

City of Tonganoxie
City Council Meeting Minutes
01/11/11

The Governing Body of the City of Tonganoxie met in their regularly rescheduled session at the City Hall Council Chambers on January 11, 2011. 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: Paula Crook, Chris Donnelly, Andy Gilner, Bill Peak and Jim Truesdell. Mike Yanez, City Administrator; Kathy Bard, Asst City Administrator/ City Clerk and Mike Kelly, City Attorney.

Mayor Ward said he would like to start this meeting with a moment of silence for Timothy Schonhoff, who works for our contractor Honey Creek Disposal, and was tragically killed while performing his duties.

Consent Agenda

- a) Approval of Minutes -
 - 1) Regular Meeting Dated December 27, 2010
- b) Consider Approval of Bills - Approve Final Pay Ordinance for 2010 A-1648
- c) Consider Approval of Bills - Approve First Pay Ordinance for 2011 A-1649
- d) Consider Approval of acceptance of completion of work for the 4th Street Phase III project as recommended by BG Consultants
- e) Consider Approval of appropriation to Meadows Construction Pay Estimate #9 Final for work completed on the 4th Street Phase III project in the amount of \$7833.29.
- f) Consider Approval of appropriation of \$307,434.28 to Nowak Construction for work completed on the BPU waterline interconnect.
- g) Consider Approval of appropriation to Ed Roehr Safety Products for the purchase of four tasers as previously approved.
- h) Consider approval of the renewal of Cereal Malt Beverage license to Debi Conrad d/b/a West Side Café - 416 E 4th Street

Motion by Crook to approve the consent agenda items a through h. Second by Truesdell. All Ayes. Aye 5. Motion carried.

Open Agenda: With no comments or concerns presented by the public, the open agenda was closed.

Presentations: Mayor Ward began, stating this presentation is in recognition of outstanding public service in the apprehension of four individuals involved in burglarizing approximately 70

vehicles located in Tonganoxie, Leavenworth and Jefferson Counties in Kansas. The individual and collective efforts resulted in the successful investigation into criminal activity affecting the Tonganoxie and surrounding communities. It is with sincere appreciation that you are recognized for your dedicated service to the citizens you serve. Chief Jeff Brandau presented certificates to Tonganoxie Police Sergeant Steve Hawkins, Jefferson County Sheriff's Office Corporal Kevin Kufahl, Jefferson County Sheriff's office Captain Randy Carreno, and Tonganoxie Police Officers William Naff and Toby Allen.

Old Business: The item under old business was to continue discussion on potential Development Agreement for offsite infrastructure improvements required, (pending traffic study) with USD 464 for the future elementary school. The new school is proposed to be constructed on the acreage owned by the School District south of the Middle School. Offsite infrastructure would include a new 14th Street, an East Street extension to the future 14th Street and geometric improvements to the intersection at the future 14th Street and 24/40 intersection. The estimated costs for improvements are \$2 million for 14th Street, \$1.5 million for the East St extension and \$1 million for the geometric improvements. As an exercise, staff compiled some cost sharing scenarios for the governing body discussion. Option A - City funds entire costs for new roads. In this scenario the City assumes debt of \$4.5 million over 20 years that would require a local mill levy increase of 8.63. Option B - School funds the entire cost for new roads. The school would be responsible for assuming \$4.5 million in debt over 20 years that would require a mill levy increase on the School District which includes the City of 3.41. Options C & D are a variation of mixing up the split. Council President Truesdell asked where the estimated costs for the projects came from and wanted to make sure they were the most current. Yanez said Engineers estimate, and while they may change slightly, the numbers are for discussion purposes. Truesdell continued that the City should at least build the portion of 14th Street that does not touch school property and the geometric improvements as well as participate in a benefit district with the school for the rest of the improvements where the City residents pays a percentage and the school district patrons pays a percentage. Next Councilmember Peak said Option B where the school finances the entire debt load would be his recommendation. It has the best mill levy per home and the best option for City homeowners. He said he was not just looking at what would be the lowest mill levy increase to citizens but which option spreads the debt farther. Councilmember Donnelly said he was not certain the school can adjust their capital outlay mill levy to incur the entire debt. The impact on the City's debt rating is also a concern and cannot depend on growth for the next four to five years. Councilmember Gilner said he would also recommend option B if he truly had a choice. The citizens of Tonganoxie are going to be hit the hardest. If any of the debt is pushed to the City it is going to be a burden. Councilmember Crook said the School is the developer, the burden should be on the School District patrons and not the citizens only. The roads will only be constructed at this time because of the school. This will be a 21-mill increase for City of Tonganoxie if the burden is shifted to the City and that does not include any possible mill levy increase that may come about while balancing the 2012 budget. Mayor Ward concluded the discussion saying the City does have other things that are on the Capital Improvement Plan. The School will not be our only capital expenditure. He said he believes in partnership and teamwork and the position the City is currently in with its debt load, option B is the option that offers the ability to spread the debt over a larger tax base and lessen the impact on taxpayers. In conclusion it was determined that the majority of the governing body favored option B due to the impact of mill levy on each homeowner. It was also agreed that as support for the School District the city should pursue

corridor management funds or any other Federal or State funds that may be available for the geometric improvements at the intersection, to help offset some of the total debt.

New Business: Chief Brandau presented an agreement for Impaired Driving Deterrence Program Grant (IDDP). He asked the council to consider authorizing the Mayor to sign. He applied for the grant through KDOT and it was awarded. The purpose of the program is for impaired driving check lanes and saturation patrols. KDOT will reimburse the overtime expenses incurred for the program. **Motion** by Donnelly to authorize the Mayor to sign the grant documents. Second by Gilner. All Ayes. Aye 5. Motion carried.

Next on the agenda was to consider an amendment to the Neighborhood Revitalization Program. In April of 2010, the City adopted a Neighborhood Revitalization Plan. It allows for a rebate of taxes for new construction if the capital investment minus the land exceeds \$120,000. It has been well received. We have received four applications to participate in the rebate program. The applications included one new single family home (8th & Yoeke) and three remodels. The single family home was completed and the final paperwork sent to the County Appraiser. He subsequently called me and said he could not approve the application because the valuation he gave the property was below the \$120,000 minimum as required by the plan. However, when the application was received the applicant submitted an appraisal of the home to be built at \$144,098. We took a screen print of the County's value of the vacant property it was \$21,320, and therefore we approved the application as \$122,778.00 of capital investment. After considerable discussion with the County Appraiser, it seemed the difference in the original appraisal and the County appraisal was with the value of the land. According to the appraiser sometimes the value of the land increases when a home is placed on it. The County Appraiser and County Clerk suggested we amend our plan so the \$120,000 includes the value of the land. It would solve the issue of us trying to guess what the value of the land will be once the home is constructed. The County agreed they would approve the application if the amendment is approved. **Motion** by Donnelly to adopt Ordinance 1315 amending the Neighborhood Revitalization Plan. Second by Peak. All Ayes. Aye 5. Motion carried.

Next on the agenda was to consider authorizing the Mayor to sign an amendment to the Loan Agreement for the BPU waterline interconnect. Previously, the City approved Ordinance 1224 authorizing the execution of a loan agreement with the City and KDHE for the purpose of obtaining a loan from the Kansas Public Water Supply Loan Fund to provide funding for the BPU line in the amount of \$3,007,519. The waterline is under construction now and due to delays, the loan agreement has the first payment coming due, before the project is complete. Staff requested an amendment for an extension of the first payment. The amendment will move the first payment date to February 1, 2012. **Motion** by Crook to authorize the Mayor to sign the amendment documents for the BPU loan agreement. Second by Truesdell. All Ayes. Aye 5. Motion carried.

Motion by Crook to move an employee to Range 10 Step A, as Acting Utility Superintendent until a new City Superintendent is hired. Second by Peak. All Ayes. Aye 5. Motion carried.

Next on the agenda was the request for authority to award contract and commitment of City funds for the Pleasant Street bridge project. **Motion** by Crook to grant authority and concurrence to the Kansas Department of Transportation to award a contract to Kings

Construction and formalize the City's contribution of \$102,000 to the project cost. Second by Truesdell. All Ayes. Aye 5. Motion carried.

Motion by Donnelly to enter into executive session at 8:25 pm to discuss a matter that relates to non elected personnel, to include the Asst City Administrator, Kathy Bard, City Administrator, Mike Yanez and City Attorney, Mike Kelly for (10) ten minutes to return at 8:35 p.m. Second by Gilner. All Ayes. Aye 5. Motion carried. **Motion** by Donnelly to exit executive session and reconvene with the regularly scheduled meeting at 8:35 PM. No items were discussed other than that mentioned and no votes were taken. Second by Gilner. All Ayes. Aye 5. Motion carried.

With no further business to discuss, there was a **motion** by Crook to adjourn. Second by Truesdell. Motion carried. All Ayes. Aye 5. Meeting adjourned at 8:45 PM.

Respectfully submitted,
Kathy Y. Bard
Asst. City Administrator/City Clerk