

**Greensburg City Council
June 17, 2019
City Hall**

A) CALL TO ORDER

Mayor Matt Christenson called the June 17, 2019 meeting to order at 6:00 p.m.

B) PLEDGE OF ALLEGIANCE & INVOCATION

The Pledge of Allegiance was said. Invocation was given by Tony Factor.

C) ROLL CALL & APPROVAL OF THE AGENDA

Council Present: Mike McBeath, Mark Trummel, Sandy Jungemann, Pam Reves, and Haley Kern. Staff present: Administrator Stacy Barnes, City Clerk Christy Pyatt, Tourism Director Caitlin Matile.

Jungemann made a motion to approve the agenda as presented. McBeath seconded and the motion passed 5-0.

D) CITIZEN COMMENTS

There were no citizen comments.

E) CONSENT AGENDA

Reves made a motion to approve the Consent Agenda as presented, seconded by Jungemann. Motion passed 5-0.

F) APPOINTMENTS

Trummel made a motion to appoint Keshia Brown (representing the Best Western) to the Tourism Board, to fill an unexpired term ending December 31, 2020 and to appoint Alyssa Brown (representing Twilight Theatre) to fill an unexpired term ending December 31, 2019. Kern seconded the motion, which passed 5-0.

G) ITEMS OF BUSINESS**1. City Attorney Contract Renewal**

Included in the meeting packet was a proposed City Attorney Contract for the next year. The agreement and rates for Clayton Kerbs and his paralegal remain unchanged from the current contract. Kern made a motion, seconded by McBeath, to renew the City Attorney contract with Clayton Kerbs as presented. Motion passed 5-0.

2. PBC – Big Well Bond Refinancing Discussion

As discussed at the last Council meeting, the City has been contacted by Greg Vahrenberg with Raymond James and Kevin Cowan with Gilmore Bell regarding refinancing bonds for the Public Building Commission (Big Well Museum). Barnes ask for direction, but no formal decision, on refinance options. This will assist Vahrenberg when the bonds go to bid. A review of the Big Well budget history from 2012-2018 was provided in the meeting packet. Three options for refinancing were offered.

Option 1: Lower interested rate, same payment schedule through 2041, lower annual payment

Option 2: Increased yearly payment by approximately \$14,000/year, payments through 2033

Option 3: \$100,000 upfront principle payment, annual payments decrease \$1,000-\$2,000/year, payment schedule through 2037

Once the bond is paid off, sales tax revenue will go to operations of the Big Well. Barnes has identified some cuts in the Big Well operation budget that could be made to allow for larger yearly payments. She

also noted that the 2019 cash balance will begin to level out as they go into the busy season at the museum.

Christenson asked if there would need to be a budget amendment if Council decided to go with Option 3 and make a lump sum payment out of Big Well cash. Barnes confirmed that would be the case. She would prefer to see Council utilize option 2 or 3. Trummel asked if Option 3 would strap The Well for cash. Staff is confident they can keep operation costs down until they start making funds back. Reves voiced concern that Option 2 would strap The Well also. She and Trummel would prefer to keep payments the same and make a cash payment.

The consensus of Council was to have staff move forward with proposals for Option 3. As a second option, Trummel and Reves would rather see bids on Option 1 than Option 2.

3. Business Incubator Rental Rates

At the previous meeting, Council reviewed proposed rental rates for the Incubator for 2020 and 2021. Staff was directed to seek feedback from current tenants. Staff received responses from two tenants. Cathy Lightcap stated that she had no problem with the proposed adjustments (she is a new tenant). Sally Shattuck is in the process of moving from upstairs to downstairs and would see the most impact if the proposed rates are implemented. Shattuck requested a year delay in raising her rate. Smoll & Banning plan to terminate their lease of the space they share with Shattuck at the end of this month. They explained that they did not utilize the space this past tax season, and have actually utilized it very little over the past several years.

The consensus of the Council was that, if approved, the minimal rate adjustment would be effective January 1, 2020 for all tenants, allowing them 6 months to prepare for the adjustment. Barnes advised that no Ordinance or Resolution was needed to adjust the rates, as they are handled as policy. Jungemann made a motion, seconded by Trummel, to adopt the proposed rate structure for the Business Incubator, effective across the board January 1, 2020. Motion passed 5-0.

4. Business Park Building Discussion

In the past, Council has discussed the possibility of building a basic metal structure at the business park to lease out. Barnes reminded Council that in September 2015 the Council (acting as the Public Building Commission) approved a proposal to move forward with an architectural firm for services to design a building, using the PBC to issue bonds. In November that same year, they were advised that the project goes beyond the PBC scope of authority. Subsequent discussions followed, the most recent being September 17, 2018. A copy of those minutes were provided in the meeting packet. Barnes requested discussion and direction from Council on how to proceed with the project, as well as general building specification recommendations. Suggested by staff was a 60x100 steel frame building, concrete slab, 2 overhead doors, a small office and bathroom, and basic plumbing and electrical. Staff suggested putting together an RFP with building specs in order to seek bids for such a building, providing the ability to explore funding options. Having a dollar figure would also allow staff to approximate lease payments for potential tenants.

Council briefly discussed that previous conversation on the topic died with the architect's estimate, and discussed making the lease rate enough to cover the cover a bond payment on the building vs. a lease to buy option. Trummel recommended that specs for the building not include HVAC. He feels that the need for HVAC would vary depending on the tenant. If a tenant is in place prior to completion of the building, they could advise Council of what they would need for HVAC and either the tenant or City could have it installed during construction. Council continued discussion about what they would like to see as part of the specs. In addition to the previously suggested size of 60x100 steel frame, 2 overhead doors,

concrete floor, stubbed out plumbing and basic electric, Council mentioned 1 walk-out door, possibly some windows, and 14-16 ft side walls. Council would prefer to err on the side of caution in terms of the height of the building and a thick enough floor to accommodate large equipment. Staff will issue an RFP with those specifications.

H) CITY STAFF REPORTS

Barnes reported to Council on the following topics:

- **Auditors** – The City’s Auditors finished their work on fiscal year 2018. Staff received a good preliminary report.
- **Budget** – Staff received the information they need from the County Clerk’s office to continue work on the 2020 budget. Barnes will have a draft of the General Fund at the July 1st meeting and the entire proposal ready for review July 15th. August 5th Council will hold the required budget hearing. The document must be submitted to the County Clerk no later than August 25th.
- **Water Leaks** – The water leak at Hwy 54 and Main has been repaired. The leak was found to be in a service line. The cost of repair by APAC will be around \$8,800. The leaks near Elmore Heights Apts. and South Bay Street have been repaired and are being filled back in.
- **Pool Border** – The concrete border around the swimming pool is complete. Denton Schmidt did an excellent job blending the new work in with the original project. He has also started forming the slab for the park pavilion.

I) GOVERNING BODY COMMENTS

There were no additional comments from Council.

J) EXECUTIVE SESSION – Executive session in accordance with K.S.A. 75-4319(b) for personnel matters of non-elected personnel. 10 minutes.

Kern made a motion to go into Executive Session until 6:50 (10 minutes) for matters of non-elected personnel. Trummel seconded, and the motion passed 5-0. At 6:50 p.m. Council resumed open session. Kern made a motion to go back into Executive Session until 7:05 p.m. Trummel seconded, and the motion passed 5-0. Council returned to open session at 7:05 p.m., with no action taken.

K) ADJOURNMENT

With nothing further to discuss, Christenson declared the meeting adjourned at 7:05 p.m.



Matt Christenson, Mayor



Christy Pyatt, City Clerk