

Regular Council Meeting
January 9, 2017 6:30 p.m.
City of Oswego, KS 67356

Present: Councilmembers Darren Tynan, David Newby, Scott Grassl and John Davis with Mayor Bill Cunningham presiding.

Absent: Caleb Strickland and Kelly Vance

Also present: City Clerk Carol Eddington, City Attorney Lucas Nodine, Deputy Clerk Renee Cochran, Elizabeth Gravett, Larry Richardson, James Miller, Jan Wimp, Richard Thompson, Jvette Collins, Judy and Russ Wilson.

OPENING PRAYER AND PLEDGE OF ALLEGIANCE

James Miller, Bible Holiness Church, gave the opening prayer and Scott Grassl led the Pledge of Allegiance.

PETITIONS AND DELEGATIONS

Public Hearings – Condemnations

Mayor Cunningham opened the Public Hearing at 6:40 p.m. to allow comments on the condemnation of three properties located at 123 Union, 2214 Fourth and 2108 Fourth.

- **123 Union** – Richard Thompson, owner of the property, was in attendance and said he purchased the property 4-5 years ago and had planned to remodel the home. It was empty at the time because it didn't meet minimum housing codes and has remained empty since he hasn't been able to get any work done. He said he has "overbought" property and hasn't had the time or funds to bring it up to code. Thompson stated he did not feel the condition of the home warranted condemning. He said he did not know what was expected and asked for a list of items that needed to be done. Mayor Cunningham said that he had inspected the home around the time Thompson purchased it. At that time it was open to the elements and the roof was in bad condition. Since no repairs have been made since that time Mayor Cunningham said he didn't think the cost of repairs would be less than 50% of the value of the property. Council discussed that if an extension was allowed he would be required to show significant progress. Newby made a motion and Tynan seconded to provide a list to Thompson of the items that needed to be done and to allow a 60 day extension from the date the list is signed for to show significant progress. Motion carried.
- **2214 Fourth** – Judy Collins Wilson and Jvette Collins, property owners, were in attendance and said they were not interested in the property. It had been signed over to them by Judy's mother and has a lien against it from when she put a roof on it. Clerk Eddington said a title search had been done and Realty did not find a lien against it. Attorney Nodine looked at paperwork provided by the owners and said it appeared as though the lien was actually against their mother's social security payments rather than the property. Clerk Eddington told the property owners the city would need to look in to it. The owners stated that regardless of the outcome they would like to sign the property over to the city. Eddington asked if they would be willing to sign a consent form to allow the city to proceed with the demolition, which would eliminate the additional costs of condemnation proceedings. The owners indicated they would be in favor of that. Tynan made a motion and Davis seconded to table the condemnation proceedings until

they can get more information about whether there is a lien on the property. Motion carried.

- **2108 Fourth** – Jan Wimp, owner of the property, said she had already been considering getting the demolition work done themselves and had contacted B-3 to get a price. She said she is looking at getting a loan to pay the expense. Council discussed that Wimp may get a better price from B-3 if they were already in town doing another project, such as 325 Merchant or 2214 Fourth. Wimp said she had already asked B-3 for a quote but would be interested in signing a consent form to allow the city to do the demolition if it could be done cheaper through the city. Newby made a motion and Tynan seconded to delay the proceedings 30 days to allow for follow up. Motion carried.

There being no further business or individuals to address the Council the Mayor closed the Public Hearing at 7:16 p.m.

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).

Mayor Cunningham asked for any additions or corrections to the Consent Agenda. Clerk Eddington said that there was a correction to the Petty Cash Report. On check #2103 the amount written for a community center deposit refund was \$250 rather than \$100. Mayor Cunningham said the minutes need to be corrected where it states he spoke to Kirk Wyckoff. Mayor Cunningham spoke to Bill Wyckoff not Kirk. Tynan made a motion and Grassl seconded to approve the Consent Agenda with the corrections as stated. Motion carried.

OLD BUSINESS

Signs – Riverside Park, Danny Elliott Park, Mathews Park & Home of Ted Watts

At the November Council meeting Council consensus was to go ahead and get more detailed mock ups of the signs and suggested making the sign for Ted Watts larger than the dimensions on the quote. They wanted it to be a more substantial sign. They also thought a wood look sign would be more in keeping with the design at Riverside Park and wanted to see what that would look like and how it would affect the price.

Council reviewed the new price quote which was \$330 higher than the original estimate, due to an increase in the size of the Ted Watts signs and dimensional lettering on the Riverside Park sign. They also reviewed new mock ups of the Riverside Park sign and Home of Ted Watts Signs. Council was very pleased with the looks of these signs. Clerk Eddington reported that the Historical Society requested the Mathews Park sign not be on the wood background, they preferred a metal sign which may decrease the quote. Phil Blair has also stated there needs to be a correction to some of the information on the sign. Eddington said approval from KDOT would be needed for the Watts signs along the highway. Davis made a motion and Grassl seconded to approve the purchase of the signs pending the correction to Mathews Park sign and approval from KDOT. Motion carried.

NEW BUSINESS

GAAP Waiver Resolution

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 for much larger cities with separate financial departments. They are cumbersome and time intensive. If the city waives GAAP, it is required to prepare financial statements and reports in 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 2017 year was presented. Newby made a motion and Tynan seconded to approve Resolution #1-9-17A to waive the GAAP requirement. Motion carried.

2015 Unpaid Utility Bills to Write Off from Current Accounts Receivable

A listing of unpaid utility accounts to be written off from current accounts receivables was presented and reviewed. Clerk Eddington stated that efforts will continue to be made to collect on these outstanding accounts through the State Set-off Program, the debt collection agency we work with or upon any of these customers returning to live in the city. The amounts will just be removed from the city's current accounts receivables. Tynan made a motion and Grassl seconded to approve the write offs. Motion carried.

Records Management Program – Destroy Old Records

A listing of documents that may be destroyed at this point in time under the city's record management policy was presented. Clerk Eddington said any documents that have confidential data are shredded, otherwise they are disposed of through normal trash service. Tynan made a motion and Davis seconded to approve the document destruction. Motion carried.

BC/BS Dental Ins. Renewal Rates

The BC/BS Dental Insurance renewal for 2017 came in under the amount budgeted. The amount budgeted for was a 5% increase. The increase was 3.2% for employee only and employee/spouse and less for the other coverages. Clerk Eddington reported there are currently 17 employees on the dental insurance - the city pays \$33.08 toward the premiums and the employees pick up the rest. The city's portion of the cost for 2017 would be an additional \$1.31 per month for each employee. Newby made a motion and Tynan seconded to approve the renewal quote for the BC/BS Dental Insurance with the City picking up the increase to the individual coverage. Motion carried.

Airport – Sales Tax on Fuel Sales

Clerk Eddington reported that the city should have been paying sales tax on any taxable fuel sales at the airport but sales tax was never set up, brought up or discussed when the fuel pump was put into place back in 2013. The oversight was discovered when the city received an email from KDOT to all airports talking about sales tax on fuel. After looking into the matter and verifying that the city should have been paying sales tax, Eddington said she contacted a tax specialist at the Dept. of Revenue on January 3rd. She was instructed on what the city needed to do to correct the situation and was told that he would make sure that the penalties and interest the

state would normally charge are waived. A spreadsheet will be provided to the State showing the purchases and taxes split out between State, County and City. Sales to the ag sprayers are tax exempt so there is no sales tax owed on those sales. Council asked if any action was needed on the issue. Clerk Eddington said no Council action was needed, she just wanted Council to be aware of the situation.

Split-Rail Fence Replacement – Riverside Park

A quote from Husker Vinyl, Inc., out of Nebraska, in the amount of \$799.34 for 104 linear feet of fencing was presented for approval. Mayor Cunningham reported that there is an area of the split-rail fencing east of the swimming pool that needs to be replaced. The cedar fence is weathered and has been eaten by bugs. The replacement fencing has a wood grain look but is made out of vinyl which would eliminate the bug problem. Clerk Eddington said that Supt. Jurgensen looked in to the fencing and this was the best solution and pricing. Council asked where the project could be expensed? Eddington said the expense can come out of Sales Tax, Parks or Capital Improvements, Park Improvement line item. Grassl made a motion and Davis seconded to approve the purchase and take the expense out of Capital Improvements, Parks. Motion carried.

Old Fire Hydrants

Clerk Eddington reported that Jon Eck, Assistant Fire Chief, had contacted her about the old fire hydrants that had been removed during the previous water line project. He would like to try to sell the hydrants and thought he could get more for them than just scrapping them out. In 2012, the fire department had to go to new radios through Labette County's Emergency Management. The city's match for these was around \$3,500. At that time Fire Chief Allison planned to sell the old fire hydrants to help fund the city's match for these radios. That did not happen and they have been sitting at the brush dump all these years. Mayor Cunningham had requested that Council be informed of the Fire Department's plans so no action was necessary.

Question on City's Payroll Plan

Mayor Cunningham asked to discuss the payroll plan that was adopted at the January 2013 Council meeting. Previously to 2013 raises were divided between merit and COLA increases. When the payroll plan was adopted in 2013 the cost of living raises were eliminated except when an employee tops out on the wage scale. As there was no one topped out at that time, no directives were provided on how to calculate the cost of living. Mayor Cunningham said he was considering using .3%, the rate of increase that social security was receiving for 2017. Other considerations were using the CPI or the rate approved in the budget for merit increases. Clerk Eddington stated that the Bureau of Labor Statistics determines the Consumer Price Index however it is based upon urban users, does not measure rural areas and is not comprehensive enough to encompass all increases to living standards. In addition, they are a year behind on their website data sheet. After further discussion Mayor Cunningham said he would like to look in to the matter some more so the issue was tabled.

KDHE 2017 Waste Tire Grants

At last month's Council meeting there was discussion about placing some wheelchair accessible picnic tables in Riverside Park - possibly made out of recycled tires. Clerk Eddington reported that in the Mayor/Department Head meetings they have also discussed replacing the benches downtown – possibly made out of recycled tires. During this time KDHE sent information on their waste tire grant program. They are now taking applications through February 15th. The grants are for up to 50% of the cost of products made out of recycled tires (playground cover, picnic tables & benches). An information sheet from Champlin Tire, who is the only company in the area that makes these types of products, was reviewed. The approximate cost for six (6 ft) benches for downtown is \$1,914.00 and four (8 ft) picnic tables (one wheelchair accessible) is \$3,066. With the 50/50 grant the city's cost would be \$2,490 or less for both the tables and benches. Clerk Eddington said that she would be able to get an official quote later in the month when the owner/salesman is back in the office.

Council was in favor of the idea. Eddington said this would outfit the downtown with new benches and one of the shelter houses with all new tables and since this was a recurring grant, the city could work towards replacing more tables in the future. Tynan said that the prison also makes concrete picnic tables but didn't know any details. Mayor Cunningham said he would meet with the prison staff to discuss the prospect. Newby made a motion and Grassl seconded to approve applying for the 50/50 grant from KDHE for their waste tire program. Motion carried.

Broken Window – Jennings Horse Barn

Clerk Eddington reported that one of the windows at the horse barn was reported as broken. Supt. Jurgensen had the window boarded up and proceeded to seek a replacement window. After having no luck, Jurgensen contacted the company that erected the building, Quality Structures, Inc. They came down and took a look at it. The window is custom made 4x4 tempered, insulated glass with grills. Council reviewed a quote of \$960 for the replacement window. The quote also includes fixing the trim and making an adjustment to the door (as they think this is what caused the window to break). Council discussed other options including whether Supt. Jurgensen had consulted the Amish. They tabled the issue until Supt. Jurgensen could be in attendance.

INDIVIDUAL REPORTS

Eddington – said she had a list of what the League is hoping to get the legislature to pass this year if anyone is interested.

- asked if anyone wanted to attend SEK Inc.'s meeting and dinner on Jan. 19th. Social hour is at 5:00 p.m. with the dinner at 6:00 p.m. The city is a member of the organization that supports economic development in the southeast Kansas area.

- said a nuisance letter had been sent to Samuel Pease at 618 Illinois. The inspection will be January 17th. If at that time the violations still exist, the city will clean up the property and charge the owner for the expense.

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- reported that the city is only up to 29% on the LMI survey. Staff has been calling citizens who had not yet responded and have provided replacement surveys.

- asked John Davis if he has completed his NIMS certification. He said he was signed up now and will be getting that done soon.

- asked if anyone was interested in attending the League sponsored Local Government Day at the Capitol on Wednesday, Jan. 25th. The event is a chance to meet with legislators and other city and county officials.

Mayor – said he would like the city to send a letter to Steven Charles thanking him for purchasing and preserving the Presbyterian Church. There were several comments about the success of the community event that was held there recently.

ADJOURNMENT

Mayor Cunningham asked if there were any comments from the public on city business. As there were none and being no further business Tynan made a motion and Newby seconded to adjourn the meeting at 8:22 p.m. Motion carried.

Mayor F. W. Cunningham, Jr.

Attest:

Deputy City Clerk Renee Cochran