

CITY COMMISSION MEETING MINUTES
August 27, 2019

The Newton City Commission convened in regular session at 7:00 p.m. on August 27, 2019 at City Hall, 201 East 6th Street. Attending were Mayor Valentine, Vice Mayor Koehn, Commissioners Davis, Hague and Kreie, City Manager Myers, Assistant City Manager McElroy, City Attorney Towle, City Engineer/DPW Loomis, Director of Finance Pickman, Director of Communications McDaniel, Chief Roberson, Chief Dunlavy and City Clerk Duerksen.

Pastor Donna Voteau with Trinity Heights United Methodist Church provided the invocation. The Mayor then led in the Pledge of Allegiance and presided over the items of business.

CONSENT AGENDA

1. **Consider the minutes of the August 13, 2019 work session and regular meeting.**
2. **Consider closing 5th Street from Poplar to Plum and Plum from 5th to 4th Street for Red Hot Chili Pepper run on September 28.**
3. **Mayor's appointments: Law Enforcement Advisory Panel (LEAP) - Jean Butts, Julian Gonzalez-Salamanca, Barbara Lee, Greg Nickel; Marvin Rice, David Yoder; terms ending 4-30-2021.**

MOTION: Commissioner Davis moved and Vice Mayor Koehn seconded to approve the consent agenda. Motion carried.

D. REGULAR AGENDA

4. **Recognition of community service and achievement.**

A. Recognize the Junior Legion Baseball team that participated in State.

The Commission recognized the Junior Legion Baseball team that recently competed at State in Topeka. It was noted it has been two decades since they have been to State at the Junior Legion level.

5. **Receive information regarding the USD 373 Bond Election from Dr. Deborah Hamm.**

Dr. Deborah Hamm provided information about the September 3, 2019 bond election ballot. There will be two questions on the ballot. The first question is for a bond amount of \$61,320,000 (equaling 7.44 mills) and would be used for an update to Newton High School. Upgrades would include the safety and security, a science wing addition, a remodel of the auditorium and district kitchen, a new storm shelter and gym, and a remodel of classrooms. Also included would be the safety and security at Chisholm Middle School and Santa Fe 5/6 Center,

safety and security at the elementary schools, Santa Fe and Chisholm deferred maintenance and deferred maintenance at all elementary schools.

The second question is for a bond amount of \$24,420,000 (equaling 3.50 mills). This amount is for a new school south of Newton. It would be a kindergarten through sixth grade building. The building will have three sections so there is room for growth.

The Schools Bond Council talked about the structuring of the bonds and noted it was possible to sell the bonds cheaper than forecasted. Recent bonds have sold for 2.4% interest rates. Lower interest rates could bring the bonds down to a 6 mill increase.

6. Consider an Ordinance establishing a telecom franchise agreement with IdeaTek.

MOTION: Commissioner Hague moved and Commissioner Davis seconded to table this item until the next meeting. Motion carried.

7. Consider a temporary alcohol permit for the Chili Cook-off on September 28, 2019.

MOTION: Vice Mayor Koehn moved and Commissioner Kreie seconded to approve the temporary alcohol permit for the Chili Cook-off. Motion carried.

8. Consider a Resolution determining the advisability of issuing Hospital Revenue Bonds for the purpose of financing the acquisition, construction renovation and equipping of a healthcare facility to be located in the City; and authorizing the execution of related documents.

Newton Healthcare Corporation is preparing to undertake several capital projects, such as upgrading the HVAC system and deferred maintenance. They have requested the use of Hospital Revenue Bonds to finance the project in the approximate principal amount of \$12 million. The Bonds do not count against the City's bonding authority and are solely the responsibility of the hospital.

MOTION: Commissioner Davis moved and Commissioner Kreie seconded this Resolution, assigned G-1218, be approved as presented. Motion carried.

9. City of Wichita Resolution No. 19-304 dated August 20, 2019, declaring the intent of the Wichita City Council to issue its Health Care Facilities Revenue Bonds (Presbyterian Manors, Inc.):

A. Receive City of Wichita Resolution No. 19-304.

The City of Wichita intends to issue Health Care Facilities Revenue Bonds for Presbyterian Manors, Inc. in an aggregate principal amount of not to exceed \$53,000,000. The City and the City of Wichita have previously entered into a cooperation agreement that permits Wichita to issue bonds on behalf of the City of Newton to finance improvements to the PMI facility located in Newton. The Commission is asked to approve adoption of Wichita's Resolution No. 19-304.

Approval may be affirmatively made by action of the City Commission or will be deemed made if the City Commission fails to disapprove the issuance of the Bonds within seven business days after its next regular meeting.

B. Consider what action to take in reference to the Resolution, which is either to:

- 1. Acknowledge receipt of the Resolution, but take no further action; or**
- 2. Acknowledge receipt of the Resolution, and approve the proposed issuance of the bonds; or**
- 3. Acknowledge receipt of the Resolution and disapprove the proposed issuance of the bonds.**

MOTION: Commissioner Hague moved and Vice Mayor Koehn seconded to acknowledge receipt of the Resolution and approve the proposed issuance of the bonds. Motion carried.

10. Airport water line

A. Receive plans and specifications for extension of water lines to the Newton City-County Airport.

Recently, the City purchased the water line from Rural Water District No. 1 to help serve the water needs at the Airport. That line now needs to be connected to the City lines. This line will be critical to the Park Aerospace expansion. Staff has sent the plans to the State to get approval.

MOTION: Commissioner Davis moved and Vice Mayor Koehn seconded to approve the plans and specifications subject to State approval. Motion carried.

B. Consider a Resolution finding advisable and authorizing the funding for the Airport waterline extension.

A Resolution of the City of Newton, Kansas, authorizing improvements to the City's public water supply system; and providing for the payment of the costs thereof (capital project #428) was considered.

MOTION: Commissioner Hague moved and Vice Mayor Koehn seconded this Resolution, assigned I-1182, be approved as presented. Motion carried.

C. Authorize staff to set the date and time for bids.

MOTION: Vice Mayor Koehn moved and Commissioner Hague seconded to authorize staff to set the date and time to receive bids. Motion carried.

11. Consider a Resolution adopting the Kansas Homeland Security Region G Hazard Mitigation Plan.

A Resolution adopting the Kansas Homeland Security Region G Hazard Mitigation Plan was considered.

The community could be impacted by many different hazards from flooding to high wind damage. One of the best ways to defend against the many hazards is to plan for these types of emergencies and disasters. The City has been actively involved and played an important role in the Harvey County Emergency Management Mitigation Plan. The adoption of the Hazard Mitigation Plan is a requirement of the Kansas Homeland Security Region G Hazard Mitigation Plan. This requirement allows our organization to be eligible for federal grant dollars to help defray the cost of hazard mitigation. The plan has been submitted to FEMA and is approved pending receipt of adoption documentation.

MOTION: Commissioner Davis moved and Commissioner Kreie seconded this Resolution, assigned G-1219, be approved as presented. Motion carried.

12. Consider a Resolution calling for Sunday liquor sales to be placed on the general election ballot.

A Resolution authorizing and calling for an election on the question of Sunday and holiday sales of alcoholic liquor and cereal malt beverage at retail for off-premise consumption within the corporate limits of the City of Newton, Kansas was considered.

MOTION: Vice Mayor Koehn moved and Commissioner Davis seconded this Resolution, assigned G-1220, be approved as presented. Motion carried.

13. ABI Building & Hangar

A. Consider a Termination of Lease Agreement with Kansas Chemical Coatings, LLC relating to the ABI Building and Hangar at the Newton City-County Airport.

Kansas Chemical Company has signed the termination agreement and waived their rights to remove any improvements, equipment, personal property, furniture, and surrenders all property to the City and County. The Agreement also forgives past rent owed. Signing this agreement allows the City to market the property. The Harvey County EDC and Harvey County Commission must approve the agreement as well.

MOTION: Commissioner Davis moved and Vice Mayor Koehn seconded to approve the Termination of Lease Agreement with Kansas Chemical Coatings, LLC. Motion carried.

B. Consider a proposal from NAI Martens for marketing and brokerage services for the ABI Manufacturing Building.

Staff solicited a marketing and brokerage proposal from NAI Martens to market the ABI Manufacturing Building. Martens is the largest full service commercial real estate company in Kansas and the only nationally affiliated firm based in Wichita and serving the state. The agreement proposed a 12-month term, with a fee for the services at a standard 6% commission, payable at the closing of the sale of the building. In the event the property is leased rather than sold, the fee shall be 6% of the gross rental amount for the initial term of the lease. NAI has expertise specific to commercial and industrial facilities, and currently represents properties at both Eisenhower and Jabara Airports.

MOTION: Commissioner Hague moved and Commissioner Kreie seconded to accept the proposal and authorize the City Manager to approve the contract with NAI Martens. Motion carried.

14. Potable Ground-Level Water Tank Construction.

A. Consider a Purchase & Sale Agreement with BNSF for the acquisition of certain real estate interests located south of West 1st and east of Sand Creek.

Staff distributed an updated agreement with BNSF. There are still environmental issues to work out, however the purchase of the easements has been worked out.

MOTION: Commissioner Davis moved and Vice Mayor Koehn seconded to approve the Purchase and Sales Agreement with BNSF for acquisition of certain real estate interests and to continue to negotiate the environmental issues. Motion carried.

B. Consider a Purchase & Sale Agreement with VAE Nortrak, North America, Inc. for the acquisition of real estate located south of West 1st and east of Sand Creek.

MOTION: Commissioner Davis moved and Commissioner Kreie seconded to approve the Purchase and Sale Agreement with VAE Nortrak, North America, Inc. for real estate located along West 1st Street, contingent upon receiving a signed agreement from BNSF. Motion carried.

15. Consider a Resolution establishing the date and time of a public hearing for the creation of a Rural Housing Incentive District (RHID).

At the August 13 meeting, a Resolution was adopted to establish a Rural Housing Incentive District (RHID). Staff has since been informed of a recent change to the state statute that authorizes RHIDs. The change entails a lengthening of the reimbursement period for the qualified reimbursable expenses. Previously the statute stated that time was not to exceed 15 years, and it has been lengthened to 25 years. The draft development agreement proposed on August 13th included the 15-year time frame, and Red-Wood Development has requested the Commission consider expanding that to the 25-year time frame now allowed by the statute.

MOTION: Vice Mayor Koehn moved and Commissioner Kreie seconded this Resolution, assigned G-1221, be approved as presented. Motion carried,

16. Citizen's Forum.

Norm Oeding, 617 Allison, invited the Mayor to welcome the Kansas Cattleman's Association Convention on October 25 at the Meridian Center. This will be their fourth year holding the convention in Newton.

17. City Manager's Update.

- Sunday, September 1st the Folds of Honor golf tournament will be held at Sand Creek Station Golf Course. This tournament supports families of fallen soldiers,
- Park Aerospace held their ground breaking on August 15. They will be doubling the size of the current facility. Their original investment in the new facility was approximately \$18 million but is now going to be over \$20 million,
- KDOT has held a series of meetings around the State on the development of a new highway plan. The meetings are focusing primarily on long-range visioning for transportation needs over the next 10-15 years.
- Suzanne Loomis has been named to the KDOT Long Range Transportation Plan Advisory Group by KDOT Secretary Julie Lorez.
- The School Resource Officers made a presentation at the USD 373 Board of Education meeting on their activities in the schools.

In other business, Commissioners Hague and Koehn participated in a meeting of the library work group charged with looking at proposals from architectural firms. The group interviewed three of the four firms that submitted proposals. It was then noted the Water Department staff made quick work of the water main break at the railroad tracks on Main Street. Also, the City will be audited for compliance with the NPDS program. After a 30-day educational push on recycling, Harvey County will review the results and provide further information on the program. Staff has solicited proposals from executive recruitment firms specializing in public administration for assistance in the selection of the next City Manager. To date, 25 firms have been contacted and 10 have submitted proposals. Finally, Grand Central will be holding a gala on September 21.

18. Adjournment.

There being no further business, the meeting was adjourned at 8:10 p.m.

Mayor

ATTEST:

City Clerk