

REGULAR COMMISSION MEETING MINUTES
TUESDAY, MAY 13, 2008
6:30 P.M.

The Board of Commissioners met in Regular Session at 6:30 p.m. with Mayor Virgil O. Horn, Jr., presiding.

Those in attendance were:

COMMISSIONER RICHARD GONZALES
COMMISSIONER ALEC HENDRYX
COMMISSIONER LOUIE HUMMEL
COMMISSIONER PAM JONES

City Staff in attendance were:

CITY MANAGER JEFF MORRIS
CITY CLERK CINDY PRICE
CITY ATTORNEY PAUL KRITZ
FIRE CHIEF GREG ALLEN
IT MANAGER CHRIS FELIX
INSPECTOR LARRY TROTTER
INSPECTOR JIM HAYES
ELECTRIC UTILITY DIRECTOR BERNIE CEVERA
PLANNER/ARCHITECT DENNIS JACOBS
PUBLIC SERVICE DIRECTOR CHUCK SHIVELY
PUBLIC SERVICE DEPUTY DIRECTOR JIM BRADSHAW
PUBLIC SERVICE EMPLOYEE HAROLD BROWN
PUBLIC SERVICE SUPERINTENDENT DON MALES

- A. CALL TO ORDER** – Mayor Horn
- B. INVOCATION** – Rev. Gerald Morris, Grace Fellowship
- C. PLEDGE OF ALLEGIANCE TO THE AMERICAN FLAG**
- D. CONSENT AGENDA ITEMS**
1. Regular City Commission Meeting Minutes – Tuesday, April 22, 2008
 2. Special City Commission Meeting Minutes – Friday, April 25, 2008
 3. Special City Commission Meeting Minutes – Wednesday, April 30, 2008
 4. 2008 Appropriation Ordinance No. AO-08-21 – \$2,233,783.23
 5. 2008 Appropriation Ordinance No. AO-08-22 – (flood) \$ 22,639.57
 - Commissioner Hummel questioned if the departments were following the City's procurement policy.
 - Commissioner Hendryx requested as updated expense report on the substation project.
 - Mayor Horn asked about the animal shelter to which Disaster Recovery Coordinator Jim Bradshaw replied the City's facility is ready to go out for bid in six weeks. Morris stated the City finances cannot be used unless the City owns the facility; the most ideal location from the City perspective is north of the Wastewater Treatment Plant.

MOTION: Move to approve the consent agenda as presented.

ACTION: THE MOTION WAS MADE BY COMMISSIONER GONZALES AND SECONDED BY COMMISSIONER HUMMEL. ROLL CALL VOTE - ALL AYE.

REGULAR AGENDA ITEMS

E. APPROPRIATION ORDINANCE

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

1. Proclamation declaring Saturday, May 24, 2008, as Poppy Day
 - Mayor Horn read and presented the proclamation to Laura VanTieghen representing the American Legion Auxiliary.

G. OTHER BUSINESS

1. Comments from Public
 - Jack Morrison, Youth Activities Center employee, expressed concern about the condition of the Youth Activities Center, particularly the roof which leaks, stating the building is used daily.

H. OLD BUSINESS

1. Ordinance No. S-08-10 – Second Reading of an ordinance to vacate certain streets and alleys.

MOTION: Move that Ordinance No. S-08-10 be passed to Second Reading and approved for adoption.

ACTION: THE MOTION WAS MADE BY COMMISSIONER GONZALES AND SECONDED BY COMMISSIONER HENDRYX. ROLL CALL VOTE - ALL AYE.

2. Ordinance No. S-08-11 – Second Reading or an ordinance to grant a ten-year property taxation exemption-incentive for 4 State Maintenance.

MOTION: Move that Ordinance No. S-08-11 be passed to Second Reading and approved for adoption.

ACTION: THE MOTION WAS MADE BY MAYOR HORN AND SECONDED BY COMMISSIONER JONES. ROLL CALL VOTE - ALL AYE. EXCEPT COMMISSIONER HUMMEL WHO ABSTAINED.

I. NEW BUSINESS

1. Resolution No. R-08-67 – A Resolution to execute an agreement with the City Band for the 2008 Concert Series.
 - City Clerk Cindy Price addressed the Commission stating this is the 113th year for the City Band to perform. The band is planning to perform ten concerts beginning with the Memorial Day Ceremony at Fairview Cemetery.

MOTION: Move that Resolution No. R-08-67 be approved for adoption.

ACTION: THE MOTION WAS MADE BY COMMISSIONER GONZALES AND SECONDED BY COMMISSIONER HUMMEL. ROLL CALL VOTE - ALL AYE

2. Resolution No. R-08-68 – A Resolution to issue a purchase order to Strimple Sign and Outdoor Power for two mowers for the Public Service Department.
 - Public Service Director Chuck Shively addressed the Commission stating the Public Service Department currently has two mowers that are totally worn out due to age and constant use. Even with the park mowing bid out, the Public Service Department still has a vast amount of mowing to do. A request for bids was sent out with four bids received. The specifications required a minimum 25 horsepower engine. The local bid is within 5% of all bids received, therefore, staff recommended authorizing a purchase order to Strimple Sign & Outdoor Power for \$23,846 for two Exmark FrontRunner mowers.

MOTION: Move that Resolution No. R-08-68 be approved for adoption.

ACTION: THE MOTION WAS MADE BY COMMISSIONER GONZALES AND SECONDED BY COMMISSIONER HUMMEL. ROLL CALL VOTE - ALL AYE

3. Resolution No. R-08-69 – A Resolution to issue a purchase order to Quality Motors for two 2008 Ford F-150 4x4 one-half ton trucks for the Public Service Department.
 - Public Service Director Chuck Shively addressed the Commission stating the Public Service Department has money budgeted for replacement of two ½ ton trucks one used in the cemetery and the other used by crews for daily use such as hauling tools, mowers or cold mix for patching potholes. The low bid was \$36,268.80 for two 4-wheel drive trucks from Quality Motors. Local vendor Perl Chevrolet bid \$38,676.20 which was a little over the 5% local vendor rule.
 - Commissioner Hendryx asked about repairs and the additional cost of having them done at Quality Motors in Independence. Commissioners expressed concern that over the life of the truck we could spend more dollars having to take a vehicle to Independence for repairs and warranty work.

MOTION: Move that Resolution No. R-08-69 be approved for adoption to purchase two vehicles from Perl Chevrolet at \$38,676.20.

ACTION: THE MOTION WAS MADE BY COMMISSIONER HENDRYX AND SECONDED BY COMMISSIONER GONZALES. ROLL CALL VOTE - ALL AYE EXCEPT COMMISSIONER JONES WHO VOTED NO.

4. Resolution No. R-08-70 – A Resolution to execute an agreement between the City of Coffeyville, the South Kansas and Oklahoma Railroad Company and the Kansas Department of Transportation for construction of a dual overpass over city-owned railroad right-of-way as part of the Highway 169 System Enhancement Project.
 - Public Service Director Chuck Shively addressed the Commission stating as part of the Kansas Department of Transportation System Enhancement Project, a dual overpass of the City owned railroad spur to the Industrial Paul will be constructed. The only

responsibility the City has is specified by the agreement is to grant KDOT an easement across the railroad right-of-way to construct, use and maintain the dual overpass structures on and across the right of way. The agreement gives the City and railroad the right to construct, operate, rearrange and maintain tracks, pipelines, communication lines, signal lines, electric lines, etc. as we may find necessary or convenient, so long as it does not interfere with the use of the premises.

MOTION: Move that Resolution No. R-08-70 be approved for adoption.

ACTION: THE MOTION WAS MADE BY COMMISSIONER HUMMEL AND SECONDED BY COMMISSIONER JONES. ROLL CALL VOTE - ALL AYE.

5. Resolution No. R-08-71 – A Resolution to authorize an economic development loan to Coffeyville Industries, Inc.

■ City Manager Jeff Morris addressed the Commission stating the City and Montgomery County Action Council have been actively working to locate Quartz Mountain Aerospace in Coffeyville. The City is partnering with the Montgomery County Action Council to locate a portion of their manufacturing to Coffeyville. Quartz Mountain has a strong workforce in Altus but is looking to expand their production by locating a facility here. Coffeyville Industries is purchasing the Morgan Trucking property on Eldridge and will lease to Quartz Mountain who plans to hire 25 employees during the first year of operation. They plan to immediately begin working on phase two which would be construction of a building in the Northeast Industrial Park. The City is proposing to partner with Coffeyville Industries on the purchase of the Morgan property through a \$90,000. This will be a no interest loan which is to be repaid when the building is sold, when the property becomes income producing or on December 1, 2010, whichever comes first. Commissioner Hummel expressed concern about issuing a no interest loan.

MOTION: Move that Resolution No. R-08-71 be approved for adoption.

ACTION: THE MOTION WAS MADE BY MAYOR HORN AND SECONDED BY COMMISSIONER GONZALES. ROLL CALL VOTE - ALL AYE EXCEPT COMMISSIONER JONES AND COMMISSIONER HUMMEL WHO VOTED NO.

6. Report on wireless project at Walter Johnson Park.

■ IT Manager Chris Felix reviewed details of the project to make Walter Johnson Park a wireless internet hot spot.

7. Report on Electric Utility

■ Electric Utility Director Bernie Cevera reported his department is getting a good handle on what facilities need to be upgraded to accommodate Coffeyville's network service request to the Southwest Power Pool and how the SPP proposes to allocate those costs. The City agrees the facilities need to be upgraded but is questioning whether all the costs should be allocated to Coffeyville given what PSO is doing elsewhere on their system. Cevera stated he will have estimates for the upgrade to present to Commissioners at a future meeting following further discussions with SPP and PSO.

During the past three weeks, there have been two storm related outages. With the

Delaware line out due to upgrading to the 345 kV transformer, the South Coffeyville line is the only supply. The breakers at the B substation were designed to open after 20 cycles to protect the equipment. A meeting is scheduled for May 21 with Bill Thompson from Allgeier Martin present to explain to CRNF how the system works and why it was designed the way it was more than ten years ago.

Regarding the Coffeyville Resources Electric Service Agreement, CRNF has agreed in principle the new GRDA power supply contract (effective 08/01/07) and the SPP transmission arrangements (006/01/08) will require changes to the existing electric service agreement. They disagree, however, with the City's views as to the scope of the required changes. A draft was sent to CRNF on March 7 followed by a meeting on April 22 at their counsel's office to review the draft and explain the proposed changes. To date a counterproposal has not been received. This leaves the City with few options. We can continue to await a response, however, the SPP transmission bill will soon come due and need to be paid or we can put CRNF on a default tariff if there is no agreement. In the event the City is unable to renegotiate the contract, alternative action will need to be taken. Cevera stated he will provide a status report for the May 27 meeting which will include a form of default tariff for retail large electric service customers. Cevera stated that having the tariff in place does not mean it will have to be used, however, the City needs to have at least one mechanism in place to ensure recovery of our costs.

8. Public Works Director Chuck Shively informed Commissioners the mowing service the City contracted with to mow at the airport is not living up to their contract. If this continues, Shively noted he will be bringing a contract to Commissioners to hire another contractor.

9. Comments from Commissioners or Staff

City Manager Jeff Morris reviewed the following information:

- The back portion of a downtown building at 119 West Eighth Street partially collapsed and a request is being made to the County Commission for an emergency condemnation. The taxes have not been paid on the building since 2003 and attempts to contact an owner have been unsuccessful. Allgeier Martin was contacted to do an inspection and evaluation report which showed the collapse to be due to excess weight on the roof from ponded water and weakened roof joist due to dry rot and termite damage. Their estimates to repair are approximately \$25,000. Main Street has researched grant possibilities and has come up with one which would pay one-half of the cost. According to Main Street Director Shelley Paasch, receiving the grant is pretty much a guarantee. The City portion could come from the Capital Improvement Fund. It will take approximately six months for the building to go to foreclosure. At that time, the City could bid on the building using the money already put into it as a payment. If the City were outbid, the City would get their money back.
- Four responses have been received for the requests for proposals on the City's Comprehensive Plan. Interviews of those submitting proposals will be held May 19.
- A question has been raised from a citizen asking if mini trucks were allowed in the City. They do not come with a certificate of title and in order to get a tag you must have a title; therefore, the vehicles cannot be tagged. Commissioners were not in favor of allowing these vehicles on City streets.

- Beachner Construction plans to get the crack sealing on Highway 166 completed soon.

J. EXECUTIVE SESSION(s)

1. Non-elected personnel

MOTION: Move to adjourn to Executive Session for discussion of non-elected personnel to reconvene on or before 9:30 p.m.

ACTION: THE MOTION WAS MADE BY MAYOR HORN AND SECONDED BY COMMISSIONER HUMMEL. ROLL CALL VOTE – ALL AYE

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

MOTION: Move to adjourn to Executive Session for discussion of non-elected personnel to reconvene on or before 10:15 p.m.

ACTION: THE MOTION WAS MADE BY MAYOR HORN AND SECONDED BY COMMISSIONER HUMMEL. ROLL CALL VOTE – ALL AYE

Time the meeting was reconvened: 10:15 p.m.

Mayor Horn stated no action would be taken as a result of the Executive Session.

K. GENERAL STAFF, COMMITTEE & BOARD REPORTS AND MINUTES

1. Finance Department – Tax Reports
2. Fire Department – April Report
3. Inspections Department – April Building Permit Report & Inspections Report
4. Coffeyville Recreation Commission – March meeting minutes
5. Main Street Quarterly Report
6. Correspondence from Coffeyville Cultural Arts Council
7. Correspondence from Cox Communications
8. Correspondence from Coffeyville Recreation Commission
9. Coffeyville Regional Medical Center Monthly Report

L. ADJOURNMENT

MOTION: Move to adjourn.

ACTION: THE MOTION WAS MADE BY MAYOR HORN AND SECONDED BY COMMISSINOER HUMMEL. ROLL CALL VOTE – ALL AYE

Time the meeting was adjourned: 10:15 p.m.

Date the minutes were approved _____

Cindy Price, City Clerk