

City Commission of Arkansas City Meeting Minutes

The Arkansas City Board of City Commissioners met in regular session at 5:30 p.m. Tuesday, April 5, 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 Brandon Every, Commissioner Dan Jurkovich, Commissioner Duane Oestmann and Commissioner Jay Warren.

Also present at roll call were City Manager Nick Hernandez, City Attorney Tamara Niles, Public Information Officer Andrew Lawson, City Clerk Lesley Shook, Finance Director Kathy Cornwell, Public Works Director Eric Broce, Assistant Public Works Director Mike Crandall, Administrative Assistant Terice Watts, Fire-EMS Chief Bobby Wolfe, Police Chief Dan Ward, ACPD Lt. Luke Larson and Human Resources Director Marla McFarland.

Burns & McDonnell Engineering Company was represented by project manager Mike O'Connell.

Creekstone Farms Premium Beef was represented by controller Tom Minton and legal counsel Douglas Mackay.

South Central Kansas Medical Center officials in attendance were chief executive officer Virgil Watson, chief operations officer Clayton Pappan, Board of Trustees chair Carol Hearne, and trustees JoLynn Foster, Arleta Rice and Dr. Nick Rogers.

Citizens in attendance included Michael Bergagnini, Wesley Bradford, Michelle Calvert, Cindy Current, Connie Dykes, Michelle Dykes, Courtney Every, Don Evinger, Kanyon Gingham, Ken Harader, Tammie Hedrick, Andrea Hernandez, Dr. Mauricio Herrera, Scott Margolius, Glen Morrison, Dr. Nathan Niles, Devery Pendland, Christopher Peterson, Dr. Nicole Rogers, Dr. Scott Rogers, John Shelman, Melanie Shelman, Dotty Smith, Jill Sullivan, Charles Tweedy III, Don Ward, Gary Wilson, Steven Young, Newscow and KSOK Radio reporter Shane Farley, and Traveler reporter Jeni McGee.

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

Agenda Additions/Deletions and Approval

Commissioner Every asked that his formal resignation be added to the agenda. City Manager Hernandez requested the deletion of Old Business Item 4, a voluntary annexation agreement with Ark City Industries that still needed to be reworked, and said ACPD Capt. Mark McCaslin was ill and would not be recognized that night.

Commissioner Every read his resignation letter, addressed to Arkansas City citizens, his fellow commissioners and City staff. He handed it to Mayor Giles and stepped down from the dais to applause from the audience.

Commissioner Jurkovich asked why Hernandez wanted to table the ACI agreement for two weeks and if anyone from ACI would speak at the April 19 meeting. Hernandez said there had been some minor changes to the document and he simply wanted to be sure ACI was completely comfortable with it.

Mayor Giles 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.

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

City Commission of Arkansas City Meeting Minutes

Recognition of Visitors

Connie Dykes, 423 N. Fourth St., said Commissioner Every's resignation was sad and lamented that the Ark City Concerned Citizens group on Facebook had not, in her opinion, made an impact on City transparency.

Consent Agenda

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

1. Approving the March 15, 2016, regular meeting and March 22, 2016, special meeting minutes as written.
2. Approving updated Nature of Employment and Equal Employment Opportunity personnel policies.

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

Old Business

New Water Treatment Facility Resolution No. 2016-04-3026

City Clerk Shook presented for discussion a resolution authorizing the City to enter into a contract agreement with Walters-Morgan Construction, Inc. for construction of the new Water Treatment Facility, for an amount not to exceed \$16,815,905, contingent upon review and approval by the Kansas Department of Health and Environment.

Glen Morrison, 1031 N. Second St., recommended delaying a decision on the alternate addition of a sodium fluoride saturator system. He said fluoridation was not settled science and thought it might save on costs.

Dr. Nick Rogers, 2303 Maple Crest Court, said he has been a practicing dentist in Arkansas City since April 1, 1979. He and City Manager Hernandez said Ark City had been fluoridating its water since 1958.

Rogers said Early Childhood Caries (cavities) is four times more prevalent than obesity, five times more prevalent than asthma, and 20 times more prevalent than diabetes in Cowley County and throughout the United States.

He also said ECC is disproportionately spread out among lower-income children and those on Medicaid. He cited statistics from USD 470 that in Ark City, 71 percent of children are receiving free and reduced-cost lunches.

Rogers also said minorities, who comprise 39 percent of Ark City's population, also are more susceptible to ECC.

Fluoride by itself does not stop cavities, he emphasized, because various risk factors must be reduced and many protection factors such as fluoride maximized in order to provide overall cavity prevention and oral health.

Rogers showed how several KDHE graphs compare Ark City to the state, county and USD 465 in Winfield. In every category, its ECC rate is lower than those rates. (Wichita and Winfield do not have fluoridated water.)

Dr. Scott Rogers, 2001 Cedar Crest Court, cited research from at least 40 different entities that he said have nothing to gain from continuing to support fluoridation.

City Commission of Arkansas City Meeting Minutes

If opponents' research is as accurate and correct as they state, Scott Rogers asked, then why do all those entities continue to support community water fluoridation? He asked commissioners to trust local dentists' judgment.

Don Evinger, 1306 W. Oklahoma Ave., congratulated Commissioner Every and said he was the only commissioner working for the people of Arkansas City. He blamed City staff for not fixing infrastructure and tearing things down instead. He said the new hospital was too expensive and the water plant will be, too.

Evinger said that instead of replacing water lines, City crews he worked on used to bore them out. He said things weren't being fixed to justify a new plant and criticized commissioners for already making up their minds.

Steven Young, 1118 N. 10th St., related a story he attributed to Environmental Services Superintendent Rod Philo regarding people who question authority and make waves. He compared Commissioner Every to the subject of the story and said Nestle was going to try to get its hands on local aquifers because it sees water as a commodity.

Young criticized prior practices of not fixing things and transferring money from the utility funds to the general fund. He said he resented Mayor Giles saying police, fire and EMS services could lose funding for fiscal reasons.

Tammie Hedrick, 26387 61st Road, said she was there to vote against a tax and urged commissioners to delay the project in the hope that new technology comes along in the future to treat water. She does not live in the City.

Michelle Dykes, 423 N. Fourth St., commended Commissioner Every for doing his due diligence and asking questions. She said she hoped the other commissioners had done their research.

Dykes said she was a fan of rehabilitating the current water plant, as other communities of similar size have done to avoid a debt load, and asked commissioners how they could support the new plant in light of infrastructure concerns, the situation with the medical center and her concerns about RO water corrosion.

She asked if the commissioners were 100-percent confident that the new plant would do more good than harm.

Mayor Giles said he was and that it was an easy decision for him. Commissioner Oestmann said no one could be 100-percent sure, but he had studied it for a long time and he was most concerned about his grandchildren.

Commissioner Warren said the commission had been working through this process since 2008, including looking at rehabilitation, and he thinks the current proposal is the most efficient plant the City could build. He said it should have been done 20 years ago and the City could not afford further delays. It is \$1.5 million under budget.

Commissioner Jurkovich said he was waiting until everyone had spoken before he addressed Dykes' concerns.

Dr. Mauricio Herrera, 405 North C St., asked the commissioners to delay the project because he thinks the City's total debt load would end up at around \$67 million. He said the issue should be put to a public vote.

John Shelman, 1027 N. Summit St., asked how commissioners could justify the risk of deeper debt before knowing the outcome of the SCKMC sales tax or getting the medical center on more stable financial ground.

Shelman said many people cannot afford higher taxes and water rates, based on the school lunch statistics, and questioned why distribution lines were not going to be addressed before the new plant is constructed. He said rehabilitating the existing plant could be done for less than \$16 million, freeing up money for new water lines.

City Commission of Arkansas City Meeting Minutes

Wesley Bradford, 515 N. Sixth St., criticized Commissioner Warren and the other commissioners for already making up their minds. He said it made the citizens in attendance feel as if their opinions did not matter.

Christopher Peterson, 1325 S. Sixth St., said he was against fluoridation and the new water treatment facility.

Devery Pendland, 214 E. Jefferson Ave., said he was against the new plant and would rather see the current facility rehabilitated. He said cutting out fluoride would save money and urged more attention on water lines.

Creekstone controller Tom Minton said the company and the City could not negotiate a 50-percent increase in water rates. Mayor Giles said that was not an accurate statement of the City's intent in talking to Creekstone.

Minton said Creekstone already was paying rates consistent with other towns and meatpacking plants.

Creekstone counsel Doug Mackay said Creekstone liked the second proposal that was presented on March 22 the best. Mackay urged the City to live within its means and make good decisions. He then left the meeting.

Mayor Giles remarked on Mackay's exit and clarified that the second scenario was not a proposal, but rather a projection of how to pay for the plant and new lines if Creekstone's rates are increased only 2 percent a year.

Commissioner Jurkovich asked Minton if Mackay meant that Creekstone did not want to see a large increase in water rates. Minton said they were confused and had thought that it was a proposal.

City Manager Hernandez said he and Minton talk every month and last talked in February. Those talks were not formal and did not progress toward a contract because the commission had not made that a plant requirement.

Commissioner Jurkovich asked if Creekstone was exploring securing its own water rights or building its own water plant. Minton said there were no plans at the moment, but agreed with Commissioner Jurkovich that if the water rates became too high in the future, that would become a more viable alternative to explore.

Commissioner Jurkovich countered that it perhaps would be best for Creekstone to supply its own water if its rates stay so low that the community continues to pay higher rates in order to subsidize the meatpacking plant.

Minton said Creekstone is not and does not want to be in the business of making water.

City Manager Hernandez said the option previously given to Creekstone, paying for its 40 percent of the plant and then buying water at the cost of production (\$1 per 1,000 gallons), would have totaled about \$8 million.

He said Creekstone's cost for new water rights, a new plant, a new water tower, new wells and treatment would far exceed \$8 million, plus the company would have to attain that \$1 production rate just to break even.

Despite that, he said, the two parties could not come to agreement on the proposal for various reasons.

Minton took issue with the idea that Creekstone was being subsidized because if it stopped buying water, everyone else's rates would rise. He said having the highest rates for high-use users was not good for Ark City.

Gary Wilson, 31684 61st Lane, identified himself as a county commissioner and said if this decision goes bad, it would affect the entire county. He asked why the rates were still being debated if that risks losing Creekstone.

City Commission of Arkansas City Meeting Minutes

Wilson said the commissioners should not proceed with the new plant until knowing how the sales tax vote comes out. He said the upcoming property tax lid could make it difficult to make up the difference in revenues.

He said he has not talked to one person who supports the new water treatment plant or the SCKMC sales tax.

Dotty Smith, 408 South B St., said people already were moving out of town and it will be worse if the water plant is passed. She cited a comment from Commissioner Jurkovich, which he said was made in jest.

Commissioner Jurkovich asked if Smith or Mell Kuhn was on the commission that voted for a new water plant study in 2006. Several people in the audience began to shout and Mayor Giles asked them to stop shouting.

Commissioner Jurkovich then began to address everyone who had spoken to that point, in order.

In response to Tammie Hedrick, Commissioner Jurkovich clarified that a tax was not being discussed that night, nor was an increase in water rates. Mayor Giles asked Hedrick to stop arguing with Commissioner Jurkovich and requested that citizens show the same respect for commissioners that they had while citizens were speaking.

Commissioner Jurkovich said a 2-percent annual increase already was built into the water rates through 2018.

In response to Michelle Dykes, Commissioner Jurkovich said he did not believe there would be any harm from the new plant. He said the better question was if building it is a good decision. He said the current plant is in dire need of maintenance and asked if it was better to spend the same amount to fix it instead of building new.

Commissioner Jurkovich asked Smith if she approved the design-build of a new plant. Smith said her commission agreed to a design-build if they proceeded with building a new plant, but they never proceeded with it.

Smith criticized the City for not giving Creekstone or Kan-Pak a solid proposal for rate increases and warned commissioners against "chasing" the two companies out of town. She said her commission was more interested in rehabilitating the current water treatment plant, even though it looked at design-build of a new plant. She admitted to voting for a design-build contract at one point, but claimed the estimated cost then was \$11 million.

Smith asked if Commissioner Jurkovich could and would vote on the new plant because she thought he was restricted from voting on certain issues. He said he could and would vote on this issue.

Commissioner Jurkovich said to Dykes that a previous commission and two engineering firms thought building a new plant was the way to go, and that all of the professional opinions suggest it would be cheaper than rehab.

Commissioner Oestmann asked Smith why the rehabilitation never occurred, if that was her preferred solution. She said she was not re-elected to the commission and it was the current commissioners' responsibility now.

Mayor Giles asked for audience members to quiet down because the murmur was making discussion difficult.

In response to Dr. Herrera, Commissioner Jurkovich said he appreciated his concern about the hospital, but he clarified that the total debt load would not be greater than the assessed valuation of the City, which excludes schools, the hospital, City buildings, Cowley College and other public facilities.

He admitted that the debt is high compared to the valuation, but the valuation is not the only revenue stream.

City Commission of Arkansas City Meeting Minutes

Commissioner Jurkovich explained that the water plant is an asset that generates value and revenue. He said he will be evaluating whether the new plant will bring good return on investment and therefore high value.

He said people have a misconception about the debt load of the City and are saying the hospital owes \$44 million. He said it owes only \$21 million because that is the amount required to pay it off entirely at this point.

Commissioner Jurkovich said that debt will be a big issue in 2019 regardless of whether the sales tax passes or the new water plant is approved, because the City will have to try to refinance that \$21 million debt somehow.

In response to John Shelman, Commissioner Jurkovich said the real risk is that the water plant needs serious maintenance. Either fixing it or building a new one will cost a lot of money either way. Shelman asked him why it wasn't taken care of. Commissioner Jurkovich said he wasn't on the commission at that time.

He said that when he ran for the commission, he was open-minded about whether to build the plant, but he definitely didn't want to build a plant that would require higher property taxes or skyrocketing water rates.

Commissioner Jurkovich cited numbers from the previous meeting that estimated \$3.5 million in total repairs would be needed just to keep the current plant running if the new plant project is canceled. That does not include the cost of rehabilitating the plant to "like new" standards, said Commissioner Jurkovich.

In response to an audience comment, Mayor Giles said the issue has been on the table for 10 years and there have been countless meetings on the subject since he first was elected almost four years ago.

Dotty Smith came back to the podium and said her earlier comment was in error. She said her commission did not vote for a new plant — it simply voted for a design-build study to be performed.

She asked if two other commissioners possibly would resign this year and, if so, whether they would vote on the plant contract. She said if any of them were planning on resigning, they should do it now or not at all.

Mayor Giles said that regardless if someone wanted to resign later or not, this is a decision the current commissioners have been saddled with since they were elected. He said the more improper thing to do is to resign now and let someone who has not been a part of these discussions make that ultimate decision.

In response to Wesley Bradford, Commissioner Jurkovich said that anyone who votes for new plant obviously does not believe that the City will become bankrupt if it is approved. He said Commissioner Every might, though.

Commissioner Jurkovich said that even if Creekstone has no increase above 2 percent, or even if the company leaves town, the money is there to build the plant. What would suffer most is the reserve fund for replacement.

Replacement of water lines also would have to be slowed. A plan to build a redundant water line across the Walnut River would be scrapped and necessary well rehabilitation likely would have to be spaced out more.

Bradford said that much as children must listen to their parents or face the consequences, commissioners must listen to the people or run the risk of not being re-elected. Commissioner Jurkovich agreed with that assertion.

Bradford said the people had said "no" and that should be the end of the discussion. Mayor Giles said 14 people who had spoken that night said "no," suggesting that perhaps they did not speak for the majority of the City.

City Commission of Arkansas City Meeting Minutes

In response to Devery Pendland, Commissioner Jurkovich said the construction of a new water treatment plant already was in the works when City Manager Hernandez arrived in Arkansas City in the summer of 2011.

Hernandez said the project was initiated by an interim city manager who was hired by Smith's commission. The No. 1 issue in Ark City was identified then as the need to build a new water plant, said Commissioner Jurkovich.

Pendland said all citizens should have access to the same information commissioners have. Mayor Giles said they do and Commissioner Oestmann said it can be found online on the City's website.

Pendland said even a new plant will need some money set aside for things that break. Commissioner Oestmann said that was accounted for in the plant maintenance reserve that was discussed at the March 22 meeting.

Pendland asked if at least the fluoridation system could be eliminated to save on some costs, since the process is somewhat controversial in the community. Commissioner Jurkovich indicated that was a reasonable request.

In response to John Shelman, Commissioner Jurkovich acknowledged that spending millions of dollars on the new water treatment plant would do very little for distribution. But he compared it to a house needing a new furnace — while some blocked ducts may not allow heat to the upper floors, a heater that does not work will not produce heat in any part of the house. Similarly, said Commissioner Jurkovich, a failed plant makes no water.

Shelman asked Commissioner Jurkovich if he would feel differently if his house was one of the ones receiving red or brown water. Commissioner Jurkovich said he would, but he said he had bought a \$500 Sears whole-home filter and a \$200 under-sink reverse-osmosis filter. Shelman retorted that many could not afford those.

Commissioner Jurkovich asked Shelman if he would prefer to delay the plant and only fix water lines. Shelman said he thought the lines needed fixing and he asked what the plan for fixing them would be. Commissioner Jurkovich reiterated that the drinking water is safe, regardless of discoloration.

Public Works Director Broce said, in response to a question from Commissioner Jurkovich, that there are about 40 miles of cast-iron pipe that are the worst distribution lines. Commissioner Jurkovich said they were working to replace half a mile a year, but water rates could be increased to expedite that process, he said.

Commissioner Oestmann said prior commissions have tried to address the water plant, but the time has come to quit postponing it for one reason or another, even with and despite the situation at the medical center. He said the process began back in 2003 and Dotty Smith's commission should have pushed harder to complete it sooner.

Commissioner Oestmann asked the crowd if they had thought about what would happen if there is no water.

Dr. Herrera said this was a big decision and asked again why the issue could not be put to a public vote. City Attorney Niles said that according to state law, this was not a matter that could be voted on in a referendum.

Commissioner Jurkovich said that if the funding was through a bond issue, not a KDHE loan, the citizens could vote, but City Manager Hernandez corrected him and said it still would not be eligible for a public vote.

Dr. Herrera referenced a possible increase in water rates, but Commissioner Jurkovich and Mayor Giles pointed out that already was happening as a result of a City Commission vote in 2014 to raise them 2 percent each year. Commissioner Jurkovich then said this plant was all they had talked about in his three years on the commission.

City Commission of Arkansas City Meeting Minutes

Commissioner Jurkovich acknowledged Connie and Michelle Dykes for consistently attending meetings during that timeframe, as well as Ken Harader. John Shelman asked about the practice of transferring money from the water fund to the general fund and implied that still was occurring. Commissioner Jurkovich said that wasn't true.

Commissioner Jurkovich admitted that the transferred money should have been used to maintain the current plant or prepare for a new one, and wasn't, but that practice ended in 2010 when Richard Chesney was hired.

City Manager Hernandez said the City had outlaid more than \$4 million in cash in the last three years toward water lines. Commissioner Jurkovich said at least something was being done, but water rates would have to become astronomical in order to fix the problems any more quickly. He estimated a total cost of \$100 million.

Commissioner Jurkovich said no lender would provide that much money, which would be five times as much as the projected cost of the new water plant. John Shelman observed that there seemed to be a history of letting infrastructure fall into disrepair in order to justify building new and asked why prior officials didn't maintain it.

In response to Steve Young, Commissioner Jurkovich said he had never met the man and therefore he wasn't doing his job as a citizen. He challenged all attending to do a better job of keeping commissioners accountable.

Young clarified that he said only Commissioner Every had expressed fiscal concern for the financial burdens of the elderly, the poor and the widowed of Arkansas City. He said he didn't like the accusation Commissioner Jurkovich was throwing at him and called it unfair. Commissioner Jurkovich said he felt the exact same way.

Young said that many officials making recommendations to the commission had tenured service going back decades. Mayor Giles asked Hernandez, who was hired in 2011, if he had been in Arkansas City for decades.

Young said he had been overlooked to speak for at least 30 minutes. Mayor Giles said he always has had a policy of allowing anyone to speak at any time on any issue.

City Manager Hernandez said he wanted to address concerns about fixing infrastructure. He said one of his first tasks as city manager was analyzing the budget to detect and stop the improper transfers from the utility funds.

On top of that, he said, much of the general fund was inside the utility funds. That practice ended immediately.

He said one of the first water line projects done under his leadership was a permanent fix to a situation where a previous commission just was putting water filters on the faulty service lines. He said the practice was ridiculous.

He said that in 2011, city officials were not taking care of anything or renewing any water or sewer lines. More work was done in his first two years, he said, than in the previous 20 years, based on calculations from 2013.

Hernandez said the entire mindset had been changed from the bottom up on reporting issues and prioritizing infrastructure, resulting in a reorganization of departments and eliminating non-core services that cost money.

The City has gone from 143 to 133 budgeted positions in the last four years, he said, to eliminate services. He said the 60 to 80 years of neglect was a national phenomenon and it would take many years to take care of it.

Hernandez said no City employees came to work each day looking for ways to make citizens mad. Commissioner Jurkovich said he ran for the commission because he saw the same things that Young was describing earlier.

City Commission of Arkansas City Meeting Minutes

But since becoming a commissioner, he said, he has realized he's actually extremely small and helpless. Young said the commissioners didn't understand what it was like to face a property tax bill and have no way to pay it.

Commissioner Jurkovich related a story about one year when he forgot to budget for property taxes and had a new baby. He said they collected 10-cent refunds on beer cans just to be able to buy ice cream that year.

Commissioner Jurkovich said it was not easy to sit in his chair, but it was easy to complain. Young said it wasn't easy to come forward and speak, either.

Mayor Giles said he agreed with Wesley Bradford that the now-two-hour discussion had gone on long enough and it was time to vote on the issue. City Manager Hernandez said he always makes himself available to visit, but only one person had taken him up on it in the last five months. Young acknowledged that was true.

In response to everyone, Commissioner Jurkovich said he just wanted to discuss everyone's concerns because he acknowledged their frustrations. He felt they needed to have that dialogue, regardless of the voting outcome.

Devery Pendland asked if there would be a plan going forward to maintain and replace water lines. Hernandez said there would be money to do $\frac{3}{4}$ to 1 $\frac{1}{2}$ miles of water lines immediately after issuing a plant contract. He said it would be possible for citizens to see the projects online, including a schedule or timeline.

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

Commissioner Jurkovich asked if anything could be removed from the design in order to save money. Hernandez said staff constantly would look for such opportunities to save money through value engineering, ways and means.

Commissioner Jurkovich asked if Walters-Morgan Construction ever responded to Commissioner Every's letter asking to hold the bid until after the sales tax vote. Mike O'Connell said a letter was received April 1 that confirmed his statements on March 22 were correct — the company will not hold the bid any later than April 9.

A voice vote resulted in three aye votes and one nay vote, with Commissioner Jurkovich dissenting. Mayor Giles declared the resolution adopted and given Resolution No. 2016-04-3026.

Mayor Giles made a motion to approve the alternate addition of a sodium fluoride saturator system to the new water treatment plant design, for a cost not to exceed \$58,380. Commissioner Oestmann seconded the motion.

Mayor Giles said he had absolute faith in and respect for the expertise of all the local dentists who had attended.

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

Mayor's Board Appointments

City Clerk Shook presented for discussion several vacancies on City advisory boards, including the South Central Kansas Medical Center Board of Trustees.

Mayor Giles said that because so many names were added late in the process, he only was comfortable with reappointing Mark Paton to the SCKMC Board of Trustees.

City Commission of Arkansas City Meeting Minutes

Commissioner Oestmann recommended also reappointing Marilyn Stout to the Arkansas City Public Library Board of Trustees. Mayor Giles said he was fine with that reappointment.

City Attorney Niles said there was an additional request to appoint Peggy Soule to the Beautification and Tree Advisory Board to assist that board with making quorum. Mayor Giles said he also was fine with that decision.

SCKMC Board of Trustees chair Carol Hearne said, in response to a concern from Commissioner Jurkovich, that any board members whose terms were expiring would hold their seat until they were replaced.

Commissioner Oestmann asked why some applications did not have more information. He asked for more information about candidates' prior experiences. Staff agreed to provide contact information that was redacted.

Commissioner Jurkovich made a motion to ratify Mayor Giles' reappointments of Paton and Stout, and appointment of Soule. Commissioner Oestmann seconded the motion. A voice vote was unanimous in favor of the motion. Mayor Giles declared the motion approved.

Special or Joint Meeting Regarding South Central Kansas Medical Center

City Clerk Shook presented for discussion a possible date for a special meeting of the City Commission or a joint meeting with the South Central Kansas Medical Center Board of Trustees.

Commissioner Warren said it was his idea to have a third meeting each month devoted solely to the hospital.

Commissioner Jurkovich asked if such a meeting could be held at 5 p.m. prior to a regular City Commission meeting. Commissioner Oestmann asked if that would leave enough time for the meeting.

Commissioner Jurkovich suggested moving the regular meeting back to 6 p.m. City Manager Hernandez suggested that might require altering an ordinance, but City Attorney Niles said meetings were set by resolution.

SCKMC CEO Virgil Watson said any time worked for him, but Dr. Nick Rogers said it would be difficult for some trustees to come that early. Commissioner Warren said he was more concerned about the attendance of hospital officials and not the Board of Trustees. Mayor Giles asked what was wrong with current practice.

The commissioners mutually agreed to continue having hospital officials give a report at the second regular meeting of each month, with no special or joint meetings to be scheduled.

Firefighters Relief Association Charter Ordinance No. 28

City Clerk Shook presented for discussion a second reading of a charter ordinance exempting the City from the provisions of K.S.A. 40-1707, relating to the permissible use of funds by the Arkansas City Firefighters Relief Association, and providing substitute and additional provisions relating thereto.

City Attorney Niles said this was the second time the item was on the agenda and she quickly recapped it.

City Commission of Arkansas City Meeting Minutes

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

A roll call vote was unanimous in favor of the motion. Vice Mayor Oestmann declared the charter ordinance approved and given Charter Ordinance No. 28.

New Business

New Folder-Insert Machine Resolution No. 2016-04-3027

City Clerk Shook presented for discussion a resolution authorizing the purchase of a new folder-insert machine from Midwest Single Source for an amount not to exceed \$11,621.

Finance Director Cornwell said the machine was a crucial piece of the Finance Department's utility billing operation. She said the current machine was leased and the state contract would save the City about \$6,000.

The current lease payments for this machine and a postage machine ran about \$7,500 for each of the last five years. In addition, the current folder-stuffer was a refurbished machine that is developing several problems.

Commissioner Oestmann asked how many envelopes the new machine could handle. City Manager Hernandez said it could process 3,600 envelopes per hour and it could fold eight to 10 sheets of paper at a time.

Commissioner Warren asked about a warranty and Hernandez said it was for five years, with the first year included in the quoting pricing. After that, it would be about \$2,400 per year for warranty support. Hernandez said the new machine should last for more than the warranted five-year period.

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 Giles declared the resolution adopted and given Resolution No. 2016-04-3027.

Approval of City Insurance Coverage for Property, Liability, Vehicles and Equipment

City Clerk Shook presented for discussion the possible approval of City insurance coverage for property, liability, vehicles and equipment for 2016, for an amount not to exceed \$187,989.

City Manager Hernandez said the coverage renewed April 1 and was for a \$6,000 increase over the prior year.

Mayor Giles made a motion to approve the new insurance coverage. Commissioner Jurkovich seconded the motion. A voice vote was unanimous in favor of the motion. Mayor Giles declared the motion approved.

City Manager Updates

Public Information Officer Andrew Lawson gave a presentation about the new City website, launching April 13. He demonstrated how the new website was more visually appealing and would be easier for citizens to use.

City Commission of Arkansas City Meeting Minutes

City Manager Hernandez presented a draft of a sales tax fact sheet and asked for commissioners' feedback.

He also announced that the Arkansas City Fire-EMS Department had received a \$7,000 grant for high-angle rescue equipment, but that was offset by the roof having been blown off the Fire-EMS Department building that night.

Other Business

City Attorney Niles said that due to Commissioner Every's resignation, the commissioners would have to appoint a replacement within 20 days or it would go to a special election. It will have to be on the next meeting's agenda.

She also asked for permission to respond to a lawsuit regarding Tango Trucking. The commissioners assented.

Executive Session

City Manager Hernandez asked for a three-minute executive session to discuss the confidential financial affairs of a third party, with no action to follow. The executive session lasted from 8:28 to 8:31 p.m.

Mayor Giles moved to recess to executive session for three minutes. Commissioner Oestmann seconded the motion. A voice vote was unanimous in favor of the motion. Mayor Giles declared the motion approved.

Adjournment

Commissioner Warren moved to adjourn the meeting. Commissioner Oestmann seconded the motion. A voice vote was unanimous in favor of the motion. Mayor Giles declared the meeting adjourned at 8:31 p.m.

THE ARKANSAS CITY
BOARD OF CITY COMMISSIONERS

Chad Giles, Mayor

ATTEST:

Lesley Shook, City Clerk

Prepared by:

Andrew Lawson, Public Information Officer