



City Council Meeting
July 8, 2013
7:00 Regular Meeting

The Mayor opened the agenda at 7 p.m. with the pledge of allegiance. Councilwoman Reed, Councilman Gilner, Councilman Donnelly, Councilman Truesdell, Councilman Bill Peak and Mayor Ward were in attendance. Also in attendance were city staff Nathan McCommon, Jennifer Jones-Lacy, Jeffrey Brandau and City Attorney Michael Kelly.

I. Consent Agenda

A motion to approve the consent agenda was made by Councilman Peak, seconded by Councilwoman Reed. All Ayes, the motion carried.

Open Agenda

Nothing for open agenda

II. Old Business

- a) Update on Chieftain Trail
- City has finalized the easement acquisition. Councilman Truesdell asked why the bridge had to be wider across the water channel. Mr. McCommon said Brian Kingsley from BG engineering said it had to do with the redraw of the flood plain and he would be happy to explain later
- b) Update on utilities extension
- Premier Title had discovered that two of the parcels did not have legal descriptions and so they had to rewrite them from scratch. He's expecting an answer by tomorrow on that.
 - Councilman Peak asked when this would happen. Mr. McCommon said he expects to hear back from DOT soon.
- e) Hwy 24-40 Improvements – Update
- KDOT notified the City Administrator that the initial review is done and they are raising their analysis with their superiors and will let us know their decision soon.
 - Mayor Ward said he was encouraged that KDOT has moved so quickly.

III. New Business

- a) Mayor Agenda

1. Accept the resignation of County Rep. Rick Pruden and City Rep. John Morgan and request approval of appointments of John Morgan as County Rep. and Grant Watson as City Rep. for the City Planning Commission
 - The Mayor said we had a couple of resignations from the planning commission one of which is getting reappointed. Councilman Truesdell made a motion to approve the two appointments, seconded by Councilman Peak.
 - Mayor Ward said he appreciated Grant Watson's letter. Mr. Watson said he just moved to Tonganoxie because he got a position at Fort Leavenworth and he really likes this community and is happy to serve.
 - All Ayes, the motion carried.

b) Presentation by Superintendent Randy Weseman on new school construction plan

- Mr. Weseman said he wanted to provide an overview tonight and wants to come back in September for a more detailed presentation. They want to know what the process would be for getting an access road from 12th Street.
- Travis from HTK Architects, provided a sight plan for the new school. He provided an explanation for how to orient traffic. He explained that they wanted to keep cars from queuing on Washington Street.
- Councilman Truesdell asked about the logistics of the key card system to open the gate. Mr. Weseman said emergency personnel would all have the card to access the school through the gate.
- Mr. McCommon asked how many buses go through the school in a day. Mr. Weseman said 15-18 buses in the morning and afternoon.
- Councilman Donnelly asked about a traffic study and Mark from HTK Architects said traffic studies were done a few years ago prior to the failed bond issuance. This was commissioned by and presented to the City previously.
- Mr. Weseman asked about the process and Mr. Truesdell said the school board would want to proceed with presenting to the Planning Commission to approve the plat.
- Councilman Peak asked if the team saw a lot of congestion on Washington. Travis said the foreseen level of service was already really low.
- Travis also provided an overview the building layout and has prepared some exterior renderings that were presented to the school board. They are in the process of making some modifications. Once those are approved by the Board, they will provide those renderings to the City Council.
- Councilman Peak asked how much emphasis was placed on green concepts. Travis said this is part of the planning process all along. Their firm plans schools and that's primarily what they do. A lot of that brings in good design that provides for high energy efficiencies and includes native building materials and used highly recycled content.
- Mr. Weseman said this design will save millions of dollars over the life of the building due to the energy savings.
- This will be a very attractive, active community draw. This building and the nearby fields will function until 9 p.m. regularly.
- This will likely be a LEED silver building.
- Mayor Ward told them that the Council is basically a screening board for the Planning Commission's recommendations.

- Mr. Kelly said the Council should not render an opinion on design at this stage.

c) Presentation by Steve Jack on annual activities of the Leavenworth County Development Corporation

- Mr. Jack said they currently have more activity than they have in a long time.
- Provided the highlights of economic development in Tonganoxie including: the new Army Reserve project which will bring 14 new jobs and 300 weekend reservists;
- He provided summaries of several prospects including: Project Zealand is looking to establish an animal clinical research organization and are looking for property just north of town. This would include a gas line extension which would require about a \$70k commitment. This would bring 5-20 new jobs; Project Stone is a startup manufacturer that would mean 26 jobs in the coming months if they select Tonganoxie as its new home. Project Cleo is looking for 15-25 acres for a pet food manufacturer this would create 50 to 200 jobs.
- He provided some potential warehouse relocations.
- He also provided a summary of unsuccessful business recruitments as well to show that we were in the running.
- He said he just received a lead for Project Socrates, an 85+ acre sight or an existing large building with additional land for expansion. He said there are 900+ full time positions.
- Mr. Jack explained that part of their job is business retention and Cecilia Harry has called on more than 120 businesses in a year in Leavenworth County to provide assistance if needed and help link them with grants and funding opportunities.
- He provided an explanation of his marketing strategies for 2013 including blogging, websites setup for the county, and other social media sights.
- Explained LCDC's economic development investment tools. In 2013, LCDC will pay about \$40,000 for these marketing tools. Providing the Tonganoxie Chamber with
- The 2014 Budget request for LCDC is \$7,434 which is a \$9 increase over 2013. The Cities collectively support LCDC by 27%. The private sector now contributes 14% to their budget. LCDC's total budget is approximately \$300,000 in 2014. Blain Weeks is the newest President of the Port Authority.
- Councilman Peak asked for clarification and asked if the vacant buildings in the City are in a database.
- Mr. Jack said probably not the smaller buildings. He said the larger parcels would be including those in Urban Hess, Larry Meadows' property on Hwy 24-40, etc.
- Councilman Peak asked if the City was being eliminated from prospects because our sites are not shovel-ready. He asked Mr. Jack if he knew what percent of projects fell from consideration due to shovel-readiness.
- Mr. Jack said there are always issues outside of our control. He gave the example of Project English Bulldog, which we fit all the requirements but later down the line they decided they wanted rail. Mr. Jack said maybe 25%-40% were eliminated due to not being shovel-ready.
- Councilman Peak asked if there was the opportunity to bring any large companies in to town.

- Mr. Jack said the largest project was the VA hospital. A lot of the issue is the economy with the number of businesses we get. Last year no businesses relocated to the County, this year we'll probably get several.
- Councilman Donnelly asked if the LCDC has re-evaluated the numerator to determine how much to charge each City. The County is wondering if the Cities need to contribute more to LCDC.
- Mayor Ward said he couldn't stress enough how important LCDC and the Port Authority is to the City of Tonganoxie. While we don't hear from these folks daily, they are pounding the pavement to get economic development here in the City. There is no way we could pay for the services for what these folks bring.
- Mayor Ward brought up Project Sweetness and said that LCDC was one point in the running for that factory that's going to Topeka. He wanted to know how we compete with these larger cities that can provide larger economic incentives than we can. He said our benefit is our location between Kansas City and Topeka. Has anyone from the LCDC staff provided our location as our key benefit.
- Mr. Jack said each project has its requirements and we'll know which cities will submit. He outlined some of the benefits Tonganoxie has over a City like Topeka. While Topeka draws from Shawnee County, Tonganoxie draws from Kansas City which is a much larger applicant pool.
- Mayor asked if anyone has ever looked at all the companies in Topeka and all the companies in Kansas City and approached them about relocating. Mayor asked if that's something that LCDC doesn't do.
- Mr. Jack said they may reach out to recruiters such as Zimmer and let them know about the type of properties we have. He said typically the communities in the areas are not doing this.
- Councilman Donnelly said the cost of moving would most likely seriously outweigh the benefits of moving a few miles east or west. They aren't really getting a lot of benefits by moving 40 miles.
- Mayor Ward said that if there was a company located in both Kansas City and Topeka, they may find some value in opening another shop halfway between the two.
- Councilman Peak asked if there was a way for LCDC to intercede to make our City stick out and enhance our positions.
- Mr. Jack said LCDC has called on existing companies to help them grow and maintain.

d) Request approval to enter into accept a Justice Assistance Grant from the Kansas State Highway Patrol for digital ticketing hardware

- Mr. McCommon explained that the Police Chief sought out this grant for Digiticket which will help the City be more efficient with writing tickets and it will help improve accuracy by allowing officers to write tickets electronically and have it transfer to the police RMS system directly.
- Chief Brandau said the City was approved for approximately \$19,985 for this Justice Assistance Grant (JAG). They have said that they would not pay for maintenance but have not put this in writing yet. The service related costs are approximately \$2,087 which the grant will not cover. The City is under the gun to get this purchased and operational because the Governor's grant office funded this grant through the current year's grant funds. As a result, we only have until Sept. 30th to complete the purchase and get it operational. He proposed that the City use

the Police Equipment Reserve fund to cover the balance not allowed by the grant. This will help the City eliminate errors in the ticket entering process.

- Mr. McCommon asked the life expectancy of the device, Chief said 4-5 years.
- There will be annual cost of \$2,787 for the software maintenance.
- Councilman Peak asked where they wanted that funded in out years, and Chief Brandau said the General Fund.
- Councilman Donnelly made a motion to approve the Police Chief moving forward on Digiticket, seconded by Councilman Gilner.
- All Ayes, motion carried.

e) Request approval of Resolution 07-13-01 opening an account with the Kansas Pool Money Investment Board and authorizing the deposit of City funds in excess of \$1 million from General Municipal Funds

- Mr. McCommon said that the City has the opportunity to increase its interest earnings by using a KPMIB.
- Debbie Krivianski with First State Bank said that the City would move any investments in excess of \$1 million to the KPMI account and in return the bank would provide an interest premium to the City on its existing investments. The bank would have reduced liability for FDIC assessments and would pass those savings onto the City through an increased interest rate.
- Mayor Ward asked if this was something typically available only to municipalities. Mr. Kirmise said it's only available to the state and municipalities. He explained they have worked with other municipalities on doing this and the bank would pass it's savings on to the City.
- Councilman Gilner made a motion to approve Resolution 07-013-01, second by Councilman Peak. All Ayes, the motion carried.

f) Update on the condition and use of the old City shop located on Main Street

- Mr. McCommon said the Police Department is the main user of the City shop which uses it to store equipment and evidence. The Building Inspector Mark Lee provided an inspection of the building and said the building was substantial, albeit a bit dirty.
- Mayor Ward said this is a lesson in process for the Council and we need to lean on our staff to provide this information and the context. He applauded Councilman Peak in looking into this.
- Councilman Peak said he brought that up in context of the gray house. This is more about the City taking care of its own property. The old City shop gets a lot of comments and when we made the motion to tear the property down, it finally got attention. This should have been evaluated long ago. It appears it takes a motion to make progress. The City should provide an annual report on City properties and their status. Councilman Peak said he doesn't want to get to that level.
- Councilman Truesdell said we should have purchased that \$900,000 building. Mr. Truesdell asked if Mr. Kelly had reviewed Mark Lee's report and asked him if he knew what a "very preliminary inspection" meant. Mr. Truesdell asked if the City would have any liability and doesn't this report expose the City to further liability? Mr. Kelly said the report was positive so there isn't an increased exposure by way of the letter. Mr. Truesdell said to him, the building requires further inspection. It would be the Council's decision to provide further review.

- Mr. McCommon said he didn't find any compelling defects that warrant further inspection and he felt the building was in good shape.
- Councilman Donnelly said he was more concerned with what department was responsible for it and who would bear the cost to tear it down, rehab it, etc.
- Councilman Peak asked how we came up with the costs to paint and tear it down. Mr. McCommon said he called contractors to get a reasonable estimate.
- Mr. Peak said the lighting is suitable for current uses of the building.
- Councilman Donnelly said at this point we're using it and we should direct staff to determine how to pay to clean it up.
- Councilman Peak asked why the Chief couldn't use the current City shop. He said he understands the need for the building but that it needs to be cleaned up.
- Councilwoman Reed said she doesn't see any reason to pull \$500 from each of the funds listed in the agenda statement.
- Mayor asked for a motion for approval to improve the property for an amount not to exceed \$2,000 and for staff to evaluate the need for the additional improvements of plumbing, wiring, etc.
- Councilman Peak asked if it would be in the City's best interest to get a structural report on this building.
- Councilman Truesdell said the statement of "very preliminary" indicates the need for more review.
- Mr. Kelly said if you have a risk that you know of or should know of then it's a risk. Mark did not point out any specific risk at this point so it's not a liability.
- Councilman Donnelly made the motion, seconded by Councilman Peak. All Ayes, the motion carried.
- Councilman Peak asked if we could put a time frame on this because he doesn't want to discuss this in February.
- Councilwoman Reed said she has not seen Nathan drag his feet on any request so she doesn't imagine it will be a problem now.
- Councilman Peak asked if this could be done within 3 weeks.

g) Update on impact of moving Council Meeting nights to the first and third Mondays of the month

- Mr. McCommon said staff would see no perceptible impact of moving the council meeting to the first and third meeting.
- Mr. Kelly asked if there was an issue with billing. Ms. Jones-Lacy said it's not really an issue now.
- Councilman Truesdell made a motion to move the meeting to the first and third Monday, seconded by Councilman Peak. All Ayes, the motion carried.
- Ms. Jones-Lacy suggested this be made effective starting in September. Councilman Truesdell amended his motion to make the meeting change effective in September. Councilman Peak amended his second. All Ayes, the motion carried.

The Mayor called a five minute recess.

h) City Administrator Agenda

1. Request approval to enter into an agreement with Paycor for payroll processing and time keeping services

- Mr. McCommon said that the City issued an RFP for payroll processing services. We had five respondents and interviewed two including Paycor and Kramer & Associates. Comparing the two services, Paycor had the best product at the best price. So staff recommends moving forward with Paycor.
- Councilman Peak asked if there wasn't a major difference in price, why we weren't going with the local company.
- Ms. Jones-Lacy explained that while Kramer & Associates is a great company and does great work, Paycor offers some things that Kramer cannot. They have a lot of experience working with local governments so they understand the nuisances of FLSA, comp time and the like. They also have offer a time keeping service and it's incorporated into their core business so they are intimately familiar with how that works. In addition, Paycor's services are all web-based so the City would be able to run reports through the web portal directly as opposed to having to contact someone to get the reports.
- Councilman Peak made a motion to approve staff's recommendation and enter into an agreement with Paycor for payroll processing and time keeping services. Seconded by Councilwoman Reed. All Ayes, the motion carried.

2. Discuss FY 2014 Budget

- Councilman Peak suggested the City have a plan to handle the City's debt. He would like to brainstorm how to
- The Mayor said the Council needs to decide how much they should discuss Budget. He also said we've been dealing with the same issues for the last four years. We are a small city that has been growing and has taken on a high debt load as a result. Unless you're a city like Leawood, Westwood or Fairway where the City is land locked and built out and their infrastructure needs are maintenance. They do not have to build new infrastructure to the degree that we would need to since we are developing. Over time, we have enjoyed increased valuation, but we've also experienced increased debt. The Mayor said he doesn't see a lot of options other than refinancing the debt, keeping our budgets as tight as possible or increasing taxes. He said he agrees that we need to look long term at how to put ourselves in a better position but the harsh reality is that we do not have a lot of options. We have to continue to promote the City and lobby to keep the county-wide sales tax. We have to make decisions based on our current reality.
- Motion was made by Councilman Gilner to schedule another budget work session for Tuesday, July 9th at 7 p.m. Seconded by Councilwoman Reed. All Ayes, the motion carried.

3. Executive session to discuss confidential matters of personnel

- Councilman Peak made a motion to enter into closed session for 10 minutes, seconded by Reed. All Ayes, the motion carried.
- A motion to return from closed session was made by Councilwoman Reed, seconded by Councilman Truesdell. All Ayes, the motion carried.

4. Request approval to hire a part-time Code Enforcement Officer/Building Inspector

- Councilman Truesdell made a motion to approve the hiring of a part-time Code Enforcement Officer and Building Inspector at pay range 7, step A. Seconded by Councilwoman Reed. All Ayes, the motion carried.

i) City Attorney Agenda

1. *First Read*, Charter Ordinance No. 23 – Exempting the City from certain provisions of K.S.A. 14-201 requiring the City Treasurer to be elected
2. *First Read*, Charter Ordinance No. 24 – Exempting the City from certain provisions of K.S.A. 14-560 requiring a vote of the electors to issue bonds for longer than ten years
3. *First Read*, Charter Ordinance No. 25 – Exempting the City from certain provisions of K.S.A. 14-101c and 14-103 requiring the City to divide into Wards
 - Mr. Kelly explained all three of the charter ordinances at once and reviewed the provisions of each. This basically allows the City to continue to operate as it has regardless of the Second Class City status. These ordinances need to be published twice. The Governor made his proclamation so now is the time to proceed with the charter ordinances.
4. Inter-local agreement with Leavenworth County for roadway maintenance
 - Mr. Kelly said the County made some minor adjustments – they clarified that that the County would continue to mow County Road 5 and that this agreement is for five years and would automatically renew for another five years. However, either party could terminate with one year notice.
 - Councilman Peak asked if the County was still going to take care of Washington St. and Evans Road.
 - Mr. Kelly said exhibit A dictates which roads the County will maintain and that this is a continuation of the previous agreement.
 - The Mayor said it comes down to if the City has the ability to mow and we do not have the equipment to do so at this point.
 - Mr. Kelly said the Council needs to make a motion to adopt the agreement.
 - Councilman Peak made the motion, seconded by Councilman Truesdell. All Ayes, the motion carried.
5. Executive session to discuss confidential matters relating to the acquisition of real estate
 - Councilman Gilner made a motion to enter into executive session for five minutes, seconded by Councilman Peak. All Ayes, motion carried.
 - A motion to return from executive session was made by Councilman Peak seconded by Councilman Truesdell. All Ayes, the motion carried.
6. Request to proceed with easements for Chieftain Trail and authorizing payment to the clerk of the district court of an amount not to exceed \$27,415.
 - The report was submitted to the judge and Mr. Kelly requested that the City issue payment to the District Court to cover the cost of easement acquisition. The Council has the opportunity to appeal the decision but there's not guarantee the price of the property will change, it could also go up or down.

- Councilman Peak made a motion to proceed issuing a payment to the district court not to exceed \$28,000 to cover the costs of the appraiser's fees and the acquisition. Seconded by Councilwoman Reed.
- Councilman Truesdell asked if this project included this amount.
- Mr. McCommon said the easement acquisitions were about \$30,000 and we only budgeted \$20,000 for acquisition specifically. However the entire project has plenty of funding to cover this additional amount.
- All Ayes, motion carried.

Councilman Gilner made a motion to adjourn, seconded by Councilwoma Reed. All Ayes, the motion carried.

Respectfully submitted,

Jennifer Jones-Lacy