

Regular Council Meeting
March 9, 2015 6:30 p.m.
City of Oswego, KS 67356

Present: Councilmembers, Susan Bringle, Bill Owens, Jane Rea, Dee Brown, Kelly Vance, Darren Tynan with Mayor Glenn Fischer presiding.

Also present: City Attorney Rick Tucker, City Superintendent Calvin Jurgensen, City Clerk Carol Eddington, Police Chief George Elliott, Asst. Police Chief Brandon Conrad, Deputy Clerk Renee Cochran, Heather Brown, Larry Richardson, Wanda Strickland, Bill Cunningham, Carole McKinley, Paula Kern, John Davis, Caleb Strickland, Roger Daniels, Marna George and Chris Brown.

OPENING PRAYER AND PLEDGE OF ALLEGIANCE

Roger Daniels, Assembly of God Church, gave the opening prayer and Councilmember Rea led the Pledge of Allegiance.

PETITIONS AND DELEGATIONS

Oswego Summer Ball Program – Fence at T-Ball Field – Keith Hazell

Keith Hazell submitted a request to address the Council about putting up a fence around the T-ball Field. In the request Hazell stated a fence was needed for the safety of the players and to avoid vehicles driving on the infield. He attached photos of tire tracks on the field. Clerk Eddington said that the issue had been brought to the Council in March 2009. A Committee was formed consisting of members from the Oswego Recreation Commission, Oswego Summer Ball and Labette County Fair Board. The Committee reached an agreement, those minutes were included in the council packet. Eddington stated that Hazell reported he had not discussed his request with all of the entities previously involved. He was unable to attend tonight's meeting. Council tabled the issue.

CITY ATTORNEY

SEK Museum – Affidavit

This discussion was moved to later in the meeting to allow for the arrival of Attorney Tucker.

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).

Appointment – Airport Board

Mayor Fischer submitted the re-appointment of Charles Stone and Tom Bringle to the Airport Board. He also submitted the appointment of Jane Rea to the Airport Board. All are three year terms that expire in April, 2018.

Apron Layout Plan

A revised Apron Layout Plan approved by the Airport Board and Airport Manager Jurgensen, was presented for Council approval. The Council discussed the revisions that were requested by Jurgensen and the Airport Board in order to make better use of the available space and grant dollars. Clerk Eddington reported that the plan remains within the parameters of the project

previously approved by Council. Approving the change in layout plan is a formality requested by the FAA.

Mayor Fischer asked if there were any additions or corrections to the minutes. Owens asked that the comment made by Caleb Strickland in the February 9th, 2015, minutes be changed from “He suggested all future business...” to “He suggested all new business...” Rea made a motion and Owens seconded to approve the Consent Agenda with the correction to the minutes. Motion carried.

Attorney Rick Tucker entered the meeting at 6:38pm.

OLD BUSINESS

Agreement with USD 504 – Ballfield Road

At the February Council Meeting, a Committee was chosen to meet with Supt. Karlin and a representative from the School Board, to revisit the agreement between the school district and the city in regards to the access road to the ballfield complex. Clerk Eddington reported that Supt. Karlin called her and said they do not wish to meet. He consulted with the Board President and Fred Johnson, and they determined they did not want to revisit the agreement - that they wanted the agreement to stand as is. The agreement states that the school will have the road constructed and the city will chip and seal it. It also states that the city will then be responsible for the maintenance of the road thereafter. The city no longer has the equipment to chip and seal the road as stated in the agreement.

Supt. Jurgensen reported that he contacted the County to obtain a quote on what it would cost for the county to do the work as they do have the equipment. He said the cost would be \$2300. This includes a minimum charge for 800 gallons of primer oil however the project should take less than 200 gallons. Supt. Jurgensen suggested using the remaining 600 gallons of oil to chip and seal the alleys downtown and any other areas that were needed. The city had planned on doing the alleys upon completion of the new water line project.

Jurgensen pointed out that the city also did not have the equipment to maintain a chip and seal road. Chip & seal would last 3-4 years. He said that he looked into the expense of asphalt instead which should last 7-8 years. He estimated that cost at \$6,800. After some discussion Rea made a motion and Vance seconded to chip & seal the ballfield road and use the remaining oil to chip & seal the alleys. Motion carried with Tynan and Owens opposing.

SEK Museum – Affidavit

Attorney Tucker presented an Affidavit for Council approval which would return possession of the SEK Museum back to the city as of March 16, 2015. He said that he would have liked for the remaining members of the Museum Board to sign a Quit Claim Deed but the affidavit will work. Rea made a motion and Bringle seconded to approve the affidavit. Motion carried.

Housing Projects

Stone Hill Estates, Phase I – Development of Lots 1 – 7

Clerk Eddington reported that Kevin Cowan, Gilmore and Bell, met with the Housing Committee to discuss options on setting prices per lot at Stone Hill Estates. The city has had a couple of inquiries from people interested in purchasing a lot, however, the price per lot has not yet been determined. With the sale of the 14 acres, that income will change to cost per lot previously figured.

A revised plat map and preliminary cost estimates for the Lots 1-7 were reviewed and discussed. Only lots 1-7 would be gravity flow for the sewer service and therefore, the least expensive lots to develop first. With the cost estimates from Supt. Jurgensen for utilities; the costs already incurred and the projected revenue from the sale of the 14 acres, the cost that the city has in each lot varied between \$12,708.56 and \$16,521.13, based upon the size of the lot.

Clerk Eddington reported that the Housing Committee has recommended setting the price per lot no higher than \$10,000 each. Therefore, the balance of the cost to the city would need to be incentivized. Eddington said Cowan presented some options to the Housing Committee that the city has available for incentivizing. The two options that seemed most suitable to the committee were adding the area to the Neighborhood Revitalization Plan or issuing a special assessment for the sewer.

Council questioned whether there would be additional expenses for bringing in other utilities such as gas and electric. Supt. Jurgensen said that he had spoken with Westar and Kansas Gas and they had indicated that they would cover the expense to bring their services to the housing addition, although he did not have anything in writing. After further discussion the Council decided to table the subject to allow Supt. Jurgensen time to put together more detailed figures on the costs and to see if he could get a signed agreement from Westar and Kansas Gas. The Housing Committee will be discussing the issue again at their regular meeting on March 26th. Council determined to attend the meeting as well and therefore set a special joint meeting with the Housing Committee for the 26th.

Downtown Demolition Grant

Asbestos Removal & Demolition Bids

Bid results were presented for the Downtown Demolition Project for asbestos removal and demolition of 319 & 321 Commercial and 705 4th St. Grant Administrator Galemore generated specifications and let out bids in February to be due March 5, 2015. Three bids were received:

- G & G Dozer, Caney \$73,800
- Gator Industrial, Galena \$94,500
- Midwest Wrecking, Oklahoma City \$128,340

Clerk Eddington reported that the estimate in the grant application for asbestos removal and demolition was for \$165,000 so the bids came in at considerably less than expected. Galemore recommended Council accept the low bid of \$73,800 from G & G Dozer. Galemore said that the Southeast Kansas Planning Commission has worked with G & G Dozer before and have known him to be an experienced, reliable contractor. Gary Gorby, owner of G & G Dozer, has said that

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he would like to begin as soon as possible. The adjoining property owners will be notified of an approximate start date as soon as the bid is awarded.

The city is responsible for 50% of the costs. With the recommended low bid that cost would be \$36,900. After the buildings are down the city the State Historical Society will determine what condition the remaining walls and make a recommendation as to what skinning process should be used. Galemore will then generate the specs and go out for bids on that part of the project.

Clerk Eddington said until the bids are in for the skinning part of the project, the city does not know the final amount for the bond issue. The entire project was estimated to cost \$245,868 and the city's portion estimated at \$122,934, for which the Council determined to do a bond issue. After checking with the auditor, Eddington said the city can expend the \$36,900 out of Capital Improvements and reimburse that fund with the bond issue, with Council approval. Brown made a motion and Bringle seconded to award the bid to G&G Dozer for \$73,800 and approve using the funds from Capital Improvements until it can be repaid with revenue from the bond issue. Motion carried.

Appoint Labor Standards Officer

Since the city must comply with Davis Bacon wages, the city is required to appoint a Labor Standards Officer who will make sure that the contractor is complying with the Davis Bacon wage requirement. Grant Administrator Galemore will be the one to do this job but she must be officially appointed by the Council. Clerk Eddington said this is a HUD requirement because the project includes wall treatment (skinning). Rea made a motion and Bringle seconded to appoint Susan Galemore as the Labor Standards Officer. Motion carried.

Water Plant Repairs - SK&W Change Order #2

SK&W Change Order #2 was presented for Council approval. A Special Meeting on Feb.23, 2015, was held to discuss the filter leak at the Water Plant. Clerk Eddington reported that she had consulted Rural Development about whether the city could possibly use remaining Streambank grant funds for the repairs to the water plant. Rural Development said that they were willing to allow the city to get these repairs made with the remaining \$132,000 grant funds. However, the city cannot enter into a new contract with Shafer, Kline and Warren as that would constitute a new project. Therefore, a change order is needed for the original agreement to add the repair work.

Council asked if the city would need to go out for bids for the work to be done. Clerk Eddington reported Rural Development advised that anything less than \$100,000 the city could obtain quotes, rather than go out for bids. Rea made a motion and Owens seconded to approve SK&W Change Order #2. Motion carried.

NEW BUSINESS

Clean Up Fees

A revised City Fees Resolution was presented for Council approval. Within the city's code book, the regulations state that the city can clean up property if the owner has a nuisance

violation and has not taken care of it within the time frame allowed by the ordinance and the Code Enforcement Officer. However, a specific price is not set for this work. The proposed revision to the fee resolution sets the charge at \$100 per hour.

Supt. Jurgensen felt the fee should reflect the salary and benefits for two individuals and a piece of equipment (probably a backhoe). The amount for labor was based on the mean salary and benefits (\$35.46) and the amount for the equipment was on an average of FEMA, surrounding cities and rental places for a backhoe for an hour (\$45). Supt. Jurgensen has recommended setting the price at \$100 as the city does not want to be in the business of cleaning up properties. Clerk Eddington stated that it would be nice to be able to add this information in the courtesy letter and nuisance violation letters so property owners are fully aware of the fees up front. This will allow the city to go ahead and get a place cleaned up instead of going through the lengthy municipal court process that may not facilitate getting the property cleaned up anyway. All fees charged for this work that is unpaid can be assessed to the property taxes just like condemnation fees and mowing charges. Council agreed and added that the \$100 should be a minimum charge. Owens made a motion and Brown seconded to approve fees resolution #03-09-15A with the \$100 per hour minimum charge for cleaning up nuisance violations. Motion carried.

Pecan Bids

Supt. Jurgensen has requested that the city go out for pecan bids earlier this year to allow the winner of the bid time to spray and fertilize the trees for a better crop. Last year's crop was full of worms so there was no income. Sotta did remove the infested pecans and burned them so as to remove as many worms from the area as possible. Mayor Fischer said that bidders would be more willing to spray and fertilize if they had a three year contract. Council agreed but questioned what would happen in the event the city decides to sell the property. Supt. Jurgensen said that a clause could be added to the contract to cover that scenario. Clerk Eddington said this could be added to the Special Meeting agenda for March 26th as the trees need to be treated soon. Tynan made a motion and Rea seconded to go out for bids on a three year contract with a clause in the event the city should sell the property. Motion carried.

Property/Liability Insurance Renewal

A renewal quote in the amount of \$68,747 from Al Eshelbrenner, Ryan Insurance, was presented from EMC Insurance. EMC is a long standing municipal insurance program that is used by over 500 cities in Kansas. Clerk Eddington said that Eshelbrenner went out for quotes from several markets as he does every year. EMC is the only company in this market that gives dividends. The city has received a dividend every year from EMC averaging \$4,300.

The renewal letter states that the total package premium for the city went up about 8%, however, with the dividend the city receives, the amount of increase is about flat for the upcoming year. Eddington said that Eshelbrenner reported most companies were looking at 9% - 12% increases. There was one other market that came in \$376 less than EMC did, however, without a dividend to take into consideration, the city would be paying much more in the end. Brown made a motion and Owens seconded to approve renewal with EMC Insurance. Motion carried.

Airport – Kiman Kingsley Hangar

At the February Airport Board meeting, Kiman Kingsley, owner of Plane Cents Aviation, LLC, from Miller, MO, expressed his desire to build a hangar at the airport for his spraying business. Clerk Eddington reported that he has wanted to bring his business to Oswego for some time but had to wait until the land purchase was completed. In Miller, Mr. Kingsley has a successful spraying business, an ag-sprayer flight school and restaurant on his property. He also offers plane rides, sky diving, etc. Mr. Kingsley said he would like to begin building the hangar as soon as possible. Eddington said that she expected to receive a letter of intent soon.

The proposed hangar will house one spray plane and have an office in the back. He will need water, sewer and electricity for the office area. There is already water and electricity at the airport. Heartland Electric said there is plenty of service at this time so there is no need for them to increase the service. Upgrades, however, have been needed at the airport to install a 200 amp panel (and replace the old panel that has fuses). This will allow for separate breakers for the beacon, the runway lights and the fuel system. The panel and conduit the city will need to run will cost \$350. Supt. Jurgensen said the extension of the water service will be done with materials already on hand. Cherokee County has given the go ahead for the city to install the septic system and the engineer has taken it into consideration when finalizing the apron layout plan. The septic system will be available for others to tie into. (Another business has expressed the desire to have his airplane mechanic shop located here as well.) Future development could allow the city to alleviate the \$780/yr spent on the porta-john. Jurgensen has estimated the cost of installation of the entire septic system to be \$1,500.

Mr. Kingsley (and any other tenant) will be charged for the water and sewer utilities. The income from the lease agreement will depend upon the area of ground he leases – for a 50 x 50 foot hangar and a 27 x 25 foot approach, the income would be \$350 per year at the current ground lease rate. Kingsley has also said that he would be purchasing fuel at the airport and based upon his projected usage for a year, Jurgensen estimated the profit from fuel sales to be approximately \$800. The city will also receive property taxes on the hangar. Ground Lease agreements are for 25 years with review of the rate every 5 years.

The Airport Board is in full support of working with Mr. Kingsley in getting his business established at the airport as soon as possible as this is what the Board and the City have been working toward. Supt. Jurgensen said that the utilities need to be in place before the apron project is underway. The Airport Board and city staff recommended Council approval for the city to extend water, sewer and electric services to the new business and new hangar area. After some discussion Brown made a motion and Rea seconded to approve extending the services to the new business and hangar area contingent on receiving a letter of intent from Kingsley. Motion carried.

Employee Benefits Information

At the Council's request Staff compiled Employee Benefit Information. Staff provided the information on three spreadsheets that were included in the packet for the Council's review. The first two sheets were compiled from the 2014 League of Kansas Municipalities Survey and

contained salary and benefit information on how Oswego compared to other southeast Kansas cities of similar size. The third spreadsheet showed a detailed breakdown of current pay and benefit percentages for the City of Oswego employees and what makes up those percentages.

The Council thanked staff for getting the information together and said it would be useful when putting together the budget. Owens said he would like to see the vacation, holiday and sick hours included in the *Pay Rates with Benefits*. Clerk Eddington said she would need to ask the auditor how to calculate the sick time since it is not a liability. The sick time is only granted on an as needed basis and is not paid out upon the employee's termination.

Commodity Bid Results

The bid results for rock, rock hauling, water treatment chemicals, dumpsters and culverts were presented at the meeting. Bid Opening was March 3rd and only one bid was received in each category. The bid tabulation sheet that was included in the Council packet compared bid prices to the current prices. Supt. Jurgensen recommended approval of the bids received. Brown made a motion and Tynan seconded to approve the bids. Motion carried.

Book Block Request – Project Prom

A Book Block Request was presented for Project Prom. The fund raiser is to be held April 4, 2015 from 8:00 a.m. to 1:00 p.m. Clerk Eddington stated each individual that will be participating in the event has provided the required proof of insurance information. Owens made a motion and Tynan seconded to approve the request. Motion carried.

LCC Foundation – Donation Request

A letter was received from the LCC Foundation asking for a donation for their annual Auction for Scholarships. Clerk Eddington said the city has participated for the last few years with a family swim pass and a 12-Play Card from the Oswego Golf Course. Rea made a motion and Tynan seconded to approve the same donations as in the past. Motion carried.

OHS Project Prom – Donation Request

A letter was received from the Oswego Project Prom Committee asking for a donation in support of this year's project prom to be held on April 18, 2015. Clerk Eddington said the city has donated \$200 for the past several years. She said the city has budgeted less for cash donation requests this year but this is the only one that has been received to date. Rea made a motion and Tynan seconded to approve the donation of \$200. Motion carried.

INDIVIDUAL REPORTS

Owens – thanked Supt. Jurgensen and city crews for cleaning up Crane Park Tennis Courts. Supt. Jurgensen said he would like to put some type of recreation in there such as a T-ball or a Soccer Field. He said they could put in a large field and a small field. He plans to check with the Rec Commission to see if they want to leave up the nets during the summer.

- asked if there will be a significant decrease in water loss after repairing the leak at the water plant. Jurgensen said there are too many unknowns. He said the backwash and surface

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scrubbers were unmetered. They are also doing Chlorine analysis 24 hours a day which uses unmetered but finished water. He feels they need a better way to monitor.

Jurgensen – invited Council or anyone who would like to go out to the airport or water plant to take a look at the projects to let him know. He would be happy to take them. He said it is easier to understand the projects when you see a visual.

Eddington – said the auction for the 14 acres (Old Grainger Property) that the city plans to sell is set for March 28th at 11:00am. She said Chesnutt has asked if he has permission to accept a bid for less than the minimum bid price of \$65,000 if the amount is close. Attorney Tucker said he can accept it but the Council would need to approve it.

- said that there was information going around via social networking that the city had sent annexation information for Vail's Auto to the state before the Council had approved it. Clerk Eddington said that was not the case and contacted the state to check in to it. She said the state acknowledged their mistake and has contacted the business to let them know it was their error.

- reminded candidates that the election is the first Tuesday in April. The County Commissioners will canvas the votes the following Monday and the city should receive the official certification that day –which is the day of the April Council Meeting. If so, the new Council members will be sworn in at that meeting. If the certification is not received by then, they will be sworn in at the May meeting. Current members still need to attend the meeting in which the new council is sworn in as the meeting will be called to order before the swearing in process is held.

- said she had contacted the Oswego Chamber of Commerce and they were not interested in sponsoring a Meet & Greet for the candidates. So the Council had asked her to check with Ray Nolting at the Parsons Sun to see if he planned to contact each candidate and ask them questions like last time. He said he was planning on doing that.

PUBLIC DISCUSSION

Mayor Fischer asked if there were any comments from the public.

Larry Richardson – said he saw the auction flyer for the 14 acres and noticed a mistake. It stated a down payment of 110% is required instead of 10%. It was discussed that Chesnutt was aware of the mistake and was looking in to getting it corrected.

ADJOURNMENT

There being no more comments or further business Rea made a motion and Vance seconded to adjourn the meeting at 8:20pm. Motion carried.

Attest:

Mayor Glenn Fischer

Deputy City Clerk Renee Cochran