

CITY COMMISSION MINUTES
January 8, 2008

The Newton City Commission convened in regular session on January 8, 2008 at 7:00 p.m. in the City Commission room at 201 East 6th Street. Attending were Mayor Heck, Vice Mayor Nickel and Commissioners Hall, Harris and Thiesen, Interim City Manager Johnson, City Attorney Myers, City Engineer/DPW Loomis, PIO McDaniel, Chief Denny, Chief Daily and City Clerk Duerksen. Director of Finance Ahsmuhs was absent.

Pastor Steve Friesen with Grace Community Church provided the invocation. The Mayor then led in the Pledge of Allegiance and presided over the items of business.

CONSENT AGENDA

1. **Review minutes of December 11, 2007 meeting.**

MOTION: Commissioner Harris moved and Vice Mayor Nickel seconded to approve the Consent Agenda as presented. Motion carried 5-0.

REGULAR AGENDA

2. **Citizen's Forum**

There was no one asking to speak.

3. **Interim Manager's update**

- A work session was held prior to the meeting to discuss the CIP. A work session to continue this discussion will be held on January 22 at 5:00 p.m.
- During the last winter storm street crews plowed the entire snow route and applied salt only at signalized and other high traffic intersections. The street department has now received 25 tons of road salt.
- Sand Creek Station Golf Course has been named a runner-up by the National Golf Foundation in its annual Customer Loyalty Awards. The award is based on surveys of golfers about the overall experience, amenities, staff friendliness, course condition, and whether they would recommend the course to a friend. Sand Creek Station ranked in the top five out of more than 300 courses in its price category.
- Sand Creek bank restoration bids were opened on December 20. City Engineer/DPW Loomis reported the contract was awarded to Utility Contractors in the amount of \$10,371,766. The project will take 12-18 months to complete.
- City Hall Day at the Capitol will be January 24.
- Randy Riggs visited City Hall on January 3 to become acquainted with staff.
- The City, USD 373, and the NRC have met with YMCA officials to look at the possibility of bringing a YMCA to Newton.
- Mayor Heck reported REAP's executive committee has been working on the payment schedule and budget information for the low air fares project. He also reported the Highway 50 Association will meet in Dodge to develop plans for their presentation to legislators on January 23.

4. Receive the annual report newsletter.

PIO McDaniel presented the 2007 Year in Review newsletter, which will be distributed in the February water bills. She also noted the clean air brochures were distributed in the January water bills.

5. VAE Nortrak North America Tax Abatement

A. 7:00 p.m. conduct a public hearing on a tax abatement request by VAE Nortrak America in relation to the expansion of the manufacturing facility in Newton.

Mickey Fornaro-Dean, EDC Executive Director, presented the cost benefit analysis for VAE Nortrak North America. The Company came to Newton in January 2004 acquiring the assets of ABC Rail. They currently employ 55 people and are looking to grow to 75 employees by September 2008. They will construct a new building and refurbish their existing building to accommodate \$2.1 million of new equipment to expand their product line, and provide greater productivity and efficiency. The anticipated cost of the building and improvements is \$670,000.

Jeanine Pierce, Plant Controller, noted these improvements will utilize the plant for the best efficiency and growth. The company had an opportunity to do the expansion in other communities, but chose the Newton location.

Dwayne Williams, Plant Manager, reported the Newton facility is one of the biggest plants receiving money for expansion. This is in part due to the strong location of the BNSF Railroad. Nortrak is the leading manufacturer for track work products. Everything a train runs on, they build. They are looking at a 40 percent growth in revenue in the next year.

Mayor Heck opened the public hearing at 7:30 p.m. There being no one to speak, the hearing was closed at 7:31 p.m.

B. Consider a Resolution declaring the City's intent to grant a tax abatement to VAE Nortrak North America upon completion of the expansion.

A Resolution declaring the intent of the governing body of the City of Newton, Kansas, to grant an exemption from ad valorem taxation for certain property proposed to be improved, expanded and equipped by VAE Nortrak North America, Inc., for manufacturing purposes was considered.

MOTION: Commissioner Thiesen moved and Vice Mayor Nickel seconded this Resolution, assigned G-1005, be approved as presented. Motion carried 5-0. (This Resolution is contained in Volume F of General Resolutions.)

6. Wastewater Treatment Plant Improvements

A. 7:00 p.m. conduct the public meeting on the wastewater treatment plant improvements.

The public meeting was held on the treatment plant improvements. City Engineer/DPW Loomis noted upgrades to the treatment plant are needed to increase the

pumping capacity. The improvements are required by KDHE and the EPA, and must be made in order for the plant's permit to be re-issued. At the public hearing the costs will be presented. Staff will apply for a low interest loan to help pay for the costs of the improvements.

B. Consider a Resolution authorizing the City Engineer to sign the wastewater treatment plant loan application paperwork.

A Resolution authorizing the filing of an application with the Kansas Department of Health and Environment for a loan under the Kansas Water Pollution Control Revolving Fund Act was considered.

MOTION: Commissioner Harris moved and Vice Mayor Nickel seconded this Resolution, assigned G-1006, be approved as presented. Motion carried 5-0. (This Resolution is contained in Volume F of General Resolutions.)

C. Set a public hearing for the wastewater treatment plant improvements.

MOTION: Vice Mayor Nickel moved and Commissioner Hall seconded to set the public hearing for February 12 at 7:00 p.m. for the treatment plant improvements. Motion carried 5-0.

7. Consider a Resolution authorizing the execution of a Consultant Agreement with HNTB Corporation to continue serving as engineering consultants for the Newton City/County Airport for an additional five-year term, subject to approval of the agreement by the Board of County Commissioners and by the Federal Aviation Commission.

A Resolution authorizing the execution of a certain agreement for consulting engineering services as to the Newton City-County Airport was considered. Airport Manager Anderson noted the Federal Aviation Administration allows the City and County to contract for engineering services for a period of up to five years. This alleviates the FAA requirement to solicit engineering services for each project. Staff solicited proposals for this service from thirteen firms and received only two proposals. After review of the proposals, staff and the Aviation Commission unanimously recommended extension of the current agreement for engineering consulting services with HNTB Corporation. FAA approval of the final agreement is still needed.

MOTION: Commissioner Hall moved and Commissioner Thiesen seconded this Resolution, assigned G-1007, be approved as presented. Motion carried 5-0. (This Resolution is contained in Volume F of General Resolutions.)

8. Bunting Final Plat

A. Receive the recommendation of the Newton/North Newton Area Planning Commission on the final plat for Bunting Magnetics.

Interim City Manager Johnson reported the Planning Commission, at their November 5, 2007 meeting, voted to approve the final plat for Bunting Division II and recommend the approval to the City Commission, contingent upon approval of the drainage plan by the city

engineer. At this point, the drainage plan has not been approved, but staff recommends the Commission approve the final plat, contingent upon the city engineer's approval of the plan. This action is requested to avoid any delays in construction of the new facility.

Kenny Cook, Garber Surveying, stated the drainage plan has been submitted and he felt they will be able to work with the city engineer to get the plan approved.

Bob Bunting thanked the Commission for the support given for their new project. They are excited about getting the building up and running.

MOTION: Commissioner Hall moved and Vice Mayor Nickel seconded to approve the recommendation of the Newton/North Newton Area Planning Commission. Motion carried 5-0.

B. Approve the final plat.

MOTION: Vice Mayor Nickel moved and Commissioner Harris seconded to approve the final plat, contingent upon approval of the drainage plan by the city engineer, and to accept the dedications contained therein. Motion carried 5-0.

9. Consider the following in relation to proposed legislative agendas for the 2008 Kansas legislative session:

A. Receive a report on the adoption of legislative agendas and priorities by the REAP organization and by the League of Kansas Municipalities.

Each year, the League and REAP adopt legislative priorities for the session. These priorities represent a consensus among the members of each organization. By itself, Newton can have very little leverage in the upcoming legislative session. By joining with others, there is a stronger chance of being successful in legislative ventures. While every representative of every member entity may not agree on every detail, the ability to influence legislation rests on the combined will of the parties involved.

B. Consider endorsing either or both of the legislative agendas and priorities of REAP and the League of Kansas Municipalities.

MOTION: Commissioner Harris moved and Commissioner Thiesen seconded to accept and endorse both the legislative agendas and priorities for REAP and the League. Motion carried 5-0.

10. Receive bids for the Elm Street paving project.

City Engineer/DPW Loomis recommended awarding the contract to Vogts Construction.

BIDDER	BID AMOUNT
Vogts Construction	\$ 67,851.85
Kansas Paving	\$ 82,032.50
LaFarge	\$100,797.50
Engineer's Estimate	\$ 72,552.12

MOTION: Commissioner Thiesen moved and Commissioner Hall seconded to accept the bids and award the contract to Vogts Construction in the amount of \$67,851.85. Motion carried 5-0.

11. Receive bids for Cottonwood Heights water improvements.

Loomis recommended awarding to the contract to Mies Construction.

BIDDER	BID AMOUNT
Mies Construction	\$16,513.00
Utilities Plus	\$19,812.00
Engineer's Estimate	\$21,180.00

MOTION: Commissioner Harris moved and Vice Mayor Nickel seconded to accept the bids and award the contract to Mies Construction in the amount of \$16,513.00. Motion carried 5-0.

12. Receive bids for Cottonwood Heights street improvements.

Loomis recommended awarding the contract to Vogts Construction.

BIDDER	BID AMOUNT
Vogts Construction	\$67,939.50
LaFarge	\$88,315.50
Kansas Paving	\$90,770.75
Engineer's Estimate	\$73,746.50

MOTION: Vice Mayor Nickel moved and Commissioner Thiesen seconded to accept the bids and award the contract to Vogts Construction in the amount of \$67,939.50. Motion carried 5-0.

13. Old business

City Attorney Myers noted he has fielded a number of calls regarding the clean air ordinance, which went into effect on January 1, 2008. Also, a lawsuit has been filed challenging the legality of the ordinance.

14. New business

Commissioner Thiesen noted the Commission would be asked to participate in an informative session with the Chamber Young Professionals. Details on when and where will be forthcoming.

MOTION: Commissioner Hall moved and Vice Mayor Nickel seconded to go into executive session for 15 minutes to discuss matters of litigation under attorney/client privilege. Motion carried 5-0.

The Commission recessed to executive session at 8:00 p.m. and reconvened at 8:15 p.m. Mayor Heck noted no decisions were made and no action was taken.

15. Adjournment

There being no further business to come before the Commission, the meeting adjourned at 8:15 p.m.

Mayor

ATTEST:

City Clerk