

Atwood City Council
August 18, 2016
Regular Meeting
City Hall, 7:00 PM

Atwood City Council met in **regular session** August 18, 2016 at City Hall. The meeting was called to order by the Honorable Mayor Tim Colgan at 7:00 PM. Others present were Councilmembers Gary Fisher, Dietrich Kastens, Mark Mosley, Mark Vrbas; City Clerk Keri Riener; City Attorney Charles Peckham; Chief of Police Brian Withington; Rosalie Ross of the Rawlins County Square Deal. Councilwoman Sandy Mulligan and City Superintendent Rick Kramer were absent.

The **Agenda** was approved as circulated on motion of Councilman Mark Vrbas, seconded by Councilman Dietrich Kastens, approved by all.

The **Minutes** of the regular meeting on July 21, 2016 were amended to read "Economic Development is researching another grant possibility that would require 40% matching funds." Councilman Gary Fisher moved to approve the corrected minutes, seconded by Councilman Vrbas, approved by all.

The **Bills** were approved as read on motion of Councilman Kastens, seconded by Councilman Mark Mosley, approved by all.

Public Comments: none.

Appearances:

Jessica Norris of **Nex-Tech** did not attend the council meeting.

Leroy Luedders, appeared before Council **representing Cahoj Earthmoving, Inc.** to review the plan for the Persinger Building demolition. There will be some meticulous detail work on the top floors of the building before the major demo begins. Mayor Tim Colgan asked for a start date for the project; Leroy said it could be two weeks and the project will probably take about two weeks if there are no unexpected delays.

Mitch Walter, **Gilmore & Bell Bond Attorney**, presented information regarding the sewer project bond issue. Kevin Cowan has been the city's bond counsel for most of the project, but was unable to attend this meeting. The bond issue is permanent financing for the sewer project which will replace the temporary note issued at the beginning of the project. Documents included a bond ordinance that provided the overall detail of the city's sewer project that now requires long term funding. The interest rate for the 40 year note is 2.25%; paying agent is the Kansas State Treasurer, who then pays the USDA. The annual bond payment must be included in the city budget and the amortization schedule was discussed. The closing of bonds is scheduled for August 26, 2016. USDA will wire funds to the city following bond counsel approval for the release of the bond. Ordinance #864 was presented to Council for approval. **Ordinance #864 authorizes and provides for the issuance of general obligation bonds, series 2016, of the City of Atwood, Kansas; Providing for the levy and collection of an annual tax for the purpose of paying the principal of and interest on said bonds as they become due; authorizing certain other documents and actions in connection therewith; and making certain covenants thereto.** Councilman Vrbas moved to **approve Ord #864 as presented**, Councilman Mosley seconded, approved by all. A summary of Ordinance #864 will be published in next week's edition of the Rawlins County Square Deal with the full ordinance being posted online at atwoodkansas.com. **Resolution 16-09**

prescribing the form and details of and authorizing and directing the sale and delivery of general obligation bonds, series 2016, of the City of Atwood, Kansas, previously authorized by Ordinance #864 of the issuer; making certain covenants and agreements to provide for the payment and security thereof; and authorizing certain other documents and actions connected therewith was presented to Council. Councilman Vrbas moved to **approve Resolution 16-09 as presented**, Councilman Kastens seconded, approved by all.

David Barber representing **USDA-Rural Development** discussed loan closing events and documents. Resolution 13-05 was passed in 2013 to start the sewer project. For closing, a notice of interest rate selection was available, allowing the City to have the loan interest rate to be the lower of the rate in effect at the time of loan approval or the time of loan closing. Since the interest rate is lower now than it was in 2013, the current rate of 2.25% interest will be applied to the loan. **Resolution 16-10 states the City Council has reviewed and hereby approves the forms presented in relation to the USDA Rural Development application for funding of upgrades to the sewer system. The following forms are adopted and executed per USDA Rural Development application requirements, and the Mayor and City Clerk are authorized to sign the documents: Guide 201, Written Notice of Interest Rate Selection; RUS Bulletin 1780-27, Loan Resolution, Clerk Certification and KS 1780 – Guide 37, Graduation Certification.** Councilman Kastens moved to **approve Resolution 16-10 as presented**, Councilman Mosley seconded, approved by all.

David Blau with Miller & Associates presented a sewer project update with pay requests. Miller & Associate's Invoice #16-0551 for the amount of \$15,126.20 covers professional services including construction observation, meeting agenda preparation, distribution of minutes and coordination with USDA-RD for the month of June 2016 as outlined in the Engineering Service Agreement. Councilman Kastens moved to **pay the total due on Miller and Associate's Invoice #16-0551 in the amount of \$15,126.20**, Councilman Mosley seconded, approved by all. Contractor's Application for Payment #4 for Midland's Contracting, Inc. for the amount of \$293,158.14 for work completed through August 12, 2016 including installation of approximately 7,100 lineal feet of 8" CIPP liner, 380 lineal feet of 10" CIPP liner and 140 lateral reconnections. Councilman Fisher moved to **pay the total due on Midland's Contracting, Inc. Application for Payment #4 in the amount of \$293,158.14**, seconded by Councilman Vrbas, approved by all. Contractor's Application for Payment #3 for BSB Construction, Inc. in the amount of \$88,130.70 for work completed by BSB Construction through August 11, 2016 including the installation of approximately 620 lineal feet of 10" diameter sewer main, 1,060 lineal feet of 6" diameter force main, two standard manholes, and completion of the bore crossing Hwy 25. Councilman Mosley moved to **pay the total due on BSB Construction, Inc. Application for Payment #3 in the amount of \$88,130.70 for services rendered**, Councilman Fisher seconded, approved by all. The mayor signed the pay applications. David Barber of USDA approved the payment of all three invoices.

While the mayor was signing the approved pay applications, City Attorney Charles Peckham **introduced an ordinance regarding a franchise agreement for Nex-Tech** that would have been discussed earlier if the Nex-Tech representative had been in attendance. The Councilmembers asked for details regarding other franchise agreements and tabled the ordinance until a later date when the representative could attend a meeting. The city attorney will contact Jessica Norris from Nex-Tech to determine the status of the situation.

Old Business:

Ordinance #865, the second draft of the Nuisance Ticketing and Fines Ordinance discussed at last month's council meeting was discussed. Councilman Fisher requested one change in Section 26-71 (a) "shall leave a courtesy written notice of violation shall be left upon the property..." to be amended to read, "shall leave a courtesy written notice of violation upon the property..." Councilman Fisher moved to **approve Ordinance #865 regarding notice of violation, ticketing and consequences for weed control as amended**, Councilman Mosley seconded, approved by all.

New Business:

Mayor Colgan recommended appointing Susan Huff to the library board. Councilman Fisher moved to **accept the Mayor's recommendation of Susan Huff to the library board**, Councilman Vrbas seconded, approved by all.

The STO and UPOC Ordinances need to be adopted by the city annually when the new books come out from the League. **Ordinance #866 Standard Traffic Offense Code for Kansas Cities** was adopted and **Ordinance #867 Uniform Public Offense Code for Kansas Cities** was adopted on motion of Councilman Vrbas, second by Councilman Kastens, approved by all.

The **GAAP Waiver Resolution 16-11** regarding the 2015 audit was approved on motion of Councilman Kastens, second by Councilman Mosley, approved by all.

Department Reports:

City Clerk Keri Riener shared that Deputy Clerk Paul Mews has been researching bill payment by credit card to the city. There are two entities that are being compared and the city will likely be taking credit card payments by the end of the year. The possibility of using the Collection Bureau of Kansas to collect outstanding debts will be discussed in September when their vice president of sales is scheduled to appear to present information. Befria Inc., the city's employee benefits consultants visited city hall this week. They will return in October to update current employee benefit packages as well as introduce available options to newly hired employees. The City's Budget Hearing is set for 5:30 PM on Tuesday, August 30, 2016 at City Hall. Atwood Township will have their Budget Hearing at City Hall as well, which is scheduled for 5:00 PM the same day.

City Attorney Charles Peckham reviewed his monthly activity handout. He sent letters concerning bad checks and is considering limiting the amount of time allowed to submit a bad check. Some businesses are waiting more than a year to submit nonsufficient fund checks for prosecution and the defendants may no longer be in the area by that time. He has discussed tickets and payments with defendants on various cases. Documents were reviewed for this meeting concerning the GO Bonds and USDA project closing. He revised a franchise agreement that was tabled and drafted the UPOC and STO ordinances as well.

Police Chief Brian Withington presented his report. His department worked 18 reports from July 21, 2016 to August 18, 2016. There were 7 arrests made, 17 warnings given and 8 tickets issued. Other patrol activity included 327 public relations, 12 business checks and 103 miscellaneous complaints. Chief Withington suggested that people keep an eye on their credit scores to be sure additional accounts aren't being opened in their name, as there has been fraudulent activity in the area. It is planned for one full time officer will begin working for the city on September 19th and the second to start on October 10th. The police chief will attend training in Wichita next week. City Attorney Charles

Peckham added that training for DUI and marijuana cases will be held in Wichita in the fall, perhaps the city attorney and police chief can attend.

City Superintendent Rick Kramer was absent, but submitted his report in the council packet. The water report shows the amount of water pumped and sold for the month. The depth to the wells has remained consistent.

Council Reports:

Councilman Gary Fisher reported that renovations continue at the Housing Authority. The Tree Board is continuing to try to keep the new trees alive and thriving.

Councilman Dietrich Kastens informed Council that August 19th is the last day the pool will be open during the week for the season. The pool will be open regular weekend hours until Labor Day. There will be a last "End of Summer Blast" from 1-7 pm on August 27th with free admission to the pool and fun planned activities.

Councilman Mark Mosley shared that the bike rack hasn't arrived for the theater yet, but will hopefully be built as summer activities wind down. The new air conditioning system installation at the library should be complete soon. Mayor Tim Colgan added that Allover Heating and Cooling had the lowest local bid and therefore they were approved to start the job as soon as possible.

Councilwoman Sandy Mulligan was absent.

Councilman Mark Vrbas had nothing to report.

Mayors Notes:

Mayor Colgan reported that Ricky Kramer has been hired for the full time city crew position. He is already water certified and is expected to start working for the city on August 29th. A city staff and council barbecue will probably be scheduled in October.

Rosalie Ross asked for clarification on the topic of the swimming pool sales tax. Mayor Colgan reviewed that the pool bond was issued in 2009 and scheduled to be paid in 2017 from sales tax revenue generated by a 0.75% sales tax approved through a series of voting ballots. As the cost of goods sold increased, sales tax revenue increased, which has enabled this bond to be paid in full earlier than expected. The county clerk will notify the state that early payment is planned. Councilman Vrbas inquired about possibly implementing a sales tax to pay for street repair. In order to do this, the amount necessary would have to be specifically requested and put to a series of votes. City Attorney Charles Peckham added that the Hansen Foundation has awarded grants for street projects in the past if matching funds are available. As the balance of the Street Improvement Fund, set up at the end of 2015, increases this may be an option for the city.

With no further business to come before Council, Councilman Vrbas moved to adjourn, seconded by Councilman Fisher. The **meeting adjourned at 8:45 PM.**

Keri Riener, City Clerk

Tim Colgan, Mayor