

The Council of the City of Wellington, Kansas, met in a Work Session on June 13, 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.

Council members Kip Etter, Jennifer Heersche, Kevin Dodds, Joe Soria and Jim Valentine were present at roll call. Council member Kelly Hawley was absent, with prior notice, at roll call.

Members of the Staff present were, City Manager Shane Shields, and Finance Director/City Clerk Carol Mericle, Public Works Director Jeremy Jones, Assistant Manager of Public Utilities Jason Newberry, Fire Chief Tim Hay, Police Chief Tracy Heath, and Airport Manager Matt Wiebe.

AUDIENCE PARTICIPATION

Bob Leftwich, of Impact Bank, asked to speak to the Council and they agreed. He told of meetings with City Manager Shields, Mayor Hansel, and Council member Heersche. He also mentioned the meetings that he has had with the three main employers in Wellington and finds that residents have issues with living here. It was Mr. Leftwich's recommendation to put together a comprehensive plan that would be positive for our community and add it to the City website. Mr. Leftwich told about Valley Center's plan and that their comprehensive plan is on the WSU website. Council member Dodds asked what the Council's role would be in producing this plan. Mr. Leftwich stated that a meeting would need to take place with the Council in the beginning to have them on board. The last strategic plan was done in 2010. The cost to Valley Center was \$12,000 to WSU for the plan. Council member Etter told that he agreed with this plan. He feels that the lack of image and lack of technology is a big problem and added the City definitely needs a better image. Public Utilities Manager Jason Newberry explained the transition was made because the website was hacked. It was on budgeted funds and the decision was made not to do the changes. Mayor Hansel thanked Mr. Leftwich for starting the meeting by sharing a positive vision. Mr. Leftwich finished by stating people need to post good things not just the bad that surrounds our community.

REPORTS OF CITY OFFICIALS

The 2019 budget preparation sheets were distributed by City Manager Shields for preliminary discussion. He told the Council the goal tonight is consensus from the Council on General Fund contribution amounts, and the direction if the governing body wants an election to exceed the tax dollar limit. The cost of an election would be approximately \$11,000 to increase the levy. He added the tax dollar limit is not known at this time, until we receive the estimated value amount from the County Clerk. City Manager Shields asked for the consensus of the governing body for the capital purchases and projects that have already been recommended for delay or if you want to make any changes to what was submitted. City Manager Shields continued with the budget information and explained the tax lid. He reported on the funds that are not tax levied, as found in the agenda

City Manager Shields told of the FAA grant for the design and reconstruction of the apron at the Airport. The City received notice of award of the grant for the design recently with the City cost of \$3,750 towards the \$75,000 cost. If accepted, then the City would submit an application for the reconstruction with an estimated cost of the apron of \$1,200,000. With the FAA grant the City's cost would be \$120,000. He continued that accepting the design grant gives us two years to complete the design and the second year we would apply for the grant for the actual reconstruction of the apron. It is highly unlikely that the grant would not be awarded. We would have two years to complete the project. Mayor Hansel asked what the apron is. Airport Manager Wiebe explained that the apron is the main parking area for aircraft. The reconstruction would lay concrete to withstand the heavier aircraft. Council member Dodds stated that the consensus is to go with project on Airport with 90% paid by a federal grant.

City Manager Shields continued that the Equipment Reserve Fund will get a transfer from General fund for \$200,000 and he mentioned what projects would be delayed. He explained the need to replace the travel car with a newer vehicle. The intent would be to watch for a Federal or State surplus vehicle for around \$15,000. Council member Dodds asked about raising the amount needed for permission to purchase above \$10,000 for surplus vehicles purchased. He would like to raise that officially in a future meeting.

City Manager Shields gave the Capital Improvement Fund report regarding the 9th Street improvements. The initial cost is \$545,000. The City is funding that with the Street Reserve amount of \$226,000, using the Federal Fund exchange dollars of \$72,500, and using 2018 Street budget for materials of \$82,000, and then use the remaining bond funding that is available from the Lincoln street project of \$79,300. And the final part of the financing is bond funding that was previously assigned to the Quiet Zone project in the amount of \$85,200 that has not been used. He told the history of that project and said the City can chose to use that funding for 9th Street. Council member Etter gave his concerns on eliminating the Quiet Zone project. Public Works Director Jones explained the concerns of property owners with the barriers to be created and that some of the drive ways would not be able to be accessed with certain vehicles. City Manager Shields told of a meeting with BNSF to close the crossing at Meridian and 4th Street and to further eliminate the grade crossings. Council member Etter talked about the importance of 9th Street improvements and that they are needed to attract potential new citizens to Wellington. Director Jones explained that a new water line will be replaced this year prior to the street improvements on 9th Street in 2019.

City Manager Shields continued that the Boundary Road project is set to be bid soon. If that project comes in over the estimated cost, additional funding may be necessary. Staff is working to resolve an issue regarding Boundary Road. Initially Boundary road was approved with the 2013 Ordinance for the motel to be built. Council elected in 2017 to go ahead and proceed to do Boundary Road without having a current developer on board. Staff is working with the Bond Attorney to work on a resolution to the issue. He also told the Hillside Avenue project direction was to obtain some estimates for that. The initial estimate from PEC is for \$431,000. At this time the Hillside project is not included in the budget for the 325 fund. An alternate estimate is \$305,000. That project would require a significant need for additional revenue from the General Fund, which would require a tax increase and would lead to an election. This is not included in the 2019 budget.

City Manager Shields told the capital expenditure of \$50,000 for golf carts is still in the budget. The water plant and water well expansion was delayed until getting the water plant study. Assistant City Manager of Public Utilities Jason Newberry explained that PEC will be here to start the design study on the Water Treatment Plant on June 14th.

Council member Heersche asked about the delayed sewer project on the E 160 corridor. Manager Newberry told that the sewer was extended out to Seneca Road and 160 highway. The last man hole is on the north side of the highway and is called the Beaver Creek Sewer Extension. This did include a lift station. He said the estimate is two years old that we currently have. She also asked about Worden Park sewer line. Manager Newberry said it is an extension from H and Hillside. He added there are holding tanks at Worden Park that are vacuumed out several times a week during busy times at the park.

Council member Etter asked about the LED street lighting. He feels that it is an important project. Manager Newberry said the Electric Department is already starting to replace with LED when a light goes out. Council member Etter asked about the removal of the zebra mussels and the delay for the project.

Manager Newberry told this has been delayed one year as divers recently checked and found it was not as bad as expected. Zebra mussels are detrimental to the fish and wildlife living in the lake.

City Manager Shields reported on the Sanitation-Landfill fund. He told about the lease purchase proposed for the equipment needed. He also mentioned the design for the Airport plan which included the apron.

City Manager Shields shared the Contribution listing for 2019, and asked for direction toward funding. The Chamber of Commerce is requesting \$40,000 and that comes from the Tourism Fund, and the SCEDC amount comes from the Utility Fund. All other requests comes from the General Fund. For the new Council members the proposal from the Humane Society requested \$25,000 for a three year period. 2019 would be the third year of that funding. Council member Heersche asked if the County was matching any of those funds to the Humane Society. City Manager Shields said no, to his knowledge they were not matching funds. The Humane Society is ready to break ground and are in the process of hiring a director. Plans are approved and staff is ready to issue permits. Mayor Hansel questioned \$40,000 for the Chamber of Commerce that was requested for 2019. City Manager Shields explained that revenue is watched throughout the year. If funds are not received, then expenditures will have to be eliminated. Of those funds \$10,000 is for serving as a CVB, \$10,000 is used for the appropriations to other groups, \$10,000 is for Wheat Festival advertising, and \$5,000 is for community advertising. The increase will be \$5,000 for community advertising. Mayor Hansel would like to see documentation on where the money is spent. City Manager Shields told that documentation of this is in the budget packet and is requested every year with applications.

City Manager Shields referred to the 2019 budget prepared for the General Fund that was given to Council members. He told that the budget contains a 2% wage increase. There are no added positions and none were suggested or proposed. He continued in the discussion from with Mr. Leftwich, a suggestion about a City Planner or Engineer has been talked about. Nothing has been done to move forward with this. The Engineer consultant that we use now costs \$800.00 a month. Council member Dodds would like to see a 3% minimum increase wage for employees. Council member Soria agrees that it makes sense to help cover insurance increases etc. for employees to make them feel appreciated and to retain them in their current positions. Council member Etter told how costly it was to train new employees, and how it would benefit to give those employees even another 1% increase besides the 3% raise to help retain employees. Council member Soria asked both the Police and the Fire Chiefs about employee turnover. Chief Heath told of his three new employees. One of them has been here less than a year and is already looking at leaving for another better paying job elsewhere. Chief Hay told of his two new employees that he hired this week. The two they replaced didn't leave voluntarily. Discussion was held on the cost of hiring new employees in Police and Fire Departments.

Council member Dodds asked about the 325 Fund Water Slide Reserve. Currently the Reserve fund has \$159,000 for the slide. He would like to use some of it for a consulting firm to see what is needed to keep the pool going. City Manager Shields stated that all department heads have been asked to provide an outlook for their facilities on each property as to what their needs will be in the future. Public Works Director Jones told of the 30 year pool life and it is currently 19 years old. The piping in the pool house is of great concern and is in bad condition. Council member Heersche asked about the \$10,000 for mulch at Candy Cane City. Director Jones said that is for complete removal and replacement of all mulch in that space. Mayor asked about recycled tires and why they were not used. Director Jones stated that recycled tires are a fire risk and is costly to use.

City Manager Shields shared info regarding the CCLIP KDOT project which is E of 160 and is a project design. It is a \$278,000 project. Only the design will happen in 2019 and will be \$33,000. The actual project will occur in 2020 and with KDOT grant our cost is \$25,000.

City Manager Shields reminded Council members that a consensus needs to be made regarding the contribution funding requests, quiet zone funds, capital expenditures allowed, and a possible election to increase the mill levy. He will know more by the next council meeting on Tuesday. The consensus is to try and not raise taxes but find a way to increase wages.

Council member Heersche asked about the operating budgets and how thinly stretched we are. Director Jones told that in 10 years we have reduced budget no less than 2% each year. We are cutting training, we have cut every line item. We search out vendors and make cuts and sometimes end up getting a bad deal. Staff has done about all they can to make adjustments. Things are very difficult to run a department on \$25,000. Council member Heersche told about possible grant money to help with training employees.

City Manager Shields commented on the golf cart replacement. The timeline to replace was explained and would enable them to not have to replace the batteries. There would be 10 carts replaced at the cost of \$50,000. Council member Dodds said that if any place needs to be cut, this would be a place to start.

City Manager Shields asked for a date to be set for the KPP Orientation. It was agreed to hold the work session on July 24th at 6:30 pm.

The meeting was adjourned.

Mayor

City Clerk