

MULVANE CITY COUNCIL
REGULAR MEETING MINUTES

April 6, 2020

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: Barry Fleming.

Remote attendance: Brent Allen, Jenean Keck, Nancy Farber Mottola, Kevin Cardwell.

Others Present: Kent Hixson, Mike Robinson, Debra Parker, Gordon Fell, Joel Pile.

Remote attendance: J.T. Klaus, Chris Young, Cathy Walker, Lachelle Tootle.

Note: Remote attendance is due to COVID-19 and social distancing. The council meeting is also being streamed live on the City's Facebook page.

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

Approval of Regular Meeting Minutes Dated 3-16-2020:

MOTION by Mottola, second by Fleming to approve the Regular meeting minutes dated 3-16-2020.

MOTION approved unanimously.

Correspondence: Councilmember Mottola advised she spoke with a person who had concerns about an increase of domestic violence and self-harm in the community.

Review and Closing of the Agenda:

There is a correction to Item #2 on the Consent Agenda. Payroll total dated 4-03-2020 should be \$203,898.25.

Appointments, Awards and Citations: None

OLD BUSINESS

None

NEW BUSINESS

1. Public Works Dept. – Streets – Slurry Seal Oil Pump Purchase:

Pumping road oil from a tanker truck to the holding tank, then from the holding tank into the slurry truck requires a rotary gear driven pump. The current slurry road oil pump is over 30 years old. The City needs to replace the pump this year before slurry sealing can be begin. Funds from the Special Highway New Equipment Fund can be utilized for this purchase.

MOTION by Mottola, second by Allen to approve the purchase of one (1) Viking Model LL124E Electric Heated Rotary Gear Pump from JCI Industries Inc. in the amount of \$10,614.00 as stated in Item 1 of the submitted quote.

MOTION approved unanimously.

2. E. Mulvane Street Drainage – Purchase Property:

USD 263 has submitted, and the City has accepted a petition for improving drainage along East Mulvane Street with costs to be shared 75% by the District and 25% by the City. The petition is for \$404,000 of improvements. The City Council has approved an agreement with Young & Associates, PA for the design and oversight of the drainage improvements. The Engineer developed a preliminary layout plan with City Staff, including a review of the project limits estimated material quantities and costs. City staff met with the school district superintendent on 3-12-20 and briefed him on the project design.

The next step has been to contact property owner(s) to determine their willingness to sell or grant the property needed for the project. Once the property has been acquired, the City would then move forward with final design plans, bidding and construction.

The owner of the property at 660 E. Main was contacted and agreed to sell the house and land for \$39,000. The County appraised value of the property is \$34,740.00.

Council asked if this property would be enough for the drainage improvements. Young indicated it would be. The City, however, would need to acquire a drainage easement from the property at 711 E. Mulvane and a temporary construction easement from the school district.

MOTION by Allen, second by Keck to approve the Real Estate Purchase Agreement to purchase the property at 660 E. Main Street from Michael Alley in the amount of \$39,000.00.

MOTION approved unanimously.

3. Economic Forecasting (City revenues and Utility Billing):

Given the extraordinary circumstances of the COVID 19 pandemic and the impact on the economy, city staff has made some projections of the reduced revenues coming to the City over the next six months. Finance Director, Cathy Walker, reviewed the estimated decreases in city revenues in 2020 with the Council which included:

• 15% Reduction in Ad Valorem Tax	\$ 295,000.00
• Sales Tax (Sedgwick County)	\$ 125,000.00
• Gaming Revenue	\$ 900,000.00
• Local Alcohol Tax	\$ 100,000.00
• Local 1% Sales Tax	\$ 78,000.00
• 10% Special Assessments (Sedgwick County)	\$ 51,000.00
• USD 263 Closing Early (Utilities)	\$ 90,000.00
• Casino Closing (Utilities)	<u>\$ 142,000.00</u>
	<u>\$1,781,000.00</u>

Walker also addressed the cash carryovers in the 2020 budget and felt the City was in good shape at this time, but stressed that if we used the cash carryovers, this would affect the 2021 budget. If the funds were used and we had no cash carryover, it would require reduced spending, a hold on large projects, or a mill levy increase.

Each Department Head also provided the Council with a list of what their department was doing to cut spending and reduce costs in response to COVID-19. Some items included a hiring/wage freeze, future furloughs if necessary, reduction of discretionary operating costs, reduction of pending capital improvement projects, draw down on contingency funds and the opening of the swimming pool has not yet been determined.

Utility Billing Fees:

Utility Billing Clerk, Lachelle Tootle, reviewed the City utility billing process with the Council. Per Governor Kelly's Executive Order 20-05, disconnects for non-payment have been suspended until May 1st or the order is rescinded. Tootle would like direction from the Council regarding the 5% penalty applied to the bills after the 5th due date and the \$30.00 Administrative fee applied to the bills on the scheduled 20th disconnect date. There was also the question if the level billing customers were unable to pay by the 5th, would they be able to remain on the program.

Tootle also reviewed the disconnect information prior to the Governor's executive order to suspend disconnects and after the executive order was executed. There was double the number of customers that did not pay their bill on March 20th. Red tags were hung on the customer's doors in lieu of disconnection to serve as a reminder of their outstanding balance.

Staff is working on a payment plan for delinquent customers and will have it ready for council review at the next meeting. It was the consensus of the council that they would like to see the level payment customers remain intact, not penalize for late payments, and waive the Administrative fee. Customers will need to be reminded that the bill is still due, and a payment plan will be available.

The City Attorney will draft an ordinance amending the Mulvane City Code allowing the council authority to waive fees at their discretion.

MOTION by Mottola, second by Allen to instruct the Utility Billing Clerk not to collect the penalty or Administrative fees until the council has considered the ordinance at the next council meeting. MOTION approved unanimously.

ORDINANCES & RESOLUTIONS

City Attorney, J.T. Klaus, reviewed the Ordinance authorizing the issuance of taxable bonds to finance the Homestead Senior Housing Phase 2 project. Adoption of the ordinance will finalize the tax benefits, allow for the issuance of the Bonds, and upon completion of the Project, allow application to the Kansas Board of Tax Appeals for the property tax abatement.

MOTION by Cardwell, second by Allen to approve Ordinance No. 1524 authorizing the issuance of not to exceed \$4,100,000 City of Mulvane, Kansas taxable multi-family housing revenue bonds series 2020 for Homestead Senior Residents Phase 2.

MOTION approved unanimously.

ORDINANCE NO. 1524

AN ORDINANCE AUTHORIZING THE CITY OF MULVANE, KANSAS TO ISSUE ITS TAXABLE MULTI-FAMILY HOUSING REVENUE BONDS, SERIES 2020 (HOMESTEAD SENIOR RESIDENCES MULVANE PHASE II, LLC), IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$4,100,000 FOR THE PURPOSES OF PURCHASING, ACQUIRING, CONSTRUCTING, FURNISHING AND EQUIPPING AN AFFORDABLE SENIOR INDEPENDENT LIVING FACILITY AND PAYING CERTAIN COSTS OF ISSUANCE; AUTHORIZING THE EXECUTION OF A TRUST INDENTURE BY AND BETWEEN THE ISSUER AND SECURITY BANK OF KANSAS CITY, KANSAS CITY, KANSAS, AS TRUSTEE; AUTHORIZING THE ISSUER TO LEASE THE PROJECT TO HOMESTEAD SENIOR RESIDENCES MULVANE PHASE II, LLC; AUTHORIZING EXECUTION OF A LEASE AGREEMENT BETWEEN THE ISSUER AND HOMESTEAD SENIOR RESIDENCES MULVANE PHASE II, LLC; APPROVING THE FORM OF A GUARANTY AGREEMENT; AUTHORIZING THE EXECUTION OF A BOND PURCHASE AGREEMENT BY AND BETWEEN THE ISSUER, HOMESTEAD SENIOR RESIDENCES MULVANE PHASE II, LLC, AS TENANT AND PURCHASER OF THE 2020 BONDS.

ENGINEER

1. Project Review and Update:

City Engineer, Chris Young, reviewed the project updates with the council which included the Sanitary Sewer Study Update, Rock Road Water Line (bidding and constructin will be postponed), Flood Mitigation Grant – English Park and Styx Creek Drainage Improvement, Decommissioning the Boxelder Power Plant (actual demolition work will be postponed), Homestead Phase 2, E. Mulvane Street Drainage and Sports Complex Maintenance Building (construction of the building will be postponed).

Construction has begun on the Rock Road Pedestiran / Bike Pathway.

City Clerk: None

City Administrator:

Councilmember Keck asked for clarification on the wage freeze and if it pertained to all departments. Yes, it does. Councilmember Mottola expressed concerns regarding the hiring freeze and the IT position. She feels that this is important, and we should look at filling the position as soon as possible. Mottola also had concerns regarding putting the generator purchase on hold at the Police Dept. Councilmember Cardwell advised he was contacted by a resident in Merlin's Glen regarding drainage issues caused by a farmer, and the removal of a sign at the end of the street to get equipment into the field. Hixson has spoken with the farmer, however advised there

is not a lot the City can do since the farm is outside the city limits. Hixson will try to contact the resident and farmer to see if there can be a resolution.

City Attorney:

J. T. Klaus reminded the council that the COVID-19 Updates they put into place at the last council meeting will expire at the end of this meeting, unless continued. Also, many cities have closed the playground areas. Staff suggested to put yellow caution tape around the play area and post signs that the playground was closed.

MOTION by Mottola, second by Cardwell to continue the COVID-19 orders from March 17th now until the close of business on April 20th or thereafter until the next meeting of the City Council with the modification of prohibiting the use of the playground equipment.

MOTION approved unanimously.

Consent Agenda Item 1 - 5:

MOTION by Allen, second by Keck to approve Consent Agenda items 1-5 with the modification to Item 2.

1. Payroll dated 3-20-2020 (\$208,543.65)
2. Payroll dated 4-03-2020 (\$203,898.25)
3. Utility Dept. - Purchase Underground utilities detector (\$8,445.00)
4. Electric Dept. - Approve the purchase 6,989 gallons of low sulfur #2 fuel oil at a cost of \$1.12 per gallon for a total cost of \$7,827.68 from the Mulvane Coop.
5. City Utility Bills dated 4-05-20 (\$25,083.49)

MOTION approved unanimously.

ANNOUNCEMENTS, MEETINGS AND NEXT AGENDA ITEMS:

- Monday, April 20 - next council meeting @ 7:30 p.m.

ADJOURNMENT:

MOTION by Cardwell second by Keck to adjourn the City Council meeting at 8:43 p.m.

MOTION approved unanimously.

Minutes by:
Debra M. Parker, City Clerk