

REGULAR COMMISSION MEETING MINUTES
TUESDAY, OCTOBER 27, 2009
6:30 P.M.

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

Those in attendance were:

COMMISSIONER ALEC HENDRYX
COMMISSIONER JIM C. TAYLOR, SR.
COMMISSIONER RJ WARREN

Those absent:

COMMISSIONER PAM JONES

City Staff in attendance were:

CITY MANAGER JEFF MORRIS
CITY CLERK CINDY PRICE
CITY ATTORNEY PAUL KRITZ
FINANCE DIRECTOR STEPHANIE RICHARDSON
IT DIRECTOR CHRIS FELIX
PUBLIC WORKS DIRECTOR CHUCK SHIVELY
ENGINEERING SUPERINTENDENT SCOTT MASSMAN
TREASURER ANGIE NADEN
ELECTRIC UTILITY DIRECTOR BERNIE CEVERA
INTERCONNECTED OPERATIONS MANAGER STEVE MCGIE

- A. **CALL TO ORDER** – Mayor Gonzales
- B. **INVOCATION** – Rev. Jenny Collins, First Methodist Church
- C. **PLEDGE OF ALLEGIANCE TO THE AMERICAN FLAG**
- D. **REVIEW OF AGENDA**

E. CONSENT AGENDA ITEMS

- 1. Regular City Commission Meeting Minutes – Tuesday, October 13, 2009
- 2. Special City Commission Meeting Minutes – Tuesday, October 20, 2009
- 3. 2009 Appropriation Ordinance No. AO-09-36 – \$6,457,396.13
- 4. 2009 Appropriation Ordinance No. AO-09-37– (flood) \$ 427.10

MOTION: Move to approve the consent agenda as presented.

ACTION: THE MOTION WAS MADE BY COMMISSIONER GONZALES AND SECONDED BY COMMISSIONER WARREN. ROLL CALL VOTE – ALL AYE EXCEPT COMMISSIONER JONES WHO WAS ABSENT.

REGULAR AGENDA ITEMS

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

- 1. Proclamation – Buddy Poppy Day, November 7, 2009
 - Mayor Gonzales presented the Proclamation to LaVelma Wagner, representing the VFW Auxiliary.

2. Public Hearing for 4State Maintenance Tax Abatement/Incentive

- Treasurer Angie Naden addressed the Commission stating as discussed at the last meeting this tax abatement was originally approved at the May 13, 2008, Commission meeting, but due to some technicalities in the application it needed to be reapproved by Commission. Four State is adding on to their existing building located at 503 North Cline. The 10,000 square foot expansion is estimated to cost \$200,000. Four State indicates they will create 11 new jobs over the next ten years. The City's policy for tax exemptions was adopted in 1993 stating the Commission must set a public hearing date to consider the application. Tax abatements are only for new taxes generated as a result of an expansion; no existing taxes currently on the property are abated. Letters were sent to the other taxing entities following the last meeting to notify them of the public hearing. Four State Maintenance meets all the criteria established by City policy for the tax abatement and staff recommended approval of the application with a 100% abatement for the first three years and a \$1,000 exemption per new job created for years 4-10.
- Mayor Gonzales opened the Public Hearing
- Buel Hoenschell, 1702 Elmwood, questioned whether we should be doing abatements for a company who had previously received one.
- Charles Cornett asked if the City had the funding for this or if it would be deficit spending.
- Commissioner Taylor stated this is a flimsy application; he will vote no on this and other tax abatements and does not believe the City should burden the existing taxpayers by granting abatements.
- Mayor Gonzales closed the Public Hearing

3. Ordinance No. S-09-05 – First Reading of an Ordinance to grant a ten-year property taxation exemption-incentive for 4State Maintenance Supply.

MOTION: Move to approve Ordinance No. S-09-05 for First Reading.

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

4. Public Hearing for an FY2010 Community Development Block Grant for the Youth Activity Center.

- Treasurer Angie Naden addressed the Commission stating a FY 2010 Community Development Block Grant (CDBG) Community Facilities Category grant application has been prepared to renovate the Youth Activities Center including exterior improvements, HVAC replacement, improving energy efficiency, making the building ADA compliant, correcting electrical deficiencies, replacing the gym floor and floor in the Activity Building, resurfacing the parking lot and installing security lighting. The total cost is \$651,500; grant funds being requested total \$400,000 with the City committing \$91,502. Of that, \$71,500 will be in-kind service; the balance will be cash. The remaining funds have been pledged from three community partners – \$39,998 from USD 445; \$60,000 from the City Recreation Commission and \$60,000 from the Coffeyville Area Community Foundation. A public hearing is required. Along with the grant application, four resolutions must be approved by the Commission and submitted to the Department of Commerce.

- Mayor Gonzales opened the Public Hearing
 - Mary Wilson, New Street, expressed support for the project as this would be renovation of a building for the youth of our community.
 - Commissioner Taylor stated the City Hall building is a pile of problems and we need to stop spending and borrowing money as we are starving for funds and not collecting enough to take care of Veterans Memorial Stadium, the golf course, the pool or our streets.
 - Mayor Gonzales closed the Public Hearing
5. Resolution No. R-09-181 – A Resolution to certify to the Kansas Department of Commerce the City has the legal authority to submit an FY 2010 Community Development Block Grant.
- MOTION: Move to approve Resolution No. R-09-181 for adoption.
- ACTION: THE MOTION WAS MADE BY COMMISSIONER HENDRYX AND SECONDED BY COMMISSIONER WARREN. ROLL CALL VOTE – ALL AYE EXCEPT COMMISSIONER TAYLOR WHO VOTED NO AND COMMISSIONER JONES WHO WAS ABSENT.
6. Resolution No. R-09-168 – A Resolution to commit \$20,002 of City funds for a proposed FY 2010 Community Development Block Grant.
- MOTION: Move to approve Resolution No. R-09-168 for adoption.
- ACTION: THE MOTION WAS MADE BY COMMISSIONER HENDRYX AND SECONDED BY COMMISSIONER WARREN. ROLL CALL VOTE – ALL AYE EXCEPT COMMISSIONER TAYLOR WHO VOTED NO AND COMMISSIONER JONES WHO WAS ABSENT.
7. Resolution No. R-09-169 – A Resolution to adopt a residential anti-displacement and relocation assistance plan.
- MOTION: Move to approve Resolution No. R-09-169 for adoption.
- ACTION: THE MOTION WAS MADE BY COMMISSIONER HENDRYX AND SECONDED BY COMMISSIONER WARREN. ROLL CALL VOTE – ALL AYE EXCEPT COMMISSIONER TAYLOR WHO VOTED NO AND COMMISSIONER JONES WHO WAS ABSENT.
8. Resolution No. R-09-170 – A Resolution to assure the Kansas Department of Commerce funds will be provided for the maintenance of improvements for the Youth Activity Center as a result of the Community Development Block Grant.
- MOTION: Move to approve Resolution No. R-09-170 for adoption.
- ACTION: THE MOTION WAS MADE BY COMMISSIONER HENDRYX AND SECONDED BY COMMISSIONER WARREN. ROLL CALL VOTE – ALL AYE EXCEPT COMMISSIONER TAYLOR WHO VOTED NO AND COMMISSIONER JONES WHO WAS ABSENT.

G. COMMENTS FROM THE PUBLIC

- Buel Hoenchell, 1702 Elmwood, reported a vicious dog in his neighborhood and questioned why the City was not picking up vicious dogs.

H. OLD BUSINESS

1. Ordinance No. G-09-07 – Second Reading of an Ordinance incorporating by reference an Environmental Code of the City of Coffeyville, Kansas.
 - City Attorney Paul Kritz addressed the Commission stating there are no changes from the First Reading; staff is recommending this ordinance to provide a tool for the code enforcement officers to deal with unsightly and hazardous conditions in the City due to dilapidation, deterioration or disrepair of walls, siding, fences or structures, etc. Commissioner Taylor expressed concern this may be a burden to those who don't have the financial means to fix their property.

MOTION: Move that Ordinance No. G-09-07 be passed to Second Reading and approved for adoption.

ACTION: THE MOTION WAS MADE BY MAYOR GONZALES AND SECONDED BY COMMISSIONER WARREN. ROLL CALL VOTE – ALL AYE EXCEPT COMMISSIONER JONES WHO WAS ABSENT.

I. NEW BUSINESS

1. Resolution No. R-09-171 – A Resolution to purchase property located at 608 North Maple.
 - Treasurer Angie Naden addressed the Commission stating to date five properties have been considered for the Neighborhood Stabilization Program (NSP) which awarded the City \$218,472 to purchase foreclosed properties, rehabilitate them and get the properties back into the hands of homeowners. A site visit was done at each property, and it has been determined one of the properties, 608 N. Maple, fit the criteria of the program. The market value appraisal of the property was \$22,500. The NSP requires purchase offers be made at 1% below market value. The owner, First Federal Savings and Loan, has accepted the City's offer of \$22,275

MOTION: Move to approve Resolution No. R-09-171 for adoption.

ACTION: THE MOTION WAS MADE BY COMMISSIONER GONZALES AND SECONDED BY COMMISSIONER HENDRYX. ROLL CALL VOTE – ALL AYE EXCEPT COMMISSIONER JONES WHO WAS ABSENT.

2. Resolution No. R-09-172 – A Resolution to purchase a security access and video monitoring system from Midland Technologies for the Electric Generation Plant
 - Interconnected Operations Manager Steve McGie addressed the Commission stating the City will be required to comply with 76 of the 127 mandatory standards established by National Electric Reliability Council. One of those standards requires the implementation of security procedures, both electronic and physical for critical cyber assets which require security access and video monitoring. The standards have to be in place before registering with NERC which is planned for the next 6-12 months. Proposals were requested for the security systems as well as a key box for an electronic key management system.

MOTION: Move to approve Resolution No. R-09-172 for adoption.
ACTION: THE MOTION WAS MADE BY COMMISSIONER WARREN AND
SECONDED BY COMMISSIONER TAYLOR. ROLL CALL VOTE –
ALL AYE EXCEPT COMMISSIONER JONES WHO WAS ABSENT.

3. Resolution No. R-09-173 – A Resolution to execute an Engineering Services Contract with Transystems for the Cline Road STP Project.
- Engineering Superintendent Scott Massman addressed the Commission stating requests for qualifications were requested for engineering services for the Kansas Department of Transportation STP Cline Road project. Following evaluation from the selection committee, negotiations were held with Transystems who submitted a proposal for construction engineering services for the project planned as a full depth replacement on Cline from Eighth Street to Woodland including curb and gutter. Staff is currently considering a possible change of the project to run from Fourth Street to Stark.

MOTION: Move to approve Resolution No. R-09-173 for adoption.

ACTION: THE MOTION WAS MADE BY MAYOR GONZALES AND
SECONDED BY COMMISSIONER WARREN. ROLL CALL VOTE
– ALL AYE EXCEPT COMMISSIONER JONES WHO WAS
ABSENT.

4. Resolution No. R-09-174 – A Resolution to execute Change Order No. 2 with Muller Construction for street repair and drainage improvements.
- Public Works Director Chuck Shively addressed the Commission stating Muller Construction was awarded a contract for nine separate street and drainage projects. All projects are now complete and final actual quantities have been determined which reduced the final total cost by \$1,326.25.

MOTION: Move to approve Resolution No. R-09-174 for adoption.

ACTION: THE MOTION WAS MADE BY COMMISSIONER WARREN AND
SECONDED BY COMMISSIONER HENDRYX. ROLL CALL VOTE
– ALL AYE EXCEPT COMMISSIONER JONES WHO WAS
ABSENT.

5. Ordinance No. S-09-06 – First Reading of an Ordinance to execute a loan agreement with the Kansas Department of Health and Environment to finance a public water supply project.
- Public Works Director Chuck Shively addressed the Commission stating the City was notified in April that several proposed water utility projects were approved for funding. The proposed funding consisted of a loan from the Kansas Public Water Supply Loan Fund with a 20% principal forgiveness grant from the American Recovery and Reinvestment Act. The projects consist of installing security cameras, security fencing, replacing water valves at underground drinking water reservoirs, replacing valves in water treatment plant yard and rebuilding or replacing a drive assembly in the south upflow clarifier at the water treatment plant. The projects are considered high priority and have been on the capital improvement project list. The loan documents are for a total maximum project cost of \$720,000; the ARRA grant would be \$144,000 making the loan \$576,000 at 3.63% interest for 20 years.

MOTION: Move that Ordinance No. S-09-06 be approved for First Reading.

ACTION: THE MOTION WAS MADE BY COMMISSIONER WARREN AND SECONDED BY COMMISSIONER HENDRYX. ROLL CALL VOTE – ALL AYE EXCEPT COMMISSIONER JONES WHO WAS ABSENT AND COMMISSIONER TAYLOR WHO VOTED NO.

6. Resolution No. R-09-175 – A Resolution to execute a proposal for services with Courtney & Associates for review of GRDA's proposed rate increases.

■ Electric Utility Director Bernie Cevera addressed the Commission stating the Grand River Dam Authority has approved an 11.95% rate increase, and the 16 municipalities making up the Customer Group has contracted with Courtney and Associates to review GRDA's revenue requirements and the proposed rate increase with the goal of verification and securing a smaller increase. The \$20,000 total cost will be shared by members of the group with the City's share not to exceed \$7,000.

MOTION: Move to approve Resolution No. R-09-175 for adoption.

ACTION: THE MOTION WAS MADE BY COMMISSIONER GONZALES AND SECONDED BY COMMISSIONER HENDRYX. ROLL CALL VOTE – ALL AYE EXCEPT COMMISSIONER JONES WHO WAS ABSENT.

7. Resolution No. R-09-176 – A Resolution to purchase two blade servers from ISG for the IT Department.

■ IT Manager Chris Felix addressed the Commission stating the City's servers are no longer to handle the demand placed on them to run our finance software, e-mail and file storage. Staff recommends purchasing two blade servers which will allow for redundancy, reliability and growth.

MOTION: Move to approve Resolution No. R-09-176 for adoption.

ACTION: THE MOTION WAS MADE BY COMMISSIONER HENDRYX AND SECONDED BY COMMISSIONER TAYLOR. ROLL CALL VOTE – ALL AYE EXCEPT COMMISSIONER JONES WHO WAS ABSENT.

8. Resolution No. R-09-177 – A Resolution to approve a Housing Rehabilitation Grant Agreement with the Kansas Housing Resources Corporation.

■ City Manager Jeff Morris addressed the Commission stating the Kansas Housing Resource Corporation received an allocation of funds from the Kansas Legislature to assist communities in redevelopment following the natural disasters which struck Kansas in 2007. KHRC offered \$500,000 for a housing rehabilitation program; something new for KHRC. Following guidelines set up in the agreement, the City will purchase vacant deteriorating homes, rehab them and place them on the market for sale. The funds cannot be used to rehab an occupied home and the homes rehabbed cannot be used for rental property for a period of five years. The maximum expenditures per structure including acquisition costs is \$75,000. The City recently acquired two properties through the Sheriff's Sale; 806 West First Street and 1606 Elmwood.

MOTION: Move to approve Resolution No. R-09-177 for adoption.

ACTION: THE MOTION WAS MADE BY MAYOR GONZALES AND SECONDED BY COMMISSIONER WARREN. ROLL CALL VOTE – ALL AYE EXCEPT COMMISSIONER JONES WHO WAS ABSENT.

9. Resolution No. R-09-178 – A Resolution to execute Use Agreements with Coffeyville Community College and USD 445 for Veterans Memorial Stadium.

■ City Attorney Paul Kritz addressed the Commission stating a compromise agreement has been reached with CCC and USD 445 for the period July, 2009, through June, 2010. USD 445 will pay \$40,000 and CCC \$65,000, both include the \$25,000 to go the maintenance fund per an agreement already in place. The main objective is to contain costs; a review of expenses will be made after the first of the year with fees adjusted if needed. According to the agreement, the HVAC units are only to be used during games. CCC has expressed an interest in using the field for practice over and above the agreement; they have been requested to give the City a proposal for the additional practices.

MOTION: Move to approve Resolution No. R-09-178 for adoption.

ACTION: THE MOTION WAS MADE BY MAYOR GONZALES AND SECONDED BY COMMISSIONER HENDRYX. ROLL CALL VOTE – ALL AYE EXCEPT COMMISSIONER JONES WHO WAS ABSENT AND COMMISSIONER WARREN WHO ABSTAINED.

10. Resolution No. R-09-179 – A Resolution to execute a Lease Agreement with Coffeyville Community College for use of the baseball and softball fields at Walter Johnson Park.

NO ACTION ON THIS ITEM

11. Resolution No. R-09-180 – A Resolution to execute a Memorandum of Understanding with the Coffeyville Recreation Commission for use of the Youth Activity Center.

■ City Manager Jeff Morris addressed the Commission stating the Coffeyville Recreation Commission has used the Youth Activities Center on a limited basis during recent years. CRC has agreed to participate in the funding for the CDBG application and has requested an agreement specifying an increase in the hours the Youth Activities Center would be available for their programming. In addition, they have offered to provide a \$5,000 per year match to do into a maintenance fund.

MOTION: Move to approve Resolution No. R-09-180 for adoption.

ACTION: THE MOTION WAS MADE BY COMMISSIONER HENDRYX AND SECONDED BY COMMISSIONER WARREN. ROLL CALL VOTE – ALL AYE EXCEPT COMMISSIONER JONES WHO WAS ABSENT.

12. Comments from Commissioners and Staff

■ Commissioner Hendryx asked about the downtown crosswalks, the railroad crossing on Highway 169 near the Industrial Park and suggested an id-year update be held the second week of June.

■ Commissioner Taylor stated he had a letter prepared in response to Commissioner Jones

comments at the previous meeting; however, he will wait until she is present to read it.

J. EXECUTIVE SESSION(s)

1. Attorney-Client Privilege

MOTION: Move to adjourn to Executive Session for discussion of items that would be deemed confidential in attorney-client relationship to reconvene on or before 9:30 p.m.

ACTION: THE MOTION WAS MADE BY COMMISSIONER HENDRYX AND SECONDED BY COMMISSIONER GONZALES. ROLL CALL VOTE – ALL AYE EXCEPT COMMISSIONER JONES WHO WAS ABSENT.

Time the meeting was reconvened: 9:30 p.m.

K. GENERAL STAFF, COMMITTEE & BOARD REPORTS AND MINUTES

1. Library Board Minutes of September 8, 2009, meeting
2. KMIT Gold Star Award
3. CRMC October Board Packet
4. MCAC October Board Packet

L. ADJOURNMENT

MOTION: Move to adjourn

ACTION: THE MOTION WAS MADE BY COMMISSIONER WARREN AND SECONDED BY COMMISSIONER TAYLOR. ROLL CALL VOTE – ALL AYE EXCEPT COMMISSIONER JONES WHO WAS ABSENT.

Time the meeting was adjourned: 9:37 p.m.

Date the minutes were approved

11/10/09

Cindy Price
Cindy Price, City Clerk

