

City Council Meeting Minutes
City of Larned
Council Chambers
August 2, 2021
6:30 PM

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

Councilmember Sharon McGinness and Councilmember Jason Murray were absent.

City Manager Bradley Eilts, Finance Director Monica Steiner and City Attorney Ron Smith were also present.

Visitors: Judi Tabler, Josh Taylor, Josh Kraisinger, Tim Messmer, Rick Reason, Ralph and Lynn Streit, Don Augustine, Fred Taylor, Clayton Kelly, Will Tice

Pledge of Allegiance.

Approval of Agenda

Councilmember Elmore motion to approve the agenda, Councilmember Bennett seconded.

Motion passed.

2022 Larned Municipal Budget-Public Hearing

Councilmember Barnes motioned to open the public hearing; Councilmember Rainbolt seconded, and motion carried.

The 2022 budget was published on July 22, 2021 in the Tiller and Toiler. Kansas Statutes require a public hearing prior to the approval of the annual budget.

Councilmember Bennett motioned to close the public hearing, Councilmember Rainbolt seconded.

There were no comments on the budget by the public.

Motion Passed.

Approval of 2022 Larned Municipal Budget

A motion to approve the budget was made by Councilmember Bennett and seconded by Councilmember Rainbolt, and carried.

Approval of Consent Agenda

Councilmember Bennett motioned to approve the consent agenda; Councilmember Clark seconded.

Motion Passed.

Appropriation Ordinance #7

Finance Director, Monica Steiner reported on the expenses listed on the financial report. On a motion by Councilmember Elmore and seconded by Councilmember Rainbolt and carried for Appropriation Ordinance #7 in the amount of \$1,227,888.21 and transfers more or less were approved for payment.

Motion Passed.

Public Comments

Tim Messmer of 222 W 5th St. addressed the council regarding his neighbors.

Old Business

Refunding Series 2013 General Obligation Bonds

The GO Bonds went on sale Monday, August 2 at 11AM. The City received two bids. The bidder providing the lowest interest rate on the Series 2021 Bonds is UMB Bank at an average interest rate of 1.30%. This results in \$50,514.42 interest savings to the City. Resolution number 2021-4 was presented to the Council. Councilmember Rainbolt motioned to approve the resolution, seconded by Councilmember Elmore.

Motion passed.

With the resolution for the selling of the bonds is Ordinance number 1605 providing the issuance of Taxable General Obligation Refunding Bonds, series 202, of the City of Larned, Kansas, for the purpose of providing funds to refund a portion of the City's outstanding General Obligation Bonds. Councilmember Barnes motioned to approve Ordinance number 1605; councilmember Elmore seconded. On a roll call vote 6 aye, 0 nay.

Motion passed.

New Business

Contract with Midwest Energy

After an investigation and interviews with each of the five employees of the Electric Distribution Department, a decision was made to dismiss the employees. In order to offer the services essential to run an electric utility, the City began conversations to determine potential resources available.

As our primary firm energy provider, Midwest Energy has the capacity and ability to fill the void. On July 16th, the City Manager signed a contract for services with Midwest with the expectation of consideration and approval by the City Council at the August 2nd meeting. It

was necessary to sign the Contract on a temporary basis to assure indemnification purposes to protect MWE and the City of Larned. It also clarified the services for MWE to perform. The contract is for a six-month period, but either party can terminate the contract with a 30-day notice. The services can be performed by MWE crews at their cost, plus at 10% administrative fee. Councilmember Bennett motioned to approve the signed contract; Councilmember Barnes seconded.

Motion passed.

KMEA-GRDA Winter Energy Charges

The Grand River Dam Authority (GRDA) incurred costs exceeding \$100 million last February, with KMEA is approximately 7% responsible, or around \$7,300,00. Larned's portion of these costs is \$173,000.

The GRDA is offering three options for participating communities

- 1) Pay the financial obligation up front (\$173,000)
- 2) Spread the costs over 52 months, from January 2022 to April 2026, with the addition of carrying costs estimates at 2.5-3%
- 3) Pay a portion of the obligation up front and spread the remainder over the 52-month period.

Councilmember Wilson motioned to pay the financial obligation up front, Councilmember Bennett seconded.

Motion passed.

Vac Truck Purchase

The City's current Vac-Con vac truck has reached its reasonable useful lifespan. It is an essential piece of equipment for several departments within the city. The bid from Red Equip was the least expensive unit, the bid included a chassis from Peterbilt; however, they are not available until the spring of 2022, but substituting a Freightliner chassis reduced the cost an additional \$2,000 and is available in 45-60 days.

The Water Department set aside funds for matching the CDBG project and those will not be needed as soon as originally planned due to material shortages. These funds will be applied to the cost of the truck, any shortages will be covered by a loan from the Electric Utility.

Councilmember Wilson motioned to approve the Red Equipment Vac-Con vac truck for \$453,831; Councilmember Rainbolt seconded.

Motion passed.

Larned Fishing Pond Aerator

Recently we have had a number of large Catfish die in the City pond. It is believed that an intense rain and the influx of a significant amount of stormwater drainage disrupted the circulation of oxygenated water causing the fish to die.

Harley Fish recommended that the City install an aerator in the pond which would benefit both the fish and the pond itself by adding oxygen into the water. There are a number of variables that effect the cost of an aerator, most specifically the power sources, electric or solar. Outdoor Water Solutions was the only bid that was received; however, we were able to get comparable pricing on-line.


Councilmember Rainbolt motioned to approve the bid from Outdoor Water Solutions by using electric power source; Councilmember Elmore seconded.

Motion passed.

Adjournment



City Clerk, Kara Rath



Mayor, William Nusser