

EL DORADO CITY COMMISSION MEETING

JANUARY 17, 2006

The El Dorado City Commission met in regular session on January 17, 2006, at 7:30 p.m. in the Commission Room with the following present: Mayor Brian D. Shepherd, Commissioner Michael A. Fagg, Commissioner Linda Clark, Commissioner Todd Peterson, Commissioner Steve Pershall, Interim City Manager Richard Chesney, City Attorney Michael Coash, Finance Director Dee Anne Grunder, Engineer Aide Scott Rickard. Absent: City Clerk Kendra Waite.

VISITORS

Kathryn Hollingsworth	El Dorado Times	El Dorado, Kansas
Brendon T. Light	627 Village Road	El Dorado, Kansas
Carl D. Andrews	1730 Cottonwood Dr.	El Dorado, Kansas
Donald Adlesperger	1285 S. Topeka	El Dorado, Kansas
Pat Hicks	1147 S. Arthur	El Dorado, Kansas
Mary & Chet Mc Coy	336 Simpson Rd	El Dorado, Kansas
Harold Haskell	122 Residence	El Dorado, Kansas
James Cook	719 Fredrick Dr.	El Dorado, Kansas
Larry Adams	1756 W. Third	El Dorado, Kansas
Don Taylor	2950 W. Fourth	El Dorado, Kansas
Leonard & Nellie Smith	601 N. High	El Dorado, Kansas
R.K. Love	1418 Sunset Rd.	El Dorado, Kansas
Monica Farrar	Lot 1 Southern Ct.	El Dorado, Kansas
Kim Watson	140 Residence	El Dorado, Kansas
Jolene Erpelding	346 Hillside	El Dorado, Kansas
Micheal L. Moses	410 W. Second	El Dorado, Kansas
Linda Jolly	2100 Pico Ct.	El Dorado, Kansas
Dan Hill	1758 SE Hwy 77	El Dorado, Kansas
Geo. Fagg	320 N. Acthison	El Dorado, Kansas

CALL TO ORDER

Mayor Brian D. Shepherd called the January 17, 2006, City Commission meeting to order.

INVOCATION

The Reverend Richard Edds, First Southern Baptist Church, opened the meeting with prayer.

PLEDGE OF ALLEGIANCE

Ms. Jeanne Evans' Third Grade Class from Lincoln Elementary School led the Pledge of Allegiance.

CITIZEN OF THE MONTH

Commissioner Linda Clark stated that Pastor Stan Seymour and the First Christian Church recognized Ms. Evans' Third Grade Class for their work at the Community Thanksgiving Dinner at the 4-H Building. Ms. Clark further stated that the class decorated tables, carried drinks and cleaned tables, and the volunteer spirit was a key component to the success of the activity.

CONSENT AGENDA

- a) Approval of the December 30, 2005, City Commission minutes.
- b) Approval of the January 5, 2006, Special City Commission minutes.
- c) Approval of the January 6, 2006, Special City Commission minutes.
- d) Approval of the January 10, 2006, Work Session minutes.
- e) Approval of Resolution No. 2527, a resolution approving the Interim City Manager and Finance Director to furnish and sign all necessary documents related to the Kansas Department of Health and Environment's Revolving Loan Fund for the Wastewater Treatment Plant.

Commissioner Pershall moved that the Consent Agenda, as presented, be approved.

Commissioner Peterson seconded the motion.

Motion Carried 5-0.

SPECIAL USE PERMIT TO ALLOW A BED AND BREAKFAST IN THE R-1, RESIDENTIAL – LOW DENSITY DISTRICT. (CASE NO. 05-010-SUP)

Interim Planning/Zoning Director David Yearout stated that David Reitz, applicant, is seeking a Special Use Permit to establish a bed and breakfast in his home at 206 South Summit. This case was first heard by the Planning Commission on November 17, 2005 and was recommended for denial. It was then presented to the City Commission on December 5, 2005, where it was returned to the Planning Commission for further review. The December 29, 2005 Planning Commission meeting was rescheduled for January 4, 2006. At the January 4, 2006, meeting, after review of the facts in the case and the information submitted at the public hearing, the Planning Commission approved the Special Use Permit for the bed and breakfast as proposed by a vote of 5 to 1.

The Commission asked various questions regarding square footage, ownership, and stability of the garage.

Mr. Yearout explained that the property is a joint partnership between Mr. Reitz and his in-laws, the Kennedys, who live nearby. Mr. Reitz, Mrs. Reitz, or the Kennedys will occupy the home. He also stated that the square footage including the basement meets the requirements of the zoning regulation, in his opinion.

David Reitz, 206 South Summit, stated that the garage walls have been stabilized with braces and metal rods.

RESOLUTION NO. 2528

Commissioner Clark moved that the recommendation of the Planning Commission to approve Case No. 05-010-SUP requesting a Special Use Permit to permit a bed and breakfast on property at 206 South Summit be accepted, and that Resolution No. 2528 be approved.

Commissioner Pershall seconded the motion.

Motion carried 5-0.

2006 SALES TAX SIDEWALK PROJECTS

Mayor Brian Shepherd stated that the City is currently prepared to construct sidewalks along the west side of Haverhill Road (Central Avenue to Towanda Avenue), with the approved sales tax funds, in conjunction with the City's Sidewalk Improvement Plan.

Mayor Shepherd stated Staff is recommending this project be performed in 2006 instead of the scheduled sidewalk project on Main Street (Twelfth Avenue to McCollum Road). Staff recommends postponing the Main Street Sidewalk project until after the sanitary sewer improvements on North Main are completed in 2007.

Mayor Shepherd stated Staff also recommends postponing the Sixth Avenue sidewalk project due to the right-of-way conflicts and utility issues. This project will require considerable planning and may not be complete until after the construction season.

Commissioner Michael Fagg questioned the reasoning for placing a sidewalk on the west Side of Haverhill, which includes driveways, versus the east side of Haverhill.

Engineer Aide Scott Rickard stated that the east side of Haverhill has extensive slope issues, and a retaining wall would need to be constructed.

Commissioner Pershall moved that the Interim City Manager be directed to advertise and take bids for Project 241.

Commissioner Clark seconded the motion.

Motion carried 5-0.

PUBLIC HEARING – KDHE REVOLVING LOAN FUND – EL DORADO WETLANDS AND WATER RECLAMATION FACILITY

Mayor Brian Shepherd stated that the City of El Dorado is constructing a wastewater treatment plant located south of the city. The City Commission approved the funding mechanism through the Kansas Department of Health and Environment Revolving Loan Fund. KDHE requires a public hearing be held at this time. Staff will provide a brief update of the events to date during the public hearing.

Mayor Shepherd stated the Kansas Department of Health and Environment has approved amending the loan from \$10.3 million to \$11.5 million due to the increased costs of construction. This does not affect the interest rate on the loan. The amended loan agreement must be authorized by ordinance.

Mayor Shepherd stated the City also wishes to annex the land acquired for the El Dorado Wetlands and Water Reclamation Facility into the City limits.

PUBLIC HEARING

Mayor Shepherd opened the public hearing.

Finance Director Dee Anne Grunder stated that due to the bids for the wastewater treatment plant being considerably higher than originally anticipated, the City must amend the KDHE revolving loan from \$10.3 million to \$11.5 million. The total project cost will be approximately \$12.5 million. The purchase of the land (\$873,000) and the inspection costs are not allowable under the KDHE loan and are therefore not included in the amended loan. Rates have previously been increased three times for this project, and the anticipated final

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sewer rate increase for the project will be substantial. From the initial 2002 rate increase for the project to the final increase that will be on the next agenda, the rates will have increased over 165% and readiness-to-serve charges over 115%. The anticipated completion date for the project is March 2007, with the repayment beginning in September 2007.

Director of Public Utilities Kurt Bookout explained the reasons a new treatment plant is required. Mr. Bookout stated that land was purchased to construct wetlands to handle wet weather flows and thus decrease the size of treatment plant needed.

Mayor Shepherd closed the public hearing.

ORDINANCE NO. S-1259

Commissioner Clark moved that Ordinance No. S-1259, an ordinance authorizing the execution of a first amendment to the loan agreement between the City of El Dorado, Kansas and the State of Kansas, acting by and through the Kansas Department of Health and Environment for the purpose of obtaining a loan from the Kansas Water Pollution Control Revolving Fund for the purpose of financing a wastewater treatment project; establishing a dedicated source of revenue for repayment of such loan; authorizing and approving certain documents in connection therewith; and authorizing certain other actions in connection with the first amendment to the loan agreement, be approved.

Commissioner Peterson seconded the motion.

ROLL CALL

Position No. 1	Commissioner Todd Peterson	Yes
Position No. 2	Commissioner Linda Clark	Yes
Position No. 3	Commissioner Steve Pershall	Yes
Position No. 4	Commissioner Michael Fagg	Yes
	Mayor Brian Shepherd	Yes

ORDINANCE NO. G-976 – ANNEXATION OF WASTE WATER TREATMENT PLANT LAND.

Commissioner Clark moved that Ordinance No. G-976, an ordinance annexing land to the City of El Dorado, Kansas, be approved.

Commissioner Peterson seconded the motion.

ROLL CALL

Position No. 1	Commissioner Todd Peterson	Yes
Position No. 2	Commissioner Linda Clark	Yes
Position No. 3	Commissioner Steve Pershall	Yes
Position No. 4	Commissioner Michael Fagg	Yes
	Mayor Brian Shepherd	Yes

FINANCIAL SOFTWARE ACQUISITION AGREEMENTS

Mayor Brian Shepherd stated the City’s financial software needs to be replaced. Staff has received proposals and researched the companies extensively. Staff is recommending purchasing the Financial Accounting System from Government E-Management Solutions (GEMS) with the exception of the Municipal Court package, which would be purchased from Tyler Technologies/Incode Division. The City has \$175,000 to apply to the purchase, and Staff recommends a lease/purchase for the balance.

Finance Director Dee Anne Grunder stated that rates on a lease/purchase agreement for the balance of \$145,000 were quoted by four financial institutions, and Intrust Bank offered the best rate of 3.93% for a four-year term.

Commissioner Michael Fagg questioned the reason for a lease/purchase agreement rather than paying for the software in full out of the budget.

Finance Director Grunder stated the \$145,000 is not in this year's budget, and there also is not adequate unrestricted cash in the fund at this time. The lease/purchase will allow the City to spread the cost over a four-year period.

Mayor Brian Shepherd questioned if the City could pay the balance early without penalties.

Finance Director Grunder stated there is no early payment penalty.

Commissioner Peterson moved to authorize the Interim City Manager to sign an agreement with Government E-Management Solutions for the purchase of a Financial Accounting System (except the Municipal Court software) and an agreement with Tyler Technologies/Incode Division for the purchase of Municipal Court software.

Commissioner Pershall seconded the motion.

Motion carried 5-0.

RESOLUTION NO. 2529

Commissioner Peterson moved that the Interim City Manager be authorized to sign the lease/purchase agreement with Intrust Bank in the principal amount of \$145,000 to fund the purchase of the software, and that Resolution No. 2529 be approved.

Commissioner Pershall seconded the motion.

Motion carried 4-1 (Commissioner Fagg opposed).

PUBLIC COMMENTS

Mayor Brian Shepherd opened the floor for public comments.

Don Adlesperger, 1285 S. Topeka, questioned the sidewalk placement on the west side of Haverhill.

Mayor Shepherd stated that the Engineering department has indicated it is related to the slope on the east side of Haverhill.

Carolyn Marcum, 309 S. Vine, stated she appreciated the work sessions being televised and the work involved in staff presentations.

Jim Miller, 345 Hunton, stated he agrees with Mr. Adlesperger, and the Haverhill sidewalk should be on the east side. Mr. Miller further stated that he appreciates the televised work sessions.

Mayor Shepherd closed the public comments session.

EXECUTIVE SESSION

Mayor Brian Shepherd stated that the Executive Session is related to non-elected personnel issues and an economic development prospect.

Commissioner Peterson moved to recess into an Executive Session for the purpose of discussing non-elected personnel issues and for the purpose of discussing confidential data relating to the financial affairs or trade secrets of a corporation and to reconvene the regularly scheduled meeting in the City Commission room at 10:15 p.m.

Commissioner Clark seconded the motion.

Motion carried 5-0.

Mayor Shepherd reconvened the meeting at 10:19 p.m. (Commissioner Pershall remained in the conference room).

Commissioner Peterson moved to recess into an Executive Session for the purpose of discussing non-elected personnel issues and to reconvene the regularly scheduled meeting in the City Commission room at 10:30 p.m.

Commissioner Fagg seconded the motion.

Motion carried 4-0.

Mayor Shepherd reconvened the City Commission meeting at 10:30 p.m. and stated that no official decision was made at this time.

COMMISSION COMMENTS

Mayor Brian Shepherd asked for comments from the Commission.

Commissioner Michael Fagg stated that the City may want to consider hiring a credit bureau to handle the collections of past due bills and fines. Mr. Fagg further stated he believes there is a need for a Town Hall meeting to provide factual information concerning the recall.

Mayor Shepherd and Commissioner Todd Peterson expressed agreement with holding a meeting to discuss the recall.

Commissioner Linda Clark stated she feels someone other than the City Commission should organize it, and there should be a third party moderator to conduct the meeting.

Larry Adams, 1756 W. Third, offered to pay the fee for the use of the City Commission room. Mr. Adams further commented that the terms of what will be allowed to be discussed need to be established prior to the meeting.

The consensus of the Commission was to schedule a meeting on January 30, 2006, at 7:00 p.m.

Mayor Shepherd thanked everyone for the cards and support for his recent loss.

INTERIM CITY MANAGER'S REPORT

Interim City Manager Richard Chesney stated that a Work Session related to the Procurement Policy and utility rates is scheduled on Tuesday, January 24, 2006, at 7:00 p.m.

AJOURNMENT

Commissioner Peterson moved to adjourn the meeting at 10:45p.m.

Commissioner Pershall seconded the motion.

Motion carried 5-0.

City Clerk Kendra Waite

Mayor Brian D. Shepherd

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