

Osawatomie, Kansas. **December 12, 2013.** The Council meeting was held in Memorial Hall. Mayor Govea called the meeting to order at 6:32 p.m. Council members present were Dickinson, Hampson, Hunter, LaDuex, Martin, and Walmann. Absent were: Farley and Maichel. Also present were City Manager Cawby and City Clerk Elmquist. Visitors were Cindy Govea, Phil Dudley and Coleen Truelson.

INVOCATION. Council President Hunter is an ordained minister. He delivered the invocation.

CONSENT AGENDA. Approval of the minutes of November 14 Council Meeting, approval of December 12 Agenda, and approval of Appropriation Ordinance 2013-11. Motion made by LaDuex, seconded by Martin to approve the amended minutes of November 14 Council Meeting, approve amended December 12 Agenda, and approval of Appropriation Ordinance 2013-11. Yeas: All.

Attorney Wetzler arrived at 6:38 p.m.

Public Participation; Presentations: none

Public Hearings:

2013 BUDGET AMENDMENTS HEARING. Mayor Govea opened the hearing at 6:39 p.m.

	<u>Original</u>	<u>Proposed</u>
General Fund	2,140,661	2,190,000
Refuse Fund	376,700	392,500
Industrial Fund	41,500	69,000
Special Parks & Rec Fund	240,278	275,000
Public Safety Equipment Fund	0	9,855
Golf Course Fund	249,090	280,000
Tourism Fund	46,250	65,000

There being no comments from the public, the hearing was closed at 6:44 p.m.

Unfinished Business:

APPROVE THE 2013 BUDGET AMENDMENT. Motion made by Hunter, seconded by LaDuex to approve the 2013 Budget Amendment as presented. Yeas: All.

STREET SWEEPER LEASE PURCHASE FINANCING. With Council authorization, the City Manager Cawby negotiated the purchase of the refurbished 2005 Elgin Eagle street sweeper. Key Equipment threw in an entire new paint job for the quoted \$95,000 price. Talked to First Option Bank, Key Equipment's financing branch, and the City's financial advisor Dave Arteberry. Key Equipment offered 4 years at 4.15% with the first payment up front and First Option Bank offered 4 years at 3.15% with payments in 2014. City Manager Cawby and Arteberry believed the First Option loan was the right solution. The payments would range between \$22,000 and \$24,000 per year. The Ordinance authorizes the execution of a lease purchase agreement to provide for the acquisition of equipment. Motion made by Hunter, seconded by Martin authorizing the execution of the lease purchase agreement with First Option Bank. Yeas: All. The Ordinance was assigned No. 3717.

CONTRACT ADDENDUM WITH BG CONSULTANTS. There are boundary line discrepancies at the wastewater treatment plant. The current plant is on the City's property, but there may not be the land necessary to place the lean-to for the sludge bin in the best location. The contract addendum with BG Consultants is to survey the entire property. The contract would increase by an amount not to exceed \$8,000. The addition will either need to be relocated or negotiate with the neighbors for additional land. Funding will come from project savings or contingency funds in the project. Motion made by Hunter, seconded by LaDuex to approve the contract addendum for not to exceed \$8,000. Yeas: All.

New Business:

APPOINTMENTS. none

2014 CEREAL MALT BEVERAGE LICENSES. The following renewals were considered:

Casey's Retail Store – East Main	Pizza Hut
Casey's Retail Store – 6th & Parker	Tailgators
Gasmart LLC (Quick Stop)	Whistle Stop Café
Hayden & Hayden, LLC (Oz Mart)	Willard's, Inc. (Moon's Hometown Market)
Osawatomie Golf Course (Bogey's)	

Motion made by LaDuex, seconded by Martin to approve the CMB licenses. Yeas: All.

VOLUNTEER FIREFIGHTER STIPENDS. Martin thinks with the Council voting to give employees a raise, that the firemen should also. They have said they are more interested in getting equipment than a raise. Martin said to figure out a way to do both. Offered the firefighters a \$2 per call increase. City Manager Cawby would like to have Fire Chief DuWayne Tewes put a plan together first. A big consideration is that the department needs more room. Motion made by Hunter, seconded by Walmann to table the issue to the April meeting. Yeas: All.

Council Reports: none

Mayor's Report:

The Council's scholarship will be discussed at the next meeting.

Handed out City pins that he had made up to give out as gifts.

City Manager's Report:

Budget Update:

Electric Fund. The problem was figured out. There were incorrect fuel adjustments three times this year. This gave money back to the City's customers at a cost of \$80,000-\$120,000. One of the month's was able to be adjusted for.

Golf Course. Recreated most of the transactions for 2013 to double check numbers. Food and beverage was shown with \$22,000 in revenue and 20,000 in expenses. The review showed \$28,000 in revenues and \$18,000 in expenses. Was pleased to see a drop on the expense side. When the Golf Course loan was refinanced in 2012, the bank made an error on the interest owed. The error was to the City's disadvantage and had to pay \$4,000. The Golf Course Committee met and talked very seriously about where to head with the Golf Course. Looking at starting from scratch and looking at every aspect of running it better.

Projects:

Sewer Plant Upgrades. The projected start on the sewer plant construction will be in February, weather permitting. Has been trying to finalize the KDHE paperwork to draw down outstanding funds.

Railbanking for Trail. Last month contacted counterpart with the Union Pacific. The UP representative said they will not donate the property and that they expected fair market value compensation. Told the representative that is not what the City expected and would stop and evaluate the options. Hopefully can make contact again after the first of the year to see if anything has changed.

Police Station. Interior renovations are close to finished, but waiting on the new backup generator and radio antennae before the Police Station can be relocated. The Kastler's have indicated that

they will be vacating the home by the end of December. Will soon be putting out the home for bids and as a part of that process, would like to present a land incentive program to the public which will provide the requirements to get free lots from the City.

Sports Complex Building. Plans are almost complete for the Sports Complex Building so the project can be submitted for grant funding.

Levees. Yesterday, along with Bill Roseberry and Ted Bartlett met with representatives from FEMA regarding the Levee Assessment and Mapping Procedures (LAMP) pilot program for determining the eventual floodplain maps for the City. FEMA will be asking the City to put together a Local team of stakeholders for inclusion in this process and they hope to begin meeting somewhere around the end of January. Now feels confident that the right decision was made to hold off in beginning the Phase III improvements. The LAMP process should provide the information needed to evaluate the necessity of improvements to the levee when compared to other mitigation or response practices.

Issues:

Workers' Compensation. Learned that the 2014 Workers' Compensation premiums will increase by 35%, or \$20,000, over 2013. Asked the City's Safety Team to look at the rates and the issues causing this increase. Tasked them with getting to a Gold KMIT rating by 2016. The team met today with representatives from the City's insurer and also with the instructor from the KMU training program. There were errors in the calculation and also the yearly evaluation was completed incorrectly. KMIT will look at recalculating the rates and hope that the premium will be reduced. Even with the calculation errors, still expect this year's premium increase to be significant because there was one claim in 2013 that put the City \$60,000 over 2012.

Water Line Replacement. Brian Kingsley, BG Consultants, will be at the Dec. 19 Council meeting to discuss options for moving water lines out of Main Street and also to talk about options for doing some other waterline projects.

Employee Wellness. With half the year gone, finally met with the City's Wellness Coordinator from Gallagher Benefits. Plans are to have an employee health fair in March of 2014 that will include a blood draw and a health assessment. Employees will effectively lower their deductible by \$200 for each of these two items and also will be eligible to lower their deductible another \$100 if they have their physician complete an annual physical form. This year's screening program is to assess the health needs of the group which will provide the data necessary to tailor a program to the employee's needs for next year.

West Lift Station. The lift station has been a problem for numerous years and has created backup issues for one household located next to the structure. The station requires weekly maintenance and put staff in a fairly hazardous situation on a regular basis. May be looking at some options for getting this lift station replaced. Expects the cost to be at or under \$75,000, but is hard to know until it has been reviewed.

EXECUTIVE SESSION – FINANCIAL INFORMATION AND TRADE SECRETS OF A BUSINESS. At 7:47 p.m. motion was made by Hunter, seconded by Walmann to recess into executive session for the purpose of discussing financial information and trade secrets of a business, with City Manager Cawby and City Attorney Wetzler to be present; and that the Council would reconvene the open meeting in this room at 8:00 p.m. Yeas: All. Meeting reconvened at 8:00 p.m. No action taken.

EXECUTIVE SESSION – NON-ELECTED PERSONNEL. At 8:01 p.m. motion was made by Hunter, seconded by LaDuex to recess into executive session for the purpose of discussing non-elected personnel, with City Manager Cawby and City Attorney Wetzler to be present; and that the Council would reconvene the open meeting in this room at 8:16 p.m. Yeas: All. Meeting reconvened at 8:10 p.m. No action taken.

Motion made at 8:11 p.m. by Hunter, seconded by LaDuex to adjourn. Yeas: All.

/s/ Ann Elmquist

Ann Elmquist, City Clerk