

City Commission of Arkansas City Meeting Minutes

The Arkansas City Board of City Commissioners met in regular session for its annual reorganization meeting at 5:30 p.m. Tuesday, April 19, 2016, in the Commission Room at City Hall, 118 W. Central Ave., in Arkansas City.

Mayor Chad Giles called the meeting to order. Those present at roll call were Mayor Giles, Commissioner Dan Jurkovich, Commissioner Duane Oestmann and Commissioner Jay Warren.

Also present at roll call were City Manager Nick Hernandez, Public Information Officer Andrew Lawson, City Clerk Lesley Shook, Finance Director Kathy Cornwell, Public Works Director Eric Broce, Assistant Public Works Director Mike Crandall, Emergency Management Coordinator Bob Frazee, and Parks and Facilities Director Tony Tapia.

The Arkansas City Beautification and Tree Advisory Board was represented by Bob Foster and Peggy Soule.

South Central Kansas Medical Center officials in attendance were chief executive officer Virgil Watson, chief financial officer Holly Harper, chief operations officer Clayton Pappan, director of hospital quality and risk management Jane Campbell, director of nursing John Jones, chief of staff Dr. Perry Lin, Board of Trustees chair Carol Hearne, and trustees JoLynn Foster, Arleta Rice and Dr. Nick Rogers.

Citizens in attendance included Albert Brown, Cindy Current, Kanyon Gingher, Andrea Hernandez, Chris Meinen, Bob Squires, Charles Tweedy III, Steven Young and Traveler reporter Jeni McGee.

Pastor Mark Fry offered the opening prayer. Mayor Giles led the pledge of allegiance.

Agenda Additions/Deletions and Approval

City Manager Hernandez requested that the South Central Kansas Medical Center presentation be moved from Recognition of Visitors to Other Business. He also asked that Old Business Item 2, Mayor Giles' appointments to various City advisory boards, be moved to New Business Item 4, to become the new mayor's appointments.

All following New Business items then would slide down one number in the order, culminating in New Business Item 13, proposed water line replacement projects. Hernandez then asked for New Business Item 14, an ordinance allowing alcohol consumption during PrairieFest on June 3 in Wilson Park, and New Business Item 15, a contract with Veolia Co. for emergency repairs at the Water Treatment Facility, to be added to agenda, as well.

Commissioner Warren moved to amend the agenda as requested. Commissioner Oestmann seconded the motion. A voice vote was unanimous in favor of the motion. Mayor Giles declared the agenda amended.

Commissioner Jurkovich moved to approve the agenda as amended. Commissioner Warren seconded the motion. A voice vote was unanimous in favor of the motion. Mayor Giles declared the agenda approved.

Recognition of Visitors

Steven Young, 1118 N. 10th St., thanked the commissioners for listening to everyone during the March 22 special meeting. He asked for several changes to be made to the official minutes of that meeting. Mayor Giles asked him to speak to Public Information Officer Lawson regarding correcting or modifying those minutes.

Young also asked some questions about the history of the new water treatment plant, and how the inflation rate was calculated comparing the estimated costs in 2006 and 2012 versus the current project cost of the plant.

City Commission of Arkansas City Meeting Minutes

Young asked why confidentiality was included in the City's Statement of Professional Values when it is a public entity. City Manager Hernandez said it related only to protecting patient information and financial information.

Young asked about a figure of \$400,000 that seemed to be budgeted in several different years for 15th Street repairs. Hernandez explained that while that amount might have been budgeted and projected in a Capital Improvement Plan, it wasn't spent in any of those years and thus was carried over each year in the CIP plan.

Young also asked questions about several other capital improvement projects. Mayor Giles and Hernandez urged Young to visit Hernandez at a later time to have his other questions answered, which he agreed to do.

Awards and Proclamations

Mayor Giles read a proclamation recognizing April 29, 2016, as Arbor Day in Arkansas City. Bob Foster and Peggy Soule came to the front to represent the Arkansas City Beautification and Tree Advisory Board.

Consent Agenda

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

1. Approving the April 5, 2016, regular meeting minutes as written.
2. Approving Resolution No. 2016-04-3028, authorizing the transfer of title of real estate at 1012 E. Tyler Ave. to Chris Kabo, LLC.

Mayor Giles asked about the property transfer. Hernandez said it adjoined another property owned by the same person and was not likely to be developed. He said the parcels could be combined for agriculture purposes.

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

Steven Young came back to the podium a little later and said he didn't understand that all of the consent agenda items were being voted on in one motion. He pointed out more items he wanted to see changed in the April 5 minutes. Young also cited statistics from USD 470 that he said indicate 75 percent of Arkansas City students are on free or reduced lunches, rather than the 71 percent Dr. Nick Rogers stated during the April 5 meeting.

City Manager Hernandez said staff does not have time to fact-check everything that is stated in meetings, but now that Young had brought it to the public's attention in a meeting, it would be added to the official record.

He said the City used to have a brief summation of meetings in its minutes, but he wanted to make them a little more comprehensive and hit the high points of the conversations that are held prior to any actions being taken.

Young said his main concern is that the minutes need to be correct if they are going to be the permanent official record of meetings. He asked about having shorter minutes and just linking to the video recordings of the meetings, but City Manager Hernandez said the minutes are the only official record of what goes on in meetings.

Mayor Giles asked Young to visit with Public Information Officer Lawson to see about addressing these concerns.

City Commission of Arkansas City Meeting Minutes

Old Business

Appointment of New Commissioner

City Clerk Shook presented for discussion the appointment of a new commissioner to fill the vacancy created by Brandon Every's resignation on April 5.

City Manager Hernandez said the remaining commissioners had 20 days from that date to select a new commissioner or it would go to a special election. They had the remainder of that week to decide, he said.

Hernandez said there are no codes or laws requiring the commissioners to follow any process for deciding the new commissioner, other than a simple majority voice vote. He said that a tiebreaking vote would have to be cast by City Attorney Niles, who was absent that night, so he jokingly asked them not to have a tie vote.

Mayor Giles said the only person willing to fill the position who he had talked to was Charles Tweedy III. He said Tweedy was a great commissioner in the past and he thought the City needed someone with prior experience.

Commissioner Warren said he had talked to a couple of people, with similar results. Commissioner Oestmann said he was fine with what the other commissioners decided. Commissioner Jurkovich agreed with Mayor Giles.

Mayor Giles said Tweedy was not a "bobble head" and even though he hadn't agreed with him occasionally in the past, he respected Tweedy's levelheadedness and willingness to hear all sides of an issue before deciding.

Mayor Giles made a motion to appoint Tweedy to fill the rest of Brandon Every's unexpired term. Commissioner Oestmann seconded the motion. Commissioner Jurkovich pointed out that Tweedy received the fourth-most votes in the prior election, but Hernandez reiterated that there is nothing in code requiring that to be the case.

A voice vote was unanimous in favor of the motion. Mayor Giles declared the motion approved. Commissioner Tweedy was sworn in by City Clerk Shook and took his seat with the other commissioners.

Voluntary Annexation Agreement

City Clerk Shook presented for discussion a proposal to authorize City Manager Hernandez, on behalf of the City, to finalize negotiations and enter into a voluntary annexation agreement with Arkansas City Industries, Inc., as previously presented, for final approval.

City Manager Hernandez said the biggest holdup was ensuring the City did not want to annex ACI's other property in Goff Industrial Park involuntarily. He said he hoped this agreement could serve as a model for others.

Hernandez said the City only was interested in the two properties necessary to bring the 61st Road improvements into the City limits, in accordance with an existing agreement with the Kansas Department of Transportation.

Commissioner Jurkovich asked why the agreement had been modified from its previous version to abate all City property tax initially and raise it by 10 percent each year. Hernandez indicated it was part of ongoing negotiation.

Commissioner Warren made a motion to authorize Hernandez to negotiate. Commissioner Oestmann seconded the motion. A voice vote was unanimous in favor of the motion. Mayor Giles declared the motion approved.

City Commission of Arkansas City Meeting Minutes

New Business

Election of New Mayor

City Clerk Shook presented for discussion reorganization item No. 1, the election of a new mayor.

Mayor Giles made a motion to elect Commissioner Oestmann as the mayor. Commissioner Warren seconded the motion. A voice vote was unanimous in favor of the motion, with Commissioner Oestmann abstaining.

Mayor Giles declared the motion approved. Mayor Giles, Mayor Oestmann and Commissioner Jurkovich all exchanged seats. Mayor Oestmann presented Mayor Giles with a plaque honoring his two years of service.

Election of Vice Mayor

Mayor Oestmann presented for discussion reorganization item No. 2, the election of a vice mayor.

Mayor Oestmann made a motion to elect Commissioner Jurkovich. Commissioner Tweedy seconded the motion. A voice vote was unanimous in favor of the motion. Mayor Oestmann declared the motion approved.

Strother Field Commission

City Clerk Shook presented for discussion reorganization item No. 3, the appointment of three voting representatives to the Strother Field Commission.

Commissioner Warren said the mayor needed to be a part of that board because he would serve as the new vice chair. Commissioner Warren said he was serving as the current chair and Commissioner Giles also is a member.

Mayor Oestmann made a motion to reappoint himself, Commissioner Giles and Commissioner Warren as Arkansas City's representatives to the Strother Field Commission. Commissioner Jurkovich seconded the motion. A voice vote was unanimous in favor of the motion. Mayor Oestmann declared the motion approved.

Mayor's Board Appointments

City Manager Hernandez presented for discussion Mayor Oestmann's appointments to various City boards.

Hernandez said the South Central Kansas Medical Center Board of Trustees had recommended Warren "Hap" McLeod and Karen Zeller for appointment to replace Greg Norwood and Arleta Rice. Commissioner Warren said he knew both and thought they would be wonderful board members who would put something into SCKMC.

Commissioner Tweedy agreed with Commissioner Warren, saying they were very intelligent people with backgrounds in running businesses. Commissioner Jurkovich asked about Don Ward's interest in the position.

Mayor Oestmann asked if the Board had any comments. Board chair Carol Hearne said she was unaware of Ward's application, which had arrived on April 15. Commissioner Tweedy asked if anyone would leave the board next year. City Clerk Shook said JoLynn Foster would complete her first term in April 2017.

City Commission of Arkansas City Meeting Minutes

Mayor Oestmann said he wanted to see more “regular” citizens on the Board and not more physicians, but he appreciated everyone who had applied for the positions and encouraged them to consider volunteering again.

Mayor Oestmann made a motion to appoint McLeod and Zeller to the Board. Commissioner Tweedy seconded the motion. A voice vote resulted in four aye votes and one nay vote, with Commissioner Jurkovich dissenting.

Commissioner Tweedy made a motion to appoint Jackie Barnett Sr. to the Northwest Community Center Advisory Board. Commissioner Warren seconded the motion. A voice vote was unanimous in favor of the motion.

Commissioner Tweedy made a motion to reappoint Mary Benton to the Board of Zoning Appeals and Albert Brown Jr. to the Planning Commission. Commissioner Giles seconded the motion. A voice vote was unanimous in favor of the motion. Commissioner Tweedy noted his promotion would create a Planning Commission vacancy.

Mayor Oestmann said Gareth McGee and Mariah Sefel had resigned from the Arkansas City Public Library Board of Trustees, creating two vacancies. Commissioner Jurkovich observed that there were two applicants, as well.

Hernandez disclosed that one of the applicants, Kayleigh Lawson, is married to Public Information Officer Lawson, but he added that the ACPL operations are entirely separate from those of the City. Commissioner Jurkovich added that he thought Kammy Downs also would be a good fit for the Board due to her Burford work.

Commissioner Jurkovich made a motion to appoint Downs and Lawson to the ACPL Board. Commissioner Warren seconded the motion. A voice vote was unanimous in favor of the motion.

Mayor Oestmann declared all of the previous motions approved.

Convention and Tourism Board

Mayor Oestmann presented for discussion reorganization item No. 4, the appointment of a voting representative to the Convention and Tourism Board. The seat currently was vacant due to Every’s resignation.

Commissioner Giles made a motion to appoint Commissioner Tweedy to the Convention and Tourism Board.

Commissioner Warren seconded the motion. A voice vote was unanimous in favor of the motion, with Commissioner Tweedy abstaining. Mayor Oestmann declared the motion approved.

SCKMC Board of Trustees

City Clerk Shook presented for discussion reorganization item No. 5, the appointment of a nonvoting representative to the South Central Kansas Medical Center Board of Trustees.

Commissioner Warren made a motion to reappoint Commissioner Jurkovich to the SCKMC Board of Trustees. Commissioner Tweedy seconded the motion. Commissioner Giles asked if continuing on the board would cause any problems with Commissioner Jurkovich’s employment. Commissioner Jurkovich said he did not think so.

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

City Commission of Arkansas City Meeting Minutes

Cowley First

City Clerk Shook presented for discussion reorganization item No. 6, the appointment of a nonvoting representative to the Cowley County Economic Development Partnership.

Commissioner Warren made a motion to appoint Commissioner Tweedy to Cowley First. Commissioner Jurkovich seconded the motion. A voice vote was unanimous in favor of the motion, with Commissioner Tweedy abstaining. Mayor Oestmann declared the motion approved.

ACPL Board of Trustees

City Clerk Shook presented for discussion reorganization item No. 7, the appointment of a voting representative to the Arkansas City Public Library Board of Trustees.

Commissioner Giles asked when the Board meets, but ultimately decided it didn't fit his schedule. Commissioner Giles then made a motion to appoint Commissioner Tweedy to the ACPL Board of Trustees.

Commissioner Jurkovich seconded the motion. A voice vote was unanimous in favor of the motion, with Commissioner Tweedy abstaining. Mayor Oestmann declared the motion approved.

Commissioner Warren and Mayor Oestmann offered to serve as alternates for Commissioner Tweedy if he ever is unable to make a meeting.

Official City Newspaper

City Clerk Shook presented for discussion reorganization item No. 8, the designation of the official City newspaper for the publication of legal notices.

Commissioner Giles asked what would happen if the Traveler ever ceased publication in Arkansas City.

City Manager Hernandez said if that happened or if the newspaper ever changed its name, this process would have to be repeated to designate a new official newspaper. Commissioner Giles asked if there were any other choices and Commissioner Jurkovich asked if they could designate Facebook. Hernandez said "not yet" to both.

Commissioner Tweedy made a motion to designate The Arkansas City Traveler as the City's official newspaper.

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

Official City Depositories

City Clerk Shook presented for discussion reorganization item No. 9, the designation of official City depositories.

Mayor Oestmann asked if there had been any problems with CornerBank. City Manager Hernandez said no.

City Commission of Arkansas City Meeting Minutes

Hernandez said the City tried to rotate its Certificates of Deposits and other investments, but not its day-to-day banking services, which have been with CornerBank since Home National Bank was bought out.

Mayor Oestmann made a motion to designate CornerBank as the City's primary depository for banking services and all other eligible banks in the community as potential depositories for City funds.

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

Park Adoption Policy **Resolution No. 2016-04-3029**

City Clerk Shook presented for discussion a resolution approving the Arkansas City Beautification and Tree Advisory Board's proposed park adoption policy.

City Manager Hernandez said it would provide an outlet for groups to "adopt" neighborhood parks and perform a variety of tasks, such as maintenance and the placing of new equipment. He said adoption would be based on a recommendation from the Beautification and Tree Advisory Board, followed by a vote of the City Commission.

Mayor Oestmann asked if an adopting party would need to perform all of the tasks listed. Hernandez said those were just suggestions and not an exhaustive list. Commissioner Warren asked if the City would put together equipment that a group purchases. Hernandez said it might, but assistance also could be with matching funds.

Commissioner Jurkovich observed that the policy was a response to the outcry over the removal of playground equipment from Catalpa Park. Commissioner Tweedy asked if the policy could be used for the creation of a dog park. Hernandez said it could. Commissioner Giles asked what would happen if a group ceased to exist.

Hernandez said if that happened, the commission could vote to revoke an adoption, but adoptions also will be reviewed annually. Commissioner Giles asked if it would affect the ability to eliminate a park. Hernandez said no.

Mayor Oestmann 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. 2016-04-3029.

Water Line Replacement **Resolution No. 2016-04-3030**

City Clerk Shook presented for discussion a resolution authorizing the City to enter into a contract with Smith & Oakes, Inc. to provide engineering design, bidding, construction administration, staking and inspection services for the 2016 water line replacement projects, for an amount not to exceed \$192,100.00.

Public Works Director Broce said between \$3.5 million and \$4 million was reimbursable to the City through a State Revolving Fund loan, raising its cash reserves to nearly \$7 million. He said he would like to use some of that cash to replace the City's most troublesome water lines and "red water" areas.

City Commission of Arkansas City Meeting Minutes

Broce said calls are logged to map the worst areas, especially where repeated flushing does not eliminate the discoloration. Main breaks and their cost, fire protection capacity, and chemical disbursement also are factored.

The first and most crucial area Broce told commissioners he wants to focus on is Meek Addition, or Meek Avenue, Random Road and Stanley Drive from North A Street to North C Street.

After that would come Hillside Addition, including Edgemont Drive, Fairlane, Greenway Avenue, Highland Drive and Radio Lane. The final area would be Crestwood Addition — Eastridge Drive, Ravinia Court and Valley Road.

In addition, Broce said, many services will be addressed on North Summit Street with a planned street project.

Project advertisement and bid opening would be in August, the construction contract would be awarded in September, and installation and construction would proceed from October 2016 through July 2017.

Broce said Salina and Wichita were hurting the bidding climate, due to all of the work they were releasing lately.

Commissioner Jurkovich asked what it would cost for the City to buy its own equipment and hire its own crew to do replacement projects. City Manager Hernandez said the biggest hurdle would be finding someone with directional drilling training. Commissioner Warren said he thought Commissioner Jurkovich's idea was worth looking into. Broce said there wouldn't have been any savings two years ago, but there might be now.

Smith & Oakes' Chris Meinen clarified some of the aspects of the proposed engineering contract.

Commissioner Jurkovich asked Meinen if Broce owns part of Smith & Oakes, which is a question he hears from the public from time to time. Meinen said Broce was a previous employee and did not own any of the company.

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

Steven Young questioned the cost of the contract with Smith & Oakes, and urged the commissioners to consider bringing some of the water line replacement work in-house with a directional boring crew and equipment.

Mayor Oestmann said the resolution was to design the project, not to do the actual drilling itself. Commissioner Warren said it definitely was something the City would need to look into in the future. Young asked Broce how many people are on a typical drilling crew. Broce said they typically run six to eight people on those crews.

Commissioner Warren said there are people who had been laid off from oil work who would have the expertise.

A voice vote was unanimous in favor of the motion. Mayor Oestmann declared the motion approved and given Resolution No. 2016-04-3030.

PrairieFest Alcohol Ordinance **Ordinance No. 2016-04-4408**

City Manager Hernandez presented for discussion 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 the PrairieFest concert on June 3, 2016.

City Commission of Arkansas City Meeting Minutes

He said this was an item that would have to be approved every year in order to keep the concert back in Arkansas City, until municipal code can be changed to eliminate the need for an annual ordinance.

Commissioner Tweedy asked if there were any problems with it last year. Hernandez said there were none.

Mayor Oestmann made a motion to approve the ordinance. Commissioner Giles seconded the motion. A roll call vote was unanimous in favor of the motion, with Commissioner Warren abstaining because some of his wine will be on sale there. Mayor Oestmann declared the motion approved and given Ordinance No. 2016-04-4408.

Emergency Water Treatment Facility Repairs

City Manager Hernandez presented for discussion a proposal by Veolia Co., of Ponca City, Okla., for emergency repairs at the Water Treatment Facility, for an amount not to exceed \$13,175.00.

Hernandez said the company would remove 5 feet of lime sludge from the bottom of the primary clarifier at the water plant. Despite repairs by Kuhn Mechanical, the City is continuing to have problems with that clarifier.

He said Veolia would remove the sludge and transport it to the lime pit, a task that was overwhelming City crews.

Commissioner Giles made a motion to approve the emergency repairs. Mayor Oestmann seconded the motion.

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

City Manager Updates

City Manager Hernandez informed commissioners that the Salvation Army would be doing a needs assessment for the community during the next couple of days.

He said the 2016 Outdoor Friday Family Movie Series would kick off April 22 in Wilson Park with "Jurassic World," sponsored by RCB Bank, and "Jurassic Park," cosponsored by the City and the Ark City Public Library.

Other Business

SCKMC chief financial officer Holly Harper said March was a very strong month for the medical center, especially with surgeries and emergency room visits. Commissioner Warren asked if April had been a better month, as well.

Harper said April had been steady so far, but that could change rapidly. SCKMC saw a net loss of \$295,000 in the first three months of the year, but it was offset by \$61,000 in profit generated by South Central Kansas Clinic.

A small dent has been made in the hospital's accounts payable, Harper said, but it remains around \$1.9 million.

Cash flow from the accounts receivable has improved slightly, too, she said. This was helped significantly by a Medicare DSH payment of \$213,000 on April 15 and a SCKC payment of \$19,794 through April. An additional \$323,547 was expected soon from the Medicare meaningful use payment, Harper reported.

City Commission of Arkansas City Meeting Minutes

Commissioner Tweedy asked how the extended hours at SCKC could affect the operation's bottom line. Harper said she thought it could have a positive effect, especially by reducing bad debt through the emergency room.

Director of nursing John Jones said ER volume was up, but more importantly, the public feedback as a result of the new ER providers has been tremendous.

City Manager Hernandez said he had visited with a health care consultant who was recommending a 30-minute conference call with the commissioners to discuss scope items and potential services that could be provided.

He said the same group offers board training for hospital boards, but it would require some travel expenses.

Commissioner Giles asked about the timeline for the upcoming sales tax question. Hernandez said ballots will be mailed May 4 and must be returned by May 24. He thought April 27 was the deadline to register to vote.

Commissioner Giles offered the commissioners' condolences to family and friends on the passing of Jim Graham, who was a member of the Building Trades Advisory Board.

Adjournment

Commissioner Warren 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 7:29 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