

MULVANE CITY COUNCIL
REGULAR MEETING MINUTES

February 6, 2017

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: Joe Johnson, Terry Richardson, Jenean Keck, Kevin Cardwell and Nancy Mottola.

Others Present: Debbie Parker, Kent Hixson, J.T Klaus, Joel Pile, Cathy Walker, Brent Allen, Chris Young of Young & Assoc., Amy Houston, Tom Keil, Scott Nelson, Becky Schippers and Sonya Jackson of the Mulvane Chamber, and Greg Vahrenberg of Piper-Jaffray. Mike Robinson arrived at 7:40 p.m.

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

Approval of Regular Meeting Minutes Dated 1-16-17:

MOTION by Johnson, second by Mottola to approve the Regular meeting minutes dated 1-16-17.

MOTION approved unanimously.

Correspondence: Mayor stated there was correspondence in the council packet regarding 1) Rivers property land sale, 2) the water well project and 3) zoning violation enforcement.

Review and Closing of the Agenda:None

Appointments, Awards and Citations:

1. Award of Certificate of Achievement in Excellence in Financial Reporting from the Government Finance Officer's Assoc. The Mayor presented this award to Cathy Walker, City Finance Director.
2. MOTION by Johnson, second by Richardson to appoint the following city staff to a one year term retroactive to January, 2017.

City Clerk	Debbie Parker
Police Chief/Public Safety Director	Dave Williams
City Attorney	J.T. Klaus
City Treasurer	Rachael Blackwell
Deputy City Clerk	Kent Hixson
Municipal Court Judge	Duane Brown

MOTION approved unanimously.

It was the consensus of the council that the annual city staff appointments will begin the first meeting in January.

OLD BUSINESS

1. Alcohol & Drug Fund – Review Grant Applications:

The State collects a tax on the sale of alcohol in Mulvane. The State Treasurer disburses a portion of this alcohol tax to the City each quarter.

The City received two 2017 grant applications:

On 1-16-17, the council approved the application from USD 263 and Sumner Co. Mental Health. “Increasing Substance Abuse & Mental Health Support in an Academic Environment” Request is \$39,230.00.

On 1-16-17, the council deferred action on the application from the Mental Health Assoc. of South Central Kansas. “Pathways” program in the Mulvane school system. Request \$16,890.00.

A letter from USD 263 stated the district did not support the Mental Health Assoc. application as presented.

MOTION by Mottola, second by Keck to deny the application from the Mental Health Assoc. of South Central Kansas for the “Pathways” program based on correspondence from USD 263 that does not support the application.

MOTION approved unanimously.

The city administrator stated that the Mental Health Assoc. and USD 263 were preparing another application for submission for A&D funds to the council. Council member Johnson wanted to see outcome measures for these grants to better judge their efficiency.

2. Community Room – Change Scope of Work:

During a January 6, 2017 walk-through to review the final scope of work for the community room remodel, with Van Asdale Construction, a few items were identified as areas which require scope amendment and needed brought to the City Council for consideration.

Item # 1: In the proposal is the creation of an “L” shaped pass through window with counter top, which was discussed and approved along with supplemental proposal #1. The item is being included in this proposal to provide a firm quote (\$1,600), which was not previously available. The addition of the pass through window reduces the amount of cabinetry needing to be relocated, providing a deduct amount of \$275.

Item # 2: Was a recommendation to upgrade the counter top surfacing in the kitchen area from plastic laminate to Quartz counter tops. Heavy usage of the community room is expected and Quartz counter tops are a more heat and scratch resistant surface when compared to plastic laminate. The additional cost to upgrade all counter top surfaces (including the pass through window) is \$2,620.

Item # 3: The first supplemental proposal included installation of LVT flooring in the office area adjoining the community room; the intended use is an office space. Carpet provides better insulation and sound damping than LVT making it a better choice of flooring for the use in that space. Installation of carpet in lieu of LVT reduces the flooring cost by \$390.

Item # 4: When the kitchen area is remodeled, provisions are being made to have a range type oven. To be compliant with building code and to provide ventilation, a ductless range hood will be installed over the oven. The cost of the installed oven hood is \$660.

Item # 5: The initial proposal from Van Asdale Construction only included the installation of new ceiling tiles within the existing suspended grid system. Upon inspection, the existing grid system is discolored and damaged in several areas. Since the type of existing grid system is no longer available, any attempt to repair the damaged areas will be highly visible. The cost to replace the suspended grid system in the main room is \$3,300. While inspecting the ceiling, it was discovered there is insulation on top of the suspended ceiling which will need to be removed, stored then re-installed (not included in original work-scope). The cost to remove, store and re-install the insulation is \$1,500.

MOTION by Cardwell, second by Keck to accept a second supplemental proposal dated 1-9-17 from Van Asdale Construction for the total amount of \$9,015 and approve the Community Room improvements specified therein.

MOTION approved unanimously.

3. O'Reilly's Automotive Store – Accept Developers Agreement:

O'Reilly Auto Enterprises, LLC is in the process of developing a site to construct and operate an O'Reilly's Auto Part Store at 1240 N. Rock Road. The property has been re-platted and was rezoned to the B-3 General Business District.

The Developer's Agreement is needed because O'Reilly's desires to make certain public improvements (sanitary sewer, water and storm sewer) which are necessary to support the development of their property. The developer proposes to make the improvements through private contract at its own cost which is to include all engineering, inspections, testing, proof of ownership, construction and any other associated costs of the improvements.

The Developer's Agreement sets forth the terms and conditions for developer installed improvements to public infrastructure. Two key provisions of the Agreement include identifying the developer as the party responsible for 100% of all costs of the improvements and requiring the developer to provide sufficient sureties to insure completion, payment and maintenance of the improvements.

All improvements are to be installed by the developer at its sole and absolute cost. The Developer is to provide a performance bond for \$98,076 to guarantee completion and payment (bond released upon project completion and acceptance by the city). The Developer shall also provide a maintenance bond for \$14,711.40 to guarantee any costs associated with the correction of any defect in material or workmanship for a period of 18 months.

MOTION by Mottola, second by Johnson to approve the Developer's Agreement with O'Reilly Auto Enterprises, LLC dated January 23, 2017 and authorize Mayor Steadman to sign the Agreement.

MOTION approved unanimously.

NEW BUSINESS

1. Mulvane Chamber of Commerce – Request for Funds:

In November, 2015, the council approved giving the Mulvane Chamber of Commerce \$30,000 in 2016 for the purpose of hiring a part-time director. The director was hired. In 2016, the chamber director worked with SCEDC and other economic development agencies to attract new business to Mulvane. The chamber director has helped sustain our existing businesses throughout the City and attract new members (i.e. grow the Chamber). What is good for the Chamber is good for the City. With a 1% sales tax, the City needs to encourage commercial and retail business growth.

A letter from the Chamber president, Tom Keil, requesting the City again provide \$30,000 in 2017 to the Chamber to fund and support the director's position was presented to the council.

MOTION by Keck, second by Cardwell to approve the Mulvane Chamber of Commerce request for funds in the amount of \$30,000 with the purpose of paying and supporting a part-time chamber director.

MOTION approved unanimously.

2. Transient Guest Tax Funds Request:

• Kansas Star Casino:

In 2008, the council passed Charter Ordinance # 26 establishing a 5% Transient Guest Tax.

In 2011, the council passed Resolution # 2011-9, a policy that defines how the Transient Guest Tax can be used and disbursed. With the construction of the Hampton Inn, the Kansas Star has a priority on the first \$2,000,000. With the completion of the other 150 hotel rooms, they get the first \$3,800,000.

The policy is that the Casino must apply to the City (on forms obtained from the City Administrator) for any event or Project which meets the statutory requirements. The City Administrator approves the request and then places it on the city council agenda.

MOTION by Mottola, second by Richardson to authorize the city administrator to approve the 2017 request from the Kansas Star Casino for Transient Guest Tax funds in the amount of \$300,000.

MOTION approved unanimously.

• Doc Sunback Film Festival:

Council member Mottola removed herself from the council bench until after the vote. The City has received a completed Program/Event Application from the Doc Sunback Film Festival.

MOTION by Cardwell, second by Keck to authorize the City Administrator to approve the request from the Doc Sunback Film Festival for Transient Guest Tax funds in the amount of \$6,000.00.

MOTION approved unanimously. *Mottola abstained.*

3. General Obligation Temporary Note Sale -Villa Senior Housing Addition:

The City received and approved petitions to construct water and sanitary sewer improvements to serve the Villa Senior Housing Addition. In order to pay for those improvements, the initial funding is from “Temporary Notes”. Once the construction of the water and sewer mains is complete and all costs (engineering, design and construction) are finalized, General Obligation bonds will be issued. The debt service on those GO bonds will be paid by assessments on the Villa Senior Housing Addition.

Bids to buy the temporary notes were opened at 10:00 a.m. on 2-06-17. The low bidder was UMB.

Greg Vahrenberg addressed the council on this issue.

MOTION by Keck, second by Mottola to approve the bid from UMB at 3.4% for the purchase of \$175,000 in temporary notes to fund water and sewer improvements to the Villa Senior Housing Addition.

MOTION approved unanimously.

ORDINANCES AND RESOLUTIONS

1. Ordinance Expanding Sales of Alcoholic Beverages:

Currently, the City follows the State law for “unexpanded” liquor sales which prohibits the retail sale of cereal malt beverages on Sundays and prohibits the retail sale of all other alcoholic liquors on Sundays, Memorial Day, Independence Day and Labor Day.

K.S.A. 41-2911 allows the City by ordinance to expand the days of retail sales of cereal malt and alcoholic beverages to Sundays, between 12 noon and 8 p.m. (except Easter). This would automatically allow liquor sales on Memorial Day, Independence Day and Labor Day. The proposed ordinance authorizes said expanded days of sale and amends the City’s Municipal Code accordingly.

The City has the authority to pursuant to K.S.A. 41-2911 to allow expanded retail sales of cereal malt beverages and alcoholic liquors by ordinance. If a petition requesting a proposition election signed by not less than 5% of the qualified voters of the City who voted for the office of president of the United States at the last preceding general election is filed with the Sedgwick County Election Officer within 60 days of the ordinance’s publication, an election must be held on the question, and the question approved at such election, before the ordinance takes effect.

Mayor Steadman did not participate in the discussion of this ordinance. Council president Mottola conducted the meeting.

MOTION by Richardson, second by Cardwell to adopt and approve Ordinance No. 1487 expanding the days of sale of alcoholic beverages and amending Title VI, Chapter 600, Section 600.170 of the Municipal Code of the City of Mulvane.
MOTION approved unanimously.

ORDINANCE NO. 1487

AN ORDINANCE EXPANDING THE DAYS OF SALE OF ALCOHOLIC BEVERAGES AND AMENDING TITLE VI, CHAPTER 600, SECTION 600.170 OF THE CODE OF THE CITY OF MULVANE, KANSAS.

2. Ordinance Temporarily Extending the Kansas Gas Service Franchise Agreement:

The natural gas franchise of Kansas Gas Service, a Division of ONE Gas, Inc. (“Kansas Gas Service”) (the “Franchise”) will expire on February 6, 2017. Kansas Gas Service has been diligently working with the City Attorney to develop a new Franchise. It is necessary to extend the expiration date in order for the parties to discuss and complete modifications to a new Franchise. Kansas Gas Service will pay for all expenses of the City in connection with this extension ordinance, including, but not limited to, the costs and fees for the publication of this extension ordinance.

MOTION by Keck, second by Johnson to adopt and approve Ordinance No. 1488 granting an extension of the natural gas franchise of Kansas Gas Service, a Division of ONE Gas, Inc. until April 30, 2017.

MOTION approved unanimously.

The city attorney is to negotiate this franchise agreement on the “volume metric” basis.

ORDINANCE NO. 1488

AN ORDINANCE PERTAINING TO KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC., ITS SUCCESSORS, AND ASSIGNS, EXTENDING THE TERM OF THE CURRENT NATURAL GAS FRANCHISE CURRENTLY DUE TO EXPIRE ON FEBRUARY 6, 2017.

3. Resolution Authorizing Temporary Notes Sale – Villa Senior Housing Addition:

At its meeting on September 7, 2016, the City Council approved a Resolution (as amended on January 4, 2017) determining the advisability of the improvements and an Ordinance (as amended on January 4, 2017) authorizing the construction of the Water Improvements and Sewer Improvements for water and sewer to serve the Villa Maria Senior Addition (collectively, the “Improvements”). At its meeting on January 4, 2017, the City Council authorized the City’s Financial Advisor to accept bids for temporary notes to finance the same. Triplett Woolf & Garretson, LLC has prepared the Resolution authorizing the issuance of the Series A, 2017 Notes to temporarily finance the Improvements.

MOTION by Mottola, second by Richardson to adopt Resolution No. 2017-4, establishing the terms and provisions governing the City’s General Obligation Temporary Notes, Series A, 2017.

MOTION approved unanimously.

RESOLUTION NO. 2017-4

A RESOLUTION PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION TEMPORARY NOTES OF THE CITY OF MULVANE, KANSAS, IN THE TOTAL PRINCIPAL AMOUNT OF \$175,000, AS HERETOFORE AUTHORIZED BY ORDINANCE NO. 1473, AS AMENDED BY ORDINANCE NO. 1484 OF THE CITY, IN ORDER TO PROVIDE FUNDS FOR THE TEMPORARY FINANCING OF THE COSTS OF CONSTRUCTION OF CERTAIN INTERNAL IMPROVEMENTS IN THE CITY AUTHORIZED BY SAID ORDINANCE; AND PROVIDING THE TERMS, DETAILS, FORM AND CONDITIONS OF SAID GENERAL OBLIGATION TEMPORARY NOTES.

4. Resolution Opposing House Bill 2173 – Slots At Racetracks:

HB 2173 is Phil Ruffin's new bill to have a re-vote in Sedgwick County that would lower the tax rate at slots at race tracks. HB 2173 will have hearings in House Fed & State. The Kansas Star will be represented by legal counsel to speak in opposition and the attorney will also speak for the Boot Hill and Kansas Crossing casino.

Slots at race tracks will reduce the gaming revenue generated by casinos in the area. Reduced gaming revenue reduces the dollar amount of the 1% that goes to Mulvane at the counties.

City attorney recommended some language changes in paragraph seven "citizens of Kansas".

MOTION by Mottola, second by Keck to approve a resolution opposing House Bill 2173 that would allow slot machines at racetracks.

MOTION approved unanimously.

Land Bank Board

The City Council formed the Mulvane Land Bank by approving Ordinance No. 1486 on 1-16-17. The ordinance established a City Land Bank, the Board of Trustees of which will consist of the members of the City Council and one non-voting member to be selected by the Mayor, who shall serve as Secretary/Treasurer. The City has the authority to establish a land bank pursuant to K.S.A. 12-5901 *et seq.*

MOTION by Keck, second by Cardwell to recess City Council meeting and convene as the Mulvane Land Bank.

MOTION approved unanimously.

MOTION by Keck, second by Cardwell to appoint a Secretary/Treasurer (i.e. Debra M. Parker) to the Land Bank.

MOTION approved unanimously.

MOTION by Keck, second by Richardson to set Secretary/Treasurer Bond amount at the same as the City Clerk (\$25,000).

MOTION approved unanimously.

MOTION by Keck, second by Richardson to adjourn the meeting of the Mulvane Land Bank and reconvene as the Mulvane City Council.
MOTION approved unanimously.

ENGINEERS REPORT

1. Engineer's Report/Project Review and Update:

Chris Young of Young & Associates updated the Council on the GIS mapping of city utility, E. Mulvane Street drainage project, Cedar Brook 2nd Addition, Hunters Pointe Addition and the Villa Maria Senior Housing Project. The engineer will start working on the footbridge across Styx Creek at Franklin & Charles and in English Park.

2. Footbridge at Franklin & Charles Street:

Chris Young reviewed some concepts and ideas for replacing the footbridge at Franklin & Charles Street.

City Clerk: None

City Administrator:None

City Attorney:

The City Attorney requested an executive session not to exceed twenty (20) minutes to discuss matters privileged in the attorney-client relationship related to land acquisition. The executive session to include the Mayor, Council, City Administrator and City Attorney.

MOTION by Keck, second by Mottola to recess for a period not to exceed twenty (20) minutes to discuss matters privileged in the attorney-client relationship to include the Mayor, Council, City Administrator and City Attorney. To return at 9:35 p.m.

MOTION approved unanimously at 9:15 p.m.

MOTION by Keck, second by Cardwell to return from executive session at 9:35 p.m.

MOTION approved unanimously.

Mayor Steadman announced that no decisions were made during the Executive Session.

Consent Agenda:

MOTION by Richardson, second by Mottola to approve Consent Agenda items 1 – 7.

1. Payroll dated 1-27-17 (\$194,078.34)
2. January Warrant Register (\$1,002,046.79)
3. City utility bill (\$28,976.85)
4. WWTP- Purchase of 48,000lbs of ferric chloride for \$9,101.00 from Brenntag Southwest.
5. Cedar Brook Addition – Street Improvements – Pay App. # 1 (\$117,291.60) – Kansas Paving
6. Cedar Brook Addition – Street Improvements – Pay App. # 2 (\$19987.20) – Kansas paving

7. Cedar Brook Addition –Water & Sewer Improvements – Pay App. # 3 – Nowak Const. (\$9,297.75).

MOTION approved unanimously.

Announcements, Meetings and Next Agenda Items:

- Next regular council meeting – Monday, Feb. 20th@ 7:30 p.m.
- Cardwell may not be at the 2-20-17 council meeting.

Adjournment:

MOTION by Mottola, second by Keck to adjourn the council meeting at 9:36 p.m.

MOTION approved unanimously.

Debra M. Parker, City Clerk