OSAWATOMIE CITY COUNCIL AGENDA April 25, 2013 6:30 p.m., Memorial Hall

- 1. Call to order
- 2. Roll Call
- 3. Pledge of Allegiance
- 4. Consent Agenda

Consent Agenda items will be acted upon by one motion unless a Council member requests an item be removed for discussion and separate action

- A. Approve April 25 Agenda
- B. Financial Reports
- 5. Comments from the Public; Presentations *Citizen participation will be limited to 5 minutes. Please stand & be recognized by the Mayor.*A. Presentation on Concerns about the Existing Pit Bull Code Restrictions
- 6. Public Hearing none
- 7. Unfinished Business
- 8. New Business
 - A. Appointments None
 - B. Resolution to Repeal Condemnation of 1701 Main
 - C. Charter Ordinance on Public Building Commission
 - D. Discussion of Council Outreach Ideas
- 9. Council Reports
- 10. Mayor's Report
- 11. City Manager's Report
- 12. Executive Session none
- 13. Adjournment

NEXT MEETING - May 9, 2012

CITY OF OSAWATOMIE - CASH FLOW REPORT

Date: March 2013	BEGINNING BALANCE	REVENUE	EXPENDITURES	CASH BALANCE	ENCUMBERANCES (ORD.)	CASH BALANCE 3/31/2013
GENERAL OPERATING	147,665.97	728,236.76	468,442.92	407,459.81		407,459.81
WATER	179,404.24	201,999.98	161,119.05	220,285.17		220,285.17
ELECTRIC	539,225.04	933,477.10	903,753.61	568,948.53		568,948.53
EMPLOYEE BENEFIT	52,082.33	317,532.91	194,262.13	175,353.11		175,353.11
REFUSE	6,251.94	95,598.54	62,938.64	38,911.84		38,911.84
LIBRARY	115,753.52	1,800.29	1,577.56	115,976.25		115,976.25
RECREATION	713.87	3,779.92	4,493.79	-		-
RURAL FIRE	(642.11)	-	6,961.71	(7,603.82)		(7,603.82)
INDUSTRIAL	61,237.37	27,309.16	3,699.32	84,847.21		84,847.21
REVOLVING LOAN	72,758.43	-	-	72,758.43		72,758.43
SPECIAL PARKS & REC	92,948.18	90,104.52	42,374.56	140,678.14		140,678.14
STREET IMPROVEMENTS	99,271.65	27,686.25	13,163.79	113,794.11		113,794.11
BOND & INTEREST	96,891.99	260,050.96	77,601.25	279,341.70		279,341.70
PUBLIC SAFETY EQUIP.	9,847.11	3.08	-	9,850.19		9,850.19
FIRE INS PROCEEDS	0.84	_	_	0.84		0.84
SEWER	337,671.77	210,612.88	196,548.21	351,736.44		351,736.44
RECREATION BENEFIT	-	472.73	472.73	(0.00)		(0.00)
GOLF COURSE	6,815.51	43,839.04	48,590.50	2,064.05		2,064.05
SPECIAL REVENUE (911)	9,897.41	-	-	9,897.41		9,897.41
LLEBG GRANT	-	-	-	-		-
TOURISM	9,423.13	19,054.52	1,471.97	27,005.68		27,005.68
EVIDENCE LIABILITY	14,361.29	-	-	14,361.29		14,361.29
CAPITAL - GENERAL	357,726.90	21,575.80	38,296.49	341,006.21		341,006.21
CAPITAL IMP STREETS	19,158.54	-	-	19,158.54		19,158.54
CAPITAL IMP - SEWER	-	-	-	-		-
CAPITAL IMP - GRANTS	0.02	-	-	0.02		0.02
CAFETERIA 125 # 50	4,925.74	16,018.84	8,460.28	12,484.30		12,484.30
COURT ADSAP # 51	6,911.00	600.00	-	7,511.00		7,511.00
COURT BONDS # 52	6,521.37	729.50	2,212.50	5,038.37		5,038.37
FORFEITURES # 53	57.29	-	-	57.29		57.29
OLD STONE CHURCH # 54	-	-	-	-		-
PAYPAL #55	95.65	-	-	95.65		95.65
TOTALS	2,246,975.99	3,000,482.78	2,236,441.01	3,011,017.76	-	3,011,017.76



Osawatomie City Hall 439 Main Street • PO Box 37 Osawatomie, KS 66064 Phone: (913)755-2146 Fax: (913)755-4164

STAFF AGENDA MEMORANDUM

DATE OF MEETING: April 25, 2013

- AGENDA ITEM: Pit Bull Code Restrictions
- PRESENTER: Tamara Maichel, City Councilwoman

ISSUE SUMMARY: Councilwoman Maichel has requested time to present concerns over the City's Pit Bull ordinance. She indicates that she will bring in individuals and experts to provide testimony on the issues with the current ordinance.

For background purposes, I have provided sections from our City Code concerning Vicious or Dangerous Animals (2-117) and Pit Bulls (2-211 through 2-214).

COUNCIL ACTION NEEDED: None.

STAFF RECOMMENDATION TO COUNCIL: Receive the presentation. Should the Council want to take action on this issue staff will need guidance on what kind of changes or direction the Council may want to go in drafting an ordinance for consideration.

(d) Charges for dead animal removal as required in subsections (b) and (c) of this subsection are due and payable upon billing by the city's administration services department. Unpaid bills shall become a lien against the property when certified and processed as provided by law. The animal control officer may refuse to collect dead animals from commercial establishments as provided in subsection (c) for failure to pay previous billings.

(e) On occupied property, the owner and/or tenant thereof shall provide easy access to the subject animal for purposes of its removal. (Ord. 3393, Ch. 4, Sec. 13; Code 2008)

2-117.

VICIOUS OR DANGEROUS ANIMALS. (a) <u>Control of Vicious Dogs.</u> All vicious dogs shall be confined in an enclosure. It shall be unlawful for any owner or keeper to maintain a vicious dog upon any premises which does not have a locked enclosure.

It shall be unlawful for any owner or keeper to allow any vicious dog to be outside of the dwelling of the owner or keeper or outside of the enclosure unless it is necessary for the owner or keeper to obtain veterinary care for the vicious dog or to sell or give away the vicious dog or to comply with commands or directions of the animal control officer with respect to the vicious dog. In such event, the vicious dog shall be securely muzzled and restrained with a chain having a minimum tensile strength of 300 pounds and not exceeding three feet in length, and shall be under the direct control and supervision of the owner or keeper of the vicious dog. The muzzle shall be made in a manner that will not cause injury to the dog or interfere with its vision or respiration, but shall prevent it from biting any human or animal.

(b) <u>Defined:</u> For purposes of this chapter a vicious animal shall include:

(1) Any animal with a known propensity, tendency or disposition to attack unprovoked, to cause injury or to otherwise endanger the safety of human beings or domestic animals; or

(2) Any animal which attacks a human being or domestic animal without provocation;

(3) Any animal owned or harbored primarily or in part for the purpose of fighting or any animal trained for fighting;

(4) Any animal which is urged by its owner or harborer to attack, or whose owner or harborer threatens to provoke such animal to attack, any law enforcement officer while such officer is engaged in the performance of official duty.

(c) <u>Signs.</u> The owner of a vicious dog shall display in a prominent place on his or her premises a clearly visible warning sign indicating that there is a vicious dog on the premises. A similar sign is required to be posted on the pen or kennel of the animal.

(d) <u>Complaint:</u> Whenever a sworn complaint is filed in the municipal court against the owner of an animal alleging that such animal is vicious and in violation of this section, the municipal judge shall hold a hearing to determine whether or not the animal is vicious within the meaning of this section and thereby in violation of this section. The owner of the animal shall be notified in writing of the time and place of the hearing at least one week prior to the hearing. In making a determination, the municipal judge shall consider the following:

(1) The seriousness of the attack or bite;

(2) Past history of attacks or bites;

(3) Likelihood of attacks or bites in the future;

(4) The condition and circumstances under which the animal is kept or confined;

(5) Other factors which may reasonably relate to the determination of whether or not the animal is vicious.

The municipal judge shall order the impoundment, the muzzling in accordance with subsection (d) and/or the confinement of the animal accused of being in violation of this section in a manner and location that will insure that it is no threat to persons or other animals pending the outcome of the hearing. If such impoundment, muzzling or otherwise safe confinement is not possible or if prior court orders to restrain such animal have gone unheeded, the municipal judge may order the animal immediately destroyed.

(e) <u>Insurance.</u> No vicious dog shall be licensed by the city for any licensing period unless the owner or keeper of such vicious dog shall present to the city clerk proof that the owner or keeper has procured liability insurance in the amount of at least \$100,000, covering any damage or injury which may be caused by such vicious dog during the 12 month period for which licensing is sought, which policy shall contain a provision requiring the city to be named as additional insured for the sole purpose of the city to be notified by the insurance company of any cancellation, termination or expiration of the liability insurance policy.

The owner or keeper shall maintain and not voluntarily cancel the liability insurance required by this section during the 12 month period for which licensing is sought, unless the owner or keeper shall cease to own or keep the vicious dog prior to expiration of such license.

(f) <u>Vicious Dogs to be Muzzled</u>: It shall be the duty of every owner, keeper or harborer of any dog in the city, which dog is vicious or has been known to bite, chase, or run after any person or animal in the streets, alleys, or any public place in the city, to keep the same muzzled with a good and sufficient wire or leather muzzle, securely fastened so as to wholly prevent such dog from biting any animal or person until such time as a determination has been made by the court as to whether the dog is vicious or not. Any person owning, keeping or harboring any dog within the city limits contrary to this section shall be guilty of a violation of this code.

(g) <u>Determination of a Vicious Dog.</u> In the event that the animal control officer has probable cause to believe that a dog is vicious, the municipal judge shall be empowered to convene a hearing for the purpose of determining whether or not the dog in question should be declared vicious. The animal control officer shall notify the owner or keeper of the dog that a hearing will be held, at which time he or she may have the opportunity to present evidence which the dog should not be declared vicious. The hearing shall be held promptly within no less than five nor more than 10 days after service of notice upon the owner or keeper of the dog. The hearing shall be informal and shall be open to the public.

After the hearing, the owner or keeper of the dog shall be notified in writing of the determination. If a determination is made that the dog is vicious, the owner or keeper shall comply with the provisions of this title in accordance with a time schedule established by the municipal judge, but in no case more than 30 days subsequent to the date of the determination. If the owner or keeper of the dog contests the determination, he or she may, within five days of such determination, appeal to the district court.

In the event that the animal control officer or law enforcement officer has probable cause to believe that the dog in question is vicious and may pose a threat or serious harm to human beings or other domestic animals, the animal control officer or law enforcement officer may seize and impound the dog pending the aforesaid hearings. The owner or keeper of the dog shall be liable to the city where the dog is impounded for the costs and expenses of keeping such dog.

(h) <u>Immediate Destruction</u>: Nothing in this chapter shall be construed to prevent the animal control officer or any law enforcement officer from taking whatever action is reasonably necessary to protect himself or herself or members of the public from injury or danger, including immediate destruction of any vicious animal without notice to the owner.

(i) <u>Release of:</u> If a complaint has been filed in the municipal court against the owner of an impounded animal for a charge under this section, the animal shall not be released except on the order of the municipal judge, who may also direct the owner to pay all impounding fees in addition to any penalties for violation of this chapter. The municipal judge may, upon making a finding that an animal is vicious or that it represents a clear and present danger to the citizens or to other animals in the community, order the animal to be destroyed in a humane manner by the animal shelter. Surrender of an animal by the owner thereof to the animal control officer does not relieve or render the owner immune from the decision of the court, nor to the fees and fines which may result from a violation of this section. (Ord. 3393, Ch. 5, Sec. 11; Code 2008)

- 2-118. RUNNING AT LARGE. It shall be unlawful for any person to willfully allow any animal or fowl under his or her control to be or to run at large within the city. Any animal or fowl found at large shall be impounded as provided in section 2-119 or 2-207 (dogs). (Ord. 3393, Ch. 6, Sec. 1; Code 2008)
- 2-119. IMPOUNDMENT; FEE; NOTICE; RECORD. (a) The animal control officer or law enforcement officer shall impound any animal or fowl found at large in the city or constituting a nuisance or otherwise in violation of this chapter in a suitable pound or enclosure provided or contracted for by the city. The impounding officer shall make diligent inquiry as to the owner of the animal and shall notify the owner thereof of such impoundment as soon as reasonably possible.

(b) Any dog or cat, licensed or unlicensed, as required in this article may be claimed by its owner upon the payment of an impoundment fee which shall be set annually, by the governing body in the annual fee resolution and in addition shall pay a board fee at a rate to be established by the governing body and paid to the city.

Each animal impoundment is a separate and subsequent impoundment regardless of animal ownership in prior impoundments.

(d) Fees.

(1) <u>Boarding Fee:</u> A fee for maintaining and caring for the animal shall be \$3.50 per day.

(2) <u>Vaccination Deposit:</u> \$10.00 as deposit for rabies vaccination, redeemable when proof of vaccination is received from any veterinarian approved by the city if proof of vaccination is not received by the city's administrative

- 2-211. PIT BULL DOGS; KEEPING PROHIBITED. It shall be and is hereby declared unlawful for any person, persons or entity to keep, harbor, or maintain any pit bull dog within the city. (Ord. 3362, Sec. 1)
- 2-212. DEFINITION OF PIT BULL DOGS. For the purposes of this article, <u>pit bull</u> <u>dog</u> is defined to mean:
 - (a) The bull terrier breed of dogs;
 - (b) Staffordshire bull terrier breed of dogs;
 - (c) The American pit bull terrier breed of dogs;
 - (d) The American Staffordshire terrier breed of dogs;

(e) Dogs of mixed breed or of other breeds than above listed which breeds or mixed breeds are known as pit bulls, pit bull dogs or pit bull terriers;

(f) Any dog which has the appearance and characteristics of being predominantly of the breed of bull terrier, Staffordshire bull terrier, American pit bull terrier, American Staffordshire terrier;

(g) Any other breed commonly known as pit bulls, pit bull dogs or pit bull terriers; or a combination of any of these breeds. (Ord. 3362, Sec. 2)

- 2-213. SEIZURE AND DISPOSAL OF PIT BULL DOGS FOUND WITHIN THE CITY. Any pit bull dog, as above defined, found in the city shall be subject to immediate seizure and impoundment by the city. Pit bull dogs impounded by the city shall be handled and disposed of in the same manner as unlicensed dogs seized and impounded by the city, except, in the case of pit bull dogs, if claimed, may not be brought back into the city. (Ord. 3362, Sec. 3)
- 2-214. VIOLATIONS AND PENALTIES. Any person violating or permitting the violation of any provision of this article shall, upon conviction, be fined a sum not less than \$50 nor more than \$500.00. In addition to the fine imposed, the court may sentence the defendant to imprisonment in the county jail for a period not to exceed 30 days. Should a person refuse to remove a pit bull dog found to unlawfully be in the city, the court shall find the owner or harborer of the dog in contempt and order the immediate confiscation and impoundment of the animal. Each day that a violation of this article continues shall be deemed a separate offense. In addition to the foregoing penalties, any person who violates this article shall pay all expenses, including those relating to shelter, food, handling, veterinary care, witness fees and court costs necessitated by the enforcement of this article. (Ord. 3362, Sec. 4)
- 2-215. GENERAL POLICY REGARDING ADOPTION. The city's main concerns with respect to adoption of a cat or dog from the shelter are:

(a) That the dog or cat be in good health, that all dogs be immunized against rabies, licensed, not vicious by nature; and

(b) That the dog or cat will be assured of a good home under the control of a responsible person. (Ord. 3393, Ch. 6, Sec. 2)

Presenter and Panel Bio's

Presenter:

Casey Martinez graduated from Osawatomie High School in 1991 and obtained her Bachelors Degree in Business from Rockhurst University; she currently works at Children's Mercy as a Clinical Trials Manager, and is the proud mom of a bright and beautiful 9 year old daughter. Casey has been involved in animal welfare and legislative issues for over fifteen years. She has previously been a board member of the Animals' Resource Fund, Kansas City Dog Advocates, and acted as liaison between various shelters and rescue groups. Casey has experience presenting statistical and founded information regarding breed specific legislation, dangerous dog laws, and public safety in regard to animal control in various communities in Kansas and Missouri.

Panel:

Anthony Barnett is a Dog pack and Behavior Specialist. He is the Co-Chair of the Board of Directors of the Lawrence Humane Society, is the founder of a nonprofit that does therapy dog outreach with veterans at the VA Hospital, teaches dog safety at grade schools, and works with Law enforcement on dog fighting and animal cruelty cases. He is also a community liaison with the KCMO Swat team, is developing a dog tactics curriculum with Sgt. Chip Huth for the KCMO police academy, and is a panel member for the KCMO Officer Involved Shooting Panel assembled to evaluate and recommend updates and changes to the KCMO PD rules and procedures regarding an officer shooting a suspect.

Katie Barnett is an attorney in Lawrence, KS, who specializes in animal law. Prior to opening her own practice she was a legislative attorney for Best Friends Animal Society where she worked with cities nationwide on animal-related public safety issues, particularly strengthening dangerous dog laws. She is the author of several articles on constitutional issues surrounding local dangerous dog laws and she has assisted in drafting over twenty dangerous dog laws on all levels of government (local, county, and state). Katie is the Vice Chair of the Animal Law Committee of the American Bar Association and represents the Lawrence Humane Society in a variety of capacities.

Dr. Jodi Branson is a veterinarian in St. Joseph, Missouri. She obtained a Bachelors degree in Business Administration in 1990 from Kansas State University, where she met her husband, Paul Branson, who grew up in Osawatomie. After graduating, Jodi and Paul moved back to Osawatomie where Jodi volunteered for the Humane Society of Miami Country, and became president of this organization in 1992. Through her volunteer work with animals in Miami County, she realized her calling, and in 1995, she and Paul moved back to Manhattan, Kansas, so that she could attend veterinary school. She obtained a

Bachelors degree in Veterinary Science in 2001 and a Doctor of Veterinary Medicine degree in 2003. In 1997, she founded the Animals' Resource Fund, an animal welfare organization dedicated to finding homes for abandoned animals and assisting with owner retention through fundraising efforts. She has worked for All Creatures Animal Hospital in St. Joseph for 9 years, and was president of the Northwest District of the Missouri Veterinary Medical Association from 2007 to 2012. In her spare time, she runs a trap/neuter/release program for feral cats, provides veterinary care to injured and sick shelter pets on a pro-bono basis, and volunteers at an elementary school, helping children learn to read.

Midge Grinstead is the Kansas State Director for The Humane Society of the United States. She is a current board member of the Kansas Animal Control Association, Kansas State Animal Response Team, Lawrence and Douglas County LEPC, and acting director for NE Kansas Animal Response Team. Midge is a graduate of Leadership Lawrence and was a founding member of Crime Stoppers of Lawrence and Douglas County. She was the executive director of the Lawrence Humane Society for more than 14 years. Midge has helped to initiate the Kansas Horse Education Advocacy Resource Team and the Pet Animal Coalition of Kansas and is co-founder of Humane Kansas Legislative Network.



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STAFF AGENDA MEMORANDUM

DATE OF MEETING: April 25, 2013

AGENDA ITEM: Repeal Condemnation of 1701 Main

PRESENTER: Don Cawby, City Manager

ISSUE SUMMARY: On January 10, 2013, the City Council approved Resolution No. 661 which condemned the property at 1701 Main Street. The Council found that the structure was dangerous or unsafe. The resolution provided 30 days to commence construction and 90 days from commencement to complete. The owner requested a building permit on January 8 to repair the home and staff recommended 90 days instead of the usual 30 to 45 days to allow adequate repairs to be made.

Ted Bartlett, Building Inspector, completed an inspection of the property on April 22 and has provided his inspection report and pictures of the property. The property has been renovated, made safe and is now an asset to the neighborhood instead of being an eyesore. Should the condemnation resolution be repealed, the City will issue a Certificate of Occupancy for the property.

Attached is the inspection report as well as before and after pictures of the property.

COUNCIL ACTION NEEDED: Vote on the proposed resolution.

STAFF RECOMMENDATION TO COUNCIL: Approve the resolution.

RESOLUTION NO.

A RESOLUTION REPEALING THE PREVIOUS FINDING AS SET FORTH IN RESOLUTION NO. 661 THAT THE STRUCTURE LOCATED AT LOT 56, SMITH'S SUBDIVISION II, TO THE CITY OF OSAWATOMIE, MIAMI COUNTY, KANSAS, COMMONLY KNOWN AND REFERRED TO AS 1701 MAIN STREET, OSAWATOMIE, KANSAS, IS UNSAFE OR DANGEROUS AND DIRECTING ACTION CONSISTENT WITH SUCH FINDING.

WHEREAS, the Governing Body did by Resolution No. 661 direct the owner of the structure located at Lot 56, Smith's Subdivision II, in the City of Osawatomie, Miami County, Kansas commonly known as 1701 Main Street, Osawatomie, Kansas to commence the repair or removal of said property within 30 days from the date of the publication of said resolution and to have the repair or removal completed within 90 days of the commencement; and

WHEREAS, the owner has subsequent to the adoption of said Resolution made satisfactory repairs to said property to the extent that Governing Body finds that said property is no longer abandoned, unsafe or dangerous.

WHEREAS, for the reason that the structure is no longer abandoned, unsafe or dangerous, the Governing Body has determined that it prior directive as set forth in Resolution No. 661 should be repealed and held for naught.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF OSAWATOMIE, KANSAS, THAT:

1. The Governing Body hereby finds and determines that for good cause show the directive of the Governing Body that Resolution No. 661 and the directives set forth in said resolution should be and are hereby repealed and held for naught.

BE IT FURTHER RESOLVED, that the City Clerk shall cause this Resolution to be published once in the official city paper and a copy mailed to the owners, agents, lienholders, occupants and other parties of interest.

PASSED AND ADOPTED by the Governing Body of the City of Osawatomie, Kansas this 25th day of April, 2013, a majority being in favor thereof.

APPROVED AND SIGNED by the Mayor.

L. Mark Govea Mayor

(SEAL)

ATTEST:

Ann Elmquist City Clerk

CITY OF OSAWA	ATOMIE, KANSAS
BUILDING INSPEC 439 Main P.O. Box 37 Osawatomie, KS 66064	CTION DEPARTMENT (913) 755-6980 Fax: (913) 755-4164
DATE: 4/22/13	ADDRESS: 1701 Main
PERMIT NO: 1-13-002	OWNER: <u>SlyTel</u>
	CONTRACTOR: Inscole
TYPE OF INSPECTIONS PERFORMED: (A=Approved; U	
1) $\boxed{F_{i'} A \alpha}$ $A U A^* D$ 2) $A^* D$ 3) $A U A^* D$ 4) $A^* D$ For inspections that are unsatisfactory see below for comments	5) A U A* 6) A U A* 7) A U A* 8) A U A* s or for correction list. Do not conceal any work requiring approval reinspection call (913) 755-6980 between 1:00 p.m. and 5:00 p.m.
Council will have To	Vote to jenove house
Daly Structual Work What use to be	done was to close in garage doolt aplace window.
Electrical work was	limited to istalling plugs in
Jiving Coon Wall + N Kir	then wall no work was
- Conc in breaker fare of a	idendy + will be installed it was
INSPECTOR: Inspector:	CKNOWLEDGED: XX June Dy Ly
	ustomer Copy Pink - Builder

CITY OF OSAWAT	OMIE, KANSAS
BUILDING INSPECT 439 Main P.O. Box 37 Osawatomie, KS 66064	
DATE: <u>04/19/13</u>	ADDRESS:
PERMIT NO: 1-13-006	OWNER: 5/1Ter
· · · · · · · · · · · · · · · · · · ·	CONTRACTOR: Inscore
TYPE OF INSPECTIONS PERFORMED: (A=Approved; U=U	$\mathcal{A}^{(d)}_{\mathcal{A}}$
1) Frag 2) A 3) A 4) U For inspections that are unsatisfactory see below for comments or without the authorization of the building inspector. To request a rein	5) A U A* 6) A U A* 7) A U A* 8) A U A* for correction list. Do not conceal any work requiring approval
COMMENTS:	
1. House needs Addressed	
2 Front site walk has been	Tora up acceds repared,
beginning (Top) of stalls To bottom wall .	5 reads to extend to Tread + needs to return into
4. Grand Spale reeds closed	L'in-
Guttering is Contracted	To be completed
Plumbing was cristing	
- Anything not noted is I	his inspection or only previous
inspection was existing a	not inspected.
INSPECTOR: and Baratutt	NOWLEDGED: X Dave getypt
White - Office Yellow - Custo	۲ mer Copy Pink - Builder



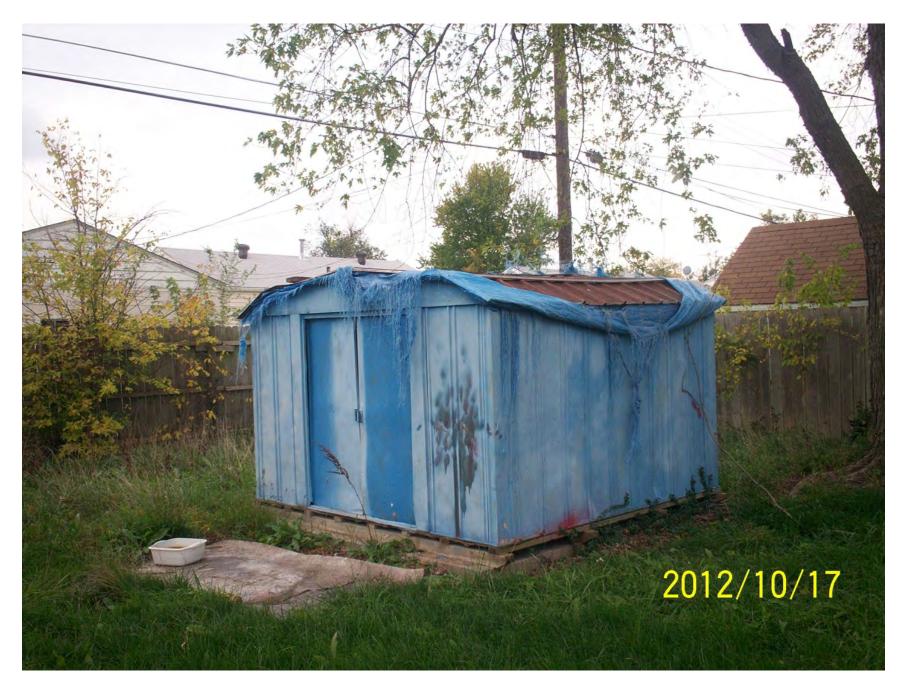




































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STAFF AGENDA MEMORANDUM

DATE OF MEETING: April 25, 2013

- AGENDA ITEM: Public Building Commission
- PRESENTER: Don Cawby, City Manager

ISSUE SUMMARY: In January, we received a presentation by Dave Arteberry, our financial advisor, about our financial status. At that meeting we discussed the option of creating a Public Building Commission (PBC). Below is a description of a PBC and how it works. I have also attached a chart which explains how PBC financing works. We have prepared a charter ordinance to create a PBC so that we have one available for any borrowing necessary to make public building improvements or if other opportunities arise.

Legal and Financing Structure. Public Building Commissions are separate legal entities that can be created by any county or city in Kansas for the purpose of acquiring land and constructing buildings to be used for municipal purposes. PBCs are governed by a three to nine member board appointed by the creating municipality. In recent years, PBCs have been used to fund new jails, courthouses, city halls, swimming pools, senior centers, and a variety of other public purpose projects.

Once a PBC is created, it will typically issue bonds to pay the cost of the desired project. The project is then leased to a municipality, usually the city or county that created the PBC, via a lease purchase agreement. The municipality makes semiannual lease payments to the PBC that are used to repay the bonds. Once the bonds are repaid, the ownership of the facility reverts back to the municipality.

Authorization. The creation of PBCs are authorized by K.S.A. 12-1757 et seq. Typically, the creation of the PBC, the issuance of its bonds, or the execution of the lease purchase agreement requires a notice and protest period. If a valid petition is filed during the protest period then the matter can be brought to a vote of the public or dropped.

Source of Repayment. The lease payments made by a municipality to a PBC are typically made out of the general fund and can be derived from any desired revenue source (e.g. property taxes, sales tax, user fees, etc.). Since Kansas statutes allow these lease payments to be exempt from the cash basis law, the municipality's obligation to make the payments is typically absolute and unconditional for the life of the lease. Therefore, the municipality is required to provide for the lease payments from all available funds, even if the anticipated source of revenue is insufficient to cover the entire payment.

Advantages. There are several advantages to utilizing a PBC to finance a municipal project:

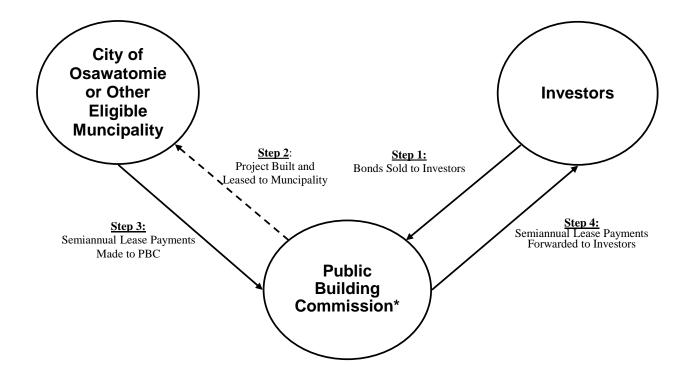
- 1. A municipality's unconditional obligation to make lease payments to a PBC is viewed as a very strong credit factor allowing PBC bonds to sell at low interest rates.
- 2. PBC bonds are not general obligations of the PBC or the municipality and are not subject to statutory debt limits. This is particularly important for Kansas counties, which have very low debt ceilings.
- 3. After the appropriate protest period is complete, there are no future public votes required to finance the desired project.
- 4. A PBC can be created for a single project or for multiple future projects.

A chart is attached which illustrates how a PBC's financing structure works.

COUNCIL ACTION NEEDED: Consider the proposed charter ordinance.

STAFF RECOMMENDATION TO COUNCIL: Approve the proposed charter ordinance.

Public Building Commission Financing Structure



* In order to administer the payment of project costs and semiannual lease payments, the PBC may utilize the services of the corporate trust department of a bank.

CHARTER ORDINANCE NO.

A CHARTER ORDINANCE OF THE CITY OF OSAWATOMIE, KANSAS, EXEMPTING THE CITY FROM PROVISIONS OF K.S.A. 12-1758, K.S.A. 12-1760 AND K.S.A. 12-1767 RELATING TO PUBLIC BUILDING COMMISSIONS AND REVENUE BONDS AND PROVIDING SUBSTITUTE AND ADDITIONAL PROVISIONS RELATING THERETO.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas (the "Act") provides that cities may exercise certain home rule powers, including passing Charter ordinances exempting such cities from certain acts of the Kansas Legislature and which may enact substitute or additional provisions on the same subject; and

WHEREAS, the City of Osawatomie, Kansas (the "City") is a city as defined in the Act, duly created, organized and existing under the laws of the State of Kansas; and

WHEREAS, K.S.A. 12-1758, K.S.A. 12-1760 and K.S.A. 12-1767 are a part of an enactment of the Kansas Legislature (K.S.A. 12-1757 et seq.) relating to public building commissions and the issuance of revenue bonds by such commissions, which enactment is applicable to the city, but is not uniformly applicable to all cities within the State of Kansas; and

WHEREAS, the governing body of the city desires, by Charter ordinance, to exempt the city from the provisions of K.S.A. 12-1758, K.S.A. 12-1760 and K.S.A. 12-1767 identified in this ordinance, and provide substitute and additional provisions on the same subject in order to provide (a) additional and alternative methods for financing certain public facilities and buildings in the city, and (b) an exemption from a protest period relating to the authorization of certain revenue bonds.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF OSAWATOMIE, KANSAS AS FOLLOWS:

Section 1. **Exemption from K.S.A. 12-1758** (a). The City, by the power vested in it by the Act, hereby elects to exempt itself from and make inapplicable to the City the provisions of K.S.A. 12-1758(a) and does hereby provide the following substitute and additional provisions in place thereof:

(a) The city, by appropriate ordinance, may create a public building commission for the purposes of acquiring a site or sites for and constructing, reconstructing, equipping and furnishing, or purchasing or otherwise acquiring, a building or buildings or other facilities of a revenue producing character. Such building or buildings or facilities shall be maintained and operated for (i) city offices or such other purposes as are commonly carried on in connection with such facilities and general city buildings; (ii) public, municipal, community, healthcare or recreational purposes of the city; (iii) educational, recreational or administrative purposes for school districts, community colleges, technical colleges or

other public educational institutions; (iv) county courthouses, the housing and accommodation of county offices or county businesses or such other purposes as are commonly carried on in collection with such facilities and general county buildings; and (v) for housing, accommodations and parking facilities for offices of state and federal agencies.

Section 2. Exemption from K.S.A. 12-1760. The city, by the power vested in it by the Act, elects to exempt itself from and make inapplicable to it the provisions of K.S.A. 12-1760 and provide substitute and additional provisions in place thereof as follows:

A public building commission authorized under this Charter ordinance and K.S.A. 12-1757 et seq. shall have the power to do all things necessary or incidental to the purpose of constructing or acquiring or enlarging, furnishing and operating and maintaining buildings or facilities to be made available for use by governmental agencies and non-profit corporations organized under the laws of this state.

Section 3. **Exemption from K.S.A. 12-1767.** The city, by the power vested in it by the Act, elects to exempt itself from and make inapplicable to it the provisions of K.S.A. 12-1767 and provides substitute and additional provisions in place thereof as follows:

(a) Any revenue bonds proposed to be issued by a public building commission created by the city shall be issued as provided in K.S.A. 10-1201 et seq. and amendments thereto, except to the extent that such statutes are in conflict with this Charter ordinance or K.S.A. 12-1757 et seq. Before any revenue bonds are authorized or issued under the provisions of this Charter ordinance and K.S.A. 12-1757 et seq., the public building commission shall adopt a resolution specifying the amount of such bonds and the purpose of the issuance thereof.

(b) Such resolution shall be published once a week for two consecutive weeks in the official city newspaper or in a newspaper having general circulation in the county if the lease is with a county or school district. The resolution may provide, and shall provide, if the lease is with a county or school district, that if within 30 days after the last date of publication of the resolution a petition in opposition to the resolution, signed by not less than five percent of the electors of the city or by not less than five percent of the electors of the city, is filed with the county election officer, the board of county commissioners shall submit the question to the voters at an election called for that purpose or at the next general election.

(c) No construction contract shall be let or approved by a public building commission until after publication of the resolution as provided in subsection (b) of this Section.

Section 4. Severability.

If any provision or section of this Charter ordinance is deemed or ruled unconstitutional or otherwise illegal or invalid by any court of competent jurisdiction, such illegality or invalidity shall not affect any other provision of this Charter ordinance. In such instance, this Charter ordinance shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

Section 5. Effective Date.

This Charter ordinance shall be published once a week for two consecutive weeks in the official city newspaper, and shall take effect 60 days after final publication, unless a petition signed by a number of electors of the city equal to not less than ten percent of the number of electors who voted at the last preceding regular city election is filed in the office of the city clerk, demanding that this Charter ordinance be submitted to a vote of the electors, in which event this Charter ordinance shall take effect when approved by a majority of the electors voting at an election held for such a purpose.

PASSED, APPROVED AND ADOPTED by two-thirds majority of the governing body of the City of Osawatomie, Kansas on April 25, 2013.

CITY OF OSAWATOMIE, KANSAS

[seal]

By____

L. Mark Govea, Mayor

ATTEST:

By____

Ann Elmquist, City Clerk

Passed:	//13
Published:	//13
	//13
Effective:	_/_/13

EXCERPT OF MINUTES

The governing body of the City of Osawatomie, Kansas met at the usual place in the City on April 25, 2013, at 6:30 p.m., with the Mayor L. Mark Govea presiding, and the following members of the governing body were present:

and the following members were absent:

Thereupon, and among other business, there was presented to the governing body, a Charter Ordinance entitled:

A CHARTER ORDINANCE OF THE CITY OF OSAWATOMIE, KANSAS, EXEMPTING THE CITY FROM PROVISIONS OF K.S.A. 12-1758, K.S.A. 12-1760 AND K.S.A. 12-1767 RELATING TO PUBLIC BUILDING COMMISSIONS AND REVENUE BONDS AND PROVIDING SUBSTITUTE AND ADDITIONAL PROVISIONS RELATING THERETO.

The Charter Ordinance was considered and discussed; and on motion of ______, seconded by ______, the Charter Ordinance was adopted by a two-thirds majority vote of all members elect of the governing body.

The Charter Ordinance was assigned No. ____ and directed to be signed by the Mayor and attested by the City Clerk; and the City Clerk was directed to cause the publication of the Ordinance twice as set forth therein and required by law.

CITY CLERK'S CERTIFICATION OF EXCERPT OF MINUTES

I hereby certify that the foregoing is a true and correct Excerpt of the Minutes of the proceedings at the April 25, 2013 meeting of the governing body of the City of Osawatomie, Kansas.

[seal]

By_____ Ann Elmquist, City Clerk



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MEMORANDUM

To: Mayor and City Council

- From: Don Cawby, City Manager
- Re: Projects & Issues Update

Date: April 25, 2013

<u>Issues</u>

Park. You might notice that we have installed some water and electric on the north end of the park. We have done this to accommodate carnival workers and use their old space to expand the Jamboree's carnival area for 2013. Ryan is also getting bids to replace the roof on the park bathroom. We hope to have that completed before Memorial Day.

Library Foundation. We are finding it difficult to get someone to come in and look at the library foundation. However, are working to make sure the door will still function and we will be able to use the basement for children's activities. We are trying to get some bids so we can adequately budget and have repairs scheduled for this fall.

Revenues Update. I did some quick calculations on tax revenues after the first quarter. We appear to be about 0.7% (\$1,000) behind of estimates for sales and compensating use taxes. We are down about \$7,000 in property taxes which is about 2.25% behind the average pace for the last 3 years. Basically, I think we are on target and I don't plan on making any major adjustments based upon this information.

Driving Simulator. We had 27 employees participate in a driving simulator test to help improve driving skills. We focused the training for our police officers, CDL carriers and volunteer fire department members. All accounts were that it was a good experience and we only had a few people fight motion sickness afterwards.

Committees. We put out another request for applications to City Committees. We plan on addressing these at the next Council meeting. We have put a May 3 deadline for applications to the public so we can get those to you for your review.

Upcoming Meetings/Dates

- Apr 25 Council Meeting
- Apr 27 Arbor Day Celebration in John Brown Park (PRIDE Committee)
- May 9 Council Meeting
- May 23 Council Meeting