

Minutes of the Independence City Commission's August 9, 2018 Meeting

The Independence City Commission met for a regular meeting on August 9, 2018 at 5:30 P.M. in the Veterans Room at the Memorial Hall. Mayor Leonhard Cafilisch, Commissioner Louis Ysusi, and Commissioner Gary Hogsett were present. Others present included:

City Staff

Craig Whitehead, City Manager
Kelly Passauer, Assistant City Manager/Zoning Administrator
Jeff Chubb, City Attorney
David Schwenker, City Clerk/City Treasurer
David Cowan, Director of Public Safety
Shawn Wallis, Fire Chief
Michael Borovetz, Finance Director
Jerry Harrison, Police Chief
Terry Lybarger, Utilities Director
Mike Passauer, Public Works Director
Barbara Beurskens, Park and Zoo Director

Visitors

Andy Taylor
Debbie Miller
Taina Copeland
Larry McHugh
April Nutt, Housing Authority Director

I. REGULAR SESSION

A. Call to Order

Mayor Cafilisch called the meeting order at 5:30 p.m.

B. Pledge of Allegiance to the United States of America

C. Adoption of Agenda

Commissioner Ysusi asked to remove item II.A. "Appropriations" from the consent agenda.

Motion:

Commissioner Hogsett moved to adopt the agenda with the modification of removing item II.A. "Appropriations" from the consent agenda, which was seconded by Commissioner Ysusi.

Aye: Cafilisch, Ysusi, Hogsett

Nay: None

II. COMMON CONSENT AGENDA

A. Appropriations

1. A-1820
2. D-1807
3. P-1789

This item was removed from the consent agenda and added to items for Commission action.

B. Consider approving minutes of the July 12, 2018 City Commission meeting.

SUGGESTED MOTION -- I move to approve the July 12, 2018 City Commission Minutes as presented.

C. Consider a request from Independence Main Street to extend First Thursdays through September 2018.

SUGGESTED MOTION -- I move to adopt a resolution allowing Main Street to close the 100 block of West Myrtle, the intersection of Penn/Myrtle and the 200 block of North Penn from 5:00 PM to 8:00 PM on June 7th, July 5th, August 2nd and September 6th, 2018 for First Thursday.

D. Consider a request from the library to block Maple from 5th Street west to the driveway of AT&T on September 27, 2018 from 4 PM to 7:30 PM for their annual Rock the Block Celebration.

SUGGESTED MOTION -- I move the City approve barricading East Maple Street from the 5th Street west to the AT&T Driveway from 4:30 PM to 7:30 PM on September 27, 2018.

E. Consider Partnering with the Chamber for the KAN-OKLA 100-Mile Highway Sale on Friday, September 14th, 2018, Saturday, September 15th and Sunday, September 16th, 2018.

SUGGESTED MOTION -- I move to partner with the Chamber for the KAN-OKLA 100-Mile Highway Sale on Friday, September 14th, Saturday, September 15th and Sunday, September 16th, 2018; which includes waiving garage sale permit fees, authorizing the use of the City parking lot behind the I-Mall and allowing temporary signs in the rights-of-way on the days of the sale only.

F. Consider adopting an ordinance assessing nuisance costs for mowing.

SUGGESTED MOTION -- I move to adopt Ordinance No. 4275 assessing nuisance costs for mowing.

Motion:

On the motion of Commissioner Ysusi, seconded by Commissioner Hogsett, the Commission adopted the consent agenda with the exception of item II.A. "Appropriations".

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Aye: Cafilisch, Ysusi, Hogsett

Nay: None

III. ITEMS FOR COMMISSION ACTION

A. Consider discussing the 2018 Revised/2019 Proposed Budget.

On July 24, 2018, the City Commission reviewed the Proposed 2019 Operating and Capital budgets and made the following changes:

1. Cut the requested Veteran's Room technical upgrade in the amount of \$50,000. The proposed funding was from the Special Use Sales Tax.
2. Keep the FY 2019 property tax levy the same as the FY 2018 levy; this would result in a General Fund revenue reduction of \$36,394.
3. Keep the FY 2019 Utility Fund transfer to the General Fund the same as in FY 2018; this is a reduction of \$33,500 in salary reimbursement in the General Fund, and an expenditure reduction of \$33,500 in the Utility Fund.
4. Take the Utility Fund expenditure reduction and reduce the scheduled water rate increase by that amount (\$33,500). This will reduce the rate increase approximately from 6.5% to 6.0%.

Commissioner Ysusi asked about the funds for automated meters and for water line replacements. He asked if more money was devoted for water line replacements than \$100,000 if staff could handle that in-house. Utilities Director Terry Lybarger indicated that they could not, and any additional work would need to be contracted out through a bid process. Commissioner Ysusi asked how many dollars' worth of lines need to be replaced and what the timeline was for their replacement. Utilities Director Lybarger indicated he budgeted approximately \$300,000 per year through 2023. Commissioner Ysusi asked about the cost savings from not having to manually read meters or manually perform turn ons and turn offs. Finance Director Michael Borovetz indicated that was one of the things the cost benefit analysis will evaluate before the project is started. Commissioner Ysusi asked about the type of meters being proposed. Utilities Director Lybarger indicated that he was looking at ultrasonic rather than mechanical, and further stated that mechanical meters will be eventually phased out. Commissioner Ysusi indicated it would make sense to replace the meter when the line is replaced rather than having to go back later to do it. Commissioner Ysusi indicated that they could find other uses for that sizable amount of money if the project was scaled back. Utilities Director Terry Lybarger indicated that a cost benefit analysis will be completed before spending any money. The Mayor asked about the breakdown for line replacement verses automated metering. Finance Director Borovetz stated that what was previously talked about was moving \$300,000 to water lines and reduce the budget for automated meters. Utilities Director Lybarger indicated that he already had proposed \$300,000 in line replacement for next year. The Mayor suggested

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replacing the worst lines as a priority. Commissioner Ysusi asked if meters were pulled and checked for accuracy. Utilities Director Lybarger stated only on a complaint. He further stated that is an issue with meters with high usage on them. Commissioner Ysusi stated that automated meters do diagnostic testing on themselves on a scheduled basis to improve accuracy. Utilities Director Lybarger stated that the ultrasonic meters have no moving part and the battery is guaranteed for 20 years. He further stated that the mechanical meters need to be changed out every 6-7 years. The Mayor stated if you have to pull and test a meter you might as well replace it.

The Mayor asked about paying cash for a new sanitation truck and brought up a previous lease purchase. Public Works Director Michael Passauer stated that the previous lease purchase was for a used sanitation truck and a backhoe for the cemetery. The Mayor asked how much a new truck was and the Public Works Director replied it was around \$180,000. The Mayor asked if we were building up a reserve for the next truck. Finance Director Michael Borovetz indicated that we were not doing anything until we can do an analysis on polycarts or contracting. The Mayor asked if the sanitation truck purchase may not be made and the Finance Director indicated that was a possibility. The Mayor asked if that would come back to the Commission for approval and the Finance Director indicated it would.

The Mayor asked about the Memorial Hall Tax Credit fund and the Finance Director indicated that some of that goes back to Building D for electrical costs in 2018 and 2019.

B. Consider discussing the City Hall project.

The Mayor indicated that Vance Kelley from TreanorHL had asked about the next phase and wanted to know if the City had received anything. The City Manager indicated that was the last thing received. The Mayor indicated that he received the MEP report today and the whole system needs to be replaced. The Mayor asked about additional funds for the project above the \$800,000 previously earmarked. Finance Director Borovetz indicated that he had requested a breakdown of what costs would be eligible for funding from ADA sales tax. He further stated that he forecasted the cashflow from building and facility sales tax fund and added back in an additional \$410,000 so that there will be enough funds allocated in 2018 and 2019 for the first phase of the project. The Mayor stated to ask the architect to spread out his fee and demolition costs. He further stated that since the building was constructed prior to 1992 the City is mandated to address ADA issues. He further stated that the architect needs to get more information to us as we are waiting. The City Manager stated he had previously asked for that breakdown in an email, however, he will send him another email and send it to the Commission once it is received.

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C. Consider discussing possible property sale to USD 446.

The Mayor stated that the school district was looking for space to construct a bus barn facility. He further stated that he felt it would open the City up to another grant if this facility was located in the West Laurel Industrial Park to extend improvements on Peter Pan Road. He further stated that this facility would utilize the same entrance on Peter Pan Road. He further stated that he understood it was being marketed as a complete package, however, he wanted to see Commission interest in visiting with the school board on possibly locating this facility on this parcel. The City Manager stated that the school board is looking at other alternatives, and there are two proposals currently out marketing that parcel as a whole. He suggested allowing Trisha Purdon, MCAC Executive Director to speak about why staff and MCAC wants to keep it together. The City Manager further stated that staff spoke to the school superintendent about locating next to Fed Ex, however, they are worried about trains. Although there are only about 12 trains per year. They are also looking at other locations that are privately owned. Trisha Purdon confirmed there were two active proposals for the site right now and she checked, and they are both still "alive". She further stated that she spoke to KDOT regarding their Economic Development Grant and a bus barn is not eligible. She further stated in fact, that they send the money out based on who has had projects in the past and since Independence just got a project for a hospital that we are at the bottom of the list to get funding again unless we had a large project that would have considerable jobs. She further stated that that parcel had rail, if there was a high rail user that would possibly increase the rail traffic. She suggested opening up the West Laurel Industrial Park to Oak Street to avoid issues with rail. She further stated it is challenging to market the site if you make it any smaller. The Mayor stated looking at how long the City has been trying to attract someone to that site, in the mean time you could have had three or four smaller businesses. Trisha Purdon stated that you have several available lots that could hold a smaller building and leaving the larger site available it provides options and they are stepping up efforts for recruitment. She further stated it takes a long time and you have to have long term plans. The Mayor asked what the time frames were on the ones she was waiting on and Trisha Purdon replied she did not know. The Mayor indicated that he heard they have been looking quite a while. Trisha Purdon indicated that every single month they send an email to ask the status and they are usually still looking and considering. Commissioner Hogsett stated that he wanted to be a great partner with the school district, however, he would rather stick with private sellers and keep the industrial park intact. Commissioner Ysusi stated that he agreed with Commissioner Hogsett. The Mayor stated that that was an advantage of the Commission that they could express their ideas and he had no problem with that.

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D. Appropriations

1. A-1820
2. D-1807
3. P-1789

This item was previously removed from the consent agenda and added to items for Commission action. Commissioner Ysusi asked about the payment for July water billing to Dataprose. Finance Director Borovetz stated that they do the utility billing for the City.

Motion:

On the motion of Commissioner Ysusi, seconded by Commissioner Hogsett, the Commission approved appropriations A-1820, D-1807 and P-1789 as presented.

Aye: Cafilisch, Ysusi, Hogsett

Nay: None

IV. REPORTS

A. City Board Minutes

1. June 25, 2018 IHPRC Minutes

B. Audit Update.

The City Manager highlighted the changes from the last time in a handout, so the Commission could quickly see the changes. He stated if there were any questions he was happy to answer them. The Mayor asked about the unencumbered cash being used for financial documents after the auditors gave us an idea of what the balance should be. Finance Director Borovetz indicated that he used the same reports to support that. The Mayor asked if all the documents had been updated including the treasurer's reports. The Finance Director indicated that they are still working on treasurer's reports, however, the reconciliations reports were updated, and they were in the process of extrapolating that information to update the treasurer's reports. He further indicated that the treasurer's reports did not take as much time to prepare as the reconciliation reports. The City Manager indicated that the status reports would be online. Commissioner Ysusi asked to define quickly. Finance Director Borovetz indicated "a couple of weeks tops". The Mayor asked for confirmation that preparation was being done in-house for the auditors who are scheduled to be here the end of September. The Finance Director confirmed that. Commissioner Ysusi asked about when the audit would be completed based on them coming the end of September. The City Manager stated that we had an auditor here that could answer that question, referring to newly hired City Clerk/Treasurer David Schwenker. The City Manager then indicated that the auditors would be on-site for three days. City Clerk/Treasurer Schwenker stated that it depends on whether they have questions and how many jobs they have going on, whether they are in the field or in the office

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writing the report and he will ask them after they complete their on-site work. However, he estimated one to two months. City Manager Whitehead stated that he should have referred to David Schwenker as a former auditor. Finance Director Borovetz indicated that he estimated approximately one month, however, he was not sure what they are going to find, and we want to make sure it is right. He further stated he would visit with them approximately one to two weeks after they start work on it.

V. CITY MANAGER'S COMMENTS

No comments.

VI. COMMISSIONERS' COMMENTS

The Mayor indicated that the term "partnering" or "co-sponsoring" was brought up a lot and wanted something defined and wanted to know if staff had checked with the City Attorney on that. He further stated without guidelines we open ourselves up. Particularly if we choose not to with a certain group the Mayor felt it opened the City up to litigation and if we didn't develop a policy then we should just never co-sponsor or partner with anyone. The City Attorney stated he was not following the Mayor's concern very well, as it usually just means you let another organization of similar status use a venue at no charge, such as First Friday as an example where you co-sponsor and provide the facility for no charge. The City Attorney further stated that he didn't know how you could be held liable for a voluntary donation. Commissioner Hogsett asked if we partner with the Chamber, but don't partner with someone does it open us up for liability. The City Attorney replied no, that it opens you up for criticism, but he didn't think it opens you to liability, and you are always going to get criticized for something. He further stated that it is always hard to be fair to everybody, whenever you make a decision 50% say "Yea" and 50% say "Boo". The Mayor stated that without a written direction or policy you encourage the conflict, if we are continuing to sponsor or co-sponsor we should have some guidelines or expectations of what our limit is and what we are willing to represent. The City Attorney stated that the difficulty is the type of events that you're being asked to sponsor. The City Attorney further stated that he knew that Memorial Hall has a tiered approach regarding who is wanting to use space and if you meet a certain category you may get it free, if you're private or for-profit you're probably going to pay. The City Attorney asked the Mayor to give him an example and he might be able to address that. He further stated that he didn't think you can put a definition out there that would cover everything, as that would be difficult. The City Manager suggested that we check around with others that have venues like this and if other cities have policies to co-sponsor events. Commissioner Hogsett stated it would be helpful if someone had a written policy on how they manage that. The City Manager stated that he shared the City Attorney's concern that it is hard to define something that would cover everything. The Mayor stated that there is always a starting point, you have to be the first. The Mayor stated that there was a question that came up with a group of people conducting a march and there was confusion as they wanted to ride the train with their signs. Sometimes it better to make an attempt and have to modify it then just continue running blind

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until somebody finds the right people to stand up and say "no, you are not going to do that to me". The Mayor further stated that we are asked to co-sponsor events in the park and wanted to know if that meant we were going to provide police, fire/ems or snacks, and wanted to know what the limit was. He further stated that he appreciated that staff would be checking with other communities as that would be a good place to start. The City Attorney indicated that in some areas where it has been an issue, like the oval and this building, they already have a policy and guidelines in place. He further stated there are other areas too, but that it is hard to put your hands around it. The Mayor further stated that like the alcohol or beer gardens, we looked at developing something that has some guidelines and restrictions, but things seem to change.

VII. PUBLIC CONCERNS

Debbie Miller spoke about 2019 spending.

VIII. EXECUTIVE SESSION

A. Personnel matters of non-elected personnel.

Motion:

The Mayor moved to go into executive session for discussion of employee performance pursuant to the non-elected personnel exception (KSA 75-4319(b)(1)) with the open meeting resuming at 6:45 PM. Commissioner Hogsett seconded.

Aye: Cafilisch, Ysusi, Hogsett

Nay: None

The Commission came back into session at approximately 6:45 PM with no action being taken.

IX. ADJOURNMENT


Motion:

Commissioner Hogsett moved to adjourn. Commissioner Ysusi seconded.

Aye: Cafilisch, Ysusi, Hogsett

Nay: None

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Leonhard Caflich, Mayor




Louis Ysusi, Commissioner



Gary Hogsett, Commissioner

Attest:



Kelly C. Passauer
Assistant City Manager