, subject to check, same being the lowest and best bids within the Engineer's construction estimate.

**VARIOUS DEPARTMENTS BOARDS AND AGENCIES: Window and Plate Glass.**

Wickham Industries Inc.\* - \$19,444.90 Group 1 Base Bid  
\$1,021.00 Group 2 Option 1

\*Estimate – Contract approved on unit cost basis; refer to attachments.

The Purchasing Division recommended that the contracts be awarded as outlined above, same being the lowest and best bid.

On motion the Board recommended that the contracts be awarded as outlined above, same being the lowest and best bid.

On motion the Board of Bids adjourned.

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Diane Patton, Account Clerk III  
Department of Public Works

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Janis Edwards, CMC  
Deputy City Clerk

## FORMAL BID REPORT

TO: Robert Layton, City Manager

DATE: April 20, 2015

**ENGINEERING BIDS – GARY JANZEN, CITY ENGINEER**April 17, 2015

Planeview Area Sanitary Sewer Improvements / 2015 Phase 2 to serve Planeview Addition – Public Works &amp; Utilities Department/Engineering Division

**Stannard Construction dba W. B. Carter****\$112,792.00**

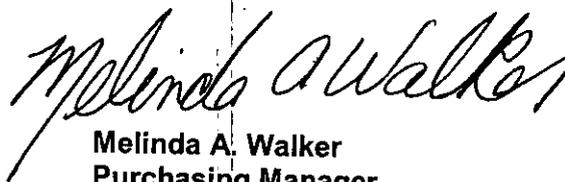
2015 OP3 CIP Thermal Crack Repairs Phase 2 (Various Locations) – Public Works &amp; Utilities Department/Engineering Division

**PPJ Construction, Inc.****(Engineer's Estimate)****\$782,391.00****PURCHASING BIDS – MELINDA A. WALKER, PURCHASING MANAGER**April 17, 2015

Glass, Window &amp; Plate – Various Departments, Boards &amp; Agencies (See Exhibit B for Itemized Pricing in the Formal Bid Report)

**Wickham Industries, Inc.****Base Bid****\$19,444.90****Option 1 (Add)****\$1,021.00**

ITEMS TO BE PURCHASED AS ADVERTISED IN THE OFFICIAL CITY NEWSPAPER.



Melinda A. Walker  
Purchasing Manager

## SANITARY SEWER BID TABULATION SUMMARY

BOARD OF BIDS - April 17, 2015

RQ540400

FB540063		Engineer's Construction Estimate	Dondlinger & Sons	Stannard Construction d/b/a WB Carter	Dutton Construction and Plumbing
Planeview Area Sanitary Sewer Improvements / 2015 Phase 2		\$203,000.00	\$179,859.00	\$112,792.00	\$119,800.00
Planeview Addition	BID BOND			X	X
468-84838	ADDENDA	0			
(624101)					
		Engineer's Construction Estimate	McCullough Excavation	Nowak Construction	Utilities Plus
Planeview Area Sanitary Sewer Improvements / 2015 Phase 2		\$203,000.00			
Planeview Addition	BID BOND				
468-84838	ADDENDA	0			
(624101)					
		Engineer's Construction Estimate	Wildcat Construction		
Planeview Area Sanitary Sewer Improvements / 2015 Phase 2		\$203,000.00			
Planeview Addition	BID BOND				
468-84838	ADDENDA	0			
(624101)					
		Engineer's Construction Estimate			
Planeview Area Sanitary Sewer Improvements / 2015 Phase 2		\$203,000.00			
Planeview Addition	BID BOND				
468-84838	ADDENDA	0			
(624101)					

CHECKED BY:                       
 REVIEWED BY:

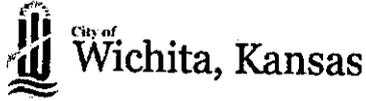
**PAVING BID TABULATION SUMMARY**

BOARD OF BIDS - April 17, 2015

RQ540401

FB540064		Engineer's Construction Estimate	Barkely Construction	Conspec Inc. DBA Kansas Paving	PPU Construction Inc
2015 OP3 CIP Thermal Crack Repairs Phase 2		\$782,391.00	\$713,181.00	\$675,150.00	\$600,003.10
(Various Locations)	BID BOND				X
	ADDENDA	2			X
472-85207(707084)					
		Engineer's Construction Estimate	Dondlinger & Sons	Kansas Paving Company	
2015 OP3 CIP Thermal Crack Repairs Phase 2		\$782,391.00			
(Various Locations)	BID BOND				
	ADDENDA	2			
472-85207(707084)					
		Engineer's Construction Estimate			
2015 OP3 CIP Thermal Crack Repairs Phase 2		\$782,391.00			
(Various Locations)	BID BOND				
	ADDENDA	2			
472-85207(707084)					
		Engineer's Construction Estimate			
2015 OP3 CIP Thermal Crack Repairs Phase 2		\$782,391.00			
(Various Locations)	BID BOND				
	ADDENDA	2			
472-85207(707084)					
<b>CONTRACT AWARDED FOR ENGINEER'S ESTIMATE</b>		\$782,391.00			

CHECKED BY: KD  
 REVIEWED BY: [Signature]



**BID RESULTS**

[Registration](#)   [Solicitations](#)   [Document Inquiry](#)   [Login](#)   [Help](#)

This page summarizes vendor responses by the bid total. Awarded vendors will be notified of their respective purchase orders/contracts.

**Vendor Group Line**  
**Solicitation:** FB540062   **Window & Plate Glass**   **Close Date/Time:** 4/17/2015 10:00 AM CST

**Solicitation Type:** Formal Bid   [Return to the Bid List](#)  
**Award Method:** Group  
**Department:** Finance Department   **Responses:** 2

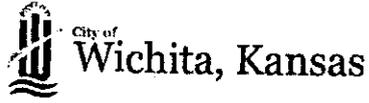
Vendors	Complete	Bid Total
WICKHAM INDUSTRIES INC	Complete	\$20,465.90
BELL MIRROR & GLASS INC	Complete	\$23,550.00

**City Comments**

Award 4-21-15 Base Bid with Option 1 Various Departments, Boards & Agencies  
  
 Line 15 Rejected Corrected Base Bid \$18,950 with Option 1 \$21,250.00

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**BID RESULTS**

[Registration](#) - [Solicitations](#) [Document Inquiry](#) [Login](#) [Help](#)

This page summarizes bids by the totals for each group listed on the solicitation.

Vendor Group Line

Solicitation: FB540062 Window & Plate Glass Close Date/Time: 4/17/2015 10:00 AM CST

Solicitation Type: Formal Bid [Return to the Bid List](#)

Award Method: Group

Department: Finance Department Responses: 2

Go to:

**Group 1**

Vendors	Complete	Group Total Net Bid
WICKHAM INDUSTRIES INC	Complete	\$19,444.90
BELL MIRROR & GLASS INC	Complete	\$21,250.00

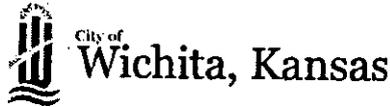
[Top of the Page](#)

**Group 2**

Vendors	Complete	Group Total Net Bid
<b>Group 2: Option 1</b>		
WICKHAM INDUSTRIES INC	Complete	\$1,021.00
BELL MIRROR & GLASS INC	Complete	\$2,300.00

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**BID RESULTS**

[Registration](#)   [Solicitations](#)   [Document Inquiry](#)   [Login](#)   [Help](#)

This page summarizes vendor bids by the extended cost for each commodity line on the solicitation.

Vendor Group Line

Solicitation: FB540062   Window & Plate Glass

Close Date/Time: 4/17/2015 10:00 AM CST

Solicitation Type: Formal Bid

[Return to the Bid List](#)

Award Method: Group

Department: Finance Department

Responses: 2

Go to:

Line 001 | 3/32" Clear Glass

Vendors	QTY	UOM	Price	Extended Cost	Complete	Comments
WICKHAM INDUSTRIES INC	100	Square Feet	\$1.3500	\$135.00	Complete	

BELL MIRROR & GLASS INC	100	Square Feet	\$1.4500	\$145.00	Complete	
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Line 002 | 1/8" Clear Glass

Vendors	QTY	UOM	Price	Extended Cost	Complete	Comments
BELL MIRROR & GLASS INC	500	Square Feet	\$1.4500	\$725.00	Complete	
WICKHAM INDUSTRIES INC	500	Square Feet	\$1.6300	\$815.00	Complete	

Line 003 | 1/8" Clear Mirror

Vendors	QTY	UOM	Price	Extended Cost	Complete	Comments
BELL MIRROR & GLASS INC	100	Square Feet	\$2.9500	\$295.00	Complete	
WICKHAM INDUSTRIES INC	100	Square Feet	\$4.1000	\$410.00	Complete	

Line 004 | 3/16" Clear Glass

Vendors	QTY	UOM	Price	Extended Cost	Complete	Comments
WICKHAM INDUSTRIES INC	100	Square Feet	\$2.0600	\$206.00	Complete	
BELL MIRROR & GLASS INC	100	Square Feet	\$2.4500	\$245.00	Complete	

Line 005 | 3/16" Clear Tempered Glass

Vendors	QTY	UOM	Price	Extended Cost	Complete	Comments
WICKHAM INDUSTRIES INC	100	Square Feet	\$4.5800	\$458.00	Complete	

BELL MIRROR & GLASS INC	100	Square Feet	\$4.7500	\$475.00	Complete	3 sft Min
Line 006   1/4" Clear Glass						
<b>Vendors</b>	<b>QTY</b>	<b>UOM</b>	<b>Price</b>	<b>Extended Cost</b>	<b>Complete</b>	<b>Comments</b>
WICKHAM INDUSTRIES INC	100	Square Feet	\$2.2200	\$222.00	Complete	
BELL MIRROR & GLASS INC	100	Square Feet	\$2.8500	\$285.00	Complete	
Line 007   1/4" Gray Glass						
<b>Vendors</b>	<b>QTY</b>	<b>UOM</b>	<b>Price</b>	<b>Extended Cost</b>	<b>Complete</b>	<b>Comments</b>
WICKHAM INDUSTRIES INC	100	Square Feet	\$3.0100	\$301.00	Complete	
BELL MIRROR & GLASS INC	100	Square Feet	\$4.2500	\$425.00	Complete	
Line 008   1/4" Clear Tempered Glass						
<b>Vendors</b>	<b>QTY</b>	<b>UOM</b>	<b>Price</b>	<b>Extended Cost</b>	<b>Complete</b>	<b>Comments</b>
BELL MIRROR & GLASS INC	200	Square Feet	\$4.7500	\$950.00	Complete	3 sft Min
WICKHAM INDUSTRIES INC	200	Square Feet	\$4.8800	\$976.00	Complete	
Line 009   1/4" Bronze Tempered Glass						
<b>Vendors</b>	<b>QTY</b>	<b>UOM</b>	<b>Price</b>	<b>Extended Cost</b>	<b>Complete</b>	<b>Comments</b>
BELL MIRROR & GLASS INC	200	Square Feet	\$5.1500	\$1,030.00	Complete	3 sft min
WICKHAM INDUSTRIES INC	200	Square Feet	\$5.8500	\$1,170.00	Complete	
Line 010   1/4" Gray Tempered Glass						
<b>Vendors</b>	<b>QTY</b>	<b>UOM</b>	<b>Price</b>	<b>Extended Cost</b>	<b>Complete</b>	<b>Comments</b>
BELL MIRROR & GLASS INC	100	Square Feet	\$5.1500	\$515.00	Complete	3 sft min
WICKHAM INDUSTRIES INC	100	Square Feet	\$5.8500	\$585.00	Complete	
Line 011   1/4" Clear Laminated Glass						
<b>Vendors</b>	<b>QTY</b>	<b>UOM</b>	<b>Price</b>	<b>Extended Cost</b>	<b>Complete</b>	<b>Comments</b>
WICKHAM INDUSTRIES INC	200	Square Feet	\$7.6700	\$1,534.00	Complete	
BELL MIRROR & GLASS INC	200	Square Feet	\$7.8500	\$1,570.00	Complete	
Line 012   1/4" Gray Laminated Glass						

Vendors	QTY	UOM	Price	Extended Cost	Complete	Comments
BELL MIRROR & GLASS INC	100	Square Feet	\$8.9000	\$890.00	Complete	
WICKHAM INDUSTRIES INC	100	Square Feet	\$9.2700	\$927.00	Complete	
Line 013   1/4" Bronze Laminated Glass						
Vendors	QTY	UOM	Price	Extended Cost	Complete	Comments
BELL MIRROR & GLASS INC	50	Square Feet	\$8.9000	\$445.00	Complete	
WICKHAM INDUSTRIES INC	50	Square Feet	\$9.2700	\$463.50	Complete	
Line 014   1/4" Nuweld Wire Glass						
Vendors	QTY	UOM	Price	Extended Cost	Complete	Comments
WICKHAM INDUSTRIES INC	50	Square Feet	\$12.2600	\$613.00	Complete	
BELL MIRROR & GLASS INC	50	Square Feet	\$20.0000	\$1,000.00	Complete	
Line 015   1/4" Obsure Wire Glass						
Vendors	QTY	UOM	Price	Extended Cost	Complete	Comments
WICKHAM INDUSTRIES INC	100	Square Feet	\$0.0000	\$0.00	Complete	
BELL MIRROR & GLASS INC	100	Square Feet	\$23.0000	\$2,300.00	Complete	
Line 016   1/4" Clear Mirror						
Vendors	QTY	UOM	Price	Extended Cost	Complete	Comments
BELL MIRROR & GLASS INC	100	Square Feet	\$5.2500	\$525.00	Complete	
WICKHAM INDUSTRIES INC	100	Square Feet	\$5.7900	\$579.00	Complete	
Line 017   1/2" Clear Insulated Annealed Glass						
Vendors	QTY	UOM	Price	Extended Cost	Complete	Comments
WICKHAM INDUSTRIES INC	400	Square Feet	\$6.0500	\$2,420.00	Complete	
BELL MIRROR & GLASS INC	400	Square Feet	\$6.2500	\$2,500.00	Complete	3 sft min
Line 018   1/2" Gray Laminated Glass						
Vendors	QTY	UOM	Price	Extended Cost	Complete	Comments
WICKHAM INDUSTRIES INC	100	Square Feet	\$19.0300	\$1,903.00	Complete	

BELL MIRROR & GLASS INC 100 Square Feet \$22.0000 \$2,200.00 Complete

Line 019 | 1" Gray Insulated Tempered Glass

Vendors	QTY	UOM	Price	Extended Cost	Complete	Comments
BELL MIRROR & GLASS INC	75	Square Feet	\$9.9000	\$742.50	Complete	3 sft min
WICKHAM INDUSTRIES INC	75	Square Feet	\$12.6400	\$948.00	Complete	

Line 020 | 1" Bronzed Insulated Tempered Glass

Vendors	QTY	UOM	Price	Extended Cost	Complete	Comments
BELL MIRROR & GLASS INC	75	Square Feet	\$9.9000	\$742.50	Complete	3 sft min
WICKHAM INDUSTRIES INC	75	Square Feet	\$12.6400	\$948.00	Complete	

Line 021 | 1" Clear Insulated Annealed Glass

Vendors	QTY	UOM	Price	Extended Cost	Complete	Comments
BELL MIRROR & GLASS INC	200	Square Feet	\$6.4500	\$1,290.00	Complete	3 sft min
WICKHAM INDUSTRIES INC	200	Square Feet	\$6.6300	\$1,326.00	Complete	

Line 022 | 1" Clear Insulated Tempered Glass

Vendors	QTY	UOM	Price	Extended Cost	Complete	Comments
BELL MIRROR & GLASS INC	200	Square Feet	\$8.7500	\$1,750.00	Complete	3 sft min
WICKHAM INDUSTRIES INC	200	Square Feet	\$11.5000	\$2,300.00	Complete	

Line 023 | Minimum Dollar Order (Picked-Up)

Vendors	QTY	UOM	Price	Extended Cost	Complete	Comments
BELL MIRROR & GLASS INC	1	Lump Sum	\$10.0000	\$10.00	Complete	
WICKHAM INDUSTRIES INC	1	Lump Sum	\$31.1200	\$31.12	Complete	

Line 024 | Minimum Dollar Order (Delivered)

Vendors	QTY	UOM	Price	Extended Cost	Complete	Comments
WICKHAM INDUSTRIES INC	1	Lump Sum	\$62.2400	\$62.24	Complete	
BELL MIRROR & GLASS INC	1	Lump Sum	\$65.0000	\$65.00	Complete	

Line 025 | Delivery Charge

Vendors	QTY	UOM	Price	Extended Cost	Complete	Comments
WICKHAM INDUSTRIES INC	1	Lump Sum	\$43.5700	\$43.57	Complete	
BELL MIRROR & GLASS INC	1	Lump Sum	\$55.0000	\$55.00	Complete	

Line 026 | Cost Per Hour Labor Installation

Vendors	QTY	UOM	Price	Extended Cost	Complete	Comments
WICKHAM INDUSTRIES INC	1	Lump Sum	\$68.4700	\$68.47	Complete	
BELL MIRROR & GLASS INC	1	Lump Sum	\$75.0000	\$75.00	Complete	

Line 027 | OPTION 1: 1/4" Hammered Wire Glass until no longer available

Vendors	QTY	UOM	Price	Extended Cost	Complete	Comments
WICKHAM INDUSTRIES INC	100	Square Feet	\$10.2100	\$1,021.00	Complete	
BELL MIRROR & GLASS INC	100	Square Feet	\$23.0000	\$2,300.00	Complete	

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**PRELIMINARY ESTIMATES  
FOR CITY COUNCIL APRIL 21, 2015**

- a. 2015 Sanitary Sewer Rehabilitation Phase B (north of Pawnee, east of Maize Rd) (468-85025/620738/665005) Traffic to be maintained during construction using flagpersons and barricades. (District I,II,IV, V,VI) - \$515,000.00
- b. Lateral 2, Main 6A, Northwest Interceptor Sewer to serve Stonebridge Commercial Addition (south of 37th Street North, east of Maize) (468-84829/744391/480083) Does not affect existing traffic. (District V) - \$24,120.00
- c. Lateral 2, Main 6, Northwest Interceptor Sewer to serve Fox Ridge Plaza Addition (south of 37th Street North, east of Maize) (468-84951/744371/480063) Does not affect existing traffic. (District V) - \$239,800.00

City of Wichita  
City Council Meeting  
April 21, 2015

**TO:** Mayor and City Council  
**SUBJECT:** Community Events – 2015 Food Trucks at the Fountains (District I)  
**INITIATED BY:** Division of Arts & Cultural Services  
**AGENDA:** Consent

---

**Recommendation:** Approve the request for temporary street closures.

**Background:** In accordance with the Community Events procedure, the event promoter Kary Taylor, is coordinating the 2015 Food Trucks at the Fountains event with City of Wichita staff, subject to final approval by the City Council.

**Analysis:** The following street closure request has been submitted:

**2015 Food Trucks at the Fountains May 24, 2015 11:00 am – 3:00 pm**

- Water Street, Dewey Street to Waterman Street.

The event promoter will arrange to remove the barricades as necessary to allow emergency vehicle access during the entire designated time period. The barricades will be removed immediately upon completion of the event.

**Financial Consideration:** The event promoter is responsible for all costs associated with the special event.

**Legal Consideration:** There are no legal considerations.

**Recommendation/Actions:** It is recommended that the City Council approve the request subject to: 1) Hiring off-duty certified law enforcement officers as required; 2) Obtaining barricades to close the streets in accordance with requirements of the Police, Fire and Public Works and Utilities Departments; and 3) Securing a Certificate of Liability Insurance on file with the Community Event Coordinator.

City of Wichita  
City Council Meeting  
April 21, 2015

**TO:** Mayor and City Council  
**SUBJECT:** Community Events – Get Your Rear in Gear Wichita (District VI)  
**INITIATED BY:** Division of Arts & Cultural Services  
**AGENDA:** Consent

---

**Recommendation:** Approve the request for temporary street closure.

**Background:** In accordance with the Community Events procedure, the event promoter JJ Sorochty, Colon Cancer Coalition, is coordinating the Get Your Rear in Gear Wichita with City of Wichita staff, subject to final approval by the City Council.

**Analysis:** The following street closure request has been submitted:

**Get Your Rear in Gear Wichita May 24, 2015 5:00 pm – 10:00 pm**

- First Street, Emporia Street to Mosley Street
- Rock Island Street, First Street to Second Street
- Second Street, Rock Island Street to Mead Street
- Second Street, Mead Street to Emporia Street
- Emporia Street, Central Avenue to Douglas Avenue
- Douglas Avenue, Emporia Street to St. Francis Street - west bound curb side lane only
- St. Francis Street, Douglas Avenue to Second Street

The promoter will arrange to remove the barricades as necessary to allow emergency vehicle access during the entire designated time period. The barricades will be removed immediately upon completion of the event.

**Financial Consideration:** The event promoter is responsible for all costs associated with the special event.

**Legal Consideration:** There are no legal considerations.

**Recommendation/Actions:** It is recommended that the City Council approve the request subject to; 1) Hiring of off-duty certified law enforcement officers as required; 2) Obtaining barricades to close the streets in accordance with requirements of the Police, Fire and Public Works and Utilities Departments; and 3) Securing Certificate of Liability Insurance on file with the Community Events Coordinator.

City of Wichita  
City Council Meeting  
April 21, 2015

**TO:** Mayor and City Council  
**SUBJECT:** Community Events – Girls on the Run Spring 5K (Districts I, IV and VI)  
**INITIATED BY:** Division of Arts & Cultural Services  
**AGENDA:** Consent

---

**Recommendation:** Approve the request for temporary street closure.

**Background:** In accordance with the Community Events procedure, the event promoter Trevor Darmstetter, goracetiming.com, is coordinating the Girls on the Run Spring 5K with City of Wichita staff, subject to final approval by the City Council.

**Analysis:** The following street closure request has been submitted:

**Girls on the Run Spring 5K May 9, 2015 8:30 am – 11:00 am**

- Lewis-Waterman Street, McLean Boulevard to Water Street
- McLean Boulevard, Lincoln Street to Douglas Avenue
- Maple Street, McLean Boulevard to Sycamore Street
- Sycamore Street, Maple Street to Douglas Avenue
- Douglas Avenue, Sycamore Street to McLean Boulevard

The promoter will arrange to remove the barricades as necessary to allow emergency vehicle access during the entire designated time period. The barricades will be removed immediately upon completion of the event.

**Financial Consideration:** The event promoter is responsible for all costs associated with the special event.

**Legal Consideration:** There are no legal considerations.

**Recommendation/Actions:** It is recommended that the City Council approve the request subject to; 1) Hiring of off-duty certified law enforcement officers as required; 2) Obtaining barricades to close the streets in accordance with requirements of the Police, Fire and Public Works and Utilities Departments; and 3) Securing Certificate of Liability Insurance on file with the Community Events Coordinator.

City of Wichita  
City Council Meeting  
April 21, 2015

**TO:** Mayor and City Council

**SUBJECT:** Community Events – Victory in the Valley East Meets West Walk/Run (District VI)

**INITIATED BY:** Division of Arts & Cultural Services

**AGENDA:** Consent

---

**Recommendation:** Approve the request for temporary street closure.

**Background:** In accordance with the Community Events procedure, the event promoter Diana Thomi, Executive Director, Victory in the Valley, Inc., is coordinating the Victory in the Valley East Meets West Walk/Run with City of Wichita staff, subject to final approval by the City Council.

**Analysis:** The following street closure request has been submitted:

**Victory in the Valley East Meets West Walk/Run May 16, 2015 7:00 am – 12:00 pm**

- Second Street, Waco Street to McLean Boulevard, west bound lanes only

The promoter will arrange to remove the barricades as necessary to allow emergency vehicle access during the entire designated time period. The barricades will be removed immediately upon completion of the event.

**Financial Consideration:** The event promoter is responsible for all costs associated with the special event.

**Legal Consideration:** There are no legal considerations.

**Recommendation/Actions:** It is recommended that the City Council approve the request subject to; 1) Hiring of off-duty certified law enforcement officers as required; 2) Obtaining barricades to close the streets in accordance with requirements of the Police, Fire and Public Works and Utilities Departments; and 3) Securing Certificate of Liability Insurance on file with the Community Events Coordinator.

City of Wichita  
City Council Meeting  
April 21, 2015

**TO:** Mayor and City Council

**SUBJECT:** Acquisition of a Temporary Construction Easement at 1702 S. Meridian for the Meridian from Pawnee to McCormick Road Improvement Project (District IV)

**INITIATED BY:** Office of Property Management

**AGENDA:** Consent

---

**Recommendation:** Approve the acquisition.

**Background:** On November 5, 2013, the City Council approved the design for the improvement of Meridian from Pawnee to McCormick. The project calls for the improvement of Meridian to a five-lane roadway with a center turn lane, drainage improvements, new sidewalks on both sides of Meridian, the realignment of Orient at Meridian, and waterline improvements to serve surrounding residential neighborhoods. The project requires a 200 square foot temporary construction easement from the property at 1702 S. Meridian. The subject property is improved with an auto repair facility. The project does not impact the improvements however; the fence will have to be removed during construction and reinstalled after construction.

**Analysis:** The proposed acquisition was estimated to have a value of \$100. This is the established minimum offer of just compensation for the project. The seller agreed to accept the offer plus an additional \$300 as damages as the cost-to-cure for the fence.

**Financial Considerations:** The funding source for the project is General Obligation Bonds. A budget of \$900 is requested. This includes \$400 for the acquisitions and \$500 for title work, closing costs and other administrative fees.

**Legal Considerations:** The Law Department has approved the temporary construction easement as to form.

**Recommendation/Action:** It is recommended that the City Council 1) accept the temporary construction easement; 2) approve the budget; and 3) authorize any necessary signatures.

**Attachments:** Temporary construction easement and tract map.

## TEMPORARY CONSTRUCTION EASEMENT

Meridian Avenue Reconstruction 087 N-0593-01 Tract: 18

THIS EASEMENT made this 4<sup>th</sup> day of March, 2015, by and between Luis Moreno and Betty A. Moreno, husband and wife, Grantor and the City of Wichita, Kansas, a municipal corporation, Grantee.

WITNESSETH: That the said Grantor, in consideration of the sum of Four Hundred and no/100 Dollars (\$400.00) and other good and valuable consideration, the receipt whereof is hereby acknowledged, do hereby grant and convey unto the Grantee a temporary right-of-way for the purpose of constructing, maintaining, and repairing road right-of-way, over, along and under the following described real estate situated in Wichita, Sedgwick County, Kansas, to wit:

That part of Lot 3, Block H, South University Place Addition to Wichita, Kansas, Sedgwick County, Kansas described as beginning at the intersection of the south line of said Lot 3 with the east right-of-way line of Meridian Ave. as established in Condemnation Case A-53868, said intersection being 10.00 feet east of the southwest corner of said Lot 3; thence north along the east right-of-way line of said Meridian Ave., (Condemnation Case A-53868), and 10.00 feet normally distant east of and parallel with the west line of said Lot 3, 25.00 feet to the intersection with the north line of said Lot 3; thence east along the north line of said Lot 3, 8.00 feet; thence south parallel with and 8.00 feet normally distant east of the east right-of-way line of said Meridian Ave., (Condemnation Case A-53868), 25.00 feet to the intersection with the south line of said Lot 3; thence west along the south line of said Lot 3, 8.00 feet to the point of beginning.

Said Tract containing 200.0 square feet, more or less.

And said Grantee, successors and assigns, is hereby granted the right to enter upon said premises at any time for the purpose of constructing, operating, maintaining, and repairing such roadway and utility improvements beginning the date this easement is executed.

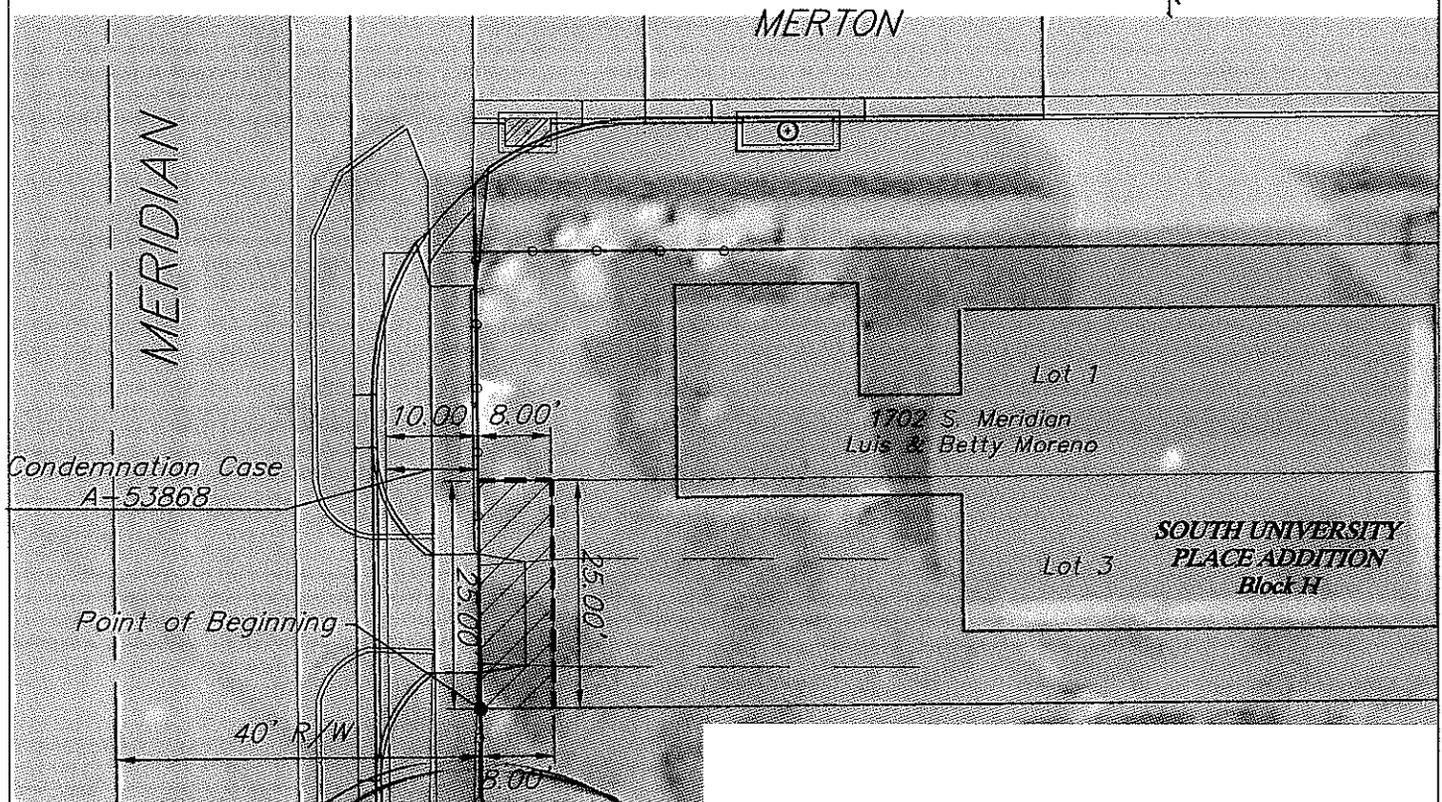
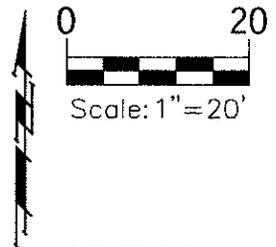


# TEMPORARY CONSTRUCTION EASEMENT

## LEGAL DESCRIPTION:

*That part of Lot 3, Block H, South University Place Addition to Wichita, Kansas, Sedgwick County, Kansas described as beginning at the intersection of the south line of said Lot 3 with the east right-of-way line of Meridian Ave. as established in Condemnation Case A-53868, said intersection being 10.00 feet east of the southwest corner of said Lot 3; thence north along the east right-of-way line of said Meridian Ave., (Condemnation Case A-53868), and 10.00 feet normally distant east of and parallel with the west line of said Lot 3, 25.00 feet to the intersection with the north line of said Lot 3; thence east along the north line of said Lot 3, 8.00 feet; thence south parallel with and 8.00 feet normally distant east of the east right-of-way line of said Meridian Ave., (Condemnation Case A-53868), 25.00 feet to the intersection with the south line of said Lot 3; thence west along the south line of said Lot 3, 8.00 feet to the point of beginning.*

*Said Tract containing 200.0 square feet, more or less.*



Condemnation Case  
A-53868

Point of Beginning

40' R/W

Owner:  
1702 S. Meridian  
Luis & Betty Moreno  
1339 S. Everett  
Wichita, KS 67213

September 8, 2014

**Baughman Company, P.A.**  
315 Ellis St. Wichita, KS 67211 P 316-262-7271 F 316-262-0149  
Baughman ENGINEERING | SURVEYING | PLANNING | LANDSCAPE ARCHITECTURE

E:\Projects\Meridian-Orient to McCormick\Exhibit 09

City of Wichita  
City Council Meeting  
April 21, 2015

**TO:** Mayor and City Council

**SUBJECT:** Acquisition of a Temporary Construction Easement at 1743 S. Meridian for the Meridian from Pawnee to McCormick Road Improvement Project (District IV)

**INITIATED BY:** Office of Property Management

**AGENDA:** Consent

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**Recommendation:** Approve the acquisition.

**Background:** On November 5, 2013, the City Council approved the design for the improvement of Meridian from Pawnee to McCormick. The project calls for the improvement of Meridian to a five-lane roadway with a center turn lane, drainage improvements, new sidewalks on both sides of Meridian, the realignment of Orient at Meridian, and waterline improvements to serve surrounding residential neighborhoods. The project requires a 200 square foot temporary construction easement from the property at 1743 S. Meridian. The subject property is improved with a single-family residence. The project does not impact the improvements however; mature trees within the easement area will have to be removed, the fence will have to be reset, and the in-ground sprinkler system reconfigured.

**Analysis:** The proposed acquisition was estimated to have a value of \$100. This is the established minimum offer of just compensation for the project. The seller agreed to accept the offer plus an additional \$550 as damages for the loss of mature trees located within the easement area, relocation of fence, and the cost-to-cure on the in-ground sprinkler system.

**Financial Considerations:** The funding source for the project is General Obligation Bonds. A budget of \$1,150 is requested. This includes \$650 for the acquisitions and \$500 for title work, closing costs and other administrative fees.

**Legal Considerations:** The Law Department has approved the temporary construction easement as to form.

**Recommendation/Action:** It is recommended that the City Council 1) accept the temporary construction easement; 2) approve the budget; and 3) authorize any necessary signatures.

**Attachments:** Temporary construction easement and tract map.

## TEMPORARY CONSTRUCTION EASEMENT

### Meridian Avenue Reconstruction 087 N-0593-01

THIS EASEMENT made this 24<sup>th</sup> day of March, 2015, by and between James P. Thompson and Peg Thompson, husband and wife, Grantor and the City of Wichita, Kansas, a municipal corporation, Grantee.

WITNESSETH: That the said Grantor, in consideration of the sum of Six Hundred Fifty and no/100 Dollars (\$650.00) and other good and valuable consideration, the receipt whereof is hereby acknowledged, do hereby grant and convey unto the Grantee a temporary right-of-way for the purpose of constructing, maintaining, and repairing road right-of-way, over, along and under the following described real estate situated in Wichita, Sedgwick County, Kansas, to wit:

That part of Lots 83 on Meridian Avenue, Garfield Park Addition to Wichita, Kansas, Sedgwick County, Kansas described as beginning at the intersection of the north line of said Lot 83 with the west right-of-way line of Meridian Ave. as established in Condemnation Case A-53868, said intersection being 10.00 feet west of the northeast corner of said Lot 83; thence south along the west right-of-way line of said Meridian Ave., (Condemnation Case A-53868), and 10.00 feet normally distant west of and parallel with the east line of said Lot 83, 25.00 feet to the intersection with the south line of said Lot 83; thence west along the south line of said Lot 83, 8.00 feet; thence north parallel with and 8.00 feet normally distant west of the west right-of-way line of said Meridian Ave., (Condemnation Case A-53868), 25.00 feet to the intersection with the north line of said Lot 83; thence east along the north line of said Lot 83, 8.00 feet to the point of beginning. Said Tract containing 200.0 square feet, more or less.

Includes payment for:

Repair and reconfigure sprinkler system, loss of trees, and removal and reinstallation of fencing.

And said Grantee, successors and assigns, is hereby granted the right to enter upon said premises at any time for the purpose of constructing, operating, maintaining, and repairing such roadway and utility improvements beginning the date this easement is executed.

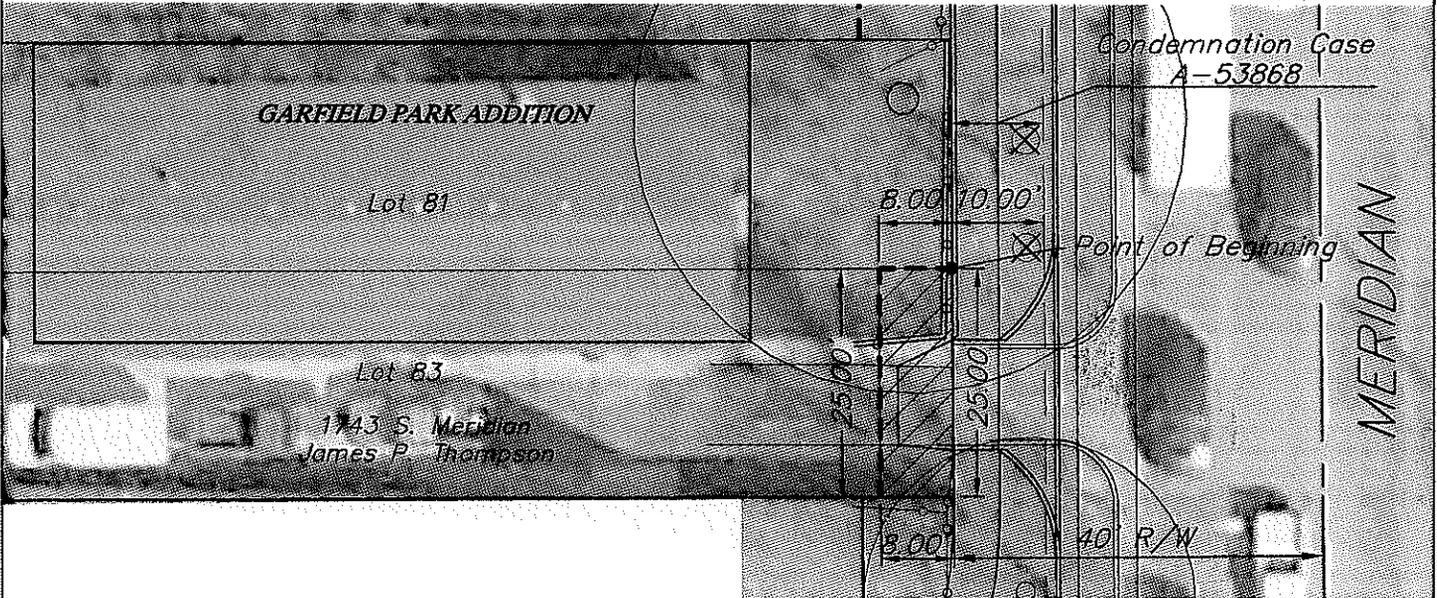
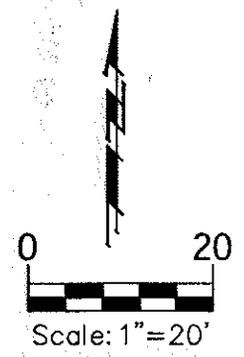


# TEMPORARY CONSTRUCTION EASEMENT

## LEGAL DESCRIPTION:

*That part of Lots 83 on Meridian Avenue, Garfield Park Addition to Wichita, Kansas, Sedgwick County, Kansas described as beginning at the intersection of the north line of said Lot 83 with the west right-of-way line of Meridian Ave. as established in Condemnation Case A-53868, said intersection being 10.00 feet west of the northeast corner of said Lot 83; thence south along the west right-of-way line of said Meridian Ave., (Condemnation Case A-53868), and 10.00 feet normally distant west of and parallel with the east line of said Lot 83, 25.00 feet to the intersection with the south line of said Lot 83; thence west along the south line of said Lot 83, 8.00 feet; thence north parallel with and 8.00 feet normally distant west of the west right-of-way line of said Meridian Ave., (Condemnation Case A-53868), 25.00 feet to the intersection with the north line of said Lot 83; thence east along the north line of said Lot 83, 8.00 feet to the point of beginning.*

*Said Tract containing 200.0 square feet, more or less.*



Owner:  
1743 S. Meridian  
James P. Thompson  
Wichita, Kansas 67213

September 8, 2014

**B** **Baughman Company, P.A.**  
315 Ellis St. Wichita, KS 67211 P 316-262-7271 F 316-262-0149  
**Baughman** ENGINEERING | SURVEYING | PLANNING | LANDSCAPE ARCHITECTURE

City of Wichita  
City Council Meeting  
April 21, 2015

**TO:** Mayor and City Council

**SUBJECT:** Acquisition of a Temporary Construction Easement at 2243 S. Meridian for the Meridian from Pawnee to McCormick Road Improvement Project (District IV)

**INITIATED BY:** Office of Property Management

**AGENDA:** Consent

---

**Recommendation:** Approve the acquisition.

**Background:** On November 5, 2013, the City Council approved the design for the improvement of Meridian from Pawnee to McCormick. The project calls for the improvement of Meridian to a five-lane roadway with a center turn lane, drainage improvements, new sidewalks on both sides of Meridian, the realignment of Orient at Meridian, and waterline improvements to serve surrounding residential neighborhoods. The project requires a 900 square foot temporary construction easement from the property at 2243 S. Meridian. The subject property is improved with an office building. The project does not impact the improvements however; the in-ground sprinkler system within the easement area is impacted by the project.

**Analysis:** The proposed acquisition was estimated to have a value of \$500. The seller agreed to accept the offer plus an additional \$1,000 as the cost-to-cure for in-ground sprinkler system at the subject property.

**Financial Considerations:** The funding source for the project is General Obligation Bonds. A budget of \$2,000 is requested. This includes \$1,500 for the acquisitions and \$500 for title work, closing costs and other administrative fees.

**Legal Considerations:** The Law Department has approved the temporary construction easement as to form.

**Recommendation/Action:** It is recommended that the City Council 1) accept the temporary construction easement; 2) approve the budget; and 3) authorize any necessary signatures.

**Attachments:** Temporary construction easement and tract map.

## TEMPORARY CONSTRUCTION EASEMENT

Meridian Avenue Reconstruction 087 N-0593-01 Tract: 3

THIS EASEMENT made this 1<sup>ST</sup> day of APRIL, 2015, by and between Village Marketplace, LLC, Grantor and the City of Wichita, Kansas, a municipal corporation, Grantee.

WITNESSETH: That the said Grantor, in consideration of the sum of One Thousand Five Hundred and no/100 Dollars (\$1,500.00) and other good and valuable consideration, the receipt whereof is hereby acknowledged, do hereby grant and convey unto the Grantee a temporary right-of-way for the purpose of constructing, maintaining, and repairing road right-of-way, over, along and under the following described real estate situated in Wichita, Sedgwick County, Kansas, to wit:

That part of Lot 10, Block 2, Southwest Industrial Addition to Wichita, Kansas, Sedgwick County, Kansas described as commencing at the southeast corner of said Lot 10; thence north along the east line of said Lot 10, 45.00 feet for a point of beginning; thence continuing north along the east line of said Lot 10, 75.00 feet; thence west parallel with the south line of said Lot 10, 12.00 feet; thence south parallel with the east line of said Lot 10, 75.00 feet; thence east parallel with the south line of said Lot 10, 12.00 feet to the point of beginning.

Said Tract containing 900.0 square feet, more or less.

Payment amount includes cost to repair and reconfigure sprinkler system

And said Grantee, successors and assigns, is hereby granted the right to enter upon said premises at any time for the purpose of constructing, operating, maintaining, and repairing such roadway and utility improvements beginning the date this easement is executed.

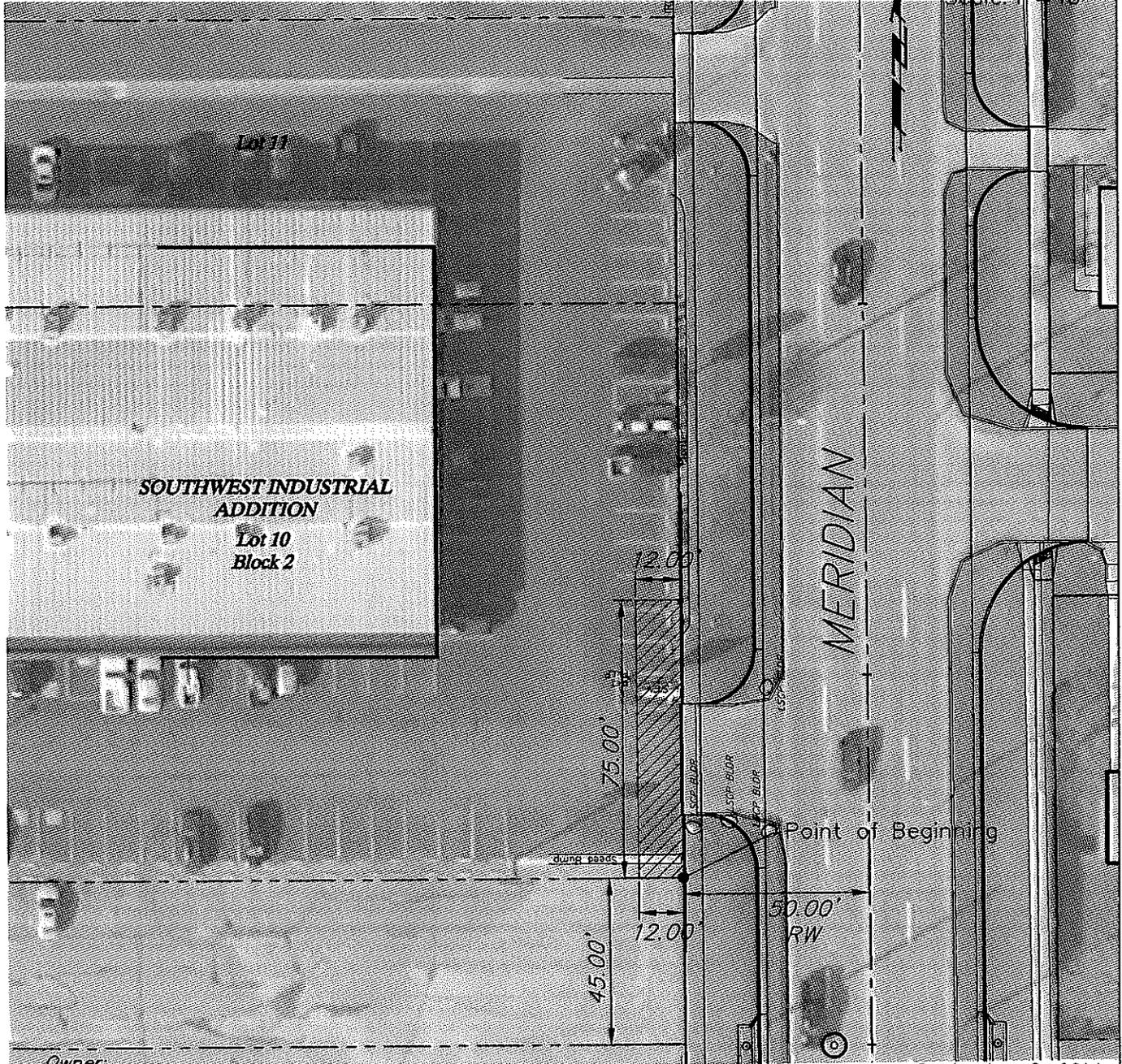
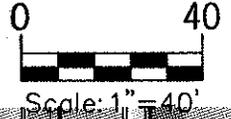


# TEMPORARY CONSTRUCTION EASEMENT

## LEGAL DESCRIPTION:

*That part of Lot 10, Block 2, Southwest Industrial Addition to Wichita, Kansas, Sedgwick County, Kansas described as commencing at the southeast corner of said Lot 10; thence north along the east line of said Lot 10, 45.00 feet for a point of beginning; thence continuing north along the east line of said Lot 10, 75.00 feet; thence west parallel with the south line of said Lot 10, 12.00 feet; thence south parallel with the east line of said Lot 10, 75.00 feet; thence east parallel with the south line of said Lot 10, 12.00 feet to the point of beginning.*

*Said Tract containing 900.0 square feet, more or less.*



Owner:  
 Village Marketplace LLC  
 2243 S. Meridian  
 Wichita, KS 67213

September 8, 2014

**Baughman Company, P.A.**  
 315 Ellis St. Wichita, KS 67211 P 316-262-7271 F 316-262-0149  
 ENGINEERING | SURVEYING | PLANNING | LANDSCAPE ARCHITECTURE

City of Wichita  
City Council Meeting  
April 21, 2015

**TO:** Mayor and City Council

**SUBJECT:** Acquisition of Utility Easement at 10310 E. Windemere Court (District II)

**INITIATED BY:** Office of Property Management

**AGENDA:** Consent

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**Recommendation:** Approve the acquisition.

**Background:** On December 10, 2013, the City Council approved the funding to replace or rehabilitate failing water and sewer infrastructure using the Water Mains Replacement or Relocation Program or the Reconstruction or Rehabilitation of Aged Sanitary Sewers Program. The removal of the Windemere Lift Station and replacement with a gravity flow line is a project within the Reconstruction or Rehabilitation of Aged Sanitary Sewers Program. To facilitate the project, it is necessary to acquire land from five parcels, three utility easements and two temporary construction easements. A utility easement is required from the single-family residence at 10310 E. Windemere Court.

**Analysis:** The proposed easement from 10310 E. Windemere Court is an irregular shape and consists of 174.24 square feet. The taking impacts a portion of the yard in the most northern section of the yard. The improvements within the easement area are typical for a residential property. The easement was valued at \$1,820. This amount includes \$70 for the easement, or \$.40 per square foot for the land; \$250 for damages to trees; and \$1,500 for damages to the privacy fence. The landowner agreed to accept the offered amount plus an additional \$375 as compensation for the in-ground sprinkler system. As a result of the project, a portion of the in-ground sprinkler system will be impacted.

**Financial Considerations:** The funding source for the project is Sewer Utility Funds. A budget of \$2,370 is requested. This includes \$2,195 for the acquisition, and \$175 for title work and other administrative fees.

**Legal Considerations:** The Law Department has approved the real estate agreement as to form.

**Recommendation/Action:** It is recommended that the City Council; 1) approve the budget; 2) approve any necessary budget adjustments; 3) approve the real estate purchase agreement; and 4) authorize the necessary signatures.

**Attachments:** Real estate purchase agreement, tract map, and aerial map.

## REAL ESTATE PURCHASE CONTRACT

THIS AGREEMENT, Made and entered into this 26<sup>th</sup> day of March, 2015 by and between Haider N. Arafat and Ola M. Hamaidi, husband and wife, party of the First Part, hereinafter referred to as "Seller," whether one or more, and the City of Wichita, Kansas, a municipal corporation, party of the Second Part, hereinafter referred to as "Buyer," whether one or more.

**WITNESSETH:** That for and in consideration of the mutual promises, covenants and payments hereinafter set out, the parties hereto do hereby contract to and with each other, as follows:

1. The Seller does hereby agree to sell and convey to the Buyer by a good and sufficient perpetual easement for the purpose of constructing, operating, maintaining, and repairing a sewer system, over, along and under the following described real estate situated in Sedgwick County, Kansas, to wit:

A Sanitary Sewer Easement described as follows:

**COMMENCING** at the Northeast corner of Lot 37, Block 1, Tallgrass East 3<sup>rd</sup> Addition to Wichita, Sedgwick County, Kansas; Thence Bearing S48°26'47"W, along the easterly line of said Lot 37, a distance of 36.57 feet; Thence Bearing N41°33'13"W, a distance of 5.00 feet to the **POINT OF BEGINNING**; Thence Bearing S48°26'47"W, parallel with and 5' northwesterly of said easterly line, a distance of 18.17 feet; Thence Bearing N57°03'01"W, a distance of 21.19 feet to a point that is 20' South of the North line of said Lot 37; Thence Bearing N89°02'26"E, parallel with and 20' South of said North line, a distance of 31.38 feet to the **POINT OF BEGINNING**.

(Said Sanitary Sewer Easement containing 0.004 acres, more or less)

2. The Buyer hereby agrees to purchase, and pay to the Seller, as consideration for the conveyance to him of the above-described real property, damages to trees, sprinklers, and fencing, the sum of Two Thousand One Hundred Ninety-Five Dollars (\$2,195) in the manner following to-wit: cash at closing.
3. A title insurance company's commitment to insure or a complete abstract of title certified to date, to the above described real property, showing a merchantable title vested in the seller, subject to easements and restrictions of record is required. The Title Evidence shall be sent to the Office of Property Management for the City of Wichita for examination by the Buyer as promptly and expeditiously as possible, and it is understood and agreed that the Seller shall have a reasonable time, but not to exceed thirty (30) days after said Title Evidence has been examined in which to correct any defects in title. If defects in title are not corrected to Buyer's satisfaction, Buyer, at Buyer's option, may cancel this contract. In the event an Owners title insurance policy is furnished, the total cost of the commitment to insure and the title insurance policy will be paid by Buyer.
4. A duly executed copy of this Purchase Agreement shall be delivered to the parties hereto.
5. It is further agreed by and between the parties hereto that all rentals, insurance (if policies

acceptable to Buyer), and interest, if any shall be adjusted and prorated as of the closing date. Taxes and specials shall be pro-rated for calendar year on the basis of 100% of taxes levied for the prior year. All prior years specials and taxes shall be current at time of closing.

6. The Seller further agrees to convey the above-described premises and deliver possession of the same in the same condition as they now are, reasonable wear and tear accepted.
7. Seller shall place no encumbrances on the property during the period from execution of this contract to closing. In addition, Seller shall be responsible for carrying such insurance as is reasonable on the improvements up until the closing date.
8. It is understood and agreed between the parties hereto that time is of the essence of this contract, and that this transaction shall be consummated on or before March 13, 2015.
9. Possession to be given to Buyer at closing
10. Closing costs shall be paid by Buyer.

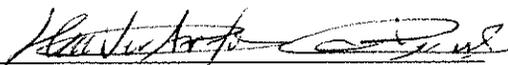
11. Site Assessment

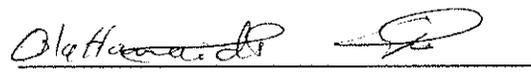
A. At any time prior to the closing of this agreement, Buyer shall have the right to conduct or cause to be conducted an environmental site assessment and/or testing on the property. If an environmental audit or test reveals the presence of a hazardous substance or waste, as defined by federal or state law, or that there has been a spill or discharge of a hazardous substance or waste on the property, Buyer shall have the right to void this agreement upon notice to Seller, in which event neither party shall be under any further obligation to the other, with the exception that Seller shall return to Buyer any deposit made hereunder.

B. Provided, however, Buyer shall in no event be obligated to close before the completion of a site assessment made pursuant to Paragraph A above. If a site assessment is completed after the closing date set herein, then Buyer and Seller shall close or Buyer shall advise Seller that this agreement is being voided pursuant to said paragraph within ten (10) days of the completion of the site assessment. Buyer shall, if Buyer determines a site assessment is necessary, exercise good faith in commencing and diligently completing such site assessment after this agreement is executed by all parties.

**WITNESS OUR HANDS AND SEALS** the day and year first above written.

**SELLER:**

  
Haider N. Arafat

  
Ola M. Hamaidi

**BUYER:**

\_\_\_\_\_

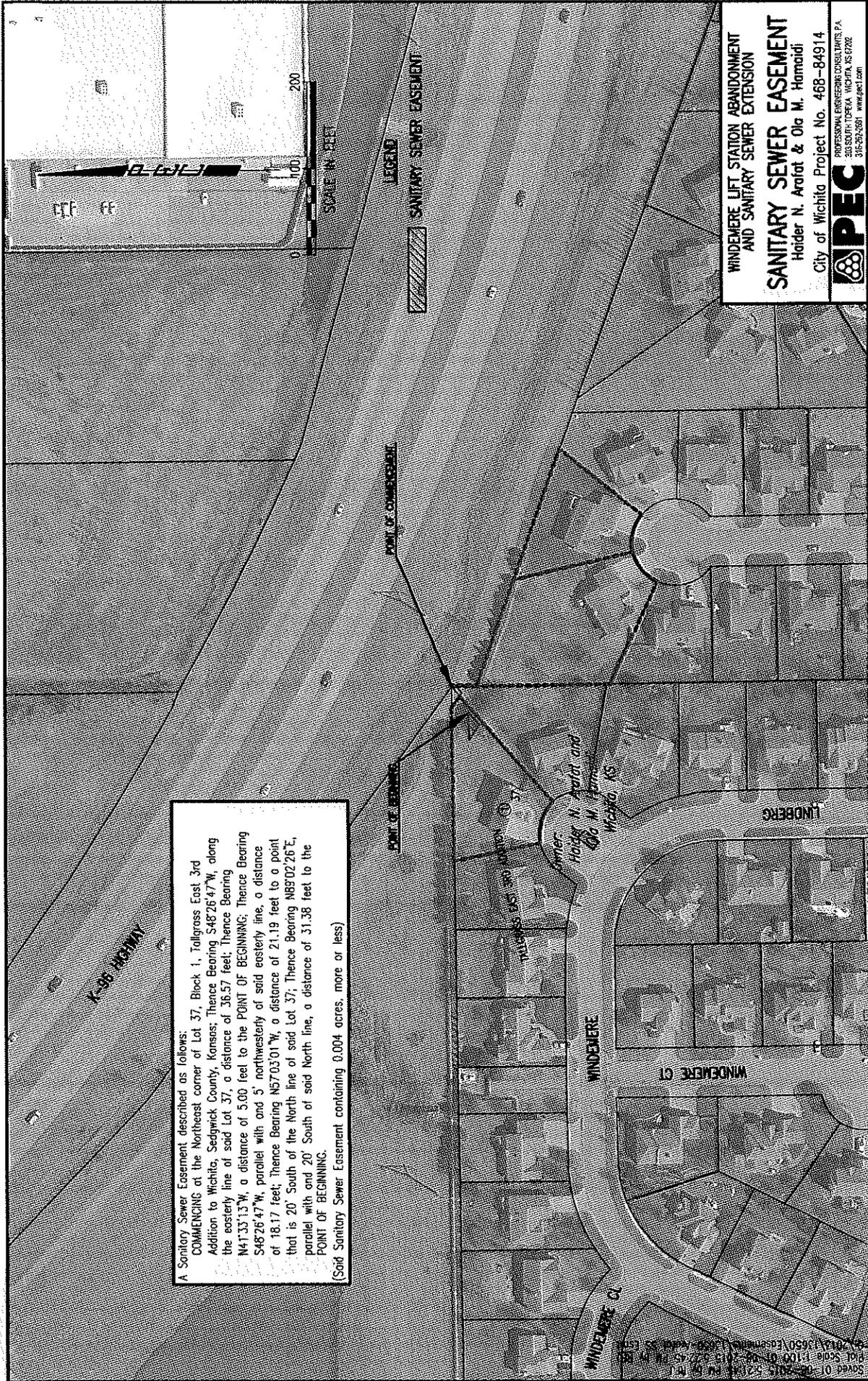
**ATTEST:**

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Karen Sublett, City Clerk

**APPROVED AS TO FORM:**

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A Sanitary Sewer Easement described as follows:  
 COMMENCING at the Northeast corner of Lot 37, Block 1, Tailgrass East, 3rd Addition to Wichita, Sedgewick County, Kansas; Thence Bearing S48°26'47"W, along the easterly line of said Lot 37, a distance of 36.57 feet; Thence Bearing N41°33'13"W, a distance of 5.00 feet to the POINT OF BEGINNING; Thence Bearing S48°26'47"W, parallel with and 5' northwesterly of said easterly line, a distance of 18.17 feet; Thence Bearing N57°03'01"W, a distance of 21.19 feet to a point that is 20' South of the North line of said Lot 37; Thence Bearing N85°02'26"E, parallel with and 20' South of said North line, a distance of 31.38 feet to the POINT OF BEGINNING.  
 (Said Sanitary Sewer Easement containing 0.004 acres, more or less)

WIDEMERE LIFT STATION ABANDONMENT  
 AND SANITARY SEWER EXTENSION

**SANITARY SEWER EASEMENT**  
 Haider N. Arafat & Ola M. Hamaidi  
 City of Wichita Project No. 468-84914

**PEC**  
 PROFESSIONAL ENGINEERS CONSULTANTS INC. PA  
 208 SOUTH TOWSON, WICHITA, KS 67202  
 316-261-2681 www.pec.com



City of Wichita  
City Council Meeting  
April 21, 2015

**TO:** Mayor and City Council

**SUBJECT:** Supplemental Design Agreement No. 1 and Funding for the 17th Street Sanitary Sewer Improvements (Wichita State University Innovation Campus) (District I)

**INITIATED BY:** Department of Public Works & Utilities

**AGENDA:** Consent

---

**Recommendations:** Approve the supplemental agreement and adopt the resolution.

**Background:** On March 17, 2015, the City Council approved a design agreement with MKEC in the amount of \$82,140 for the design of sanitary sewer improvements in 17<sup>th</sup> Street. The sanitary sewer will serve the Wichita State University (WSU) Innovation Campus, which is planned for construction later this year.

**Analysis:** As design work began and further investigation of the existing sanitary sewer was completed, it was determined that an additional 630 feet of sewer in Yale Street between 16<sup>th</sup> and 17<sup>th</sup> Streets North should be replaced. The condition of the existing pipe is not sufficient to sustain the additional flow the new campus is anticipated to bring.

Construction of the sanitary sewer improvements must be completed before construction of WSU's Innovation Campus can begin. Campus construction is expected to begin in June 2015, which requires an aggressive project schedule for the sanitary sewer improvements.

**Financial Considerations:** The estimated cost of the additional design work is \$24,880, which brings the total design cost to \$107,020. Full project funding of \$1,750,000 is available in the 2015-2024 Proposed Capital Improvement Program (CIP), funded by the Sewer Utility through future bond sales or cash reserves. Staff requests approval of the full amount to provide for payment of design, right-of-way, construction, and City staff costs for oversight and administration.

**Legal Considerations:** The supplemental design agreement and resolution have been reviewed and approved as to form by the Law Department.

**Recommendation/Actions:** It is recommended that the City Council approve the supplemental agreement, approve the project and budget, adopt the resolution, and authorize all necessary signatures, including those for the acquisition or granting of easements, required permits, and all related agreements.

**Attachments:** Supplemental Agreement No. 1, budget sheet, resolution, and notice of intent.

# Project Request

CIP    Non-CIP

NEIGHBORHOOD IMPROVEMENT

DEPARTMENT: 13 Public Works & Utilities      DIVISION: Engineering      RESOLUTION/ORDINANCE #: 15-074

FUND: 533 Sewer Construction      ENGINEERING REFERENCE #: \_\_\_\_\_

COUNCIL DISTRICT: 01 Council District 1      DATE COUNCIL APPROVED: 03/17/2015      REQUEST DATE: 03/18/2015

PROJECT #: \_\_\_\_\_      PROJECT TITLE: 17th Street Sanitary Sewer Design for WSU Innovation Campus

PROJECT DETAIL #: \_\_\_\_\_      PROJECT DETAIL DESCRIPTION: Design and construction of the sanitary sewer improvements

OCA #: \_\_\_\_\_      OCA TITLE: \_\_\_\_\_

PERSON COMPLETING FORM: LaShonda Garnes      PHONE #: 268-4594

PROJECT MANAGER: Shawn Mellies      PHONE #: 268-4632

NEW BUDGET       REVISED BUDGET

**Revenue Object Level 3      Original Budget      Adjustment      New Budget**

	\$82,140.00	\$1,667,860.00	\$1,750,000.00
	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
	\$82,140.00	\$1,667,860.00	\$1,750,000.00

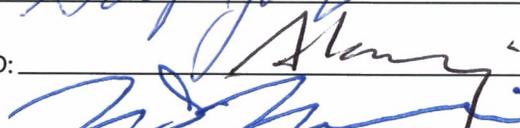
**Expense Object Level 3**

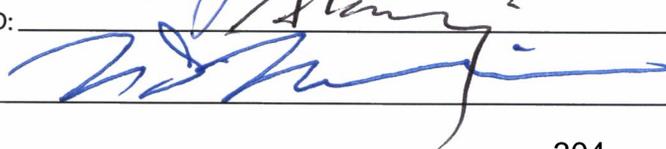
	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
<b>Total Expense:</b>	\$0.00	\$0.00	\$0.00

NOTES:

**SIGNATURES REQUIRED**

DIVISION HEAD: 

DEPARTMENT HEAD: 

BUDGET OFFICER: 

CITY MANAGER: \_\_\_\_\_

Print Form

DATE: 04/07/15

DATE: 4-7-15

DATE: 7 Apr 2015

DATE: \_\_\_\_\_

**SUPPLEMENTAL AGREEMENT #1**  
**TO THE**  
**AGREEMENT FOR PROFESSIONAL SERVICES DATED MARCH 3, 2015**  
**BETWEEN**  
**THE CITY OF WICHITA, KANSAS**  
**PARTY OF THE FIRST PART, HEREINAFTER CALLED THE**  
**"CITY"**  
**AND**  
**MKEC ENGINEERING, INC.**  
**PARTY OF THE SECOND PART, HEREINAFTER CALLED THE**  
**"ENGINEER"**

**WITNESSETH:**

WHEREAS, there now exists a Contract (dated March 3, 2015) between the two parties covering engineering services to be provided by the ENGINEER in conjunction with the construction of improvements to the 17<sup>th</sup> Street Sanitary Sewer Improvements to serve WSU Innovation Campus (468-85021).

WHEREAS, Paragraph IV. B. of the above referenced Contract provides that additional work be performed and additional compensation be paid on the basis of a Supplemental Agreement duly entered into by the parties, and

WHEREAS, it is the desire of both parties that the ENGINEER provide additional services required for the PROJECT and receive additional compensation (as revised herein):

NOW THEREFORE, the parties hereto mutually agree as follows:

**A. PROJECT DESCRIPTION**

The description of the improvements that the CITY intends to construct and thereafter called the "PROJECT" as stated on page 1 of the above referenced agreement is hereby amended to include the following:

Replace a portion of the 15" sanitary sewer in Yale Street between  
16<sup>th</sup> and 17<sup>th</sup> Street North

**B. PAYMENT PROVISIONS**

The fee in Section IV. A. shall be amended to include the following:

Payment to the ENGINEER for the performance of the professional services as outlined in this supplemental agreement will increase the total contract by \$24,880.00.

**C. COMPLETION**

The ENGINEER agrees to complete and deliver the field notes, preliminary and final plans (including final tracings), specifications and estimates to the CITY by 180 days from NTP; EXCEPT that the ENGINEER shall not be responsible or held liable for delays occasioned by the actions of inactions of the CITY or other agencies, or for other unavoidable delays beyond the control of the ENGINEER.

**D. PROVISIONS OF THE ORIGINAL CONTRACT**

The parties hereunto mutually agree that all provisions and requirements of the original Contract, not specifically modified by this Supplemental Agreement, are hereby ratified and confirmed.

IN WITNESS WHEREOF, the CITY and the ENGINEER have executed this Supplemental Agreement as of this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

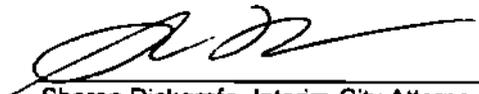
BY ACTION OF THE CITY COUNCIL

\_\_\_\_\_  
Carl Brewer, City Mayor

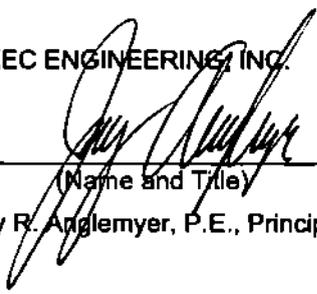
ATTEST:

\_\_\_\_\_  
Karen Sublett, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Sharon Dickgrafe, Interim City Attorney  
and Director of Law

MKEC ENGINEERING, INC.

  
\_\_\_\_\_  
(Name and Title)  
Jay R. Anglemeyer, P.E., Principal

ATTEST:

  
\_\_\_\_\_  
Cynthia A. Womack, Admin. Asst.



February 17, 2015

Mr. Shawn Mellies, P.E.  
Chief Design Engineer  
City of Wichita  
455 N. Main, 7<sup>th</sup> Floor  
Wichita, KS 67202

Reference: Proposal for Supplemental Design Agreement  
17th Street Sanitary Sewer Improvements to Serve WSU Innovation Campus

Dear Mr. Mellies:

Per the City's request, MKEC agrees to a change in design scope for the project noted above. MKEC will design the replacement of approximately 630 feet of 15" sanitary sewer in Yale Street between 16th Street and 17th Street North in addition to the current scope of the project. The scope of the proposed design changes are presented below:

- Design and plan production for the removal of existing pipe.
- Design and plan production for the installation of new 15" ductile iron sanitary sewer pipe. Other pipe materials will be considered at the direction of the City.
- Design and plan production of excavations and backfill for the new sewer installation.
- Design and plan production for existing pavement removals and replacement required to accommodate the new sanitary sewer.
- Design and specifications for bypass pumping required during the sanitary sewer installation.
- Design and plan production for construction traffic control
- Design and plan production for site restoration and erosion control as required.

The additional work included in this supplemental agreement request will be performed in accordance with the requirements of the original contract. Submittal of final plans, supplemental specifications and construction cost estimate for the project, including supplemental items, will not be delayed due to the addition of the work described herein.

MKEC proposes a supplemental fee of \$24,880.00 to complete this work. MKEC estimates the construction cost of the added sanitary sewer to be \$287,424 which is 32% of the original project construction estimate of \$901,440. The proposed design supplemental fee is approximately a 30% of the original design fee.

Thank you for your consideration of this proposal. If you have any questions or wish to discuss the proposed design changes, please contact me.

Sincerely,

**MKEC ENGINEERING, INC.**



Jay Anglemeyer, P.E.  
Project Manager

**RESOLUTION NO. 15-100**

**A RESOLUTION AMENDING AND SUPPLEMENTING RESOLUTION NO. 15-074 OF THE CITY OF WICHITA, KANSAS WHICH DECLARED IT NECESSARY TO CONSTRUCT, RECONSTRUCT, ALTER, REPAIR, IMPROVE, EXTEND AND ENLARGE THE WATER AND SEWER UTILITY OWNED AND OPERATED BY THE CITY, TO ISSUE REVENUE BONDS FOR THE PURPOSE OF PAYING CERTAIN COSTS THEREOF, AND PROVIDING FOR THE GIVING OF NOTICE OF SUCH INTENTION IN THE MANNER REQUIRED BY LAW.**

---

**WHEREAS**, the City of Wichita, Kansas (the “City”) is a municipal corporation, duly created, organized and existing under the Constitution and laws of the State; and

**WHEREAS**, the City Council of the City (the “Governing Body”), has heretofore by Ordinance No. 39-888, passed May 26, 1987 and published in the official newspaper of the City on May 29, 1987, as required by law, authorized the combining of the City-owned and operated municipal water utility and municipal sewer utility thereby creating the City of Wichita, Kansas Water and Sewer Utility (the “Utility”); and

**WHEREAS**, the City is authorized under the Constitution and laws of the State of Kansas, including K.S.A. 10-1201 *et seq.*, as amended and supplemented by Charter Ordinance No. 211 of the City (collectively, the “Act”), to issue revenue bonds to construct, reconstruct, alter, repair, improve, extend and enlarge the Utility;

**WHEREAS**, the Governing Body has heretofore by Resolution No. 15-074 of the City (the “Prior Resolution”), found and determined that it is necessary and advisable to construct, reconstruct, alter, repair, improve, extend and enlarge the Utility in the following manner:

**17<sup>th</sup> Street Sanitary Sewer Design for WSU Innovation Campus (W-54)**

(the “Project”) at an estimated cost, including related design and engineering expenses of **\$82,140**; and

**WHEREAS**, the Prior Resolution also determined to be necessary and advisable to issue revenue bonds of the City under the authority of the Act, in an aggregate principal amount not to exceed **\$88,711** in order to pay all or a portion of the costs of the Project and related reserves, interest on financing and administrative and financing costs (the “Bonds”) to be payable from the revenues of the Utility; and

**WHEREAS**, the scope of the Project has expanded to include additional service connections and it is therefore necessary to amend the Prior Resolution.

**BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, AS FOLLOWS:**

**Section 1. Amendment.** *Section 1 and Section 2* of the Prior Resolution are hereby amended to read as follows:

**Section 1. Project Authorization.** It is hereby determined that it is necessary and advisable to construct, reconstruct, alter, repair, improve, extend and enlarge the Utility in the following manner:

**17<sup>th</sup> Street Sanitary Sewer Design for WSU Innovation Campus (W-54)**

(the “Amended Project”) at an estimated cost, including related design and engineering expenses of **\$1,750,000**. It is hereby further authorized, ordered and directed that the Amended Project be acquired, constructed and/or installed in accordance with plans and specifications therefor prepared under the direction of the City Engineer or designate and approved by the Governing Body; said plans and specifications to be placed on file in the offices of the Utility. The Amended Project will not cause duplication of any existing water or sewer utility service furnished by a private utility in the City.

**Section 2. Project Financing.** In order to pay all or a portion of the costs of the Amended Project and related reserves, interest on financing and administrative and financing costs, it is hereby found and determined to be necessary and advisable to issue revenue bonds of the City under the authority of the Act, in an aggregate principal amount not to exceed **\$1,890,000** (the “Bonds”). The Bonds shall not be general obligations of the City payable from taxation, but shall be payable from the revenues derived from the operations of the Utility. Costs of the Amended Project in excess of the proceeds of the Bonds, if any, shall be paid from unencumbered moneys of the Utility which will be available for that purpose. The Bonds may be issued to reimburse expenditures authorized by the Prior Resolution made on or after the date which was 60 days before the date of adoption of the Prior Resolution and to reimburse additional expenditures authorized by this Resolution, which were made 60 days before the date of adoption of this Resolution, all pursuant to Treasury Regulation §1.150-2.

**Section 3. Notice.** Before issuing the Bonds authorized herein, there shall be published one (1) time in the official newspaper of the City, a notice of the intention of the Governing Body to undertake the Amended Project and to issue the Bonds (the “Notice”); and if within fifteen (15) days after the publication of such Notice, there shall be filed with the City Clerk, a written protest against the Amended Project or the issuance of the Bonds, signed by not less than twenty per cent (20%) of the qualified electors of the City, the Governing Body shall thereupon submit such proposed Amended Project and the Bonds to the electors of the City at a special election to be called for that purpose as provided by the Act. If no sufficient protest is filed with the City Clerk within the period of time hereinbefore stated, then the Governing Body shall have the authority to proceed with the Amended Project and issuance of the Bonds.

**Section 4. Repeal and Ratification.** In the event no sufficient protest petition is filed in accordance with the Act against the Amended Project and the Bonds as set forth in **Section 2** hereof, **Sections 1 and 2** of the Prior Resolution are hereby repealed; and the rest and remainder thereof is hereby ratified and confirmed. If a protest petition is filed and/or if a required referendum does not approve the Amended Project and the Bonds, the Prior Resolution remains in full force and effect with respect to the Project and the Bonds authorized therein.

**Section 5. Effective Date.** This Resolution shall be in full force and effect from and after its adoption by the Governing Body.

**ADOPTED** by the City Council of the City of Wichita, Kansas, by not less than two-thirds of the members voting in favor thereof, on April 21, 2015.

(SEAL)

---

Jeff Longwell, Mayor

ATTEST:

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Karen Sublett, City Clerk

APPROVED AS TO FORM:

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Sharon Dickgrafe, Interim Director of  
Law & City Attorney

(Published in *The Wichita Eagle*, on April 28, 2015.)

**NOTICE**

TO: THE RESIDENTS OF THE CITY OF WICHITA, KANSAS

You are hereby notified that the City Council (the “Governing Body”) of the City of Wichita, Kansas (the “City”), adopted Resolution No. 15-074, on March 17, 2015 (the “Resolution”). The Resolution amended Resolution No.13-259 (the “Prior Resolution”) which found and determined it to be necessary and declared its intention to construct, reconstruct, alter, repair, improve, extend and enlarge the City of Wichita, Kansas Water and Sewer Utility (the “Project”), which is owned and operated by the City (the “Utility”), and authorized the issuance of revenue bonds in amount not to exceed \$88,711 in order to finance all or a portion of the costs of the Project and related reserves, interest on financing and administrative and financing costs. **The Resolution modified the scope of the Project to complete construction of the project and it therefore necessary to amend the Prior Resolution, to complete the work on**

**17<sup>th</sup> Street Sanitary Sewer Design for WSU Innovation Campus (W-54)**

(the “Amended Project”) at an estimated cost, including related design and engineering expenses of \$1,750,000, and declared the intention to issue revenue bonds an aggregate principal amount not to exceed \$1,890,000 under the authority of K.S.A. 10-1201 *et seq.*, as amended and supplemented by Charter Ordinance No. 211 of the City (the “Bonds”) in order to finance all or a portion of the costs of the Amended Project and related reserves, interest on financing and administrative and financing costs.

The Bonds shall not be general obligation bonds of the City payable from taxation, but shall be payable only from the revenues derived from the operations of the Utility. Costs of the Project in excess of the proceeds of the Bonds shall be paid from unencumbered moneys of the Utility which will be available for that purpose.

This Notice shall be published one time in the official newspaper of the City; and if, within fifteen (15) days from and after the publication date hereof, there shall be filed in the Office of the City Clerk a written protest against the Amended Project and the issuance of the Bonds, which protest is signed by not less than twenty percent (20%) of the qualified electors of the City, then the question of the Project and the issuance of the Bonds shall be submitted to the electors of the City at a special election which shall be called for that purpose as provided by law. If no sufficient protest to the Amended Project and the issuance of the Bonds is filed within said period, then the Governing Body shall have the authority to proceed with the Amended Project and issuance of the Bonds.

BY ORDER of the Governing Body of the City of Wichita, Kansas, on April 21, 2015.

/s/ JEFF LONGWELL, Mayor

ATTEST:

/s/ Karen Sublett, City Clerk

City of Wichita  
City Council Meeting  
April 21, 2015

**TO:** Mayor and City Council

**SUBJECT:** Construction Funding for Improvements to 37<sup>th</sup> and Hillside Intersection (District I)

**INITIATED BY:** Department of Public Works & Utilities

**AGENDA:** Consent

---

**Recommendation:** Approve the revised budget for construction and adopt the resolution.

**Background:** On December 9, 2014, the City Council approved a design concept for improvements to the intersection of 37<sup>th</sup> and Hillside. Design work, right-of-way acquisition, and utility relocation are nearing completion. Construction is slated to begin in late spring of 2015.

**Analysis:** The intersection of 37<sup>th</sup> Street and Hillside is currently signalized and has left turn lanes on all approaches to the intersection. 37<sup>th</sup> Street was recently re-aligned between Hillside and Oliver to accommodate expansion of the Koch campus. It is anticipated that the additional traffic generated by the campus expansion will warrant the need for southbound dual left turn lanes. Additional proposed improvements include:

- Widening Hillside near the intersection to provide southbound, dual left turn lanes;
- Upgrading the traffic signals to include audible pedestrian indications;
- Installing sidewalk along Hillside south of 37<sup>th</sup> Street to connect to existing sidewalk; and
- Drainage improvements.

The intersection will be open to traffic throughout construction; left turns at the intersection will be prohibited as necessary.

**Financial Consideration:** The existing budget, which was approved by the City Council on July 15, 2014, is \$45,000 funded by general obligation (GO) at-large bonds. An additional \$1 million in GO bond funding is available in the 2015-2024 Proposed Capital Improvement Program. The additional funding will bring the total project budget to \$1,045,000 and will provide for payment of supplemental design fees, right-of-way-acquisition and construction costs, and City staff costs for administration and oversight.

**Legal Considerations:** The Law Department has reviewed and approved the amending resolution as to form.

**Recommendation/Action:** It is recommended that the City Council approve the revised budget, adopt the amending resolution, and authorize all necessary signatures, including those for the acquisition or granting of easements, utility relocation agreements, and all required permits.

**Attachments:** Budget sheet and amending resolution.

# Project Request

CIP    Non-CIP

NEIGHBORHOOD IMPROVEMENT

DEPARTMENT: 13 Public Works & Utilities      DIVISION: Engineering      RESOLUTION/ORDINANCE #: 15-

FUND: 400 Street Improvements      SUBFUND: 405 Arterial Paving      ENGINEERING REFERENCE #: 472-85161

COUNCIL DISTRICT: 01 Council District 1      DATE COUNCIL APPROVED: Mar 24, 2015      REQUEST DATE: \_\_\_\_\_

PROJECT #: 211532      PROJECT TITLE: 37th & Hillside Intersection

PROJECT DETAIL #: 01      PROJECT DETAIL DESCRIPTION: 37th & Hillside Intersection

OCA #: 707068      OCA TITLE: 37th & Hillside Intersection

PERSON COMPLETING FORM: Joni Chamberlain      PHONE #: 268-4548

PROJECT MANAGER: Paul Gunzelman      PHONE #: 268-4393

NEW BUDGET     REVISED BUDGET

Revenue Object Level 3	Original Budget	Adjustment	New Budget
9720 G.O. Bonds	\$45,000.00	\$1,000,000.00	\$1,045,000.00
_____	\$0.00	\$0.00	\$0.00
_____	\$0.00	\$0.00	\$0.00
_____	\$0.00	\$0.00	\$0.00
Total	\$45,000.00	\$1,000,000.00	\$1,045,000.00

Expense Object Level 3	Original Budget	Adjustment	New Budget
2999 Contractuals	\$45,000.00	\$1,000,000.00	\$1,045,000.00
_____	\$0.00	\$0.00	\$0.00
_____	\$0.00	\$0.00	\$0.00
_____	\$0.00	\$0.00	\$0.00
Total Expense:	\$45,000.00	\$1,000,000.00	\$1,045,000.00

NOTES:

**SIGNATURES REQUIRED**

DIVISION HEAD: \_\_\_\_\_ *[Signature]*

DEPARTMENT HEAD: \_\_\_\_\_ *[Signature]*

BUDGET OFFICER: \_\_\_\_\_

CITY MANAGER: \_\_\_\_\_

Print Form

DATE: 02/26/15

DATE: \_\_\_\_\_

DATE: 26 Feb 2015

DATE: \_\_\_\_\_

**RESOLUTION NO. 15-101**

**A RESOLUTION AMENDING AND SUPPLEMENTING RESOLUTION NO. 14-195 OF THE CITY OF WICHITA, KANSAS WHICH AUTHORIZED THE ISSUANCE OF GENERAL OBLIGATION BONDS TO PAY THE COSTS OF CERTAIN PUBLIC IMPROVEMENTS IN THE CITY.**

---

**WHEREAS**, the City of Wichita, Kansas (the “City”) is a municipal corporation, duly created, organized and existing under the Constitution and laws of the State; and

**WHEREAS**, the Governing Body is authorized, , pursuant to K.S.A. 13-1024c, as amended by Charter Ordinance No. 156 of the City (the “Act”) to issue general obligation bonds of the City without an election for the purpose of paying for the construction, purchase or improvement of any public improvement, including the land necessary therefore, and for the purpose of rebuilding, adding to or extending the same as the necessities of the City may require and for the purpose of paying for certain personal property therefore; and

**WHEREAS**, the Governing Body has heretofore by Resolution No. **14-195** of the City (the “Prior Resolution”), authorized the following described public improvements:

**The design, acquisition of right-of-way, utility relocation and construction necessary for the intersection of 37<sup>th</sup> Street North and Hillside (472-85161).**

(the “Project”) and to provide for the payment of all or a portion of the costs thereof by the issuance of general obligation bonds of the City pursuant to the Act.

**BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, AS FOLLOWS:**

**Section 1. Amendment.** Section 1 of the Prior Resolution is hereby amended to read as follows:

**Section 1. Project Authorization.** It is hereby authorized, ordered and directed that the Project be acquired and/or constructed at an estimated cost of \$1,045,000 in accordance with specifications prepared or approved by the City Engineer.

**Section 2. Repealer; Ratification.** **Section 1** of the Prior Resolution is hereby repealed; and the rest and remainder thereof is hereby ratified and confirmed.

**Section 3. Effective Date.** This Resolution shall be in full force and effect from and after its adoption by the Governing Body.

**ADOPTED** by the City Council of the City of Wichita, Kansas, on April 21, 2015.

(SEAL)

---

Jeff Longwell, Mayor

ATTEST:

---

Karen Sublett, City Clerk

APPROVED AS TO FORM:

---

Sharon L. Dickgrafe  
Interim Director of Law and City Attorney

**City of Wichita  
City Council Meeting  
April 21, 2015**

**TO:** Mayor and City Council Members

**SUBJECT:** General Obligation Bond and Note Sale

**INITIATED BY:** Finance Department

**AGENDA:** Consent

---

**Recommendation:** Adopt the resolutions.

**Background:** The City is planning to offer for sale one series of general obligation temporary notes in the principal amount not to exceed \$16,950,000 (Series 272) and three series of general obligation bonds (Series 2015A, 2015B and 2015C) in the principal amount not to exceed \$97,500,000. The sale of temporary notes allows short-term financing of improvements that shall be permanently financed through the issuance of bonds, pay-as-you-go financing or other sources. The bonds are being issued on a reimbursement basis to finance project costs previously incurred.

**Analysis:** The City's spring 2015 general obligation bond and note sale includes the following issues:

**Temporary Notes**

The proceeds from the sale of the Series 272 Improvement Temporary Notes will be used to provide interim financing for improvement district projects and public improvement projects. Temporary Note Series 272 will be issued in a principal amount not to exceed \$16,950,000.

**General Obligation Bonds**

The Series 2015A Bonds will be issued in a principal amount not to exceed \$18,900,000 and will be used to permanently finance a portion of the new Airport parking facilities. The Series 2015B Bonds will be issued in a principal amount not to exceed \$8,800,000 to permanently finance a portion of the new Airport parking facilities and other Airport improvements. Series 2015B is taxable under Federal law due to the nature of the Airport improvements being financed. The Series 2015C Bonds will be issued in a principal amount not to exceed \$69,800,000 and is subject to Alternative Minimum Tax. Series 2015C funds will be used to permanently finance a portion of the new Airport Terminal and other Airport improvement projects.

The resolutions authorize the City to proceed with the sale of General Obligation Bonds and Notes and related activities, including the preparation and distribution of the Preliminary Official Statements and Notice of Sales. In addition, the resolutions authorize the City Manager to award the sale of the bonds and notes subject to the maximum principal amount. Bids will be accepted electronically through **PARITY** Electronic Bid Submission System on May 13, 2015 and the City Manager will award the sale of bonds and notes to the bidders whose proposed interest rates result in the lowest overall cost to the City. At the next scheduled meeting, the City Council will ratify the award of the bids by the City Manager and approve ordinances and resolutions authorizing the issuance of the bonds.

**Financial Considerations:** The City of Wichita awards the sale of bonds to the bidder with the lowest true interest cost, or "TIC". Using the TIC to calculate the bids, accounts for the time value of money. The TIC is the rate that will discount all future cash payments so that the sum of their present value will equal the bond proceeds.

Further, using the TIC calculation can potentially result in the City saving money because TIC does not ignore the timing of interest payments. Due to their short term, the awards for the sale of temporary notes are made to the bidder with the lowest net interest cost.

The Series 272 Temporary Notes will mature on October 15, 2016 and will be retired using the proceeds of permanent financing bonds, renewal notes and/or other available funds of the City. The Series 272 Temporary Notes will be callable October 15, 2015 at par.

The Series 2015A General Obligation Bonds will mature serially over 30 years; the Series 2015B and 2015C General Obligation Bonds will mature serially over 20 and 30 years. Each Series of bonds are structured to produce level annual payments of principal and interest for each maturity term and are callable beginning in 2025 at par. All of the bonds and are payable from Airport revenues, which if not so paid, are payable from City-wide ad valorem taxes.

**Legal Considerations:** The Law Department has approved the resolutions as to form, authorizing the sale of the bonds and notes and directing the publication and distribution of the Notices of Sale (prepared by the City's Bond Counsel).

**Recommendation/Action:** It is recommended the City Council adopt the resolutions: 1) authorizing the general obligation bond and note sales; 2) authorizing preparation of the Preliminary Official Statements in connection with the bond and note sales; 3) approving the distribution to prospective bidders of the Preliminary Official Statements; 4) authorizing publication and distribution of the Notices of Sale; 5) authorizing the City Manager to award the bond and note sales subject to the parameters of the resolutions; and 6) authorizing City staff, in consultation with Bond Counsel to take such further action as is reasonably required to implement the resolutions.

**Attachments:** Sales Resolutions  
Official Notices of Sale

**EXCERPT OF MINUTES OF A MEETING  
OF THE GOVERNING BODY OF  
THE CITY OF WICHITA, KANSAS  
HELD ON APRIL 21, 2015**

The governing body met in regular session at the usual meeting place in the City, at 9:00 a.m., the following members being present and participating, to-wit:

Absent:

The Mayor declared that a quorum was present and called the meeting to order.

\* \* \* \* \*

(Other Proceedings)

The matter of providing for the offering for sale of General Obligation Airport Bonds came on for consideration and was discussed.

Councilmember \_\_\_\_\_ presented and moved the adoption of a Resolution entitled:

**RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL  
OBLIGATION AIRPORT BONDS OF THE CITY OF WICHITA, KANSAS.**

Councilmember \_\_\_\_\_ seconded the motion to adopt the Resolution. Thereupon, the Resolution was read and considered, and, the question being put to a roll call vote, the vote thereon was as follows:

Aye:

Nay:

The Mayor declared the Resolution duly adopted; the Clerk designating the same Resolution No. 15-[\_\_\_\_].

\* \* \* \* \*

(Other Proceedings)

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**CERTIFICATE**

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of the City of Wichita, Kansas, held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

---

Karen Sublett, City Clerk

**RESOLUTION NO. 15-102**

**RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL OBLIGATION AIRPORT BONDS OF THE CITY OF WICHITA, KANSAS.**

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**WHEREAS**, the City Council (the “Governing Body”) of the City of Wichita, Kansas (the “City”), has heretofore authorized the acquisition, construction and equipping of various public improvements (the “Improvements”) to be paid from the proceeds of general obligation bonds to be issued by the City pursuant to the laws of the State of Kansas and certain Charter Ordinances of the City; and

**WHEREAS**, the City has heretofore issued and has outstanding temporary notes, the proceeds of which were applied to temporarily finance a portion of the costs of the Improvements (collectively the “Notes”); and

**WHEREAS**, the City proposes to issue its general obligation bonds to permanently finance all or a portion of the costs of the Improvements and to retire the Notes; and

**WHEREAS**, the City desires to authorize the Director of Finance and other City staff, the Law Department and Gilmore & Bell, P.C., as bond counsel (“Bond Counsel”) to proceed with the offering for sale of said general obligation bonds and related activities, including the preparation and distribution of a preliminary official statement and notice of bond sale.

**BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, AS FOLLOWS:**

**Section 1.** The Director of Finance is hereby authorized to offer at competitive public sale the following general obligation bonds (collectively, the “Bonds”) of the City:

<u>Description</u>	<u>Series</u>
General Obligation Airport Bonds	2015A
Taxable General Obligation Airport Bonds	2015B
General Obligation Airport Bonds (Subject to AMT)	2015C

as more fully described in the Notice of Bond Sale, which is hereby approved in substantially the form presented to the Governing Body this date.

**Section 2.** The Director of Finance, in conjunction with Bond Counsel, is hereby authorized and directed to cause to be prepared a Preliminary Official Statement and to use such document in connection with the public sale of the Bonds.

**Section 3.** The Director of Finance, in conjunction with Bond Counsel, is hereby authorized and directed to give notice of said sale by distributing copies of the Notice of Bond Sale and Preliminary Official Statement to prospective purchasers of the Bonds. Proposals for the purchase of the Bonds shall be submitted upon the terms and conditions set forth in said Notice of Bond Sale. Such proposals shall be reviewed by the City Manager and the Director of Finance and acted upon by the City Manager, who shall

have the authority to award the sale of the Bonds, subject to the following parameters on maximum principal amount and true interest cost:

<i>Series</i>	<i>Maximum Principal Amount</i>	<i>Maximum TIC</i>
2015A	\$18,900,000	4.25%
2015B	8,800,000	5.00%
2015C	69,800,000	4.75%

The City Manager also has the authority to reject certain or all proposals. At its next scheduled meeting the Governing Body shall ratify the actions of the City Manager and approve an ordinance and resolution authorizing the issuance of the Bonds.

**Section 4.** For the purpose of enabling the purchasers of the Bonds (collectively, the “Purchaser”) to comply with the requirements of Rule 15c2-12 of the Securities Exchange Commission (the “Rule”), the Mayor and the Director of Finance or appropriate officers of the City are hereby authorized to: (a) approve the form of said Preliminary Official Statement, and to execute the “Certificate Deeming Preliminary Official Statement Final” in substantially the form attached hereto as *Exhibit A* as approval of the Preliminary Official Statement, such officials’ signature thereon being conclusive evidence of such officials’ and the City’s approval thereof; (b) covenant to provide continuous secondary market disclosure by annually transmitting certain financial information and operating data and other information necessary to comply with the Rule to certain national repositories and the Municipal Securities Rulemaking Board, as applicable; and (c) take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary; to enable the Purchaser to comply with the requirement of the Rule. The City agrees to provide to the Purchaser within seven business days of the date of the sale of Bonds or within sufficient time to accompany any confirmation that requests payment from any customer of the Purchaser, whichever is earlier, sufficient copies of the final Official Statement to enable the Purchaser to comply with the requirements of the Rule and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

**Section 5.** The Mayor, Director of Finance, Clerk, the City Attorney and the other officers and representatives of the City and Bond Counsel are hereby authorized and directed to take such other action as may be necessary to carry out the sale of the Bonds, including selecting certain other qualified professional firms necessary to complete the issuance of the Bonds, including providing for redemption of the Notes.

**Section 6.** This Resolution shall be in full force and effect from and after its adoption.

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**ADOPTED** by the City Council of the City of Wichita, Kansas, on April 21, 2015.

(SEAL)

---

Jeff Longwell, Mayor

ATTEST:

---

Karen Sublett, City Clerk

APPROVED AS TO FORM:

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Sharon L. Dickgrafe, Interim Director of  
Law and City Attorney

**EXHIBIT A**  
**CERTIFICATE DEEMING**  
**PRELIMINARY OFFICIAL STATEMENT FINAL**

May \_\_, 2015

To:

Re: City of Wichita, Kansas: General Obligation Airport Bonds, Series 2015A; Taxable General Obligation Airport Bonds, Series 2015B and General Obligation Airport Bonds (Subject to AMT), Series 2015C (collectively, the "Bonds")

The undersigned are the duly authorized and acting Mayor and Director of Finance of the City of Wichita, Kansas (the "City"), and are authorized to deliver this Certificate to the addressees (collectively, the "Purchaser") on behalf of the City. The City has heretofore caused to be delivered to the Purchaser copies of the Preliminary Official Statement (the "Preliminary Official Statement") relating to the Bonds.

For the purpose of enabling the Purchaser to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission (the "Rule"), the City hereby deems the information regarding the City contained in the Preliminary Official Statement to be final as of its date, except for the omission of such information as is permitted by the Rule, such as offering prices, interest rates, selling compensation, aggregate principal amount, principal per maturity, delivery dates, ratings, identity of the underwriters and other terms of the Bonds depending on such matters.

**CITY OF WICHITA, KANSAS**

By: \_\_\_\_\_  
Jeff Longwell, Mayor

By: \_\_\_\_\_  
Shawn Henning, Director of Finance

**CITY OF WICHITA, KANSAS**

**OFFICIAL NOTICE OF BOND SALE**

<i>Principal Amount*</i>	<i>Description</i>	<i>Series</i>	<i>Reference</i>
\$18,235,000	General Obligation Airport Bonds	2015A	“Series 2015A Bonds”
8,685,000	Taxable General Obligation Airport Bonds	2015B	“Series 2015B Bonds”
67,615,000	General Obligation Airport Bonds (Subject to AMT)	2015C	“Series 2015C Bonds”

\*Subject to change

(GENERAL OBLIGATION BONDS PAYABLE FROM UNLIMITED AD VALOREM TAXES)

**Bids.** *Separate* electronic bids for the purchase of each series of the above-referenced bonds (collectively, the “Bonds”) of the City of Wichita, Kansas (the “City”) herein described will be received by the Director of Finance of the City via **PARITY**<sup>®</sup> until 10:00 a.m., Central Daylight Time (the “Submittal Hour”), on

**WEDNESDAY, MAY 13, 2015**

(the “Sale Date”). All bids will be publicly evaluated at said time and place and the award of each series of the Bonds to the successful bidders (collectively, the “Successful Bidder”) will be acted upon immediately thereafter by the City Manager and subsequently ratified by the City Council (the “Governing Body”) of the City at its next regular meeting. No oral, auction, facsimile or other written bids will be considered and no bid for less than the entire principal amount of each series of the Bonds will be considered. Other capitalized terms not otherwise defined in this Notice of Bond Sale (the “Notice”) shall have the meanings set forth in the hereinafter referenced Preliminary Official Statement relating to the Bonds.

*Each series of Bonds shall be sold separately, and bidders may bid on any series of Bonds.*

**Terms of the Bonds**

**General.** The Bonds will consist of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof (the “Authorized Denomination”). The Bonds will be dated June 1, 2015 (the “Dated Date”) and will become due as hereinafter set forth. The Bonds will bear interest from the Dated Date at rates to be determined when each series of the Bonds are sold as hereinafter provided, payable semiannually on June 1 and December 1, beginning on December 1, 2015 (collectively, the “Interest Payment Dates”).

**Series 2015A Bonds.** The Series 2015A Bonds will become due in principal installments as follows:

<u>Payment Date (December 1)</u>	<u>Principal Amount*</u>	<u>Payment Date (December 1)</u>	<u>Principal Amount*</u>
2016	\$390,000	2031	\$625,000
2017	400,000	2032	645,000
2018	405,000	2033	670,000
2019	415,000	2034	690,000

2020	425,000	2035	715,000
2021	435,000	2036	740,000
2022	450,000	2037	765,000
2023	465,000	2038	795,000
2024	480,000	2039	825,000
2025	500,000	2040	850,000
2026	520,000	2041	885,000
2027	540,000	2042	915,000
2028	565,000	2043	950,000
2029	585,000	2044	985,000
2030	605,000		

*Series 2015B Bonds.* The Series 2015B Bonds will become due in principal installments as follows:

<u>Payment Date (December 1)</u>	<u>Principal Amount*</u>	<u>Payment Date (December 1)</u>	<u>Principal Amount*</u>
2017	\$220,000	2031	\$330,000
2018	220,000	2032	345,000
2019	230,000	2033	355,000
2020	235,000	2034	370,000
2021	240,000	2035	390,000
2022	245,000	2036	300,000
2023	250,000	2037	315,000
2024	260,000	2038	330,000
2025	270,000	2039	340,000
2026	275,000	2040	355,000
2027	290,000	2041	375,000
2028	295,000	2042	390,000
2029	310,000	2043	410,000
2030	315,000	2044	425,000

*Series 2015C Bonds.* The Series 2015C Bonds will become due in principal installments as follows:

<u>Payment Date (December 1)</u>	<u>Principal Amount*</u>	<u>Payment Date (December 1)</u>	<u>Principal Amount*</u>
2015	\$2,010,000	2030	\$2,155,000
2016	1,320,000	2031	2,265,000
2017	1,350,000	2032	2,350,000
2018	1,375,000	2033	2,440,000
2019	1,405,000	2034	2,530,000
2020	1,445,000	2035	2,630,000
2021	1,490,000	2036	2,705,000
2022	1,535,000	2037	2,815,000
2023	1,595,000	2038	2,925,000
2024	1,655,000	2039	3,045,000
2025	1,720,000	2040	3,165,000
2026	1,790,000	2041	3,290,000
2027	1,860,000	2042	3,430,000
2028	1,960,000	2043	3,575,000
2029	2,055,000	2044	3,730,000

**\*Principal Amount Subject to Change.** The City reserves the right to adjust the total principal amount of any series of the Bonds and the principal amount of any maturity, depending on the purchase price bid by the Successful Bidder and amounts necessary to finance the public improvements to be financed thereby, subject to minimum Authorized Denominations. If there is an adjustment in the final aggregate principal amount of any series of the Bonds or the principal amount of any maturity as described above, the City will notify the Successful Bidder by means of telephone or facsimile transmission, subsequently confirmed in writing, no later than 2:00 p.m., Central Daylight Time, on the Sale Date. Any adjustment in principal amount for any series will maintain the Successful Bidder's compensation set forth on the original bid form as a percentage of the total principal amount of such series. At the request of the City, the Successful Bidder agrees to execute a revised bid form or repayment schedule reflecting the adjusted principal amounts and purchase price. The Successful Bidder may not withdraw its bid or change the interest rates bid as a result of any changes made to the principal amount of each series of the Bonds or the schedule of principal payments as described herein.

### **Place of Payment and Registration**

**Payment.** The principal of and interest on the Bonds will be payable in lawful money of the United States of America by check or draft of the Treasurer of the State of Kansas, Topeka, Kansas (the "Paying Agent" and "Bond Registrar"). The principal of each Bond will be payable at maturity or earlier redemption to the owners thereof whose names are on the registration books (the "Register") of the Bond Registrar (the "Registered Owner") upon presentation and surrender at the principal office of the Paying Agent. Interest on each Bond will be payable to the Registered Owner of such Bond as of the fifteenth day (whether or not a business day) of the calendar month next preceding each Interest Payment Date (the "Record Date"): (a) mailed by the Paying Agent to the address of such Registered Owner as shown on the Register or at such other address as is furnished to the Paying Agent in writing by such Registered Owner; or (b) in the case of an interest payment to Cede & Co., by wire transfer to such Registered Owner upon written notice given to the Paying Agent by such Registered Owner, not less than 15 days prior to the Record Date for such interest, containing the wire transfer address to which such Registered Owner wishes to have such wire directed.

**Registration.** The Bonds will be registered pursuant to a plan of registration approved by the City and the Attorney General of the State of Kansas. The City will pay for the fees of the Bond Registrar for registration and transfer of the Bonds and will also pay for printing a reasonable supply of registered blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Bond Registrar, will be the responsibility of the Registered Owners.

### **Book-Entry-Only System**

The Bonds shall be initially registered in the name of Cede & Co., as the nominee of DTC and no beneficial owner will receive certificates representing their interests in the Bonds. During the term of the Bonds, so long as the book-entry-only system is continued, the City will make payments of principal of, premium, if any, and interest on the Bonds to DTC or its nominee as the Registered Owner of the Bonds, DTC will make book-entry-only transfers among its participants and receive and transmit payment of principal of, premium, if any, and interest on the Bonds to its participants who shall be responsible for transmitting payments to beneficial owners of the Bonds in accordance with agreements between such participants and the beneficial owners. The City will not be responsible for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. In the event that: (a) DTC determines not to continue to act as securities depository for the Bonds, or (b) the City determines that continuation of the book-entry-only form of evidence and transfer of ownership of the Bonds would adversely affect the interests of the beneficial owners of the Bonds, the City will discontinue the book-entry-only form of registration with DTC. If the City fails to identify another qualified securities depository to replace DTC, the City will cause to be authenticated and delivered to the beneficial owners, replacement Bonds in the form of fully registered certificates. Reference is made to

the Preliminary Official Statement for further information regarding the book-entry-only system of registration of the Bonds and DTC.

## **Redemption Provisions**

**General.** Whenever the City is to select Bonds for the purpose of redemption, it will, in the case of Bonds in denominations greater than the minimum Authorized Denomination, if less than all of the Bonds then outstanding are to be called for redemption, treat each minimum Authorized Denomination of face value of each such fully registered Bond as though it were a separate Bond in the minimum Authorized Denomination.

**Optional Redemption.** At the option of the City, the Bonds maturing in the years 2026 and thereafter will be subject to redemption and payment prior to maturity on December 1, 2025, and thereafter, as a whole or in part (selection of the amount of Bonds to be redeemed to be determined by the City in such equitable manner as it may determine) at any time, at the redemption price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the date of redemption.

**Mandatory Redemption.** A bidder may elect to have all or a portion of any series of the Bonds scheduled to mature in consecutive years issued as term bonds (the “Term Bonds”) and subject to mandatory redemption requirements consistent with the schedule of serial maturities set forth above, subject to the following conditions: (a) not less than all Bonds of the same serial maturity shall be converted to Term Bonds with mandatory redemption requirements; (b) callable and noncallable serial maturities of the Bonds may not be combined in the same Term Bond maturity; and (c) a bidder shall make such an election by completing the applicable information on PARITY®.

**Notice and Effect of Call for Redemption.** Unless waived by any owner of Bonds to be redeemed, if the City shall call any Bonds for redemption and payment prior to the maturity thereof, the City shall give written notice of its intention to call and pay said Bonds to the Bond Registrar and the Successful Bidder. In addition, the City shall cause the Bond Registrar to give written notice of redemption to the registered owners of said Bonds. Each of said written notices shall be deposited in United States first class mail not less than 30 days prior to the date fixed for redemption. All notices of redemption shall state the date of redemption, the redemption price, the Bonds to be redeemed, the place of surrender of Bonds so called for redemption and a statement of the effect of the redemption. The City shall also give such additional notice as may be required by Kansas law or regulation of the Securities and Exchange Commission in effect as of the date of such notice. If any Bond be called for redemption and payment as aforesaid, all interest on such Bond shall cease from and after the date for which such call is made, provided funds are available for its payment at the price hereinbefore specified.

## **Authority, Purpose and Security**

**General.** The Bonds are being issued pursuant to the Constitution and statutes of the State of Kansas, as amended by Charter Ordinances of the City, to provide permanent financing for a portion of the costs acquiring, constructing and installing a new municipal airport terminal and related airport improvements of the Issuer (the “Airport Improvements”) and to retire previously issued temporary notes of the Issuer to provide interim financing for the Airport Improvements. The Issuer may use the proceeds of the Bonds to pay the cost of additional or substituted improvements upon compliance with the terms of the resolution authorizing the issuance of the Bonds.

**Security.** The Bonds shall be general obligations of the City payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City. The full faith, credit and resources of the City are irrevocably pledged for the prompt payment of the principal and interest on the Bonds as the same become due.

## Submission of Bids

*Separate bids shall be submitted for each series of the Bonds, which shall be sold separately.* Bidders may bid on any or all series of the Bonds. All bids shall be submitted electronically via PARITY® and must be submitted in accordance with its Rules of Participation, as well as the provisions of this Notice. If provisions of this Notice conflict with those of PARITY®, this Notice shall control. Bids must be received prior to the Submittal Hour on the Sale Date accompanied by the Deposit (as hereinafter defined), which shall be submitted separately. The City shall not be responsible for any failure, misdirection or error in the means of transmission selected by any bidder. Information about the electronic bidding services of PARITY® may be obtained from Ipreo at 1359 Broadway, 2nd Floor, New York, New York 10018, Phone No. (212) 849-5023.

## Conditions of Bids

Separate proposals will be received on each series of the Bonds bearing such rate or rates of interest as may be specified by the bidders, subject to the following conditions: (a) the same rate shall apply to all Bonds of such series of the same maturity year; (b) no interest rate may exceed a rate equal to the daily yield for the 10-year Treasury Bond published by **THE BOND BUYER**, in New York, New York, on the Monday next preceding the day on which the Bonds are sold, plus 6% for the Series 2015A and 2015C Bonds and plus 7% for the Series 2015B Bonds; and (c) no supplemental interest payments will be considered. No bid for less than **100%** of the principal amount of each series of Bonds and accrued interest thereon to the date of delivery will be considered. ***The initial price to the public for each maturity of each issue must be 98.0% or greater.*** Each bid shall specify: (a) the total interest cost (expressed in dollars) during the term of the Bonds on the basis of such bid; (b) the purchase price offered by the bidder; (c) the net interest cost (expressed in dollars) on the basis of such bid; and (d) an estimate of the TIC (as hereinafter defined) on the basis of such bid. ***Each bidder shall certify to the City the correctness of the information contained on the bid form. In addition, each bidder for the Series 2015C Bonds shall certify that the total compensation to such bidder based on such bid will not exceed 1.60% of the gross production for the Series 2015C Bonds. The City will be entitled to rely on such certifications.*** Each bidder agrees that, if it is awarded any series of the Bonds, it will provide the certification as to initial offering prices described under the caption “Certification as to Offering Price” in this Notice.

## Good Faith Deposit

***General.*** Each bid shall be accompanied by a good faith deposit (the Deposit”) in an amount equal to ***2% of the principal amount of each series of the Bonds*** as stated on the initial page of this Notice, payable to the order of the City to secure the City from any loss resulting from the failure of the Successful Bidder to comply with the terms of its bid. **Separate Deposits must be submitted for each series of Bonds.** Each Deposit must be in the form of: (a) a certified or cashier's check drawn on a bank located in the United States of America, payable to the order of the City; or (b) a wire of Federal Reserve funds (as described below), immediately available for use by the City. ***Deposits submitted in the form of a certified or cashier's check must be received by the City prior to 9:30 a.m. Central Daylight Time on the Sale Date. Deposits submitted by wire transfer are only required from each Successful Bidder and must be received by 2:00 p.m. Central Daylight Time on the Sale Date.*** If a bid is accepted, the Deposit, or the proceeds thereof, will be held by the City until the Successful Bidder has complied with all of the terms and conditions of this Notice at which time the amount of said Deposit shall be returned to the Successful Bidder or deducted from the purchase price, at the option of the City. If a bid is accepted, but the City fails to deliver the Bonds to the Successful Bidder in accordance with the terms and conditions of this Notice, said Deposit, or the proceeds thereof, will be returned to the Successful Bidder. If a bid is accepted but the Successful Bidder defaults in the performance of any of the terms and conditions of this Notice, the proceeds of such Deposit will be retained by the City as and for liquidated damages. No interest on any Deposit shall be paid by the City.

***Deposit Submission Details.***

(a) *Certified or Cashier's Check.* Certified or cashier's checks must be delivered to the Debt Coordinator at the address set forth on the last page of this Notice.

(b) *Wire Transfer.* Any wire transfer shall be submitted to a financial institution designated by the City, and wire transfer instructions may be obtained from the Debt Coordinator at the address set forth on the last page of this Notice. ***Each wire transfer Deposit must reference "City of Wichita, Kansas, Good Faith Deposit, Series 2015A, Series 2015B or Series 2015C."*** Contemporaneously with the submission of a wire transfer Deposit, such bidder shall send an email to the Director of Finance or Debt Coordinator at the email address set forth on the last page of this Notice, including the following information: (i) notification that a wire transfer has been made; (ii) the amount of the wire transfer; (iii) the wire transfer federal reference number; (iv) the name of the bidder for which the wire transfer is to be credited as a Deposit, (v) if the name of the bidder as shown on *PARITY* does not match the name shown as the beneficiary on the wire instructions, the email will also state that the bidder is identified by the beneficiary's name on the wire instructions; and (vi) return wire transfer instructions in the event such bid is unsuccessful.

***Deposit Return Details.*** Good Faith checks submitted by unsuccessful bidders will be returned promptly via United States first class mail. Wire transfer Deposits submitted by unsuccessful bidders will not be accepted or shall be returned in the same manner received not later than the next business day following the Sale Date, and the City reserves the right to withhold reasonable charges for any fees or expenses incurred in returning a wire transfer Deposit.

**Basis of Award**

***General.*** Each series of the Bonds shall be sold separately. The City reserves the right to reject any and/or all bids and to waive any irregularities in a submitted bid. Any disputes arising hereunder shall be governed by the laws of the State of Kansas, and any party submitting a bid agrees to be subject to jurisdiction and venue of the federal and state courts within Kansas with regard to such dispute. Any bid received after the Submittal Hour on the Sale Date will be rejected or returned to the bidder.

***Award.*** Subject to the timely receipt of the Deposit set forth above, the award of a series of Bonds will be made on the basis of the lowest true interest cost ("TIC"), which will be determined as follows: the TIC is the discount rate (expressed as a per annum percentage rate) which, when used in computing the present value of all payments of principal and interest to be paid on the Bonds, from the payment dates to the Dated Date, produces an amount equal to the price bid, including any adjustments for premium or discount, if any. Present value will be computed on the basis of semiannual compounding and a 360-day year of twelve 30-day months. Bidders are requested to provide a calculation of the TIC for the Bonds on the bid form, computed as specified herein on the basis of their respective bids, which shall be considered as informative only and not binding on either the City or the bidder. The City will verify the TIC based on such bids. If there is any discrepancy between the TIC specified and the bid price and interest rates specified, the specified bid price and interest rates shall govern and the TIC specified in the bid shall be adjusted accordingly. If two or more proper bids providing for identical amounts for the lowest TIC are received, the City Manager will determine which bid, if any, will be accepted, and its determination is final.

## **Ratings**

The City's outstanding general obligation bonds are rated "Aa1" by Moody's Investors Service, Inc. ("Moody's") and "AA+" by Standard & Poor's, a division of McGraw Hill Financial Inc ("S&P"). The City has applied to the same rating agencies that currently rate the Bonds for ratings on the Bonds. Additional information regarding such application and ratings are further described in the Preliminary Official Statement, as hereinafter described. Any explanations of the significance of such ratings (as well as any positive or negative outlooks thereon or potential changes to any rating in the near future) should be obtained from Moody's and S&P.

## **Bond Insurance**

The City has **not** applied for any policy of municipal bond insurance with respect to the Bonds, and will not pay the premium in connection with any policy of municipal bond insurance desired by any Successful Bidder. In the event a bidder desires to purchase and pay all costs associated with the issuance of a policy of municipal bond insurance in connection with any series of Bonds, such indication and the name of the desired insurer must be set forth on the bidder's bid form and the bid must be accompanied by a commitment from the selected insurer and shall specify all terms and conditions to which the City will be required to agree in connection with the issuance of such insurance policy. The City specifically reserves the right to reject any bid specifying municipal bond insurance, even though such bid may result in the lowest TIC to the City.

## **CUSIP Numbers**

The CUSIP Service Bureau will be requested to assign CUSIP identification numbers to the Bonds, and such numbers shall be printed on the Bonds; however, neither the failure to assign any such number to or print any such number on any Bond, nor any error with respect thereto, shall constitute cause for the failure or refusal by the Successful Bidder to accept delivery of and to make payment for the Bonds in accordance with the terms of this Notice and of its bid. All expenses in relation to the printing of the CUSIP numbers and the expenses of the CUSIP Service Bureau for the assignment thereof shall be the responsibility of and shall be paid for by the City.

## **Delivery and Payment**

The City will pay for printing the Bonds and will deliver each series of the Bonds properly prepared, executed and registered without cost on or about **JUNE 1, 2015** (the "Closing Date"), at DTC for the account of the Successful Bidder. Each Successful Bidder will be furnished with a certified transcript of the proceedings in CD-ROM format evidencing the authorization and issuance of such series of Bonds and the usual closing documents, including a certificate that there is no litigation pending or threatened at the time of delivery of the Bonds affecting their validity and a certificate regarding the completeness and accuracy of the Official Statement. Payment for the Bonds shall be received by 12:00 noon, Central Daylight Time, on the Closing Date, in Federal Reserve funds immediately available for use by the City. The City will deliver a single Bond for each maturity of each series of Bonds registered in the nominee name of DTC.

## **Reoffering Prices**

The Successful Bidder for each series of Bonds will be required to complete, execute and deliver to the City prior to the delivery of the Bonds, a written certification (the "Issue Price Certificate") containing the following: (a) the initial offering price and interest rate for each maturity of the Bonds; (b) that all of the Bonds were offered to the public in a bona fide public offering at the initial offering prices on the Sale Date; and (c) on the Sale Date the Successful Bidder reasonably expected that at least 10% of each maturity of the Bonds would be sold to the "public" at prices not higher than the initial offering prices. For purposes of the preceding sentence "public" means persons other than bond houses, brokers,

or similar persons or organizations acting in the capacity of underwriters or wholesalers. However, such Issue Price Certificate may indicate that the Successful Bidder has purchased the Bonds for its own account in a capacity other than as an underwriter or wholesaler, and currently has no intent to reoffer the Bonds for sale the public. ***Such initial offering prices to the public must also be included in the Official Bid Form submitted for each series of the Bonds.***

At the request of the City, the Successful Bidder will provide information explaining the factual basis for the Successful Bidder's Issue Price Certificate. This agreement by the Successful Bidder to provide such information will continue to apply after the Closing Time if: (a) the City requests the information in connection with an audit or inquiry by the Internal Revenue Service (the "IRS") with respect to the Series 2015A and Series 2015C Bonds, or the Securities and Exchange Commission (the "SEC") or (b) the information is required to be retained by the City pursuant to future regulation or similar guidance from the IRS, the SEC or other federal or state regulatory authority.

### **Preliminary Official Statement and Official Statement**

On April 21, 2015, the Governing Body authorized and directed the preparation of a Preliminary Official Statement "deemed final" by the City except for the omission of certain information as provided in Securities and Exchange Commission Rule 15c2-12, copies of which may be obtained by contacting the Department of Finance at the address set forth on the last page of this Notice or by visiting [www.onlinemuni.com](http://www.onlinemuni.com). Authorization is hereby given to redistribute this Notice and the Preliminary Official Statement, but this entire Notice and the entire Preliminary Official Statement, and not portions thereof, must be redistributed. Upon the sale of the Bonds, the City will prepare the final Official Statement and will furnish the Successful Bidder, without cost, within seven business days of the acceptance of the Successful Bidder's proposal, with a sufficient number of copies thereof, which may be in electronic format, in order to comply with the requirements of Rule 15c2-12(3) and (4) of the Securities and Exchange Commission and Rule G-32 of the Municipal Securities Rulemaking Board (collectively the "Rules"). The City's acceptance, including electronic acceptance through PARITY<sup>®</sup>, of the Successful Bidder's proposal for the purchase of each series of the Bonds in accordance with this Notice shall constitute a contract between the City and the Successful Bidder for purposes of the Rules. The City designates the senior managing underwriter of any syndicate of the Successful Bidder as agent for purposes of distributing copies of the final Official Statement to each participating underwriter. Any bidder submitting a bid for the purchase of the Bonds agrees thereby that if such bid is accepted: (a) it shall accept such designation, and (b) it shall enter into a contractual relationship with all participating underwriters of the Bonds for purposes of assuring the receipt by each such participating underwriter of the final Official Statement. Additional copies may be ordered by the Successful Bidder at its expense.

### **Continuing Disclosure**

The Securities and Exchange Commission (the "SEC") has promulgated amendments to its Rule 15c2-12 (the "Rule") requiring continuous secondary market disclosure for certain issues. In the separate resolutions authorizing each series of Bonds, the City has covenanted to enter into an undertaking (the "Undertaking") for the benefit of the holders of the Bonds to send to the Municipal Securities Rulemaking Board (the "MSRB") through the Electronic Municipal Market Access facility, or other applicable entity as required or permitted under the Rule, certain financial information and operating data annually and to provide notice to the MSRB of certain events, pursuant to the requirements of the Rule. For further information regarding the Undertaking, reference is made to the caption "CONTINUING DISCLOSURE" in the Preliminary Official Statement.

### **Assessed Valuation and Bonded Indebtedness**

**Assessed Valuation.** The City's equalized assessed tangible valuation for computation of bonded debt limitations for the year 2014 is \$3,552,690,837.

**Bonded Indebtedness.** The total general obligation indebtedness of the City as of the Closing Date is \$818,070,000, which includes the Bonds being sold, the City's temporary notes also dated as of the Dated Date, which will be issued on the Closing Date, less the City's previously issued temporary notes to be retired out of proceeds of the Bonds and other funds on the Closing Date.

**Legal Opinion**

Each series of Bonds will be sold subject to the approving legal opinion of GILMORE & BELL, P.C., WICHITA, KANSAS, Bond Counsel, which opinion will be furnished and paid for by the City, will be printed on the Bonds, if the Bonds are printed, and will be delivered to the Successful Bidder when the Bonds are delivered. Said opinion will also include the opinion of Bond Counsel relating to the interest on the Bonds being excludable from gross income for federal income tax purposes and exempt from income taxation by the State of Kansas. Reference is made to the Preliminary Official Statement for further discussion of federal and Kansas income tax matters relating to the interest on the Bonds.

**Additional Information**

Additional information regarding the Bonds, the delivery of the Deposit and notification regarding the same may be obtained from the Department of Finance, 12th Floor, City Hall, 455 North Main, Wichita, Kansas 67202-1679, or by contacting:

Ms. Shawn Henning  
Director of Finance  
Phone: (316) 268-4300  
Fax: (316) 219-6244  
Email: [shenning@wichita.gov](mailto:shenning@wichita.gov)

Ms. Cheryl Busada  
Debt Coordinator  
Phone: (316) 268-4143  
Fax: (316) 219-6216  
[cbusada@wichita.gov](mailto:cbusada@wichita.gov)

**BY ORDER OF THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, ON  
APRIL 21, 2015.**

(Seal)

By: / Jeff Longwell  
Jeff Longwell, Mayor

ATTEST:

By: /s/ Karen Sublett  
Karen Sublett, City Clerk

## SUMMARY NOTICE OF BOND SALE

### CITY OF WICHITA, KANSAS

<i>Principal Amount*</i>	<i>Description</i>	<i>Series</i>	<i>Reference</i>
\$18,235,000	General Obligation Airport Bonds	2015A	“Series 2015A Bonds”
8,685,000	Taxable General Obligation Airport Bonds	2015B	“Series 2015B Bonds”
67,615,000	General Obligation Airport Bonds (Subject to AMT)	2015C	“Series 2015C Bonds”

\*Subject to change

(GENERAL OBLIGATION BONDS PAYABLE FROM UNLIMITED AD VALOREM TAXES)

**Bids.** Subject to the Official Notice of Bond Sale, dated April 21, 2015, *separate* electronic bids for the purchase of each series of the above-referenced bonds (collectively, the “Bonds”) of the City of Wichita, Kansas (the “City”) herein described will be received by the Director of Finance of the City via **PARITY**<sup>®</sup> until 10:00 a.m., Central Daylight Time (the “Submittal Hour”), on **WEDNESDAY, MAY 13, 2015**. No bid of less than **100%** of the principal amount of each series of the Bonds and accrued interest thereon to the date of delivery will be considered.

**Bond Details.** The Bonds will consist of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof (the “Authorized Denomination”). The Bonds will be dated June 1, 2015 (the “Dated Date”) and will become due as hereinafter set forth. The Bonds will bear interest from the Dated Date at rates to be determined when each series of the Bonds are sold as hereinafter provided, payable semiannually on June 1 and December 1, beginning on December 1, 2015 (collectively, the “Interest Payment Dates”).

**Series 2015A Bonds.** The Series 2015A Bonds will become due in principal installments as follows:

<u>Payment Date (December 1)</u>	<u>Principal Amount*</u>	<u>Payment Date (December 1)</u>	<u>Principal Amount*</u>
2016	\$390,000	2031	\$625,000
2017	400,000	2032	645,000
2018	405,000	2033	670,000
2019	415,000	2034	690,000
2020	425,000	2035	715,000
2021	435,000	2036	740,000
2022	450,000	2037	765,000
2023	465,000	2038	795,000
2024	480,000	2039	825,000
2025	500,000	2040	850,000
2026	520,000	2041	885,000
2027	540,000	2042	915,000
2028	565,000	2043	950,000
2029	585,000	2044	985,000
2030	605,000		

**Series 2015B Bonds.** The Series 2015B Bonds will become due in principal installments as follows:

<u>Payment Date (December 1)</u>	<u>Principal Amount*</u>	<u>Payment Date (December 1)</u>	<u>Principal Amount*</u>
2017	\$220,000	2031	\$330,000
2018	220,000	2032	345,000
2019	230,000	2033	355,000
2020	235,000	2034	370,000
2021	240,000	2035	390,000
2022	245,000	2036	300,000
2023	250,000	2037	315,000
2024	260,000	2038	330,000
2025	270,000	2039	340,000
2026	275,000	2040	355,000
2027	290,000	2041	375,000
2028	295,000	2042	390,000
2029	310,000	2043	410,000
2030	315,000	2044	425,000

**Series 2015C Bonds.** The Series 2015C Bonds will become due in principal installments as follows:

<u>Payment Date (December 1)</u>	<u>Principal Amount*</u>	<u>Payment Date (December 1)</u>	<u>Principal Amount*</u>
2015	\$2,010,000	2030	\$2,155,000
2016	1,320,000	2031	2,265,000
2017	1,350,000	2032	3,350,000
2018	1,375,000	2033	2,440,000
2019	1,405,000	2034	2,530,000
2020	1,445,000	2035	2,630,000
2021	1,490,000	2036	2,705,000
2022	1,535,000	2037	2,815,000
2023	1,595,000	2038	2,925,000
2024	1,655,000	2039	3,045,000
2025	1,720,000	2040	3,165,000
2026	1,790,000	2041	3,290,000
2027	1,860,000	2042	3,430,000
2028	1,960,000	2043	3,575,000
2029	2,055,000	2044	3,730,000

\*Subject to change, see Notice of Bond Sale dated April 21, 2015.

**Book-Entry-Only System.** The Bonds shall be registered under a book-entry-only system administered through DTC.

**Paying Agent and Bond Registrar.** Treasurer of the State of Kansas, Topeka, Kansas.

**Good Faith Deposit.** Each bid shall be accompanied by a good faith deposit in the form of a cashier's or certified check drawn on a bank located in the United States of America, a qualified financial surety bond or a wire transfer in Federal Reserve funds immediately available for use by the City in an amount equal to 2% of the principal amount of each series of the Bonds.

**Delivery.** The City will pay for preparation of the Bonds and will deliver the same properly prepared, executed and registered without cost to the successful bidder on or about **June 1, 2015** to DTC for the account of the successful bidder.

**Assessed Valuation and Indebtedness.** The Equalized Assessed Tangible Valuation for Computation of Bonded Debt Limitations for the year 2014 is \$3,552,690,837. The total general obligation indebtedness of the City as of the Closing Date is \$818,070,000, which includes the Bonds being sold, the City's temporary notes also dated as of the Dated Date, which will be issued on the Closing Date, less the City's previously issued temporary notes to be retired out of proceeds of the Bonds and other funds on the Closing Date.

**Approval of Bonds.** The Bonds will be sold subject to the legal opinion of GILMORE & BELL, P.C., WICHITA, KANSAS, Bond Counsel, whose approving legal opinion as to the validity of the Bonds will be furnished and paid for by the City, printed on the Bonds and delivered to the successful bidder as and when the Bonds are delivered.

**Additional Information.** Additional information regarding the Bonds, the delivery of the Deposit and notification regarding the same may be obtained from the Department of Finance, 12th Floor, City Hall, 455 North Main, Wichita, Kansas 67202-1679, or by contacting:

Ms. Shawn Henning  
Director of Finance  
Phone: (316) 268-4300  
Fax: (316) 219-6244  
Email: [shenning@wichita.gov](mailto:shenning@wichita.gov)

Ms. Cheryl Busada  
Debt Coordinator  
Phone: (316) 268-4143  
Fax: (316) 219-6216  
[cbusada@wichita.gov](mailto:cbusada@wichita.gov).

**DATED: April 21, 2015.**

**KANSAS REGISTER**

DOCUMENT NO. \_\_\_\_\_

(Above space for Register Office Use)

Submission Form  
Municipal Bond Sale Notice  
(K.S.A. 10-106 as amended)

TITLE OF  
DOCUMENT

SUMMARY NOTICE OF BOND SALE

Re: City of Wichita, Kansas, General Obligation Airport Bonds, Series 2015A, Taxable General Obligation Airport Bonds, Series 2015B and General Obligation Airport Bonds (Subject to AMT), Series 2015C, Dated June 1, 2015.

NUMBER OF PAGES **2**

DESIRED PUBLICATION DATE: **APRIL 30, 2015**

BILL TO: Ms. Cheryl Busada  
Debt Coordinator  
Phone: (316) 268-4143  
Fax: (316) 219-6216  
Email: [cbusada@wichita.gov](mailto:cbusada@wichita.gov).

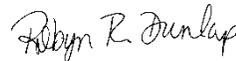
Please forward 3 Affidavits of Publication of same to Ms. Robyn R. Dunlap, Gilmore & Bell, P.C., 100 North Main, Suite 800, Wichita, KS 67202 at your earliest opportunity.

Any questions regarding this document should be directed to:

NAME ROBYN R. DUNLAP PHONE (316) 267-2091

Certification

I hereby certify that I have reviewed the attached and herein described document, and that it conforms to all applicable *Kansas Register* publication guidelines. I further certify that submission of this item for publication in the *Kansas Register* is authorized by the municipality which has issued the notice.



\_\_\_\_\_  
Authorized Signature

Robyn R. Dunlap  
Typed Name of Signer

\_\_\_\_\_  
Senior Legal Assistant  
Position

TRANSMIT TO: Kansas Register; Secretary of State; State Capitol, Topeka, KS 66612  
PHONE: (785) 296-3489; FAX: (785) 291-3051; EMAIL: [nancyr@kssos.org](mailto:nancyr@kssos.org)

\_\_\_\_\_  
THIS SPACE FOR REGISTER OFFICE USE ONLY

**EXCERPT OF MINUTES OF A MEETING  
OF THE GOVERNING BODY OF  
THE CITY OF WICHITA, KANSAS  
HELD ON APRIL 21, 2015**

The governing body met in regular session at the usual meeting place in the City, at 9:00 a.m., the following members being present and participating, to-wit:

Absent:

The Mayor declared that a quorum was present and called the meeting to order.

\* \* \* \* \*

(Other Proceedings)

The matter of providing for the offering for sale of General Obligation Temporary Notes came on for consideration and was discussed.

Councilmember \_\_\_\_\_ presented and moved the adoption of a Resolution entitled:

**RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL  
OBLIGATION TEMPORARY NOTES OF THE CITY OF WICHITA, KANSAS.**

Councilmember \_\_\_\_\_ seconded the motion to adopt the Resolution. Thereupon, the Resolution was read and considered, and, the question being put to a roll call vote, the vote thereon was as follows:

Aye:

Nay:

The Mayor declared the Resolution duly adopted; the Clerk designating the same Resolution No. 15-[\_\_\_\_].

\* \* \* \* \*

(Other Proceedings)

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**CERTIFICATE**

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of the City of Wichita, Kansas, held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

---

Karen Sublett, City Clerk

**RESOLUTION NO. 15-103**

**RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL OBLIGATION TEMPORARY NOTES OF THE CITY OF WICHITA, KANSAS.**

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**WHEREAS**, the City Council (the “Governing Body”) of the City of Wichita, Kansas (the “City”), has heretofore authorized the acquisition, construction and equipping of various public improvements (the “Improvements”) to be paid from the proceeds of general obligation bonds to be issued by the City pursuant to the laws of the State of Kansas and certain Charter Ordinances of the City; and

**WHEREAS**, it is necessary for the City to provide cash funds (from time to time) to meet its obligations incurred in constructing the Improvements prior to the completion thereof and the issuance of the City's general obligation bonds, and it is desirable and in the interest of the City that such funds be raised by the issuance of temporary notes of the City; and

**WHEREAS**, the City desires to authorize the Director of Finance and other City staff, the Law Department and Gilmore & Bell, P.C., as bond counsel (“Bond Counsel”) to proceed with the offering for sale of said temporary notes and related activities, including the preparation and distribution of a preliminary official statement and notice of note sale.

**BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, AS FOLLOWS:**

**Section 1.** The Director of Finance is hereby authorized to offer at competitive public sale the following general obligation temporary notes (collectively, the “Notes”) of the City:

<u>Description</u>	<u>Series</u>
General Obligation Temporary Notes	272

as more fully described in the Notice of Note Sale, which is hereby approved in substantially the form presented to the Governing Body this date.

**Section 2.** The Director of Finance, in conjunction with Bond Counsel, is hereby authorized and directed to cause to be prepared a Preliminary Official Statement and to use such document in connection with the public sale of the Notes.

**Section 3.** The Director of Finance, in conjunction with Bond Counsel, is hereby authorized and directed to give notice of said sale by distributing copies of the Notice of Note Sale and Preliminary Official Statement to prospective purchasers of the Notes. Proposals for the purchase of the Notes shall be submitted upon the terms and conditions set forth in said Notice of Note Sale. Such proposals shall be reviewed by the City Manager and the Director of Finance and acted upon by the City Manager, who shall have the authority to award the sale of the Notes, provided: (a) the principal amount of the Notes shall not exceed \$16,950,000; and (b) the net interest cost of the Notes shall not exceed 1%. The City Manager also has the authority to reject certain or all proposals. At its next scheduled meeting the Governing Body shall ratify the actions of the City Manager and adopt a resolution authorizing the issuance of the Notes.

**Section 4.** For the purpose of enabling the purchaser of the Notes (the “Purchaser”) to comply with the requirements of Rule 15c2-12 of the Securities Exchange Commission (the “Rule”), the Mayor and the Director of Finance or appropriate officers of the City are hereby authorized to: (a) approve the form of said Preliminary Official Statement, and to execute the “Certificate Deeming Preliminary Official Statement Final” in substantially the form attached hereto as *Exhibit A* as approval of the Preliminary Official Statement, such officials’ signature thereon being conclusive evidence of such officials’ and the City’s approval thereof; (b) covenant to provide continuous secondary market disclosure by annually transmitting certain financial information and operating data and other information necessary to comply with the Rule to certain national repositories and the Municipal Securities Rulemaking Board, as applicable; and (c) take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary; to enable the Purchaser to comply with the requirement of the Rule. The City agrees to provide to the Purchaser within seven business days of the date of the sale of Notes or within sufficient time to accompany any confirmation that requests payment from any customer of the Purchaser, whichever is earlier, sufficient copies of the final Official Statement to enable the Purchaser to comply with the requirements of the Rule and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

**Section 5.** The Mayor, Director of Finance, Clerk, the City Attorney and the other officers and representatives of the City and Bond Counsel are hereby authorized and directed to take such other action as may be necessary to carry out the sale of the Notes, including selecting certain other qualified professional firms necessary to complete the issuance of the Notes.

**Section 6.** This Resolution shall be in full force and effect from and after its adoption.

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**ADOPTED** by the City Council of the City of Wichita, Kansas, on April 21, 2015.

(SEAL)

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Jeff Longwell, Mayor

ATTEST:

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Karen Sublett, City Clerk

APPROVED AS TO FORM:

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Sharon L. Dickgrafe, Interim Director of  
Law and City Attorney

**EXHIBIT A**  
**CERTIFICATE DEEMING**  
**PRELIMINARY OFFICIAL STATEMENT FINAL**

May \_\_, 2015

To:

Re: City of Wichita, Kansas: General Obligation Temporary Notes, Series 272, dated June 1, 2015 (the "Notes")

The undersigned are the duly authorized and acting Mayor and Director of Finance of the City of Wichita, Kansas (the "City"), and are authorized to deliver this Certificate to the addressees (collectively, the "Purchaser") on behalf of the City. The City has heretofore caused to be delivered to the Purchaser copies of the Preliminary Official Statement (the "Preliminary Official Statement") relating to the Notes.

For the purpose of enabling the Purchaser to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission (the "Rule"), the City hereby deems the information regarding the City contained in the Preliminary Official Statement to be final as of its date, except for the omission of such information as is permitted by the Rule, such as offering prices, interest rates, selling compensation, aggregate principal amount, principal per maturity, delivery dates, ratings, identity of the underwriters and other terms of the Notes depending on such matters.

**CITY OF WICHITA, KANSAS**

By: \_\_\_\_\_  
Jeff Longwell, Mayor

By: \_\_\_\_\_  
Shawn Henning, Director of Finance

**CITY OF WICHITA, KANSAS**

**OFFICIAL NOTICE OF NOTE SALE**

<b>Principal Amount*</b>	<b>Description</b>	<b>Series</b>
\$16,150,000 *Subject to change	General Obligation Temporary Notes	272

(GENERAL OBLIGATION NOTES PAYABLE FROM UNLIMITED AD VALOREM TAXES)

**Bids.** Electronic bids for the purchase of the above-referenced notes ( the “Notes”) of the City of Wichita, Kansas (the “City”) herein described will be received by the Director of Finance of the City via **PARITY**<sup>®</sup> until 10:00 a.m., Central Daylight Time (the “Submittal Hour”), on

**WEDNESDAY, MAY 13, 2015**

(the “Sale Date”). All bids will be publicly evaluated at said time and place and the award of the Notes to the successful bidder (the “Successful Bidder”) will be acted upon immediately thereafter by the City Manager and subsequently ratified by the City Council (the “Governing Body”) of the City at its next regular meeting. No oral, auction, facsimile or other written bids will be considered and no bid for less than the entire principal amount of the Notes will be considered. Other capitalized terms not otherwise defined in this Notice of Note Sale (the “Notice”) shall have the meanings set forth in the hereinafter referenced Preliminary Official Statement relating to the Notes.

**Terms of the Notes**

**General.** The Notes will consist of fully registered notes in the denomination of \$5,000 or any integral multiple thereof (the “Authorized Denomination”), will be dated June 1, 2015 (the “Dated Date”) and will become due on the payment dates and in the principal amounts as follows:

<u>Series Designation</u>	<u>Stated Maturity</u>	<u>Principal Amount*</u>
272	10/15/2016	\$16,150,000

The Notes will bear interest from the Dated Date at rates to be determined when the Notes are sold as hereinafter provided, which interest will be payable at maturity or earlier redemption.

**\*Adjustment of Principal Amounts.** The City reserves the right to adjust the total principal amount of the Notes, depending on the purchase price bid by the Successful Bidder, amounts necessary to pay for interest on the Notes to the initial Interest Payment Date and amounts necessary to finance the public improvements to be financed thereby. The Successful Bidder may not withdraw its bid or change the interest rates bid as a result of any changes made to the principal amount of the Notes as described herein. If there is an adjustment in the final aggregate principal amount of the Notes as described above, the City will notify the Successful Bidder by means of telephone or facsimile transmission, subsequently confirmed in writing, no later than 2:00 p.m., Central Daylight Time, on the Sale Date. The actual

purchase price of the Notes shall be calculated by applying the percentage of par value bid by the Successful Bidder against the final aggregate principal amount of the Notes, as adjusted.

### **Place of Payment and Registration**

**Payment.** The principal of and interest on the Notes will be payable in lawful money of the United States of America by check or draft of the Treasurer of the State of Kansas, Topeka, Kansas (the “Paying Agent” and “Note Registrar”). The principal of each Note will be payable at maturity or earlier redemption to the owners thereof whose names are on the registration books (the “Register”) of the Note Registrar (the “Registered Owner”) upon presentation and surrender at the principal office of the Paying Agent. Interest on each Note will be payable to the Registered Owner of such Note as of the fifteenth day (whether or not a business day) of the calendar month next preceding each Interest Payment Date (the “Record Date”): (a) mailed by the Paying Agent to the address of such Registered Owner as shown on the Register or at such other address as is furnished to the Paying Agent in writing by such Registered Owner; or (b) in the case of an interest payment to Cede & Co., by wire transfer to such Registered Owner upon written notice given to the Paying Agent by such Registered Owner, not less than 15 days prior to the Record Date for such interest, containing the wire transfer address to which such Registered Owner wishes to have such wire directed.

**Registration.** The Notes will be registered pursuant to a plan of registration approved by the City and the Attorney General of the State of Kansas. The City will pay for the fees of the Note Registrar for registration and transfer of the Notes and will also pay for printing a reasonable supply of registered blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Note Registrar, will be the responsibility of the Registered Owners.

### **Book-Entry-Only System**

The Notes shall be initially registered in the name of Cede & Co., as the nominee of DTC and no beneficial owner will receive certificates representing their interests in the Notes. During the term of the Notes, so long as the book-entry-only system is continued, the City will make payments of principal of, premium, if any, and interest on the Notes to DTC or its nominee as the Registered Owner of the Notes, DTC will make book-entry-only transfers among its participants and receive and transmit payment of principal of, premium, if any, and interest on the Notes to its participants who shall be responsible for transmitting payments to beneficial owners of the Notes in accordance with agreements between such participants and the beneficial owners. The City will not be responsible for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. In the event that: (a) DTC determines not to continue to act as securities depository for the Notes, or (b) the City determines that continuation of the book-entry-only form of evidence and transfer of ownership of the Notes would adversely affect the interests of the beneficial owners of the Notes, the City will discontinue the book-entry-only form of registration with DTC. If the City fails to identify another qualified securities depository to replace DTC, the City will cause to be authenticated and delivered to the beneficial owners replacement Notes in the form of fully registered certificates. Reference is made to the Preliminary Official Statement for further information regarding the book-entry-only system of registration of the Notes and DTC.

### **Redemption Provisions**

**General.** Whenever the City is to select Notes for the purpose of redemption, it will, in the case of Notes in denominations greater than the minimum Authorized Denomination, if less than all of the Notes then outstanding are to be called for redemption, treat each minimum Authorized Denomination of

face value of each such fully registered Note as though it were a separate Note in the minimum Authorized Denomination.

**Optional Redemption.** At the option of the City, the Notes will be subject to redemption and payment prior to maturity on October 15, 2015 and thereafter, as a whole or in part (selection of the amount of Notes to be redeemed to be determined by the City in such equitable manner as it may determine) at any time, at the redemption price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the date of redemption.

**Notice and Effect of Call for Redemption.** Unless waived by any owner of Notes to be redeemed, if the City shall call any Notes for redemption and payment prior to the maturity thereof, the City shall give written notice of its intention to call and pay said Notes to the Note Registrar and the Successful Bidder. In addition, the City shall cause the Note Registrar to give written notice of redemption to the registered owners of said Notes. Each of said written notices shall be deposited in United States first class mail not less than 30 days prior to the date fixed for redemption. All notices of redemption shall state the date of redemption, the redemption price, the Notes to be redeemed, the place of surrender of Notes so called for redemption and a statement of the effect of the redemption. The City shall also give such additional notice as may be required by Kansas law or regulation of the Securities and Exchange Commission in effect as of the date of such notice. If any Note be called for redemption and payment as aforesaid, all interest on such Note shall cease from and after the date for which such call is made, provided funds are available for its payment at the price hereinbefore specified.

### **Authority, Purpose and Security**

**General.** The Notes are being issued pursuant to the Constitution and statutes of the State of Kansas, as amended by Charter Ordinances of the City to provide interim financing for various internal improvement projects of the City.

**Security.** The Notes shall be general obligations of the City payable as to both principal and interest, in part from special assessments, or from the proceeds of general obligation bonds of the City, and if not so paid, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City. The full faith, credit and resources of the City are irrevocably pledged for the prompt payment of the principal and interest on the Notes as the same become due.

### **Submission of Bids**

All bids shall be submitted electronically via PARITY<sup>®</sup> and must be submitted in accordance with its Rules of Participation, as well as the provisions of this Notice. If provisions of this Notice conflict with those of PARITY<sup>®</sup>, this Notice shall control. Bids must be received prior to the Submittal Hour on the Sale Date accompanied by the Deposit (as hereinafter defined), which shall be submitted separately. The City shall not be responsible for any failure, misdirection or error in the means of transmission selected by any bidder. Information about the electronic bidding services of PARITY<sup>®</sup> may be obtained from Ipreo at 1359 Broadway, 2nd Floor, New York, New York 10018, Phone No. (212) 849-5023.

### **Conditions of Bids**

**General.** Proposals will be received for the Notes bearing such rate or rates of interest as may be specified by the bidders, subject to the following conditions: (a) the same rate shall apply to all Notes; (b) no interest rate may exceed a rate equal to the daily yield for the 10-year Treasury Bond published by **THE BOND BUYER**, in New York, New York, on the Monday next preceding the day on which the

Notes are sold, plus 6%; and (c) no supplemental interest payments will be considered. No bid shall be for less than **100%** of the principal amount of the Notes will be considered. Each bid shall specify: (a) the total interest cost (expressed in dollars) during the term of the Notes on the basis of such bid; (b) the purchase price offered by the bidder; (c) the net interest cost (expressed in dollars) on the basis of such bid; and (d) average annual net interest rate (expressed as a percentage) on the basis of such bid. **Each bidder shall certify to the City the correctness of the information contained on the bid form. The City will be entitled to rely on such certifications.** Each bidder agrees that, if it is awarded the Notes, it will provide the certification as to initial offering prices described under the caption “Certification as to Offering Price” in this Notice.

### **Good Faith Deposit**

**General.** Each bid shall be accompanied by a good faith deposit (the Deposit”) in an amount equal to **2%** of the principal amount of the Notes as stated on the initial page of this Notice, payable to the order of the City to secure the City from any loss resulting from the failure of the Successful Bidder to comply with the terms of its bid. Each Deposit must be in the form of: (a) a certified or cashier's check drawn on a bank located in the United States of America, payable to the order of the City; or (b) a wire of Federal Reserve funds (as described below), immediately available for use by the City. **Deposits submitted in the form of a certified or cashier's check must be received by the City prior to 9:30 a.m. Central Daylight Time on the Sale Date. Deposits submitted by wire transfer are only required from each Successful Bidder and must be received by 2:00 p.m. Central Daylight Time on the Sale Date.** If a bid is accepted, the Deposit, or the proceeds thereof, will be held by the City until the Successful Bidder has complied with all of the terms and conditions of this Notice at which time the amount of said Deposit shall be returned to the Successful Bidder or deducted from the purchase price at the option of the City. If a bid is accepted, but the City fails to deliver the Notes to the Successful Bidder in accordance with the terms and conditions of this Notice, said Deposit, or the proceeds thereof, will be returned to the Successful Bidder. If a bid is accepted but the Successful Bidder defaults in the performance of any of the terms and conditions of this Notice, the proceeds of such Deposit will be retained by the City as and for liquidated damages. No interest on any Deposit shall be paid by the City.

#### ***Deposit Submission Details.***

(a) ***Certified or Cashier's Check.*** Certified or cashier’s checks must be delivered to the Debt Coordinator at the address set forth on the last page of this Notice.

(b) ***Wire Transfer.*** Any wire transfer shall be submitted to a financial institution designated by the City, and wire transfer instructions may be obtained from the Debt Coordinator at the address set forth on the last page of this Notice. ***Each wire transfer Deposit must reference “City of Wichita, Kansas, Good Faith Deposit, Series 272.”*** Contemporaneously with the submission of a wire transfer Deposit, such bidder shall send an email to the Director of Finance or Debt Coordinator at the email address set forth on the last page of this Notice, including the following information: (i) notification that a wire transfer has been made; (ii) the amount of the wire transfer; (iii) the wire transfer federal reference number; (iv) the name of the bidder for which the wire transfer is to be credited as a Deposit, (v) if the name of the bidder as shown on *PARITY* does not match the name shown as the beneficiary on the wire instructions, the email will also state that the bidder is identified by the beneficiary’s name on the wire instructions; and (vi) return wire transfer instructions in the event such bid is unsuccessful.

***Deposit Return Details.*** Good Faith checks submitted by unsuccessful bidders will be returned promptly via United States first class mail. Wire transfer Deposits submitted by unsuccessful bidders will not be accepted or shall be returned in the same manner received not later than the next business day

following the Sale Date, and the City reserves the right to withhold reasonable charges for any fees or expenses incurred in returning a wire transfer Deposit.

### **Basis of Award**

*General.* The City reserves the right to reject any and/or all bids and to waive any irregularities in a submitted bid. Any disputes arising hereunder shall be governed by the laws of the State of Kansas, and any party submitting a bid agrees to be subject to jurisdiction and venue of the federal and state courts within Kansas with regard to such dispute. Any bid received after the Submittal Hour on the Sale Date will be rejected or returned to the bidder.

*Award.* The award of the Notes will be made on the basis of the lowest net interest cost (expressed in dollars), which will be determined by subtracting the amount of the premium bid, if any, from the total interest cost to the City (“NIC”). The City will compute the NIC based on such bids. If there is any discrepancy between the NIC specified and the interest rates specified, the specified NIC shall govern and the interest rates specified in the bid shall be adjusted accordingly. If two or more proper bids providing for identical amounts for the lowest NIC are received, the City Manager will determine which bid, if any, will be accepted, and its determination is final.

### **Ratings**

The City’s general obligation notes are rated “MIG 1” by Moody’s and “SP-1+” by S&P. The City has applied to the same rating agencies that currently rate the City’s general obligation notes for ratings on the Notes. Additional information regarding such application and ratings are further described in the Preliminary Official Statement, as hereinafter described. Any explanations of the significance of such ratings (as well as any positive or negative outlooks thereon or potential changes to any rating in the near future) should be obtained from Moody’s and S&P.

### **Bond Insurance**

The City has **not** applied for any policy of municipal bond insurance with respect to the Notes, and will not pay the premium in connection with any policy of municipal bond insurance desired by any Successful Bidder. In the event a bidder desires to purchase and pay all costs associated with the issuance of a policy of municipal bond insurance in connection with the Notes, such indication and the name of the desired insurer must be set forth on the bidder's bid form and the bid must be accompanied by a commitment from the selected insurer and shall specify all terms and conditions to which the City will be required to agree in connection with the issuance of such insurance policy. The City specifically reserves the right to reject any bid specifying municipal bond insurance, even though such bid may result in the lowest NIC to the City.

### **CUSIP Numbers**

The CUSIP Service Bureau will be requested to assign CUSIP identification numbers to the Notes, and such numbers shall be printed on the Notes; however, neither the failure to assign any such number to or print any such number on any Note, nor any error with respect thereto, shall constitute cause for the failure or refusal by the Successful Bidder to accept delivery of and to make payment for the Notes in accordance with the terms of this Notice and of its bid. All expenses in relation to the printing of the CUSIP numbers and the expenses of the CUSIP Service Bureau for the assignment thereof shall be the responsibility of and shall be paid for by the City.

## **Delivery and Payment**

The City will pay for printing the Notes and will deliver the Notes properly prepared, executed and registered without cost on or about **JUNE 1, 2015** (the “Closing Date”), at DTC for the account of the Successful Bidder. The Successful Bidder will be furnished with a certified transcript of the proceedings in CD-ROM format evidencing the authorization and issuance of the Notes and the usual closing documents, including a certificate that there is no litigation pending or threatened at the time of delivery of the Notes affecting their validity and a certificate regarding the completeness and accuracy of the Official Statement. Payment for the Notes shall be received by 12:00 noon, Central Daylight Time, on the Closing Date, in Federal Reserve funds immediately available for use by the City. The City will deliver one Note registered in the nominee name of DTC.

## **Reoffering Prices**

The Successful Bidder will be required to complete, execute and deliver to the City prior to the delivery of the Notes, a written certification (the “Issue Price Certificate”) containing the following: (a) the initial offering price and interest rate for the Notes; (b) that all of the Notes were offered to the public in a bona fide public offering at the initial offering prices on the Sale Date; and (c) on the Sale Date the Successful Bidder reasonably expected that at least 10% of the Notes would be sold to the “public” at prices not higher than the initial offering prices. For purposes of the preceding sentence “public” means persons other than bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers. However, such Issue Price Certificate may indicate that the Successful Bidder has purchased the Notes for its own account in a capacity other than as an underwriter or wholesaler, and currently has no intent to reoffer the Notes for sale the public. *Such initial offering price to the public must also be included in the Official Bid Form submitted for the Notes.*

At the request of the City, the Successful Bidder will provide information explaining the factual basis for the Successful Bidder’s Issue Price Certificate. This agreement by the Successful Bidder to provide such information will continue to apply after the Closing Time if: (a) the City requests the information in connection with an audit or inquiry by the Internal Revenue Service (the “IRS”) with respect to the Notes, or the Securities and Exchange Commission (the “SEC”) or (b) the information is required to be retained by the City pursuant to future regulation or similar guidance from the IRS, the SEC or other federal or state regulatory authority.

## **Preliminary Official Statement and Official Statement**

On April 21, 2015, the Governing Body authorized and directed the preparation of a Preliminary Official Statement “deemed final” by the City except for the omission of certain information as provided in Securities and Exchange Commission Rule 15c2-12, copies of which may be obtained by contacting the Department of Finance at the address set forth on the last page of this Notice or by visiting [www.onlinemuni.com](http://www.onlinemuni.com). Authorization is hereby given to redistribute this Notice and the Preliminary Official Statement, but this entire Notice and the entire Preliminary Official Statement, and not portions thereof, must be redistributed. Upon the sale of the Notes, the City will prepare the final Official Statement and will furnish the Successful Bidder, without cost, within seven business days of the acceptance of the Successful Bidder's proposal, with a sufficient number of copies thereof, which may be in electronic format, in order to comply with the requirements of Rule 15c2-12(3) and (4) of the Securities and Exchange Commission and Rule G-32 of the Municipal Securities Rulemaking Board (collectively the “Rules”). The City's acceptance, including electronic acceptance through PARITY<sup>®</sup>, of the Successful Bidder's proposal for the purchase of the Notes in accordance with this Notice shall constitute a contract between the City and the Successful Bidder for purposes of the Rules. The City designates the senior managing underwriter of any syndicate of the Successful Bidder as agent for purposes of distributing

copies of the final Official Statement to each participating underwriter. Any bidder submitting a bid for the purchase of the Notes agrees thereby that if such bid is accepted: (a) it shall accept such designation, and (b) it shall enter into a contractual relationship with all participating underwriters of the Notes for purposes of assuring the receipt by each such participating underwriter of the final Official Statement. Additional copies may be ordered by the Successful Bidder at its expense.

### **Continuing Disclosure**

The Securities and Exchange Commission (the "SEC") has promulgated amendments to its Rule 15c2-12 (the "Rule") requiring continuous secondary market disclosure for certain issues. In the resolution authorizing the Notes, the City has covenanted to enter into an undertaking (the "Undertaking") for the benefit of the holders of the Notes to send to the Municipal Securities Rulemaking Board (the "MSRB") through the Electronic Municipal Market Access facility, or other applicable entity as required or permitted under the Rule, certain financial information and operating data annually and to provide notice to the MSRB of certain events, pursuant to the requirements of the Rule. For further information regarding the Undertaking, reference is made to the caption "CONTINUING DISCLOSURE" in the Preliminary Official Statement.

### **Assessed Valuation and Indebtedness**

Information regarding the assessed valuation of the taxable tangible property within the City and the amount of indebtedness of the City as of the date of delivery of the Notes is set forth in the Preliminary Official Statement.

### **Legal Opinion**

The Notes will be sold subject to the approving legal opinion of GILMORE & BELL, P.C., WICHITA, KANSAS, Bond Counsel, which opinion will be furnished and paid for by the City, will be printed on the Notes, if the Notes are printed, and will be delivered to the Successful Bidder when the Notes are delivered. Said opinion will also include the opinion of Bond Counsel relating to the interest on the Notes being excludable from gross income for federal income tax purposes, if applicable, and exempt from income taxation by the State of Kansas. Reference is made to the Preliminary Official Statement for further discussion of federal and Kansas income tax matters relating to the interest on the Notes.

### **Additional Information**

Additional information regarding the Notes, the delivery of the Deposit and notification regarding the same may be obtained from the Department of Finance, 12th Floor, City Hall, 455 North Main, Wichita, Kansas 67202-1679, or by contacting:

Ms. Shawn Henning  
Director of Finance  
Phone: (316) 270-4300  
Fax: (316) 219-6244  
Email: [shenning@wichita.gov](mailto:shenning@wichita.gov)

Ms. Cheryl Busada  
Debt Coordinator  
Phone: (316) 270-4143  
Fax: (316) 219-6216  
[cbusada@wichita.gov](mailto:cbusada@wichita.gov)

**BY ORDER OF THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, ON  
APRIL 21, 2015.**

(Seal)

By: /s/ Jeff Longwell  
Jeff Longwell, Mayor

ATTEST:

By: /s/ Karen Sublett  
Karen Sublett, City Clerk

City of Wichita  
City Council Meeting  
April 21, 2015

**TO:** Mayor and City Council

**SUBJECT:** Agreement to Respread Assessments: Waterfront 7<sup>th</sup> Addition  
(District II)

**INITIATED BY:** Department of Finance

**AGENDA:** Consent

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**Recommendation:** Approve the agreement.

**Background:** The landowner, Waterfront Holding Co., LLC has submitted an agreement to respread special assessments within Waterfront 7th Addition.

**Analysis:** The land was originally included in improvement districts for Paving Improvements, Sanitary Sewer Improvements, Storm Water Drain Improvements and Water Distribution System Improvements. The purpose of the agreement is to respread special assessments on a fractional basis for each lot. Without the respread agreement, the assessments will be spread on a square foot basis.

**Financial Considerations:** There is no cost to the City.

**Legal Considerations:** The agreement has been reviewed and approved as to form by the Law Department.

**Recommendations/Actions:** It is recommended that the City Council approve the agreement and authorize the necessary signatures.

**Attachments:** Respread agreement.

AGREEMENT  
BY AND BETWEEN

THE CITY OF WICHITA, KANSAS

Party of the First Part

and

The Waterfront Holding Co., LLC, a Kansas limited liability company,

Party of the Second Part

WHEREAS, Party of the First Part has constructed certain municipal Improvements within the city limits of the City of Wichita, and

WHEREAS, Party of the Second Part is the landowner of all or part of the improvement districts; and desires that a reassessment be made, and

WHEREAS, Party of the First Part and Party of the Second Part are both desirous of accomplishing such a reassessment.

Now, THEREFORE, in consideration of the mutual covenants and promises herein contained, the parties agree as follows.

1. Unplatted Tract "A" (see attached Exhibit "A" for legal description) (Key No C-652-1UP), now platted as Lots 1 through 33, Block A, and Lots 1 through 11, Block B, The Waterfront Seventh Addition, Wichita, Sedgwick County, Kansas, was part of the improvement district where said improvements have been made for the following City Projects

Waterfront Parkway Paving Improvements  
Project No 472-83688

Left Turn Lane and Right Turn Lane on 13<sup>th</sup> Street North  
Project No 472-83699

Left Turn Lane and Right Turn Lane on Webb Road  
Project No 472-83700

Traffic Signalization at 13<sup>th</sup> Street North & Waterfront Parkway  
Project No. 472-83701

Traffic Signalization at Waterfront Parkway and Webb Road  
Project No 472-83702

Street Lighting on Waterfront Parkway  
Project No 472-83808

Sanitary Sewer Improvements (Lat. 39, Main 24, W I.S )  
Project No. 468-83495

Sanitary Sewer Improvements (Lat 56, Main 24, W.I.S.)  
Project No. 468-84428

Storm Water Drain #189 Improvements  
Project No 468-83500

Storm Water Drain #342 Improvements  
Project No. 468-84449

Water Improvements  
Project No. 448-89768

2 The Parties agree to reassess the costs for said improvements in the following manner

Lot 1, Block A, The Waterfront Seventh Addition, shall pay 2084/10000 of the total cost apportioned to the property described above, and

Lot 2, Block A, The Waterfront Seventh Addition, shall pay 1490/10000 of the total cost apportioned to the property described above, and

Lots 3 through 33, Block A, and Lots 1 through 11, Block B, The Waterfront Seventh Addition, shall each pay 153/10000 of the total cost apportioned to the property described above

3. The Party of the Second Part is the owner of the property described in Sections One and Three above and said Party of the Second Part hereby waives the notice and hearing requirements of K.S A 12-6a12 (b) with respect to the reassessment herein described

4 The Party of the Second Part further waives their right to appeal the special assessments for the above mentioned projects (including the described reassessment) and agrees that no suit to set aside said assessment shall be brought by it nor shall it in any other way bring

an action to question the validity of the proceedings taken by the Party of the First Part in levying the special assessments therefore.

5. The Party of the Second Part further agrees that it will indemnify the Party of the First Part against any and all costs, expenses, claims and adjustments for which the Party of the First Part is held responsible or which are entered against the Party of the First Part arising out as a result of the reassessment herein described

IN WITNESS WHEREOF, the Parties hereto have executed this agreement the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

The City of Wichita, Kansas

By. \_\_\_\_\_  
Carl Brewer, Mayor  
Party of the First Part

Approved as to form:

Attest

\_\_\_\_\_  
Sharon L. Dickgrafe, Interim City Attorney  
& Director of Law

\_\_\_\_\_  
Karen Sublett, City Clerk

STATE OF KANSAS        )  
SEDGWICK COUNTY     )       SS

BE IT REMEMBERED, that on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, came Carl Brewer, as Mayor of The City of Wichita, Kansas, personally known to me to be the same person who executed the within instrument of writing and such person duly acknowledged to me the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

\_\_\_\_\_  
Notary Public

My Appointment Expires:

\_\_\_\_\_

Party of the Second Part:

The Waterfront Holding Co., LLC

By: *Johnny Stevens*  
Johnny Stevens, Manager

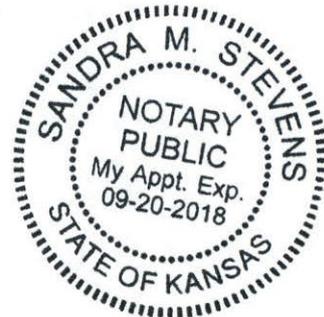
STATE OF KANSAS            )  
COUNTY OF SEDGWICK    )    SS:

BE IT REMEMBERED, that on this 14<sup>th</sup> day of November, 2014, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, came Johnny Stevens, as Manager of The Waterfront Holding Co., LLC, a Kansas Limited Liability Company, personally known to me to be the same persons who executed the within instrument of writing and such persons duly acknowledged the execution of the same on behalf, and as the act and deed of said limited liability company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year above written.

*Sandra M. Stevens*  
Notary Public

(My Appointment Expires: 9-20-2018)



## EXHIBIT 'A'

A tract of land lying in the Southwest Quarter of Section 9, Township 27 South, Range 2 East of the Sixth Principal Meridian, Sedgwick County, Kansas, said tract being more particularly described as follows: Beginning at the northeast corner of Lot 1, Block 1, The Waterfront Fourth Addition, an Addition to Wichita, Sedgwick County, Kansas, said northeast corner also being on the south right-of-way line of the Burlington Northern and Santa Fe Railroad; thence N88°56'04"E along said south railroad right-of-way line, 929.04 feet to the intersection with the east line of said Southwest Quarter, thence S01°00'39"E along the east line of said Southwest Quarter, 748.11 feet to the northeast corner of Reserve "F" in said The Waterfront Sixth Addition, thence S88°59'21"W along the north line of said Reserve "F", 292.00 feet to a deflection corner in said north line, thence S01°00'39"E along a segment of the northwest line of said Reserve "F", 130.00 feet to a deflection corner in said northwest line, thence S36°09'06"W along a segment of the northwest line of said Reserve "F", 104.41 feet to a deflection corner in said northwest line; thence S69°10'27"W along a segment of the northwest line of said Reserve "F", 435.00 feet to a deflection corner in said northwest line; thence S14°46'46"W along a segment of the northwest line of said Reserve "F", 100.00 feet to a deflection corner in said northwest line; thence S83°23'02"W along a segment of the northwest line of said Reserve "F", 335.47 feet to the most westerly northwest corner of said Reserve "F", said most westerly northwest corner also being a point on the easterly right-of-way line of Waterfront Parkway as dedicated in The Waterfront Addition, an Addition to Wichita, Sedgwick County, Kansas; thence northerly and northwesterly along said easterly right-of-way line, being a non-tangent curve to the left, through a central angle of 60°05'53" and having a radius of 650.00 feet, an arc distance of 681.79 feet, (having a chord length of 650.96 feet bearing N19°57'18"W), to the most southerly corner of Lot 1, Block 1, in said The Waterfront Fourth Addition; thence N39°59'46"E along a segment of the south line of said Lot 1, 174.32 feet to a deflection corner in said south line; thence N88°56'04"E along a segment of the south line of said Lot 1, 293.78 feet to the southeast corner of said Lot 1, thence N01°03'56"W along the east line of said Lot 1, 489.35 feet to the point of beginning

City of Wichita  
City Council Meeting  
April 21, 2015

**TO:** Mayor and City Council

**SUBJECT:** National Recreation and Park Association (NRPA) Out of School Time Grant Program (Districts I, III, and VI)

**INITIATED BY:** Department of Park and Recreation

**AGENDA:** Consent

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**Recommendation:** Authorize the Memorandum of Understanding with NRPA.

**Background:** The Department of Park and Recreation offers a nine week Summer Activity Camp for Kids. This program is offered at the recreation centers listed below and most participate in the Summer Lunch Program sponsored by USD 259. The programs operate Monday through Friday at various times during the day. Most sites serve low income neighborhoods and are licensed by the Kansas Department of Health and Environment.

**Summer Activity Camp Locations:**

Colvin Recreation Center (District III)  
Evergreen Recreation Center (District VI)  
Lynette Woodard Recreation Center (District I)

**Analysis:** The NRPA received a grant from the Wal-Mart Foundation and has since invited the Wichita Department of Park and Recreation to once again participate in the nation-wide program designed to promote and increase participation in summer food programs. The NRPA is working with national partners to eliminate child hunger. As the largest public provider of children's meals during the summer months, park and recreation agencies are capable of quickly and effectively reaching children in need with nutritious meals. In fact, park and recreation agencies are on the frontline in addressing many community health needs, including children's nutrition. The Wichita Park and Recreation Department will benefit from the grant funding by providing to the children an established curriculum in healthy eating, funding for small Children's Gardens at each site and also cooking classes to the children.

**Financial Considerations:** The grant provides \$10,000 for part-time staff, supplies and equipment to support the summer camp programs. A local match is not required and there are no additional expenditures associated with this grant.

**Legal Considerations:** The Law Department has reviewed and approved the Memorandum of Understanding with NRPA as to form.

**Recommendation/Action:** It is recommended that the City Council authorize the Memorandum of Understanding with NRPA.

**Attachment:** Memorandum of Understanding.



March 31, 2015

Troy Houtman  
City of Wichita- Park and Recreation Department  
455 N. Main Street 11th Floor City Hall  
Wichita, KS 67202

Dear Troy Houtman,

Thank you for applying for an Out-of-School Time Programs grant from the National Recreation and Park Association (NRPA) in partnership with the Walmart Foundation. I am pleased to inform you that your agency has been selected to receive grant funding in the amount of \$10,000 to continue to support your agency's out-of-school time programs.

Congratulations – we look forward to continuing to work with you to ensure as many children as possible receive nutritious meals and healthy enrichment activity during out-of-school times.

The grant agreement period is March 31, 2015 to March 1, 2016. During this period, your agency is required to:

1. Direct grant funds to:
  - A. Increase the number of healthy meals children in low-income communities receive through the Summer Food Service Program (SFSP) and the Child and Adult Care Food Program (CACFP) during out-of-school times.
  - B. Provide evidence-based, age-appropriate nutrition literacy to children that create behavior change by teaching the importance of healthy eating.
  - C. Implement nutrition and physical activity standards that increase access to healthier foods and increase opportunities for physical activity.
  - D. Promote meal and program efficiencies that will reduce costs, maximize existing resources, decrease food waste, and lead to more sustainable meal programs.



2. Provide a copy of your agency's W-9 along with this signed MOU by May 1, 2015. No grant funds will be dispersed until this is complete.
3. Complete the Alliance for a Healthier Generation's Healthy Out-of-School Time Assessment (accessible via NRPA's website) by February 1, 2016.
4. Participate in occasional conference calls with NRPA and other grantees, as requested.
5. If requested, participate in a phone interview with NRPA and a consultant to share information on your successes, challenges, and lessons learned. Your information will be compiled into a case study publication which NRPA will produce as part of this initiative.
6. Share success stories, photos, videos, quotes, local media and other outreach information highlighting the impact of the grant throughout the grant period. (Please forward to Allison Colman at [acolman@nrpa.org](mailto:acolman@nrpa.org))
7. Submit a final report by February 1, 2016 using an online survey tool provided by NRPA. This report will collect information, such as the number of healthy meals served and the number of children who participated in your out-of-school time programs. It will also collect information on how the grant funds were spent.



**Termination for Cause:** Either party shall have the right to terminate this MOU for cause if the other party (i) materially breaches its obligations and agreements hereunder, or (ii) commits and/or demonstrates gross neglect in the conduct of its duties hereunder. In addition, NRPA retains the right to terminate this MOU, upon written notice, if it determines that continued affiliation with your agency is inconsistent with its mission and/or adversely affects its reputation. In order to terminate this MOU for cause, and as a condition to exercising such right to terminate for cause, a party shall give the other party thirty (30) days' prior written notice of such intention to terminate, specifying in detail the grounds or reasons for such termination for cause. Following any notice of termination for cause, the receiving party shall be permitted a reasonable opportunity to cure such claimed cause to the reasonable satisfaction of the other party.

Please acknowledge your agreement to the terms above by signing below. Upon receipt of this signed form and a copy of your agency's W-9, a check will be issued for your grant funds.

\_\_\_\_\_  
Name of Agency

\_\_\_\_\_  
Primary Point of Contact

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Email for Primary Contact

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Telephone for Primary Contact

\_\_\_\_\_  
EIN Number

Once signed, please scan and e-mail to Allison Colman, Program Manager, at [acolman@nrpa.org](mailto:acolman@nrpa.org). Please do not hesitate to contact Allison directly at (703) 858-2156 should you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Rebecca Wickline".

Rebecca Wickline  
Vice President, Business Development

**CITY OF WICHITA**  
**City Council Meeting**  
April 21, 2015

**TO:** Mayor and City Council Members

**SUBJECT:** First Supplemental Memorandum of Understanding with Friends of the Historic Fresh Air Baby Camp, Inc. to rehabilitate Fresh Air Baby Camp.

**INITIATED BY:** Park Department

**AGENDA:** Consent

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**Recommendation:** Approve the First Supplemental Memorandum of Understanding to rehabilitate the Historic Fresh Air Baby Camp.

**Background:** In July of 2011, the City entered into a Memorandum of Understanding with a Not-for-Profit Corporation, the Friends of the Historic Fresh Air Baby Camp, Inc. (FHFABC) as part of a joint effort to rehabilitate the Historic Fresh Air Baby Camp, also known as the Girl Scout Little House located in North Riverside Park. On June 20, 2011, the Park Board approved entering into a Memorandum of Understanding with FHFABC to rehabilitate the building.

The Fresh Air Baby Camp was built in 1920. A fresh air baby camp was used to house ill newborn and young children to provide fresh air to help the infants regain health. It may be the only fresh air baby camps left in the United States. In 2007, it was listed on the National Register of Historic Places.

Since the MOU was entered into in 2011, significant improvements have been made to the structure. The roof structure has been replaced and tiled with a similar tile purchased from the original manufacturer. In May of 2012, half of the 28 triple-hung windows were removed, repaired, and re-installed by 48 volunteers during a 5 day training camp. Work is continuing and the remaining windows. Exterior soffits and rafter tails have been restored, prepped and painted. The interior has been cleared and is ready for installation of mechanical systems and finishes. With the assistance of the Public Works – Facilities Maintenance, a new sewer line was installed the week of March 30, 2015. FHFABC has raised the funds for a closed loop geo-thermal system and well drilling is scheduled to begin April 13, 2015. When completed, the building will be an example of sustainable, green building practices.

Through the efforts of the FHFABC, a grant of \$90,000 was secured from the Kansas State Historical Preservation Office for the roof repair. An additional \$65,000 in matching funds was raised by the volunteers to complete the roof replacement. Fundraising efforts are continuing by the group.

**Analysis:** The First Supplemental Memorandum of Understanding re-establishes a three year time frame for rehabilitation of the structure. The organization will continue to raise the necessary funding and/or in kind donations to complete renovations. Friends will complete all repairs and rehabilitation in accordance with state and federal laws regarding rehabilitation of historic structures.

The City agrees to keep the property secure, waive any necessary fees for permits, and as owner of the property, assist in the preparation of applications for grant funding. Additionally, the City will provide FHFABC with copies of all previous drawings and plans regarding restoration of the building.

All renovations to the structure will require the approval of the Historical Preservation Board and the

Kansas State Historic Preservation Office.

Following renovation, the Parks Department will be responsible for determining appropriate public uses and scheduling of such uses for the building.

**Financial Considerations:** It is estimated that total cost for complete rehabilitation of the structure will be in excess of \$500,000. The MOU does not require the expenditure of funds by the City, at this time for rehabilitation costs, therefore there is no budget impact.

**Legal Considerations:** The First Supplemental Memorandum of Understanding has been prepared and approved as to form by the Law Department.

**Recommendations/Actions:** It is recommended that the City Council approve the First Supplemental Memorandum of Understanding with the Friends of the Historic Fresh Air Baby Camp, Inc.

**Attachment:** Memorandum of Understanding.

**FIRST SUPPLEMENTAL  
MEMORANDUM OF UNDERSTANDING**

**THIS MEMORANDUM OF UNDERSTANDING**, (the MOU) is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2015, between **FRIENDS OF THE HISTORIC FRESH AIR BABY CAMP, INC.**, a Kansas Not-for-Profit Corporation (FHFABC), whose mailing address is 731 W. Tenth Street North, Wichita, Kansas 67203-3574, and the **CITY OF WICHITA**, a Kansas Municipal Corporation (City), to memorialize the agreement of the parties concerning the rehabilitation of the structure in North Riverside Park listed on the National Register of Historic Places under the name **FRESH AIR BABY CAMP** (Baby Camp).

**Recitals**

WHEREAS, FHFABC was organized to provide assistance in the coordination of volunteer labor, contractors, and fundraising efforts necessary to the rehabilitation of the building known as the Baby Camp;

AND, WHEREAS, the parties agree that the Baby Camp is an historic structure in need of repair and rehabilitation;

AND, WHEREAS, it is the intent of the City and FHFABC to work in cooperation and as a public-private partnership to help each other in the rehabilitation of the Baby Camp;

AND, WHEREAS, the Memorandum of Understanding between the parties executed on July 13, 2011, has expired. The parties desire to extend the previous agreement between the parties to allow completion of the restoration of the Baby Camp.

**Agreement**

NOW, THEREFORE, for these reasons and in consideration of the conditions, covenants, and agreements set forth below, the parties to this agreement do agree as follows:

1. **Relationship Between the Parties.** The parties agree that their relationship is between two separate and independent entities. There is not a joint venture, partnership, employer/employee, or principal/agent relationship.

2. **Scope of Agreement.** Understanding that time is of the essence, FHFABC proposes and agrees to complete the rehabilitation as contemplated in this Agreement and to finish the project within three (3) years from and after the date of the parties' execution of this Agreement. Such rehabilitation shall comply with the applicable requirements of the City, State and Federal law regarding rehabilitation of buildings on the National Register of Historic Places, including applicable provisions of the Secretary of the Interior's Guidelines for historic rehabilitation. All rehabilitation measures shall be reviewed and approved by applicable and necessary bodies having jurisdiction over buildings on the National Register, after approval by the parties to this Agreement.

**FHFABC's Responsibilities for Rehabilitation of Baby Camp**

FHFABC will:

- a. FHFABC will complete the rehabilitation work required.
- b. FHFABC will finalize a complete cost estimate to rehabilitate the entire building according to the Secretary of the Interior's Standards for Rehabilitation.
- d. FHFABC will continue to raise tax-deductible donations to pay any necessary and applicable costs of rehabilitation.
- e. FHFABC will submit such plans and documentation to the City outlining each construction phase with a corresponding fundraising goal for each such phase. It is estimated at the time of this Agreement that there remains three construction phases: completion of exterior phase, mechanical and plumbing systems phase, and interior finish phase.

f. FHFABC shall continue its public capital campaign to raise funds and shall provide to the City the names and addresses of members of the Capital Campaign Committee.

g. FHFABC shall provide to the City for approval all plans, drawings, and other documentation for rehabilitation of the remaining phases of construction.

h. FHFABC shall obtain all necessary building permits and inspections of each phase prior to commencement of construction.

i. Any contractors hired by FHFABC to assist with rehabilitation efforts must have liability insurance and workers compensation coverage with limits acceptable to the Director of Parks and Recreation.

j. FHFABC shall allow the City the right to review all financial statements, bills, invoices, and receipts regarding the rehabilitation of the structure.

k. Within two years following the date of this Agreement, the exterior phase of construction will be completed.

l. Within three years following the date of this Agreement, the remaining phases of construction will be completed.

#### **City of Wichita's Responsibilities for Rehabilitation Process**

The City will:

a. Keep the structure secure.

b. Provide access, as necessary, for the purposes of preparing drawings and securing estimates.

c. Provide FHFABC the cost estimates prepared by City staff, as well as any CAD drawings, measurements, surveys, or other documentation that exists from previous evaluations.

d. Provide FHFABC timely approval of all drawings, plans, and other documentation regarding rehabilitation.

e. Provide appropriate approval, as the owner of the structure, for grant applications and historic preservation tax credits and other applicable financial aid and incentives which FHFABC cannot obtain without the assistance or consent of the owner. Any and all applications shall require the approval of both parties prior to submission.

f. The City will issue, at no cost, building, electrical, plumbing, and mechanical permits, plans, check fees, and connection charges for the rehabilitation of the structure.

3. **Governing Law.** The parties agree that the law of the State of Kansas shall govern this Agreement, and that any suit or cause of action by either party against the other shall be filed in the Eighteenth Judicial District Court, Sedgwick County, Kansas.

4. **Indemnification.** The parties each agree to indemnify and hold harmless the other, its governing board, officers, agents, and employees against any and all claims, damage, liability, injury, expense, demands, causes of action, judgments including court costs and attorneys' fees, arising out of or resulting from the negligence or intentional acts of its officers, agents, volunteers or employees. In the event such loss is proximately caused by the acts of the parties and their officers, agents or employees, each shall be responsible for its proportionate share of claimant's damages under the law of the State of Kansas.

FHFABC further agrees that it shall at all times exercise reasonable precautions on behalf of, and be solely responsible for, the safety of its officers, agents, employees, subcontractors, licensees, invitees, volunteers, and other persons assisting with the restoration. It is expressly understood and agreed that the City shall not be liable or responsible for any injuries

sustained by FHFABC, its officers, agents, employees, subcontractors, licensees, invitees, volunteers or other persons associated with FHFABC.

5. **Assignment.** The parties agree that this MOU may be assigned with the prior approval of both parties hereto, but not otherwise, and that such assignment shall relieve assigning party of all responsibility and liability hereunder for future acts pursuant hereto.

6. **Complete Agreement.** The parties agree that this MOU constitutes the entire agreement of the parties and that no prior agreement or representations, oral or written, shall be binding or of any force or effect. Further, this MOU may not be amended, modified, altered or enlarged except in writing signed by the duly authorized representatives of the parties hereto, their successors or assigns.

7. **Agreement Binding.** The parties agree that this MOU shall be binding upon successors and legal representatives of the parties hereto.

8. **Term.** The term of this MOU will be for three (3) years from and after the date of the parties' execution of same. Either party may terminate this MOU with cause by providing thirty (30) days' written notice to the respective party.

9. **Notices.** All notices with respect to this MOU shall be given by first-class mail or hand-delivery to the parties as follows:

<b>City</b>	<b>FHFABC</b>
Troy Houtman Director of Park & Recreation City Hall – 11 <sup>th</sup> Floor 455 North Main Wichita, Kansas 67202	Jim Guy Attorney at Law 731 West Tenth Street North Wichita, Kansas 67203-3575

10. **Severability.** If any term, provision, covenant or condition of this MOU is ruled invalid, void, or unenforceable by a court of competent jurisdiction, this MOU will nevertheless

remain in full force and effect as to all remaining terms, provisions, covenants, and conditions hereof.

11. **Scope of Agreement.** FHFABC proposes and agrees to complete the rehabilitation work as set forth in this Agreement within three (3) years from and after the date of the parties' execution of this Agreement. Such renovation shall comply with the requirements of City, State and Federal law regarding rehabilitation of buildings on the National Register of Historic Places, including the Secretary of the Interior's Standards for Rehabilitation.

12. **Disposition of Improvements to Structure and Use of Structure.** All permanent improvements, alterations, rehabilitative changes, and appliances shall be and remain the property of the City of Wichita upon termination of this MOU or completion of rehabilitation of the structure. The parties agree that, upon completion of rehabilitation, they shall submit to the City Manager and the Board of Park Commissioners a plan for the use and maintenance of the structure.

**CITY OF WICHITA**

**FRIENDS OF THE HISTORIC  
FRESH AIR BABY CAMP, INC.**

\_\_\_\_\_  
Jeff Longwell, Mayor

\_\_\_\_\_  
Claire Willenberg, President

ATTEST:

\_\_\_\_\_  
Karen Sublett, City Clerk

Approved as to Form:

\_\_\_\_\_  
Sharon L. Dickgrafe, Interim City Attorney

**Second Reading Ordinances for April 21, 2015 (first read on April 14, 2015)**

**A. Amendment of Parking District Charter Ordinance.**

CHARTER ORDINANCE NO. 225

A CHARTER ORDINANCE AMENDING AND REPEALING SECTIONS 3, 4, AND 5 OF CHARTER ORDINANCE NO. 138 OF THE CITY OF WICHITA, KANSAS, PERTAINING TO PARKING DISTRICTS WITHIN THE CITY OF WICHITA, KANSAS.

**B. DER2015-00002 Proposed Amendments to the “U” University Zoning District.**

ORDINANCE NO. 49-979

AN ORDINANCE AMENDING SECTION III-C.3. OF THE WICHITA-SEDGWICK COUNTY UNIFIED ZONING CODE (JULY 9, 2009 EDITION), AS ADOPTED BY REFERENCE IN ORDINANCE NO. 48-451, PERTAINING TO THE U UNIVERSITY DISTRICT.

City of Wichita  
City Council Meeting  
April 21, 201

**TO:** Mayor and City Council

**SUBJECT:** CUP2015-00003 and ZON2015-00010 – Amendment to Community Unit Plan DP-305 to Add 1.43 Acres to DP-305 and Rezone the Same Acreage to the Limited Commercial District to Permit the Expansion of an Auto Dealership (District II)

**INITIATED BY:** Metropolitan Area Planning Department

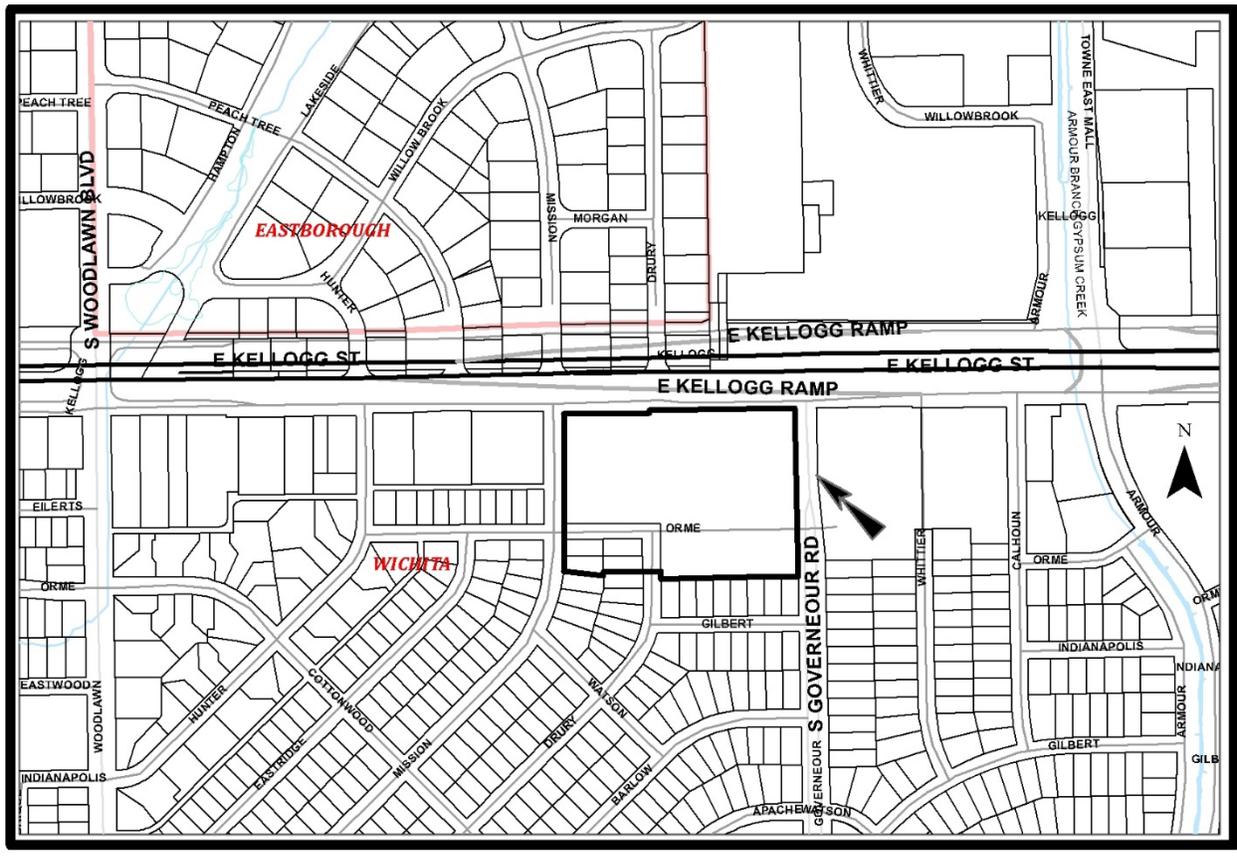
**AGENDA:** Planning (Consent)

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**MAPC Recommendations:** The Metropolitan Area Planning Commission recommended approval (12-0) subject to the recommended development standards.

**MAPD Staff Recommendations:** Planning staff recommended approval subject to the recommended development standards.

**DAB Recommendations:** The District Advisory Board recommended approval (5-0).



**BACKGROUND:** The applicant is seeking Limited Commercial (LC) zoning and the inclusion in the Schofield Honda Commercial Community Unit Plan (CUP) DP-305 of 1.43 acres of land located south of East Kellogg, between South Mission Road and South Gouverneur Road; south of the existing Schofield Honda auto dealership. Currently, the applicant owns and operates an auto dealership located on 9.19 acres that are zoned LC subject to CUP DP-305. Community Unit Plan DP-305 permits new and uses auto sales, leasing, service and all other associated uses, including parking areas for storage of vehicles for lease or sale, vehicles awaiting customer service and employee parking.

The land proposed to be added to DP-305 includes:

- 1) A 56-foot wide by 120-foot deep (6,720 square feet) Single-Family Residential (SF-5) zoned area that was formerly developed with a single-family residence addressed as 6932 East Orme that was located on the north side of vacated East Orme Street. The home has been demolished.
- 2) Existing East Orme Street right-of-way located between Drury Lane and Mission Road. The previously noted road segment is proposed to be vacated by plat if the current application is approved. If vacated, the vacated right-of-way is proposed to be incorporated into the dealership's campus and closed to public traffic.
- 3) Four platted SF-5 zoned lots (approximately 31,347.01 square feet) located south of Orme Street, between Mission Road and Drury Lane. The previously noted lots were developed with single-family residences; however, the homes have been demolished. The four lots are proposed to be replatted if this request is approved.
- 4) Approximately 116 feet of Drury Lane located just south of East Orme Street or that segment of Drury Lane located adjacent to the residential lots purchased and scraped by the applicant.

Once the single-family lots and street right-of-way are rezoned and replatted the properties will be incorporated into the auto dealership and into DP-305.

The portion of East Orme Street located between Drury Lane and Gouverneur Road was vacated by the Scholfield Honda Commercial Addition that was recorded on June 23, 2014. The eight platted lots that were formerly located south of vacated East Orme Street, between Drury Lane and Gouverneur Road were removed as part of the Scholfield Honda Commercial Addition. The Scholfield Honda Commercial Addition retained Orem Street as a 60-foot wide drainage and utility easement. A second 20-foot utility easement is located on the Scholfield Honda Commercial Addition approximately 100 feet north of the vacated East Orme right-of-way. The CUP drawing depicts the two easements as well as a proposed 55,000 square-foot building located astride both easements. Buildings are not typically allowed to encroach utility or drainage easements. The building encroachment across the two easements will need to be addressed at the time of replatting, with a vacation action or dedication to re-route the easements. A water line is shown in the Orme Street right-of-way.

The third sentence in General Provision 2 should be amended to read: *Lighted* building wall signage shall be prohibited on the south facades of all buildings facing the south 105 feet of Gouverneur Road, the south 12075 feet of Mission Road and ~~Orme Street~~ *the south property line* except for directional signs denoting parking spaces within the property.

Three access points are proposed on Mission Road; two access points are proposed on Gouverneur Road. The remnant portion of Drury Lane north of Gilbert Street is too long to be left as a dead-end and, at the time of replatting will require a cul-de-sac or hammerhead turn around. The closure of Drury Lane north of Gilbert Street and the closure of Orme west of Drury Lane will force some residents living south of the application area to drive south on Drury Lane to Watson Lane then west to Mission Road to reach points located north and west; or go east on Gilbert Street to Gouverneur Road. However, Gouverneur Road has a raised median that prevents northbound left turns at Gilbert Street and will require northbound traffic to travel three blocks (from Orme Street) south on South Gouverneur Road and make a U-turn at South Apache Drive in order to go north to Kellogg Drive. General Provision 4 should be amended to include

the following language: “At the time of platting the applicant shall guarantee the installation of a cul-de-sac, hammerhead turnaround or similar traffic improvement terminus for Drury Lane north of Gilbert Street as required by the Traffic Engineer. At the time of platting the applicant shall guarantee the installation of an access point through the Gouverneur Road median at Gilbert Street. Said improvements shall be completed prior to the closure of Drury Lane at Orme Street and the closure of Orme Street west of Drury Lane.”

A six-foot screening wall is shown along the entire southern property line and wraps around both the southeastern and southwestern corners of the CUP and run northward for varying distances. General Provision 20 gives the applicant up to 12 months from the date of final approval to defer the masonry wall requirement; at the end of the 12-month period the applicant may apply to have this condition reviewed by the City Council. It is recommended that General Provision 20 be amended to state: “The applicant may have up to 12 months from the date of final approval to install the required masonry wall; however, the applicant may be granted an additional 12 months delay by administrative adjustment provided the applicant has under contract or has purchased additional property abutting the CUP’s southern property line. Regardless of the waiver of the masonry screening, a solid six-foot tall fence shall be installed prior to the issuance of an occupancy permit or final approval for a parking lot located along any property line abutting or across the street from SF-5 or TF-3 zoning.”

Land located to the north of the property proposed to be added to DP-305 is currently zoned LC, subject to DP-305, is owned by the applicant and is developed with an automobile dealership. Land to the east is zoned LC and TF-3 and is developed with an auto dealership or single-family residences. Property to the south is developed with platted SF-5 zoned single-family residences. Land to the west is zoned SF-5 and Two-Family Residential (TF-3) and is developed with single-family residences.

**Analysis:** At the District Advisory Board (DAB) II meeting held on March 9, 2015, the DAB voted to approve (5-0) the request per staff recommendations.

On March 19, 2015, the Metropolitan Area Planning Commission (“MAPC”) reviewed the application. The MAPC voted (8-1) to approve the application subject to staff recommendations:

- A. Approve the zone change (ZON2015-00010) to LC Limited Commercial zoning and the amendments to Community Unit Plan DP-305 subject to the development standards contained therein, subject to replatting within one year.
- B. At the time of platting the applicant shall guarantee the installation of a cul-de-sac, hammerhead turnaround or similar traffic improvement terminus for Drury Lane north of Gilbert Street as required by the Traffic Engineer. At the time of platting the applicant shall guarantee the installation of an access point through the Gouverneur Road median at Gilbert Street. Said improvements shall be completed prior to the closure of Drury Lane at Orme Street and the closure of Orme Street west of Drury Lane.
- C. General Provision 20 be amended to state: “The applicant may have up to 12 months from the date of final approval to install the required masonry wall; however, the applicant may be granted an additional 12 months delay by administrative adjustment provided the applicant has under contract or has purchased additional property abutting the CUP’s southern property line. Regardless of the waiver of the masonry screening, a solid six-foot tall fence shall be installed prior to the issuance of an occupancy permit or final approval for a parking lot located along any property line abutting or across the street from SF-5 or TF-3 zoning.”
- D. The building encroachment across the two utility easements will be addressed at the time of replatting, with a vacation action or the dedication of additional easement to re-route the utilities, as determined by Public Works.
- E. The replat of the site may require modifications to the approved CUP DP-305. CUP DP-30 shall be considered to be adjusted without further review so long as four copies of the revised CUP that are consistent with the approved plat are submitted to planning staff within 60 days of the recording of the plat.
- F. The applicant shall submit four copies of the approved CUP to the Metropolitan Area Planning Department within 60 days after approval of the application by the governing body, or the request

shall be considered denied and closed.

There was not anyone present at the MAPC meeting other than the agent to speak on the item, and there have not been any protests filed. The City Council may approve the request as recommended by MAPC with a simple majority vote.

**Financial Considerations:** Approval of the request will not create any atypical financial considerations to the City.

**Legal Considerations:** The Law Department has reviewed and approved the zone change ordinance amendment as to form.

**Recommendation/Actions:** Adopt the findings of the MAPC, approve the request subject to platting within one year and withhold publication of the ordinance enacting the zone change until the ordinance has been published (simple majority vote).

**Attachments:** CUP drawing, MAPC minutes and DAB minutes.

AN ORDINANCE CHANGING THE ZONING CLASSIFICATIONS OR DISTRICTS OF CERTAIN LANDS LOCATED IN THE CITY OF WICHITA, KANSAS, UNDER THE AUTHORITY GRANTED BY THE WICHITA-SEDGWICK COUNTY UNIFIED ZONING CODE, SECTION V-C, AS ADOPTED BY SECTION 28.04.010, AS AMENDED.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS.

**SECTION 1.** That having received a recommendation from the Planning Commission, and proper notice having been given and hearing held as provided by law and under authority and subject to the provisions of The Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by Section 28.04.010, as amended, the zoning classification or districts of the lands legally described hereby are changed as follows:

**Case No. ZON2015-00008**

Zone change from SF-5 Single-family Residential (SF-5) to GO General Office (GO) on approximately 0.11 acre described as:

The east 50 feet of Lot 49, Park Vista Addition to Wichita, Kansas; generally located at the northwest corner of West 9<sup>th</sup> Street North and North McLean Boulevard (1016 North Edwards Avenue).

**SECTION 2.** That upon the taking effect of this ordinance, the above zoning changes shall be entered and shown on the "Official Zoning Map" previously adopted by reference, and said official zoning map is hereby reincorporated as a part of the Wichita -Sedgwick County Unified Zoning Code as amended.

**SECTION 3.** That this Ordinance shall take effect and be in force from and after its adoption and publication in the official City paper.

\_\_\_\_\_  
Jeff Longwell - Mayor

**ATTEST:**

\_\_\_\_\_  
Karen Sublett, City Clerk

(SEAL)

Approved as to form: \_\_\_\_\_  
Sharon Dickgrafe, Interim City Attorney



**INTEROFFICE  
MEMORANDUM**

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**TO:** MAPC  
**FROM:** Martha Sanchez, Community Liaison, District VI  
**SUBJECT:** ZON2015-00008  
**DATE:** March 18, 2015

On Wednesday, March 18, 2015, the District VI Advisory Board considered a request from Applicant Abbott Land Survey/Chad Abbott (agent) for zoning change to GO General Office. The current zoning of proposed site is SF-5 Single Family Residential located at McLean Boulevard and north of West 9<sup>th</sup> street.

The DAB Members were provided with the MAPD staff report with a recommendation to approve.

Members of the DAB and the public asked the following questions:

**DAB?** Where is parking going to be located? **A:** Northside of property facing McLean Boulevard.

**Public?** At the location is a sign saying, "Rehab". Will this office be a Drug Rehab Clinic? **A:** It is currently a chiropractic office.

**CM:** The building is zoned GO which will allow "medical service" type business. What is requested today is the addition of parking not to change the zoning of the structure.

**The DAB members voted (7-0) to recommend approval for zoning change subject to the conditions listed in the staff report.**

Please review this information when **ZON2015-00008** is considered.

**EXCERPT MINUTES OF THE MARCH 19, 2015 WICHITA-SEDGWICK COUNTY  
METROPOLITAN AREA PLANNING COMMISSION HEARING**

**Case No.: ZON2015-00008** - Abbott Land Survey/ Chad Abbott (agent) request a City zone change request from SF-5 Single-family Residential to GO General Office on property described as:

Commencing at the Southwest Corner of Lot 1, Knudtson Addition, Wichita, Kansas, thence N 19°07'42" E (Assumed) along the W line of said Lot 1, a distance of 207.54 feet (207.60 platted) to the Western point of intersection corner of said Lot 1, said point being the Point of Beginning, said point also being a point on the South line of lot 49, Park Vista Addition to Wichita, Kansas; thence N 88°47'42" W along said South line, a distance of 10.51 feet; thence N 01°07'51" E, a distance of 66.20 feet to a point on the North line of said lot 49; thence S 88°50'05" E along the North line of said lot 49, a distance of 81.64 feet to the Northeast Corner of said Lot 49 and the Northwest corner of said Lot 1; thence S 19°11'04" W along the East line of said Lot 49 and the West line of said Lot 1 a distance of 69.60' to the Southeast Corner of said Lot 49 and the Eastern point of intersection corner of said Lot 1; thence N 88°51'56" W along the South line of said Lot 49 and the north line of said Lot 1 a distance of 49.56 feet to the Point of Beginning.

**BACKGROUND:** The application area is the eastern or rear 50 feet of Lot 49, Park Vista Addition that is addressed as 1016 North Edwards Avenue. Lot 49, Park Vista Addition is 300 feet deep, is zoned Single-Family Residential (SF-5) and its only street frontage is onto North Edwards Avenue. The western end of Lot 49, Park Vista Addition is developed with single-family residence. The owner of the property located immediately east of Lot 49, Park Vista Addition wishes to purchase the eastern or rear 50 feet of Lot 49, Park Vista Addition in order to provide more parking for his property (2604 West 9<sup>th</sup> Street) that fronts North McLean Boulevard and West 9<sup>th</sup> Street, is zoned General Office (GO) and is developed with a strip office center. If the zoning request is approved, the subject property – the rear 50 feet of Lot 49, Park Vista Addition – would be attached to Lot 1, Knudtson Addition (2604 West 9<sup>th</sup> Street) in order to provide additional parking for the strip office center.

The land located immediately west of the application area is developed with a single-family residence, and is the lot from which the subject property is proposed to be removed and rezoned. Land located to the south and east of the subject site is the property owned by the property owner that is attempting to obtain the zone change and is zoned GO. Land located north of the application area is zoned SF-5 and is developed with a single-family residence.

If the request is approved, the application will have to be screened from adjoining SF-5 zoned property, provide parking lot and buffer landscaping, limit any parking lot lighting standards to a maximum height of 15 feet and pave the surface.

**CASE HISTORY:** The Park Vista Addition was recorded in 1933. The Knudtson Addition was recorded in 1974.

## **ADJACENT ZONING AND LAND USE:**

North: SF-5; single-family residences

South: GO; strip office center

East: GO; strip office center

West: SF-5; single-family residence

**PUBLIC SERVICES:** The site is located in a part of town that has been developed for many years and is served by all usual municipal and private utilities and services.

**CONFORMANCE TO PLANS/POLICIES:** The 2030 Wichita Functional Land Use Guide depicts the site as appropriate for “urban residential” use. The “urban residential” use category includes the full diversity of residential development and public/civic uses. GO zoning district allows the full complement of urban residential uses and public/civic uses and provides for local commercial development.

**RECOMMENDATION:** Based upon the information available at the time the staff report was completed, staff recommends approval of the request, with the provision that a drainage plan be filed for the site.

This recommendation is based on the following findings:

1. **The zoning, uses and character of the neighborhood:** The land located immediately west of the site is zoned SF-5 and developed with a single-family house. Land east and south of the subject site, is zoned GO and is a strip office center. Land to the north is zoned SF-5 and developed with single-family residences.
2. **The suitability of the subject property for the uses to which it has been restricted:** The site is zoned SF-5 and is part of a single-family residential developed lot. The site could continue to be used as is currently zoned.
3. **Extent to which removal of the restrictions will detrimentally affect nearby property:** Approval of the GO zoning should not create an increased negative impact on nearby property and should relieve on-street parking along West 9<sup>th</sup> Street.
4. **Relative gain to the public health, safety and welfare as compared to the loss in value or the hardship imposed upon the applicant:** Approval would provide more on-site parking for existing office uses.
5. **Conformance of the requested change to the adopted or recognized Comprehensive Plan and policies:** The 2030 Wichita Functional Land Use Guide depicts the site as appropriate for “urban residential” use. The “urban residential” use category includes the full diversity of residential development and public/civic uses. GO zoning district allows the full complement of urban residential uses and public/civic uses and provides for local commercial development.

7. **Impact of the proposed development on community facilities:** All services are in place and any increased demand on community facilities can be handled by current infrastructure.

**DALE MILLER**, Planning Staff presented the Staff Report.

**MOTION:** To approve subject to staff recommendation.

**B. JOHNSON** moved, **KLAUSMEYER** seconded the motion, and it carried (9-0).

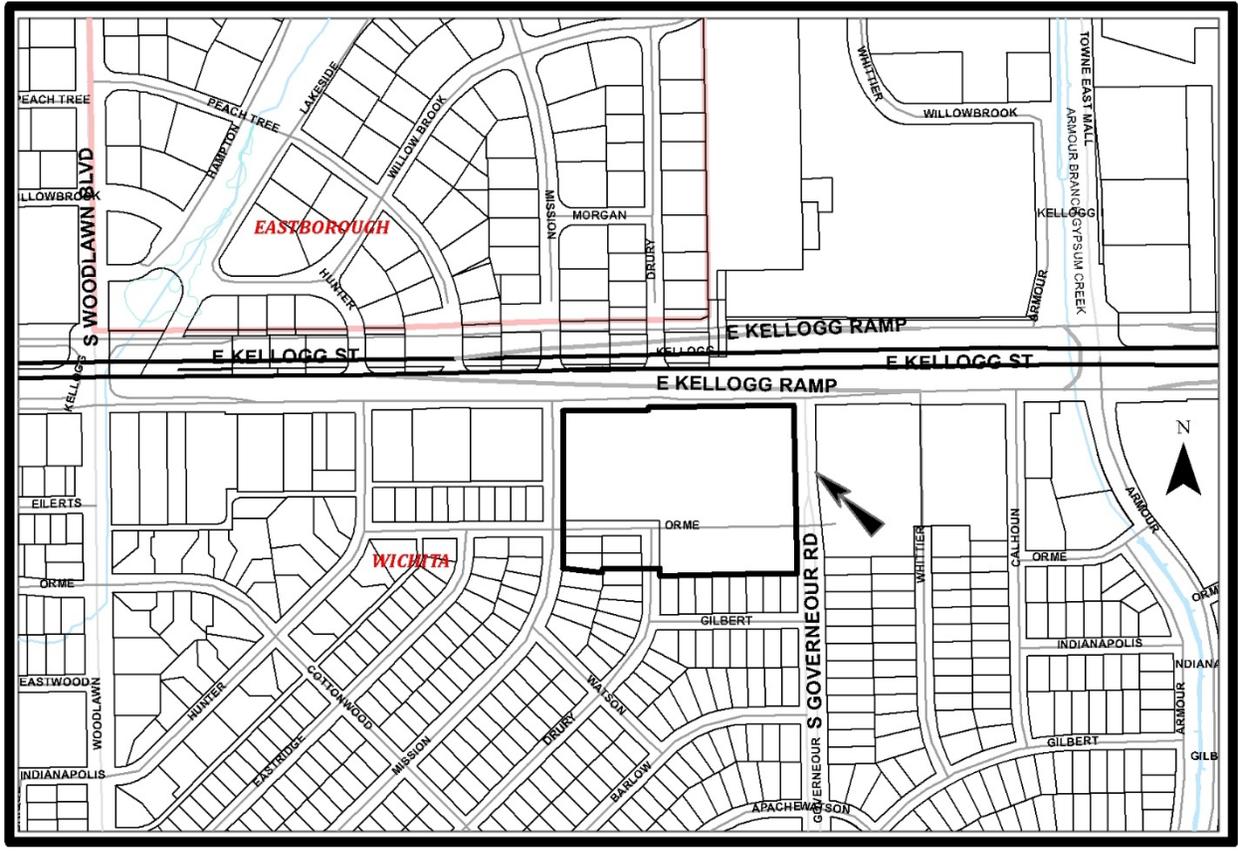
City of Wichita  
City Council Meeting  
April 21, 201

**TO:** Mayor and City Council  
**SUBJECT:** CUP2015-00003 and ZON2015-00010 – Amendment to Community Unit Plan DP-305 to Add 1.43 Acres to DP-305 and Rezone the Same Acreage to the Limited Commercial District to Permit the Expansion of an Auto Dealership (District II)  
**INITIATED BY:** Metropolitan Area Planning Department  
**AGENDA:** Planning (Consent)

**MAPC Recommendations:** The Metropolitan Area Planning Commission recommended approval (12-0) subject to the recommended development standards.

**MAPD Staff Recommendations:** Planning staff recommended approval subject to the recommended development standards.

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- C. General Provision 20 be amended to state: “The applicant may have up to 12 months from the date of final approval to install the required masonry wall; however, the applicant may be granted an additional 12 months delay by administrative adjustment provided the applicant has under contract or has purchased additional property abutting the CUP’s southern property line. Regardless of the waiver of the masonry screening, a solid six-foot tall fence shall be installed prior to the issuance of an occupancy permit or final approval for a parking lot located along any property line abutting or across the street from SF-5 or TF-3 zoning.”
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shall be considered denied and closed.

There was not anyone present at the MAPC meeting other than the agent to speak on the item, and there have not been any protests filed. The City Council may approve the request as recommended by MAPC with a simple majority vote.

**Financial Considerations:** Approval of the request will not create any atypical financial considerations to the City.

**Legal Considerations:** The Law Department has reviewed and approved the zone change ordinance amendment as to form.

**Recommendation/Actions:** Adopt the findings of the MAPC, approve the request subject to platting within one year and withhold publication of the ordinance enacting the zone change until the ordinance has been published (simple majority vote).

**Attachments:** CUP drawing, MAPC minutes and DAB minutes.

AN ORDINANCE CHANGING THE ZONING CLASSIFICATIONS OR DISTRICTS OF CERTAIN LANDS LOCATED IN THE CITY OF WICHITA, KANSAS, UNDER THE AUTHORITY GRANTED BY THE WICHITA-SEDGWICK COUNTY UNIFIED ZONING CODE, SECTION V-C, AS ADOPTED BY SECTION 28.04.010, AS AMENDED.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS.

SECTION 1. That having received a recommendation from the Planning Commission, and proper notice having been given and hearing held as provided by law and under authority and subject to the provisions of The Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by Section 28.04.010, as amended, the zoning classification or districts of the lands legally described hereby are changed as follows:

Case No. ZON2015-00010 (associated with CUP2015-00003)

Zone change request from SF-5 Single-Family Residential (SF-3) to LC Limited Commercial (LC) on property described as Lot 1, Block A, Scholfield Honda Commercial Addition to Wichita, Sedgwick County, Kansas, and Lots 1 and 2, Block 2 together with Lots 14 EXCEPT the South 1.5 feet and all of Lot 15, Block 2, Eastridge Addition to Wichita, Sedgwick County, Kansas.

SECTION 2. That upon the taking effect of this ordinance, the above zoning changes shall be entered and shown on the "Official Zoning Map" previously adopted by reference, and said official zoning map is hereby reincorporated as a part of the Wichita -Sedgwick County Unified Zoning Code as amended.

SECTION 3. That this Ordinance shall take effect and be in force from and after its adoption and publication in the official City paper.

ADOPTED this 28th day of April, 2015.

\_\_\_\_\_  
Jeff Longwell - Mayor

ATTEST:

\_\_\_\_\_  
Karen Sublett, City Clerk

(SEAL)

Approved as to form: \_\_\_\_\_  
Sharon Dickgrafe, Interim City Attorney



**INTEROFFICE  
MEMORANDUM**

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**TO:** MAPC  
**FROM:** Alana Haynes, Community Liaison  
**SUBJECT:** ZON2015-00010 and CUP2015-00003, Limited Commercial (LC) zoning and the inclusion in the Scholfield Honda Commercial Community Unit Plan  
**DATE:** March 30, 2015

On Tuesday, March 9, 2015 the District II Advisory Board considered a request to rezone the SF-5 Single-Family Residential at the south side of East Kellogg Street to LC Limited Commercial.

**Dale Miller, Current Plans Manager**, presented on ZON2015-00010 and CUP2015-00003 and reported that the applicant is seeking Limited Commercial (LC) zoning and the inclusion in the Schofield Honda Commercial Community Unit Plan (CUP) DP-305 of 1.43 acres of land located south of East Kellogg, between South Mission Road and South Gouverneur Road; south of the existing Schofield Honda auto dealership. Currently, the applicant owns and operates an auto dealership located on 9.19 acres that are zoned LC subject to CUP DP-305. Community Unit Plan DP-305 permits new and uses auto sales, leasing, service and all other associated uses, including parking areas for storage of vehicles for lease or sale, vehicles awaiting customer service and employee parking.

**Miller:** This is the second phase to an item that you have previously heard from Scholfield Honda. **Phil Myer**, the applicant's agent, is here to help answer any questions you may have.

**DAB member:** Right now there is a masonry fence at this location, how long will it take to build the new fence? **Miller:** The purpose of the fence is to protect the neighborhood. On the south line, they will put a wooden fence up and after a year, if nothing happens, they would then put up a masonry fence.

**DAB member:** Who would oversee them putting up the fence after a year? **Miller:** MABCD, only on a complaint base.

**DAB member:** How far are they going to expand? **Myer:** I think that they are done expanding. There are no plans to go west, and they are no current plans to go south.

**DAB member:** Did anything change, we have seen this before. **Miller:** It's just that they are adding an additional area to the original plans.

**Brian Carduff** moved for approval of **ZON2015-00010 and CUP2015-00003**, **Max Weddle** seconded. Motion carried 5-0.

Please review this information when **ZON2015-00010 and CUP2015-00003** is considered.



**EXCERPT MINUTES OF THE MARCH 19, 2015 WICHITA-SEDGWICK COUNTY  
METROPOLITAN AREA PLANNING COMMISSION HEARING**

**Case No.: ZON2015-00010 and CUP2015-00003** - RJ Reality, LLC (Roger Scholfield) / Baughman Company, P.A. (Russ Ewy) request a City zone change from SF-5 Single-family Residential to LC Limited Commercial and City request to amend CUP DP-305 to add additional property on property described as:

Lot 1, Block A, Scholfield Honda Commercial Addition to Wichita, Sedgwick County, Kansas.

AND

Lots 1 and 2, Block 2 together with Lots 14 EXCEPT the South 1.5 feet and all of lot 15, Block 2, Eastridge Addition to Wichita, Sedgwick County, Kansas

**BACKGROUND:** The applicant is seeking Limited Commercial (LC) zoning and the inclusion in the Schofield Honda Commercial Community Unit Plan (CUP) DP-305 of 1.43 acres of land located south of East Kellogg, between South Mission Road and South Gouverneur Road; south of the existing Schofield Honda auto dealership. Currently, the applicant owns and operates an auto dealership located on 9.19 acres that are zoned LC subject to CUP DP-305. Community Unit Plan DP-305 permits new and uses auto sales, leasing, service and all other associated uses, including parking areas for storage of vehicles for lease or sale, vehicles awaiting customer service and employee parking.

The land proposed to be added to DP-305 includes:

- 1) A 56-foot wide by 120-foot deep (6,720 square feet) Single-Family Residential (SF-5) zoned area that was formerly developed with a single-family residence addressed as 6932 East Orme that was located on the north side of vacated East Orme Street. The home has been demolished.
- 2) Existing East Orme Street right-of-way located between Drury Lane and Mission Road. The previously noted road segment is proposed to be vacated by plat if the current application is approved. If vacated, the vacated right-of-way is proposed to be incorporated into the dealership's campus and closed to public traffic.
- 3) Four platted SF-5 zoned lots (approximately 31,347.01 square feet) located south of Orme Street, between Mission Road and Drury Lane. The previously noted lots were developed with single-family residences; however, the homes have been demolished. The four lots are proposed to be replatted if this request is approved.
- 4) Approximately 116 feet of Drury Lane located just south of East Orme Street or that segment of Drury Lane located adjacent to the residential lots purchased and scraped by the applicant.

Once the single-family lots and street right-of-way are rezoned and replatted the properties will be incorporated into the auto dealership and into DP-305.

The portion of East Orme Street located between Drury Lane and Gouverneur Road was vacated by the Scholfield Honda Commercial Addition that was recorded on June 23, 2014. The eight platted lots that were formerly located south of vacated East Orme Street, between Drury Lane

and Gouverneur Road were removed as part of the Scholfield Honda Commercial Addition. The Scholfield Honda Commercial Addition retained Orem Street as a 60-foot wide drainage and utility easement. A second 20-foot utility easement is located on the Scholfield Honda Commercial Addition approximately 100 feet north of the vacated East Orme right-of-way. The CUP drawing depicts the two easements as well as a proposed 55,000 square-foot building located astride both easements. Buildings are not typically allowed to encroach utility or drainage easements. The building encroachment across the two easements will need to be addressed at the time of replatting, with a vacation action or dedication to re-route the easements. A water line is shown in the Orme Street right-of-way.

The third sentence in General Provision 2 should be amended to read: *Lighted building wall signage shall be prohibited on the south facades of all buildings facing the south 105 feet of Gouverneur Road, the south 12075 feet of Mission Road and ~~Orme Street~~ the south property line except for directional signs denoting parking spaces within the property.*

Three access points are proposed on Mission Road; two access points are proposed on Gouverneur Road. The remnant portion of Drury Lane north of Gilbert Street is too long to be left as a dead-end and, at the time of replatting will require a cul-de-sac or hammerhead turn around. The closure of Drury Lane north of Gilbert Street and the closure of Orme west of Drury Lane will force some residents living south of the application area to drive south on Drury Lane to Watson Lane then west to Mission Road to reach points located north and west; or go east on Gilbert Street to Gouverneur Road. However, Gouverneur Road has a raised median that prevents northbound left turns at Gilbert Street and will require northbound traffic to travel three blocks (from Orme Street) south on South Gouverneur Road and make a U-turn at South Apache Drive in order to go north to Kellogg Drive. General Provision 4 should be amended to include the following language: “At the time of platting the applicant shall guarantee the installation of a cul-de-sac, hammerhead turnaround or similar traffic improvement terminus for Drury Lane north of Gilbert Street as required by the Traffic Engineer. At the time of platting the applicant shall guarantee the installation of an access point through the Gouverneur Road median at Gilbert Street. Said improvements shall be completed prior to the closure of Drury Lane at Orme Street and the closure of Orme Street west of Drury Lane.”

A six-foot screening wall is shown along the entire southern property line and wraps around both the southeastern and southwestern corners of the CUP and run northward for varying distances. General Provision 20 gives the applicant up to 12 months from the date of final approval to defer the masonry wall requirement; at the end of the 12-month period the applicant may apply to have this condition reviewed by the City Council. It is recommended that General Provision 20 be amended to state: “The applicant may have up to 12 months from the date of final approval to install the required masonry wall; however, the applicant may be granted an additional 12 months delay by administrative adjustment provided the applicant has under contract or has purchased additional property abutting the CUP’s southern property line. Regardless of the waiver of the masonry screening, a solid six-foot tall fence shall be installed prior to the issuance of an occupancy permit or final approval for a parking lot located along any property line abutting or across the street from SF-5 or TF-3 zoning.”

Land located to the north of the property proposed to be added to DP-305 is currently zoned LC, subject to DP-305, is owned by the applicant and is developed with an automobile dealership. Land to the east is zoned LC and TF-3 and is developed with an auto dealership or single-family

residences. Property to the south is developed with platted SF-5 zoned single-family residences. Land to the west is zoned SF-5 and Two-Family Residential (TF-3) and is developed with single-family residences.

**CASE HISTORY:** The following plats are associated with the property: Scholfield-Hatchett 3<sup>rd</sup> Addition, recorded March 18, 1993; Ripstra Addition, recorded June 14, 1956; McHugh Addition, recorded April 26, 1967; East Mission 2<sup>nd</sup> Addition, recorded September 21, 1994; Eastridge Addition, recorded December 3, 1949 and Eastridge 5<sup>th</sup> Addition, recorded in 1951. Zoning cases associated with the property include: Z-0854, A Single-family Residential to LC (McHugh Addition); Z-2667 and Z-3046, A to LC (southern 1/3 of the Scholfield-Hatchett 3<sup>rd</sup> Addition); Z-3129, A to LC and BB (Office) and ZON2007-00025, GO General Office (formerly B zoning) and TF-3 to LC and the creation of DP-305. BZA30-85 included a condition for use of the property as a car lot and is to be incorporated into the CUP provisions. Protective Overlay (PO) #124 associated with ZON 2003-09 rezoned a lot on Orme Street from TF-3 to LC with PO provisions, which also is to be incorporated in to the CUP provisions. BZA2006-53 reduced spacing for a freestanding sign on Kellogg Drive from 150 to 120 feet. CUP2013-00031 and ZON2013-00023 rezoned nine lots from SF-5 to LC and attached the rezoned lots to DP-305. The Scholfield Honda Commercial Addition that was recorded on June 23, 2014.

**ADJACENT ZONING AND LAND USE:**

North: LC and DP-305; auto dealership

South: SF-5; single-family residences

East: LC and SF-5; auto dealership and single-family residences

West: LC, TF-3 and SF-5; auto dealership and single-family residences

**PUBLIC SERVICES:**

**CONFORMANCE TO PLANS/POLICIES:** The 2030 Wichita Functional Land Use Guide map did not anticipate the expansion of regional commercial uses south of East Orme Street. The 2030 Wichita Functional Land Use Guide map depicts “regional commercial” as being appropriate for property located north of East Orme Street. Land located south of East Orme Street is shown by the land use map previously referenced as appropriate for “urban residential” uses. The land use “vehicle and equipment sales” is considered to be a regional commercial use. The Comprehensive Plan’s commercial objective III.B encourages existing commercial areas to: develop future retail/commercial areas which complement existing commercial activities, provide convenient access to the public and minimize detrimental impacts to other adjacent land uses. The tract has reasonably good access to East Kellogg Drive, either through the Scholfield dealership or via South Gouverneur Road. Additionally, the proposed access controls, the proposed screening wall and the other proposed development standards minimize traffic conflict with the neighborhood and other potential impacts, such as noise and light pollution. Finally, the MAPC has an unofficial policy of supporting the expansion of existing businesses.

**RECOMMENDATION:** Based upon the information available at the time the staff report was prepared it is recommended that the request be approved subject to the following conditions:

- A. Approve the zone change (ZON2015-00010) to LC Limited Commercial zoning and the amendments to Community Unit Plan DP-305 subject to the development standards

contained therein, subject to replatting within one year.

- B. At the time of platting the applicant shall guarantee the installation of a cul-de-sac, hammerhead turnaround or similar traffic improvement terminus for Drury Lane north of Gilbert Street as required by the Traffic Engineer. At the time of platting the applicant shall guarantee the installation of an access point through the Gouverneur Road median at Gilbert Street. Said improvements shall be completed prior to the closure of Drury Lane at Orme Street and the closure of Orme Street west of Drury Lane.
- C. General Provision 14 shall be amended to state: “The ordinance establishing the zone change shall not be published until all conditions of approval have been met and the ordinance enacting the zone change has been published.
- D. General Provision 20 be amended to state: “The applicant may have up to 12 months from the date of final approval to install the required masonry wall; however, the applicant may be granted an additional 12 months delay by administrative adjustment provided the applicant has under contract or has purchased additional property abutting the CUP’s southern property line. Regardless of the waiver of the masonry screening, a solid six-foot tall fence shall be installed prior to the issuance of an occupancy permit or final approval for a parking lot located along any property line abutting or across the street from SF-5 or TF-3 zoning.”
- E. The building encroachment across the two utility easements will be addressed at the time of replatting, with a vacation action or the dedication of additional easement to re-route the utilities, as determined by Public Works.
- F. The replat of the site may require modifications to the approved CUP DP-305. CUP DP-30 shall be considered to be adjusted without further review so long as four copies of the revised CUP that are consistent with the approved plat are submitted to planning staff within 60 days of the recording of the plat.
- G. The applicant shall submit four copies of the approved CUP to the Metropolitan Area Planning Department within 60 days after approval of the application by the governing body, or the request shall be considered denied and closed.

This recommendation is based on the following findings:

- 1. The zoning, uses and character of the neighborhood: Land located to the north of the property proposed to be added to DP-305 is currently zoned LC, subject to DP-305, is owned by the applicant and is developed with an automobile dealership. Land to the east is zoned LC and TF-3 and is developed with an auto dealership or single-family residences. Property to the south is developed with platted SF-5 zoned single-family residences. Land to the west is zoned SF-5 and Two-Family Residential (TF-3) and is developed with single-family residences.
- 2. The suitability of the subject property for the uses to which it has been restricted: The portion of the property being rezoned is currently zoned SF-5 or is unzoned right-of-way. The homes that occupied the area being rezoned have been demolished. Single-family residential zoning does not permit vehicles sales; therefore, the current zoning is not suited for the intended expansion of the automobile dealership.
- 3. Extent to which removal of the restrictions will detrimentally affect nearby property: The automobile dealership has been steadily acquiring residential properties located south of the original dealership’s campus. The homes that once occupied the properties that are

proposed to be rezoned have been razed, and it is unlikely that the residences would be rebuilt. The proposed development standards required by either the basic zoning code or the specific conditions contained in the proposed CUP address anticipated impacts.

4. Relative gain to the public health, safety and welfare as compared to the loss in value or the hardship imposed upon the applicant: Denial would presumably represent an economic loss to the auto dealership. Approval would allow an existing auto dealership to improve its campus and facilities and presumably enhance the car buying experience at this location.
5. Conformance of the requested change to the adopted or recognized Comprehensive Plan and policies: The 2030 Wichita Functional Land Use Guide map did not anticipate the expansion of regional commercial uses south of East Orme Street. The 2030 Wichita Functional Land Use Guide map depicts “regional commercial” as being appropriate for property located north of East Orme Street. Land located south of East Orme Street is shown by the land use map previously referenced as appropriate for “urban residential” uses. The land use “vehicle and equipment sales” is considered to be a regional commercial use. The Comprehensive Plan’s commercial objective III.B encourages existing commercial areas to: develop future retail/commercial areas which complement existing commercial activities, provide convenient access to the public and minimize detrimental impacts to other adjacent land uses. The tract has reasonably good access to East Kellogg Drive, either through the Scholfield dealership or via South Gouverneur Road. Additionally, the proposed access controls, the proposed screening wall and the other proposed development standards minimize traffic conflict with the neighborhood and other potential impacts, such as noise and light pollution. Finally, the MAPC has an unofficial policy of supporting the expansion of existing businesses.
6. Impact of the proposed development on community facilities: Approval of the request will likely lead to the vacation of portions of Orme Street between Mission Road and Gouverneur Road and the truncation of Drury Lane, which will force area residents to alter traditional traffic circulation patterns. Traffic circulation and utility encroachment concerns can be addressed at the time of replatting.

**DALE MILLER**, Planning Staff presented the Staff Report.

**MOTION:** To approve subject to staff recommendation.

**B. JOHNSON** moved, **KLAUSMEYER** seconded the motion, and it carried (9-0).