

EL DORADO CITY COMMISSION MEETING July 19, 2004

The El Dorado City Commission met in regular session on July 19, 2004, at 7:30 p.m. in the Commission Room with the following present: Mayor Connie Phillips, Commissioner Michael A. Fagg, Commissioner Linda Clark, Commissioner Brian Shepherd, City Manager Stan B. Stewart, Assistant City Manager Gus Collins, City Engineer Dave Wagner, City Attorney Mike Coash, and City Clerk/Finance Director Dee Anne Grunder. Commissioner Oral W. Taylor was absent.

VISITORS

Denzil & Frances Stephens	1238 Finney	El Dorado, Kansas
Jim & Betty Bean	1835 Webb	El Dorado, Kansas
Glenn & Letha Corfman	1120 S. Summit	El Dorado, Kansas
Pat Hicks	1147 S. Arthur	El Dorado, Kansas
George Fagg	320 N. Atchison	El Dorado, Kansas
James L. Cook	719 Fredrick Dr.	El Dorado, Kansas
Jerry Blount	131 N. Hillside	El Dorado, Kansas
Bonnie Cooper	820 S. Atchison	El Dorado, Kansas
Shirley Burhenn	1222 Oak	El Dorado, Kansas
George & Jean Frisbie	1220 Ellet	El Dorado, Kansas
Bill Counterman	7382 N.W. 30 th	Towanda, Kansas
Kay Wickwire	341 Village Rd.	El Dorado, Kansas
Jim Pennington	8470 N.W. 30 th	Towanda, Kansas
C.J. & Betty Spires	954 S.E. Spires	El Dorado, Kansas
Vince Haines	PKHL Architects	El Dorado, Kansas

INVOCATION

Mayor Connie Phillips called the July 19th meeting to order. The Reverend Steve Windle opened the meeting with prayer.

PLEDGE OF ALLEGIANCE

City Manager Stan Stewart led the Pledge of Allegiance.

CONSENT AGENDA

Approval of the July 6, 2004, City Commission minutes.

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

Commissioner Clark seconded the motion. Motion carried 4-0.

MEATS FERTILIZER – SELLING OF LAND

Mayor Connie Phillips stated that Galen Mears, owner of Mears Fertilizer, has requested the City consider selling a small parcel (10 ft. by 857 ft. east of his existing property). This additional property is needed to allow Mr. Mears to construct a security fence. The City sold a parcel to Mr. Mears in 1999. This would be an extension of the existing land. The same price structure is included in this transaction.

City Manager Stan Stewart stated that this is located in Industrial Park #3 on the west side of the turnpike, and the sale of the property would not have any adverse affect on any of the future plans for the park.

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City Engineer Dave Wagner noted the legal description on the deed was incorrect and would be corrected by staff.

Commissioner Fagg questioned if the City would have any closing expense on the transaction.

City Attorney Mike Coash stated there would not be any closing cost.

Commissioner Fagg asked if the City owns the mineral rights on the property.

City Engineer Dave Wagner stated that they did not.

Commissioner Clark moved to approve the sale of a 10-foot x 857-foot parcel of land in the amount of \$295.00.

Commissioner Shepherd seconded the motion with the changes in the deed. Motion carried 4-0.

PUBLIC HEARING – IUSI TAX EXEMPTION APPLICATION

Mayor Phillips stated that in 2001, the City approved an agreement with IUSI for the rental of a City-owned building. A section of the agreement provides for the City to submit a property tax exemption application on behalf of this company. This application is for personal property for the years of 2003 and 2004.

Assistant City Manager Gus Collins stated that in 2001 the City entered into an agreement with IUSI. The agreement provided for property tax exemption applications if requested by the company. Due to construction and remodeling the building, it was 2002 before IUSI was operational; therefore, they are only requesting the Commission's consideration for the years 2003 and 2004. This is for personal property only. They have significant equipment and machinery located at this site. Initially, IUSI was under the impression that because they were utility they were exempted from taxation and therefore did not file the proper documents with the county. Following the action of the Commission, it will be submitted to the Board of Tax Appeals for consideration.

PUBLIC HEARING

Mayor Phillips opened the public hearing. No one appeared.

Mayor Phillips declared the public hearing closed.

Commissioner Fagg questioned why the business was not instructed to submit a property tax exemption request in accordance with the City's policy.

Assistant City Manager Collins stated that they were led to believe that they were exempt. Therefore they did not file the proper documents.

Commissioner Fagg questioned who received the cumulative benefit reflected on the Cost Benefit Analysis.

Assistant City Manager Collins stated that the analysis considers several factors. The City benefits through projected job creation, school enrollment, and new homes.

Commissioner Fagg questioned if there was a written application on file from IUSI.

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Assistant City Manager Collins stated that IUSI called and requested pursuant to the agreement.

Commissioner Fagg questioned if IUSI had made payments in lieu of the taxes due.

Assistant City Manager Collins stated taxes had been paid on one portion of the taxes due.

Commissioner Fagg questioned if IUSI had paid the \$100 application fee.

Assistant City Manager Collins stated they had not.

Commissioner Fagg stated that he feels that either the policy needs to be changed, or we need to comply with it.

Commissioner Shepherd moved that Ordinance No. S-1207, an ordinance exempting certain personal property from taxation for economic development purposes, for the company known as International Utility Structures, Inc. (Kansas) and IUS Holdings, Inc., be approved.

Commissioner Clark seconded the motion.

Commissioner Shepherd stated that he agrees the policy should either be followed or changed but realizes this situation is unusual.

ROLL CALL

Position No. 1	Commissioner Oral Taylor	absent
Position No. 2	Commissioner Linda Clark	yes
Position No. 3	Commissioner Brian Shepherd	yes
Position No. 4	Commissioner Michael Fagg	no
	Mayor Connie Phillips	yes

PROJECT NO. 233 PETITION FOR RESIDENTIAL SIDEWALKS & PROJECT NO. 222 –2003 SALES TAX-HAVERHILL TO JONES

City Manager Stan Stewart stated that bids had been let, but no bids were received from any of the contractors. Staff recommends re-bidding and postponing this item until the August 2nd City Commission meeting.

City Manager Stewart stated Project 233 consists of properties in which the owners have requested the sidewalks.

Commissioner Fagg asked if there were any other sidewalk projects in progress.

City Engineer Wagner stated there were not any of which he was aware.

Commissioner Fagg questioned whether the specials were interest free.

City Manager Stewart stated they were interest free.

Commissioner Fagg questioned why the City would borrow \$13,068.27 to fund the project.

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Assistant City Manager Collins stated that the contractor has to be paid, however, the City will receive any payment from the property owners on their 50% portion over a ten-year period. The City historically issues long-term bonds. The City Commission has to provide authorization in the event bonds are issued. It will be reviewed and possibly funded internally.

Commissioner Fagg questioned if other sidewalk projects could be funded out of the sales tax monies committed for sidewalks.

City Manager Stewart stated they could be handled that way. The only problem would be in the timing of the request due to plans the Engineers would have to make.

Mayor Phillips stated Agenda Item No. 4 would be postponed until August 2, 2004.

GEOMETRIC IMPROVEMENT PROJECT APPLICATION – MAIN STREET RESURFACING/WEST CENTRAL IMPROVEMENT

City Engineer Dave Wagner stated that the project scope extended from Diagonal Road to Haverhill. The State was contacted to include the island between Haverhill and School Road.

Mayor Phillips stated the KLINK program provides for a maximum state participation in the cost of construction and engineering for 50/50 cost split up to \$200,000. This is limited to resurfacing of the roadway only, and must be a route on the State Highway System within the city limits. The KLINK application recommended by staff follows the CIP outline for the year 2006, to resurface Main St. from the BNSF Railroad north to Fourth Ave.

The GI program allows funds to change the geometric configuration of a traveled way on city connecting links. Staff recommends filling in the depressed areas, and constructing left turn bays (deceleration lanes) at each depressed median on Central Ave. between Diagonal Rd. and Haverhill Rd.

City Engineer Dave Wagner stated that the Geometric Improvements are 80/20 split.

Commissioner Clark moved to submit both the KLINK and Geometric Applications as presented.

Commissioner Fagg seconded the motion. Motion carried 4-0.

SUPPLEMENTAL AGENDA - RURAL WATER DISTRICT NO. 2 AGREEMENT – 30 DAY EXTENSION

Mayor Phillips stated the City of El Dorado has an agreement with Rural Water District #2, which will expire August 4, 2004. She stated that Staff for both sides have been meeting with significant progress. A one-month extension is being requested to finalize wording.

City Manager Stewart stated that there have been negotiations, and they have made significant progress. He stated that it would be helpful to have additional time to go over the wording. He recommended a 30-day extension under the same terms as the existing agreement.

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Commissioner Fagg moved to approve a thirty-day extension of the water agreement between Rural Water District #2 and the City of El Dorado.

Commissioner Shepherd seconded the motion. Motion carried 4-0.

CITY MANAGER'S REPORT

City Manager Stan Stewart noted the following:

1. West Central construction – plans are to move the construction to the north side of Central the last week of July.
2. Traffic Study Committee will meet Thursday, July 22 with the consultant they have selected.
3. Commercial Cardboard Program update – there are now approximately 55 commercial customers. The daily totals are doubling and are exceeding expectations.

STORM WATER DRAINAGE

Commissioner Fagg inquired about the plan of action on storm water issues.

City Manager Stewart stated it has been placed in the CIP. Staff is gathering some information and a list of projects. Some criteria and a funding source will need to be developed, as there will be significant costs.

Commissioner Fagg questioned the cost of storm drainage on Meadow Road.

City Manager Stewart stated his recollection was that the property owner paid for the materials and City crews performed the work.

Commissioner Fagg suggested creation of a Storm Sewer Study Committee to review this issue.

Commissioner Shepherd questioned if there was anything that the City could do now to mitigate the damage.

City Manager Stewart stated it would be reviewed.

Commissioner Fagg stated he would like to see a master plan prepared for the entire City that prioritizes and maintains consistency.

EI DORADO SENIOR CENTER ADDITION

Mayor Phillips stated that the City Commission had directed Staff to proceed with the bidding of the construction of a 4,000 square foot addition to the Senior Center. The bid opening was held today.

Vince Haines, PKHL Architects, distributed the bid tabulation to the Commission. He stated they accepted sealed bids from six general contractors, and three of the six were within in the estimated budget. The low bid is \$269,531 from Pinnacle Construction Group, Inc. He stated he does not recommend moving forward with the deduct alternate. The add alternate of \$9,777 for parking lot lighting is still within the budget. A 5% contingency is recommended.

Mayor Phillips stated the project budget will be \$313,802.

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RECEIVING THE BIDS

Mayor Phillips asked that the bids be spread on the record. The base bids are as follows:

1. Commerce - \$324,300.00
2. Compton - \$313,500.00
3. McCollum - \$283,975.00
4. Pinnacle Construction - \$269,531.00
5. Fairline - \$329, 500.00
6. Sutherland - \$292,800.00

Commissioner Shepherd moved that since Pinnacle Construction Group, Inc. has submitted the lowest and best bid for Project No. 240 – Senior Center addition, the contract be awarded to Pinnacle Construction Group, Inc., and that Ordinance No. S-1208, an ordinance authorizing the issuance of bonds not to exceed \$250,000.00 in payment of the cost of Project No. 240, be approved.

Commissioner Clark seconded the motion.

ROLL CALL

Position No. 1	Commissioner Oral Taylor	absent
Position No. 2	Commissioner Linda Clark	yes
Position No. 3	Commissioner Brian Shepherd	yes
Position No. 4	Commissioner Michael Fagg	yes
	Mayor Connie Phillips	yes

MOWING

Commissioner Fagg asked City Manager Stewart to explain the process of required mowing.

City Manager Stewart stated that the City has an ordinance on the books stating that the grass should not be more than 6 inches high. If someone from the City Staff notices that it needs mowing then the property owners are notified. Additionally, if a complaint is received, the Fire Department sends a letter to the property owner. They are given tendays to mow. If the property owner does not take care of it, the City then mows the property and assesses the cost to the property.

Commissioner Fagg asked how many had been initiated by the City employees.

City Manager Stewart stated he did not know.

Commissioner Fagg questioned why Mr. Blount’s property was cited when other properties look worse.

City Manager Stewart stated that he was not aware that Mr. Bount had been cited.

Commissioner Fagg stated he would like to know how many citations were issued over the weekend and would like for it to be reported at the next meeting.

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107 S. MAIN

Commissioner Shepherd asked if final approval has been given to release Carolyn Marcum's insurance money.

City Manager Stewart stated that City Building Inspector Loren Wranosky had reported the wall is three-fourths complete. The funds have not yet been released.

Commissioner Fagg asked City Manager to explain the letter from Carolyn Marcum at the next meeting.

ADJOURNMENT

Mayor Phillips adjourned the meeting at 8:28 p.m.

City Clerk Dee Anne Grunder

Mayor Connie Phillips