THE REGULAR MEETING OF THE LIBERAL CITY COMMISSION
August 23, 2016

The regular meeting of the Liberal City Commission was held at 5:30 p.m. in the Commission Chambers located at 325 North Washington on Tuesday, August 23, 2016.

Commissioners Present: Mayor Joe Denoyer, Vice Mayor Dean Aragon, Jack Carlile, Dave Harrison and Tony Martinez.

City Staff Present: City Manager Mark Hall, Finance Director Chris Ford, City Clerk Alicia Hidalgo, Human Resources Director Sheena Schmutz, Transportation Services Director Daniel Zuniga, Transportation Director Jesus Cardenas, Economic Development Director Jeff Parsons, Police Chief Al Sill, and City Attorney Shirla McQueen.

Mayor Denoyer declared the meeting called to order, and City Clerk Hidalgo read the roll call declaring a quorum present. The Pledge of Allegiance was recited, and Kevin Alexander of The New Beginnings Church gave the invocation.

1. **Awards/Proclamations/Presentations.** *No items were presented.*

2. **Approval of Agenda.**
Mayor Denoyer requested approval of the agenda.
Commissioner Harrison moved to approve the agenda, as presented, with Vice Mayor Aragon seconding the motion. The motion carried unanimously.

3. **Approval of Minutes.**
Commissioner Carlile moved to approve the minutes of the August 9, 2016 regular meeting, as presented. The motion was seconded by Commissioner Harrison and carried unanimously.

4. **Items from Citizens.**
Mayor Denoyer read the rules of the Commission and requested members of the audience approach the podium to address the Commission. (No items were presented)

5. **Items from Groups.**
Mayor Denoyer read the rules of the Commission and requested members of the audience approach the podium to address the Commission.
   - *Debbie Giskie, Airport Manager, stated there was a meet and greet earlier in the day and wanted to introduce a few of the PenAir people in town.*
   - *Dave Hall - COO PenAir – Ankorage Alaska,*
   - *Mike Walsh - Regional Sales Manager*
   - *Murphy Forner VP Ground Operator*
   - *Mr. David Hall recognized the need for reliable service in Liberal as they drove 6 hours here from Denver. He stated PenAir will have two flights a day Monday-Friday and one flight on weekends. It will be a triangle schedule and flights can be booked online. The aircraft seats 30. The airline needs to compete and will surpass the standard. PenAir wants to be a part of the community. They have been in business for 57 years in Alaska*

and is a family company. The company is in Boston, Portland, Liberal, Dodge and were awarded three cities in Nebraska. PenAir thanked Liberal for the Letter of Support and appreciates the support. They hope to meet expectations and look forward to being in Liberal. PenAir will have television spots to create awareness that they are in Liberal.

- *Commissioner Harrison stated the City appreciates them and Debbie as she did a lot of work on this project including lobbying in D.C. Commissioner Harrison enjoyed listening to them and hopes for a long lasting relationship.*
- *The City welcomes them.*

6. Consent Agenda:

a. Acknowledge Receipt of Minutes:

1. Liberal Metropolitan Area Planning Commission, July 14, 2016.

Mayor Denoyer inquired if the Commission wished to remove any items for further discussion. Commissioner Harrison moved to approve the consent agenda, as presented, with Commissioner Carlile seconding the motion. The motion carried unanimously.

7. 2017 Budget:

a. Public Hearing.

Mayor Denoyer declared the Public Hearing open.

- Finance Director Chris Ford noted the City's 2017 Notice of Budget Hearing was published on August 12, 2016, and contains a proposed budget amount of $42,323,000, a mill levy dollar amount of $6,116,724 and mill levy of 51.590 mills based upon the July 1 estimated valuation. The City's 2017 Budget lowered the mill levy by .043 mills. The final assessed valuation will be determined on November 1, 2016; however, the levied dollars will not change. Due to the increase in estimated valuation, an additional $127,370 will be generated.
- Discussion was held regarding the 2018 mill levy cap.
- Commissioner Harrison noted about every taxing entity has extra money but that might not be the case next year. When taxes increase, the City always gets the blame.

Mayor Denoyer declared the Public Hearing closed.

b. Resolution No. 2243 - Adoption of the 2017 Fiscal Year Budget.

- Finance Director Chris Ford stated the resolution adopts the 2017 fiscal year budget.

Commissioner Harrison moved to adopt Resolution No. 2243, adopting the 2017 Fiscal Year Budget, approving the 2017 Pay Plan and appropriating by fund the maximum amounts to be expended for the budget year 2017, as presented, with Vice Mayor Aragon seconding the motion. The motion carried unanimously.

The Commissioners thanked Staff for their work on the budget.

8. Ordinance No. 4470 - Establish Water Equipment Reserve Fund.

- Finance Director Chris Ford explained the budget current policy followed by the City for the Water Fund is a short term outlook. Ordinance No. 4470 will make the water fund budget more consistent with other funds by establishing an Equipment Reserve. Any needs that came up during the year for machinery, vehicles, etc. were always handled through the water fund and amending the budget. In this ordinance, equipment means machinery, vehicles, water lines, meters, fire hydrants, wells, pump houses and other equipment or personal property which has an estimated purchase cost in excess of $500 and a life expectancy of not less than three years utilized to provide City water service to its customers.

- The advantage of establishing a fund of this type allows the City to deposit monies on an annual basis into the water equipment reserve fund and have those funds available for equipment purchases at any time. It also allows for the City to make emergency purchases without having to locate alternative emergency funding sources when time is of the essence and a purchase must be made quickly.
- Commissioner Harrison stated this is a positive step forward for managing for future needs.

Commissioner Carlile moved to approve Ordinance No. 4470 to establish the Water Equipment Reserve Fund, as presented, with Vice Mayor Aragon seconding the motion. The motion carried unanimously.

9. Resolution No. 2244 - Amending Section C-1507 of Exhibit C - Fee Structure, of the Code of the City of Liberal, Kansas, Dealing with Water Rates.

- Finance Director Chris Ford noted the resolution is amending the water rates. The City's current water rate structure has been maintained since March 19, 2001. The City consulted with Ranson Financial who assisted in determining a water rate structure that would not only support operations and maintenance of the City water system, but also fund the 20 year repayment of the anticipated KDHE Revolving Loan in the maximum amount of $2,712,418.77.
- The resolution presents a phased in increase of the water rates necessary, for which the rates would be effective on October 1 of each year beginning with 2016 through 2019. Also included in this Resolution is a provision for a Water System Improvement Fee with will assist in off-setting costs of the future equipment and infrastructure needs of the City to provide water service to its customers.
- The provided comparison chart lists similar sized cities and their water rates. The rate and numbers do not include the Water System Improvement Fee but if you add $6.25 (residential) and $12.50 (commercial) they would be somewhat comparable.
- The Resolution items A, B, C, and D list the fee structure and include the Water System Improvement fee of $6.25/month for residential and $12.50/month for non residential customers.
- The City will have a program for senior assistance. For anyone interested over the age of 62, they can apply for assistance in the Housing Department. The assistance is also offered to anyone with a disabled individual in the home. People will have to reapply each year and fit all guidelines. The City is looking at ways to coordinate with the Council on Aging and setting up a time to go help senior citizens apply.
- The City will also work on getting to those that are homebound help to apply.
- A mailing will be sent out to customers with the reasoning and to help answer questions and concerns of why the rate structure is necessary.

Commissioner Carlile moved to approve Resolution No. 2244 - Resolution Amending Section C-1507 of Exhibit C - Fee Structure, of the Code of the City of Liberal, Kansas, dealing with Water Rates, as presented, with Commissioner Harrison seconding the motion. The motion carried unanimously.

10. Street Sweeper:

a. Ordinance No. 4471 - Lease Purchase and Escrow Agreement for Street Sweeper.

- Finance Director Ford stated this ordinance will allow the City to enter into a lease purchase and escrow agreement for a street sweeper. Ranson Financial coordinated the bid process and Gilmore and Bell helped with the legal issues. Requests for proposals were distributed to all local banking institutions as well as Ranson Financial Consultants' national lending network.

- It was felt that Municipal Asset Management, Inc. offered the preferable solution. The lease purchase funds will be held in escrow until the equipment is acquired and the Mayor would be authorized to sign the closing documents.
- There is a slight change from memo regarding the escrow that deal with funding and the amount of time. In this case, Staff located a piece of equipment will be available soon and has scheduled for closing on September 8. If we proceed, we will have to adopt an Ordinance. The updated equipment and closing amount is $211,500.00.
- The City currently has three sweepers and are currently looking to replace the 1998 model as it is 18 years old.

Commissioner Harrison moved to adopt Ordinance No. 4471 to authorize the City to enter into a 10 year lease purchase agreement with Municipal Asset Management, Inc. for the purpose of acquiring a Street Sweeper, in an amount not to exceed $211,500, as presented, with Vice Mayor Aragon seconding the motion. The motion carried unanimously.

b. Street Sweeper - Street Department.

- Transportation Director Jesus Cardenas stated the Street Department is asking to purchase a 2016 Freightliner with Tymco 600 AB sweeper from Armor Equipment.
- Discussion was held explaining what a street sweeper does, the types of sweepers, and how many tons of trash the sweepers pick up.
- Transportation Services Director Daniel Zuniga noted this sweeper is a demo with only 27 work hours.

Commissioner Carlile moved to approve the purchase of the demo model 2016 Freightliner with Tymco 600 AB sweeper from Armor Equipment, in the amount of $207,000.00 to be funded by a 10-year lease purchase. as presented, with Vice Mayor Aragon seconding the motion. The motion carried unanimously.

11. General Obligation Temporary Notes, Series 2016-1

- Economic Development Director Jeff Parsons noted last month, the Commission passed Resolution 2242, authorizing the offering for sale of General Obligation Temporary Notes, Series 2016-1 of the City of Liberal, KS. Resolution 2245, which you will consider at this meeting is the next step in the process for financing these improvements using Special Assessments.
- The process this evening is a. Review the bids; b. Accept the Bids and c. Approve the Resolution.

a. Review the bids.

- John Haas, Ranson Financial, handed out the bids. The bids were divided into two parts: water and sewer and street improvements.

Mr. Haas review each bid and tables and the amounts of each bid. Mr. Haas stated interest was less than 1%.

b. Accept the Bid.

- *Commissioner Harrison moved to accept the low bid of Central States Capital Market, as presented, with Commissioner Carlile seconding the motion. The motion carried unanimously.*

c. Resolution No. 2245 - Authorizing and Directing the Issuance, Sale and Delivery of General Obligation Temporary Notes, Series 2016-1, of the City of Liberal, Kansas.

Commissioner Carlile moved to approve Resolution No. 2245, as presented, with Vice Mayor Aragon seconding the motion. Commission Martinez; Commissioner Carlile; Commissioner Harrison; Vice Mayor Aragon; and Mayor Denoyer voted yes. The motion passed unanimously.

12. Final Hotel Addition.

- Zoning Administrator Kevin Kirk noted it is the recommendation of the Planners to forward the plat for acceptance. The property is on Pancake Blvd.

Commissioner Harrison moved to accept the final plat of the Hotel Addition, as presented, with Vice Mayor Aragon seconding the motion. The motion carried unanimously.

13. Police Department:

a. Communications for Motorcycle Unit.

- Police stated the PD has five certified motorcycle officers and each one is issued a safety helmet. The communications head set will fit inside the officer's helmet. To save money, we are asking to purchase three wireless microphones and push to talk systems. The three systems will be shared amongst the five riders. PVP's boom mic will integrate into the 3/4 helmet and the quoted amount is $5,195 to be taken from the New Equipment line item of the general fund.
- Discussion was held regarding upgrading to a new broadband system, pros and cons and the cost of an upgrade.

Commissioner Harrison moved to purchase three sets of communications systems from PVP Communications in the amount of $5,195, as presented, with Vice Mayor Aragon seconding the motion. The motion carried unanimously.

b. Air Conditioner Replacement.

- Police Chief Al Sill stated the air conditioner unit that is on the south central part of the Police Department is in need of replacement. The unit is a package unit that includes both heating and air conditioning that regulates the temperature for the squad room and sergeant's office. The unit is 30 years old and requires constant maintenance. Staff received three bids. Staff recommends to replace the unit by accepting the bid from Luck Refrigeration in the amount of $7,125 and comes with a 5 year parts and labor warranty on the compressor and coil and 15 year warranty on the heat exchanger.

Commissioner Harrison moved to accept the bid from Luck Refrigeration in the amount of $7,125.00, as presented, with Commissioner Carlile seconding the motion. The motion carried unanimously.

16. CITY MANAGER’S REPORT.

- City Manager Hall reported there are quite a few projects going on. The Kansas Ave & 15th Street Project has started and the City is using media and radio to give updates and detour routes. The project has five phases that can take up to 2 to 2 ½ months to complete. The City asks the community to bear with us as it needs to be done and the repairs will help make the City better.
- Schools are starting Friday, Monday and Tuesday. Lights and signals have been on order for several weeks. The traffic signals will arrive mid September and hope to have a majority of the flashers, lights and crosswalks done this week. The PD and schools will work together to keep kids safe. Reminder that a the whole area of 15th Street from east of Clay Court to Western and all the way down Western is a school zone. Kids form MacArthur have to go to Cottonwood and 6th,7th and 8th graders are going to Eisenhower. The City wants kids to cross the streets safely and walk on sidewalk. It will be a joint effort to keep everyone safe.
- Staff is working on park improvements and future planning of project for the year. Labor Day weekend is coming up and Saturday will be last day of pool.

- All departments keep pushing to keep up and a big thanks to Staff, the Commission, and the community.

17. ITEMS FROM COMMISSIONERS.

Commissioner Harrison thanked Staff for all they do. He and the public sees it and appreciates it. The rodeo brought a lot of people to town and Commissioner Carlile was a part of that. It was a was nice event. He is also glad to have PenAir come to Liberal. Commissioner Harrison has heard positive comments on Main street. He challenges the people who own buildings downtown to step it up and keep the buildings looking nice. There is a facade program that can help as the right paint or stucco will enhance downtown.

Vice Mayor Aragon thanked City Staff for everything they do and Debbie for her work on bringing PenAir to Liberal.

Commissioner Carlile thanked everyone that helped and attended the rodeo. There will be another one next year. He also thanked Staff. He stated Main Street looks nice and heard positive comments about it.

Commissioner Martinez also heard lots of nice comments on Main Street and the striping looks good. The glass beads makes it look nice and clean

Mayor Denoyer reiterated the statement that kids safety is first and foremost. Officers will be watching to keep everyone safe. He also thanked the PRC Rodeo Committee as the event was well attended and was a tremendous event. The Duck Festival will be in Light Park this year and the United Way will also have a chili cook off. The New Educators Breakfast is Thursday and the Commission welcomes them to the community. Mayor Denoyer thanked Jeff and John Haas on their work. Years ago, some took a chance and got burned, but we have to take a chance to move the city forward. Thanks to Staff for all their work.

18. VOUCHERS.

$1,348,229.02, dated August 18, 2016. *Vice Mayor Aragon moved to approve the vouchers, as presented, with Commissioner Martinez seconding the motion. The motion passed unanimously.*

The meeting was adjourned by motion of Commissioner Harrison.

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Joe Denoyer, Mayor

ATTEST:

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Alicia Hidalgo, City Clerk