

**MINUTES OF THE REGULAR CITY COMMISSION MEETING HELD OCTOBER 21, 2009**

The governing body met in regular session on October 21, 2009, at 5:30 p.m. in the City Commission Room at City Hall, with the following members being present: Commissioners Hattan, Jindra, Johnson, Lanoue, and Hosie.

Absent: None.

Other Officers: City Manager Uri, Finance Director Farha, and City Clerk Crum.

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

Visitors: Jessica LeDuc, Toby Nosker, Frank Mercurio, John Alexander, Megan Murdock, Chad Buckley, Larry Eubanks, Bruce Johnson, Ron Deal, Marcia Allen, Jean Rosemarynoski, Don Lanoue, Marvin Copple, Don Dean, Patricia Gerhardt, Alan Corbeil, Kevin McCann, Bruno Rehbein, Ron Copple.

The Pledge of Allegiance was recited. There was no invocation.

Mayor Hattan asked for changes to the agenda. City Manager Uri noted that the first item of new business on flood control was placed immediately following, to facilitate those involved in the presentations.

**NEW BUSINESS:****FLOOD CONTROL PRESENTATIONS**

Frank Mercurio, of KLA Environmental Services, gave a power point presentation on KLA's past several years flood control study. Mr. Mercurio gave a time line of two to three years for completion of the project. Construction costs of the two dams only, Plum Road and 21<sup>st</sup> St., was estimated at \$750,000 in 2005. KLA's updated estimate for the complete project is \$1.8 million. According to Mr. Mercurio, KLA has done dozens of dams and Concordia's is the most critical due to the homes immediately downstream.

Mayor Hattan stated that by his recollections, the Corps of Engineers project would be completed in a similar time line as KLA's, with a comparable total project cost. In Mayor Hattan's opinion, it made sense to complete the project with the Corps, as the City has a good likelihood of receiving funds that will cover all but approximately \$215,000 of the project.

Kevin McCann, of Kansas Rural Development Agency, spoke on funding available for the dam, including a 40 year direct loan, grants, and federal stimulus money. Mr. McCann spoke favorably of community block development grants, of which the City is already qualified as LMI (low to moderate income) status.

Commissioner Jindra said that the flood control project should be top priority, to be completed no matter who pays the bill. He said the property could be sold, developed, and additional sales tax collected to help offset the cost of the dam. Commissioner Hosie would like to see the specifications of the Corps' project, such as design, land use and cost. City Manager Uri said he would follow up.

**APPROVAL OF MINUTES****APPROVED**

Commissioner Jindra moved to approve the minutes of the October 7, 2009, meeting. Commissioner Johnson seconded. Motion carried unanimously.

**APPROPRIATION ORDINANCE NO. #19****APPROVED**

Commissioner Johnson asked about missing checks between #51599 and #51690. City Clerk Crum said that those checks were approved on the last appropriation, with check #51599 being inadvertently omitted at that time.

Commissioner Lanoue requested the financial back page. Finance Director Farha said that she would provide this in the future.

Commissioner Jindra moved to approve appropriation ordinance #19. Commissioner Lanoue seconded. Motion carried unanimously.

**PUBLIC COMMENTS**

Patricia Gerhardt thanked the commission for their continued discussion of the flood control project.

**OLD BUSINESS:****NORTH DEVELOPMENT FINANCING**

Discussion ensued on the pros and cons of obtaining general obligation bonds to finance the north development at this time, rather than waiting until the City has a better understanding of how much exactly will be needed. The City can finance for ten, fifteen or twenty years on the new bond.

Mayor Hattan asked which payment was closer to what we're doing now, to which Finance Director Farha answered it would be the twenty year payment. Mayor Hattan said that if the bids for the project came in less than estimated, the City could possibly finance fifteen years, but if not, or if the City takes on additional debt with the flood control project, there would be no way to expend that much extra without going twenty years.

Commissioner Johnson suggested raising the mill levy in order to help with the additional payment, to pay the bond off in ten or fifteen years. He said that spending so much extra on interest was not in the City's best interests. Commissioner Johnson noted the years that principal isn't paid on the new money, which will cause the cost of borrowing to be incrementally higher the longer the term.

The commission requested further numbers with what Concordia Tractor and the water department will be contributing. Commissioner Johnson requested an estimate on how much the new water rate increase would bring in if there was not a declining scale for higher users.

### **NEW BUSINESS:**

#### **IRB MARQUIS PLACE – ORD. 2009-2982**

**APPROVED**

The City Commission of the City of Concordia, Kansas, met in regular session, at the usual meeting place in said City on October 7, 2009, at 5:30 p.m., with Mayor Gregory L. Hattan presiding and the following members present:

Commissioners Hattan, Jindra, Johnson, Hosie and Lanoue.

and the following members absent:

None.

Among other business, there came on for consideration and discussion the following:

AN ORDINANCE AUTHORIZING THE CITY OF CONCORDIA, KANSAS TO ISSUE ITS SUBORDINATED TAXABLE INDUSTRIAL REFUNDING REVENUE BONDS, SERIES 2009 (MARQUIS PLACE OF CONCORDIA, L.L.C.), IN THE PRINCIPAL AMOUNT OF \$600,000 TO PROVIDE FUNDS TO (1) REFUND AND REDEEM THE CITY'S OUTSTANDING SUBORDINATED TAXABLE INDUSTRIAL REVENUE BONDS, SERIES B, 2000 AND (2) PAY CERTAIN COSTS OF ISSUANCE; AUTHORIZING THE EXECUTION OF A FIRST SUPPLEMENTAL TRUST INDENTURE BETWEEN THE CITY AND SUNFLOWER BANK, N.A., AS TRUSTEE; AUTHORIZING EXECUTION OF A FIRST SUPPLEMENTAL LEASE BETWEEN THE CITY AND MARQUIS PLACE OF CONCORDIA, L.L.C, AS TENANT; APPROVING THE FORM OF A GUARANTY AGREEMENT; APPROVING THE FORM OF AN INDIVIDUAL GUARANTY AGREEMENT; AND AUTHORIZING THE EXECUTION OF A BOND PLACEMENT AGREEMENT BY AND BETWEEN THE CITY, THE TENANT, THE INDIVIDUAL GUARANTORS AND THE PURCHASERS OF THE 2009 BONDS.

After discussion, upon motion by Commissioner Hosie, seconded by Commissioner Johnson, each section of the Ordinance was passed by a majority of the members elect.

A majority of the members having voted in favor of the passage of said Ordinance, it was designated Ordinance No. 2009-2982.

### **HEALTH INSURANCE**

There was discussion on the employee's health care. Renewal is in November for employees and the state plan for Blue Cross has projected an increase in premiums of 12½% for state fiscal year 2010. Staff recommends staying at the current contribution level, with no change to the employee until the rates increase in July 2010.

Both Mayor Hattan and Commissioner Lanoue proposed seeing an increase from 33% of the employee share of the premium, to 50% of the employee share. There was discussion on the state's requirement which provides maintaining at least 70% participation, in which case it was suggested that health care be mandatory for all employees should anyone wish to drop the insurance.

Mayor Hattan moved to raise the employees' contribution to 50% for 2010. If the 70% participation is not reached, health insurance will be made mandatory for all employees with the City paying 100% of single coverage, additional insurance will be paid by the employee. For 2011, the contribution will be 100% of the state's guideline for employees. If the 70% participation is not reached, health insurance will be made mandatory for all employees with the City paying 100% of single coverage, additional insurance will be paid by the employee. Commissioner Lanoue seconded. Motion carried 4-1, with Commissioner Hosie opposing.

### **PURCHASE OF DEFIBULATOR**

**ACCEPTED**

Larry Eubanks presented the following bids for a refurbished defibulator:

Foremost Equipment	Zoll M Series	\$ 8,995.00
Zoll Medical Corporation	Zoll M Series	\$15,000.00

Mayor Hattan moved to accept the Foremost Equipment bid of \$8,995 for a refurbished defibulator. Commissioner Jindra seconded. Motion carried unanimously.

**AMENDMENT TO CCCC ELECTRICAL LICENSE****ACCEPTED**

The amendment to the license gives the community college right-of-way on City property for a fiber optics line associated with the wind turbine project.

Commissioner Jindra moved to approve the CCCC electrical license amendment. Commissioner Lanoue seconded. Motion carried unanimously.

**DEMO PROGRAM REIMBURSEMENTS**

Bruno Rehbein presented two demo projects for reimbursement. Both properties have completed the necessary cleanup for receipt of the funds. The third project presented, 435 E. 1<sup>st</sup>, has been declared unsafe and dangerous and the reimbursement of funds for this property will facilitate the City taking action to recover the cost from the property owner.

There was discussion on the reimbursement to Kansas Lumber (Concordia Homestore) and possible use of TIF funds for that project. It was decided to pay them through the demo program as approved, and should they want TIF funds, the demo program could possibly be reimbursed in order to free up funds for future projects.

**CMB LICENSE – DRAGON HOUSE**

Commissioner Jindra moved to approve the CMB license for the Dragon House. Mayor Hattan seconded. Motion carried unanimously.

**MANAGER'S REPORT**

City Manager Uri said he had become aware of subsidizing available for a bond program that the City can apply for, for tax free bonds. These bonds would have a lower interest rate than the market, and the funds can be applied to energy saving projects on City buildings. City Manager Uri said that he had received an "Elmo", an adaptor to an overhead projector to show documents. He was unhappy with the resolution, but will look into an upgraded model. City Manager Uri discussed a community land bank used in Johnson County to acquire blighted property not sold at county tax sales, and the possibility of Concordia doing this.

**MAYOR/COMMISSIONER COMMENTS AND REPORTS**

Commissioner Johnson asked about flooding at 2<sup>nd</sup> & Kansas. Ron Copple said that the drainage there is inadequate during heavy rainfall. Commissioner Johnson said that members of the recently formed recreation advisory board should have filled out expression of interest forms so that the commission could have seen their qualifications before approving them.

Commissioner Lanoue inquired about the City's red flag policy, to deter identity theft and fraud. City Manager Uri said the City is working on one and it should soon be completed.

Mayor Hattan asked Chad Buckley if the boring machine had been utilized yet. Mr. Buckley said, yes it had, with favorable results. Mayor Hattan asked Sister Rosemarynoski to discuss tomorrow's public forum to be held at the Nazareth Motherhouse, with a topic of poverty and its implications.

**STAFF COMMENTS**

Fire Chief Larry Eubanks said that the tree trimming project is about halfway done, and is going smoothly.

Mayor Hattan asked about the ambulance township agreements, and if they had been refigured. City Manager Uri said it would be done.

**ADJOURN**

Mayor Hattan announced there would be a study session following the adjournment of the meeting.

There being no further business, Mayor Hattan moved to adjourn the meeting. Commissioner Jindra seconded. Motion carried unanimously.

(Seal)

  
 \_\_\_\_\_  
 Stacey Drum  
 City Clerk