

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, June 18, 2019**, in the Commission Room at City Hall, located at 118 W. Central Ave. in Arkansas City.

Mayor **Jay Warren** called the meeting to order. Commissioners also present at roll call were Commissioner **Kanyon Gingher**, Commissioner **Duane L. Oestmann** and Commissioner **Karen Welch**. Commissioner **Dan Jurkovich** was absent.

City employees present were City Manager **Nick Hernandez**, City Attorney **Tamara Niles**, City Clerk **Lesley Shook**, Public Information Officer **Andrew Lawson**, Finance Director **Kathy Cornwell**, Police Chief **Dan Ward**, Principal Planner **Josh White** and Administrative Assistant **Jeni McGee**.

Citizens in attendance were **Janet Davidson**, **Kenny DiVall**, **Brandon Every**, **Ken Harader**, **Brandon Jellings**, **Sarah Jellings**, **Gareth McGee** and Cowley CourierTraveler reporter **John Shelman**.

Ranson Financial Consultants was represented by financial consultant **John Haas**. Gilmore & Bell, P.C. was represented by **Mitch Walter**.

Mayor Warren offered the opening prayer and led the pledge of allegiance.

Agenda Approval

At City Manager Hernandez's request, Commissioner Oestmann made a motion to amend the agenda by adding an executive session to discuss real estate acquisition and financial affairs of a third party under Other Business. Commissioner Welch seconded the motion. A voice vote was unanimous in favor of the motion. Mayor Warren declared the agenda approved as amended.

Recognition of Visitors

Brandon Every, 19 Pin Oak Drive, addressed commissioners regarding the East Chestnut Avenue bridge and urged them not to let the Cowley County Commission close the heavily used bridge, even if it means the City helps to pay for repairs. Mayor Warren said estimates are in development.

Consent Agenda

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

1. Approving the **June 4, 2019**, regular meeting minutes as written.
2. Approving **Resolution No. 2019-06-3260**, authorizing a public meeting of the Governing Body to attend a Public Building Commission meeting at **5:30 p.m. Tuesday, June 25, 2019**, in the Commission Room at City Hall, located at 118 W. Central Ave. in Arkansas City.

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

New Business

Alzheimer's Benefit Beer Garden Ordinance No. 2019-06-4491

City Clerk Shook presented for discussion a first reading of an ordinance exempting the application of K.S.A. 41-719(c) to allow the consumption of alcoholic liquor at a designated area of Wilson Park during an Alzheimer's Awareness Benefit from **3 to 11:59 p.m. Friday, June 21, 2019.**

Public Information Officer Lawson showed three proposed boundary layouts for the beer garden:

- **Option A** includes about $\frac{1}{4}$ of the park, including the entire rotunda and $\frac{1}{2}$ the tennis courts;
- **Option B** would be identical to the layouts used previously by Arkalalah and PrairieFest;
- **Option C** would be identical to the layout being used by the Summer Solstice Celebration.

The proposed ordinance would allow anyone to enter the fenced area, regardless of age, but only those 21 or older would be able to drink and they will have to wear wristbands to indicate this.

Lawson said Bottle Service LLC will be one of the sellers — along with Wheat State Wine Co. and Walnut River Brewing, both of which will offer wine tastings — while volunteers will monitor to make sure no alcohol leaves the area. Organizer Kenny DiVall said private security will be on site.

The proposed beer garden hours are from **3 to 11:59 p.m.** Commissioner Gingher asked Lawson if staff had a recommendation. He did not, but City Manager Hernandez said he is favor of **Option A** and thinks the festival atmosphere it would promote will be self-enforcing and self-policing.

DiVall said this Alzheimer's awareness event will tie in with DiVall Liquor's 50th anniversary celebration at the park. He outlined the games, entertainment and food trucks that will be present.

DiVall pointed out that the youth performers he has planned will not be able to perform within the proposed fencing plan if the City Commission does not allow those younger than 21 to be in there.

Police Chief Ward expressed concerns about his staffing and the possibility of underage drinking.

Lawson said approving **Option B** only excludes the corn hole tournament from the drinking area, but selecting **Option C** curtails DiVall's plans so much that he wouldn't even bother with alcohol.

Commissioner Oestmann made a motion to approve the ordinance, with **Option A**. Commissioner Welch seconded the motion. A roll call vote was unanimous in favor of the motion, with Mayor Warren abstaining from voting due to potential conflict of interest involving the sale of his wine.

Vice Mayor Welch declared the motion approved and given **Ordinance No. 2019-06-4491.**

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PBC Refunding Revenue Bonds **Ordinance No. 2019-06-4492**

City Clerk Shook presented for discussion a first reading of an ordinance requesting the Arkansas City **Public Building Commission** (PBC) to proceed with the sale of **Refunding Revenue Bonds, Series 2019**, for the purpose of refunding the PBC's outstanding Revenue Bonds, Series 2009; declaring an intent to enter into a supplemental lease with the PBC relating to said Refunding Revenue Bonds; and making certain findings regarding other documents related thereto.

City Manager Hernandez said the PBC recommends Piper Jaffray as selling agent for the Series 2019 bonds. With the early call features, there is the potential to save as much as **\$11.3 million**.

Mitch Walter, with Gilmore & Bell, explained how the process will work concerning the supplemental lease, bond indenture and bond purchase agreement, subject to the PBC parameters.

Approving the resolution will authorize the City Commission to sign all necessary documents, but Walter said he probably will bring a short ratifying resolution to the special PBC meeting **June 25**.

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

Mayor Warren declared the motion approved and given **Ordinance No. 2019-06-4492**.

Pizza Ranch NRP Rebate **Resolution No. 2019-06-3261**

City Clerk Shook presented for discussion a resolution modifying the Neighborhood Revitalization Plan (NRP) rebate for a blighted parcel, located at **2825 N. Summit St.**, so that it is financially feasible to remodel the structure for a new commercial tenant (a **Pizza Ranch** restaurant franchise).

City Manager Hernandez said the current NRP incremental property tax rebate for this property is 75 percent for seven years. The resolution would increase that rebate to 90 percent for 10 years.

He explained the rebate is only on the value of any improvements to the property, but without the rebate, the project will not proceed. The City has authorized similar rebates for other properties.

Owners Brandon and Sarah Jellings showed their plans for the franchise, which will open in November or December. It will be the fifth Pizza Ranch to open in Kansas and feature a Fun Zone.

Mayor Warren made a motion to approve the resolution. Commissioner Gingher seconded the motion and thanked them for their investment. A voice vote was unanimous in favor of the motion.

Mayor Warren declared the motion approved and given **Resolution No. 2019-06-3261**.

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City Manager Updates

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

- The Ark City Community Band's next two concerts will be at **7:30 p.m. June 20** and **7:30 p.m. June 27**. Both will be at the Wilson Park rotunda, located at 701 N. Summit St.
- The Arkansas City Police Department will be host to an Ark City Chamber of Commerce coffee at **10 a.m. June 20** in its recently remodeled training room at 117 W. Central Ave.
- A picnic for all City employees will be from **11 a.m. to 1 p.m. June 21** at Ben Givens City Center Park. (*Note: This event was moved to the Agri-Business Building due to the heat.*)
- The first-ever Summer Solstice Celebration will be from **4 to 10 p.m. June 21** at Wilson Park. There also is a "Free Swim on The River" event earlier that day at the Paris Park Pool.
- The third Public Building Commission meeting of 2019 will be at **5:30 p.m. June 25** in the commission room at City Hall. The PBC will finalize actions related to refinancing bonds.
- Gordmans, located at 211 S. Summit St., will be host to a ribbon-cutting at **9 a.m. June 27**.
- The Cowley County Sheriff's Office will be host to a town hall meeting from **6:30 to 8:30 p.m. June 27** in the Water Treatment Facility classroom, located at 400 W. Madison Ave.
- The next City Commission study session will be at **noon June 28** in Hernandez's office at City Hall. Commissioners will discuss the agenda for their regular meeting set for **July 2**.
- The next Free Friday Family Film is "The Lego Movie 2," cosponsored by the Arkansas City Public Library and The Stock Exchange Bank. It will start at **8 p.m. June 28** at Wilson Park.

Hernandez said Newkirk citizens were very thankful and enthusiastic about the movie there **June 14**.

Other Business

Mayor Warren made a motion to recess into a **13-minute executive session** for the preliminary discussion of the acquisition of real property and to discuss data relating to financial affairs or trade secrets of corporations, partnerships, trusts, and individual proprietorships, pursuant to K.S.A. 75-4319(b)(4,6), with the open meeting set to resume at **6:30 p.m.**

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

The executive session began at **6:17 p.m.** and ended at **6:30 p.m.** Afterward, the commissioners reconvened briefly in the commission room. No action was taken following the executive session.

Adjournment

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

Mayor Warren declared the meeting adjourned at **6:30 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