

Regular Council Meeting  
January 13, 2014 6:30 p.m.  
City of Oswego, KS 67356

Present: Councilmembers Bill Owens, Dee Brown, Kelly Vance, Jane Rea, Darren Tynan and Susan Bringle with Mayor Glenn Fischer presiding.

Also present: City Superintendent Calvin Jurgensen, City Clerk Carol Eddington, Asst. Chief of Police Brandon Conrad, City Attorney Rick Tucker, Fire Chief Donnie Allison, Asst. Clerk Renee Cochran, Pat Hendrickson, Carole McKinley, Paula Kern, Larry Richardson, Marna George, Bill Cunningham, Heather Brown, Gary Tomey and Brenda Richardson.

### **OPENING PRAYER AND PLEDGE OF ALLEGIANCE**

City Attorney, Rick Tucker, gave the opening prayer and Councilmember Rea lead the Pledge of Allegiance.

### **PETITIONS**

#### **Donnie Allison – Fire Dept Purchases - Retirement**

Fire Chief Allison addressed the Council. The pump on the 1988 Fire Truck went out and repair parts alone are going to be \$2400 which may be over the budgeted maintenance amount. Chief Allison also said the old air packs need to be replaced. He estimated 10 air packs will cost around \$45,000-50,000. He said they have tried for grant money to help fund the purchase and plan to continue to look for funds. The fire truck is almost paid off and Allison thought maybe the department could renew the loan and use it for purchasing of the air packs. Mayor Fischer suggested the possibility of using the proposed sales tax increase to help fund the purchase.

Chief Allison then announced that he will be retiring at the end of March. Mayor Fischer thanked him for his service. Council and those in attendance expressed their appreciation.

### **ORDINANCES, RESOLUTIONS and AGREEMENTS**

#### **Mowing Assessment Ordinance**

“An Ordinance making and levying a special tax upon all lots and parcels of ground in the City of Oswego, Kansas for the cost and expense of mowing in said city through November 1, 2013” was presented. This ordinance covers unpaid mowing charges. Brown made a motion and Rea seconded to approve the ordinance as presented. Motion carried. Clerk assigned it Ordinance #1315.

#### **Fiber Optic Internet – Craw-Kan – Amended Agreement**

After the City met with Craig Wilbert, Craw-Kan Telephone General Manager, in December, Craw-Kan submitted an amended agreement. Clerk Eddington contacted Wilbert for clarification on Section 5.1. of the agreement. Wilbert said that the three locations referred to in the section are City Hall (including Fire, Police & Clerk’s office), the water plant and the public works building. All of these locations will share the 15 mg connection. Wi fi will be provided at each location for wireless internet connectivity. Wilbert also said that, as he stated during the meeting, they will have no problem increasing the connectivity speed temporarily for the city if the need arises. Clerk Eddington sent the agreement to Attorney Tucker for review. Tucker’s recommendation was that the verbal statement regarding temporarily bumping up the speed should be added to the contract if the Council wanted it to be enforceable. He also recommended

paragraph 8.1.12 have a phrase added which provides that the city be a named insured under Craw Kan's general liability insurance policy.

Council questioned whether the library would be included. Fischer stated Craw Kan will not include the library because they can get a discounted e-rate. Rea said they could use internet at the pool and asked if the wi-fi connection at the water plant would reach the swimming pool? Clerk Eddington said she will contact Craw Kan and ask them about it. After some discussion it was determined that the changes recommended by Attorney Tucker be presented to Craw Kan so they can amend the contract; then bring it back to the council.

### **Land Lease – Jennings Property**

Information received from County Extension Agent Keith Martin on agricultural leases was forwarded to Attorney Tucker prior to the meeting. Tucker said he needed additional information before he would be able to draw up a lease such as the amount of acreage and how the city wanted to rent it out. It was stated that the surveyors should be able to provide information on how many acres are suitable for pasture. Clerk Eddington will check with Shawn Carter at Labette Bank for guidance on how the city should rent it out. Tucker said once the city makes these determinations he could draw up the lease. It was noted that allowances for pecan harvesters being able to get to and from the pecan grove should be included in the lease.

### **CONSENT AGENDA**

The Consent Agenda includes minutes from regular and any special meetings since the last regular meeting, accounts payables check registers for the month (copies of the warrants were available for review), payroll checks for the month and utility deposit refund checks for the month. Eddington requested that three additional checks for 2014 expenses be added that were not listed: Utility Service Co. \$5,690.88, Labette Bank, \$11,313.12 and KMIT, \$22,695.00. Owens asked that the word "dollars" in the first sentence of his individual report in the Dec.9, 2013 minutes be changed to "debt."

### **Appointments - Public Building Commission**

The Consent Agenda included the re-appointment of Sharon Schreppel to the Public Building Commission for a three year term, expiring January, 2017 and the appointment of Jay Trower to fill the unexpired term of Ken Wyrick, expiring January, 2016.

### **Resolution - GAAP Waiver for 2014**

K.S.A. 75-1120(a) requires municipalities to use accounting principles generally accepted in the USA (or GAAP), in the preparation of their financial statements and reports. The Governing Body of any municipality may waive the statutory GAAP requirement. The city's auditor has recommended that the city waive GAAP. These reporting requirements are more for the large cities as they are very cumbersome and time intensive. The city is required to present financial statements and reports prepared on cash basis receipts and disbursements to show compliance with the cash basis and budget laws of Kansas. This is what the city does. The resolution to waive the GAAP requirements for the 2014 year was presented (Resolution #1-13-14A).

Tynan made a motion and Brown seconded to approve the Consent Agenda including the change to the minutes and the three additional checks. Motion carried.

## **OLD BUSINESS**

### **Water Project Update– Streambank/ Dam Project**

#### *Project Change Order #1*

Matt Eblen, with Shafer, Kline & Warren has submitted Change Order #1 for removing the shotcrete and adding the berm on the south side of the channel. It has been accepted and signed off on by the engineer and the contractor. Superintendent Jurgensen explained the changes. Brown made a motion and Bringle seconded to approve the change order. Motion carried with Tynan voting no.

#### *Financing – GO Bond Issue – Resolution*

Kevin Cowan, Gilmore & Bell, has submitted a resolution amending the financing for this project due to the loss of the FEMA funds. The original Resolution was passed in 2011. It was noted that the contractor has begun the work. Clerk Eddington stated the FEMA appeal could take a year before being settled. Rea made a motion and Bringle seconded to approve Resolution 1-13-14B. Motion carried.

#### *SKW Professional Services Change Order #1- Add Water Plant Modifications*

This change order covers engineering services for adding modifications to the water treatment plant consisting of filter piping replacement and valve actuator replacement to the project. Supt. Jurgensen explained this work. The engineering work will need to be done in order to come up with a cost estimate for the changes. Rural Development had already dedicated the full amount for the grant/loan funds and with the savings in Change Order #1, the city hopes to be able to get this work done within the scope of the project so those grant funds will not be lost. Christie McReynolds, with Rural Development, has approved the change order. Rea made a motion and Vance seconded to approve the change order from SKW. Motion carried.

#### *FEMA Appeal - Information*

Cheri put together information for the appeal to the regional FEMA office. She has sent the information to Joe Wheeler, with KDEM, and is awaiting input from him. Cheri plans to work on this again Thursday (Jan. 16<sup>th</sup>) when she gets back into town. The deadline to have the appeal submitted is February 3<sup>rd</sup>. FEMA then has 90 days to respond to our appeal. If turned down, the city has 60 days to appeal to FEMA at the Federal level. Therefore, it may take a minimum of 12-18 months before a decision is made. Rural Development has dedicated the city with the additional funding (part grant and part loan) needed to make up for the lost FEMA funds. If the city should win the appeal with FEMA, that grant money could be used to pay down the debt with Rural Development.

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## **Housing Projects**

### *Housing Development – Jennings Property - Preliminary Planning*

Bryan Osborn, Anderson Engineering, plans to present the preliminary plan of the entire property and Plat 1 layout and infrastructure to the Planning Commission on January 20<sup>th</sup>. The Housing Committee will also be invited to attend this meeting.

Anderson Engineering will then make any necessary changes and intend to have the final plans to the city on February 3<sup>rd</sup> (including geotech report, survey, plats, infrastructure plans).

### *CDBG Housing, Owner Rehab*

The bid opening for the second set of homes in this CDBG project was held December 18, 2013. (1417 North St., 15 Illinois, 111 Wisconsin, 505 Kansas) Susan Galemore, our Grant Administrator has recommended awarding the following:

1417 North St. – Larry Ewing - \$19,500

15 Illinois – Nance Construction - \$18,000

111 Wisconsin – D & D Construction - \$19,150

505 Kansas – Nance Construction - \$23,800

(This project is over the allowed \$20,000. Susan has spoken with the homeowner and he wants to do some of the repairs himself to bring the bid down to \$20,000. She has sent him a letter outlining the repairs he would need to do within the 30 day deadline.)

Rea made a motion and Brown seconded to approve all four bids contingent upon the homeowner of 505 Kansas doing the required repairs to get the bid for that house down to \$20,000. Motion carried.

### *CDBG Housing, City Owned Rehab*

Clerk Eddington reported that Susan Galemore inspected 112 Iowa. She plans to put together a scope of work and then put it out for bid.

Clerk Eddington also reported that Galemore inspected the house on the Jennings property. She said that at the very least the city would need to add some floor covering, baseboards and finish painting. Galemore suggested contacting one of the contractors working on other projects in town to look at the property and supply an estimate. Galemore said the plumbing and electric looked ok as far as just a walk through. Tucker recommended that if the city was going to rent it out it should pass the Housing Codes. Council requested Clerk Eddington contact one of the contractors to take a look at the house including the wiring and plumbing and give the city an estimate. Bringle also suggested checking on the septic tank which should require an inspection when property changes hand.

### *Donated Property - 411 8<sup>th</sup> St.- Request to Purchase*

B-3 has demolished the house that was on this property and cleaned up the lot. The property was donated to the city by Labette Bank for the purpose of low-income housing. Josh and Barbara Edings contacted the city office and asked if the city would sell the property to them. It is across the alley from their property and they would like to put a shop or garage on it. They said if they

could not do that, they would like to purchase it anyway so they know it will be mowed and kept up. Clerk Eddington noted that in the planning and zoning regulations, an accessory building such as a shop or garage, cannot be placed on a lot by itself without applying for and being granted a conditional use permit.

The cost to have the house torn down was \$2,000. Brown made a motion and Owens seconded to sell the lot for \$3,000 if the buyers would agree to construct a 500 sq. ft. minimum sized building within a year after approval of a conditional use permit. Motion carried with Rea and Tynan voting no.

### **2014 Budgeted Salary Increases**

A 3% COLA or merit increase for city employees is in the 2014 Budget. There will be no COLA increases as there is no one topped out in their pay scale. With Council approval, merit increases will begin on the first day of the first full payroll following each employee's anniversary date. Brown made a motion and Rea seconded to leave the 3% merit increase that is allowed in the budget. Motion carried.

### **City Sales Tax Increase**

The special election for the one-half of one percent sales tax increase will be held February 18, 2014. A list of items the city will need additional funding for, above the city's normal mil levy, was handed out to the Council. Mayor Fischer stated that funding for these items will have to come from somewhere – either through property taxes or sales tax. He feels that sales tax is the most fair tax. He also said the city could not campaign or tell people how to vote, however, the city can provide the facts and figures as to why we are seeking the sales tax increase. Staff is working on compiling figures now.

Mayor Fischer asked for assistance with getting the word out to citizens. Bringle suggested putting a newsletter in with the utility bills explaining what the sales tax would be used for. Councilmembers Rea, Brown and Bringle volunteered to contact people to attend an informational meeting on the need for the increase. The meeting will be held at the Community Center at 7:00pm on Tuesday, January 21<sup>st</sup>.

### **Funding for the Library**

Attorney Tucker submitted an opinion letter, on January 9<sup>th</sup>, as to whether the alcohol tax or the current sales tax revenue could be used towards funding for the library. The letter states the City could expend the Alcoholic Liquor Tax for the library as long as the funds were expended for "purchase, establishment, maintenance or expansion of the library services, program and facilities". As far as the current sales tax, the letter states that if sales tax funds were given to the library, they would have to be for use in "improving the library facilities and could not be used for salaries, operations or other programs".

As was discussed at the December 30, 2013 Special Council meeting, Cheri said that the city could "borrow" funds from the Capital Improvement Fund (that had been set aside for the pool and the parks maintenance) in order to fund the bulk of the requested \$4,000 - \$5,000 for both

years 2013 and 2014. The amount in Capital Improvement set aside for these two items is approximately \$16,239. The city will need less than \$9,000 of that for the matching funds to fix the pool roof. The balance requested from the Library could come out of the General Fund, if necessary. Clerk Eddington noted that Capital Improvement would need to be reimbursed at some point in time.

Bringle made a motion and Brown seconded to give \$5,000 to the library now from the Capital Improvement Fund for the 2013 year. Motion carried with Owens opposing. Council requested the item be placed back on the agenda in June to discuss additional requested funds.

## **NEW BUSINESS**

### **Group Dental Insurance Renewal**

The renewal for the city's group dental insurance from Blue Cross/Blue Shield came in at less than the current premiums. The city pays for most of the employee only premium and the employees pick up the balance. If any employees have family coverage they pick up that additional cost as well. The city budgeted for a 5% increase in dental insurance this year. Blue Cross has provided a rider for orthodontics since the current dental plan has no coverage for this service. The Department Heads are checking with their employees now to see how much interest there would be in this – the employees would pick up the cost of this rider. Staff recommended renewing group dental insurance with Blue Cross/Blue Shield. Brown made a motion and Rea seconded to renew the dental insurance with Blue Cross/Blue Shield. Motion carried.

### **Pecan Bids – Jennings Property**

The bids were due on Monday, January 6, 2014. The city received only one bid: Donald Sotta, McCune – Property owner will receive .33% of pecans picked and cleaned.

The bid did not make it clear as to whether the city would receive the pecans or cash. Brown made a motion and Owens seconded to approve the bid contingent upon Mr. Sotta providing proper documentation of pounds sold and pay the city with cash rather than pecans. Motion carried.

### **Pool Bathhouse Roof Project**

George Elliott is still working on the proposal for the roof repair. The matter was tabled until the February meeting due to his absence.

## **INDIVIDUAL REPORTS**

**Vance** – reported that the committee has chosen seventh graders, Courtney Bates and Easton Dean as winners of the If I Were Mayor Essay Contest. They will be sent a letter of congratulations and will be invited to attend the February Council Meeting to read their essays.

**Brown** – shared an article from the KS Government Journal regarding the loss of state tax revenue. The city has not received any revenue from the three funds since 2004. Brown stated this has cost cities in the state over one billion dollars in revenue.

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**Bringle** – asked when the city is going out for bids to mow city owned property? Supt. Jurgensen said the city will go out for these bids in early March.

- Bringle also asked about the gas line at the Hines property. It appears to have exposed gas lines across the driveway. Mayor Fischer asked Supt. Jurgensen to look into it.

**Rea** – asked about the status of the house at 820 5<sup>th</sup> St. Clerk Eddington reported that B-3 had to stop their demolition process because the gas company had shut off the gas and removed the meter but didn't abandon the line. Eddington called the gas company, however only the owner can put in the order to abandon a line. Contact was made with the owner and he said they would take care of it.

**Eddington** – reported that the city has received fire insurance on the house that burned down (522 6<sup>th</sup> St.).

- asked that anyone interested in attending City Hall Day at the Capitol let her know so she can get them registered. It is Wednesday, Feb. 5<sup>th</sup>.

**Mayor Fischer** – reminded council the Strategic Planning Session will be held Feb. 1<sup>st</sup> from 9:00 am – 1:00 pm. RSVP's are requested. Councilmembers Brown and Bringle stated they will attend.

#### **15 Minute Public Discussion**

**Pat Hendrickson** – mentioned there are large pot holes in the alley behind Labette Bank. Superintendent Jurgensen said the city crews filled them earlier that day.

**Paula Kern** – thanked the city for the additional funding for the library.

**Larry Richardson** – commended the city crews for doing a good job getting the streets cleaned off. Everyone agreed and expressed their appreciation as well.

#### **ADJOURNMENT**

Rea made a motion and Owens seconded to adjourn the meeting at 8:08pm. Motion carried.

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Mayor Glenn Fischer

Attest:

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Assistant Clerk Renee Cochran