REGULAR COMMISSION MEETING MINUTES
WEDNESDAY, JANUARY 13, 2015
6:30 P.M.

The Board of Commissioners met in Regular Session at 6:30 p.m. with Mayor Jim Falkner presiding.

Present:
MAYOR JIM FALKNER
COMMISSIONER MARCUS KASTLER
COMMISSIONER JUSTIN MARTIN
COMMISSIONER CHRIS WILLIAMS
COMMISSIONER CRAIG POWELL
COMMISSIONER JIM C. TAYLOR, JR.

Absent:
COMMISSIONER DON EDWARDS

City Staff in attendance were:
INTERIM CITY MANAGER JAMES GRIMMETT
CITY CLERK CINDY PRICE
CITY ATTORNEY PAUL KRITZ
FINANCE DIRECTOR STEPHANIE RICHARDSON
IT DIRECTOR CHRIS FELIX
PUBLIC WORKS DIRECTOR CHUCK SHIVELY
PUBLIC WORKS DEPUTY DIRECTOR JIM BRADSHAW
ENGINEERING TECH THOMAS OSBORN
ELECTRIC UTILITY DIRECTOR GENE RATZLAFF
HR OFFICER MARILYNN EVENSON
ASSISTANT TO CITY MANAGER TRISHA PURDON

A. CALL TO ORDER – Mayor Jim Falkner

B. INVOCATION – Pastor Nicole Schwartz, First United Methodist Church

C. PLEDGE OF ALLEGIANCE TO THE AMERICAN FLAG

D. REVIEW OF AGENDA

E. CONSENT AGENDA

1. Regular City Commission Meeting Minutes – Tuesday, March 24, 2015

2. 2015 Appropriation Ordinance No. AO-15-06 – $1,519,876.86

MOTION: Move to approve the consent agenda as presented.

ACTION: FALKNER SECOND: MARTIN
ALL AYE

<u>REGULAR AGENDA ITEMS</u>

F. PUBLIC HEARING(s), SPECIAL PRESENTATION(s), & PROCLAMATION(s).

1. Proclamation to declare April as Fair Housing Month.
   - Mayor Falkner read the proclamation which will be sent to the Kansas Department of Commerce.

2. Presentation of plaques to Commissioners Edwards and Falkner.
   - Vice Mayor Kastler presented a plaque to Falkner recognizing him for his time on the commission as well as serving as mayor. Edwards was unable to attend the meeting.

G. COMMENTS FROM THE PUBLIC

The public is free to comment on items not listed on agenda. Public participation is welcome and encouraged for all items on the agenda as the topics are discussed. Please be mindful of others who may also wish to speak and limit your time at the podium appropriately.

- Doug Mund commented on an event for the community featuring Clifton Taulbert on April 30, 2015, at 6:30 p.m. Taulbert will speak on Building Community Eight Habits of the Heart.
- JoLyn Falkner commented on the poor condition of Restlawn Cemetery.

H. OLD BUSINESS

1. Ordinance No. S-15-03 – Second Reading of an Ordinance to approve rezoning property for Acme Foundry from Single Family Residential (R-1) to Light Industrial (I-1) at 1402 S. Willow, 1401 S. Spruce and 1501 S. Spruce.

   MOTION: Move to approve Ordinance No. S-15-03 for adoption.

   ACTION: FALKNER SECOND: MARTIN
   ALL AYE EXCEPT EDWARDS WHO WAS ABSENT.

SEATING OF NEW COMMISSIONERS

1. Swear in Justin Martin, Craig Powell and Jim C. Taylor, Jr.
   - City Clerk Cindy Price swore in Martin, Powell and Taylor.

2. Selection of Mayor and Vice Mayor.
   - Commissioner Martin nominated Chris Williams to serve as mayor through April 12, 2016. All aye except Kastler who voted no and Williams who abstained.

   - Commissioner Taylor nominated Justin Martin to serve as vice-mayor through April 12, 2016. All aye except Kastler who voted no.

I. NEW BUSINESS

1. Resolution No. R-15-39 – A Resolution to approve a water purchase agreement with Coffeyville Resources.
   - Public Works Director Chuck Shively stated approximately one year ago staff began discussions with Coffeyville Resources for a potential water purchase agreement. Allgeier, Martin and Associates performed a flow study to determine what quantity of water could be sold to Coffeyville Resources without detrimentally affecting the City's ability to provide adequate and reliable water to the Industrial Park; it was determined the City could provide up to 1.5 million gallons per day at a flow rate of 1,040 gallons per minute without upgrades to our water system. The proposed agreement authorizes sale of up to 1.5 million gallons per day at a maximum flow of 1,040 gallons per minute, at a cost of $1.75 per 1,000 gallons. Coffeyville Resources would be required to pay a fixed charge for the first one-half of the water whether they use it or not which equals a minimum payment to the City of $1,312.50 per day. Any water used in excess of the 750,000 gallons per day will be paid at the same $1.75 per 1,000 gallons. Based

on the proposed agreement and the 5-year average cost to produce additional potable water, the minimum water purchase of 750,000 gallons or less would result in payments to the City of $479,062.50 per year with the cost to produce the water $202,575; profit to City would be $276,487.50 per year. If Coffeyville Resources purchases the maximum 1.5 million gallons every day for an entire year, the profit to the city would be $552,975 per year. The proposed agreement is for an initial term of 10 years and will automatically renew for successive 5 year periods. CVR General Manager Daren Rains stated the water will be used in the facility's new hydrogen plant.

MOTION: Move to approve Resolution No. R-15-39 for adoption.

ACTION: WILLIAMS SECOND: MARTIN
ALL AYE

2. Resolution No. R-15-40 – A Resolution to dedicate a portion of Fresno Street as a public street.
   - Engineering Tech Thomas Osborn stated bids had previously been accepted for a reconstruction and overlay project for Fresno, however, it was determined a portion of the street north of 4th Street had never been dedicated to the public. Staff has since obtained the right of way and contacted Peoples State Bank of Cherryvale, current owners of the right of way, to see if they would be willing to dedicate the street to the public. The property has been surveyed; this resolution will approve the dedication.

MOTION: Move to approve Resolution No. R-15-40 for adoption.

ACTION: MARTIN SECOND: POWELL
ALL AYE

3. Resolution No. R-15-41 – A Resolution to approve a commercial curb cut for 1505 West Fourth Street.
   - Engineering Tech Thomas Osborn stated the doctors office located at 1505 West Fourth Street is adding parking in their front yard setback due to there being no street parking on 4th Street. In order to accommodate patient parking, they want to widen the entrance to the parking area to 40' at the property line and 60' at the curb which is within allowed dimensions for a commercial curb cut permit. All commercial curb cuts require approval by the commission.,

MOTION: Move to approve Resolution No. R-15-41 for adoption.

ACTION: TAYLOR SECOND: MARTIN
ALL AYE

4. Resolution No. R-15-42 – A Resolution to approve a real estate sales contract with Gary and Terry Langworthy for 1109 West First Street.
   - City Clerk Cindy Price stated the property located at 1109 West First was purchased and rehabbed using Kansas Housing Resources Corporation funds and has been for sale for many months. Most recently it was been listed with American Homes Realty for $42,500. A cash offer was received for the property from Gary and Terry Langworthy.

Commissioners gave a verbal approval to accept this offe,r and a closing was held on April 9. This resolution authorizes the sale.

MOTION: Move to approve Resolution No. R-15-42 for adoption.

ACTION: MARTIN SECOND: POWELL
ALL AYE

5. Resolution No. R-15-43 – A Resolution to approve a mortgage release for RBK Manufacturing.
   - City Attorney Paul Kritz stated in 2005, the City sold the building at 6th and Sunflower to Greg Vowell on a contract for deed at a price of $50,000. The City intended to retain legal title to the property and convey it to Greg when the purchase price was paid in full. In 2007, Greg sought an SBA loan and needed to become the legal owner of the property; the City conveyed the property to him subject to conventional note and mortgage. The note has been paid in full. This resolution will release the mortgage.

   MOTION: Move to approve Resolution No. R-15-43 for adoption.

   ACTION: MARTIN SECOND: TAYLOR
   ALL AYE

6. Resolution No. R-15-44 – A Resolution to submit a FY 2015 Kansas Emergency Solutions Grant application.
   - Finance Director Stephanie Richardson stated the Kansas Housing Resources Corporation is the state agency which oversees the Emergency Solutions Grant program. Only city and county governments are eligible to apply, and the funds are used to contract with local qualified non-profit organizations to meet the service needs of the community. The city serves only as a conduit in the application and distribution processes and receives 2.5% of the total funds to help with administrative expenses. This application is being submitted on behalf of Safehouse in the amount of $31,950.

   MOTION: Move to approve Resolution No. R-15-44 for adoption.

   ACTION: TAYLOR SECOND: MARTIN
   ALL AYE

7. Resolution No. R-15-45 – A Resolution to transfer 911 funds to the Montgomery County Sheriff's Office for dispatching equipment.
   Removed from agenda.

8. Resolution No. R-15-46 – A Resolution to purchase various types of insurance coverage for the City of Coffeyville.
   - Finance Director Stephanie Richardson stated the directive from prior city commissions has been to go through the full bid process for the City's various lines of insurance once every three years to ensure the premiums are competitive in the market. Charlesworth & Associates was selected to perform the bid process for the city again this year. James Charlesworth was present to discuss the insurance quotes. The premium has increased 1.5% from $259,007 to $262,930. The majority of this increase was due to

the increase in the current statement of values. Staff recommends continuing with Arthur J. Gallagher for the City's insurance.

MOTION: Move to approve Resolution No. R-15-46 for adoption.

ACTION: WILLIAMS SECOND: MARTIN
ALL AYE

9. Resolution No. R-15-47 – A Resolution to approve a loan commitment letter for Brown's Riverside Home Addition.
   - City Attorney Paul Kritz stated the commission previously approved a resolution authorizing a first-mortgage loan in the amount of $200,000 to assist with the financing of the construction of 18 new houses in Brown's Riverside Addition. According to the developer, the tax credit buyers are requiring a more detailed commitment regarding the City's participation and provided a letter for the City's approval. The commitment letter is consistent with the conditions previously approved with the exception of the façade. Due to budget constraints, the houses will include partial brick fronts rather than all brick. The developer also is committed to spending at least $200,000 locally to build the homes and has hired a local general contractor.

   MOTION: Move to approve Resolution No. R-15-47 for adoption.

   ACTION: MARTIN SECOND: POWELL
   ALL AYE

10. Discussion on City parks with David Rains.
    - David Rains, Coffeyville Recreation Commission Director, reviewed what the CRC is responsible for in the parks including the mowing around facilities and inside the fences. They do not maintain any of the playground equipment. Commissioner Martin wants to implement a Parks Board; Kritz requested Commissioners develop a list of what they think a parks board duties are. It was noted park improvements have been included in the Capital Improvements Plan adopted by the Commission, however, there was no funding for the improvements approved.

11. Discussion on City Hall building.
    - Commissioner Martin stated he wanted to move the commission meetings back to City Hall. Grimmett will get an update on the demolition specs for first floor. Mayor Williams requested a work session be held on May 2 beginning at 1 p.m. to make a decision on what will be done with City Hall.

12. City Manager Report
    - City Manager Grimmett reported 4,671 surveys were mailed to registered voters; 530 have been returned filled out and 675 have been returned undeliverable. Training for Commisisoners will be held May 2, 9 a.m. to 12 p.m.

13. Comments from Commissioners and Staff
    - A special meeting will be held on April 23, 6:30 p.m., for the purpose of discussing the transfer of 911 funding to the Sheriff's Department and to review resumes for the city manager position.

- City Clerk Cindy Price stated an offer of $35,000 has been received on the house at 806 W. 1st Street. This is the first house rehabbed from the KHRC funds, and has been on the market for several years. Commissioners concurred to accept the offer.
- Commissioner Kastler stated he wanted to have an event on the 4th of July instead of just fireworks.
- Commissioner Taylor requested a specific breakdown on the facilities project and asked about the impact the loss of the recent businesses would have on the bond rating. Former Mayor Jim Falkner stated the report provided by the Montgomery County Action Council showed of the 965 jobs lost by Amazon and Southwire, 258 of those resided in the 67337 zip code area.
- City Manager Grimmett stated Kansas Municipal Utilities is requesting City's contact senators to oppose Senate Bill 261 which would apply the state's 6.15% sales tax to residential and agriculture energy bills. This would be done to increase revenue to the state in order to close the budget shortfall. Commissioners requested more information.

J. EXECUTIVE SESSION(s)

1. Acquisition of real property.

MOTION: Move to recess to executive session for the discussion of acquisition of real property to reconvene on or before 9:30 p.m.

ACTION: MOTION: KASTLER SECOND: MARTIN
ALL AYE

Time the meeting was reconvened: 9:20 p.m.

MOTION: Move to approve Resolution No. R-15-48 for adoption to enter into a business agreement with Steve and Michele Caldwell to acquire Restlawn Memorial Park.

ACTION: KASTLER SECOND: POWELL
ALL AYE

MOTION: Move to recess to executive session for discussion of items that would be confidential in attorney-client relationship to reconvene on or before 9:30 p.m.

ACTION: MOTION: WILLIAMS SECOND: MARTIN
ALL AYE

Time the meeting was reconvened: 9:30 p.m.

MOTION: Move to recess to executive session for discussion of non-elected personnel to reconvene on or before 10:10 p.m.

ACTION: MOTION: WILLIAMS SECOND: MARTIN
ALL AYE

Time the meeting was reconvened: 10:10 p.m.

K. GENERAL STAFF, COMMITTEE & BOARD REPORTS AND MINUTES

1. Planning Commission Minutes
2. Zoning Appeals Minutes
3. Police Department report
4. Building permit reports
5. Wastewater Treatment Plant report
6. CRC update

L. ADJOURN

MOTION: Move to adjourn.

ACTION: MOTION: MARTIN SECOND: WILLIAMS
ALL AYE

Time the meeting was adjourned: 10:10 p.m.

Date the minutes were approved: _____

_____
Cindy Price, City Clerk