

**MINUTES OF THE REGULAR CITY COMMISSION MEETING HELD MARCH 21, 2007**

The governing body met in regular session on March 21, 2007 at 5:30 p.m. in the City Commission Room in the City Hall, the following members being present and participating, to wit: Commissioners Jindra, Strecker, Johnson and Hosie.

Absent: Commissioner Gilliland.

Other Officers: City Manager Paine, City Attorney Uri and City Clerk Fleming.

The Mayor declared that a quorum was present and called the meeting to order.

Visitors: Jessica LeDuc, Toby Nosker, Larry Remmenga, Ron Copple, Danny Parker, Kirk Lowell, Ron Deal, Larry Eubanks, Ted Collins, Ruby Maline, Marvin Copple, Marcia A. Johnson, Jim Coppoc, Joyce Coppoc, Tammy Hamel, Larry Hamel, John Forshee, Marsha Wentz, Renee Hubert, Chér Knudsen, Michael Wentz, Eldon Wisdom, Roberta Lowery, Richard Lowery, Randall Hobrock, Debra Peters, Linda Sutton, LaVern Robbins, Janet Lowell, Dennis Maline, Arlene Clayton, Janet Eubanks, Don and Cheryl Lanoue.

Mayor Strecker announced a change to the agenda. The change is an addition of a five minute executive session – 8 B. Attorney/Client privilege. Commissioner Jindra moved to approve the agenda. Commissioner Strecker seconded. Motion carried.

APPROVAL OF MINUTES

Commissioner Hosie moved to approve the minutes of the March 7, 2007 regular meeting as written. Commissioner Strecker seconded. Motion carried.

APPROPRIATION ORDINANCE NO. 5

APPROVED

Commissioner Hosie moved to approve Appropriation Ordinance No. 5. Commissioner Jindra seconded. Motion carried.

PROCLAMATION –  
NATIONAL NUTRITION MONTH 2007

READ

Mayor Strecker read a proclamation and declared March as National Nutrition Month – 2007.

PUBLIC COMMENTS

There were no public comments.

PUBLIC HEARING FOR  
CONCORDIA REVOLVING LOAN FUND  
LARRY & TAMMY HAMEL – COPPOC SPORTS

HELD

Mayor Strecker opened the public hearing for the Concordia Revolving Loan Fund application for Coppoc Sports.

Kirk Lowell, CloudCorp, presented the following:

Applicant Eligibility

- Project located in Concordia or within three (3) miles of City limits.
- Create and/or retain one FTE job for every \$35,000 of CRLF funds.
- Jobs will be created and/or retained within 24 months.
- 51% of total FTE jobs created and/or retained benefit Low to Moderate Income (LMI) qualifying persons.
- Lending institution desires CRLF participation in the project.
- Demonstrate project can be economically viable and sustainable.

CRLF Financing Terms

- Interest rate no less than 2 1/2% below New York prime without written approval by Kansas Department of Commerce.
- CRLF has first position on collateral. However, CRLF security position may be inferior to that of other lenders.
- Moratorium on principal payments limited to 18 months.
- CRLF financing is secured by life insurance.

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Applicant and Proposed Business

- Larry and Tammy Hamel
- Sports Retail Store
- Location 126 W. 6<sup>th</sup>

Use of Funds

- Total Funds Required - \$497,270
- Fund Usage
  - Working Capital \$23,100
  - Real Estate \$84,000
  - Furniture & Fixtures \$ 9,700
  - Equipment \$14,800
  - Inventory \$300,000
  - Seasonal Inventory Needs \$40,000
  - Business Related Asset – 2006 Van \$25,670

Source of Funds

- Hamels and Coppocs - \$107,416
- Central National Bank Loans - \$284,854
- StartUp Kansas Loan - \$45,000
- CRLF/FORDI Participation Loan - \$60,000 pending

Financing Structure

- CRLF Commitment - \$60,000
- Loan Type – Participation with FORDI or Direct
- Term – 10 Years
- Interest – Fixed at 5.75% (Prime – 2.5%)
- Payments – Monthly principal and interest payments of \$659.00
- Collateral - Secured by all business assets, subject to prior liens of \$284,854 held by Central National Bank of Concordia.

Conditions of Approval

- Final Authorization – Formal approval by City of Concordia Commission.
- Default – Central National Bank and FORDI are to notify the City of Concordia if borrowers are ever in default on their respective loan agreements.
- Jobs - Creation of 2.5 Full Time Equivalent (FTE) jobs in which 51% benefit Low to Moderate Income (LMI) households.
- Payments - Automated Clearing House (ACH) loan payments.
- Life Insurance - assignment on the life of Larry Hamel in the amount of \$60,000.
- Funds Usage - CRLF funds used for furniture, fixtures, equipment and inventory.
- Collateral – CRLF Certificate of Deposit balance will decrease on an annual basis and will remain equal to the loan balance at each renewal.

The CloudCorp Finance Committee is responsible for reviewing the City of Concordia Revolving Loan Fund (CRLF) applications and making related loan recommendations to the City Commission, per Resolution No. 2001-1389. The Cloud Corp Finance Committee offers positive support for this project and recommends approval of the Coppoc Sports CRLF application with deviations.

Mr. Lowell stated the following action is required:

- Consider citizen comments for and/or against CRLF application during remainder of public hearing.
- Close Public Hearing.
- Governing Body formally approve the *Coppoc Sports* \$60,000 CRLF loan application today during regular session thus authorizing Mayor to sign CRLF related documents.

Mr. Lowell asked the mayor and commission for comments and comments from the audience.

Commissioner Strecker asked when work was started on this project. Mr. Lowell informed the commission the first conversation started about three years ago. Commissioner Johnson asked if the life

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insurance was on both or just Larry. Mr. Lowell stated the life insurance would be on both, Tammy and Larry Hamel.

Debra Peters, with Four Rivers Development, Inc., clarified on the jobs. The program looks at full time equivalence. There will be 1.5 full time jobs being retained and one being created. Numerous part-time positions are used, but are not counted in the full time equivalence.

Mayor Strecker asked for any other questions or comments from the public.

Larry Hamel, on behalf of he and his wife, thanked the commission for their time and consideration regarding their proposed loan through the city revolving loan fund. They are excited to own their own business and have the opportunity to carry on tradition that Jim and Joyce Coppoc built from the ground up.

Mayor Strecker closed the public hearing.

APPROVE CONCORDIA REVOLVING LOAN FUND APPLICATION FOR COPPOC SPORTS - LARRY & TAMMY HAMEL APPROVED

Commissioner Jindra moved to approve the revolving loan fund application for Coppoc Sports. Commissioner Strecker seconded. Motion carried.

EXECUTIVE SESSION – NON-ELECTED PERSONNEL HELD

At this time, Commissioner Strecker moved that the commission recess into executive session for twenty (20) minutes for the discussion of non-elected personnel. Inviting: Larry Paine. Commissioner Jindra seconded. Motion carried by the following vote:

Aye: Commissioners Jindra, Strecker, Johnson and Hosie.

Nay: None.

Time: 6:13 p.m.

The commission reconvened at 6:33 p.m.

Mayor Strecker announced there was no action taken.

Commissioner Hosie moved to extend Larry Paine's (city manager) contract for one year with the following changes:

- Increase base salary three percent (3%). (Which is 2.8% of current salary)
- The last sentence of Section 6. Automobile - be changed to include an annual evaluation of the car allowance.
- Section 10. Official Business and Professional Development – Change 2007 ICMA annual conference attendance to the Senior Executive Institute in 2007.
- Salary change would be effective on the contract anniversary. (February 20<sup>th</sup>)

Commissioner Strecker seconded. Motion carried.

EXECUTIVE SESSION – ATTORNEY/CLIENT PRIVILEGE HELD

At this time, Commissioner Strecker moved that the commission recess into executive session for five (5) minutes for the discussion of attorney/client privilege. Commissioner Jindra seconded. Invite: Larry Paine and Larry Uri. Motion carried by the following vote:

Aye: Commissioners Jindra, Strecker, Johnson and Hosie.

Nay: None.

Time: 6:38 p.m.

The commission reconvened at 6:43 p.m.

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Mayor Strecker announced there was no action needed, but invited Larry Uri to read a statement.

City Attorney Uri read a statement regarding the airport litigation Mr. Blosser brought against the city, the Kansas Department of Transportation, and Rural Water District No. 1. The legal issue is whether the city acquired full title to the land or only the right to use the land as an airport. The district court judge decided the city did not acquire full title to the land. Mr. Uri's recommendation is that the city appeal the decision to the Kansas Court of Appeals. There have been discussions with Mr. Blosser's attorney and Mr. Uri as to whether the parties might be able to end the litigation on a mutually agreeable basis. Mr. Uri will advise the commission as the discussions continue.

**MAYOR/COMMISSIONER  
COMMENTS AND REPORTS**

Commissioner Johnson asked if there are parking regulations in residential areas for rental properties or when you rent rooms to college kids. Mr. Paine stated he thought there were parking regulations in the single family/multi family areas and stated he would check on this issue and get back with Commissioner Johnson.

Commissioner Hosie congratulated and thanked the Hamels for their interest in purchasing Coppoc Sports. Commissioner Hosie commented about the TIF fund. He feels the TIF fund is in good shape and has been very successful.

**STAFF COMMENTS**

Larry Paine informed commission the ambulance long distance transfers have increased and before long there will be two (2) paramedics on staff. This will enable the ambulance service to do all the long distance transfers without relying on hospital staff or nearby ambulance services.

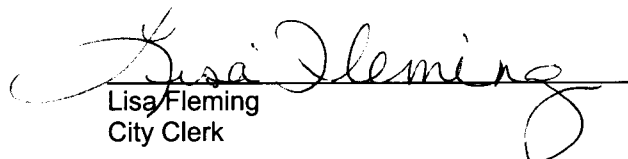
Mr. Paine also pointed out Mayor Hoffman McCann completed their field work for the financial audit. During the audit exit interview Doug Glenn, with Mayor Hoffman McCann, stated the city only had 2-3 journal entries.

The last item Mr. Paine wanted to mention was the Downtown Improvement Project. The city only received four (4) applications. Mr. Paine asked commission if the application deadline for the Downtown Improvement project could be extended until March 30, 2007. The commission agreed to extend the application process.

Larry Eubanks, Fire Chief, advised the commission Engine 2 was repaired. The estimated cost of the repair was \$5,000, with the actual cost being \$3,200 to fix Engine 2.

Mayor Strecker announced there would be a study session following the meeting.

There being no further business, Commissioner Johnson moved to adjourn the meeting. Commissioner Strecker seconded. Motion carried.

  
Lisa Fleming  
City Clerk

(Seal)