

City of Larned, KS

Regular Session

Meeting Minutes

Monday, June 4<sup>th</sup>, 2018

6:30 P.M.

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

City Attorney Ron Smith, City Manager Bradley Eilts, and City Clerk Kara Rath were also present.

Visitors: Randy Bird, Ralph Streit, Craig Schartz, Kyle McCawley, Cassidy Smith, Joan Wilson, Charles Orth, Joe Dickinson.

Pledge of Allegiance

**Approval of Agenda**

Councilmember Barnes would like to add an agenda item, B1.

The agenda was approved by Councilmember Elmore, seconded by Councilmember Wilson.

Motion Passes

**Approval of Consent Agenda:**

Regular Session Council Meeting Minutes from May 7<sup>th</sup>, 2018 were reviewed and corrections made.

No further discussion took place. Councilmember McGinness moved the minutes be accepted, Councilmember Elmore seconded.

Motion Passes.

**Appropriation Ordinance #5:**

City Manager Bradley Eilts reported on the expenses listed on the financial report. On a motion by Councilmember Barnes seconded by Councilmember Bennett and carried for Appropriation Ordinance #5 in the amount of \$581,236.33 and transfers more or less were approved for payment.

**Public Comments:**

No comments were noted.

**New Business:**

**Alliance/EMC Dividend Check**

Cassidy Smith with Alliance Insurance presented a dividend check in the amount of \$31,416.90. This is the largest check that the company has presented to the City since 2012.

No further discussion took place.

**Financial Advising Services**

Rick Ensz with Cooper Malone McClain, is a Financial Advisor, specializing in Municipal Financing. He contacted City Manager, Bradley Eilts, last fall in regards to the City's pool project and how it would be financed. His general approach is to gather a clear understanding of the City Council's financial goals and objectives for the pool, including identifying the preliminary bond issue size based on the pool budget, annual debt service payments, and then determining source(s) of revenue (generally property taxes or sales taxes) to make bond payments. His role then would be to prepare financial documents and work with bond counsel who prepares the legal documents. He would attend City Council meetings to answer questions. The decision to implement additional taxes may require a public vote where he would present financial information and its impacts.

Councilmember Wilson, asked about an impact study and how that can be done? Rick indicated that he would have to look at revenue sources, and look at expenses i.e. principal and interest payments. He indicated that he would speak with the governing body and make decisions as to if property taxes or sales taxes would be involved.

Councilmember Wilson would like to seek additional Financial Advisor Service bids, council agreed, City Manager Bradley Eilts will have other Advisors speak at a future meeting.

**KS policy institute**

This article is discussing the Report Cards of Larned High School, rating of a D in 2017 and 2016 in Literature and Math. The question is will the citizens of Larned be prepared to pay

for some of these projects that are coming down the road. Councilmember Barnes is concerned that the citizens of the next generation are educated and willing to take on any debt that we may incur.

### **Water System Improvements**

Schwab-Eaton is currently working on an analysis of our water system. The City's is looking at a couple of options for financing the improvement project, including Community Development Block Grant (CDBG) and the USDA Rural Development (RD)-direct loan program.

The overall cost for the infrastructure improvements are expected to be in the \$4 million range at 3.5% interest for 40 years, the debt service would be roughly \$187,000, requiring a seven dollar per user, per month rate increase for water customers. The USDA Rural Development financing currently has money to fund projects like this within their State pool; however, they will be turning those funds back to the Federal Government on October 1<sup>st</sup>, 2018.

GDGB financing requires a dollar for dollar match, beneficiaries must be 51% low-to-moderate income based on County median (Larned was less than 40%LMI in the 2010 census). GDGB also requires a Davis-Bacon wage rate, it would increase the overall cost of the project. With the City's current rate structure at roughly \$23/user/month (5,000 gallons), rates would need to increase to around \$9/user/month.

Mayor Nusser gave an update on a conference call he had with City Manager Eilts and Stuart Porter of Schwab-Eaton. After the previous discussion with Stuart, Council was were under the understand that the City would be eligible for the 45% grant funding for USDA, but that requires the rate increase of \$9/user/month. If council decides to only increase to \$7/user/month that does not guarantee grant funding. Without grant funding the City is looking at \$7.5 million dollars to fund the entire project.

Mayor Nusser suggests that council consider raising rates, and allocating that increase to a water improvement fund, that the City could use on a project by project cash payment basis. Schwab-Eaton has already prioritized the improvement needs of the City that council can use for guidance.

Councilmember Barnes also pointed out that the City ordinance says that if any water projects are done to a residence that does not have a customer side shut off, the customer will be responsible for putting in a customer shut off in order to comply with city ordinances.

Mayor Nusser would like to continue to work with Schwab-Eaton to prioritize and cost these improvements and determine what kind of rate increase would need to be implemented in order to do some of these projects.

No applications for the CDGB or USDA grant funding will be submitted for water project improvements.

### **EMS Succession Planning**

Joe Dickinson is looking to retire in June of 2019, and like to implement a transition position that was previously taken out of the budget. He is asking that the council re-instate the assistant position to train a new supervisor alongside working with Joe. He would like this position to start as soon as possible. Joe also requests to also make this position a salaried position in the amount of \$48,000 annually.

Councilmember Murray asked, is there a reason that the title is needed? Joe indicated that Federal and State Licensing, billing Medicare and Medicaid requires validation and revalidation, grants, education and recertification of staff and revision of EMS protocols for this position.

Councilmember Murray indicated that from an HR standpoint that this position would need to be advertised for liability purposes before hiring within the department.

On a motion by Councilmember Murray to open the position of assistant EMS director for hire, and seconded by Councilmember McGinness.

Motion Passes.

### **Pool Consultants**

A Request for Qualifications (RFQ) was sent to 17 consultants for planning, and if necessary, design and construction managements services for the swimming pool. Professional assistance in the evaluation process of the future of the pool will help the Pool Advisory Committee in the consideration of the spectrum of potential options and move them in a productive direction. Of the 17 RFQ's, four were interviewed and two were asked to provide proposals. The recommendation from the Committee is to use Larkin Aquatics.

Kyle McCawley of Larkin Aquatics was present at the meeting to answer any questions that Council had about their proposal. Larkin has been doing pools since the late 40's, their main focus is Municipal pool projects.

Their scope of service is to perform data collection including a visual inspection of the current pool facility, including the structure and mechanical systems (recirculation,

filtration, and disinfection). Identify deficiencies or concerns associated with prevailing code or current industry standards, safety concerns, and public health concerns.

The Larkin team will facilitate a series of approximately four meetings to define programs and uses of the pool, brainstorm and prioritize features, the capacity of the facility and identify capital budget. They will prepare concepts based on the input from the advisory committee including estimated associated construction costs and operational costs. Larkin will also participate in public outreach by providing images of final concepts, tri-fold brochures and posters for reproduction, they will attend public meetings (not to exceed two) and will be present at City Council in public forum.

Larkin Aquatics proposes the lump sum fee of \$4,750, plus costs not to exceed \$6,000.

Kyle indicated that typically construction is 10-12 months, the question will be do we want to open the pool in 2019, or start construction after labor day of 2019 and have it ready for the 2020 season.

Anticipated longevity of a pool is 30-40 years.

Estimated \$25,000 to \$50,000 to remove old pool. If construction is done at a new site there are other costs involved including meters and back flow preventers, transformers, access to sewer, parking, etc.

Councilmember Murray suggests that pool attendance be taken to help with accommodation of how to build a new pool.

Councilmember Wilson motioned to hire Larkin Aquatics as the consultants for a pool project, seconded by Councilmember Elmore.

Motion Passes.

### **Surcharge for Pool Capital Costs**

The City has roughly 2,300 water customers, by implementing a pool surcharge of two dollars on each customers utility bill, each dollar would raise \$27,600 annually.

The discussion was tabled.

### **Paperless Agenda**

A paperless agenda packet was discussed at the work session in May, it would be particularly beneficial during the budget season and future Council meetings. The ease and access of paperless agenda provides flexibility for links to websites or videos and past agenda packets.

Mayor Nusser asked all council members if they were comfortable with using a tablet and if they were ready to move forward with paperless agendas? A discussion took place of how the packet would be delivered, City Manager Bradley Eilts indicated that he would prefer to use drop box, it is a free service and can be made accessible to each Councilmember. Councilmember Murray asked that everyone commit to learning how to use a tablet so that as a governing body they can move forward, they would be more prepared when they come to meetings, i.e. watching presentations and having links to GIS mapping. He sees that this can be a break even investment, if we have 18 meetings a year, including budget season.

Council and Mayor Nusser asked that when seeking bids we use local vendors, also ask local business if they would do some kind of training session. \$500 per unit.

Council set a budget of \$5,000 and requested that City Manager Bradley Eilts get 3 bids and award to the lowest bidder.

### **Mechanical Bids**

City Hall's heating and air conditioning unit has a slow Freon leak and the CO2 venting is not to City Code. Air returns also need to be installed in order to increase the efficiency of the new unit. Four contractors were contacted and two bids were received for a five ton, 13 SEER unit. Staff recommendation is to award the contract to Shaver plumbing at \$8,200.

The condenser in the air conditioning unit at the Library is out and needs to be replaced. Three contractors were contacted and two bids were received. Staff recommendation is to award the bid to Comfort Pro as Stueder was not certain the amount of Freon that would be required at \$39 per pound and filter dryers would cost extra.

Councilmember Murray moved that City Hall contract with a bidder at a maximum of \$8200 and Jordaan Library contract with a bidder at a maximum of \$6908 turnkey, seconded by Councilmember Elmore.

Motion Passes.

Council also requested to know the process specifically when seeking bids.

### **Staff Presentation:**

Police Chief Chuck Orth gave an update on the CADS system, there will be 3 days of training for all dispatchers and police officers beginning this week. Colby Hill passed The Academy and will begin work as an officer. The new police unit is up and running since May 25<sup>th</sup>.

Joe Dickenson gave an update on the Ambulance Services. They are finishing up the last class of the EMT to assist with transfers, most of which are to Hays or Wichita.

Fire Chief Bird gave an update on the fire department. They are at 40 calls for the year, and that is along the average for previous years. Fire fighter one classes will conclude the end of August. The fire station is being repainted through volunteer work and they are paying for the paint as they go. They will also go and help with the cleaning of the 4H barn for the 25-year anniversary.

**Executive Session:**

Councilmember Murray motioned to go into Executive Session at 8:54 and resume regular session at 9:15. Councilmember Bennett Seconded. The council will call the City Manager and the City Attorney after council meets.

Open Session resumed at 9:15

Council Member Murray announced that the council move to retroactively add the COLA raise of 1.1% to the City Manager, Bradley Eilts wages. Councilmember Bennett seconded.

Motion Passes.

Councilmember Murry made a second motion to move that the housing allowance for the City Manager is extended for additional 12 months. Councilmember McGinness seconded.

Motion Passes.

No further discussion took place.

Meeting adjourned.

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City Clerk, Kara Rath

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Mayor, William Nusser