

RECORD OF PROCEEDINGS
**OF THE GOVERNING BODY
CITY OF GARDNER, KANSAS**

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January 7, 2019

The City Council of the City of Gardner, Kansas met in regular session on January 7, 2019, at 7:00 p.m. in the Council Chambers at Gardner City Hall, 120 East Main Street, Gardner, Kansas, with the Honorable Mayor Steve Shute presiding. Present were Councilmembers Mark Baldwin, Randy Gregorcyk, Rich Melton, Lee Moore, and Todd Winters. City staff present were Interim City Administrator Laura Gourley; Police Chief James Pruetting; Business & Economic Development Director Larry Powell; Utilities Director Gonzalo Garcia; Public Works Director Michael Kramer; Parks and Recreation Director Jason Bruce; Finance Director Matt Wolff; and City Clerk Amy Nasta. Others present included those listed on the attached sign-in sheet and others who did not sign in.

CALL TO ORDER

There being a quorum of Councilmembers present, the meeting was called to order by Mayor Shute at 7:00 p.m.

PLEDGE OF ALLEGIANCE

Mayor Shute led those present in the Pledge of Allegiance.

PRESENTATIONS

1. Governing Body Rules of Procedure Update

Mayor Shute stated this presentation would be deferred to the January 22, 2019 meeting.

2. Neighborhood Revitalization Plan (NRP) for the City of Gardner

Business and Economic Development Director Larry Powell stated that the City had previously had a Neighborhood Revitalization Program, which had sunset after ten years. He said those who had participated in the program had shown more willingness to invest in their properties, and Johnson County had concluded the program was a favorable motivator for renovation, replacement, or the building of new structures. He said the County was willing to participate in a new program.

Mr. Powell stated the original program had been for businesses only, but the program being recommended currently would include residential properties as well. He said the residential property currently suggested for inclusion was off of Killcreek Road and had historically faced issues that made it difficult or costly to develop such as floodplains, utility lines (including gas lines), and proximity to the sewage plant. He said there may be other properties in the community that face similar challenges, and these could be considered for inclusion in the future should they fit the criteria.

PUBLIC HEARING

1. Hold a public hearing on the adoption of a Neighborhood Revitalization Plan (NRP) for the City of Gardner

Councilmember Melton made a motion to open a public hearing for the purpose of receiving public comments on the adoption of a Neighborhood Revitalization Plan for the City of Gardner

Councilmember Moore Seconded.

With all of the Councilmembers voting in favor of the motion, the motion carried.

Councilmember Gregorcyk made a motion to close the public hearing

Councilmember Moore Seconded.

With all of the Councilmembers voting in favor of the motion, the motion carried.

PUBLIC COMMENTS

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Jerry Gipner of 4018 W 159th, Olathe stated the hangars at the Gardner Municipal Airport were not all equal, and came in a range of prices. He said there was currently a hangar wait list that people had joined for \$100 each, which he believed to be a contract. He said there was also an upgrade list for hangars and the people who sublease get the best hangars immediately because the individuals with those hangars wish to keep them. He said the Johnson County Airport Board would be meeting the following morning and effectively doubling hangar rates. He said there were also 10-15 hangars at the Gardner Municipal Airport containing planes that hadn't moved for thirty years.

Gary Mitchell of 7th Avenue, Kansas City, Kansas, stated he was with the VAA and had attended the Airport Advisory Board meeting in December and that everyone had had an opportunity to make comments and discuss issues with the hangars during that meeting prior to the vote of the Board members. He said the plan that had been voted on was about the best possible plan. He said giving away the best hangars was an exaggeration and un-airworthy aircraft was an issue that was being worked on. He encouraged the Council to vote on the Airport Advisory Board's recommendation for subleasing.

CONSENT AGENDA

- 1. Standing approval of the minutes as written for the regular meeting on December 3, 2018**
- 2. Standing approval of City expenditures prepared December 13, 2018, in the amount of \$1,418,320.97; December 14, 2018 in the amount of \$523.00; December 19, 2018, in the amount of \$1,144,582.28; December 20, 2018, in the amount of \$814,931.16; December 27, 2018 in the amount of \$466,212.44**
- 3. Consider authorizing the Mayor to sign the 2019 County Assisted Road System (CARS) agreement for the Waverly, US-56 to Madison project**
- 4. Consider the purchase of thirteen (13) Harris XL-185 portable radios and related equipment from Ka-Comm, Inc**
- 5. Consider a recommendation to purchase a new vehicle for the Utilities Department**
- 6. Consider authorizing the City Administrator to execute an addendum with Wilson & Company, Inc. for design services on the Santa Fe, Waverly to Poplar project**
- 7. Consider reappointment of Clint Barney to the Utility Advisory Commission**

Councilmember Melton made a motion to approve the Consent Agenda.

Councilmember Winters Seconded.

With all of the Councilmembers voting in favor of the motion, the motion carried.

COMMITTEE RECOMMENDATIONS

1. Consider adopting a Resolution adopting a Neighborhood Revitalization Program

Business and Economic Director Larry Powell stated the Economic Development Advisory Committee had been reviewing this program since early 2018 and had determined that the original program, which had been just for businesses, was not adequate for current needs. Mr. Powell state businesses must make changes that increase property values by a minimum of 15% in order to be eligible for rebates. He said this had been changed from the previous figure of 20% due to current building costs. He said rebates would be transferrable, and that special assessments and the eight mills levied for USD 231 would still be required to be paid. He said the residential areas included had similar improvement requirements, but the rebate period was only five years versus the ten years for businesses as residential tax increases tend to occur more slowly. He said the goal was to encourage growth in these areas, but not to provide an undo advantage.

Mr. Powell said the next steps would be to contact other entities in the area and present the information, as these entities would need to enter into an inter-local agreement with the City of Gardner if they wished to participate in the program. He said the program would then go to the Kansas Attorney General's office for review and approval prior to being put in place and made available to the general public. Councilmember Winters asked if the program

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would still be available if no other intergovernmental entities wished to participate. Mr. Powell stated it would, and clarified that the Fire Department had been part of the City when the original program had been put in place, but that the current program still required mills for the Fire Department, USD 231 (8 mills for Capital Outlay), and all specials to be paid.

Mayor Shute asked about retroactivity of the program. Mr. Powell stated no one was eligible to participate in the program until it had been approved by the Attorney General, which he hoped would occur by March or April of 2019.

Councilmember Gregorcyk asked for examples of outcomes from the previous program as well as a reminder of how the program was funded. Mr. Powell stated the highest return on investment from the original program had been the O'Reilly building where the return on investment had been equivalent to the cost to build. He said those wishing to participate would be approved, would perform improvements, the improvements would be accepted, Johnson County would be notified and subsequently appraise the building, and if the requirements met the guidelines the participant would receive a refund only after their taxes were paid in full.

Councilmember Baldwin asked if there had been any consideration of using a flat dollar amount in addition to the 15% requirement so that once a certain dollar amount had been spent the percentage no longer mattered. Mr. Powell stated there had been an attempt to develop a matrix based on this concept but it had become convoluted and did not support the goal of encouraging development across the board.

Councilmember Moore asked how the zones were determined. Mr. Powell stated the first step had been looking at the zones from the original program. He said input from property owners about their future plans had also been included. He said location and mitigating circumstances such as noise had been considered as well. He said while everything believed necessary to include at this time had been included, there were other areas that could apply in the future if they met the criteria, so long as they went through the same process.

Mayor Shute stated part of this is the Main Street Marketplace property, which would already have a CID or TIF. Mr. Powell stated this rebate could not be utilized if the property was already receiving another incentive. Councilman Winters asked if a residential property was eligible if it was located in a business zone. Mr. Powell stated there was no provision for mixed use, meaning business properties had to be in business zones and residential properties had to be in residential zones.

Councilmember Gregorcyk made a motion to adopt Resolution 2006, a resolution adopting a Neighborhood Revitalization Program

Councilmember Baldwin Seconded.

With all of the Councilmembers voting in favor of the motion, the Resolution passed and was assigned Resolution number 2006

Gregorcyk:	Yes
Melton	Yes
Moore:	Yes
Winters:	Yes
Baldwin	Yes

2. Consider a recommendation to award a contract to DEHN, Inc. for the Hillsdale Lightning Protection Project # WA1807

Utilities Director Gonzalo Garcia stated this project had started after a lightning strike in 2016 had required the plant to be manually operated due to SCADA damage. He said there was currently no lightning protection at the plant for either equipment or personnel. He said the system would have two components: lightning rods and surge protectors. Councilman Melton asked if these protections had been in place when the plant had been hit in 2016. Mr. Garcia stated there had been no protection as it had been removed from the original project due to budget restrictions.

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Councilmember Baldwin made a motion to authorize the City Administrator to execute a contract with DEHN, Inc., in the amount of \$109,850.00 for a lightning and surge protection system for the Hillsdale Water Treatment Plant, Project #WA1807

Councilmember Moore Seconded.

With all of the Councilmembers voting in favor of the motion, the motion carried.

3. Consider authorizing new sub-lease policy for hangars at the Gardner Municipal Airport

Public Works Director Michael Kramer stated the airport minimum standards for the Gardner Municipal Airport had been redone when the City had taken over airport operations in 2016. He said subleasing had been reviewed with both the Airport Advisory Board (AAB) and the City Council at that time, and a policy had been passed to allow subleasing to continue through December, 2018, with all future subleasing to be for a maximum of two years. He said the AAB had started discussing this issue in November of 2018 at their Board meeting with about seventeen citizens who signed in. He said the existing policy had been discussed, along with past policies and best practices from other airports. He said this discussion had been utilized to create the recommendation presented to the AAB in December, 2018, which had been approved and was now being presented to the Council.

Councilmember Moore made a motion to approve the recommend sub-lease policy for hangars at the Gardner Municipal Airport

Councilmember Melton Seconded.

With all of the Councilmembers voting in favor of the motion, the motion carried.

NEW BUSINESS

1. Consider the Gardner Edgerton Chamber of Commerce Agreement

Jason Camis, President of the Gardner Edgerton Chamber of Commerce, stated the Chamber was working to determine if a Convention and Visitors Bureau (CVB) would be best operated under the Chamber umbrella or as a stand-alone organization. He said he wanted to have a contract for the CVB that was separate from the Chamber's agreement. He said the first step for creating a CVB was determining the organizational structure, followed by completing a visitor profile to help to better understand the target audience. He said the Chamber would continue to work with the City of Gardner and perform the activities it had in the past. He said there were many opportunities coming up such as the 2020 Kansas City Airshow to be held at the New Century Airport and the 2021 Model T tour of the Santa Fe Trail. He said the funding for this year could vary based on the opening of the Hampton Inn and he would work with City staff on a payment schedule.

Councilmember Melton stated there was nothing in the agreement providing metrics for accountability. He said the Council needed to have a way to know money was being utilized correctly. Mr. Camis stated a board with voting privileges could potentially be added.

Councilmember Baldwin stated the agreement with Southwest Johnson County EDC should also be considered in this process. He said if accountability was needed for the Chamber agreement, it was needed for the agreement with the EDC as well.

Interim City Administrator Laura Gourley stated the Economic Development Council was going to be part of the setup for the CVB, and the CVB contract would then come back before the Governing Body. She said she was unsure if the Governing Body was requesting spending powers or reporting powers, and said spending powers may be problematic due to Charter Ordinance 18.

Mayor Shute stated the Governing Body was looking for accountability and felt this needed to be enforced across all intergovernmental partners. He said no decisions would be made on the CVB until there was a CVB

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agreement. He said this funding provided the ability to perform the advance work needed to form the CVB. Mayor Shute stated any future contracts that were signed would include performance clauses.

Councilmember Gregorcyk asked if Mr. Camis expected the funding from the Transient Guest Tax to shrink over time and the CVB to become more self-supportive. Mr. Camis stated most CVBs had a public funding element and were not self-supporting.

Councilmember Gregorcyk made a motion to authorize the Mayor to execute an agreement with the Gardner Edgerton Chamber of Commerce for business and tourism services for one year, ending December 31, 2019

Councilmember Melton Seconded.

With all of the Councilmembers voting in favor of the motion, the motion carried

2. Consider accepting the Sanitary Sewer and Waterline Easement dedications by separate instruments for Gardner Business Center.

Councilmember Moore made a motion to accept the dedication of the Sanitary Sewer and Waterline Easements by separate instruments

Councilmember Baldwin Seconded.

With all of the Councilmembers present voting in favor of the motion, the motion carried.
(Councilmember Gregorcyk was not present to vote)

3. Consider the acceptance of Drainage, Sanitary Sewer, Waterline, and Temporary Turnaround Easement dedications by separate instruments for Olathe Health

Councilmember Melton stated when the gas line had been installed, the asphalt before the turn-in had been torn up and concrete had been poured. He asked who was responsible for fixing this. Public Works Director Michael Kramer stated staff would look into this.

Councilmember Baldwin made a motion to accept the dedication of the Drainage, Sanitary Sewer, Waterline, and Temporary Turnaround Easements by separate instruments

Councilmember Melton Seconded.

With all of the Councilmembers voting in favor of the motion, the motion carried

4. Consider adopting a resolution providing notice to be given for a public hearing concerning the advisability of the creation of a Community Improvement District within in the City and declaring the intent of the City to levy a Community Improvement District Sales Tax (Main Street Market Place CID)

Councilmember Melton made a motion to adopt Resolution No. 2007 providing for notice to be given for a public hearing concerning the advisability of the creation of a Community Improvement District within the City and declaring the intent of the City to levy a Community Improvement District Sales Tax pursuant to K.S.A. 12-6a26 et seq. (Main Street Market Place CID).

Councilmember Moore Seconded.

With all of the Councilmembers voting in favor of the motion, the Resolution passed and was assigned Resolution number 2007

Melton	Yes
Moore:	Yes
Winters:	Yes

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Baldwin Yes
Gregorcyk: Yes

Interim City Administrator Laura Gourley stated she wished to mention that Bond Counsel Tyler Ellsworth had been made a Partner at Kutak Rock.

5. Consider adopting a resolution approving the execution of a funding agreement with The Bristol Groupe LLC.

Councilmember Gregorcyk stated he was excited for this opportunity and appreciated the investment. Mayor Shute stated these were three tough areas and this was a great opportunity.

Councilmember Gregorcyk made a motion to adopt Resolution No. 2008 approving the execution of a funding agreement related to three proposed economic development projects located within the City (The Bristol Groupe LLC Projects)

Councilmember Baldwin Seconded.

With all of the Councilmembers voting in favor of the motion, the Resolution passed and was assigned Resolution number 2008

Moore: Yes
Winters: Yes
Baldwin Yes
Gregorcyk: Yes
Melton Yes

COUNCIL UPDATES

City Clerk Amy Nasta stated there had been some challenges with availability for Governing Body Members when scheduling the interviews for both the Airport Advisory Board (AAB) and the Utility Advisory Commission (UAC) and as a result, these interviews will not be completed in time to meet the deadlines outlined in *Governing Body Rules of Procedure*. She said the UAC would only have two members at the end of January, including the reappointment of Clint Barney approved earlier in the meeting. She said there had also been an insufficient number of applicants for the UAC as compared to seats, and Attorney Denk had verified that the terms of seated members could be extended slightly in order for the process to be extended, as *Governing Body Rules of Procedure* allows for this in exceptional circumstances. She said the two applicants already received will still be considered.

Ms. Nasta stated the Governing Body had received enough applications to fill the open position on the Airport Advisory Board, and could determine if they would prefer to restart the process or have an agenda item introduced at the January 22, 2019 City Council meeting to slightly extend the process in order to allow for interviews and consideration.

Mayor Shute stated there was consensus from the Governing Body to extend the current terms of UAC members by eight weeks and restart the UAC selection process.

Mayor Shute stated there was consensus from the Governing Body to have an agenda item introduced at the January 22, 2019 meeting to extend the Airport Advisory Board selection process.

Public Works Director Michael Kramer stated the Federal shutdown was affecting applications for airspace, which was impacting projects including sewer and road projects at the Gardner Municipal Airport. He said applications were not being accepted or reviewed.

Interim City Administrator Laura Gourley stated she wanted to remind the Governing Body that the next meeting would be Tuesday, January 22, 2019. She said IT had used a creative solution to put up a new camera to allow for livestreaming that evening, and that the previous camera would be added back in the future. Councilmember Moore stated he appreciated the camera.

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Councilmember Gregorcyk asked for an update on the City Administrator search process and asked if 1% of the PILOT was equivalent to approximately \$100,000 on the electric franchise. Finance Director Matthew Wolff stated he believed the value for 1% for 2018 had been approximately \$120,000. Interim City Administrator Laura Gourley stated the City Administrator position had been posted and applications would be accepted through February 1, 2019. She said the selection committee would conduct initial interviews from February 11, 2019 through February 22, 2019. She said the goal was to have someone in place by April 1, 2019, but that this timeline may be a bit too aggressive. Mayor Shute stated a second Interim City Administrator may need to be appointed after March 22, 2019 and that this was being proactively considered.

Councilmember Baldwin stated a tracking plan for various projects to be displayed on the City's website had been discussed at the November, 2017 Council Retreat. He said he believed the agreements with Southwest Johnson County EDC and the Chamber presented a good opportunity to create a checklist for the website to help track progress on these items, along with links to relevant materials. Mayor Shute stated the G3 dashboard was still available. Finance Director Matthew Wolff stated this was more for viewing the big picture and other measures of satisfaction, not for step-by-step tracking of agenda items. Councilmember Moore stated he would like to see more visibility of G3 in general. Mr. Wolff stated more visibility would be available this quarter.

Mayor Shute stated the Martin Luther King exhibit would be available for viewing at City Hall on Friday, January 18, 2019 and Monday, January 21, 2019.

ADJOURNMENT

There being no further business to come before the Council, on a motion duly made by Councilmember Melton and seconded by Councilmember Moore the meeting adjourned at 08:38 p.m.

City Clerk