

The Council of the City of Wellington, Kansas, met in Regular Session on February 6, 2018 at 6:30 p.m., in the City Council Room, City Administration Center, with Mayor Shelley Hansel presiding.

The Pledge of Allegiance was led by Mayor Shelley Hansel.

The Invocation was given by Reverend Val Warman of Mayfield Federated Church.

Council members Kip Etter, Kelly Hawley, Jennifer Heersche, Kevin Dodds, Joe Soria, and Jim Valentine were present at roll call.

Members of the Staff present were City Manager Shane Shields, Finance Director/City Clerk Carol Mericle, City Attorney Shawn DeJarnett, Public Works Director Jeremy Jones, Assistant City Manager for Utilities & IT Jason Newberry, Code Compliance Official/Engineering Aide Jamie Cornejo, and Landfill/Sanitation Supervisor Nathan Nuss.

AUDIENCE PARTICIPATION

There was no audience participation at tonight's meeting.

CONSENT AGENDA

Council member Dodds, moved to approve the Consent Agenda. Council member Heersche, seconded the motion. The motion carried. The following items were approved under the Consent Agenda.

➤ APPROVAL OF MINUTES

- 1) Regular Session of January 16, 2018
- 2) Work Session of January 23, 2018

➤ APPROVAL OF APPROPRIATIONS

- 1) Payroll Report for January 7-20, 2018 \$235,192.36
- 2) ACH Authorization Voucher #1086 for BCBS for January 10-16, 2018
- 3) ACH Authorization Voucher #1087 for BCS for January 17-23, 2018
- 4) ACH Authorization Voucher #1088 for BCBS for January 24-30, 2018
- 5) Claims Register for January 13-31, 2018 \$1,351,872.11

➤ RECEIPT OF COUNCIL CORRESPONDENCE

- 1) Clerk's Report for December 2017
- 2) Treasurer's Quarterly Report for October 1, 2017-December 31, 2017
- 3) Local Retailer Sales Tax & Compensating Use Tax Report for December 2017
- 4) Electric, Waterworks, Sewage Utility Operating Fund for December 2017
- 5) SMRC Financial Report for December 2017
- 6) HCA Board of Director's Meeting Minutes for December 21, 2017
- 7) Code Compliance Enforcement Report for January 2018
- 8) Demo/Building Permit Report for January 2018
- 9) Memorial Auditorium Board Meeting Minutes for January 4, 2018

- 10) Planning Commission Meeting Minutes for January 9, 2018
- 11) WRC Board Meeting Minutes for December 19, 2017
- 12) Airport Advisory Board Meeting Minutes for November 20, 2017
- 13) Correspondence from Cletas Rains, CEO/General Manager, Sumner Cowley Electric

RE: Requesting Franchise

- 14) Correspondence to Cletas Rains, CEO/General Manager, Sumner Cowley Electric

RE: Response to Request

REPORTS OF MAYOR AND COUNCIL

Council member Valentine shared an update regarding the Lincoln building. He asked that everyone be patient as this is a process. Council member Valentine thanked the Street dept. for the new culverts and the cleaning of the streets. He also told the new Council members to think of their constituents when making decisions for the City of Wellington and to do the best they can.

Council member Soria shared a thank you to the Electric dept. for putting up the new poles around town. He also told about the first SRMC meeting that he attended.

Council member Dodds shared about the progress at the Lincoln Place building. He requested at the next meeting he would like the local representative from Cowley College to give an update on the progress.

Mayor Hansel thanked Council member Heersche and City Manager Shields for going to Topeka on February 7, to represent Wellington and Sumner County by visiting our South Central Kansas legislators. She also told about the 8th grade girls' basketball team winning the Pioneer League Championship two years in a row. Mayor Hansel also asked everyone to support the local Regent Theatre and attend the movie this weekend. She asked Director Jones to give an update on the Sanitation Department. Director Jones stated that out of the seven employees needed at the Department, they are down to five. The Department is also down two trucks at the moment as they both are broke down and both need to have parts shipped here to repair them.

Council member Soria asked if the CDL licensed employees at the Sanitation Dept. have VCR books which are for maintenance on the trucks. He explained the book to the Council. Director Jones stated that each morning the employees do walk-arounds and inspect the trucks. They are able to catch some issues but not all of them. Council member Valentine referenced the importance of maintenance. Director Jones told of the parts that were needed and that this was the first time for these types of repairs.

REPORTS OF CITY OFFICIALS

Cowley-Sumner Campus Site Plan-Memo from Jamie Cornejo, Code Compliance Official/Engineering Aide. Code Compliance Official/Engineering Aide Jamie Cornejo told that the final two components of the Cowley College project were submitted on January 23, 2018 to the Planning Commission. After review and discussion, it was approved by the Commission. These two components were for signage and parking. He explained the parking plan for overflow parking. At a previous Planning Commission meeting, gravel with grass over it was agreed upon. Cowley College is now asking for additional compaction and native grass with no gravel on it. Code Compliance/ Engineering Aide Cornejo reported this went to the Planning Commission and a motion was made to complete the arrangement as it

was and it was accepted 4-2, so he is bringing it to the Council as an update. Council member Etter told about a plastic grid material that is placed a few inches under the soil that is durable and inexpensive. Director Jones said it would be Cowley's decision to decide on this product. Cheri with Agora Architecture is here this evening and explained the need for the change. Cowley College is trying to keep the cost down and feels that the geo grid product is too expensive for this large area. Director Jones stated that a motion for the signage needs to be made and the parking change can be addressed at a later date. Council member Etter moved that we approve the signage and exterior lighting plan as submitted for the Cowley Campus. Council member Hawley seconded the motion. The motion carried. Mayor Hansel asked if Director Jones and Code Compliance Official/Engineering Aide Cornejo were comfortable with what the Planning Commission approved for the parking. Director Jones stated that Cowley did meet the requirement for 40% of students. The community room will have an occupancy load of 100, which would potentially require more parking. If we get to the place where public streets will need to be used, then we will have to look at restricting parking in specific areas.

Utility Account Information and Census Data- Memo from City Manager Shields. He explained and read the utility account numbers for Electric and Sanitation customers, stating Electric service accounts as of December 2017 were 4,579 accounts, and Sanitation service accounts as of Dec. 2017 were 3,309. Manager Shields also included information from the United States Census Bureau as of 2010 showing Wellington with population of 8,171. The figures were for owner-occupied housing population rate at 65.3% (2,119) vs. renter occupied properties housing population rate at 34.7% or (1,127) in Wellington. Also provided is the population estimate as of July 1, 2016 which is 7,889 residents living in Wellington, showing a loss of 283 people.

PUBLIC HEARING

There were no public hearings.

ORDINANCES

AN ORDINANCE CHANGING THE BOUNDARIES OF THE ZONING DISTRICT AND AMENDING THE ZONING MAP AS ADOPTED BY ORDINANCE NO. 3826 (*Wartick*) was introduced and considered. Code Compliance Officer/Engineering Aide Jamie Cornejo shared that on January 9th, Mr. John Wartick submitted a plat lot split plan of 35 acres into 3 separate individual parcels, two parcels of 14.75 acres, and one parcel of 6 acres. He is also asking for approval to re-zone the 6-acre parcel from agricultural to residential suburban that would allow for this parcel to be developed with current zoning regulations. It was unanimously passed on January 9th by the Planning Commission. Council member Dodds made a motion to adopt the Ordinance. Council member Etter seconded the motion. Upon roll call vote, those voting "AYE" were Council members Soria, Valentine, Etter, Hawley, Heersche, and Dodds. There were no "NAY" votes. Number 4221 was assigned to this Ordinance.

RESOLUTIONS

A RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL OBLIGATION BONDS, SERIES 2018, OF THE CITY OF WELLINGTON, KANSAS was introduced and considered. City Manager Shields stated that the authorization for GO bonds was done back on November 21, 2017 in the amount not exceed 2.1 million dollars for the purpose for paying a portion of the cost of certain refuse costs, collections, billing, and equipment. The exhibit attached calls for the sale of Bonds in the amount of 1.95 million dollars. John Haas, of Ranson Financial group, explained the process to the new Council members. He said the City of Wellington has an A+ rating and is in good financial shape to proceed. Council member Dodds asked if we had already done the bond rating for this project. Mr. Haas explained it was obtained for the last bond issue recently. Council member Soria asked

about the bonds we currently have. Mayor Hansel asked John Haas if the City can handle more bonds. John Haas explained how bonds are paid for by different revenues, and some are paid from the Utility revenue. Council member Valentine stated this money still comes from the citizens who pay their utility bills to support these things. Council member Etter asked if this bond would be paid through the Sanitation revenue. John Haas agreed the City will pay for it through Sanitation funds with rates established to make the debt service payments. Council member Etter stated that we are collecting funds from the Transfer Station from outside the area that will help support this fund. He talked about options that have been discussed in the past two years regarding this issue and to him this makes the most sense. Council member Etter also answered Council member Soria's remarks about the reports he referenced about federal travel logs. Those are only required to be turned in by a driver that is dispatched on a trip for more than one day. He is not saying that there shouldn't need to be paperwork turned in, he just wanted to clarify we are not in violation of any laws at this time. Council member Etter made a motion to approve and authorize the offering for sale of General Obligation Bonds Series 2018, of the City of Wellington, Kansas. Council member Hawley seconded the motion. Upon roll call vote, those voting "AYE" were Council members Hawley, and Etter. Those voting "NAY" were Council members Heersche, Dodds, Soria, and Valentine. The Resolution did not pass. Council member Dodds asked if Mr. Jones would bring the option for the Transfer Station back to the Council. He agreed he would. Council member Etter suggested that we look back to privatization of Sanitation collection. Mayor Hansel concurs. Council member Etter explained how our City would have benefited from the passing of this Resolution. He defended the staff to Council member Valentine. Council member Dodds stated that Council doesn't need to debate this issue right now, he is asking for a new proposal. Council member Hawley stated this is not debating the issue, it is just discussing for the future. Director Jones said parts are on the way to repair the two trucks and interviews will begin to fill the two full-time positions available. He recommends a work session to discuss the Landfill building and costs for the future. John Haas stated that he will put together a presentation for the Council to determine how the numbers were presented today.

A RESOLUTION AUTHORIZING THE MAYOR TO SIGN SUPPLEMENTAL AGREEMENT NO. 2 TO THE FEDERAL-AID FUND EXCHANGE MASTER AGREEMENT WITH THE KANSAS DEPARTMENT OF TRANSPORTATION (KDOT) was introduced and considered. Public Works Director Jones told of the federal dollars that are dispersed to cities and local agencies to use on federal projects through the Federal-Aid Fund Exchange. The federal fund exchange rate is going to be reduced from 99 cents on the dollar to 75 cents on the dollar, which means it will be about \$14,000 less to the City of Wellington. He continued the allowance for us to receive the dollars as in the past will now have to be drawn out yearly. The City will have a few dollars less but are glad to still have the program. Council member Hawley made a motion to accept this Resolution. Council member Dodds seconded the motion. Upon roll call vote, those voting "AYE" were Council members Heersche, Dodds, Soria, Valentine, Etter and Hawley. There were no "NAY" votes. Number 5878 was assigned to this Resolution.

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE ORDER WITH NOWAK CONSTRUCTION COMPANY, INC., OF GODDARD, KANSAS FOR THE SANITARY SEWER AND WATERLINE IMPROVEMENTS PROJECT FOR COWLEY COLLEGE-SUMNER CAMPUS, IN THE AMOUNT OF \$320,197 was introduced and considered. Assistant City Manager of Utilities Jason Newberry explained that this is the sanitary sewer and water line for Cowley College. This job was bid together to cut down on mobilization costs. He added PEC advertised the bids to four different companies and it was confirmed with PEC to accept Nowak Construction bid as the lowest bid. Staff recommends going with this bid. Council member Dodds made a

motion to accept this Resolution. Council member Etter seconded the motion. Upon roll call vote, those voting "AYE" were Council members Soria, Etter, Hawley, Heersche and Dodds. Voting "NAY" was Council member Valentine. Number 5879 was assigned to this Resolution.

A RESOLUTION AUTHORIZING A SELL-BACK DIRECTIVE, DIRECTING THE KANSAS MUNICIPAL ENERGY AGENCY TO SELL CERTAIN CONTRACT ENERGY CAPACITY TO THE GRAND RIVER DAM AUTHORITY AND AUTHORIZING THE KANSAS POWER POOL ("KPP"), A MUNICIPAL ENERGY AGENCY TO ACT ON BEHALF OF THE CITY IN SUCH MATTERS was introduced and considered. Assistant City Manager of Utilities Newberry reported KPP told Staff that basically a rule changed at the first of the year that allows us to sell back the energy that we purchase through GRDA. This allows KPP to sell back the power based on the market conditions. It is probably going to be a savings of approximately \$400,000. This will be a group effort from both sides. Council member Valentine made a motion to approve this Resolution. Council member Soria seconded the motion. Upon roll call, vote, those voting "AYE" were Council members Etter, Hawley, Heersche, Dodds, Soria, and Valentine. There were no "NAY" votes. Number 5880 was assigned to this Resolution.

A RESOLUTION ACCEPTING AND APPROVING CITY OF WELLINGTON, KANSAS COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) HOUSING REHAB PROGRAM BIDS, ROUND 1 (ONE), AS SUBMITTED AND RECOMMENDED was introduced and considered. City Manager Shields explained these are the actual bids that have been submitted by the contractors on the four houses that have been approved for the CDBG Housing Grant. There is a letter attached from SCKED that recommends to accept the lowest bid. Council member Dodds asked about the bidding process. Manager Shields said the bid has to go to the lowest reasonable bidder. If this was a project that didn't involve federal funds then ultimately the decision would be up to the Council, however it is not the case. Council member Hawley made a motion to approve this Resolution. Council member Heersche seconded the motion. Upon roll call vote, those voting "AYE" were council members Heersche, Dodds, Soria, Valentine, Etter and Hawley. There were no "NAY" votes. Number 5881 was assigned to this Resolution.

OTHER

City Manager Shields gave details on the Memorial Auditorium heater/air conditioner problem, telling Council it would be most unlikely to get a CDBG grant because the facility had already been granted one. He told he also checked on the USDA Facility Grant and it would possibly qualify for a 55% grant. The median household income in the City has to be below the 75% of the state non-metropolitan median household. He felt that Wellington would not qualify but would continue looking. To replace the existing furnaces only, the cost would be \$13,520. To repair the furnaces would be \$8,700. To replace the existing furnaces and add air conditioning would be \$75,000-\$90,000 plus some electrical work. Manager Shields said funds available in the trust fund are \$45,292, and in the air conditioning fund is \$15,843 for a total of \$61,135. He continued that depleting the entire trust fund would not allow for anything to be repaired in the future and would not completely cover the cost to replace these things. At this time bid documents are being prepared to send out to local contractors.

City Manager Shields addressed the two letters of correspondence to and from Sumner Cowley Electric that were in the Consent Agenda. They have submitted a request for a franchise agreement for them to continue to serve a property in their service territory that is vacant bare ground. He continued there is a statute in place KSA 66-1176 that requires when a City annexes land that is located within a certified territory of a retail electric supplier, the City shall negotiate for the issuance of a franchise a retail electric supplier holding a certificate within the annexed area. The statute provides that the City will have

the final selection of which supplier receives the franchise to operate in that annexed area or if the City will service the area. There are nine factors to be considered. We have asked that Sumner Cowley Electric provide a proposal for serving the area and ask that they address the nine factors. He told a Work Session will need to be called to discuss this when an answer is received.

Council member Valentine asked City Attorney DeJarnett about the animal ordinance. City Manager Shields answered there have been recommended changes made by City Attorney DeJarnett and Prosecutor Kerwin Spencer that were given to City Manager Shields and Chief of Police Tracy Heath. No time table has not been set at this time.

City Manager Shields announced that a work session needs to be scheduled to review all pending Board appointments, and an applicant for the Library Board is still needed.

Council member Etter asked what would happen to the sales tax collected for the hospital, if the hospital closes. Manager Shields said sales tax would cease to be collected if the hospital would completely close. City Attorney DeJarnett will check on the issue.

A motion to adjourn was made. Motion carried.

Approved and filed this day February 20, 2018

Mayor

City Clerk