

Regular Council Meeting  
October 15, 2014 6:30 p.m.  
City of Oswego, KS 67356

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

Absent: Councilmember Susan Bringle

Also present: City Attorney Rick Tucker, City Superintendent Calvin Jurgensen, City Clerk Carol Eddington, Asst. Police Chief Brandon Conrad, Deputy Clerk Renee Cochran, Heather Brown, Paula Kern, Larry Richardson, Carole McKinley, Attorney Gene Barrett, Richard Thompson and son, Lloyd Schlatter, Dan Chapman and Mike Reed.

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

Bob Conway, First United Methodist Church, gave the opening prayer and Councilmember Rea led the Pledge of Allegiance.

### **PETITIONS AND DELEGATIONS**

#### **Utility Rate Study – Beth Warren – Ranson Financial**

Beth Warren, Ranson Financial, attended the meeting to report on her findings after analyzing revenues and expenses for the water and sewer utilities. Warren provided copies of the results to Council for their review. Warren recently completed her study after receiving the figures from the 2013 Audit and the 2015 Budget.

#### *Sewer Review*

Warren said the study showed that the total revenue requirement to cover all sewer expenses was \$246,720. Based on some assumptions and forecasted figures, the estimated shortfall is \$17,000. In order to cover this shortfall there would need to be a 7 ½% increase in the minimum rate. Warren said that there is a 5% margin built into the program to allow for expenses that come in higher than expected or revenue that comes in lower. The current minimum rate is \$17.40. With a 7 ½% increase, the minimum rate would be \$18.40. Warren also said that the fund has 475 days of cash on hand, which is more than the recommended 180 days. Council questioned whether it was necessary to consider a rate increase when there is an excess of cash in the fund. Warren said it was a good amount until you run into a situation where you have to replace a line or a lift station; then it dwindles down very quickly. Clerk Eddington pointed out that these balances have not been built up in the last few years, only used.

#### *Water Review*

Warren said that the study of water rates showed a revenue requirement of \$803,007 was needed to cover expenses based upon the forecasted figures. With the current rates, the projected shortfall is \$175,000. Much of this shortfall is due to the new bond issues for the Streambank/Dam Project. Warren provided three different options to deal with the shortfall. 1) Cover the basic service plus a 5% margin (a 28% increase). 2) Modify the City's rate structure by changing the residential units that serve multiple units (apartments, duplexes, etc.) so that each unit is treated as an individual user (25.75% increase) 3) Modify the rate structure as noted in option #2 and remove the 5% margin that is recommended to be added in on top of expenses (19.5% increase).

Council asked what factors have caused the shortfall. Clerk Eddington said that there were forecasted increases in property insurance, workers comp insurance, water tower maintenance, chemical prices, health insurance, retirement rates increase, a new backhoe lease, etc. It was also noted that during budget time some of the salary expenses were moved to water to relieve the General Fund property tax burden. Eddington also said that the water revenue is down. It has been going down for the last few years. Water consumption has never bounced back after citizens were encouraged to conserve water during the drought a couple of years ago. In addition, there are fewer users on the system.

### **22 N. Commercial – Condemnation – Attorney Gene Barrett**

Gene Barrett, Attorney for the property owner, Richard Thompson, said that Mr. Thompson has made improvements to the house since last month's Council meeting. Last month, Council agreed to wait a month before accepting the demolition bid from B-3 and allow Mr. Barrett time to consult with his client on the matter. At that time, Barrett said that Thompson did not have the income to keep up the estimated 100 rental houses he owns and at age 87 he was physically unable to keep them up. He stated that he was going to advise Mr. Thompson to liquidate some of his properties and asked Council to hold off any action on the property until the next regular Council meeting in October.

Attorney Barrett is now asking for another month long extension for his client. He went on to say that Mr. Thompson has made a significant investment by spending thousands of dollars on the property. He provided pictures for Council review. He said he agreed that the property was not habitable now but did not feel like the structure was unsafe or dangerous. He said that the laws provide that the building must have a structural problem or defect to remove it and did not believe this was the case.

City Attorney Rick Tucker said that the City did believe the building was dangerous and unsafe, especially to neighborhood children, and it was legally within their right to condemn the building. In the five years Mr. Thompson has owned the property, it has remained uninhabitable. The property has been in the condemnation process approximately 14 months with the Council granting several extensions to Mr. Thompson giving him the opportunity to bring the house up to the Minimum Housing Code. This has not happened. Attorney Barrett asked for a list of work that needs to be done to bring the house up to code. Attorney Tucker said that it was the property owner's responsibility to know what the housing codes require. Councilmember Brown asked how much longer would it take for Mr. Thompson to get the house brought up to Code? Attorney Barrett questioned Mr. Thompson but Thompson did not have an answer. Thompson then began talking about the condition of the Professional Building downtown and City Attorney Tucker said it had nothing to do with the matter at hand.

Attorney Barrett questioned the Mayor on the improvements that he noticed while viewing the house recently. Mayor Fischer stated that when he and Supt. Jurgensen inspected the house they noticed that the paneling was not installed correctly. Upon further inspection Supt. Jurgensen received an electrical shock from bare wires behind the paneling. There are also still water leak

Regular Council Meeting  
October 15, 2014 6:30 p.m.  
City of Oswego, KS 67356

marks in the ceiling. Councilmember Brown said that the pictures show that the roof on part of the building is falling down.

Mayor Fischer noted that each time an extension has been granted, the work was not done and now, in the final stage of the condemnation process, the owner has put money into the house in an attempt to stay the demolition process. The work that has been done is sub-standard and the structure still remains uninhabitable.

Attorney Barnett said he feels as though Thompson has made an effort and everything in the resolution has been done. Council asked Attorney Tucker if the legal process had been followed. He said he had reviewed the file a couple of times and was satisfied that it had been but would look at it again if Council so desired. Brown made a motion and Rea seconded to proceed with condemnation and accept the bid for demolition from B-3 Construction. Councilmembers Tynan and Owens voted no with Vance abstaining. Attorney Tucker verified that an abstention goes with the yeas. Motion carried.

#### **CITY ATTORNEY**

##### **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 AUGUST 25, 2014 was presented for approval. The ordinance covers unpaid mowing charges through August 25, 2014. Owens made a motion and Brown seconded to approve the ordinance. Motion carried. Clerk assigned the ordinance number 1328.

##### **Ordinance – Airport Property Annexation**

AN ORDINANCE ANNEXING LAND TO THE CITY OF OSWEGO, KANSAS, THE UNPLATTED LAND DESCRIBED HEREIN, WHICH LAND IS OWNED BY THE CITY OF OSWEGO was presented for approval. The Ordinance is to annex the land that the city recently purchased at the airport. Clerk Eddington informed Council that state statute KSA 12-520(a) (2) allows the City to annex the land with no resolution or public hearing since it is property owned by the City. Attorney Tucker reviewed and approved the ordinance. Brown made a motion and Rea seconded to approve the ordinance annexing the property. Motion carried with Tynan voting no. Clerk assigned the ordinance number 1329.

#### **CONSENT AGENDA**

The Consent Agenda including minutes from regular and any special meetings, accounts payables check registers for the month, payroll checks and utility deposit refund checks for the month was presented. (Copies of the warrants were available for review).

Mayor Fischer asked if there were any additions or corrections to the minutes. Tynan said that in the discussion following Justin Hucke's request to allow chickens in the city limits he stated he wanted to go on record as having no problem with citizens being more self-sufficient.

Regular Council Meeting  
October 15, 2014 6:30 p.m.  
City of Oswego, KS 67356

## **Appointments**

### *Planning & Zoning Commission*

Mayor Fischer submitted Linda Schreppel for appointment to the Planning & Zoning Commission. She fills an unexpired term that will end May, 2016.

### *Airport Board*

Mayor Fischer submitted Lloyd Nading for appointment to the Airport Board. He fills an unexpired term that will end April, 2016.

Owens asked about other openings on Boards and Committees. Clerk Eddington said that she would get him a list. Brown made a motion and Owens seconded to approve the Consent Agenda with the addition to the minutes as requested by Tynan. Motion carried.

## **OLD BUSINESS**

### **City Owned Lots**

#### *Property along Chisolm Lane- Lloyd Schlatter*

Lloyd Schlatter attended the meeting to discuss the city owned property along Chisolm Lane adjacent to his property. Schlatter said he was under the impression that this was already part of his property. Over the years he has hired someone to come in to remove the piles of rocks, had dirt brought in and leveled and has been mowing and maintaining the property. He said that he wouldn't mind paying taxes on the property but does not want to purchase it. Tynan made a motion and Vance seconded to give the property to Schlatter. Motion carried. Attorney Tucker will prepare the deed.

### **Condemnations**

#### *1211 First St. – Dantic/Christy*

The city went out for bids to demolish the structure. Only one bid was received - \$2,800 from B-3 Construction. Clerk Eddington reported there has been no contact from the Dantic, Mr. Christy or the lienholder of record. B-3 estimated it will take 3-4 days to tear down. Vance made a motion and Rea seconded to move forward with condemnation and accept the bid from B-3. Motion carried.

## **NEW BUSINESS**

### **Airport Credit Card Reader Service Agreement**

A proposal for a service agreement with QTpod, was presented for approval. QTpod is the credit card reader installed at the airport. Clerk Eddington said the service agreement was free for a year with installation of the terminal and will soon expire. QTpod offers different levels of service to choose from. Based on the city's use and the fact that the system is new, Supt. Jurgensen recommends the Silver Level at an annual cost of \$595. This level provides for telephone tech support and a 25% discount on service parts.

Jurgensen said that he has utilized the tech support when setting up a new user and generating different reports. Council asked about Software Upgrades since it is not included in that level of service. Clerk Eddington said that the company reported they do not have regular updates and

do not expect any in the near future. Rea made a motion and Tynan seconded to accept the agreement at the recommended Silver level for \$595. Motion carried.

#### **Donation Request – OHS Booster Club**

A request for donations was presented from the OHS Booster Club. They have different levels of membership options: General - \$50, Tribe - \$100 and Tribe Pride - \$150. The Council has usually donated \$50 in past years. Owens made a motion and Brown seconded to approve a \$50 donation. Motion carried. Councilmember Rea asked if a spreadsheet of donations to date could be provided when a request is received. Clerk Eddington said she would add that to the packet.

#### **Street Improvement Project – Micro-surfacing Bid Results**

Bids for the Micro-surfacing Project were opened September 22, 2014 at 10:00 a.m. Only one bid was received – Vance Brothers, Inc., out of Kansas City, MO - \$63,151.25, \$88,901.25 with the alternates included.

Supt. Jurgensen said that the bid came in much lower than he expected. He recommended accepting the \$88,901.25 bid from Vance Brothers that includes the alternates. Council asked how long the application should last. Supt. Jurgensen said that Joplin gets about eight years out of theirs. He said the process will be applied to several different streets that experience a variety of wear. He plans to observe how it holds up to heavy traffic, low traffic and streets with heavy loads. He believes they should be able to complete the project in the next couple of weeks as long as the temperatures remain over 50 degrees. If not Vance Brothers has said they will honor the prices next spring and complete it then. Rea made a motion and Tynan seconded to accept the bid with the alternates included. Motion carried.

#### **Patrol Car Purchase**

At last month's Council Meeting Chief Elliott said one of the vehicles for the Police Department needed to be replaced. He presented a rough estimate of what it would cost to purchase a new vehicle versus a used one and felt the new vehicle was the best option. Council asked him to check in to the cost of a new vehicle with the additional amount to outfit it.

Deputy Chief Conrad reports that the 2015 Ram 1500Special, 4-wheel drive truck will cost \$23,800. The cost to outfit the vehicle with the necessary lights, etc. will add approximately \$1,700 bringing the total cost to \$25,800. Supt. Jurgensen said that the Public Works Dept. will need to replace a truck in a couple of years and felt that the departments could split the cost of the vehicle - have the police dept. use it for a couple of years and then move it to the public works dept. Deputy Conrad said that the additional equipment installed on the truck could easily be removed and transferred to another vehicle at that time. He also said that this vehicle is \$6,000 cheaper than any other vehicle they have found.

Clerk Eddington said there are no funds in this year's budget set aside for a vehicle but the auditor said that monies could be transferred from the surpluses in Water and Sewer to cover the expense. These funds could be paid back with budgeted funds in the future. Next year the

Regular Council Meeting  
October 15, 2014 6:30 p.m.  
City of Oswego, KS 67356

budget does have one-third of the expense of a used vehicle built into the budget, as was discussed at budget time.

At 7:46 Mayor Fischer called for a 5 minute break. The meeting resumed at 7:52pm.

Council resumed their discussion of the patrol car purchase. Owens suggested tabling the issue until next month's meeting. Mayor Fischer requested the issue be put on next month's agenda.

### **Proposal to Sell Property to City**

Fred Johnson met with Clerk Eddington on September 11, 2014 to discuss a proposal from his client, Dick Farris. Mr. Farris owns the property just to the east of City Hall and property adjacent to city property where the sewer lift station is on north Iowa Street. He said that Mr. Farris has offered to sell both properties to the city as a package deal for \$10,000.

#### *N. Iowa St. Property*

Council viewed aerial photos of both properties with the overlay of lot lines from the mapping department. Clerk Eddington said it appears that the city's lift station is sitting on Farris' property instead of the city's, however, the mapping department said that the lot lines are not accurate. The lines for Oswego get off every time there is an update and to fix one would require fixing them all. There is a disclaimer on the maps that states they are not to be used for conveyances, nor are they a legal survey. Clerk Eddington said she checked with the Register of Deeds to see if there had been a survey filed on either the Farris property or the city property, but there was none on file. The Appraiser's office has Mr. Farris' property valued at \$1,920. After some discussion Attorney Tucker said that the city would have a lawful easement for the lift station regardless of what property it is on since it has been there so long.

#### *5<sup>th</sup> & Merchant Property*

Clerk Eddington reported that on Monday, October 6<sup>th</sup>, County Commissioners Fred Vail and Lonie Addis contacted her and said that the County was interested in the property to the east of City Hall for parking and asked if the city was interested in purchasing it. She told them it was on the agenda and she would contact them after the Council Meeting. The Appraiser's office has the property valued at \$4,000. Brown made a motion and Vance seconded to decline the offer from Farris to purchase the property. Motion carried.

### **Executive Session – Personnel Matters of Non-Elected Personnel**

Rea made a motion and Tynan seconded to go in to executive session to discuss non-elected personnel for five minutes with the Mayor, Council and City Attorney present. Motion carried. Executive Session began at 8:00 and ended at 8:06pm.

### **INDIVIDUAL REPORTS**

**Vance** - complimented the City Superintendent and Crew for a job well done on the culvert at their new residence.

**Owens** – asked what the status was on the restitution for damages at the Golf Course. Deputy Chief Conrad said the charges have been filed in District Court but it could be years before the city will get reimbursed. It is in the hands of the County Attorney.

- reported Calvin Strickland, C&C Sanitation, has been approached to move his business to Parsons. Strickland said he was considering it because he was told he couldn't park his garbage truck at his business. Mayor and Staff reported having no such conversation with Strickland.

- asked how much they were going to lease the hangars for at the Airport and asked if the Airport Board were the ones to make the decision. Clerk Eddington said the Airport Board is working on the hangar development documents now to propose to the Council for approval.

**Rea** – asked about the trimming of trees around the power lines at the Community Center. The utility company cut out just the center of the tree and it looks bad. Supt. Jurgensen said it was protocol for them to trim 12 feet from the lines but that the city plans to remove the tree.

**Jurgensen** – reported that they will be shutting down all but six camping spots at Kamp Siesta while they make electrical upgrades. One of the poles rotted at the base and needs to be replaced. They also plan to bury some of the overhead lines and change out some of the 20 & 30 amp spots to make them 50amp at the same time. This will help during Fair Week and other special events when campers have had to cancel because of the shortage of 50amp sites.

- have installed the valve actuators at the Water Plant but still need to get some bugs worked out.

**Eddington** – said Council needs to set a special meeting to approve the roofing bids for the Parks Barn, Park Shelter Houses and Maintenance Shed. The bids are due Oct. 20<sup>th</sup>. Council set the special meeting for Monday, Oct. 27<sup>th</sup> at 5:30pm.

- said the pecan bids are due Nov. 3<sup>rd</sup> and the item will be on the agenda for the next Council Meeting.

- said the Golf Course Management Agreement needs to be re-done. She said a new agreement should be done before the bond proceeds are spent. It was determined to include this item on the special meeting agenda.

### **15 Minute Public Discussion**

There were no comments or questions from those in the attendance from the public.

**Mayor Fischer** - discussed the situation with the Ebola outbreak and asked for Council's feedback. This being a mobile society, he wants Oswego to be prepared. Mayor Fischer said he wants to make sure that the public and employees are protected and educated. Clerk Eddington contacted the city's insurance company to see if they knew of anyone who could facilitate a meeting, however, they did not have any resource. They are providing some informational flyers for the employee wellness fair. They also said that 70% of the health care providers didn't have sufficient training so it would be difficult to find someone with that expertise. After further discussion Councilmember Vance suggested that the employees use the same directives that nurses use and be sure to wash hands and use hand sanitizer after handling anything from the public. Mayor Fischer thanked everyone for their feedback and Councilmember Rea suggested that they revisit the subject if it appears that the situation is worsening.

Regular Council Meeting  
October 15, 2014 6:30 p.m.  
City of Oswego, KS 67356

**Eddington** – wished to clarify that she had just received the final rate studies this evening and plans to look at them closer. She said she couldn't speak to the assumptions and the forecasting done by Ranson Financial but she was going to take a look at current revenue and expenses. She said the city knew the water rates were going to have to increase due to the new debt service and it has been a fact that there have been no surplus transfers in water or sewer in the past few years. She asked that anyone with any questions, please contact her so she can work on them with Ms. Warren. Council asked if Beth Warren could come back to another Council meeting and discuss the studies further. Clerk Eddington will ask her.

**ADJOURNMENT**

There being no further business Owens made a motion and Tynan seconded to adjourn the meeting at 8:29pm. Motion carried.

Attest:

---

Mayor Glenn Fischer

---

Deputy City Clerk Renee Cochran