

Regular Council Meeting
August 8, 2016 6:30 p.m.
City of Oswego, KS 67356

Present: Councilmembers Darren Tynan, Caleb Strickland, Scott Grassl, Kelly Vance and John Davis with Mayor Bill Cunningham presiding.

Absent: David Newby

Also present: City Clerk Carol Eddington, City Supt. Calvin Jurgensen, Police Chief George Elliott, City Attorney Rick Tucker, Deputy Clerk Renee Cochran, Elizabeth Rucker, Danny Chapman, Larry Richardson and Paula Kern.

OPENING PRAYER AND PLEDGE OF ALLEGIANCE

Councilmember Vance gave the opening prayer and Tynan led the Pledge of Allegiance.

PUBLIC HEARING – 2017 Budget

The Mayor opened the public hearing for the 2017 budget at 6:35 p.m. There were no comments from the floor at that time. The Mayor determined to leave the public hearing open for a while.

PETITIONS AND DELEGATIONS

Parks & Community Foundation – Dan Chapman

Dan Chapman attended the meeting to present information on the Parks and Community Foundation's project to erect a new shelter on the west end of Riverside Park. The shelter would look more like the other shelters in the park with the current shelter being moved to Danny Elliott Park. Chapman stated that the State Historical Society has approved of the plan.

The Foundation has been raising funds for some time now but Chapman reported donations have been slow to come in. He said the goal is to raise \$15,000 and asked if the city would be willing to match that amount. Council agreed that they wanted to support the project and discussed some ideas on how to get the word out to the public to assist with their fundraising efforts. The consensus was to focus on advertising the project and then discuss the issue again in a couple of months to see if there is more public interest.

Street Vacation – P&Z Recommendation – Rick Cook

A Vacation Order to vacate Oregon Street, south of the highway was presented for Council approval. The Planning Commission held a public hearing on July 18th to invite public comment on the petition by Rick and Marla Cook. Clerk Eddington reported that no one attended the Public Hearing except Rick Cook. During the hearing it was noted that this platted street is not used as a thoroughfare by anyone. Cooks own property on one side of the platted street and are purchasing the property from Jones' on the other side (old car wash). They plan to tear down the old car wash and Butch's old grocery store and build a new home on the combined properties.

Supt. Jurgensen reported that there are no utilities running through or along that easement and he does not see the city ever changing the location of the utilities in that block. After checking with Zoning Consultant Yearout, Clerk Eddington reported that the city is not required to retain a utility easement if there is no need for one. He also advised that a property owner could build over a vacated street or alley if the city did not retain a utility easement – subject to the normal

property line set back requirements. The Planning Commission's recommendation is to vacate the platted street without retaining a utility easement. Strickland made a motion and Grassl seconded to approve the Vacation Order as recommended by the Planning Commission. Motion carried.

PUBLIC HEARING – 2017 Budget

As there was no one in attendance for the Public Hearing, Tynan made a motion and Davis seconded to close the hearing at 6:20 p.m. Motion carried.

CITY ATTORNEY

Ordinance – Mowing Assessments

AN ORDINANCE MAKING AND LEVYING A SPECIAL TAX UPON ALL LOTS AND PARCELS OF GROUND IN THE CITY OF OSWEGO, KANSAS FOR THE COST AND EXPENSE OF MOWING IN SAID CITY THROUGH June 29, 2016 was presented for approval. The ordinance covers unpaid mowing charges through June 29, 2016. Tynan made a motion and Vance seconded to approve the ordinance. Motion carried. Clerk assigned the Ordinance number 1366.

Deed – Boss Industries, LLC

Clerk Eddington reported that in 2012 the city deeded approximately half of the property it owned between Boss Industries and the old John Deere building to Boss. They had requested the additional property as they needed a place for storage of their tanks. Recently it was discovered that the deed was never filed. Eddington said she contacted Boss and spoke with Dennis Banning to inquire as to why it had not been filed and see whether they were still interested in the property. He indicated that after speaking with Vince Horton, Boss is still interested in the property however, they couldn't find the deed. Mayor Cunningham also spoke with Vince Horton and was told there may be a possibility that Boss would need more space in the future as their business is growing.

As advised by Attorney Tucker a new deed was prepared and presented for approval. Clerk Eddington reported that it is exactly the same as the deed done in 2012 except for the signatories' names. Vance made a motion and Grassl seconded to approve reissuing the deed to Boss Industries. Motion carried with Davis opposing.

Contracts – Airport Fuel & Credit Card Contracts

Council has asked Attorney Tucker to look in to the possibility of getting out of the contracts for the sale of fuel at the airport. Attorney Tucker reported that he had made some calls after reviewing the agreements and World Fuel will let the City out of the contract as long as they are compensated for any equipment or other expense they may have incurred. Supt. Jurgensen said there was no equipment only a sign. Tynan made a motion and Davis seconded to have Attorney Tucker proceed with getting the City out of the contract with World Fuel. Motion carried.

Clerk Eddington said that staff has been looking in to the credit card fees with Global Payments and was able to negotiate a reduction in some of the fees and eliminate the non-compliance fee,

which is the most costly. In addition, the company has promised a two or three month refund of the non-compliance fee which should result in a refund of approximately \$500. Council discussed whether they want to get out of selling fuel altogether. Supt. Jurgensen said that Kingsley, who had just built a new hangar at the airport, did so with the understanding there would be fuel available for him to use for his business. Council wondered about the possibility of Kingsley taking over the sale of fuel at the airport. Jurgensen has already suggested that to Kingsley but he did not reply. It was also noted that the Airport Board should be included in the discussion if the Council decides they want to stop selling fuel at the airport. The Airport Board is aware of the problems and has been working on ways to promote fuel sales such as having a “cash only” discount at the fly-in in September. Supt. Jurgensen and Clerk Eddington have volunteered to man the fuel pump during the fly-in.

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. As there were none, Tynan made a motion and Davis seconded to approve the Consent Agenda as presented. Motion carried.

OLD BUSINESS

2017 Budget

As the hearing closed without any public comments, Clerk Eddington stated that the Governing Body would need to formally approve the budget. Due to an oversight by the Legislature, cities are not required to pass a Resolution and publish a notice of vote if the levy is higher than last years.

Council discussed that even though the ½ cent Sales Tax passed they did not want to decrease the amount in the budget for the Fire Department. The Council had recommended increasing the budget for the Fire Department to meet some of their pressing needs as a precaution if the tax did not pass. Council determined that even though the sales tax passed and the revenue is slated to go to the Fire Department there is no way of knowing for sure how much the new tax may generate. The department is also anticipating the purchases of costly equipment down the road that will take some time to accumulate. Tynan made a motion and Davis seconded to approve the budget as presented. Motion carried. Council agreed that they wanted to publish the notice of vote even though it wasn't required in order to be as transparent as possible.

Downtown Demo Bond Issue/old Independent Building

Clerk Eddington reported that B-3 plans on tearing down the building at 325 Merchant around the week of September 12th. The owner has been sent notification of the impending demolition. Now Council needs to determine the amount of the bond issue to pay for the project. At the previous meetings discussion was held about possibly adding another demo project since the others had come in so far under anticipated amounts. There would still be funds available out of

Regular Council Meeting
August 8, 2016 6:30 p.m.
City of Oswego, KS 67356

the amount of the approved \$150,000 bond. If there are no change orders during the demolition, approximately \$87,281.77 (including estimated bond issue costs) would be used, leaving an available balance of \$62,718.23.

The Mayor and Department Heads met with Majorie Eaton, the owner of the Old Independent building on 4th St, who allowed them to take a look inside the building. The inside of the building is falling apart, the back is open to the elements and it is completely full of junk. She would like to sell the building as she does not have the wherewithal to repair the building or pay the back taxes which are \$4,378.60. The property is slated for the next tax sale, which should be either at the end of this year or the first of next year, according to the county.

Chief Elliott said he believes the building is salvageable and safe unless someone goes inside. He estimated that the building might be able to be saved for \$8,000 - \$10,000 and knew of a couple of people who could be interested if the property went to tax sale. Council discussed that they wanted to keep the mural but that would be difficult if the building was demolished. Mayor Cunningham asked staff to see if B-3 would be willing to provide a quote. Clerk Eddington said a figure for the bond issue is needed soon. B3 will be done with the demolition of the old apartment building in September.

Fire Barn/Garage Repairs

Last month, Council decided to move forward with having Kyle Denham, PLJBD Inc., prepare the specifications for the building repairs as suggested by Councilman Strickland. Council determined to add the roof repairs as an alternate on the bid specs at the special meeting. The new estimate is \$8,500 plus the cost for the roof. Denham has submitted those specs for Council approval.

Clerk Eddington reported that since the special meeting on July 25th, a large piece of the rotted wood above the tallest garage door fell onto the sidewalk. It had large, rusty nails sticking out of it. Council viewed photos of the deteriorating condition of the building and discussed how the urgency to make repairs has changed. After further discussion, Vance made a motion and Tynan seconded to go out for bids with the bids presented at the September meeting for approval. Motion carried.

Clerk Eddington said that she had received a bill for \$3,500 from PLJBD Inc, for preparing the bid documents after the checks were written. She asked for approval to pay the \$3,500 invoice. Tynan made a motion and Vance seconded to pay the \$3,500 to PLJBD. Motion carried.

Code Enforcement – Nuisance/Condemnation – 404 Wisconsin

At the July meeting Council asked Supt. Jurgensen to look into whether the two buildings at 404 Wisconsin needed to be condemned. Upon an exterior inspection of the house, Supt. Jurgensen determined there were no signs of structural deficiencies that would constitute condemnation proceedings. However, the garage-type building in the back is a different story as there is no solid door to the building and there are tarps on the roof, etc.

Regular Council Meeting
August 8, 2016 6:30 p.m.
City of Oswego, KS 67356

Since there is someone living in the building a notice was sent stating the property would be inspected on August 8th at 9:00 a.m. for Minimum Housing compliance. When staff arrived they found the building now has a door with a padlock on it and no one was home. Someone on behalf of the occupant called the City Office and said they wouldn't be there until 4:30 p.m. Staff went back but there was no one there. Council asked for Attorney Tucker's recommendation. Tucker said that he could get a court order to inspect, if necessary, and that he would be in town next week for court. Chief Elliott said that he would try to get it resolved by then.

Clerk Eddington reported that even though the house is not condemnable, it is still surrounded by junk and weeds which is the initial complaint that the city received back in April. A Resolution that would allow the city to clean up the property and charge the time back to the property has been prepared. Council took no action.

Sales Tax Ordinance

AN ORDINANCE LEVYING A CITY RETAILERS' SALES TAX IN THE AMOUNT OF ONE-HALF PERCENT (1/2%) WITHIN THE CITY OF OSWEGO, KANSAS, EFFECTIVE JANUARY 1, 2017 was presented for approval. Clerk Eddington stated that the ordinance needs to be approved, published and sent to the Department of Revenue now that the sales tax question passed. Council discussed that there was a one hundred vote spread - 223 yes and 123 no. Tynan made a motion and Strickland seconded to approve the Ordinance. Motion carried. Clerk assigned the Ordinance #1367.

At 8:08 p.m. the Mayor called for a 10 minute break. The meeting resumed at 8:18 p.m.

Building at 408 Merchant

Council met before the meeting at 6:00 p.m. to take a look at the building now that the County has cleaned out. Council had determined to look into other options on how to sell the building and to ask Chesnutt for an estimate on the value of the building. Davis accompanied Jerry Chesnutt when he had a look at the building. Chesnutt estimated the value at \$15,000 - \$20,000 and recommended selling the building at a public sale or auction. Chesnutt charges a 6% commission, however, he said the seller can opt for a "buyer's premium" which means the buyer pays for that expense. The City would still have advertising costs. Council discussed whether they wanted to set a reserve price. Some felt setting a reserve could scare off some potential buyers. Davis said another option is a "Right to Refuse" that would allow Council to refuse any bids that weren't acceptable.

Clerk Eddington stated that at a previous meeting Council had determined to take sealed bids to sell the property, so if they decide to make a change it will need to be in a motion. Tynan made a motion and Strickland seconded to have Chesnutt sell the building within 60 days by Public Auction instead of sealed bids, with the Right to Refuse and Buyers Premium. Motion carried with Davis abstaining. The auction results will be acted upon at the following Council meeting.

NEW BUSINESS

Wellness Fair

The City does a Health and Wellness Fair every other year. This has been a very valuable tool for employees as serious health conditions have been discovered – cancer, high blood pressure and sugar diabetes. Employees were able to begin treatment right away instead of the disease going unchecked and doing more damage. This is also a tool that helps with health insurance rates as the insurance company wants their pool participants to be proactive in the prevention and early detection of disease.

Staff has received quotes for this service from both Oswego Hospital - \$95 and Labette Health - \$80.00/ \$94.50 with PSA (Men over 50). Oswego Hospital did include the Hepatic Panel in their quote but Vance said the test was for liver function so it wasn't really considered a wellness test. It was more for those who are on cholesterol medication. This is not a test we have normally had as part of our Wellness Fair. Last time Council decided to go with Oswego Hospital, even though they were more expensive, but the health profile assessment did not prove to be a useful tool. It just consisted of a print out of answers to a questionnaire. Strickland made a motion and Vance seconded to approve using Labette Health for the Wellness Fair. Motion carried.

OEDC Utility Credit Recommendations

OEDC met on July 14, 2016 to hear applications for the Retail Business Incentive from The Beauty Mark (319 Commercial) and Coltrain's Depot Deli (802 6th St.). OEDC listened to both business owners information. They are recommending to the Council that these businesses be granted the Retail Business Incentive utility credit of \$500 each. Vance made a motion and Grassl seconded to approve the \$500 utility credit to the two businesses. Motion carried.

Quote for 2016 Audit

A proposal of \$5,700 to perform the 2016 audit was presented from Jarred, Gilmore & Phillips, the City's current auditing firm. Last year's audit cost was \$5,400. Clerk Eddington stated that the price would be an additional \$1,900 if a Single Audit was required, however, federal expenditures in 2016 will not exceed \$750,000 therefore we will not require a Single Audit.

Clerk Eddington said that when we have compared prices of audits paid by other cities our size they have all paid more for their audits – except for the cities that also have Jarred, Gilmore & Phillips. Eddington felt that they have always done a thorough job on the audit and appreciates that they are readily available for consultation on the laws governing fund accounting and Cash Basis throughout the year. Strickland made a motion and Davis seconded to approve Jarred, Gilmore and Phillips to perform the 2016 Audit for \$5,700. Motion carried.

Code Enforcement – Nuisance – 618 Illinois

After receiving a complaint, Supt. Jurgensen inspected 618 Illinois on July 11th and had a courtesy letter sent to the property owner. The letter cited piles of lumber, car parts, tires, buckets, furniture, fencing, inoperable vehicles (a pick up and a demo car), bags of garbage and miscellaneous junk and trash scattered throughout the yard. The Police Dept. was given a copy of the letter as they usually take care of the inoperable vehicles. The deadline for the owner to

have the violations taken care of was July 28th. Jurgensen inspected the property again after this date. Not only did the conditions still exist, there was another vehicle added to the inoperable vehicles on the property. Council viewed photos of the property. Tynan made a motion and Davis seconded to approve sending a violation letter. Motion carried. Council also stated they wished to have a special meeting as the cleanup deadline has passed if the violations have not been abated.

Stone Hill Estates – Vacate Plat Discussion

Councilman Strickland asked to discuss vacating the Stone Hill plat and Mayor Cunningham agreed to place the item on the agenda. The subject was discussed back when Council first decided to sell the property but no action was taken at the time since there was no way to know who would purchase the property and what they would want to do with it. Attorney Tucker said that vacating a plat is a relatively simple process that takes 30 – 60 days. He suggested leaving the platted property as is, but make it clear to the realtor and anyone interested in the property, that the City will vacate the plat upon the buyer's request. Clerk Eddington said she had spoken with the realtor and no one has expressed any interest in vacating the plat to date. After some additional discussion it was the consensus of the Council to leave the property as is until someone wants to purchase the property.

Cherokee County WIC – Use Community Center

Teresa Robison, with the Cherokee County WIC program, contacted the city to see if they might be able to use the Community Center for a couple of days a month to serve the south half of Labette County residents. They currently have a clinic in Parsons for the north half of the county. The Women's Infants & Children program educates parents and provides them with some basic healthcare. They would be meeting with clients to provide this service. The rent for such groups is \$35/day for one room and they said that amount is within the amount that the State will pay. The clinic time would be from 9:30 – 3:30 and their rental days would be back to back. They require a one year contract with a 90 day termination clause as they schedule appointments with their clients 90 days in advance. Council discussed the potential wear and tear on the building and noted that there could be a conflict if they wanted to use the building during Fair Week. Strickland made a motion and Tynan seconded to approve the use of the building to Cherokee Co WIC except during Fair Week. Motion carried.

Airport Beacon

Supt. Jurgensen reported that the gear box on the beacon light at the airport hasn't been working well for some time and has almost quit completely now. Airport Consultant, Bryant, suggested getting three quotes for a replacement beacon and submitting them with a grant request to the FAA. Supt. Jurgensen obtained quotes from Airport Lighting Co. - \$4,103.56, Hali-Brite, Inc. - \$4,150 and Manairco, Inc. - \$4,185. Jurgensen recommended Manairco since they are good to work with and is the only company that has the same type of light we have now.

Clerk Eddington said this is a safety issue and the FAA requires the airport to maintain the beacon. She plans to see if it qualifies as an emergency, if so, grant funding may be available from the FAA or KDOT. If the City is unable to obtain funding from the FAA or KDOT, it

Regular Council Meeting
August 8, 2016 6:30 p.m.
City of Oswego, KS 67356

could be expensed out of Capital Improvement and added to the transfer amount for the Airport without affecting the budget. Vance made a motion and Grassl seconded to approve the purchase of the beacon from Manairco for \$4,185. Motion carried.

INDIVIDUAL REPORTS

Jurgensen – said a disposal company wants to purchase the City’s old dumpsters that Supt. Jurgensen feels is too far gone to repair. He expected to sell them for \$30 - \$50 each. Council agreed.

Elliott – suggested sending flowers for Vernon Correll. Vance said memorials to the 1st Baptist Church would work since he was a member there for many years.

Eddington – said the League Meeting is Oct 8 – 10th. She and the Mayor are attending. She asked if anyone else is interested in attending to let her know.

- there is a Conceal Carry Webinar put on by LKM on Wed., August 17th at 10:30 a.m. She said there is a lot of controversy and questions about the new legislation. Since the new laws will affect what needs to be in the Personnel Policy she plans to view the webinar at City Hall and invited anyone else interested to attend.

- the LCHS Girls Tennis Team has used the tennis courts the last few years and have asked permission to use them again from 3:30 – 5:30 p.m. two days each in August and September. They would like to reserve the courts and have the dates and times posted at the tennis courts. Council agreed.

- said Darren will be attending the KORA/KOMA training in El Dorado August 26th. If anyone else wants to attend let her know.

- said the Expression Swings were installed at Riverside and Schmoker Parks. There has been a lot of interest and positive remarks. It was mentioned that the seat height needs to be adjusted on the one at Schmoker Park.

Cunningham – said he appreciated the public’s vote of confidence regarding the sales tax issue and asked the newspaper to pass that along to the public.

ADJOURNMENT

Mayor Cunningham asked if there were any comments from the public. Paula Kern said that she believed in the Council and trusted that the revenue from the ½ Cent Sales Tax would go to the Fire Department as promised. She has expressed that to others who had doubts. Council appreciated the support.

There being no further business Tynan made a motion and Davis seconded to adjourn the meeting at 9:37 p.m. Motion carried.

Regular Council Meeting
August 8, 2016 6:30 p.m.
City of Oswego, KS 67356

Mayor F. W. Cunningham, Jr.

Attest:

Deputy City Clerk Renee Cochran