



## **Council Meeting Minutes**

January 14, 2013

7:00 Regular Meeting

The Mayor opened the meeting at 7 p.m. with the pledge of allegiance. Councilmen Gilner, Donnelly, Bixby, Peak and Truesdell and Mayor Ward were present. Also present were City Administrator Nathan McCommon, City Administrator Mike Kelly and Assistant City Administrator Jennifer Jones-Lacy.

Councilman Gilner made a motion to approve the Consent Agenda, Councilman Donnelly seconded.

Councilman Peak asked about the City's annual contribution to the Chamber and asked if the City had the Chamber's annual plan.

David Hodge, President of the Tonganoxie Chamber of Commerce spoke to consent agenda item K, payment to the Chamber Commerce. He handed out the primary goals of the Chamber along with an update on the Chamber's activities.

All Ayes to approve the Consent Agenda, the motion carried.

### **Open Agenda**

Councilman Bixby addressed the residents of Tonganoxie and tendered his resignation from the City of Tonganoxie City Council because he took the oath of office to the Leavenworth County Board of Legislators.

The Mayor expressed his gratitude to Councilman Bixby and presented him with a plaque.

No other items for open agenda.

### **New Business**

a) Oath of Office for Kara Reed, new Councilperson.

- Councilman Peak motioned to appoint Ms. Kara Reed, seconded by Councilman Donnelly. All Ayes, the motion carried.
- City Administrator McCommon swore in Ms. Reed as the newest Councilperson for Tonganoxie.

b) Update on municipal bond sale

- Resolution No. 01-13-01: Authorizing payment of the costs of improvements to the city public water supply system
  - Ordinance No. 1354: An ordinance authorizing the issuance of taxable G.O. Refunding Bonds, Series 2013A and Series 2013B
  - Resolution No. 01-13-02: A resolution prescribing the form and details of and authorizing and directing the sale and delivery of taxable G.O. Bonds Series 2013A and Series 2013B
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- Mr. McCommon explained that there are two resolutions and an ordinance to help complete the requirements of the bond sale. Brian Kidney shared the results of the bond

sales, Series A and Series B. The City received one bid on series A at a rate of 3.75%. Series B received six bids and Countrywide won the bid with 1.87%. Brian said \$1.7 million over 20 years was a difficult sale because it was a small amount over a long period of time so they had to add a lot of discounts to get the sale. Competition was very good for series B with six banks bidding and the City received a great interest rate as a result. We received a better interest rate than AA rated cities and a better rate than AAA last Friday. Today's sale netted the City \$697,000 savings over the life of the bonds. We were the third Kansas sale of the day and as a result we received a very favorable interest rate.

- Councilman Peak asked what the projected payment was on the B series bonds
  - Mr. Kidney explained that the savings ranges between \$42,000 - \$57,000 per year for Series B.
  - Councilman made Donnelly made a motion to approve resolution 01-13-01, seconded by Councilman Peak, all Ayes, the motion carried
  - Councilman Donnelly made a motion to approve Ord. 1354, seconded by Councilman Truesdell, all Ayes, the motion carried.
  - Councilman Donnelly made a motion to approve Resolution 01-13-02, seconded Councilman Peak by all Ayes, the motion carried. No discussion.
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- Councilman Donnelly reviewed the rating of the City and mentioned there were a few things to keep in mind is the City's reserves of the lack thereof. The City needs to focus on its overall cash reserves by either increasing revenue, decreasing expenses or both. Donnelly said he would like to increase revenues without increasing taxes which requires the City to increase its tax-base. He thanked the Chamber for their work in assisting to get someone in the industrial park.

## **I. Old Business**

- a) Update on PWWSD#6 review of submitted termination language in order to enter an operating agreement with Public Wholesale Water Supply District #6 and #9 and authorizing a minimum purchase of \$3,300 per year from the Water Operating Fund
  - Mr. Kelly said Mr. McCommon has the most recent draft. The main suggested change is that the provision for the attorney general approval be excluded.
  - Councilman Peak asked if they were still requiring us to buy a certain amount of water.
  - Mr. Kelly said Kent Heskett would be better to answer.
- c) Update on Chieftain Trail
  - The final petitions should be ready to go by the next Council meeting.
- d) Update on city property sale: 636 E. 3<sup>rd</sup> and 301 S. Main
  - Mr. McCommon said a prospective buyer said he would have an answer for the gray house by the next Council meeting.
  - He sought two quotes to move the white house and it would cost less than \$1,000 for City crews to demolish the house. He mentioned the Capital Reserve Fund is a source of funding for the demolition.
  - Councilman Peak said it makes sense to have City crews tear the house down.
  - Mr. McCommon said there was a couple of items someone wished to buy out of the white house and he requested approval to sell them.
  - The mayor said any proceeds from a sale of any portion of the white house should be set aside and used for the purpose of improving the property.
  - McCommon said the house should not take longer than two days to demolish.

- Councilman Gilner suggested the City allow the person retrieve the items they want out of the house and direct City crews to demolish it.
- Councilman Peak made a motion to demolish the building after items have been retrieved. Councilman Gilner seconded. All Ayes, the motion carried.

## II. New Business

### a) Update on U.S. 24-40 Hwy Improvements

- Mr. Jim Pickett provided an update on Hwy 24-40 improvements. He said KDOT has updated the speed limits on the highway and plan to make some pavement marking changes on the entire highway from K-7 to K-16 the next construction season.
- Mr. Pickett discussed option C plan for Council to consider. Option B became a problem because vehicles turning left out of stone creek drive going east bound would have no place to stop in the median. As a result this was not a viable option. Option C would move the turn lane and allow for an acceleration lane for east-bound and west-bound 24. That's KDOT's plan at this point unless Council objects.
- He also recommended the Council move forward with some of the improvements in the 24-40 Corridor Management Plan. One recommendation would allow for safety improvements near Stone Creek Drive and provide a signalized intersection at Laming Road.
- Mr. Pickett said KDOT would be supportive of moving forward on a funding package to make these improvements. He recommended using the State's corridor management funding which was discussed a few years ago. The State would pay for the construction of the improvements and there may be some room to negotiate that KDOT help with some of the engineering costs associated with this project.
- The mayor asked Mr. Pickett if he has seen any issue with people recognizing acceleration lanes.
- Mr. Pickett said that they exist in Bonner Springs and admitted that they are a little unusual and take some getting used to.
- Mayor Ward said previous discussions were that the funding distribution would be 80/20 with the City picking up 20%. There were concerns about fitting the 20% into the City's budget.
- Mr. Pickett said the 100% construction funding would include the entire project, the only limitation would be on the amount of funding the state could provide. We haven't done a cost estimate yet so we would have to cross that bridge when we come to it.
- Councilman Peak shared concerns about inconveniencing people's businesses.
- Councilman Gilner asked about putting a turn lane at 24-40 and Laming. He said it's a dangerous intersection.
- Councilman Peak asked if KDOT could look at the hump near Vintage Park regarding the speed limit which seemed high for the area.
- Mr. Pickett said he discussed the issue with the state traffic engineer and he said they are comfortable with the 45 miles per hour and he looked at the crash history and there haven't really been any. He discussed this issue with the area engineer and this issue has not been forgotten.
- This would be an FY 2014 application for the Corridor Management funding. Laming Road and Stone Creek are a high priority for the State for improvements
- Mr. Pickett recommended the Council determine their support for the project and apply for funding. There is no application deadline on this project. The sooner the better.

### b) Request approval to issue a Request for Proposals to construct additions to the Fire Station

- The prep work is done on this issue and we request the Council approve an RFP for expansion of the facility including a floor. Chief Bennett said he is doing the underground slab electrical work of the fire station.

- The funding will come from the Fire Equipment Reserve Fund. Mr. McCommon said he would have to re-appropriate the funds that went unspent for this project from 2012. We would need authority to spend from the Council.
- Councilman Donnelly made a motion, seconded by Councilman Peak. All Ayes, the motion carried.

c) City Administrator Agenda

1. Request for approval of employee raises for 2013

Mr. McCommon explained the costs associated with the raises were approved as part of the budget.

- Motion to approve made by Councilman Truesdell, seconded by Councilman Peak. All Ayes, motion carried.

2. Request approval of an agreement with Link-Lite to perform Information Technology upgrades

- Mr. McCommon said the Council previously allowed him to enter into negotiations with Link-Lite for IT improvements, which provides upgrades to infrastructure and commits to use Link-Lite for IT service for one year.
- Councilman Peak asked if we got a reduced per hour rate – Link-Lite is bound by their maintenance rates for 2014 which is around \$7,500 - \$8,000.
- Councilman Peak asked if we had an outside person review our equipment. Mr. McCommon said yes.
- Mr. Kelly said all issues and concerns were rectified as part of the contract agreement.
- Mayor Ward said he wants the City Administrator to let the Council know if there are any issues in 2014 with the budget for IT services.
- Councilman Peak made a motion to approve, seconded by Councilman Gilner. All Ayes, motion carried.

3. Request approval to issue a Request for Proposals for City employee health insurance  
McCommon said we could save a significant amount of money by going to bid for health insurance.

- Councilman Peak asked if the health insurance would have the same parameters Mr. McCommon said the goal is to improve the quality.
- A motion was made by Councilman Donnelly, seconded by Councilman Gilner. All Ayes, the motion carried.

4. Request approval for a GAAP Waiver for FY 2012 and FY 2013

- Motion to approve by Councilwoman Reed, seconded by Councilman Peak. All Ayes, the motion carried.

5. Discussion of City of the Second Class: Manner and time to gather public input -

- Mr. McCommon outlined five items for potential discussion in public forums.
- Councilman Peak asked if when you moved to a second class city, if you moved to a contract versus an appointment.

- Mayor Ward said the fewer appointments you had by elected officials the better. That helps take the politics out of the issue. If folks are hired by contract that makes for a better vetted process.
- Council asked if we should have these discussions in February or wait until after the election in April since three seats are up for election.
- Councilman Peak he said he wanted the Council to be very sure what we think are the pros and cons of each issue so that we are educated on the issue prior to a public forum. He also expressed a concern about waiting that you'll have some council members who are informed and some that are not.
- Councilwoman Reed said that this will impact the library because certain IT upgrades will be required just to move to a city of the second class. This is something that needs to be considered.
- Peak asked that any informational fliers be concise so we can educate the public. He said he certainly wanted public input.
- Mr. McCommon said the library is at the maximum of its levy so not sure how that impacts their ability to make upgrades.
- Councilman Donnelly said slowly going through the issue next month makes sense.
- Councilman Peak suggested having staff put together some handouts to see how that would look.
- Mr. McCommon said he would use the outline from today.

6. Closed session to discuss confidential matters or trade secrets of a third party for a period of 20 minutes.

- A motion was made by Councilwoman Peak, seconded by Councilman Donnelly. All Ayes, the motion carried.
- Councilwoman Reed made a motion to return at 8:50 p.m., seconded by Councilman Gilner, all Ayes, the motion carried.

d) City Attorney Agenda

1. *Second Reading*, an ordinance repealing certain sections of Article 3, Fireworks, of Chapter 7 of the Code of Ordinances and replacing same for the purpose of defining the authority to ban the sale and use of fireworks in the city limits and providing public notice of such ban
  - Mr. Kelly recommended expanding this to a burn ban so that it can be used all year long.
2. *First Reading*, Request consideration of Ordinance No. 1355 – An Ordinance authorizing police to perform commercial vehicle inspections
  - Mr. Kelly said there are no provisions for the City to regulate the motor carrier act which includes a fine schedule to be approved by the municipal court judge. The fines of these violations are significant and right now it's regulated by the state. There is one officer trained for this activity. Most towns do not have officers trained in this area.
3. Request approval of Ordinance No. 1356 – An ordinance to provide more effective enforcement for addressing inoperable vehicles
  - Held

4. Request repeal of Ordinance No. 1306 regarding water rates

- This is a recommendation to repeal Ordinance no. 1306 which prevents the City from setting water and sewer rates. This will be submitted to the Council at the next meeting.

e) Mayor Agenda

The filing deadline is January 22<sup>nd</sup> for candidates for city council.

f) City Council Agenda

1. Retail Commercial Development Committee Report

- Councilman Peak said we have money in the transient guest fund. Wanted to know if we could use some of these funds to market the City at various conferences, such as selling the industrial park site. He wanted to see if the City administrator could look into the cost of this.
- Councilman Donnelly said in the past we have used LCDC's booth to promote the City which is a benefit of participating in LCDC.
  - i. Approval of Ordinance No. 1350 - Amending Ordinance No. 1342 Retail Attraction and Retention Incentive Program, repealing Section 2A sales tax rebate incentives

2. Infrastructure Committee Report

- Councilman Truesdell said he would like to get a meeting together in the next meeting.

3. Update on fireproof storage in city hall – Bill Peak

- Councilman Peak asked if the Council was interested in pursuing this issue. The mayor said the he didn't think it was budgeted but that the council would be interested.
- Councilman Peak asked about the KDOT issue and how City staff would follow-up.
- Motion to adjourn was made by Councilwoman Reed, seconded by Councilman Gilner. Adjourned at 9:05 p.m.