CALL TO ORDER
Mayor Matt Christenson called the March 15, 2021 meeting to order at 6:00 p.m.

PLEDGE OF ALLEGIANCE & INVOCATION
The Pledge of Allegiance was said. Invocation was given by Pastor Jon Harrison.

ROLL CALL & APPROVAL OF THE AGENDA
Council Present: Mike McBeath, Mark Trummel, Pam Reves, and Haley Kern. Chance Little was absent. Staff present: Administrator Stacy Barnes, Public Works Superintendent Mick Kendall and City Clerk Christy Pyatt.

Reves made a motion to approve the agenda as presented. Trummel seconded. Motion passed 4-0.

CITIZEN COMMENTS
There were no comments submitted in advance.

CONSENT AGENDA
Trummel made a motion, seconded by Reves, to approve the Consent Agenda as presented. Motion passed 4-0.

APPOINTMENTS
Tree Board: Mindy Heinson, to fill unexpired term through May 31, 2021
The Tree Board seat held by Wade Reh, former Kiowa County K-State Research and Extension Agent, expires May 31, 2021. Current agent Mindy Heinson has asked to fill the unexpired term. Kern made a motion to appoint Heinson to the unexpired term. Reves seconded, and the motion passed 4-0.

ITEMS OF BUSINESS
1. Property Insurance Renewal
Jeannine Hassiepen, Peoples Insurance, presented a proposal from EMC for the City’s annual property and liability insurance renewal. A similar policy to what is currently held was presented with two deductible options. Option 1, with a $2,500 deductible, carries an estimated premium of $95,404. Option 2, with a $5,000 deductible, carries an estimated premium of $93,198. In 2020 the $2,500 deductible was chosen, with a final premium cost of approximately $89,000 (additions to the base quote were made throughout the year). This year the pavilions at the Big Well and swimming pool parks were added. Law Enforcement liability would increase due to the addition of an officer. The Police Department Charger and Fire Rescue 1 were also added to the policy. The City’s electrical distribution system is currently being evaluated, to ensure proper coverage. The substation is already covered. Transformers, poles, and streetlights can be covered; however, powerlines are not insurable. Annually the City receives a dividend payment. Last year $14,337 was returned, which is similar to payments in years past. Airport liability coverage is a separate policy and will come due April 25th. That policy has been locked into a 3-year, fixed rate policy term. This is the last year for that fixed rate. The Big Well liability policy, which covers visitors who go down in the well, will come due May 24th. The premium for that policy has remained unchanged for several years.

Following a request for clarification from Reves, Kern made a motion to approve the $5,000 deductible offer from EMC for the next year. Trummel seconded, and the motion passed 4-0.
2. Water Wells 7 & 9 Maintenance
The results of the water well pumping tests performed by Layne Christensen Company in November were provided in the meeting packet. The City operates 4 wells. Wells #7 and #9 (located at Sunset Park and on North Main Street) are in need of fairly immediate maintenance. Also included in the packet was a quote from Lane Christenson for pulling and further inspecting the wells. If both wells are done at the same time, they will only charge one mobilization fee. Repair costs remain unknown until further inspection can be performed. Layne estimated repairs could vary from a minimum of $5,000 to a maximum of $25,000 each. Their best guess, with the information they currently have, is closer to $15,000 each. Neither well has worked correctly in quite some time. The expenditure was not budgeted for 2021. The cash balance of Water Reserve is $78,077 and Capital Improvement/Infrastructure $409,989. Either fund could be utilized to fund this work. Kendall verified that all of the wells are currently capable of running.

Reves asked if there is a plan to get a new well if it were necessary. Barnes confirmed that there is; however, that is not the current need and it is not part of the current budget. Trummel and Kendall discussed previous issues with high nitrates. Kendall stated that nitrate levels of all wells are below the State’s threshold level. Wells 6 and 8 were both impacted by the previous high nitrate levels. Barnes reiterated that the City has the capacity to make the necessary repairs without decreasing this vital service.

Trummel made a motion, seconded by Reves, to approve the quote from Layne Christenson. Prior to the vote, Barnes requested clarification on which fund Council would like to utilize. Christenson noted the estimated cost of repairs would be approximately 1 year’s worth of Water Reserve funding vs. a slower replenishing of the tax funded Capital Improvement Fund. Consensus was to utilize the Water Reserve Fund for inspection costs. Once available, final repair costs can be reviewed and potentially the Capitol Reserve Fund can be utilized. The initial motion was then approved 4-0.

3. February KPP Bill
Barnes noted that payment of the February KPP bill was approved as part of tonight’s Appropriation Ordinance. The increase in cost reflected in this billing is due to increased usage during the extreme weather event that occurred, rather than a price hike. KPP was finally able to provide an answer on Friday as to what costs from the event will be passed down to member cities. KPP held short, informational meetings every day at noon last week. During those meetings, KPP provided energy costs for February from all KPP power resources, as well as Greensburg’s cost. KPP’s final costs were approximately $17 million over budget for February. Member Cities are very fortunate that KPP had reserves built up to cover the bills from their providers. Other suppliers had to request their members reserves be depleted, the question has become “how do we replenish and prepare for the next time this happens?” KPP staff ran several calculation scenarios before making the determination that a $.01 per kwh surcharge would be added to each member city’s bill for the next 3 months. Part of the discussion was that this surcharge for 24 months is a possibility. This would bring in approximately $600,000 per month to the reserves. KPP and its board will continue to evaluate the many moving parts of the situation over the next 3 months. The board will vote on the implementation of any additional, necessary measures at a future meeting. Loan funds from the State were made available to cities impacted by significant energy costs. Barnes confirmed that the City has the cash on hand to be able to pay the February bill so she did not apply for those funds. If the total cost to KPP had been passed down to members it would have been a significant expenditure. The projected $141,000 additional surcharge for 2021 can be handled without a budget amendment. Depending on what KPP decides to implement past the initial 3-month period, Barnes suggested possibly not doing the budgeted Electric to General Fund transfer. Another possibility is to pass the additional cost along to
customers, either entirely or in part. Barnes is in the process of running numbers for various customers, to see what that would look like locally.

Reves stated that, by Ordinance, the City can add a fuel adjustment to customer bills. Barnes confirmed this to be the case, if that is what Council would choose to do. Reves would rather pass the cost along to customers, rather than try to absorb it. Consensus of the remainder of the Council present was to wait on implementing any adjustment until more information is available in 3 months. Christenson noted that if the additional surcharge is only for 3 months it will not be a big deal, but if it’s 2 years Council may need to take a look at other options and see what the impact will be for the City and for customers. Reves continued to encourage implementation of a fuel adjustment now. In her initial calculations, Barnes believes that a surcharge for a residential meter will not have much of an impact, but for larger entities it could be significant. Barnes will continue to provide information as it becomes available. Reves noted that KPP has been very diligent to keep costs low over the years.

H. CITY STAFF REPORTS
Barnes reported to Council on the following topics:

• **February Sales Tax Report:** A sales tax report for February 2021 was provided. Figures reflect sales from December 2020. The full report can be found on the state website at: https://www.ksrevenue.org/prsalesreports.html. Greensburg shows a decrease of .1% from the last fiscal year, but an increase of 5.5% from February of last year. Kiowa County shows a decrease of 3% from the last fiscal year and 2% from February last year. The State as a whole shows an increase of 3.1% from the last fiscal year and only a .4% decrease from February last year.

• **Water Operator Certification:** At the time the water treatment plant was built, KDHE required the City to have a Water I Certified Operator on staff. They now require a Water II Certified Operator. The City’s Water I Operator is testing this week for Water II certification. In the meantime, Barnes has entered into a contract with Dave Vagts from Little River who is certified to be on file with KDHE as the City’s Water II Certified Operator. Mr. Vagts also does contract work for the City of Haviland. He visited with Barnes and Kendall last week, toured the system and recommended no changes to current operations.

• **Pool Park Playground Update:** Barnes has been in contact with AB Creative to order and schedule the playground installation. Delivery is estimated to be the first part of May, with installation to begin shortly after. Barnes has begun research on skateparks and also talked with Hassiepen regarding insurance. This will be a future agenda item when more information is available.

• **Senate Bill 13 Regarding Property Tax:** Last week the Kansas House and Senate passed SB 13, removing the tax-lid and requiring written notice and public hearings before raising taxes by any amount. Tax increases will be measured by the dollar rather than by the mill levy. An amendment to the bill includes language that the State will pay for printing and mailing of statements for the first 2 years they are required. The bill now goes to the Governor for approval or veto.

• **Federal American Rescue Plan Funds:** Last week a $1.9 trillion relief bill was approved by Congress and signed by President Biden. Included in this bill are funds to city governments. Barnes will be watching a webinar tomorrow by the Kansas Office of Recovery regarding these funds. The League of Kansas Municipalities is also helping to educate cities on these funds. Some allowable uses of funds are pandemic economic impacts, impacts to tourism, travel and hospitality industry, government services due to reduction in revenue due to pandemic, and investments in water, sewer and broadband infrastructure.

• **Wind Storm Damage:** In the strong wind last week, a rod in the Eclipse sculpture at Starlight Park was bent. Judi Kirk has been in contact with the artist about how we can get it repaired. He asked us to take it down and get it to him. Staff will be working on taking care of this.

• **Kiowa County Health Fair:** The Health Department has scheduled their annual Health Fair for
Saturday, May 1st. The event will look a little different this year. County Health will release those plans as they are available.

I. GOVERNING BODY COMMENTS
There were no additional comments from the Governing Body.

J. EXECUTIVE SESSION – In accordance with K.S.A. 75-4319(b) for personnel matters of non-elected personnel. 15 minutes
Kern made a motion to go into executive session for non-elected personnel until 6:55 p.m. Trummel seconded. The motion passed 4-0. Council returned to open session at 6:55 p.m. with no action taken.

K. ADJOURNMENT
With nothing further to discuss, Christenson declared the meeting adjourned at 6:57 p.m.

Matt Christenson, Mayor

Christy Pyatt, City Clerk