

A regular meeting of the City Council of the City of Iola was held on May 29, 2018, at 6:00 p.m., at the Park Community Building, 510 Park Avenue, Iola, Kansas.

CALL MEETING TO ORDER

Mayor Wells called the meeting to order at 6:00 p.m.

Mayor Wells, Council Members Ford, Ballard, Middleton, Martin, Peters, Franklin and Myrick were present. Also present were Administrator Fleming, Assistant Administrator Schinstock, City Attorney Johnson, and City Clerk Hutton.

REVIEW & APPROVAL OF AGENDA

Motion made by Council Member Ballard and seconded by Council Member Myrick to approve the agenda as presented. All in favor. Motion carried.

PUBLIC COMMENTS

Mayor Wells read the following statement:

Persons who wish to address the City Council regarding items on the agenda may do so as that agenda item is called. Persons who wish to address the City Council regarding items not on the agenda and that are under the jurisdiction of the City Council may do so at this time when called upon by the Mayor. Comments on personnel matters and matters pending in court or with other outside tribunals are not permitted. Speakers are limited to three minutes. Any presentation is for information purposes only. No action will be taken.

Following Mayor Wells reading of the aforementioned statement he asked members of the audience if they wished to address the Council and no one in the audience wished to address the Council.

CONSENT AGENDA

- A. Minutes Approval**
 - **May 14, 2018**
- B. Appropriations Approval – 2018-10**
 - **Council Member Ford reminded staff not to put the employees name on an invoice due to HIPPA regulations.**
- C. Iola Girl Scouts Request**
 - **Approve a request for a campout in Riverside Park and lift the curfew for June 8, 2018**
- D. Relay for Life Request**

- **Authorize staff to provide two trash dumpsters, and provide three sets of bleachers for the event. Authorize staff to waive the rental of the Recreation Community Building in case of rain and lift the nightly curfew in Riverside Park for the event.**
- E. American Red Cross - Facility Use Agreement**
 - **Approve the Facility Use Agreement with the American Red Cross and authorize staff to execute the necessary documents**
 - i. **Council Member Ballard asked if this was something new. Assistant Administrator Schinstock explained that we previously had a contract with the Red Cross. This is a renewal of the same contract with them designating the Park Community Building as a Shelter during a disaster.**
- F. Convention and Tourism Board Appointments**
 - **Carri Sailor - New Appointment**

Motion made by Council Member Ballard to approve the consent agenda as presented. Motion seconded by Council Member Myrick. All in favor. Motion carried.

EXECUTIVE SESSION

Motion made by Council Member Myrick and seconded by Council Member Ballard to go into Executive Session for thirty minutes pursuant to Attorney-Client Privilege, K.S.A. 75-4319 (b)(2). The purpose of the executive session is to discuss contractual agreements and shall include the Mayor, Council, City Administrator, and City Attorney. The regular meeting shall reconvene in the City Council Chamber at 6:36 p.m. All in favor. Motion carried.

UNFINISHED BUSINESS

A. Unsafe/Dangerous Structure 3 W. Neosho - Resolution #2018-12 – At the February 26, 2018 City Council meeting the City Council gave the homeowners 90 days to make repairs to the property. Gregg Hutton, Code Enforcement Officer, stated that no repairs were started on the property until May 5th.

Code Enforcement Officer Hutton presented photos to the Council showing that the small amount of work that was done on the house did not meet the stipulations set by the Council and did not make the structure safe. The photos also showed some inside structural damage to the home. The repairs would require more than half the value of the home to complete.

Staff is requesting that Council approve the property be condemned since the property owner did not follow through with the repairs required by the Council.

Motion made by Council Member Myrick and seconded by Council Member Martin to approve Resolution 2018-12 for 3 W Neosho and proceed to condemn property, and order the structure to be demolished and removed. Based on Section 8-501, of the Unified Development Code. All in favor. Motion carried.

B. Water Rate Adjustment - Ordinance #3481— Administrator Fleming explained to the Council Members that when the Water Ordinance was voted on at the April 23, 2018 meeting the Council voted 4-3 to pass the Ordinance. Kansas Statute requires a majority of the members elect, regardless of absences or vacancies, therefore in order to pass an Ordinance five votes are needed.

Mayor Wells asked each Council Member were they stood on the issue.

Council Member Franklin stated he had not changed his mind. He wanted to do a 7.5% increase for the next two years versus a 7.5% and 10% for the next two years.

Council Member Martin stated that he had not changed his mind. Previous circumstances have brought us to this point we may not like raising rates, however we have to do what is best for the citizens of Iola.

Council Member Myrick stated he needs to be shown the budget and how the numbers will affect the current budget.

Council Member Mathew stated that he would not be in favor of the increase without seeing the backup for an increase.

Mayor Wells stated that he feels that we have to take care of the infrastructure. Even the water plant will be twenty years old when it is paid off. If we don't keep the water fund solvent and continue to put money in the CIP fund to take care of the larger projects the system will suffer.

Council Member Ballard stated that his opinion had not changed. He is not in favor of a rate increase. He feels that budget cuts are necessary.

Council Member Middleton stated that his opinion had not changed.

Council Member Ford stated that her opinion had changed. She had been contacted by some individuals and this is just not the right time for an increase.

Council Member Peters stated that his opinion had changed and he did not feel that reserves should have been moved to the CIP.

Larry Walden stated that if there was a \$400,000 budget overage last year why would an increase be needed. Administrator Fleming stated that was in the Electric Fund not in the Water Fund. Larry Walden stated that the money that was moved to the CIP could be used to pay for the water loan. Administrator Fleming noted that this money was in the Equipment Reserve and it was earmarked for Electric Projects. Larry Walden also stated that staff haven't cut a dime out of the budget they are just wanting to increase the taxes.

Lewis Clark stated that retirees live paycheck to paycheck they can't afford all of the rate increases. If the Council would quit giving out free water to some individuals that would save money. It is not fair to other residents like him to have to pay for water when the Council gives it to others for free.

Motion was made by Council Member Middleton and seconded by Council Member Martin to approve Ordinance 3481- Water Rate Adjustment and authorize the necessary signatures. Voting in favor of the motion were Council Members: Martin and Middleton. Voting against the motion were Council Members: Franklin, Myrick, Ford, Mathew, Ballard, and Peters. Motion failed by a majority vote.

C. Water Rate Bond RePayment - Resolution #2018-13- Administrator Fleming stated that this item is a mute point. Drastic cuts will need to be made in the water fund in order to try to make the water bond payment. The payment could be made out of Capital Projects with no expectation of it being paid back since no rate increase was approved. Motion made by Council Member Myrick and seconded by Council Member Ballard to table this agenda item indefinitely. All in favor. Motion carried.

NEW BUSINESS

A. Farm City Days Concert Requested City Support - Resolution

#2018-14 - Assistant Administrator Schinstock stated that a list of requests is presented to the Council for approval. Motion made by Council Member Ballard and seconded by Council Member Martin to approve Resolution 2018-14 approving City Staff support for Farm City Days Summer Concert Series. All in favor. Motion carried.

B. Farm City Days Concert Alcohol Consumption on City Property -

Resolution 2018-15 - City Clerk Hutton clarified with Council Member Franklin the area designated for the alcohol. Motion made by Council Member Ballard and seconded by Council Member Martin to approve Resolution 2018-15 allowing the consumption of

alcoholic liquor in the designated area only at the Davis Athletic Fields for the Farm City Days Summer Concert Series Event in accordance with KSA 41-2645 (E) from 4:00 p.m. to 11:30 p.m. on July 14, 2018. voting in favor of the motion were Council Members Peters, Ford, Ballard, Myrick, Martin and Franklin. Voting against the motion was Council Member Mathew. Motion passed by a majority vote.

C. Chip & Seal Oil Bid Approval - Assistant Administrator Schinstock noted that bids were solicited for RS-1P oil. There are only two vendors in this part of the United States that make the oil. Both vendors, Ergon Asphalt and Vance Brothers, submitted a bid with Ergon coming in with the lowest of the two bids.

Council Member Ballard asked if a five-year rotation was the best option. Should we check with other cities to see if we could move to a longer time frame.

Council Member Franklin stated that he would not want to increase the time between the different areas until an engineer could look at it and verify it was not going to cause severe damage to the streets.

Motion made by Council Member Franklin and seconded by Council Member Peters to approve the purchase of approximately 45,000 gallons of RS-1P Emulsion Oil from Ergon Asphalt & Emulsion, Inc. All in favor. Motion carried.

D. Convention & Tourism Funds Disbursement - City Clerk Hutton presented the Council with the recommendations from the Convention and Tourism Committee.

Council Member Ford stated that she did not feel that Tom Ellis should receive the funding for his project. She felt that money should go to the Veterans Committee to help fund repairs of the Memorial Wall on the square.

Council Member Ballard asked Donna Houser about the air conditioner in the trolley. Donna Houser stated that the trolley was purchased as is and the seller stated that they did not use the air conditioner in the climate that they were in.

Council Member Franklin asked what would be done with any unused funds if the entire \$5,000 was not needed for the air conditioner. It was noted on the disbursement list that the money was also for additional maintenance items.

Motion made by Council Member Myrick and seconded by Council Member Ford to alter the committee's recommendation removing the \$1,500 from Tom Ellis and giving it to the Veterans Committee for repairs to the Memorial Wall. Voting in favor of the motion were

Council Members Myrick, Ford, Peters, Martin, and Mathew. Voting against the motion were Council Members Ballard, Middleton, and Franklin. Motion passed by majority vote.

Motion made by Council Member Myrick and seconded by Council Member Ford to disburse the funds as amended. All in favor. Motion carried.

E. Cereal Malt Beverage License - 20 W Jackson - City Clerk Hutton informed the Council that the owner of the property is wanting to keep the type of business confidential for the time being. City Clerk Hutton informed the Council that the owner has met with Fire Department and Police Department and inspections have been performed. Motion made by Council Member Ballard and seconded by Council Member Middleton to approve the CMB for 20 W Jackson. Voting in favor of the motion were Council Members Peters, Ford, Ballard, Middleton, Myrick, and Franklin. Voting against the motion was Council Member Mathew. Motion passed by majority vote.

F. KwiKom Fiber Franchise Agreement - Ordinance #3482 - Administrator Fleming informed the Council that KwiKom, staff and the City Attorney had reviewed the Contract and had agreed to the terms. Motion made by Council Member Ballard and seconded by Council Member Myrick to approve Ordinance 3482 Franchise Agreement with JMZ Corporation (KwiKom) and authorize the necessary signatures. All in favor. Motion carried.

G. KwiKom Pole Attachment Agreement - Administrator Fleming stated that the Pole Attachment Agreement had been reviewed by staff and the City Attorney and is being presented for approval. Motion made by Council Member Martin to approve the Pole Attachment Agreement with JMZ Corporation (KwiKom) and authorize the necessary signatures. Motion seconded by Council Member Ballard. All in favor. Motion carried.

H. Recreation Trail/Park Fee - Ordinance 3483 - Council Member Ballard stated that he is for this fee because you can opt out of it.

Council Member Ford stated that she thought customers should be able to opt-in. The customers living in town should get to choose if they wanted to pay just on water or both on water and electric.

Debbie Clark stated that elderly people are not going to realize that this fee is on their bill and they are just going to pay it. Their families are going to be responsible for getting the forms filled out and sent in. Administrator Fleming explained to Ms. Clark that the customer can opt-out at any time.

Larry Walden stated that statistics show that the City will receive 50% more income with an opt-out status versus making it voluntary.

Council Member Franklin stated that he initially asked for this fee to keep things in the park nice without mandatory rate increases. No one is forced to pay for it.

Mayor Wells stated that this fee is not to take care of the LeHigh or the Southwind Trails. It is for large projects within the Recreation Fund. Administrator Fleming stated items such as the restroom facilities, ballfields, playground equipment, swimming pool lining just to name a few.

Motion made by Council Member Franklin and seconded by Council Member Middleton to approve Ordinance 3483 Park Recreation Trail Fee and authorize the necessary signatures. Voting in favor of the motion were: Council Members Middleton, Franklin, and Ballard. Voting against the Motion were: Council Members Martin, Myrick, Mathew, Ford, and Peters. Motion failed.

ROUND TABLE

A 2019 Budget Preparation Process - The 2018 Budget was developed by staff, and after the initial development, staff presented the draft budget for Council's review during a series of budget workshops. Staff then took Council's input and suggested changes and incorporated them into the final version of the 2018 Budget, which was approved in August 2017. Staff has anticipated utilizing a similar process to develop the 2019 Budget.

Since Council has expressed its desire to "cut" or "reduce" the budget, Administrator Fleming asked for some ideas for cutting the 2019 budget so staff will know how to prepare the budget. Some general questions to initiate the conversation are below.

- > Does Council wish to keep revenue (General Fund) estimates level?
- > Does Council wish to maintain or reduce the current property tax (ad valorem) mill levy?
- > Does Council wish to cut programs or services to shrink the budget?

Council Member Myrick said he would like to see an overall 10% cut.

Mayor Wells asked him what he would like to cut.

Council Member Franklin stated he would like to have a budget seminar before we make guesses where the money comes from and where it goes.

Mayor Wells stated that we will have to get aggressive to balance 2018.

Hold a budget seminar

Keep the mill levy flat

Council Member Ballard stated he would like to see attrition through retirement and an aggressive thought process when buying new vehicles.

Larry Walden asked if having trash pickup one day or even going to an outside contractor would be better. Possibly going to countywide ambulance with the county running it. Police and Court being run by the County.

Administrator Fleming stated if we are not fiscally responsible this year we will be fiscally irresponsible in five to ten years. He stated that two to three years ago staff cut the budget and now there is no where to go.

Council Member Ford stated a hiring freeze should be done.

Administrator Fleming stated if Council's wishes to examine staffing levels an outside agency should be hired to verify which departments did not need staff. Council Member Ford stated this would cost money. Administrator Fleming stated that when he tried to put through the changes in the Personnel Manual Department Heads went to the Council Members and the Council did not back the Administrator. If the administrative staff was directed to examine staff, without the help of outside agency, Council would have to fully support and back the administrative staff as they perform this study. .

Council Member Franklin stated he is not against rate increases he just wants to have budget discussions first.

Council Member Ballard stated he wanted a list and cost of the CIP items. Administrator Fleming noted that there is a five-year plan in the budget. The Water and Wastewater Master Plan will help shape the CIP for those funds.

Administrator Fleming asked for further guidance on the 2018 bond payment for the water plant since none was really given previously. Council provided consensus to pay the 2018 bond payment from the Capital Projects Fund (96), but due to the failed water rate ordinance no expectation of repayment is made at this time.

COUNCIL & ADMINISTRATOR REPORTS

A. Council Member Franklin –

- Noted in last meetings minutes about the car washing at the garden. Assured the Council that it will not happen again.
- Appreciates staffs time on the Recreation/Rail fee. It is a missed opportunity.

B. Council Member Myrick–

- None

C. Council Member Mathew –

- None

D. Mayor Wells–

- Russell Beth approached him about getting 150-200 pool passes for the June 10th family picnic for the National Guard. Council gave general consensus to provide the pool pass to the National Guard with formal action being taken on June 11th.
- He noticed a lot of campers getting water at the park wondered if we shouldn't meter it and make some money.

E. Council Member Ballard –

- None

F. Council Member Middleton –

- Congratulated the Iola Mustang Baseball team on winning the State Tournament.

G. Council Member Ford–

- None

H. Council Member Peters –

- Enjoyed his trip. Good to be back home.

I. Council Member Martin -

- None

J. Administrator Fleming–

- None

DATE / TIME OF NEXT MEETING

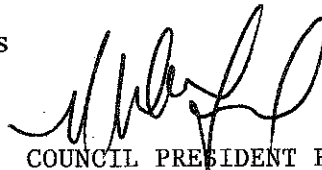
City Council Meeting 6:00 p.m. on Monday, June 11, 2018

ADJOURNMENT

8:26 p.m. Motion made by Council Member Myrick and seconded by Council Member Ballard to adjourn the meeting. All in favor. Motion carried.

Approved by the City Council of the City of Iola, Kansas this 11th day of June, 2018.

Mayor Wells



COUNCIL PRESIDENT FORD

City Clerk, Roxanne Hutton

