REGULAR COMMISSION MEETING MINUTES
TUESDAY, JULY 24, 2012
6:30 P.M.

The Board of Commissioners met in Regular Session at 6:30 p.m. with Mayor David George presiding.

Present:
MAYOR DAVID GEORGE
COMMISSIONER DON EDWARDS
COMMISSIONER JIM FALKNER
COMMISSIONER PAM JONES
COMMISSIONER VIRGIL O. HORN, JR.

City Staff in attendance were:
INTERIM CITY MANAGER/CITY CLERK CINDY PRICE
FINANCE DIRECTOR STEPHANIE RICHARDSON
IT DIRECTOR CHRIS FELIX
DEPUTY PUBLIC WORKS DIRECTOR JIM BRADSHAW
ENGINEERING SUPERINTENDENT SCOTT MASSMAN
CITY TREASURER ANGIE NADEN
FIRE CHIEF JAMES GRIMMETT
POLICE CHIEF TONY CELESTE
ELECTRIC UTILITY DIRECTOR GENE RATZLAFF
HOUSING DIRECTOR BOB YORK

A. CALL TO ORDER – Mayor David George

B. INVOCATION – Pastor Doug Mund, Grace Fellowship Church

C. PLEDGE OF ALLEGIANCE TO THE AMERICAN FLAG

D. REVIEW OF AGENDA

E. CONSENT AGENDA ITEMS
1. Regular City Commission Meeting Minutes – Tuesday, July 10, 2012
2. Special City Commission Meeting Minutes – Tuesday, July 17, 2012
2. 2012 Appropriation Ordinance No. AO-12-13 – $4,887,126.92

MOTION: Move to approve the consent agenda as presented.

ACTION: THE MOTION WAS MADE BY COMMISSIONER JONES AND SECONDED BY COMMISSIONER FALKNER. ROLL CALL VOTE – ALL AYE.

<u>REGULAR AGENDA ITEMS</u>

F. PUBLIC HEARING(s), SPECIAL PRESENTATION(s), & PROCLAMATION(s).

G. COMMENTS FROM THE PUBLIC
■ Mary Wilson reported on the Farmers Market.

H. OLD BUSINESS

I. NEW BUSINESS

1. Ordinance No. S-12-07 – First Reading of an Ordinance to annex city-owned property. Postponed

2. Resolution No. R-12-69 – A Resolution to award a crack sealing project to Huff Sealing.
   - Engineering Superintendent Scott Massman addressed the Commission stating this crack sealing project is a continuation of the preservation of streets project utilizing the sales tax for residential streets fund. Huff Sealing was the only bidder; bid price is the same as last year. The project will be in an amount not to exceed $400,000 based on the actual quantity of work performed.

   MOTION: Move to approve Resolution No. R-12-69 for adoption.

   ACTION: THE MOTION WAS MADE BY COMMISSIONER EDWARDS AND SECONDED BY COMMISSIONER JONES. ROLL CALL VOTE – ALL AYE

3. Ordinance No. G-12-02 – First Reading of an Ordinance to approve water/wastewater/rates.
   - Finance Director Stephanie Richardson addressed the Commission stating at the June 7 work session Commissioners directed staff to prepare water/wastewater rates that would fund the utility operations, increase the amount transferred into the Capital Improvement Fund and set aside an annual amount into a separate reserve fund plus reduce the number of tiers in the rate structure. Reducing the tiers placed an unreasonable burden on large customers including rural water districts and other cities Coffeyville provides water to. Richardson stated the water utility currently has a negative fund balance and the wastewater fund has a positive fund balance but it is quickly diminishing. After careful consideration, staff proposes to increase the water per 1,000 gallon rate by 25% and eliminate the top tier and increase the wastewater base rate by $1.87 per month and the per 1,000 gallon rate by 25% for tiers 1 and 2 and by 45% for tier 3. Effective January 1, 2013 there would be an additional 10% wastewater rate increase. With these increases, an average family using 5,000 gallons per month would see an increase of $11.56. An industrial customer using 1,000,000 gallons per month would see an increase of approximately $19,000. Commissioner Falkner proposed an option which would cut funds in the general fund in order to transfer dollars to the water/wastewater utilities.

   MOTION: Move to approve Ordinance No. G-12-02 for First Reading with the provision staff look at additional option.

   ACTION: THE MOTION WAS MADE BY COMMISSIONER EDWARDS AND SECONDED BY COMMISSIONER HORN. ROLL CALL VOTE – ALL AYE

4. Resolution No. R-12-70 – A Resolution to approve an amendment to the Neighborhood Stabilization Program.
   - Housing Director Bob York addressed the Commission stating in 2009 the City was awarded $218,472 of Neighborhood Stabilization Funds for the purpose of rehabilitating two single family dwellings. These homes have been completed and sold to income eligible families. The guidelines have been revised, and the City is eligible for additional funding. This funding would be for land acquisition and construction of two new single

family homes. The homes would be required to be constructed on infill sites which must currently contain a structure needing to be removed or one that had a house on it previously. The City currently has a balance of $48,000 from the initial grant and is requesting an additional $312,000 to construct the two homes. This is a totally 100% grant funds program.

MOTION: Move to approve Resolution No. R-12-70 for adoption.

ACTION: THE MOTION WAS MADE BY COMMISSIONER JONES AND SECONDED BY COMMISSIONER HORN. ROLL CALL VOTE – ALL AYE

5. Resolution No. R-12-71 – A Resolution to support a county-wide application to the Kansas Housing Resources Corporation.
   - Housing Director Bob York addressed the Commission stating he is working with other Montgomery County entities on a proposal for market rate homes for moderate income families. The proposal is through the Kansas Resource Corporation for a loan to fund the gap between what costs a developer has in a house and what it can be sold for which is approximately $20,790 on a 1,350 square foot house. The proposal is to build a total of 16 new homes in Montgomery County. Coffeyville and Independence would each have six homes and Cherryvale and Caney would have two homes. The properties would not be eligible for tax revitalization rebates as the property taxes would be used to pay back the participating entities. The projects would focus on families making 60 to 150% of the average median income.

MOTION: Move to approve Resolution No. R-12-71 for adoption.

ACTION: THE MOTION WAS MADE BY COMMISSIONER EDWARDS AND SECONDED BY COMMISSIONER FALKNER. ROLL CALL VOTE – ALL AYE

6. Resolution No. R-12-72 – A Resolution to approve the submission of an Emergency Solutions Grant application.
   - Treasurer Angie Naden addressed the Commission stating the Kansas Housing Resources Corporation (KHRC) is the State agency that oversees the Emergency Solutions Grant program. Only city and county governments are eligible to apply for the ESG and the funds are used to contract with locally qualified non-profit organizations to meet the service needs of the community. The city serves only as a conduit in the application and distribution processes and receives 2.5% of the total funds allocated to help with administrative costs. The application will be filed on behalf of Safehouse Crisis Center which has submitted an application in the amount of $58,932; Coffeyville Salvation Army, $10,000; and Genesis, $5,000.

MOTION: Move to approve Resolution No. R-12-72 for adoption.

ACTION: THE MOTION WAS MADE BY MAYOR GEORGE AND SECONDED BY COMMISSIONER HORN. ROLL CALL VOTE – ALL AYE

7. Resolution No. R-12-73 - A Resolution to approve a temporary construction easement.
   - Engineering Superintendent Scott Massman addressed the Commission stating the county is making improvements on a bridge located on CR 5100 .5 miles south of CR 2200 and is requesting a temporary construction easement. The city purchased the property to install a major electric transmission line.

   MOTION: Move to approve Resolution No. R-12-73 for adoption.

   ACTION: THE MOTION WAS MADE BY MAYOR GEORGE AND SECONDED BY COMMISSIONER JONES. ROLL CALL VOTE – ALL AYE

8. Resolution No. R-12-74 – A Resolution to set a public hearing for a vacation request.
   - Engineering Superintendent Scott Massman addressed the Commission stating the refinery is requesting a portion of Martin and New Streets be vacated near their facility. The first step in any request to vacate streets is to set a public hearing.

   MOTION: Move to approve Resolution No. R-12-74 for adoption.

   ACTION: THE MOTION WAS MADE BY COMMISSIONER HORN AND SECONDED BY COMMISSIONER FALKNER. ROLL CALL VOTE – ALL AYE EXCEPT COMMISSIONER EDWARDS WHO VOTED NO.

9. Ordinance No. G-12-03 – First Reading of an Ordinance to approve stormwater rates.
   - Finance Director Stephanie Richardson addressed the Commission stating an increase is proposed for the stormwater utility primarily due to the loss of residential and commercial properties in the flood of 2007 as revenues for the stormwater utility have been below the original projections to fund the utility. Staff is proposing an increase in commercial stormwater to $10 from $5 and an increase from $2.50 to $3.50 for residential properties. The stormwater utility was established as a result of the permit issued by the Kansas Department of Health and the EPA for the discharge of stormwater from our municipal separate storm sewer system to the waters of the United States.

   MOTION: Move to approve Ordinance No. G-12-03 for First Reading.

   ACTION: THE MOTION WAS MADE BY COMMISSIONER JONES AND SECONDED BY COMMISSIONER EDWARDS. ROLL CALL VOTE – ALL AYE EXCEPT COMMISSIONER FALKNER WHO VOTED NO.

10. Action to set a public hearing for the FY 2013 budget for Tuesday, August 14.

    MOTION: Move to set a public hearing for the FY 2013 budget for August 28, 2012, at 6:30 p.m.

    ACTION: THE MOTION WAS MADE BY COMMISSIONER EDWARDS AND SECONDED BY COMMISSIONER JONES. ROLL CALL VOTE – ALL AYE

11. Comments from Commissioners and Staff
    - Cindy Price reported the street crews are working on the joint repair project on 11th Street; they will pull off the project during Fair Week; the First & Central project is underway with City crews relocating the water line; both Electric Department units are generating.
    - Commissioner Edwards requested Watco Railroad come to the next meeting to discuss the plan for rail crossing repair.
    - Mayor George thanked staff for the work on budget.

J. EXECUTIVE SESSION(s)

K. GENERAL STAFF, COMMITTEE & BOARD REPORTS AND MINUTES

1. Police Department Report
2. Library Minutes

L. ADJOURN

MOTION: Move to adjourn.

ACTION: THE MOTION WAS MADE BY MAYOR JONES AND SECONDED BY COMMISSIONER EDWARDS. ROLL CALL VOTE – ALL AYE

Time the meeting was adjourned: 7:37 p.m.

Date the minutes were approved: _____

_____
Cindy Price, City Clerk