

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, December 4, 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**, City Treasurer **Jennifer Waggoner**, Public Works Director **Mike Crandall**, Environmental Services Superintendent **Rod Philo**, Human Resources Manager **Marla McFarland**, Fire Chief **Bobby Wolfe**, EMS Director **Jeri Smith**, Police Chief **Dan Ward**, ACPD Capt. **Mark McCaslin**, and Master Police Officers **T.J. Hall, Wade Hammond, Matt Mayo** and **Ted Shinneman**.

Citizens in attendance were **Jacqueline Fletcher, Ken Harader, Gareth McGee** and Cowley CourierTraveler reporter **John Shelman**. Also attending were bond counsel **Sarah Steele**, representing GilmoreBell, and **Craig Miller**, representing KanPak, LLC.

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

Agenda Approval

Commissioner Oestmann made a motion to approve the agenda as presented. Commissioner Welch seconded the motion. A voice vote was unanimous in favor of the motion.

Mayor Jurkovich declared the agenda approved.

Awards and Proclamations

Fire Chief Wolfe recognized EMS Director Smith for receiving a 2018 **NAEMT Education Award** from the National Association of Emergency Medical Technicians for her outstanding mentorship to new NAEMT instructors. Smith currently serves as NAEMT Region IV coordinator for Kansas.

Recognition of Visitors

Police Chief Ward recognized four recently promoted Arkansas City Police Department master police officers, three of whom were in attendance — **T.J. Hall, Wade Hammond** and **Matt Mayo**.

He awarded all three officers with their new rank pins and congratulated them on their promotions.

The fourth new master police officer, **Corey Combs**, was not able to attend the meeting, Ward said.

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Consent Agenda

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

1. Approving the **November 20, 2018**, regular meeting minutes as written.
2. Approving **Resolution No. 2018-12-3218**, authorizing the sale and conveyance of certain property located at **400 S. Summit St.** and **401 South A St.** to 1K23, LLC.

City Manager Hernandez said 1K23 has made all Industrial Revenue Bond payments as required.

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

Old Business

Design of Water Well No. 15 Resolution No. 2018-12-3219

City Clerk Shook presented for discussion a resolution authorizing the City to enter into an agreement with Professional Engineering Consultants (PEC), P.A., of Wichita, for professional civil, structural, mechanical and electrical engineering design services for Water Well No. 15, for an amount not to exceed **\$24,500.00**.

Public Works Director Crandall said PEC compared its proposal for Well No. 8/14 in 2015 and now has delivered a bid that is **\$2,000.00** less than what ASM Engineering Consultants had offered.

City Manager Hernandez said the prior well house design will be used by PEC, so the proposed agreement will encompass all of the services that also are needed outside of the well house. He estimated a new well house design would have boosted the bid price into the range of **\$56,000.00**.

Commissioner Oestmann made a motion to approve the resolution. Commissioner Warren seconded the motion. A voice vote resulted in three yea votes and two nay votes, with Mayor Jurkovich and Commissioner Gingham dissenting. Mayor Jurkovich declared the motion approved and given **Resolution No. 2018-12-3219**.

New Business

Notice of Budget Hearing Resolution No. 2018-12-3220

City Clerk Shook presented for discussion a resolution approving the **notice of budget hearing** for publication and setting the date for a public hearing to amend the 2018 budget for the City at **5:30 p.m. December 18, 2018**, in the Commission Room at City Hall, located at 118 W. Central Ave.

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City Manager Hernandez said this is a housekeeping item that adjusts the Water Fund to account for greater expenditures due to the way the Water Treatment Facility disbursements were made.

Mayor Jurkovich 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. 2018-12-3220**.

Budgeted Pay Plan for 2019 **Ordinance No. 2018-12-4476**

City Clerk Shook presented for discussion a first reading of an ordinance adopting the **budgeted pay plan for 2019**, with a 1.5-percent cost-of-living adjustment (COLA) for all City employees, and repealing **Ordinance No. 2017-12-4447**.

Human Resources Manager McFarland said the remaining 0.5 percent budgeted for a COLA in 2019 will be used instead to adjust any pay ranges that are not competitive with comparable jobs across the state, based on a wage study completed recently by the League of Kansas Municipalities.

Job title changes include transitioning to Levels I, II and III for Street & Stormwater Maintenance Workers and Distribution & Collection Maintenance Workers, with higher levels attainable only upon the completion of additional certifications or accumulation of specialized skills and expertise.

McFarland said several different supervisor positions also will be upgraded in pay range to account better for their supervisory duties. City Manager Hernandez added that Information Technology Manager Matt Metzinger is an invaluable asset for the City who needed to move up several ranges.

Mayor Jurkovich made a motion to approve the ordinance. Commissioner Welch seconded the motion. A roll call vote was unanimous in favor of the motion.

Mayor Jurkovich declared the ordinance approved and given **Ordinance No. 2018-12-4476**.

Municipal Court Judge Services **Resolution No. 2018-12-3221**

City Clerk Shook presented for discussion a resolution authorizing the City to enter into a Professional Services Agreement with **N.M. Iverson, Jr.** for Municipal Court judge services.

City Manager Hernandez said he and City Attorney Niles looked at comparable communities when developing this new agreement. The compensation rate was reduced to about **\$44,000** per year and the agreement is renewable on a year-to-year basis, with a 90-day out clause for either party.

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

Mayor Jurkovich declared the resolution approved and given **Resolution No. 2018-12-3221**.

City Reorganization Meetings **Resolution No. 2018-12-3222**

City Clerk Shook presented for discussion a resolution amending **Resolution No. 2011-12-2746** to alter the schedule of City Commission reorganization meetings and provide for the automatic rescheduling of any regular City Commission meetings that would fall on City-designated holidays.

Public Information Officer Lawson said this will be the final item in the three-year transition from April to November municipal elections, with the swearing-in of commissioners moved to January.

In even-numbered years, he said, state law requires the swearing-in and reorganization meeting to be held on the second Monday in January. This resolution amends the prior meeting resolution to make that a permanent change. It also would reschedule any regular meeting that falls on a City holiday to the following Monday. The next time this is scheduled to happen is on **January 1, 2019**.

Thus, Lawson said, passage of this resolution will automatically reschedule that meeting to **5:30 p.m. Monday, January 7, 2019**, which mirrors what occurred in 2018 and what will happen in 2020.

He said this resolution would eliminate potential rescheduling conflicts with regular meetings of either the Planning Commission/Board of Zoning Appeals or South Central Kansas Medical Center Board of Trustees, which both currently meet on the second Tuesday of each month.

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

Mayor Jurkovich declared the resolution approved and given **Resolution No. 2018-12-3222**.

2018-A KanPak Taxable IRBs **Ordinance No. 2018-12-4477**

City Clerk Shook presented for discussion a first reading of an ordinance authorizing the City to issue its **Taxable Industrial Revenue Bonds (IRBs), Series 2018-A (KanPak, LLC)** for the purpose of the acquisition and construction of a commercial warehouse and distribution facility, and authorizing certain other documents and actions in connection therewith.

City Manager Hernandez invited GilmoreBell bond counsel Sarah Steele to answer any questions.

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City Attorney Niles requested that a motion for approval include the phrase “subject to final counsel approval” because she had not yet had a chance to review the loan agreement between Commerce Bank and KanPak. This agreement would be subject and subordinate to that document.

Assuming she finds no issues with the loan agreement, however, Niles said the rest of the IRB documents have been reviewed and she found them acceptable. Steele explained that the loan agreement is set up in such a way that KanPak essentially is making “loan payments” back to itself.

Commissioner Warren made a motion to approve the ordinance, subject to final counsel approval.

Commissioner Oestmann seconded the motion. A roll call vote was unanimous in favor. Mayor Jurkovich declared the ordinance approved and given **Ordinance No. 2018-12-4477**.

2018-B KanPak Taxable IRBs **Ordinance No. 2018-12-4478**

City Clerk Shook presented for discussion a first reading of an ordinance authorizing the City to issue its **Taxable Industrial Revenue Bonds, Series 2018-B (KanPak, LLC)** for the purpose furnishing and equipping a commercial warehouse and distribution facility, and authorizing certain other documents and actions in connection therewith.

City Manager Hernandez said this IRB is just for KanPak’s equipment. City Attorney Niles said this IRB agreement does not refer to a loan agreement and would not be subject to her approval.

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. 2018-12-4478**.

Comprehensive Fee Schedule **Resolution No. 2018-12-3223**

City Clerk Shook presented for discussion a resolution adopting by reference the City’s 2018/2019 **Comprehensive Fee Schedule** and repealing **Resolution No. 2013-04-2824**.

City Manager Hernandez asked if commissioners had any new questions since the study session on **November 30**. Mayor Jurkovich asked about water rates and Hernandez said they were revised.

Commissioner Oestmann asked about the special events permit fees in Section Q. City Attorney Niles said this is a new addition that would not come into effect unless an accompanying ordinance is approved by the commission. Hernandez suggested just omitting Section Q for the time being.

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Hernandez said he and Finance Director Cornwell have started to look at raising stormwater fees.

Commissioner Welch asked about prosecuting marijuana offenses. Niles clarified the procedure.

Mayor Jurkovich asked about Agri-Business Building rental rates for the Arkansas City Tennis Association. Hernandez provided some clarification and promised to bring a contract for approval.

Commissioner Welch made a motion to approve the resolution, without special events permit fees.

Commissioner Oestmann seconded the motion. A voice vote was unanimous in favor. Mayor Jurkovich declared the resolution approved and given **Resolution No. 2018-12-3223**.

City Manager Updates

City Manager Hernandez reminded commissioners of the following upcoming events in Ark City:

- The City employee Christmas party will be from **5:30 to 8 p.m. December 7** at the recently renovated Agri-Business Building. Hernandez invited all of the commissioners to attend.
- There will be a Cowley County Legislative Committee meeting at **noon December 11** at the Winfield Area Chamber of Commerce office, located at 321 E. Ninth Ave. in Winfield.

Hernandez said the special events permit ordinance would be brought up during a future meeting.

He also said he plans to present the proposed new franchise agreement with **Westar Energy** and asked if the franchise fee should be set at 5 or 6 percent. Westar prefers a 20-year agreement.

Both Derby and Wichita have raised Westar's fee from 5 to 6 percent. The City of Derby earmarked its 1-percent increase solely for its water park. Hernandez suggested something similar for streets.

He said this could generate at least **\$170,000.00** each year for street improvement projects. An average household would see an increase of \$1.50 to \$2 per month on its electric bills, he estimated.

Finally, Hernandez said the improvements to the **Agri-Business Building** are complete, except the new flooring, which will not be installed until later this month. There will be an open house in 2019.

Adjournment

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

Mayor Jurkovich declared the meeting adjourned at **6:31 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