REGULAR COMMISSION MEETING MINUTES
TUESDAY, SEPTEMBER 24, 2013
6:30 P.M.

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

Present:

MAYOR DAVID GEORGE
COMMISSIONER DON EDWARDS
COMMISSIONER JIM FALKNER
COMMISSIONER MARCUS KASTLER
COMMISSIONER CHRIS WILLIAMS

City Staff in attendance were:

CITY MANAGER GARY BRADLEY
CITY CLERK CINDY PRICE
CITY ATTORNEY PAUL KRITZ
FINANCE DIRECTOR STEPHANIE RICHARDSON
IT DIRECTOR CHRIS FELIX
FIRE CHIEF JAMES GRIMMETT
POLICE CHIEF TONY CELESTE
PUBLIC WORKS DIRECTOR CHUCK SHIVELY
ENGINEERING SUPERINTENDENT SCOTT MASSMAN
ELECTRIC UTILITY DIRECTOR GENE RATZLAFF
ELECTRIC UTILITY DEPUTY DIRECTOR MIKE SHOOK
INTERCONNECTED OPERATIONS MANAGER STEVE MCGIE

A. CALL TO ORDER – Mayor David George

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

C. PLEDGE OF ALLEGIANCE TO THE AMERICAN FLAG

D. REVIEW OF AGENDA

E. CONSENT AGENDA ITEMS

1. Regular City Commission Meeting Minutes – Tuesday, September 10, 2013
2. 2013 Appropriation Ordinance No. AO-13-17 – $5,466,312.70
3. Action to appoint Gene Ratzlaff and Gary Bradley to two-year terms as Director and Alternate Director on the Kansas Municipal Gas Agency Board of Directors.

MOTION: Move to approve the consent agenda as presented.

ACTION: MOTION: FALKNER SECOND: KASTLER
ALL AYE

<u>REGULAR AGENDA ITEMS</u>

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

1. Public Hearing – Community Development Block Grant application – Youth Activities Center
   - Public Works Director Chuck Shively stated if the City can overcome requirements for low to moderate income information, the City plans to submit a Community

Development Block Grant application for improvements to the Youth Activities Center. One of the requirements is to hold a public hearing.

- Mayor George opened the Public Hearing.

- There being no comments, the Public Hearing was closed.

2. Presentation – Montgomery County Action Council
   - Aaron Heckman, Executive Director of the Montgomery County Action Council, provided an overview of the organization and activities of the past year. Commissioner Edwards requested consensus from the Commissioners to increase the funding for MCAC to $50,000 per year as he feels the amount currently budgeted is inadequate. No consensus was reached as MCAC is in the process of exploring a permanent source of income through either a sales tax referendum or a mill levy.

G. COMMENTS FROM THE PUBLIC

The public is free to comment on items not listed on the agenda. Public participation is welcome and encouraged for all items on the agenda as the topics are discussed.

- Debbie Sharp, 1402 S. Willow, expressed thanks for the additional patrol the Police Department has provided in their neighborhood.

H. OLD BUSINESS

I. NEW BUSINESS

1. Resolution No. R-13-74 – A Resolution to purchase property insurance for the Power Plant.
   - Finance Director Stephanie Richardson stated as requested by Chubb Insurance Company, the City had an appraisal of the electric system building and contents to ensure we were properly valuing our assets. The quote for coverage this year is 9.25% higher, however, based on the premium history with Chubb and the fact there is an active claim, the premium does not appear to be unreasonable. Insurance on the Power Plant is bid out every three years; this is the final year, and it will be bid out next year.

   MOTION: Move to approve Resolution No. R-13-74 for adoption.

   ACTION: MOTION: WILLIAMS SECOND: GEORGE
   ALL AYE

2. Discussion and action to fill an unexpired term on the Public Library Board.
   Applicant: Jay Shearhart
   - City Clerk Cindy Price stated one application was received for an unexpired term on the Library Board serving to April 30, 2016. Shearhart was not present at the meeting; Commissioners stated they will not appoint an individual to a board unless they are present at the meeting.

   MOTION: Move to table the appointment to the Library Board.

   ACTION: MOTION: WILLIAMS SECOND: KASTLER
   ALL AYE

3. Resolution No. R-13-80 – A Resolution to adopt an Omnibus Continuing Disclosure Undertaking relating to the electric utility refunding bonds.
   - Finance Director Stephanie Richardson stated the Securities and Exchange Commission has issued Rule 15c2-12 adopted under the Securities Exchange Act of 1934 relating to continuing disclosure requirements for obligations issued by governmental units. Each issue has continuing disclosure requirements to be filed with the SEC via the Electronic Municipal Market Access system.

   MOTION: Move to approve Resolution No. R-13-80 for adoption.

   ACTION: MOTION: GEORGE SECOND: EDWARDS
   ALL AYE

4. Resolution No. R-13-81 – A Resolution to offer for sale general obligation electric utility refunding bonds.
   - Finance Director Stephanie Richardson stated this resolution authorizes the Financial Advisor to proceed with offering the refunding bonds and authorizes the Financial Advisor and Gilmore & Bell to proceed with the preparation and distribution of a preliminary official statement and notice of bond sale. Tom Kaleko, Springsted, was introduced as the City's Financial Advisor.

   MOTION: Move to approve Resolution No. R-13-81 for adoption.

   ACTION: MOTION: GEORGE SECOND: EDWARDS
   ALL AYE

5. Ordinance No. S-13-06 – First Reading of an ordinance to provide for the issuance of general obligation electric system refunding bonds.
   - Finance Director Stephanie Richardson stated this ordinance authorizes the bond sale and provides funds to refund the City's outstanding general obligation electric utility system bonds.

   MOTION: Move to approve Ordinance No. S-13-06 for First Reading.

   ACTION: MOTION: GEORGE SECOND: EDWARDS
   ALL AYE

6. Resolution No. R-13-82 – A Resolution to execute an Engineering Services Contract with Transystems for the 8th and Northeast Geometric Improvement Project.
   - Engineering Superintendent Scott Massman stated this resolution authorizes a contract with Transystems for design engineering services for the 2015 Geometric Improvement Project at 8th and Northeast Street. The total amount is $49,400; the City is responsible for 10%.

   MOTION: Move to approve Resolution No. R-13-82 for adoption.

   ACTION: MOTION: EDWARDS SECOND: FALKNER
   ALL AYE

7. Resolution No. R-13-83 – A Resolution to issue a purchase order to Sys-Kool for repairs to Cooling Tower No. 4.
   - Electric Utility Deputy Director Mike Shook stated bids were requested for repair of cooling tower #4 fan deck which has deteriorated to the point of requiring replacement. Three bids were received; staff recommends the low bid from Sys-Kool for an amount not to exceed $39,237.

   MOTION: Move to approve Resolution No. R-13-83 for adoption.

   ACTION: MOTION: FALKNER SECOND: EDWARDS
   ALL AYE

8. Resolution No. R-13-79 – A Resolution to deed property located at 710 West Eighth Street to Habitat for Humanity.
   - City Manager Gary Bradley stated the City owns property located at 710 West Eighth Street, and Habitat for Humanity has an interest in combining the property with the lot adjacent at 712 West Eighth Street, which they own, to construct a new single family structure. Staff is recommending the City donate the property to Habitat. Commissioners requested a restriction be added to the deed stipulating if construction does not begin within one year the property will revert back to the City.

   MOTION: Move to approve Resolution No. R-13-79 for adoption with the addition of the stipulation.

   ACTION: MOTION: EDWARDS SECOND: GEORGE
   ALL AYE

9. Resolution No. R-13-84 – A Resolution to establish a letter of credit with the Southwest Power Pool.
   - Interconnected Operations Manager Steve McGie stated the City is required by Southwest Power Pool Tariff to maintain a total credit limit and collateral balance. SPP calculates the City's total potential exposure every day and advises customers when they are over 90% of their credit limit. When a customer reaches 100% of their total credit limit, SPP requests the customer increase their total. The City was at 111% of their total credit limit on September 11. Staff recommends increasing the total customer credit limit by $200,000 in the form of an irrevocable letter of credit in the amount of $400,000 and requests SPP return the $200,000 cash deposit they currently hold along with any interest. According to their electrical service agreement, CRNF will pay a proportionate share of the associated fees due to this increase.

   MOTION: Move to approve Resolution No. R-13-84 for adoption.

   ACTION: MOTION: FALKNER SECOND: KASTLER
   ALL AYE

10. Discussion and action to determine construction delivery methods for the municipal building projects.

- City Manager Gary Bradley reviewed construction delivery options for the upcoming building projects. Commissioners agreed to use the traditional general contractor approach.

11. Comments from Commissioners and Staff
    - Police Chief Tony Celeste reported the Neighborhood Watch meeting is October 3, 6:30 p.m.; CPD is sponsoring the International Walk to School Day on October 9; and representatives from KDOT were here recently to review the Safe Routes to School grant; an announcement is expected soon.
    - City Manager Gary Bradley reported Clean-Up Day is October 19; volunteers are needed. Donnelson will be in Coffeyville October 7 to continue the street improvement project.
    - City Clerk Cindy Price stated a request was received from the Midland Theater Foundation to hold a Monster Mash/Zombie Walk on October 29, 6-9 p.m., as a fundraiser. Commissioners agreed to the request and to close the 200 block of West Eighth Street during the event.
    - Electric Utility Deputy Director Mike Shook reported the repairs on the boiler are complete; the claim is in the insurance company's hands. There will be a test of the boiler in early November; no cause of the explosion has been determined.
    - Commissioner Williams expressed concern about the number of pigeons in the downtown area. Staff will look into possible remedies.

J. EXECUTIVE SESSION(s)

1. Acquisition of real estate.

MOTION: Move to adjourn to Executive Session for discussion of acquisition of real estate to reconvene on or before 8:50 p.m.

ACTION: MOTION: EDWARDS SECOND: FALKNER
ALL AYE

Time the meeting was reconvened: 8:50 p.m.

Police Chief Tony Celeste discussed with Commissioners the acceptance of a government vehicle for use by CPD. Commissioners agreed to accept the vehicle.

K. GENERAL STAFF, COMMITTEE & BOARD REPORTS AND MINUTES

1. Sales tax report
2. Electric utility rates
3. Library minutes

L. ADJOURN

MOTION: Move to adjourn.

ACTION: MOTION: GEORGE SECOND: EDWARDS
ALL AYE

Time the meeting was adjourned: 9:02 p.m.

Date the minutes were approved _____

_____
Cindy Price, City Clerk