Greensburg City Council
May 5, 2014
City Hall

Item 1: Opening Session
Call to Order; Pledge of Allegiance; Invocation; Oath of Office; Roll Call
Mayor Robert Dixson called the meeting to order at 6:00 p.m. on May 5, 2014. The Pledge of Allegiance was said. City Clerk Christy Pyatt administered the Oath of Office to newly elected Council Members Matt Christenson, Rick Schaffer, and Haley Kern. Tony Factor gave the invocation. Council present: Matt Christenson, Mark Trummel, Sandra Jungemann, Haley Kern, and Rick Schaffer.

Additions/Deletions to the Agenda
City Administrator Ed Truelove requested Council add “Consider appointing one Council Member to serve as President of the Council” as Business Item 4F. He also requested that item 4C be removed from the agenda. Christenson made a motion, seconded by Kern, to approve the agenda with the two recommended changes. Motion passed 5-0.

Mayor’s Report
Dixson advised that he had reached out to the Mayor of Baxter Springs, a town recently hit by a tornado. The Mayor thanked Dixson for the community’s prayers and support.

Council Member’s Report
There was no report from Council.

City Administrator Comments
City Administrator Ed Truelove briefed Council on the following topics:
- For planning purposes, included in Council’s packet is a copy of the City’s budget calendar for 2015. Truelove noted that Council will need to schedule an appropriate number of budget work sessions in July.
- The school district’s most recent utility bill indicated they had used 507,000 gallons of water. Their average for the past 12-months has been 31,000 per month. The cause of the water loss is unknown at this time. In the past two weeks, the meter shows usage of approximately 15,000 gallons of water, a normal amount for this water customer. We have used our policy of splitting the water bill with the customer and, accordingly, have reduced their bill by $602.
- Staff is pleased to announce that we have hired Mr. Tanner McFarland to the Public Utilities Department. Tanner has been hired as a lineman to fill the vacancy left by Dwayne Corzine, after his departure several months ago. Tanner is a graduate of the lineman program at Pratt Community College.

Item 2: Public Comment
Dixson welcomed those in attendance and opened the meeting to public comment. There were no comments from the public.

Item 3: Consent Agenda
Jungemann made a motion, seconded by Kern, to approve the consent agenda as presented. Motion passed 5-0.
Item 4: Items of Business

A. Receive Kevin Cowan of Gilmore & Bell to discuss funding opportunities for the Davis Park pool relocation.

Kevin Cowan, Gilmore & Bell, was to be present to discuss funding opportunities for the Davis Park pool relocation. As Cowan was not available at the time Council was ready for business item A, the Council continued on to business item B and returned to item A once Cowan had arrived.

Following a brief discussion with Todd Knight, McCown Gordon, regarding a proposed Construction Manager agreement, Cowan took the floor to discuss funding opportunities for the project. Cowan discussed the options of General Obligation (GO) Bonds vs. Public Building Commission (PBC) Revenue Bonds. With a GO bond, the City would pledge everything they have to repay the bond, including the authority to raise taxes. PBC bonds are special obligation bonds the PBC would obtain on behalf of the City. The PBC would then lease the pool back to the City for the duration of the bond repayment. The Governing Body would be bound to appropriate funds to pay their lease obligation. PBC bonds are not subject to cash basis law or some of the budget law that GO bonds would be. PBC bonds also do not count against the City’s debit limit, as GO bonds would. Also discussed were election requirements and exclusions. PBC bonds would not require an election, unless there is a protest of 5% of the electors. Cowan thoroughly discussed finance tables 1, 2, and 3, as provided by Ranson Financial. Currently, the City has a 1% general purpose sales tax; therefore, it has the option for an additional 1% tax.

Kern asked if Council would have to go back to the drawing board if an increase in sales tax was voted down, or if voters could be given more than one option at the same election. Cowan explained that only one option could be voted on at a time. If voted down, Council would have to start over with an election process. Using a PBC, the City could be authorized in 30 days, or be required to hold an election. Cowan expressed concern over getting a PBC election called between July and August. The County Clerk could decline the request and set the election for November.

Dixson offered an Option D to the Council, contributing $400,000 from infrastructure, which gets replenished with the City’s current ½ cent sales tax. This would allow for no mill increase, no election, and maintains the City’s cash. There would be $0 interest to pay and $0 in additional fees.

Christenson questioned the amount of activity in the infrastructure fund. Truelove confirmed that there has been very little activity in that fund since its establishment. City Attorney Gordon Stull recommended Staff review the option with City Auditors.

Cowan offered additional scenarios. One such scenario was that the City put up cash, issue bonds, and purchases those bonds itself. This would still raise the mill levy but act as an investment rather than an expense. He explained that the City could use cash or, if something about the cost of the project were to change, they could then go through PBC as a backup. Cowan reminded Council that, just because a PBC bond is authorized, the City doesn’t have to issue the bonds.

It was the consensus of the Council to table a decision. Council then asked Todd Knight, McCown Gordon, to continue his presentation.

B. Consider a Construction Manager agreement with McCown Gordon Construction for the Davis Park pool relocation.

With a delay in hearing Business Item A, Truelove introduced Todd Knight, McCown Gordon Construction (MCG). Knight presented Council with a proposed Construction Manager contract for the Davis Park
pool relocation. MCG appreciates the opportunity to continue their relationship with the City of Greensburg. Knight discussed a design-build approach to the project, with one contract covering design and construction of the pool and all subcontractors coming under the direct supervision of MCG. Also discussed was a projected time frame. In addition to MCG the project would require a civil engineer and a pool designer, who would design and construct the pool itself.

Considering the finance options that were provided in the meeting packet, which Cowan would discuss with Council, Christenson asked Knight how the options offered would affect the time frame for having a pool in operation for the summer of 2015. MCG would offer a guaranteed maximum price (GMP). Design would take 60-90 days, wrapping up in August and construction beginning in September. This would allow the pool to be opened in the summer of 2015.

Schaffer asked if a geologic survey of the proposed property would be conducted. MCG and Dixson confirmed that this was the case.

The consensus of the Council was to resume the agenda, with Business Item A, before making a decision. Following a discussion with Cowan on project finance, Council resumed discussions with Knight, who described the proposed MCG contract as a $0 preparation contract, at this time. The GMP would break out the cost of each phase of the project (preparation, design, pool construction, etc.) and amenity. The job of the Construction Manager is to help control project cost. Council would be given pricing for additional amenities that could be added to the project should bids come in under budget. MCG would host public meetings regarding concepts and site plans, prepare construction documents and oversee design development.

Dixson noted that he feels Council can save architectural costs with plans used for a facility that has already been developed and then put in the amenities that the City wants.

Schaffer asked about pool designers, voicing concern over their availability should there be a warranty issue. He was assured that MCG would handle warranty issues and contractors. Pool designers are available in Wichita, as well as Kansas City.

Christenson made a motion, seconded by Trummel, to approve the proposed contract with MCG. Motion passed 5-0.

C. Consider setting a date, time and location for a work session to discuss final changes to the Greensburg City Code.
This item was deleted from the agenda.

D. Consider appointing one Council Member to the LEPC for a one year term beginning May 1, 2014 and ending April 30, 2015. The position is currently held by Matt Christenson.
Christenson had previously been the Council appointee to the Local Emergency Planning Committee (LEPC). After a brief discussion, Kern made a motion to appoint Christenson to the position with a term ending April 30, 2015. Jungemann seconded. Motion passed 5-0.

E. Consider appointing one Council Member to serve on the Public Building Commission for a one year term beginning May 1, 2015 and ending April 30, 2015. The position is currently held by Matt Christenson.
Christenson had previously been the Council appointee to the Public Building Commission. After a brief discussion, Kern made a motion, seconded by Trummel, to appoint Christenson to the Commission until April 30, 2015. Motion passed 5-0.

F. Consider appointing one Council Member to serve as President of the Council. Previously, Trummel was appointed President of the Council. After a brief discussion, Christenson made a motion to appoint Kern to the position. Trummel seconded. Motion passed 5-0.

Item 5: City Attorney’s Report
City Attorney Gordon Stull had nothing to report.

Item 6: Executive Session
There was no need for executive session.

Item 7: Adjournment
Dixson adjourned the meeting at 7:23 p.m.

___________________________________    ________________________________
Robert A. Dixson, Mayor      Christy Pyatt, City Clerk