Greensburg City Council
September 17, 2018
City Hall

A) CALL TO ORDER
Mayor Robert Dixson called the September 17, 2018 meeting to order at 6:00 p.m.

B) PLEDGE OF ALLEGIANCE & INVOCATION
The Pledge of Allegiance was said. The invocation was given by Dixson.

C) ROLL CALL & APPROVAL OF THE AGENDA
Council Present: Matt Christenson, Mark Trummel, Pam Reves, Haley Kern, and Sandy Jungemann. Jungemann made a motion to approve the agenda as presented. The motion was seconded by Trummel and passed 5-0.

D) CITIZEN COMMENTS
There were no comments from citizens.

E) CONSENT AGENDA
Kern made a motion to approve the Consent Agenda as presented. Christenson seconded. Motion passed 5-0.

F) ITEMS OF BUSINESS
1. Jim Kennedy – Presentation of the City of Greensburg Financial Statement with the independent auditor’s report for the fiscal year ending December 31, 2017
Jim Kennedy, Kennedy McKee, presented Council with the 2017 independent auditor’s report. There were no new accounting policies for the year and no significant deficiencies found. Auditors did 3 main adjustments to the books, with a few additional minor adjustments. There were not a lot of changes since 2016, other than budgeted transfers. All funds are within compliance of state statute. Certain special purpose state grant funds did overspend their cash balances; however, statute does not prohibit cities from financing the state share of a local program from current funds. A Memorandum of Understanding was signed with the State of Kansas in 2007 to provide funding for the 15% local match required by FEMA projects. An interest rate and repayment schedule were never defined, and the City continues to carry this as long-term debt. The City has met its obligation to the Sanitation Capital Reserve Fund. Kennedy reminded Council that some infrastructure funds have been used for the City’s portion of the airport project. The Incubator fund looked better than it has in the past, but expenses continue to exceed revenue. Revenues and expenditures for the City’s utility funds remain consistent. The Housing Authority saw an increase in revenue over expenditures.

Reves asked if Council could combine some of the non-budgeted funds into one non-budgeted fund. Kennedy explained that, to his knowledge, there were no restrictions on the donation fund. Dollars for the equipment reserve and capital reserve must come from a budgeted fund. Kennedy stated that Council could consider combining the tornado donation, tornado insurance, and Planet Green donation funds, but the Court diversion, public building debt service, public building reserve, equipment reserve and grant funds need to remain separate. He also commented that money from the tornado insurance fund could be transferred to the electric reserve and utilized for expenses such as adding to the electrical system. Reves then asked if the disaster loan from the State decreases the City’s ratings for debt service. Kennedy stated that the interest the City was offered since the disaster looked normal.

Trummel made a motion to accept the audit as presented. Reves seconded. Motion passed 5-0. Kennedy left a letter of engagement for 2018’s audit for Council’s consideration.
2. Judi Kirk – PAC Request for approval and donation.
Judi Kirk, who chairs PAC, announced the appointment of two new members to the group and reviewed the history of PAC since its creation. The group has spent $41,385.50 on two art pieces, plantings, benches and plaques for the Starlight Park. ($15,000 of which were grant funds). The City provided the property, grass seed, sidewalk, and water for the plantings.

Kirk reported that PAC has unanimously selected a concept, the Aurora series, from artist Rollin Karg as the 3rd sculpture for the park. The piece would be approximately 7 foot tall, plus the height of the base, to be specified by Karg, and is made of stainless steel and blown glass. The group intends to position the sculpture in the middle of the space and towards the stone wall of the neighboring property. Upon Council’s questioning, Kirk described the piece’s proven durability. Kirk also noted that a local business has donated a large sum of money for the foundation. The group also applied for a Koch Industries Grant, but has not received notice of being awarded. The budget provided contains estimates, based on the previously installed pieces, for the base, lighting, and bushes to be placed behind the sculpture. The group would also like to see a pathway of stones run between the three pieces.

Discussion was had on the proposed piece of art, as well as the budget, funding opportunities, and fund raising efforts. Kirk voiced concern that she has not had any response from those who once promised large donations. She is afraid that they have lost interest. Kern asked if the proposed sculpture would be durable enough for small children to interact with and climb through it. Kirk stated that it would be durable and that it is the artist’s preference to have people touch and climb on the sculpture. Kirk explained that the photographs provided are not an exact replica of what would be placed in Starlight Park. Each piece is slightly different, as the glass does not blow the exact same each time. Reves asked why the group did not seek to place an art piece on the ½ block across from City Hall, rather than putting all the sculptures on one small lot. Kirk explained that PAC had discussed that option, but had decided against it for reasons such as the expense of establishing grass in that large of a space. Also, with nothing else of height on the property, PAC felt that a single sculpture on the property would look odd. Christenson concurred, stating that he likes having all the sculptures together.

Reves and Dixson both expressed their desire to see money put towards beautification at the existing Big Well Park, as well as completion of the swimming pool park. Kern asked if PAC had reached out to any other community members regarding the design of the proposed sculpture, as they were asked to do the last time the topic was addressed. They had not. Kirk stated that the Council had approved the artists who were to design the park’s sculptures in 2016. Jungemann asked why Council would not want to assist with the funding of the sculpture. Kern and Christenson voiced that Starlight Park needs to be completed, and that Council needs to see it through to completion. Christenson and Trummel addressed the previous request for a matching grant. Trummel suggested a donation of half the price of the sculpture. Christenson mentioned money available in the parks and recreation fund, from the proceeds of alcohol sales received through the State. Dixson reiterated that former Administrator Ludwig had suggested that fund be used to finish the swimming pool park. Trummel concurred that the pool park takes presadence.

The consensus of the Council was to table the discussion until their next meeting.

3. Discuss proposed water utility rate adjustment
Interim Administrator Jay Newton advised Council that among the notes left by City Administrator Kyler Ludwig was one advising the need for a water rate increase. Council was advised of this in April and during budget discussions. Upon review, Newton has found water expenditures to exceed revenues. At some point a substantial increase to water fees would be necessary. Newton went through the topic memorandum provided in the Council packet. At this time, a large increase is not necessary, allowing Council the option to spread out the increase needed over a number of years. Newton suggested a four
year increase. The suggested rate structure provided would have a minimal impact on in city customers and initially only a minimal impact on city water revenue. The longer term impact is minimizing the necessity of imposing a large rate increase on consumers while reducing the imbalance between water revenues and expenditures. Christenson suggested that an additional year be included in the proposed rate schedule. Newton advised he would include that in the ordinance. Newton also noted that city utility users have been subsidizing for customers located outside of city limits, who have no investment in infrastructure or administering utilities. The proposed rate structure shows a larger increase in cost for those customers located outside city limits. While reviewing the current city ordinance, Newton noted there is no codified provision for the sale of bulk water, which is a standard provision in nearly all Kansas cities. Newton recommended a rate of $20.00/1,000 gallons with a $20.00 minimum.

Following a brief discussion regarding making the water fund self-sufficient and the benefits of phasing in a rate increase, Reves made a motion for Staff to prepare an ordinance with the recommendations for water utility rate adjustments to be stretched over five (5) years. Rates would be effective January 1, 2019. The motion was seconded and passed 5-0.

4. Discuss construction of a generic building in the City of Greensburg Industrial Park

Trummel has been approached by two interested parties about the possibility of the City constructing a generic building in the Industrial Park. One party is local, the other has an established business in the state, but would like to have a location in Greensburg that would employ 4-6 employees. That facility would require a city block or more in space. Newton has completed similar projects elsewhere. Council previously discussed constructing a metal building shell and providing utilities to the location. Applicants would have to have an approved business plan to be considered. One interested party inquired about the possibility of a 5 year contract with an option to purchase at the end of the contract. Trummel has also been questioned by the party’s lending institution. Council discussed that former Administrator Ludwig had confirmed with USDA that the City would not be required to pay back a portion of their funding to USDA if the land was sold along with a building because USDA funds were used for infrastructure only. Christenson mentioned the possibility of using sales tax generated to fund the next building.

Dixson recommended that Trummel convey the Council’s interest to the inquiring individuals and have them schedule a meeting with him and Newton.

5. Consider Ordinance 1081 amending Chapter XIV Article 5 of the Code of the City of Greensburg (Special Purpose Vehicles)

Police Chief Alvarez was asked to join the meeting to present information regarding recommended changes to the Special Purpose Vehicle (SPV) Code. Alvarez and City Clerk Christy Pyatt have worked together to create an Ordinance that would simplify the current code and bring it into agreement with the current Standard Traffic Ordinance (STO). Changes to the code were outlined in the meeting packet agenda memo. Alvarez explained that the State now allows golf carts with lights to be on streets after dusk. Staff is also recommending allowing ATVs on city streets. Council and Staff briefly discussed previous issues with certain SPVs on city streets. Alvarez gave examples of situations, in which it would be helpful to have the ability to utilize four wheelers specifically. Currently, even drivers with licenses are prohibited from using them, causing operators to load the machines to take them for fuel. There has also been interest by a family in utilizing a four wheeler to travel to the edge of town to feed 4-H animals. The wording of the proposed Ordinance would save Council from having to amend the Ordinance each year when a new STO is adopted.

Christenson made a motion to approve the Ordinance as presented. Trummel seconded. Dixson called for a roll call vote. Christenson: yes; Trummel: yes; Jungemann: yes; Reves: yes; Kern: yes. Motion passed 5-0. The Ordinance will go into effect upon publication in the city newspaper.
6. Consider adoption of Resolution 2018-03, amending the City of Greensburg Position Classification and pay Plan pay ranges for classified employees to be effective January 1, 2019

The City Council annually reviews changes in the cost of living and makes adjustment to employee wages based on the Consumer Price Index for Urban Wage Earners. Newton reported that a 3% COLA was accounted for in the 2019 budget. Newton believes the cost of living rating to be approximately 2.9% for the year. Newton views COLA as necessary for the City to employ and retain employees. Newton recommended Council proceed with a 3% COLA beginning January 1, 2019.

Kern made a motion to approve Resolution 2018-03, amending the city’s pay to reflect a 3% COLA. Reves seconded. Motion passed 5-0.

G) CITY ADMINISTRATOR’S REPORT

Newton reported on the following:

- Haviland Telephone plans to install fiber internet service at City Hall next week.
- The City must move email to a new service provider in the near future, as email service will no longer be supported by Spinnaker Web. Office Solutions is providing quotes for potential service providers. Christenson mentioned that the County is switching to Office 365 for their service.
- The concrete side slope at the sewer lagoon that goes to a stem wall is breaking and beginning to slide into the lagoon. Staff has been pumping water to the secondary lagoon and will be taking a look at the stem wall. An Engineer will be required if there is an issue that must be repaired. Newton believes that the wave action of the lagoon will eventually take the walls out completely. Staff will look into potential state grant options.

H) GOVERNING BODY COMMENTS.

Dixson presented Council with a copy of a letter from Kansas Mennonite Disaster Service, thanking them for their generous donation toward the Eureka and Greenwood County tornado disaster relief efforts.

Trummel has been asked what Council intended to do about hangars and a taxi way at the new airport. The turf will be ready to utilize next spring. Council desires to gather information and discuss options further.

I) ADJOURNMENT

With nothing addition to come before the Council, Dixson declared the meeting adjourned at 7:52 p.m.

Robert A. Dixson, Mayor

Christy Pyatt, City Clerk