

CITY COUNCIL
JANUARY 3, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in regular session on January 3, 2012, with Mayor Kristey Williams presiding. Council present were Holly Harper, Matt Childers, Michael Wallace, Michael Huddleston, Mike Rawlings, Sue Jones, Matt Malone, and Ron Reavis. Also present: City Attorney David All, City Manager Bill Keefer, Assistant to the City Manager Josh Shaw, and City Clerk Erica Jones. Visitors present were: Kent Bush, Gary Rogers, Myrna Rogers, Carolyn Custer, Larry Snodgrass, Linda Atkins, Bill Kincaid, Eric Christinat, and John Black.

Prayer: Pastor Larry Snodgrass, Haverhill Christian Church, gave the invocation.

Minutes: Wallace stated on page 7 his comment should have been "...he checked in to that and it could be viewed as a violation of the open meetings act" and "Wallace disagreed and stated some texting is sited in State law". Wallace made a motion to approve the corrected minutes from the December 19, 2011 meeting. Huddleston seconded the motion. Motion carried without opposition.

Appropriations:

December (12A): Wallace asked if the payment to John's Animal World is for dog food and asked why we purchase it from an Andover business instead of an Augusta business. Keefer stated the dog food has been purchased from John's Animal World from the beginning and that he gives us a discount. Keefer stated that no one in Augusta carried that particular dog food. Wallace stated that Schneider Grain carries it. Huddleston inquired about the payment to the Butler County Treasurer and asked why we have to pay property tax on the Santa Fe Lake property. Keefer stated there are 30 to 40 acres of vacant land that used to be farmed. E. Jones stated that because it was farmed it was not exempt. Huddleston inquired about the \$30 payment to Emprise Bank. E. Jones stated it was a research fee for a subpoena of information from the Safety Department. Wallace made a motion to approve Ordinance 12A in the amount of \$998,259.58. Childers seconded the motion. Motion carried without opposition.

Visitors:

Gary and Myrna Rogers, representing the American Legion and Augusta Lions Club, were present to request the use of downtown for their Bicycle Safety Clinic on March 17, 2012 (March 24th in the event of inclement weather). They presented a five minute video about wearing bicycle helmets. Huddleston asked if they will be furnishing helmets. G. Rogers stated an insurance company is donating the helmets. G. Rogers stated the clinic will be for 8-12 year olds from Augusta and will teach them how to ride safely and use a helmet. M. Rogers stated the clinic will follow the Bugs Bunny Club. M. Rogers stated they will register the bicycles to help with thefts and that experienced riders will show the children proper starts and stops and how to properly exit a driveway. M. Rogers stated they are asking that a parent accompany the child. Williams thanked the Roger's and wished them the best. G. Rogers stated they are looking for volunteers to help with the clinic. Huddleston made a motion to approve the request to use downtown for the Bicycle Safety on March 17, 2012 or March 24th in the event of inclement weather. Wallace seconded the motion. Motion carried without opposition.

New Business:

2012 Street Repair Program: Wallace inquired about the asterisks. Keefer stated those were designated by the engineer as a higher priority for 2012. Williams asked if the street maintenance budget has

been cut in half. Keefer stated that there was more money available for more projects in 2010 because the bids were so good. Wallace made a motion to approve the recommendations from the Street Sales Tax Advisory Committee for the 2012 Street Repair Program. Childers seconded the motion. Motion carried without opposition.

Change Order: Malone made a motion to approve Change Order #3 with APAC in the amount of \$10,254.34 for the 2011 Street Maintenance Project. Childers seconded the motion. Reavis stated he is not sure how this process works, that the way the change order reads it sounds like Martin Goedecke is telling the contractor to go ahead and do the work before the council has approved the expenditure. Reavis asked if that is correct. Keefer stated that is not necessarily correct. Keefer stated the majority of this work was done as part of the original Change Order #2 that was approved several months ago for street maintenance. Keefer explained that this is mostly reflecting actual quantities for the projects the council previously approved. Keefer stated the biggest change was for the crack sealant. Keefer stated that the linear feet of crack sealing needed was originally an estimate and that the contractor tracks the actual number of linear feet that were crack filled. Huddleston asked if someone verifies that. Keefer stated that Goedecke goes out and confirms the contractor's figures. Keefer stated there are areas on 7th Street that will have to be repaired because the crack fill has come out already. Keefer stated that he assumes that even though the memo from Goedecke states "you are hereby requested", nothing actually happens until the council gives approval. Keefer stated that nothing has been done with the additional patches. Keefer stated the work that has been done was part of the original change order and this change order qualifies the actual quantities of materials. Motion carried without opposition.

Kelly/Ohio Project: Wallace made a motion to approve Resolution 2011-24 authorizing the City to proceed with the acquisition of the temporary construction easements and permanent right-of-way for the Kelly and Ohio intersection Project. Childers seconded the motion. Motion carried without opposition.

Kelly/Ohio Project: Malone made a motion to approve the selection of PEC/Allied for construction engineering services for the Kelly & Ohio Intersection Project. Huddleston seconded the motion. Motion carried without opposition.

Executive Session: At 7:25 p.m. Wallace made a motion to enter into executive session for 35 minutes to discuss personnel matters of non-elected personnel. Childers seconded the motion. Motion carried without opposition.

At 8:00 p.m. Rawlings made a motion to exit executive session with no action being taken. Harper seconded the motion. Motion Carried without opposition.

At 8:01 p.m. Rawlings made a motion to re-enter executive session for 20 minutes to discuss personnel matters of non-elected personnel. Malone seconded the motion. Motion carried without opposition.

At 8:27 p.m. Childers made a motion to exit executive session with no action being taken. Harper seconded the motion. Motion Carried without opposition

Reavis made a motion to give the City Manager a 2% merit increase and to leave his contract as is with the intent to review and update the contract. Rawlings seconded the motion. Motion carried with Huddleston and Wallace voting in opposition. Williams noted that the contract the City Manager is currently working off of was from 2001 and that it needs to be updated in regard to

goals and objectives. Williams stated those would be reviewed with Keefer in an executive session sometime in the future. Williams thanked Keefer for his hard work and dedication to the city.

Informational Memorandum:

Huddleston – Huddleston stated that during the discussions about the energy audit we got wrapped up in the fact that would be difficult to track usage. Huddleston stated the memo stated it would result in efficiencies and asked how we would know if changes made us more efficient. Shaw stated that we do have the usage numbers, we just don't bill for them. Keefer stated we track the kilowatt usage and the cost is based on wholesale costs. Keefer stated water usage is also tracked and because the wholesale rates do not include the cost to treat the water we use the commercial rates to determine the cost of the water. Shaw stated the tool we are currently using tracks the usage. Keefer stated there really wasn't anything in the report that gave new insight to what we are already doing or have planned. Huddleston stated the report says we can improve efficiencies by 30-40%. Rawlings asked Huddleston where in the report he sees the 30-40% figure. Rawlings stated that improvement is based on the use of antiquated equipment and that we have fairly new equipment now in some of those areas.

Final Comments:

Huddleston – Huddleston asked if there is a record of training the animal control officer has attended. Keefer stated he would have to check in to that.

S. Jones – Jones asked when the governing body will be discussing the contract with the Chamber of Commerce for running the Convention and Tourism Committee. Keefer stated it would be soon as the contract has expired. Jones stated the council should take a serious look at the table of animal restrictions in other cities. Williams asked why more local cities were not listed. Shaw stated this information was received through a list serve from cities that provided that information voluntarily, but he can call specific cities if the governing body directs him to do so. Williams stated we should look at neighboring cities such as Andover, El Dorado, Rose Hill, Valley Center, Park City, Ark City, etc. Huddleston stated it would also be good to know if they require special permits and if so how much they cost. Jones stated it would also be good to know if they require a special permit do they get input from neighbors.

Keefer – Keefer stated the storm sewer/drainage pipe at the railroad tracks at the old Osage Street crossing will be a point of discussion at the next council meeting. Keefer stated the Railroad Company contacted us with concerns and demanding we address this issue. Keefer stated we will have to bore a 60" line under the railroad and the const will be considerable, probably in excess of \$200,000. Keefer stated he is working on identifying some means to fund the project.

Keefer stated unless directed otherwise by the governing body he will be taking bids to repair the roof at the building across the street from city hall as it is in bad shape and the roof above the elevator at city hall because it is leaking.

Adjourn: At 8:48 p.m. Childers made a motion to adjourn. Wallace seconded the motion. Motion carried without opposition.

City Clerk

CITY COUNCIL
JANUARY 16, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in regular session on January 16, 2012, with Mayor Kristey Williams presiding. Council present were Holly Harper, Matt Childers, Michael Huddleston, Mike Rawlings, Matt Malone, and Ron Reavis. Council members Michael Wallace and Sue Jones were absent. Also present: City Attorney David All, City Manager Bill Keefer, Assistant to the City Manager Josh Shaw, Public Works Superintendent Cy Ricker, and City Clerk Erica Jones. Visitors present were: Kent Bush, Dustin Avey, Dave Unruh, Dane Baxa, Jeff Longwell, and Joe Yeagar.

Prayer: Councilwoman Harper gave the invocation.

Minutes: Childers made a motion to approve the minutes from the January 3, 2012 meeting. Harper seconded the motion. Motion carried without opposition.

Appropriations:

December (12B): Childers made a motion to approve Ordinance 12B in the amount of \$669,525.80. Harper seconded the motion. Motion carried without opposition.

New Business:

REAP: Dave Unruh, Vice Chairman of the Regional Economic Area Partnership (REAP), thanked the City for their participation in REAP and stated the City's involvement and interest in REAP activities is important. Unruh stated that REAP was formed in 1997 to help guide State and National actions about local government issues. Unruh stated that 36 local governments and 9 counties in south-central Kansas participate in REAP and it allows them to speak as one voice on key issues such as water resources, workforce development, and regional economic development. Jeff Longwell, Wichita City councilmember and REAP member, reviewed REAP 2012 Work Plan.

Reavis stated he isn't against REAP and that he is for the partnerships and the benefit it has brought to Augusta. Reavis stated his concern is that two-thirds of the REAP expenditures are for staffing and office expenses. Reavis stated when he is looking at charities when considering a donation he looks at how the funds are spent, and it concerns him that most of our money is going towards overhead. Williams stated that REAP is a convening of local officials to become educated and bring that back to their communities. Williams stated that cities in the Kansas City area have lobbyists that speak for their communities but that we don't have that here. Williams stated that REAP hires a lobbyist to represent our region. Unruh stated that Reavis did a good analysis of the REAP budget, but that most of the expenses are in the lobbyist and executive leadership. Longwell stated the purpose of REAP is not to replace local economic development departments, but to help facilitate for local government officials to convene and collaborate. Harper made a motion to approve the City of Augusta's 2012 membership in the Regional Economic Area Partnership and Water Resources Committee. Childers seconded the motion. Motion carried without opposition.

KDHE Revolving Loan: Council considered information from Piper Jaffray for the refinancing of the KDHE Revolving Loan and two General Obligation Bonds. Dustin Avey with Piper Jaffray stated there is a favorable interest rate environment and that interest is at its lowest level in the market since 1967. Avey stated that the present value savings with regard to the refinancing would be 4.45%. Huddleston asked if the repayment period would be the same if the refinancing

occurs. Avey stated the repayment period would be the same but the City would be saving approximately \$26,000 a year in interest. Huddleston asked if the bonds could be paid off early. Avey stated there is a 2019 call feature. Huddleston made a motion to approve Ordinance 2030 authorizing the use of General Obligation Bonds to refinance improvements to the Wastewater Treatment Plant. Reavis seconded the motion. Motion carried without opposition.

Childers made a motion to approve Resolution 2012-01 authorizing the sale of General obligation Bonds to refinance the revolving loan and two bonds. Huddleston seconded the motion. Motion carried without opposition.

Friends of Augusta Club: Huddleston made a motion to approve a request from the Friends of Augusta Club for up to \$1,500 in Special Alcohol funds to assist with the expenses of the annual Bugs Bunny Program. Rawlings seconded the motion. Motion carried without opposition.

Bids: Council considered bids for the purchase of a mini excavator for use by several departments as provided for in the 2012 Budget. Huddleston asked since none of the bids met the 30 GPM specification if any of them exceeded the 20 GPM of the Bobcat. Ricker stated they did, but that the Bobcat met every other specification. Huddleston asked if this piece of equipment will be shared. Ricker stated it would be shared and Keefer stated it will be housed at the Cemetery. Huddleston asked if there would be any way to track to see which departments are using it the most/least. Rawlings asked who would be operating the equipment. Ricker stated there will be several people using the equipment and that they will be required to check it out. Ricker stated there will be training when the equipment is received and that he will designate one operator per department to use it. Rawlings made a motion to approve the bid from White Star in the amount of \$40,927.49 for a mini excavator. Harper seconded the motion. Motion carried without opposition.

Storm Sewer Repair Bids: Council considered bids for the replacement of a 60" storm sewer located under the BNSF Railroad Right of Way. Keefer stated the city received two bids from companies that were recommended to us. Keefer stated one bid was for the full project and the other was for part of the project and required an additional bid for the remaining work. Keefer stated Alan's Excavating estimated it would cost \$42,360 for them to complete the remaining work. Keefer stated the McClure bid combined with the bid from Horizontal is the lowest bid and that there will be additional costs for permits, licensing, flag person(s), etc. with either bid. Keefer stated that Horizontal would be able to start the work this week.

Reavis asked if this is the only place we have tunnels or drainage under the railroad. Keefer stated this is the only storm drainage tunnel that he was aware of but that we have several water lines and sewer lines that run under the railroad. Reavis inquired about two large galvanized tunnels at the 300 block of School. Rawlings stated that BNSF put those in themselves. Huddleston asked who would be responsible for those. Ricker stated it would be BNSF, but since this storm sewer is ours it is our responsibility to make the repairs.

Reavis asked where the water comes from that ends up in the 300 block of School. Ricker stated it is that whole area of town. Reavis asked if we could tie those two areas together. Ricker stated we could not. Keefer stated that he doesn't think physically that gravity could make it flow that way. Reavis stated it looks like everything from School to the east would run to that box. Ricker stated that everything on School runs south and west. Reavis stated if those two aren't our responsibility then he guesses it doesn't really matter.

Huddleston inquired about the additional costs. Keefer stated there would be a license fee for the easement and a permit fee that the city would be responsible for. Huddleston stated he got concerned about the costs of the two contractors working together but now that McClure's estimate is less he is not so worried. Keefer stated it is a \$40,000 difference and we would pay those additional costs regardless of which contractor we choose. Childers made a motion to approve the bid from Horizontal in the amount of \$127,670 for the replacement of the 60" storm sewer located under the BNSF Railroad Right-of-Way. Malone seconded the motion. Motion carried without opposition.

Mulvane Pump Station Bids: Council considered bids to repair a water leak at the Mulvane Pump Station. Keefer stated the primary concern is that it is physically underneath the slab of the Mulvane Pump Station. Malone inquired about the second bid. Keefer stated it was Utility Contractors, Inc. Reavis made a motion to approve the bid from Dondlinger & Sons Construction in the amount of \$10,150 to repair a water leak at the Mulvane Pump Station. Harper seconded the motion. Motion carried without opposition.

Bu Co Solid Waste Committee: Childers made a motion to reappoint Anthony Craft to the Butler County Solid Waste Planning Committee. Harper seconded the motion. Huddleston asked what this committee does. Craft stated that they go over the ins and outs of the Butler County Landfill. Craft stated that last year they discussed using methane produced by the landfill, reviewed the budget, and reviewed the tipping fees. Keefer stated they periodically prepare a report and provide it the County Commissioners. Motion carried without opposition.

Playground Equipment: Williams stated that during a recent work session the Park Board and Staff presented some safety concerns about several pieces of playground equipment to the governing body. Childers made a motion to authorize the removal of playground equipment in Garvin Park; within the fenced shelter area at Shryock Park; and at the municipal swimming pool. Reavis seconded the motion. Motion carried without opposition.

Council then considered the disposal of the playground equipment. Williams stated that none of the equipment fulfill safety requirements and that the Park Board and Staff have concerns about transferring ownership of the equipment. Childers asked if the city would have any liability for the equipment if it were transferred to another municipality. Mr. All stated that we would have to disclose that it doesn't meet safety requirements. Childers asked if there was a way to determine what the scrap value would be or if we could obtain bids for the scrap. Williams stated it would be difficult to remove the equipment in a way that it could be reused. Ricker agreed.

Keefer stated he had several requests from individuals about specific pieces and one municipality that wanted all of it. Huddleston stated that he doesn't think we want to piece-mil it. Keefer stated that he wasn't sure if the municipality wanted to pay for it or have it given to them. Childers stated he could ask. Harper asked if we could require them to sign a liability waiver. Mr. All stated that we would have to.

Williams asked Ricker for his opinion. Ricker stated he could get some numbers on iron costs, but that it is his opinion that we should scrap it. Ricker stated the equipment has been deemed unsafe and he would hate to pass it off to someone else. Huddleston asked if the equipment would have to be removed from the ground or cut off. Ricker stated we would have to evaluate each piece and decide, but that the pieces he's had to remove before had a lot of concrete attached to the equipment. Huddleston stated if someone buys it and has to cut it out it will be too short to use, but it could be too expensive to dig it out. Childers stated if Ricker thinks the easiest way to

deal with it is to dispose it then he would concede. Childers made a motion to remove and scrap the playground equipment. Reavis seconded the motion. Motion carried without opposition.

Informational Memorandum:

Malone – Malone inquired about the timeline for appointing an engineering firm. Keefer stated the committee will meet to narrow the list to a couple this Friday and that they will bring a proposal to the council in February.

Final Comments:

Rawlings – Rawlings reminded the people in Loomis Land that the street from the park will close this Wednesday. Keefer stated that letters were mailed out to advise them of the closing today.

Williams – Williams stated that she needs any goals or changes in the evaluation form for the city manager turned it to her and that there will be an executive session at the next meeting to review those. Williams inquired about the status of the sanitation review. Shaw stated that he is working on putting the RFP together. Williams told Shaw that he has done a great job with using the media and the city's website to get information out and stated that the City is using Twitter as is she and Childers. Williams reminded the governing body of the work session scheduled for January 23rd.

Executive Session: At 8:17 p.m. Childers made a motion to enter into executive session for 20 minutes to consult with the city's attorney on matters that would be deemed privileged in an attorney-client relationship and acquisition of real estate. Childers seconded the motion. Motion carried without opposition. Malone and Rawlings abstained from the executive session due to a conflict of interest.

At 8:37 p.m. Childers made a motion to exit executive session with no action being taken. Harper seconded the motion. Motion Carried without opposition.

Childers made a motion to acquire property from McClure Brothers at the court appointed appraisal amount of \$232,000. Harper seconded the motion. Motion carried with Huddleston voting in opposition.

Adjourn: At 8:38 p.m. Reavis made a motion to adjourn. Childers seconded the motion. Motion carried without opposition.

City Clerk

CITY COUNCIL
FEBRUARY 6, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in regular session on February 6, 2012, with Mayor Kristey Williams presiding. Council present were Holly Harper, Matt Childers, Michael Huddleston, Mike Rawlings, Sue Jones, Matt Malone, and Ron Reavis. Council member Michael Wallace was absent. Also present: City Attorney David All, City Manager Bill Keefer, Assistant to the City Manager Josh Shaw, and City Clerk Erica Jones. Visitors present were: Kent Bush, John Black, Larry Mitchell, Linda Mitchell, Ray Girard, Kelly Malm, Ron Malm, Troy Palmer, Larry Henry, Kevin Cowan, Shaemus Cowan, Terry Alley, Maxine Moore, and David Rapp.

Prayer: Pastor Steve Spencer, First United Methodist Church, gave the invocation.

Minutes: Reavis made a motion to approve the minutes from the January 16, 2012 meeting. Harper seconded the motion. Motion carried without opposition.

Appropriations:

December (12C): Reavis made a motion to approve Ordinance 12C in the amount of \$31,869.76. Harper seconded the motion. Motion carried without opposition.

December (12D): S. Jones made a motion to approve Ordinance 12D in the amount of \$1,487.84. Childers seconded the motion. Motion carried without opposition.

January (1): Rawlings made a motion to approve Ordinance 1 in the amount of \$169,707.27. Harper seconded the motion. Motion carried without opposition.

January (1A) and February (2): Malone inquired about the payment to UCI for an annual testing fee. Keefer stated it is the CDL drug licensing annual testing fee. Huddleston stated the payments to ICMA do not specify who the payments are for and asked if those could be specified on that list. Huddleston stated he is more concerned about those the city makes contributions for than the employee contributions. There was a general consensus from the governing body that they would like to see what employees are receiving the contribution and how much they receive annually.

S. Jones inquired about the payment to Amber Waves Diving for CPR training and asked if there are others in the area that do CPR training and who was the most qualified. Keefer stated he would have to check with Angela Casper to see who she considered and stated that Tyler Brewer did take the day of the training off. Rawlings asked S. Jones if she would rather pay someone outside of Augusta for that training. S. Jones stated it looks like there could be a conflict of interest. S. Jones inquired about the payment to BDP Industries in the amount of \$61,000. Keefer stated it was the last payment for the belt filter press at the Wastewater Treatment Plant. Malone inquired about the payment to Christ Lutheran Church and why it was paid out of the Electric fund rather than the Swimming Pool budget. E. Jones stated that funds were set aside in the Electric fund and that the Swimming Pool budget would not be able to support such a payment.

The Council voted to approve the ordinance; however, a motion and a second were not made so Appropriation Ordinance 1A and 2 were not approved.

Visitors:

Members of the Church of Christ passed out cookies and thank you cards to the council and staff. Larry Mitchell stated that they understand as Christians that servant hood goes underappreciated and that they wanted thanked the council and staff for their servant hood to the city.

New Business:

Global Parts: Troy Palmer stated that things are going well for Global Parts and that sales are up 10%. Palmer stated that they are opening up a warehouse overseas and will be adding capacity at their Augusta location this year. S. Jones asked when they anticipate adding the three new positions. Palmer stated hopefully in the next six months. Childers made a motion to approve the extension of the property tax exemption for Global Parts, Inc. Harper seconded the motion. Motion carried without opposition. Williams thanked Palmer for how much he gives to the community.

Tax Exempt Financing Compliance Procedure: Council considered approval of a Resolution adopting a Tax-Exempt Financing Compliance Procedure for tax-exempt bonds. Kevin Cowan, bond counsel with Gilmore and Bell, addressed the governing body and stated that the IRS issued directives in 2011 on how they would like things to be done and added a check box on their form asking if entities have written policies regarding tax-exempt bond issues. Cowan stated that not checking that box could be a red flag and cause the IRS to take notice. Cowan stated they drafted these procedures as a way to address those concerns and have a tangible policy that would be available to others in the future. Cowan stated it doesn't change the way things are currently done and that the information will still be included in the closing documents but it will address the IRS's concerns. Cowan stated the only real change is a check list that will need to be reviewed annually by the City's Bond Compliance Officer. Cowan stated that the City Clerk will be appointed as the City's Bond Compliance Officer. Huddleston stated that basically the only thing being added is Exhibit B. Cowan agreed and stated it really isn't a bad idea.

Huddleston made a motion to approve Resolution 2012-02 adopting a Tax-Exempt Financing Compliance Procedure for tax-exempt bonds. Malone seconded the motion. Rawlings asked how the City Clerk will be reminded to review the bonds annually. E. Jones stated she will put it on her calendar and that Cowan's staff will probably remind her of it. Malone stated it would be good for the council to get those numbers as well. Motion carried without opposition.

GO Refunding Bonds Series 2012: Cowan stated the present value savings is significant, \$334,000 over the next nine years. Cowan stated that exceeds more than 3% of what is being refunded. Cowan stated it is a present value savings of 5.63%. Cowan stated there have been a lot of KDHE loans being repaid and that KDHE has started putting a stop to prepayment with loan proceeds. Reavis stated the savings is pretty significant, but that we don't see the cost to have Cowan handle this for us. Reavis inquired about Cowan's fees. Cowan stated the savings reflected is the net savings and that the costs have been deducted before the savings was calculated. Cowan stated Piper Jaffray's underwriting discount is 1% of the issue (\$57,450) and that all other costs of issuance total \$45,285. All together it comes up to less than 2% of the issue amount.

Reavis made a motion to approve Ordinance 2031 authorizing the issuance of the General Obligation Refunding Bonds, Series 2012. Malone seconded the motion. Motion carried without opposition.

Malone made a motion to approve Resolution 2012-03 setting forth the details and authorizing the sale and delivery of General Obligation Refunding Bonds, Series 2012, and the execution of related documents. Childers seconded the motion. Motion carried without opposition.

Revolving Loan Foreclosure: Council considered approval of foreclosure action for an Economic Development Revolving Loan for Pro-Coaters, Inc. Gavin Fitzpatrick, owner of Pro-Coaters Inc., addressed the governing body. Fitzpatrick stated the Economic Development Board has done everything they can for him. Fitzpatrick stated that he currently owes \$27,000 and that he can raise \$10,000 by February 16th and would like to go back to the Board to see what they can work out on the remaining balance. Williams asked Mr. All if the Council chooses to foreclose how that would

proceed. Mr. All stated the City would have to file lawsuit in District Court and once that was done and approved the property could be sold. Mr. All state if there is a deficit after the property is sold the City could go after the other four co-signers of the note for the balance. Williams inquired about the timeline for filing suit. Mr. All stated it would take anywhere from 60 to 90 days to have the foreclosure approved and then we would have to set up the sale.

Williams asked Fitzpatrick how long they have been in the Industrial Park. Fitzpatrick stated since 1998. Fitzpatrick stated there is a new business in the Industrial Park that builds cabinets for fracking machines and that Pro-Coaters has a new contract with them to do some of the work. Fitzpatrick stated Pro-Coaters is also the only powder coater for Cessna now. Fitzpatrick stated they have been running in the red for the last 18 months, but have started showing a profit in the last 5 months. S. Jones asked Fitzpatrick how confident he is in getting the \$10,000. Fitzpatrick stated he thinks he will have \$6,000 by this Friday and that he already has \$4,000 in the bank now.

S. Jones inquired about Pro-Coater's backlog. Fitzpatrick said it is three days. S. Jones asked what he sees for the future. Fitzpatrick stated the cabinet projections are six to eight per month and between that and the work they are going to be doing for Cessna he foresees their revenue doubling.

Childers made a motion to give Pro-Coaters, Inc. an extension until February 21st to pay the \$10,000 and then review the balance at the council meeting scheduled on February 21st, but if the payment is not made to move forward with the foreclosure. Rawlings seconded the motion. Motion carried without opposition.

Neighborhood Revitalization Plan: Rawlings made a motion to approve Resolution 2012-14 scheduling a Public Hearing on March 7, 2012 to take input on a new Neighborhood Revitalization Plan. Harper seconded the motion. Malone inquired about the reference to a "new" plan. Keefer stated that nothing is changing, but that the current plan is expiring. Motion carried without opposition.

Kansas 911 Fund: Harper made a motion to approve Ordinance 2032 repealing Ordinance 1659 relating to collection of 911 fees and establishing a new Kansas 911 Fund. Childers seconded the motion. Reavis stated it is his understanding that the State now collects the fees and distributes them to the County who then distributes it to the City and asked how those are distributed to us. Keefer stated it is based on a formula. Shaw stated there is a population based formula, but that beyond that he would have to check with Chief Brewer or the County. Reavis stated that it puts us at the County Commissioner's mercy and that he would like to see their criteria for distributing those funds. Malone asked what would happen with the old fund. Keefer stated it would remain until it is expended to a zero balance. Keefer stated the new fund will be included in the 2013 budget. Motion carried without opposition.

Williams Petroleum Services, LLC: Childers made a motion to approve a Request for Services Agreement with Williams Petroleum Services, LLC for mowing services. Harper seconded the motion. Huddleston asked if they would be taking care of the mowing inside the fence and Keefer stated they would. Motion carried without opposition.

Wal-Mart Purchase Agreement: Childers made a motion to approve the Second Amendment to the Purchase Agreement with Wal-Mart. Reavis seconded the motion. Huddleston stated the additional monies being put in escrow does not mean they are paying us more. Keefer stated that if they back out we would get those funds and if they move forward then it will be applied to the sale. Motion carried without opposition.

Emergency Water Supply Plan: Rawlings made a motion to approve the Emergency Water Supply Plan as required annually by KDHE. Harper seconded the motion. Motion carried without opposition.

Kelly/Ohio Project: Rawlings made a motion to approve temporary construction easements from Larry and Beatrice Hart, Allen J. Bodyk, Clyde and Ada Stockton, and Terry and Cheryl Alley in the amount of \$300 each and a temporary construction easement and permanent right-of-way from the Willene Cauthron Revocable Trust in the amount of \$6,200 for a total of \$7,400. Harper seconded the motion. Reavis asked if the only required permanent right-of-way is the one from Cauthron. Keefer stated it is the only one we will have to purchase from Cauthron and is the only right-of-way request as of today but that there will be more in the future. Motion carried without opposition.

Informational Memorandum:

Williams – Williams stated that we received \$344.50 for the scrap metal from the playgrounds.

Final Comments:

Malone – Malone asked Keefer if he has spoken to the City of El Dorado about our take-or-pay for 2012. Keefer stated he had not yet, but that he does think that is a discussion we need to have with them again.

Williams – Williams stated that Santa Fe Lake is almost full of water now.

Huddleston – Huddleston stated he drove by the lake over the weekend and they are using debris from the dam in rows in the lake. Huddleston stated he is concerned that with all of the silting going on that this adds to the displacement of water volume. Huddleston stated the construction bid tab included cost for removing the concrete and asked since it is not being hauled off if there will be a cost rebate to the City. Keefer stated that he asked the engineers about that and he hasn't gotten an answer yet. Keefer stated there have been several public discussions about fish habitats and that the contractor agreed to put the concrete there at no extra cost to us. Keefer stated the concrete has a value to the contractor because they recycle it, but that we have inquired about a credit to the City. Keefer stated that silting has not been a big issue at the City Lake compared to Santa Fe Lake. Keefer stated there is such a minimal amount of concrete that it should not displace much water.

Williams – Williams stated it is great seeing all of the fish stories in the Augusta Daily Gazette.

Reavis – Reavis inquired about the report from Aqua Tech on the City's water options and stated we are close to the 90 day period. Keefer stated we have passed 90 days and that he spoke to Willis Wilson about getting that report completed.

S. Jones – S. Jones asked E. Jones if the \$15,000 in interest had anything to do with using the Municipal Investment Pool. E. Jones stated that it might have had a slight impact, but that those investments were just made in September of last year and that the interest rates were close to the same rates we were receiving at the bank. Malone stated the long term investments had pretty good rates. E. Jones agreed but stated that as the long term investments are maturing the new rates for the long term investments are fairly close to the short term rates.

S. Jones asked if a sample of the concrete being redistributed at the lake has been evaluated. Keefer stated he spoke to Larry Henry at MKEC and that they have checked with a couple of labs to see if the concrete can be tested. Henry stated that concrete is such an inert substance that it would typically not be considered contaminated material. Henry stated there could be contamination if there had been something on top of the concrete but that the concrete removed from the dam had been there and exposed to the water for some time and that he wouldn't think that a contaminant would exist. Henry stated the cost of testing would be a couple hundred dollars per test but if a contaminant is found they cannot tell how much without testing the water. Henry stated that

concrete contamination has never been brought up in his experience. S. Jones stated that the concrete has been there a long time and that asbestos was used a long time ago and she doesn't know what was used to make this concrete 60 years ago. S. Jones asked if there is rebar in the concrete. Keefer stated there is some. Keefer stated he spoke to the inspectors to make sure the rebar is not exposed. S. Jones stated she would feel better if the concrete were tested. Childers agreed with S. Jones. Williams stated we should go ahead and have it tested. Keefer stated it may take a couple of weeks to get the test results back and that he would report the results to the council as soon as he gets them.

Executive Session: At 8:20 p.m. Childers made a motion to enter into executive session for 15 minutes to consult with the city's attorney on matters that would be deemed privileged in an attorney-client relationship and for the acquisition of real estate. Reavis seconded the motion. Motion carried without opposition. Malone and Rawlings abstained from the executive session due to a conflict of interest.

At 8:36 p.m. Reavis made a motion to exit executive session with no action being taken. Childers seconded the motion. Motion Carried without opposition.

At 8:36 p.m. Reavis made a motion to enter into executive session for 5 minutes to consult with the city's attorney on matters that would be deemed privileged in an attorney-client relationship and for the acquisition of real estate. Childers seconded the motion. Motion carried without opposition. Malone and Rawlings abstained from the executive session due to a conflict of interest.

At 8:44 p.m. Reavis made a motion to exit executive session with no action being taken. Childers seconded the motion. Motion Carried without opposition. S. Jones made a motion to accept an offer from McClure Brothers, LLC for a total of \$300,000 including the payment already made in the amount of \$232,000 for the acquisition of property for the Levee Project. Huddleston seconded the motion. Motion carried with Rawlings and Malone abstaining due to a conflict of interest.

At 8:45 p.m. Reavis made a motion to enter into executive session for 30 minutes to discuss personnel matters of non-elected personnel. Malone seconded the motion. Motion carried without opposition.

At 9:17 p.m. Childers made a motion to exit executive session with no action being taken. Harper seconded the motion. Motion carried without opposition.

Adjourn: At 9:18 p.m. Reavis made a motion to adjourn. Harper seconded the motion. Motion carried without opposition.

City Clerk

CITY COUNCIL
FEBRUARY 21, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in regular session on February 21, 2012, with Mayor Kristey Williams presiding. Council present were Holly Harper, Matt Childers, Michael Huddleston, Mike Rawlings, Sue Jones, Matt Malone, and Ron Reavis. Council member Michael Wallace was absent. Also present: City Attorney David All, City Manager Bill Keefer, Assistant to the City Manager Josh Shaw, Director of Public Safety Tyler Brewer, and City Clerk Erica Jones. Visitors present were: Kent Bush, Dale Dimitt, Willis Wilson, Max Hubbell, Martin Goedecke, Bill Morris, Bill Eberhardt, Gavin Fitzpatrick, Ben Lawrence, and Sasha Stiles.

Prayer: Pastor Steve Spencer, First United Methodist Church, gave the invocation.

Minutes: Harper made a motion to approve the minutes from the February 6, 2012 meeting. Malone seconded the motion. Motion carried without opposition.

Appropriations:

February (2A): Malone stated that some of the payment amounts were listed at the top of the page but were missing the vendor names. E. Jones explained that this was due to a software issue and read the missing vendor names. Malone inquired about the payment to the Willene Cauthron Trust. Keefer stated it was the payment for the right-of-way and temporary easement for the Kelly/Ohio Intersection project that was approved at the last council meeting. Huddleston inquired about the payment to David All for legal services with regard to the Levee Project. Keefer stated that David All initially started the land acquisition process for the levee project before it was turned over to David Rapp. Huddleston inquired about the payment to Kansas Secured Title. Keefer stated it was for easements and to identify who owns property to locate a power pole. Huddleston inquired about the payment to Mayer Specialty. Keefer stated that they camerad over a thousand feet of sewer line, removed roots and debris from the line, and made some minor repairs. Huddleston inquired about the process of having the sewer lines camerad. Keefer stated that we want to use bid specs to solicit camera work and identify inflow and intake situations. Keefer stated he wants to utilize the new City Engineer for that. Reavis made a motion to approve Ordinance 2A in the amount of \$1,084,176.57. Childers seconded the motion. Motion carried without opposition.

Old Business:

Kelly/Ohio Project: Martin Goedecke was present to review and update the Council on the Kelly and Ohio Intersection Project. Goedecke stated the plans are at Topeka for review and that it is very near the end of the review process. Goedecke stated they will probably request some minor changes but those shouldn't take long to complete. Goedecke stated the right of way purchases are ongoing and that Westar informed him it would take 120 days for their poles to be delivered once we have the approved construction plans. Goedecke stated he doesn't have an answer yet on whether Westar will be relocating the pole adjacent to the intersection at their expense or ours. Goedecke stated that A T & T has a line they have to relocate and there is a little bit of City water and electric lines that have to be relocated. Goedecke stated there have been very little changes since the plans were presented to the Council on July 18th. Williams inquired about the time frame for the project. Goedecke stated it could be a considerable time frame, but that construction could possibly begin this summer. S. Jones stated that at the last review of the plans there were some suggestions made by Reavis and asked if those were incorporated into the plan. Goedecke stated the drawing presented to the Council on July 18th included the changes requested by Reavis and that there has been no change in the alignment.

Pro Coaters Loan: Gavin Fitzpatrick, owner of Pro-Coaters, Inc., was present to follow up on the request made by the governing body at the last council meeting. Fitzpatrick stated he was only able to come up with \$8,000 of the \$10,000 payment requested by the governing body due to unexpected family health issues and cash flow issues. Fitzpatrick stated he wouldn't be able to come up with the additional \$2,000 for a couple of weeks. He stated that the bank would not issue a cashier's check as requested by the governing body because they would have to wait for the check he deposited to clear. Fitzpatrick proposed that he pay the additional \$2,000 in a couple of weeks, then \$500 per month for the next six months, and \$1,000 per month after that until the loan is paid in full. Fitzpatrick stated his accounts receivables are out 90 days where they used to be paid within 30 days. Childers asked Fitzpatrick if the bank will honor his check since he just deposited the \$6,000. Fitzpatrick stated that by the time the check is deposited and hits his bank the deposit he made today will be cleared.

Huddleston inquired about the impact this arrangement will have on the loan. Shaw stated it will stretch out the terms of the loan. Shaw stated the loan has not been active for quite some time. Shaw stated that history indicates there has never been a consistent payment schedule and that the board has tried multiple times to have a set schedule for payments and have not been successful to date. Huddleston asked if what Fitzpatrick is proposing will take care of the loan in 18 months. Shaw stated he didn't have that information before him but that he could look in to that. Huddleston asked if the note is valid until it is paid. Mr. All stated it is. S. Jones asked Fitzpatrick how many employees he has. Fitzpatrick stated that including him there are two full time employees and two part time employees. Huddleston stated that any payment arrangement is better than foreclosure. Huddleston made a motion to accept the \$8,000 payment tonight with an additional payment of \$2,000 due by 3/15/2012 and \$500 monthly payments for the next six months followed by \$1,000 monthly payments until the loan is paid in full. Childers seconded the motion. Motion carried without opposition.

Appropriations Ordinance: Malone made a motion to approve Ordinance 1A and 2. Harper seconded the motion. Motion carried without opposition.

D-J Engineering Encroachment: Childers made a motion to approve an Encroachment Agreement with D-J Engineering. Harper seconded the motion. Motion carried without opposition.

New Business:

Augusta Progress Inc.: Council considered a request from Augusta Progress, Inc. (API) for funding assistance for a marketing analysis for an industrial/business park in the vicinity of the Augusta Municipal Airport. Willis Wilson stated that some time ago the City agreed to establish an economic development fund and budgeted \$20,000 per year to be deposited to the fund. Wilson stated that as a spin off from the westward expansion study, API started looking at a logical way to move forward with this project. Wilson stated there is already development property on the Airport property and that the main holdup is the lack of a sanitary sewer service. Wilson stated that API decided a marketing study would be a timely and appropriate thing to do and an appropriate use of the funds in the economic development fund. Williams stated that Troy Carlson of initiatives, Inc. will interview 15 stakeholders in the public sector and 15 stakeholders in the private sector. Williams stated that API is requesting \$20,000 from the City of Augusta, \$10,000 from the City of Andover, and \$10,000 from Butler County to pay for the study.

Ben Lawrence, Mayor of Andover, addressed the governing body. Lawrence stated that he and Williams have been visiting about the potential of the Airport since late last fall. Lawrence stated that there are interesting dynamics of having an industrial park at the Airport but they seem to work really well. Lawrence stated that the City of Andover has an interest in seeing if they can partner to develop an industrial corridor and this study is a central component to find out what would have to

be done. Lawrence stated the request is being presented to his Council at their next meeting and while he cannot speak for them the consensus lends him to believe that they will look at the request favorably.

Malone stated that in the westward expansion study completed less than two years ago it stated that the obstacles to get utilities out there would cost over \$25 million. Williams stated those are two different studies, that this study will be a market analysis. Malone asked how much money API currently has. Wilson stated there is approximately \$200,000 in their base fund. S. Jones asked what due diligence was done in selecting Troy Carlson to do the study. Wilson stated it was based on the success he had for Newton and on his overall success rate. S. Jones stated that she spent time on his website and his success stories do not seem applicable to what we are looking at for Augusta. S. Jones stated that her concern is that she would like to know more about him and what he can do for Augusta. Williams stated that Carlson is not the first person API has considered for any type of study, but he was chosen based on the level of qualifications he brings to the table. Williams stated the biggest reason is his success in Newton and the recommendations of those in Harvey County. S. Jones asked who was spoken to at Harvey County. Williams stated she spoke to numerous people included County Commissioner Chip Westfall, the County Administrator, Newton City Manager and Mickey Fornaro-Dean, Director of Economic Development for Harvey County.

Malone asked if this isn't what REAP does. Williams stated it isn't that they provide a platform for joint decisions between communities on policies and laws pertaining to economic development but that they do not initiate economic development. S. Jones asked what Carlson did to help Newton with regard to logistics. Williams stated she could email Jones the 207 page study he wrote. Williams stated it was not just an interview. Williams stated that a third party will be more successful than someone from the City because we want an honest answer and do not want to move forward with an Industrial Park if it is not good for Augusta. Williams stated it is up to the Council to decide if it is a good use of the funds in the economic development fund, but that she thinks it is.

Huddleston stated he would like to look more at the request for the funding. Huddleston stated that several years ago the City provided funds to API and that he thinks API needs to make a decision if this is the right thing to do and to pay for it with their funds. Huddleston stated the citizens do not need to pay for this and API should use their funds instead of squandering city money on a study and allowing API to keep their funds. Wilson stated that API has spent upwards of \$100,000 to help local businesses and employers and assisted in the funding for the westward expansion study. Wilson stated API feels it has used the funds beneficially for the citizens of Augusta. Huddleston stated he would like to see API use their funds for the study. Williams stated that API spent close to \$70,000 for the westward expansion study with an additional \$25,000 paid by the City of Augusta and \$25,000 from the County. Williams stated they have been able to raise grant money on their own and have made loans to local businesses. Williams stated they are taking a huge stake in economic development and that this is the best use of city dollars. Williams stated that API is made up of a board of volunteers using their expertise to help the economic development of the community. Williams stated that the El Dorado Economic Development board receives approximately 1 mil in funding annually from the City of El Dorado. Williams stated that every dollar API has will be used for economic development for our community.

Reavis stated that he views studies as a necessary evil because we have to have all the facts to make an informed decision. Reavis stated we have delegated API to make economic decisions for us and that there is \$20,000 in the budget this year for economic development. Reavis stated that if API believes the study is so important that they are willing to spend their entire annual allotment on it then we should trust them. Reavis stated he would like to find out from the study how an Industrial Park at the Airport will benefit the City of Augusta. Reavis stated his biggest concern is that we would spend a lot of money on an Industrial Park and have a very limited amount of property tax

benefit or jobs for our citizens and that other communities would benefit more from this addition than Augusta would. Wilson stated that Augusta owns the Airport and that there is space there for economic development. Wilson stated Augusta will benefit from an industrial park but that it would be more of a regional economic development opportunity, but stated that it would be better than no one benefiting from this opportunity.

Reavis stated he supports the study but that he is skeptical about the benefit. Reavis made a motion to approve the request from Augusta Progress, Inc. for \$20,000 in funding assistance for a marketing analysis for an industrial/business park in the vicinity of the Augusta Municipal Airport. Harper seconded the motion. Childers asked what would happen if Andover or Butler County chose not to participate. Wilson stated the study would go forward with API paying the remaining portion of the funding. Motion carried with Huddleston, Malone, and S. Jones opposing.

Easement Request: Council considered a request from D-J Engineering to install a conduit in the City's right-of-way in the 200 block of West 5th Street. Reavis inquired about the pros and cons of vacating the street since it is surrounded by D-J Engineering property. Keefer stated the owner had actually approached him about that earlier today for the second or third time. Keefer stated he asked for additional information from the owner to determine if that would be feasible, such as a site plan, specific data, and the possible cost to D-J Engineering to relocate utilities and infrastructure. Keefer stated the timeframe is unknown, but that there is a process that must be followed in accordance with State statute. Dale Dimitt with D-J Engineering addressed the governing body and stated that they have previously had Underground Utilities come out and review the utilities involved. Dimitt stated he believes the sewer and waterline run through the alley. Keefer stated he agrees that the sewer runs along the alley but he doesn't know about the water line. Keefer stated there is an electric line involved and that there would be other utilities involved as well. Childers made a motion to approve a request from D-J Engineering to install a conduit in the City's right-of-way in the 200 block of West 5th Street. Reavis seconded the motion. Motion carried without opposition. Keefer stated that any expenses involved in this will be passed along to D-J Engineering.

Bids: Council considered bids for two police patrol vehicles. Brewer stated he sent bid specifications to seven vendors and received five bids back. Brewer stated they received bids for sedans and SUV type vehicles. Brewer stated the Crown Victoria Interceptor that we have regularly purchased in the past are no longer being produced and will be replaced with a Taurus, but that the new Taurus' are not yet in production so he was unable to see what they will look like. Brewer stated he has the dimensions for the new Taurus and a study about them, but that he recommends a Tahoe due to our Safety Department's unique needs. Childers stated that the Butler County Sheriff Department recently purchased five new Chargers and asked why our needs are different from theirs. Brewer stated we are unique because as a Safety Department we carry fire equipment in all the vehicles as well as investigative equipment. Brewer stated that Mulvane's Safety Department would be comparable to ours and they just purchased a Tahoe.

Reavis made a motion to approve a bid from Don Hattan for two Tahoes in the amount of \$46,472.00 including two trade-ins. Childers seconded the motion. Motion carried with Huddleston and S. Jones voting in opposition.

City Engineering Services: Reavis made a motion to authorize the City Engineer review committee to negotiate an agreement with MKEC for engineering services and bring it back to the Governing Body for review and consideration. Huddleston seconded the motion. Motion carried without opposition.

Informational Memorandum:

Keefe – Keefe stated there were two tests performed on the concrete removed from the dam and placed in the lake. Keefe stated there was no asbestos present and that they tested for eight heavy metals and only barium was detected but it was well below the allowable levels. Keefe stated that based on the test results it is safe to be used in a fish habitat. Keefe stated the fish salvage will probably come to an end this Sunday and that on Monday the balance of the fish will be removed. Keefe stated the appropriate media will be contacted, the fish salvage signs removed, and a notice will be placed on the city website. Huddleston asked if what will be put in the water will present any danger to people. Keefe stated he has been told no, but that the contractor is making sure it doesn't present any danger. Keefe stated the chemical is not a poison and that it only removes oxygen from the water causing the fish to die. Huddleston asked if they will close the valve just in case we get a heavy rain. Keefe stated he doesn't know but that is something the contractor is checking on. Williams asked Kent Bush if the 75 pound fish caught was still alive. Bush stated that it is and it will be at Cabelas at the grand opening in March.

Keefe stated that the last effort to receive grant funding for the roof of the Depot was turned down because the building was in too good of shape. Huddleston stated that if we don't do something soon the bricks will start to disappear. Keefe agreed and stated he will look in to where the bricks can be stored.

Reavis – Reavis thanked Keefe and Shaw for their quick response in providing the E911 information he requested. Reavis stated in his review of the County Commission minutes from 2/7/2012 he read that ConocoPhillips was granted an access agreement for the railroad right of way behind JumpStart and asked if it was related to leakage. Keefe stated there is possible leakage. Keefe stated we were asked to put monitoring wells in but that he had some questions about it. Keefe stated they decided it was easier to go to the north where the County still owns right of way. Reavis asked where we are on getting the railroad right of way transfer to us. Keefe stated he has had several conversations with Will Johnson at the County and was told that they sent the information off to their attorney in Washington to draft the documents. Keefe stated he will follow up to see where we are in this process.

Childers – Childers thanked S. Jones for her efforts with regard to the Adopt a Pot program and stated that he thinks it is a cool idea. S. Jones stated it will be an interesting addition to the City.

Final Comments:

Huddleston – Huddleston asked if we have several utilities in town that own their own poles. Keefe stated that Southwestern Bell has several and that there may be others. Huddleston stated he heard in the last several days that the County is giving the railroad right of way to the adjacent property owners east of Augusta. Huddleston stated he asked and they are not being required to obtain a survey. Huddleston questioned why the City was required to obtain a survey when no one else is being required to. Keefe stated he doesn't know. Keefe stated there have been questions about who owns that property because the County doesn't technically own it.

Malone – Malone asked since Santa Fe Lake is close to getting full if we know how much usable water we could pull from there if we have another summer like last year. Willis Wilson stated he has the information to determine that and that he can start monitoring it.

Rawlings – Rawlings asked staff to check on the sound system again because he was having a problem hearing everyone that spoke at the podium tonight. Nancy Turnage stated that almost everyone that spoke at the podium tonight had the microphone covered with something.

Williams – Williams stated the City Manager's goals are complete and that she and S. Jones will look at them again and should have them ready for the next council meeting. Williams stated that she failed

to mention earlier that David All has been a long term member of API. Williams thanked Shaw for the palm card about the City of Augusta and thanked Shaw and Keefer for their help at the Home Show.

S. Jones – S. Jones stated that Eric Christinat with Downtown Augusta, Inc. was instrumental in the Adopt a Pot program.

Childers – At 8:42 p.m. Childers made a motion to adjourn the meeting for five minutes to take a look at the Tahoe that was brought over by Officer Jon Forred from the City of Wichita.

At 8:47 p.m. Childers made a motion to reconvene the meeting and Harper seconded the motion. Motion carried without opposition.

Executive Session: At 8:50 p.m. Malone made a motion to enter into executive session for 5 minutes to consult with the city's attorney on matters that would be deemed privileged in an attorney-client relationship and for the acquisition of real estate. Childers seconded the motion. Motion carried without opposition.

At 8:55 p.m. Childers made a motion to exit executive session with no action being taken. Malone seconded the motion. Motion Carried without opposition.

Adjourn: At 8:56 p.m. Malone made a motion to adjourn. Childers seconded the motion. Motion carried without opposition.

City Clerk

CITY COUNCIL
MARCH 5, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in regular session on March 5, 2012, with Mayor Kristey Williams presiding. Council present were Holly Harper, Matt Childers, Michael Huddleston, Mike Rawlings, Sue Jones, Matt Malone, and Ron Reavis. Council member Michael Wallace was absent. Also present: City Attorney David All, City Manager Bill Keefer, Assistant to the City Manager Josh Shaw, Director of Public Safety Tyler Brewer, Public Works Superintendent Cy Ricker, Parks Foreman Brian Alfaro, Airport Manager Lloyd Partin, and City Clerk Erica Jones. Visitors present were: Kent Bush, John Black, Lianna Bodlak, Larry Henry, and Greg Allison.

Prayer: Pastor Terry Deaver, First Baptist Church, gave the invocation.

Minutes: Harper made a motion to approve the minutes from the February 21, 2012 meeting. Malone seconded the motion. Motion carried without opposition.

Appropriations:

February (2B): S. Jones inquired about the payment to IWORQ. Cy Ricker stated it is the annual maintenance fee for the web based system the public works departments use to track equipment, work orders, and maintenance. Reavis made a motion to approve Ordinance 2B in the amount of \$962,470.19. Childers seconded the motion. Motion carried without opposition.

New Business:

Neighborhood Revitalization Plan: Council conducted a public hearing to take input on a Neighborhood Revitalization Plan for the City of Augusta. The public hearing was closed with no public comments being made.

Malone made a motion to approve Ordinance 2033 adopting the City's Neighborhood Revitalization Plan. Childers seconded the motion. Huddleston inquired about the term of the agreement stating that the agreement used to be for three years, then changed to two years, and is now being renewed annually. Keefer stated that when the plan was amended last year it was for one year to complete the three year plan previously approved. Keefer stated that based on the changes that were made in the last plan it is now only being renewed for a one year term. Huddleston stated he thinks the agreement should have a two year term to give developers time to make plans. Williams stated the annual renewal gives the City flexibility and room to review it to make sure it is working. Keefer stated the one year term follows the County's plan but that if it continues to be a positive thing for the community he would recommend continuing to approving it for another year. Motion carried without opposition.

Childers made a motion to approve Resolution 2012-05 authorizing the Mayor to execute Interlocal Agreements with Butler County, USD 402 and Butler Community College for the Neighborhood Revitalization Plan. Harper seconded the motion. Motion carried without opposition.

Engineering Services: Larry Henry with MKEC addressed the governing body and stated they are really excited about taking on the work here in Augusta. Malone inquired about the term of the agreement. Keefer stated there is no term but that there is a 30 day termination clause. Rawlings made a motion to approve an Engineering Services Agreement with MKEC to provide City Engineering Services for the City of Augusta. Huddleston seconded the motion. Motion carried without opposition.

Public Hearing: Childers made a motion to approve Resolution 2012-06 scheduling a public hearing on April 16, 2012 to determine whether a building located at 443 E. Broadway is considered a

dangerous structure and should be condemned for removal. Harper seconded the motion. Motion carried without opposition. Huddleston asked if the investigation into the fire has been closed. Keefer stated it has been closed.

Westar Energy: Harper made a motion to approve a Partial Release and Modification of Right-of-Way Agreement with Westar Energy for their electrical transmission line as part of the Wal-Mart Project. Childers seconded the motion. Keefer stated that latest word is that Wal-Mart hopes to have their closing before the end of the month. Childers asked if there is an anticipated project start date. Keefer stated there isn't but that he would anticipate them to start right away. Motion carried without opposition.

Employee Wellness Program: Council considered approval of two agreements with the YMCA as part of the City's Employee Wellness Program. Lianna Bodlak with the YMCA addressed the governing body. Bodlak stated the first agreement is a partnership agreement between the YMCA, the City of Augusta, and the employees of the City of Augusta. Bodlak stated the second agreement is for an on-site wellness program that includes a lifestyle wellness coach for the employees. Huddleston inquired about the Corporate YMCA Partner annual contribution of \$150. Bodlak stated the \$150 is the annual membership per employee that will be billed to the City monthly; but that the City will only have to pay for the period an employee participates if they do not participate the entire year. Huddleston inquired about the difference in payroll deduction amounts on the Corporate Membership Agreement. Bodlak stated the Membership Fees listed as \$16.87 and \$29.07 are the amounts that will be paid by the employees through a payroll deduction. Bodlak stated the \$29.37 and \$41.57 listed under Agreement is the amount that will be paid to the YMCA including the payroll deductions and the City's contribution. Huddleston asked if the City's contribution will be approximately \$13 per month and Bodlak stated that was correct.

Huddleston asked if all these costs fall within the \$35,000 savings in insurance costs this year. Shaw stated the actual savings was closer to \$100,000 but that the \$35,000 was the amount asked to be budgeted for the wellness program. Huddleston stated if we are spending monies to improve employee's health and to lower premiums, have we considered making employees who smoke pay higher premiums. Keefer stated that has been discussed and that the hope is that the employees who smoke participate in the wellness program, specifically the smoking cessation, during 2012 and that those who still smoke in 2013 will be paying higher premiums.

S. Jones stated that if a health risk assessment is included in an annual physical why would be we paying the YMCA to do it again. Shaw stated that not all employees are getting an annual physical and that this assessment will also identify specific behaviors. Keefer stated we only require a pre-employment physical and that doesn't include diagnostic testing. Huddleston asked wouldn't the City see the employee's physical information. Keefer stated that because of health privacy laws the City has not and will not be able to have that information. S. Jones stated that shouldn't high blood pressure, diabetes, etc. be diagnosed by a doctor. Bodlak agreed and stated that if they find those issues they will be referring those individuals to their doctor and that they will be following up to make sure they are improving and following the recommendations of their doctor as well as making changes to their behaviors. Bodlak stated that by identifying employees with these issues they will have the hard date to show what improvements have been made.

S. Jones asked if the 16 hours of coaching per month is for each employee. Bodlak stated the coach will be made available for a total of 16 hours per month for all employees. Bodlak stated that it will provide two opportunities for each employee participating to speak to the coach. Harper asked if the employees will schedule directly with the coach. Bodlak stated the coach will work with supervisors to schedule a time that is convenient for the department and then be available to all employees. Huddleston asked if the 16 hours per month can be increased if it is found to be necessary. Bodlak

stated the 16 hours can be re-evaluated in the future. Reavis asked if you have to have a membership to take advantage of the coaching. Bodlak stated you do not. Reavis made a motion to approve two agreements with the YMCA as part of the City's Employee Wellness Program. Harper seconded the motion. Reavis asked if the council members can participate. Keefer stated they could but that they would have to make a separate motion. Motion carried without opposition.

Huddleston made a motion to include the council members in the City's wellness program. Harper seconded the motion. Motion carried without opposition.

Bids: Harper made a motion to approve the bid from BSN Sports in the amount of \$4,999.99 per bleacher for two aluminum bleachers for Moyle Field and for a total project cost of \$11,400. Rawlings seconded the motion. Motion carried without opposition. Huddleston inquired about the pile of junk to the north of the Parks building on Ohio. Keefer stated it was the fencing from around the shelter at the Play Park. Ricker stated it will be removed. S. Jones asked for a time frame. Brian Alfaro stated it will be removed within two weeks.

Annual Agreement: Reavis made a motion to approve the annual Operation and Maintenance Assurance Agreement with the Kansas Department of Wildlife, Parks and Tourism. Childers seconded the motion. Motion carried with Huddleston voting in opposition.

Airport: Childers made a motion to approve the FAA 5-year Airport Capital Improvement Plan for the Municipal Airport. Harper seconded the motion. Motion carried without opposition. Reavis asked if the City will be putting money aside for the next three years to pay for the runway. Shaw stated tonight's action does not commit the City to these improvements, but asks the FAA to set aside the match and if we have the funding available we will do the project.

Give Back Day: S. Jones asked staff to list their project ideas. Keefer stated in the past it has included work at the Library, Play Park, entrance signs, etc. Keefer stated the plan this year is to add mulch at the Play Park and to re-stain it, landscaping at the entrance signs, and picking up trash. Keefer stated that a lot of it depends on how many volunteers we get. Williams stated that in the past the council members and staff have worked on landscaping the entrance signs. Williams stated the purpose of tonight's vote is to make a request to Butler Community College to send over some of their students and representatives to help us with the work. Reavis stated the date coincides with the Spring Clean-Up so it could be tied to that. Williams stated she would like to know what council members are interested in participating. S. Jones, Reavis, Harper, and Malone stated they were willing to volunteer. Reavis made a motion to approve the City's participation in the annual Grizzlies Give Back Day with Butler Community College. Malone seconded the motion. Motion carried without opposition.

Ohio/Kelly Intersection Project: Malone made a motion to approve temporary construction easements in the amount of \$300 each for Wilfred and Betty Patterson Revocable Trust for 1500 Moyle, Sharp Rentals LLC for 325 Kelly Avenue, Charles and Kay Winter for 1511 Ohio Street, and the Bonita Maness Revocable Trust for E. Kelly. Childers seconded the motion. Motion carried without opposition.

Informational Memorandum:

Huddleston – Huddleston stated he saw the brochure for the Adopt-A-Pot contest downtown and the newspaper article about it and that it says if there is a water shortage the City will not water the pots with their irrigation system and that they will have to bring their own water. Huddleston stated that if they bring their own water then it is still coming from the City's water system. Williams and Rawlings stated they could use their bath water as several people did during the restrictions last summer and fall. Keefer stated the City will continue to water twice a week within the current water

restrictions, but if water continues to be an issue and we prohibit all outdoor watering the City will not be watering the pots. Malone asked Keefer if he has heard anything more from Willis Wilson regarding the water study he was conducting. Keefer stated he has a draft of the study and will be meeting with Wilson later this week to answer some questions. Keefer stated he will be setting up a work session to review the study.

Huddleston inquired about portable signs and banners along 7th Street and asked if permits were issued for them. Williams stated she asked the City Inspector about those as well and he said that there were permits issued for them. Keefer stated he would follow up with the City Inspector on that. Huddleston stated there is a very large hole on the west bound lane of 7th Street along the curb in front of Augusta Tire.

Huddleston inquired about the status of the employee handbook. Shaw stated that Angela Casper has made all the requested changes and that it should be ready to come to the council in the next week or two. Williams asked Shaw to provide a summary of the changes so it can be determined if another work session is necessary or if it can just be put on the agenda for consideration.

Huddleston inquired about the list of property leased or rented by the City. Huddleston stated there were questions and concerns when it was last presented and he hadn't seen that brought back to the council. Keefer stated the only issue he was aware of was with the signs at the Airport but that those had been addressed. Shaw stated he thought he had provided all that information a few meetings ago but that he would double check.

Huddleston stated that when the loan was made to Gear-Up last year they were required to meet certain conditions. Shaw stated they have made all their payments and complied with the conditions of the loan. Shaw stated that if the council wants a report he can provide that. Huddleston stated he would like a report quarterly or semi-annually.

Final Comments:

Harper – Harper stated she got a phone call from someone that sent an email to the entire council but that the email to her had been returned. Keefer stated he would check to make sure that all emails had been updated and properly working. S. Jones stated that Tyler Brewer had set hers up so that it would send it to her “augustagov.org” email address and then re-route it to her personal email address. Williams asked Shaw to check on the council emails to see that they are properly set up.

Williams – Williams stated there will be a Q & A session with City and School representatives on March 9th from 7:30 a.m. to 8:30 a.m. at Patti's Place. Williams stated that she, Keefer, Bill Rinkenbaugh, and John Black will be there to take questions and invited the rest of the council and public to attend.

Williams stated the first meeting with Troy Carlson about the Airport Industrial Park study was held last Friday and that it continues to move forward.

Williams stated she has the goals for the City Manager and will provide those to the governing body at the next meeting.

Childers – Childers stated that Downtown Augusta, Inc. will be holding their annual spaghetti dinner at Mid-Cap this Saturday from 5 to 8 p.m.

S. Jones – Jones inquired about the status on the Pro Coaters loan. Shaw stated the check that was presented did not bounce and that the next payment is due on March 15th.

S. Jones stated that the council has been contacted by someone regarding the use of golf carts and that she would like to discuss the use of golf carts in Augusta again. Williams stated that when she was contacted she encouraged him to come to the council but that she explained her reasons against it. Childers stated that the gentleman making the request is having surgery and will be out of commission for the next six months, but that he has already purchased a new electric vehicle that is not prohibited.

S. Jones stated she would like to have a year to date update on how much we have spent on specific projects. Keefer gave an update on the progress of the Levee, Dam/Spillway, and Kelly/Ohio projects. Keefer stated that the funding for the Levee project was placed in an escrow account and that the US Army Corps of Engineers will draw on those funds and are distributing the payments since it is their project. Keefer stated he can provide information to the council about the funding of the other projects.

Huddleston – Huddleston inquired about where we are on the certification of our levees. Keefer stated that the last couple of years, our Congressional delegate has been trying to find relief for communities. Keefer stated we are unique because we are the only community in Kansas that is in the middle of a levee project. Keefer stated there was a moratorium in place that bought us another year, but that he hasn't heard anything more in the last month or two. Keefer stated he will check with the AMEC Engineer to see if he has any updates.

Williams – Williams stated the governing body will be soon getting an invitation from Andover Administrator Sasha Stiles to have a joint meeting with their governing body to discuss the API study as well as other issues. Reavis asked what action they took on funding the study. Williams stated they tabled the issue and that Butler County was asked to table it. Williams stated that she, Keefer, and Shaw had a good meeting with Jeff Masterson, Peggy Palmer, and David Alfaro at the County regarding the study.

Executive Session: At 8:05 p.m. Childers made a motion to enter into executive session for 10 minutes to discuss real estate acquisition and to confer with an attorney on matters that are deemed privileged in an attorney-client relationship. Harper seconded the motion. Motion carried without opposition.

At 8:15 p.m. Childers made a motion to exit executive session with no action being taken. Harper seconded the motion. Motion Carried without opposition.

Adjourn: At 8:16 p.m. Childers made a motion to adjourn. Harper seconded the motion. Motion carried without opposition.

City Clerk

CITY COUNCIL
MARCH 19, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in regular session on March 19, 2012, with Mayor Kristey Williams presiding. Council present were Matt Childers, Michael Huddleston, Michael Wallace, Sue Jones, Matt Malone, and Ron Reavis. Council members Holly Harper and Mike Rawlings were absent. Also present: City Manager Bill Keefer, Assistant to the City Manager Josh Shaw, and City Clerk Erica Jones. Visitors present were: Kent Bush, Tony Madrigal, Chris Williams, Jay Anglemeyer, Myrna Rogers, Gary Rogers, Phil Roberts, and Glen Ernstmann.

Prayer: Pastor Terry Deaver, First Baptist Church, gave the invocation.

Minutes: Malone made a motion to approve the minutes from the March 5, 2012 meeting. Childers seconded the motion. Motion carried without opposition.

Appropriations:

March (3): Huddleston inquired about the credit card summary and purchases that were not identified as to who made them. E. Jones stated those purchases were made by Sergeant Chad McCluskey. Malone inquired about the payroll deductions for AFLAC and American Family. E. Jones stated those were the employees' premiums for additional policies they have purchased for accidents, cancer, etc. Huddleston inquired about the payment to Bob's Fence Co. Keefer stated it was for the wrought iron fence material around the shelter at the Play Park. Wallace inquired about the purchases made from Galls on the city credit cards. Keefer stated it was for the Safety Department and Reavis stated they sell emergency supplies. Wallace made a motion to approve Ordinance 3 in the amount of \$839,141.98. Malone seconded the motion. S. Jones inquired about the payment to Solomon Corporation. Keefer stated it was for rebuilding transformers for the Electric Distribution Department. S. Jones inquired about the payment to The Arnold Group. Keefer stated it was for temporary services for the executive secretary at city hall. S. Jones inquired about the payment to White Star Machinery. Keefer stated it was for the purchase of the mini excavator. Motion carried without opposition.

Visitors:

Myrna Rogers addressed the governing body and requested assistance with a match for a grant for park improvements she will be writing as part of a grant writing class she is in. Rogers stated she is in a grant writing class at WSU and is trying to write a grant for the Butler County Foundation for funding for the city parks. Rogers stated she is applying for a \$1,500 grant for picnic tables and asked the city to match those funds so they could purchase five picnic tables. Rogers stated the application is due by April 1st, but that in the future she would work with the Park Board to identify projects before coming to the governing body. Williams thanked Rogers for her effort and willingness to do this on behalf of the city. Huddleston made a motion to match the Butler County Foundation grant up to \$1,500. Malone seconded the motion. Wallace made a motion to amend the original motion to state that \$1,500 will be allocated by the city to use towards the purchase of picnic tables regardless of the awarding of the grant from the Butler County Foundation. Childers seconded the motion. Huddleston asked if the grant is not successful who would receive the \$1,500 from the city. Keefer stated the grant would be turned over to the city so the \$1,500 would just stay with the city. Childers stated he helped write the matrixes for the Butler County Foundation grants and that if the full amount of the grant request is not awarded they are still usually awarded something. Motion to amend carried without opposition. The amended motion carried without opposition. Rogers thanked the governing body for their support on this project.

Eric Christinat, Executive Director of Downtown Augusta Inc., requested to use the road around the City Lake for their "April Fool's Rush" race on March 31, 2012. Christinat stated this is the second annual April Fool's Rush and that he anticipates 50 participants this year. Christinat stated he met with city staff and there is a clear path around the construction. Wallace made a motion to approve the request from Downtown Augusta, Inc. to use the road around the City Lake for the April Fool's Rush race on March 31, 2012. Malone seconded the motion. Motion carried without opposition.

Christinat stated there have only been 7 to 8 people signed up for the Adopt-A-Pot program and encouraged people to sign up. Huddleston asked where we are on replacing the pots that were damaged next to City Hall. Keefer stated they have come in and will be replaced soon.

Dam/Spillway: Jay Anglemyer with MKEC presented an integrity investigation report for the City Lake Dam intake tower and concrete outlet tunnel. Anglemyer stated that Carl Svaty conducted the investigation and found that the tunnel is in decent shape. There is silt present and the contractor will be cleaning it out as much as possible. Anglemyer stated the tower is in great shape. The construction joints in the tower have some deterioration and are leaking some, but that there are no signs of shifting. Wallace stated that it would appear to be a big leak. Anglemyer stated that Svaty stated the leak does not concern him if both the lake and the tower are full. Anglemyer stated the valves are severely corroded and there has been some discussion by city staff to have the valves replaced, but the contractor and engineer have said that it is not as easy as just replacing the valves. Anglemyer stated the city would be looking at \$100,000 just to replace one valve and it would add a month to the project.

Huddleston inquired about the life of the valves. Anglemyer stated they are not working now and there really is no need for them to be working. Anglemyer stated the valve to drain the lake is working. Huddleston asked if he is telling us that we don't need those valves. Anglemyer stated that Svaty's report states that those valves do not need to be replaced, and that the time and cost to do so would not provide much of a benefit. S. Jones asked what the valves were originally used for. Anglemyer stated they were probably used for water quality control. Wallace asked Keefer for his thoughts. Keefer stated there would be a benefit to replacing the top two valves, but the seepage would defeat that purpose. Keefer if the seepage wasn't there he would recommend getting the cost to replace the top two valves. Anglemyer stated Svaty's solution for the leakage is to build another concrete wall around all four sides up to the leak, but that would increase the cost significantly. Huddleston asked if the valve to drain the lake would not be needed again. Keefer stated his concern is that we invest money to repair that valve and we open it in the future and cannot shut it, we would be in big trouble. Huddleston asked if that valve would be needed more than the others. Anglemyer stated it had to be manually opened by the contractor and that without that valve being repaired we still have an opportunity to drain it by putting a bypass at the pump station or to manually open the valve.

Reavis inquired about the valves under the silt. Anglemyer stated those valves have been sitting under silt for years. Keefer stated that the closer the water got to the second inlet the water was much harder to treat because of the quality of the water. Anglemyer stated that MKEC could write down the procedures for how to open valve F if it is ever needed in the future. Wallace made a motion to concur with the report from MKEC. Childers seconded the motion. Motion carried without opposition.

Anglemyer stated the spillway floor foundations have all been placed and the walls will be started this week. They will be done with the weir by the end of April. Anglemyer stated the dam wave berm has been constructed and the dirt work will be finished this week. The next step is the turf reinforcement mat and seeding. Anglemyer stated he anticipates that we can impound 10 feet of

water in approximately two weeks and the remaining 10 feet around the end of April. Anglemeyer stated the contractor is doing a good job and is ahead of schedule.

New Business:

Williams Petroleum Services, LLC: Phil Roberts and Glen Ernstmann were present to request approval of Amendment #2 to the property access agreement with Williams Petroleum Services, LLC. Roberts explained that there is an existing access agreement giving them permission to conduct an environmental investigation of the water and soil. Roberts stated their primary objective is to address hydrocarbon seeps but before they can submit their plan to the EPA and KDHE they have to have access agreements with all property owners. Roberts stated in the proposed amendment is a plan for remediation. Roberts stated that the interim correct measures will be performed by Burns & McDonnell Engineering Company and their subcontractor, Environment Restoration, LLC. Glen Ernstmann with Burns & McDonnell gave a brief description of the work to be done including the installation of storm drain segments that will connect to an existing storm drain that runs under the levee along the Walnut River. Malone made a motion to approve Amendment #2 to the Property Access Agreement with Williams Petroleum Services, LLC. Childers seconded the motion.

Huddleston stated that figure 1 shows an area inlet with a manually operated backflow prevention valve. Ernstmann stated that would probably be preserved and that when activated, the existing valve would prevent water from going into the river. Huddleston asked if Williams Petroleum will maintain the new drains and then at some point turn those over to the city. Keefer stated that they would not and that we would want to make sure that the city is not responsible for maintain the extensions of the storm drains. Keefer stated that at some point in the future Williams Petroleum may be interested in purchasing this property from the city. Roberts agreed that they may consider that in the future. Huddleston asked if the city receives a report on the monitoring wells. Roberts stated the city can request a copy and that it is a publically available document. Roberts stated that it is also available on their website but that he will send a copy of it to Keefer. Keefer stated they have provided us with some information in part about the soil vapors that were present at the wastewater treatment plant to tell us that there was no risk to our employees. Roberts stated there are no completed pathways with soil vapors. Motion carried without opposition.

2012 Insurance: Tony Madrigal with Madrigal & Welch introduced their new vice president Chris Williams. Madrigal stated that the city's workers compensation has reduced significantly over the past three years and that he has been working with Angela Casper to keep the city's mod rate down. Madrigal stated that over 400 cities participate in the EMC program. Madrigal stated that the city has a power plan which requires very special and high risk coverage and that the city also has a linebacker policy that covers the council and its employees. Madrigal assured the Council that if someone comes out with a better program than EMC he will take a look at them for the city. Wallace made a motion to approve the City's annual property and liability insurance package in the amount of \$293,144 including option #2 for the boiler policy. Malone seconded the motion. Huddleston inquired about the improvements at the Airport that led to the significant premium reduction. Madrigal stated the new Airport Manager brings a lot of experience with him and that he has set up measures to reduce claims. Motion carried without opposition.

Unclaimed Bicycles: Malone made a motion to donate the unclaimed bicycles to the local American Legion Post and Auxiliary to be refurbished and redistributed to needy children. Childers seconded the motion. Motion carried without opposition. Reavis asked if this is a one-time deal. Keefer stated we will accumulate the bicycles and then ask for the council to take action each time.

Safe Routes to Schools Program: Reavis inquired about the financial impact to the city. Shaw stated the only impact at this time is the cost of the time to put this all together, but that the actual cost of the improvements will be 100% reimbursable. Wallace made a motion to support a joint grant

application with USD 402 to the Kansas Department of Transportation for their Safe Routes to Schools Program. Malone seconded the motion. Motion carried without opposition.

Butler County Tag Office Lease: Williams commended Lloyd Partin for pointing this out to the governing body. S. Jones asked if the FAA or Partin pointed this out. Shaw stated that staff has been looking at all of the city leases and that it was identified that the FAA grant assurances would require a change to this particular lease. S. Jones stated we are being pro-active to an FAA request. Shaw agreed. S. Jones made a motion to approve a lease amendment with Butler County for their tag office located at the Augusta Municipal Airport. Wallace seconded the motion. Motion carried without opposition.

KMEA Board: Wallace made a motion to reappoint Councilman Rawlings to serve as Director #2 representing the City on the Kansas Municipal Energy Agency (KMEA) Board of Directors. Reavis seconded the motion. Motion carried without opposition.

Work Session: Malone made a motion to schedule a work session for Monday, April 23, 2012 at 7 p.m. to review and discuss the Water Supply Study from Aqua Tech Engineering. Reavis seconded the motion. Motion carried without opposition.

Mandatory Watering Restrictions: Wallace made a motion to table the review and discussion of the City's Mandatory Watering Restrictions until the next council meeting when information regarding Santa Fe Lake is available. Malone seconded the motion. Keefer stated the concern is that we will hopefully have a water source that will help supplement the water supply, but not enough to lift the watering restrictions. Keefer stated that the city has been getting calls from people who are putting in new yards and want permits. Keefer stated we are informing them of the current watering restrictions and explaining that those are the only times they are able to water. Williams stated that staff is doing the right thing and that if someone chooses to put in a new yard now they are doing so at their own risk. Motion carried to table the review and discussion of the City's Mandatory Watering Restrictions until the next council meeting. Keefer stated he has spoken with the City of El Dorado and that they are willing to consider waiving our take or pay provisions again this year.

Informational Memorandum:

None

Final Comments:

Huddleston – Huddleston stated that every once in a while we talk about the end of our lease with the County for our Safety Department building. Keefer stated we have about 10 years left on our lease but that he has spoken to Will Johnson at the County and they are interested in discussing the city assuming the property at the end of the lease. Keefer stated when we get closer to the end of the lease we will need to discuss it further, but that the County is not interested in paying rent for use of the building.

Williams – Williams stated that she has requested an Executive Session at the next council meeting to review goals with the City Manager.

Reavis – Reavis stated that Childers has volunteered to scan and electronically send the council packet to the rest of the council. Reavis stated this is a good idea but stated he doesn't think that is Childers responsibility. Reavis asked if the city could do that instead of sending out the paper copies. Childers stated he is already scanning his so he doesn't mind doing it and making a drop box where everyone else could access it. Reavis asked if it wouldn't be just as easy for staff to scan it as opposed to making all those paper copies. Williams stated that is just moving the printing expense to the council instead of the city if the council member still wants paper copies. Williams stated if the council member doesn't have a lap top or iPad then they will still have to print it out. Keefer stated

staff has looked into making the packets electronic, but that it is up to the governing body. Keefer stated if council wants electronic packets we will transition that direction. S. Jones stated she would still like a paper packet.

S. Jones – S. Jones asked Shaw if he is going to submit a follow up request with more information to the Butler County Commission for Liquor Tax Funds. Shaw stated that he is going to meet with the Park Board at their next meeting to discuss recommendations. S. Jones inquired about the use of old letterhead. Shaw stated it was used in error and that we have updated letterhead. S. Jones asked Keefer if there is any reason why UCI has not billed us for more on the Spillway/Dam project. Keefer stated that he is shocked that they haven't billed for more but that he anticipates a bill at any time.

Executive Session: At 8:31 p.m. Malone made a motion to enter into executive session for 10 minutes for the purpose of real estate acquisition. Childers seconded the motion. Motion carried without opposition.

At 8:41 p.m. Childers made a motion to exit executive session with no action being taken. Reavis seconded the motion. Motion carried without opposition.

Childers made a motion to authorize staff to move forward with condemnation procedures at 1501 Ohio Street for the Kelly/Ohio Intersection project and to use David Rapp's services in connection to these procedures. Wallace seconded the motion. Motion carried without opposition.

Adjourn: At 8:42 p.m. Wallace made a motion to adjourn. Childers seconded the motion. Motion carried without opposition.

City Clerk

CITY COUNCIL
APRIL 2, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in regular session on April, 2012, with Mayor Kristey Williams presiding. Council present were Holly Harper, Michael Huddleston, Sue Jones, Mike Rawlings, and Matt Malone. Council members Matt Childers, Michael Wallace, and Ron Reavis were absent. Also present: City Attorney David All, City Manager Bill Keefer, Assistant to the City Manager Josh Shaw, City Inspector Dan Allen, Airport Manager Lloyd Partin, and City Clerk Erica Jones. Visitors present were: Kent Bush, Gary Rogers, Myrna Rogers, Bill Houglund, John Black, Pat Herian, Diane Herian, Jacob Marietta, Kurt Schroeder, Beth Hall, Denise Burns, Dan Parcel, Willis Wilson, Aaron Wells, Mark McCollom, Bill Morris, and Eric Christinat.

Prayer: Pastor Cale Magruder, First Southern Baptist Church, gave the invocation.

Minutes: Harper made a motion to approve the minutes from the March 19, 2012 meeting. S. Jones seconded the motion. Motion carried without opposition.

Appropriations:

March (3A): S. Jones inquired about the payment to First National Bank for Education. Keefer stated it was for the down payment for hotel rooms for the League Conference charged to his credit card. Malone made a motion to approve Ordinance 3A in the amount of \$455,109.08. Harper seconded the motion. Motion carried without opposition.

Old Business:

Water Conservation Restrictions: Council reviewed and discussed the mandatory Water Conservation Restrictions. Williams asked if any members of the governing body were interested in changing the current restrictions, to which they all answered no. Williams asked what their stance was on issuing waivers for new lawns. Dan Allen stated only a few were issued last year and one had been issued so far this year. Williams stated she thinks it is a good idea to continue this. Harper stated she agrees as long as we continue to monitor the usage. Malone asked if this is only for new lawns and Keefer said yes.

Pat Herian, owner of Augusta ACE Home Center, asked how these restrictions would apply to his business. Huddleston asked how often they water. Herian stated one to two times a day. Huddleston stated he doesn't see any problem with businesses watering as part of their business. Williams stated she agreed that if an industry or commercial business uses water as part of their business that we can put wording in there that would allow that, but that depending on where we are in two months with regard to water that might change. Herian agreed and stated it needs to be fair. Keefer stated where we see the big increase in usage is in people watering their yards and that is where the emphasis on the restrictions has been. Keefer stated allowing retail use of water is something the governing body will need to decide. Herian stated if there is a restriction on use of water for retail and manufacturing it will have an effect on his business and others. Williams asked Keefer if he thought we could accommodate that usage. Keefer answered yes. Huddleston stated that it only should be allowed if they use water to produce a product or service they are selling. Williams stated that allowing water to run-off would be considered a violation. Rawlings stated there is one bank in town that allows a great deal of run-off when watering.

Huddleston made a motion to waive the watering restrictions for commercial operations that use water on a daily basis for production of products or services, except that water run-off would be considered a violation. Harper seconded the motion. Motion carried without opposition.

Williams asked if the conservation fee should be reinstated now, or if it should be looked at in a few months. Keefer recommended waiting until June to review the conservation fee, that way we have a few months of usage to monitor and determine if there is a need to reinstate it. Williams asked the governing body about whether the swimming pool should be filled this year. The consensus was that it should be filled. Huddleston asked when the Park Board would be reviewing the swimming pool rates. Keefer stated at their next meeting.

Keefer stated he noted in his memo that the quality of water from Santa Fe Lake will require a couple of different treatment points which will add approximately \$10,000 to \$15,000 in expenses to treat that water. Williams stated she felt it will be important to do this. Huddleston made a motion to approve the purchase of equipment and processes necessary to treat the water from Santa Fe Lake. Huddleston asked if the added chemicals will affect the sludge at the Wastewater Treatment Plant. Keefer stated it would not. Williams asked about the watering of the planters downtown. Keefer stated the same outdoor watering restrictions would apply to those. Williams stated that if someone wants to bring their shower water or water from an outside source to water those they were free to do so. Motion carried without opposition.

S. Jones asked for an update on the Dam project. Larry Henry with MKEC stated the water level in the lake is high and there is more rain coming, but that he doesn't think that is a problem or concern as far as the construction goes. Henry stated that right now they are determining at what levels the matting needs to be installed and how low the water level needs to be pumped to, but that as of now they are not losing any construction time. Williams asked what would happen if the contractor does not meet the deadline. Henry stated there is usually a penalty or liquidated damages. S. Jones asked Henry when he thinks they will have the necessary information from the State. Henry stated hopefully in the next two weeks. Keefer stated he hopes it doesn't take two weeks, because it is so important to this community that the project moves forward so we start ponding water. Keefer stated we have to get this issue resolved and install the matting so we can start ponding water. Henry stated he will work with Jay Anglemeyer to get this issue addressed. S. Jones inquired as to how the lake will be drained now. Keefer stated it will be by gravity flow, by pumping, or by opening the 4x4 box valve gate. Keefer stated he was told the best option being used now is the valve gravity flow. S. Jones stated that part of the contract was that the contractor was supposed to pump the water out and asked if we will get a credit since we were removing the water. Henry stated the contract usually gives a certain time frame for it to be drained, but not the specific method to be used. S. Jones stated it was drug out for over three weeks and that is where the frustration is.

New Business:

Downtown Sign Request: Council considered a request from Beth Hall to authorize the use of a business sign at 104 E 5th that does not meet the Sign Regulations for the Designated Main Street Area. Beth Hall, Shelter Insurance, addressed the governing body. Hall stated that she purchased the building downtown and is asking to be able to transfer her current sign to that location. Williams asked if there is any cost for the back lit feature of the sign. Hall stated no. Williams inquired about the cost of the frame. Hall stated that Shelter Insurance likes to have the signs be uniform. S. Jones asked Hall what she anticipated her expense to be to change the sign. Hall stated it would increase her sign rent by \$30 to \$50 per month.

Aaron Wells, Main Street Design Committee President, stated that he has been on this committee since 2007. Wells stated the original ordinance passed in late 2006 clearly called for no plastic signs and in 2007 Martin and Malone Financial wanted to move and the committee had a dilemma because their plastic sign was not permitted. Wells stated as a committee they thought it was their job to achieve a balance between what everyone that invested in the downtown and the business owners. Wells stated the new ordinance adopted in 2007 spoke to that issue and allowed for plastic signs when the buildings were no longer judged to be historic. Wells stated that the Kansas State

Historical Society gets to weigh in if the property is within 500 feet of property on the Historical Register, such as the Post Office, but that the State said Hall's building no longer has historical significance. Wells stated Hall could use her current sign, but the Committee asked her to flush-mount it to the building as the ordinance calls for. Williams asked if this was unanimous with the committee. Wells stated it was. Bill Morris, member of the Main Street Design Committee, stated the issue came down to the fact that the sign couldn't stick out more than two inches.

Huddleston stated the council has to address the matter of what is going on downtown repeatedly and he has a difficult time locating the documents that we are looking at. Huddleston stated we have a sign ordinance but it does not include the downtown because it is in the building codes. Huddleston stated that Section F under District Regulations in the Sign Ordinance stated that all rules and regulations pertaining to the downtown are to be found in the following codes, but that they are only found in the building codes. Huddleston stated that the sign matrix in Chapter 14 includes signs allowed in the Main Street Zoning. Huddleston asked if Ordinance 1928 and 1953 are the only sign ordinances. Dan Allen stated they are. Huddleston stated that when he first looked at this he voted for it, but now he is seriously considering changing his mind. Huddleston stated that there are a variety of options to use for guidelines for the downtown. Huddleston stated the design guidelines should be used to encourage business to comply and to provide an educational tool for architects, contractors and craftsmen. Huddleston stated that last year there was an issue with a business name Cheatwoods and a sign they put up. Huddleston stated he thinks it is better to encourage people to follow the guidelines instead of punishing them.

Huddleston stated he contacted ten Main Street communities about their guidelines and they were surprised at our guidelines. Huddleston stated that Winfield encourages businesses and property owners by offering grants to those that consult with them and follow their recommendations. If they don't, they are not punished. Huddleston stated we don't allow illegible or bad colors, which is very subjective. Huddleston stated he thinks the guidelines are too restrictive, enforcement is too subjective, and the council should encourage people rather than having these discussions every year.

Allen stated that Cheatwoods were told specifically not to put their sign up. Allen stated that Huddleston is the owner of that building and should have told them that type of sign was not allowed. Allen stated they hung it with barbed wire which was not an approved method and that the sign was not an allowed sign.

Williams stated the council voted on an ordinance in 2006 and amended it in 2007. Williams stated we put together a nine member committee to follow the guidelines that were voted on by the council. Williams stated we have an ordinance in place and it is our job to uphold the ordinance. Williams stated that Downtown Augusta Inc. (DAI) was put in place to oversee this district and that these guidelines were not put in place as a punishment, but as a way to protect the investment that has been made in our downtown. Malone stated he feels we need to sit down in a work session and look at what we are trying to accomplish and ask if we have done that. Bill Morris stated he works all over the state and every time a community has adopted guidelines instead of an ordinance it has been a toothless effort. Morris stated it was very clear that we had to have teeth in the ordinance for people to abide by the guidelines otherwise they would be worthless.

Huddleston made a motion to allow Beth Hall to transfer her existing sign to her building on 5th Street. Malone seconded the motion. Mr. All stated that if the motion is in violation of an ordinance, he doesn't think they can pass it without violating the ordinance. Mr. All stated if you start granting waivers then there will be no end to it. Malone asked if there is an ordinance then why do we have to have a committee that says yes or no. Mr. All stated the Council decided to appoint the committee to enforce the ordinance. Malone asked if we don't have a city inspector. Mr. All stated we do and Allen stated that he only has an advisory position on the committee, not a voting

member. Williams stated she thinks it is a poor choice to not uphold the ordinance and laws. Huddleston called the question. Malone seconded the call to question. Motion carried to call the question with Rawlings voting in opposition. The original motion failed with Huddleston and Malone voting in favor and S. Jones, Harper, and Rawlings voting in opposition.

S. Jones stated in regard to the ordinance and regulations pertaining to this there seem to be some inconsistencies and no appeal path. S. Jones stated an ordinance can be changed at any time and that she thinks Malone's idea of a workshop to review the sign ordinance and downtown regulations is a good one. Malone made a motion to conduct a work session at 6 p.m. prior to the May 7th meeting to discuss the sign ordinance and downtown regulations. S. Jones seconded the motion. Motion failed with Harper, Huddleston, and Rawlings voting in opposition. Harper stated she is not opposed to revisiting the information but that she doesn't think we can swing it that quickly. Harper stated she served on the Main Street Design Committee and for Malone to imply that things were done half-heartedly was insulting to her. Malone stated that he didn't mean to offend it's just that he thinks we need to look into it further.

Williams stated she would ask Eric Christinat with DAI to weigh in on this issue and put thoughts together on how he and his committee feels about this issue. Huddleston asked that Christinat to contact 12 to 15 other Main Street communities to see how they handle their regulations. Keefer asked that he check with the cities too on their zoning regulations, etc.

Fireworks: Council considered a request from Wholesale Fireworks to waive Section 1 (m) of the General Requirements for Sale, Storage and Testing of Fireworks to allow for a fireworks stand to be located in the High School parking lot. Jacob Marietta, Wholesale Fireworks, addressed the governing body and stated that last year they got ahead of themselves working with the School District to set the tent up in the parking lot to use as a fundraiser before finding out there was a zoning issue. Williams asked John Black, Superintendent, if there are any objections from the school district. Black stated there is not. Shaw stated the only issue is the guidelines require a 200 foot distance for the discharge of fireworks need a fireworks stand, so he would recommend moving the tent further east to distance themselves the 200 feet from the homes on the other side of Ohio Street. Marietta stated his only concern would be with having electricity. Dan Allen stated that having generators running was not recommended, as they are very noisy especially near a residential area.

Harper made a motion to approve the request from Wholesale Fireworks to waive Section 1 (m) of the General Requirements for Sale, Storage and Testing of Fireworks to allow for a fireworks stand to be located in the High School parking lot. Huddleston asked what the difference is between this request and the sign issue. Mr. All stated he doesn't see a difference. Allen stated it is not a zoning regulation. Mr. All stated he doesn't know how you can pick and choose who you allow to do this. Motion dies from lack of a second.

Williams asked how Wholesale Fireworks can move forward from here. Keefer stated that the council could vote to change the regulations without requiring an ordinance change. Huddleston asked why these were adopted separately as an ordinance and general requirements on the same day. Keefer stated they were adopted as two different actions, so you can change the requirements without changing the ordinance. Huddleston stated that some of the items are duplicated between the ordinance and general requirements. Keefer stated that when this was looked at a majority of what we did was based on information provided by Wholesale Fireworks about what other cities were doing. Williams asked the council if they wanted staff to review allowing stands in Assembly zoned areas. Rawlings stated that in Andover they allow them in areas zoned Assembly but not those zoned Commercial. Allen stated that we have to maintain the 200 foot radius and the generator issue. Malone asked Keefer if he can look at it and recommend changes. Keefer stated we could do something that would be site specific only adding that it be allowed at the High School.

Engineering Services Agreement: Rawlings made a motion to approve an Engineering Services Agreement with MKEC for the 2012 Street Sales Tax Projects and the Walnut Street KLINK Project. Harper seconded the motion. Motion carried without opposition.

Interlocal Agreement: Malone made a motion to approve an Interlocal Agreement with USD 402 for the use of a radio antenna and related equipment at the Golf Street Water Tower for the District's radio communication system. Harper seconded the motion. Motion carried without opposition.

Legal Services Agreement: Malone made a motion to approve a Legal Services Agreement with the Hinkle Law Firm for condemnation proceedings at 1501 Ohio Street for a temporary construction easement and permanent right of way as part of the Kelly and Ohio Intersection Project. Harper seconded the motion. Motion carried without opposition.

Fuel Branding: Council considered a Fuel Branding Agreement with World Fuel Services, Inc. for the Augusta Municipal Airport. Lloyd Partin stated that he has been pursuing a fuel branding agreement since June 2011. Partin stated the purpose is for brand name recognition. He stated this is the one area where it will have the biggest impact on the Airport's ability to operate without the support of the General Fund. Partin stated the biggest struggle at the Airport is visibility and it is his belief that brand affiliation will provide us with the power of the brand and their marketing with no cost to us. He stated we will also have a greater margin between our cost and sales which would create more profitability over the cost of operation. Partin stated the Airport was branded at one point in the past and that it would be a great advantage to be branded again.

Huddleston asked if this would apply to just the jet fuel or all fuel. Partin stated it would be for both the jet fuel and av fuel, but that is conditional on whether Craig McCoskey signs a branding agreement. Huddleston asked if we would get a higher margin of McCoskey's fuel sales. Partin stated we wouldn't, but the increase in flowage will increase our flow fees. Partin stated McCoskey would have a separate agreement from ours. Shaw stated that McCoskey's sales would count towards our minimum.

S. Jones inquired about World Fuel Services reluctance to change the governing law in the agreement to Kansas law. Bill Houglan with World Fuel Services stated they wrote the contract in the State of Florida and all of their contracts are in the Florida law. Houglan stated that to write each contract state specific will cost them approximately \$1 million. Mr. All stated he could not get them to change it. He stated that the agreement itself will be governed by Florida law but they agreed to move the venue of litigation to Butler County. Houglan stated he has three contracts with municipalities in Kansas and has never had this much discussion on the topic of the governing law. Huddleston asked if they have had any disputes in other states. Houglan stated that there has not been any that he is aware of.

Huddleston stated the contract says World Fuel will comply with all FAA regulations. Houglan agreed and stated it says the City will comply as well. Huddleston asked what is going on with the Airports that are changing to a private contractor. Partin stated that if an Airport no longer wants to operate their FBO they hire a private contractor to do that. Partin stated there is a host of reasons why an Airport would choose to do that. Huddleston inquired about the provisions to end the branding agreement. Partin stated it is tied to 125,000 gallons sold over five years, but that there is a severability clause in the agreement. S. Jones inquired about options other than World Fuel. Partin stated that he looked at several operations and that our choices are limited due to our size. Huddleston made a motion to approve a Fuel Branding Agreement with World Fuel Services, Inc. for the Augusta Municipal Airport. Rawlings seconded the motion. Motion carried with S. Jones voting in opposition.

Shaw stated there is also the option of access liability coverage. Houglan stated World Fuel offers \$50 million in excess liability insurance at no cost to the City but that you will have to enroll in the program. Huddleston made a motion to enroll in the excess liability insurance program. Rawlings seconded the motion. Motion carried without opposition.

Change Order: Malone made a motion to approve Change Order #1 for the Airport Taxiway Project. Rawlings seconded the motion. Motion carried without opposition.

Wellness Program: Huddleston asked if the amount of participation matters. Keefer stated it doesn't but gives them the option of a local business. Shaw stated we have several employees that are already members. Malone made a motion to approve an Agreement with Anytime Fitness as part of the City's Wellness Program. Huddleston seconded the motion. Motion carried without opposition.

Housing Authority: Huddleston made a motion to approve the appointment of Mary Williams to the Augusta Housing Authority to fill an unexpired term. Harper seconded the motion. Motion carried without opposition.

Capital Improvement Program: S. Jones asked if city employees are going to participate. Shaw stated they would, but to what extent would be up to the committee to determine. Huddleston made a motion to appoint Sue Jones to the Capital Improvement Program Review Committee. Malone seconded the motion. Motion carried without opposition.

Informational Memorandum & Final Comments:

Huddleston - Huddleston asked where we are at on the employee personnel manual. Keefer stated it is waiting for a final staff review. Huddleston asked if it would be presented at the next meeting and Keefer stated he hoped so. Huddleston inquired about where we are on the ownership of the Railroad. Keefer stated the County is waiting on documents from their attorney in Washington DC. Huddleston asked if the extension of Lulu includes the crossing. Keefer stated it is in the plans. Huddleston inquired about the crossing at the levee. Keefer stated that whoever designs that will have to accommodate for the path to go over the top of it.

Huddleston stated the leak in front of the carwash is back. Keefer stated staff is not convinced it is a leak. Keefer stated there is no evidence of major flow, so they think it may be seepage from the carwash. He stated that staff is keeping an eye on it but that there is no evidence of a leak at this time.

Huddleston stated the contractor at the Airport is in the penalty phase and asked if the City shares in the 95%/5% sharing of the penalty dollar amount. Shaw stated that it is staff's understanding, the way the contract is worded, that the City will receive it all. Huddleston asked what the projected end date is. Partin stated he is hoping May 1st.

S. Jones – Jones stated there are still flower pots downtown available for adoption.

Adjourn: At 8:49 p.m. S. Jones made a motion to adjourn. Harper seconded the motion. Motion carried without opposition.

City Clerk

CITY COUNCIL
APRIL 16, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in regular session on April 16, 2012, with Mayor Kristey Williams presiding. Council present were Matt Childers, Michael Huddleston, Sue Jones, Mike Rawlings, Ron Reavis and Matt Malone. Council members Holly Harper and Michael Wallace were absent. Also present: City Attorney David All, City Manager Bill Keefer, Assistant to the City Manager Josh Shaw, City Inspector Dan Allen, Fire Major Ray Marbut, Superintendent of Electric Production Jim Sutton, and City Clerk Erica Jones. Visitors present were: Kent Bush, Myrna Rogers, Charles Isley, Michael McDermott, Bill Kincaid, John Black, Kent Overaker, Eric Grooms, Jason Clark, Gary Clark, Cale Magruder, Carl Myers, and Leonard Wakefield.

Prayer: Pastor Cale Magruder, First Southern Baptist Church, gave the invocation.

Minutes: Childers made a motion to approve the minutes from the April 2, 2012 meeting. Reavis seconded the motion. Motion carried without opposition.

Appropriations:

April (4): Huddleston inquired about the payment to Midwest Electric for the Airport. Keefer stated it was for their assistance in removing an old lift station out at the Airport. Huddleston stated he noticed the payment to Utility Contractors Inc. and asked if staff has any idea about the remaining balance. Keefer stated there is probably \$800,000 to \$900,000 left on the project. S. Jones inquired about the payment to Aeromet Engineering for Education. Keefer stated that every year we have to certify an employee to analyze the exhaust at the Power Plant. Jim Sutton stated we are mandated to analyze the opacity from the stacks twice a year. S. Jones asked where Sutton goes for this certification. Sutton stated it is in Wichita. Huddleston asked who checks on Sutton's analysis. Sutton stated KDHE checks on him. S. Jones inquired about the payment to Goedecke Engineering and what projects that was for. Keefer stated approximately \$3,000 was for work on the Dike Road relocation and the rest was for some survey work and other small projects. Reavis made a motion to approve Ordinance 4 in the amount of \$1,493,944.42. Malone seconded the motion. Motion carried without opposition.

Visitors:

KPP: Carl Myers, Director of Member Services at KPP, provided the governing body with a brochure with information about the Power Pool and the 2012 wholesale rates. Myers stated that Augusta is one of the original members of the Power Pool from 2005. Myers stated that by signing a 20 year agreement it allowed the Pool to purchase 7% of the Dogwood Energy Center which is providing the Pool with 40 megawatts of energy. Myers stated that in the Pool we all share our resources with each other which helps to provide a savings to everyone. Myers stated the wholesale rates cover all operating expenses as well as the bond debt. Myers stated that a benefit to member cities is that you can share the service of four KPP staff members.

Myers stated the Reciprocating Internal Combustion Engine (R.I.C.E.) Rule upgrade is moving forward, including the replacement of the catalytic converters. He stated the deadline is March of next year but they will be asking the EPA for a one year extension. Myers stated they are working on three transmission projects including Kingman, Greensburg, and an Economic Development grant program for retaining or creating new jobs. Myers stated there is also a program called Organization Check-Up run by Hometown Connections that provides a check-up of electric utility systems. Myers stated that KPP will underwrite 50% of the \$10,000 cost and that Hometown Connections will interview staff, council members, review plant and billing operations, and provide a report of improvements that might help your organization.

Myers stated that there are currently 42 members in the Pool and that they are going to have a reduction of 12 cities by the end of 2014. Myers stated that once those cities leave KPP will be able to focus more on the 21 cities that have 20 year contracts and will be with the Pool for the long term. Myers stated that KPP has a Board of Directors and an Operating Committee. Myers stated the membership of the board has stayed the same and includes Jim Sutton. He stated there will be an annual membership dinner on May 2nd during the KMU conference and all of the governing body members are invited.

The Mayor introduced the new Executive Director of the Chamber of Commerce, Kent Overaker.

Eric Christinat, Executive Director of Downtown Augusta Inc., requested the 500 Block of State Street be closed at 7 a.m. on May 12th for the 2012 Women's Fair. Rawlings asked how the road closure will affect the businesses open downtown on that Saturday. Christinat stated that he is not allowing vendors to sell competing products with the businesses. Rawlings asked if the businesses downtown are on board with this. Christinat stated they are. Huddleston asked if Christinat got a consensus from the businesses. Christinat stated he did and that they will benefit from this event. Reavis made a motion to close the 500 block of State Street at 7 a.m. on Saturday May 12, 2012 for the 2012 Women's Fair with the street reopening by 4:30 p.m. Malone seconded the motion. Motion carried without opposition.

Old Business:

Fireworks: Council considered revisions to the General Requirements for the Sale, Storage and Testing of Fireworks as part of a request from Wholesale Fireworks to allow for a fireworks stand in the Augusta High School parking lot. Bill Kincaid, 910 E Kelly, stated he was speaking as a Lion's Club member and as a citizen of Augusta. Kincaid stated the Gazette printed that the sale of fireworks at the High School will not benefit the school district outside of the \$1,000 rent. Kincaid stated it also quoted Keefer as saying the school district thought Wholesale Fireworks already had the city's approval. Kincaid stated that was deceit on behalf of Wholesale Fireworks. Kincaid stated the General Requirements state that they can only be sold on property presently zoned for Commercial or Industrial use. He stated when the Lion's Club were setting up their stand they were cautioned that it had to be on land zoned for Commercial or Industrial use. Kincaid stated that since this is neither for the benefit of the school district or the city and it is not properly zoned, he would recommend the request be disapproved and not allow the use of public property for private gain.

Huddleston stated that in the information provided about the proposed regulations, every one of the regulations were listed but several of them read exactly alike. Ray Marbut stated most of the changes were cleaning up the verbiage, but that some were not changed at all. Marbut stated he just listed them all to keep them together. Marbut stated that all items relating to discharge were removed because they are covered by the ordinance. Reavis asked for assurance that this document isn't changing the ordinance, only the rules and regulations that the ordinance gives the governing body permission to change from time to time. Marbut agreed. Reavis stated he agrees with the recommendations except the exemption for the High School. Reavis stated if there is no benefit to the school district it just opens up the window for future problems we are not ready to address. Reavis stated that sometimes the council is too eager to change the rules for one particular person. Huddleston stated he agrees, especially because a lot of Assembly zoning is in residential areas. S. Jones agreed. Malone agreed and stated that if some group like the band or soccer club wants to do this later he might consider it.

Malone made a motion to approve the revisions to the General Requirements for the Sale, Storage and Testing of Fireworks but removing the use of the Augusta High School parking lot for fireworks stands. Reavis seconded the motion. David All stated there seems to be an unintended comma in (I)

after “counters” and a “when” that should be “where”. Williams stated those grammatical errors can be corrected without amending the motion. Motion carried without opposition.

New Business:

Public Hearing: Council conducted a public hearing to take input to determine whether a building located at 443 East Broadway is considered an unsafe and dangerous structure and should be condemned and demolished. Gary Clark, father of Jason Clark owner of 443 E Broadway, addressed the governing body. Clark stated this was a rental property that was burned in a fire after the tenants moved out. Clark stated electric upgrades have been done but that they cannot get roofers to do the work because it is too small of a project. Clark stated he would like permission to do the roof themselves and put new windows in it so they can close it up and work on getting it rented out. Clark stated that will generate income for Jason Clark and property taxes for the City. Williams asked if they would be able to complete the work in 90 days. Clark stated he could have it closed up in 90 days. S. Jones asked why it has taken 5 years and threats on condemnation for them to take action on the property. Clark stated there has been a lot going on with their family. He stated they have built 3 homes in Wichita and he has had a heart attack and just got a release from his doctor in the last 60 days. Clark stated he is willing to help his son get the work done according to city code. Williams asked Clark if he has a contractor’s license. Clark stated he has an ISO license, but not a city license or insurance.

City Inspector Dan Allen stated that on January 17th he sent Jason Clark a letter giving them the time frame to either fix the property or get rid of it. Allen stated it gave them 30 days to secure the property. He stated the property has never been mowed. Allen stated there was some electrical work, but only a minor part. He stated that to be a viable home it has to be completely done and that Clark cannot do the work unless he has a contractor’s license. Allen stated he can help Clark get in contact with someone in Wichita to help him get his ICC contractor’s license so he can do the work. The class is only four days long. Allen stated he would like the permit to be issued in 30 days because he doesn’t want to let it drag on since there is a lot of work to be done on the property. Williams inquired about the cost of the class. Allen stated it is \$225. Clark stated he has an ICC license. Allen stated that all he has to do is get insurance and he will issue him the permit. Allen stated the Council needs to set a timeline for this. Clark stated he can have the outside secured in 90 days. Allen included that the yard has to be kept up.

Reavis asked if there is a city ordinance in zoning relating to uninhabited or vacant homes and how long they can remain that way. Allen stated there is not. Reavis asked if we are creating a problem with our current ordinances. Allen stated if they clean up the yard and secure the outside it only has to be inspected every six months to make sure they are making progress. Williams closed the public hearing.

Reavis made a motion to approve Resolution 2012-07 declaring the building located at 443 East Broadway as unsafe and a dangerous structure that should be condemned and demolished and giving the property owner 30 days to secure a building permit and begin repairs with repairs to be completed 90 days from the date of publication of the Resolution. Childers seconded the motion. Motion carried without opposition.

Zoning: Reavis asked if the address of the property is correct. Allen stated that the owner was not sure which direction the house will be facing which will determine the final address. For the purpose of this request Allen stated he used the North facing address. Reavis stated that Clubhouse Towers uses 1515 Clubhouse as their address. Allen stated that was the address provided to him by the County for this property. Williams asked staff to double check the address. Malone made a motion to approve Ordinance 2034 changing the zoning classification from Commercial to Residential-3 for 1501 Clubhouse Drive. Childers seconded the motion. Motion carried without opposition.

Equipment Bids: Rawlings made a motion to authorize City Staff to take bids for a slope mower, two sand bag machines, and a front end loader. Malone seconded the motion. Motion carried without opposition.

Kelly/Ohio Project: Malone made a motion to approve the acquisition of a temporary construction easement and permanent public right-of-way from the Bank of the West as part of the Kelly and Ohio Intersection Project. S. Jones seconded the motion. S. Jones stated that Goedecke's drawings reference Mid-Continent Savings and Loan. Keefer stated that was the name listed on the legal documents provided in the survey. S. Jones stated she just wanted to make sure it doesn't cause a legal problem. Motion carried without opposition.

Waste Tire Grant: Williams thanked Brian Alfaro for applying for this grant on behalf of the City. Malone made a motion to approve an agreement with the Kansas Department of Health and Environment for a Waste Tire Grant and authorize the City Manager to execute the documents. Childers seconded the motion. Reavis asked how this works with the grant that Myrna Rogers applied for. Keefer stated these picnic tables will be used in Shryock Park and the ones Rogers applied for will be used in Garvin Park. Motion carried without opposition.

Change Order: Malone made a motion to approve a Change Order Agreement with Westar for the relocation of a power line as part of the Corps Levee Project as well as authorization to reimburse Westar for the relocation of a pole and guide line up to a maximum of \$20,000 also as part of the Corps Levee Project. Huddleston seconded the motion. Motion carried without opposition.

Work Session: Childers made a motion to approve scheduling a work session for Monday, May 14 at 7 PM with Staff to review and discuss the preliminary goals for the 2013 Budget. S. Jones seconded the motion. Motion carried without opposition.

Informational Memorandum:

Williams – Williams welcomed everyone to meet up this Saturday at 9 a.m. at Shryock Park for Give Back Day. Williams stated that staff, governing body members, and representatives from Butler Community College will be there and invited anyone wanting to help or in need of community service involvement show up on Saturday. Williams asked staff if there is anything those attending need to know. Keefer stated just be there at 9 a.m. and the work will be assigned. Keefer stated there is staining work to be done at the Play Park and mulch work for the Butler Community College reps. Keefer stated last year there was work at the Library too. Williams stated that Myrna Rogers asked her to remind everyone of the Town Hall meeting scheduled for this Saturday from 8:00 to 10:00 a.m. at LakePoint Nursing Center.

Final Comments:

Malone – Malone asked for confirmation from staff if the valve under the dam has been closed and if there are any problems. Keefer stated the valve has been closed and he was told there was no drainage as of this morning.

Rawlings – Rawlings stated the lake level has increased 1 to 1 ½ foot over the weekend. Rawlings stated he has been reading the blogs on the Gazette about problems with the property on Robbins. He stated he was also called about a property on Moyle. Rawlings stated he would like to tell people they need to keep their yards cleaned up. He stated this is Spring Clean-up and citizens should take advantage of it. Rawlings stated that as a council there is not a lot they can do about those properties other than let the Inspector's office handle them because there is a certain process that has to be followed. Keefer stated that staff has been working with the owner of the Robbins property for some time and he has made promises that he has not kept. Keefer stated he would not be surprised if that issue doesn't come before the council very soon. Williams asked that Allen provide an update on those

properties. Williams told the public if they know of properties with issues to let us know and we will take those on case by case as much as we can.

Huddleston – Huddleston asked how the low price of natural gas fits in to the generation of electric power versus the purchase of electric power. Keefer stated he will have to check on that. There are several factors that come in to play with that decision. Keefer stated he will provide information in the next council packet regarding that. Rawlings stated that in the past the staff at the power plant would look at that two or three times per week.

Huddleston stated that some time back he brought up issues with the solar lights around the sign at the Airport. Huddleston asked if that is just indicative of those types of lights. Shaw stated that there are two sets of lights up there now but that he cannot say why they don't work all the time. Shaw stated that we've replaced the batteries, had the lights rebuilt, and sent them back and gotten new ones and there are still problems.

Huddleston stated the monthly Safety Department reports show that we spend a lot of money for court appointed attorneys and asked if the restitution payments include the reimbursement of that cost. Huddleston asked what kind of record we have for what those costs versus what we are reimbursed. Mr. All stated that if they are found not guilty they do not have to repay the attorney fees but if they are found guilty or plead guilty that cost is included in their restitution. Keefer stated the State court fees are probably taken out of the restitution first and sent in to the State and if the restitution includes paying for property damage that would be taken out of there second. Huddleston said basically we have to put out the first expense but we are the last to be reimbursed. Keefer stated he would check into this further.

Williams – Williams reminded the governing body of the work session scheduled for Monday, April 23rd at 7 p.m. to review the water study.

Childers – Childers stated he is going to ask Willis Wilson for an electronic copy of the water study and will forward it to those council members that would prefer to have an electronic copy. Childers stated the red light on the southwest corner of Lulu and 7th is out. Childers asked if since the 2010 Census is now out if we should look at re-drawing the ward districts.

Reavis – Reavis stated the Gazette recently reported that the school district contracted with an engineering firm to address the traffic problem at the Middle School and mentioned a partnership with the city. Williams stated this has been brought up before and that the school district was waiting for the city to hire a city engineer. Williams stated the school district hired the engineer firm to do the study to see what recommendations they had and will bring those recommendations to the city. Shaw stated that this project could tie into the Safe Routes for Children program and the grant application could go towards that.

S. Jones – S. Jones inquired about the status of the Garage on Santa Fe. Keefer stated the property owner has started repairing the roof and is about 50% done. S. Jones asked who is responsible for maintaining the content on the Convention & Tourism portion of the website because the information out there is out dated. Keefer stated in the past there has been an agreement that the Chamber of Commerce would maintain that content, but that agreement has expired. Keefer stated he has a meeting scheduled with the new Executive Director later this week and that will be discussed.

Executive Session: At 8:26 p.m. Malone made a motion to enter into Executive Session for 20 minutes to discuss personnel matters of non-elected personnel. Childers seconded the motion. Motion carried without opposition.

At 8:46 p.m. Childers made a motion to exit Executive Session with no action being taken. Malone seconded the motion. Motion carried without opposition.

At 8:47 p.m. Malone made a motion to enter into Executive Session for 5 minutes to discuss personnel matters of non-elected personnel. Childers seconded the motion. Motion carried without opposition.

At 8:53 p.m. Childers made a motion to exit Executive Session with no action being taken. Malone seconded the motion. Motion carried without opposition.

Adjourn: At 8:54 p.m. Malone made a motion to adjourn. Childers seconded the motion. Motion carried without opposition.

City Clerk

CITY COUNCIL
MAY 7, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in regular session on May 7, 2012, with Mayor Kristey Williams presiding. Council present were Matt Childers, Michael Huddleston, Sue Jones, Mike Rawlings, Ron Reavis and Matt Malone. Council members Michael Wallace and Holly Harper were absent. Also present: City Attorney David All, City Manager Bill Keefer, Assistant to the City Manager Josh Shaw, City Inspector Dan Allen, Human Resource Manager Angela Casper, Public Works Superintendent Cy Ricker, and City Clerk Erica Jones. Visitors present were: Kent Bush, Myrna Rogers, Larry Henry, Martin Goedecke, Harold Miller, Ross Rountree, Larry Williamson, Lynn Smith, and Eric Christinat.

Prayer: Pastor Steve Hollingsworth, Central Baptist Church, gave the invocation.

Minutes: Reavis made a motion to approve the minutes from the April 16, 2012 meeting. Childers seconded the motion. Motion carried without opposition.

Appropriations:

April (4A): Reavis made a motion to approve Ordinance 4A in the amount of \$696,582.68. Childers seconded the motion. Motion carried without opposition.

Visitors:

Downtown Augusta, Inc.: Eric Christinat, Executive Director of Downtown Augusta Inc., requested the closure of 400, 500, and 600 blocks of State Street on the evening of Friday, June 8, 2012 for their annual Grasshopper Festival. Malone made a motion to close the 400, 500, and 600 blocks of State Street on the evening of Friday, June 8, 2012 for their annual Grasshopper Festival. Childers seconded the motion. Motion carried without opposition.

Old Business:

Kelly/Ohio Project: Rawlings made a motion to approve Ordinance 2035 authorizing the condemnation of property located at 1501 Ohio for a temporary construction easement and a permanent right-of-way as part of the Kelly and Ohio Intersection project. Malone seconded the motion. Motion carried without opposition.

Fishing: Rawlings made a motion to approve Resolution 2012-08 prohibiting fishing at the Augusta City Lake and Santa Fe Lake until such time that both lakes are restocked and the fish population has been reestablished. Childers seconded the motion. S. Jones asked why no fishing would be allowed. Keefer stated that some bait fish has been put in both lakes but that they will be stocked more when the lake is full. Keefer stated it will take a few years for the fish to become established. Williams stated that the Kansas Wildlife & Parks stated that we would have to wait three years before allowing fishing in the lake. Motion carried without opposition.

Sanitation RFP: Council reviewed and discussed a draft Request for Proposals (RFP) for privatization of the Sanitation Utility. Shaw stated at the joint work session the directive from the council was to put out an RFP comparable to the committee's recommendations. Shaw stated he originally didn't really want it to be so comprehensive but to get a number we could hold them to it had to be. Shaw stated a lot of it closely mirrors the recommendations but that he highlighted the key issues that differed. Shaw stated some of the key questions include what happens to commercial service. Shaw stated that most communities open up commercial service to the free market. Shaw stated it would be difficult to determine that cost. Shaw stated the next question is what would happen to spring cleanup. Shaw stated it was included in the RFP but that we wouldn't really know what it would

look like or entail. Shaw stated another question is what we get in terms of a buyout for our system, which he is leaving open for them to make an offer.

Huddleston stated he thinks Shaw is real close on it, but his question is about commercial service. Huddleston stated that most of the city buildings would be using dumpsters, so couldn't the provider continue commercial service throughout the town since they will already be there. Malone asked if that couldn't be included in the RFP. Shaw stated it could but he has not seen commercial trash included in an RFP anywhere else. S. Jones stated she agreed with Huddleston that if you compare apples to apples you have to include commercial. Jones stated she doesn't want to see several different haulers in town. Shaw stated our dumpster service is a matrix that is broken down by the size of the dumpster and the number of pickups per week. Williams asked if this would be fair to our residents and would it drive the cost up. Shaw stated he didn't know because he has never seen it done.

Huddleston inquired about commercial customers using regular trash carts. Shaw stated the way the RFP is written, those generating residential trash would be included in the RFP. Huddleston asked about residential customers sharing carts and if the city is handling the billing will it remain that each customer pays for trash. Shaw stated that would be an issue to discuss in the franchise agreement. Malone stated to get a true comparison we will have to include commercial. Williams stated there may be a reason why no one has done that before. S. Jones stated if we do not include commercial it is not a full picture comparison. S. Jones stated it would be a liability to the city to have multiple haulers on the streets. Williams stated we can require them to obtain a license. Keefer agreed stating we can require a license and insurance.

Shaw asked the council if they want him to put our matrix out there. S. Jones stated the people answering the RFP can suggest alternatives to our matrix. Childers agreed that we should be all-encompassing. Williams stated the council needs to consider if we ask for bids they can undercut our charges because that is public information. They would be locked into that rate for five years and then they can increase it dramatically. Williams stated at that point we will no longer have our trucks or other equipment and we will be stuck. Williams stated the council needs to be certain they want to move forward with this. S. Jones stated we have the authority to reject any and all bids and that we owe it to the community to show them that we are being smart. S. Jones stated there has to be citizen input on this as it effects the whole city. S. Jones stated she would recommend a town meeting or something similar as trash is a hot topic. Williams stated one good point is that recycling is included in both options. S. Jones made a motion to table the RFP until the committee and staff comes back with a way to include commercial businesses in the RFP. Huddleston seconded the motion.

Reavis stated as a member of the committee he would like input about what the council desires. Reavis stated if we look at what Andover, Valley Center, and other cities have done we can see what they have been charged. He stated that he doesn't think there is going to be anything that will change his mind over privatization or city-owned utility. Reavis stated the committee met and based on several reasons they chose not to recommend privatization. Reavis stated he agrees about a town meeting but disagrees with tabling this because it has drug on for 18 months. Reavis stated he thinks the RFP is a waste of the staff and council's time as we can look at other communities for the information you are wanting.

Huddleston stated he agrees with S. Jones that we need more citizen involvement and more of a general consensus from the community. Huddleston stated he doesn't think we want to look at comparisons just on price, but what one can offer over the other. Huddleston stated any vendor can low ball us, but we just hope they deal with us on a fairly honest level. S. Jones reiterated that if we are going to do this we need to include commercial service. She stated that if put to a vote tonight

she would not vote for the RFP. The issue would die and nothing would be accomplished from the committee. S. Jones stated she agrees with Huddleston it's not just about the numbers. Malone asked why we wouldn't want to have all the facts if we want citizen input.

Williams stated the committee consensus has been that we have a successful trash utility that we can control and have oversight of. Once it is gone we will not have that control. Williams stated there are only two vendors out there. Malone stated he is confused that once we change we can never come back. Malone stated that once we sell, if in two years we wanted to we could use the capital from the sale of our service to take it back. Williams stated there will not be enough funds to do that. Williams stated we could go back but it would be very expensive to do so.

S. Jones called the question. Huddleston seconded the call to question. The call to question passed with Reavis and Childers voting in opposition. The motion to table the RFP did not pass with S. Jones, Huddleston, and Malone voting in favor and Reavis, Childers and Rawlings voting in opposition with the Mayor breaking the tie by voting in opposition.

S. Jones stated we have to address the commercial side. Reavis stated if S. Jones only issue is adding our commercial matrix to the RFP he wouldn't be opposed to that. Shaw stated he would not know what an RFP with commercial service on it would look like but that he could add a page to the RFP with our matrix.

Ross Rountree, former Mayor and Sanitation Committee member addressed the governing body. He stated that when he owned the Dairy Queen in Andover the cost of commercial trash service was about \$400 per month, twice the amount they paid in Augusta with only one pickup per week. Rountree stated privatization will cost businesses a lot more than they are paying now. Malone asked Rountree if he would suggest the council include commercial numbers so if it were to be a lot more we could choose not to go with them. Rountree stated that he could see that but he could also see that increasing the cost of residential service. Rountree stated this process started 18 months ago with the committee meeting with city staff and over the course of the discussions the committee felt keeping the utility with the City was the way to go. Rountree stated the council then asked the committee to draft an RFP. Rountree stated the committee still feels keeping it is the way to go because if not we would lose total control over our sanitation services. Rountree stated our sanitation workers want to continue to do it and that they can do it with the right tools. Williams stated the comments we get about our sanitation workers are really positive.

Reavis inquired about the time frame for an RFP. Shaw stated that is governed by State statute. Shaw stated we have 30 days to get the bids but the negotiation process is open-ended. Once the contract is negotiated a public hearing has to be conducted in 10-14 days showing the side by side comparison. Shaw stated if the City can provide the service for the same or less cost than it cannot be privatized. Reavis stated we should be able to get enough facts off the RFP before the negotiation process that we can take those numbers to the public for input. Shaw stated the negotiation process is not about pricing, but on the services and how they can work.

Huddleston stated if the RFP is going to have the company picking up all of the city trash in commercial dumpsters he doesn't see why they can't put the numbers in for other commercial businesses in the same vicinity. Malone made a motion to approve the RFP as presented but attaching the city's commercial matrix and bringing it back to the council for approval. S. Jones seconded the motion. Motion carried with Reavis and Childers voting in opposition.

New Business:

Public Hearing 1210 State Street: Malone made a motion to approve Resolution 2012-09 scheduling a public hearing for June 18th at 7 p.m. to take input on whether a building located at 1210 State Street should

be considered an unsafe structure and ordered to be condemned and demolished. Childers seconded the motion. Motion carried without opposition.

Public Hearing 1627 Robbins Street: Harold Miller, owner of 1627 Robbins Street, addressed the council. Miller stated this issue has been hashed and re-hashed in the newspaper for some time and a lot of what has been said is untruths. Millers stated he has not been in the best health recently and that along with bad luck, a structure fire, and the passing of his wife has put a lot of emotional stress on him. He stated neighbors have harassed him repeatedly including flattening tires, egging vehicles, breaking windows, and he wishes the harassment would stop. Miller stated the home suffered slight damage when the city power caused a fire and the fire department had to put holes in the roof to put out the fire. Miller stated the structure has been locked and secured since and that the reports of rodents are an absolute lie. Miller stated he is not asking for pity, but is asking for a consideration of all of these difficulties. Miller stated the property on Broadway has been an issue for five years and is asking for that same consideration.

Childers asked Miller if the pictures on the overhead were pictures of his residence. Miller stated they are. Reavis asked Miller if he doesn't feel that the house is unsafe. Miller stated it is not unsafe, but it isn't livable. Reavis stated this property has been a discussion of the council for some time and that it has been the reason for several ordinances over the past. Reavis asked Miller if he has a fire background. Miller stated he does. Reavis asked him if he would send someone into the structure if it were on fire. Miller stated it would depend on where the fire was. Reavis stated he has been in the structure and that it is deplorable. Reavis asked how long ago Miller moved out of the residence. Miller stated two years ago. S. Jones asked if Miller has been sick the last six months, why he didn't do anything the 18 months prior to that. S. Jones stated this has been an issue for 12 years and that his neighbors are tire of looking at it and the city is tire of looking at it. S. Jones stated she has no sympathy for Miller. Huddleston asked why there are so many vehicles at this location and stated if they are valuable Miller should do something with them.

Childers made a motion to approve Resolution 2012-10 scheduling a public hearing for June 18th at 7 p.m. to take input on whether a building located at 1627 Robbins Street should be considered an unsafe structure and ordered to be condemned and demolished. Malone seconded the motion. Motion carried without opposition.

Zoning: S. Jones made a motion to approve Ordinance 2036 reclassifying the zoning district for a tract of land located within our Growth Area at 10257 SW River Valley Road from Agricultural-2 (A-2) to Residential-6D (R-6D). Huddleston seconded the motion. Motion carried without opposition.

Personnel Manual: Council considered approval of the City of Augusta's Personnel Manual. Angela Casper stated the recommended changes were listed in her memo. Malone stated he would like to have the manual re-printed with the changes so he could compare it to his copy. Huddleston made a motion to table the discussion of the City of Augusta's Personnel Manual. Childers seconded the motion.

S. Jones referenced the political activity section on page 37 and stated she was disappointed there were no changes to the working between partisan and non-partisan elections. S. Jones stated it seems to be curtailing freedom of speech, and limiting the discussion of personnel issues. Keefer stated that the discussion during the work session was that nothing prohibits them from putting a sign in their yard. S. Jones stated section "D" states "...or take an active part in campaigns" which hampers freedom of speech. S. Jones stated that employees are still citizens. Williams stated she thinks the purpose of this is to protect employees from feeling like they have to put a sign in their yard for a member of the council because they feel if they don't it could impact their position. Williams asked if there is a consensus to allow employees to put up election signs for the council. Rawlings stated he agrees with Williams that it would put undue pressure on the

employee. Malone asked who on the council would solicit that from an employee. Williams stated it isn't about the current council, but future councils. Reavis stated his opinion is to leave it as it is. Reavis stated it could place an employee in a situation that might not be the best and he thinks this decision would be in the employee and council's best interest. Huddleston asked about school board candidates. Williams stated city employees don't work for the school board so they would be able to display those signs in their yard.

Shaw stated this policy closely mirrors the ICMA Code of Ethics for City Managers and it is recommended for the same reason and purpose, to protect employees. Huddleston asked if we can prohibit political freedom of speech. David All stated we can under certain conditions. Williams stated they can put up signs for any other political campaigns other than the City Council. Williams asked Mr. All to look into the legal aspects of that. Childers stated he has been approached by employees about not being able to put up political signs and that he didn't really know why they couldn't, but that he understands the conflict now. Childers stated he would be interested to see what other cities do. The council came to a consensus that they would like staff to look into both items on page 37 further.

Huddleston addressed the Acknowledgement of Employee at Will and stated that we don't really have any contracts with the City Manager and asked if "and approved by the City Council" should be included. Mr. All stated that the business of hiring and firing is the business of the City Manager and would not think that needs to be in there. Huddleston stated during the work session there was a long discussion about at-will employment. Mr. All stated it is not the council's domain to be involved in the personnel manual and that we do not want the personnel manual to grant an employee more rights than they have by law. S. Jones stated she thought it had to do with the fact that if there is a contract that specifies other employee related rights, the council wanted to review the contract before it was extended. Mr. All stated he doesn't know of any city that would want to remove employment at will. Huddleston asked if the council wants the city to be at-will and the City Manager signs a contract, will that violate the will of the council. Mr. All stated there could be an occasion where an employee may request a contract and there may be a reason for doing it. Huddleston asked why then the council cannot request to review the contract? Mr. All stated the City Manager has all prevue over personnel matters. S. Jones asked if there are any employees under contract. Keefer stated he is the only one and that it is not the norm for employees to have a contract. Reavis stated if it is not the norm then he doesn't see any reason not to add "and approved by the City Council". Rawlings stated the only circumstance he could see to put someone under a contract would be if the city hired a vendor or consultant to do work for the city. Huddleston stated if the City Manager chose to have a contract then he would think the council would want to review it. There was a consensus to take the contract section out of the manual.

S. Jones inquired about the disciplinary process on pages 51 and 87 and asked if not having an appeal process stands up with the disciplinary process. Casper stated the disciplinary process is still in place but the removal of the appeal process means that they cannot request a hearing with the City Manager. Huddleston inquired about "eligible employees" on page 57. Casper stated they become eligible after they have been employed for two months and that is stated in the benefit section of the manual.

Huddleston asked if someone resigns in good standing why would we require them to state a reason for leaving. Casper stated if the City Manager needs to determine if they are leaving in good standing he would need that information. Keefer stated if they give two weeks notice he would not need a reason because they would be considered in good standing, but if they quit early without providing a reason they would be considered not to be in good standing. Huddleston asked if they do not leave in good standing, does that mean they will never be eligible for re-hire. Keefer stated that

information is kept on file and they would not be re-hired. S. Jones stated that is pretty common. Motion carried to table with no opposition.

KDOT: Larry Henry with MKEC stated the State authorizes KLINK projects each year covering 75% of the project cost up to \$200,000. Henry stated that the State is willing to hold off on the city's projects for a year or two so we can combine several years' worth of project funds so we can complete all of the 7th Street KLINK projects at once. Henry stated he asked KDOT to link three KLINK projects together allowing for \$600,000 in State funds with the rest being funded by the City. Reavis asked when fiscal year 2013 starts. Keefer stated it will start in July 2012. Keefer stated we will bank this project with last year's project and combine it with next year's to do the project in 2014 for fiscal year 2015. Henry stated another method for funding is a Geometric Improvement project. Henry stated that KDOT has said our project will be eligible for this type of funding, which KDOT funds 90% of the project up to \$800,000. Henry stated there is a benefit to do it as a whole. The City could construct the entire project with \$800,000 in State funding for the Geometric Improvement project, the City funding of \$250,000, and using KLINK money that has been banked towards the city's local share. Keefer stated the upfront engineering would be at our cost but the construction could be 100% funded. Henry stated under a Geometric Improvement project, the engineering costs are included in the funded amount.

Rawlings made a motion to approve an agreement with KDOT for a FY2013 KLINK project for repairs to the eastbound lanes of 7th Street between Walnut Street and School Street. Malone seconded the motion. Motion carried without opposition.

Malone made a motion to approve an application to KDOT for a FY 2014 KLINK project for repairs to two sections of the eastbound lanes of 7th Street. Childers seconded the motion. Motion carried without opposition.

Childers made a motion to approve an application to KDOT for a FY 2015 Geometric Improvement Project for the eastbound lanes of 7th Street between a point 280 feet west of Walnut Street to the bridge decking on the overpass. Malone seconded the motion. Motion carried without opposition.

Williams asked when we will know about the Geometric application. Henry stated in a couple of months. Reavis stated there are portions of that road that won't last three years. Keefer stated there will be some major patching that we will have to do between then and now.

Dike Road: Council considered approval of an agreement with Butler County for the vacation and relocation of Dike Road between Kelly Avenue and Highway 54. S. Jones stated she understands and supports the vacation but that she doesn't understand the engineering costs. Goedecke stated the first plans requested a 24 foot roadway with 3 foot shoulders. Goedecke stated those plans were submitted to the County and after the County Engineer reviewed them they decided the County would pay an additional \$50,000 to widen the road to 40 feet. Goedecke stated he drafted and submitted those new plans. At the time the County did not want to pay to straighten the road at 54 Hwy but the State stepped forward saying they would pay for the straightening and widening of the road. Goedecke stated the scope of the project has changed from where we started and that he already drafted two sets of plans and this is now a new project. S. Jones stated that if he didn't complete the work for Thunder Road to 54 Hwy then why is he requesting to be paid in full. Goedecke stated he is not asking for that. S. Jones stated there is \$2,000 left on the original contract because he didn't finish Dike Road. Malone stated he thinks the issue is in the way the request is being presented. Instead it should state that he is using the leftover \$2,000 to put towards a project totaling \$19,204. Goedecke agreed and stated he is asking for \$19,204 for the additional design. Rawlings stated if we did not give him the \$2,000 credit then he would have been asking for \$19,204. Rawlings stated that as a

contractor he can say that all architects and engineers look at the contract amount now what is being paid. It is just a different way of looking at it.

S. Jones stated the contract talks about KDOT providing traffic control and asked why there is a lump sum traffic control in the estimate. Goedecke stated that KDOT will provide traffic control while they are doing their portion of the construction, but that the City will have to provide traffic control for its portion adjacent to the KDOT work for the city's contractor. S. Jones stated these are all based on unit price so the amount could go up or down. Goedecke stated this is an estimate not a bid and the construction will be two years from now. Keefer stated tonight we are asking the council to approve the agreement which includes agreeing to this new project will add cost to the engineering and construction. Keefer stated that Goedecke's fees will come back to the council for review in the future.

S. Jones asked if the County will not vacate the road unless we approve the new intersection. Keefer stated the County has resolved that they want the road straightened out and widened to take advantage of the KDOT project. S. Jones asked if it is worth \$377,000 to do this. Malone asked if we will have to acquire more property. Keefer stated we will not. Reavis asked why he feels like we are being taken advantage of. Keefer stated this will be to our advantage down the road. Shaw stated the biggest reason for the cost change is the new embankment requiring more dirt. Rawlings made a motion to approve an agreement with Butler County for the vacation and relocation of Dike Road between Kelly Avenue and Highway 54. Childers seconded the motion. Motion carried without opposition.

BNSF Railroad: Malone made a motion to approve a Cost Reimbursable Agreement with the BNSF Railroad for the Levee Improvement Project and authorize the Mayor to execute related documents. Childers seconded the motion. Motion carried without opposition.

Special Assessments: Malone made a motion to schedule a public hearing on May 21st at 7 pm to consider objections to special assessments for improvements within Belmont Place 3rd Addition and Stone Lake Estates Addition Phase III; to cause the City clerk to publish the Notice of Public Hearing in the official city newspaper not less than 10 days prior to such public meeting date; Mail the Form of Notice of Hearing and Statement of Cost Proposed to be Assessed to each and all owners of property affected by such assessments at their last known post office address on the same date as the publication of Notice of Public Hearing; and File each of said documents of record in the office of the City Clerk and make the same available for public inspection. Childers seconded the motion. Reavis stated the notice says the hearing will be at 7:30 p.m. E. Jones stated she will make sure that is corrected. Motion carried without opposition.

Easement: Reavis asked where the easement will be in the new realignment. Keefer stated it will be adjacent to the new road. Reavis asked if it will be under the new road and Keefer stated it will not be. Rawlings made a motion to approve a Telephone/Communication Utility and Drainage Easement along the current Dike Road between Kelly Avenue and Highway 54. Childers seconded the motion. Motion carried without opposition.

Fee Schedule: S. Jones asked if there is any breakdown of how many parties there were at each of the three levels. Shaw stated he did not have that information. E. Jones stated she could provide that information. Malone asked if the party amounts were changed last year. Shaw stated they were. S. Jones made a motion to approve Fee Schedule Resolution 2012-11 implementing new fees for the Municipal Swimming Pool. Childers seconded the motion. Motion carried without opposition.

Appointments: Reavis made a motion to approve the Mayor's annual appointments to the various boards and committees of the City. Childers seconded the motion. S. Jones stated that in the year she has spent

on the council she's been convinced that we need active energetic members serving on our committees. S. Jones stated these are all re-appointments and we are not bringing on any new blood. S. Jones stated the Convention and Tourism Board (CTB) by Ordinance is to be appointed by the council and she would like to find out if the Park Board belongs to the council as well. S. Jones stated she would like the CTB to be re-evaluated by the council because there hasn't been any CTB to promote our community, businesses, and events. Williams agreed it is good to have new individuals on boards. Williams stated she looks to the Library Board for their recommendations for appointments and as far as the CTB she thought it was her responsibility to appoint its members. S. Jones stated by Charter Ordinance they are to be appointed by the governing body. Williams stated if the CTB was established by a Charter Ordinance and the Park Board established by an Ordinance and they state the council makes the appointments then that is fine. Williams stated the Park Board recommended Myrna Hand as an appointment and she had already discussed an appointment with Trina Hand who is very active in the community and was involved in the discussions about a recreation commission. Williams stated the appointments for the CTB and Park Board can be taken off the list or you can vote as they are recommended. Williams stated if the governing body rejects an appointment they have to issue a resolution stating why the person is unqualified or not fit to serve on a board. Motion carried without opposition.

Childers stated that it seemed to him that there has been some discussion prior to the meeting perhaps to ambush the mayor about this issue. Childers stated if council members spoke about this prior to the meeting they could have discussed it with the mayor as a courtesy instead of waiting until further discussion on the issue. S. Jones stated that given where we are and where Keefer is working with the Chamber on the CTB contract, we would serve ourselves well to step back and re-evaluate this list. S. Jones stated she has no problems with anything else on the list, including the Park Board, except the CTB to see if we can find anyone better.

Williams stated the money to bring in tourism comes from people staying overnight in our hotels. Williams stated there are some issues as to why that hasn't been successful but that it doesn't have anything to do with the volunteers. Keefer stated there are some specifics about how the positions have to be filled. Keefer stated our hotel owner has shown little to no interest in being involved, which is a challenge because two of the nine members have to be from hotel owners. Keefer stated four members are at large and two have to represent the Cultural Attractions and Arts. Childers stated that four of the nine are people who have been appointed since he resigned when he was elected to the council. Williams stated in the past she has looked to the Board for their recommendations. Keefer stated that the Board representatives that are most important, hotel owners, don't show up for the meetings.

Williams stated she is not offended at all if she shouldn't be doing these appointments and if the council has other ideas she would accept those. S. Jones stated there are other people in town that could represent the Arts. S. Jones made a motion to extract the CTB from the approved appointments and bring those back to the council with recommendations. Childers seconded. Motion carried with Huddleston voting in opposition.

Huddleston stated the Park Board met early in April and at that time they considered appointments. Huddleston stated in that discussion they voted and recommended Myrna Roger's appointment to the Park Board. Huddleston stated the mayor recommended two appointments including Rogers and Trina Hand. Huddleston stated there aren't any set number of board members for the Park Board and if we start adding members this increases the quorum to five. Huddleston stated raising the number of board members raises the quorum. Williams stated that is interesting because she made the same argument for the Main Street Design Committee when she recommended decreasing the members to five and Huddleston wanted nine so we left it at nine. Williams stated she didn't realize

that the Park Board appointments were outside of her requirements and she had already spoken to Trina prior to the recommendation from the Park Board.

Childers made a motion to designate the Augusta Gazette as the City's official newspaper. Reavis seconded the motion. Motion carried with Huddleston voting in opposition.

Childers made a motion to designate Emprise Bank as the City's official depository. Reavis seconded the motion. Motion carried without opposition.

Informational Memorandum:

S. Jones – S. Jones inquired about the status of 443 Broadway. Dan Allen stated they have not started the work yet, but they pulled the permit within the specified time frame.

Childers – Childers asked if staff has a good idea when we will start the levee project. Keefer stated we do not have an exact date for when they will turn dirt, but he hopes the construction begins this summer. Keefer stated having the agreement with the Railroad approved this evening puts us in good shape with the real estate acquisition.

Final Comments:

Huddleston – Huddleston stated the appropriation ordinances are summarized by fund at the end and asked if the council could also get a breakdown of how much is budgeted by fund and how much has been spent. E. Jones stated that information is provided in the monthly financial report. Huddleston stated when he compares the appropriation ordinances to the monthly financial reports they do not match up. E. Jones stated there are transfers and journal entries made monthly that do not show up in the appropriation ordinances but do show up in the monthly financial reports. Keefer stated these two reports will never exactly match up for that reason. Huddleston stated if the fund number were included in the monthly financial reports it would be easier to compare. E. Jones stated that could easily be added.

Williams – Williams reminded everyone that next week is National Law Enforcement Officer's week and there will be a breakfast on May 16th from 7 a.m. to 8:30 a.m. at the Augusta Middle School to honor our local law enforcement officers.

Reavis – Reavis inquired about the portable sign in front of the Plaza. Allen stated he has asked them to remove their letters twice now. Reavis inquired about a sign in front of one business advertising another business. Allen stated it is only prohibited if it is a portable sign. Reavis stated there have been some drainage issues in the lot by the t-ball diamond with the recent rains. Keefer stated he would have it looked at.

Williams – Williams reminded the council of the budget work session scheduled for May 14th at 7 p.m.

Adjourn: At 9:56 p.m. S. Jones made a motion to adjourn. Childers seconded the motion. Motion carried without opposition.

City Clerk

CITY COUNCIL
MAY 21, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in regular session on May 21, 2012, with Mayor Kristey Williams presiding. Council present were Holly Harper, Matt Childers, Michael Huddleston, Sue Jones, Mike Rawlings, Ron Reavis and Matt Malone. Council member Michael Wallace was absent. Also present: City Attorney David All, City Manager Bill Keefer, Assistant to the City Manager Josh Shaw, Human Resource Manager Angela Casper, Public Works Superintendent Cy Ricker, and City Clerk Erica Jones. Visitors present were: Kent Bush, Myrna Rogers, Terri Colby, Linda Parsons, Carl Livesay Jr., Elva Milbourn, John Black, Tony Madrigal, Kent Overaker, Jean Donaldson, Shannon Harrison, Greg Harrison, Doug Marr, Martin Goedecke, Eric Grooms, and Darren Lypford.

Prayer: Pastor Steve Hollingsworth, Central Baptist Church, gave the invocation.

Minutes: Huddleston stated the last sentence on page 8 should state "...so we left it at nine." Reavis made a motion to approve the corrected minutes from the May 7, 2012 meeting. Harper seconded the motion. Motion carried without opposition.

Appropriations:

May (5): S. Jones asked if the payment to Land Acquisitions is the final payment. Keefer stated it was but that we are holding the check until all the paperwork has been turned in. Malone inquired about the credit card charges for Las Vegas. Keefer stated that Captain Relph and Detective Stueven went to Las Vegas to follow up on an investigation. Huddleston inquired about the payment to Hinkle Law firm being paid out of Electric Administration. Keefer stated it was for the condemnation with the Ohio/Kelly Intersection project and that he would check in to why it was paid out of Electric Administration. Reavis made a motion to approve Ordinance 5 in the amount of \$766,100.28. Malone seconded the motion. Motion carried without opposition.

Visitors:

EMC Insurance: Tony Madrigal with Madrigal & Welch Insurance presented the City with our annual dividend check in the amount of \$13,280 from EMC Insurance.

WFO Guys Car Club: Corky Cook requested the use of the downtown for the annual WFO Guys Car Club car show on Saturday, August 4, 2012. Rawlings made a motion to approve the use of the downtown for the annual WFO Guys Car Club and car show on Saturday, August 4, 2012. Huddleston seconded the motion. Motion carried without opposition.

Old Business:

Convention & Tourism Committee: S. Jones stated she had one of the proposed re-appointees visit with her at length. S. Jones stated she thinks that we need to be cognizant that there needs to be better leadership from the committee and the Chamber. She stated there has been frustration on the part of committee members with not having a quorum and not knowing what needs to be done. S. Jones encouraged the Chamber and committee members to take it seriously as the City has committed funding for the Convention & Tourism Bureau each year and has contracted with the Chamber for their services. S. Jones made a motion to reappoint DeAnn Triboulet, Shannon Hettenbach, and Steve Cannaby to the Convention and Tourism Committee. Childers seconded the motion. Motion carried without opposition.

Personnel Manual: The Council considered approval of the City of Augusta's Personnel Manual. Angela Casper stated there was some confusion after the last meeting about what was wanted with regard to the reference about employment contracts. Williams stated she thought the consensus was that the

At-Will references would stay but the Council wanted to insert "...contract **reviewed and approved by the City Council and** signed by the City Manager." Huddleston stated that Mr. All said that state statute gives the City Manager the authority to negotiate a contract. Keefer stated he thought Mr. All said that state statute gives the City Manager all oversight of personnel matters, and that precluding him from offering a contract to someone would violate that statute. Williams stated she would not want "reviewed by the City Council" removed from the verbiage.

Reavis stated he thinks that if we have a prospective employee we want to hire and any little thing needs to be brought to the Council for approval, it could prolong the process and we could potentially lose a candidate. Reavis stated we trust and pay the City Manager to hire, fire, and promote. Williams stated the employee could start working under At-Will and then the Council could review the contract. Williams stated she doesn't think we would risk losing an employee.

Huddleston stated that there are other places in manual that points out the City is an at-will employer and this would firm up that no one in the organization can change that without governing body approval. Keefer stated there are things such as relocation expenses that he negotiates with prospective employees and that he doesn't consider that to be something like an employment contract. Williams stated she thinks those are two separate things. Huddleston agreed. Keefer stated he wanted to make sure it was clear that he has the authority to do that and other benefits without council approval. Williams stated this has nothing to do with Keefer's ability to negotiate employment and would not change anything from the way he has done it in the past. Malone agreed. Rawlings stated he fully trusts the present City Manager but that he doesn't know that the next City Manager could be that trust worthy and he is thinking of the future when he concurs with the proposed change. There was a consensus to make the change by adding "reviewed and approved by the City Council".

Williams referenced the section pertaining to elections and stated employees would still be able to campaign for elections for the School District, State, and County, but not for City Council elections. Huddleston stated removing the Hatch Act was a good idea. Casper stated the section about employees contacting members of the City Council is pretty consistent with what other cities are doing. Harper inquired about the reference to a Code of Ethics and Code of Conduct for the governing body. Casper stated that other cities have policies for their governing bodies that prohibit contact with employees in their Code of Conduct or Code of Ethics policies. Williams asked what other cities have a Code of Ethics. Casper stated Andover has a really good one. Williams asked if the council was interested in seeing examples of those policies. The consensus was yes. Reavis and made a motion to approve the City of Augusta's Personnel Manual. Childers seconded the motion. Motion carried without opposition.

Sanitation RFP: Council reviewed and discussed a draft Request for Proposals (RFP) for privatization of the Sanitation Utility. Shaw stated that per the council's direction, language was added for commercial service and the City's matrix was included in the RFP. Shaw stated the recommended schedule meets the statutory requirements and would get the numbers back in time for the budget discussion.

Greg Harrison, 1201 Money Lot #94, addressed the council. Harrison stated he had a couple of questions about the decision to privatize. The first was would it be a local company. Harrison stated he moved here three years ago and everything he has seen encourages you to "buy Augusta", but if this is outsourced it will take money out of Augusta as the sanitation employees live here and spend their paychecks here. Williams stated there are only two companies who will bid on the RFP and they are Waste Management and Waste Connections. Childers stated they are based out of Texas. Harrison stated he works for the City of Wichita. He stated he would hate to see people who have pride in their community lose their jobs and bring in people who don't care about this community.

Doug Marr, 315 E. Broadway and former Ward 1 council member, stated he was surprised to get a visit by someone that will be affected by the council's decision tonight. Marr stated that some decisions being made are near sighted. Marr stated we will lose the recycling program that people are really supportive of and lose customer service. Marr stated we have pickups six days a week regardless of weather. Marr stated his biggest concern is the loss of hard working people. Marr asked the council to support the people and attack the problem. He stated he doesn't think that the RFP or any discussion is going to come close to uncovering the hidden costs such as those related to civic activities. Marr again asked the council to support the people and give this serious thought before putting out the RFP. Williams stated there is a strong commitment to the recycling program and there will continue to be a recycling program regardless of whether it stays a city-owned utility or a franchised utility.

Carl Livesay Jr., 1510 Ridgewood, asked the council what they are going to do with the people who handle the trash service now. Are you going to retrain them and find them other jobs? Livesay stated if we have problems with the trash service now we deal with people who are here in town. Livesay you are not just dealing with sanitation, but with people too. They know the neighborhood and the people. Livesay it would be really easy for a trash person to steal your ID. Livesay stated these people spend their money here and asked what we're going to do if they are outsourced and if there is a sanitation emergency.

Terri Colby, 711 Smiles #304, agreed with what Livesay said and said she wanted to be here to show her support for the sanitation guys. She stated we have a really good sanitation department.

Gary Rogers, 1135 Euclid, stated that the partial reason for him moving here was that the city owned the trash and electric utility which keeps money here. Rogers stated he had a special pickup one time and the city was there in 30 minutes to pick it up. Rogers asked what would happen in that situation if it were outsourced outside of Augusta. Rogers stated the sanitation department is polite and friendly and he appreciates what they do. He stated we have a good recycling program and that he would like to see it enhanced. Williams stated the plan is to have single stream curbside recycling. Rogers stated his main thing is to keep these guys working.

Williams stated we do know what other communities around us are paying for their trash service, but it is up to the council to make a motion on what to do. Reavis stated as a member of the committee made up of citizens, he doesn't think we have anything to gain by sending out an RFP. Reavis stated he also thinks the RFP was clouded with commercial service was added to it. Reavis made a motion to not send out the RFP. Childers seconded the motion. Childers spoke to the sanitation employees present and stated he was not in favor of outsourcing their jobs. He stated he could not look them in the eyes and do that. Childers stated he knows if he has a problem with his trash service he can dial a phone number that starts with 775. Malone stated he doesn't want to outsource the trash, but that he wanted to send out the RFP to get all the facts to make sure we are pricing it correctly.

S. Jones stated it has been several months since the initial discussion by the committee and asked what the city will need to do to move forward with this. Shaw stated this opens up a couple of different options. Shaw stated the committee recommended moving to a system that closely mirrors the City of El Dorado. He stated it is an automated system with curbside single stream recycling. Shaw stated there was a price thrown out there to cover all those costs but it would be subject to change. Shaw stated if cost is an issue, the other option was to maintain it as is but make adjustments to the pricing and make smaller changes to the existing service. S. Jones asked Shaw if he remembered the price tag. Shaw stated it was \$14.50 per month. S. Jones asked if that is only for residential service. Shaw stated it would be for residential and commercial businesses with household waste that could fit in the roll-off but that commercial dumpster rates would be separate.

S. Jones asked if that would cover the costs. Shaw stated it would. Keefer stated we would not be able to make all the changes at once.

The motion to not send out the RFP carried without opposition.

New Business:

Public Hearing Special Assessments: The public hearing was closed by the Mayor after no one came forward to comment.

Rawlings made a motion to approve Ordinance 2037 levying special assessments on certain property for intended improvements in Belmont Place Third Addition and Stone Lake Estates Phase Three. Malone seconded the motion. Reavis asked why there are no fees in some lots. Keefer stated that based on proximity they may already be paying for improvements on another phase. Reavis asked if it is normal to give extensions and delay the repayment. Keefer stated it has happened on occasion. Keefer stated in the first two years of the process it was six months before the construction started. Keefer stated we have tried to work with developers to help them until the homes are sold, but ultimately the assessment and interest will go back against the property. Keefer stated we now have 20 year specials. Reavis stated he feels sorry for the property owners. Eric Grooms, representing Augusta Developers, stated that it is not atypical to extend temp notes and that surrounding communities do this too. Grooms stated the City of Augusta does this up front where others do it later. Grooms stated that homeowners are informed of the specials when they buy a lot and are given an estimate of what those will be. E. Jones stated she mailed notices to all property owners and only heard back from one with questions. Grooms stated the specials can be paid off early to avoid paying the interest. Motion carried without opposition.

Bids: Reavis made a motion to approve the bid from Murphy Tractor for a new wheeled loader in the amount of \$117,982. Malone seconded the motion. Huddleston asked if we have to pay sales tax on this purchase. Keefer stated we are exempt from sales tax. Huddleston asked if we are transferring the old one to the Electric Department is that a way of getting around paying sales tax on it. Keefer stated that was not the intent. Motion carried without opposition. S. Jones asked when we will get the loader. Ricker stated in one month.

Rawlings made a motion to reject the bids for the HVAC System at Power Plant #2. Harper seconded the motion. Motion carried without opposition.

LWCF Grant: Williams stated we will know by late summer if the application was successful and thanked Myrna Rogers for her work on the grant application. Rawlings made a motion to authorize the submittal of a LWCF grant application to the Kansas Department of Wildlife, Parks and Tourism for playground improvements to Garvin Park. Malone seconded the motion. Reavis stated his concern is designating the \$100,000 in non-committed funds in the 2012 Capital Improvement Fund. Reavis stated we just went through a budget meeting a week ago and this \$100,000 could go a long way to addressing those items. Williams stated the one to one match is a great deal and would double our money. She stated she believes this is a good investment. Reavis stated he is all for the parks and playground, he just thinks the \$100,000 could go a long way to address other issues. Motion carried without opposition.

Engineering Services: Malone made a motion to approve an amendment to the Engineering Services Agreement with Goedecke Engineering for the relocation of Dike Road. Childers seconded the motion. Motion carried without opposition.

Kelly/Ohio Project: Rawlings made a motion to approve the revision to the Kelly & Ohio intersection Project for a drive entrance into the Dillons' parking lot. Harper seconded the motion. S. Jones

inquired about the design costs to do this. Williams stated that Dillons may contribute to the additional design costs. Keefer stated that was correct. Martin Goedecke stated there will be some additional cost, but it is not substantial. Goedecke stated all the other properties have driveways put in to them and he would estimate the additional construction would be under \$1,000. Goedecke stated the changes to the plans and copies that will have to be sent will come up to a little over \$1,000. Goedecke stated Dillons has agreed to pay for the additional engineering. Huddleston asked where the new drive will be in relation to the existing one. Goedecke stated it is in the same place as the current one and there will be no change to the north drive. Motion carried without opposition.

Corps Levee Project: Reavis made a motion to authorize the use of funds from the City's Cost Reimbursement Account for the required local match for modifications to the Corps Levee Project. Childers seconded the motion. Motion carried without opposition. Keefer stated if there is interest from the governing body to have an official ribbon cutting for the levee project, the Corp will bring officials to participate. The consensus from the governing body was to have a ribbon cutting. Rawlings asked if anyone was opposed to asking former council members involved in this project to participate. No one objected.

Safe Route to Schools Grant: Malone made a motion to approve Resolution 2012-11 Supporting the City of Augusta's and USD 402's Safe Route to Schools Grant Application. Childers seconded the motion. Motion carried without opposition.

Grants: Rawlings made a motion to approve a Convention and Tourism Bureau Grant for Downtown Augusta, Inc. in the amount of \$100 for their Women's Fair. Childers seconded the motion. Motion carried without opposition.

Malone made a motion to reject a Convention and Tourism Bureau Grant application for Downtown Augusta, Inc. for their Grasshopper Festival due to the postponement of the event. Huddleston seconded the motion. Motion carried without opposition.

Informational Memorandum:

Malone – Malone asked if there had been any change to Item #2 relating to the repayment of the Pro Coater's loan. Shaw stated they are now only one \$500 payment in arrears.

Reavis – Reavis asked if the bids for the water tower bypass project are for the million gallon water bypass not water tower. Keefer stated that was correct.

Final Comments:

Rawlings – Rawlings stated he drives throughout the County and other communities and our roads in town seem to be better than others. Rawlings commended the Street Department for their work. Reavis stated he has driven on brick streets in other communities and theirs are just as rough as ours.

Huddleston – Huddleston asked if there is a Main Street Design Committee meeting tomorrow. Keefer stated there is. Huddleston asked where staff is on researching the sign ordinances in other communities. Keefer stated Downtown Augusta Inc. gathered a lot of info for us and Susan in Inspection in compiling that information to present to the Council. Huddleston asked how long that would take. Keefer stated it would probably be 30 days or so. Keefer stated Huddleston was supposed to be compiling some questions. Huddleston stated he would get those to staff.

Harper – Harper stated there are still a lot of folks watering and washing their cars and asked if there is a way to notify those who don't get the newspaper or watch channel 7. Williams inquired about a post card notifying them of the restrictions. Williams asked if we should be considering the conservation fees again. Keefer stated we have peaked out at 2.5 million gallons with two water sources. Keefer

stated we are using about 600,000 to 700,000 gallons per day from Santa Fe Lake with the rest coming from El Dorado. Keefer stated we are watching it closely. Malone asked how much usable water there is at the City Lake. Keefer stated we are doing some checking on that but we are not able to take a lot. Williams stated we may want to look at the usage and conservation rates at the June 4th council meeting. Childers stated he couldn't find the conservation information on the city website very easily. Keefer stated staff would make it more prominent.

S. Jones – Jones asked when there will be a follow up on the discussion with Willis Wilson a few weeks ago regarding the water study. Keefer stated the goal is to have updated information for the governing body at the June 4th meeting.

Harper – Harper stated there are big branches in the street on the south end of town and asked if that is the homeowner's responsibility or the city's. Keefer stated it is the homeowner's responsibility, but if there is a big weather event that causes several limbs to be down the city will generally assist in removing those.

Huddleston – Huddleston asked what the city did for water prior to the lake being built. Williams stated they used wells. Huddleston stated in the materials that Myrna Rogers researched for the grant it showed that Garvin Park was dedicated or named back in 1932 and that was after the lake property was condemned. Keefer stated that years and years ago the majority of the water came from the Walnut River. Keefer stated he had been told the ground water was not sufficient enough to support large pumps. Keefer stated there are still some water rights that exist along the river, but since it has not been used in a number of years it is probably no longer a right that can be used.

Reavis – Reavis inquired about the 4th of July fireworks display. Williams stated she had not made her annual plea for donations yet this year, but that we generally get between \$6,000 and \$8,000.

Adjourn: At 8:35 p.m. S. Jones made a motion to adjourn. Childers seconded the motion. Motion carried without opposition.

City Clerk

CITY COUNCIL
JUNE 4, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in regular session on June 4, 2012, with Mayor Kristey Williams presiding. Council present were Holly Harper, Matt Childers, Michael Huddleston, Michael Wallace, Sue Jones, Mike Rawlings, Ron Reavis and Matt Malone. Also present: City Attorney David All, City Manager Bill Keefer, Assistant to the City Manager Josh Shaw, Code Enforcement Officer Travis Combs, Airport Manager Lloyd Partin, and City Clerk Erica Jones. Visitors present were: Kent Bush, Myrna Rogers, John Black, Greg Harrison, Jay Anglemeyer, Willis Wilson, Leonard Wakefield, Al Bergen, Bob Stanley, Kurt Overaker, Charles Isley, Bill Kincaid, and Denise Rockers.

Prayer: Pastor Terry Deaver, First Baptist Church, gave the invocation.

Minutes: Harper made a motion to approve the minutes from the May 21, 2012 meeting. Childers seconded the motion. Motion carried without opposition.

Appropriations:

May (5A): Huddleston inquired about the payment to Harbin Fish and Bait and asked what quantity and type of fish were purchased. Keefer stated there were 300 lbs of minnows and 4,000 bluegills purchased as bait fish. Wallace asked what the State said about using the bluegill for bass fishing. Keefer stated those were the fish that the State recommended we purchase. S. Jones inquired about the two payments to ICMA. Keefer stated one payment was to renew his and Shaw's membership into ICMA and the other was for the deferred compensation. S. Jones asked what the Travel Industry Membership gives us. Keefer stated it is a membership for the CTB but he would have to check on into what the membership includes. Wallace made a motion to approve Ordinance 5A in the amount of \$833,619.72. Childers seconded the motion. Motion carried without opposition.

Visitors:

Lion's Club: Leonard Wakefield, Lion's Club Representative, addressed the council and requested an extension for the time to sell fireworks on July 4th. Wakefield asked that the time be extended from 10 p.m. to 11 p.m. because they feel they are missing out on sales after the public display. Wallace made a motion to have staff bring back and ordinance amending the time frame for sale of fireworks from 10 p.m. to 11 p.m. on July 4th. Huddleston seconded the motion. Motion carried without opposition.

Old Business:

Watering Restrictions: Council reviewed and discussed the City's Watering Restrictions. Williams stated we should review where we are with water every two weeks. Wallace stated we are not in dire straits like we were last summer. Keefer agreed but stated that usage is steadily increasing. Wallace stated we can review it again at a later date. Williams stated since we were able to add the message about watering restrictions on the bills and it would cost \$1,300 to mail notices she would recommend we not mail the notices.

S. Jones inquired about Mulvane and if their usage is up from last year. Keefer stated they peaked last summer at 33% of our total usage, but this year they are averaging between 25% to 33%. S. Jones stated that she was contacted by someone who was adamantly against the conservation fee because the casino is adding to Mulvane's usage. S. Jones asked if the contract with Mulvane is iron-clad. Keefer stated that over the last few years Mulvane's usage has decreased and if they stay under the 200 million gallons allowed under their contract there is nothing we can do. Keefer stated they are under watering restrictions too, but that he has questioned them about the enforcement of restrictions.

Malone asked at what level we would look at lifting the restrictions. Malone asked if we get more rain and the lake fills up, would the restrictions be lifted. Williams stated they would if the lake was to fill up and we could get 1 million gallons a day from it. Huddleston asked if we could put a big stripe on the tower in the lake to show what level the water would need to be so that everyone could see it. Keefer stated there is a distinct color difference on the intake tower to show where the levels should be. Keefer stated the biggest issue is that we need sustaining rains. Keefer stated we have not used Santa Fe Lake for several years and thank goodness for the rain that filled Santa Fe Lake. Keefer stated we lose a lot of water due to evaporation. He stated that when the lake is filled and we are in good shape he will be the first person to ask the council to lift the restrictions.

Huddleston asked if Mulvane has exceeded the 200 million gallons allowed in their contract. Keefer stated they peaked out several years ago at 190 million gallons but that they have averaged 170-180 million gallons over the last few years. Keefer stated when the casino hotel is built and the casino is expanded it is anticipated their usage will exceed 200 million gallons.

Williams stated she received a question about the time frames watering is allowed. She stated you can now water in the mornings from 4 a.m. to 8 a.m. and that it was changed from the original restrictions last year due to water pressure issues. Williams stated a citizen informed her that time frame is too early for her to get up and asked the rest of the council if they've had an overwhelming number of requests to make a change. Williams stated she thinks it would be confusing to citizens if we make changes. S. Jones and Harper stated they had one call each from a citizen about the time frames. Malone inquired about the time issue last year. Keefer stated it was originally 6 a.m. to 9 a.m. but that there were concerns that the water pressure was low with people watering and trying to get ready for their day. Williams stated we will not be able to fit the needs of every one and if you move it back to the later time you will still have the issue of people going to work. Keefer stated you can water from 7 p.m. to 10 p.m. too and that his concern is with notifying everyone if there is a change. Keefer stated Shaw has put the watering restriction information on the website, E. Jones put the reminder on the bill, and the newspaper is doing a good job of keeping it on the forefront.

The consensus of the governing body was to keep the restrictions as is and not to reactivate the conservation fee.

New Business:

KLINK Bids: Malone made a motion to approve the bid from APAC in the amount of \$176,486.25 for the Walnut Street KLINK Project. Wallace seconded the motion. Motion carried without opposition.

Change Order: Council considered approval of a change order for the City Lake Spillway and Dam project for the street repairs to Lakeview Parkway. Jay Anglemeyer from MKEC stated this street was designated to be used for the Dam Rehab project as it was the shortest route. Anglemeyer stated we knew there would be stresses to the street through the project and during the design process tried to be money conscious and include a two inch overlay in the project specifications. Anglemeyer stated he is proposing two options. Option #1 is \$36,738.10 and Option #2 is \$35,244.63. Anglemeyer stated given the numbers he feels there is more value out of completing the street with Option #1. Anglemeyer stated he could have included a unit price in the bid for patching, but that he doesn't like to do that because the contractor will adjust the unit price. Anglemeyer stated he could also have included an entire road replacement in the bid but then if it didn't have to be replaced we would have to talk to the contractor about removing it from the project. Anglemeyer stated that in hind sight he wishes he would have done that. He stated that we do not need 5 inches of asphalt on the portion of the lake road and if that was reduced to 3 inches the contract would reduce the contract by \$18,268.00.

Wallace stated it would make sense to do it right. He stated he looked at the road and it would need to be patched a lot. Huddleston asked if the payment would come out of the Dam/Spillway project funds. Anglemyer stated it would and that if he had included it in the bid specs the price of the contract would have gone up. Childers made a motion to approve the change order for the City Lake Spillway and Dam project for the street repairs to Lakeview Parkway in the amount of \$36,738.10 and reduce the asphalt on the lake road from 5 inches to 3 inches. Harper seconded the motion.

Rawlings asked which road will get the 3 inch asphalt. Anglemyer stated it is the gravel road that comes from the park to the paved road. Rawlings inquired about the thickness of the asphalt on Lakeview Parkway. Anglemyer stated it was 5 inches and will be replaced at 5 inches. Williams asked when it will be completed. Anglemyer stated the work will start in approximately one week and should take one week to complete. Malone asked how many days over the contractor is on the project. Anglemyer stated they are not over at all. Wallace asked when the contractor will be done with the sides of the spillway. Anglemyer stated they should be done by the end of the week. Motion carried without opposition.

Engineering Services Agreement: Council considered an Engineering Services Agreement with Aqua Tech Engineers implementing the first phase of the Raw Water Supply Study. S. Jones asked if she understood correctly that no matter what we do, it will take 2 years to get anything done. Willis Wilson stated that the first step is to get the water rights permit. Wilson stated there is no way to know how long that that takes, but the permit will give us 2 years to do the diversion work. S. Jones asked Wilson for an estimate on the timeline for the process. Wilson stated it will probably take 6 months to get the permit, 6 months to do the design work, and 1 year for the construction.

Reavis stated he personally has a problem with that part of the project because if we replace the waterline between El Dorado and Augusta the right to divert water from the Walnut River will be overkill. Williams stated one item to ascertain is if the quality of water from the Walnut River is good enough for us to use. Williams stated the second point is that this would provide a backup if anything ever happened to the El Dorado line. Reavis stated that a major part of this engineering contract is related to diverting water from the Walnut River.

Williams stated to put in a new line from El Dorado to Augusta will take a lot longer than 2 years, possibly 5 years. Keefer stated it would be longer than 2 years. Reavis stated \$92,000 of this contract is related to the diversion of water. Keefer stated that water taken out of the City Lake is done so at no cost to us and that the cost of water we purchase from El Dorado will increase if we ask to take more. Keefer stated we can use the City Lake to supplement our usage to keep us under our take or pay amount and would allow us to sustain the lake as a supplemental source. Wallace stated he is a firm believer of having a contingency plan.

Williams asked if there would be any benefit to separate item #7 before committing to design. Wilson stated you can't do #6 without #7. Williams stated we could stop after item #5. Huddleston asked if there is an estimate of the value of the water we could draw from the lake and what it would save us in future water costs. Keefer stated as we grow and are taking more water from El Dorado our take or pay will cost us versus no cost for the water from the City Lake if it is full. Keefer stated we have taken between 1/3 to 2/3 of our water from the City Lake on peak demand days which could save us significantly per year. Williams stated if the lake is full we would not be pumping anything in to it.

Huddleston asked if we are confident that the State will give us those water rights. Wilson stated the State brought that suggestion to us. Williams asked if there will be limits on the time frames when we can divert the water. Wilson stated there will be. Childers stated he is hesitant to commit to \$64,915 until we know if it is a viable option and asked if we could just do items #1-5. Wilson

recommended item #8 be included as well. Wallace made a motion to approve an Engineering Services Agreement with Aqua Tech Engineers implementing the first phase of the Raw Water Supply Study including only items #1-#5 and #8 for a not to exceed amount of \$20,800. Childers seconded the motion.

Reavis inquired about the profit margin of the water we sell to Mulvane. Keefer stated if we don't include our debt we make a little off that, but if you include the debt we are losing money. Reavis stated his responsibility is to the citizens of Augusta and any improvements should be with them in mind first. Reavis stated let Mulvane fall where it falls. Williams stated that everyone is in 100% agreement with Reavis and when their contract is up in 20 years if they choose to renew the contract we will be able to make changes. Wallace stated there is an option in the contract to increase their rates. Keefer stated there is not, except that every 5 years we can increase it by the amount El Dorado increases our raw water cost. Wallace asked if that would change if they requested more water. Keefer stated it could and that he has had that discussion with Mulvane, but probably only for any additional water above 200 million gallons. Williams stated to get Mulvane to help fund the waterline won't work because of the cost to improve the line between Augusta and Mulvane. Keefer stated Mulvane was doing a study to look at their options and he's not sure where they are at on that. Williams stated she hopes we can get a regional water plan in the works. Motion carried without opposition. Wilson stated that without the Walnut River option we need to have a new El Dorado waterline on the radar.

Engineering Services Agreement: Kelly Fincannon was present from Garver, LLC. Huddleston asked if they will only be assessing the Airport property or if the surrounding area will be included. Fincannon stated the surrounding area will be assessed as well. Wallace made a motion to approve an Engineering Services Agreement with Garver, LLC for an Environmental Assessment and Wildlife Site Visit as part of the FAA Airport Capital Improvement Plan. Reavis seconded the motion. Motion carried without opposition.

Airport Taxiway Project: Council reviewed and discussed Liquidated Damage issues in regards to the Airport Taxiway Project. Shaw stated there is a disagreement with the engineer on how the liquidated damages come back to us and that he is torn about how to move forward with this. S. Jones asked why it is difficult to get a clear understanding and why it would be up to the engineers to interpret it instead of our legal counsel. Huddleston stated he can't believe we are the only city who has had a contract go over the project timeline.

Shaw stated that some of the big concerns are about the warranties, but this morning he got the last email that all equipment is now warranted. Shaw stated that one lingering problem is what happens to Indianola Road. Shaw stated this road was dirt when the project was bid and there was nothing included in the contract about chip sealing the road. Shaw stated if that were included it would have increased their bid amount. Williams asked how much it would take to bring Indianola Road back to where it was. Shaw stated he has got been able to obtain bids but he estimates it will be \$15,000 to \$20,000. Williams asked Shaw if he has spoken to the contractor or engineer about not going for liquidated damages if they agree to repair the road. Lloyd Partin stated if we file for liquidated damages the contractor will walk away from the project. Partin stated recovering liquidated damages is going to be convoluted because the FAA is involved and that this doesn't usually happen. Partin stated there is a lot involved to calculate the different pieces of the puzzle. Partin stated the contractor did not pay all the subs in 30 days per the contract and the prime sub-contractor for electrical has not been paid for the work he has done. Partin stated we are not willing to release the 10% retainage but we need to ask ourselves what we want out of this. Partin stated if Indianola Road is repaired, all the sub-contractors have been paid, the equipment has been warranted, and the Airport is back to normal to we pursue the liquidated damages.

Huddleston stated he understands the dilemma we are in, but he would not be in favor of releasing the 10% retainage until all work has been completed including Indianola Road. Partin agreed. S. Jones asked who the prime contractor was. Partin stated it was Paver's Inc. Rawlings stated there was some confusion on whose responsibility the fuel tank was. Partin stated the engineers did not make that clear and that he had to work through that. Partin stated it did get done and that Pavers will pick up the tab to move the tank. Rawlings stated he did not bid on the electrical portion of this project because of "iffy" things in the contract and that the engineers dropped the ball on that.

S. Jones asked why a representative from Lochner was not present tonight and stated it probably would have been appropriate. S. Jones stated she has a problem walking away from \$80,000 because we don't have a full understanding on the legalities of how that money comes back to us. Shaw stated the way staff understands it the money comes back to us as the sponsor, but the engineers are stating it will be deducted from the contract and split between us and the FAA. Huddleston stated he still doesn't believe we are the first city that has experienced this. Shaw stated he doesn't think they've ever had someone go this far over. Huddleston stated that it shouldn't matter whether they were 10 days over or 1 year over, how the liquidated damages are paid should be the same.

Partin stated the FAA says you cannot use liquidated damages as a penalty and that we can only assess up to \$1,000 per day. Mr. All stated the general concept of liquidated damages is to have a number so you don't have to calculate the damages. Mr. All stated that every contract he sees, that is the number that is used for liquidated damages. Mr. All stated we really need to know who is right on this and asked if the FAA was a signatory on the contract. Partin stated they were not. Mr. All stated we cannot bind the FAA to anything if they didn't sign off on it. He stated this is obviously an unusual situation. Williams asked what the first step is to settle this. Mr. All asked if we are leaving the \$80,000 on the table on this.

Shaw stated he wanted to get this memo in front of the governing body and that he doesn't know that the decision has to be made tonight. Shaw stated if we need to have the engineers at a meeting that would be a first step. Huddleston stated he doesn't understand why the engineers are giving us legal opinions. Williams stated it is because their attorney wrote the contract. Shaw stated that is what they were paid to do. Mr. All stated if he could get a copy of the contract he could tell the council what he thinks. Huddleston asked if we could talk to the FAA to see what they've seen happen in other situations. S. Jones stated she would like Mr. All to review the contract. Reavis made a motion to table this until the next meeting giving the City Attorney time to review the contract and bring back more information. Wallace seconded the motion. Motion carried without opposition.

Chamber of Commerce: Council considered approval of an agreement with the Augusta Chamber of Commerce for the administration and oversight of convention and tourism activities of the City. Williams stated that staff recommends reducing the annual administration fee to \$3,000. Huddleston stated in reviewing the agreement he found a page attached about the Convention and Tourism Committee (CTC) duties. Huddleston asked if that will be part of the contract. Keefer stated it will not be at this time, but that the council had asked for a list of duties. Huddleston stated items #1 and #2 in the list of duties stated that they will prepare an annual report and an annual program, but the agreement states it will be quarterly and annual. He asked if it is understood that we want it quarterly. Keefer stated yes, that it was a request from the governing body. Huddleston stated the request was made 18 months ago but he only remembers receiving one quarterly report. Keefer stated when Sharon Sudduth was the Chamber Director she prepared a couple of quarterly reports, but that there hasn't probably been any since she departed. Huddleston stated he would like to clarify what the reports should include at a minimum, like a financial accounting of the money they've received and the purpose of any disbursements. He stated the \$3,000 is a management fee but there is a section in the agreement about items being paid by the committee. He stated that the Chamber as the management arm of the CTC should be keeping the information on what funds are

being expended by the committee. Williams stated the city has a budget that shows what they are using money for and that they as the council approve the CTC grants. Huddleston stated he would like that information summarized on the quarterly reports, otherwise he doesn't know what the reports would do. He would also like it to list the promotional activities they are pursuing that fulfill a purpose of what paragraph 1 of the agreement is. Huddleston stated those minimum amounts of information will keep the council informed as to what the CTC is working on. He stated in the past the council has been very lax about what the CTC is doing.

Huddleston stated item #19 says they will prepare for and attend as necessary, but that he would think that would be mandatory. Keefer stated it is his expectation that they will be at all the CTC meetings. Williams stated she understood it that they will have meetings as necessary, not attendance as necessary. Kent Overaker, Executive Director of the Chamber, stated the list of duties was one that Sudduth had on file from years ago and is not part of the contract but is something he could definitely do. Keefer stated it is fairly representative of what we've expected over the last several years from the Chamber.

S. Jones inquired about the relationship between the Chamber and CTC. Denise Rockers, Chamber President, stated in the past they have done what is on the list of duties but there have been staffing changes in the last year or so. S. Jones stated we are paying the Chamber to manage our convention and tourism. Williams stated the Executive Director is the relationship. Rockers agreed. S. Jones asked who takes the lead. Williams stated the Executive Director. S. Jones stated the CTC has a chair. Williams stated the chair runs the meetings, but the Executive Director is the link between the committee and the city. S. Jones stated there is \$1,000 budgeted for subscription and memberships and asked what that is for. Keefer stated it is for the CTC not the Chamber. Overaker stated it is for TAIK, Go Wichita, Flint Hills, etc. S. Jones asked who controls those budgets. Keefer stated the CTC does. He stated the committee reviews the recommendations from the Chamber and then makes their recommendations to him and he approves or disapproves the expense. Keefer stated if it is a grant the governing body approves or disapproves those. Keefer stated some expenses have been from brochures, bags that have been handed out, and promotional items for events such as the home show. Keefer stated the committee's expense recommendations come thru his office like all other departmental budgets and he looks to the Chamber Director for day to day communications.

Wallace stated that requests the council has made in the past to the Chamber have fallen flat. He stated he understands that Overaker is new and will do better than what has been done in the past. Rockers stated the Chamber Board and the CTC are two separate organizations, but that they slightly overlap and are moving in the same direction. She stated the Chamber has a similar mission as the CTC but that it is broader. Williams stated the council should not lose sight that we are looking at \$10,000 - \$12,000 per year and that the purpose of the guest tax is to bring people to our community. She stated when we asked Sudduth for information she provided. Williams stated she does not feel neglected by the Chamber and that we have been well represented in the past. Reavis stated one sentence in the contract makes the relationship very clear: "The Chamber shall report to the CTC".

Huddleston stated the committee needs to be more actively engaged and in the past it has been more Chamber Director driven rather than committee driven. He stated he has only known the committee to meet when they are discussing expenses. Overaker stated he contacted the CTC members and they seem really positive in moving forward. Huddleston stated that is why he would like quarterly reports and then more thorough annual reports. Huddleston inquired about the effective date of the agreement with regard to when the quarters will fall. Keefer recommended making the agreement effective July 1st so they would fall on the calendar quarters.

Williams stated these are volunteers on the committee, but that due to limits in funding it is difficult for them to get too excited. Williams stated all of our letterhead says Convention and Tourism

Bureau (CTB) rather than Convention and Tourism Committee (CTC). S. Jones stated the ordinance creating this body refers to it as a committee, and while she thinks they are one in the same the ordinance specifies that it is a committee. Williams asked if the ordinance needs to be changed to Bureau so that we don't have to reprint all of our letterhead. Huddleston stated the Chamber can have a CTB. Keefer stated that technically the CTB is the common name of the organization but the CTC is the body making the day to day decisions. Williams asked if we need to change item #11 and the bylaws. Keefer stated there is a distinct difference between the CTB and CTC and he would have to look to David All for that. Mr. All stated this discussion is much ado about nothing.

Huddleston made a motion to approve an agreement with the Augusta Chamber of Commerce for the administration and oversight of convention and tourism activities of the City for one year effective July 1, 2012 in the amount of \$3,000. Harper seconded the motion. Motion carried without opposition.

Water Plant Bids: Wallace made a motion to approve the bid from McCune Heating and Cooling in the amount of \$7,168.75 for a furnace and air conditioning system at the Water Treatment Plant. Huddleston seconded the motion. S. Jones asked how the original bid could come in over \$17,000 and now the bid is only \$7,168.75. Keefer stated the \$17,000 bid was for the power plant and this bid is for a different HVAC system for the water plant. Motion carried without opposition.

Fee Schedule: Childers made a motion to approve Fee Schedule Resolution 2012-12. Reavis seconded the motion. S. Jones asked if \$25 is a reasonable fee for advertising a plane for sale. Shaw stated it was originally set at \$5 per month because there was not a lot of traffic on the website. Shaw stated he has spoken to several people and they said \$25 was the lowest fee they have seen out there for advertising. Wallace asked how long the advertising will be on the site. Shaw stated there is plenty of space so it will be left on there until the plane is sold. Motion carried without opposition.

Utility Billing Arrangement Policy: Council considered approval of a Utility Billing Arrangement Policy. Huddleston stated the memo indicated collections and write off amounts have increased but there was a note to disregard 2008. If you disregard 2008 they look like they've gone down. E. Jones stated that 2008 was when the City started working with Midwest Collections and turned in 3 years of collection activity that year. E. Jones stated it has fluctuated and if you compared 2007 to 2011 there has been a big increase. Huddleston asked if 2012 will be higher than 2011. E. Jones stated it potentially could be. She stated they sent out 529 shut off notices in May and made arrangements on 326 accounts and of those probably half broke their arrangements. E. Jones stated she and her staff is trying to enforce the arrangements more strongly, but there is nothing in writing that says what arrangements can be made.

Huddleston asked E. Jones to compare the proposed arrangements to the spreadsheet of what other communities and private utilities do. E. Jones compared the spreadsheet and the proposed policy. Huddleston stated the City does not have a reconnect fee. E. Jones stated that is correct, that ours is a disconnect fee that way it can be collected at the time of disconnect instead of when service is restored. Huddleston inquired about the afterhours reconnect fee and stated it is higher than the disconnect fee. E. Jones stated that is correct. The fee is higher to discourage afterhours reconnects. She stated she is not recommending afterhours reconnects for arrangements because the meter readers would have to be paid to be on call. Reavis made a motion to approve the Utility Billing Arrangement Policy. Wallace seconded the motion. Motion carried without opposition.

Wheat Crop: Council considered proposals for harvesting the wheat crop on the property acquired for the north borrow area. Wallace stated when the City purchased the property we had to justify a lot of costs. Keefer stated the property was acquired through condemnation. Wallace stated we paid \$10,000 per acre and that the people who sold us the property should not benefit from the wheat

crop. Childers made a motion to approve the proposal from Chappell to pay \$25 per acre and \$0.20 per bushel. Harper seconded the motion. Motion carried with Malone abstaining due to a conflict of interest.

Final Comments:

Malone – Malone asked if it is possible to put a calendar of events on the City’s website. Shaw stated there is one on there and showed how to locate it.

Rawlings – Rawlings stated the “No Fishing” signs at the lake are falling apart and that we should invest in a little better signage.

Wallace – Wallace stated he was contacted about a property at 1003 Wirth Street with complaints about the number of vehicles and the general condition of the property. Childers stated this is a neighbor of his and has been an ongoing issue. Childers stated the property owner will fix one issues then create another one. Childers stated he has never personally complained about the property and has only passed on others’ complaints, but that he agrees the property is horrendous. Keefer stated staff has worked with him to address the issues and that he has had to appear in municipal court. Wallace asked what we can do to stay on him. Childers stated we may need to address the issues in an ordinance.

Reavis – Reavis stated he witnessed a child at the pool who had jumped off the edge of the pool who was in trouble and the lifeguard sprung into action and did what she was supposed to do. Reavis stated he wanted to publicly thank the lifeguards for what they do.

S. Jones – S. Jones stated that as the contractor finishes the Dam/Spillway project, don’t forget to have them smooth out the area at the east cove. Rawlings stated the fishermen like that because it is a good habitat for the fish. S. Jones stated the stagnant water is a breeding ground for mosquitoes. Childers stated we can treat the water for mosquitoes.

Adjourn: At 9:17 p.m. S. Jones made a motion to adjourn. Childers seconded the motion. Motion carried without opposition.

City Clerk

CITY COUNCIL
JUNE 18, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in regular session on June 18, 2012, with Mayor Kristey Williams presiding. Council present were Holly Harper, Matt Childers, Michael Huddleston, Michael Wallace, Sue Jones, Mike Rawlings, Ron Reavis and Matt Malone. Also present: City Attorney David All, City Manager Bill Keefer, Assistant to the City Manager Josh Shaw, City Inspector Dan Allen, Airport Manager Lloyd Partin, Parks Foreman Brian Alfaro, and City Clerk Erica Jones. Visitors present were: Kent Bush, John Cox, Bobbie Potts, Anita Hite, Ronald Hite, Carl Hime, Gary Rogers, Myrna Rogers, Kelly Modlin, Dustin Avey, Don Klapmeyer, Chris Flageolle, Vesta Wicke, John Black, Anita Elliott, Jaylyn Elliott, Kate Crandell, Steve Crandell, Harold Miller, Kent Overaker, Brad Waller, JD McCrary, Wayne Arthaud, and Cheryl Arthaud.

Prayer: Councilman Mike Rawlings gave the invocation.

Minutes: Wallace made a motion to approve the minutes from the June 4, 2012 meeting. Childers seconded the motion. Motion carried without opposition.

Appropriations:

June (6): Harper inquired about the payment to Legacy Sports. Keefer stated it is part of the wellness program, that this is the organization overseeing the co-ed softball league. Harper made a motion to approve Ordinance 6 in the amount of \$509,919.74. Wallace seconded the motion. Motion carried without opposition.

Visitors:

1003 Wirth: Anita Hite addressed the council regarding 1003 Wirth. Hite stated she lives on Edgewood across the street from this property and that the owner has turned it in to a salvage yard. Hite stated the neighbors have been working with the City on this property for the last four years and that the current system is not working. They are tired of looking at it and that there will be a rodent issue if it doesn't get cleaned up completely. Hite stated the owner, Larry Frost, should not be allowed to lower the property values of his neighbors. Dan Allen provided before and after photos of Frost's recent cleanup activity. Allen stated that several vehicles have been removed, but the vehicles that are still on the property are all tagged and legal and the boat and trailer are legal. Allen stated he understands the condition is not perfect, but that he and his staff have worked with Frost to get the issues corrected and that there has been a big improvement. Hite stated it will be that way again before long and Allen stated this will be something we will have to continue to work with. Williams stated the City codes were reviewed a few years ago and can be looked at again. Ronald Hite stated the codes need to be changed.

Williams asked Frost if the vehicles on his property were hobbies or a business. Frost stated that he bought the property and was then laid off in 2008. Frost stated he works in construction but that he buys things at a decent price, makes repairs, and then resells them at a profit. Williams stated this is a reoccurring issue and that Frost may need to find a commercial space so that he is not operating a business in a residential area. Childers stated he has received 22 complaints from 15 different neighbors, and he is tired of dealing with this property. Childers stated he didn't come on to the council to deal with mundane issues that keep reoccurring. Childers stated this frustrates every one of Frost's neighbors and that the penalties need to be stiffer so not to continue to waste the inspector's time.

Frost stated he walked the neighborhood and made a list of everyone that was violating the same ordinances he is. Frost stated that Allen agreed that they are violating the ordinances but that he is

the issue because he has habitual violations. Frost stated he thinks they should all have to follow the ordinances as well. Williams stated she appreciates the idea of being fair.

Reavis stated Allen said that the vehicles are all tagged and legal but asked if they are operable. Allen stated they are. Wallace asked David All to check into whether Frost is able to operate a business from his home. Keefer stated the council has to be careful because we have a tremendous number of people that operate a business from their home. Keefer stated we deal with some of the same people over and over which is time consuming, and if there is something we need to do to address that we will. Williams stated there are nine people in attendance of this meeting regarding this particular property.

S. Jones stated she thinks the council should have a work session to review the codes with regard to property. Williams stated we have these types of codes for our downtown area and some on the council have been opposed to those. Harper inquired about the parameters on having a cement pad versus a gravel pad. Allen stated the ordinance for trailer parking was passed in 2009 and that the problem we have is there are a lot of properties around the city with an gravel extension next to their driveway and there is no way to know when they were put in.

Williams stated the consensus is for Allen to stay on this property and to conduct a work session in the future to review the ordinance. Williams stated it is important to hear the voice of the public. Frost stated he put the house up for sale a couple of times and that if someone is willing to buy it he would be happy to sell it.

Gary Rogers, representing the American Legion Post 189, addressed the governing body and stated the opening ceremony for the "Remember Our Fallen" display will take place at 9:30 a.m., June 20th, at the Augusta Public Library. Rogers stated it will be on display from June 20th to July 5th and is open to the public during the Library's operating hours. Rogers thank the contributors for making the display possible, especially the Library's Board of Directors.

Old Business:

Watering Restrictions: Council reviewed and discussed the City's Watering Restrictions. Keefer stated the forecast shows it to be hot and dry for the next week and that we are in the ball park of where we were this time last year. Keefer recommended continuing to monitor it. Williams inquired about the highest usage day. Keefer stated it was on a Wednesday and that there was 2.7 MGD used between the two sources. Williams asked if Keefer can provide information to the council weekly or bi-weekly. Keefer stated he could.

Rawlings stated he has heard from people that don't understand why we are restricting water usage. Rawlings stated if we cannot meet the demand on the system it would be a critical water issue. Rawlings stated it is to everyone's benefit to abide by the restrictions. Rawlings stated that Childers wrote a very good response on Facebook about the city watering the dam and that the stated has mandated it. Rawlings stated the water is coming directly out of the lake and is not being treated. Williams stated we are in much better situation because Santa Fe Lake is full.

Reavis stated in the Safety Department's monthly report it says 8 houses were violating the restrictions and asked how those are tracked. E. Jones stated that all departments report violations to the utility office and they track those violations. E. Jones stated that if a second violation notice is issued she will make contact with the property to inform them of the second violation and warn that the next violation could result in a fine or disconnection of water service. Williams asked that the restrictions and water situation be reviewed again in two weeks at the next council meeting.

New Business:

Fireworks: Malone made a motion to approve Ordinance 2038 amending Section 7-304(d) of the City's Code of Ordinances as it relates to the sale of fireworks. Harper seconded the motion. Motion carried without opposition.

Airport Taxiway Project: Council reviewed and discussed liquidated damage issues in regards to the Airport Taxiway Project. Shaw stated that since the last meeting we have received several lien waivers and that only Strukel Electric remains. Shaw stated they originally stated that they would not be finishing the work until they were paid by the contractor but that Strukel has since changed his mind. Shaw stated that he and Partin spoke with the FAA and other cities about how liquidated damages work and that he provided the council with an email from the FAA on how those are distributed.

Chris Flageolle and Don Klappmeyer with Lochner were present at the meeting. Flageolle, Project Engineer, stated that liquidated damages are not to be used as a penalty and that you can only assess for damages that have occurred. Flageolle stated Lochner's recommendation was to do some retainage reduction to not less than twice the work left to be done. He stated the only subcontractor left to be paid is Strukel. Flageolle stated Strukel stated today that he will complete the work as soon as the cable comes in and it is scheduled to be delivered this week. Flageolle stated he would not recommend releasing the remaining retainage until the punch list is satisfactorily completed. He stated he contacted the bonding company and they have not received any formal complaints from this project yet, but that Strukel has indicated they will be submitting a complaint.

Williams stated there was no mention of Indianola Road. Flageolle stated it is one of the punch list items and that the contractor has contacted APAC for a price to repair the road. Huddleston stated he is confused on how much more money is still owed by the general contractor. Huddleston asked if the remaining electric work in excess of \$45,000 is in addition to the \$100,000 in retainage. Flageolle stated the \$40,000 in electric work to be completed is the cost of the cable work. Huddleston stated he thinks more is owed than the \$100,000 that is being held. Huddleston asked if every prime and sub-contractor and material provider has been paid. Flageolle stated that Strukel is the only one remaining that is he aware of. Flageolle stated when the punch list is completed they will obtain lien waivers from the prime contractor and any subs that are still owed will have to go against the bond company. Huddleston asked who it is that confirms the work is done. Flageolle stated Lochner will make that recommendation and will ask for a consent surety from the bonding company. Huddleston asked what time frame has been given for the punch list. Flageolle stated that once the cable comes in the rest will fall into place. He stated that there needs to be a discussion with the County about Indianola Road.

S. Jones stated she is confused on how much money is left to be paid out on the contract. Flageolle stated there is approximately \$40,000 in work to be completed plus the \$100,000 in retainage. S. Jones stated Strukel says it is owed \$100,000 in arrears plus the \$40,000 for the cable and \$45,000 in cleanup work to be done. Flageolle stated there is not \$45,000 for cleanup left and that there is only \$40,000 in work to be completed. S. Jones stated liquidated damages say we have to prove actual losses by producing records of what those losses are. S. Jones asked if we have experienced a loss. Partin stated we have. Williams said her question goes to cost benefit, especially if we are only going to get 5% of it.

S. Jones asked if Indianola Road will be paid for by us or the contractor. Partin stated that Indianola Road was not included in the project and that it was not chip sealed at the time the project was let. Partin stated he asked the FAA if we could add the repair of the road into the construction project and was told no. Partin stated that part of the negotiation with the contractor is that if they repaired the road we would not go after liquidated damages. Partin stated he has contacted several contractors who looked at the road but would not provide estimates. He stated the County has

estimated it would be \$30,000-\$40,000 for materials if the County provided the material. S. Jones asked why it is so hard to get an estimate. Partin stated he didn't know. Williams stated the contractor has been in discussion with APAC about the road and it seems like that is what we should do. S. Jones asked if MKEC could help on getting an estimate. Keefer stated he could ask. Williams stated the council needs to give staff direction on how to move forward.

Keefer asked Flageolle to explain the email from the FAA. Flageolle stated he specifically talked to the FAA about Indianola Road. He said if the contractor repairs the road then the City would not have any liquidated damages but if the County or City had to make the repairs we could assess liquidated damages and deduct it from the grant and add to the contract but it would have a zero effect. Huddleston asked where that come from. Flageolle stated it is specified in the construction contract. Huddleston asked if it is in the contract why would the FAA give input on it. Flageolle stated the contract is a standard FAA document that has been tailored specifically for your project.

Reavis asked if staff is recommending we enter into a second agreement with Pavers to repair Indianola Road. Williams stated no, that the repair of Indianola Road is included in the punch list. Reavis asked if there is a figure in mind for liquidated damages. Flageolle stated there would only be liquidated damages if Pavers doesn't repair Indianola Road. Reavis asked if a second agreement is needed. Williams stated it is not necessary. She stated Pavers is agreeing to the repair so we will release the retainage. Williams stated it would be in our best interest to let this play out if they are willing to make those repairs and complete the punch list. Reavis stated he agrees that is the best option. Flageolle stated under the current contract they are responsible for repairing the road as it existed at the beginning of the contract.

Huddleston made a motion to approve waiving liquidated damages if all the items on the punch list, including the repair of Indianola Road, are completed to the City's satisfaction. Childers seconded the motion. Motion carried with Reavis and Wallace opposing. Reavis stated he has concerns that this issue has gone back and forth between staff and the engineer but the city attorney was left in the dark. S. Jones stated she assumes all of this will be in writing. Rawlings stated the punch list is in writing. Flageolle stated the bond surety will give the certification to City before the release of the retainage.

1210 State Street: Council conducted a public hearing to take input on the determination of whether a building at 1210 State Street should be considered a dangerous structure and condemned for demolition. Property owner Carl Hime of Albuquerque New Mexico addressed the governing body. He stated he does not disagree with the resolution but disagrees that it is a public danger. Hime stated the roof needs replaced, the cellar needs filled in, and the vegetation cleared. Hime stated he moved his mother out of the home in 2008 due to issues with the home and thought it was secured at that time. He stated he exchanged phone numbers with the weekend sergeant at the Safety Department and paid a contractor to remove limbs and secure the property. Hime stated over the next 90 days he and his son will work to bring the condition up to meet the requirements. He stated there are six lots involved and that he has had several offers for the property. Hime stated the house has historic value dating back to 1872 and it is his intention to restore it as a museum. He stated he is committed to having it cleaned up and safe in the next 90 days. Hime stated he looked into a building in the City's Industrial Park back in 2008 and spoke to his cousin Peggy Palmer and Bill Morris but got nowhere with it. He stated he made offers on businesses downtown and was rejected.

Williams stated the history on the property is fascinating but that she wants to know what is being done with the property. Wallace stated this has been going on for four years. He stated he lives nearby and walks by the property and there is a lot of structural damage. Wallace stated he doesn't think it can be restored in 90 days. Hime said he could make it safe in 90 days. Wallace stated Hime

has had four years to address this and that he doesn't have much confidence that it can be taken care of in 90 days.

Allen stated he has sent multiple letters the last several years by registered mail that have all been returned as not accepted, including mowing receipts. Allen stated that Hime knew what was going on. Allen stated the tarp on the roof has rotted away and that he doesn't know about structural damage inside because he hasn't been inside. Allen stated he has been working with this property for several years and that the property taxes haven't been paid since 2008. Allen stated he would like to see Hime sell it because if we tear it down we will be stuck with that expense. Allen stated a museum would require a zoning change and he doesn't think that would be approved.

Williams stated the resolution needs to happen and that would give Hime 90 days to do what he is supposed to do. S. Jones agreed this would give Hime the 90 days he's requested. Allen stated that since Hime does not reside in the home all work has to be done by a licensed contractor. Huddleston asked if we don't have access to the interior how can we know that it is safe. Keefer stated we can't which is why Allen has asked Hime to have a structural engineer to go in and assess it. Mr. All stated we cannot order him to allow the inspection of the interior of the home. Huddleston asked what we are asking him to do. Allen stated we are asking him to secure the structure, fill in the cellar, and clean up and maintain the yard. Allen stated if a permit is pulled we can go inside to inspect the work to make sure it was done up to code. Allen stated Hime needs to allow him and a structural engineer to look at it to make sure it is affordable to even attempt to repair it. Williams stated she is disappointed Hime did not accept the letters from the City.

S. Jones made a motion to approve Resolution 2012-13 declaring the structure at 1210 State Street as dangerous and unsafe and directing that it be repaired or demolished. Childers seconded the motion. Motion carried without opposition. Wallace made a motion to require the collection of the mowing expenses for maintaining this property. Harper seconded the motion. Rawlings asked if this is legal. Mr. All stated it is. Harper asked if staff will give Hime specific direction on how to move forward. Allen stated it depends on if he wants to restore the house then he will need to get a contractor involved. Williams told Hime if he was not interested in making the repairs there are several people in the community interested in his property. Motion carried without opposition. Williams told Hime property tax rebates exist that this property would qualify for.

Kelly Modlin stated he would make Hime an offer and asked if the City would be willing to waive what he owes the City if he sold the property. Keefer stated the City would not be able to waive those fees and S. Jones agreed.

1627 Robbins: Council conducted a public hearing to take input on the determination of whether a building at 1627 Robbins Street should be considered a dangerous structure and condemned for demolition and order all debris, trash, junk and dilapidated vehicles be removed from the property. Property owner Harold Miller stated he has learned during this meeting that his property isn't the worst in town; it just happens his is on Robbins Street. He stated there are people who are Christians who would turn on someone. Miller stated he has been in the emergency room twice since he last addressed the council and that he is asking for more time to complete cleaning up the property. Williams asked how long he needs. Miller stated a month. He stated there are two cars the shredder was supposed to pick up last Thursday that it didn't. He stated the house has been broken in to several times but that nothing has been taken and implied the city inspector had entered the property. Miller stated he has suffered the wrath of the city for several years.

Williams stated under this resolution Miller would have 90 days to complete the work. Miller stated he has spoken to two contractors and that his property isn't the worst in town. Childers stated the council is dealing with those as well, but right now they are dealing with his. Miller stated if the

ultimate goal of the city is to bulldoze his property then go ahead and do it. Williams stated that is not the goal, that the goal is to clean the property up. Allen stated he has never entered the house to take the pictures he provided, that those were taken when a fire occurred on the property. Allen stated that Miller has been working on the property but has a long way to go. S. Jones stated this work didn't get started until just this last weekend. Allen stated Miller has to get the outside cleaned up and the roof repaired then we can work on the inside. Allen stated the property has a \$35,000 lien on it and we would be out about \$12,000 if we bulldoze it. Williams closed the public hearing. Williams stated good health or not, Miller will need professional help with this property.

Anita Elliott, 1600 Robbins, addressed the council and stated she has dealt with this property for over 12 years. She stated when she moved here from Seattle there were 15 cars on this property. Alley stated she heard that Miller has moved some of the vehicles to Henry Street. She stated the cleanup work just started last weekend. Alley stated she wants property values to not continue to go down and asked the council to help the other property owners by passing this resolution.

Tim Johnson, 2110 Loomis, stated he grew up at 1721 Robbins. He stated the property at 1627 Robbins has been an issue for over 20 years. Johnson stated this is not a personal attack but people who have lived there for 50-60 years have had to live next to a neighbor who has no respect for them. Johnson stated the fact that the property has been broken in to causes him great concern for his 80 year old mother who lives near there. He stated it is unsafe and poses a safety danger to all who leave near the property. Johnson asked the council to look at what they can do to encourage people to be good neighbors. Mr. All stated it was 20 years ago that he presented an ordinance for the cars that have been paraded around this block and the council at that time didn't want to address it. Miller stated it was legal as long as the vehicles were moved. Childers told Miller he has played the game well. Childers made a motion to approve Resolution 2012-14 declaring the structure at 1627 Robbins Street as dangerous and directing that it be repaired or demolished and all debris, trash, junk, and dilapidated vehicles be removed from the property. S. Jones seconded the motion. Motion carried without opposition.

Kelly Modlin addressed the council and stated he owns 1701 Robbins that was in just as bad shape and brought it up to code. He asked when the city gets to the point of condemning it if he could purchase it from the city. Keefer stated the city cannot condemn property to sell it, only to tear it down. Keefer stated the city would not own the property and that Modlin would have to buy it from Miller. Williams stated we would much prefer citizens take care of their property but it is our obligation to ensure our citizens safety. Miller asked when the city will bulldoze the property. Williams stated Miller has 30 days to pull a permit and 60 days to complete the work for a total of 90 days. Keefer encouraged Miller to seriously consider the offers to purchase the property so it can be repaired.

Belmont 3rd & Stone Lake Estates Phase 3: Council considered approval of a Resolution authorizing the sale of General Obligation Bonds, Series 2012, for internal improvements for Belmont Place Third Addition and Stone Lake Estates Third Phase. Dustin Avey, Financial Advisor to the City, stated the resolution is very straight forward. Avey stated this bond issue finances the improvements over 20 years and is assessed back to the property owners. He stated there were no prepaid specials so this will be the final amount of the bonds. Avey stated the bond rating call will occur in the next week or so. Malone asked what the coupon would go to if we didn't have it rated versus having it rated since that is a cost of \$8,000. Avey stated it would be much less than \$8,000 for the rating and that the city should keep the bond rating current. He stated if it was lower term debt, such as 10 years, he might not recommend the bond rating. Avey stated we won't know the exact cost until it is done. Wallace made a motion to approve Resolution 2012-15 authorizing the sale of General Obligation Bonds, Series 2012, for internal improvements for Belmont Place Third Addition and Stone Lake Estates Third Phase.

Dam/Spillway Project: Wallace made a motion to approve Amendment #3 to the City's Cost Share Agreement with the Division of Conservation, Kansas Department of Agriculture for the Spillway and Dam Project. Rawlings seconded the motion. Reavis asked if this is the final payment. Keefer stated this is our final allocation. Reavis asked how the amendment affects the certificate of completion in Section E(4) of the agreement. Keefer stated it is when we certify that it is complete. Keefer stated this is a reimbursement based on what we've paid to the contractor. Williams stated this brings us to the \$1 million maximum that can be allocated. Keefer stated we will have to provide them with a certification of completion when the project is done so they will release the final 10%. Motion carried without opposition.

Bids: Wallace made a motion to approve the bid from Harper Industries in the amount of \$117,595 for a new slope mower to maintain the City's levee system and dams. Childers seconded the motion. Malone stated he noticed at the last several meetings that we put things out for bid and only have one respondent and asked if there a reason for that. Keefer stated he couldn't answer that. He stated the bids are being sent out and/or hand delivered and posted on the city's website. He stated this is a specialized piece of equipment so there are only a limited number of vendors for it. Motion carried without opposition. Huddleston stated he noticed the memo says this meets bid specifications. He stated it looks like there is a climate controlled cab that is air conditioned and asked if that was in the bid specifications. Keefer stated it met or exceeded the specifications. Brian Alfaro stated it was not a bid specification.

Love Augusta Program: J.D. McCrary, representing the Love Augusta Program, addressed the council and requested a waiver of fees and building permits for their projects. He stated they have a very limited budget and make improvements for people who really need it such as the handicapped and people experiencing hard times. Wallace mad a motion to waive the fees and building permits for Love Augusta projects. Childers seconded the motion. Huddleston stated he thinks this is a great project and asked how this fits in to other requests. Huddleston asked if this would require an ordinance change. Mr. All stated these are user fees that are set by resolution and the council could approve the waiver of the fee. Motion carried without opposition. McCrary stated their work last week was rained out, so if anyone was not busy they would like to see them there helping this Saturday. Williams stated she witnessed the City Manager and City Inspector volunteering for this and she hopes it becomes more successful. She encouraged McCrary to continue to message people and contact them individually about helping.

Convention and Tourism Grant: Wallace made a motion to approve a Convention and Tourism Grant for American Legion Post 189 and American Legion Auxiliary Post 189 in the amount of \$450 with \$350 being provided up front to assist with the "Remember Our Fallen Soldiers" traveling exhibit. Huddleston seconded the motion. Motion carried without opposition.

Work Session: Harper made a motion to approve scheduling work sessions for the 2013 Budget for July 9 and July 23 at 7:00 p.m. Malone seconded the motion. Motion carried without opposition.

Candidate Forum: Keefer stated he received a request from the Chamber of Commerce about holding a candidate forum for the Sheriff and Register of Deeds candidates on July 10th at 7 p.m. in the council chamber room and televising it on channel 7. Keefer stated we would have to staff the forum, so there would be a cost to the city. Reavis made a motion to approve a request from the Chamber of Commerce about holding a candidate forum for the Sheriff and Register of Deeds candidates on July 10th at 7 p.m. in the council chamber room and televising it on channel 7. Malone seconded the motion. Motion carried without opposition.

Informational Memorandum:

Williams: Williams stated the Levee ground breaking ceremony is scheduled for 1:30 p.m. on Friday, June 22nd.

Huddleston: Huddleston state the Public Works report provided good information to the council.

Final Comments:

Williams: Williams stated Wichita Visioneering is working on prioritizing projects in our area and if anyone is interested in voting on a project in our community they should go to wichtavisioneering.com.

Childers: Childers stated the Augusta Relay For Life is this Friday and that the survivor dinner starts at 5:30 and walking begins at 7 p.m.

Wallace: Wallace stated he is seeing political signs out there now. Allen stated some of them were put out a week early. Wallace stated that if everything west of Indianola Road belongs to Andover and everything east of Indianola Road belongs to Augusta, then shouldn't each community be responsible for half of the repair of Indianola Road. Shaw stated this is a township road. Wallace stated the township is good at gravel roads. Keefer agreed but stated the township is unable to chip/seal the road.

Wallace asked where we are at with finding out how other communities the FAA has dealt with liquidated damages. Shaw stated it is a deduct process. He stated Wichita reaffirmed a lot of the stuff the engineers told us. Shaw stated that Salina hasn't had to go over liquidated damages in the last 15 years and the other communities referred us to their consultants. He stated they reaffirmed Lochner's position. Wallace asked what costs have been incurred as a result of the delay. He said no one has told the council what those are and stated he would like to see them. Shaw stated that is the responsibility of the engineer and will be included in the final change order.

Reavis: Reavis stated a property west of Augusta requested a 2 year extension to vacate the property or have it rezoned. He stated their 2 year extension is up and they are now asking for a 1 year extension. Reavis stated the County has sidestepped this issue because it is in our growth area and they have left it up to us. Reavis asked how that can be allowed to happen if the property is out in the County. Keefer stated we entered into an Interlocal Agreement with the County and we have the authority to oversee zoning regulations in our growth area. He stated there are several other communities in Butler County that have that authority as well. Williams stated she spoke to individual commissioners at the County and they want us to uphold the zoning. Keefer stated they usually give us input and this is the first time he is aware of that they haven't given a recommendation. Allen stated the McCalla's are asking for the extension to decide whether to build a home on the property or move. Allen stated our regulations allow for a 2 year extension. He stated they are not requesting permanent residency. Williams stated this sounds like similar issues we are dealing with tonight. Allen stated the County allowed this to happen 12 years ago and when the pipeline came through the property the trees were bulldozed and now a neighbor is complaining about the RV. Williams stated the McCalla's do not pay property tax except for the land. Allen stated they do pay personal property tax for the RV. Huddleston asked if there wasn't a sewer issue. Allen stated the County gave them permission to tie in to the sewer 12 years ago and now the County is making the City the bad guy. Williams stated maybe we should follow the books on this.

Reavis stated we are going to be talking about water at the next several meetings and he would like to see action rather than reaction. Reavis stated the water issue is about funding and asked if there is any interest for staff to look into a 1% sales tax to pay for these improvements so they can be on the November ballot. Williams asked Keefer to explain the limits on the city's sales tax. Keefer stated

we can levy up to 2% and we currently have a 1% sales tax. Keefer stated he doesn't think there are any restrictions on what they can be used for but that he can check into it. Huddleston asked if this can be something we review during the budget work sessions. Keefer stated we may have to take action as early as August for it to be included in the November election.

Adjourn: At 9:52 p.m. S. Jones made a motion to adjourn. Childers seconded the motion. Motion carried without opposition.

City Clerk

CITY COUNCIL
JULY 2, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in regular session on July 2, 2012, with Mayor Kristey Williams presiding. Council present were Holly Harper, Matt Childers, Michael Huddleston, Michael Wallace, Sue Jones, Mike Rawlings, Ron Reavis and Matt Malone. Also present: City Attorney David All, City Manager Bill Keefer, Assistant to the City Manager Josh Shaw, and City Clerk Erica Jones. Visitors present were: Kent Bush, Jay Anglemyer, Willis Wilson, John Black, Judy Terrick, Pat Terrick, Kent Overaker, Lynn Smith, and Howard Johnson.

Prayer: Pastor John Einem, Christ Lutheran Church, gave the invocation.

Minutes: Reavis made a motion to approve the minutes from the June 18, 2012 meeting. Wallace seconded the motion. Motion carried without opposition.

Appropriations:

June (6A): S. Jones inquired about the payment to Hinkle. Keefer stated the majority of it is from the Kelly/Ohio project. S. Jones inquired about the payment to Lochner for the Taxiway project and asked if their engineering work is almost finished. Shaw stated it is up to date and there is still \$8,000 to \$9,000 left in their contract. S. Jones inquired about the payment to TASC. E. Jones stated it is the administration fee and monthly contributions to the Health Reimbursement Account. Childers made a motion to approve Ordinance 6A in the amount of \$851,254.95. Harper seconded the motion. Motion carried without opposition.

Old Business:

Watering Restrictions: Council reviewed and discussed the City's Watering Restrictions. Williams stated she thinks we are at the point where the conservation fees might be a good idea, especially since we might be looking at more than 10 days with no rain. Huddleston asked staff if they can tell a change in usage last year from before the conservation fee was implemented compared to after. Keefer stated usage went from 4 MGD to 2.5-3 MGD after restrictions and the conservation fee. Huddleston questioned if the fee has an overall impact. Williams stated it is a reminder to bring awareness to the situation. Childers inquired about the use this weekend. Keefer stated Friday was 3.13 MGD, Saturday 2.83 MGD, and Sunday 2.69 MGD. Williams stated it is clear there has to be watering on the weekend when it is a non-watering day and that on Friday we were very near the limit of what can be safely taken. Keefer stated the usage did go down last year near the end of August and in to September. Childers stated we have a work session next Monday and that he would like to look at the numbers in order to make a decision. Keefer stated conservation fees cannot be implemented at the work session and that he didn't know what other numbers he could give the council. Wallace made a motion to re-implement the water conservation fees as they were last year. Childers seconded the motion. E. Jones stated it would start with the current billing cycle.

Reavis stated he has a problem with the conservation fee as written because it doesn't take much usage to have to pay a penalty. Reavis stated it should impact those not following the restrictions, not the elderly and single households that may only water a couple of plants. Reavis stated you are telling them they can water two times a week, but then you are penalizing them. Malone stated \$1.00 per thousand gallons isn't really that much. Williams stated it is not meant to be a penalty. S. Jones stated it could be a lot to someone on a severely limited fixed income. S. Jones asked if there is a way not to penalize the small users and to impact those that double their usage.

Huddleston stated he has an issue with enforcement of the restrictions. Keefer stated staff is doing the best of our ability to enforce them with the resources we have available. Rawlings stated in the past the

council and staff have requested that wells be registered. Keefer stated it was required in the late 90's but that there have been a number added since and there is no requirement that those be registered. E. Jones stated those have to be inspected each year to ensure that the water being used is from the well. She stated several wells have dried up and people who have well signs up are actually using city water to do their watering.

Huddleston stated he doesn't see that with no way to accurately ascertain if a penalty decreases the usage, then is the penalty solving our problem with loss of water. Keefer stated that is a decision the council has to make. Wallace asked what Huddleston would suggest we do instead. Wallace made a motion to call the question. Childers seconded the motion. Motion carried with Reavis opposing. Motion to re-instate the water conservation fee carried with Williams breaking the tie vote. Wallace, Childers, Harper, and Rawlings voted in favor of re-instating the fee and S. Jones, Reavis, Huddleston, and Malone voted in opposition. Williams stated she is in favor of the conservation fee being in place and that it can be revised in the future.

Rawlings made a motion to conduct a special meeting at 6:45 p.m. on July 9th at City Hall prior to the budget work session to consider a sliding scale for the conservation fee. Childers seconded the motion. Motion carried without opposition.

Keefer stated he has a lengthy conversation with the City of Mulvane about the increase in their usage. Keefer stated last year they rehabilitated some of their old wells and if the City of Augusta requests them to use their wells then they will but they are not thrilled about putting them online because of the quality of the water. Huddleston asked if we can ask them to supply a certain amount from the wells. Keefer stated we could. Huddleston made a motion to request the City of Mulvane implement the use of their wells. Childers seconded the motion. Motion carried without opposition.

Williams stated Santa Fe Lake has dropped about one foot and that we are taking about 600,000 gallons or more from there per day. She stated we want all Augustans to continue to conserve. Huddleston asked if this is a good time to discuss what would happen if there was an interruption in the supply from El Dorado. Keefer stated we would pull from the City Lake in the event of an emergency and that we haven't taken any water out of the lake as a source for our water supply since last fall.

Solid Waste: Council reviewed and discussed recommendations from the Solid Waste Advisory Committee. Shaw presented the recommendations from the committee. He stated this discussion started more than a year ago and the committee's recommendations have not been approved or disapproved and staff needs to know how to move forward with this. Shaw stated the recommendation from the committee includes reducing manual labor, more automation, getting out of the alley, enhancing recycling, reducing quantity of trash going to the landfill, and lowering city expenses to the extent possible. Shaw stated the proposal includes automated trucks, once weekly pickup, limit to one 65 gallon cart, street curbside pickup, landfill coupons for two tons of trash to replace spring clean up, and curbside recycling every other week. Childers made a motion to direct staff to develop a transition plan for implementation of the Solid Waste Advisory Committee's proposal. Wallace seconded the motion. Motion carried without opposition.

New Business:

Spillway/Dam Project: Council considered approval of a change order for the Spillway and Dam project. Jay Anglemyer with MKEC read the summary of quantity adjustments and explained each of the adjustments. Anglemyer stated we still need to resolve the amount of chain link fence needed on the dam on each side of the spillway. S. Jones asked if the purpose of the chain link fence is to limit access from the dam to the spillway. Anglemyer stated it is. Wallace asked if a blockade at the wall could be used instead of the fencing. Anglemyer agreed that the wall could be used and that the fence would not

need to run the entire length. Rawlings made a motion to approve the change order resulting in a \$4,443.34 deduct or credit to the project. Malone seconded the motion.

Anglemyer stated that one area of concern from the community is an area downstream of the spillway that was supposed to include rip rap. He stated the decision to delete the rip rap was made to make it more affordable because we thought we had natural rock. He stated that area is now going to be seeded but if the council chooses we can add the rip rap back to that. Huddleston stated we should put rip rap on the south side. Anglemyer stated the contractor took out more rock than we liked and that he would recommend putting it back in. He stated it would take about \$20,000 to put rip rap back in. Huddleston stated he is concerned about erosion. Anglemyer agreed. Keefer stated he would suggest getting a firm estimate before taking action. Huddleston stated there used to be rock on the west side and asked if we need to be concerned about erosion there. Anglemyer stated it looked like it was junk rock and that this area will be sodded. Williams asked Anglemyer to bring back an estimate for the fence and rip rap. S. Jones asked what will happen with the area that is currently uncovered. Anglemyer stated the contractor will be putting down turf mat and sod. Rawlings asked how much damage there will be to the road if rip rap is brought in. Anglemyer stated the rip rap would be put in before paving the road. Williams asked if there is something we can do to keep on schedule for the street to be repaired. Anglemyer stated he would need to check on the schedule. Wallace made a motion authorizing Keefer to okay up to \$25,000 in expenditure for rip rap in order to keep road repairs on schedule. Rawlings seconded the motion. Reavis asked where the \$25,000 will come from. Keefer stated there are funds in the project fund to cover that. Motion carried without opposition. Keefer stated if the repair of the road is delayed we will need to stay on the contractor to maintain Lakeview Parkway until the final repairs are done.

Anglemyer stated per the plan specifications sod was required if there is a 3 to 1 slope and anything less would be seed. Anglemyer stated the contract also does not allow seeding after a certain date. He stated the contractor has indicated he will seed anyway and over seed or fill in the seed in the fall. Anglemyer stated he has requested the contractor put that in writing. S. Jones stated there is a small area that is not landscaped that the contractor stated would only require 30 feet more of sod and that it looks odd. Anglemyer agreed and stated that maybe we should have the contractor sod it now and if it doesn't take we can reseed it in the fall. Reavis asked how much that would cost. Anglemyer stated maybe \$300. Williams stated it would be worth it if we could keep it alive. S. Jones made a motion to ask the contractor to sod at the east end of the dam and water in an amount not to exceed \$400. Childers seconded the motion. Anglemyer stated he will make sure if the sod doesn't take that the contractor will re-seed it in the fall. Motion carried without opposition.

Anglemyer stated there is some erosion at the bottom of the wave berm. He stated it was always originally going to be a wave berm and rip rap, but cost was also always a big concern. Anglemyer stated to rip rap the entire face of the dam was going to cost \$750,000 to \$1,000,000. Anglemyer stated that because this lake is a water source the water levels fluctuate and that was taken into account but the last time the lake was this low was in the early 1980's. He stated the water is fluctuating at the end of the liner right now and has caused some erosion. He stated this needs to be fixed and that the quality of the pinning of the mat was questionable. Anglemyer stated he has asked the contractor what it will take to fix the erosion. Huddleston stated it has eroded 8-10 inches in the last 45 days and if we don't get the water level up what will that do to the integrity of the dam. Anglemyer stated it would take a while to cause a problem, but how the summer goes will dictate how we move forward. Anglemyer stated if the levels go down we can extend the liner back down, but he would like to get the contractors recommendation first as he is confident that this is not an issue. He stated we will continue to monitor this.

Anglemyer stated another issue is that when you do channel changes, the FEMA flood maps have to be revised. He stated there are three separate projects going on right now that will have an impact of the flood maps and that his plan of action is to only have to make the changes one. Anglemyer stated the

current FEMA model was updated 20-30 years ago. S. Jones stated we are now showing more homes that will be impacted by the flood maps. Anglemyer stated with the corrected affected model there were three homes that would now be affected but no additional homes would be affected because of this project. Anglemyer stated he has looked at a couple of options such as putting in a mound of dirt which would cause some tree removal, but he would need to talk to DWR about what we can do. He stated he is scheduling a meeting with them this week. Williams asked if you have to have approval of the mapping from FEMA. Anglemyer stated yes. Williams stated she would like to see all of this information provided tonight in writing from Anglemyer. Anglemyer stated he could do that. S. Jones asked if this wasn't anticipated some time ago. Anglemyer stated DWR and the Corps of Engineers issued the permit but that FEMA won't approve until after the construction is completed. Anglemyer stated the only other option was to increase the size of the channel. Wallace stated that would cost a lot. Anglemyer reminded the council that we are talking about a 100 year rain that would last for 24 hours. Rawlings asked if structure 10 is one that turned down the FEMA buyout. Keefer stated there are three structures that turned down the buyout, including structure 10 and 11.

Malone asked if it was ever discussed to have a way to manually let water out in anticipation of heavy rains. Anglemyer stated it had not and that it would take a large amount of water to be effective. He stated it is good practice for large reservoirs, but not practical for the city.

Pat and Judy Terrick, 2010 Carter Avenue, addressed the governing body. Judy Terrick stated they have several questions and concerns and that they are disappointed that the council did not have a public meeting. She stated she is concerned about safety and graffiti. She invited the council to come to her back yard and look at the big mound of dirt and the cement. She stated as a tax payer she is concerned about their tax values. Pat Terrick asked why the spillway was not placed where the old one was. He stated that whole area is ugly including the dumping of left over cement. Williams stated we were mandated to do the spillway and that it was moved to allow for more water in the lake and to increase the capacity. Pat Terrick thanked Keefer for his help in providing him with information on the spillway. He stated there are a lot of issues that are still unresolved with the flood plain and he thought those would have been resolved before the project started.

Anglemyer stated the dumped concrete was not what they intended. He stated it is serving the purpose but since the project is not completed we could have the contractor chip some of that out. Anglemyer stated he thinks the contractors have done a good job with the restraints they had on them but that they have now relaxed a bit. He stated he has faith in them that they will take care of those issues. Anglemyer stated that as far as the spillway location goes, we did not know the elevation aspects of the old spillway which would increase the potential for a seep to form. He stated it is now straight and in line with the channel. He stated there was reason and forethought into why it was put there. Williams stated that changes are difficult and that she hates that the Terrick's lost their view. She apologized that there wasn't a public meeting and stated that any graffiti would be removed in this area as it is anywhere else in town.

Howard Johnson, 2008 Carter Avenue, addressed the governing body. He stated that his father-in-law lives at 2006 Carter Avenue. Johnson stated he was told this would be a pretty lake with a nice fence, pretty dam, and electric lines underground. He stated it all comes down to money and he promised that the city hasn't saved a dollar. Johnson stated no one told them that the water would go that fast through the spillway and asked the council if they knew that. Wallace stated they did and that it was discussed in an open meeting. Johnson stated he works second shift and was not able to come to council meetings. He stated they have lost their view of the lake from their property and that they should have all been involved in this process. He stated no one came out and talked to him. Johnson stated the road is very busy. He stated he doesn't think the council took notice of him and his neighbors and that the council just does what they want to do. Wallace stated he understands the frustration, but that the city was mandated to do this project. He stated this was the best of the options the council had available to

them. Wallace stated we had no choice, we were told we had to do it. Johnson stated he did not know that it would block his view of the lake. Williams stated this project was a number one safety concern of the State of Kansas, and keeping people safe was the key. Williams stated this has been a long process and that she doesn't know what could have been done to prevent the impact on the view if they had known it would do so. Johnson stated he is very unhappy with the entire city council. Williams stated the council has not taken any of this lightly and that we are only fulfilling a mandate.

S. Jones asked if the pile of dirt can be sodded. Anglemyer stated it could and that there are other things we can do with regard to landscaping to obstruct the view of the spillway. S. Jones stated the glare from the concrete has caused the property owners to have to close their window shades during the day. Anglemyer stated there is a pigment that can be added to the concrete to reduce the glare but that once it ages some the glare will also go down. S. Jones stated it is important that we shade it down if possible. Williams stated she will try to stay in touch with the property owners and asked them to stay in touch with us.

WWTP Bypass Bids: Wallace stated there was such a discrepancy in the bid amounts and asked if all bidders were given the same parameters. Willis Wilson stated they were and that he met with Dondlinger and he assured him that he is confident in his numbers. Wallace made a motion to approve the bid from Dondlinger & Sons in the amount of \$56,400 for the one million gallon tank bypass piping at the Wastewater Treatment Plant. Malone seconded the motion. Wilson stated this project includes going under the sanitary sewer and that we don't know exactly where it is. He stated if there is a problem he may have to come back with a change order. Motion carried without opposition.

Library Board: Malone made a motion to approve the appointment of Jerry Gentzler and Cindy Todd to the Library Board with their terms expiring in May 2016. Huddleston seconded the motion. Motion carried with Wallace voting in opposition.

Sales Tax: Council reviewed and discussed information regarding the use of a sales tax to help fund Water System Improvements. Keefer encouraged the governing body to think and talk about the use of a sales tax and to visit with citizens and business owners. Keefer stated a one cent sales tax will not entirely cover the debt of the water line improvements. Williams asked if something should be sent out to business owners to obtain feedback. Keefer stated outside of a sales tax it would have to be paid out of the water utility which could be cost prohibitive. Malone asked if grant funding has been researched. Keefer stated a lot of those funding opportunities have dried up but that staff can look in to those options. Rawlings stated we have to consider the requirements of the grants and the cost that could add to the project. Keefer agreed. Williams stated she agreed that we need to look at it sooner rather than later. Keefer stated a specific percentage of the sales tax would be dedicated to water utility improvements and the balance would be dedicated to capital improvements.

Williams asked again if it would behoove the city to send out a general letter to businesses requesting feedback by August 20th. Keefer stated we could and that August 20th is the latest we can act to get the sales tax question on the ballot this fall. Rawlings stated if we don't do something we won't have any water. Williams asked if some of the funds from the sales tax should be used for economic development to bring in more tax dollars. She stated she wants to look towards the future.

Reavis stated this is going to require a sales tax and a mil levy combination and asked how much that would make the mil levy increase. Keefer stated he would recommend it go against the water utility and would not recommend increasing the mil levy. He stated the mil levy will have to increase next year to pay for the levee and dam projects and possibly to cover the shortfall in delinquent taxes and specials. Keefer stated if we have a sales tax it could help pay for the Walnut River diversion up front and leave the debt for the waterline construction. Reavis stated he would recommend moving forward to pursue a sales tax.

Huddleston stated he thought we were going to pursue getting water rights from the State before moving forward with the project. Willis Wilson stated we are in the process of comparing the Walnut River water quality with the City Lake water quality and researching sedimentary aspects. Wilson stated we cannot pursue water rights before the diversion design plans have been completed per the Division of Water Resources (DWR). Huddleston asked how long it will take to get the permits. Wilson stated 6-12 months. Huddleston asked if the project could be completed in two years. Wilson stated it could. Huddleston asked when the water analysis will be completed. Wilson stated we will have a lab recommendation for the testing by the end of the month. Rawlings asked if the tests come back okay can we recommend Wilson pursue those permits. Wilson stated the testing will be done by the first part of August and the results will be back in six weeks. Rawlings asked if we are doing something that will slow this process down where we should be moving forward. Williams stated waiting six weeks for sample results isn't waiting too long before we pay extra costs. Rawlings stated he thinks we should have taken more time at the previous council meeting to discuss this further and if we keep putting it off with the current drought situation we could have a real problem. Wallace stated he doesn't want to spend money until we know that the water is compatible and that he thinks six weeks is reasonable. Rawlings stated he doesn't mind six weeks but he doesn't want to wait 6-9 months. S. Jones asked why we have to wait six weeks before sampling. Wilson stated we have to work with/through KDHE.

Malone stated he would request the council to talk to businesses about the sales tax. Keefer stated staff will send out a card to businesses and that he encourages citizens to contact the council. S. Jones stated that as a retailer, she doesn't think that an additional 1% sales tax will keep people from shopping in Augusta. Huddleston stated that is why the car business moved out of town. Keefer stated that wasn't the only reason, but that he would encourage the council to visit with businessmen in the community because he doesn't want to see uproar after the fact.

Informational Memorandum/Final Comments:

Huddleston: Huddleston asked how things are going with the Airport construction. Shaw stated he hasn't received anything from the engineers on a final change order, but that he has contacted the County directly about an estimate for the road repairs. Shaw stated he hopes to get an update this week. Huddleston inquired about the signs for the church parking lot stating it is also to be used for swimming pool parking. Keefer stated he is not sure of the status and that he will look into it. Huddleston stated he noticed there is a meeting scheduled with the City of Andover about the rails to trails. Huddleston stated the city still doesn't own the area that is going through town. He stated the County required the city to obtain a survey and asked if they are going to require a survey all along the line between Augusta and Andover. Rawlings stated he had to have a survey for the portion he had, but that the County paid for it. Keefer stated they are not that far along in the discussion to talk about who is paying for the survey.

Williams: Williams reminded everyone of the Fireworks display at the City Lake at dusk on Wednesday and thanked all of the businesses and individuals for their contributions.

Adjourn: At 10:02 p.m. S. Jones made a motion to adjourn. Childers seconded the motion. Motion carried without opposition.

City Clerk

CITY COUNCIL
SPECIAL MEETING
JULY 30, 2012
6:00 P.M.

The Council of the City of Augusta, Kansas met in a special session on July 27, 2012 for the purpose of scheduling a special meeting at 7 p.m. August 13, 2012 at City Hall to conduct the public hearing for the 2013 Budget and to consider adoption of the 2013 Budget with Mayor Kristey Williams presiding. Council present were Holly Harper, Matt Childers, Michael Huddleston, Michael Wallace, Sue Jones, Mike Rawlings, Ron Reavis and Matt Malone. Also present: City Manager Bill Keefer, Assistant to the City Manager Josh Shaw, and City Clerk Erica Jones. Visitors present were: Kent Bush.

Harper made a motion to schedule a special meeting at 7 p.m. August 13, 2012 at City Hall to conduct the public hearing for the 2013 Budget and to consider adoption of the 2013 Budget. Reavis seconded the motion. Motion carried without opposition.

Adjourn: Meeting adjourned at 6:02 p.m.

City Clerk

CITY COUNCIL
JULY 16, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in regular session on July 16, 2012, with Mayor Kristey Williams presiding. Council present were Holly Harper, Matt Childers, Michael Huddleston, Michael Wallace, Sue Jones, Mike Rawlings, Ron Reavis and Matt Malone. Also present: City Attorney David All, City Manager Bill Keefer, Assistant to the City Manager Josh Shaw, City Inspector Dan Allen, Director of Electric Utility Bill Webster, Power Plant Superintendent Jim Sutton, and City Clerk Erica Jones. Visitors present were: Kent Bush, Gary Rogers, Myrna Rogers, Dustin Avey, Walter Burress, Karen Berry, Brenda Nyberg, Justin Kneisel, John Black, Linde Hanzlick, Jennifer Baugher, Carl Myers, Connie Thurman, Bonnie Smith, Mark McCollom, and Larry Holloway.

Prayer: Pastor John Einem, Christ Lutheran Church, gave the invocation.

Minutes: Malone made a motion to approve the minutes from the July 2, 2012 meeting. Harper seconded the motion. Motion carried without opposition.

Malone made a motion to approve the minutes from the July 9, 2012 special meeting. Huddleston seconded the motion. Motion carried without opposition.

Appropriations:

July (7): S. Jones asked which project the payment to Goedecke was for. Keefer stated it was for the Dike Road project and the Kelly/Ohio Intersection project. S. Jones inquired about the payment to ISG. E. Jones stated it was for repairs to the City Hall server. S. Jones inquired about the payment to the Roger Turner Company. Keefer stated it was for appraisal services with regard to a condemnation for the levee project. Huddleston inquired about the payment to Jim's Refrigeration. Keefer stated it was for repairs to an ice maker and refrigerator at the Parks Department building. Harper inquired about the payment to Cooper Drug. Keefer stated it was for UPS charges. Harper stated there were three payments to three different vendors for tires and batteries and asked why. Keefer stated it depends on which department is making the purchase and what type of tires they are purchasing. He stated they try to buy local but there are some that they do not purchase locally, such as retreads. Keefer stated he would check in to this further. Huddleston made a motion to approve Ordinance 7 in the amount of \$528,619.52. Harper seconded the motion. Motion carried without opposition.

Visitors:

Downtown Augusta, Inc. (DAI): Mark McCollom, representing DAI, presented their annual request for the 2013 Budget in the amount of \$13,000. Wallace inquired about the balance in their overall funds. McCollom stated he is not the treasurer and would not be able to answer that question. Childers asked if the \$13,000 from the City is included in the membership budget. McCollom stated it is. Huddleston asked if the \$13,000 for this year has been paid. Keefer stated DAI bills the City quarterly and the first two quarters have been paid. Wallace stated he would like an accounting of the funds in the future. S. Jones stated there are 26 due paying businesses, but that there are several more than that downtown. She asked McCollom what DAI's plan is to increase membership. McCollom stated the board of directors is going to start actively recruiting members. Wallace made a motion to approve DAI's request for funding in the amount of \$13,000 for the 2013 Budget. Malone seconded the motion. Williams stated we can take their request under advisement and review it during the work session or approve the motion on the floor. Huddleston stated the Director position has been unpaid for four months and asked if we need to adjust this year's funding since their expenditures will not be what they budgeted. Motion carried with S. Jones and Huddleston voting in opposition.

Butler County Conservation District: Brenda Nyberg, District Manager for Butler County Conservation District, presented a request for funding assistance for the 2013 Budget in the amount of \$6,000. Nyberg stated they are the primary local unit of government responsible for the conservation of soil, water, and related natural resources within Butler County. Williams stated she appreciates Sandy Koontz and the work she has done with us. Williams asked where the additional funding for their budget will come from. Nyberg stated it will probably come from Butler County. Williams asked why other cities do not help with funding. Nyberg stated they haven't worked with any other cities directly. Williams stated there are no questions that it has benefitted our community, but that she is surprised that other communities aren't involved. Nyberg stated Augusta is unique in that we have two lakes that are used as water sources. Wallace made a motion to table this item until Butler County has decided on how much they will be funding. Huddleston seconded the motion. Keefer stated our budget process is moving forward in the next two to three weeks, so he could put it in the budget and the governing body could choose not to fund it. Wallace stated Keefer should include it in the budget. Williams asked if the position would be ended if the County doesn't approve the additional funding. Nyberg stated to would. Huddleston asked when the board is elected. Nyberg stated at the annual meeting in January or February. She stated it is advertised in the Augusta and El Dorado newspapers. Huddleston stated this organization was established in 1945 by the State. He stated it is a sub-division of the State and County who no longer want to fund it so now they have to reach out to local government for funding. Williams agreed but stated in this case the State said if you need this service you will have to pay for it locally. Williams stated bearing in mind that we have used this service, it is in our interest to fund it. Reavis stated he is going to vote against tabling this because we have already benefitted in the amount of \$10,000 for a \$6,000 fee. Nyberg stated if the City approves the funding Koontz will be working to get even more savings for the City. S. Jones asked how many land owners have taken advantage of the technical assistance. Nyberg stated that none have yet. Justin Kneisel stated he has worked with Koontz so his organization can provide assistance to landowners. He stated that Koontz was instrumental in working with the church located at Ohio and 70th street on a sediment issue and there are WRAPs above El Dorado Lake and other small drainage areas. He stated if Koontz was able to get more grant requests written there could be more funds available to this area.

Wallace stated he thinks this is a very good organization but that other communities piggyback on our funding without contributing and he would like to see the County and other organizations contribute their fair share. Nyberg stated if the City funds the \$6,000 Koontz would account for the work done for the City. Malone asked Nyberg if she has approached the school districts since a lot of the things that they have done have been for education and the schools. Nyberg stated they have not. Williams stated the City owns the lakes, not the school district. Wallace stated the school district gets water out of our lake. Motion to table the issue carried with Reavis and S. Jones voting in opposition.

Huddleston asked if the Butler County Conservation District does any work for the City of El Dorado. Nyberg stated they have worked on WRAPs grants and that Koontz's wages were included in the grant and that El Dorado gave \$20,000 to put things on the ground.

Karen Berry: Karen Berry, 125 E Summit, addressed the governing body. Berry asked why swimming is not allowed at the City Lake. Williams stated that it relates to safety and liability issues. Keefer agreed that those are the primary reasons swimming is not allowed. Keefer stated in normal years the lake is a primary source of our water supply and that boats stir up sediment and that there is an opportunity for contamination. He stated we need to keep it as pristine as possible since it is a water supply. Keefer stated we also don't have the staffing necessary to monitor it for safety issues. Williams recommended Berry obtain an annual permit for Santa Fe Lake where swimming is allowed. Keefer stated the swimming pool is closing on August 12th because school starts and we lose the lifeguards. Berry asked why the City is giving water to Mulvane. Williams stated that is an agenda item and that if she stays she

will get an answer to that question. Wallace stated we are legally bound by a contract to provide water to the City of Mulvane.

Old Business:

Watering Restrictions: Council reviewed and discussed the City's water restrictions and related water issues. Williams stated there are two sections on this that she would like to address. Williams stated before we start the discussion she wanted to share information that relates to the subject. Williams stated the first topic is to consider authorizing the city manager to enter into an agreement with outside legal counsel, specifically Martin & Hinkle Law Firm to review the three existing wholesale water agreements and the raw water contract with El Dorado. Williams stated she would also like the council to review as well as the status of our water supply and distribution line. Williams recommended authorizing the city manager a cap of \$10,000 to seek guidance and legal counsel on our Mulvane contract as priority number one, Rural Water Districts #4 and #6, and the El Dorado water contract as it pertains to our contract with Mulvane. She stated her rationale is that the six page contract with the City of Mulvane entered into in January 1991 and obligates the City of Augusta to be the City of Mulvane's sole water source up to 200 million gallons annually. She stated the contract is for 40 years and has a provision for the City to pass on our increase in raw water costs from the City of El Dorado. She stated it also has a provision related to drought and water restrictions. Williams stated there is no provision for debt, line repairs, consumer price index, increased cost in chemicals, materials, general maintenance, staffing, mandates, and no inclusion of improvements to our water treatment plant. Williams stated that as a result of the current drought situation and the construction of the casino requests from the citizens to review the contract has increased tremendously. Williams stated that some general questions the council should consider include what are our options beyond pricing for selling water to Mulvane when they reach their contractual limit of 200 million gallons, can we limit the amount of water or restrict usage, compare our take or pay obligations to the City of El Dorado to that of Mulvane, what are our options for termination of the contract, is there a legal precedent for the condition of unforeseeable conditions, and are there any statutory provisions for obligating future councils to a long term contract with no options for termination or review.

Wallace stated that he has been against this contract for a long time but that over the last 20 years he has always been told it is a binding contract and our hands are tied. He stated he doesn't know how things have changed since then. Wallace stated there are certain provisions in the contract if they exceed the limit in the contract but that they haven't exceeded that or asked to renegotiate. Keefer stated that at no point in time did the City of Mulvane include the City of Augusta in the discussion or planning process and design work for the casino. Keefer stated at the rate the water use is going; they will likely hit the 200 million gallon limit this fall and they have yet to complete the hotel. Keefer stated the biggest question he has for this contract is what happens when they exceed the 200 million gallon limit. Keefer asked if we can charge excessive pricing on what they go over or limit the amount of water they can take. He asked if this gives us an opportunity to renegotiate the contract or discuss it as a whole. Keefer stated he doesn't know the answer to that.

Malone asked where Williams came up with the attorney firm she recommended. Keefer stated from him. Malone stated the attorney that wrote the contract is in the room and if we need to have an executive session to brainstorm what is in the contract then let's do that instead of shooting from the hip and spending \$10,000 on outside counsel. Williams stated her suggestion to have outside counsel look at it is because we've had the contract examined by our city attorney and governing body officials throughout different time periods as well as engineers and citizens and elected officials outside of our governing body. She stated we can all guess that the contract is firm or take a step and look into what our options are. Williams stated what we do with the Mulvane contract will make a difference in what we decide to do with our El Dorado water line. She stated all of these things are linked and since we are looking at bringing forward a potential sales tax to fund the water line this needs to be addressed and that all options need to be exhausted, and to date they have not.

Huddleston asked how Williams arrived at these questions and are these the only ones we are going to contract with someone to give us an opinion on. Williams stated she, Childers and Keefer came up with those questions as well as questions that have been asked by citizens, but that it is not an exhaustive list. Childers stated it was a jumping off point. Huddleston asked if the city attorney was included in that discussion. Williams stated he was not. Huddleston asked why the other contracts would be included in the review. Williams stated they are all tied to our contract with El Dorado. Huddleston asked where Williams came up with the \$10,000 and where it would be paid out of. Williams stated it is an arbitrary number and Keefer stated it would be paid from the water fund.

Wallace asked Mr. All what he thought about including outside counsel in the discussion. Mr. All stated his advice was not sought on this. He stated that a lot of the things Williams brought up need to be discussed, but at this point he has not had that discussion with anyone. Malone stated that goes with his point that we should have this discussion before spending \$10,000. S. Jones agreed. She stated that it was inappropriate that the council was not included in the discussion. She asked why Martin Pringle was recommended and what their specialty is. Keefer stated he recommended them because we have worked with them before and that they have expertise in contract law. S. Jones stated there are firms that specialize in water contract law and if there is one in Wichita then we should consider someone specializing in water contract law if we choose to go down that path. Huddleston agreed and stated that the mayor is asking for this prematurely.

Childers stated we have been dealing with the Mulvane contract for 22 years and are now in an unsustainable situation that needs to be addressed. Childers stated he was sorry that the city attorney was not consulted. Williams stated that each of the governing body members meet with the city manager on issues and bring those things to the council. She stated it was not inappropriate for her to meet with the city manager and council president. Huddleston stated if we are going down this route then we need to do it right. He stated that since it has been 22 years he doesn't think waiting 30 more days to discuss it further is inappropriate. Malone stated we have had 22 years to put in a new waterline from El Dorado. Williams stated portions of the line have been replaced, including over 3,900 feet that was replaced recently. She stated we have not just done nothing.

Wallace made a motion to move on to the next agenda item. Malone seconded the motion. Williams asked for clarification whether the motion was to move to the next agenda item or the next discussion regarding water. Wallace stated the next agenda item. Motion carried with Childers opposing. Williams stated that Santa Fe Lake is down four inches and according to Willis Wilson we have approximately 110 days of use left as long as we do not use more than 500,000 gallons per day.

E. Jones stated there is a \$2,200 one-time fee from the utility software provider for making the change to the calculation of the conservation fee. S. Jones stated E. Jones could not be serious. E. Jones stated the formula that calculates the conservation fee has to be rewritten by their engineers which generates a cost. Wallace asked if the memo she provided for conservation fees is for what was billed or collected. She stated it was for when it was for when it was billed, but that it was usage for the month previous. S. Jones stated we actually collected \$225,000 in extra revenue for the water conservation fee. E. Jones stated that is correct, but that due to the restrictions we sold less water so it probably helped to net that out. Wallace stated the main point is that usage dropped because of the restrictions and fees. Williams stated she thought the council no longer wanted to discuss water.

HVAC Bids: Malone made a motion to approve the bids from McCune Heating and Air for two HVAC systems totaling \$12,440.10. Huddleston seconded the motion. Motion carried without opposition.

New Business:

Kansas Power Pool: Larry Holloway with the Kansas Power Pool (KPP) was present to discuss agreements with the KPP. Malone asked if all wholesale customers are charged the same rate. Holloway stated that short term contract customers are charged 3.25% more than the long term contract customers such as Augusta. Huddleston stated that natural gas has reached all time lows and asked why we do not generate power. He stated that because of all the costs of our contracts, we cannot generate our own power at a savings. Huddleston asked how much of a difference there is in our power rates compared to those without generating capacity. He asked if we are gaining enough belonging to KPP considering what it costs to maintain our facility. Holloway stated KPP pays the City \$100,000 for your generation capacity at the power plant. Holloway stated what they are proposing is that all the plants like Augusta that need to make environmental upgrades will be upgraded by KPP free of charge. He stated there are opportunities at times that we could call about Augusta generating for entities such as Westar. Holloway stated natural gas prices are good but it also affects the wholesale electric price we can buy at. He stated about half of the City's electric bill from KPP now is related to fixed costs and those are costs to have capacity available. He stated transmission costs are increasing all the time. Holloway stated they depend on Augusta and other generating communities to keep the fixed cost for wholesale energy for the pool down.

Holloway stated what he was here for tonight was to discuss the contract where KPP is going to invest over \$700,000 on the City's generating units as part of an EPA requirement. Malone stated this is going to be paid for by the people of the pool, but in the memo it says the City is going to have to pay \$316,000 over ten years. Holloway stated there is an option to pay a little higher rate or to pay your pool share upfront. He stated the City's share of the improvements is a little over \$300,000 and if that is paid upfront then you will see a lower rate than those that do not pay it upfront.

Holloway stated that one of the questions asked by Huddleston was why the City cannot generate and lower the power costs. He stated that cities that have contracts that require them to generate often will generally pay higher rates than what Augusta pays. Holloway stated the reality is that the rates the City pays are lower than if you were not a KPP member. Huddleston stated the memo from staff says KPP estimates the project cost at \$784,000. Holloway stated that is a not to exceed amount. Huddleston asked if we prepaid our portion of the project if our cost could go down. Holloway stated that is correct. He stated when the bonds are issued we will know what your prepaid discount will be.

Huddleston stated that last year Bill Webster estimated a cost of \$500,000 to install the four catalytic converters at the north plant. Webster said that was the estimate he had at that time. Huddleston stated in less than a year the cost has increased to \$740,000. Holloway stated it would be even higher six months from now. Wallace asked when we will know the exact cost. Holloway stated when the project is complete and the debt is issued. Huddleston asked if the \$316,000 is a not to exceed amount for our cost associated with the project. Holloway stated essentially yes, the cost is based on your share of whatever the forecasted demand is but it could actually be less than the \$316,000. S. Jones asked how many members are there in KPP. Holloway stated there are 21 members with 20 year contracts.

Huddleston asked what is being done about the south plant. Holloway stated that is up to the City. Huddleston asked if since we only use the south plant for emergency purposes if that is why the EPA doesn't require us to put converters on it. Webster stated that is correct. Wallace stated he is concerned that if there is suddenly a demand for the south plant then we'd be subject to government regulations regarding converters. Holloway stated the north plant is an ideal place for these improvements and that the south plant has smaller units that would be more of a challenge.

Williams asked if we will be in compliance with the regulations by 2013. Webster said the north plant will be in compliance and since the south plant is for emergency purposes it is exempt from the requirements. Huddleston asked what the point is of maintaining the south plant. Webster stated we do not have to staff it and there is not much cost to maintain it. Huddleston asked if there were major

repairs required then would it make sense to maintain it. Webster stated it would be useful if we had to supply the entire town with power in an emergency situation.

Holloway stated the agreement is an amendment to the power purchase agreement that allows KPP to make improvements on the City's behalf. Rawlings stated the south plant still counts for our capacity rates. Holloway agreed. S. Jones asked if the \$3.2 million will be shared equally with those in the KPP. Holloway stated that is correct, based on the demand component.

Malone made a motion to approve the First Supplemental Power Purchase Contract with the Kansas Power Pool. Rawlings seconded the motion. Motion carried without opposition.

Reavis made a motion to approve the Schedule I Project Agreement with the Kansas Power Pool. Wallace seconded the motion. Huddleston asked if this agreement returns ownership to the City after 10 years. Holloway stated it does. Motion carried without opposition.

2012 GO Bonds: Malone made a motion to approve the bid from Commerce Bank with the lowest net interest cost of \$150,782.29. Wallace seconded the motion. Motion carried without opposition.

Malone made a motion to approve Ordinance 2039 authorizing the issuance of the bonds and levying annual tax for the repayment of the bonds. Wallace seconded the motion. Motion carried without opposition.

Wallace made a motion to approve Resolution 2012-16 authorizing the issuance and sale of the bonds. Rawlings seconded the motion. Motion carried without opposition.

Roof Bids: Wallace asked if this damage is a result of hail. Dan Allen stated it is not. Wallace asked if the Chamber has offered to help pay for the repairs. Allen stated the City owns the building. Huddleston stated he remembers one of the reasons the utility office moved across the street was because the building was inhabitable. Keefer stated that was not correct. Allen stated the only problems with the building are a result of the leaky roof. Wallace made a motion to approve the low bid from Buckley Roofing in the amount of \$22,600 for the Library Roof and the low bids from Wray Roofing for the Chamber/DAI roof in the amount of \$15,390, the elevator shaft at City Hall in the amount of \$2,895, and the south power plant roof in the amount of \$38,595. Childers seconded the motion. S. Jones stated it doesn't seem to make sense not to insulate it properly. Rawlings stated he doesn't see us putting off the library repairs for three to four months because they have been having bad leaks for some time. Allen stated we haven't had any rain in some time to tell if it is leaking badly. Allen stated the only insulation being removed at the Chamber is the insulation damaged by the leak. He stated the time to insulate the building would be if the building is remodeled. He stated he would not recommend including insulation with the roof project. Motion carried without opposition.

Kelly/Ohio Project: Malone made a motion to approve the "Contract for Conveyance of Real Estate by Special Warranty Deed and Temporary Easement with the Dillon Real Estate Company" and payment of \$4,600 for these tracts as part of the Kelly/Ohio Intersection Project. Harper seconded the motion. Motion carried without opposition.

Work Session: Council considered scheduling a joint work session with the City of Andover to review the Airport Study by Troy Carlson, Initiatives, Inc. S. Jones stated they were invited to the original meeting with Carlson but the Andover City Administrator, Sascha Stiles, was the only representative that showed up. S. Jones asked why the joint session is now being presented and if there is anything new that Carlson will be presenting. Williams stated that she thought it was always Stile's intent to get the two governing bodies together for a discussion. Shaw stated this would provide an opportunity for the two governing bodies to discuss a possible joint venture in the future. He stated we have never gotten

everyone to the same table and this would be an opportunity to have a discussion to see if it would be beneficial to move forward with this. Wallace made a motion to schedule a joint work session with the City of Andover at 7 p.m. on Monday, August 27, 2012 to review the Airport Study by Troy Carlson, Initiatives, Inc. Childers seconded the motion. Motion carried without opposition.

Budget Work Session: Williams stated that Keefer has requested the budget work session be rescheduled to July 30th at the Safety Building. Keefer stated he is working hard to put all the pieces of the puzzle together for the tax supported funds and that it has been a real challenge. Keefer stated he would not feel good about preparing something for next Monday and that it would not be responsible on his part. Malone asked if anyone was opposed to moving it to 6 p.m. instead of 7 p.m. Wallace made a motion to reschedule the budget work session to 6 p.m. on July 30th at City Hall. Malone seconded the motion. Motion carried with Rawlings voting in opposition. S. Jones asked how much property taxes are delinquent. Keefer stated they are running at about a 7% delinquency rate which translates to \$140,000 to \$150,000 and that we are about \$30,000 short in special assessments.

Informational Memorandum/Final Comments:

Malone: Malone inquired about an update from MKEC regarding the Dam/Spillway project. Keefer stated he received an email this afternoon but that he is still waiting for some information. Keefer stated MKEC has a meeting scheduled with DWR and when he has more information he will provide it to the governing body. Malone stated the results of the questionnaire did not look favorable for raising sales tax. He stated he thinks the governing body needs to brainstorm other avenues of revenue for the city. Rawlings stated he was extremely disappointed in the results of the survey.

Harper: Harper stated that during the discussion about the Mulvane water agreement Malone asked for a work session or executive session with Mr. All. Harper asked if we are going to schedule something. Childers stated he would like to have an executive session right now for 15 minutes to discuss this to see how the governing body feels about the Mulvane water contract and if we want to do something about this. Harper seconded the motion. Wallace called a point of order and stated that Childers did not make a motion but rather say he would like to have an executive session. Wallace stated we should first cover our final comments and then come back to that if the council wants to have an executive session. Keefer agreed. Williams stated that she did believe Childers's comment did constitute a motion, but Childers stated he was just trying to gauge a consensus from the governing body who decided to move on from this subject earlier in the meeting to see if they wanted to have an executive session on the subject now.

Reavis: Reavis stated he appreciated Harpers comments and that his goal is to have something positive at each meeting on the water issue. He stated he thinks we need something in the 2013 budget for water improvements and that we cannot keep putting this off.

Reavis stated he has heard through the grapevine that the County is going to pull the half-time ambulance from Douglass which will have an effect on the citizens of Augusta since our ambulance will now respond to Douglass calls. Reavis stated he would like to review the stats to see if we can persuade the County to reverse their decision. Reavis stated he will be asking the County questions personally and not representing the Council.

Reavis stated he has received complaints about fireworks and stated he would like some open dialogue from the citizens about our fireworks ordinance such as a special meeting. Keefer stated Director of Public Safety Tyler Brewer is compiling a report of statistics regarding fireworks and that he will forward that to the governing body when it is available. Keefer stated he received several complaints as well. Reavis stated it is a fire danger because it is so dry, but that there are also issues with the types of fireworks allowed. He stated he thinks we need input from the citizens to see if any changes are needed. Wallace stated if people have an issue with the fireworks ordinance they could come to a council

meeting to discuss their view but that this would be a prime opportunity for the newspaper to run a survey. Reavis stated he was thinking more of a town hall meeting for gathering information.

At 9:02 p.m. Wallace made a motion to go into executive session for 15 minutes. Williams asked Wallace to specify the purpose of the executive session. Childers stated for the purpose of discussing matters of attorney client privilege. Kent Bush, Editor of the Augusta Daily Gazette, asked how this would qualify for executive session as the contract is a public record and was discussed in a public meeting earlier tonight. Bush stated this is not a matter of litigation or personnel. Wallace stated it is still attorney council information though. Bush stated the issue had already been discussed with the City Attorney in the public meeting tonight. Williams stated Bush had a good point and referred Bush's question to David All. Mr. All stated that generally speaking you can consult with the city attorney about legal matters. Mr. All stated he is not sure what topic the council wants to discuss other than what has already been discussed here tonight. Mr. All stated this is in a gray area as far as going into executive session. Wallace stated "so moved anyway". Childers seconded the motion. Childers asked Mr. All if this is a gray area what are our options. Williams stated you don't go into executive session. Childers stated that is what we tried to do earlier and nobody wanted to. Malone stated that due to what we are going to be discussing as far as either trying to get out of the contract or trying to litigate, we don't want the other side of the fence knowing how we're coming to the table in court. Wallace agreed. Mr. All stated he thinks that would allow the governing body to go into executive session, that those are reasons that would be allowed. Motion carried at 9:05 with Reavis voting in opposition.

At 9:20 p.m. Wallace made a motion to exit executive session with no action being taken. Rawlings seconded the motion. Motion carried without opposition. Wallace made a motion to direct the City Attorney and City Manager to talk to the Mulvane City Manager and their legal counsel to discuss the Mulvane water contract. Harper stated she would feel more confident if a cooperative attorney with a fresh set of eyes would go with them. Childers stated he agrees with Harper, but in an effort to get the ball rolling he is favor of moving forward with this motion now and seeing where we stand after this discussion. Motion carried without opposition.

Adjourn: At 9:23 p.m. Wallace made a motion to adjourn. Huddleston seconded the motion. Motion carried without opposition.

City Clerk

CITY COUNCIL
SPECIAL MEETING
JULY 30, 2012
6:00 P.M.

The Council of the City of Augusta, Kansas met in a special session on July 27, 2012 for the purpose of scheduling a special meeting at 7 p.m. August 13, 2012 at City Hall to conduct the public hearing for the 2013 Budget and to consider adoption of the 2013 Budget with Mayor Kristey Williams presiding. Council present were Holly Harper, Matt Childers, Michael Huddleston, Michael Wallace, Sue Jones, Mike Rawlings, Ron Reavis and Matt Malone. Also present: City Manager Bill Keefer, Assistant to the City Manager Josh Shaw, and City Clerk Erica Jones. Visitors present were: Kent Bush.

Harper made a motion to schedule a special meeting at 7 p.m. August 13, 2012 at City Hall to conduct the public hearing for the 2013 Budget and to consider adoption of the 2013 Budget. Reavis seconded the motion. Motion carried without opposition.

Adjourn: Meeting adjourned at 6:02 p.m.

City Clerk

CITY COUNCIL
AUGUST 6, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in regular session on August 6, 2012, with Mayor Kristey Williams presiding. Council present were Michael Huddleston, Michael Wallace, Sue Jones, Mike Rawlings, Ron Reavis and Matt Malone. Council members Matt Childers and Holly Harper were absent. Also present: City Attorney David All, Assistant to the City Manager Josh Shaw, and City Clerk Erica Jones. Visitors present were: Kent Bush, Gary Rogers, Myrna Rogers, Robert Buckingham, John Black, Steve Hollingsworth, Kent Overaker, Willis Wilson, and David Higgs.

Prayer: Pastor Steve Hollingsworth, Central Baptist Church, gave the invocation.

Minutes: Wallace stated the second paragraph on page 3 should read "He stated he doesn't know how contract stipulations could have changed since then." Wallace made a motion to approve the minutes from the July 16, 2012 meeting as amended. Huddleston seconded the motion. Motion carried without opposition.

Malone made a motion to approve the minutes from the July 30, 2012 special meeting. Huddleston seconded the motion. Motion carried without opposition.

Appropriations:

July (7A): Malone asked if the payment to BNSF is a quarterly payment. Shaw stated it is annual. Wallace made a motion to approve Ordinance 7A in the amount of \$1,386,873.76. Huddleston seconded the motion. S. Jones inquired about the payment to Hinkle Law Firm. E. Jones stated it was for condemnation work on the Levee and Ohio/Kelly Intersection projects. S. Jones inquired about the payment to U.S. Geological Survey. Shaw stated it is the monitoring stations for the Whitewater River levels. S. Jones stated there were two payments to YMCA in this ordinance and asked how often they bill. E. Jones stated there are two bills monthly; one for the employee's membership and the other the lifestyle coaching. Motion carried without opposition.

August (8): S. Jones inquired about the payment to Lochner. Shaw stated this is for engineering work on the FAA Taxiway project and that they are under their contract amount with \$2,500 remaining. Wallace made a motion to approve Ordinance 8, excluding the payment to Pavers Inc. for a total of \$323,530.71. Malone seconded the motion. Motion carried without opposition.

Visitors:

American Legion Auxiliary: Gary Rogers presented the City Council with a check in the amount of \$329 to be used towards the purchase of picnic tables for the Augusta park system. Mayor Williams thanked Gary and Myrna Rogers for all they do for the Augusta community.

Augusta Youth Soccer: Robert Buckingham of Augusta Youth Soccer, Inc. (AYS) addressed the Council requesting a utility abatement for 2012. Huddleston stated the letter from AYS stated they could not provide financial information because the prior people in charge had not handed it over to them. He stated the letter also says the abatement request would be 25% of their reserves. Huddleston asked if they have a way to show where their money came from and what their expenditures are. Buckingham stated they are working on that but they don't have the information available now. He stated he could provide that information to the council when it becomes available. S. Jones asked how many people participate in the program. Buckingham stated there are 358 participants this year. Williams stated it is difficult for youth programs in our community since we do not have a recreation commission. Wallace made a motion to table this request until Augusta Youth Soccer, Inc. provides their financials. Motion died from lack of a second. Huddleston stated he would approve an abatement based on them providing

their financial date to date this year, but that he wants to make sure they need an abatement. Huddleston made a motion to approve the request for utility abatement for 2012 from Augusta Youth Soccer, Inc. contingent on them providing a copy of their financials to date to the governing body. Malone seconded the motion. Motion carried without opposition.

Old Business:

Watering Restrictions: Council reviewed and discussed the City's water restrictions and related water issues. Shaw stated that that usage has been pretty consistent and has actually been down the last couple of days. Shaw stated we started drawing water out of the City Lake again on July 25th to help reduce the amount being pulled from Santa Fe Lake. Shaw stated the peak demand in July was over 3.22 MGD but that we have been consistently below that amount. Shaw stated when the email is back up he would email the usage chart to the governing body.

Airport Taxiway Project: Council reviewed and discussed project closeout for the Airport Taxiway Project. Shaw stated this action all needs to be done together, that if one item is not approved then none should be approved. Huddleston stated he was having difficulty in reading what the change order means. He stated the memo refers to a reduction in the amount of \$3,307.78 and asked how that adds up to an increase of \$7,845.93. Shaw stated the \$7,845.93 includes Change Order #1 that was approved several months back that added around \$11,000 to the project. Huddleston asked if we are paying for the Indianola Road repairs. Shaw stated we would be, but that the FAA would reimburse us. Huddleston asked if it would be restored to the original condition or if it would be patch work. Shaw stated it would be patchwork and that APAC negotiated directly with the County on that. Huddleston asked if there is a weight restriction on Indianola Road. Shaw stated there is not.

Malone made a motion to approve Change Order #2 for the Airport Taxiway Project. Rawlings seconded the motion. Motion carried without opposition.

Rawlings made a motion to authorize staff to work directly with APAC, Inc. to complete repairs to Indianola Road. Malone seconded the motion. Motion carried without opposition.

Rawlings made a motion to authorize final payment and full release of the retainage in the amount of \$182,437.88 as a joint check payable to Strukel Electric and Pavers Inc. Malone seconded the motion. S. Jones asked if we have a release from Strukel Electric. Shaw stated we will receive one when they receive the check. Williams asked if the remaining amount due to Strukel would be covered by the Bonding Company. Shaw stated Strukel has submitted a claim to the Bonding Company for the balance due to them. Motion carried without opposition.

New Business:

Street Sales Tax Bids: Larry Henry from MKEC Engineering was present to review the bids. Henry stated Henry stated if there are under-runs there is an option to negotiate for the Add Alternate locations. Rawlings asked if the quantity measurements were provided by MKEC. Henry stated they were. Wallace stated he doesn't remember some of these streets being recommended by the Street Sales Tax Committee and that 12th Street was not listed. Huddleston stated that was Summit Street and it is included in the bids.

Reavis asked if the work was delayed until 2013 if Kansas Paving will guarantee these prices today for spring 2013. Henry stated they would. Reavis asked how we would realistically know about over-runs on the project if the work is not complete until spring 2013. Henry stated we will probably have to wait to do any add alternate work until next year after the School Street work is complete. Reavis asked when Kansas Paving would be paid. Henry stated they would be paid after the work is complete.

Reavis stated it would make more sense to do projects that can be done in 2012 instead of rolling it over to 2013. Williams stated she thinks it is being included because it was identified as a priority. Henry stated the good thing is that we are locked in on unit prices and that it would be a roll of the dice if it were re-bid in 2013. Henry stated he thinks this is a good package to get this work done and that if you take a big element of the bid out then Kansas Paving may want to re-bid the work.

Rawlings asked Henry if he has the engineering done for any other projects not included on the bid. Henry stated he doesn't, except the add alternate. Malone asked what Henry meant when he said we can try to negotiate the add alternates. Henry stated Kansas Paving bid the add alternate unit prices higher than they did on the base bid and that we may be able to negotiate the unit prices extended on the base bid. S. Jones asked if the other vendors could cry foul. Malone stated that all the bids were over the engineer's estimate. Henry stated the contract said the award would be given to the low bid of all 3 projects added together so Kansas Paving would be the low bid. S. Jones asked Henry if he thought once the base bid work was done it would give leverage to ask them to match the unit price on the base bid. Henry stated he did and that if we don't have the funds to do the add alternate they might have to walk away from the project or use their base unit bids. Reavis made a motion to approve the bid from Kansas Paving in the amount of \$346,180 for the 2012 Street Sales Tax projects. Wallace seconded the motion. Motion carried without opposition.

Walnut River Sample/Analysis: Willis Wilson stated there are two types of analysis to be done. He stated the first is to determine if the water is compatible to water treatment and the second part is to determine the characterization of solids. Wilson stated he identified three qualified labs in the U.S. and asked for quotes to do the testing over the next two years. Wilson stated he recommends a combination of all three labs for a total cost of \$20,384. S. Jones asked if Pace can do the e-coli testing. Wilson stated they can but their price to do that was too high. Malone stated the memo states the water will be tested once a quarter for a two year period and asked if it would be that long before we could get started with the project. Wilson stated the results from the first two quarterly tests can be used to determine whether or not to move forward. Rawlings made a motion to approve the bid from Test America for the solids testing in the amount of \$5,600, the bid from Pace for the water testing in the amount of \$7,584, and the bid from UL Drinking Water Laboratories for Crypto testing in the amount of \$7,200 for a total of \$20,384. Wallace seconded the motion.

Reavis asked if these bids are just the laboratory fees. Wilson stated they are. Reavis asked who would take the samples. Wilson stated the City would. S. Jones inquired about the turn-around time for the test results. Wilson stated it takes 10 to 30 days. Reavis asked if they will test for zebra mussels. Wilson stated they won't because we assume they are already there or will eventually be there and are proceeding accordingly. Motion carried with Reavis voting in opposition. Reavis stated he is not sure this is a solution to our problem. Williams stated testing is the first step. Huddleston stated if we are testing for two years at what point can we push forward if everything looks good. Wilson stated in about five months. Williams stated that we are considering taking water out of the Walnut River which is a \$2M project and this testing is to find out if the water is compatible with our system. Williams stated we could use the water from the river approximately nine months out of the year. Wallace stated it could be used to recharge the lake.

Valve Exercising Machine bids: Wallace made a motion to approve the bid from Key Equipment Company in the amount of \$19,100 for the valve exercising machine. Malone seconded the motion. Motion carried without opposition.

KMGA Board Appointment: Rawlings made a motion reappoint Bill Webster to the KMGA Board of Directors and Jim Sutton as a permanent alternate. Huddleston seconded the motion. Motion carried without opposition.

Informational Memorandum & Final Comments:

Malone – Malone stated he thought it would be a good idea to include a monthly or quarterly newsletter out with the city bills. E. Jones stated the city bills are post cards and to include a newsletter would require changing the type of bills and add postage costs. Huddleston stated the bills could be put in an envelope. Wallace stated we could piggy back on the School District's bulk mailing rate they use for sending out their newsletters. S. Jones stated she thinks it is an excellent idea. Williams stated she thought quarterly might be too much. Shaw stated that if we send a quarterly newsletter the events/projects might pass before everyone reads it, but if it is monthly we may not be able to go so in depth. Williams stated that printing a monthly newsletter would go against us going green and would be a waste of resources. Rawlings stated that he doesn't think they will read it just like they don't read their junk mail. Shaw stated staff could try to provide the governing body with figures on what a newsletter mailing would cost.

Huddleston – Huddleston stated the County Commission minutes from July 17th state that the Augusta City Council requested \$6,000 in funding for the Butler County Conservation Budget. Shaw stated he spoke to Will Johnson at the County and he indicated it was a miss-quote of what happened and that the City had not submitted such a request.

Williams – Williams inquired about item #5 in the informational memorandum and asked staff to explain. Shaw stated the railroad bridge that crosses Highway 54 is in the right of way for the railroad that has been discussed for converting to a walking path. He stated that KDOT is planning a large overlay project for 2013 and if that is done without raising the bridge there will not be enough clearance under the bridge. Shaw stated that during the meeting it was discussed whether KDOT would help replace it in the future if they have to remove it. Shaw stated if they have to change the scope of the project they may not be able to participate in the Dike Road project due to unavailability of funding. Shaw stated the result of the meeting was that there will be some type of Memorandum of Understanding between all the parties that will authorize replacement of the bridge if the walking path project becomes a reality with a commitment from KDOT to assist if funding is available.

Reavis – Reavis asked for a status update of the garage on Santa Fe Street. Shaw stated he would inquire with the Inspector and report back to the council.

Reavis asked when the road used for the Dam/Spillway project will be repaired. Shaw stated that Jay Anglemeyer from MKEC will be at the next council meeting to answer that and many other questions. Reavis stated his patience with MKEC is dwindling. He stated people were told the road would be repaired in June and then July and that it still hasn't been fixed, which makes us look bad. Reavis stated he doesn't have confidence in their ability to complete our project. S. Jones asked Shaw if he had received any information from them about the outstanding issues. Shaw stated he had not. S. Jones stated there are a number of issues that have not been addressed. Larry Henry stated that he agrees with the council that they need answers. Henry stated he spoke to Anglemeyer and he is struggling to get answers from the contractors, but that he is committed to being at the next council meeting. Malone reminded the council that they cut someone out of the project over \$20,000. Williams stated it was \$50,000 more and that choosing not to take the low bid could cause difficulty with bidding in the future. S. Jones stated we took the low bid this time and asked how that was working out for us. Williams stated there was no way the council could know that we would have had these issues with this vendor or any other vendor and that the council did what was the responsible thing to do. Reavis stated we don't have the information tonight to say if this is an issue with the contractor or the engineering firm. Williams stated that taking the low bid is not the problem we are facing now. S. Jones stated two weeks is too long to wait for questions to be answered and asked that if Anglemeyer has the information for staff to email it to the council prior to the next meeting. Reavis stated he doesn't think it should take a month to get answers. Henry stated he would do everything he could to get that information to the council.

Reavis stated he hoped everyone took the time to review the report from Chief Brewer regarding fireworks. He stated he thinks we owe it to our citizens to take the Chief's recommendations into consideration and to keep an open mind.

S. Jones – Jones asked if we are in good enough shape to move forward with the one million gallon tank bypass project. Shaw stated it is only the bypass, not the tank. Jones reminded everyone of the primary election tomorrow.

Adjourn: At 9:15 p.m. S. Jones made a motion to adjourn. Malone seconded the motion. Motion carried without opposition.

City Clerk

CITY COUNCIL
SPECIAL MEETING
AUGUST 13, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in a special meeting on August 13, 2012, with Mayor Kristey Williams presiding. Council present were Holly Harper, Michael Huddleston, Michael Wallace, Sue Jones, Mike Rawlings, Ron Reavis and Matt Malone. Councilmember Matt Childers was absent. Also present: City Manager Bill Keefer, Assistant to the City Manager Josh Shaw, Human Resource Manager Angela Casper, Public Works Superintendent Cy Ricker, Director of Public Safety Tyler Brewer, Major Ray Marbut, Captain Bruce Relph, and City Clerk Erica Jones. Visitors present were: Kent Bush and Rick Heise.

Mayor Williams called the meeting to order at 7:00 p.m.

Public Hearing: Council conducted a Public Hearing to take input on the City of Augusta's proposed 2013 Budget. Rick Heise, #3 Taylor Court addressed the governing body regarding his concerns with the proposed budget. Heise inquired about adding staff to the Safety Department when there has not been any growth in population, especially considering the infrastructure issues the city is facing. Heise voiced concerns regarding the rotation of the Safety Department vehicles and the purchase of SUV's versus cars. He also stated that we spent \$1M on a new aerial fire truck and that there are only two buildings in town that are more than two stories high. Heise asked if the 2% merit increase is given every year. Williams stated the 2% merit increase has been approved for the last several years. Heise stated he was not begrudging a raise if it can be found within the budget. Heise stated adding an employee would add \$60,000 to the budget and that there would be a more efficient way to spend that \$60,000 on infrastructure. He asked if there is a vision or 5-20 year plan for the city. Heise stated we have put a lot of things off for several years and we probably do need to push taxes up, but that he would like to see the \$60,000 spent on infrastructure or growing the tax base. Williams offered Heise her business card and told him she would like to discuss the issues he brought up as there are a lot of good explanations for the decisions that have been made. Heise praised the council for putting money aside for a new public works facility and stated the current facility is an embarrassment. He stated if there is not a plan to follow the Ohio/Kelly Intersection project with a project to improve South Kelly, he doesn't know that it is a good use of funds. Williams stated the State has identified that intersection as a dangerous intersection and is helping to fund the project. She stated there are plans in place to improve South Kelly. Heise thanked the council for their time. Williams closed the public hearing at 7:20 p.m.

Proposed Budget: Council considered approval of the proposed 2013 Budget. Williams stated that one item brought up at the work session was the addition of a new Safety Department employee and asked the council their feelings regarding that addition. Huddleston asked if the cost would be \$49,000 including benefits. Keefer stated that was correct and that it would be split between the Safety Department Budget and the Employee Benefits Budget. Malone inquired about the pay grade. Casper stated it would be a pay grade of 50. Reavis stated he would like to see it stay in the budget and that it was not the only addition to staff in the 2013 budget. He stated the budget includes an increase in sewer fees to add a person to that department and that he thinks the addition of an officer is a worth while investment. S. Jones took exception to Reavis' remark and stated that there is only one employee in the sewer department and everyone in the city relies on the sewer department. She stated she is not anti-Safety Department, but that she doesn't think adding another person to the department is justified. Wallace stated a lot of people contacted him about this and that while he supported it when it was brought up at the last meeting he could no longer support it because it would increase the tax levy by one mil. He stated this is something we may have to do eventually, but now is not the time. Williams stated she spoke to Brewer and while this is something he would like to have she doesn't know that it needs to be

added this year but that it could be put in a future budget. Harper stated in her 8 years on the council she doesn't think there has been a time where she hasn't advocated for a request by staff, but that she has to agree with the concerns about raising taxes. Huddleston stated that until he has a better idea of the employee situation and a plan as to where we are heading with this he would have to say no. Rawlings stated he only heard from 1 citizen on this, and that person was adamant we don't add to the mil levy. Rawlings stated that person was not against the Safety Department though. Malone stated if we need the employee he is all for it but that the people he heard from were not against raising the mil levy but would rather see that money go towards infrastructure issues. Williams stated the Safety Department makes the citizens proud, but the consensus seems to be that if we can get by one more year without the extra employee we should do that and then look at it again in the future.

Rawlings addressed Heise's concerns about the new fire truck and stated that it was a needed item. He stated that the truck serves our community in more than just those two buildings and that it helps to keep our city safe. Brewer stated that when he came to the city in 2003 there were 2 more officers on staff than we have now. He stated that population has grown since 2003. Brewer reminded the council that the Tahoes were the low bid and that he has studied the mileage regarding the vehicle rotation time and time again. Malone agreed that the Tahoes were the low bid but stated that citizens don't have all the facts. Brewer stated that while there are only 2 buildings with more than 2 floors, the fire truck has been proven to be invaluable. He stated we can now save lives by being able to rescue directly from windows. He stated his department has a strategic plan and the vehicle rotation is included in it. Brewer stated he respects the council's position on the added employee. He also stated the national average for raises in 2013 is 2.89%. Williams stated she agrees that our employees are our most valuable asset. Malone asked if the added position within the sewer department is in this budget. Keefer stated it is and always has been, but that there has not been revenue in the fund to support the position.

Williams stated the next issue for discussion is whether or not to include the 2% merit raises in the 2013 budget. Malone stated he doesn't know if he is in favor of the merit raise, but he is in favor of restructuring the pay range caps. Keefer stated the classification and pay plan boundaries have not increased because the resolution adopting the plan has tied the increases to COLA increases and there have been no COLA increases for a number of years. Keefer stated increasing the range but not giving anyone a raise does not change anything except opening a window where if raises were given someone could move up instead of capping out. Malone asked if a 2% raise would be guaranteed for each employee if included in the budget. Keefer stated it would not be guaranteed and would be based on an annual performance evaluation. He stated there is a matrix that is used and a formula that calculates the percentage raise. Keefer stated he is not opposed to moving the cap, but you have to include money in the budget for a merit increase or it doesn't do anything.

Williams asked how many employees have tapped out. Keefer stated there would be 8 in 2013. Malone stated if a merit raise is included in the budget he would want to see us move that cap to benefit those people that will stay long term. Malone stated he would like to see the council re-hash this and look at the ranges more closely. Williams stated if we don't give budget authority for merit increases they will be stuck where they are. Malone stated he would support the 2% increases in the budget if the council comes back and looks at the ranges. Keefer stated he would present a pay plan before the end of 2012. Williams reminded the council that they are talking about \$40,000 to include the 2% in the budget. Rawlings stated he would like to see the 2% budget authority included in the budget.

Huddleston stated that even with the information provided tonight he doesn't understand why the number of employees vary if there is a merit increase versus a COLA increase. Keefer stated his position is not included in the pay plan and neither is the judge or city attorney so they would not receive COLA increases, but a merit increase would provide for the judge and city attorney. Casper stated one seasonal employee would also be included in that scenario. Keefer stated the reason for the

different amounts necessary for the budget is because the COLA increase is effective January 1st where the merit is based on the review date.

Huddleston asked if the \$40,000 includes benefits. Keefer stated it is just the wages. Huddleston stated employees are receiving an increase in KPERs contribution. Keefer stated that is correct and that it is state law. Huddleston asked if there would be an increase in health benefits. Keefer stated there would not be and that those will be funded the same as they are this year. Huddleston questioned why Keefer states it is only a \$40,000 increase, but the budget certificate shows the difference between the 2012 estimates and 2013 proposed budget is much more than that. Keefer stated the largest increase was for the addition of the officer position that will be removed. Keefer stated he tries to get the estimate as close to the actual expenditures as possible, but that if you compare the 2012 budget to the 2013 budget they are much closer in figures. He stated you have to budget for unanticipated changes such as employees getting married and changing from a single health plan to a family health plan. Keefer stated there were 3 employees that made that change in the general fund in 2012. Keefer stated he left the insurance budget the same for 2013 as it was in 2012. He stated he included approximately \$16,000 in the general fund for the KPERs increase and that amount will continue to go up. E. Jones stated the employees' KPERs benefit is not increasing; just the amount the state is requiring the city to fund it at.

Huddleston stated that until the council sits down and looks at the pay plan and benefits he does not support including an increase in the budget. Harper and Williams both stated they support including the 2% increase in the budget. Wallace stated he agreed with Malone to include the budget authority for the increase and consider adjusting the pay plan caps. Reavis stated he supports leaving the money in the budget for the increase and leave how to distribute it open.

S. Jones stated she was concerned like Huddleston about the difference between the 2012 estimate and the 2013 budget and that there is a difference of over \$100,000. Keefer stated you have to look at the actual budget not the estimate. He stated that based on turnover and vacancies we are not going to spend the entire budget for 2012 and that the estimate reflects that, but that you cannot budget for vacancies. Keefer stated our worker's compensation has gone down the last few years but you have to budget that there is a potential for it to increase and that when wages go up so does that amount. Keefer stated the health insurance came in at a reduction last year, but we need to budget it at the same level as budgeted in 2012 just in case there is an increase. Keefer stated he is trying to be realistic and have enough dollars budgeted. S. Jones asked how many people received merit raises last year. Keefer stated over 90% received something and probably 50-60% received a 2% raise. S. Jones stated she would be interested in seeing the matrix for determining the increases. She stated she has mixed feelings about the 2%. She stated several people in the industry have gone without raises for several years. She stated if the council extends the pay ranges she would support consideration of a 2% merit increase. Keefer stated if we move the low end there will be a cost to that because some employees would no longer be in their pay ranges. S. Jones agreed that would happen. She stated that merit increases should be given to people who exceed their job expectations, not just for doing their job. She stated it troubles her that over 50% of the employees are getting the full 2% and that those people should be exceptional and questioned if we have 50% of our employees exceeding expectation. Keefer stated that the matrix provides that if you are on the lower end of the pay range and fall within the good category you can get the full 2%. E. Jones stated that employees above the mid-range have to be excellent employees to get the full 2%. S. Jones stated she supports adding the 2% into the budget, but that she hopes moving forward that pay and raises will be tied to performance.

Williams stated approval of the 2013 budget does not mean all those funds will be expended. She stated it is up to the governing body's discretion. Reavis stated he would like to address Heise questioning if the council is being good stewards of the city's money. Reavis stated this budget and the last 3 budgets he has been involved in have not contained any fluff. He stated that just because we raise taxes does not mean we are not being good stewards of the city's money. He stated that at some point every person on

this council has said that if previous councils bit the bullet and raised taxes we would not be in the situation we are in now. Reavis stated we cannot keep everything at status quo and continue to improve. Malone stated if we have to raise taxes then we need to have a plan. Williams stated we have increased fees over the last 5 years she has been on the council. She stated she is trying to be very cognizant of the economic situation we are in. Reavis stated there are things that will never get done if we don't raise our revenue. He stated everyone wants to be able to show pride in our facilities and parks, but are not willing to raise the money to do it. Williams stated there was \$100,000 put aside for Garvin Park improvements. Reavis stated there are citizens who are willing to pay for the improvements, but we sit here and refuse to increase taxes. Wallace agreed with Reavis stating that a lot of people want things but are not willing to pay for it. He stated this will probably be the last year we will not be able to raise taxes. Wallace stated the city gets blamed for personal property taxes, but that 75% of personal property tax goes to the schools and school boards. Williams stated we have to be creative in finding ways to increase our tax base instead of just raising taxes on property.

S. Jones stated that Augusta appears to be a sad, tired town. She stated that Williams wants to tout the levee improvements, dam/spillway project, etc. but those are things that needed to be done and are not quality of life things. S. Jones stated that Mulvane, El Dorado, Derby, and several other communities have big beautiful parks. She stated the citizens of this community deserve quality of life things too. S. Jones stated if you compare the 2012 budget to the estimates there is money that is carrying over to 2013 and you cannot convince her that there isn't money available to address quality of life issues. She asked why the city does not have events instead of relying on the Chamber or DAI to have them. She stated that they city only gives \$500 out of the \$5,000 we charge for fireworks stands to the fireworks display. Williams stated she doesn't think it's the government's job to do picnics and events. S. Jones disagreed. Williams stated the communities S. Jones mentioned all have recreation commissions that handle those things instead of the local government. Keefer stated the communities he is aware of support the local events but do not take the lead. He stated we provide in-kind services for several events.

Keefer stated if we expend the cash carryover included in the 2012 estimate we cannot support the 2013 budget. Keefer stated he has to look at the history of expenses and needs to make sure departments have the funds they need to operate. Malone stated that in the past Keefer has stated he would like to see each department have 3 months worth of funds available and asked where we are on that. Keefer stated the goal for the general fund has been \$900,000 and that he wants work towards that goal that as much as he can, but in 2013 he budgeted to lower it from \$700,000 to \$670,000. Keefer stated the only other fund that he is comfortable could sustain for 3 months is the electric fund. He stated as a whole the city could operate 2 months at best. Williams stated the cash carryover will help with emergencies.

Huddleston stated he has asked for years why we do not assess any utilities as part of the operational costs for the departments. He stated we cannot analyze efficiency of the funds if we don't, and that it distorts the figures when we pull money from the electric fund to pay for it. He stated electric rates could be less if we didn't have to do that. Reavis stated that would cause an increase in taxes. Huddleston stated the other problem with not including those costs is that it is difficult to make comparisons with other operations and cities to see where are rates are. Huddleston asked in the past when we've compared our rates to comparable cities how are they paying for those services. Keefer stated when staff proposes rate increases, those are based on need and not what makes us comparable. He also stated that staff will provide an updated spreadsheet on utilities for city owned properties.

Williams stated there have been some suggestions from the council regarding the format of the budget. She stated that those recommendations should be brought to staff and then brought back to the council to get a consensus. Reavis made a motion to adopt the 2013 budget as published minus the addition of the safety officer and leaving in the budget authority for the 2% merit increase. Rawlings seconded the motion. Wallace made a motion to amend the original motion to increase the safety department

maintenance budget from \$3,000 to \$9,000. Wallace's motion died from lack of a second. The original motion passed with Huddleston voting in opposition.

Adjourn: At 8:40 p.m. Reavis made a motion to adjourn. Wallace seconded the motion. Motion carried without opposition.

City Clerk

CITY COUNCIL
AUGUST 20, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in regular session on August 20, 2012, with Mayor Kristey Williams presiding. Council present were Holly Harper, Matt Childers, Michael Huddleston, Sue Jones, Mike Rawlings, Ron Reavis and Matt Malone. Councilmember Michael Wallace was absent. Also present: City Manager Bill Keefer, City Attorney David All, Assistant to the City Manager Josh Shaw, Airport Manager Lloyd Partin, and City Clerk Erica Jones. Visitors present were: Kent Bush, Gary Rogers, Myrna Rogers, Jay Anglemeyer, John Black, Larry Henry, David Higgs, Wendy Veatch, Tim Pett, Willis Wilson, and Pat Terrick.

Prayer: Pastor Steve Hollingsworth, Central Baptist Church, gave the invocation.

Minutes: Reavis made a motion to approve the minutes from the August 6, 2012 meeting. Rawlings seconded the motion. Motion carried without opposition.

Reavis made a motion to approve the minutes from the August 13, 2012 special meeting. Rawlings seconded the motion. Motion carried without opposition.

Appropriations:

August (8): Huddleston inquired out of the payment out of the Guest Tax fund. Keefer stated it was paid to Madden Media for advertisement in a tourism trade magazine. Reavis made a motion to approve Ordinance 8 in the amount of \$1,087,346.27. Childers seconded the motion. Motion carried without opposition.

Visitors:

Growing Rural Businesses Program: Wendy Veatch, Director of Outreach Programming for the Center of Entrepreneurship at Wichita State University, was present to provide information on an upcoming series of small business training sessions under their "Growing Rural Businesses" program. Veatch stated the program will begin on September 7th for 11 weeks and is targeted to existing businesses. Williams stated more information is available on the Augusta Progress Inc. (API) website and hopefully people will take advantage of this great opportunity.

Old Business:

Watering Restrictions: Council reviewed and discussed the City's water restrictions and related water issues. Keefer stated usage for both Augusta and Mulvane have slowed down. He stated we've backed off using water out of the city lake and continue to use water from Santa Fe Lake but are having issues with debris clogging the screens. Williams stated Senator Brownback asked her to attend a drought conference to explain how the drought has affected our community. She stated he asked her to provide a list of our needs and that a representative has contacted staff about that list.

Sales Tax: Council reviewed and discussed the use of a Sales Tax to fund water system improvement projects. S. Jones asked if 5% of the sales tax was dedicated to economic development where staff would see that going. Keefer stated he made the recommendations based on information he has heard from the council over the last few months. He stated it could be used to help to support and create funding to meet the needs of prospective businesses in Augusta, for infrastructure, to market the community, and support API. Keefer stated he would envision the funds staying with the city until the governing body determined how to expend it. Williams stated we are talking

about \$40,000 per year and that we need to invest in inventory such as land and buildings so we have something to offer businesses wanting to open in Augusta.

Williams recommended having an informational meeting for the public to go over the options for funding and to take input on what they would like to see done with the other 10% prior to adopting the resolution on September 4th. Harper agreed that the public should be provided an opportunity to speak on the issue. Huddleston asked how we could get the word out. Williams stated this meeting, the newspaper, city website, social media, word of mouth, etc. Rawlings asked if anyone captured the results of the tax survey the Augusta Daily Gazette conducted. Kent Bush stated he could provide that information. Reavis stated we need to explore all options and that the sales tax is a viable option. He agreed we should put it on the table for people to discuss, but that he would hate for this to get hung up over what to do with 10% of the tax.

Huddleston asked if there needs to be a specific purpose for a general sales tax. Keefer stated there does, based on his discussion with the city's bond counsel. Huddleston asked why we couldn't designate 90% for the waterline repair and the other 10% to the general fund to determine how to use later so we are not tied down to a use. Williams stated the voters will want the council to be completely accountable for those funds. Keefer stated he would look in to that further.

Rawlings stated whatever we do it is going to cost us, and we need to move forward on this. He stated there are only two or three ways to raise the revenue for this and if we don't do something we will not be able to grow our tax base. Childers stated he received input from 25-30 citizens and they were overwhelmingly supportive of a sales tax to repair the waterline and they understand the need to move forward with this.

Reavis made a motion to schedule a public informational meeting on August 30th at 7 p.m. to get feedback from citizens on a 1% sales tax and other funding options for the waterline repairs. Rawlings seconded the motion. Motion carried without opposition.

Augusta Youth Soccer: Council considered approval of a utility credit for the Augusta Youth Soccer League (AYS). Childers refrained from this discussion as he participates on the board for Augusta Youth Soccer. Malone voiced concern over the financial data provided by AYS and what happened to the \$12,000 balance they had at the end of 2011. Shaw stated he doesn't have the information on how those funds were expended. S. Jones stated they had \$12,000 in funds at the end of the year and she thinks they can afford to pay their utility bill unless they can show what happened to that money. Williams stated we support the other youth leagues with regard to utilities and that they have expenses related to maintaining the fields.

Huddleston asked if we have ever requested their financial information in the past. Shaw stated there was one abatement request in 2010 where the governing body had questions and asked for financial data. He stated we now ask for financial information from all abatement applicants. Huddleston stated he thinks AYS benefits the community a lot, but stated he wants to make sure we are helping them because they need help not because they just want it. Childers stated they only use electricity for the concession stand and that they water the field within the current restrictions. Keefer explained that the Little League Baseball and Adult Softball League use our facilities and the meters on that property are currently in the city's name and listed as a free service so no abatement is required, but AYS uses school property.

Huddleston asked if we are going to start requiring other leagues to provide their financial information. Keefer stated we would not if they use our facilities unless the council decides to

change the policy. Huddleston asked if we require financial information from all entities not using city owned property. Keefer stated that is correct. Williams asked for an estimate on how much free service AYS has received in the past. Shaw stated it is between \$700 and \$900 annually. Reavis agreed that AYS is in a unique situation because they are not on city property, but that he doesn't recall seeing the financial information from the Girls Softball League. Reavis made a motion to approve the request for free services to Augusta Youth Soccer for the 2012 season. Harper seconded the motion. Motion carried with S. Jones voting in opposition. Huddleston stated if we are going to require AYS to provide financial information we should ask for it from the Girls Softball League as well.

Spillway/Dam Project: Council reviewed an update for the Spillway and Dam Project. Jay Anglemyer with MKEC apologized for not being able to attend the last meeting. Anglemyer stated the contractor is not delaying the project and is still working within the contract. He stated the substantial completion will be later this month. Anglemyer stated the Division of Water Resources (DWR) just approved the preliminary design of the wing dike (aka berm) 10 days ago. Anglemyer stated the wing dike is not a levy, but is basically a low level dike that ranges in height from zero to four feet. Malone inquired about the width of the dike. Anglemyer stated it has a 5 foot flat top and a 3 to 1 slope on the sides. He stated the dike should not get above the fences of the property owners that have fences, but that there are a few nice trees that will have to be removed. He stated the proposed cost does not include the cost of replanting the trees, but that they can be replanted just not on the dike.

S. Jones asked if the entire purpose of this wing dike is to protect the homes that back up to the park and to prevent them from flooding. Anglemyer stated that is correct. S. Jones asked if 4 feet is really going to protect those homes. Anglemyer stated that in the 100 year flood situation water would get into those yards without the wing dike. With the wing dike, it will keep water off the private property. Keefer stated this should also help with the flood remapping in preventing those home owners from having to purchase flood insurance. S. Jones asked if this will be covered with sod or seed. Anglemyer stated it will be seeded on the flat area and sod on the sloped area. Williams asked when it will be sodded. Anglemyer stated it could be done later, but that the contractor is ready to put the dike in now. Williams asked if the dike will survive a rain event if it is not sodded now. Anglemyer stated it could be sodded now and the contractor truck in water to keep it watered. Williams inquired about a guarantee. Anglemyer stated there will be a final walk thru and a punch list of items that need to be addressed. He stated dead sod or seeding that didn't come through will be addressed at that time.

Reavis stated it looks like the wing dike is sitting in one direction and at the bottom there is a bowl where the water comes in. He stated the existing drainage canal is not centered in the bowl and asked if we spent the time and money to make the present canal better, wider, deeper instead of the dike would it keep water from backing up into those houses. Anglemyer stated if the channel was tripled in size it would have little to no impact and would cost a lot more money. He stated that would also require the approval of a lot of agencies and that they would probably recommend the wing dike instead. Reavis asked how much water would have to come out of the spillway to get out of the canal. Anglemyer stated the channel is a little trough but the drainage in the park will spread that out. He stated it was never designed to handle water from the lake. Rawlings stated water has never gotten into the yards or close to the houses to his knowledge. He stated it crosses the asphalt road right at the bridge then spreads out. Anglemyer stated the State unfortunately looks at the worst case scenario. Reavis asked if Anglemyer thought the frequency of the canal overflowing will be more prevalent with the new structure. Anglemyer stated there will be some increase, but will not add any new homes into the flood zone.

Jay stated he is not recommending the addition of rip rap downstream from the spillway as there is rock there. He stated he doesn't think it would be a good investment in city funds because the contractor would have to excavate the rock that is already there to put the rip rap in. S. Jones asked if it is all shale and bed rock. Anglemyer stated there is some shale but it has all been excavated into hard rock. S. Jones inquired about the sides. Anglemyer stated there may be one area where the rock is several feet down, but that there is rock there. Williams asked if Anglemyer's recommendation is just to seed over that area. Anglemyer stated that is correct. Rawlings stated it has already been seeded and that any rip rap we put in there would end up at the south end of the park.

Anglemyer stated the fencing cost will be \$2,445 or \$3,681 for fence coated in PVC for protection purposes and aesthetics. Rawlings stated that will help to reduce the shine. Malone asked what the total budget was for this project. Keefer stated the funding was based on the engineer's original estimate of \$2.3 million plus the engineering fees. Malone asked if there was funding available for these change orders. Keefer stated there was.

Anglemyer stated the quote to do the concrete drive approach on either side of the new asphalt was a little high and that if the city used a local contractor it would probably come in closer to \$3,000. Rawlings asked if this would address drainage. Anglemyer stated it would.

Anglemyer stated the concrete masonry coating will provide pigment to the concrete to reduce the shine and will add protection to the concrete, but it will primarily be for aesthetics. Williams inquired about the warranty on the product. Anglemyer stated he couldn't remember the warranty terms. He stated this is the same material on the walls along Kellogg that has been there for a while. Anglemyer stated the water would wear on it over time, especially over the top of the weir, but not for a while on the walls themselves. He said he could check with the manufacturer. Williams stated it would look weird if it is discolored over time. Malone asked if the bid was for both sides. Anglemyer stated it was. Malone asked why both sides were bid. Anglemyer stated it was to get rid of the shininess on both sides because he didn't know how long it would take for the lake side to fill, but if you took one side off it would reduce the bid by about half. He stated it would be up the council what sides to cover and whether to cover the wings. Williams asked if this includes the wings. Anglemyer stated it does. S. Jones asked if it would be worth it to obtain another bid. Anglemyer stated since it is not part of the project and not required by DWR you could obtain another bid. Huddleston asked if it is necessary to put it on the lake side. Anglemyer stated it would not be necessary. Anglemyer stated it will not last the life of the concrete and will only be for aesthetic purposes. Huddleston stated then we would only need it on the down side.

Williams stated if it doesn't need addressed for DWR, maybe the council should pull that \$30,000 out of the change order to determine how much should be done and to inquire about the warranty. S. Jones agreed with the mayor and stated she would like to see another price on this. She stated the reason for this is that there are residents that cannot open their window coverings because of the glare off the structure. Keefer stated his recommendation would be to have MKEC look into this further. Anglemyer stated it would not change their fee. Williams asked for Anglemyer to provide other alternatives.

Anglemyer stated he has asked the contractor to address the concerns about the turf reinforcement mat. He stated they haven't given an answer on why this didn't work, so he recommends the council authorize him to move forward with a letter quoting the terms of the contract about why they are responsible for fixing the grading and re-pinning the mat. Rawlings asked if certain lengths of pins or certain material such as steel was requested. Anglemyer stated the contract said

they must be based on the manufacturer's specifications, which is what they used. He stated he is confident we have the wave berm we need, but that the erosion issue is with the top soil. He stated it is completely within our bounds to request the contractor to fix that.

Reavis made a motion to approve change orders for the Wing Dike in the amount of \$113,850, the Concrete Drive Approach in the amount of \$5,050, and the Fence with PVC coating in the amount of \$3,681 for a total of \$122,581. Childers seconded the motion. Motion carried without opposition. Reavis asked if since there will be no rip rap if the work can move forward on the road. Anglemyer stated he would not want that work to be done until all the work on the wing dike is done. Anglemyer stated he would provide the concrete coating information to Keefer in the next couple of days.

At 8:41 p.m. Huddleston made a motion to recess for 5 minutes. Harper seconded the motion. Motion carried without opposition.

New Business:

2012 STO & UPOC: Childers made a motion to approve Ordinance 2040 adopting by reference the 2012 Standard Traffic Ordinance. Reavis seconded the motion. Motion carried without opposition.

Malone made a motion to approve Ordinance 2041 adopting by reference the 2012 Uniform Public Offense Code. Rawlings seconded the motion. Motion carried without opposition.

Interlocal Agreement USD 402: S. Jones asked why this is just between Lincoln and Garfield. John Black, Superintendent of USD 402, stated that Ewalt, the District Offices, High School, and Lincoln are already connected and that when funds are available to connect Robinson and the Middle School they will come back to the council with a request at that time. Huddleston voiced concern about the contract stating that if the School abandons the line and both parties agree there is sufficient reason to remove the lines it will be done at USD 402's expense. Huddleston stated he doesn't mind there being a discussion but that he thinks it should be solely the option of the council whether the lines should be removed and not require both parties to agree. Huddleston he doesn't want that to be a point of contention in the future. Williams stated she doesn't see a problem with the city and school district communicating and agreeing on a decision. Reavis stated if the agreement is for 20 years then it should state 2032 not 2022. Huddleston made a motion to approve an Interlocal Agreement with USD 402 authorizing them to use public right-of-way for the installation of a fiber optic line between Lincoln Elementary School and Garfield Elementary School with the term being changed from June 30, 2032 instead of 2022 and changing the wording to say if the line is abandoned and the city requests its removal it will be done at USD 402's expense. Childers seconded the motion. Motion carried without opposition.

Sanitary Sewer Engineering Agreement: Malone asked why the engineering cost is so high when the estimated repair costs are only \$65,000. Larry Henry, MKEC, stated there are some issues connected to this project that could require additional effort. He stated it is out in a farm field and we are not sure what kinds of easements or right of way we are dealing with. Henry stated the plan is to encase it in a steel encasing but that we may have to put piling or support in the middle. He stated they will have to get with structural people when the design is complete. Henry stated the cost is a not to exceed amount and the hope is that it will come in well below that. Reavis made a motion to approve an engineering services agreement with MKEC for the repairs to a sanitary sewer line. Childers seconded the motion. Motion carried without opposition. S. Jones asked when the project will be bid. Henry stated it will be bid around the first half of October and the work completed before the weather gets too cold.

VFD Bids: Council considered bids for two Variable Flow Drives at the Ewalt Pump Station. Rawlings abstained from the discussion due to a conflict of interest. Willis Wilson stated this pump station provides water to the north end of town and that the controls are currently being operated manually. He stated the SCADA system was installed by American Control and Engineering Service (ACES). Willis stated there are three types of enclosures. The NEMA 1 keeps it clean. The NEMA 3R is a rain proof enclosure. The NEMA 4 can protect from water splashed on the front panel which is what caused the damage. Wilson stated that ACES did not bid to our specifications. He stated if ACES does not receive the bid there may be additional programming costs for the MI-TE Electric and R.E. Pedrotti bids.

Malone asked if there are other pump stations that need to be looked at changing out. Shaw stated these are the drives we were considering changing out this year. Keefer stated we have changed out many VFD's at pump stations and they probably do not have the NEMA 4 enclosures. Malone asked if Wilson is recommending the NEMA 4. Wilson stated his is. He stated if there is a water break in the building the NEMA 4 would be the only one that would protect from that. Childers asked why the other vendors didn't bid a NEMA 4 per the bid specs. Wilson stated he doesn't know. Huddleston inquired about whether there will be a reimbursement from the city's insurance carrier. E. Jones stated the claim has not been closed out yet so she doesn't know.

Malone made a motion to approve a bid from MI-TE Electric in the amount of \$20,434 for two variable flow drives at the Ewalt pump station. Harper seconded the motion. Huddleston asked how the vendors were located. Shaw stated we always try to include vendors who have bid on them in the past and that anyone who wants to be included on the list of vendors can contact the city. Wilson stated the bid was put on the city's website. Huddleston inquired about using the bond improvement fund to pay for this. Keefer stated funds were set aside from the bond proceeds for other improvements, repairs, materials, and supplies and the pumps would qualify to be paid out of that. Motion carried without opposition.

Airport Engineering Agreement: Huddleston asked if the FAA is really getting this picky over \$1,000. Shaw stated the FAA does a review of the fees and if they see something not in line with the fees they will request the vendors lower their fees. Partin stated the FAA has asked Garver to come back with a lower fee and this will also lower the city's portion of the project cost. Huddleston made a motion to approve an amendment to the Engineering Services Agreement with Garver Inc. for the Airport Environmental Assessment. Childers seconded the motion. Motion carried without opposition.

Huddleston inquired about the annual Fly-In. Partin stated it has been moved to October 13th due to conflicts with other venues and because they want to ramp up the car show portion of the event.

Work Session: Childers made a motion to schedule a work session for Monday, September 24 at 6:30 p.m. to review and discuss the various Environmental and Nuisance Codes. Harper seconded the motion. Motion carried without opposition.

Convention & Tourism Grant: Childers made a motion to approve a Convention and Tourism Grant for the Augusta Historical Society in the amount of \$500 for their Yesteryear Fair to be held on September 29, 2012. Huddleston seconded the motion. Motion carried without opposition.

Informational Memorandum & Final Comments:

Williams: Williams reminded everyone of the joint work session with the City of Andover on August 27th at 7 p.m. at the Andover City Hall. Williams asked the council members to let staff know if they will be in attendance.

Executive Session: At 9:23 p.m. Malone made a motion to enter into executive session for 10 minutes to confer with our attorney on matters deemed privileged in an attorney-client relationship and real estate acquisition and to include Eric Barth of Hinkle Law Firm LLC in the executive session. Huddleston seconded the motion. Motion carried without opposition.

At 9:33 p.m. Childers made a motion to exit executive session with no action being taken. Harper seconded the motion. Motion carried without opposition.

Harper made a motion to authorize compensation and measure of damages in the amount of \$16,920 and appraiser's fees and expenses in the amount of \$5,033.44 in the Austin condemnation case related to the Ohio/Kelly Intersection Project. Childers seconded the motion. Motion carried without opposition.

Executive Session: At 9:35 p.m. Childers made a motion to enter into executive session for 15 minutes to confer with our attorney on matters deemed privileged in an attorney-client relationship. Malone seconded the motion. Motion carried without opposition.

At 9:50 p.m. Childers made a motion to exit executive session with no action being taken. Reavis seconded the motion. Motion carried without opposition.

Adjourn: At 9:51 p.m. Rawlings made a motion to adjourn. Malone seconded the motion. Motion carried without opposition.

City Clerk

CITY COUNCIL
SEPTEMBER 4, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in regular session on September 4, 2012, with Mayor Kristey Williams presiding. Council present were Holly Harper, Matt Childers, Michael Huddleston, Michael Wallace, Sue Jones, Mike Rawlings, and Ron Reavis. Councilmember Matt Malone was absent. Also present: City Manager Bill Keefer, City Attorney David All, Assistant to the City Manager Josh Shaw, City Inspector Dan Allen, and City Clerk Erica Jones. Visitors present were: Kent Bush, Myrna Rogers, John Black, Rob Schmidt, Bill Morris, Jaylyn Elliott, Anita Elliott, Rose Appleman, Charlie Appleman, Pat Terick, Pastor Keith Cross, Kathy Cross, and Holly Ross.

Prayer: Pastor Keith Cross, First Christian Church, gave the invocation.

Minutes: Harper made a motion to approve the minutes from the August 20, 2012 meeting. Reavis seconded the motion. Motion carried without opposition.

Appropriations:

August (8B): Wallace inquired about the payment to DAI. Keefer stated it is their third quarterly payment for the year. Wallace inquired about the payment to Westar Energy. Keefer stated it is for the electricity at the El Dorado pump station. Wallace inquired about the payment to Wray Roofing. Keefer stated they were awarded the bid a month or so ago to repair the roofs for the Chamber building, Power Plant, and the elevator at City Hall. Huddleston inquired about the "new payroll" listed next to the City Payroll. E. Jones stated that the word "new" was typed in error. S. Jones inquired about the payment to Davis Manley. Keefer stated it was for municipal court appointed attorney fees for four cases. S. Jones inquired about the payment to MKEC. Keefer stated it was for the design engineering for the Street Sales Tax projects. S. Jones inquired about the payment to TASC. E. Jones stated it is the administration fee and monthly payment into the city's Health Reimbursement Account. Reavis asked if the lifeguards are required to work all summer in order to receive the reimbursement of their training costs. Keefer stated that is correct. Huddleston made a motion to approve Ordinance 8B in the amount of \$1,549,999.26. Childers seconded the motion. Motion carried without opposition.

Visitors:

Augusta Homecoming Fest: Wallace made a motion to approve the request of the Augusta Chamber of Commerce's request for the closure of the City Lake Road on September 29th for their annual Loop the Lake Run as part of the Homecoming Fest. Harper seconded the motion. Motion carried without opposition.

Old Business:

Watering Restrictions: Council reviewed and discussed the City's water restrictions and related water issues. Keefer stated that staff has met with the City of Mulvane on several occasions and have had discussions about a partnership down the road. He stated he has also contacted KDHE about a grant to conduct a feasibility study about a wholesale water district. Keefer stated that he and Kent Hixon, Mulvane City Manager, are still gathering information with regard to that. Huddleston stated that from time to time he sees sprinklers in use on Wednesdays. He stated he also sees water in the gutters and follows the water to see where it is coming from. Huddleston asked how astute staff is at following up with watering violations, especially the safety department. E. Jones stated that all city staff is keeping an eye out for water violations and that the number of violations has significantly slowed down. She stated if someone sees a water

violation, to please contact the utility office so we can issue them a violation notice. Dan Allen stated that he has issued several violation notices and that some people just don't care. He stated he tells them the second violation will result in a fine.

Sales Tax: Council reviewed and discussed the use of a Sales Tax to fund water system improvement projects. Williams thanked all those that turned out for the public meeting. Rawlings made a motion to approve Resolution 2012-17 authorizing and providing for an election to consider approval of a 1% city sales tax. Huddleston seconded the motion.

Rob Schmidt, 2308 Chestnut Ct, addressed the governing body. Schmidt stated his primary concern is the timing. He asked if it is possible to maintain the current line for another 18 years until the contract with Mulvane is up. Schmidt stated the water shortage is primarily in the summer due to lawn irrigation. He stated those that irrigate make up approximately 11% of the population, but you are asking the other 89% to subsidize that. Schmidt stated the \$10,000 study may have been underfunded and it might be worth it to invest in a more in-depth study. Keefer stated the biggest concern is that the pipeline is 60 years old and that it probably won't be there in 18 years. He stated that as time goes on the capacity of that line will decrease. Keefer stated it is more than watering lawns, it's about having water for cleaning, cooking, and flushing toilets. Keefer stated he is concerned about if we will be able to meet the basic needs of the community. Williams stated the population will continue to grow. She stated it is a quality of life issue, and is important if we want the community to grow.

Huddleston stated the sales tax will be for water system improvements, not just replacement of the El Dorado waterline. He stated it will include repairing waterline breaks, topping off the city lake so we can start the summer with a full lake, and to start to develop a good water supply for the citizens of Augusta. Williams agreed and stated the first step is the funding mechanism. Reavis stated the 30 term is what was initially estimated for financing the debt, but the council can decide later to only finance it for 20 or 10 years and lower that term. He stated there is nothing in the resolution that ties the city to a term. Reavis stated a partnership could lower the amount of debt for the city. Keefer stated there are still a lot of decisions to be made, but the resources have to be in place to start moving forward with making those decisions. He stated that nothing is in concrete at this time.

Childers thanked Schmidt for his questions and input. Rawlings stated that every day that goes by with restrictions we are lowering the amount of water we can sell which in turn reduces our revenue. Williams stated the most important thing is that we have a reliable water source for our community. She stated if the council passes the resolution then it will be up to the voters about whether or not to use a sales tax as a funding mechanism. Motion to pass the resolution carried without opposition. Keefer stated that staff will be putting a lot of information on the city's website regarding the water study and the sales tax issue.

1627 Robbins Street: Council reviewed the status of property cleanup and repairs at 1627 Robbins Street as ordered by Resolution 2012-14. Dan Allen stated that Miller has put up a new roof and new siding. He stated the work is not complete, but given the weather we've had the last 90 days he has done a lot for doing it all himself. Allen stated that per the code book the city could hire an independent contractor to complete the work and bill Miller or we can demolish the property. He stated that if the city demolishes the property the city will be responsible for maintaining it and mowing it from here to eternity because of the tax lien that will be against the property. Huddleston asked Allen what he thinks would be a reasonable amount of time for Miller to get the work completed. Allen stated if the weather is cooler another 45 days should be sufficient. Williams asked Miller if he has moved items from this address to an address on Henry Street.

Miller stated he moved the boat there because it has a flat tire but that it will be moved by tomorrow.

Huddleston inquired about the inside of the property and asked if that was included in the original resolution. Williams stated it didn't specify except to say it has to be inhabitable. Williams asked Allen if the property is inhabitable. Allen stated it is not and that he had Miller focus on getting the outside cleaned up. Williams asked Miller if he plans on making the property inhabitable. Miller stated he does. Huddleston stated he would like to see Miller given more time to get the interior taken care of.

S. Jones stated Miller had to be brought before the council to get the work done that he has completed. She stated she is outraged that we are even considering giving him more time after it has been more than 12 years. S. Jones stated she is not going to give him a badge of honor for what he has done on the outside. She stated it is not fit for inhabitants and the resolution told him he had 60 days after he pulled the permit to meet the requirements of the resolution. She stated as far as she is concerned we should move forward with the condemnation. Huddleston stated he would tend to agree with S. Jones on the surface, but that given the outside temperatures he has made headway on cleaning it up. S. Jones asked what the end game is for this house. Allen stated he would like to see the inside fixed up so that it can be sold or rented.

Tim Johnson, 2110 Loomis Dr, stated this issue has been 22 years in the making and that there is probably no position that will be successful in satisfying either side. He stated that nothing short of demolishing the property will be palatable. Johnson stated that something is broken in the system that allowed this to go on so long and that he would like to see the council to into a concept that would address repeat offenders. Johnson stated the council can win by protecting the citizens in the future. Wallace asked what the end state is that the neighbors envision. Johnson stated a very clean house commiserate to theirs. He stated this has caused the dynamics of the neighborhood to change and has caused property values to go down.

Anita Elliott, 1600 Robbins, asked the council not to play Miller's game. She stated a lot of the items have been removed from this property to 1145 Henry and that they will be moved back. She stated that the roof was not put on by a licensed contractor. Elliott stated this is a vacant house that needs to be torn down and that it is so frustrating that Miller always slides on these issues. Childers inquired about the licensed contractor comment. Allen stated that just like any other property owner, the home owner can pull a permit to roof their house and have a friend help him. Allen stated it was a friend that helped Miller and that he conducted all the proper inspections of the work. Huddleston stated that it was his understanding you have to live in the property. Allen stated it can be done by the property owner as long as it is not a rental.

Wallace asked how often Miller has been brought before the council. Allen stated this was the first time since he started with the city in 2006. Keefer stated that the times the city had addressed Miller has been related to the junk cars parked around the property and that this process is the first time he has been here about cleaning up the property. Keefer stated that the concerns about a licensed roofer had been brought to his attention and that we probably pushed the envelope in order to get the roof done, but the end goal and result was to get the roof repaired. He stated that if it had been a rental property at that time it would not have been allowed.

Mr. All stated that it would seem to him that it would be logical to make an assessment to determine if the inside of the property can be made livable at a reasonable cost. Allen stated that it is structurally okay. Huddleston asked if the inside is repairable. Allen stated that it was and that it was mostly just messy. Huddleston stated he would support granting Miller a specific

period of time if he is making significant improvement, but if there is no sign of improvement in 45 day increments, then pull the plug.

Reavis stated that when Miller was brought before the council with the other property owners Reavis asked about the house remaining vacant. He stated he was told that there were no codes pertaining to vacant homes. Reavis stated that human habitation has several meanings to different people and that he doesn't know if it is up to the council to define it. Allen stated the building codes say a property has to have electric and water.

Reavis stated Miller has made progress and that the outside is looking good and the house is secured. Allen stated it is looking better, not good. Reavis stated the house does not have to be lived in. S. Jones stated that Allen's letter to Miller told him he had 60 days to get everything done. She asked where the council's credibility is if they let it slide. S. Jones stated that human habitation implies you have to have utilities, which he doesn't have, so it is not inhabitable.

Tim Johnson asked if someone could legally live in the house today. Mr. All stated that he doubts it is in the condition where it would meet city codes. Johnson stated that assuming it is inhabitable, wouldn't it be required by code to go through all the steps of getting a new certificate of occupancy. Johnson stated we are having this discussion because of a failure in process. Williams stated the council and city inspector will not be able to go into all 3,000 houses in the city to see if they are all inhabitable.

Huddleston stated we get into situations where we think things are just black or white, but there should be room for reasonableness and compassion. He stated he hopes the city is able to reach beyond that to take in to account everyone who lives in town. He stated he doesn't think the city should be taken advantage of, but that he is not ready to say tear down Miller's home and get rid of him. Huddleston stated he wants to know that there are very specific things that have to be taken care of in specific chunks of time and that Miller needs to understand the council is not playing games. Huddleston made a motion to allow Miller an additional 45 days and instructed him to get with the city inspector to determine what needs to be completed in those 45 days and if the work is not being done then the plug will be pulled. Rawlings seconded the motion.

Rawlings asked if the property can be torn down legally since it is owned by the bank. Allen stated he has been in contact with Estelle at Bank of the West and she told him she would not oppose the demolition of the property. Rawlings asked how much the demolition will cost. Allen stated it will be \$5,500 to tear down the house and clear the lot. Wallace asked Allen if he thinks 45 days is enough for Miller to complete the work. Allen stated he thinks the outside can be done in 30 days. He stated the inside is just cluttered. Huddleston stated that Allen could give Miller a list of what to complete in the next 45 days and Allen could make sure there is significant progress. S. Jones and Harper stated they wanted that list to be quantifiable.

Miller stated he doesn't think the real problem has been addressed. He stated the fire men chopped a hole in his roof that made the ceiling tiles fall down in the kitchen. Miller stated that after his wife passed away he walked away from the house. Huddleston asked Miller if he collected insurance proceeds from the fire. Miller stated he did not and that the damage was not sufficient to exceed the deductible. Miller stated if the council was so bent on demolishing the property he wished they would have let him know before he spent \$6,000 on the roof. S. Jones asked Miller what his plans are for the house if it is fixed up. Miller stated he may possibly rent it out. Motion to allow Miller an additional 45 days failed with Rawlings, S. Jones, Childers, and Harper voting in opposition.

S. Jones made a motion to move forward with the condemnation and demolition of the house. Childers seconded the motion. Motion carried with Reavis, Wallace, and Huddleston voting in opposition. Miller asked if there is any way to appeal this decision. Mr. All encouraged Miller to seek legal council to appeal quickly if that was his intent.

New Business:

Capital Improvement Plan: Reavis made a motion to approve Resolution 2012-18 adopting the City of Augusta's Capital Improvement Plan for 2013-2017. Childers seconded the motion. Motion carried without opposition.

FAA Grant Agreement: Wallace asked if there are any hidden costs to this grant. Shaw stated it has the same grant assurances as the other FAA grants and they have to be met for the next 20 years. Wallace made a motion to approve a Grant Agreement with the FAA for the Environmental Assessment at the Airport. Reavis seconded the motion. Motion carried without opposition.

Voting Delegates: Reavis made a motion to appoint Childers, Huddleston, and Wallace as voting delegates for the 2012 League of Kansas Municipalities meeting in Topeka on October 6-8 and to appoint Williams and Erica Jones as alternates. S. Jones seconded the motion. Motion carried without opposition.

Informational Memorandum:

Huddleston: Huddleston stated item #5 brought to light that the agreement with the School is not an interlocal agreement. He stated in the past we have talked about requiring contractors to get a permit when working in the city easement, but that nothing has been done with that. Huddleston stated the purpose would be to know who is coming to town to do work in our easements, where they are doing the work, and when they will be done. He stated he would like to see an ordinance for that. Huddleston stated he would like to have some controls in place. Allen stated we do have permits for that type of work. He stated the gas company is good about pulling the permits, but not everyone else is. Huddleston stated we need something in place with teeth for those that don't pull a permit. Wallace agreed.

Reavis: Reavis said it looks like we are receiving \$25,000 from the insurance company to replace the VFD, but that the bid we accepted was only \$20,000. E. Jones stated there are additional costs with regard to the installation of the VFD. She stated the insurance company has issued a check in the amount of \$17,041.76 and that a supplemental claim of \$8,374.04 is being held by the insurance company and will be paid out based on receipts submitted by the city for the additional work.

Reavis asked if there is any way to keep Highland Drive open until the lake road from Garvin Park to Loomis is reopened so there is more than one access to that area. Keefer stated they will be able to access the area from Dike Road and Kelly Ave. and from using Lake Road from the north. Reavis stated he would like to ask the contractor to wait to close Highland Drive until the road from Garvin Park is open. Keefer stated he would inquire but could not guarantee it would be delayed. He stated they will have two access points and a third one soon. Rawlings stated that most of those people are already used to driving on Dike Road to get to that area. Reavis stated the timing might be okay, but his confidence in MKEC getting the wave berm done on schedule is waning.

Final Comments:

Rawlings: Rawlings asked if anything has been done on the concrete structure at the dam to dampen the glare. Keefer stated that Jay Anglemyer is researching it and putting together a report to bring

back to the council. He stated he would pass that on as soon as he receives it. Williams stated she looked closely at Kellogg in Wichita and it looks like it is peeling. She stated that could be an eye sore in the future. Reavis stated he has spoken to two people who work with that type of stuff that did not recommend using paint.

S. Jones: Jones asked if staff knew when the deer stand will be removed at the house at Moyle and Shirley. Allen stated he would ask the property owner.

Bill Morris, representing Downtown Augusta, Inc., introduced their new Executive Director Holly Ross.

Adjourn: At 8:43 p.m. Wallace made a motion to adjourn. Childers seconded the motion. Motion carried without opposition.

City Clerk

CITY COUNCIL
SEPTEMBER 17, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in regular session on September 17, 2012, with Mayor Kristey Williams presiding. Council present were Matt Childers, Michael Wallace, Sue Jones, Mike Rawlings, Matt Malone and Ron Reavis. Council members Holly Harper and Michael Huddleston were absent. Also present: City Manager Bill Keefer, City Attorney David All, Assistant to the City Manager Josh Shaw, City Inspector Dan Allen, and City Clerk Erica Jones. Visitors present were: Kent Bush, Kirk Crisp, Keith Cross, Kathy Cross, John Black, Jay Anglemeyer, Jaylyn Elliott, Anita Elliott, Kent Overaker, Rachelle Meinecke, Bill Morris, and Dalton Patterson.

Prayer: Pastor Keith Cross, First Christian Church, gave the invocation.

Minutes: Reavis made a motion to approve the minutes from the September 4, 2012 meeting. Childers seconded the motion. Motion carried without opposition.

Appropriations:

September (9): S. Jones inquired about the payment to Foley Industries out of the capital improvement fund. Keefer stated there were some repairs along 7th Street that needed to be done and there were not funds available in the Special City/County Highway budget. S. Jones inquired about the payment to Goedecke. Keefer stated it was for Dike Road and for information provided to the Division of Water Resources for the floodway permit related to the levee project. S. Jones inquired about the payment to Hinkle Law Firm. Keefer stated it should be the last one. Reavis made a motion to approve Ordinance 9 in the amount of \$567,464.68. Childers seconded the motion. Motion carried without opposition.

Visitors:

Augusta Historical Museum: S. Jones made a motion to approve the request of the Augusta Historical Museum for the use of Elmwood Cemetery for informational tours on October 13th. Wallace seconded the motion. Motion carried without opposition.

Downtown Augusta, Inc.: Wallace made a motion to approve the request of Downtown Augusta, Inc. for the closure of portions of State Street for the Grasshopper Festival on Friday, October 26th, and their Chili Cook-off on Saturday, October 27th. Childers seconded the motion. Motion carried without opposition.

Kirk Crisp: Kirk Crisp addressed the governing body about 1627 Robbins. Crisp stated he now owns this property and plans to clean it up. Wallace asked if he had a clean title and Crisp provided a copy of the registered warranty deed. Childers asked Crisp what his intent is for the property. Crisp stated he plans to make it his residence. Childers asked when he hopes to move in by. Crisp stated he didn't know. S. Jones stated the deed was signed by Harold Miller, notarized, and recorded and asked if the bank has released the lien so Miller could sell it. S. Jones stated she wanted verification from the city attorney that this is legal, that Miller is out of the house, and that the bank has released the property. Mr. All stated that Miller has executed the deed and filed it at the county, but that the bank is still a big player in this and has not released the lien. Crisp stated that Miller is current on the mortgage and there is no lien on the property. Mr. All stated there are other reasons a property can be foreclosed on other than non-payment.

Wallace asked Crisp if he is related to Miller and he stated he is not. S. Jones stated the council ordered the property to be demolished because it is not habitable. S. Jones stated the house still does not have any utilities and is not ready for anyone to move in to it. Crisp stated there was no reason the house could not get utilities because the inside was clean and ready to move in to.

Dan Allen stated the day after the council condemned the property he called Miller who stated he was selling the property to Walt Sharp for \$25,000. Allen stated the bank accepted the sale contract with Sharp on September 14th. Allen stated he just found out this morning that Miller signed the deed over to Crisp for \$1,000 on September 11th. He stated the bank has not accepted this and that Miller will be required by the bank to continue making the mortgage payments. Williams asked if something were to happen to Miller what would happen to the property. Mr. All stated the property now belongs to Crisp, but the question is what the bank will do with the deed because the bank is still the first lien holder. Wallace asked if Crisp will be responsible for the lien. Mr. All stated he would be because he cannot sell the property with the lien on it. Malone stated he couldn't, except back to Miller. Mr. All stated that the bank has not approved Crisp as the owner of the property and it is up to the bank what to do. Williams inquired about the amount of the lien. Allen stated it is around \$66,000.

S. Jones stated this smacks of being another backdoor Harold Miller stunt. Crisp stated this is now his property and he is not giving it back to Miller. He stated the property has been cleaned up and he has every intention of moving in to it. Crisp asked the council to delay tearing the property down, if the reason they were going to tear it down was just because of the vehicles that were on the property. Childers stated he wants to hear Crisp out but asked him to not mischaracterize the reason the council moved to demolish this property.

Williams asked how long he needs to make the property inhabitable. Crisp stated he couldn't say. Wallace stated it will need new electrical service. Crisp stated the property has been completely cleaned up and when he is finished it will be the nicest house on the block. Mr. All stated that regardless of what has happened since the council last met the council can legally still tear down the house. Wallace stated it is a mystery to him why Miller would sell it to Crisp for \$1,000 when he could have sold it for \$25,000. Malone stated he sees no guarantee that it won't be sold back to Miller. S. Jones asked who legally owns the property. Mr. All stated Crisp does but the bank has a \$66,000 lien. S. Jones asked if the bank has the right to qualify or disqualify the sale. Mr. All stated that was correct and that the bank could foreclose on the property at any time.

Williams again asked Crisp when he plans on moving in because the council needs that information to make a decision. Crisp stated it will be almost immediately. He stated he will work on it until it is done. Crisp stated he is concerned because the property is now clean and Miller doesn't own it anymore, which was the city's goal. Williams stated the property is scheduled to be demolished tomorrow morning and the council needs a date if he wants them to reconsider. Wallace stated the council needs a specific date. Crisp stated he has to pull permits, get bids, etc. and cannot give a specific date. S. Jones stated if Crisp wanted the council to give him time to move into the property he should have brought that information and a timeline to the council tonight.

Anita Elliott, 1600 Robbins, addressed the council and stated this is just another game by Miller. She stated there is no guarantee that the property won't go back to him. She stated he had a buyer 90 days ago and backed out of it. Elliott stated the neighbors want the property demolished and that you can tell by Crisp's attitude that it is not going to get any better.

Wallace stated he understands where Crisp is coming from, but even without a house on it he is getting a lot for \$1,000 which is a good deal. The consensus from the council was to move forward with the demolition of 1627 Robbins.

Old Business:

Watering Restrictions: Council reviewed and discussed the City's water restrictions and related water issues. Keefer stated that due to the lower temperatures and the recent moisture the water use has plateaued. He stated that water is no longer being used from Santa Fe Lake. Williams asked when the conservation fees were removed last year. Keefer stated it was in December, but that the council might consider suspending it October. Williams asked if Mulvane has a conservation fee. Keefer stated they do not.

Spillway and Dam Project: Council reviewed an update for the Spillway and Dam project. Jay Anglemyer with MKEC addressed the governing body. He stated in a previous meeting the council had concerns about the concrete masonry coating for the spillway. Anglemyer stated the coating is made for a water environment, but that he could not get a guarantee from any of the vendors about the life expectancy and if it will resolve the glare problem. Anglemyer stated there are other materials made specifically for areas with running water but they are significantly more expensive. He stated those materials are made to protect the concrete, not to make it more attractive or to reduce the glare. Anglemyer stated one option would be to coat the wing walls only. He stated another option would be to blast off the surface of the concrete to give it texture to help reduce the glare and get rid of the curing compound. He stated that would probably cost around \$10,000-\$15,000.

Williams stated another option was to wait a few months to give the curing compound time to wear off and tone down. Anglemyer agreed and stated there would be no additional cost if the council chose to wait and do it later. Rawlings asked if the council chose to wait a few months if UCI would still have to be involved. Anglemyer stated they would not. He stated after the project is done you could bid it out to other vendors later. Malone stated he is not against doing something to address it for the citizens, but he would like to wait to see if it tones down. S. Jones stated she would agree with that and asked how long it takes the curing compound to tone down. Anglemyer stated it should be gone by next spring. S. Jones asked if it could be put on the books that we would review it next spring. Rawlings asked if the concrete were blasted how much would be taken out and how would that affect the integrity of the structure. Anglemyer stated it would just be a 1-2 blast which would reduce it by 1/10 – 1/4 of an inch and would not impact the integrity.

Anglemyer stated UCI told him the dirt work will be done my tomorrow, and then the sub-contractor will come in to do the seeding and sodding. He stated this will take a week at most and then the street work will be started. Malone asked if he thinks it will take more than two weeks for it to be completed. Anglemyer stated it would probably take three weeks at most. S. Jones inquired about the erosion mat on the dam. Anglemyer stated he sent UCI a letter requesting a formal written response from them regarding the erosion mat and that he doesn't have that yet. Anglemyer stated when the wing dike is completed a walk thru will be conducted where we make a list of all the items that have to be completed. Anglemyer encouraged the council members to join him and staff in the walk thru. S. Jones asked how much the city still owes UCI. Keefer stated it is in excess of \$200,000. Childers told Anglemyer that some of the residents whose property backs up to the wing dike have asked to meet with Anglemyer to ask questions about the project. Anglemyer stated he would be very willing to meet and discuss the project with them.

New Business:

Walnut River Levee Certification: Joe File with AMEC gave a slide presentation to the council about the levee certification process. File stated the council hired AMEC to review all of the levees and that the Corps of Engineers (COE) will be taking care of the Whitewater River Levee with their current levee project and that AMEC would take care of the Walnut River Levee since it is not included in the levee project. File stated that phase one of the process was completed in 2008 and phase two was completed in 2010. He stated it they found that the levee is well maintained but there were four items that need to be addressed in order for the levee to be certified. They were: the interior drainage structure south of the flood wall needs repaired; two interior drainage structures at the Wastewater Treatment Plant need to be cleaned; an O & M manual needs to be completed; and the certification of the Whitewater Levee segment needs to be completed which will be done by the COE. Wallace asked when the O & M manual will be completed. File stated the COE is planning on doing it for both levee segments and that he and Keefer have been working on scheduling a meeting with the COE to discuss the timeline for that.

File stated he is proposing to come up with a concept to replace the pipe in the interior drainage structure and to determine if the structure even needs to be there. He stated he would be bringing a recommendation back to the council to either replace it or to take it out of service. Malone made a motion to approve an amendment to the engineering services agreement with AMEC for the Walnut River Levee Certification. Rawlings seconded the motion. Motion carried without opposition. Rawlings thanked File for his thorough presentation.

Regional Public Water Supply Planning Grant: Malone made a motion to authorize the submittal of a Regional Public Water Supply Planning Grant application to KDHE with the City of Mulvane and the City of Rose Hill. Wallace seconded the motion. Motion carried without opposition.

Convention and Tourism Grant: Childers made a motion to approve a Convention and Tourism Grant for the Augusta Chamber of Commerce for their annual Augusta Homecoming Festival in the amount of \$1,000. Malone seconded the motion. Motion carried without opposition.

Airport Marketing Study: Wallace made a motion authorizing the City of Augusta to work with the City of Andover to research a potential partnership for the development of the airport and a related industrial park. Childers seconded the motion. S. Jones asked what side of the airport is being considered as a potential candidate for the industrial park. Williams stated both sides are being considered. Keefer stated that API has had discussions with the property owner to the east of the airport, but that there have been discussions about other areas as well.

Malone stated he would like Andover to have to pony up something so they have an investment into it. Williams stated that would be something Augusta staff could discuss with Andover staff. S. Jones asked if Troy Carlson gave a formal proposal for second phase of the project and if so who it went to. Keefer stated it was given to him, Andover City Administrator Sasha Stiles, and API because they were the ones who initiated the study. Keefer stated after reviewing the proposal both he and Stiles believe the cost was not feasible at this time.

S. Jones asked who has the time and resources necessary to flush out what Carlson gave us in the last study. Keefer stated there would be some things that staff could do, but that the time would be an issue. Williams stated that one of the items Carlson recommended was going back to those that were originally interviewed and gather more information. Williams stated we are also looking at the next legal steps on how we could partner on that. Williams stated Carlson did not provide any information including the legal, economical, or engineering aspects of the project.

Keefer stated the cost of Carlson's proposal was around \$63,000. Williams stated there was a log of good information in the first study that we own and can utilize.

Wallace made a motion to call the previous question. Childers seconded. Motion carried without opposition. Motion authorizing the City of Augusta to work with the City of Andover to research a potential partnership for the development of the airport and a related industrial park carried without opposition.

Final Comments:

Malone: Malone asked if inspection has checked the status of the property at 1003 Wirth. Childers stated he has visited with the owner, Larry Frost, a couple days ago about another complaint. Childers stated he is not sure that the property has been cleaned up, but things have been moved to somewhere where our ordinances allow it to be.

Rawlings: Rawlings stated as we move forward with any study at about the airport he thinks we also need to consider growth to the east of the airport towards Augusta. He stated he thinks we need to concentrate on industrial growth here or east of here to bring people into Augusta. Williams stated API has discussed the areas on Custer Lane and near Alan's Excavating, but that API is considering the property they are because of its proximity to the airport and the demand for that type of proximity.

Williams: Williams reminded the council that it is getting closer to the time for the city manager's evaluation and asked that if anyone has something they want reviewed or added to the evaluation to let her know before November.

Reavis: Reavis stated the year is three quarters over and asked why the audit report is not ready. E. Jones stated that as a result of the amount of grant funding received for the airport project, the auditors were required to conduct a single audit in addition to the regular audit. E. Jones stated this caused additional work including communicating with the FAA and that has led to the delay.

Adjourn: At 8:15 p.m. S. Jones made a motion to adjourn. Childers seconded the motion. Motion carried without opposition.

City Clerk

CITY COUNCIL
OCTOBER 1, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in regular session on October 1, 2012, with Mayor Kristey Williams presiding. Council present were Matt Childers, Michael Huddleston, Michael Wallace, Sue Jones, Mike Rawlings, Matt Malone and Ron Reavis. Councilmember Holly Harper was absent. Also present: City Manager Bill Keefer, City Attorney David All, Assistant to the City Manager Josh Shaw, City Inspector Dan Allen, and City Clerk Erica Jones. Visitors present were: Kent Bush, Aaron Iverson, John Black, Mary Morris, Keith Ayotte, Ann Reddy, Merle Laham, Sherry Kincaid, Sandi Williamson, and Bill Buggeln.

Prayer: Pastor Terry Deaver, First Baptist Church, gave the invocation.

Minutes: Malone made a motion to approve the minutes from the September 17, 2012 meeting. Childers seconded the motion. Motion carried without opposition.

Appropriations:

September (9A): Wallace asked if there was a reason the ordinance was so small. E. Jones stated it was a matter of timing and when we receive the bills and statements. S. Jones inquired about the payment to Aqua Tech. Keefer stated it was mostly for the follow up to the water study. Malone asked if we have received the water testing results back yet. Keefer stated he had not heard anything yet. Childers made a motion to approve Ordinance 9A in the amount of \$976,143.71. Reavis seconded the motion. Motion carried without opposition.

Visitors:

Adopt-A-Pot: K. Williams stated there were a total of 53 pots and that 43 of the pots were judged as part of the competition. Williams thanked the judges, Shannon Hettenbach, Holly Evans, and Jennifer Tolley, and for S. Jones for organizing the adopt-a-pot program. S. Jones presented the award to the Adopt A Pot winners. The 1st place award of \$150 was presented to Jaye Mayfield, the 2nd place award of \$100 was presented to the Garden Club, and the 3rd place award of \$50 was presented to the Lion's Club. Mayfield, who was not present, donated her prize to the Lion's Club.

Old Business:

Watering Restrictions: Council reviewed and discussed the City's water restrictions and related water issues. Keefer stated there was nothing new to report, except that KDHE has approved the grant application for the feasibility study for a wholesale water district. Williams asked the governing body would have another opportunity to discuss the project with Willis Wilson and to ask questions they have received from the citizens. Keefer stated he would speak to Wilson about scheduling him to attend a meeting. Williams asked the council how they feel about keeping the conservation fee in place. Malone made a motion to rescind the conservation fee on the next utility billing cycle. Rawlings seconded the motion. Motion carried without opposition.

Reavis stated the resolution that was passed was for emergency water conservation, and to him the emergency is over. Reavis stated the water usage is down, temperatures are cooling, and people are voluntarily not watering, so he thinks we should do away with the emergency resolution. Wallace disagreed and stated the lake water levels are still low, so the emergency is not over. Williams stated if the emergency restrictions were lifted Mulvane could start using more water and not using their wells, which would increase the overall usage. Reavis stated we

can safely pump 2.5 MGD of water daily and there have been several days that the usage hasn't exceeded 1.5 MGD.

Keefer stated there was no one who wants these restrictions lifted more than him, but if we do then there will be a rush to re-seed yards and put in new yards. Keefer stated he would not want to encourage people to make investments into their yards when we don't know where we will be next year and what restrictions will be in place. Reavis asked about the restrictions, other than outdoor watering, such as washing cars, etc. He again stated he believes the emergency is over. Rawlings stated we are getting ready to take the one million gallon tank at the water plant out of service for months and lifting the restrictions now would have a significant impact on our ability to provide water. Williams stated it is important to be consistent. Wallace stated we do not have enough water now and he thinks we need to keep the restrictions in place until the lake levels have been restored. Reavis stated he was not able to locate a copy of the resolution passed for the emergency. E. Jones stated she would provide a copy of the resolution to the governing body.

1210 State Street: Council reviewed and updated the status of the repairs and cleanup of 1210 State Street per the directive of Resolution No. 2012-13. Dan Allen stated nothing has been done with this property. He stated that Hime was in town last Friday and met with the code enforcement officer at the property, but that nothing has been accomplished other than a minimal amount of brush being cleaned up. Williams inquired about the cost for demolition. Allen stated he received a bid of \$4,000. Allen stated Kelly Modlin has met with Hime and offered him \$10,000 for the property, but Hime insisted Modlin pay the outstanding property tax which was nearly \$10,000, which Modlin wasn't interested in doing. Williams told the council no action was required if they chose to have the property demolished. Malone asked when the property would be demolished. Allen stated it would be this week. He stated he would call to get it scheduled first thing tomorrow morning.

New Business:

2011 Audit: Council reviewed and discussed the 2011 Audit. Aaron Iverson with Edward B Stephenson & Co was present to review the audit with the governing body. Iverson asked the governing body if they received a copy of the SAS 114 letter in the mail. They all stated they had not. Iverson stated he would make sure he has the correct addresses and get those sent out. He told them not to hesitate to contact him if they have any questions.

Iverson stated the only noted violations were that there was one project that a surety bond was not obtained and there were four funds that violated the budget expenditures. He noted the budget violation was not a result of any wrong doing by the City, but because the newspaper failed to publish the public hearing notice there was a violation. Iverson stated that a single audit was required this year because the city expended more than \$500,000 in federal funds in 2011. He stated the last time a single audit was required was more than 10 years ago and that because of the amount of federal funds expended additional work has to be done to ensure compliance. Iverson stated he tested the internal controls in place and the report filing requirements. He stated there were no findings listed for the single audit. Iverson stated the overall audit went very well.

Huddleston inquired about the building insurance coverage listed for 400 S Grove. Iverson and E. Jones stated they would double check that and send out a corrected sheet. Huddleston asked how serious the two violations of state statute are. Iverson stated that neither of them are penal violations and that over the years they have had numerous clients with budget violations. He stated there is no penalty directly related to the lack of surety bond. E. Jones stated she contacted the state as soon as it was discovered that there would be a budget violation.

Huddleston stated the auditor's letter states that QuickBooks cannot operate on a cash basis and that it is listed every year. Huddleston stated it would be nice if we could get them on the same accounting basis as the city. Iverson stated if QuickBooks is set up right it can be handled both ways. He stated that staff reconciles the airport's reports with the city's reports and provides both of those to him for the audit. Huddleston asked if the numbered receipts at Santa Fe Lake are being used to reconcile their deposits. E. Jones stated they are.

Huddleston inquired about the accrued payroll liabilities. Iverson stated they are not recognized in the city's financials, except in the bonded debt listed on page 56. He stated it is required to be listed in the notes. Huddleston asked if there is an estimate on an annual basis. Iverson stated it is not required as part of the audit and he doesn't know if management is doing that. E. Jones stated that information is calculated each year and provided to the auditors. Huddleston asked why the figures on page 48 and page 56 do not match. Iverson stated the figure on page 56 was probably not updated and contains the previous year's figure. He stated he would check in to that and provide the governing body with a corrected copy of that page. Huddleston stated he knows the city cannot sign construction contracts until we have a means to pay for it, and he thinks if we have a \$228,000 liability out there it should be listed in the budget. Iverson stated that the accrued paid time can be used instead of being paid out so it would be looked at a little differently by the State Statute rather than the construction contract Huddleston referred to. He stated it could be paid out in lieu of wages.

Huddleston stated in years past there has been work needed to reconcile the bank statements. Iverson stated that staff is doing much better with that. Wallace made a motion to accept the 2011 Audit. Childers seconded the motion. Motion carried without opposition.

Engineering Services Agreement (I/I Study): S. Jones asked Keith Ayotte with MKEC if there are only two local providers for the camera survey. Ayotte stated there are only two in this area. S. Jones inquired about the city review fees. Ayotte stated that some cities charge a review fee, but Augusta does not. S. Jones asked what the camera survey administration would entail. Ayotte said MKEC will get the providers to commit to a price per lineal foot and then pick the best one. He stated they would administer the contract with them and receive the data from them. S. Jones asked how long it would take to camera all that. Ayotte stated it can take two to three months and that it would depend on how bad the lines are. He stated they will do the camera work and light cleaning at the same time. Wallace asked if this is just for Basin A. Ayotte stated that is where the majority of the problems are. Wallace asked if there is a potential for future projects including the other basins. Keefer stated there are and that Basin C would definitely be the one to do next. Wallace made a motion to approve an engineering services agreement with MKEC for an Inflow and infiltration Study for Basin A of the Sanitary Sewer Collection System. S. Jones seconded the motion. Motion carried without opposition.

Sanitation Rates: S. Jones asked what the current annual operating margin is for the sanitation fund this year. Shaw stated it will be between \$40,000 and \$45,000 and that it was \$57,000 last year. S. Jones stated the margin is usually expressed in percentages. Keefer stated if he had to give a number off the top of his head it would be around 5-7%. S. Jones stated the memo referenced maintaining a healthy cash carryover and asked what that would be. Shaw stated he considers three months of operating revenue to be healthy and that expenditures run about \$57,000 a month.

Huddleston stated the audit shows the cash receipts to be \$31,000 more than budgeted and the expenditures \$87,000 under budget. Keefer stated we had to use cash carryover as a revenue source to fund the proposed budget for the last few years. Huddleston asked if we are budgeting too much in these funds. Shaw stated we will be adding expenditures of over \$730,000 over the

next five years. He stated he believes there will be a cost savings with the new program and if that is the case the council can always lower the rates at any time. Keefer stated there will be a large expense next year with the purchase of a new truck and it would be nice if we can lower the amount of debt that will have to be issued. Malone stated if we use a lease purchase program for the truck purchased next year we could give it a year and then review if there is a cost savings or a need to increase rates. Keefer stated the 2013 sanitation budget that was adopted for 2013 was based on this rate increase. He stated that if we don't do this there we may not be able to purchase the trucks or any other equipment necessary for the new program.

Rawlings stated it always seems like we keep putting these things off and then eventually it is too late. Instead of it being a \$0.50 or \$1.00 increase it ends up being \$5.00 that we need. Rawlings stated we need to get over the hump and get this done. Keefer stated if we move forward with the plan adopted by the governing body then we will have to increase rates. Wallace made a motion to approve Ordinance 2042 amending the City's sanitation rates. Childers seconded the motion. Motion carried with Malone and S. Jones voting in opposition. Huddleston asked when the plan will be presented. Shaw stated he has a draft plan prepared and is waiting for it to be reviewed by the team.

Roof bids: Rawlings made a motion to approve the bid from Pickarts Roofing in the amount of \$6,920 to repair the roof and related storm damages at Santa Fe Lake. Malone seconded the motion. Wallace stated Pickarts was not the lowest bid. Williams stated it was because the others did not meet the specifications with regards to the window wraps. Motion carried without opposition.

GAAP Waiver: Rawlings made a motion to approve Resolution 2012-19 waiving the requirements of K.S.A. 75-1120a(a) in regards to fixed asset accounting for 2012. Childers seconded the motion. Motion carried without opposition.

Informational Memorandum:

Wallace: Wallace stated he did not get a copy of the photos of the benches purchased with the grant funds. Shaw stated they should have been the last page in the packet. Keefer stated they are very heavy duty and should last. Williams asked if there is any way to keep the birds from wreaking havoc on them. Keefer stated we haven't done anything to deter the birds at these shelters, but that there are ways of doing that.

Final Comments:

Malone: Malone inquired about the information from Aqua Tech about how much it costs to run the water plant. Keefer stated he was promised the information for this Wednesday.

Rawlings: Rawlings asked where we are with the one million gallon tank bypass project. Keefer stated it is moving forward and that the tank repair will be brought back to the governing body before it proceeds.

Rawlings asked as we move forward with purchasing vehicles, including the trash trucks, are we looking into the fact that natural gas is at \$1.49 a gallon. Shaw stated that would be one thing we would be considering. Keefer stated we would have to construct a fueling station to fuel the vehicles running on natural gas. Rawlings stated some of the bigger cities have built those themselves.

Williams: Williams asked when the hours for the compost change. Keefer stated they usually change around November or when it starts getting dark earlier.

Wallace: Wallace stated the street repairs on summit look nice. He asked where we are with regard to the annexation progress south of town. Keefer stated we haven't done anything in some time. He stated there are two tracts left and that the museum was looking into an ownership issue with their property. Wallace asked Keefer to follow up with that.

Wallace asked where we are on the railroad right of way. Keefer stated that someone brought up a state statute out of left field about constructing trails within a timeframe of acquiring property for that purpose. Keefer stated the County is asking the Attorney General for an opinion. Keefer stated he followed up with them the other day and we are still waiting on that information. Rawlings asked how the lawsuit would affect this. Keefer stated it would have no impact on this and that they received a settlement award. Huddleston asked if we can ask how the County was able to sell off portions of the right of way effortlessly, but the portion the city is looking at is taking so much work.

S. Jones: S. Jones asked if there is any information on the playground grant. Shaw stated the awards should be announced this month. S. Jones asked if we are still without a water/wastewater plant supervisor. Keefer stated we are working on filling the position. He stated we have interviewed and have another interview scheduled for later this week. S. Jones asked Keefer if he will have follow up information from the work session about what other cities are doing with habitual violators of the code. Keefer stated he received some general information back from larger cities with colleges. He stated they refer to them as a disorderly house ordinance and that he is having the city attorney review them to see if they are relevant to us. S. Jones stated the fuel adjustment on her last bill was 15% and that she thought working with KPP would lead to better pricing and lower fuel adjustments. Keefer stated our bills from KPP include a fuel adjustment. He stated there is a specific formula for calculating the fuel adjustment and that he will get that information to her. S. Jones stated she thought the whole purpose of the contract was to lower our costs. Keefer stated if we were out there purchasing our own electricity we would probably see much higher fuel costs, but that he would check on that. Malone stated that there was a lawsuit somewhere out East and asked if we are still going to have to put catalytic convertors in at the power plant. Keefer stated that one judge dismissed a portion of EPA regulations about emissions from one state to another through the air, but nothing related to the catalytic convertors.

Adjourn: At 8:36 p.m. S. Jones made a motion to adjourn. Childers seconded the motion. Motion carried without opposition.

City Clerk

CITY COUNCIL
OCTOBER 15, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in regular session on October 15, 2012, with Mayor Kristey Williams presiding. Council present were Matt Childers, Holly Harper, Michael Huddleston, Michael Wallace, Sue Jones, Mike Rawlings, and Ron Reavis. Councilmember Matt Malone was absent. Also present: City Manager Bill Keefer, City Attorney David All, Assistant to the City Manager Josh Shaw, Director of Electric Utility Bill Webster, Electric Production Superintendent Jim Sutton, and City Clerk Erica Jones. Visitors present were: Kent Bush, Gary Rogers, Myrna Rogers, Willis Wilson, Jay Anglemeyer, Carl Myers, John Black, Holly Ross, Bill Morris, and Kent Overaker.

Prayer: Pastor Terry Deaver, First Baptist Church, gave the invocation.

Minutes: Harper made a motion to approve the minutes from the October 1, 2012 meeting. Childers seconded the motion. Motion carried without opposition.

Appropriations:

October (10): S. Jones made a motion to approve Ordinance 10 in the amount of \$401,079.60. Childers seconded the motion. Motion carried without opposition.

Visitors:

Downtown Augusta Inc. (DAI): Holly Ross, Executive Director of Downtown Augusta Inc., was present to submit a request for a Convention and Tourism Grant in the amount of \$500 for their annual Grasshopper Festival and Chili Cook-off. Childers made a motion to approve a Convention and Tourism Grant in the amount of \$500 for Downtown Augusta Inc. for their annual Grasshopper Festival and Chili Cook-off. Rawlings seconded the motion. Reavis asked where the rest of the funding will come from. Ross stated it comes from sponsorships and the chili cook off. Reavis asked if there is a limit on the grant amount. Keefer stated it is for 50% of the funding up to \$1,000. Motion carried without opposition.

Bill Morris reviewed and discussed the submittal of an "Art Place" Grant Application on behalf of the City for a Sculpture Walking Path between State Street and the Whitewater River. Morris stated that DAI would like to apply for the grant under the auspices of the city, but that DAI would submit the grant. Morris stated the grant would be for \$1.3 million and would fund the art, path, and native plants. He stated he spoke to city staff who believed the city would be able to assist with the engineering fees which would be in the neighborhood of \$36,000. Harper asked if there would be parameters on the sculptures being submitted. Morris stated that DAI would bring together regional art experts to make up an art jury to select the sculptors and sculptures. Wallace asked if the \$1.3 million includes funds for the sculptures. Morris stated it does.

Wallace asked if property will have to be purchased from council member Rawlings for the path. Keefer stated it would not because the path would be in the railroad right of way. S. Jones asked if anyone has spoken to the County yet on this. Keefer stated he hopes to have a quit claim deed from the County long before we know the results of the application. Rawlings asked if the engineering has to be done before the grant application can be submitted. Morris stated it does not. Huddleston asked if the city will need to annex the railroad right of way at the Whitewater River. Keefer stated the council can consider that after we acquire the quit claim deed from the County. Huddleston asked about the parts where the adjacent property owners have encroached on the railroad right of way. Keefer stated those along Thunder Road will not be included in the part we get from the County.

S. Jones asked if there is a reason the engineering costs cannot be part of the grant. Morris stated it would be a show of good faith and show our interest in the project if we paid for the engineering. S. Jones asked staff where the \$36,000 for the engineering would come from. Keefer stated it could be paid out of the Capital Improvement fund, Electric fund, etc. and that it would depend on the timing. Reavis stated the Depot is included in the drawings and asked if any funding would be included for the Depot. Morris stated there would not, but that he is hoping there will be one more round of KDOT TE funding to assist with an 80/20 project for the Depot. Huddleston asked if bicycling would be allowed on the path. Morris stated it would. Huddleston stated if the pass crosses Highway 77 we will have to work with the State. Morris agreed and stated if we consider a fountain at the Whitewater River we will have to work with the State as well, but that he doesn't see that as a conflict.

Wallace made a motion to support DAI's submittal of an Art Place Grant Application on behalf of the City for a Sculpture Walking Path between State Street and the Whitewater River and to provide for engineering costs up to \$36,000 pending grant approval. Rawlings seconded the motion. Motion carried without opposition.

Old Business:

Watering Restrictions: Council reviewed and discussed the City's water restrictions and related water issues. Reavis stated he has had a couple of calls since the last meeting about not being able to put in new yards and about not allowing car washing. Reavis stated the comments were that we are allowing the car wash business to use water, but landscaping businesses are not allowed to. He stated there were also concerns about yard dirt washing back in to the lake. Keefer stated that new yards where there has never been a yard are eligible for a special watering permit. Williams stated that washing cars is allowed twice a week during the watering times under the restrictions. Keefer stated the only issue he sees with the restrictions is that it is now getting darker earlier. Keefer stated that water usage since the last council meeting has increased. Williams stated she has been using twitter to remind people that the restrictions are still in place.

Spillway/Dam Project: Jay Anglemyer, MKEC, presented an update on the Spillway/Dam Project. Anglemyer stated we are nearing the end of the construction and the street paving work is being done. He stated Lake Road is complete except for the top lift on the culvert which should be done tomorrow. Anglemyer stated there has been some confusion about Highland Drive being closed, but that Kelly was opened today and there should be a lane of traffic open for traffic on Lakeview Parkway. Anglemyer stated the earth work on the wing dike is complete and it is ready to receive the sodding and seeding. Anglemyer stated once that is completed and the road work is done we will walk the entire site and draft a punch list of things to be done within the next 30 days. He stated the issue of the turf mat is not over. He stated if UCI still does not fix the turf mat the contract allows for the city to deduct from the contract price or to hire another contractor to complete the work and deduct that fee from the contract price. Anglemyer stated he thinks they are being stubborn at this point, but that the city is holding enough money to withhold the funding for that portion of the project.

Williams asked if the pins are working so that the mat is secure. Anglemyer stated there are plenty of pins in there, but that he isn't satisfied with how they were placed. Huddleston stated he took exception with that, that he thought the pins were to be longer. Anglemyer stated that during a meeting a subcontractor said they would be a certain length but that was an exaggeration. He stated the contractor used the pins per the manufacturer. Huddleston stated the pins are coming out and rusting. Anglemyer stated the pins are used to hold the mat in place until the stand of grass comes in. He stated this is something we would address in the walk thru, but that the lack of grass is a bigger issue to him. Williams asked if UCI is suggesting that the elevation of water would have stopped the erosion or that we wouldn't see the erosion. Anglemyer stated that the contract clearly states that it is their job to maintain the lake. He stated we had to make decisions because they weren't done with the work when

they should have been. Keefer stated the subcontractor had ample opportunity to put the mat in when the lake was substantially dry but they didn't do it. He stated that had it been there in a timely manner and put in as low as it should have been this wouldn't be an issue. Rawlings asked if the timing issues were documented. Anglemeyer stated they were.

Williams stated we are all on the same page that this was not completed to our satisfaction and that after the walk thru Anglemeyer will bring a punch list back to the council for their approval. Williams stated she thinks it would be beneficial for DWR to be at the walk thru. Reavis inquired about the elevation of the water presently compared to where the mat was supposed to end. Anglemeyer stated it is about 4 to 5 feet up from the bottom but that the water is still below the liner though.

Water Supply Study: Willis Wilson presented an update on the various follow up projects to the Water Supply Study. Wilson stated the water perfection year expires this year but that he has filed an extension for 4 to 5 years giving us until the end of 2016/2017 to perfect the water rights and show the water usage required by the city. Williams asked if the 651 million gallons in perfection rights includes both lakes. Wilson stated it does. Wilson stated the flow meter installations have to be approved by DWR and the current flow meters installed do not meet DWR requirements. Childers stated presumably DWR would not provide funding for this. Wilson stated that was correct. Wilson stated the first round of sampling started this month and that he is waiting on sample bottles for the solids testing. He stated the siltation prevention upstream will be resolved in the next 30 to 45 days.

Wilson described the current water pipeline from El Dorado to Augusta. He stated it starts at the El Dorado water plant; travels through a booster station, to the refinery, and then to the Augusta water treatment plant. He stated it was originally installed in two sections, the first in 1956 from the refinery and south to Augusta and then in 1981 through the refinery. Wilson handed out a priority list for the improvements. He stated he would recommend doing the repairs on the refinery property as one project with one contractor. Wilson stated he was recommending the line from El Dorado to the Augusta water treatment plant be done outside of the railroad right of way because staff cannot access the line where it is now. Childers asked if using sleeves in the existing lines is an option here. Wilson stated there are contractor who do that and he has spoken to them about that. He stated there are three materials you can use to do that, but that the material has to meet certain requirements for drinking water. He stated his preliminary numbers show using a sleeve would not be a cheaper option. S. Jones stated the idea is to increase capacity and lining it would only stabilize the line. Wilson stated he will keep searching out other options if the council hears of any options out there.

Williams inquired about the difference of a 24 inch line to a 20 inch line with regard to cost. Wilson stated the PVC line comes in 18 inch and 24 inch and the price is about \$5 a foot less for the 18 inch. Childers asked if these figures have been made available to the council before. Wilson stated they were included in the April 23rd meeting. Rawlings asked if we put in a booster plant at El Dorado water plant if we will have to compete with the City of El Dorado for flow. Wilson stated we would have to have a discussion with the City of El Dorado at some point and that they may have to increase their capacity. Williams asked when the sample test results can be expected. Wilson stated the first round of results should be in next week.

Kansas Power Pool (KPP): Carl Myers with KPP was present to discuss the prepayment to the Kansas Power Pool for the purchase and installation of the catalytic convertors for the Power Plant #2. Myers stated the city's share to prepay will be approximately \$286,328. Myers stated if Augusta's demand goes up or down it could change the amount of the "true ups". He also stated he could not tell us what the total amount due would be with interest over the term of the 10 year bond issue because he doesn't know what the interest rate will be on the bond, but that the bond issue will close on December 12th. Williams asked when the exact prepayment amount will be known. Myers stated it would be early 2013. Huddleston stated the difference between the \$286,000 and \$316,000 is only about \$3,000 a year over

10 years and that if we prepay the \$286,000 we will end up paying more. Huddleston stated the true ups have him concerned and asked why not wait to agree to the prepayment until the exact costs are known. Myers stated they are not to exceed amounts, so the amount could only go down. Huddleston asked about the additional costs of the true ups. Myers stated if your demand goes up then you would share in more of the costs. Huddleston stated so basically it will cost us \$286,000 or more. Myers stated it could be less. Huddleston asked if we prepay the \$286,000 would they refund us if it were less. Myers stated they would. Huddleston asked if the council will ever see the year end numbers. Myers stated that information is provided to staff at the end of each year. Huddleston stated he would like to see that information. Myers stated it is all put on their website.

Myers stated the other option rather than prepayment is to enter into financing and that the payment amount would change every year based on the percentage of your demand. He stated you will also pay interest, the cost of issuance, etc. for the debt. Wallace asked Keefer for his thoughts. Keefer stated he recommends prepayment. He stated it can be paid out of the Electric Reserve Fund and that the true ups will be less than if we finance it. Wallace stated he was leaning that way, but like Huddleston he is concerned about the true ups and that the price can go up or down. Williams stated the true ups will be there whether we finance or not. Huddleston stated Augusta is one of the founding members of KPP and that he has heard that the administrative costs of KPP keep increasing. Myers stated the administrative costs remain below 5% of the operating budget and that they have a staff of four. Wallace made a motion to approve prepayment to the Kansas Power Pool for the purchase and installation of the catalytic converters for the Power Plant #2 for a not to exceed amount of \$286,328. Reavis seconded the motion. Motion carried with Huddleston voting in opposition.

New Business:

310 E Main Street: Wallace made a motion to approve Resolution 2012-20 scheduling a public hearing for December 3, 2012 to take input on whether the structure located at 310 E Main Street should be declared a dangerous and unsafe structure. Childers seconded the motion. Rawlings stated he had a couple of the neighbor's contacts he was asking to be kept informed so they can prepare for the demolition and the vermin that will be disturbed. Motion carried without opposition.

USD #402 AMS Crosswalk: Superintendent John Black addressed the governing body. He stated the school district is asking the city to change the crosswalk in front of the Middle School from diagonal to perpendicular which would have the students in the street for less time and provide for better sight. He stated that would include a curb cut and handicap access. Wallace stated Black is asking for the city to provide the labor and the school pay for the materials and asked how the school will fund that. Black stated there are construction funds available that allow for these types of repairs as well as capital improvement funds. Williams inquired about the time line. Black stated if the council approves this he will coordinate with city staff on the timeline, but that it is their intent to do this as soon as possible. S. Jones asked if they are going to work on addressing the problem with parents stopping in the middle of the street and children bailing out from every direction. Black stated this will require a behavioral change and they will be reinforcing exiting on the right side of the vehicle and using a crosswalk. He stated they will have crossing guards and work with the safety department to address things that are illegal. Williams stated that parents have been instructed to stop in the road. Black stated they are trying to make small changes to make things safer, and that there were other big costly options available but they didn't know how it would impact safety. Childers made a motion to authorize the relocation of the crosswalk in front of the Middle School along with assistance from the City. Harper seconded the motion. Motion carried without opposition.

Electric Truck Bids: Wallace asked if the 2012 model is considered used. Keefer stated it is not used. Wallace made a motion to approve the bid from Winfield Motors in the amount of \$34,327.42 for a pickup truck for the Electric Production Department. Childers seconded the motion. Huddleston asked if the price

includes sales tax. Webster stated the sales tax was to be included per the bid specifications. Motion carried without opposition.

Informational Memorandum & Final Comments:

Williams: Williams reminded the governing body of the upcoming review of the city manager.

Huddleston: Huddleston asked if staff has received contracts for the fiber optics work that had been previously done by the school district. Keefer stated he has received contracts from the school district and is reviewing them.

Harper: Harper stated there are rumors of a city-promoted event on Halloween. Keefer stated the only thing that the city approved is the tour of the cemetery that happened last Saturday.

Childers: Childers inquired about the timeline for staff related to updating the code of ordinances. Keefer stated that staff has a meeting scheduled for this Friday to review the ordinances and that he will keep the council informed. Childers inquired about the temporary sign at the car wash on 7th Street and stated it has been there for three weeks. Keefer stated they pulled a sign permit and that he would check on the timeline for it.

Williams: Williams thanked Shaw for putting the information together on the website related to the sales tax issue that will appear on the November ballot.

Wallace: Wallace congratulated Mr. & Mrs. Matt Malone on their new daughter.

Reavis: Reavis stated that a woman approached him the morning of the Homecoming parade wanting to know what was going on downtown that morning. Reavis asked if there would be a way for the city to do some sort of an email blast to inform people of upcoming events. Shaw stated we have talked about having an event calendar. He stated we have one for city events but not for other organization's events. Shaw stated that we would have to maintain the email list, event list, etc. and that there is software available, at a cost, to do that. Keefer stated an issue of concern would be who would maintain that and what policies there would be related to it. Childers stated when the city has to block off the road for an event then they are aware of it and could put that on the calendar. Huddleston stated it could include anything the city allows use of on its property. Huddleston stated he thinks the city should have a big LED billboard to announce events and projects. Reavis stated he thinks we should put forth the initiative instead of making citizens go to the website. Williams stated the only thing is we are becoming more redundant. Wallace stated it used to be the citizen's responsibility to be informed of what is going on in the community.

S. Jones: Jones inquired about the big concrete pad that was poured at Kelly & Lulu. Keefer stated it is for the building that will store the stop log trailers, sand bag machine, and sand bags. S. Jones stated the Main Street Design Committee had a meeting about windows being replaced at a building across from the post office and that she thinks this is an issue that is going to come up over and over again. She stated that at some point we may need to review the requirements.

Adjourn: At 8:47 p.m. S. Jones made a motion to adjourn. Childers seconded the motion. Motion carried without opposition.

City Clerk

CITY COUNCIL
NOVEMBER 5, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in regular session on November 5, 2012, with Mayor Kristey Williams presiding. Council present were Matt Childers, Holly Harper, Michael Huddleston, Michael Wallace, Sue Jones, Mike Rawlings, and Matt Malone. Council member Ron Reavis was absent. Also present: City Manager Bill Keefer, City Attorney David All, Assistant to the City Manager Josh Shaw, Director of Electric Utility Bill Webster, Electric Production Superintendent Jim Sutton, and City Clerk Erica Jones. Visitors present were: Kent Bush, John Black, Kent Overaker, and Bob Day.

Prayer: Pastor Steve Spencer, First United Methodist Church, gave the invocation.

Minutes: Rawlings made a motion to approve the minutes from the October 15, 2012 meeting. Harper seconded the motion. Motion carried without opposition.

Appropriations:

October (10A): S. Jones inquired about the payment to Goedecke. Keefer stated this is for Dike Road. S. Jones inquired about the payment to Headley Funeral Chapel and stated she thought the reimbursement for sidewalk repair was only \$500. Keefer stated that is correct, but that they repaired two sidewalks. S. Jones inquired about the payment to Solomon Corporation. Keefer stated it was for a number of refurbished transformers. S. Jones stated there were a couple charges related to animal control training and asked when and where that would be. Keefer stated it will be in Kansas City. He stated it was brought up during the budget process and that this is a training program not a conference. Huddleston stated that he has difficulty assigning the payments made to the proper funds they were expended from and that there is no way to track that using the reports provided. He asked if there is a better way to identify those. Keefer stated the council is provided with budgeted financials each month. He stated there is a limited ability to the software and that some of these payments are spread over several funds, line items, and/or departments. E. Jones stated this is a canned report and that she can look into what it would cost to create a customized report that would provide the information Huddleston is request. Keefer stated staff needs a consensus or clear direction from the council whether they want this, and if so we can inquire into the cost and possibility of a customized report. Huddleston stated that information is necessary to take this raw data and put it into funds so we can see where the money is spent. There was a consensus from the council to inquire into the cost of a customized report. Childers made a motion to approve Ordinance 10A in the amount of \$800,371.25. Harper seconded the motion. Motion carried without opposition.

Old Business:

Watering Restrictions: Council reviewed and discussed the City's water restrictions and related water issues. Malone stated he noticed Mulvane's usage has gone up over the last couple weeks and asked why. Williams stated the hotel at the casino came online today. Keefer stated they were working on the reservoir and shut everything off. Malone inquired about their wells. Keefer stated that as of the last few weeks the wells were not running.

Public Hearing 310 Main Street: Childers made a motion to approve Resolution 2012-21 scheduling a Public Hearing for December 17, 2012 to take input on whether the structure located at 310 Main Street should be declared a dangerous and unsafe structure. S. Jones seconded the motion. Motion carried without opposition.

Electric Prod Truck Bids: Wallace made a motion to reject the bids for the Electric Production truck and authorizing staff to rebid the purchase of the vehicle. Childers seconded the motion. Motion carried without opposition.

New Business:

KDHE Feasibility Study: Williams stated that KDHE will pay for half of the study and Augusta and Mulvane will split the other half of the cost. Wallace asked if Rose Hill wants to be a full member at some point in the future will they have to share in that cost. Keefer stated that after the feasibility study if they are interested in being part of it they will be included at some level. Williams asked how long the study will take. Rawlings stated the memo says 90 days. Wallace made a motion to approve an Interlocal Agreement with the City of Mulvane and City of Rose Hill for the KDHE Feasibility Study. Harper seconded the motion. Motion carried without opposition.

USD #402 Fiber Agreement: Malone asked which schools the previous agreement was for. Keefer stated the previous agreement was for Lincoln and Garfield. Huddleston asked if this agreement reads the same as the previous agreement. Keefer stated it does. Malone made a motion to approve an agreement with USD 402 for the use of the City's Public Right-of-Way and Utility Easements for their fiber optic line between the District Administration Office and Lincoln School. Harper seconded the motion. Wallace asked what these lines accomplish. John Black stated they eliminate the lease of the line from Cox Communications. Motion carried without opposition.

Change Order #1 2012 Street Sales Tax Project: Wallace asked if we are done with our street program for this year. Keefer stated we are, except for the street maintenance and School Street which was moved to next year. Larry Henry with MKEC stated this change order is in addition to the streets that were included in the program for 2012. Wallace made a motion to approve Change Order #1 with Kansas Paving in the amount of \$35,028 for the Street Maintenance portion of the 2012 Street Sales Tax Program. Malone seconded the motion. Motion carried without opposition.

Permit Ordinance: Huddleston stated the ordinance does not specify a fee. Keefer stated the ordinance requires a permit, but the fee is based on the type of permit they pull and if it is for work based on the building codes. Keefer stated there is no specific charge for this permit. Malone stated that essentially we are doing this so if someone digs a trench we will know who did it. Huddleston stated there is no fee, but is there a penalty if they don't get a permit. Keefer stated there is a penalty listed in Section 4-1404 of the ordinance. Childers made a motion to approve Ordinance 2043 requiring a permit to work in the City's Public Right-of-Way and Utility Easements. Malone seconded the motion. Motion carried without opposition.

KDOT Resolution: Rawlings made a motion to approve Resolution 2012-22 for the Kansas Department of Transportation certifying that the City of Augusta has acquired all of the necessary Right-of-Way and Easements for the Kelly and Ohio Intersection Project. Huddleston seconded the motion. Motion carried without opposition.

Sanitation Transition Plan: Council reviewed and discussed the Transition Plan for the City's Sanitation System. Williams stated the task list on the back page with the timeline is very helpful and the recommendations were very well laid out. Huddleston referred to page 9 of the plan about formalizing the spring clean-up program. Shaw stated that one of the key discussions we've had. He stated staff has spoken to the County about different ways to address spring clean-up including a coupon program. Huddleston asked if it would be like Derby's program where they pick the item up curbside. Shaw stated it would not. He said citizens would be given two coupons for a free bulk item or truck load delivered to the County landfill.

Huddleston inquired about the employee's customer service training referred to on page 11 and asked if that would differ from the training that just occurred. Shaw stated that it would be more specialized in that it would provide specific answers to customer's questions and were to refer customers to. Huddleston stated that there would need to be public education through the transition process. Williams

stated that is referred to on page 14. Shaw stated that page 14 lays out several options for how to get information out to the citizens.

Huddleston stated page 12 lists decision points and asked if there would be guidelines for where to put the containers. Shaw stated we would provide guidelines rather than specific locations. Huddleston asked if the city or manufacturer will print the logo and serial numbers on the cart. Shaw stated it would probably be the manufacturer. Shaw stated that staff will seek council direction on some of these decision points. Huddleston asked if curbside recycling will take place at the same time as the rest or during the pilot program. Shaw stated that part of when recycling will roll out depends on answers we will get from recycling vendors. S. Jones asked if staff has spoken to any recycling vendors yet. Shaw stated staff has spoken to the City of El Dorado and Waste Connections.

Malone stated that page 8 says if more people are involved in the recycling program we will probably pay more in tipping fees. He stated those not participating in the recycling will have to pay more for tipping fees when they are not using the recycling program. Shaw stated staff had a long discussion with the County regarding their plans for the landfill and that he doesn't think our recycling will be relevant to their decisions regarding tipping fees. Keefer stated he is anticipating a \$1 per ton increase in tipping fees January 1st.

Huddleston stated he still receives comments from citizens, especially those that are elderly. He said he would like to see all of this information get out to the public, showing that we've made provisions for the elderly and handicapped regarding the cart program. He stated we need to find a way to make sure people understand. Williams stated that with the approval of this tonight, the transition document can be made public. Keefer agreed that this will be a big change and that we need to get this information out to the public. He stated we can conduct public forums and give demonstrations, but right now we are a little too far away from the specifics. Huddleston asked how staff determined 72 to be elderly. Shaw stated several communities list different ages as elderly. S. Jones stated communication is key to this. She stated to be successful; putting this information out with the utility bills should be a priority because everyone in town receives a city bill.

S. Jones asked at what point staff plans on bringing the decision points to the council. Shaw stated there are certain decisions that are not time sensitive. S. Jones asked if citizens will be able to choose what size of cart they want. Shaw stated the committee recommends one size or the other, but that we may need to survey the public about what size to get. He stated the cart size will be a big deal. He stated there would be an option if the cart size is not large enough for citizens to rent a second one at an additional cost. Huddleston asked if there is much of a problem with theft of the carts. Shaw stated that El Dorado says they don't have a problem with thefts, but that can be addressed administratively.

Shaw stated the way this plan is being presented, by the time the pilot program is rolled out we will have purchased the truck and the carts. Another option would be to rent the equipment and test out a small area of town. Shaw asked the council if they are committed to this program and treating the pilot program as a training program. Williams stated she sees it as a plan to work out all of the problems. Wallace stated if it doesn't work for us then we need to have an out. Williams stated we are looking at doing something that is done in communities everywhere. Huddleston stated he thinks we should have a pilot program to test it out. Rawlings stated he is concerned about places where there are cars parked and we can't get to the carts. Shaw stated there will be some difficult areas to serve and there will be some situations where we will have to figure it out as we go, which is why we are asking this question. Huddleston asked if the pilot program will sample different areas in town that might present a problem. Shaw said it would. Williams asked how much a pilot program could potentially cost. Shaw stated it could be \$1,100 to \$1,500 per week to rent the equipment. Wallace stated he thinks it will work but wants to test it to make sure. Williams stated the council could vote both for the implementation plan and a pilot program.

Huddleston inquired about the maintenance costs on automated trucks. Shaw stated the system costs are usually down overall, but maintenance costs are up. Huddleston stated page 5 says an automated system allows a single operator to collect the same trash route in the same amount or less time than the traditional three person manual collection crew and that he doesn't believe that. Shaw stated that El Dorado is proof because they run the same route with one operator that they ran with three manual operators, which was 32 hours.

S. Jones stated the plan calls this a pilot program, but asked what term staff wants the council to use for renting the equipment to test. Shaw stated if the council wants to test a pilot program then they just need to tell staff. Wallace made a motion to approve the Transition Plan for the City's Sanitation System and to test a pilot program. S. Jones seconded the motion. Motion carried without opposition.

Appointments: Huddleston stated he thinks these appointments will work well as long as they were asked and are willing to attend the meetings. Childers stated his experience with Drew Wilson and his interaction on API is that he will and that this is Holly's job so she'll be there. Childers made a motion to approve the Mayor's appointment of Drew Wilson and Holly Ross to the City's Downtown Design Committee for terms expiring in 2014. S. Jones seconded the motion. Motion carried without opposition.

Informational Memorandum:

Huddleston: Huddleston stated all the employees he spoke to were very pleased with the customer service training. Huddleston asked if any of the ones that were not able to attend were supervisors. Keefer stated that only one supervisor missed the additional four hours of training that was provided to the supervisors. Shaw stated that there were some scheduling conflicts with the line crew at the airport. Huddleston asked if staff would be open to doing it again. Keefer stated they would be open to doing some type of annual refresher course. Rawlings stated that the council should be invited to attend the next time it is offered.

Wallace: Wallace asked why we aren't mowing the overgrowth on the lakebed instead of burning it off. Keefer stated there would still be debris there if we mowed and there are some areas where we could not get a mower out there without the risk of getting stuck. Williams asked if there are any ozone attainment issues. Keefer stated that as part of the fire district we issue permits for rural residents to burn off their fields, and that we will get a permit using that same process. Williams stated that people will be glad to see it all gone.

Final Comments:

Wallace: Wallace stated there was an email from Kent Bush regarding the republishing of the resolution for 310 Main that indicated he was bullied or threatened. Bush stated that may have been a misunderstanding on his part. He stated he was told it would be an issue at the next council meeting and that they would have to cover the costs to re-mail the certified letters.

Wallace presented Keefer and city staff with two awards received from KMIT at the annual League of Kansas Municipalities Conference for great participation and being a member for 10 years.

S. Jones: Jones inquired about the city sponsored event at the airport. Shaw stated the weather was a problem again this year. He stated it was about 29 degrees when they started. He stated there were not very many planes this year, but there were more cars at the car show and more drive in traffic. Jones stated it needs to start earlier in the year. Shaw agreed but stated he doesn't want us to have to contend with the heat or other air shows. Huddleston stated it could be moved to the spring. Shaw stated that staff has discussed that but then you have to contend with rain and storms.

S. Jones asked if staff has heard anything about the park equipment grant. Shaw stated he had been told it was supposed to be awarded last month, but nothing has been confirmed yet.

Huddleston: Huddleston inquired about the railroad property deed. Keefer stated he has a note to contact them again and that it should be on the agenda for the next meeting.

Harper: Harper stated she has been doing a lot of soul searching and that for the last year she has been absent more than she thinks is appropriate and that she feels bad about that. She stated that Ward one deserves someone who has the time and resources to serve completely and she is not able to do that at this time. She stated this decision did not come easily and she has really enjoyed being on the council, but this job is worthy of 110 percent and she is unfortunately unable to give that at this time. Harper stated to serve the community is an honor and the decisions made by the council affect not only the citizens of Augusta, but even the county and state. She stated the process should not be taken lightly and many decisions are critical to our citizens and to generations to come. Harper stated she wants everyone to know that she loves you very much and is honored to have served with you and with past mayor Rountree and Mayor Williams. She gave credit to city staff and those of you that are serving with strength. She challenged the governing body to remember that they are a team and the community is counting on them to make a difference. Harper stated she has someone in mind to fill her vacancy and respectfully requested the council consider Jason Lowery to serve in her place. She stated he is a long time Augusta, the assistant Pastor at Haverhill Christian Church, a former police officer from Emporia and Derby, and that he has served on several community boards. She stated he is bright, honest, hard working, and civic-minded and would be a good fit for the council. She applauded the council for their sacrifices and told them to keep up the good work.

Williams stated that Harper will be missed. She asked when the resignation would be effective. Harper stated she would like it to be as soon as possible. Keefer stated there has to be vacancy for the council to appoint a replacement. He stated if tonight is her last meeting they could appoint a replacement at the next meeting and if the next meeting is her last then they could make the appointment at the first meeting in December. Harper stated she would respectfully ask for tonight to be her last meeting.

Malone: Malone stated several months ago he asked for a work session to discuss the downtown ordinance as far as signs, windows, paint colors, and everything it encompasses and it remains to be a thorn in the side of people downtown. He stated he will force the issue by making a motion to rescind the current ordinance and to put something together that meets our goal and doesn't hinder business. Williams stated by doing that you would leave a gap where until something new was passed there would be no regulations in place which would allow anyone to do any type of investment they want to do downtown. She stated you have to remember that there has already been an investment made downtown by individual owners, organizations, and the State of Kansas. Childers called for point of order as there was a motion on the floor and no second. Huddleston seconded. Wallace stated he sees where Malone is coming from, but he is afraid to leave a gap. Malone asked Wallace what his fear is, that someone would come down and paint their building pink. Wallace stated it would not be prudent to leave a gap. Malone stated the council discussed for three hours one night what they were going to impose on the rest of the community and why don't we just implement downtown on the rest of the community. That would be simple and take care of the rest of the community. Williams stated she would personally be opposed to leaving a gap. She stated that with all the time and effort that was put into getting donations and to making the area historic she does not believe we would have received the enhancement grant from the State had we not had any codes that govern the downtown area. Malone made a motion to call the question. Wallace seconded the motion. Motion failed with Malone and Wallace voting in favor of calling the question and the rest of the council voting in opposition.

Williams stated there has been a great deal of investment into the downtown and she wants to protect the investment that has been put in place. She stated that part of the success of the downtown has been

due to that investment. She stated there have been instances in the past where things were done that reduced the property value of the downtown businesses. She stated she is in favor of protecting it and if we need to look at changing the regulations, but she would be opposed to a gap. Huddleston stated he has a problem with the way it exists and how it is run. He stated Williams refers to protecting Historic Augusta but that the downtown has not been designated as a historic site. He stated that some specific locations have applied for and received that designation though. Huddleston stated we have a board of people on a committee and that he doesn't know anything about their professional training that makes them able to determine historic significance, but they've taken upon themselves that they can do it because this or this area is historic to the point where one building can do something and the one next door can't. He stated that is frustrating to several of the business owners in downtown. Huddleston stated some of them are not building owners or business owners and some do not even live in town. He stated there are regulations regarding paint colors and not allowing vinyl windows, except that some are allowed on second floors. He stated he thinks it needs to be redone and made workable. Huddleston stated the grant was not to restore Augusta to its historical past but to revitalize the downtown area. He stated we need to find a way to work through the problems. He stated it is unworkable as it is.

Rawlings stated he takes exception to the things Huddleston has said. He stated he served on that committee for years and on the council that spent months looking at this regulation. He stated the State came down and took pictures and stated that specific buildings that were historical and significant and said those need to stay. He stated the State does have historic value in the Main Street money they gave us and gave us very heavy recommendations that we stay with that theme. Rawlings stated the reasons the committee had to bend the rules are because people, possibly Huddleston himself, just went and did things and didn't ask permission. He stated people spent a lot of money, didn't pull permits, and on the weekends when we couldn't enforce it. Malone stated months ago Eric Christinat contacted several other communities on what they do and the council has never seen that information. Rawlings stated he doesn't mind revisiting it but if we leave a gaping hole someone will be able to paint their building yellow and lime green tomorrow. Malone stated you do not need a permit to paint your building. Huddleston stated to make it work we need to find some common ground to work with. He stated it is not working well as it is.

Williams stated overall it looks great down there and is more vitalized than it was six years ago. S. Jones agreed with Huddleston that there are areas of the design criteria that need to be revisited and maybe we do need a work shop to revisit it. She stated one of the most recent issues has been with windows. She stated we need to make a more common sense approach at how we deal with this. She stated she would be in favor of scheduling a work session in the very near future. Motion to rescind the ordinance failed with Malone voting in favor and the rest of the council voting in opposition.

S. Jones made a motion to schedule a work session to review the downtown ordinances in the near future. Wallace seconded the motion. Rawlings asked Jones to define near future. Jones stated before the end of the year. Keefer stated staff could have the information together before the end of the year. Huddleston stated Augusta is not unique to the Main Street Program and that there are several other communities that didn't tie their Main Street Districts to historical value but rather just to revitalize. Keefer stated that Susan Smith in Inspection has been researching and gathering that information. Huddleston stated he has been to other communities that don't have the restrictions we have and theirs look just fine. Motion carried with Rawlings voting in opposition. Rawlings stated he doesn't think that is enough time to gather the information necessary and get it disseminated to everyone.

Adjourn: At 8:38 p.m. Malone made a motion to adjourn. Childers seconded the motion. Motion carried without opposition.

City Clerk

CITY COUNCIL
NOVEMBER 19, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in regular session on November 19, 2012, with Mayor Kristey Williams presiding. Council present were Matt Childers, Michael Huddleston, Michael Wallace, Sue Jones, Mike Rawlings, Ron Reavis and Matt Malone. Also present: City Manager Bill Keefer, City Attorney David All, Assistant to the City Manager Josh Shaw, Director of Electric Utility Bill Webster, Electric Production Superintendent Jim Sutton, Water/Wastewater Superintendent Russell Still, and City Clerk Erica Jones. Visitors present were: Kent Bush, Gary Rogers, Myrna Rogers, Jay Anglemyer, David Alfaro, John Black, Bill Morris, Keith Ayotte, Bob Day, Michael Martin, Holly Harper, and Ralph Heffner.

Prayer: Pastor Steve Spencer, First United Methodist Church, gave the invocation.

Minutes: Reavis made a motion to approve the minutes from the November 5, 2012 meeting. Malone seconded the motion. Motion carried without opposition.

Appropriations:

October (11): Huddleston inquired about the payment to Gilmore & Bell. E. Jones stated for arbitrage rebate calculation related to the Electric Utility Bonds. S. Jones inquired about the payment to Crown Products for fuel branding. Shaw stated it was for improvements to the fuel tank and advertising that is part of the fuel branding agreement with AirNav. Huddleston asked how it was determined to use Kansas Secured Title for the inspection services. Keefer stated the inspection office asked for proposals for periodic title searches and that Kansas Secured Title was the only one that responded to the request. Wallace inquired about the payment to Lowes. Keefer stated the majority was for flooring materials for the electric plant. S. Jones asked where we are only updating the warrant registry to include the information Huddleston had requested. E. Jones stated she has made contact with the software company and is working on setting up a time to discuss the changes. S. Jones asked what software is used. E. Jones stated it is Microsoft Great Plains, but that Summit manages the software maintenance. Reavis made a motion to approve Ordinance 11 in the amount of \$648,369.92. Huddleston seconded the motion. Motion carried without opposition.

Visitors:

The mayor presented Holly Harper with a plaque and thanked her for her faithful service on the council since 2003. Williams stated she appreciated Harper's friendship and dedication and wished her the best as she moves forward. Harper stated she admires the mayor very much and stated Keefer and staff do a great job and she hopes the person that replaces her shows the same respect to the mayor and staff.

The mayor introduced Russell Still, the newly hired Water/Wastewater Superintendent.

Old Business:

Electric Prod Truck Bids: Malone asked if the bid specs had been changed. Keefer stated they had not and that sales tax was included in these bids. Wallace made a motion to approve the bid from Don Hatton Chevrolet in the amount of \$38,718 for the Electric Production truck. Malone seconded the motion. Motion carried without opposition. Reavis asked if the bid includes the utility bed and if not what that will cost. Webster stated it does not and will be around \$5,000. Webster stated the truck has a regular bed on it now and they may wait until next year to purchase the utility bed.

Spillway/Dam Project: Council reviewed an update on the Spillway/Dam project. Jay Anglemyer with MKEC stated the substantial completion walkthrough took place on November 6th. He stated some of the items found include the drop off of the overlay on Lake Road, the asphalt street drop off, and other items including grass coverage. He stated that at this point in the project the one year warranty period starts

which will allow time for the grass issues to be taken care of. Anglemyer stated there were two items found during the walkthrough that were determined not to be the responsibility of the contractor. He stated the first was the surfacing on the loop road on the west side of the dam and the second was the erosion at the base of the wave berm. Anglemyer stated it had always been his argument that it was their responsibility as the damage occurred during the construction; however, the contractor pointed out they relinquished control of the lake once the draining of the lake ceased which occurred right after the liner was installed. Anglemyer stated he thinks the contractor is making a good argument, but if the council still feels it is the contractor's responsibility to make those repairs he will pursue it. He stated the contractor is working on correcting the other items on the list.

Williams asked Anglemyer if he recommends the sediment log to protect the wave berm from further erosion. Anglemyer stated the erosion is in the top soil, not the compacted clay, and the issue is only aesthetic because the dam is stable and would be fine without the sediment logs. He stated the sediment logs are a cheap biodegradable erosion mat and the materials would cost less than \$1,000 and can be installed by city staff. Keefer stated he is disappointed this is something the contractor is not going address. S. Jones stated with a nearly \$2 million project she would hope they wouldn't quibble over \$1,000 for sediment logs. She stated she would like Anglemyer to go back to the contractor and ask them to install the sediment logs.

Reavis stated that last time Anglemyer was here he was adamant that the contractor was responsible for the erosion and asked what changed his mind. Anglemyer stated he never took in to account that the specifications said that there control of the lake was only from when they started draining it until the water was shut off. Reavis stated we are paying MKEC to administer the contract, but the contractor is telling Anglemyer what the contract specifications say. Anglemyer agreed, but said he always thought it was the right thing for the contractor to make those repairs. Wallace made a motion for MKEC to go back to the contractor and request that they install the sediment logs at their cost. Childers seconded the motion. Motion carried with Malone voting in opposition. Anglemyer stated he would be back after 30 days to provide another report.

New Business:

Vacated Council Position: Wallace made a motion to appoint Michael R. Martin to fill Holly Harpers vacated council position. Huddleston seconded the motion. Childers asked Malone if he foresees any conflicts that might arise since he and Martin are business partners. Malone stated he doesn't foresee any issues that would come to light that would affect any decisions he would make. Williams stated that we will be talking about open meetings laws later in the meeting and stated the governing body has to be careful of serial meetings. She stated Malone and Martin are in the same office and Huddleston and others with offices nearby and asked if anyone foresees any problems with serial meetings. Motion carried with Rawlings and Reavis voting in opposition.

Ralph Heffner, 509 School Apt #26, asked Malone about the nature of his and Martin's business. Malone stated they are financial advisors. Heffner stated he thought it would be best to postpone this discussion until the next meeting, that with two council members working in the same business it would not look to be in the best practice for a small government. Heffner stated there is a watch dog type of activity going on in this community and there are questions about the government, police department, and the amount of drugs coming out of this community. Wallace stated Martin has already been voted on and appointed. Childers stated the city's ordinances require the position to be filled tonight. Heffner stated the Spillway/Dam project was a large project and asked how the \$2 million was spent. Williams recommended Heffner speak to anyone on the council or staff outside of the meeting to get that information as it would take more time then we have available tonight.

Railroad Line Donation Agreement: Huddleston asked if this deed is different from the deeds the County provided to other people receiving parts of the right of way. Alfaro stated it is the same. Huddleston

stated it includes that we must comply with the Trails Act. Malone stated that there has been mention at previous meetings about areas of encroachment and asked if those have been addressed. Alfaro stated they have and that they were not included on this deed. Huddleston asked if the right of way runs to the river. Alfaro stated it runs right up to where the bridge used to be. Rawlings asked who owns the river crossing. Alfaro stated it still belongs to the County. Wallace asked if the County is pursuing donating the remaining right of way to Andover or Wichita. Alfaro stated that Andover is not interested at this point. Williams stated it is still in their visioning, but not a priority. Wallace made a motion to approve a Line Donation Agreement with Butler County for the Frisco Railroad Right-of-Way. S. Jones seconded the motion. Motion carried without opposition.

Sanitary Sewer Line Television Inspection Services: Reavis asked if every line in Basin A will be cleaned. Keith Ayotte with MKEC stated that the proposal stated all of Basin A will be done in four sections. Reavis asked if the city will provide the water. Ayotte said the city would provide the water as well as a place to dispose of it. Reavis stated the cleaning will use 3,900 gallons of water per hour which will equate to over 1 million gallons of water over 45 days. He stated we are requiring other contractors to bring in their own water because we are still under a water emergency. Ayotte stated if the city required them to bring in their own water, the city would have to pay for it. Wallace stated that hopefully when they start we won't still be under the water emergency. Keefer stated they will be able to start right away once the contract is signed. Childers stated that November is a low water usage time but that he sees Reavis' point entirely. Williams stated that you have to take into account that this is for the benefit of the entire city. Huddleston asked if the city will obtain the pictures and videos. Ayotte stated the city will retain the original pictures and videos plus a report from him and the contractor noting all the defects and observations. Ayotte stated they have included manhole inspections into the work even though it is not listed in the specifications. Reavis made a motion to approve the proposal from Mayer Specialties Services for Sanitary Sewer Line Television Inspection Services. Malone seconded the motion. Motion carried without opposition.

KLINK Project Agreement: Malone made a motion to approve an Agreement with KDOT for a KLINK Project for repairs along Highway 54/400. Rawlings seconded the motion. Rawlings stated for those watching the meeting that this is a project the council has been working on for a while and was not being rushed through tonight. Huddleston inquired about the sections to be repaired. Keefer stated the sections from Bluff to Walnut and School to Osage are included in this agreement. He stated that down the road we will make a request to KDOT to change the scope of the work as a result of being awarded the Geometric Improvement Project Grant. He stated he will have to double check on the timeline, but the earliest date for construction to start will be July 2014. Motion carried without opposition.

Effluent Sampler Bids: Wallace made a motion to approve the bid from Haynes Equipment in the amount of \$4,795 for the Effluent Sampler for the Wastewater Treatment Plant. Rawlings seconded the motion. S. Jones inquired about the size of the machines and how they compare. Still stated the two bids from Hach were the same size except the second one has a maintenance agreement. Keefer stated the only difference in the Hach machines was the bucket size. Still stated the Haynes unit is a good one that he has used before. Wallace asked how old the current effluent sampler is. Still stated it is 10 years old. Huddleston inquired about the warranty. Still stated it has a one year service warranty. Motion carried without opposition.

Sewer Rates: Reavis made a motion to approve Ordinance 2044 amending the Sewer Service Rates. Rawlings seconded the motion. Motion carried with Huddleston and Malone voting in opposition. Keefer stated he received questions from the council and that Shaw did some research and compiled additional information based on the most recent REAP survey. Keefer stated the comparison includes Wellington, Mulvane, and Winfield who have their own electric utility. Keefer stated Mulvane's departmental operational budget for the wastewater plant is \$937,955 compared to ours of \$388,000. He stated they pay their capital costs out of the departmental budget where ours are paid out of the reserve fund or fund

49. He stated the primary difference relates to electric costs. Keefer stated Mulvane's wastewater collection departmental budget is around \$498,000 where ours is \$154,500.

Huddleston stated he hates getting information the night of the meeting. He stated if you look at cities like Derby, El Dorado, Haysville, and Winfield, at the 3,000 gallon level all of their rates are less than ours with their utilities included in it. Huddleston stated he finds it lazy to just increase the base instead of spreading some of it across the usage levels and those not in the city limits. He stated we are sticking the people at the lower ends with the same increase as the high end users and he is not comfortable doing that. Keefer stated if you look at our tiered rates per 1,000 gallons it is only \$0.61 to \$0.88 compared to others which are a flat \$3-\$5 per 1,000 gallons. Shaw stated we are one of only two included in the REAP survey that have a tiered rate structure which makes it difficult to guarantee that we will receive the amount that we need. Huddleston stated he understands that. He stated that many of the cities in the survey have operating costs but their rates are considerably less than ours and that he is concerned that we are not properly analyzing our costs. Keefer stated that Mulvane has an operational budget three times more than ours and their rates are higher than ours. He stated the comparison was provided to show what it would be if we included the electric and WWTP fees in our rates. Keefer stated our budgets are so much lower compared to others in this area and that we have had a lot of issues. He stated we have not done a good job with the ongoing maintenance of our lines. He said the plant is 10 years old and we are starting to see some wear and tear and we need the resources to take care of the things that need to be taken care of.

Work Sessions: Wallace made a motion to schedule a work session on Monday, December 10th at 5:30 pm to review and discuss the Main Street Building Codes. S. Jones seconded the motion. Motion carried with Rawlings voting in opposition. Rawlings stated he would not be able to attend the work session.

Reavis made a motion to schedule a work session on Monday, January 14th at 6:30 pm to discuss Water System Improvements. Wallace seconded the motion. Motion carried without opposition.

Kansas Open Meeting Act: Council reviewed and discussed the Attorney General's response to an alleged violation of the Kansas Open Meeting Act. Williams stated there was no substantial violation, only technical items. She stated she found many inaccuracies in the report and that they don't even know the structure of our council. Wallace stated that forcing the council to take a class would be punitive. He stated the investigation only included Mr. All, Kent Bush, and Childers. Wallace stated he doesn't think the council needs to do anything with this report because we did what we were supposed to at the time. Huddleston stated he has attended KOMA classes where staff from the Attorney General's office was there and KOMA round table discussions at the League of Kansas Municipalities annual conference. He stated it has always been expressed that if a council member is not sure if they are complying with KOMA to ask the City Attorney, which is what this council did. Huddleston stated he finds the agreement to be a punitive request. He stated he feels he did nothing to violate the KOMA laws and the Attorney General's office found the same thing in their investigation. He stated he will not sign the agreement. Huddleston stated he spearheaded airing the council meetings on Channel 7 and putting the city budget on the website and he finds it a slap in the face for the Attorney General's office to say that he in any way participated in a private meeting to keep information from the public.

Williams stated she takes exception to the part about how the minutes were written, that they were accurate and the report is incorrect about who made the motions. Reavis stated that his take on this is that while it is a terrible report it does say we did nothing wrong. He stated our hands are being slapped because of the wording of the motion and how it was recorded in the minutes. Williams stated the minutes reflect it was for the purpose of discussing something covered by attorney client privilege, and that the only thing not in the minutes was what time the council would return from executive session and that we would return to the council chambers. Williams stated the council always says what time they will return, but that it wasn't listed in the minutes. Williams stated she thinks staff writing the

motion out in the memo would be a good idea, but that she isn't happy with the way this report was written and the assumptions that were made. S. Jones stated the report said the actions did not result in any violation but that there was a pattern of the same mistake. S. Jones stated there was not pattern of mistakes. She stated she is incensed at the implication that we did something wrong when we didn't and that she is not signing the agreement. Williams suggested a letter be written in response as to why the council is not signing the agreement. There was a consensus from the council instructing the City Attorney to draft a response to the report.

Childers stated the only person in our city government that the Attorney General's office contacted was Mr. All. Mr. All stated that the thing she based her opinion on was what was going to be discussed, but that was clarified and a reason was given that is allowed for executive session. He stated it was just not as precise and clear as she wants it to be. Williams stated she would not be opposed to having someone come in and do some KOMA training. Huddleston agreed and suggested opening it to the public. He stated he would like to see the response from Mr. All and have the council sign off on the letter prior to it being sent. Williams agreed. Mr. All stated that he feels that with the findings in the report, to require KOMA training is a little over the top. He stated he has been a city attorney for over 40 years and the City of Augusta goes into executive session less than any other city he has been involved in and that you make the reason very clear. He stated he agrees with everything the council said tonight. Williams suggested asking the County Attorney to provide some KOMA training. Mr. All stated it is Keefer's intention from this point forward to spell out the motion for executive session in his memo for whoever would like to make the motion.

Huddleston stated we need to have a discussion that if the council enters into executive session, those privy to information are not to disclose that information outside of the meeting. Williams stated she will send a list of her concerns with the report to Mr. All. Keefer stated the response will be reviewed at the next council meeting. Keefer asked if the council wanted him to contact the County Attorney about training opportunities and the council said yes. Rawlings stated the report referenced an email conversation and said didn't disclose any of the executive session information. Childers stated his email did not disclose any information about the executive session and just stated that there wasn't anything discussed in the executive session that couldn't have been stated publicly. Rawlings stated the wording in the report left a little apprehension.

Williams asked if this opinion has been posted online. Shaw stated it has not been posted on our website and that he doesn't know the Attorney General's policy on publishing their opinions. Reavis asked if anyone has a copy of the minutes to show what was approved. Williams read the minutes pertaining to the motion and stated that the only thing missing was what time we would return and where we would return. Reavis stated he thinks we need to pick our fights and that this is not worth fighting. He stated the part of the minutes she read explaining the purpose for the executive session was in the discussion not the motion so the motion was not correct. Childers agreed, but stated they want the council to personally pay for the training. Williams disagreed and stated the report has too many inaccuracies. She stated there is not a pattern, but that she is not saying that we couldn't have a clearer motion. Reavis stated if you review the minutes from other executive sessions you will not find where it lists a specific time to return and that we will return to the council chambers.

Wallace made a motion directing Mr. All to draft a letter to respond to the Attorney General's response to the KOMA complaint. S. Jones seconded the motion. Huddleston stated in the past there have been discussions about what should or should not be included in the minutes and that staff and the city attorney have said the minutes should not be an exact transcript of the meeting. He stated that some cities just list the motions and do not include any discussion. Keefer stated that is a good point and that if you look at 10 different cities you will see 10 different ways they do the minutes. Huddleston asked if we should be more abbreviated. Keefer stated that E. Jones's minutes are a good representation of what happens in our meetings. Motion carried with Reavis voting in opposition.

Informational Memorandum & Final Comments:

Wallace: Wallace stated that maybe the County Attorney could give a class on KOMA, since the Safety Department does a lot for the County free of charge. Wallace asked if the County charges us when they provide training to our personnel. Keefer stated he would have to research that, but it probably depends on who is doing the training. Wallace stated he doesn't think it is fair for us to be charged if we don't charge the County for services we provide to them. Wallace referenced the Safety Department memo and said he thought the council said no to the electronic fingerprint machine. Keefer stated this was for software, not the fingerprinting equipment. Wallace asked when the NIAR contract expires. Shaw stated May 2014.

S. Jones: Jones asked if staff has heard anything on the playground equipment grant. Shaw stated he has not. He stated he has called and has checked the website for updates and that the only reason he can see for the delay is that maybe the federal government has not made the grant appropriations for the state. S. Jones asked if there isn't someone we can call to inquire. Shaw stated it would be the same people he has been calling but that he would try again.

Childers: Childers asked if the 2013 Budget is available on the website yet. Shaw stated it would be there before the end of the year.

Huddleston: Huddleston asked if it would be possible to provide one complete council meeting packet prior to the council meeting for those in the audience to review prior to the council meeting. Keefer stated that should not be a problem. Huddleston stated there is a bad patch job on Kelly Street east of Ohio. Keefer stated that is being done by AT&T and that staff has contacted them to repair it. He stated he will follow up with them again.

Malone: Malone asked if there have been any changes in the status of the Pro Coaters loan. Shaw stated that Gavin Fitzpatrick had emailed him that the check would be here last Friday, but that it hasn't been received yet.

Adjourn: At 9:17 p.m. Reavis made a motion to adjourn. Malone seconded the motion. Motion carried without opposition.

City Clerk

CITY COUNCIL
DECEMBER 3, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in regular session on December 3, 2012, with Mayor Kristey Williams presiding. Council present were Matt Childers, Michael R. Martin, Michael Huddleston, Michael Wallace, Sue Jones, Mike Rawlings, Ron Reavis and Matt Malone. Also present: City Manager Bill Keefer, City Attorney David All, Assistant to the City Manager Josh Shaw, Human Resource Manager Angela Casper, Water/Wastewater Superintendent Russell Still, Airport Manager Lloyd Partin, and City Clerk Erica Jones. Visitors present were: Kent Bush, Kristen Martin, Gary Rogers, Myrna Rogers, John Black, Les Clark, JNene Clark, Joe Edmundson, Jesse Clark, Rachel Clark, Cleave Purdy, Bill Webster, Danny Strobbe, Kim Galgon, Richard Wood, and Stephen Smith.

Prayer: Pastor Paul Andrews, Life Church, gave the invocation.

Minutes: Reavis stated that he voted against the motion directing the City Attorney to draft a response to the Attorney General regarding the KOMA complaint. Malone made a motion to approve the minutes from the November 19, 2012 meeting as amended. Childers seconded the motion. Motion carried without opposition.

Appropriations:

October (11A): Huddleston inquired about the payment to TASC. E. Jones stated it was the quarterly administration fee and three contribution payments for the city's Health Reimbursement Account. Reavis made a motion to approve Ordinance 11A in the amount of \$839,341.96. Malone seconded the motion. Motion carried without opposition.

Visitors:

The Council recognized Bill Webster for 25 years of service with the City of Augusta and Les Clark, Kimberly Galgon, Cleave Purdy, Danny Strobbe, and Richard Wood for 10 years of service

Old Business:

Lake Burning: Keefer stated staff did a test run with burning at the lake. He stated that a lot of the big stuff did not burn and we are going to have to come up with a more detailed game plan to take care of what is left. He stated staff will continue to attack it over the next 30 to 45 days as weather permits.

Response to Attorney General (KOMA): Reavis inquired about the difference between this response and the agreement the Attorney General's office wanted the council to sign. Mr. All stated he touched on a couple of items, but that he didn't include their misstatements of fact. He stated he wanted to reflect that the council was not willing to sign. He stated he tried to keep it positive by saying the council agreed with a lot of the recommendations but that we disagreed on several things in the report. Huddleston stated he would like it mentioned in the letter that future KOMA training will be open to the public to attend. Keefer stated he spoke to the County Attorney and he was open to assisting us, and that he would ask him about making it open to the public. Williams stated that signing their agreement would show that we agreed with their findings, but that Mr. All's response makes it clear that we do not agree with them. Wallace stated the agreement admitted guilt and that the council did nothing wrong. Huddleston made a motion to approve the draft letter in response to correspondence from the Attorney General's office regarding an alleged violation of the Kansas Open Meetings Act. Wallace seconded the motion. Motion carried with Reavis voting in opposition. Keefer stated the County Attorney was surprised about the investigation, because it is his responsibility to enforce KOMA and he was not notified by the Attorney General's office that there had been a complaint.

New Business:

Oath of Office: E. Jones administered the Oath of Office to Michael Martin to fill the unexpired term of Ward I Councilwoman Holly Harper.

2013 Utility Credit/Abatement: Wallace asked if the Kansas Museum of Military History indicate why they are asking for more than they spent last year. Shaw stated they did not provide a reason and that their request last year was sufficient to cover their usage. Malone stated that money is getting tight and they should have a very good reason for requesting an increase. S. Jones asked what happens when their usage exceeds the abatement. Keefer stated they are responsible for paying any bills that exceed the abatement. Wallace made a motion to approve the following utility credits/abatements: Augusta Arts Council (Theatre) \$8,500, Augusta Arts Council (Gallery) \$1,500, Augusta Chamber of Commerce \$1,700, Augusta Community Caring Center \$3,200, Augusta Historical Society \$5,000, Augusta Public Library \$22,000, Augusta Senior Center \$3,500, Kansas Museum of Military History \$4,000, Mid-Kansas CAP \$8,000 and to continue to provide free service to the Augusta Girls Softball for the softball complex owned by the School District and Augusta Youth Soccer for the soccer fields. Childers seconded the motion. S. Jones asked if the softball league is with the school district or independent. Keefer stated it is school property but is a little league independent of the school district. Motion carried with S. Jones voting in opposition.

2012 Special Alcohol Grants: S. Jones inquired about the duration of the Safehome, Inc. program. Keefer stated it would be a onetime event. S. Jones asked if staff knows anything about the organization. Keefer stated he only knows what was included in the application and that Karen Deaver prepared the grant application for them. S. Jones asked how many participants there are in SADD and what the goggles are for. Wallace stated the goggles simulate being under the influence. Keefer stated the majority of these funds go towards the after prom event. Wallace stated that SADD probably sees at least 300 to 500 students in our school district. Williams reminded the council that these are special alcohol grants and the funds can only be used for grants. S. Jones asked if anyone keeps a matrix of how this program effects drunk driving. Keefer stated that would be difficult to measure, but that it sets a foundation and groundwork for youth to make good decisions in adulthood and is a good investment in our students. S. Jones stated she would like more information next year. Huddleston inquired about the counties involved in Tri County CASA. Wallace stated it includes Butler County, Greenwood County, and Elk County. Mr. All stated it is tied to the judicial district. Huddleston stated this funding makes up more than one-third of their funding requests. Mr. All stated that Butler County's population is more than Elk County and Greenwood County added together. Huddleston stated he is questioning how the organization benefits Augusta. Wallace stated the committee that reviewed the applications this year has asked them to provide a listing of how the money was spent. S. Jones made a motion to approve the following Special Alcohol Grants: Safehome, Inc. for \$300; Tri County CASA for \$2,000 for alcohol and substance abuse training for volunteer; Youth Leadership Butler for \$500; Students Against Destructive Decisions for \$5,000 and Family Life Center of Butler County for \$5,000. Wallace seconded the motion. Williams asked who is on the Insurance Committee. Keefer stated it is Wallace, Childers, and that the third position is vacant due to Harpers resignation. Motion carried without opposition. Malone asked what the Insurance Committee does. Keefer stated it was original organized to review the property and liability insurance proposals, but for several years there has only been one proposal for our coverage.

2013 Health Insurance Program: Casper stated she requested bids from Preferred Plus of Kansas and Blue Cross and only received a proposal from Blue Cross. She stated it came in less than staff expected. She stated this will be the second year with a tiered program. Huddleston asked Casper how she came up with the proposed increases in the employee's contribution. She stated that staff tried to come up with an increase where they felt comfortable, and that the proposed contribution is 5% of the monthly premium for their respective tier. S. Jones asked what is typical of other cities. Keefer stated it varies

by city, that some pay 100%, some provide free coverage for single plans, and other charge anywhere from \$100 to \$200 per month. He stated it is staff's goal to increase the employee contribution each year. Wallace stated the savings in insurance should be used in presenting benefits to employees. Huddleston stated the School District handles their insurance very different than we do. He stated that over the years the city has taken a lot of the insurance costs on and that we continue to pick up a lot of the family plans. Malone stated he would like the Insurance Committee to meet each year and review the options.

Keefer stated the same amount was budgeted for health insurance for 2013 that was budgeted for 2012 and that he would recommend funding it at the same level for 2014. He stated the city cannot keep paying more and more. Reavis stated the way he understands it, we budgeted more than what the premium costs and we shouldn't increase the employee contribution just because they need to pay more. He stated if an employee earns \$28,000 annually and receives the full 2% merit increase; it comes up to about \$500 more a year. Then you are increasing his insurance cost which will eat up most of that raise. Reavis stated it should be kept at the same level this year and then in the future have the Insurance Committee review it and have employees involved in that discussion. He stated that he does not see a financial need to increase the employee contribution. Huddleston stated he thinks we need to get a handle on this in the future, before next December when it is presented to the council for a vote. Keefer stated it is difficult to get the premium numbers very early. Huddleston stated he is talking about the entire program, not just the contributions and premiums.

S. Jones asked how the \$500 contribution to the HRA is different from flex spending. Casper stated the employer only contributes to the HRA, but that employees can enroll in their own flex spending account. S. Jones stated that the HRA is an additional benefit, and that typically most employers only offer a flex spending account. Reavis asked if there is something wrong with that. S. Jones stated we have to be good employers, but that we have to be good stewards of the citizen's tax dollars. Malone stated he agrees with Reavis to keep as it is, but we need to have a serious discussion next year.

Keefer stated that very valid points have been made and that staff struggles with this each year. But this is a benefit we are able to offer that many other cities cannot. He stated we want to be fiscally responsible, but we also want to provide good service which takes good employees. He stated some are willing not to be paid as much if they have good insurance. Huddleston stated it should be discussed prior to the budget discussions. Keefer stated there needs to be a cap of what the city is willing to pay and he thinks we are there now. He stated he would recommend including some employees in the discussion. Malone agreed and stated they should be from various pay grades/classes. Huddleston made a motion to approve the 2013 Employee Health Insurance Program as proposed. Wallace seconded the motion. The consensus of the governing body was to have discussions about the health program prior to the budget discussions next year. Motion carried with Reavis, Rawlings, and Childers voting in opposition. Childers stated a \$20 increase per month is a significant percentage increase. Rawlings stated it is a large increase comparable to the annual raises.

S. Jones asked why the council was not told the coaching through the YMCA was not going well until a year in to the program and asked how many employees are participating in the membership to the YMCA. Casper stated that privacy is an issue with the coaching and there were a lot of changes early on and staff was giving them the benefit of the doubt but that it did not line up with what we had in mind. She stated if the coaching had been helping an employee she hated to pull that from them before giving the YMCA staff a chance. S. Jones inquired about the usage of the YMCA membership by employees. Casper stated she gets a monthly report and it does reflect about 40% of city have memberships. She stated she receives a monthly report of participation. S. Jones how much participation there is of those with memberships. Casper stated the monthly reports indicate that a good percentage of participation from those with memberships. She stated that she has received feedback from the employees that they appreciate that benefit. S. Jones stated she would agree with continuing

the membership but not the coaching. The consensus of the council was to cancel the coaching agreement with the YMCA.

Kelly/Ohio Construction Engineering: Keefer stated that S. Jones, Malone, and Childers assisted with the solicitation of Statements of Qualifications from qualified engineering firms. He stated the bid opening will be December 19th with the construction beginning this spring. Reavis asked if the other direct expenses are included in the net fee of \$103,397.53. Keefer stated they are and that the 103,397.53 is the total cost. Joe Edmundson with PEC stated that was correct. Malone made a motion to approve the proposal from PEC for Construction Engineering Services for the Kelly and Ohio Intersection Project. Wallace seconded the motion. Motion carried without opposition.

Airport Layout Plan: Huddleston asked if the area shaded with hash marks is in the easement or property we have to buy. Shaw stated they are the easements and that they have been in place for several years. Shaw stated the dark shaded areas need to be owned by the Airport. Shaw stated he will put PDF copies of the map on the website to make them easier to read. He stated the only difference is that the apron tie-downs have been reconfigured, but the rest is the same as the runway feasibility study. Wallace made a motion to approve the update of the Airport Layout Plan for the Augusta Municipal Airport. Childers seconded the motion. Motion carried without opposition.

One Cent Sales Tax: Rawlings made a motion approve Ordinance 2045 authorizing the new One Cent Sales Tax to begin on April 1, 2013. Malone seconded the motion. Motion carried without opposition.

Court Appointed Attorney Services: Wallace asked if it is standard that if someone is found not guilty that they do not have to pay for the court appointed attorney. Mr. All stated that is standard. Keefer stated the assumption is that if someone is found not guilty then they wouldn't have needed an attorney. Wallace asked how it is determined whether or not they can afford an attorney. Keefer and Mr. All stated there is paperwork they have to complete. S. Jones asked if we recover those fees. Keefer stated we do if/when they pay their fines and fees. Malone asked how an attorney is selected if there is a conflict of interest. Keefer stated the Judge has a pool of attorneys and he will assign one. Childers made a motion to approve a letter agreement with Cami Baker & Associates for Court Appointed Attorney services for 2013. Wallace seconded the motion. Motion carried without opposition.

2012 Budget Amendment: Malone made a motion to approve scheduling a public hearing for December 17, 2012 to take input on the amendments to the 2012 Budget. Reavis seconded the motion. Motion carried without opposition.

Final Comments:

Wallace: Wallace asked how many committees Harper served on. Keefer stated one, the Insurance Committee. Wallace stated he would like to see Martin serve in Harper's place so everyone on the council is involved.

S. Jones: Jones stated that several of the garland and lights on the light poles on State Street do not work. Keefer stated he would check in to that. Jones asked when the house on Main will come back before the council. Keefer stated it would be the next meeting. S. Jones stated the audited financial statements were very unprofessionally done this year. She stated it took nearly three months to get the corrected page. E. Jones stated that was her fault, they were dropped off when she was not in her office and got set to the side. Huddleston stated the corrected pages are still incorrect. E. Jones stated she will be contacting the auditor about that. She stated she asked the auditor to provide proposals for audit services for one year and for two years so the council would have the option to go with one year if they choose to send out an RFP for audit services for the 2013 financials.

S. Jones told Keefer the mayor has asked the council to provide an evaluation for him, but that she needs to receive his self evaluation. She asked if there is a time soon when she would receive that. Keefer stated his goal is to get that to the council early next week.

Rawlings: Rawlings stated he has been watching the work on the flood levee and it is looking good. He stated the part on the north end of town has been finished with big rock on both sides and looks good.

Williams: Williams inquired about the Ignite Augusta lights. Keefer stated he has requested a meeting with Cami Baker to discuss the lights. He stated there has been some confusion and may be too late to take care of it this year. He stated we are also waiting on replacement light bulbs. Williams stated the original intent from Ignite Augusta was for the businesses that donated to be able to use the lights. She stated another idea presented was to distribute them throughout the community for display. Williams stated that the Christmas tree that used to be downtown has seen better days. Keefer stated it is about 20 years old and was in the 1998 flood. He stated it is becoming more and more of a challenge to make it look reasonable. He stated staff is looking into the cost to repair the tree, but the cost to replace it would be \$80,000 to \$100,000.

Williams asked for an update from Park Superintendent Brian Alfaro about cutting down trees. Keefer stated they have been working on it. Williams stated the Park Board was going to be bringing a list of priorities to the governing body. Keefer stated they are still working on it and have a couple of places yet to visit before completing the list. Williams asked the governing body to return their evaluations for Keefer back to her by December 17th.

Malone: Malone stated if Huddleston is willing to serve, he would make a motion to appoint Huddleston to the selection panel to interview prospective engineering firms to serve as the City's airport engineer/consultant for the next five years. Childers seconded the motion. Motion carried without opposition.

Reavis: Reavis asked if anyone has a conflict with the work session scheduled next week. He stated that Dan Allen has a conflict beginning at 7 p.m. and so does he. Reavis asked if this is an emergency where it cannot be moved to another date. Rawlings stated he would be unable to attend the work session. Rawlings made a motion to move the work session to discuss the downtown building codes until after the first of the year. Sue seconded the motion. There was a tie vote with Reavis, Rawlings, Childers, and S. Jones voting in favor of the motion and Malone, Martin, Huddleston, and Wallace voting in opposition. Mayor Williams broke the tie, voting in favor of the motion to delay the work session. Motion carried. Malone stated this frustrates him because he made the motion to press the issue and this is moving it further out. Keefer stated he provided a lot of information for the work session and if anyone has any questions to let him know.

Adjourn: At 8:53 p.m. Reavis made a motion to adjourn. Malone seconded the motion. Motion carried with Wallace voting in opposition.

City Clerk

CITY COUNCIL
DECEMBER 17, 2012
7:00 P.M.

The Council of the City of Augusta, Kansas met in regular session on December 17, 2012, with Mayor Kristey Williams presiding. Council present were Michael R. Martin, Michael Huddleston, Michael Wallace, Sue Jones, Mike Rawlings, Ron Reavis and Matt Malone. Councilman Matt Childers was absent. Also present: City Manager Bill Keefer, City Attorney David All, Assistant to the City Manager Josh Shaw, Human Resource Manager Angela Casper, Code Enforcement Officer Travis Combes, and City Clerk Erica Jones. Visitors present were: Kent Bush, Dale Demitt, and John Black.

Prayer: Councilman Mike Rawlings gave the invocation.

Minutes: Reavis made a motion to approve the minutes from the December 3, 2012 meeting. Huddleston seconded the motion. Motion carried without opposition.

Appropriations:

December (12): S. Jones stated the bill from the Augusta Animal Clinic does not match the amount listed in the Safety Department monthly report. Keefer stated the actual bill was \$2,484.50 and there is an additional expense of \$51 for food for "Rico" that is paid out of the Safety Department Budget, not Animal Control. S. Jones inquired about the bill for Augusta Rental for Santa Fe Lake. Keefer stated there were invoices for six different departments. S. Jones inquired about the payment to Unifirst in the amount of \$1,268.35. Keefer stated they are the uniform contractor for several departments. Huddleston inquired about the property tax payment for Santa Fe Lake. Keefer stated there is a small tract of land that is farmed that we have to pay property tax on, and that the majority of the tax bill was for the Airport. Shaw stated staff has appealed the property tax at the Airport to the Board of Tax Appeals, and even though the County has supported our request it was denied. Shaw stated he is trying to get an explanation for the taxation. Huddleston asked if the valuation has been appealed. Keefer stated that is the plan this year if the State continues to deny our appeal. Huddleston made a motion to approve Ordinance 12 in the amount of \$434,704.26. Malone seconded the motion. Motion carried without opposition.

Old Business:

Watering Restrictions: Williams stated she has been contacted by citizens about their trees needing to be watered and the time frames permitted fall when it is already dark outside. Williams stated thinks it would make sense to look at the hours of watering permitted and she understands that any change could be experimental. Malone stated he is opposed to changing it because it would also change for Mulvane and we may have to fight with them to get them back on the restrictions. Reavis agreed with Williams and stated the emergency is over. Rawlings stated he would support a change because he was told by the County Ag Department staff that the trees need to be watered or we will risk losing them. Williams stated she would like to provide a reprieve to the citizens. Rawlings made a motion to lift the watering restrictions for January and February to allow citizens to water their trees and shrubs. Reavis seconded the motion.

Huddleston stated they can water their trees now. Williams agreed, but stated it is cold and dark during the time frames it is allowed. Malone again stated he is concerned about Mulvane. Keefer stated the winter months are used to calculate the monthly sewer and wastewater treatment plant fees on the utility bills. Motion failed with Reavis, Rawlings, and S. Jones voting in favor and Malone, Martin, Huddleston, and Wallace voting in opposition.

Work Session: Malone made a motion to reschedule the Downtown Design Code Work Session on January 28, 2013 at 6:30 p.m. Wallace seconded the motion. Motion carried without opposition.

New Business:

310 E Main: A public hearing was conducted to take input to determine whether a structure located at 310 E Main Street should be condemned and ordered demolished as abandoned and an unsafe and dangerous structure. The hearing was closed by the Mayor after receiving no comments.

Rawlings made a motion to approve Resolution 2012-22 declaring the structure at 310 E Main Street abandoned and an unsafe and dangerous structure and ordering it demolished and the lot made clean of all debris. Malone seconded the motion. Wallace stated the memo states that back taxes are owed but the title report shows 2011 and prior year taxes are paid. Keefer stated there are several state tax warrants and that this would be an additional lien on the property. Williams asked how long the lot would be tied up. Keefer stated the tax sale will probably take 4 to 5 years before all the hoops are jumped through. Williams asked if the resolution is approved if the neighbors will be notified of the demolition as they requested. Keefer stated inspection staff will take note of that and deliver door knockers before the property is demolished. Malone inquired about the two bids and stated since Huddleston found a state statute that said the state will come in and haul away the debris should the bids be subject to that. Keefer stated there would be time to work that out with the contractors if KDOT will haul off the debris. Motion carried without opposition.

Reavis stated that Butler County Backhoe has the address listed incorrectly. He also inquired about the ownership of the fence to the east. Combes stated he would check on that. Reavis asked if we require the sewer line to be capped. Keefer stated we do. Reavis asked if Butler County Backhoe knows that and Rawlings stated they do because they did it on the two other properties they demolished for the city. Rawlings made a motion to receive the bids and take them into consideration but hold them until further information is received about KDOT hauling off debris. Wallace seconded the motion. Motion carried without opposition.

2012 Budget Amendment: A public hearing was conducted to take input on proposed amendments to the 2012 Budget. The hearing was closed by the Mayor after receiving no comments. Malone made a motion to approve the amendments to the 2012 Budget. Huddleston seconded the motion. Motion carried without opposition.

D J Engineering Easement: Council considered approval of a request from D J Engineering to vacate a portion of a platted utility easement located in Block 3, Lot 6 of the Augusta Industrial Park Addition. Wallace asked if this is property that D J Engineering already owns and is only asking for the easement. Dale Demitt with D J Engineering said that is correct. S. Jones stated the cover letter says AT&T would need to relocate their line as well and asked how it is that this proceeded without the council's approval. Keefer stated the new pole line has not been put out there yet, but that they were provided with temporary service to the new building. S. Jones inquired about the city being responsible for returning the property to the condition it was. Keefer stated that as with any easement it is the city's expectation that when someone is working in an easement they clean up after themselves whether it is the city or any other utility. Malone stated that is why we now require permits to work in easements now. Martin asked what would happen to the old easement. Keefer stated it will be vacated and D J Engineering can use it however they see fit. Malone made a motion to approve the request from D J Engineering to vacate a portion of a platted utility easement located in Block 3, Lot 6 of the Augusta Industrial Park Addition. Huddleston seconded the motion. Motion carried without opposition.

Job Classification and Pay Plan: Council considered approval of a resolution establishing the Job Classification and Pay Plan for 2013. Keefer stated staff received several requests for additional information that has been provided this evening. Huddleston stated he is concerned that he had no time from Thursday to

review this and discuss it with anyone. He stated he would like to take a longer look at the effects of extending the ranges. He stated he remembers when we established this classification the council was provided with a list of comparable pays with other cities and that staff hasn't provided that information yet. Keefer asked Huddleston if he could authorize staff to move forward with the 2% merit increase for 2013. Huddleston made a motion to table the change of the ranges for any classifications but to go ahead and approve the 2% merit raises for 2013. S. Jones seconded the motion. S. Jones stated it would be helpful to know where we compare with other cities. Casper stated that would be a time consuming task, but that it can be done.

S. Jones asked who sets the pay for new employees. Keefer stated it is based on qualifications, position, and experience, is budget driven, and based on the recommendation of the supervisor. Wallace stated it would be important to consider benefits when looking at the pay plan. Huddleston stated that Casper noted that with the current matrix it limits the raises of employees if their current wage is at or above the midpoint. E. Jones stated that if there are two employees with identical performance, if one employee is above the midpoint and the other is below the midpoint, the one below could receive more of a raise. S. Jones stated that isn't right. Shaw stated he would provide a copy of the matrix to the council. Motion carried without opposition.

Utility Collections and Write Offs: Malone inquired about what is turned in to the State Set Off and what is turned in to Midwest. Jones stated that the majority of the accounts turned in to Midwest were also turned in to the State Set Off. S. Jones asked how the State Set Off works. E. Jones stated if someone has a refund in state taxes due to them, the State will withhold any debts held at the State Set Off from those tax refunds before sending them to the tax payer. E. Jones stated we have had good luck with the Set Off. Rawlings made a motion to approve writing off eleven utility accounts totaling \$5,826.09. Malone seconded the motion. Motion carried with Huddleston voting in opposition.

2013 Cereal Malt Beverage Licenses: Reavis made a motion to approve the Cereal Malt Beverage Licenses for Pizza Hut, Presto, Wal-Mart, Dillon's, Jumpstart, and Casey's. Malone seconded the motion. Motion carried with Rawlings voting in opposition.

Audit Services: Council considered a proposal from Edward B Stephenson & Company for audit services for 2012 and 2013. S. Jones stated she is having a hard time with this one. E. Jones stated it is really too late to make a change for the 2012 audit, but she asked for the two proposals so the council could approve only the 2012 audit if they wanted to obtain bids for the 2013 audit. Wallace made a motion to approve the proposal from Edward B Stephenson & Company for audit services for 2012 in the amount of \$18,250 and request bids for the 2013 audit. Malone seconded the motion. Motion carried without opposition.

Convention & Tourism Grant: Council considered approval of a Convention and Tourism Grant for the Third Annual Augusta Powerlifting Invitational. Malone asked how much we gave them last year. Keefer stated it was \$500 and that was the first year they applied. Huddleston asked why the committee is only recommending \$500 if the grant can be for 50% of the expenses. Keefer stated there was concern about what the intent of the grant is which is to bring people to our community, not to purchase trophies and medals, etc. S. Jones stated this is a school function and that she seriously doubts there are people staying in Augusta or eating in Augusta as a result of this event. She stated she is having a hard time with this because she doesn't see how it fits into the Convention and Tourism Grant guidelines. Keefer stated unfortunately many of the other events we support also do not result in people staying or eating in Augusta, such as the Yesteryear Fair, Grasshopper Festival, Chili Cook off, etc. He stated very few people spend the night for obvious reasons. Keefer stated the food at this event is not open to the public or visitors. Shaw stated this club is separate from the school. Keefer agreed stating this is a club not an organized athletic team and they do not have any funding support from the school district. Williams stated this will bring extra sales tax into our community. Martin asked if they are requesting funds

mostly for medals and trophies. Keefer stated we will pay based on their receipts, but only for items promoting our community. Reavis made a motion to approve a Convention & Tourism Grant for the Augusta Power Lifting Club in the amount of \$500 based on reimbursement subject to accounting for expenditures and copies of receipts. Huddleston seconded the motion. Motion carried with S/ Jones voting in opposition.

Insurance Committee Appointment: Council considered approval of the Mayor's Appointment to the Council Insurance Committee. Malone stated he knows what kind of time the council members put into the meetings and boards and he disagrees with Reavis participating on three boards when there are others only on one. Wallace stated he thought that when the council appointed Martin to fulfill Harpers term, he thought he would fill that committee position. Williams stated this is a mayoral appointment. She stated that Reavis has helped with the insurance for the fireman's fund and he is interested in serving on this committee. She stated that unless the council finds that he is unfit or unqualified to serve on the committee and draft a resolution stating so, the appointment will take effect in 45 days even if the council does not approve. S. Jones stated it is sad that there are two council members with no committee appointments. She stated she has concerns with Reavis because he felt in the previous council meeting that there was no need to adjust the cost of insurance to employees and that he doesn't seem open to considering that. She stated there are probably other council members more qualified to serve on this committee. Reavis stated that S. Jones voted opposite of him with regard to the employee insurance and asked her why would she or anyone else voting opposite of him be better able to serve.

Huddleston stated it seems like it is difficult to sort out what type of council government we have. He stated after you consider the actual type of entity we are, then you have to consider what class of city we are in. He stated you pull from different pages on what statutes apply. Huddleston stated he was given a miscellaneous statute on how the mayor makes appointments after 2008. He stated we did a codification in 2010 and the League of Kansas Municipalities went over our statutes and he thought that was how it worked. Huddleston stated he would like to see something that establishes very clearly what type of entity we are, the statutes that apply to our type of entity and how the city's codes apply. Williams stated this would not be part of the codification. She stated a state statute was passed in 2008 on how mayoral appointment work and that it could be changed if the governing body passes a charter ordinance which would require 6 of our 9 votes. Williams stated the council's only option in this case is to pass a resolution declaring Reavis unfit or unqualified to serve on the committee; otherwise he will automatically be appointed in 45 days. Huddleston referenced the 2008 statute and how all of the sudden it popped up. Williams stated it was never needed before and that there are several statutes and you don't bring them up unless they are pertinent to the situation. Williams stated this statute was not a secret and was in one of the League magazines in 2008 after it was passed.

Mr. All stated the city's code says in section 1-205 that "The mayor shall appoint with the consent of the majority of the council members...unless a different procedure for appointment is specified by ordinance or by the laws or constitution of the State of Kansas". Mr. All stated that state law can override what is provided in the code, but if you feel strongly enough about something, home rule allows to pass a charter ordinance to opt out of it. S. Jones asked what would happen if the council did pass a resolution declaring Reavis unfit or unqualified. Williams stated it would be up to the mayor to appoint someone else. Mr. All stated it is always the mayor's prerogative to make the appointment. Rawlings made a motion to approve the mayor's appointment of Ron Reavis to serve on the Council's Insurance Committee. Reavis seconded the motion. Motion failed with Reavis and Rawlings voting in favor of the motion and Malone, Martin, Huddleston, S. Jones, and Wallace voting in opposition. Huddleston asked if the council has 45 days to pass the resolution. Williams stated they do.

Reavis stated he would like to publicly ask how much of this agenda item had been discussed between the five council members voting against the appointment outside of this meeting. S. Jones and Malone both said they only spoke to the mayor about this. Martin stated he was at the hospital with his wife and

unable to discuss it with anyone. Williams stated it is a shame that the council would not appoint Reavis from Ward 4 when there are already representatives from Ward 1 and Ward 2 on the committee. She stated it is sad that a respectable person willing to serve on the committee is considered to be unfit. Malone stated maybe it should be changed to include a member of Ward 4 so all of the wards are represented. Williams stated that any member of the governing body could talk to Ron and give him their ideas or opinions. She stated if the council wanted to expand the committee to include all four wards they could. Wallace stated he is highly offended by the implication that there may have been a serial meeting. He stated that sitting here and listening to the mayor lambast us is highly offensive. Wallace asked that we carry on with the meeting.

Ward Boundaries: Council reviewed and discussed realigning Council Ward Boundaries based on 2010 Census numbers. Malone asked if staff is sure the numbers for the portion of Ward 4 being moved to Ward 3 is correct. Shaw stated it is correct and showed the council how the numbers were calculated based on the census blocks. E. Jones stated she wanted to provide a couple options for the council, but this was really the only clear cut option that didn't move council members to another ward, didn't change precinct boundaries, and evened up the population numbers per ward. Huddleston asked staff to inquire to the county clerk about how long it would take to get a list of the registered voters if this change is made. Rawlings made a motion authorizing staff to prepare an ordinance reflecting the proposed ward boundary changes and present it for approval at the January 7th council meeting. Reavis seconded the motion. Motion carried without opposition.

Attorney General Settlement: Mr. All stated he had a phone conversation with the Assistant Attorney General and she was very cordial. He stated he told her the council was not going to sign the agreement the Attorney General's office provided. Mr. All stated he asked her to let him provide something the council is willing to sign. He stated if the council is willing to sign the draft that he provided to them he would send it to her for her review and if she signs off on it he will prepare it for the council members to sign. Huddleston stated that we are basically signing off that we agree with the last paragraph. Malone asked if it could not be done by phone instead of requiring signatures. Mr. All stated there would be several people that would need to sign off on it, including the Attorney General. Huddleston made a motion authorizing Mr. All to submit the draft to the Attorney General's office for approval and to draft a signature page for the council members to sign off. S. Jones seconded the motion. Motion carried without opposition. Mr. All stated he would bring the signature page to city hall for the council members to sign at their leisure.

Informational Memorandum:

Keefer: Keefer stated that he had a conversation with MKEC and UCI has agreed to put straw down over the erosion if we back off on a couple of other items on the punch list. He stated he has asked MKEC to bring UCI's proposal to the council. Keefer stated that the State Street and Golf Street water towers have both been inspected. He stated there is some minor work to be done on the State Street Tower and that the Golf tower needs a lot of work done and we will have to evaluate the list of those repairs. Keefer stated there have been a rash of water leaks we are working on as a result of the recent cold temperatures. Keefer stated there will be a reimbursement to API in the amount of \$20,000 in the next ordinance for the study provided by Troy Carlson.

Final Comments:

Wallace: Wallace stated there were a lot of blank stares earlier when he mentioned including the benefits in the study on wages. Keefer stated staff would do their best to include it.

Huddleston: Huddleston stated the monthly financial report shows the general fund sales tax expenses are 104% of the budgeted amount. Keefer stated we budget very conservatively, but if the revenue is higher than budgeted for then we will be transferring more to the Capital Improvement and Sales Tax funds based on the formula included in the sales tax when it was approved by the voters.

Huddleston stated the Airport revenues show they are doing quite well, but he is not seeing the costs. He stated the land rental and commercial rent is way below where it should be. Shaw stated the fuel sales are ahead of where it is budgeted to be at this time. Shaw stated the land and commercial rent difference has a lot to do with how it was being recorded in previous years and has been corrected this year. Rawlings stated you have to remember that part of the Airport was shut down for the taxiway repairs.

Huddleston stated there is a flower pot on 5th Street that has been damaged. Keefer stated he saw that this evening and will check into it.

Martin: Martin stated he had a meeting with the City Manager and the Police Chief last Thursday and they seem to be getting a grip on what is going on in the middle part of town. Martin thanked Keefer for putting that meeting together.

Reavis: Reavis reference the Butler County Commission meeting minutes from December 4th regarding an ambulance call to Cron that took 20 minutes for the ambulance to arrive. He stated the commissioner's comments make him think that they do not understand who the first responders are. Reavis stated he would like to publically thank the Lion's Club for their donation of \$1,000 to the Library for flat screens and for the Friends of Augusta for their donation of \$800 for the Library's children's program. Reavis asked if there was a reason the electricity on the poles downtown cannot be left on. Rawlings stated they are on a time clock system. Reavis stated they were not on for the Chamber's Christmas Parade and he had to call three times to get them turned on. Keefer stated if the Christmas lights were on the outlets should have been on. Reavis stated the Christmas lights were not on at that time and it was dark. Rawlings stated the Chamber and DAI have the key to override the clock system. Keefer stated the city has been very accommodating to requests to have the outlets turned on, but someone has to coordinate with us and let us know when they want them on. Huddleston stated if they have the keys they could have done it themselves. Keefer stated he will follow up on that, but that communication is the key.

Adjourn: At 8:58 p.m. Reavis made a motion to adjourn. Malone seconded the motion. Motion carried with Wallace voting in opposition.

City Clerk