

City Commission of Arkansas City Meeting Minutes

The Arkansas City Board of City Commissioners met in regular session at 5:30 p.m. Tuesday, December 20, 2016, in the Commission Room at City Hall, 118 W. Central Ave., in Arkansas City.

Mayor Duane L. Oestmann called the meeting to order. Those also present at roll call were Commissioners Dan Jurkovich, Jay Warren and Karen Welch. Commissioner Charles Tweedy III was absent due to illness.

City employees present at roll call were City Manager Nick Hernandez, City Attorney Tamara Niles, Public Information Officer Andrew Lawson, City Clerk Lesley Shook, Public Works Director Eric Broce, Assistant Public Works Director Mike Crandall, Neighborhood Services Superintendent Richard Brown, Combination Inspector Mike Bellis, Emergency Management Coordinator Robert Frazee, Finance Director Kathy Cornwell, Police Chief Dan Ward and Human Resources Manager Marla McFarland.

Conquest Promotions was represented by Jeremy Walker. Spring Hill Golf & Recreation Association was represented by clubhouse manager Cathy Vaughn and treasurer Dale Kuhn. Building Trades Advisory Board members in attendance were plumber Dave Billings and general contractor Leonard Mumford.

Citizens in attendance included Kim Hager, Ken Harader, Cheri Jenkins, Bob Juden, Reatha Juden, Cowley CourierTraveler reporter Cody Griesel and Ark City Daily Bytes reporter Jeni McGee.

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

Agenda Changes and Approval

Mayor Oestmann asked to add a 15-minute executive session to discuss matters of non-elected personnel after City Manager Updates, with Item 6 under the Consent Agenda being moved to follow that executive session.

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

Recognition of Visitors

Spring Hill Golf & Recreation Association clubhouse manager Cathy Vaughn and treasurer Dale Kuhn reviewed Spring Hill Golf Course's financial situation. Vaughn said the course is almost out of money after a recent payroll.

Kuhn said Spring Hill will be about \$500 short of paying all of its bills by the end of December. Income was a little higher than projected and expenses slightly less than anticipated, but he still is short on the needed funds.

Income for January 2017 is projected to be around \$2,000, but Kuhn said that is a little optimistic considering the weather of late. Additionally, the course is losing members, to the tune of \$300 to \$800 per member lost.

Commissioner Warren asked Kuhn why the course's membership was declining. Kuhn did not really have an answer, but speculated part of it is due to the economy and also recent increases in the costs of membership.

City Manager Hernandez commended Kuhn and Vaughn for being forthright about their situation and acknowledged it couldn't have been easy, but also observed that Spring Hill is in a very tough financial position.

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He asked what the long-term solution is to fix the course's financial woes and what the minimal amount is that needs to be spent to keep it in a holding pattern until at least the spring, when play and tourneys can resume.

Kuhn estimated, if income stays where it is projected, the course needs \$4,800 to get through March 15, 2017.

Hernandez said his recommendation is to pay just the insurance, utilities and debt service until the spring, just enough to keep the loan paid and the building from freezing through the winter.

Commissioner Warren said the course will be \$18,000 in the hole entering March 2017 and thus he wanted to try Hernandez's idea. Hernandez said there would be no course maintenance expenses for the next few months.

The biggest expense remaining is employees and Hernandez said it is a tough decision because it will affect people's lives either way. Mayor Oestmann asked for the current membership level. Vaughn said it's in the 90s.

Kuhn said another dues increase, which would have to be sizable due to the amount lost from each former member, would be difficult and could cause a further decrease in membership levels.

Commissioner Welch asked if the course had to be kept open. Vaughn said it did not and they wouldn't open in the winter unless the temperatures were above 45 degrees. Kuhn told Mayor Oestmann there is an honor box.

But there is no guarantee that people will play if the weather is bad or that they will pay their dues as scheduled.

Kuhn said all but one or two tournaments have been down in 2016, as well. Commissioner Warren asked about the GE tournament. Kuhn said there only were 12 teams participating this year, rather than usual 18-plus.

Commissioner Warren asked about a membership drive. Kuhn said they're working on a corporate membership.

Commissioner Jurkovich asked if Arkansas City and Cowley County are offering too much golf, compared to the demand. Kuhn said that seems to be the case, if one looks at the numbers from Arkansas City and Winfield.

Mayor Oestmann asked what is needed to start up in March or April. Kuhn said at least \$4,000 in chemicals.

Mayor Oestmann said the commission would like to help, but he asked how they can convince the 12,000-plus residents of Arkansas City that it is worth spending money to help the 90-plus members keep the course open.

Vaughn said there are more people from Arkansas City than those 90 who play rounds regularly, but are not members. Commissioner Welch asked how many there are and Kuhn said he work on getting those numbers.

Commissioner Warren said he thinks the future is getting more youths involved in playing golf. Kuhn said they want to get more involved with Cowley College and the Ark City Recreation Center, but it hasn't happened yet.

Mayor Oestmann asked if Great Life Golf & Fitness will be a hindrance to those plans. Kuhn said he didn't know.

Commissioner Warren recommended paying the remainder of December bills and shutting down until March.

Commissioner Jurkovich asked how much has been paid out so far. Kuhn said the City has paid \$3,600 thus far in 2016. Commissioner Jurkovich asked if Arkansas City residents receive any kind of discount. Kuhn said no.

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Hernandez suggested having the golf course submit a line-item request to him each month, with himself being empowered by the commission to approve or deny individual items and authorize payment of approved items.

Commissioner Warren made a motion to authorize Hernandez to expend funds necessary to keep minimal operations going at Spring Hill through March 1, without employees, and report back to commissioners monthly.

Mayor Oestmann seconded the motion. A voice vote resulted in two aye and two nay votes, with Commissioner Jurkovich and Commissioner Welch dissenting. Mayor Oestmann declared the motion failed.

Commissioner Jurkovich said he voted no because the City Commission would be giving all of the help so far — \$40 a round — with no contributions from Cowley College, Cowley County, Parkerfield or the Rec Commission.

Kuhn said ACRC is on a budget through the middle of 2017. Hernandez remarked that City is on a budget, too.

Commissioner Jurkovich made a motion to authorize Hernandez to expend funds necessary to keep minimal operations going at Spring Hill through January, without employees, and report back to commissioners monthly.

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

Kuhn asked about paying the January and February utilities. Commissioner Jurkovich said Kuhn could pay anything incurred in January, with City assistance and approval. He told Kuhn to seek other financial assistance.

Comments from the Audience

Jeremy Walker, representing Conquest Promotions, asked for a waiver of the requirements of the Agri-Business Building ordinance that no one younger than 21 may enter the premises if alcohol is being served at an event.

The promotion company, led by promoter Matt Ludwick, wants to serve 3.2-percent cereal malt beverage at a Christian-based MMA event on February 18, 2017. Beer garden setups are prohibited only at the Ag Building.

Mayor Oestmann asked why beer gardens are allowed in Wilson Park and other City venues. City Attorney Niles said it is because the ordinance is specific to the Ag Building, but there is no such ordinance for other facilities.

She said the difference likely is because the Ag Building was the first place where alcohol was allowed by the City.

Hernandez said the event's security and insurance is responsible for any violations. It would be no different than in any of the parks. He noted the commission has been more flexible on alcohol in the last five to six years.

Walker said the plans show a small area designated as a beer garden, but added the promoter also would like to allow drinking in the premium seats immediately around the center arena. There will be 10 security personnel.

Police Chief Ward said he has provided all of the requirements for security to Ludwick. Two off-duty officers will participate in that effort. He recommended having a designated area in order to make it easier on security.

Commissioner Jurkovich asked if this will set a precedent. Hernandez said many events likely will be interested.

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Commissioner Warren asked how many people might attend. Walker estimated 400 to 600 people would be there. Hernandez said the capacity of the Ag Building is around 1,200 people.

Commissioner Welch said she would like to amend the ordinance permanently, but Commissioner Warren said it wouldn't be that night. Niles said a proposed new ordinance could be ready by the January 3, 2017, meeting.

Mayor Oestmann made a motion to allow the consumption of cereal malt beverage within a restricted area of the Agri-Business Building on February 18, 2017, and exempting the application of Arkansas City Municipal Code Section 50-262, Subsection 3(b), subject to the police chief's recommendations on exemptions and restrictions.

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

Hernandez said the City needs to finish developing a special events permit for events such as this.

Consent Agenda

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

1. Approving the December 6, 2016, regular meeting minutes as written.
2. Approving one new and 16 renewal cereal malt beverage licenses for 2017.
3. Approving Resolution No. 2016-12-3065, authorizing the City to execute a GAAP (Generally Accepted Accounting Principles) waiver for fiscal year 2017.
4. Approving Resolution No. 2016-12-3066, authorizing City Manager Hernandez, Finance Director Cornwell and City Treasurer Jennifer Waggoner to act as authorized signers on City bank accounts.
5. Approving Resolution No. 2016-12-3067, authorizing execution of an agreement with Delta Dental of Kansas for the City's dental insurance renewal.

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

Old Business

Public Hearing on Amended 2016 Budget

Finance Director Cornwell said amending a budget requires publishing notice of a public hearing. No one spoke.

She said the major changes are due to the payments to South Central Kansas Medical Center and Quorum Health Resources, requiring the General Fund to be increased by \$300,000; an extra \$300,000 to the Special Highway Fund to account for the Radio Lane mill and overlay that was attached to the Summit Street road and water line improvements project; \$100,000 for the CID Sales Tax Fund, which did not exist at the time the 2016 budget was approved; and an additional \$10 million to the Water Fund to cover plant construction payments.

Cornwell said staff also is recommending \$100,000 in additional transfers from the Sewer and Sanitation funds.

Transfers need to be made to the Capital Improvement Fund until withdrawals are made against the KDHE loan.

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Amending 2016 Budget **Ordinance No. 2016-12-4425**

City Clerk Shook presented for discussion a first reading of an ordinance amending specified funds in the City budget for the year beginning January 1, 2016.

Commissioner Warren asked how much money had been transferred out of the Water Fund so far. Public Works Director Broce said about \$8 million. He said the first draw occurred sometime in August or September.

Commissioner Jurkovich asked if that delayed repayment. Finance Director Cornwell said it starts February 2018.

Mayor Oestmann made a motion to approve the ordinance. Commissioner Jurkovich seconded the motion.

A roll call vote was unanimous in favor of the motion. Mayor Oestmann declared the ordinance approved and given Ordinance No. 2016-12-4425.

New Business

Emergency Warning Siren **Resolution No. 2016-12-3068**

City Clerk Shook presented for discussion a resolution authorizing the purchase of an outdoor warning siren from Emergency Fire Equipment, Inc., of Mayfield, for an amount not to exceed \$15,300.00 from 2017 funds.

Assistant Public Works Director Crandall said the siren will be paid for from the 2017 budget, in which \$18,000 is allocated for this purpose. Starting in 2017, the City wants to replace a siren each year among its 24 total sirens.

Crandall said the siren would replace one located at South Sixth Street and West Lincoln Avenue. Emergency Management Coordinator Frazee said it will be located a few blocks away from the current location.

City Manager Hernandez said the purchase is being brought up now because there is a three-month delivery time.

Crandall said the siren is one of the four oldest in the City. Each is 41 years old. Three others are 38 years old.

Commissioner Warren asked if this was first siren purchase in several years. Frazee said the last was in 2011. At that time, the City paid for one and the federal government paid for three additional sirens.

Commissioner Jurkovich asked if there was anything wrong with the old one. Frazee said there are some issues.

Commissioner Warren made a motion to approve the resolution. Mayor Oestmann seconded the motion.

A voice vote was unanimous in favor of the motion. Mayor Oestmann declared the resolution approved and given Resolution No. 2016-12-3068.

Commissioner Jurkovich asked if there was a standard dictating the placement of the sirens for maximum coverage. Hernandez said there is a map that shows the coverage and overlapping of the various sirens. He asked for it to be included in the next packet, but Frazee later printed off copies of it and handed them out.

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2015 International Code Cycle Ordinance No. 2016-12-4426

City Clerk Shook presented for discussion a first reading adopting by reference the technical codes of the City, namely the 2015 International Code Cycle and the 2014 National Electrical Code; amending those technical codes and modifying Arkansas City Municipal Code to reflect those changes.

Public Works Director Broce said the codes are the product of nine months of joint meetings among the building trades boards of Arkansas City, Wellington and Winfield. He estimated the members put in more than 100 hours.

Broce said the City currently is on the 2009 International Code Cycle. City Manager Hernandez said there were numerous opportunities for board members and contractors in all three cities to have input on code changes.

He said there can be some friction from those used to building in rural areas because the county has no codes.

Commissioner Warren asked what the next code to be adopted will be. Combination Inspector Bellis said 2021.

Mayor Oestmann asked how contractors felt about the process. Dave Billings said each tradesman had input on his code and they went through each relevant code, line by line, in the public meetings, with ample discussion.

He said most of the changes were pretty minimal, to take into account new technologies. Leonard Mumford said 98 percent of the book doesn't change from year to year, but certain ratings and measurements are updated.

Both men work in the county and in the cities. Billings said the trades board doesn't change municipal code, but it makes recommendations on technical codes and is open to changing things down the line if they don't work.

Hernandez asked if code enforcement in Arkansas City is more rigid than the other two cities. Billings said it's about the same, but he feels Winfield is a little more stringent in its application of the adopted technical codes.

He said Arkansas City has had electrical and plumbing codes dating back to the 1930s. He has copies of the latter.

Mayor Oestmann and Commissioner Warren said they hear complaints from property owners about how strict Arkansas City is, but Billings said Oklahoma has state codes and licensing, with no allowance for home rule.

Billings reminded the commissioners that the intent of the codes is to protect property, health and lives.

City Attorney Niles mentioned that a few provisions differ from the codes adopted by the other two cities. One is the special windows ordinance downtown, which is retained in the ordinance as presented. The other is the deletion of code concerning weed abatement that is duplicative of the International Property Maintenance Code.

Commissioner Jurkovich asked if Arkansas City was the first to have this on its agenda. Hernandez said the goal is to have it in place by January 1, 2017, but Wellington will not consider it until January.

Commissioner Warren made a motion to approve the ordinance. Commissioner Welch seconded the motion.

A roll call vote was unanimous in favor of the motion. Mayor Oestmann declared the ordinance approved and given Ordinance No. 2016-12-4426.

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City Manager Updates

City Manager Hernandez presented an update on the timeline for the 2017 commission reorganization, which will be moved up three meetings to the first meeting in March. He said the mayoral transition still is uncertain.

Mayor Oestmann and Vice Mayor Jurkovich said they liked best the idea of splitting the difference in the extra eight months that were added to their terms, with Oestmann continuing as mayor until August 2017.

Hernandez said construction is wrapping up on North Summit Street for the winter, with a week or so left on the water line replacement. Construction will resume in spring 2017, with South Summit and 15th Street set to follow.

He said he'd heard several compliments on the wider turning transitions at the intersections. Public Works Director Broce said the school district had thanked him personally for working around its schedule on Radio Lane.

Other Business

Mayor Oestmann made a motion to recess to a 15-minute executive session to discuss matters of non-elected personnel, to include City Attorney Niles and City Manager Hernandez. Commissioner Welch seconded it.

A voice vote was unanimous in favor of the motion. The executive session began at 7:22 p.m. and ended at 7:37.

Afterward, Mayor Oestmann made a motion to amend Hernandez's contract by adopting employment agreement Amendment No. 3 as presented, with one change — increasing Hernandez's base pay to \$108,000.

Commissioner Welch seconded the motion. A voice vote was unanimous in favor of the motion. Mayor Oestmann declared the resolution approved and given Resolution No. 2016-12-3069.

Adjournment

Commissioner Jurkovich moved to adjourn the meeting. Commissioner Warren seconded the motion. A voice vote was unanimous in favor of the motion. Mayor Oestmann declared the meeting adjourned at 7:38 p.m.

THE ARKANSAS CITY
BOARD OF CITY COMMISSIONERS

Duane L. Oestmann, Mayor

ATTEST:

Lesley Shook, City Clerk

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Prepared by:

Andrew Lawson, Public Information Officer