

City Commission of Arkansas City Meeting Minutes

The Arkansas City Board of City Commissioners met in regular session at 5:30 p.m. July 18, 2017, in the Commission Room at City Hall, 118 W. Central Ave., in Arkansas City.

Mayor Duane L. Oestmann called the meeting to order. Those also present at roll call were Commissioner Dan Jurkovich, Commissioner Charles Tweedy III, Commissioner Jay Warren and Commissioner Karen Welch.

City employees present at the meeting were City Manager Nick Hernandez, City Attorney Tamara Niles, City Clerk Lesley Shook, Public Information Officer Andrew Lawson, Finance Director Kathy Cornwell, Public Works Director Eric Broce, Assistant Public Works Director Mike Crandall, Public Services Superintendent Randy Jacobs, Fire Chief Bobby Wolfe, Arkansas City Fire-EMS Department Capt. Jeff Sampson, ACFD Lt. Jon Clawson, Police Chief Dan Ward and Building Official Richard Brown.

South Central Kansas Medical Center was represented by Chief Executive Officer Virgil Watson and Chief Financial Officer Holly Harper. The Arkansas City Area Chamber of Commerce's Executive Board was represented by past chair Sarah Long, current chair Toni Greene and chair-elect Kelly Dillner.

Citizens in attendance included Kanyon Gingher, Vicki Jackson, Ark City Daily Bytes reporter Jeni McGee and Cowley CourierTraveler reporter Cody Griesel.

Commissioner Warren offered the opening prayer. Mayor Oestmann led the pledge of allegiance.

Agenda Approval

Commissioner Tweedy made a motion to approve the agenda as presented. Commissioner Warren seconded the motion. A voice vote was unanimous in favor of the motion. Mayor Oestmann declared the agenda approved.

Recognition of Visitors

Sarah Long, past chair of the chamber of commerce's Executive Board, gave a budget presentation for the chamber, which is requesting \$20,000 from the City in 2018. The chamber originally was not set to receive funds.

Long said the chamber has worked diligently to keep costs down while increasing its visibility in the community by sponsoring or helping to sponsor a wide variety of events, including the 2017 fireworks show. She said the chamber also is assisting with the effort to try to bring Amtrak passenger train service back to Arkansas City.

Long also mentioned the annual Christmas in the City promotion, Fifth Thursday Art Crawls, Cowley Home and Outdoor Living Festival, Noon Networking Luncheons, Chamber Coffees, and services offered at the local office.

The chamber has been challenged by roof and water leaks, as well as resulting mold remediation, at its 106 S. Summit St. office. The loss of some members, especially Creekstone Farms Premium Beef, also has been a hit.

Long said the chamber needs the additional funds it has requested in order to hire additional help to assist Director Kammy Downs so she can be out of the office more to work on membership recruitment and services.

The chamber would like to add another part-time person, without raising the cost of dues for its 250+ members.

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South Central Kansas Medical Center CFO Holly Harper provided a financial update for the hospital. The upward trend in the hospital's inpatient census has continued, thanks mostly to the new Senior Health Unit's 12 beds.

Surgeries are down 27 percent from this time last year, Harper said, but outpatients and ER visits are up slightly.

Harper showed the year-to-date financials in comparison to 2016, broken out into four categories comprising the hospital, South Central Kansas Clinic, the Senior Health Unit and the new Lab Outreach program.

The hospital operation has posted a 2017 loss of \$584,548 and the clinic a loss of \$90,169 after sales tax revenues of \$1.1 million were added to the equation, but this is offset by profitable (and not enhanced by any sales tax) returns of \$375,075 from the Senior Health Unit and \$980,033 from the Lab Outreach program.

The totality of the four operations yielded a current profit of \$680,390 (or a loss of \$433,793 before sales tax), compared to a total loss (after tax revenues of \$488,513) of slightly more than \$1 million at this time last year.

Commissioner Jurkovich if it would be possible to operate the profitable Senior Health Unit while shutting the money-losing hospital part of the equation. Harper said it would not be possible to operate it independently.

As far as adding other complementary services to bolster profits, Harper said the 340B pharmacy reimbursements are starting to come in for the hospital and clinic after more than a year of effort to set that up.

The hospital also is close to adding an additional part-time orthopedic surgeon, which would help to bolster those numbers and offset the loss of Dr. Siwek to retirement several years ago.

Accounts receivable is up to more than \$6 million as of May 2017, compared with \$4.9 million in December 2016, primarily due to the uptick in Medicare (up nearly \$500,000) payments through the Senior Health Unit.

But private pay is climbing from \$1.9 million to \$2.2 million, thanks to the Medicaid gap and high deductibles.

From February 2016 to May 2017, the 121-plus days portion of accounts payable has been eliminated completely, while the 91-120 days wedge has shrunk to just \$49,850. The 61-90 days part actually has increased from \$251,055 to \$333,889, but is the portion that will be attacked next. Current payables have risen \$634,692.

Commissioner Jurkovich agreed that SCKMC is generating sufficient cash to stay current and pay all of its bills.

The Senior Health Unit continues to average more than its goal and the next Landrush event is Aug. 26. CEO Virgil Watson promoted the new tax credit program and said he does not know health care will change in D.C.

Consent Agenda

Commissioner Tweedy made a motion to approve the consent agenda as presented, including the following:

1. Approving the July 11, 2017, regular meeting minutes as written.

Mayor Oestmann seconded the motion. A voice vote was unanimous in favor of the motion. Mayor Oestmann declared the consent agenda approved.

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New Business

Dangerous Structures Hearing Resolution No. 2017-07-3117

City Clerk Shook presented for discussion a resolution scheduling a public hearing at 5:30 p.m. September 5, 2017, in the commission room at City Hall to determine if structures located at 215 North B St., 306 North C St., 310 E. Madison Ave., 315 North D St., 611 N. Seventh St., and 900 S. Third St. are unsafe and dangerous.

City Manager Hernandez said this is just a request to schedule the hearing and give the property owners notice.

Commissioner Jurkovich made a motion to approve the resolution. Commissioner Warren seconded the motion.

Commissioner Tweedy asked if any of the six are imminent hazards. Building Official Brown said they are not.

A voice vote was unanimous in favor of the motion. Mayor Oestmann declared the motion approved and given Resolution No. 2017-07-3117.

Four-Wheel-Drive Tractor Resolution No. 2017-07-3118

City Clerk Shook presented for discussion a resolution authorizing the purchase of a Kubota M6S-111SHDC2 four-wheel-drive tractor from Schmidt & Sons, Inc., of Winfield, for an amount not to exceed \$41,653.00.

Public Works Director Broce said that since staff last made a request to replace this piece of equipment, it has broken down three times and required more than \$11,000 in maintenance to repair it.

On the positive side, he said, Schmidt & Sons has increased the trade-in value from \$15,000 to \$19,000. Also, his department recently received a Purple Wave auction proceeds check for \$22,397.50 to offset the purchase.

Mayor Oestmann made a motion to approve the resolution. Commissioner Tweedy seconded the motion.

Commissioner Jurkovich said he asked last time if anything was mechanically wrong with the tractor. Broce said some internal problems cannot be detected with a visual inspection or predicted with any degree of certainty.

A voice vote was unanimous in favor of the motion. Mayor Oestmann declared the motion approved and given Resolution No. 2017-07-3118.

Water/Ice Rescue Equipment Resolution No. 2017-07-3119

City Clerk Shook presented for discussion a resolution approving the purchase of an Inmar inflatable rescue boat and trailer, a Marsars ice rescue sled, and two Mustang ice rescue suits, for an amount not to exceed \$11,912.97.

Fire Chief Wolfe said the Arkansas City Fire-EMS Department had three water rescue incidents last year. His personnel learned during these swift-water rescues that their Jon boat is not a safe or effective method of rescue.

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Wolfe said ACFD looked at both Inmars and Zodiacs, but the latter models start at \$19,000 and he didn't think it could be justified unless it was being used weekly. Otherwise, both manufacturers produce comparable models.

He showed a video demonstration of various inflatable boat maneuvers and strategies to show their advantages. Commissioner Tweedy asked about training and Chief Wolfe outlined his plans for the Oklahoma City course.

He explained how the boat will be stored fully inflated to cut out inflation time at the scene. Lt. Clawson said the Jon boat was donated by Total Refinery when it closed in 1996 and attested firsthand about its limitations.

Commissioner Welch observed that there has been an uptick in boating sports and City Manager Hernandez said this is only expected to increase with the designation of the Arkansas River as a National Water Trail.

Chief Wolfe said the money to pay for this equipment originally was designated for new garage doors for the fire station, but this is more important. Hernandez said those doors' springs were replaced, extending their lifetime.

Commissioner Warren made a motion to approve the resolution. Commissioner Tweedy seconded the motion.

A voice vote was unanimous in favor of the motion. Mayor Oestmann declared the motion approved and given Resolution No. 2017-07-3119.

Uniform Public Offense Code **Ordinance No. 2017-07-4433**

City Clerk Shook presented for discussion a first reading of an ordinance adopting by reference the updated 2017 Uniform Public Offense Code (UPOC).

City Attorney Niles said this year's UPOC has broadened the definition of domestic battery to include those with whom the offender "is involved or has been involved with in a dating relationship," not just household or family members. It also defines "dating relationships" as social relationships of a romantic nature.

The UPOC also has added a new kind of protective order, "protection from sexual abuse," which includes protection from any kind of sexual contact without a person's consent or if they are incapable of giving consent.

The fine for buying sexual relations has been changed from \$2,500 to a minimum of \$1,200 to \$2,500. Also, the law previously required the City to remit the entire fine to the state's Human Trafficking Victim Assistance Fund, but now only half of that fine must be remanded to the State of Kansas. Niles said she's never prosecuted this.

A new section has been added for the "unlawful use of a communication facility," which makes it unlawful to use communication networks such as phones, radios, or computers to buy or sell sexual relations. Another new UPOC section concerns illegal operation of amusement rides, which spurred much discussion of the new law.

Section 10.2 ("Drawing a weapon upon another") has been removed from the UPOC. Section 11.11 ("Cruelty to animals") no longer requires a judge to order the removal of an animal from a guilty party. (It's automatic now.)

Mayor Oestmann made a motion to approve the ordinance. Commissioner Tweedy seconded the motion. A roll call vote was unanimous in favor of the motion. Mayor Oestmann declared the ordinance approved and given Ordinance No. 2017-07-4433.

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Passenger Rail Resolution Resolution No. 2017-07-3120

City Clerk Shook presented for discussion a resolution supporting the Kansas Legislature in establishing passenger rail service in the state of Kansas; encouraging the Legislature to provide funding for the expansion of Amtrak's Heartland Flyer route from Oklahoma City to Newton, Kansas; and urging elected officials to support this initiative at both the federal and state levels.

The resolution, which builds on the recent Amtrak inspection train visit, will be mailed to Gov. Sam Brownback, U.S. Rep. Ron Estes, U.S. Sens. Jerry Moran and Pat Roberts, State Reps. Anita Judd-Jenkins and Ed Trimmer, and State Sen. Larry Alley. City Manager Hernandez said the last estimate was more than \$400 million will be needed.

Commissioner Jurkovich made a motion to approve the resolution. Commissioner Welch seconded the motion.

A voice vote was unanimous in favor of the motion. Mayor Oestmann declared the motion approved and given Resolution No. 2017-07-3120.

City Manager Updates

City Manager Hernandez notified the commission of progress on the Valley Road water line replacement project.

He asked the commissioners for approval to provide a one-time subsidy of up to \$1,000 per homeowner along the new water line, to assist with running a new service line to it, for a total of \$9,000 in additional spending.

Hernandez said the homeowners would have 90 days to complete the work and provide validation of that fact.

Mayor Oestmann made a motion to allow the additional spending on the subsidies. Commissioner Jurkovich seconded the motion. A voice vote was unanimous in favor of the motion, with Commissioner Warren abstaining due to a conflict of interest. (He is one of the nine owners.) Mayor Oestmann declared the motion approved.

Hernandez also proposed continuing work to the south by installing a new 12-inch line along Madison Avenue that would terminate at the Walnut River. This would improve nine more services along Madison and Pin Oak.

He said he would like to offer the same subsidy for service lines to those nine homeowners. This project will save on costs by keeping Nowak Construction in the area, eliminating mobilization costs, and providing a connection for a future redundant water line along or under the East Madison Avenue bridge over the Walnut.

The commissioners directed staff to bring both directional drill and open-cut options to the July 25 meeting.

Hernandez reminded the commission of the final budget work session, scheduled for noon July 21 in his office.

Other Business

Commissioner Warren asked when the Building Trades Advisory Board would take up the issues concerning the recent building regulations ordinance that was tabled. City Manager Hernandez said the Board meets July 20.

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Hernandez also reminded commissioners about the budget study session scheduled for noon July 21 in the city manager's office at City Hall.

Adjournment

Commissioner Tweedy moved to adjourn the meeting. Commissioner Jurkovich seconded the motion. A voice vote was unanimous in favor of the motion. Mayor Oestmann declared the meeting adjourned at 7:07 p.m.

THE ARKANSAS CITY
BOARD OF CITY COMMISSIONERS

Duane L. Oestmann, Mayor

ATTEST:

Lesley Shook, City Clerk

Prepared by:

Andrew Lawson, Public Information Officer