

The Council of the City of Wellington, Kansas, met in Regular Session on February 2, 2016 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 Hansel.

The Invocation was given by Reverend William Wingfield of Calvary Lutheran Church.

Council members Bill Butts, Kip Etter, Jan Korte, Jim Valentine, Kelly Green, and Vince Wetta were present at roll call.

Members of the Staff present were City Manager Roy Eckert, Finance Director Shane Shields, City Clerk Carol S. Mericle, Public Works Director Jeremy Jones and IT Technician Dan Cooke.

Mayor Hansel spoke about the Special Meeting on Friday, January 29, 2016. She has no doubt the Council did what was in the best interest of the community by supporting the irrigation system for the golf course, there are unanswered questions that need to be addressed and they are owed to the citizens of this community. At the special meeting on Friday, Council member Valentine asked where the money was coming from but no one had an answer. In response, Mayor Hansel asked the City Manager Eckert and Finance Director Shields to bring financial options to the meeting today to discuss later in the meeting. She explained that even though there is a specific budget and a responsibility to stick to that budget, from time to time, things will come up and we have to save the assets of our community and she truly believes the golf course is a tremendous asset.

AUDIENCE PARTICIPATION

Rane Case, 271 E 15th St South, Wellington, KS, spoke to the group about her concerns on the increase in the premium rates for the Retiree Health Insurance Benefit which she and her husband are currently part of. She contacted Jerry Zoglmann around the holidays concerning a personal health care question and at that time was informed by Mr. Zoglmann that the premiums would be increasing about \$400 per month. It was not until January 14, 2016 that she received formal communication of the \$366 per month premium increase. She expressed her concern about both the amount of the increase and the inadequate communication about it. She shared how as a retiree, they have a fixed income, their household has not received raise in over five years and with the additional increase in electricity rates, cannot afford the additional \$366 for the premium. She feels the retired group of participants were targeted and that all participants of the health insurance benefit should share the cost increase equally. She is requesting the Council to reconsider their decision to increase by 50% the retiree health insurance premium.

Council member Valentine asked when she received notification about the increase. Ms. Case responded she received in their mail at her home on January 14th.

Mayor Hansel asked if this was the first she had heard about the increase and Mrs. Case responded that she had heard that there may be an increase around \$400 when she contacted Mr. Zoglmann around the holidays. She expressed her concern at that time.

Mayor Hansel asked Mrs. Case if she had the option of health care with her job. Mrs. Case responded yes, but the premiums are even more than they are with the City.

Council member Etter thanked her for coming and bringing the issue to the Council's attention. He explained if the Council does not know about an issue then there is nothing they can do about it. He explained that he knows this increase is not something unique to the health care industry and that some things are out of their hands. However, he does not disagree with her in regards to the fact that we could have communicated with them better. Citywide, he believes there could be an improvement with communication and he apologized. Mrs. Case responded that she again feels the increase should not have been targeted to just retirees because everyone uses healthcare and retirees have a fixed income.

Mayor Hansel explained that the Council needs to set some better parameters around the insurance and how this is governed so that maybe the Retirees could be covered until the age that they reach Medicare eligible or if they do not have other options. She agreed with Council member Etter that this could have been communicated in a more-timely manner. Mrs. Case responded that with the premium increase and utility increase, her household expenses will raise \$500 per month. Mayor Hansel said she understood and thought that the option for enrollment in other healthcare such as the national healthcare had already expired and again, we should have communicated the increase sooner and she apologized. She does not know if the Council can revisit this or if there are any other options but they will certainly try. She again apologized and let her know the Council appreciated her bringing it to their attention and thanked her for her time.

CONSENT AGENDA

Council member Kelly Green moved to approve the consent agenda as presented. Council member Jan Korte seconded. The motion carried. The following items were approved under the Consent Agenda.

➤ **APPROVAL OF MINUTES**

- 1) Regular Session of January 19, 2016
- 2) Work Session of January 20, 2016
- 3) Work Session of January 28, 2016

➤ **APPROVAL OF APPROPRIATIONS**

- 1) Payroll Report for January 29, 2016 in the amount of \$223,076.37
- 2) Claims Register for January 16 – 31, 2016 in the amount of \$1,070,032.76
- 3) ACH Authorization Voucher #982 for BCBS for January 13 – 19, 2016
- 4) ACH Authorization Voucher #983 for BCBS for January 20 - 26, 2016

➤ **COUNCIL CORRESPONDENCE**

- 1) Clerk Report – December 2015
- 2) Electric/Waterworks/Sewage Utility Operating Fund Report – December 2015
- 3) Local Sales Tax & Compensating Use Tax for December 2015
- 4) Housing Authority Minutes for December 15, 2015
- 5) Planning Commission Minutes for January 26, 2016
- 6) HCA Meeting Minutes for December 17, 2015
- 7) SRMC Financial Reports for December 2016

REPORTS OF MAYOR AND COUNCIL

Council member Etter expressed appreciation to Darin Goodrum, Sumner County Community Drug Action Team (SCCDAT) for bringing to town the speaker John Underwood with “Life of An Athlete”. Although the attendance wasn’t what he had planned or hoped for, around 70 participants attended. Also, he wanted to note that water department was working on a Sunday to fix a water main break in front of Braum’s and he wanted to let them know he appreciated them. He also wants to remind citizens about safety because he stopped and walked over to the employees as they worked on the street that day and even though there were barricades, he noticed several cars driving thru that area at a considerable rate of speed. One of the water department employees told him that it is pretty common for that to happen, especially when work is being done on one of the highways. He asks that citizens take notice of that and please slow down because the last thing we need is someone to get hurt.

Public Works Director Jones wanted to let everyone know that the Water and Street departments will continue to work on that area in front of Braum’s on Thursday, February 4th at 7:00 a.m. through Saturday at 5:00 p.m. The two inside lanes of the Highway will be closed off during these repairs.

Council member Valentine wanted to confirm that the bulldozer was sold for \$34,000, which includes the commission for Purplewave. Director Jones confirmed this amount.

Council member Valentine made a motion to pay Corner Bank to pay on the debt we created by buying a new bulldozer. The motion was seconded by Council member Vince Wetta.

Council member Green asked about standard operating procedure. Director Jones said that in the past, the money had been put into the equipment reserve. Director Shields further explained that he anticipated this issue so he contacted Corner Bank and asked about using that money to make one large payment and although it will not change the terms of the loan, it will bring down the principle.

Council member Etter suggested creating a standard operating procedure for the future. He also suggested using that money towards technology, which we have not done as a City in the past. He believes better technology would make us more efficient. Mayor Hansel asked Mr. Shields if there was a standard operating procedure and Mr. Shields responded that no, except for a logical process of the money going back into the appropriate fund, which in this case would be the Sanitation Reserve Fund. Council member Etter again suggested that since we didn't anticipate spending that money and with interest rates so low, we should consider putting some or all of that money back into the equipment fund so we don't have to borrow money again.

Council member Korte had additional questions about the lease agreement with Corner Bank regarding payments and interest rates. Director Shields explained that the payments will not change – those are set – but we would save some amount of interest.

Council member Valentine suggested a policy be implemented immediately to put the money towards the debt, not deposited into an account. He felt we should pay off as soon as possible because we don't know what is going to happen down the road with interest rates.

Council member Green asked Director Jones about the future spending needs for that fund. Director Jones said we have two trash trucks that are fairly old but he doesn't have a preference on how the money is spent – he just wanted to give the Council options.

Mayor Hansel reminded the Council that there was a motion and a second to put the money from the sale of the bulldozer toward the loan at Corner Bank. Upon roll call vote, those voting "AYE" were Council members Wetta, Korte, Butts and Valentine. Those voting "NAY" were Council members Green and Etter. The motion was carried to pay Corner Bank.

Mayor Hansel thanked the Council for a positive discussion. She congratulated the Wellington Chamber of Commerce for their successful Annual Banquet event on Friday, January 29, 2016 and congratulated award winners Susan Treft of Susan's Portraits for her "Business of the Year" award and Ty Sober for his "Distinguished Service" award. Both were very deserving. She also shared her congratulations for Wellington High School Crusader Varsity Girls basketball team being #2 in the State. She also agreed that Mr. Goodrum brought in a good speaker and that the SCCDAT is really trying to make a difference.

REPORTS OF CITY OFFICIALS

City Manager Roy Eckert opened discussion about the resolution regarding the irrigation system for the Wellington golf course. He asked Director Shields to discuss funding options. Mr. Shields read the memo on the golf irrigation system. Manager Eckert recommended lease/purchase as financing options with the TORO dealer are fairly high and he doesn't believe it is a viable option. He has already talked to a few local financial institutions. He also informed this option would need to be put out to bid.

Council member Valentine wanted to know who drew up the resolution. Attorney Mike Brown responded that he was called upon to draw it up on the spot while the Council was in Executive Session on Friday, January 29th. Mayor Hansel explained that in Robin Hubbard's absence, there is a shifting of

duties and with this resolution, she honestly believed it would be prepared and brought to the work special meeting. Since it was not, Mr. Brown was volunteered to do it. Council member Valentine also questioned who could call a special meeting and whether the meeting on Friday constituted a Special Meeting. Attorney Mike Brown clarified that there are three possibilities who can call a Special Meeting and the Mayor does have the option to call a special meeting. Mayor Hansel explained that the combination of the need for an Executive Session for the acquisition of real estate coupled with the time concern with the ordering and financing of the irrigation system for the golf course warranted a Special Session.

Council member Valentine asked if there was a bid sent out for the irrigation system. Mayor Hansel did not know and deferred to Council member Etter who replied that based on a discussion with the Director of Golf Derek Harrison, the irrigation system is a very unique and specialized field and the company chosen is the only one. With regards to the timing of the project, he discussed with the superintendent of another very large golf course in another state who said the timing of the order was perfect because even one more week later, the meeting of the National Golf Course Association would have timing issues that would have pushed the project 12 or more weeks later. City Manager Eckert confirmed that although no one has been paid, the order has already been placed and needs to be manufactured, it is not sitting on a shelf somewhere and it takes three months from time of order to installation.

Council member Valentine questioned the amount of \$113,000 for the golf course project and wanted to know what reserve fund that money was coming from. Director Shields explained that the Council pledged \$150,000 about two years ago towards a Golf Course Clubhouse Renovation Fund, providing it would be matched by \$150,000 in private donations or contributions. Of that \$150,000, a portion of it has been used towards the design of a new clubhouse and that has already been expended. The balance \$111,161.50 remains in the Reserve Fund. Mayor Hansel reminded the Council that the City is completely non-compliant with ADA when it comes to that structure.

Council member Etter informed the Council that after discussions with Director Dereck Harrison, the 50% matching contributions requirement is not going to be an issue and will most likely be surpassed. This is a totally separate issue and while important, takes away from the funds to make the clubhouse ADA compliant.

Council member Korte said she remembers the Council making the pledge of \$150,000 and feels that pledge should be honored and the money should be left there. She is in favor of financing the entire cost of the irrigation system through one of the local banks.

Council member Valentine asked if the City or the Golf Association should finance this. He feels this is the Golf Association's responsibility. Not the taxpayers. Manager Eckert explained that the golf course is owned by the City and the swimming pool is owned by the City. But the City spends more money maintaining the pool in three months than they do for the entire year for the golf course and they are both assets to the City. He added that rental fees and such from the golf course help to pay for different things that are needed there. Since it is a municipal golf course, not private, the City has an obligation.

Council member Etter reminded the Council that the golf course is an asset to our community and is a tourism draw. He is not sure that the Golf Association would put up the money to assist as it is not their golf course to finance. It is our responsibility.

Council member Butts made a motion to put this out for bid to the banks for a lease/purchase and seek the entire amount for the golf course irrigation system. Council member Korte seconded the motion.

Upon roll call vote, those voting “AYE” were Council members Butts, Etter, Green, Korte, Valentine and Wetta. There were no “NAY” votes.

Mayor Hansel opened the discussion regarding the vacancy for the Health Care Authority Board. City Clerk Mericle reminded the Council that they had a memo in front of them regarding the vacancy due to the resignation of Tami Klindedist in August 2015 and even after numerous publications, the City still has not been able to fill it. Teri Stinson has applied to be on the appointment list for numerous boards but she was asked by the Health Care Board since there was an immediate need. A motion is needed to appoint her to that board.

Council member Korte moved to appoint Teri Stinson to the Health Care Authority Board for the remainder of the term which expires April 30, 2017. Council member Green seconded the motion. The motion carried.

Finance Director Shane Shields presented the 2015 year-end financial preliminary report. He reminded everyone that the packet is available online. Mayor Hansel thanked him for his detailed information and asked for questions from the Council.

Council member Etter asked Director Shields if there were any areas of concern that he would like to share that the Council may not be able to immediately see. Director Shields said the areas they should be aware of are the Golf Fund, which ended in a negative year end which will have to be covered out of the General Fund. Tourism and Convention: contributions to outside groups were paid for by the General Fund with the hope of being able to reimburse and we were only able to reimburse a portion. Hopefully the revenue will increase this year. Also, the Sumner Regional Medical Center is in a position of debt to the City.

Council member Wetta wants to make sure the public knows the City has supported the hospital in a big way the last few years.

PUBLIC HEARINGS

There were no public hearings included in the agenda.

ORDINANCES

There were no ordinances included in the agenda.

RESOLUTIONS

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH KANOKLA NETWORKS OF CALDWELL, KANSAS FOR WEBSITE DESIGN AND DEVELOPMENT FOR THE AMOUNT OF \$3400.00 was introduced and considered.

City Manager Eckert explained that the City has spent quite a bit of time searching for website designers that could meet our needs. The two sites that most closely met these were Civic Plus, out of Manhattan, KS, with a bid amount of \$14,524.00. Kanokla bid \$3,400.00 and we really liked their site designs and of course cost is a huge part of that but they discussed a quick implementation turn-around.

Mayor Hansel introduced Dan Cooke, IT/GIS Technician for the City of Wellington. Mr. Cooke explained that Kanokla was a better choice because they offered not only a much better price but more one-on-one as far as training and support. He stated that the implementation timeline, if passed, should have a test site for managers by the end of February with the live site mid-March or April.

Mayor Hansel asked Mr. Cooke if the City would be partnering our website with the Chamber, since they also use Kanokla for their web design. Mr. Cooke replied no, he thought it was a good idea but we had unique needs. Mayor Hansel added that for customers, a similar look and feel or logo would be helpful to keep the City entities united. Mr. Cooke said it was something he would consider going into the future.

Council member Green asked if this fee was one time only. Mr. Cooke said the \$3400 would be

for the web design but we would be working with Sumner Communications for web hosting at an additional small cost.

Council member Green asked if we were solving issues we have with current provider such as security and maintenance. Mr. Cooke said yes, this would keep portions of the maintenance in-house and be much more user friendly. It will also be mobile friendly if you use the website from your phone.

Council member Green moved to adopt the resolution as presented. Council member Korte seconded. Upon roll call vote, those voting "AYE" were Council members Butts, Etter, Green, Korte, Valentine and Wetta. There were no "NAY" votes. Number 5725 was assigned to this resolution.

A RESOLUTION BY THE GOVERNING BODY OF THE CITY OF WELLINGTON, KANSAS TO APPLY FOR THE 2016 KANSAS SMALL CITIES COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FROM THE KANSAS DEPARTMENT OF COMMERCE AND AUTHORIZING THE MAYOR TO SIGN AND SUBMIT SUCH AN APPLICATION was introduced and considered.

Mayor Hansel explained that this was simply an approval to begin the process of applying for the grant after submitting a Housing Assessment Tool (HAT) with a committee.

Council member Green informed the Council the HAT tool is a requirement to apply for the grant and if approved, could be up to \$300,000.00 but we have to complete a housing assessment tool by appointing a committee. At this time, we have two City employees; two council members, herself and Council member Butts who have volunteered to be part of the committee; a local real estate investor and local realtor; two from the general public and looking for probably four more. She added if anyone is interested, let her know. The more diverse and large the group is, the better it looks when presented and increases our odds. We would like to be able to get someone one there from social services, churches, and the school district. Please contact herself, Council member Butts, or call down to City Hall for more information if interested in joining. She said it is a 3-month procedure.

Mayor Hansel commented that the HAT project will give the City a blueprint of what our challenges are when it comes to housing in Wellington, KS.

Council member Etter moved to adopt the resolution as presented. Council member Green seconded. Upon roll call vote, those voting "AYE" were Council members Butts, Etter, Green, Korte, Valentine and Wetta. There were no "NAY" votes. Number 5726 was assigned to this resolution.

STUDY ITEMS

There were no study items included in the agenda.

A motion to adjourn was seconded and carried.

Approved and filed this 16th day of February, 2016.

Mayor

City Clerk