

Regular Council Meeting
September 14, 2015 6:30 p.m.
City of Oswego, KS 67356

Present: Councilmembers, Darren Tynan, Jane Rea, Kelly Vance, Caleb Strickland and David Newby with Mayor Bill Cunningham presiding.

Absent: Bill Owens

Also present: City Attorney Rick Tucker, City Clerk Carol Eddington, Police Chief George Elliott, Deputy Clerk Renee Cochran, Brandon Conrad, Heather Brown, Larry Richardson, Carole McKinley, Brenda Richardson, Paula Kern, Trevor Blankinship, Gary Tomey, Rodney Kelly, Cheynea Clifton, Rick McKinzie, Jeff Falkenstein, Richard Thompson, John Davis, Steve Lewis, Daniel Mann and Bill Cochran.

OPENING PRAYER AND PLEDGE OF ALLEGIANCE

Bill Cochran, Oswego Christian Church, gave the opening prayer and Councilmember Vance led the Pledge of Allegiance.

PETITIONS AND DELEGATIONS

Great Plains Development Authority, Daniel Man

Daniel Mann addressed the Governing Body to update them on what is going on at Great Plains Industrial Park and how it affects the surrounding cities. Mann said the Kansas Ordinance Plant was built 1941-1942 in preparation for World War II. It is a closed facility with 33 miles of rail system and 110 miles of road. These features have allowed them to be considered for many different economic opportunities. Mann said right now there were twelve different companies who are showing direct interest and he coordinates three to five site visits per month for interested parties.

Currently the property has been going through remediation for ground water and explosive contamination. The explosive risk remediation has been completed and the rest of the project should be finished next month with reseeding being done now. Council asked about who would be responsible for clean-up if something is found in the future. Mann said in that event (for example, due to advancement in technology) the Army would be responsible for any clean-up. The Department of Defense protects them from any liability.

Mann said that currently out of 7,000 acres they have 3,886 acres in agriculture leases. In 2014 this generated \$11,569 in Agriculture Taxes for the County. The property also generates \$234,000 in property tax relief for Labette County residents. Board Member Steve Lewis also attended the meeting and said that they have been working on this for ten years. Both Lewis and Mann are optimistic about the prospects and believe this could bring significant job opportunities to the area, which in turn, would create a need for additional housing in the area.

Fair Grounds Restroom – Jeff Falkenstein & Rick McKinzie

Jeff Falkenstein and Rick McKinzie, Labette County Fair Board, attended the meeting to discuss with the Council, their plans to build a new a combination restroom and multi-purpose room at the fairgrounds. Falkenstein thanked Council for their previous support and felt there had been better communication with the city during this year's fair. He said the expanded restrooms are

needed for more than just during the fair, as the Fair Board holds many other events at the fairgrounds. Next weekend they are expecting over 500 people to attend the High School Rodeo event held Saturday and Sunday. They have not determined the exact placement of the building yet but the plan is to construct an air conditioned 30' x 40' facility with 25' x 30' being restrooms with stainless steel fixtures. The remaining 1/3 of the building would be a multi-purpose room which could be used for a concession stand or office. Although the restrooms are for the public they do plan to keep the building locked except when there is an event at the grounds.

Falkenstein said one of the barns will be paid off next year. This will allow them to pursue other projects. Council asked if the County Commissioners were in favor of the project and when they expected to get started. Falkenstein said yes, the commissioners are in support of the project and they plan to start before the first of the year. They would like to use local contractors and may also use Eddie Green and the LCHS Trade School.

Council asked what they would like the city to do to assist them. Falkenstein said that they would like the city to install and maintain the sewer system. Clerk Eddington said that there were surplus monies in the sewer fund that could be used. Supt. Jurgensen said he had checked into what the costs would be to run the line and install a grinder station. The high estimate is around \$5,800. The city crews would provide the labor. Newby made a motion and Rea seconded to approve spending up to \$5,800 plus the labor to install the sewer system for the facility. Motion carried.

SEK Museum Property - Rodney Kelly

A business proposal from Rodney Kelly regarding the old SEK Museum property was discussed. At the August Council meeting Kelly said he would be interested in opening a new business in the SEK Museum property that has recently reverted back to the city. Council asked Kelly to prepare something in writing outlining what he would like to do with the property. Kelly's proposal stated that he would like to purchase the property for \$2.00 and agreed to upgrade and maintain the building by painting both the inside and outside and repairing the roof. He would open either an indoor flea market or indoor archery range.

Mr. Kelly attended the meeting and said that he expects it will take \$30,000 to \$40,000 to make the repairs and get the building ready to open for business. He did not want to make that kind of investment with the possibility that it could revert back to the city. Kelly pointed out that this would put the property back on the tax roll. Kelly stated that his other business ventures in Oswego were going very well. He has customers that have traveled here from Maine and New Jersey to participate in the Big Buck Adventures. Strickland made a motion and Vance seconded to approve selling the SEK Museum property to Kelly for \$2.00 with no reversionary clause. Motion carried. Attorney Tucker will draw up the deed.

Video Store Property – Cheynea Clifton

Cheynea Clifton, co-owner of Radius Salon, attended the meeting to address the Council about a business proposal. Ms. Clifton said that she had owned Radius Salon, a successful Beauty Salon

in Parsons, Kansas, for eight years. She resides with her family in Oswego and would like to relocate her business here so that she can be more available for her children and school activities. In addition to hair, the business would include a tanning center and possibly a masseuse and nail salon.

Clifton's proposal included constructing a 20'x 50' metal building on the old Video Store lot on Commercial Street. The city purchased the property when the Professional Building was removed in order to save on demolition costs. The metal building would be butted up next to the adjacent building but not attached. The plan includes a brick or rock front so that it would be more cohesive with the style of other downtown buildings.

Council asked when she would expect to begin work. She said her lease in Parsons is up in October 2016 so she would like to get started on construction in February or March. That way she should be able to move in and be up and running by October. Council and Attorney Tucker discussed a reversionary clause that would allow the city to deed the property to Clifton with the title reverting back to the city in the event the business was not operational by a certain deadline. Tynan made a motion and Rea seconded to deed the property to Clifton with a reversionary clause that states the property reverts back to the city if the building is not constructed by the end of December 2016. Motion carried. Attorney Tucker will draw up the deed.

Sale of Stone Hill Estates – Steve Lewis

Steve Lewis, Realty Inc, attended the meeting at the Mayor's request to advise Council on the best way to sell Stone Hill Estates. Lewis said that if it is sold at auction to first sell it in different tracts then turn around and sell it as one piece and see what brings the most money. Lewis added that there is a lot of potential at Great Plains and would hate to see the city do a fire sale of this property. Great Plains being a secured facility is a big asset. He said one possible business opportunity has the potential for 75 jobs in the area and another one has the potential for 150 jobs. If this happens, housing will be needed in the surrounding areas.

At 7:47 p.m. the Mayor called for a 5 minute break. The meeting resumed at 7:55 p.m.

CITY ATTORNEY

Ordinance – Condemnation Assessments

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 CONDEMNATION AND DEMOLITION CHARGES THROUGH JUNE 2015 was presented for approval. The ordinance covers unpaid condemnation and demolition expenses of 115 Union and the demolition expenses of 321 Commercial and 705 4th. Tynan made a motion and Rea seconded to approve the ordinance. Motion carried. Clerk assigned the Ordinance # 1348.

Ordinance – Mowing Assessment

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 3, 2015 AND NUISANCE ABATEMENT IN JUNE 2015 was presented for approval. The ordinance covers unpaid mowing charges through August 3rd and nuisance abatement charges through June. Newby made a motion and Vance seconded to approve the ordinance. Motion carried. Clerk assigned the Ordinance # 1349.

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 were presented. (Copies of the warrants were available for review).

Clerk Eddington asked that two additional checks for health insurance deductible and out of pocket expense reimbursements be added to the Consent Agenda. These checks were written after the packet was prepared; Check #39620 to Carol Eddington for \$500 and Check #39621 to George Elliott for \$750.00. Rea made a motion and Vance seconded to approve the consent agenda with the additions as presented. Motion carried.

OLD BUSINESS

Stone Hill Estates & Alternate Water Pit

Mayor Cunningham reported that he had spoken to area realtors regarding the Stone Hill Property. He said there is more interest in the acreage than the lots with an estimated value of the property and horse barn around \$120,000 to \$ 130,000. Council discussed that they needed to get almost \$144,000 out of the property to break even.

Alternate Water Pit

Clerk Eddington said she had spoken to Jim Jackson with KMU (Kansas Municipal Utilities) about the value of having an alternate water source. KMU said it would depend on why an alternate water source was needed. If it was due to contamination of the main water source it would be good to have the water pit as an alternate water source. However, if the need was due to drought then it may require an additional solution since drought conditions would also affect the water pit. Supt. Jurgensen said that in summer 650 gallons per minute are pumped to sustain water use. He believes he has estimated that the pit would supply 60 – 90 days of normal use.

Jurgensen said that if they were allowed to connect to the rural water lines as an alternate or additional water source they would need multiple connections since the lines are only 2-3” lines and it would take at least a 6” line to supply the city. If the entire area was in a drought situation it was not known whether the rural water system would be able to support the extra load or if the city would be allowed to connect at that point. Council discussed the possibility of drilling a well and what testing had been done at the pit. Jurgensen said there had not been any e coli sampling done recently.

Stone Hill Estates

Council discussed what to do with the 14 acres that were platted for Phase I and whether they would consider an offer by a developer that might be interested in developing it. Tynan

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suggested listing the property as a whole with the option to vacate the plats. Attorney Tucker said if the city needs \$143,000 (or more) out of the property then it should be listed for that plus around 15% more to allow for realtor fees, closing expenses and wiggle room. Eddington asked if Council wanted to get the properties appraised. She said she had gotten quotes as requested by the Council. It was the consensus of the Council to let Mayor Cunningham discuss with the realtors whether an appraisal was necessary. Tynan made a motion and Strickland seconded to list Stone Hill Estates with area realtors (multi-list) for \$165,000 with a 3% realtor fee. Motion carried with Tynan, Strickland and Vance voting yea, and Rea and Newby opposing.

Downtown Demolition Grant

Clerk Eddington reported that she, Councilmember Owens and Mayor Cunningham spoke to Salih at KDOC about the apartment building. Salih said the city needs to either demo the building or skin it. Since the Council is reluctant to condemn the building, Salih suggested skinning it as originally included in the grant. He has instructed the grant administrator to have an engineer write up the specs for this work based upon the recommendation of the State Historical Society. BG Consultants provided a quote for \$6,500 which was higher than anticipated. The Structural Engineer & Architectural Firm of Joplin, PLJD, (who did work for our Museum) was consulted and their bid is \$1,650.

Clerk Eddington reported that as of now, there is \$74,727.28 left in the grant – with the city matching whatever is spent. Around \$2,000 - \$3,000 of this will need to be spent on the wall that was attached to the video store. The deadline for the grant is April 30, 2016, however, Salih has just recently expressed to Galemore that he would like to see the work done before bad winter weather sets in.

During the conversation with Salih, he also suggested that the city have the roof patched as economically as possible before winter, so as to preserve the building from further damage. Eddington said she had contacted a roofer at Joplin Roofing, but he has not taken a look at it yet. Council discussed that they did not want to roof someone else's property and considered the possibility of purchasing the property. Supt. Jurgensen said he believed they were still asking \$15,000 for the property. It was the consensus of the Council to ask Oswego Industries if they would be interested in buying the building or sharing the costs and then having a special meeting after receiving an estimate to patch the roof.

NEW BUSINESS

2015 Audit Quote

A proposal was presented from Jarred, Gilmore & Phillips, the City's current auditing firm, to perform the 2015 audit for the same price as the 2014 audit. The audit service, which includes answering questions and giving advice throughout the year, would cost \$5,400. If a Single Audit is required (if Federal expenditures exceed \$500,000), the additional cost for that service is \$1,900.

Clerk Eddington said that in the past the city has bid audit services every 3 years, however, with the rates that we have been provided from Jarred, Gilmore & Phillips that has not been necessary

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for the last few years. In checking with other cities through the clerk's list serve, many cities smaller than Oswego are paying much more for their auditing services. The cities in the survey, that were comparable in size and fees they pay, also use Jarred, Gilmore & Phillips. Newby made a motion and Tynan seconded to use Jarred, Gilmore & Phillips for the 2015 audit at the quoted price. Motion carried.

LKM Conference Voting Delegate

Mayor Cunningham, Supt. Jurgensen and Clerk Eddington will be attending the annual conference held in Topeka on October 10-12, 2015. The City of Oswego is allowed one vote during the annual membership meeting held at the conference. The League requires that the voting delegate be officially designated by the Governing Body with the name turned into the League in advance of the conference. Clerk Eddington reported that Mayor Cunningham has requested she be designated as the voting delegate. Rea made a motion Vance seconded to designate Clerk Eddington as the voting delegate. Motion carried.

Clerk Eddington asked anyone else who wishes to attend the conference to let her know so she can make hotel reservations and get the registration sent in before September 25th.

Oswegofest Donation Request

A donation request for Oswegofest was presented. Oswegofest will be held October 10th at Riverside Park and is the same weekend as the Oswego High School Alumni Reunion. Clerk Eddington reported that the city has donated \$250 to Oswegofest for the past several years and to date, only \$200 has been spent out of the \$550 budgeted for donations. Rea made a motion and Tynan seconded to approve a \$250 donation to Oswegofest. Motion carried.

Fingerprint Policy Resolution & City Fee Resolution

A resolution to establish a Fingerprint Policy and fees was presented for approval. Chief Elliott reported that the Sheriff's Dept. is no longer doing fingerprinting for the public. The Police Department has purchased finger printing materials and can now do that for the schools and for individuals who need to have it done for various reasons such as employment, etc. The proposed Resolution is to set the policy and a fee of \$20 for this service for all except USD 504 employees and students (those would be done free of charge). Tynan made a motion and Vance seconded to approve the Resolution. Motion carried. Clerk assigned the Resolution # 9-14-15 A.

City Fees Resolution

An update was needed to the City Fees Resolution to reflect the \$20.00 fingerprint fee now that the resolution was approved. In addition, Attorney Tucker has recommended adding the amount that the State charges for Court Costs (\$20.50), which the city collects through Municipal Court, to the list of fees. Previously the Fee Resolution only reflected the city's charge of \$100. The resolution now lists a total charge of \$120.50 for both the City and State Court Costs. Strickland made a motion and Tynan seconded to approve the updated City Fees Resolution. Motion carried. Clerk assigned the Resolution # 9-14-15B. Clerk Eddington said the effective date would be September 15, 2015.

INDIVIDUAL REPORTS

Rea– asked when the project at the airport was going to get started. Clerk Eddington said the city is still waiting on okay from the FAA to issue the Notice to Proceed.

Elliott – said a notice would be in the newspaper about inoperable vehicles. The Police Dept. will give people a couple of weeks to get them moved and then they will be sending out letters.

- has been approached by the new school superintendent to install crosswalks at the schools. He is having an issue about where to put crosswalks since there aren't any sidewalks to connect them to. He plans to meet with the school superintendent. Council asked about the "Safe Routes to School" project that was to install sidewalks. Chief Elliott and Clerk Eddington said it was going to cost \$150,000 – \$175,000 for 13 blocks of sidewalks and there was a question as to whether that program was even still in existence.

- suggested the Mayor talk to the school about a building trade school. It may save some students from going to school out of district.

Newby – said people have been approached him about concerns with children not being properly restrained in vehicles (this has been noticed at Neosho Heights when parents are picking up and dropping off children). He, himself, has seen first graders coming to school without seat belts. Chief Elliott said that this is Seat Belt Enforcement week. They are going to be patrolling around the schools and enforcing the law. He said he would also talk to the Highway Patrol about setting up something with them.

Vance - asked about the inoperable vehicles. Chief Elliott said they plan to knock on doors first and ask them to get it taken care of. If there is no compliance after a week or two they will send them a letter. Elliott added if the vehicle is not in view of the public they are not going to intrude.

Eddington – reminded everyone that the October meeting will be on Wednesday the 14th.

- said we have received the deed for the property going to Oswego Industries Corp. The City Attorney has approved it. It just needs to be signed by the Mayor. Newby made a motion and Rea seconded to approve Mayor Cunningham signing the deed. Motion carried.

- asked about the agreement with Freddy White who is farming the acreage the city owns in the Industrial Park. There is no signed agreement but he has been paying the city \$390 per year and was farming it before the city had it. There hasn't been any increase since 1993. She said she had checked with local bankers who have said farmers normally pay anywhere from \$60-\$65 per acre or 3-4% of the value of the land which is probably worth \$2,000-\$2,500 per acre. Currently he is farming about 17 of the 30 acres. (17 acres at \$60/acre would be \$1,020). After some discussion the consensus was to table the issue.

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– said at last month’s meeting there was a question about the huge amount of donations on the 2014 Audit. Eddington said that she checked with the auditor and they had lumped together many other revenue line items in with the donations. The auditor said they would not do that again next year.

- said she had been contacted by a pilot who had recently used our airport. He wanted to express his appreciation. He has a Hearing Aid Business and has flown in to the Oswego Airport on a couple of occasions to service the hearing aids for his customer. Charles Stone has also mentioned that the Young Eagles, which is an FAA Program that allows young people interested in aviation to fly with a pilot, has also used the airport. Eddington pointed out we don’t always hear about those using the airport but that doesn’t mean it isn’t being used and it was nice that these individuals took the time to show their appreciation.

- the Governing Body and City Employees need to get their NIMS certificates in order for the city to be eligible for FEMA dollars. Clerk Eddington said Office Staff has been working on this and can assist any of the members that would like some help getting it done. She asked that it be done before the next meeting.

ADJOURNMENT

There being no further business Newby made a motion and Strickland seconded to adjourn the meeting at 9:37 p.m. Motion carried.

Mayor F. W. Cunningham, Jr.

Attest:

Deputy City Clerk Renee Cochran