

**City of Tonganoxie**  
**City Council Meeting Minutes**  
**02/27/12**

The Governing Body of the City of Tonganoxie met in their regularly scheduled session at the City Hall Council Chambers on February 27, 2012. The meeting was called to order at 7:00 p.m. with roll call showing a quorum and the following members present: Mayor, Jason Ward; Councilmembers: Dennis Bixby, Chris Donnelly, Andy Gilner, Bill Peak and Jim Truesdell. Mike Yanez, City Administrator; Mary Conway, City Clerk and Mike Kelly, City Attorney.

After roll call, the Mayor led everyone with the Pledge of Allegiance.

**Consent Agenda**

- a) Approval of Minutes –
  - 1. Regular Meeting dated February 13, 2012
  - 2. Special Meeting dated February 21, 2012
  
- b) Consider Approval of Bills - Approve Pay Ordinance A-1677
  
- c) Consider appropriation to First State Bank and Trust for 2011 Crown Vic Police Car in the amount of \$5,177.84.
  
- d) Consider appropriation to KDHE for Sewer Project C20-1608-01 in the amount of \$125,000.00.
  
- e) Consider appropriation to KDHE for Sewer Project C20-1299-02 in the amount of \$18,288.47.
  
- f) Consider appropriation to KDHE for Sewer Project C20-1299-01 in the amount of \$24,382.74.
  
- g) Consider appropriation to LCDC for 2012 Funding in the amount of \$7,034.00.
  
- h) Consider appropriation to Mike Yanez for second half of February City Administrator services reimbursement in the amount of \$3,270.00.

**Motion** by Peak to approve the consent agenda items a through h. Second by Gilner. All Ayes. Aye 5. Motion carried.

**Open Agenda:**

Hobart Newton of 1540 Fall Creek Drive came forward to speak on behalf of the residents at Fall Creek Villas. The residents are requesting that the speed limit on Fall Creek Drive be lowered to 20 MPH from the current 30 MPH. The change is only for Fall Creek Drive. This is a retirement community and the lower speed limit would provide a safer street for the residents. They are requesting signage for the speed limit change and also a sign that would indicate “No Outlet” on that street, which currently does not provide access to any other street. Members of the council and the Chief of Police were not opposed to this change. City Attorney was directed to work with Chief Brandau to create an ordinance to lower the speed limit for Fall Creek Drive and provide it at the next council meeting on March 12<sup>th</sup> for a vote.

Susan Freemyer of 312 E. 2<sup>nd</sup> Street addressed the council with a plea that they make a decision tonight on a building site for the Police Station.

With no additional comments from the public, the Open Agenda was closed.

**Old Business:** The first item discussed under Old Business was to consider an amendment to the operating agreement with Public Wholesale Water Supply District No. 6 (PWWD #6). PWWD #6 is negotiating a new contract with Bonner Springs but must first negotiate a contract that is agreeable to the parties in the PWWD #6. Currently there is a 20 million gallon per year minimum for PWWD #9, which they would like maintained. City of Tonganoxie does not have a minimum purchase amount in the current contract, but City Superintendent Kent Heskett is requesting that City Council agree to a 6 million gallon minimum in the amended contract. This would be an annual cost of \$3,240.00 and would be a back-up water supply if needed. The City does not have an exclusive agreement with BPU and no conflict would occur with our agreement with BPU. Currently the city purchases 50 million gallons of water annually and uses 80 million gallons from our own wells. **Motion** by Donnelly to authorize the Mayor to sign the amended agreement with PWWD #6. Second by Truesdell. All Ayes. Aye 5. Motion carried.

At this time, Mayor Ward proceeded with New Business with Kent Heskett, City Superintendent, who was requesting approval of the promotion to Foreman for James McCutchen. **Motion** by Bixby to approve the promotion of Foreman to James McCutchen. Second by Peak. All Ayes. Aye 5. Motion carried.

Continuing with New Business, City Superintendent Heskett provided to the Council the proposed street repair and maintenance projects for 2012.

This concluded City Superintendent's New Business and Mayor Ward returned to the Old Business Agenda.

The next item under Old Business was the Police Station Options. Chief Brandau presented the final two options, 302 Shoemaker Way and 725 Laming Road, with turnkey pricing. Tom Kaleko with Springsted, Inc., the City's financial advisor, was introduced by Mayor Ward to discuss financing options and provide information on the City's current debt. Mr. Kaleko provided handouts with a graph showing the mill levy requirement for existing debt, mill levy requirement for existing debt and the proposed site at 302 Shoemaker Way, and the mill levy requirement for existing debt and the proposed site at 725 Laming Road.

Currently City of Tonganoxie has \$3.9 million available before the debt ceiling is reached. Mr. Kaleko discussed the options that could be considered with regards to financing any new debt. General Obligation Bonds is typically the least expensive alternative. There is also Public Building Commission which is created for Kansas municipal governments to build public buildings. A Public Building Commission would have to be created, and would acquire the building and lease to the city. With this alternative the debt ceiling is not impacted; however, \$1million is a small amount to use this vehicle. It has a slightly higher interest rate than General Obligation Bonds. There is also a Certificate of Participation which has a greater risk and a higher interest rate, but the City's debt ceiling is not impacted. Another option is to get a loan from a local bank if there was a bank that would give a favorable rate with a lease participation. This would impact the ceiling debt.

Discussion ensued regarding financing any new debt, with all council members cognizant of a mill levy increase and subsequent tax increase to the citizens. Mr. Kaleko did advise the council the public could vote on a ¼ cent sales tax which would generate approximately \$100,000. Certificate of Obligations can be used for the Industrial Park but not the Public Building Commission. The General Obligation rate is approximately 3.9% while the Public Building Commission rate is approximately 4.2%. These reflect true interest rates over a 20-year obligation. With no further questions for Mr. Kaleko, the meeting was turned over to Chief Brandau.

The Chief reiterated that it is never a good time for a large purchase but the owners have provided solid purchase prices and they would bear the risk of contingency if the re-structure of the buildings went beyond the quoted price to the City. He has received numbers from a bank in town for a lease purchase and he would like consideration of this alternative.

Mayor Ward asked each of the council members to briefly discuss the two sites brought before them this evening. Jim Truesdell is in favor of a long term solution and for this reason he would like to see a police station established at 725 Laming Road.

Bill Peak is not in favor of either location. He has been dedicated to keeping the police station downtown and this would still be his preference.

Chris Donnelly recognizes there is a need and appreciates everything the Chief has done to stay within his operating budget. There is no question a mill levy increase will occur and he is concerned with taxes for citizens. The feedback from the public has been nearly a 50/50 split for and against such a purchase. The debt level does not concern him as much as the mill increase to the citizens.

Andy Gilner questioned the cost of the asphalt and the six inch water line at the Shoemaker Building and also the pricing of the generator at the 725 Laming Road building. He is understanding of the need and the difficult decision to be made.

Dennis Bixby acknowledged the hard work by both owners and Chief Brandau. Since the Police Station had to have a “band aid” fix he would like this alternative to work for two years and build up the reserves and pay down the existing debt and re-visit the police station issue at that time.

**Motion** by Truesdell to direct staff to negotiate with the owners of 725 Laming Road to purchase the building at that site and discuss finance options later. Second by Gilner. A roll call vote was taken with results as follows: Bixby – Nay; Gilner – Aye; Donnelly – Aye; Peak – Nay; Truesdell – Aye. Ayes - 3 Nays 2. Motion carried.

Mayor Ward called for a five minute break at 9:00 PM. The meeting reconvened at 9:10 PM.

The next item was the Suburban Water Proposals. City Attorney advised he had not yet received correspondence from Suburban Water. This item was tabled until the next meeting.

The last item under Old Business was the Planning Advisory Services RFQ. A revised RFQ was provided with input from Kevin Kokes of Lochner, the City’s previous planner. The council determined the RFQ should be provided to the Planning Commission for comments and then returned to the council for action.

**New Business:** The first item under New Business was to consider a Special Use Permit forwarded by the Planning Commission. The Planning Commission is recommending approval of the SUP for a property located at 1184 Raintree Park, allowing child day care at a single family resident with the conditions as set out by the Planning Commission and approval of Ordinance 1332 granting the same. **Motion** by Peak to adopt Ordinance 1332 allowing child day care at 1184 Raintree Park. Second by Truesdell. All Ayes. Aye 5. Motion carried.

The next item was the City Administrator’s Agenda which was the results of the Industrial Park Farmland Lease Proposals. Two proposals were submitted for council review. **Motion** by Donnelly to accept the highest bid from Jim Grinter Farms, Inc. contingent on a lease agreement to be negotiated by City Attorney. Second by Gilner. All Ayes. Aye 5. Motion carried.

Next on the agenda was the City Attorney. The Commercial Lease agreement between the City of Tonganoxie and Calvin and Susan Quisenberry for temporary space at 326 S. Delaware for the Police Station has been completed. Calvin and Susan Quisenberry have signed the lease agreement and upon signature from Mayor Ward a copy of the agreement will be returned to the Quisenberrys along with a \$1,600.00 security deposit.

Mayor Ward's agenda was next and he advised the council that he had been speaking with Art Davis regarding the status of the City Administrator search. Mr. Davis would like to meet in an executive session for approximately 90 minutes to discuss the applications he has received. The Mayor is suggesting a special meeting to accomplish this. The city council members agree that a special meeting would be appropriate. Mayor Ward will obtain some dates from Mr. Davis as to his availability and provide those dates to the council members for a decision on a meeting date.

Mayor Ward provided to the council the reports from Cromwell Environmental regarding the mold inspection at the Police Station and their Remediation Proposal. Discussion ensued regarding what the City could do to try to rectify the problem. Council member Bixby suggested the police station parking lot be patched to prevent water pooling and seeping to the basement and to fix the flashing on the roof to prevent further leakage to the basement. Both these tasks can be completed by city crew. This will reduce the problem. Mayor Ward is concerned about spending money on the building until it can be determined how the building will be used. Is it worth fixing? Council member Peak stated that unless the building is torn down, it will have to be repaired. Mayor Ward is also concerned about access to and from the building and employees being further exposed to any health hazard that may exist. Chief Brandau explained they would be completely moved out of the building by Wednesday with the exception of the evidence room, which they will be assembling shelves at the new location to accommodate the evidence. Council member Bixby will discuss with City Superintendent Heskett having his city crew patch the parking lot and repair the roof flashing.

The Council President had no business to bring forward at this time.

Under the City Council Agenda Council member Peak suggested that the city terminate their contract with the County and the \$100,000 that the City pays annually to them be used to pay for the building for the Police Station. **Motion** by Peak to terminate the contract with the County. Second by Bixby. Discussion ensued. Mayor Ward states this is an important relationship which allows the City to have input into the development along County Road 1. The City has an obligation to honor this contract. Peak would like the council to review the Interlocal Agreement. Bixby states that he feels the County will not participate in the development of the Industrial Park until we have a customer there. Mayor Ward states this is a premature statement and reiterates we should not terminate the contract with the County. Peak withdraws his motion, Bixby withdraws his second.

Bixby inquired as to the date for the city-wide clean-up. Mayor Ward indicated it would be April 28<sup>th</sup>.

Council directed City Attorney to bring financing options for the Laming Road building to the council for discussion.

With no further business to discuss, there was a **motion** by Gilner to adjourn. Second by Peak. Motion carried. All Ayes. Aye 5. Meeting adjourned at 10:15 PM.

Respectfully submitted,  
Mary Conway, City Clerk