Greensburg City Council  
09.16.19  
City Hall

A) CALL TO ORDER  
Mayor Matt Christenson called the September 16, 2019 meeting to order at 6:00 p.m.

B) PLEDGE OF ALLEGIANCE & INVOCATION  
The Pledge of Allegiance was said. Invocation was given by Pastor Jeffery Miller.

C) ROLL CALL & APPROVAL OF THE AGENDA  
Council Present: Mike McBeath, Mark Trummel, Pam Reves, Sandy Jungemann, and Haley Kern. Staff present: Administrator Stacy Barnes, City Clerk Christy Pyatt.

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

D) CITIZEN COMMENTS  
No comments were offered by those present.

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

F) ITEMS OF BUSINESS  
1. Jim Kennedy, Kennedy & McKee, 2018 Audit Report  
   Jim Kennedy, Kennedy & McKee, presented the 2018 Audit Report. During the audit process, Kennedy & McKee staff discovered a material misstatement of expenses in the Water Fund. A transfer of $11,618 of expenses from the Water Fund to the General Fund was made to eliminate a budget violation. Other entries were made to reclassify transactions to facilitate proper reporting, and to make small corrections to account balances. Kennedy went through beginning and ending balances. The “Summary of Expenditures”, comparing actual expenditures to those budgeted, showed all positive variances. Kennedy went over receipts and revenues for each budgeted fund. The Tornado donations and Insurance funds balances at the end of 2018 were $192,209 and $869,482 respectively. Totals shown in the Grant Fund represent receipts and expenditures related to the airport project. In the Electric Utility Fund, revenues remain somewhat consistent, but he noted a decrease in fund cash balance, partially due to transfers out of the fund. He recommended Council continue to monitor utility revenues and adjust rates appropriately, to avoid large increases in the future. Council initiated incremental water rate increases beginning 2018, to avoid the need for large increases in the future.
   
   Christenson asked if annual transfers to the PBC reserve fund were specific to USDA bond. Kennedy confirmed that this was the case. Barnes reminded Council that this reserve will no longer be necessary, should Council approve the refinancing of the PBC Bonds (next agenda item). Funds currently in the reserve will go towards paying down the remaining principle during the refinace process.

   Referencing the Long-term debt loan from the State of Kansas (from the 2007 tornado disaster), Reves asked how long the City would have to carry the debt before it drops off. Kennedy would prefer to have something in writing from the State, verifying that the City is not required to pay back the loan. Kennedy & McKee has attempted to communicate with people at the state in the past. So far no one has been
interested in addressing the debt one way or the other. With staffing changes over the last 12 years, nobody currently on staff knows about the loan or what the intent of those on staff at the time of the disaster was.

McBeath made a motion to accept the 2018 Audit Report as presented. Trummel seconded. Motion passed 5-0. Kennedy thanked the Council and left a letter of intent for the 2019 Audit for Council’s consideration, noting no fee change for the coming year.

2. Convene as Public Building Commission: Consider Resolution PBC 2019-02 PBC Refinancing
Council recessed at 6:27 p.m. and convened as the PBC to discuss the refinancing of the PBC bonds. The bonds went out for a public offering today. Greg Vahrenberg at Raymond James reported that the offering went very favorably. Final savings on the bonds is $329,038.79. This is net of issuance expense. The new interest rate is 2.76%, saving a full percent. The refinance plan Council chose uses $100,000 available cash from the Big Well Fund toward the principle. Barnes reiterated that the Debt Reserve Fund will no longer required. Remaining money in the fund, $41,940, will be applied towards the payment of the existing bonds principle. Refinancing has shortened the payment schedule of the bonds by 6 years, making it a 17-year repayment schedule. The refinance process will save the City just over 10% total, which Vahrenberg says is excellent by refinance standards. Generally, they look for at least a 2-3% savings to make refinancing an option. Annual payments will remain almost the same, but will be paid semi-annually rather than annually. Staff will have to more closely monitor Big Well expenditures, with a lower amount of cash balance. Once the bonds are paid, the ½ cent sales tax can go toward Big Well operations.

Reves made a motion to approve resolution PBC 2019-02. Kern seconded, and the motion passed 5-0. The Commission adjourned as the PBC and reconvened as the City Council at 6:32 p.m.

3. Reconvene as City Council: Consider Ordinance #1090 Approving the Lease of the Big Well Museum facility from the Public Building Commission
With approval by the PBC of the bond refinancing resolution, Council was asked to consider Ordinance 1090, approving the lease of the Big Well Museum facility from the PBC. Kern made a motion to approve Ordinance 1090. McBeath seconded. Christenson called for a roll call vote: McBeath: yes; Trummel: yes; Jungemann: yes; Reves: yes; Kern: yes. Motion passed 5-0.

4. Consider Resolution 2019-05 authorizing and directing the City Administrator to file an application for participation in the Kansas Housing Resources Corporation (KHRC) Moderate Income Housing Program addressing affordable, moderate income housing needs in the State of Kansas
Barnes welcomed Cindy and Clyde Schmidt, owners of property located at the corner of Oak and Garfield. The Schmidt’s, owners of A-1 Concrete and Gunsmoke KC Investors out of Spearville, KS, have shown interest in developing duplex housing on their property and the City’s Land Bank property at 212 E. Garfield through the KHRC Moderate Income Housing Program. The City would be the applicant and donate the land bank property. Once the project is complete, the Schmidt’s would own, operate, and manage the development. The Schmidt’s are just completing a similar project of 4 units in Kinsley. An Open House for the Kinsley project is scheduled for Thursday from 1-3 p.m. Anyone interested in viewing the units is welcome to attend.

Kern asked how many units were proposed for Greensburg. Cindy Schmidt explained that, if it fits the lots, one duplex would be built facing west on their current property and one facing south on the Land...
Bank property, for a total of 4 apartments. Units shown in the provided plans are 2 bed 1 bath units, have a one car garage, and private patios. The Kinsley project was able to fit 3 bed 2 bath units, which would be the preference for the Greensburg project. Moderate income housing guidelines are fairly loose and based on the size of the family. If there are not enough applicants within the income guidelines to fill the units, the program does allow management to look at applicants outside of income range.

Reves asked if rent would be based on the family’s income. That is not the case with this program. Schmidt said they would come to an agreement with Administration and Council on the rent rates. Kinsley chose to leave rates up to management. Rent will start out at $900 for the Kinsley units. Appliances, except washer and dryer, are provided. Each unit has hook-ups for a washer and dryer.

Jungemann asked if surrounding neighbors would be notified of the development. Barnes stated that neighbors would not be sent official notice until the City is approved for the grant. A zoning change would be required for the properties to house duplexes. Neighbors within a 200 ft radius would receive official notice of the zoning request.

Schmidt explained to Council that the units would be constructed as A1 Concrete and Construction. The company would cover costs that exceed the grant amount. Once complete, the land would be deeded to A1, which would then deed the property to Gunsmoke KC Investors, who will manage the property. The City would simply be the conduit for the available State funding, providing cost tracking and verification of payment. The City will not be property managers.

Kern asked for a timeline on the development of the project. The Kinsley development took right at 6 months. Award notification was received within 3 weeks of application. Schmids would like to have the units dried in before winter if possible. The State is aware that the City of Greensburg is considering applying with the same developer and the same plans.

There will be no land transfer until a grant is secured. The application will reflect that the Schmidts are donating their land to the City for the project. In Kinsley they received a 5-year tax break. Barnes advised that the County offers a Neighborhood Revitalization Program with a 10-year graduating tax rebate. The Schmidts are currently working with Edwards County to ensure the property is charged residential tax rather than business tax. This is a necessity in order for the units to turn a profit. Christenson encouraged the Schmidts to speak to the Kiowa County Appraisers Office.

Trummel asked if the Kinsley project had any tenants waiting. Schmidt believes that they have 1 tenant for sure and 3 waiting for approval. Economic Development has received several requests for applications.

Reves made a motion to approve Resolution 2019-05. McBeath seconded. Motion passed 5-0.

5. Consider Land Bank property; 212 E. Garfield, donation towards MIH Housing Project
Council went into recess and convened as the Land Bank at 6:51 p.m. Kern made a motion, seconded by McBeath, to approve the donation of 212 E. Garfield to the MIH Housing Project, pending approval of the grant application, and to allow staff to begin the process of transferring property ownership. The motion passed 5-0. The Land Bank adjourned and reconvened as the Council at 6:52 p.m.

Barnes provided an attendance and financial report for the pool in the meeting packet, giving comparisons for 2015-2018. Revenues were slightly increased over last year, the highest they have been since the pool’s completion. Expenditures were slightly decreased, but comparable to years passed. The difference in Revenue and Expenses for 2019 was -$33,765. Staff recognizes that the swimming pool is a quality of life expense, not a money maker. The pool has been drained. Shades will be coming down in the next few days. Staff has been reviewing park pavilion plans in preparation of beginning construction.

Reves asked who has been watering trees at the park. The Chris Christenson family took on that task several years ago, and continue to volunteer in that capacity. Extension Agent Wade Reh has been monitoring trees around town and in the park. Differences in temperatures and the amount of moisture received early in the year have caused some discoloration of leaves. Reh has assured Barnes that this is cosmetic, not disease.

7. Police Department Discussion
Barnes opened further discussion on the future of the Greensburg Police Department by advising that she had met with Sheriff Chris Tedder last week. Tedder is supportive of the City continuing the department and has taken his recent requirement that there be a dispatch contract. Barnes advised him that the City would like to establish a memorandum of understanding between the organizations. Tedder has reviewed the City’s policing priorities (previously ranked by the Council). Barnes asked for direction on how to proceed with the continuation of the Police Department and if there are changes they would like to see in the job description for the Chief of Police. Barnes had provided current job descriptions for Police Chief, Officer, and Code Enforcement Officer. She discussed the division of code enforcement duties as they are currently being performed by Staff. The current budget provides only for a Chief of Police, not for a police officer or code enforcement officer. Currently, weed/mowing notices are handled by the Public Works Superintendent and Utility Billing Clerk and building/zoning codes and nuisance properties by the Administrator and City Clerk. All other codes, such as animal control, fireworks, and temporary business licenses, are to be handled by the Police Department.

Christenson asked what kind of timeline Council would like to fill the position in. Christenson would like to see some form of agreement that spells out the responsibilities of both departments and defines any financial contributions that may be required. Stating that he is not necessarily opposed to paying a fee to the Sheriff’s Office, Christenson advised that the rate needs to be set far enough in advance for the budget to accommodate it. Kern asked about the possibility of the Sheriff’s Office enforcing city codes. Barnes advised that they would respond if a call came in, but would not issue a ticket unless another crime was being committed (i.e. disturbing the peace). Council also requested Barnes ask Tedder if his officers would be willing to cover and start cases for the Police Chief if he/she is on vacation. In regard to code enforcement, Reves asked if the City could contract those services out as they have in the past (i.e. Mike Gurnee for zoning and Robert Walker for building code enforcement).

Consensus of the Council was to begin advertising the position of Chief of Police while Barnes works towards having a Memorandum of Understanding with the Sheriff’s Office. Barnes asked who Council would like to be part of the interview and hiring process. Trummel would like to see the City and Sheriff’s Offices work together in the process, as they will ask questions the Council would not know to ask. Reves reminded Council that during the last hiring process for this position, department heads interviewed final candidates chosen by the Administrator. Christenson suggested a hiring committee of himself, Barnes, the Sheriff, and one other Council Member (Trummel was recommended).
G) CITY STAFF REPORTS
Barnes reported to Council on the following topics:

- **KDOT Aviation Grants Submitted** – Four airport grants have been submitted to KDOT. These are the same 4 requests that were submitted last year. Lochner updated project costs for 1. runway paving; 2. paving of the taxiway and turnarounds; 3. edge lighting and electrical work; 4. airport management minimum standards. Barnes has been approached by parties interested in building or leasing hangers at the facility. Barnes would like to move forward with creating some preliminary management policies so that development is not delayed while the City waits for a grant to fund a full set of regulations.

- **KPP Governing Body/City Employee Photo** - Kansas Power Pool has hired a photographer to travel to each of their member cities for a photo of their governing bodies and employees, to use for promotional purposes. The photographer will be here September 25 at 2 p.m.

- **City Monthly Newsletter** – Barnes will be utilizing the next newsletter to address several items that have come up: mowing, weed eating along curb lines, keeping street corners unobstructed, and checking with City Hall about permit and zoning requirements prior to beginning any construction or improvement projects.

- **Swimming Pool Park Development** – Staff has been going through building plans for the park pavilion, in preparation of beginning construction. Barnes will be contacting members of the former Davis Park Relocation Committee to re-engage them and the community for finishing the park, and has found a grant to apply for through a playground company that is a 100% matching grant. Barnes plans to work with the committee to narrow down park options within the budget previously set by Council. Staff will then engage the community for feedback on final choices.

H) GOVERNING BODY COMMENTS
Reves asked if the County could go onto airport property and kill grass in the rocked parking area and around the electrical transformer. Barnes advised that City Staff has already sprayed the rock area and under the airport sign. Reves asked if the ground under the rock could be sterilized. Barnes was then asked about street repairs. Heft and Sons will begin work near the end of October. Staff has been out patching and sweeping streets as well.

I) ADJOURNMENT
With nothing further to discuss, Christenson declared the meeting adjourned at 7:21 p.m.

Matt Christenson, Mayor

Christy Pyatt, City Clerk