

CITY COMMISSION MINUTES February 26, 2008

The Newton City Commission convened in regular session on February 26, 2008 at 7:00 p.m. in the City Commission room at 201 East 6th Street. Attending were Mayor Heck, Vice Mayor Nickel, Commissioners Hall, Harris and Thiesen, Interim City Manager Johnson, City Attorney Myers, Director of Finance Ahsmuhs, City Engineer/DPW Loomis, PIO McDaniel, Chief Denny, Chief Daily and City Clerk Duerksen.

Pastor Nathan Morgan with First 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. Review minutes of February 12, 2008 meeting.
2. Receive financial reports for January 2008.
3. Consider a Resolution authorizing the execution of a Supplemental Agreement with the Secretary of Transportation of the State of Kansas as to the increased State funding for the K-15 street resurfacing project.

This Resolution authorizes the execution of a certain supplemental agreement with the Secretary of Transportation for the State of Kansas in relation to an existing agreement for a proposed street resurfacing project for a portion of State Highway K-15 located in the City of Newton, Kansas, is assigned Res. G-1010, which is contained in Volume F of General Resolutions.

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

REGULAR AGENDA

4. Citizen's Forum
 - A. Consider a request to close Main Street on May 3 for the 4th Annual Car Show.

City Engineer/DPW Loomis noted this event will be the last one allowed for the downtown area until after the K-15 mill and overlay project is complete. That project will be starting mid May. Loomis stated she would have more information as to the exact date the project will begin in a few weeks.

Dave Baughman stated this car show continues to grow each year. Last year they had 5,500 people in the downtown area and were expecting about the same this year. He requested Main Street be closed from 5th Street to Broadway and 6th Street to Oak Street on May 3 from 7:00 a.m. to 5:00 p.m. He also requested the welcome flags and the American flags be put up in the downtown area the day of the show.

MOTION: Commissioner Thiesen moved and Vice Mayor Nickel seconded to approve the request as presented, subject to KDOT approval. Motion carried 5-0.

B. Recognition of the Sand Creek Station Golf Course employees.

Interim City Manager Johnson reported that Sand Creek Golf Course received an award from the National Golf Foundation for outstanding customer service as a national runner-up in its survey of customer loyalty and also as the only facility in its class to improve its ratings in every category. Mayor Heck then presented the golf course staff with certificates of appreciation.

Brian Wackerly, Sand Creek Station Golf Course, said their staff feels very fortunate to be a part of Sand Creek Station Golf Course. He stated the City has built an amazing facility.

Myrna Krehbiel, Peace Connections, invited Commissioners and staff to attend the Bridges Out Of Poverty gatherings on March 10 at McKinley Administration Center and then also on March 11 at the Newton Public Library.

4. Interim Manager's update

- Randy Riggs will begin his duties on Monday, March 3.
- City Attorney Myers is drafting a letter of intent between the City and the hotel developers for an extension of the Exclusive Negotiation Agreement.
- The South Newton/I-135 Corridor Land Use Plan is moving along. The Planning Commission will consider this at their March 3 meeting.
- The Rec Center/YMCA contract has been signed and returned to the consultant, who will be in town March 13 for a startup meeting. The Chamber is raising half the cost of the study.
- Staff spent time in the NIMS training to complete two more courses.
- Congressman Tiahrt met with officials from Harvey County cities to listen to concerns and then reported on the happenings in Washington.
- City Attorney Myers and ICM Johnson attended the REAP legislative committee meeting on February 15. Colin Hansen of the Kansas Municipal Utilities gave a presentation on the legislative efforts towards establishing a State Energy Policy.
- Mayor Heck noted the US-50 group will meet with legislators on Wednesday.

6. Consider a Resolution authorizing staff to submit an application to the Kansas Historical Society for use of Heritage Trust Fund Grant funds for the Warkentin House preservation project.

A Resolution declaring the eligibility of the City of Newton, Kansas, to submit an application to the Kansas Historical Society for use of Heritage Trust Fund Grant funds for the Warkentin House preservation project in the City and authorizing staff to submit the application was considered. City Engineer/DPW Loomis reported the City is the owner of the Warkentin House, which is in need of much repair due to its age and routine maintenance necessities. Staff would like to apply for a Heritage Trust Fund Grant to help pay a portion of the improvements needed at the house. This grant is very competitive, but staff believes it is important to submit the application in an effort to gain additional dollars to help preserve the structure. The application would request \$90,000 to partially fund the \$147,560 worth of repairs. Staff expects the overall project costs could be 25-35 percent higher though, due to the delicate nature of the structure and the design and inspection costs. It was noted if the City accepts grant money, they are committing to doing the entire project.

Don Sauerwein, 3220 Hidden Meadow Drive, noted the board is very supportive of this grant application. Their intent is to raise private funds to help maintain the house.

MOTION: Commissioner Thiesen moved and Commissioner Harris seconded this Resolution, assigned G-1011, be approved as presented. Motion carried 5-0. (This Resolution is contained in Volume F of General Resolutions.)

7. Consider an Ordinance adjusting the water rates.

An Ordinance amending Section 22-201 of the Code of the City of Newton, Kansas, pertaining to water utility rates and charges; repealing original Section 22-201 of the Code of the City of Newton, Kansas, as previously amended by Section 4 of Ordinance No. 4302-99; and repealing Section 4 of Ordinance No. 4302-99 was considered. Mayor Heck noted that the last water rate increase was done 10 years ago. The increase in operational costs, mandates and infrastructure needed to handle growth makes the increase necessary. The rate will be incrementally adjusted with small increases each year for the next 10 years. The Commission will review the rates annually to see if further adjustments are warranted.

Director of Finance Ahsmuhs reiterated rates have not increased for 10 years. The cost for the average household (600 cu. ft.) will increase by \$6.40. The rates will then increase each year by \$.25. Rates are being increased due to the infrastructure requirements. He noted that the capital improvement costs are at \$10 million over the next few years for water and \$32 million for sewer improvements. The City is required by state statute to maintain a positive balance in the enterprise funds.

City Engineer/DPW Loomis stated in order to gain low interest loan funds from the State, the City must demonstrate that a rate is in place to fund those improvements.

Interim City Manager Johnson stated the Commission has looked at four different options for each of the rate increases and has worked diligently to minimize the impact of the rates on the citizens.

City Attorney Myers noted a change in the ordinance provided needs to be made for the effective date. Instead of reading the rate shall take effect on April 15 it should read "shall take effect for the utility billing cycling which is billed April 15, 2008."

MOTION: Vice Mayor Nickel moved and Commissioner Hall seconded this Ordinance, assigned 4658-08, be approved with the noted billing date change. Motion carried 5-0. (This Ordinance is contained in Volume Z of Ordinances.)

8. Consider an Ordinance adjusting the sewer rates.

An Ordinance amending Section 19-201 of the Code of the City of Newton, Kansas, pertaining to service charges in relation to public sewer services; repealing original Sections 19-201 and 19-201a, as previously amended by Sections 1 and 2 of Ordinance No. 4439-03; and repealing Sections 1 and 2 of Ordinance No. 4439-03 was considered. The sewer rate increase is being driven by growth demands and a series of federal mandates. The cost for the average household (600 cu. ft.) will increase by \$11.55. The rate will be incrementally stair-stepped every two to four years in April along with the water rate. It was noted the effective date for the rate increase will need to be amended to read "the rate designated for year 2008 shall take effect for the utility billing cycling which is billed October 15, 2008."

MOTION: Commissioner Thiesen moved and Commissioner Harris seconded this Ordinance, assigned 4659-08, be approved with the noted billing date change. Motion carried 5-0. (This Ordinance is contained in Volume Z of Ordinances.)

9. Newton/North Newton Area Planning Commission - Presbyterian Manor PUD

A. Receive the recommendation of the Newton/North Newton Area Planning Commission and approve a zoning amendment and Development Plan for Broadway-Sherman Residences, Newton Presbyterian Manor.

Interim City Manager Johnson reported the Planning Commission considered a change of zoning and development plan for Presbyterian Manor. The property is currently zoned P-O (Professional Office District) and they are requesting it be changed to a PUD (Planned Unit Development District). The property comprises

approximately .80 acres. The Planning Commission conducted the required hearing on the matter and voted to approve the request.

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

B. Consider an Ordinance amending the Official Zoning Map to reclassify the property from a P-O (Professional Office District) classification to a PUD (Planned Unit Development District) classification.

An Ordinance amending the official zoning map incorporated by reference in Article II, Section 2.2-1, of the Zoning Ordinances of the City of Newton, Kansas was considered.

MOTION: Vice Mayor Nickel moved and Commissioner Harris seconded this Ordinance, assigned 4660-08, be approved as presented. Motion carried 5-0. (This Ordinance is contained in Volume Z of Ordinances.)

10. Discuss the traffic impact study for US 50.

City Engineer/DPW Loomis reported that the City was contacted by an ethanol company regarding the use of effluent water for their facility. Concern for the increased truck traffic on US-50 was raised, so the City and County hired PEC to perform a traffic study. That study is now complete and staff felt it was important for both entities to receive the information at the same time. The findings of the study will also be presented to KDOT at a future date. Consensus of the Commission was to hold a meeting on March 25 at 5:30 p.m. with Harvey County to receive the impact study information as well as information on waste to energy project.

11. Consider an agreement for the purchase of Restlawn Cemetery.

The City was approached about acquiring Restlawn Cemetery on Highway 50. Greenwood Cemetery is projected to be at capacity in the near future. Restlawn Cemetery consists of approximately 15 acres and has been platted for 5,237 burial spaces. A small amount of maintenance equipment would be included with the purchase. The purchase would involve the City assuming responsibility of a number of pre-need contracts. Petersen Funeral Home has offered to contribute \$12,500 towards the \$37,500 purchase price. City staff is still in the process of doing due diligence and clarifying all issues related to the sale.

MOTION: Vice Mayor Nickel moved and Commissioner Harris seconded to approve the contract at a purchase price of \$37,500, contingent upon staff's review and approval of the various details of the purchase, and with the Mayor, City Manager and City Attorney having the authority to make wording changes to the contract in relation to the various details. Motion carried 5-0.

12. Accept the resignation of Commissioner Harris and consider the process for filling the vacancy.

MOTION: Commissioner Thiesen moved and Commissioner Hall seconded to accept the resignation of Commissioner Harris effective after the March 25, 2008 meeting. Motion carried 5-0.

Mayor Heck thanked her for her service to the community. The Commission then reviewed the procedure for selecting her successor. The same method that was used after the resignation of Commissioner Nightingale will be followed. Interested citizens in the position must submit their letter of intent to the City Clerk by April 1, 2008 at 4:00 p.m. Commissioners will then select the new Commissioner at the April 10 meeting, with that person taking office at the April 22 meeting.

MOTION: Commissioner Thiesen moved and Vice Mayor Nickel seconded to accept the procedure presented for selection of the new Commissioner. Motion carried 5-0.

MOTION: Commissioner Hall moved and Vice Mayor Nickel seconded to move the first regular meeting in April to April 10 at 7:00 p.m. Motion carried 5-0.

13. Old business

The hotel developers have asked that the City consider a 30-day extension of the current negotiating agreement. The original agreement deadline is February 27. The developers are moving forward with a letter of intent and a development agreement, which will be presented to the Commission at the March 11 meeting.

MOTION: Commissioner Thiesen moved and Commissioner Hall seconded to extend the agreement for 30 days. Motion carried 5-0.

City Engineer/DPW Loomis noted she is working on a ground breaking ceremony for the start of the Sand Creek bank restoration project for the week of March 17.

14. New business

Mayor Heck commended the Street Department staff for their work on snow removal this season. He then announced that a reception for Randy Riggs would be held prior to the meeting on March 11 from 4:30-6:30 p.m. This will be a time for the public to come and meet Mr. Riggs. Mayor Heck then expressed the Commission's gratitude for a job well done by Interim City Manager Johnson.

15. Adjournment

There being no further business to come before the Commission, the meeting was adjourned at 8:21 p.m.

Mayor

ATTEST:

City Clerk