

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, February 5, 2019**, in the Commission Room at City Hall, located at 118 W. Central Ave in Ark City.

Mayor **Jay Warren** called the meeting to order. Commissioners also present at roll call were Commissioners **Kanyon Gingher, Dan Jurkovich, Duane L. Oestmann** 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**, Fire Chief **Bobby Wolfe**, Human Resources Manager **Marla McFarland** and Principal Planner **Josh White**.

Citizens in attendance included **Brandon Every, Ken Harader** and Cowley CourierTraveler reporter **John Shelman**. Compass Point LLC was represented by developer **Donald R. Edwards**.

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

Agenda Approval

Commissioner Jurkovich made a motion to amend the agenda by removing the Equal Opportunity and Accessibility Advisory Board appointments under Item 4 of the Consent Agenda. He said he would like to table the appointments for two weeks. Mayor Warren seconded the motion.

A voice vote was unanimous in favor of the motion. Mayor Warren declared the agenda amended.

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

Consent Agenda

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

1. Approving the **January 15, 2019**, regular meeting minutes as written.
2. Approving the following personnel policy update: **Employee Council (1.12)**.
3. Ratifying Mayor Warren's reappointments of **Kayleigh Lawson** to the **Ark City Public Library Board of Trustees**, and **Jace Kennedy** and **Ken Miller** to the **Building Trades Board**.
4. Ratifying Mayor Warren's appointments of **Lloyd Colston** to the **Arkansas City Public Library Board of Trustees**, **Nancy Holman** to the **Beautification and Tree Advisory Board**, **Michael Hunt** and **Jamie Terrill** to the **Building Trades Advisory Board**, **Iris Turner** to the **Outstanding Student Award Committee**, **Charles Tweedy** to the **Public Building Commission**, and **Andrew Paton** to the **Arkansas City Recreation Commission**.

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Commissioner Gingher seconded the motion. A voice vote was unanimous in favor of the motion.

Mayor Warren declared the consent agenda approved.

New Business

2019 CIP Committee Resolution No. 2019-02-3232

City Clerk Shook presented for discussion a resolution creating the 2019 **Capital Improvement Planning (CIP) Committee** and authorizing it to evaluate Ark City citizen suggestions for projects.

City Manager Hernandez said this resolution just establishes and authorizes the 2019 committee.

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 Warren declared the resolution approved and given **Resolution No. 2019-02-3232**.

CIP Committee Members

City Clerk Shook presented for discussion Mayor Warren's appointments to at least six citizen positions on the 2019 CIP Committee, recently created by **Resolution No. 2019-02-3232**.

Staff identified four pools of applicants — those who applied in 2019, those who applied in 2018 but were not appointed, those appointed in 2018 and those who've served in each of the past two years.

Staff recommended one to three candidates in each pool. The commission accepted those names.

Commissioner Oestmann made a motion to appoint **Melinda Cushenbery, Gary Hale, Nancy Holman, Paisley Howerton, Andrew Paton, Ryan Soule** and **John Sturd** to one-year terms on the 2019 CIP Committee. Commissioner Welch seconded the motion. A voice vote was unanimous in favor of the motion. Mayor Warren declared the motion approved.

Moderate Incoming Housing Grant

City Clerk Shook presented for discussion possible acceptance of a **Moderate Incoming Housing (MIH)** grant for Compass Point Addition.

City Manager Hernandez said this is the first of many items for the new housing development. The City has received a **\$400,000.00** MIH grant from the Kansas Housing Resources Corporation.

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If accepted, Hernandez said the money would be used to help to pay for new street improvements.

Commissioner Jurkovich made a motion to accept the MIH grant. Mayor Warren seconded the motion. A voice vote was unanimous in favor. Mayor Warren declared the motion approved.

Compass Point Sanitary Sewer **Resolution No. 2019-02-3233**

City Clerk Shook presented for discussion a resolution finding the advisability and necessity for constructing and installing a **lateral sanitary sewer**, including necessary sewer mains and appurtenances, to serve Compass Point Addition.

City Manager Hernandez said the sewer costs will be assessed 100 percent toward the properties, with a total initial cost to the City of **\$205,700** that will be repaid over time by special assessments.

Mayor Warren asked about the main sewer line location. Hernandez said it will tie back to Forrest Glenn, which could benefit Ark City Industries in the future if the other half is ever developed.

Commissioner Jurkovich said the City's main risk is paying for the infrastructure, only to have no houses be built. He asked for the total initial cost to the City. Hernandez said it is **\$528,387.50**.

Hernandez said that if that should happen, the City can work to reclaim the property for other use.

Donald Edwards said he was very happy to be at this point after the project has been in development for about four years. He said he's never worked with a more pleasant group of people.

Edwards thanked his builder, who he said is cutting his normal profit margin by almost 50 percent to keep housing costs affordable. He thinks at least 10 units could be constructed in the first year. Commissioner Oestmann asked about Creekstone's interest. Edwards estimated about 25 homes.

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

Mayor Warren declared the resolution approved and given **Resolution No. 2019-02-3233**.

Compass Point New Streets **Resolution No. 2019-02-3234**

City Clerk Shook presented for discussion a resolution finding the advisability and necessity for constructing and installing pavement on **10th Street, 11th Street, and Compass Point Drive**, with drainage to be installed where necessary, to serve Compass Point Addition.

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City Manager Hernandez said **\$400,000** of the street costs will be paid for with the MIH grant the commission previously accepted, with the remaining **\$127,000** to be paid by special assessments.

Mayor Warren asked if there are sufficient funds for the street improvements. Hernandez said yes.

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

Mayor Warren declared the resolution approved and given **Resolution No. 2019-02-3234**.

Compass Point Water System **Resolution No. 2019-02-3235**

City Clerk Shook presented for discussion a resolution finding the advisability and necessity for constructing and installing a **water distribution system**, including necessary water mains, pipes, valves, hydrants and appurtenances, to serve Compass Point Addition.

City Manager Hernandez said the water costs will be assessed 100 percent toward the properties, with a total initial cost to the City of **\$124,000** that will be repaid over time by special assessments.

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

Mayor Warren declared the resolution approved and given **Resolution No. 2019-02-3235**.

Compass Point Off-Site Sewer **Resolution No. 2019-02-3236**

City Clerk Shook presented for discussion a resolution finding the advisability and necessity for constructing and installing a **lateral sanitary sewer**, including necessary sewer mains and appurtenances (off-site), to serve Compass Point Addition.

City Manager Hernandez said the City and the properties to be built on will split these costs 50-50.

He said the sewer initially was planned to be run through a lift station, which is very expensive and maintenance-driven, so long-term costs to the City can be reduced by installing gravity sewer now.

Commissioner Jurkovich said this would be the only out-of-pocket cost to the City that will not be reimbursed. Hernandez clarified the Sewer Fund utility will be used to pay this cost of **\$71,687.50**.

Mayor Warren asked about Sewer Fund reserves. Hernandez estimated about **\$3 million** remains.

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Mayor Warren asked about the sewer line's size. Hernandez said it will be an 8-inch sewer main.

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

Mayor Warren declared the resolution approved and given **Resolution No. 2019-02-3236**.

Historic Preservation Fund Grant

City Clerk Shook presented for discussion a resolution authorizing the City to file an application for a **Historic Preservation Fund Grant**, administered by the National Park Service, for a National Register of Historic Places nomination revising the Downtown Historic District, pledging matching funds and/or in-kind services for said grant, and authorizing Mayor Warren and/or City staff to execute any and all documents necessary to apply for and accept such grant.

Principal Planner White said the packet had been updated to change a reference to a survey that already had been completed. This was done in 2017 and 2018. The survey gathered new information on properties in the existing district, as well as identified candidates for addition.

The proposed grant would fund a consultant to help the City to write the new register nomination.

White said the proposed properties to be added include most of the buildings on the block in which City Hall is located, as well as the Arkansas City Police Department, the Cowley CourierTraveler building, Town House Motel and Dotty Smith's building that used to be the USD 470 central office.

He discussed the possible grants and tax credits that can be obtained for building repairs and renovations for properties that are included in the Downtown Historic District register listing.

Mayor Warren asked White to explain how the tax credits work. He said 20 to 25 percent of project costs can be reimbursed in the form of income tax credits that then can be sold on the open market. Federal tax credits are only for income-producing properties, but state credits are universal.

White said a majority of the property owners to be added will need to consent, which each individual owner receiving one vote. The City only receives one vote even though it has multiple properties. Approving the resolution suffices as providing this consent from the City Commission.

Commissioners Gingher and Jurkovich indicated they do not support expansion of the Downtown Historic District. Mayor Warren asked if public support can be demonstrated prior to City consent.

Commissioner Oestmann made a motion to table the resolution. Mayor Warren seconded the motion. A voice vote resulted in four yea votes and one nay vote, with Commissioner Jurkovich dissenting. Mayor Warren declared the motion approved and the resolution tabled until **Feb. 19**.

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Other Business

Brandon Every, 19 Pin Oak Drive, objected to the discussion of possibly expanding the Downtown Historic District without notifying the affected property owners first. White said they all will be notified and asked to attend an informative meeting of the Historic Preservation Board on **Feb. 18**.

Commissioner Welch assured Every that the City Commission would not force downtown business owners to join the Downtown Historic District without a demonstration of majority consent. White said owners have to sign a document either “yes” or “no,” which he must provide to secure the grant.

City Manager Updates

City Manager Hernandez provided the commissioners with the following reminders and updates:

- The City was not approved for a recent **CDBG water/sewer grant** for Sleeth Addition. He said the City missed the cut by 0.24 of a point, but said it will reapply for the grant in 2020.
- The next Cowley County Legislative Committee meeting will be at **noon February 12** at the Winfield Area Chamber of Commerce, located at 123 E. Ninth Ave. in Winfield.
- The next City Commission study session will be at **noon February 15** in Hernandez’s office.
- City Hall and other City offices will remain open on **February 18**, which is Presidents Day.
- Hernandez will present the 2019 “State of the City” address during an Arkansas City Chamber of Commerce networking luncheon at **noon February 19** at the Wright Room in Cowley College’s Brown Center, located at 215 S. Second St.
- He provided a **South Central Kansas Medical Center** bond update and said the City still is working with SCKMC to refinance the bonds by detaching its operations from the debt.
- The City has been awarded a **Transportation Alternatives** (TA) Grant from the Kansas Department of Transportation (KDOT) for the hike-bike trail extension project (Phase 2). The state will provide **\$840,091.00**, with the City providing a 20-percent match. Hernandez said funds previously received from Cowley College and Westar Energy will pay for that.

Hernandez said not all of Westar’s money will be needed for the hike-bike trail extension project, which leaves **\$224,395** remaining to be used for various other projects. He suggested some beautification projects, such as City entrance signs, tree replacement, and new holiday decorations and lights downtown. He plans to work with the Beautification and Tree Advisory Board on these.

Adjournment

Commissioner Jurkovich made a motion to adjourn the meeting. Mayor Warren seconded the motion. A voice vote resulted in four yea votes and one nay vote, with Commissioner Oestmann dissenting. Mayor Warren declared the meeting adjourned at **6:43 p.m.**

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THE CITY OF ARKANSAS CITY BOARD OF CITY COMMISSIONERS

Jay Warren, Mayor

ATTEST:

Lesley Shook, City Clerk

Prepared by:

Andrew Lawson, Public Information Officer