

City Commission of Arkansas City - Regular Meeting Minutes

The Arkansas City Board of City Commissioners met in regular session at **5:30 p.m. Tuesday, September 18, 2018**, in the Commission Room at City Hall, located at 118 W. Central Ave.

Mayor **Dan Jurkovich** called the meeting to order. Commissioners also present at roll call were Commissioners **Kanyon Gingher, Duane L. Oestmann, Jay Warren** and **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 **Mike Crandall**, Police Chief **Dan Ward**, Human Resources Manager **Marla McFarland**, Principal Planner **Josh White** and Emergency Management Coordinator **Bob Frazee**.

The Spring Hill Golf Association was represented primarily by **Monty Potter, Eric Puchalla** and **Lee Velasquez**, as well as several other Spring Hill Golf Course players who attended the meeting.

Citizens in attendance included **Vicki Jackson, Hannah Klaassen, Lisa Klaassen**, Dr. **Paul Klaassen, Mell Kuhn, Gareth McGee** and Ark City Daily Bytes reporter **Jeni McGee**.

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

Agenda Approval

At City Manager Hernandez's request, Commissioner Oestmann made a motion to approve the agenda with the addition of Item 5 under New Business. Commissioner Warren seconded the motion.

A voice vote was unanimous in favor of the motion. Mayor Jurkovich declared the agenda approved and approved.

Awards and Proclamations

Mayor Jurkovich issued a proclamation that October 2, 2018, is **National Night Out** in Arkansas City. Police Chief Ward received the proclamation on behalf of the Ark City Police Department.

Jurkovich and Ward also previewed the annual kickoff party that will be held from **5 to 8:30 p.m. October 1** at Wilson Park. The neighborhood block parties will be from **6 to 8:30 p.m. October 2**.

Recognition of Visitors

Mayor Jurkovich presented **Hannah Klaassen**, an Arkansas City native who is the reigning Miss Kansas 2018 and also was a recent contestant for the title of Miss America, with a key to the City.

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Comments from the Audience

Monty Potter, accompanied by **Eric Puchalla** and **Lee Velasquez**, addressed the commission about the financial status of Spring Hill Golf Course. They requested a payment of \$1,000 to pay bills.

The course currently employs two full-time and three part-time employees, and has 84 members.

Potter said only two board members remained from the old board, while he and another board member took on employed positions and started working to turn around the course's financials.

He said the board members have donated a lot of time and the course would have broken even in 2018 if not for four tournaments that had to be canceled due to weather, depriving it of that revenue.

Commissioner Warren made a motion to give Spring Hill Golf Course **\$1,000** so it can pay its bills.

Commissioner Gingher seconded the motion. A voice vote resulted in four yea votes and one nay vote, with Commissioner Oestmann dissenting. Mayor Jurkovich declared the motion approved.

Mell Kuhn, 521 W. Kansas Ave., addressed the commission about current sanitation pickup policy.

Consent Agenda

Commissioner Warren made a motion to approve the consent agenda, including the following:

1. Approving the **September 4, 2018**, regular meeting minutes as written.
2. Approving **Resolution No. 2018-09-3205**, authorizing a public meeting of the City Commission to attend a study session at **noon September 20** at the Agri-Business Building.
3. Approving **Resolution No. 2018-09-3206**, approving a Third Amendment to the Loan Agreement between the City and the Kansas Department of Health and Environment, regarding the Kansas Public Water Supply Loan Project No. 2813 (Water Treatment Facility).

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

Old Business

Emergency Management SUV **Resolution No. 2018-09-3207**

City Clerk Shook presented for discussion a second reading of a resolution authorizing the City to purchase a 2019 Jeep Cherokee Latitude 4x4 for the Neighborhood Services Division from Zeller Motor Company, of Arkansas City, for an amount not to exceed **\$22,200.00**.

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City Manager Hernandez asked Emergency Management Coordinator Bob Frazee to talk about issues with the vehicle he uses to inspect the levees, which requires the use of four-wheel drive.

Frazee said he has to put a new quart of oil in the vehicle every 200 miles. He talked about the previous problems that have been fixed, but said he thinks the engine will need to be replaced soon.

Commissioner Gingher asked about the current decals and lights. Frazee said he would transfer over the light bar to a new vehicle. She highlighted lack of maintenance and said she has difficulty approving the purchase of a new vehicle when many citizens cannot afford even a used vehicle.

Frazee said he requested pricing for a used 4x4 back in July, but there were no vehicles available.

Commissioner Oestmann made a motion to approve the resolution. Commissioner Welch seconded the motion. Commissioner Warren asked Hernandez if there was money in the budget.

Hernandez said this purchase already was approved in the 2018 budget. Mayor Jurkovich asked to see the City's capital replacement schedule for all vehicles. Hernandez said he would provide that.

Gareth McGee questioned why the City was buying another Jeep instead of a different model of vehicle, given issues the current vehicle has experienced, and also questioned the choice of dealer.

Mell Kuhn questioned the value of the trade-in being offered by the dealer. A voice vote resulted in three yea votes and two nay votes, with Mayor Jurkovich and Commissioner Gingher dissenting.

Mayor Jurkovich declared the resolution approved and given **Resolution No. 2018-09-3207**.

New Business

Transfer of Land Bank Title **Resolution No. 2018-09-3208**

City Clerk Shook presented for discussion a resolution authorizing the transfer of title of real estate located at **1203 South G St.** to Cynthia J. Weaver, in accordance with the City's Land Bank Policy.

City Manager Hernandez said this transfer will be in accordance with the old land bank policy since the property hasn't been moved into the new Land Bank. Principal Planner White showed pictures of a "tiny home" Weaver wants to place on the property and said it will have to be built up.

Commissioner Warren made a motion to approve the resolution. Commissioner Gingher seconded the motion. A voice vote was unanimous in favor of the motion.

Mayor Jurkovich declared the resolution approved and given **Resolution No. 2018-09-3208**.

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Planning Commission Appointment

City Clerk Shook presented for discussion ratifying Mayor Jurkovich's appointment to a vacancy on the **Planning Commission and Board of Zoning Appeals**.

Mayor Jurkovich asked Mell Kuhn if he came to the meeting to discuss his application. Kuhn said he came for that as well as the sanitation issue, and said he would bring experience to the position.

Mayor Jurkovich said he was inclined to appoint Kayleigh Lawson, who called him prior to the meeting to express interest in the position. He said she would be a younger member on the board.

City Manager Hernandez posed the question of appearance of conflict of interest. City Attorney Niles said there would be no direct conflict of interest, but there could be the appearance of conflict.

Commissioner Gingher objected to the idea and said it would be a problematic conflict of interest.

She praised Kuhn's experience. Commissioner Oestmann said he would like to see one of the new applicants be appointed. He specifically named Lloyd Colston and Ted Kadau as preferred options.

Mayor Jurkovich made a motion to appoint Kayleigh Lawson to the vacancy. Commissioner Welch seconded the motion. Hernandez said he was concerned about setting a bad precedent.

A voice vote resulted in one yea vote and four nay votes, with only Commissioner Welch voting in favor. Mayor Jurkovich declared the motion failed.

Mayor Jurkovich made a motion to appoint **Mell Kuhn** to the vacancy. Commissioner Gingher seconded the motion. Kuhn said he was honored to be able to have had opportunities such as this.

A voice vote resulted in three yea votes and two nay votes, with Commissioner Oestmann and Commissioner Welch dissenting. Mayor Jurkovich declared the motion approved.

Sleeth Addition Water Lines Resolution No. 2018-09-3209

City Clerk Shook presented for discussion a resolution authorizing the City to enter into a contingent engineering design, construction administration and inspection contract with Smith & Oakes, Inc., of Arkansas City, for the Community Development Block Grant (CDBG) Sleeth Addition water line replacement project, for an amount not to exceed **\$130,290.00**.

Public Works Director Crandall said the CDBG program is very competitive and having this contingent contract could help the City's scoring. He said the money will not be expended unless the grant is awarded. If it is awarded, Smith & Oakes can hit the ground running with the project.

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Commissioner Gingher made a motion to approve the resolution. Commissioner Welch seconded the motion. A voice vote was unanimous in favor of the motion.

Mayor Jurkovich declared the resolution approved and given **Resolution No. 2018-09-3209**.

Levy of Health Care Sales Tax **Ordinance No. 2018-09-4468**

City Clerk Shook presented for discussion a first reading of an ordinance authorizing the levy of a one-percent (1%) citywide retailers' sales tax (the "**Health Care Sales Tax**") and related matters.

City Manager Hernandez said this ordinance will officially repeal the two existing sales taxes **December 31** and implement the new long-term one-cent tax, starting **January 1, 2019**. It had to be approved at this meeting to maintain the desired timeline of implementation and collection.

Commissioner Warren made a motion to approve the ordinance. Commissioner Gingher seconded the motion. A roll call vote was unanimous in favor of the motion.

Mayor Jurkovich declared the ordinance approved and given **Ordinance No. 2018-09-4468**.

Moderate Income Housing Grant **Resolution No. 2018-09-3210**

City Clerk Shook presented for discussion a resolution authorizing the City to apply for and participate in the Request for Proposal to the Kansas Housing Resources Corporation (KHRC) regarding Kansas **Moderate Income Housing** (MIH).

City Manager Hernandez said that if the City is awarded MIH funds, the intent is to apply them toward the Compass Point Addition housing project. The City would issue the special assessments and homeowners would pay them back over time. Again, the project is contingent on the grant.

He said the cost of public improvements is expected to cost around \$900,000, so the grant would fund around **\$400,000** and the City would provide the rest of the cost through special assessments.

Hernandez said the homes will have three bedrooms and two bathrooms, and are targeted toward middle-income earners. The housing will be needed if Creekstone Farms Premium Beef expands.

Commissioner Oestmann made a motion to approve the resolution. Mayor Jurkovich seconded the motion. A voice vote was unanimous in favor of the motion.

Mayor Jurkovich declared the resolution approved and given **Resolution No. 2018-09-3210**.

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City Manager Updates

The agenda contained reminders about a downtown sidewalk sale **September 22**, the final Farm and Art Market on **September 25** in Wilson Park and the National Night Out kickoff party **October 1**.

City Manager Hernandez said the City originally had projected that the cost of treating water would drop from around \$1.60 per 1,000 gallons at the old water treatment plant to around \$0.97 per 1,000 gallons at the new **Water Treatment Facility**, but the number has been closer to \$0.78 per 1,000 over the past two months. This was achieved mainly by lower staffing and reduced water loss.

He said that cost also includes the eventual cost of membrane replacement and other capital needs.

The Water Treatment Facility processes about 3 billion gallons of water each year, Hernandez said.

Mayor Jurkovich asked if treating more water will reduce the cost per 1,000 gallons. Hernandez said it would increase chemical and electrical costs, but the personnel and capital costs would not increase, so a higher volume of processing potentially could reduce the cost by a few more pennies.

Public Works Director Crandall said the cost of extra road striping that was included as part of the Radio Lane HA-5 project very slightly exceeded the \$10,000 limit, so he needs retroactive approval.

Commissioner Oestmann made a motion to authorize the City to spend up to **\$10,641.66** on the restriping of North Summit Street from Skyline Road to the U.S. 77 bypass and East Madison Avenue from Country Club Road to the U.S. 77 bypass. Commissioner Warren seconded the motion.

A voice vote was unanimous in favor of the motion. Mayor Jurkovich declared the motion approved.

Finally, Hernandez gave an update on the ongoing improvements to the **Agri-Business Building**, including new ceilings in the entry area and restrooms, ADA improvements in the restrooms, new energy-efficient lighting and paneling, roof improvements, and new ceiling fans and heating units.

He reminded them were some decision points approaching regarding how much to spend on aesthetic improvements to the interior walls and ceiling, as well as whether to remove existing tennis courts. There will be a study session at **noon September 20** at the building to discuss this.

Adjournment

Commissioner Warren made a motion to adjourn the meeting. Commissioner Oestmann seconded the motion. A voice vote was unanimous in favor of the motion.

Mayor Jurkovich declared the meeting adjourned at **7:00 p.m.**

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THE CITY OF ARKANSAS CITY BOARD OF CITY COMMISSIONERS

Dan Jurkovich, Mayor

ATTEST:

Lesley Shook, City Clerk

Prepared by:

Andrew Lawson, Public Information Officer