



Agenda

**REGULAR MEETING
GOVERNING BODY
CITY OF LENEXA, KANSAS
17101 W. 87th STREET PARKWAY**

**NOVEMBER 3, 2026
7:00 PM
COMMUNITY FORUM**

CALL TO ORDER Pledge of Allegiance

ROLL CALL

APPROVE MINUTES October 20, 2026 City Council meeting draft minutes
(located in the Appendix)

**MODIFICATION OF
AGENDA**

APPOINTMENT Parks & Recreation Advisory Board Appointment -
Sharon Rice (memo located in the Appendix)

PRESENTATIONS

Lenexa Economic Development Council Report (located in
the Appendix)

Lenexa Convention and Visitors Bureau Report (located in
the Appendix)

CONSENT AGENDA

Item Numbers 1 through 3

The matters listed on the Consent Agenda are routine and approved collectively with no separate discussion on each individual item. Any item on the Consent Agenda may be removed from the Consent Agenda for separate consideration by a member of the Governing Body, the City Manager, or by a member of the public in attendance at the meeting. In the event the item is removed from the Consent Agenda, it will be placed on the regular agenda.

1. Resolution approving the annual investment policy for operating funds

The Pooled Money Investment Board for the State of Kansas requires government entities with expanded investment powers to review and adopt an investment policy on an annual basis. Staff and the City's investment

consultant have reviewed the existing policy and are recommending no changes.

2. Resolution declaring it necessary to appropriate private property for construction of Phase III of the Complete Streets Program

This resolution will allow the City to proceed with the acquisition of private property. The total cost of this phase, including property acquisition, is estimated to be \$4.1 million.

3. Ordinance authorizing the acquisition of lands or interests therein by condemnation for the construction of the 95th Street Improvements - Renner to Lackman Project

This ordinance authorizes City staff and its acquisition counsel to file a condemnation petition with the district court to acquire the easements and rights-of-way for the project. The total project budget is \$3,928,391.

END OF CONSENT AGENDA

NEW BUSINESS

4. Ordinance removing area from the Mining Redevelopment TIF District and Amending Ordinance Nos. 4604 and 4825 and repealing Ordinance Nos. 4609, 4938, 5033, 5262, 5631, 5700, 5976, and 6015

The City approved multiple redevelopment projects in the Mining TIF District that have facilitated the reclamation of undevelopable limestone mines and supported the development of housing, office, restaurant, and retail projects. Three approved redevelopment projects in the Mining TIF District, which make up the vast majority of the District, are complete. Staff recommends removing the completed redevelopment projects from the District.

COUNCILMEMBER REPORTS

STAFF REPORTS

5. Quarterly Financial Report

BUSINESS FROM FLOOR

The Chair, at their discretion, may limit the amount of time each person has to address the Governing Body during Public Hearings or public comment regarding items listed

on the agenda, or Business from the Floor, and may grant additional time at their sole discretion.

ADJOURN

APPENDIX

6. October 20, 2026 City Council meeting draft minutes
7. Parks & Recreation Advisory Board Appointment Memo - Sharon Rice
8. Lenexa Economic Development Council Report
9. Lenexa Convention and Visitors Bureau Report
10. Item 1 -- Investment Policy
11. Item 5 -- Quarterly Financial Report Presentation

Dist. Governing Body; Management Team; Agenda & Minutes Distribution List

IF YOU NEED ANY ACCOMMODATIONS FOR THE MEETING, PLEASE CONTACT THE CITY ADA COORDINATOR, 913/477-7550. KANSAS RELAY SERVICE 800/766-3777. PLEASE GIVE 48 HOURS NOTICE

ASSISTIVE LISTENING DEVICES ARE AVAILABLE FOR USE IN THE COMMUNITY FORUM BY REQUEST.



**CITY COUNCIL
MEMORANDUM**

ITEM 1

SUBJECT: Resolution approving the annual investment policy for operating funds

CONTACT: Nate Blum, Chief Financial Officer

DATE: November 3, 2026

ACTION NEEDED:

Adopt a resolution approving the annual investment policy for operating funds.

PROJECT BACKGROUND/DESCRIPTION:

The Pooled Money Investment Board (PMIB) for the State of Kansas requires governmental entities with expanded investment powers to review and adopt an investment policy annually. The expanded investment powers allow the City to purchase investments maturing up to four years after the purchase date. Without expanded powers, the City could only purchase investments maturing up to two years after the purchase date.

City staff and Columbia Capital Management, LLC (the City's investment advisor for operating funds) have reviewed the investment policy and are recommending no changes.

If the Governing Body approves the investment policy, staff will submit the policy to the PMIB later this year as part of the annual application to renew the City's expanded investment powers.

STAFF RECOMMENDATION:

Adopt the resolution.

VISION / GUIDING PRINCIPLES ALIGNMENT:

Vision 2040

Guiding Principles

Prudent Financial Management

ATTACHMENTS

1. Resolution
2. Policy located in the Appendix

RESOLUTION NO. 2026 - _____

A RESOLUTION APPROVING THE CITY'S INVESTMENT POLICY.

WHEREAS, K.S.A. 12-1677b grants expanded investment powers to municipalities where the governing body of the municipality has adopted an investment policy that is approved by the Kansas Pooled Money Investment Board (the "KPMIB"); and

WHEREAS, the City previously adopted Resolution No. 2025-052 approving an investment policy as set out in Governing Body Policy number GB-Finance-2 (the "Investment Policy"), to define investment objectives and to establish procedures to achieve those objectives; and

WHEREAS, in accordance with K.S.A. 12-1677b, the Investment Policy must be reviewed and approved at least annually or whenever the City makes changes in such Investment Policy; and

WHEREAS, staff requested Columbia Capital Management, LLC ("Columbia Capital"), who serves as the City's investment adviser for operating funds, review and, if necessary, recommend changes to the Investment Policy; and

WHEREAS, staff and Columbia Capital recommend re-adoption of the existing Investment Policy without changes; and

WHEREAS, upon adoption by the Governing Body, staff will submit the Investment Policy to the KPMIB as part of the City's annual application for continuation of the City's expanded investment powers.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF LENEXA, KANSAS:

SECTION ONE: The Governing Body hereby adopts the existing Investment Policy attached in substantially the same form hereto as Exhibit "A" and incorporated herein by reference, as Governing Body Policy number GB-Finance-2.

SECTION TWO: Upon adoption of this Resolution, the City's current Investment Policy number GB-Finance-2 adopted on November 4, 2025 is hereby re-adopted.

SECTION THREE: This Resolution shall become effective upon adoption.

ADOPTED by the Governing Body this 3rd day of November, 2026.

SIGNED by the Mayor this 3rd day of November, 2026.

CITY OF LENEXA, KANSAS

[SEAL]

Julie Sayers, Mayor

ATTEST:

Jennifer Martin, City Clerk

APPROVED AS TO FORM:

Sean McLaughlin, City Attorney



**CITY COUNCIL
MEMORANDUM**

ITEM 2

SUBJECT: Resolution declaring it necessary to appropriate private property for construction of Phase III of the Complete Streets Program

CONTACT: Tim Green, Deputy Community Development Director

DATE: November 3, 2026

ACTION NEEDED:

Adopt a resolution declaring it necessary to appropriate private property for construction of Phase III of the Complete Streets Program ("Project").

PROJECT BACKGROUND/DESCRIPTION:

The Project will construct pedestrian accommodations, including ADA ramps, pedestrian push buttons, and signal indications, as well as connecting sidewalk links. The locations for the pedestrian accommodations are:

- 101st Terrace & Lackman Road,
- 109th Street & Lackman Road,
- 95th Street & Monrovia Street, and
- 90th Street & Lackman Road.

The locations for the sidewalk links are:

- the west side of Lackman Road from 107th Street to College Boulevard,
- the west side of Pflumm Road from 96th Terrace to Marshall Drive, and
- the east side of Monrovia Street from 95th Street to 96th Terrace.

This resolution declares it necessary to appropriate private property for the construction. Temporary construction easements, public utility easements, and/or permanent right-of-way will be needed from 23 properties as part of the Project.

This is the first step in acquiring the easements for the Project. This resolution empowers the Community Development Director, or their designee, to approve offers, negotiate for the acquisition of such private property, and enter into agreements to accomplish such acquisition, provided there is sufficient funding available in the approved project budget to accomplish the same. This provision affirms the standard practice by which Community Development staff make all reasonable attempts to settle with property owners outside of condemnation. Should condemnation be necessary, staff will seek further authorization from the Governing Body to institute those proceedings.

FINANCIAL IMPLICATIONS/FUNDING SOURCES:

The Complete Streets Program is included in the 2026-2030 Capital Improvement Program (CIP Project No. 60300) and will be funded with federal grants and the Capital Improvement Fund. The total cost of Phase III, including property acquisition, is estimated to be \$4.1 million.

Federal Grants	\$2,032,700
Capital Improvement Fund	\$2,537,300
Total Complete Streets Program Budget	\$4,570,000

STAFF RECOMMENDATION:

Adopt the resolution.

VISION / GUIDING PRINCIPLES ALIGNMENT:**Vision 2040**

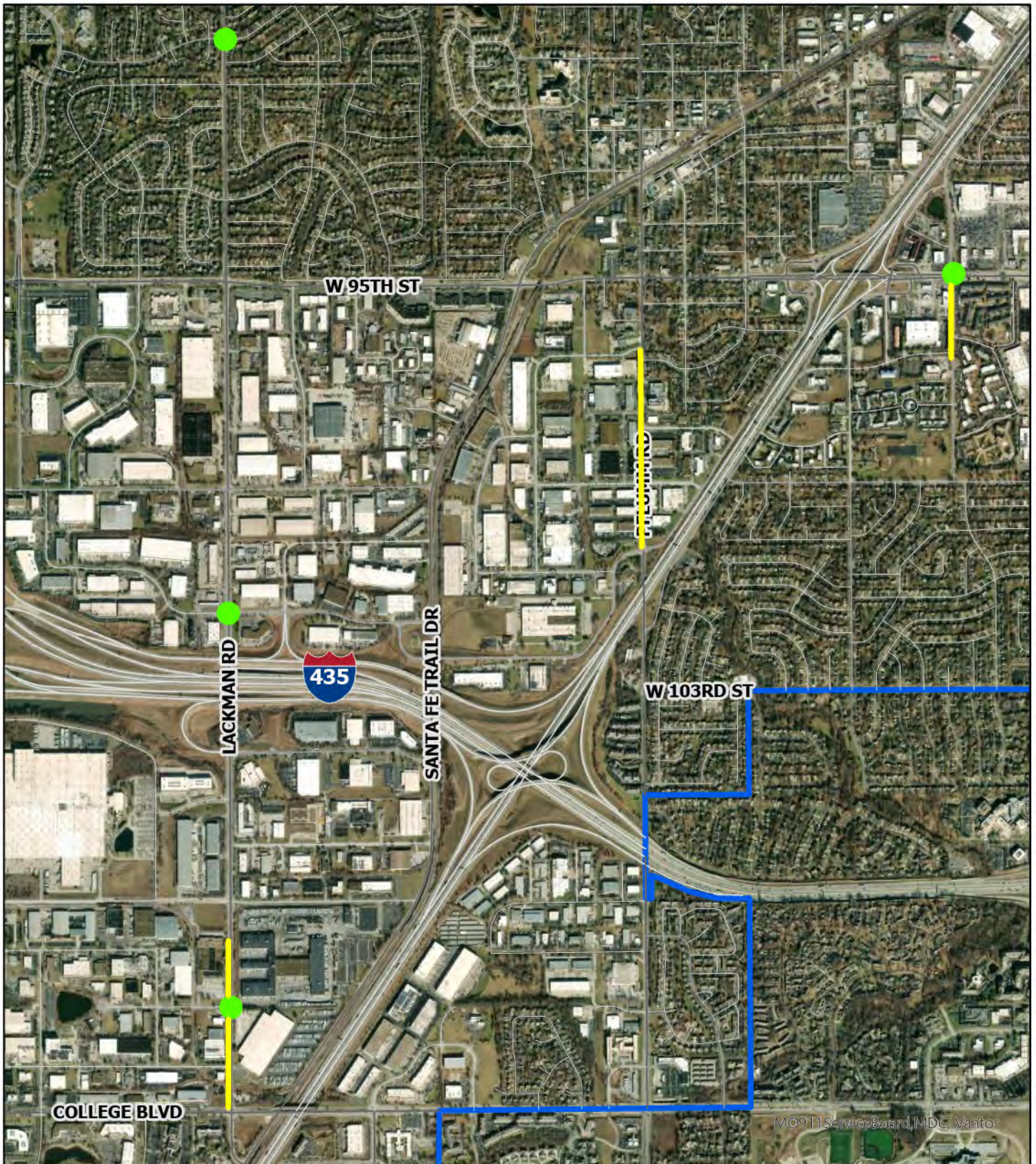
Integrated Infrastructure & Transportation

Guiding Principles

Strategic Community Investment

ATTACHMENTS

1. Map
2. Resolution



Complete Streets Program Phase III



0 500 1,000 2,000
Feet

 Sidewalk Links
 Pedestrian Accommodations

RESOLUTION NO. _____

A RESOLUTION DECLARING IT NECESSARY TO APPROPRIATE PRIVATE PROPERTY FOR THE USE OF THE CITY OF LENEXA, KANSAS FOR CONSTRUCTION OF THE COMPLETE STREETS PHASE III PROJECT.

WHEREAS, the City of Lenexa, Kansas does hereby authorize and direct the following described improvement:

Complete Streets Phase III Project

WHEREAS, it is necessary to acquire private property for the construction of the improvements.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF LENEXA, KANSAS:

SECTION ONE: It is hereby declared necessary to acquire private property for the use of the City of Lenexa, Kansas, for the following described improvements:

Complete Streets Phase III Project

SECTION TWO: It is hereby authorized and directed that a survey and description of the lands or interests therein to be acquired be made by the City Engineering staff and filed with the City Clerk of the City of Lenexa, Kansas.

SECTION THREE: The Community Development Director, or designee, is hereby empowered to negotiate and approve offers for the acquisition of such private property and to enter into agreements accomplishing such acquisition, whose value does not exceed his authorization under the City's purchasing policy; and the City Manager, or her designee, is authorized to enter into all other agreements accomplishing such acquisition; provided there is sufficient funding available in the approved project budget to accomplish the same.

SECTION FOUR: This Resolution shall take effect and be in force from and after its publication in the official City newspaper.

ADOPTED by the City Council this 3rd day of November, 2026.

SIGNED by the Mayor this 3rd day of November, 2026.

CITY OF LENEXA, KANSAS

[SEAL]

Julie Sayers, Mayor

ATTEST:

Jennifer Martin, City Clerk

APPROVED AS TO FORM:

Steven D. Shrout, Assistant City Attorney



**CITY COUNCIL
MEMORANDUM**

ITEM 3

SUBJECT: Ordinance authorizing the acquisition of lands or interests therein by condemnation for the construction of the 95th Street Improvements - Renner to Lackman Project

CONTACT: Tim Green, Deputy Community Development Director

DATE: November 3, 2026

ACTION NEEDED:

Pass an ordinance authorizing the acquisition of lands or interests therein by condemnation for the construction of the 95th Street Improvements - Renner to Lackman Project ("Project").

PROJECT BACKGROUND/DESCRIPTION:

The Project includes:

- o a new signal at 95th Street & Lackman Road,
- o intersection realignment,
- o additional turn lanes,
- o minor storm sewer work,
- o intersection lighting,
- o mill and overlay, and
- o sidewalk/trail improvements for the intersection.

On April 7, 2026, the City Council adopted Resolution 2026-010, which authorized City staff to begin the acquisition process. This ordinance authorizes the acquisition of lands or interests therein by condemnation for the construction of the public improvements associated with the Project. It authorizes Orrick & Erskine, the City's property acquisition counsel, to file a condemnation petition with the district court to acquire the easements and rights-of-way necessary for the Project. The condemnation ordinance includes five tracts. Staff and the City's acquisition counsel continue to negotiate and expect to reach agreement with two owners who would be removed from the condemnation proceedings. Negotiations will continue with the remaining owners throughout the proceedings.

Staff is moving forward with the proposed ordinance to prevent any unnecessary delay in the timeline of the Project. Should the ordinance pass, the condemnation proceedings will take approximately 90 days.

FINANCIAL IMPLICATIONS/FUNDING SOURCES:

This Project is included in the 2026-2030 Capital Improvement Program (Project No. 60063). The total Project budget is \$3,928,391.

This Project was selected to receive federal funding from the Congestion Mitigation & Air Quality (CMAQ) program in the amount of \$2.4 million for the construction of the Project.

STAFF RECOMMENDATION:

Pass the ordinance.

VISION / GUIDING PRINCIPLES ALIGNMENT:

Vision 2040

Integrated Infrastructure & Transportation

Guiding Principles

Strategic Community Investment

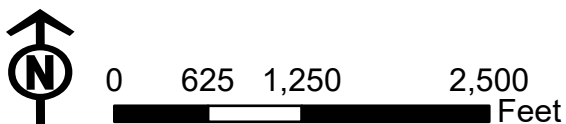
ATTACHMENTS

1. Map
2. Ordinance



Data Source: City of Lenexa and Johnson County Kansas
For further information, please call 913-477-7500

95th Street Improvements - Renner to Lackman



ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE ACQUISITION OF LANDS OR INTERESTS THEREIN BY CONDEMNATION FOR THE CONSTRUCTION OF CERTAIN PUBLIC IMPROVEMENTS ASSOCIATED WITH CONSTRUCTION OF THE 95TH STREET – RENNER BLVD. TO LACKMAN ROAD IMPROVEMENTS PROJECT IN LENEXA, JOHNSON COUNTY, KANSAS.

WHEREAS, the Governing Body of the City of Lenexa, Kansas did by Resolution No. 2026-010, declare the necessity for, and authorize a survey and description of lands or interests therein to be acquired by the City for the following:

95th Street – Renner Blvd. to Lackman Road Improvements Project

The project includes permanent utility easements, permanent drainage easements, and temporary construction easements and property acquisition for locating, building, constructing, maintaining, and repairing street, storm sewer, and streetlight improvements, including grading, together with all necessary appurtenances thereto, together with the rights of ingress and egress for the purpose of construction, maintenance, and repairs of said facilities, together with utility location and relocation, environmental review and mitigation, landscaping, as well as easement and condemnation costs; preliminary and final engineering; survey, staking, grading, and erosion control; appraisal fees; construction supervision/inspection; testing; and other related improvements to be constructed with the main improvement; City administrative costs; legal fees; and costs associated with the bond and interest expense associated with financing the improvement and other necessary appurtenances; and

WHEREAS, said survey and description was prepared and is maintained at the Lenexa City Hall.

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

SECTION ONE: It is hereby authorized and provided that the lands or interests therein, hereafter described, be acquired for the following improvement:

95th Street – Renner Blvd. to Lackman Road Improvements Project

The project includes permanent utility easements, permanent drainage easements, and temporary construction easements and property acquisition for locating, building, constructing, maintaining, and repairing street, storm sewer, and streetlight improvements, including grading, together with all necessary appurtenances thereto, together with the rights of ingress and egress for the purpose of construction, maintenance, and repairs of said facilities, together with utility location and relocation, environmental review and mitigation, landscaping, as well as easement and condemnation costs; preliminary and final engineering; survey, staking, grading, and erosion control; appraisal fees; construction supervision/inspection; testing; and other related improvements to be constructed with the main improvement; City administrative costs; legal fees; and costs associated with the bond and interest expense associated with financing the improvement and other necessary appurtenances

Tract #2:

Condemnee: Atlas KCC, LP
Situs Address: No address
Parcel ID: IP33710000 0T0A
Mailing Address: Attn: Capitol Corporate Service, Inc
700 SW Jackson St., STE 100
Topeka, KS 66603

Temporary Construction Easement

All that part of Tract A, Kansas Commerce Center, Third Plat - A Replat Of Lot 6, a subdivision recorded by the Register of Deeds in Book 96, Page 6, being part of the Northeast Quarter of Section Five (5), Township Thirteen (13) South, Range Twenty-Four (24) East of the 6th P.M., City of Lenexa, Johnson County, Kansas, more particularly described as follows:

Beginning at a found yellow plastic cap at the most Northerly Northeast corner of said Tract A; Thence S 47° 13' 52" E, along the Northeast line of said Tract A, a distance of 27.68 feet to a #4 rebar found at the most Easterly Northeast corner of said Tract A; Thence S 02° 13' 53" E, along the East line of said Tract A, a distance of 6.55 feet; Thence S 87° 53' 02" W, leaving said East line, a distance of 0.53 feet; Thence N 47° 13' 52" W a distance of 30.00 feet; Thence N 89° 40' 37" W a distance of 19.46 feet to a point on the West line of said Tract A; Thence N 00° 19' 12" E, along said West line, a distance of 5.00 feet to the North line of said Tract A; Thence S 89° 40' 45" E, along said North line, a distance of 21.40 feet to the Point of Beginning; Said tract contains 0.01 acres, more or less.

Tract #3:

Condemnee: Mainstreet Federal Credit Union
Situs Address: 9500 Lackman Road
Lenexa, KS
Parcel ID: IP33710000 0001
Mailing Address: 13001 W 95th St.
Lenexa, KS

Temporary Construction Easement

All that part of Lot One (1), Kansas Commerce Center, Third Plat - A Replat Of Lot 6, a subdivision recorded by the Register of Deeds in Book 96, Page 6, being part of the Northeast Quarter of Section Five (5), Township Thirteen (13) South, Range Twenty-Four (24) East of the 6th P.M., City of Lenexa, Johnson County, Kansas, more particularly described as follows:

Commencing at a rebar found at the most Easterly Northeast corner of Tract A in said subdivision; Thence N 47° 13' 52" W, along the Northeast line of said Tract A, a distance of 27.68 feet to a found yellow plastic cap at the most Northerly Northeast corner of said Tract A; Thence N 89° 40' 45" W, along the North line of said Tract A, a distance of 21.40 feet to the Northwest corner of said Tract A, said point also being the most Northerly

Northeast corner of said Lot One (1), said point also being the Point of Beginning; Thence S 00° 19' 12" W, along the common line between the East line of said Lot One (1) and the West line of said Tract A, a distance of 5.00 feet; Thence N 89° 40' 37" W, leaving said common line, a distance of 49.16 feet; Thence N 01° 40' 34" W a distance of 5.00 feet to a point on the North line of said Lot One (1); Thence S 89° 40' 43" E, along said North line of said Lot One (1), a distance of 49.34 feet to the Point of Beginning; Said tract contains 0.01 acres, more or less.

Tract #9:

Condemnee: 9401 Renner LLC
Situs Address: 9401 Renner Blvd. #2
Lenexa, KS
Parcel ID: IP63950000 0001
Mailing Address: 9750 Quivira Rd,
Lenexa, KS

Right of Way

All that part of Lot One (1), "Renner Corporate Centre - 1st Plat", a subdivision recorded by the Register of Deeds in Book 200808, at Page 003252 being part of the Southwest quarter (SW 1/4) of Section Thirty-two (32), Township Twelve (12) South, Range Twenty-Four (24) East of the 6th P.M., City of Lenexa, Johnson County, Kansas, more particularly described as follows:

Commencing at the Southwest corner of Southwest quarter (SW 1/4) of said Section Thirty-two (32); Thence N 02° 26' 35" W , along the West line of said Southwest quarter (SW 1/4), a distance of 84.97 feet; Thence leaving said West line N 87° 33' 25" E, perpendicular from last course, a distance of 25.00 feet to the West Southwest corner of said Lot One (1), said point being on the East Right of Way line of Renner Blvd., as now established, also being the Point of Beginning; Thence N 87° 37' 26" E, leaving said East Right of Way line, a distance of 28.00 feet; Thence S 02° 26' 35" E a distance of 28.00 feet to a point on the South line of said Lot 1, also being the North Right of Way line of 95th Street, as now established; Thence N 47° 24' 35" W, along said North Right of Way line, a distance of 39.62 feet to the Point of Beginning; Said tract contains 392.00 sq. ft. (0.009 acres), more or less.

Tract #10:

Condemnee: ET SNLF LENEXA RC LLC
Situs Address: 15701 W 95th Street
Lenexa, KS
Parcel ID: IP33730000 0001
Mailing Address: Attn: CT Corporation System
112 SW 7th St, STE 3C
Topeka, KS 66603

Right-Of-Way

All that part of Lot One (1), Kansas Commerce Center - 4th Plat, a subdivision recorded by the Register of Deeds in Book 201912, Page 7019, being part of the Northeast quarter (NE 1/4) of Section Five (5), Township Thirteen (13) South, Range Twenty-Four (24) East

of the 6th P.M., City of Lenexa, Johnson County, Kansas, more particularly described as follows:

Commencing at the North Quarter corner of said Section Five (5); Thence N 87° 49' 35" E, along the North line of said Northeast quarter (NE 1/4), a distance of 932.38 feet to a point on the extended East line of said Lot One (1); Thence S 02° 10' 25" E, along said extended East line, a distance of 56.00 feet to the Northeast corner of said Lot One (1), said corner being on the Southerly Right of Way line of 95th Street, as now established, said point also being the Point of Beginning; Thence continuing S 02° 10' 25" E, along the East line of said Lot One (1), a distance of 5.00 feet; Thence S 87° 49' 35" W, leaving said East line, a distance of 183.30 feet; Thence S 81° 20' 41" W a distance of 32.89 feet; Thence S 88° 20' 38" W a distance of 162.25 feet; Thence S 88° 29' 03" W a distance of 25.29 feet; Thence S 87° 56' 33" W a distance of 208.36 feet; Thence N 86° 55' 40" W a distance of 71.49 feet to the North line of said Lot One (1); Thence N 87° 49' 35" E, along the North line of said Lot One (1), a distance of 683.06 feet to the Point of Beginning; Said tract contains 0.098 acres, more or less.

Temporary Construction Easement

All that part of Lot One (1), Kansas Commerce Center - 4th Plat, as recorded by the Register of Deeds in Book 201912, Page 7019, being part of the Northeast quarter (NE 1/4) of Section Five (5), Township Thirteen (13) South, Range Twenty-Four (24) East of the 6th P.M., City of Lenexa, Johnson County, Kansas, more particularly described as follows:

Commencing at the North quarter (N 1/4) corner of said Section Five (5); Thence N 87° 49' 35" E, along the North line of said Northeast quarter (NE 1/4), a distance of 932.38 feet to a point on the extended East line of said Lot One (1); Thence S 02° 10' 25" E, along said extended East line and the East line of said Lot One (1), a distance of 60.80 feet to the South line of a proposed right of way, said point also being the Point of Beginning; Thence continuing S 02° 10' 25" E, along the East line of said Lot One (1), a distance of 5.00 feet; Thence S 87° 49' 35" W, leaving said East line, a distance of 199.22 feet; Thence S 02° 10' 25" E a distance of 20.00 feet; Thence S 87° 49' 35" W a distance of 21.99 feet; Thence N 69° 55' 35" W a distance of 44.31 feet; Thence S 88° 25' 51" W a distance of 116.01 feet; Thence S 02° 10' 25" E a distance of 6.00 feet; Thence S 87° 49' 35" W a distance of 161.78 feet; Thence S 02° 10' 25" E a distance of 1.86 feet; Thence S 87° 46' 34" W a distance of 154.18 feet; Thence N 02° 16' 56" W a distance of 20.00 feet to a point on the common line between the South right of way line of 95th Street, as currently established, and the North line of said Lot One (1); Thence N 87° 50' 02" E, along said common line, a distance of 11.15 feet to the South line of said proposed right of way line; Thence S 86° 55' 40" E, along said proposed right of way line, a distance of 71.49 feet to a point on the ; Thence N 87° 56' 33" E, continuing along said proposed right of way line, a distance of 208.36 feet; Thence N 88° 29' 03" E, continuing along said proposed right of way line, a distance of 25.29 feet; Thence N 88° 20' 38" E, continuing along said proposed right of way line, a distance of 162.25 feet; Thence N 81° 20' 38" E, continuing along said proposed right of way line, a distance of 25.14 feet; Thence N 81° 20' 41" E, continuing along said proposed right of way line, a distance of 7.75 feet; Thence N 87° 46' 35" E, continuing along said proposed right of way line, a distance of 183.30 feet to the Point of Beginning; Said tract contains 0.155 acres, more or less.

Tract #11:

Condemnee: K-FRANS LLC
Situs Address: 15415 W 95th St.
Lenexa, KS
Parcel ID: IP33700000 0004
Mailing Address: Attn: Adam Feldman
2000 Shawnee Mission Pkwy, STE 400
Mission Woods, KS 66205

Right-Of-Way

All that part of Lot Four (4), Kansas Commerce Center, a subdivision recorded by the Register of Deeds in Book 65, Page 7, being part of the Northeast quarter (NE 1/4) of Section Five (5), Township Thirteen (13) South, Range Twenty-Four (24) East of the 6th P.M., City of Lenexa, Johnson County, Kansas, more particularly described as follows:

Commencing at the North quarter (N 1 /4) corner of said Section Five (5); Thence N 87° 49' 35" E , along the North line of said Northeast quarter (NE 1 /4), a distance of 932.38 feet to the extended West line of said Lot Four (4); Thence S 02° 1 O' 25" E, along said extended West line, a distance of 56.00 feet to the Northwest corner of said Lot Four (4), said point being on the South Right of Way line of 95th Street, as now established, said point also being the Point of Beginning; Thence N 87° 49' 35" E, along the North line of said Lot Four (4), a distance of 113.77 feet; Thence S 02° 11' 08" E, leaving said North line, a distance of 5.00 feet; Thence S 87° 46' 35" W a distance of 113. 77 feet to a point on the West line of said Lot Four (4); Thence N 02° 1 O' 25" W, along said West line, a distance of 5.00 feet to the Point of Beginning; Said tract contains 0.013 acres, more or less.

Temporary Construction Easement

All that part of Lot Four (4), Kansas Commerce Center, a subdivision recorded by the Register of Deeds in Book 65, Page 7, being part of the Northeast quarter (NE 1/4) of Section Five (5), Township Thirteen (13) South, Range Twenty-Four (24) East of the 6th P.M., City of Lenexa, Johnson County, Kansas, more particularly described as follows:

Commencing at the North quarter (N 1 /4) corner of said Section Five (5); Thence N 87° 49' 35" E, along the North line of said Northeast quarter (NE 1/4), a distance of 932.38 feet to the extended West line of said Lot Four (4); Thence S 02° 10' 25" E, along said extended West line and the West line of said Lot Four (4), a distance of 60.80 feet to the South line of a proposed right of way, said point also being the Point of Beginning; Thence N 87° 49' 35" E, along said proposed right of way line, a distance of 113. 77 feet; Thence S 02° 05' 53" E, leaving said proposed right of way line, a distance of 5.00 feet; Thence S 87° 49' 35" W a distance of 113.77 feet to a point on the West line of said Lot Four (4); Thence N 02° 1 O' 25" W, along said West line, a distance of 5.00 feet to the Point of Beginning; Said tract contains 0.007 acres, more or less.

SECTION TWO: It is further authorized and provided that, as soon as practicable after the passage of this ordinance, action be initiated to exercise the power of eminent domain

in accordance with K.S.A. 26-501, *et seq.*, the Eminent Domain Procedure Act, to condemn all lands and interests therein hereinbefore described.

SECTION THREE: This ordinance shall take effect and be in force from and after its publication in the official City newspaper.

PASSED by the City Council this 3rd day of November, 2026.

SIGNED by the Mayor this 3rd day of November, 2026.

CITY OF LENEXA, KANSAS

[SEAL]

Julie Sayers, Mayor

ATTEST:

Jennifer Martin, City Clerk

APPROVED AS TO FORM:

Steven D. Shrout, Assistant City Attorney



**CITY COUNCIL
MEMORANDUM**

ITEM 4

SUBJECT: Ordinance removing area from the Mining Redevelopment TIF District and Amending Ordinance Nos. 4604 and 4825 and repealing Ordinance Nos. 4609, 4938, 5033, 5262, 5631, 5700, 5976, and 6015

CONTACT: Sean McLaughlin, City Attorney

DATE: November 3, 2026

ACTION NEEDED:

Pass an ordinance removing area from the Mining Redevelopment TIF District and Amending Ordinance Nos. 4604 and 4825 and repealing Ordinance Nos. 4609, 4938, 5033, 5262, 5631, 5700, 5976, and 6015.

PROJECT BACKGROUND/DESCRIPTION:

On March 2, 2004, the City approved Ordinance 4604 establishing a redevelopment district known as the Mining Redevelopment (TIF) District ("Mining TIF District" or "District") and approving the redevelopment district plan ("District Plan"). On December 20, 2005, the City approved Ordinance 4825, which amended the Mining TIF District to add additional area. The District currently covers 454.78 acres generally located north of Prairie Star Parkway between Renner Boulevard and Ridgeview Road.

The Mining TIF District was established to promote investment and development in the area and to overcome the private market's reluctance to invest in this undermined area of Lenexa. The City has approved multiple redevelopment projects in the District, which have facilitated reclamation of the formerly undevelopable limestone mines and supported the development of housing, office, restaurant, and retail spaces. As of fiscal year (FY) 2026, approximately \$315 million in appraised value has been created within the District. In addition to mine remediation and private improvements, the property tax increment generated within the District has allowed both developers and the City to construct public improvements such as streets, stormwater infrastructure, sidewalks, and trails, and to help the City achieve many of the District's original goals.

Three of the approved redevelopment projects within the Mining TIF District have been completed. Staff now recommends removing the completed redevelopment projects, which are described in more detail below, from the District.

Project Plan One (Cottonwood Canyon)

The City approved Ordinance 4609 establishing Project Plan One on April 6, 2004 ("Project Plan One"). Project Plan One was subsequently amended in 2007 by Ordinance 4938 and in 2018 by Ordinance 5700. Project Plan One covered approximately 230 acres and facilitated the development of approximately 125 single-family homes and an 18-hole golf course between 87th Street Parkway and Prairie Star Parkway, east of the future Ridgeview Road. Project Plan One reimbursed the developer for costs associated with the mining reclamation, mine stabilization, geotechnical work, and public infrastructure. Project Plan One was completed in 2024.

Project Plan Two (Renner 95)

The City approved Ordinance 5033 establishing Project Plan Two on May 6, 2008 ("Project Plan Two"). Project Plan Two was subsequently amended in 2023 by Ordinance 5976 and in 2025 by Ordinance 6015. Project Plan Two covered 10.55 acres and facilitated development of a 150,000-square-foot office building at the northeast corner of Prairie Star Parkway & Renner Boulevard. Project Plan Two reimbursed the developer for site development, stormwater improvements, engineering, and land acquisition costs. Project Plan Two reimbursed the City for costs associated with improvements to Renner Boulevard, Prairie Star Parkway, and stormwater infrastructure within the Mining TIF District. Project Plan Two was completed in 2025.

Project Plan Three (Prairie Creek)

The City approved Ordinance 5262 establishing Project Plan Three on June 5, 2012 ("Project Plan Three"). Project Plan Three was subsequently amended in 2017 by Ordinance 5631. Project Plan Three covered approximately 106 acres and facilitated the development of 308 multifamily residential units and 29,200 square feet of commercial, retail, and restaurant space, as well as 18,100 square feet of office space at the northwest corner of Renner Boulevard & Prairie Star Parkway. Project Plan Three reimbursed the developer for costs associated with site development, parking, and land acquisition. Project Plan Three was completed in 2026.

Remaining Project Plans

Project Plan Five, commonly referred to as the Vantage Point Mixed-Use Project, and Project Plan Six, commonly referred to as Ross Canyon Phase I, will remain within the Mining TIF District and continue according to their terms and conditions. Project Plan Four was previously repealed.

Proposed Action

Staff proposes an ordinance that removes the three completed redevelopment projects from the Mining TIF District. The ordinance removes 352.97 acres from the District's 454.78 total acres. The total area to be removed represents approximately 78% of the District's total land area, which is greater than the 15% *de minimus* amount required by state statute to recalculate the base year assessed value of the District. As such, the base value of the District will be recalculated by the County to reflect the base year assessed valuation of the remaining real property as of the date of the District's original establishment.

Staff conducted a feasibility study showing that the projected property tax increment revenue from the remaining Mining TIF District area is adequate to complete the existing redevelopment projects. Further, the TIF-eligible costs approved for the remaining redevelopment projects are only eligible for reimbursement from the tax increment generated within their respective redevelopment project areas – and none of the real property to be removed from the District is located within the remaining redevelopment project areas.

In addition to the two active redevelopment projects, approximately 58 acres remain in the Mining TIF District which are eligible to be included in future redevelopment projects.

If the ordinance is approved, starting January 1, 2027, the property tax revenue generated within the areas being removed will be distributed *pro rata* to all taxing jurisdictions, including the City, Johnson County, Shawnee Mission School District, and Johnson County Community College, and will no longer be diverted to the Mining TIF District. City staff notified each taxing jurisdiction, and to date, none has expressed concerns about the proposed action.

FINANCIAL IMPLICATIONS/FUNDING SOURCES:

Property tax revenue is subject to annual valuation changes and individual tax levies for each jurisdiction. City staff estimates that, based on FY 2026 valuations and levies, the property tax revenue distributed *pro rata* to each applicable taxing jurisdiction from this action totals approximately \$3.1 million annually.

STAFF RECOMMENDATION:

Pass the ordinance.

VISION / GUIDING PRINCIPLES ALIGNMENT:

Vision 2040

Thriving Economy

Guiding Principles

Prudent Financial Management
Strategic Community Investment
Responsible Economic Development

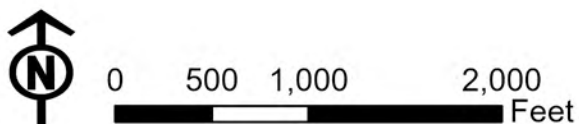
ATTACHMENTS

1. Map
2. Ordinance



Data Source: City of Lenexa and Johnson County Kansas
For further information, please call 913-477-7500

Mining TIF District



ORDINANCE NO. _____

AN ORDINANCE PURSUANT TO K.S.A. 12-1771(g) REMOVING AREA FROM THE MINING (TIF) REDEVELOPMENT DISTRICT IN LENEXA, KANSAS; AMENDING ORDINANCE NOS. 4604 AND 4825; AND REPEALING ORDINANCE NOS. 4609, 4938, 5033, 5262, 5631, 5700, 5976, AND 6015 (THE “MINING TIF DISTRICT”).

WHEREAS, pursuant to K.S.A. 12-1770 *et seq.*, as amended (the “Act”), cities are authorized to assist in the development and redevelopment of eligible areas located within cities in order to promote, stimulate and develop the general and economic welfare of the state of Kansas and its communities; and

WHEREAS, on March 2, 2004, the City of Lenexa (“City”) approved Ordinance No. 4604 establishing a redevelopment district known as the Mining Redevelopment (TIF) District (the “Mining TIF District”) and approving the redevelopment district plan (the “District Plan”) and on December 20, 2005, the City approved Ordinance No. 4825 amending the Mining TIF District to add additional area; the Mining TIF District is legally described in Exhibit A attached hereto and incorporated by reference; and

WHEREAS, multiple redevelopment projects have been approved within the Mining TIF District and those projects have facilitated the development of housing, office, and restaurant/retail spaces creating approximately \$315 million in appraised value in the Mining TIF District;

WHEREAS, three redevelopment projects have been completed and many of the original goals of the Mining TIF District have been achieved including remediation of mining activities and construction of public improvements and now the City desires to remove the completed redevelopment projects from the Mining TIF District as well as additional area in order to provide unrestricted future revenue to all taxing jurisdictions; and

WHEREAS, on April 6, 2004, the City approved Ordinance No. 4609 establishing Project Plan One over approximately 230 acres (“Project Plan One”), which was amended on May 15, 2007 by Ordinance No. 4938 and on December 18, 2018 by Ordinance No. 5700 and Project Plan One was completed on April 5, 2024; and

WHEREAS, on May 6, 2008, the City approved Ordinance No. 5033 establishing Project Plan Two over approximately 10.55 acres (“Project Plan Two”), which was amended on November 21, 2023 by Ordinance No. 5976 and on March 4, 2025 by Ordinance No. 6015 and Project Plan Two was completed on April 4, 2025; and

WHEREAS, on June 5, 2012, the City approved Ordinance No. 5262 establishing Project Plan Three over approximately 106 acres (“Project Plan Three”), which was amended on December 5, 2017 by Ordinance No. 5631 and Project Plan Three was completed on October 7, 2026; and

WHEREAS, pursuant to K.S.A. 12-1771(g), the City is authorized to remove real property from a redevelopment district upon adoption of an ordinance; and

WHEREAS, K.S.A. 12-1771(g) provides that if more than a *de minimus* amount of real property is removed from a redevelopment district, then the base year assessed valuation of the redevelopment district shall be revised to reflect the base year assessed valuation of the remaining real property as of the date of the original establishment of the redevelopment district. K.S.A. 12-1770a(e) defines *de minimus* to be an amount less than 15% of the land areas within a redevelopment district; and

WHEREAS, the City desires to remove approximately 352.97 acres of real property from the Mining TIF District’s total area of 454.78 acres, which represents approximately 78% of the Mining TIF District’s area. The amount of real property the City intends to remove from the Mining TIF District is more than the 15% *de minimus* amount, requiring the base valuation of the Mining TIF District to be recalculated by the County to reflect the base year assessed valuation of the remaining real property as of the date of the original establishment of the Mining TIF District; and

WHEREAS, pursuant to K.S.A. 12-1771(i) the City conducted a revised feasibility study showing that the tax increment revenue from the reduced Mining TIF District area shall be adequate to complete the remaining project plans because the TIF eligible costs approved in the remaining project plans are only eligible for reimbursement from the tax increment generated from within their project plan areas and none of the real property to be removed from the Mining TIF District is located within the remaining project plans; and

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF LENEXA, KANSAS AS FOLLOWS:

SECTION ONE: Effective January 1, 2027 (“District Removal Effective Date”), the boundaries of the Mining TIF District shall be amended to remove approximately 352.97 acres (the “Removed District Property”) from the Mining TIF District’s total area of 454.78 acres, which Removed District Property constitutes more than a “*de minimus*” amount as defined by the Act. The Removed District Property is depicted in Exhibit B attached hereto and incorporated by reference.

SECTION TWO: Upon the District Removal Effective Date, the real property remaining in the Mining TIF District after excluding the Removed District Property shall constitute the “Amended Mining TIF District”. The Amended Mining TIF

District is legally described in Exhibit C attached hereto and incorporated by reference and shown on the map attached as Figure 1. Ordinance Nos. 4604 and 4825 are hereby amended to exclude the Removed District Property and incorporate the Amended Mining TIF District legally described in Exhibit C.

SECTION THREE: The following project plans in the Mining TIF District and associated ordinances and associated disposition and development agreements are hereby repealed and terminated:

1. Project Plan One and Ordinance Nos. 4609, 4938, and 5700 are hereby repealed and any and all associated disposition and development agreements are hereby terminated.
2. Project Plan Two and Ordinance Nos. 5033, 5976, and 6015 are hereby repealed and any and all associated disposition and development agreements are hereby terminated.
3. Project Plan Three and Ordinance Nos. 5262 and 5631 are hereby repealed and any and all associated disposition and development agreements are hereby terminated.

SECTION FOUR: The following project plans located within the Amended Mining TIF District shall continue as approved in accordance with their terms until completed unless otherwise repealed by the Governing Body:

1. Project Plan Five approved on August 16, 2022 by Ordinance No. 5902.
2. Project Plan Six approved on August 5, 2025 by Ordinance No. 6031.

SECTION FIVE: This Ordinance shall be in full force and effect after its passage by the Governing Body and publication once in the official City newspaper.

SECTION SIX: Upon the District Removal Effective Date, the base year assessed valuation of the Amended Mining TIF District shall be revised to reflect the base year assessed valuation of the remaining real property within such amended district as of the date of the original establishment of Mining TIF District.

SECTION SEVEN: Following publication of this Ordinance, the City Clerk is authorized and directed to transmit a copy of this Ordinance approving the removal of more than a *de minimus* amount of real property and the Amended Mining TIF District, a copy of the description of the land within the Amended Mining TIF District (attached as Exhibit C and a map indicating the boundaries within the Amended Mining TIF District attached as Figure 1) to the County Clerk, County Appraiser, County Director of Records & Tax Administration, Board of County Commissioners of Johnson County, Kansas, and the Board of Education of Unified School District No. 512 of Johnson County, Kansas. The City Manager, City Attorney, and City Clerk are further authorized to work with the County Clerk, County Appraiser and County Director of Records & Tax Administration to carry out the intent of this Ordinance.

PASSED by the Governing Body this 3rd day of November, 2026.

SIGNED by the Mayor this 3rd day of November, 2026.

CITY OF LENEXA, KANSAS

By: _____
Julie Sayers, Mayor

Attest:

Jennifer Martin, City Clerk

Approved As To Form:

Sean McLaughlin, City Attorney

EXHIBIT A

THE MINING TIF DISTRICT

Beginning at the Northwest corner of the Northeast Quarter of Section 31, Township 12 South, Range 24 East; thence South along the West line of the Northeast Quarter of said Section 31, to the Southwest corner of the Northeast Quarter of said Section 31; thence East along the South line of the Northeast Quarter of said Section 31, to the Southeast corner, and continuing East along the South line of the Northwest Quarter of Section 32, Township 12S, Range 24 East to the Easterly right-of-way line of Renner Boulevard as it now exist; thence South along the Easterly right-of-way line of said Renner Boulevard and its Southerly extension, to the Northwest corner of the Southwest Quarter of the Southwest Quarter of said Section 32; thence East along the North line of the Southwest Quarter of the Southwest Quarter of said Section 32 to the center line of the Interstate Route 435, as it now exists; thence Southerly along the centerline of said Interstate Route 435 to the South line of the Southwest Quarter of said Section 32; thence West along the South line of the Southwest Quarter of said Section 32 to the Southwest corner of said Section 32; thence West along the South line of said Section 31, to the Southwest corner of said Section 31; thence North along the West line of Section 31, to the Northwest corner of the Southwest Quarter of the Northwest Quarter of Section 31; thence East along the North line of the Southwest Quarter of the Northwest Quarter of said Section 31, to the Northeast corner of the Southwest Quarter of the Northwest Quarter of said Section 31, said point also being the Southwest corner of the Northeast Quarter of said Northwest Quarter of said Section 31; thence North along the West line of the Northeast Quarter of the Northwest Quarter of said Section 31, to the Northwest corner of the Northeast Quarter of the Northwest Quarter of said Section 31; thence East along the North line of the Northeast Quarter of the Northwest Quarter of said Section 31, to the Point of Beginning.

EXHIBIT B

REAL PROPERTY REMOVED FROM THE MINING TIF DISTRICT (the “Removed District Property”)



Mining TIF District

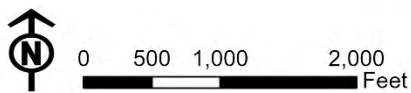


EXHIBIT C

LEGAL DESCRIPTION OF THE AMENDED MINING REDEVELOPMENT TIF DISTRICT

TRACT 1

ALL THAT PART OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION 31, TOWNSHIP 12, RANGE 24, IN THE CITY OF LENEXA, JOHNSON COUNTY, KANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 31; THENCE SOUTH 87 DEGREES 47 MINUTES 24 SECONDS WEST, ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 31, A DISTANCE OF 95.00 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF RENNER BOULEVARD, AS NOW ESTABLISHED, AND THE TRUE POINT OF BEGINNING; THENCE CONTINUING SOUTH 87 DEGREES 47 MINUTES 24 SECONDS WEST, ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 31, A DISTANCE OF 1095.98 FEET TO A POINT; THENCE SOUTH 2 DEGREES 10 MINUTES 00 SECONDS EAST, A DISTANCE OF 665.62 FEET TO A POINT; THENCE NORTH 87 DEGREES 50 MINUTES 00 SECONDS EAST, A DISTANCE OF 980.81 FEET TO A POINT; THENCE NORTH 27 DEGREES 50 MINUTES 00 SECONDS EAST, A DISTANCE OF 215.41 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF SAID RENNER BOULEVARD, THENCE NORTH 0 DEGREES 13 MINUTES 00 SECONDS EAST, ALONG SAID WEST RIGHT OF WAY LINE, A DISTANCE OF 30.04 FEET, TO A POINT; THENCE NORTH 56 DEGREES 33 MINUTES 00 SECONDS EAST, ALONG SAID WEST RIGHT OF WAY LINE, A DISTANCE OF 8.71 FEET, TO A POINT; THENCE NORTH 2 DEGREES 19 MINUTES 26 SECONDS WEST, ALONG SAID WEST RIGHT OF WAY LINE, A DISTANCE OF 445.37 FEET TO THE TRUE POINT OF BEGINNING.

AND

ALL THAT PART OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION 31, TOWNSHIP 12, RANGE 24, IN THE CITY OF LENEXA, JOHNSON COUNTY, KANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 31; THENCE SOUTH 87 DEGREES 47 MINUTES 24 SECONDS WEST, ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 31, A DISTANCE OF 1190.98 FEET; THENCE SOUTH 2 DEGREES 10 MINUTES 00 SECONDS EAST, A DISTANCE OF 959.62 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING SOUTH 2 DEGREES 10 MINUTES 00 SECONDS EAST, A DISTANCE OF 366.08 FEET, TO A POINT ON THE SOUTH LINE OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF SAID SECTION 31; THENCE NORTH 87 DEGREES 50 MINUTES 00 SECONDS EAST ALONG THE SOUTH LINE OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF SAID SECTION 31, A DISTANCE OF 304.84 FEET; THENCE NORTH 2 DEGREES 30 MINUTES 00 SECONDS WEST A DISTANCE OF 366.09 FEET; THENCE SOUTH 87 DEGREES 50 MINUTES 00 SECONDS WEST, A DISTANCE OF 302.71 FEET, TO THE TRUE POINT OF BEGINNING.

AND

A TRACT OF LAND IN THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION 31, TOWNSHIP 12, RANGE 24, IN THE CITY OF LENEXA, JOHNSON COUNTY, KANSAS, MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT A POINT OF THE SOUTH LINE OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF SAID SECTION 31; THENCE SAID POINT BEING 230 FEET WEST OF THE EAST LINE OF SAID SECTION 31; THENCE NORTH 14 DEGREES 24 MINUTES EAST A DISTANCE OF 361.51 FEET ALONG THE WEST RIGHT OF WAY LINE OF RENNER ROAD; THENCE NORTH 00 DEGREES 13 MINUTES EAST A DISTANCE OF 500.56 FEET ALONG THE WEST RIGHT OF WAY LINE OF RENNER ROAD TO A POINT; THENCE SOUTH 27 DEGREES 50 MINUTES WEST A DISTANCE OF 215.41 FEET TO A POINT, THENCE SOUTH 87 DEGREES 50 MINUTES WEST A DISTANCE OF 679.81 FEET TO THE POINT OF BEGINNING OF THE HEREIN DESCRIBED TRACT; THENCE SOUTH 02 DEGREES 30 MINUTES EAST A DISTANCE OF 294.00 FEET TO A POINT; THENCE SOUTH 87 DEGREES 50 MINUTES 00 SECONDS WEST ALONG A LINE PARALLEL TO THE SOUTH LINE OF THE NORTH HALF OF SAID SOUTHEAST QUARTER A DISTANCE OF 302.71 FEET TO A POINT; THENCE NORTH 02 DEGREES 10 MINUTES 00 SECONDS WEST A DISTANCE OF 294.00 FEET TO A POINT; THENCE NORTH 87 DEGREES 50 MINUTES 00 SECONDS EAST A DISTANCE OF 301.00 FEET TO THE POINT OF BEGINNING.

AND

A TRACT OF LAND IN THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION 31, TOWNSHIP 12 SOUTH, RANGE 24 EAST OF THE 6TH P.M., IN THE CITY OF LENEXA, JOHNSON COUNTY, KANSAS DESCRIBED AS FOLLOWS; BEGINNING AT A POINT OF THE SOUTH LINE OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION 31, TOWNSHIP 12 SOUTH, RANGE 24 EAST, SAID POINT BEING 230 FEET WEST OF THE EAST LINE OF SECTION 31, TOWNSHIP 12 SOUTH, RANGE 24 EAST; THENCE NORTH 14 DEGREES 24 MINUTES EAST, 361.51 FEET ALONG THE WEST RIGHT OF WAY LINE FOR RENNER ROAD; THENCE NORTH 00 DEGREES 13 MINUTES EAST, 500.56 FEET ALONG THE WEST RIGHT OF WAY LINE FOR RENNER ROAD; THENCE SOUTH 27 DEGREES 50 MINUTES WEST 215.41 FEET; THENCE SOUTH 87 DEGREES 50 MINUTES WEST 679.81 FEET; THENCE SOUTH 2 DEGREES 30 MINUTES EAST, 660 FEET, TO A POINT ON THE SOUTH LINE OF THE NORTH HALF OF THE SOUTHEAST QUARTER SECTION; THENCE NORTH 87 DEGREES 50 MINUTES EAST 660 FEET ALONG THE SOUTH LINE OF THE NORTH HALF OF THE SOUTHEAST QUARTER SECTION TO THE PLACE OF BEGINNING.

GROSS AREA= ± 32.4652 ACRES / $\pm 1,414,184$ SQ.FT. PLUS RIGHT-OF-WAY.

AND ALSO ALL ADJACENT RIGHT-OF-WAY.

TRACT 2

All that part of the Southeast Quarter of Section 31 Township 12 South, Range 24 East of the Sixth Principal Meridian in the City of Lenexa, Johnson County, Kansas, with said part being

originally described on this 20th day of August 2024 by me, Craig E. Chaney, Professional Surveyor, Kansas License No. 1141, and being more particularly described as follows:

BEGINNING at the Northwest Corner of the Southeast Quarter of Section 31, Township 12 South, Range 24 East; thence North $87^{\circ}40'24''$ East, along the North Line of said Southeast Quarter of Section 31, a distance of 1450.36 feet to a point of intersection on said North Line of the Southeast Quarter of Section 31 with the northerly prolongation of the West Line of REFLECTIONS, FIRST PLAT, a platted subdivision of land in the City of Lenexa, Johnson County, Kansas; thence departing said North Line of the Southeast Quarter of Section 31, South $02^{\circ}16'53''$ East, along said northerly prolongation of said West Line of said REFLECTIONS, FIRST PLAT, a distance of 17.46 feet; thence departing said northerly prolongation of the West line of said REFLECTIONS, FIRST PLAT, South $87^{\circ}40'16''$ West, a distance of 58.29 feet to a point of curvature; thence westerly and southwesterly along a curve to the left, said curve being tangent to the last described course and having a radius of 500.00 feet, a delta angle of $22^{\circ}58'27''$ and an arc length of 200.49 feet to a point of tangency; thence South $64^{\circ}41'49''$ West, a distance of 284.09 feet to a point of curvature; thence southwesterly along a curve to the left, said curve being tangent to the last described course and having a radius of 333.00 feet, a delta angle of $31^{\circ}51'22''$ and an arc length of 185.15 feet to a point of tangency; thence South $32^{\circ}50'26''$ West, a distance of 126.39 feet to a point of curvature; thence southwesterly along a curve to the left, said curve being tangent to the last described course and having a radius of 700.00 feet, a delta angle of $10^{\circ}04'54''$ and an arc length of 123.17 feet to a point of tangency; thence South $22^{\circ}45'32''$ West, a distance of 55.53 feet to a point of curvature; thence southwesterly along a curve to the right, said curve being tangent to the last described course and having a radius of 150.00 feet, a delta angle of $20^{\circ}00'00''$ and an arc length of 52.36 feet to a point of tangency; thence South $42^{\circ}45'32''$ West, a distance of 250.07 feet; thence North $47^{\circ}14'28''$ West, a distance of 108.85 feet; thence South $42^{\circ}45'32''$ West, a distance of 26.90 feet; thence South $62^{\circ}51'09''$ West, a distance of 298.92 feet; thence South $87^{\circ}35'09''$ West, a distance of 59.55 feet to a point of the West Line of said Southeast Quarter of Section 31; thence North $02^{\circ}24'47''$ West along said West Line, a distance of 829.49 feet to the place of beginning; Containing 593,360 square feet or 13.622 acres, more or less.

AND

All that part of the Southeast Quarter of Section 31 Township 12 South, Range 24 East of the Sixth Principal Meridian in the City of Lenexa, Johnson County, Kansas, with said part being originally described on this 20th day of August 2024 by me, Craig E. Chaney, Professional Surveyor, Kansas License No. 1141, and being more particularly described as follows:

COMMENCING at the Northwest Corner of the Southeast Quarter of Section 31, Township 12 South, Range 24 East; thence North $87^{\circ}40'24''$ East, along the North Line of said Southeast Quarter of Section 31, a distance of 1450.36 feet to a point of intersection on said North Line of the Southeast Quarter of Section 31 with the northerly prolongation of the West Line of REFLECTIONS, FIRST PLAT, a platted subdivision of land in the City of Lenexa, Johnson County, Kansas; thence departing said North Line of the Southeast Quarter of Section 31, South $02^{\circ}16'53''$ East, along said northerly prolongation of said West Line of said REFLECTIONS, FIRST PLAT, a distance of 17.46 feet to the true POINT OF BEGINNING of land being

described; thence continuing South 02°16'53" East, along said northerly prolongation of the West Line of said REFLECTIONS, FIRST PLAT and along the West Line of said REFLECTIONS, FIRST PLAT, a distance of 1307.87 feet to the Southwest Corner of said REFLECTIONS, FIRST PLAT, said point also being on the South Line of the North One-half of the Southeast Quarter of said Section 31; thence South 87°39'29" West, along the said South Line of the North One-half of the Southeast Quarter of Section 31, a distance of 1447.32 feet to the Southwest Corner of said North One-half of the Southeast Quarter of Section 31; thence North 02°24'47" West, along the West Line of the Southeast Quarter of Section 31, a distance of 496.23 feet; thence departing said West Line, North 87°35'09" East, a distance of 59.55 feet; thence North 62°51'09" East, a distance of 298.92 feet; thence North 42°45'32" East, a distance of 26.90 feet; thence South 47°14'28" East, a distance of 108.85 feet; thence North 42°45'32" East a distance of 250.07 feet to a point of curvature; thence northeasterly along a curve to the left, said curve being tangent to the last described course and having a radius of 150.00 feet, a delta angle of 20°00'00" and an arc length of 52.36 feet to a point of tangency; thence North 22°45'32" East, a distance of 55.53 feet to a point of curvature; thence northeasterly along a curve to the right, said curve being tangent to the last described course and having a radius of 700.00 feet, a delta angle of 10°04'54" and an arc length of 123.17 feet to a point of tangency; thence North 32°50'26" East, a distance of 126.39 feet to a point of curvature; thence northeasterly along a curve to the right, said curve being tangent to the last described course and having a radius of 333.00 feet, a delta angle of 31°51'22" and an arc length of 185.15 feet to a point of tangency; thence North 64°41'49" East, a distance of 284.09 feet to a point of curvature; thence northeasterly and easterly along a curve to the right, said curve being tangent to the last described course and having a radius of 500.00 feet, a delta angle of 22°58'28" and an arc length of 200.49 feet to a point of tangency; thence North 87°40'16" East, a distance of 58.29 feet to the place of beginning; Containing 1,327,115 square feet or 30.466 acres, more or less.

TRACT 3

A tract in the Northwest Quarter of Section 31, and the Southwest Quarter of Section 30, Township 12 South, Range 24 East of the 6th P.M., in the City of Lenexa, Johnson County, Kansas described as follows:

Commencing at the Northeast corner of said Northwest Quarter; thence South 01 degrees 10 minutes 17 seconds East on the East line of said Northwest Quarter a distance of 133.55 feet to a point on the South right of way of 87th Street Parkway and the point of beginning; thence continuing South 01 degrees 10 minutes 17 seconds East on said East line a distance of 372.74 feet; thence South 88 degrees 50 minutes 05 seconds West a distance of 326.83 feet to the East line of Lot 1 of Canyon Farms Golf Clubhouse, First Plat; thence along the perimeter of said Lot 1 the following 5 courses, South 70 degrees 57 minutes 39 seconds West a distance of 96.66 feet; thence South 01 degrees 11 minutes 03 seconds East a distance of 242.47 feet; thence North 90 degrees 00 minutes 00 seconds West a distance of 352.66 feet; thence North 09 degrees 06 minutes 14 seconds West a distance of 255.82 feet; thence North 65 degrees 47 minutes 35 seconds West a distance of 27.06 feet; thence South 88 degrees 50 minutes 05 seconds West a distance of 405.07 feet; thence North 01 degrees 17 minutes 39 seconds West a distance of 509.77 feet to the South right of way line of 87th Street Parkway; thence along said

South right of way line the following 10 courses; North 88 degrees 31 minutes 04 seconds East a distance of 32.59 feet; thence North 88 degrees 42 minutes 23 seconds East a distance of 349.70 feet; thence South 85 degrees 34 minutes 59 seconds East a distance of 120.60 feet; thence North 88 degrees 42 minutes 23 seconds East a distance of 14.48 feet; thence along a curve to the right, tangent to the previous course having a radius of 1934.00 feet, a central angle of 04 degrees 58 minutes 38 seconds and an arc length of 168.00 feet; thence South 86 degrees 18 minutes 59 seconds East a distance of 135.45 feet; thence South 01 degrees 17 minutes 39 seconds East a distance of 4.98 feet; thence North 88 degrees 53 minutes 35 seconds East a distance of 11.08 feet; thence South 86 degrees 19 minutes 32 seconds East a distance of 127.73 feet; thence along a non-tangent curve to the right, having an initial tangent bearing of South 86 degrees 18 minutes 59 seconds East, a radius of 634.00 feet, a central angle of 26 degrees 49 minutes 26 seconds, and an arc length of 296.82 feet to the point of beginning.

TRACT 4

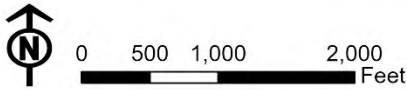
Parts of the Northwest One-Quarter and the Northeast One-Quarter of Section 31, Township 12 South, Range 24 East, in the City of Lenexa, Johnson County, Kansas, being more particularly described as follows:

Commencing at the Southwest Corner of the Northeast One-Quarter of said Section 31; thence North 01 degrees 11 minutes 03 seconds West, along the West line of the Northeast One-Quarter of said Section 31 a distance of 899.83 feet to the POINT OF BEGINNING; thence South 79 degrees 00 minutes 52 seconds West a distance of 39.27 feet to a point; thence South 67 degrees 37 minutes 30 seconds West a distance of 270.39 feet to a point; thence North 74 degrees 55 minutes 39 seconds West a distance of 671.83 feet to a point; thence North 45 degrees 57 minutes 47 seconds East a distance of 135.61 feet to a point; thence North 80 degrees 40 minutes 34 seconds East a distance of 231.16 feet to a point; thence North 35 degrees 07 minutes 19 seconds East a distance of 471.49 feet to a point; thence North 62 degrees 17 minutes 13 seconds East a distance of 257.64 feet to a point; thence South 77 degrees 53 minutes 03 seconds East a distance of 100.54 feet to a point; thence South 01 degrees 11 minutes 03 seconds East, along the West line of the Northeast One-Quarter of said Section 31 a distance of 680.51 feet to the POINT OF BEGINNING; and containing 9.312 acres, more or less.

FIGURE 1



Mining TIF District





**CITY COUNCIL
MEMORANDUM**

ITEM 5

SUBJECT: Quarterly Financial Report

CONTACT: Nate Blum, Chief Financial Officer
Megan Sterling, Assistant Chief Financial Officer

DATE: November 3, 2026

PROJECT BACKGROUND/DESCRIPTION:

Staff will present the quarterly financial report.

ATTACHMENTS

1. Presentation located in the Appendix

APPENDIX



**MINUTES OF THE
OCTOBER 20, 2026
LENEXA CITY COUNCIL MEETING
COMMUNITY FORUM, 17101 W. 87TH STREET PARKWAY
LENEXA, KS 66219**

CALL TO ORDER

Mayor Sayers called the meeting to order at 7 PM.

ROLL CALL

Councilmembers Handley, Eiterich, Charlton, Nicks, Bell, Williamson, Denny, and Herron were present with Mayor Sayers presiding.

Staff present included Beccy Yocham, City Manager; Todd Pelham, Deputy City Manager; Mike Nolan, Assistant City Manager; Scott McCullough, Community Development Director; Sean McLaughlin, City Attorney; Jennifer Martin, City Clerk; and other City staff.

APPROVE MINUTES

Councilmember Denny made a motion to approve the October 6, 2026 City Council meeting draft minutes and Councilmember Bell seconded the motion. Motion passed unanimously.

MODIFICATION OF AGENDA

There were no modifications to the agenda.

CONSENT AGENDA

1. Acceptance of utility and drainage easements as shown on Viracor, Second Plat *Viracor, Second Plat is a single-lot subdivision for a manufacturing and lab, analytical/experimental use. The plat combines an existing lot and unplatted property into a single 21.23-acre lot located at the northeast corner of 99th Street & Ridgeview Road. Utility and drainage easements are being dedicated to the City as part of this final plat.*
2. Ordinance levying special assessments for various public improvements associated with the 99th Street & Woodsonia Drive Special Benefit District *This proposed ordinance will levy special assessments for public improvements associated with the 99th Street & Woodsonia Drive Special Benefit District located at the southeast corner of K-7 Highway & Prairie Star Parkway. The maximum proposed cost for the public improvements is \$10.6 million.*

END OF CONSENT AGENDA

Councilmember Bell made a motion to approve items 1 and 2 on the consent agenda and Councilmember Williamson seconded the motion. Motion passed unanimously.

PUBLIC HEARINGS

3. Consideration of a right-of-way vacation at the northeast corner of Prairie Star Parkway and Wild Rose Lane
 - a. Public hearing to consider a request to vacate right-of-way
 - b. Ordinance vacating right-of-way
This application is to vacate right-of-way that is not needed for any existing portion, extension, or expansion of a public street.

Stephanie Sullivan, Planning Manager, said staff requested the entrance realignment to improve its alignment with the existing roadway. Staff and utility reviewers had identified no outstanding concerns, and staff recommended approval following a public hearing.

Councilmember Handley asked whether the vacation would limit the City's ability to provide public sidewalks at the corner. Ms. Sullivan said the sidewalks would remain as planned and would shift with the realignment.

Mayor Sayers opened the public hearing at 7:04 PM. No one from the public spoke.

Councilmember Bell made a motion to close the public hearing and Councilmember Eiterich seconded the motion. Motion passed unanimously.

The public hearing closed at 7:04 PM.

Councilmember Nicks made a motion to pass item 3b and Councilmember Charlton seconded the motion. Motion passed unanimously.

BOARD RECOMMENDATIONS

4. Consideration of a revised preliminary plan for St. James Academy Cultural Arts Center and future additions at 24505 Prairie Star Parkway in the R-1, Residential Single-Family District
The applicant proposes a revised preliminary plan for additions to the St. James Academy campus consisting of a total of 45,851 square feet and a parking lot expansion with 25 additional parking spaces.

Ms. Sullivan said the cultural arts center would be the first phase and would include an auditorium, classrooms, a drop-off lane and an internal courtyard. She said the proposed materials and architectural details would complement the existing school. The plans also identify a future parking expansion of approximately 25 spaces near the main entrance roundabout.

Ms. Sullivan said the proposal was consistent with the Comprehensive Plan's institutional land use designation and applicable zoning regulations and provided appropriate utilities, stormwater improvements and site design. Staff and the Planning Commission recommended approval. Each phase would require final plan approval before proceeding.

Mayor Sayers asked about parking demand if athletic events and performances overlapped. Councilmember Bell asked whether additional classrooms would increase enrollment, staffing and parking needs.

Andy Tylicki, president of St. James Academy, said the school would not schedule major athletic and performing arts events at the same time, although smaller events could overlap. He said enrollment would be capped at about 1,000 students, compared with 994 currently enrolled. The additional classrooms would allow the school to restore space converted from the wrestling room to classrooms.

Councilmember Eiterich asked about current parking conditions and the timing of the proposed parking expansion. Mr. Tylicki said about 30 spaces remained available during a typical school day, but Friday night football games created parking challenges. He said the school worked with the Lenexa Police Department on those events. The additional 25 spaces were part of future plans and were not scheduled for the current phase.

Councilmember Bell asked where productions are currently held. Mr. Tylicki said musicals were performed in the cafeteria, which was temporarily converted into an auditorium. Other productions used a black box theater space or rented facilities.

Councilmembers and Mayor Sayers expressed support for the investment in arts education.

Councilmember Charlton made a motion to approve item 4 and Councilmember Williamson seconded the motion. Motion passed unanimously.

5. Consideration of a rezoning, special use permit and preliminary plan for WaterOne mining and quarrying operations at 10401 Renner Blvd.
 - a. Ordinance rezoning property from the BP-1, Planned Business Park District to the BP-2, Planned Manufacturing District
 - b. Ordinance approving a five-year special use permit
 - c. Approval of the companion preliminary plan
The applicant is requesting approval of a rezoning, special use permit, and preliminary plan for a mining and quarrying operation located at the southeast corner of K-10 Highway & Renner Boulevard.

Ms. Sullivan said the site was southeast of K-10 Highway & Renner Boulevard. Approximately 13 acres were already zoned BP-2. She said the remaining property required rezoning because mining and quarrying were not permitted in BP-1. The Comprehensive Plan designated the property for business park development. Existing underground mines and collapses prevented development without stabilization and remediation.

Ms. Sullivan said the special use permit (SUP) would allow excavation to the general floor of the existing mine, rock crushing, on-site rock sales, temporary support facilities and reclamation of the excavated area. It would not authorize an asphalt or concrete plant or a fill site for off-site materials or construction debris. Proposed weekday hours were 6 AM to 6 PM for rock sales, production and removal and 7 AM to 6 PM for rock crushing. Blasting would require fire department approval, with typical hours of 8 AM to 4 PM. No weekend activity was proposed.

Ms. Sullivan said the preliminary plan included a new northbound right-turn lane on Renner Boulevard, use of the existing left-turn lane and approximately 100-foot landscape buffers along the western, northern and eastern property lines. Staff did not require a southern buffer because WaterOne owned the adjacent property. Staff and the Planning Commission recommended approval of the rezoning and preliminary plan and approval of the five-year SUP with conditions addressing operating hours, blasting, buffers, public improvements and a final reclamation slope of 3 to 1. The overall remediation was expected to extend beyond the initial permit term.

Councilmember Charlton asked about the property to the south and underground mining beneath Renner Boulevard. Ms. Sullivan said the southern parcel was outside the application. She said the City had no visible evidence that the underground mine was affecting Renner Boulevard and hoped to coordinate stabilization as the mining operations on either side approached the roadway.

Councilmember Eiterich asked about requirements for public rock sales. Mr. McCullough said the site had no occupiable buildings and customers would be picking up materials.

Councilmember Handley asked about noise from the site and Ms. Sullivan confirmed that City performance standards for noise, vibration and other impacts would apply in addition to operating-hour restrictions.

Councilmember Herron asked about the project's duration, and Ms. Sullivan estimated eight to 10 years.

Councilmember Bell asked whether the Kansas Department of Transportation (KDOT) was aware of the project. Ms. Sullivan confirmed that it was.

Lee Hendricks, general counsel for Bettis Companies, presented the applicant's proposal with Cole Andersen, Bettis Companies, and Kiel Johnson, WaterOne. Mr. Hendricks said Mid-States Materials, a Bettis company, would conduct the work. He described removal of the mine roof, pillars, and floor, followed by filling and compaction to create stable ground for future development. He said this approach was more practical and less costly than filling the existing underground voids in place.

Mr. Hendricks said the company expected five to seven years of mining and eight to 10 years for reclamation of the eastern site. Permitting, final plan approval and turn-lane construction would precede operations. He said the company was discussing potential stabilization work beneath Renner Boulevard with the City and work near K-10 Highway with KDOT. Those efforts could affect the schedule.

Mr. Andersen said rock sales would be available to prequalified customers. Drivers would remain in their trucks, communicate by radio, receive materials from a loader, pass over the scale and leave. Mr. Johnson said WaterOne operated a separately permitted land reclamation site on approximately 30 acres to the south, using clean rubble from its construction activities to fill a depression. He said WaterOne had no definitive development plans for the subject property and would reassess its needs as the county grew.

Councilmember Williamson supported addressing the site's unsafe conditions and noted the City's experience with the operation west of Renner Boulevard.

Mayor Sayers said remediation supported the City's commitment to business park development.

Councilmembers Bell and Herron asked about inspections and geological information supporting the assessment of conditions beneath Renner Boulevard. Mr. Andersen said the company had observed no surface movement or pavement cracks, did not allow employees into unstable mine areas and relied on earlier studies prepared by URS.

Councilmember Charlton asked how many locations passed under Renner Boulevard and Mr. Andersen clarified that three portals crossed beneath it.

Beccy Yocham, City Manager, said the City had investigated a previously identified bump in Renner Boulevard, had programmed capital funding to address it and had continued monitoring without observing further surface movement. She said the City had no reason to believe the road was unsafe and was interested in coordinating repairs with Bettis. Mr. McCullough said staff believed the bump involved a utility line rather than the underground tunnels.

Councilmember Bell made a motion to approve item 5a and Councilmember Williamson seconded the motion. Motion passed unanimously.

Councilmember Bell made a motion to approve item 5b and Councilmember Williamson seconded the motion. Motion passed unanimously.

Councilmember Bell made a motion to approve item 5c and Councilmember Williamson seconded the motion. Motion passed unanimously.

NEW BUSINESS

6. Consideration of action items regarding the Seven Hills Lake Stormwater Improvement Project

a. Resolution amending the fiscal year 2026-2030 Capital Improvement Program to combine the Seven Hills Lake Stormwater Improvements Project, Phase 1 and the Seven Hills Lake Stormwater Improvements Project, Phase 2 into the Seven Hills Lake Stormwater Improvements Project

b. Bid award to VF Anderson Builders

The proposed actions would amend the fiscal year 2026-2030 Capital Improvement Program to combine phases 1 and 2 into one project and award the construction work to VF Anderson Builders for approximately \$5.7 million.

Scott McCullough, Community Development Director, said the work covered the area between 75th and 79th streets west of Quivira Road and included stormwater pipe replacement and lining, street and landscape restoration and street lighting. The project was designed in two phases and bid concurrently. VF Anderson Builders submitted the low bid for both phases, below the engineer's estimate of slightly more than \$6 million.

Mr. McCullough said combining the phases would simplify administration and provide efficiencies through shared mobilization and equipment. Work was expected to begin soon and continue through summer 2027, with final sodding anticipated in fall 2027.

Councilmember Nicks asked about coordination with Shawnee and commended staff's communication with residents during similar work. Mr. McCullough said staff would coordinate with Shawnee and work with residents to address disruptions in yards and near structures.

Mr. McCullough said the project would replace aging corrugated metal stormwater pipe and complete work in one of the remaining large neighborhoods requiring replacement.

Councilmember Bell made a motion to approve item 6a and Councilmember Nicks seconded the motion. Motion passed unanimously.

Councilmember Denny made a motion to approve item 6b and Councilmember Bell seconded the motion. Motion passed unanimously.

7. Consideration of action items regarding the 108th Street and Renner Boulevard Southbound Left-Turn Lane Project

a. Resolution amending the fiscal year 2026-2030 Capital Improvement Program to add the 108th Street & Renner Boulevard Southbound Left-Turn Lane Project

b. Approval of a construction contract with ARCO National Construction – KC, Inc. and waiving the sealed bid process

The proposed actions would add the project to the fiscal years 2026-2030 Capital Improvement Program, approve a construction contract with ARCO National Construction and waive the sealed bid process.

Mr. McCullough said the ARCO National Construction – KC, Inc. (“ARCO”) industrial development west of Renner Boulevard required several turn-lane improvements. Reviewing those improvements showed that the existing southbound left-turn lane into 108th Street, built in the late 1980s, needed reconstruction to meet current design and alignment standards.

Mr. McCullough said ARCO funded the design, which the City had approved. The City’s construction cost would be approximately \$311,000, paid through the Transportation Improvement Program. He recommended waiving the sealed bid process because ARCO was already working on-site, staff considered the costs reasonable and the work would include streetlight improvements.

Councilmember Handley supported coordinating the work to reduce mobilization costs.

Councilmember Bell made a motion to approve item 7a and Councilmember Handley seconded the motion. Motion passed unanimously.

Councilmember Bell made a motion to approve item 7b and Councilmember Charlton seconded the motion. Motion passed unanimously.

8. Approval of Amendment No. 2 to the construction agreement with Newkirk Novak Construction Partners Inc. for the Fire Station 6 Project

Newkirk Novak Construction Partners Inc. proposes Amendment No. 2 to the construction agreement for the Fire Station 6 Project. This change involved guaranteed maximum price package #2 (“GMP #2”), which includes site demolition, earthwork, construction materials, electrical work, heating and cooling systems, landscaping, utilities, and concrete and masonry. The total cost for GMP #2 is \$22,558,283.

Todd Pelham, Deputy City Manager and project manager, said the design and bid scopes were complete and the proposed GMP #2 would cover the remaining construction project. He said the earlier phase of the agreement covered the completed LiveWell Employee Health Clinic. The balance of the Fire Station 6 budget included design fees, contingency, furniture, fixtures, equipment and other owner costs.

Jim Snyder, Newkirk Novak, said 28 trade packages were released for bidding September 1st. There were 138 bids received, averaging about five per package. He said the proposed construction price was approximately 2.79%, or \$650,000, below the design development estimate.

Mr. Snyder said crews were operating from the temporary fire station and hazardous material abatement was expected to finish soon. Mobilization and utility disconnections would precede demolition, scheduled to begin the week of November 9th. He projected structural completion in May 2027 and completion of the building exterior in October 2027. Occupancy of the new facility was anticipated by early February 2028, with remaining site work completed in April 2028.

Councilmember Charlton asked who would receive proceeds from recycled demolition materials. Mr. Snyder said the demolition contractor would retain those materials and account for their value in its bid, reducing the demolition price. Mr. Pelham said staff had removed items the City wanted to keep.

Councilmember Handley asked about local participation. Mr. Snyder said 63 Lenexa businesses were invited to bid, 15 submitted bids and three would receive contracts, in addition to Lenexa-based Newkirk Novak and the design team.

Councilmember Bell asked if the businesses being contracted would be local. Mr. Snyder said the trades would be served by Kansas City-area firms or local offices.

Councilmember Herron asked about contracts with union companies and Mr. Snyder said 14 trade packages would go to union firms and 14 to nonunion firms.

Councilmember Herron asked how contingencies related to the GMP. Mr. Pelham said contingencies covered unknown conditions, particularly during demolition and site work, and unused funds would return to the City. Mr. Snyder said contingency and allowance expenditures would require review and approval by the City and project team, with regular cost updates.

Councilmember Nicks asked about the project's contingencies and Mr. Pelham estimated the project would carry approximately \$1.5 million in contingency.

Mr. Pelham said a potential solar installation was not included in the current budget. He estimated a cost of \$400,000 to \$500,000 and a six- to seven-year payback. The project team confirmed that provisions for future solar equipment were included in the design. Mr. Pelham said staff could return to the City Council to consider solar if savings allowed.

Mayor Sayers also suggested keeping potential public art in mind and thanked the team for its planning and work to maintain a fire station at the site.

Councilmember Denny made a motion to approve item 8 and Councilmember Bell seconded the motion. Motion passed unanimously.

COUNCILMEMBER REPORTS

Councilmember Eiterich thanked the Parks and Recreation team for its work on the Chili Challenge.

STAFF REPORTS

Ms. Yocham said technical problems delayed the start of the evening's livestream until approximately 7:25 PM. Staff would continue working with its streaming partners to resolve the issues. She said the meeting recording would be available the following day.

Ms. Yocham said the Committee of the Whole would meet the following week to begin discussions of the 2027-2031 Capital Improvement Program.

BUSINESS FROM FLOOR

Mackenzie Bright and Melissa Bright, 26539 W. 83rd Terrace

Gaylene Van Horn, 8131 Rosehill Road

ADJOURN

Councilmember Bell made a motion to adjourn and Councilmember Eiterich seconded the motion. Motion passed unanimously.

The meeting adjourned at 8:31 PM.



TO: Lenexa Governing Body
FROM: Julie Sayers
DATE: November 3, 2026
RE: Appointment | Lenexa Parks & Recreation Advisory Board

I am pleased to place before you, **Sharon Rice** for appointment to the Parks & Recreation Advisory Board for a term beginning immediately upon your approval and continuing through February 28, 2027. This appointment will fill the current vacancy on the Board following the resignation of Jennifer DiCicco due to her having to relocate out of state.

Ms. Rice has lived in Lenexa for 18 years. She works professionally as an IS Lead Application Analyst for St. Luke's Health System, is a certified Medical Laboratory Scientist and a member of the American Society for Clinical Pathology. She also currently serves as a collegiate advisor mentoring young adults in conflict resolution and personal growth and previously served as the Advancement Chair for her children's scout troop.

And while she has no prior experience serving on a civic board or commission, Ms. Rice is a member of the Rec Center and a frequent user of the parks and trails, giving her the exposure to value the City's commitment to providing spaces that encourage outdoor activity and community engagement. She is interested in serving on this board to stay actively engaged in Lenexa's continued growth and to contribute to the thoughtful development of our parks and recreation spaces.

Your approval is recommended, as I believe Sharon will be an engaged perspective to our current group as we move forward with the City's Parks & Recreation Master plan.

Apply to Serve on a Volunteer Board, Council or Commission



Submitted on	16 May 2025, 4:55PM
Receipt number	BOARD68
Related form version	5

Select board, council or commission

For which board, council or commission do you wish to apply? Parks & Recreation Advisory Board

Personal information

First name Sharon

Middle initial L

Last name Rice

Street address

Street address line 2

City Lenexa

State Kansas

ZIP code 66215

How many years have you lived in Lenexa? 18

What cities, other than Lenexa, have you lived in? Merriam, KS

Applicant's contact information

Email

Cell phone number

Home phone number

Work phone number

Preferred method of contact Email

Employment

Are you currently employed?

Yes

Job title / occupation

IS Lead Application Analyst

Place of employment

Saint Luke's Health System

Employer's address

[REDACTED]

Interest / experience

Have you ever served on a board, council or commission?

No

Please list the board, council or commission; the organization; the dates of service; as well as any positions held.

Explain why you are interested in serving as a member of this board, council or commission and why you would be a good addition.

I have lived in Lenexa for the past 18 years and have appreciated its growth into a vibrant, family friendly community. As a member of the Rec center and a frequent user of the parks and trails, I value the city's commitment to providing spaces that encourage outdoor activity and community engagement. I am interested in serving on this board to stay actively engaged in Lenexa's continued growth and to contribute to the thoughtful development of our parks and recreation spaces.

List your related experience and expertise.

While I don't have prior experience in civic duties, I currently serve as a collegiate advisor mentoring young adults in conflict resolution and personal growth. I also previously served as the Advancement Chair for our children's scout troop.

List any professional associations or special honors you hold.

I am a certified Medical Laboratory Scientist and a member of the American Society for Clinical Pathology

List your civic involvement and activities.

None

Potential conflicts of interest

Have you ever been involved with an application considered by the Planning Commission or Board of Zoning Appeals, as an applicant, neighbor or concerned citizen?

Do you have any current or prior involvement with the Lenexa Police Department that could present a conflict of interest in serving on the Police Community Advisory Board?

Please explain your involvement.

Application materials

Attach your resume.

[Lenexa Volunteer Board.docx](#)

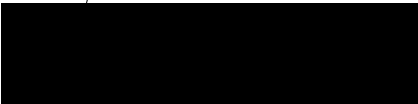
Attach any supporting documents such as professional certifications, training or qualifications.

Ready to submit?

I declare that the information I have provided in this application is a true and accurate reflection of my skills, knowledge and abilities.

I understand and confirm that my information is true and accurate

Applicant's signature



[Link to signature](#)

Sharon L Rice

PROFILE

Dedicated and civic-minded individual seeking to contribute to my community.

SUMMARY OF QUALIFICATIONS

Proven leadership in volunteer or appointed roles.

Effective communicator with experience engaging diverse communities.

VOLUNTEER EXPERIENCE

2012-2019 Advancement coordinator for BSA Troop 247, Merriam KS

2022-present Values advisor, Sigma Kappa Sorority, Kansas State University

2024 Team Lead, Alzheimer's Memory Walk, Liberty Memorial

2025 Welcoming Committee, Queen of the Holy Rosay Parish, Overland Park KS

EDUCATION

Bachelor of Science - Kansas State University

Manhattan, KS 1993

Medical Laboratory Scientist - Saint Luke's Health System, Allied Health

Kansas City, MO 1995

PHONE

ADDRESS

EMAIL



**Semi-Annual Economic Development Report
to the Lenexa Mayor & Governing Body
November 3, 2026**

Ashley Sherard, CEO
Lenexa Chamber of Commerce &
Lenexa Economic Development Council

On behalf of the Lenexa Chamber of Commerce and Lenexa Economic Development Council, I'm pleased to present the second of our semi-annual economic development reports, focusing on a year-to-date recap and outlook for the rest of 2026.

2026 Economic Conditions

I'll first briefly touch on the broader economic context that has surrounded development and investment this year.

On a positive note, Gross Domestic Product (GDP) performance, considered a fundamental indicator of economic health, has been steady. Supported primarily by resilient consumer spending and business investment lead by AI and data center infrastructure, the U.S. economy grew at a moderate annualized rate of 2.5% in the first quarter and 2.2% in the second quarter, accelerating to 3.4% in the third quarter. This sustained GDP growth promotes demand for commercial investment.

At the same time, 2026 has also presented significant challenges for businesses and investors to navigate. Among key indicators:

- **Inflation that was elevated but moderating at the beginning of 2026 sharply ticked back up, increasing prices for businesses and consumers.** Inflation accelerated to 3.7% in September, well above the Federal Reserve's 2% target rate, driven primarily by energy prices, tariff pressures, and rising costs for core goods.

- **The Federal Reserve raised interest rates for the first time in three years, making borrowing more expensive and financing harder to come by.** In September the Federal Reserve increased its benchmark interest rate by 0.25%, from 3.75% to 4%, in an effort to tame inflation. While future Federal Reserve plans are uncertain, market expectations have shifted toward anticipating another potential rate hike in late 2026/early 2027.
- **Oil and fuel prices surged, raising freight and operating costs for businesses, reducing consumers' discretionary spending, and pressuring inflation.** Driven primarily by geopolitical conflict, average unleaded gas prices are up 45% since late February and diesel up 70% over the same period, heavily impacting key sectors including commercial freight, agriculture, and manufacturing. Heating oil is also experiencing a price shock.
- **Consumer spending remained strong, despite higher costs for many necessities, but not uniformly across households or spending categories.** As inflation outpaces wage growth, consumers are navigating a net loss in purchasing power, with lower income families and discretionary spending (such as retail, restaurants, entertainment, and service-oriented businesses) under the most pressure, further exacerbating the so-called K-shaped economy in which the top 20% of earners account for nearly 60% of total personal consumer spending according to data released by Moody's Analytics earlier this year.
- **The labor market has been steady but cooling.** The Big Stay is sticking in 2026, characterized by "low-hire, low-fire" equilibrium, job-hugging rather than job-hopping, a relatively steady unemployment rate (4.2% nationally in September, 3.8% regionally, and 4.1% in Johnson County), and where necessary, meeting demand with increased average hours, added overtime, and extended shifts. But private sector job growth has slowed significantly compared to prior years, as companies hit "pause" amid an uncertain economic environment, creating fewer opportunities and more prolonged search times for recent graduates and late-career job seekers.
- **Tariff and other trade policies continue to affect the cost of imported goods, machinery, components, and construction materials, as well as supply chains.** While some manufacturers may explore domestic production or relocation opportunities, for businesses that rely on imported materials or global supply chains, uncertainty about future tariff levels and supply chain disruptions have complicated planning, pricing, and capital investment decisions. To help

mitigate resourcing risks, the construction industry has been accelerating traditional timelines in order to lock down prices, materials, and labor as quickly as possible.

- **Geopolitical conflict has created volatility in energy markets and global supply chains**, affecting transportation costs, the price of goods, and business confidence.
- **Upcoming federal and state elections added uncertainty about the future business environment**, as businesses weighed potential changes to tax policy, tariffs, immigration, regulation, and public spending.

To sum up, while the U.S. economy has demonstrated staying power in 2026, so far avoiding a downturn, the outlook for businesses making long-term investment decisions has been complicated, particularly around new construction.

Yet despite the complex landscape, a cautious but resilient development environment has persevered. Locally, fundamentals in the industrial and retail sectors appear healthy, with signs pointing toward a new period of expansion. Industrial vacancy rates are stable and tightening with overall net positive absorption and continued new construction activity. Kansas City's retail sector continues to outperform regional and national retail benchmarks with solid tenant demand and sustained investment activity in infill areas and community shopping and strip centers that have strong demographics and good visibility and access.

In the office sector, Johnson County remains the metro's primary growth driver. There are optimistic signs of recovery including ongoing positive absorption and declining vacancy rates, yet the office market continues to present both challenges and opportunities. A sampling of top regional real estate firms reveals overall vacancy rates are improving, but not uniformly. The highest demand remains concentrated on well-located upgraded space. Tenants have shown a willingness to pay increased rates for higher quality, but with limited new construction, more investment in older or obsolete inventory will be necessary to create supply that matches that demand.

Looking at Lenexa

Turning to our own community, despite today's complex economic landscape, Lenexa continues to see consistent growth and generate meaningful new investment throughout the city. Lenexa's total new permitted commercial construction YTD through September is more than \$197 million, up 13% over the same period last year. If you add the city's YTD new residential development of more than \$172 million, up 16% from last year, the total new permitted development through September is over \$370 million – a 15% YTD increase from 2025 and a continued healthy split between commercial and residential investment.

Notable commercial projects released so far this year, signifying new construction as well as expansions and renovations, highlight Lenexa's strong industrial sector, one of our community's economic cornerstones. Projects this year include two new buildings in Lenexa Logistics Centre North representing about 600,000 sf of new industrial inventory, a new industrial building on Marshall Drive as well as remodeling of the existing former Westlake building at that site, and E3XPS's nearly 130,000 sf new office and warehouse facility under construction on Renner Rd.

Other notable new projects to date this year include Range USA, Arise Homes Sales Office, Crowder Family Dentistry, and The Reserve at Copper Creek, as well as significant tenant finish investments including Children's Hospital Association, Performance Contracting Group (PCG) Innovation Center, KC Bier Co, Integrated Opening Systems, and Arrived Outdoors.

Projects like these reinforce Lenexa's role as a major driver of commercial development in the county. According to the County Economic Research Institute's building permit data on nonresidential new structures and additions over \$250,000, for 2026 YTD through August construction investment in Lenexa represented 19.4% of Johnson County's total by construction value, third highest among cities in the County, and 20.4% of Johnson County's total by square footage, second highest among cities in the County -- figures that don't include remodeling and tenant finishes.

This year KC Bier and Sandlot Social opened as long-awaited new community gathering spots. The new dual AC Hotel and Residence Inn began welcoming guests to Lenexa City Center. Old Town Lenexa added new retail storefronts, including J. Higgins Ltd. and The Peddler's Daughter. At the AdventHealth campus, a second Medical Office Building and new Five Four Restaurant & Drafthouse will open before the end of the year, ready to serve residents, businesses, and visitors. To the west, new housing options are taking shape to welcome future residents.

In short, things are happening in Lenexa, and we look forward to more to come. As of September, the pipeline of pending building permits totaled nearly \$136 million, signaling more exciting new projects in the works.

Regarding our everyday economic development activity, the challenging economic conditions continued to temper the flow of new business attraction opportunities over the first part of the year. Existing projects put themselves on hold, waiting for more cost certainty, while substantial land and industrial utility needs for new projects entering the pipeline constrained site-selection in many communities.

In the past two months, however, we've seen a noticeable uptick in business attraction activity. Nearly all in the industrial sector, with project requirements closer to historic norms, many that are international companies, and often with long decision-making timelines, but it's encouraging to see companies making moves and positioning themselves for the future, even if they're not yet ready to make final commitments. Demand is there.

The trend in our deal-flow pipeline continues to be anchored by strong organic development – our own Lenexa companies or businesses already in the region who are ready to grow or relocate, looking for their next opportunity. Every week is filled with emails, phone calls, and meetings that affirm commercial real estate professionals and companies see potential and value in doing business here -- our greatest challenge is keeping pace with the interest given Lenexa's relatively low vacancy rates and diminishing developable land. While I'm not always able to share details

about much of this early-stage activity, I can assure you Lenexa's assets consistently keep us in the hunt, and your intentionality in creating a well-rounded community is paying off in spaces being filled, investments made, and jobs added.

In Conclusion

This year has been incredibly busy, focused on providing support to development stakeholders, working with our partners to aggressively pursue projects, hosting site visits, leveraging World Cup opportunities, marketing our community, and ultimately celebrating with ribbon cuttings and groundbreakings – 28 either conducted or on the books so far this year, recognizing businesses of all sizes and the people who chose our city to pursue their dream.

It's a privilege to be the frontline advocate serving our existing businesses and development community while working alongside your excellent City staff to attract new investment, jobs, and amenities for our Lenexa citizens. I sincerely appreciate your support and close partnership, and I'll be happy to answer any questions.



**Lenexa Convention & Visitors Bureau
Report to the Governing Body
Tuesday, November 3, 2026**

Hotels

- Summer 2026: Typically, the highest occupancy for hotels, saw lower occupancy but higher room rates.
- Corporate business stayed away due to World Cup.
- Increased room nights did occur over match dates.
- These conditions were consistent with reports from the broader Kansas City market.

Individual reports from hotels include:

- Sell-outs during Argentina matches and 65% occupancy with an average daily rate of \$125.
- As June drew closer and business was not picking up, properties began to lighten restrictions and cancellation policies.
- Releasing 75% of a room block for a travel company (that blocked rooms all over the metro).

Transient guest tax revenue declined slightly in June compared with the prior year but increased year over year in the third quarter.

Lenexa Transient Guest Tax

Quarter	2025	2026
1: Jan-Mar	\$388,113	\$444,066
2: April-June	\$526,181	\$503,948
3: July-Sept	\$524,095	\$581,443
June:	\$194,394	\$190,168

The AC Marriott and Residence Inn opened in Lenexa City Center and have reported strong initial activity with jobs filling quickly.

2025 Economic Impact Reports

The following figures summarize the 2025 state and county tourism economic impact reports.

Kansas Tourism

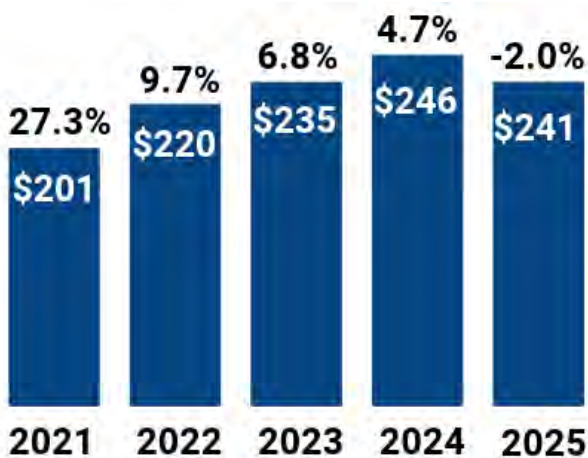
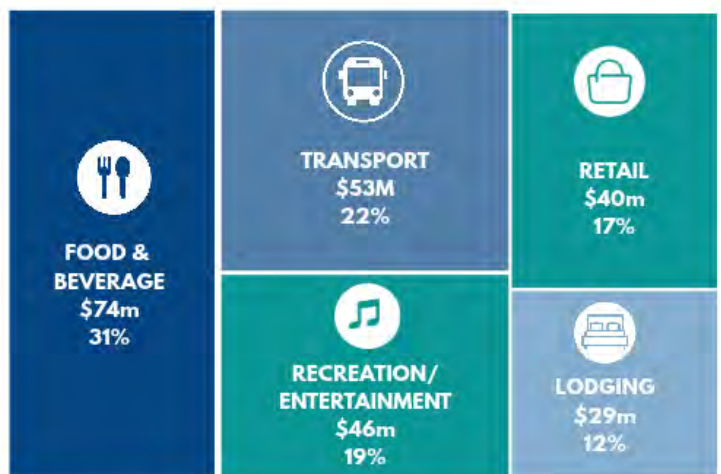
- Visitors: 39 million
- Visitor Spending: \$8.4B
- Total Economic Impact: \$13.5B
- Total Jobs Supported: 91,600 – The number of total jobs sustained by tourism is equivalent to 4.5% of all jobs in Kansas.
- State and Local Taxes: \$857.3M. Each Kansas household would pay an additional \$730 in taxes to replace the visitor-generated taxes state and local governments received in 2025.

Johnson County

- \$2.1B – Visitor Spending
- \$3.1B Total Economic Impact
- 23,652 Total Jobs Supported
- \$201M-State and Local Taxes

City of Lenexa

In September, the Lenexa CVB co-hosted the inaugural State of Johnson County Tourism event with CVBs from Merriam, Olathe, Overland Park, and Shawnee. Tourism Economics, a hospitality industry research firm, provided us with our own impact report.



Key findings from the Lenexa report include:

- \$241M: Visitor Spending
- \$347M: Total Economic Impact (includes indirect and induced sales)
- 1,933: Jobs directly supported by visitor activity.
- \$19M: State and Local Taxes

Lenexa's highest growth sectors:

- Food and beverage:
 - o \$74M in visitor spending | 31% of visitor spending | 2.2% growth YOY
- Recreation:
 - o \$46M in visitor spending | 22% of visitor spending | 3.7% growth YOY

Local tax impacts in context:

- The \$8M in local taxes generated by the visitor economy equals the annual salaries of about 124 police officers.
- Replacing this local tax revenue would require increasing the property tax rate by 4.2 mills.
- This revenue is equivalent to 35% of the city's 2025 community infrastructure budget.
- This revenue is also equivalent to 52% of the city's 2025 parks and recreation budget.

3 and 2 Baseball

Reports from 3 and 2 Baseball show continued growth since installing turf.

- March-July 2025: 2,069 tournament teams.
- March-July 2026 projection exceeds 2,400 teams.
- League participation totals 385 teams in 2026.
- As of early October, they are close to projections of reaching 3,300 teams, almost 1,000 more than in 2024. This is an increase of 1,000 teams over 2024, before turf installation.

These numbers confirm this project is a concrete example of the connection between tourism investment and visitation.

Partnerships

The CVB held its first advisory board meeting of 2025 in the spring, with the Lenexa Police Department presenting on World Cup safety preparation efforts. The November meeting will include a presentation by Visit KC.

I attended the Kansas travel industry's annual conference alongside local and statewide partners. Following the conference, Johnson County tourism partners expressed interest in meeting regularly to strengthen collaboration and share resources, particularly youth sports venues.

The CVB participates in the following tourism partnerships and community organizations:

- KC Destinations: Fourteen KS and MO communities promoting the KC Metro region.
- The Northeast Kansas Tourism Coalition: One of six travel/tourism regions in the state.
- The Frontier Military Byway: One of 13 byways across Kansas.
- Sports KS: Cooperative association of private and public businesses and organizations promoting sports-related travel to Kansas.
- Lenexa Historical Society Board of Directors

Policy Number:	GB-Finance-2	Approved By:	Governing Body
Approval Date:	11/03/2026	Effective Date:	11/03/2026
Repeals/Replaces:	Resolution 2025-052		
Authority:	Resolution 2026-XXX		
Cross References:	K.S.A. 9-1402, 9-1403, 10-131; 12-1675; 12-1677b		
Policy Purpose:	To establish the objectives and practices for investment of the City's operating fund and bond proceeds.		

1. Introduction

The Governing Body of the City of Lenexa ("the City") has authority to invest all funds of the City pursuant to K.S.A. 12-1675. The purpose of this policy is to identify the investment objectives of the City and to establish procedures to achieve those objectives. This policy applies to all City employees.

This policy applies to all funds eligible for investment by the City pursuant to K.S.A. 12-1675 or other applicable law. The City Defined Benefit Pension Fund is excluded from this policy and shall be subject to the Pension Fund investment policy adopted by the City Retirement Committee pursuant to Section 1-6-G-3 of the City Code.

City employees acting pursuant to this policy shall be subject to the "prudent investor rule," as set forth in the Uniform Prudent Investors Act, K.S.A. 58-24a01 *et seq.* and amendments thereto. Except as provided by the Kansas Tort Claims Act, K.S.A. 75-6101 *et seq.* and amendments thereto, investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

2. Provisions

A. Investment Objectives

The objectives of this investment policy, in order of priority, are safety of principal; maintenance of adequate liquidity; and maximizing rate of return (yield).

1. Safety of Principal

Safety of principal is the most important objective of this policy. The CFO shall invest funds covered by this policy in a manner that seeks to ensure preservation of principal while managing both credit risk and interest rate risk.

a. Credit Risk Management

The City will minimize credit risk (the risk of loss due to the failure of the security issuer or backer) by:

- (1) Following state statute, which limits investment options to high-quality securities; and
- (2) Working with broker/dealers and advisors registered to do business in the State of Kansas; and
- (3) Diversifying the investment portfolio to minimize potential losses on individual securities.

b. Interest Rate Risk Management

The City will minimize the risk that the market value of securities in the portfolio will decline due to the changes in general interest rates by:

- (1) Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations and debt service payments, thereby minimizing the need to sell securities on the open market prior to maturity;
- (2) Investing the majority of cash funds in securities with maturities of twenty-four months or less and utilizing an eligible sweep investment program of the main operating bank; and
- (3) Limiting investments to a maximum stated maturity of four years.

2. Adequate Liquidity

The CFO shall invest funds covered by this policy in a manner that seeks to maintain liquidity to meet all cash requirements that may be reasonably anticipated. The CFO will structure the investment portfolio so that securities mature concurrently with anticipated cash flow needs. Furthermore, since all possible cash flow needs cannot be anticipated, the investment portfolio will contain securities with active secondary resale markets. A portion of the portfolio may be placed in investments which offer one-day liquidity for short-term funds, such as repurchase agreements and eligible sweep investment arrangements.

3. Rate of Return (Yield)

The CFO shall structure the investment portfolio with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account investment risk constraints and liquidity needs. Return on investment is a lower priority than the safety and liquidity objectives.

B. Competitive Placement of Funds

To the extent required by applicable law, all investments made pursuant to this policy should be bid to ensure competitive pricing. In accordance with K.S.A. 12-1675, funds will first be offered to banks and other eligible financial institutions located within the City. For other competitive investment transactions, the City will generally solicit bids from multiple security broker/dealers.

There are exceptions to the competitive bid policy. An example of an exception is when the City purchases new issue government agency securities where the price is the same through all brokers and the issuing agency pays the selling commission directly to the broker. In that case the City will rotate through the list of brokers when purchasing such securities. In addition, eligible sweep repurchase agreements with the main operating bank are not considered competitive biddable securities.

C. Authorized Security Broker/Dealers

The CFO shall maintain a list of security broker/dealers authorized to provide investment services. All broker/dealers who desire to become qualified for investment transactions (excluding bank certificates of deposit) shall register with the Kansas Securities Commissioner or the Federal Reserve Bank (if FINRA registration is not required by the entity's regulatory structure). Annually, the CFO will verify all broker/dealers for City investment transactions are registered with the Kansas Securities Commissioner or the Federal Reserve Bank.

Concurrent with the first instance of trading with a broker/dealer and then not less than annually, the CFO will convey a copy of this investment policy to each broker/dealer with which it does business. Any additional documentation required by a broker/dealer must be approved by the City before the City enters into an investment transaction with the broker/dealer.

D. Safekeeping and Custody of Investments

1. Internal Controls

The CFO is responsible for establishing and maintaining an internal control structure designed to ensure the investments of the City are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance these objectives are met. The concept of reasonable assurance recognizes that:

- a. The cost of a control should not exceed the benefits likely to be derived; and
- b. The valuation of costs and benefits requires estimates and judgments by management.

The internal controls should address the following points:

- a. Control of collusion;
- b. Separation of transaction authority from accounting and record keeping;
- c. Custodial safekeeping;
- d. Avoidance of physical delivery securities other than certificates of deposit;
- e. Clear delegation of authority to subordinate staff members;
- f. Written confirmation of transactions for investments and wire transfers; and
- g. Development of a wire transfer agreement with the main operating bank and third-party custodian.

2. Delivery vs. Payment

All trades will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution simultaneously with the release of funds. Securities will be held by a third-party custodian (as evidenced by safekeeping receipts) in the City's name.

3. Safekeeping of Securities

To protect against potential fraud or embezzlement, the investments of the City shall be secured through third-party custody and safekeeping procedures. Ownership shall be protected through third-party custodial safekeeping. The City shall contract with a single financial institution for custodial and safekeeping services for the City's investment portfolio.

All securities owned by the City shall be held by a single safekeeping agent in the name of the City of Lenexa, Kansas. The exception to this may be when participating in tri-party repurchase agreements by which the broker and the City jointly select a safekeeping agent.

Securities which serve as security for repurchase agreements must be delivered to a third-party custodian with whom the City has established a third-party safekeeping agreement.

The authorization to release City securities and transfer City funds will be accomplished by authorized City staff.

The investment process shall be subject to an annual independent review by an external auditor to assure adequate internal controls (including the verification of securities and collateral).

E. Collateral Requirements

Uninsured Time Deposits with banks and savings and loans shall be collateralized at market value and monitored in the manner prescribed by state law for depositories accepting investment funds from public governmental entities.

F. Investment Parameters

The investments authorized for cash funds under this policy shall be in conformance with K.S.A. 10-131, K.S.A. 12-1675, K.S.A. 12-1677b, and any other applicable statutes and amendments thereto. The investments authorized for the proceeds of bonds or temporary notes under this policy shall be in conformance with K.S.A. 10-131 and amendments thereto.

1. Portfolio Diversification

The CFO shall diversify the investment portfolio by:

- a. Avoiding over-concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities);

- b. Limiting investment in securities that have higher credit risks;
- c. Investing in securities with varying maturities; and
- d. Continuously investing a portion of the portfolio in readily available funds such as the Kansas Municipal Investment Pool or eligible overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

No more than 33% of the total portfolio value in any investment type of the City should be placed with a single issuer other than the United States Treasury.

The following maximum limits, by instrument, are established for the City's total investment portfolio:

Investment Type	Maximum Percentage of Portfolio
Repurchase Agreements	30%
Collateralized Time & Demand Deposits	100%
U.S. Treasury Notes & Bills	100%
U.S. Government Agency Securities*	90%
Kansas Municipal Investment Pool	30%
Bank Trust Department Municipal Pools	10%
Kansas General Obligation Bonds	10%
Temporary Notes or No-Fund Warrants	10%

*The City does not invest in subordinated agency securities (which rank below other securities with regard to claims on assets).

The limit on repurchase agreements and Kansas MIP deposits may exceed 60%, but not more than 75%, of the portfolio for a maximum of forty-five days during each of the January and June property tax distributions, and prior to debt service payments on March 1st and September 1st.

2. Investment Portfolios

The City's funds shall be separated into two portfolios for efficient investment management. The short-term operating portfolio is defined as maturities less than 1 year. The long-term operating portfolio has maturities 1 year or greater and would be considered "core" investments that the City would own for a longer period of time. Funds will be allocated to the portfolios based on the projected cash flow needs of the City.

3. Maturity Schedule/Sale of Securities:

In general, the City's philosophy is to ladder the portfolios with investments maturing each month in order to meet cash flow requirements. The maturities will usually occur each month over a period ranging from the current date up to forty-eight months from

the current date. Bond and temporary note proceeds will be invested to match anticipated capital project expenditures and will generally mature within eighteen months.

The sale of securities before maturity may occur for the following reasons:

- a. A security with declining credit may be sold early to minimize loss of principal;
- b. A security swap would improve the quality, yield, or target maturity of the portfolio;
or
- c. Liquidity needs require that the security be sold. In this situation, the City will generally look first to sell securities maturing within the next month in order to minimize realized losses from the sale of securities.

Approval of the CFO is required before a security is sold prior to maturity.

G. Reporting

1. Quarterly Investment Report

The CFO shall prepare a quarterly investment report for review by the City Manager and Governing Body. The quarterly investment report shall include the following information:

- a. Listing of individual securities held at the end of the reporting period.
- b. Realized and unrealized gains or losses resulting from market value changes for securities held in the operating portfolio.
- c. Average current yield of portfolios as compared to applicable benchmarks.
- d. Percentage of total portfolio which each type of investment represents.
- e. Percentage of total portfolio which each banking institution holds.

The CFO may also include other relevant information in the quarterly investment report.

2. Portfolio Performance Benchmarks

The operating investment portfolios should equal or exceed a market average rate of return during periods of stable interest rates. The City's performance benchmarks are:

- a. Short-term portfolio: equal or exceed the average 91-day U.S. Treasury Bill yield.
- b. Long-term portfolio: equal or exceed the average 1-year U.S. Treasury Note yield.

3. Marking to Market

The market value of the investment portfolios shall be calculated at least monthly and formal statements of market value shall be issued at least monthly by the safekeeping agent. The formal statement will include the market value, book value, and unrealized gains or losses for the securities in the portfolios. Also, the statement will include monthly transaction information.

The City will record mark to market information in the financial statements at the end of each fiscal year.

H. Other Provisions

The City has elected to use expanded investment powers granted by the Pooled Money Investment Board (PMIB). The PMIB grants the use of investment powers annually to the

City by reviewing the City's investment policy (including any amendments to the investment policy) and other investment information. In addition, the Governing Body is required to review and approve the investment policy annually in order to use expanded investment powers

3. Ethics, Integrity, and City Values

The Code of Ethics is enforced through the City's Personnel Policies/Procedures and the City's values. The City's values are:

- A. Make every decision with integrity
- B. Deliver results through teamwork
- C. Provide exceptional service
- D. Lead into the future with vision
- E. Be dedicated to excellence
- F. We care

All City employees, elected and appointed officials shall act in an honest and professional manner with regard to the investment of the City's operating fund and bond proceeds, in accordance with the City's values, Code of Ethics, and Personnel Policies/Procedures. Employees involved in the investment process shall refrain from personal business activity that could be perceived as a conflict with the proper execution and management of the investment process, or that could impair their ability to make impartial decisions. In addition, employees involved in the investment process shall disclose any material interests in financial institutions with which they conduct business and shall not undertake personal investment transactions with the same individual with whom business is conducted on behalf of the City.

4. Responsibility for Enforcement

The Governing Body delegates responsibility for the implementation of this policy to the Chief Financial Officer (CFO). The CFO shall establish written procedures and internal controls to implement this policy and regulate the activities of subordinate employees involved in the investment process. The CFO shall manage the City's investments in a manner consistent with federal, state, and local law. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the CFO.

The CFO shall possess the following minimum qualifications:

- A. Hold a bachelor's degree in business, finance, public administration, or a related field;
- B. Have achieved ten years of experience in municipal finance administration, including the investment of idle funds; and
- C. Have achieved five years of supervisory experience.

5. Severability

If for any reason any section, subsection, sentence, portion or part of this Policy, or the application thereof to any person or circumstance, is declared to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portions of this Policy or other Governing Body Policies and the Lenexa City Code or other ordinances.

6. Definitions

For the purpose of this policy, the following terms have the meaning set forth below:

- A. **Agency Securities:** A debt security issued by a United States sponsored enterprise or government agency. The City will only invest in obligations and securities of United States sponsored enterprises or agencies that under federal law may be accepted as security for public funds. The City will not invest in mortgage-backed securities of such enterprises, which include the Government National Mortgage Association.
- B. **Bond Proceeds:** The money paid to the issuer by the purchaser or underwriter of a new issue of municipal securities. These monies are used to finance a capital project.
- C. **Broker:** A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides. In the money market, brokers are active in markets in which banks and others buy and sell securities.
- D. **Certificate of Deposit:** A time deposit in a bank with a specific maturity evidenced by a certificate. Generally CD's are not marketable.
- E. **Collateralization:** A process by which a borrower pledges securities, deposits, letters of credit, or surety bonds for the purpose of securing the repayment of a loan and/or security. Securities of United States sponsored enterprises or government agencies may be pledged as collateral as allowed by federal law.
- F. **Collusion:** A secret agreement between two or more persons for a fraudulent purpose.

- G. **Commercial Bank:** A bank, the principal functions of which are to receive demand deposits and to make loans.
- H. **Corporate Surety Bond:** A contractual arrangement between the surety, the depositor, and depository institution, whereby the surety agrees to protect the depositor if the depository institution defaults in performing the depository institution's contractual obligations. The bond is the instrument which binds the surety.
- I. **Credit Risk:** The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.
- J. **Custodial Agent:** An entity that holds collateral for deposits with financial institutions, investment securities, or securities underlying repurchase agreements.
- K. **Demand Deposit:** A bank deposit that can be withdrawn by the depositor and without advance notice.
- L. **Depository Financial Institution (Depository):** The place where a deposit is placed and kept.
- M. **Depository Security:** Collateral pledged by a financial institution to guarantee deposits on hand that exceeds depository insurance.
- N. **Diversification:** A process of investing assets among a range of security types by sector, maturity, and quality rating.
- O. **Delivery Versus Payment (DVP):** A type of securities transaction in which the purchaser pays for the securities when they are delivered to either the purchaser or his/her custodian. Payment is made simultaneously with the delivery of securities so the purchaser is never without either cash or securities.
- P. **Fannie Mae:** Fannie Mae (the Federal National Mortgage Association (FNMA)) is a private stockholder-owned corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. Fannie Mae's securities are also highly liquid and are widely accepted. Fannie Mae assumes and guarantees that all security holders will receive timely payment of principal and interest. This is an example of an agency security.
- Q. **Federal Agricultural Mortgage Corporation (Farmer Mac):** A government sponsored enterprise which purchases newly originated and seasoned agricultural loans from lenders, issues long-term standby commitments to purchase agricultural mortgage loans,

exchanges loans for mortgage-backed securities through a swap program, and purchases and guarantees mortgage bonds backed by eligible agricultural mortgage loans. This is an example of an agency security.

- R. **Federal Farm Credit Banks Funding Corporation (FFC):** A government sponsored enterprise responsible for issuing and marketing debt securities to finance the loans, leases, and operations of the Farm Credit System. This is an example of an agency security.
- S. **Federal Home Loan Bank (FHLB):** Government-sponsored wholesale banks, which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions, and insurance companies. The mission of the FHLB is to liquify the housing-related assets of its members who must purchase stock in their district Bank. This is an example of an agency security.
- T. **Federal Home Loan Mortgage Corporation (FHLMC):** A federal agency which purchases first mortgages from members of the Federal Reserve System and the Federal Home Loan Bank System. Commonly called "Freddie Mac." This is an example of an agency security.
- U. **General Obligation (G.O.) Bonds or Notes:** Bonds or notes secured by the "full faith and credit" of the issuing government and backed by revenues from its taxing power.
- V. **Idle Funds:** Money which is not immediately required for the purposes for which it was collected or received and may be invested.
- W. **Interest Rate:** The annual rate of interest received by an investor from the issuer of fixed-income securities. The percentage of an amount of money which is paid for its use for a specified time.
- X. **Interest Rate Risk:** The risk associated with declines or rises in interest rates which cause an investment in a fixed-income security to increase or decrease in value.
- Y. **Investment:** Commitment of money to gain profit or interest, such as by purchasing securities.
- Z. **Kansas Municipal Investment Pool (MIP):** The State of Kansas offers a Local Government Investment Pool (LGIP) entitled "State of Kansas Municipal Investment Pool," which is governed by the State of Kansas Pooled Money Investment Board (PMIB). It is a pooled investment vehicle (available to public entities in the state of Kansas) investing in US Treasury and Agency securities, certificates of deposit in Kansas banks, commercial paper, and corporate bonds. Investments range from overnight to two years at the option of the investor.

- AA. **Liquidity:** Refers to the ability of an instrument to be converted into cash rapidly without substantial loss of value.
- BB. **Market Value:** The price at which a security is traded and could be purchased or sold on a given day.
- CC. **Marking to Market:** The process whereby the book value or collateral value of a security is adjusted to reflect its current market value.
- DD. **Maturity:** The length of time an investment is offered.
- EE. **Maturity date:** The date on which payment of a financial obligation is due. The final stated maturity date is the date on which the issuer must retire an investment instrument and pay the face value to the investor.
- FF. **Money Market Fund:** Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, repurchase agreements, agency securities, and federal funds).
- GG. **Municipal Note:** Short-term notes issued by municipalities in anticipation of tax receipts, proceeds from a bond issue, or other revenues.
- HH. **Par Value:** The amount of principal which must be paid at maturity, also referred to as the face amount of a bond.
- II. **Portfolio:** Collection of securities held by an investor.
- JJ. **Principal:** The face amount or par value of a debt security.
- KK. **Realized Gain or Loss:** The amount of realized gain from the sale or other disposition of property is the excess of the amount realized over the adjusted basis of the property. The amount of realized loss is the excess of the property's adjusted basis over the amount realized.
- LL. **Repurchase Agreement (Repo):** An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price at a specified later date.
- MM. **Safekeeping:** The holding of securities by a financial institution on behalf of the securities owners.

- NN. **Security:** Documents that can be traded for value; an instrument of ownership or debt used to finance government and corporate entities.
- OO. **Securities Swap:** Trading one asset for another.
- PP. **Time Deposit:** Another term for a savings account or certificate of deposit in a commercial bank.
- QQ. **Trust Department:** A department of a bank, which is authorized to serve in a fiduciary capacity.
- RR. **United States Government Securities (Treasuries):** Bonds, notes, treasury bills or other securities constituting direct obligations of the United States of America, or obligations that principal of and interest on which are fully and unconditionally guaranteed as to the full and timely payment by, the United States of America.
- SS. **Unrealized Gain or Loss:** A profit or loss that has not yet materialized. An example of an unrealized gain would be an appreciated stock in which the price has increased but, if the stock is not sold, the profit is considered an unrealized gain.
- TT. **Yield:** The current rate of return on an investment security generally expressed as a percentage of the security's current price.



City of Lenexa Quarterly Financial Report (Quarter Ending 09/30/2026)

Prepared by the Finance Department

November 3, 2026



OVERVIEW

The information contained in this report is unaudited & generally prepared on a cash basis. The report focuses on key indicators in 5 different areas:

- Revenues
- Expenditures
- Reserve Policy
- Debt Management
- Investments

Each key indicator is assigned a current rating based on the following scale:

Rating Scale for Key Indicators	
	Positive Outlook
	Area of Concern
	Negative Outlook

OVERVIEW

Overall, the City's goal is to achieve a "positive outlook" rating on each of the key indicators.

Key indicators are also presented for the local economy. These economic indicators are also assigned a specific rating according to the same rating scale. However, the rating results for these economic indicators are beyond the City's control.

As of 09/30/2026, the City's key revenues increased by \$3.0 million (3%) compared to revenue collections for the same period in 2025. The revenue change is primarily due to increased receipts of City sales tax, and City compensating use tax. In addition, expenditures for operating activities are within budget for 2026.

The remaining sections of the report review the key indicators & contain exhibits with details on the City's major revenue collections, operating & debt service expenditures, investment holdings, reserve balances by fund, Thompson Barn financial activity, and Rec Center financial activity.



REVENUE INDICATORS

<u>Status</u>	<u>Indicator</u>	<u>Comments</u>
	Property Taxes (current)	Property tax revenues increased 1.1% (compared to the same time period in 2025) & have exceeded the budget estimate.
	Sales Tax - City	City sales tax revenues increased 6% & are projected to meet the budget estimate.
	Sales Tax - County	County sales tax revenues increased 3% & are projected to meet the budget estimate.
	Compensating Use Tax - City	City use tax revenues increased 9% & are projected to meet the budget estimate.
	Compensating Use Tax - County	County use tax revenues increased 7% & are projected to meet the budget estimate.
	Franchise Tax - Electric	Franchise tax (electric) revenues increased 2% & are projected to meet the budget estimate.
	Franchise Tax - Gas	Franchise tax (gas) revenues decreased 5% & have exceeded the budget estimate.
	Stormwater Service Charges	Stormwater Service Charges increased 0.7% & have exceeded the budget estimate.

REVENUE INDICATORS

Collections for the City's key revenue sources increased by \$3.0 million (3%) as of 09/30/2026 compared to 09/30/2025.

City sales tax revenues are \$19.7 million for 2026, which is \$1.1 million higher (6%) than collections in 2025. County sales tax revenues are \$9.3 million for 2026 which is \$306,000 higher (3%) than collections in 2025.

City compensating use tax revenues are \$10.4 million for 2026, which is \$878,000 higher (9%) than collections in 2025. County compensating use tax revenues are \$3.5 million for 2026 which is \$238,000 higher (7%) than collections in 2025.

Electric Franchise tax revenues are \$4.1 million for 2026, which is \$75,000 higher (2%) than collections in 2025.

Exhibit A includes additional information on the City's key revenue sources.



EXPENDITURE INDICATORS

<u>Status</u>	<u>Indicator</u>	<u>Comments</u>
	Operating Expenditures - General Fund	General Fund operating expenditures increased 5% & are projected to be within the budget estimate.
	Operating Expenditures - Stormwater Fund	Stormwater Fund operating expenditures increased 0.3% & are projected to be within the budget estimate.
	Debt Service Expenditures - All Funds	Debt service expenditures decreased 8% & are projected to be within the budget estimate.

EXPENDITURE INDICATORS

The City's operating expenditure indicators are trending favorably in comparison to the 2026 budget.

General Fund operating expenditures increased by 5% as of 09/30/2026 compared to 09/30/2025 & are 72% of the 2026 budget estimate.

Stormwater operating expenditures increased by 0.3% compared to 2025 & are 67% of the 2026 budget estimate.

Debt service expenditures decreased by 8% compared to 2025 & are 86% of the 2026 budget estimate (debt service expenditures reflect principal and interest payments made on 9/1/2026).

Exhibit B includes additional information on the City's expenditure indicators.



FIFA World Cup Expenditures



All Expenditures are being funded from the Tourism Fund (Transient Guest Tax) - This fund is restricted for tourism purposes only.

<u>Type</u>	<u>Cost</u>	<u>Description</u>
Public Transportation	\$256,410	JoCo Transit/Bus Shelter
Public Safety	\$1,186,127	Translation Services/Security Barriers*
Pitch Lenexa Membership	\$31,000	World Cup Watch Parties
Personnel	\$23,500	PD compensation for working events
Promotional	\$4,970	World Cup Promotion Items
Total	\$1,502,007	

*Public safety equipment will be used for future Lenexa events



RESERVE POLICY INDICATORS

<u>Status</u>	<u>Indicator</u>	<u>Comments</u>
	General Fund	The current General Fund reserve balance is 38% of budgeted revenues. This percentage exceeds the 30% minimum reserve target established by policy.
	Debt Service Fund	The current Debt Service Fund reserve balance is 96% of budgeted expenditures/transfers. This percentage exceeds the 10% minimum reserve target established by policy.
	Stormwater Fund	The current Stormwater Fund reserve balance is 81% of budgeted revenues. This percentage exceeds the 10% minimum reserve target established by policy.
	Rec Center Fund	The current Rec Center Fund reserve balance is 100% of budgeted revenues. This percentage exceeds the 10% minimum reserve target established by policy.
	Tourism & Convention Fund	The current Tourism & Convention Fund reserve balance is 100% of budgeted revenues. This percentage exceeds the 5% minimum reserve target established by policy.

RESERVE POLICY INDICATORS

The City's key reserve indicators are trending favorably in comparison to the City's reserve policy.

The General Fund reserve balance as of 09/30/2026 is above the maximum reserve target of 35%. The reserve balance is expected to decline over the remainder of 2026 as these funds are used to support planned expenditures.

The balances in the Debt Service Fund & Stormwater Fund were reduced during the 3rd quarter due to the principal and interest payments made on outstanding bond issues. Additionally, the balance in the Stormwater Fund will be reduced further in 2026 as transfers increase to support capital projects. These transfers will provide matching contributions for external funding sources for stormwater initiatives.

RESERVE POLICY INDICATORS

In recent years, the City has steadily increased the balance of the Rec Center Fund, preparing for future facility maintenance and equipment replacement. In the coming years, staff foresees substantial investments in Rec Center maintenance, surpassing what the operating budget can accommodate within a single fiscal year.

The significant balance in the Tourism & Convention Fund has occurred due to the opening of new hotels in the City. These funds can only be used for promotion of tourism and economic development purposes. Currently, revenues in the Tourism & Convention Fund are used to provide funding to the Convention and Visitors' Bureau, Lenexa Economic Development Council, Legler Barn operations, Public Market operations, and debt service on the Lenexa Conference Center (at the Hyatt Place Hotel). Additionally, the City has allocated reserve funds for economic development projects and the 2026 World Cup.

Exhibit E contains additional information on the City's reserve balances.

DEBT MANAGEMENT INDICATORS

<u>Status</u>	<u>Indicator</u>	<u>Comments</u>
	Ratio of budgeted debt service to budgeted total expenditures	The ratio of debt service to total expenditures is 9.85% for the 2026 budget (this percentage is considered "manageable" by the credit rating agencies - target is 15% or less).
	Ratio of direct g.o. debt to appraised valuation	The ratio of city g.o. (general obligation) debt to appraised valuation is 1.36% as of September 2026. This is considered manageable by the credit rating agencies.

DEBT MANAGEMENT INDICATORS

In order to finance previous & existing capital improvements, the City has issued a significant amount of general obligation (g.o.) debt.

The previous debt issued has resulted in a ratio of debt service to total expenditures of 9.85% for the 2026 budget. This is considered an above median but manageable debt burden by the credit rating agencies (generally, the rating agencies prefer ratios of 15% or lower).

The ratio of g.o. debt to appraised value (estimated market value) is 1.36% - the rating agencies consider this to be manageable.



INVESTMENT INDICATORS (operating portfolio)

<u>Status</u>	<u>Indicator</u>	<u>Comments</u>
	Portfolio distribution compared to policy parameters	The portfolio value by investment type is within the limits established by the city's investment policy.
	Current yield vs. short-term portfolio rate of return benchmark	Current investment yield of 3.712% is below the 4.2% benchmark.
	Current yield vs. long-term portfolio rate of return benchmark	Current investment yield of 4.121% is below the 4.54% benchmark.

INVESTMENT INDICATORS (operating portfolio)

The City's investment indicators are favorable in comparison to the investment policy. In accordance with the investment policy, the City primarily purchases U.S. Treasury, U.S. Government Agency fixed income securities and certificates of deposit.

The portfolio value by investment type is within the limits established by the investment policy and actual rates of return are slightly below the benchmarks. Specifically, the 9/30/2026 short-term portfolio rate of return is 3.712% compared to the benchmark (3-month Treasury yield) of 4.2%. The 9/30/2026 long-term portfolio rate of return is 4.121% compared to the benchmark (1-year Treasury yield) of 4.54%

As of 09/30/2026, the unrealized loss on the City's investment portfolio is \$489,678 (this means the City would have lost \$489,678 compared to the book value of the investments if all the securities were sold in the open market on 09/30/2026). In practice, the City usually holds all investment securities to maturity and rarely sells an investment security on the open market for a gain or loss.

The total market value of the City's operating portfolio is \$210.1 million as of 09/30/2026. Exhibits C & D include additional information on the City's investments, including information on the terms of each security in the City's portfolio.



ECONOMIC INDICATORS

<u>Status</u>	<u>Indicator</u>	<u>Comments</u>
	Commercial Building Permits	Total valuation of commercial building permits is \$197.4 million as of 09/30/2026, compared to \$204.8 million average in the same time period for 2021 thru 2025.
	Single Family Residential Building Permits	Total valuation of single family residential building permits is \$52.0 million as of 09/30/2026, compared to a \$70.0 million average for 2021 thru 2025.
	Apartment Building Permits	Total valuation of apartment building permits is \$61.2 million as of 9/30/2026, compared to a \$37.3 million average for 2021 thru 2025.
	Average Home Value (Appraised Value)	As of February 2026, the average appraised value of a Lenexa home is approximately \$518,673 an increase of 6.1% from the previous year (\$488,729).

ECONOMIC INDICATORS

Commercial building permit valuation is \$197.4 million as of 09/30/2026 compared to an average of \$204.8 million in the same time period for 2021 thru 2025.

Single family residential permit valuation is \$52.0 million for 2026 compared to an average of \$70.0 million for 2021 thru 2025.

Total building permit revenue is \$1.4 million for 2026 compared to \$1.3 million for the same period in 2025.

The average appraised value of a Lenexa home is \$518,673 for 2026, an increase of 6.1% from 2025 (\$488,729) per the Johnson County Appraiser's Revaluation Report dated February 2026.



OTHER INFORMATION

Additional exhibits in the report include:

- Thompson Barn financial report (Exhibit F)
- Purchase Order report (Exhibit G)
- Rec Center Financial Report (Exhibit H)

Please contact Nate Blum or Megan Sterling if you have any questions about the 09/30/2026 quarterly financial report.

**CITY OF LENEXA QUARTERLY FINANCIAL REPORT
(09/30/2026)**

Exhibit A – Budget and Actual Collections for Major Revenue Sources

9/30/2026		FY 2026		Actual 2026		
	Actual thru	Budget	Actual	as a % of	% Change	\$ Change
Description	9/30/2025	Estimate	9/30/2026	Budget Estimate	from FY 2025	from FY 2025
Property Taxes (current)	\$44,042,026	\$44,176,026	\$44,536,105	101%	1.1%	\$494,079
Sales Tax - City	\$18,599,018	\$27,206,966	\$19,663,392	72%	6%	\$1,064,374
Sales Tax - County	\$8,961,112	\$12,457,985	\$9,267,025	74%	3%	\$305,913
Comp Use Tax - City	\$9,493,184	\$13,290,752	\$10,371,204	78%	9%	\$878,020
Comp Use Tax - County	\$3,224,888	\$4,423,036	\$3,462,487	78%	7%	\$237,599
Franchise Tax - Electric	\$3,976,165	\$5,464,000	\$4,050,672	74%	2%	\$74,507
Franchise Tax - Gas	\$1,537,011	\$1,442,000	\$1,465,178	102%	-5%	(\$71,833)
Stormwater Service Charges	\$6,836,604	\$6,746,000	\$6,886,741	102%	0.7%	\$50,137
Totals	\$96,670,008	\$115,206,765	\$99,702,804	87%	3%	\$3,032,796

Exhibit B – Operating and Debt Service Expenditures

9/30/2026		FY 2026		Actual 2026		
	Actual thru	Budget	Actual	as a % of	% Change	\$ Change
Description	9/30/2025	Estimate	9/30/2026	Budget Estimate	from FY 2025	from FY 2025
<u>Operating Expenditures:</u>						
General Fund	\$59,991,206	\$87,201,092	\$63,156,744	72%	5%	\$3,165,538
Stormwater Fund	\$1,788,671	\$2,690,801	\$1,793,942	67%	0.3%	\$5,271
Totals	\$61,779,877	\$89,891,893	\$64,950,686	72%	5%	\$3,170,809
<u>Debt Service Expenditures:</u>						
Debt Service Fund	\$12,561,945	\$13,842,391	\$11,267,030	81%	-10%	(\$1,294,915)
Capital Improvement Fund	\$2,839,950	\$2,841,200	\$2,841,200	100%	0.04%	\$1,250
Tourism & Convention Fund	\$274,156	\$274,656	\$274,656	100%	0.2%	\$500
Stormwater Fund	\$2,777,439	\$2,897,613	\$2,651,283	91%	-5%	(\$126,156)
Totals	\$18,453,490	\$19,855,860	\$17,034,169	86%	-8%	(\$1,419,321)

**CITY OF LENEXA QUARTERLY FINANCIAL REPORT
(09/30/2026)**

Exhibit C – Investment Summary

Investment Type	Market Value	% of Market Value	Maximum % Allowed by Policy
U.S. Treasury Notes and Bills	\$104,083,789	40.3%	100%
Collateralized Time and Demand Deposits	\$106,178,010	41.1%	100%
Kansas Municipal Investment Pool Fund (MIP)	\$885,135	0.4%	30%
Repurchase Agreements	\$47,092,000	18.2%	30%
Total Portfolio	\$258,238,934	100%	n/a

**CITY OF LENEXA QUARTERLY FINANCIAL REPORT
(09/30/2026)**

Exhibit D - List of U.S. Treasury, U.S. Government Agency, and Certificate of Deposit Investments

Short-term Portfolio:

Description	Par Value	Current Yield	Final Maturity	Current Book Value	Current Market Value	Unrealized Gain (Loss) as of 09/30/2026
Commerce Bank - Certificate of Deposit	15,000,000.00	3.351	10/15/2026	15,000,000.00	15,000,000.00	0.00
UMB Bank - Certificate of Deposit	15,000,000.00	3.400	11/16/2026	15,000,000.00	15,000,000.00	0.00
Security Bank of KC - Certificate of Deposit	15,000,000.00	3.550	12/15/2026	15,000,000.00	15,000,000.00	0.00
Security Bank of KC - Certificate of Deposit	10,000,000.00	3.550	1/15/2027	10,000,000.00	10,000,000.00	0.00
US TREASURY N/B	10,000,000.00	3.961	1/31/2027	10,005,257.08	9,995,312.50	(9,944.58)
Security Bank of KC - Certificate of Deposit	10,000,000.00	3.560	2/15/2027	10,000,000.00	10,000,000.00	0.00
Commerce Bank - Certificate of Deposit	20,000,000.00	3.430	3/15/2027	20,000,000.00	20,000,000.00	0.00
Security Bank of KC - Certificate of Deposit	6,000,000.00	3.480	4/15/2027	6,000,000.00	6,000,000.00	0.00
US TREASURY N/B	10,000,000.00	4.047	5/15/2027	10,027,213.09	10,004,296.90	(22,916.19)
US TREASURY N/B	5,000,000.00	3.735	5/31/2027	4,963,874.27	4,941,406.25	(22,468.02)
US TREASURY N/B	10,000,000.00	3.902	6/15/2027	10,049,484.14	10,012,890.60	(36,593.54)
US TREASURY N/B	5,000,000.00	4.111	7/31/2027	4,944,860.45	4,927,148.45	(17,712.00)
US TREASURY N/B	20,000,000.00	3.972	7/31/2027	19,801,664.62	19,708,593.80	(93,070.82)
US TREASURY N/B	5,000,000.00	3.761	7/31/2027	5,004,490.72	4,972,265.65	(32,225.07)
Academy Bank - Certificate of Deposit	10,000,000.00	4.150	9/15/2027	10,000,000.00	10,000,000.00	0.00
US TREASURY N/B	10,000,000.00	4.009	9/30/2027	9,950,317.91	9,891,406.30	(58,911.61)
Sub-total: Short-term Portfolio	\$176,000,000.00	3.712		\$175,747,162.28	\$175,453,320.45	(\$293,841.83)

Long-term Portfolio:

Description	Par Value	Current Yield	Final Maturity	Current Book Value	Current Market Value	Unrealized Gain (Loss) as of 09/30/2026
US TREASURY N/B	10,000,000.00	4.033	10/31/2027	10,009,307.08	9,943,359.40	(65,947.68)
US TREASURY N/B	10,000,000.00	4.146	11/30/2027	9,912,857.00	9,850,390.60	(62,466.40)
Academy Bank - Certificate of Deposit	5,000,000.00	4.150	12/15/2027	5,000,000.00	5,000,000.00	0.00
US TREASURY N/B	10,000,000.00	4.170	12/31/2027	9,904,141.23	9,836,718.80	(67,422.43)
Sub-total: Long-term Portfolio	\$35,000,000.00	4.121		\$34,826,305.31	\$34,630,468.80	(\$195,836.51)

Description	Par Value	Current Yield	Current Book Value	Current Market Value	Unrealized Gain (Loss) as of 09/30/2026
TOTALS	\$211,000,000.00	3.780	\$210,573,467.59	\$210,083,789.25	(\$489,678.34)

Report Notes:

This report includes the City's U.S. Treasury and U.S. Government Agency investments held by the third-party custodian (UMB Bank) and Certificates of Deposits held across various financial institutions. This report does not include investments held away from the third-party custodian, which include:

- Repurchase Agreements
- Municipal Investment Pool (Overnight Pool)

**CITY OF LENEXA QUARTERLY FINANCIAL REPORT
(09/30/2026)**

Exhibit E - Reserve Balances by Fund

9/30/2026						
Fund	9/30/2026 Reserve Balance	FY 2026 Budget	Policy Minimum Reserve Target	Minimum Reserve Target (per policy)	Actual 9/30/2026 Reserve Percentage	Projected 12/31/2026 Reserve Percentage
General Fund	\$44,306,582	\$115,754,408	30%	\$34,726,322	38%	37%
Debt Service Fund	\$14,634,869	\$15,212,040	10%	\$1,521,204	96%	51%
Health Plan Fund	\$7,293,200	n/a	n/a	\$2,147,578	n/a	n/a
Risk Management Fund	\$2,800,887	n/a	n/a	\$1,525,641	n/a	n/a
Worker's Compensation Fund	\$3,446,009	n/a	n/a	\$1,916,944	n/a	n/a
Stormwater Fund	\$6,303,302	\$7,748,213	10%	\$774,821	81%	31%
Rec Center Fund	\$4,001,869	\$4,014,000	10%	\$401,400	100%	99%
Tourism and Convention Fund	\$1,802,087	\$1,800,000	5%	\$90,000	100%	173%
Special Alcohol Fund	\$1,300,451	\$477,317	5%	\$23,866	272%	273%

**CITY OF LENEXA QUARTERLY FINANCIAL REPORT
(09/30/2026)**

Exhibit F - Thompson Barn Financial Report

<u>Account Description</u>	<u>Amount as 9/30/2025</u>	<u>Amount as 9/30/2026</u>																														
<u>Revenues:</u>																																
Community Rentals	\$179,370	\$185,810																														
Total Revenues	\$179,370	\$185,810																														
<u>Expenditures and Encumbrances:</u>																																
Personnel Costs	\$27,816	\$31,523																														
Contractual Services	\$29,970	\$14,781																														
Commodities	\$16,365	\$16,217																														
Total Expenditures and Encumbrances	\$74,151	\$62,521																														
Revenues less Expenditures and Encumbrances	\$105,219	\$123,289																														
Unspent Balance as of January 1st	\$1,389,067	\$1,555,736																														
Unspent Balance as of September 30th	\$1,494,286	\$1,679,025																														
<table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="3"><u>Rental Activity YTD:</u></th></tr> <tr> <th><u>Number of Rentals</u></th><th><u>9/30/2025</u></th><th><u>9/30/2026</u></th></tr> </thead> <tbody> <tr> <td>Chamber of Commerce</td><td>17</td><td>14</td></tr> <tr> <td>City of Lenexa</td><td>8</td><td>9</td></tr> <tr> <td>Public</td><td>183</td><td>186</td></tr> <tr> <td>Totals</td><td>208</td><td>209</td></tr> <tr> <th><u>Types of Rentals</u></th><th><u>9/30/2025</u></th><th><u>9/30/2026</u></th></tr> <tr> <td>Meetings</td><td>81</td><td>76</td></tr> <tr> <td>Social Functions</td><td>127</td><td>133</td></tr> <tr> <td>Totals</td><td>208</td><td>209</td></tr> </tbody> </table>			<u>Rental Activity YTD:</u>			<u>Number of Rentals</u>	<u>9/30/2025</u>	<u>9/30/2026</u>	Chamber of Commerce	17	14	City of Lenexa	8	9	Public	183	186	Totals	208	209	<u>Types of Rentals</u>	<u>9/30/2025</u>	<u>9/30/2026</u>	Meetings	81	76	Social Functions	127	133	Totals	208	209
<u>Rental Activity YTD:</u>																																
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Social Functions	127	133																														
Totals	208	209																														

**CITY OF LENEXA QUARTERLY FINANCIAL REPORT
(09/30/2026)**

Exhibit G - Purchase Order Report (\$20,000.01 - \$75,000)

Fund/Department	Vendor Name	Amount	Description	Date
Street Improvements	Alfred Benesch & Company	35,660.75	PSP & Woodsonia Drive Traffic Signal - Design	7/1/2026
Street Improvements	Stanion Wholesale Electric Co Inc	21,475.00	Ubicquia Nodes	7/7/2026
Street Improvements	Stanion Wholesale Electric Co Inc	21,475.00	Ubicquia Nodes	7/7/2026
Street Improvements	George Butler Associates Inc	29,643.00	2026 Bridge Rehabilitation Project - Design	7/7/2026
Street Improvements	Alfred Benesch & Company	25,677.00	Lenexa Guardrail Study	7/17/2026
Mun Serv - Facilities	Johnson Controls US Holdings Inc	26,335.05	Johnson Controls Maintenance Agreement	7/21/2026
Street Improvements	LEOTEK ELECTRONICS	34,180.00	Leotex Fixtures	7/27/2026
ERF Police Patrol	911 Custom	25,037.33	PD2603 - Vehicle #2694 outfitting vehicle	8/4/2026
Street Improvements	Stanion Wholesale Electric Co Inc	31,975.00	Ubicquia Nodes	8/4/2026
MS Traffic	Mid-American Signal	49,140.00	LOCKS & KEY	8/14/2026
Street Improvements	BARTLETT & WEST INC	23,500.00	83rd Street Bridge Rehabilitation Study-PES	8/17/2026
Rec Ctr Admin	Allied Construction Services, Inc.	27,515.00	Taraflex Group Fitness Floor	8/19/2026
Fire - Admin	MOTOROLA SOLUTIONS	31,116.24	Maintenance Agreement 2026; Contract USC001224247	8/20/2026
Street Improvements	Stanion Wholesale Electric Co Inc	21,475.00	Ubicquia Nodes	8/26/2026
Street Improvements	Stanion Wholesale Electric Co Inc	46,928.00	Black Kim Bounce Decorative Lights	8/28/2026
Street Improvements	Stanion Wholesale Electric Co Inc	62,012.00	Black Kim Bounce Decorative Lights	8/31/2026
ERF Police Patrol	911 Custom	28,199.97	PD2605 Vehicle 2698 Outfitting	9/8/2026
Street Improvements	Orrick & Erskine LLP	21,940.00	95TH & LACKMAN	9/10/2026
ERF MS Traffic	Stratix Power Systems LLC	67,168.00	MS2602 Battery Backup System for Signals	9/11/2026
ERF Police Patrol	911 Custom	23,753.70	PD2601 - Outfitting vehicle 2687	9/15/2026
ERF Police Patrol	911 Custom	23,753.70	PD2602 - Outfitting vehicle 2679	9/15/2026
Park Improvements	All Inclusive Rec LLC	53,745.00	Central Green Gym Equipment	9/23/2026
Communications	POST PUBLISHING INC.	24,600.00	Johnson County Post - Run of Site Ad Pkg 2027	9/30/2026
EST Infrastructure	ConvergeOne Inc	27,723.01	Security Software subscription 1-yr	9/30/2026
Parking Structure	Waterstop Masonry Restoration &	70,324.00	Civic Center Parking Garage North & East Wall Rep	9/29/2026

**CITY OF LENEXA QUARTERLY FINANCIAL REPORT
(09/30/2026)**

Exhibit H - Rec Center Financial Report

<u>Account Description</u>	<u>FY 2026 Budget</u>	<u>Amount as of 9/30/2026</u>
<u>Revenues:</u>		
Membership Fees	\$2,718,500	\$1,998,388
Day Pass Fees	\$290,000	\$408,955
Child Care Fees	\$35,000	\$48,076
Silver Sneakers Fees	\$250,000	\$251,016
Birthday Party Rental Fees	\$140,000	\$136,963
Fitness Class Fees	\$96,000	\$83,253
Swim Lessons/Aquatics Programs	\$150,200	\$126,582
Sports Programs	\$40,800	\$38,436
Other Event & Rental Fees	\$7,000	\$38,409
Other Classes & Camps Fees	\$172,500	\$202,495
Investment Income	\$100,000	\$68,262
Vending & Miscellaneous Revenues	\$14,000	\$12,417
Total Revenues	\$4,014,000	\$3,413,252
<u>Expenses:</u>		
Personnel Costs	\$3,104,485	\$2,212,533
Contractual Services	\$562,123	\$279,658
Commodities	\$301,025	\$238,098
Capital Outlay	\$239,853	\$119,103
Total Expenses	\$4,207,486	\$2,849,392
Revenues less Expenses	(\$193,486)	\$563,860
Transfer to Capital Project	\$4,382,226	\$1,900,000
Net Position (Balance), January 1, 2026		\$5,338,009
Net Position (Balance), September 30, 2026		\$4,001,869
<u>Statistics as of 09/30/2026</u>		
<i>Rec Center opened for operations in late July of 2017.</i>		
<u>Memberships</u>	<u>Number</u>	<u>% Share</u>
Household	5,426	48.1%
PLUS 1 (members above total of 5 members per household)	770	6.8%
Adult	1,043	9.2%
Senior	745	6.6%
Specialty Memberships	2,643	23.4%
All Other	660	5.8%
Total Memberships	11,287	100.0%
Total Membership Units (Pro Forma estimated 2,010 in first year)	3,905	
Total Visits (3rd quarter 2026)	97,676	
Total Visits (since opening)	2,814,838	