

City of Larned, KS

Regular Session

Meeting Minutes

Monday, March 5<sup>th</sup>, 2018

6:30 PM

Mayor William Nusser called the regular session to order with the following Councilmembers present: Councilmember Kim Barnes, Councilmember Dennis Wilson, Councilmember Jason Murray, and Councilmember Carroll Bennett, Councilmember Terry Clark, Councilmember Sharon McGinness.

Councilmember Gary Rainbolt was absent, as well as Councilmember George Elmore.

City Attorney Ron Smith, City Manager Brad Eilts, Finance Director Monica Steiner, and City Clerk Kara Rath were also present.

**Visitors:** Josh Taylor, David Sallee, Mike Gilmore, Randy Bird, Rick Reason, Ralph Streit, Tammie Caley, Lauryn Harding, Joan Basgall, Abby Holt, Jaidyn Pinkston, Cadee Upson, Skye Feldman, Corin Runnels, Craig Schartz, Brian Carlton, Alex Filbert, Reva Preeo, A. Buhler.

### **Pledge of Allegiance**

### **Approval of Agenda**

The regular session agenda was approved by council, no additions were noted.

### **Procedures Subsequent to the November 7<sup>th</sup> Election**

City Attorney, Ron Smith administered the Oath of Office to Councilmen Terry Clark (Ward One).

### **Approval of Consent agenda:**

Regular Session Council Meeting Minutes from February 5<sup>th</sup>, 2018 were reviewed. No discussion took place.

The 24<sup>th</sup> Judicial District Adult and Juvenile Services Advisory Board provides for term of two years for their members. Sabrina Quinn is the current representative and has agreed to

serve another term. The by-laws require the confirmation and signatures of the City Council.

At the last City Council meeting in February the Council directed City Staff to seek bids for the City's insurance services. The renewal of the policy is April 1<sup>st</sup>. It was requested the Council Approve Special Meeting of the City Council for March 26<sup>th</sup> at 6:30 pm at the City Council Chambers.

Amended Ordinance 1587, Audra Shughart of the Kansas Alcoholic Beverage Control Division contacted the City in regards to our recently passed Sunday Liquor Sales ordinance. There were concerns on Section 2 regarding the sale on Easter and Christmas, which is not authorized, and also the KSA statue in section 2 is incorrect. City Attorney, Ron Smith has amended the Ordinance and made corrections.

On a motion by Councilmen Murray seconded by Councilmen Bennett to approve the consent agenda as presented.

Motion Passes.

### **Appropriation Ordinance #2:**

Finance Director Monica Steiner reported on the expenses listed on the financial report. On a motion by Councilmember Murray seconded by Councilmember Bennett, and carried for Appropriation Ordinance #2 in the amount of \$801,879.42 and transfers more or less was approved for payment.

### **Public Comments:**

No comments were noted.

### **Jr. City Council:**

No report from Jr. City Council this month, they visited the Street Department.

### **New Business**

#### **Water System Planning and Consulting**

In January, City staff met with Schwab-Eaton to discuss water system issues, Stuart Porter of Schwab-Eaton spoke to council in regards to our current water system issues.

Contracting with an engineering consultant is a necessary element in applying for grant funding and will help us to prioritize and be more deliberate in our water infrastructure improvements.

After approval from Council, Schwab-Eaton will work with City Staff to gain a comprehensive understanding of our water system and identify areas of concern. The newly implemented GIS system will enhance the project by helping map out logical improvement areas and analyze them for estimated construction costs. Schwab-Eaton will provide us a working document format that uses maps and an overview of the area.

Stuart Porter from Schwab-Eaton presented to council a comprehensive evaluation on our current water system. He would like the city to make a long term plan for our distribution system. Costs wouldn't be expended until 2020. The proposal presented would be a good starting point. At the federal level the funding would come through CDGB or USDA rural development.

Schwab-Eaton has worked with the City in the past on water projects and has a solid understanding of and established relationships with Federal and State infrastructure grant programs/agencies, including the Community Development Block Grant (CDGB). By working with Schwab-Eaton in applying for grant funding will help to prioritize and be more deliberate in our water infrastructure improvements.

The grant application deadline of September 28<sup>th</sup>, 2018 allows ample time to identify and qualify areas that would meet the low-to-moderate income guidelines targeted by the program. The grant will require a survey of the benefit area with matching funds up to 50% of the total request. The matching funds will need to be included in the 2019 and 2020 budgets.

CDG offers up to \$700,000 in grant funding in each application. The City will need to be able to match grant dollar amount dollar for dollar.

The investment in this planning tool would be based on a multiplier of actual costs not to exceed \$11,000. Preliminary engineering reports and other activities related to application to a Community Development Block Grant would be an additional, not to exceed, \$3,500.

On a motion by Councilmember Murray, seconded by Councilmember Bennet to approve the \$11,000 consulting cost.

### **Commercial Net Metering Policy**

On Nov. 20<sup>th</sup> the City Council participated in a work session on electric issues with Greg Wright from Energy Management Group (EMG). The New ordinance establishes a commercial Net Metering rate . Businesses accessing the Commercial Net metering rate are required to generate a minimum of 10% of their total load from renewable sources.

Current Lg User Rate

Comm NM Rate

Customer Charge	\$100	\$500
Demand Charge	\$6.40/kW	\$13.50/kW
Energy (1 <sup>st</sup> 100,000 kWh)	\$0.0632/kWh	\$0.040/kWh
Energy (>100,000kWh)	\$0.0632/kWh	\$0.040/kWh

After discussion from Council, it was decided that the charge for Commercial Net Meter rate was too high for small business and on a motion by Councilmember Murray, and seconded by Councilmember Clark to change the Customer Charge for Commercial Net Metering from \$500 to \$100.

On a Roll call vote-Councilmember Clark, Councilmember Bennett, Councilmember Barnes, Councilmember McGinness, Councilmember Murray, and Councilmember Wilson motion was accepted.

**Economic Development Rider for Electricity**

On Nov. 20<sup>th</sup>, 2017 the City Council participated in a work session on electric issues with Greg Wright, one of the topics discussed was the establishment of an Economic Development Electric Rider for new and/or expanding existing businesses.

There are a number of different approaches for developing an economic development rider. The most important aspect of an incentive is that it truly entices growth and results in an action you are encouraging. Necessary elements of an incentive policy are thorough guidelines, a simple process for application, a verification methodology, and equitable application of rules.

After discussion it was noted that the wage quarterly statements would be obtained from the KDOL not KDOR.

It was decided and City Manager, Brad Eilts will create another draft and have another discussion during a future Council meeting.

**Update by the Chamber of Commerce and PCEDC**

The Larned Chamber of Commerce and the Pawnee County Economic Development Council recently merged.

Alex Filbert and Brian Carlton presented an update on their merged boards.

The City is one of its major funders with an annual contribution of \$26,500 which is roughly 1.5 mills.

Council requested a copy of their current budget and would like them to present it during a budget meeting.

### **Humane Society**

6 months ago Pawnee County Humane Society requested \$25,000 to pay the Shelter Manager's Salary. This amount was determined by the percentage of impounds and relinquishments coming from Larned, 80%. They stated that they were planning to ask the County for the Remaining 20%.

The following meeting, Council approved \$500 monthly to the Animal Shelter for six months. This was subsequent to PCHS providing a business plan and discussing plans for fundraising and revenue enhancement as well as cost containment and reduction measures.

As of the Council Meeting on March 5<sup>th</sup>, PCHS has not been to the County to ask for the other 20% cost of impounds and relinquishments. There was discussion that the City would continue to fund \$500 per month. It was also asked that PCHS present their actual budget in July and to go to the County for the 20%.

Any back pay for in-take and boarding fee for City imitated animals will be netted for the back rent at is owed from PCHS.

On a motion by Councilmember Wilson, and Seconded by Councilmember McGinness to continue the \$500 per month for the next 6 months.

### **KMEA Appointments**

The City of Larned is a long-time member of the Kansas Municipal Energy Agency (KMEA). KMEA is an agency authorized to plan finance, and construct projects for the for the purchase, sale, generation, and transmission of electricity of its members.

Annually, the terms of one or more Board of Director representative of each member city expires.

The appointments expiring would be a primary (Director 2) and one alterative representative. KMEA by-laws require the appointments be certified by the Governing Body.

Both expiring appointments, Ralph Streit Director 2, and Harry Zielke, Alternate have agreed to serve another term.

On a motion by Councilmember McGinness and seconded by Councilmember Wilson, motion passes to approve certification of appointment.

**Executive Session:** On a motion by Councilmen Barnes and seconded by Councilmen McGinness to go into Executive Session at 8:54PM and set to reconvene regular session at 9:10 to discuss Attorney-Client Privilege regarding allegations of possible lawsuit over special assessments. City Manager Brad Eilts and City Attorney Ron Smith were asked to join.

Council reconvened and no action was taken.

**Adjournment**

Meeting Adjourned.

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City Clerk

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William Nusser, Mayor