

MULVANE CITY COUNCIL
REGULAR MEETING MINUTES

April 2, 2018

7:30 p.m.

The Mulvane City Council convened at the City Building at 211 N. Second at 7:30 p.m. Presiding was Mayor Shelly Steadman, who called the meeting to order.

Council Members Present: Brent Allen, Barry Fleming, Nancy Mottola and Kevin Cardwell.

Others Present: Debbie Parker, Kent Hixson, J.T Klaus, Joel Pile, Mike Robinson, Carol Roberts, Gordon Fell, Brad Modlin, Kevin Baker, Chris Young, Lachelle Tootle, Bruce White, Greg Vahrenberg and Cathy Walker.

Pledge of Allegiance: All stood for the Pledge of Allegiance led by Mayor Steadman.

Approval of Regular Meeting Minutes Dated 3-19-18:

MOTION by Mottola, second by Allen to approve the Regular meeting minutes dated 3-19-18.
MOTION approved unanimously.

Correspondence: Mayor Steadman brought to the Council's attention correspondence she received regarding the Sumner County Commission and granting conditional use permits.

Review and Closing of the Agenda: Omit Item #5 on the Consent Agenda.

Appointments, Awards and Citations: None

OLD BUSINESS

1. Memorial Plaque for Alex Stone:

Bruce White presented the council with a proof for the memorial plaque for Alex Stone, to be placed in Ralph Bell Park on Styx Creek, near the skateboard park. All cost will be paid by friends or donation.

MOTION by Allen, second by Fleming to approve the Alex Stone memorial plaque proof and allow the plaque to be placed in Ralph Bell on Styx Creek near the skateboard park.

MOTION approved unanimously.

2. 517 W. Pearl – Public Hearing for Condemnation:

On February 19, 2018, the City Council passed Resolution 2018-1 fixing the time, date and place for the owner(s) , the owner's agent(s), any lienholders of record and any occupant(s) of 517 W. Pearl Street, Mulvane, Kansas to appear and show cause why such structures should not be condemned and ordered repaired or demolished. The Public Hearing was set for April 2, 2018 at 7:30 p.m. at City Hall.

Mulvane Municipal Code Chapter 520 & K.S.A. 12-1750, et seq. regulates dangerous and unsafe structures. To begin condemnation proceedings the governing body must conduct a public hearing. After the public hearing a resolution may be adopted requiring repairs or demolition. If the property owner does not repair or remove the structure, the City will have to hire the demolition to be completed. The City's costs of demolition will be charged to the property and a lien will be placed thereon, which must be satisfied before the property can be sold.

Mayor Steadman called the public hearing to order. There being no one present to speak against the demolition of the structure, the public hearing was closed. Mayor Steadman announced a resolution concerning this case will be considered later in the meeting.

NEW BUSINESS

1. Acquiring Electrical Service Territory (Twin Lakes Area):

In the early 1980s, a residential development called the Twin Lakes Addition (the "Twin Lakes") was built outside of the City of Mulvane, Kansas (the "City") north of K-15 Highway and west of Rock Road. Twin Lakes was served by Westar (Westar's electrical territory) for its overhead electrical service. After many years, Twin Lakes residents requested to be annexed into the City. The City's Electrical Department at some point began installing underground electrical equipment to serve Twin Lakes. Throughout the years to the present day, eighteen (18) Twin Lakes customers have requested and received electrical service from the City. There are 22 customers still served by Westar in Twin Lakes.

In 2010, Westar began negotiations with the City concerning electric territory regarding Twin Lakes. Both parties agree because of safety issues concerning electrical workers and customer confusion, the area only needs one electrical provider. Financial territory costs per meter by Westar to the City to acquire the area, has hampered the transfer of electrical territory in the past. In 2017, Westar withdrew its request for costs to the City of Mulvane pertaining to "cost per meter for electrical territory" for Twin Lakes. The electrical cost the City will incur will be transferring the electrical services from overhead poles to the City underground electrical system. The transfer will include two customers outside of the City limits on the south side of K-15 Highway.

There will also be cost associated with legal and engineering fees for providing legal descriptions. This agreement to transfer electrical territory concerning Twin Lakes will be decided by the City Council, Westar, and ultimately will require application to the Kansas Corporation Commission. It is city staff's recommendation to proceed with acquiring the electrical territory for the Twin Lakes. Funds for this expenditure will be dispersed from the Electric Department: 511-10-406 legal, 511-10-408 engineering and 511-10-548 line expense.

MOTION by Cardwell, second by Fleming to proceed with acquiring the electrical territory for the Twin Lakes Addition and have the Mayor to sign the Westar letter agreement.

MOTION approved unanimously.

2. New Construction Commercial Sewer:

Brad Modlin, Utility Director, reviewed with the council some concerns that residential building contractors have expressed about paying high sewer bills for the water used to operate sprinkler systems. Since the contractor is considered a commercial user, the sewer charge is based on the water consumption each month. Residential building contractors have an interim period when utilities are active in their name, prior to selling the new home. During the warm months, to beautify the property, some contractors install and operate sprinkler systems connected to city water. The seasonal high-water usage directly impacts their commercial sewer rate.

It was the consensus of the council to table this item, and let staff research options.

MULVANE HOUSING AUTHORITY

MOTION by Mottola, second by Cardwell to recess the City Council meeting and convene as the Mulvane Housing Authority.

MOTION approved unanimously.

MOTION by Fleming, second by Allen to approve the Mulvane Housing Authority Meeting minutes dated 2-05-18.

MOTION approved unanimously.

Carol Roberts, QCM manager, reviewed three forms that need MHA signatures:

1. Management Agent's - Management Certification form.
2. Borrower Certification That No Changes Are Required - Attachment 3-B.
3. Certification of No Identity of Interest Form for each MHA member.

MOTION by Cardwell, second by Allen to approve the Management Agent's - Management Certification and authorize the Mulvane Housing Authority chair to sign.

MOTION approved unanimously.

MOTION by Fleming, second by Allen to approve the Borrower Certification That No Changes Are Required - Attachment 3-B and authorize the Mulvane Housing Authority chair to sign.

MOTION approved unanimously.

MOTION by Allen, second by Fleming to instruct each Mulvane Housing Authority member to sign the Certification of No Identity of Interest.

MOTION approved unanimously.

MOTION by Mottola, second by Cardwell to adjourn the Mulvane Housing Authority meeting and reconvene the City Council meeting.

MOTION approved unanimously.

PUBLIC BUILDING COMMISSION

MOTION by Allen, second by Mottola to recess the City Council meeting and convene as the Public Building Commission.

MOTION approved unanimously.

MOTION by Mottola, second by Cardwell to approve the PBC meeting minutes dated March 19, 2018.

MOTION approved unanimously.

Greg Vahrenberg, with Piper Jaffray, reviewed the bond rating and bond sale with the Board.

MOTION by Cardwell, second by Fleming accept the low bid for the sale of the Series A, 2018 Revenue Bonds submitted by the firm of First Bankers' Banc Securities, Inc. at an average rate of 2.785066%.

MOTION approved unanimously.

MOTION by Mottola, second by Allen to pass Resolution #PBC 2018-2 establishing the terms and provisions governing the City of Mulvane, Kansas Public Building Commission, Revenue Bonds, Series A, 2018.

MOTION approved unanimously.

It was the consensus of the Board to instruct staff to solicit qualifications and proposals from architects for a needs assessment regarding 410 E. Main and 211 N. 2nd.

MOTION by Mottola, second by Cardwell to adjourn the Public Building Commission meeting and reconvene the City Council meeting.

MOTION approved unanimously.

ORDINANCES & RESOLUTIONS

1. Resolution of Condemnation – 517 W. Pearl:

MOTION by Mottola, second by Fleming to adopt Resolution No. 2018-2 ordering repair or demolition of 517 W. Pearl Street.

MOTION approved unanimously.

RESOLUTION NO. 2018-2

A RESOLUTION REQUIRING THE REPAIR OR DEMOLITION OF THE STRUCTURE AND REMOVAL OF OBJECTS LOCATED AT 517 W. PEARL STREET, MULVANE, KANSAS.

2. Ordinance Approving Issuance of Public Building Commission Revenue Bonds:

The City of Mulvane, Public Building Commission (the "Commission") by Resolution No. PBC-2018-1, has authorized the acquisition of certain property located at 410 E. Main Street in Mulvane, Kansas to be used as public safety and/or educational facilities and construct, equip, and furnish improvements thereto (the "Project") and authorized a public sale of \$1,000,000 of the Commission's Revenue Bonds, for the Project.

It is anticipated that the City will Lease the Project from the Commission. The City will need to adopt an ordinance approving the Lease. Adoption of the Ordinance authorizes the City (1) to enter into a Lease Agreement, dated as of May 1, 2018 (the "Lease"), with the Commission pursuant to which the City shall lease the Project in consideration of payments of Basic Rent, Additional Rent and other charges provided for therein, (2) to execute and deliver a Bond Purchase Agreement (the "Bond Purchase Agreement") by and between the Commission, the City, and lowest bidder on the bonds, as purchaser of the Bonds; and (3) to execute and deliver a Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") by the Commission and the City, all in connection with the issuance of the Commission's Revenue Bonds. Pursuant to state law, the City Council has the legal authority to take the necessary actions.

MOTION by Allen, second by Fleming to adopt Ordinance No. 1505, an ordinance approving the issuance of the bonds and authorizing the execution of the necessary documents therefor.
MOTION approved unanimously.

ORDINANCE NO. 1505

AN ORDINANCE OF THE CITY OF MULVANE, KANSAS, APPROVING THE ISSUANCE OF \$1,000,000 AGGREGATE PRINCIPAL AMOUNT OF THE CITY OF MULVANE, KANSAS PUBLIC BUILDING COMMISSION, REVENUE BONDS, SERIES A, 2018 FOR THE PURPOSE OF ACQUISITION OF CERTAIN REAL ESTATE AND CONSTRUCTING, EQUIPPING AND FURNISHING OF CITY FACILITIES; PRESCRIBING THE FORM AND AUTHORIZING THE EXECUTION OF A LEASE AGREEMENT OF THE PROJECT BY AND BETWEEN THE PUBLIC BUILDING COMMISSION AND THE CITY; AUTHORIZING THE EXECUTION OF A BOND PURCHASE AGREEMENT BETWEEN THE PUBLIC BUILDING COMMISSION, THE CITY, AND [ORIGINAL PURCHASER], [ORIGINAL PURCHASER CITY AND STATE], AS UNDERWRITER OF THE BONDS; AUTHORIZING THE EXECUTION OF A CONTINUING DISCLOSURE AGREEMENT WITH RESPECT TO THE BONDS; AND APPROVING AN OFFICIAL STATEMENT WITH RESPECT TO THE BONDS.

LAND BANK

MOTION by Mottola, second by Allen to recess the City Council meeting and convene as the Mulvane Land Bank.
MOTION approved unanimously.

MOTION by Mottola, second by Fleming to approve the Land Bank Board of Trustees meeting minutes dated 3-19-18.

MOTION approved unanimously.

MOTION by Cardwell, second by Fleming to approve paying the City utility bills for 202 W. Main and 209 W. Main in the total amount of \$6.94.

MOTION approved unanimously.

MOTION by Fleming, second by Allen to approve the invoice from Triplett Woolf Garretson in the amount of \$1,963.50 for legal services.

MOTION approved unanimously.

MOTION by Allen, second by Mottola to approve the invoice from Superior Masonry & Stucco in the amount of \$1,676.80 for brick repair work at 110 & 110 ½ W. Main.

MOTION approved unanimously.

MOTION by Allen, second by Mottola that the Mulvane Land Bank convey 111 E. Prather and 105 W. Main to the City of Mulvane, Kansas and authorize the Chair to execute any and all deeds and other documentation necessary to accomplish the same.

MOTION approved unanimously.

MOTION by Mottola, second by Cardwell to adjourn the meeting of the Mulvane Land Bank Board of Trustees and reconvene the City Council meeting.

MOTION approved unanimously.

ENGINEER

1. Emerald Valley Street & Storm Sewer Bids:

Construction bids for Phase 1 Street and Storm Sewer improvements were received on March 13th. The low bid was received from Flint Hills Materials, LLC (FHM) of Wichita, Kansas. FHM's bid was \$302,324.00 which is \$43,326.00 less than the estimated construction cost (\$345,650.00) budgeted in the Phase 1 Street and Storm Sewer petition.

MOTION by Mottola, second by Fleming that the City issue a Notice of Award to Flint Hills Materials, LLC for street and storm sewer improvements for the Emerald Valley Estates Phase 1 Addition and authorize the Mayor to sign.

MOTION approved unanimously.

2. Project Review and Update: Chris Young, City Engineer, reviewed several projects: Nottingham Estates, Emerald Valley Estates, Gilberts Addition, English Park and Styx Creek Drainage Improvements, Decommissioning of the Boxelder Power Plant and the Rock Road water line extension.

CAPITAL IMPROVEMENTS PLAN (2019 – 2023) REVIEW:

The department heads reviewed their CIP Plans for 2019 -2023 with the City Council. A capital improvement is a major equipment acquisition or facility construction project that frequently

requires expenditures of funds from sources other than normal operating revenues. A capital improvements program is a plan to acquire or construct a number of major projects or equipment over a fixed period of time. The usual planning period is five years. This period is not fixed by law and can be adjusted to meet a community's needs and requirements when necessary. A CIP can be changed or amended every year. Each project or equipment acquisition must still be reviewed on an individual basis each year and approved by the city council before the funds are spent.

Once the council is comfortable with the collective list, the draft CIP goes to the Mulvane Planning Commission for their review. The PC acts only in an advisory capacity to review the CIP to make sure it conforms to the Comprehensive Community Development Plan. Once the PC has reviewed and commented on the CIP, the council adopts it.

City Clerk: None

City Administrator: None

City Attorney: None

Consent Agenda - Items 1 -4:

MOTION by Mottola, second by Cardwell to approve Consent Agenda items 1 – 4.

1. **Payroll:** Dated 3-23-18 (\$231,846.36).
2. **Wastewater Treatment Plant** - purchase of 30,000 lbs. of caustic soda for \$6,913.50 from Brenntag Southwest, Inc.
3. **City Utility Bills** – (\$22,856.33).
4. **Emerald Valley Estates** – Duling Const. - Water & Sewer Improvements Pay App. # 2 (\$150,811.47).

MOTION approved unanimously.

ANNOUNCEMENTS, MEETINGS AND NEXT AGENDA ITEMS:

- Monday, April 16 - Next council meeting @ 7:30 p.m.

ADJOURNMENT:

MOTION by Mottola, second by Allen to adjourn the City Council meeting at 9:24 p.m.

MOTION approved unanimously.

Minutes by:
Debra M. Parker, City Clerk