

The Council of the City of Wellington, Kansas, met in Regular Session on August 16, 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, Kelly Hawley, Jan Korte and Jim Valentine were present at roll call. Council member Vince Wetta and Council member Kip Etter were absent at roll call.

Members of the Staff present were City Manager Shane Shields, City Clerk Carol Mericle, City Attorney Mike Brown, Police Chief Tracy Heath, Public Works Director Jeremy Jones and Utilities Director Jason Newberry.

Council member Valentine asked to speak, acknowledging Council member Etter's absence at this meeting, and announced that the Council should accept his resignation. Mayor Hansel asked Manager Shields if he has had any correspondence with Mr. Etter. He answered he has had no contact since last week and there was no indication of his intent. Mayor Hansel explained that at the last meeting Council member Etter left the Council room during the meeting and commented he was resigning. After the meeting she called him and said she asked him to sleep on his decision, and call her the next day and she has had no further contact from him. At 6:34 p.m., Council member Etter entered the Council room and Mayor Hansel informed him the Council was just about to accept his resignation. She asked City Attorney Mike Brown for his legal opinion and he responded that at the last meeting Council member Etter did, in fact, announce that he was resigning. Council member Etter explained he was very frustrated and left before he said some words before thinking. Council member Valentine responded we need unity on the Council and again asked for his formal resignation. After a verbal confrontation between the two Council members, Mayor Hansel called the meeting back to order. Council member Etter again explained his position last week and his concern about how the process to replace the City Manager was not utilized, stating the Council did not follow the agenda. Mayor Hansel responded that she wanted him to be heard but legally Mr. Brown said his verbal resignation stands and she asked him to step down. Mr. Etter left the council room and did not return to the meeting.

AUDIENCE PARTICIPATION

Kansas Power Pool Update. Mark Chesney, CEO/GM and Larry Holloway, Assistant General Manager of Kansas Power Pool (KPP) addressed the Council. They invited the Council to attend several upcoming events: the Fall Planning Retreat on September 9 & 10; their annual Rate Forum at their offices in Wichita on November 10th, which is the first step into the analysis and metrics used to formulate and eventually propose rates that the members approve; and finally, their Annual Membership meeting at the Kansas Municipal Utilities (KMU) new training center in McPherson on December 16th. Mayor Hansel asked Mr. Chesney to explain what the KPP is and does. Mr. Chesney replied that the KPP is one of many joint action agencies throughout the United States. They are one of 24 municipal electric utilities that have come together with a self-governance and membership driven representation for the purpose of doing a variety of things. The high level explanation is they line up long term power supply and reliable transmission service to transmit power & energy to the cities. The governance is that the members come together and elect a Board of Directors from the membership, who serve a term of 4 years each and they set policy that the staff executes. The members, after having a very careful look at the rates for proposal, enact those rates for the upcoming year. Mayor Hansel added that unlike a company like Westar that sells energy to Wichita, we are part of a pool that is able to leverage buying power because of our other partners.

Council member Valentine asked Mr. Chesney to explain the power charge portion of the bill in layman terms. He replied that the "energy cost adjustment" that is found on the wholesale bill that is sent

to the City is forecasted for the entire year by month. The pricing of fuel does incur abnormalities that present a need to adjust the bill from the amount that was rendered. The energy cost adjustment is meant to correct for the deviation for the budgeted amount that was prepared a year previously. Mr. Holloway added that the budget process they look at that they think they are going to sell and what they think the cost will be, revenue versus sales, and come up with an average energy cost. Each month they compare that to the actual and the difference is the energy cost adjustment. Most members in their service areas have experienced a cooler than normal summer the past few years but this year it has been hotter than average. So when looking at bills, it is not just what the customer paid for units but that they consumed more units. Consumption is up and the season has been hotter than usual. Mayor Hansel thanked them for their time.

Chamber of Commerce Updates. Annarose White, Chamber of Commerce Director, spoke of a few upcoming projects. She told of the need for a location for printed materials for visitors to the City of Wellington. She explained this is an idea about a brochure area to possibly be located at the former Antler's Hotel lot. Director White is asking for Council's permission to ask the High School wood shop to build a wooden brochure rack to be installed in the lot, and they will also work with Public Works Director Jones to ensure that the location is not scheduled for other uses. They would like to ask the high school to start the project and then come back to the Council in the fall. Director White also shared the Fall Festival and Homecoming will be October 8th and they expect a large number of people will attend. This year's festival button was designed by Nate Jones and it will soon be displayed to the public. The third item she shared was a small Dollhouse/Model Home to be placed at the empty lot at 15th & Washington to encourage citizens to think about building or remodeling homes in Wellington. It would be funded by the Chamber but located on City property. She added that the house could also be mobile and moved at Christmas time to Heritage Park to be used as Santa's Workshop. The Chamber would also like to place fiberglass art creatures which would be painted symbols important to our town and industries, such as railroad, agriculture or aviation. These items would be privately funded but they are looking for permission to place these items throughout downtown in areas that would be appropriate and safe to the public. They would like to begin these projects sometime this fall. Director White also mentioned the Chamber wants to have a mural campaign with the high school art classes, to showcase different areas. They would have to obtain permission from building owners and would also be privately funded. Mayor Hansel thanked Mrs. White for her ideas and asked about the private funding. Director White explained that individuals and companies could join the Chamber Art Appreciation Committee with donations, which would both fund projects and give donors opportunities to recommend ideas. She already has ideas for projects and has price lists if anyone is interested.

CONSENT AGENDA

Council member Korte moved to approve the consent agenda. Council member Butts seconded. The motion carried. The following items were approved under the Consent Agenda.

- APPROVAL OF MINUTES
 - 1) Regular Session of August 2, 2016
 - 2) Work Session of August 8, 2016
- APPROVAL OF APPROPRIATIONS
 - 1) Payroll Report for July 24 – August 2, 2016 in the amount of \$223,074.44
 - 2) ACH Authorization Voucher #1010 for BCBS for July 27 – August 2, 2016
 - 3) ACH Authorization Voucher #1011 for BCBS for August 3 - 9, 2016
 - 4) Claims Register for August 1 - 12, 2016 in the amount of \$342,919.16.
- RECEIPT OF COUNCIL CORRESPONDENCE

- 1) Clerk's Report for July 2016
- 2) Electric, Waterworks, Sewage Utility Operating Report for July 2016
- 3) Building Demo Permit Report for July 2016
- 4) Police Activity Report for July 2016
- 5) Ambulance Monthly Financial report for July 2016
- 6) Fire/EMS Activity/Overtime/Revenue report for July 2016
- 7) Safety Newsletter for August 2016
- 8) Park Board Meeting Minutes for June 13, 2016
- 9) Memorial Auditorium Board Meeting Minutes for June 30, 2016
- 10) Correspondence from Jack Potucek-Thanks to All City Staff Involved with The Great Race 2016

REPORTS OF MAYOR AND COUNCIL

Council member Valentine asked about the construction at the former Apple Market location. He also wanted to thank Director Jones and the Street Department for their work in front of the Bank of Commerce.

Mayor Hansel thanked the Street crews for their work in repainting the crosswalks in time for the new school year. She wants to remind everyone that school starts next week and to make sure we are all giving the students the right of way and to be cautious.

REPORTS OF CITY OFFICIALS

Review of DRAFT Consent Order – Raw Water. City Manager Shields introduced the consent order and highlighted the changes that City Attorney Brown made upon his review of the document including item #1 adding more history, item #28 reduced content, and item #29 – changed the flow of information. This is just a draft proposal that goes back to KDHE to make sure they are happy with the changes we are requesting and then it will go to the Council for their final approval before the end of September. He asked for questions.

Council member Butts commented that he has attended all the meetings about this subject and it is his feeling that we should consider seeking some help from Legal Counsel that specializes in these issues.

City Attorney Brown agreed and offered that he knows someone and would be willing to contact him regarding co-counsel and then report to the Council.

Manager Shields reminded Council approval was needed on the draft. There was discussion on details and co-counsel. He reminded the Council that two separate motions needed to be made: approval of Consent Order and co-counsel.

Council member Valentine asked where the co-counsel money would be coming from to cover cost. Director Shields replied that it would have to come from the general fund. He reminded the Council that this cost can be compared to the \$300,000 estimate for lines or potential fines if the Council does nothing.

Council member Butts moved to approve the Consent Order with amendment to paragraph #29 to read July 1, 2017. Council member Korte seconded. The motion carried.

Council member Butts moved to proceed forward in looking into co-counsel on the raw water issue. Council member Korte seconded. The motion carried.

Update on 107 W Lincoln – Memo from Building Official Jack. Interim Manager Shields introduced the memo written by Richard Jack, Building Official, which provides updated information on the roof of the building. Mr. Jack has not been able to reach the building owners nor have they returned

phone calls to discuss the status. Manager Shields has conferred with City Attorney Brown to verify the next steps if we either cannot reach owner or are refused entry into the building.

City Attorney Brown said an Administrative Search Warrant is available, which is an administrative order from the Court and would allow us access to the structure.

Mayor Hansel asked if the issue was now access to the building and Manager Shields replied it was. Council member Korte asked for an explanation about the memo that was received. Manager Shields explained that the pool of water on the roof is now gone, as it drained through a hole in the roof into the building. Per Mr. Jack, there doesn't seem to be stress to the walls but the water has gone into the building and is now contributing to the deterioration to the inside of the building.

Update on CDBG Housing Grant Administrator & Inspector/Risk Assessor Recommendations – Memo from City Manager Shields. Manager Shields explained that the Request for Proposals (RFP) were sent out asking for Grant Administration and Inspection and Risk Assessment. We have received two RFPs back regarding administration and only one regarding risk assessment. The selection committee met August 9th to review proposals received. After review, the committee recommends the South Central Kansas Economic Development District (SCKEDD) for administration, which was one of the two proposals received and they also recommend SCKEDD for the housing inspection and risk assessment services. But because they were the only RFP received in this category, they have to have permission from the Kansas Department of Commerce (KDOC) to select them. That was sent last week and they have already received a reply that the KDOC would approve the City's request to contract with SCKEDD. He opened the floor for questions.

Council member Korte moved to approve SCKEDD for Grant Administration. Council member Butts seconded. The motion carried.

Council member Butts moved to approve SCKEDD for Inspection and Risk Assessment. Council member Korte seconded. The motion carried.

PUBLIC HEARINGS

CDBG Housing Rehab Grant – Includes Affidavit. Mayor Hansel opened the public hearing. Manager Shields asked to speak and reminded the group that there was already a public hearing for this. This additional hearing allowed for discussion on the grant revision, which updated the number of houses on the grant to reflect what would be feasible to accomplish with a total of 14 houses; 9 rental units and 5 owner occupied. SCKEDD representative Casey Tillman was available for questions, as well.

Mayor Hansel thanked everyone involved in this project. She reminded that an approval for the grant would be great for housing in Wellington.

There were no other comments. Mayor Hansel closed the public hearing regarding the CDBG grant.

Notice of Budget Hearing 2017 – Includes Budget Hearing Affidavit, State Budget Forms, Final Budget Notes and 2017 Capital Expenditures list. Mayor Hansel opened the public hearing. Finance Director Shields made opening comments. The budget was published in the Wellington Daily News as required by statute. He provided some brief details and reminded everyone that these are estimates based upon estimated valuation and they can change based on final evaluation as of November 1st. There are five pages of information with various notes of information that is important to be aware of, which were provided in the last work session as proposed. He asked for public hearing comment. Mayor Hansel reminded that there is a 5 minute time limit and she welcomed the public to step up to the podium to speak.

Mr. Paul Weber, 617 N. Gardner, expressed concerns about utility rates for the citizens of this town, especially senior citizens. His recommendation was to sell some of the city land he felt was

unused, which could be used to offset utility costs. Mayor Hansel thanked him for his suggestion and spoke of other consumers who shared concerns about higher utility rates, and she found there are many citizens that are not taking advantage of the average monthly payment plan, which will assist consumers in being able to budget utility costs. She highly encourages both residents and business customers look into this option.

Council member Butts asked how many utility customers we had in Wellington. Director Shields replied there is about 4,000 customers. Council member Butts responded to Mr. Weber. He expressed concerns with selling unused City property that one day we may need to use. He explained if the City were to sell these properties and put the revenue towards the utility customers, it would only amount to around a hundred dollars per year each, which although is a savings, is not that substantial.

Mr. Ed Crawley, 523 East 16th Street, addressed the Council because of the amount of his utility bill and replacement of his meter. Director Shields offered to discuss this issue after the hearing closes, as the subject was not relevant to the budget.

Mayor Hansel invited others to speak. No one responded. She closed the public hearing regarding budget.

Mayor Hansel invited Director Shields to speak regarding the meter. Director Shields explained that Mr. Crawley's meter was an older mechanical model and because of the issues that arose, we chose to replace the meter with one of the new electronic meters. They tested the mechanical meter to confirm that it was operating correctly and found that it was. Mayor Hansel added that we replaced the meter to allow Mr. Crawley and the rest of the community to know that we want to ensure that the customer is receiving the most accurate reading when it comes to utility services.

ORDINANCES

AN ORDINANCE APPROVING, ADOPTING AND APPROPRIATING BY FUND THE BUDGET OF THE CITY OF WELLINGTON, KANSAS FOR THE YEAR BEGINNING JANUARY 1, 2017 AND APPROVING THE CAPITAL IMPROVEMENT PLAN FOR THE YEAR 2017 was introduced and considered.

Council member Korte moved to adopt the ordinance as presented. Council member Butts seconded. Council members Hawley, Korte and Butts voted "AYE". Council member Valentine voted "NAY". Mayor Hansel voted "AYE" in order to pass the Ordinance, as an Ordinance requires 4 affirmative votes and allows the Mayor to cast an affirmative vote in order for passage. Number 4196 was assigned to this ordinance.

RESOLUTIONS

A RESOLUTION CERTIFYING LEGAL AUTHORITY TO APPLY FOR THE 2017 KANSAS SMALL CITIES COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FROM THE KANSAS DEPARTMENT OF COMMERCE AND AUTHORIZING THE CITY MANAGER TO SIGN AND SUBMIT SUCH AN APPLICATION was introduced and considered.

Director Shields introduced the resolution and invited Mr. Tillman of SCKEDD to comment. Mr. Tillman explained the current project cost is \$384,250 with \$300,000 grant money and the balance as city match through landlord contributions and Kansas Weatherization Assistance Program funds. This will be taking place in a targeted area that is west of "A" Street and east of "G" Street between 8th Street and 15th Street within Wellington city limits. This resolution authorizes the City to apply for the grant and certifies they will follow all the rules pertaining to it.

Council member Korte asked what would happen if not enough people apply. Mr. Tillman responded that a portion of the grant would have to be returned to the State and added the City will have two years to obtain all the applicants and get the work done.

Council member Valentine moved to adopt the resolution as presented. Council member Butts seconded. Upon roll call vote, those voting “AYE” were Council members Hawley, Korte, Butts and Valentine. There were no “NAY” votes. Number 5766 was assigned to this resolution.

Director Shields added that a question was posed on whether the City would be willing to waive any of the building permit fees. He responded that the fees are not a significant amount but it would depend on the work that would be done to the houses. He posed the question to the Council so that Mr. Tillman can include the information in the application. Mr. Tillman added that it is not necessary for the City to do this but the money counts towards the City’s portion of the contributions.

Council member Valentine moved to waive the required building permit fees for housing identified under the CDBG program. Council member Butts seconded. The motion carried.

A RESOLUTION APPROVING AND ACCEPTING A BID AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH GRAYBAR, OF SAINT LOUIS, MISSOURI FOR ELECTRIC LINE MATERIALS IN THE AMOUNT OF \$109,845.04 FOR ELECTRIC DISTRIBUTION was introduced and considered.

Director Shields introduced the resolution as part of the electrical project and Bond Issue and would be paid for from bond funds. He invited Director Newberry to comment. Director Newberry explained that this is simply the material needed to start work for pole hardware to do the substation on 81 Highway. He added we received four bids and are recommending the low bid.

Council member Korte moved to adopt the resolution as presented. Council member Butts seconded. Upon roll call vote, those voting “AYE” were Council members Hawley, Korte, Butts and Valentine. There were no “NAY” votes. Number 5767 was assigned to this resolution.

A RESOLUTION APPROVING THE MEMORIAL AUDITORIUM RENTAL APPLICATION PER SECTION 30-378 OF THE CODE OF THE CITY OF WELLINGTON, KANSAS was introduced and considered.

Public Works Director Jones explained that per Code, the Council approves the fees and regulations for the use of the auditorium and the Chamber manages the renting of the facility. For the last few months they have worked with the Auditorium Board to come up with the resolution that is being presented tonight. He explained the fees were slightly lowered and simplified and added more specifics on use of auditorium, safety and security.

Mayor Hansel asked about the contract language stating water cooled air conditioning units are now prohibited and Director Jones replied that the water cooled units emit so much humidity that it becomes a long term issue to the building, and added freon units work fine. She also commented that these changes are regarding contracts with customers, and asked when the contract between the City, the Chamber and the Wellington Recreation Center expires. Director Jones replied at the end of 2016.

Director Annarose White added that the Board is meeting this fall to begin the review process of that specific contract and will come back later to the Council.

Council member Korte moved to adopt the resolution as presented. Council member Butts seconded. Upon roll call vote, those voting “AYE” were Council members Hawley, Korte, Butts and Valentine. There were no “NAY” votes. Number 5768 was assigned to this resolution.

STUDY ITEMS

There were no study items included in the agenda.

EXECUTIVE SESSIONS

Council member Butts moved to recess into executive session to discuss confidential data relating to financial affairs or trade secrets of second parties to include Director Shields, City Attorney Brown, Director Newberry, City Clerk Mericle, Supervisor Bales, KPP Representatives Mark Chesney

and Larry Holloway and GridLiance Representatives Kevin Hopper and Brett Hooton, not to exceed 30 minutes. Council member Korte seconded. The motion carried. The Council recessed at 8 p.m.

The Council reconvened at 8:30 p.m. Council member Korte moved to authorize the City Manager to execute a nondisclosure agreement with South Central MCM LLC referred to as GridLiance, in order to protect its confidential trade secrets during any negotiations concerning work that might eventually be done on electrical infrastructure for the City. Council member Butts seconded. The motion carried.

Council member Korte moved to recess into Executive Session to discuss personnel matters of non-elected personnel not to exceed 20 minutes to include the Council, Director Shields and City Attorney Brown. Council member Butts seconded. The motion carried. The Council recessed at 8:34 p.m.

The Council reconvened at 8:47 p.m. Council member Valentine moved to approve the agreement and appointment between the City of Wellington and Shane Shields as the City Manager. Council member Korte seconded. The motion carried. City Manager Shields provided copies of the agreement to the media.

FUTURE AGENDA ITEMS

City Manager Shields had a few reminders and updates: The Kansas Open Meetings Act (KOMA) training session for the Council is scheduled for tomorrow, August 17th in Mulvane at the new public library from 9 a.m. to noon. The address is 408 N. Second. The Council attending will need to identify themselves as representing the City of Wellington.

He gave a reminder that Sherri's Army is Saturday, August 20th. They are covering the area of Washington, A, B and C streets from the railroad tracks to 15th and Ash Street to the old middle school. They will meet at 8a.m. at Panhandle Railroad Museum. All volunteers are welcomed and encouraged.

Manager Shields advised there has been a couple of water main breaks today: One in the 500 block of West 16th. A crew was working on it this afternoon.. May be causing some dirty water in the area, even in the North Jefferson area but they are flushing the system so hopefully that will be taken care of. The second is in the 200 Block of North Washington. They are trying to figure out best time to take care of that, which may be during the night, since it could cause road closing by businesses.

He also reminded Council of the Work Session scheduled for August 22nd at 6:30 p.m. The main topic is Humane Society but there will be a couple more issues to discuss, including the Council vacancy. As a reminder, there is a resolution adopting the process you follow, similar to Board and Commissions. The City Clerk will send out a public notice and take applications for a 15-day period and then the Council will meet to review those applications and the next regular meeting following that date, will take action to appoint.

OTHER

A motion to adjourn was seconded and carried.

Approved and filed this 6th day of September, 2016.

Mayor

City Clerk