

**MINUTES**  
**THE REGULAR MEETING OF THE ROSE HILL CITY COUNCIL**  
**TUESDAY JANUARY 22, 2013 – 7:00 P.M.**  
**ROSE HILL CITY HALL/COUNCIL CHAMBERS**

***ACTION ITEMS:***

**ACTION ITEM #1: CALL TO ORDER AND ANNOUNCEMENTS**

The regular meeting of the Rose Hill City Council was called to order at 7:00 p.m. by Mayor Mark Conway and held in Council Chambers. Councilmembers present: Rob Curtis, Jason Jones, David Vernia, Keith Carselowey and Tamara Potter. Administration and staff present: Kathy A. Raney, City Administrator/City Clerk; Kirk Hayden, Public Works Director; Bob Sage, Police Chief; Kelly Mendoza, Asst. City Clerk; Andrew Marino, Asst. City Attorney and Richard Brown, Building Official. Others present: Christine Wendt, Jeff Hudspeth & Cynthia Hudspeth, Connie Wade, Bill Baker, Jill Heinz, Sarah Mahan, Ron Brown, Chris Adams, Lori Martin & Joe Martin, Shelby Diamond & Lionel Diamond, James Aamodt, Andy Reed, John Austin, Howard Reed & Barbara Reed, Dwayne Martin, Roy Raney and Jamie Belden.

**ACTION ITEM #2: INVOCATION AND FLAG SALUTE**

Mayor led a moment of silence followed by the flag salute.

**ACTION ITEM #3: APPROVAL OF AGENDA**

With copies of the 1/22/13 agenda previously distributed and before each Councilmember, the following:

**MOTION (by D. Vernia):** To approve the 1/22/13 agenda as presented.  
**SECOND BY R. Curtis with MOTION PASSING 5-0.**

#### **ACTION ITEM #4: APPROVAL OF MINUTES**

With copies of the January 07, 2013 Regular Council Meeting minutes previously distributed and before each Councilmember, the following:

**MOTION (by J. Jones):** To approve the January 07, 2013 Regular Council Meeting minutes. **SECOND BY K. Carselowey with MOTION PASSING 5-0.**

#### **ACTION ITEM #5: CLAIMS**

With copies of Appropriation Ordinance No. 2 previously distributed and before each Councilmember, the following:

**MOTION (by T. Potter):** To approve the payment of claims for Appropriation Ordinance No.2. **SECOND BY K. Carselowey with MOTION PASSING 5-0.**

#### **ACTION ITEM #6: CITIZEN REQUESTS**

##### **Chris & Jill Heinz & Rose Hill concerned citizens – NRP Issues:**

**Jill Heinz, 419 Sienna Dr.,** - Mrs. Heinz came before the Council with a powerpoint presentation which detailed her findings on the NRP tax incentive program. She is concerned that the City does not have the same tax base as the other cities that are offering incentives, and that Rose Hill's program is too aggressive without the businesses to absorb some of the costs. She gave highlights of the various cities' programs. Mrs. Heinz requested a copy of the Letter of Support/New Home Tax Incentives provided to the City by Rose Hill Development Inc., at the 12/3/12 Council Meeting as she felt that there was a conflict of interest with some of the members of that organization. She also requested the final engineer's report pertaining to the roads in the Sienna Ranch Addition.

**Jeff Hudspeth, 221 Pine Creek St.,** - Mr. Hudspeth thanked the Council for allowing them to speak at the meetings. He was concerned about the tax incentives, budget shortfalls and mill levy increases that might occur. He felt that existing home sales have been stagnant since the implementation of the new home tax incentives.

**Cynthia Hudspeth, 221 Pine Creek St.,** - Mrs. Hudspeth came before Council and gave statistics on the 2012 home sales in Sienna Ranch. She also reiterated her husband's concerns regarding the tax incentives.

**Sarah Mahan, 400 Sienna Dr.,** - Mrs. Mahan came before Council with her concerns regarding the tax incentive program. She stated that her family moved here because of the school system and she is very concerned about her children's education as the classroom sizes are increasing and with the fact the schools are giving up funding per student with the tax incentive. She also feels it shouldn't be transferrable and that Rose Hill needs to promote itself in ways other than giving hand-outs to the developers.

**Bill Baker, 211 E. Osage** - Mr. Baker came before Council with his concerns over the representation of the citizens. He stated he felt that the developers and lobbyists were brought into meetings regarding the tax incentives, while the citizens weren't notified or provided the same information. Mr. Baker requested a copy of the studies that were made on homes sales referenced at Butler Co. meeting by the City Administrator. He also requested the final inspection reports made on the roads in the Sienna Ranch Addition.

**Andy Reed, 1621 Timberline** – Mr. Reed came before Council with his concerns regarding the streets within the city. He feels that the tax abatements will make things worse as there will be less money to make needed repairs. Mr. Reed also feels that his area of town is being taken over by renters and wondered who is really gaining with the tax incentives.

Mayor Conway asked Council if there were any questions or comments on the issues raised by the citizens.

**Councilmember Jones** thanked everyone for coming out. He stated that he feels the community does not benefit from having larger schools and has not seen any benefits from growth. As a business owner, he is not struggling for lack of business and feels as though the City can support business based on the current population.

**Councilmember Potter** stated that the citizens need to take back the community. She stated she wasn't running for re-election, and she feels the current Council and Administration have been more loyal to the builders than to the citizens and it is time that they take notice. She stated that Kathy Raney and Mayor Conway wouldn't let the tax incentives go due to their egos. She also noted that she had contacted the League of Kansas Municipalities and that the action that was taken regarding the NRP was not done procedurally correct as the first vote should have been repealed before it was voted on again. She also stated that the Mayor "dressed down" citizens at a prior meeting, with Mayor Conway stating he was setting ground rules for everyone at meetings. He also inquired as to who she had spoken with at LKM, with Councilmember Potter responding "Mike".

## **ACTION ITEM #7: EXISTING HOME SALES INCENTIVE PROGRAM**

**City Administrator, Kathy Raney**, gave a brief overview of the requested Existing Home Sales Incentive Program. The proposal included a \$500.00 Buyer's Closing Cost Assistance and a Water Account Set-up Fee waiver. Kathy also stated that qualifying criteria would have to be met. Councilmember Potter asked if more could be offered. Kathy noted that the limit of qualifying applicants could be lowered and still stay below the threshold the 2013 Budget could allow. Councilmember Potter stated that she would like to see the whole thing end in 2013 and not continue with the NRP program. Kathy reported that the other taxing entities had already passed the NRP approved by Council and that it was at the Attorney General's Office for review and approval. Councilmembers Potter and Jones asked if it could be repealed or amended. Mayor Conway recommended that the Existing Home Sales Incentives be tabled to give legal counsel time to research.

## **ACTION ITEM #8: 4<sup>th</sup> QUARTER 2012 TREASURER'S REPORT**

Copies of the 4<sup>th</sup> Quarter 2012 Treasurer's Report were before Council and would require publication after approval. City Administrator Kathy Raney stated she would be happy to answer any questions.

**MOTION (BY J. Jones):** To approve the 4<sup>th</sup> Quarter 2012 Treasurer's Report as presented. **SECOND BY R. Curtis**, with **MOTION PASSING 5-0**.

## **ACTION ITEM #9: ROSEWOOD LIFT STATION REPAIRS AND IMPROVEMENTS**

**Public Works Director, Kirk Hayden**, came before Council with a synopsis of the repairs and improvements required at the Rosewood Lift Station. The Rosewood Lift Station was installed in 2008 to accommodate the Wastewater Treatment Facility. Since that time, failure of equipment and structural damage has occurred causing increased maintenance, labor, and equipment costs. After exploring potential reasons for failure, high levels of H<sub>2</sub>S have been determined to be the cause. Phase I, as outlined in the report, would address the structural integrity of the wetwells and would include replacement of existing communications with fiber optic lines. The implementation of the repairs and improvements are required for effective operation and maintenance of wastewater collections and treatment systems. Phase II would address the treatment of the Hydrogen Sulfide. City staff and PEC are investigating potential options for treatment, including what other cities have used successfully, and will present these findings to Council at the conclusion of their research.

After discussion the following:

**MOTION (BY J. Jones):** To approve the Rosewood Lift Station Phase I Repairs and Improvements in the amount of \$50,303.00. **SECOND** by D. Vernia, with **MOTION PASSING 5-0.**

Councilmember Curtis asked if the H2S readings could be part of the Public Works monthly update, with Kirk stating he will include those numbers.

***DISCUSSION ITEMS:***

**DISCUSSION ITEM #1: WATER DEPARTMENT UPDATE - WHOLESALE WATER RATES; DROUGHT RESPONSE AND PREPARATION**

**City Administrator, Kathy Raney,** gave a brief update on the Wholesale Water Rates. Our current water rate structure, approved by Ordinance No. 579 in February 2012, calls for an annual review of the rates to mirror the percentage increases received from the source supplier (City of Wichita). The impact is a slight increase of approximately \$2.50 per month on average for low-end users. Implementation of the rate increase will be effective with the February 1<sup>st</sup> bill cycle. The Governor's "Drought Response" letter was also attached, with the Governor encouraging water conservation efforts. Councilmember Potter asked if we could adjust our debt on the Wastewater Facility with an extension of the loan at a lower interest rate, in order to lower the sewer improvement fees. City Administrator Raney stated our KDHE loan rates are very low, but would have Kirk visit with KDHE on options.

**DISCUSSION ITEM #2: NOTICES AND COMMUNICATIONS**

- a) Butler Co. Commission: Agendas/Minutes: Mayor Conway noted that copies were in Council packets.
- b) Rose Hill Rec. Commission: Agenda/Minutes: Mayor Conway noted that copies were in Council packets.
- c) PD Special Trust Fund and COPS Fund Year-End Reports: Mayor Conway noted that reports were in Council packets.
- d) S.C.A.R.F. Newsletter: Copy of newsletter in Council packets. Mayor noted that the Children's Home had received in grant in the amount of \$406,000.

### **DISCUSSION ITEM #3: CITY ADMINISTRATOR'S REPORT**

**Kathy Raney, City Administrator,** reported on the following items:

- **Year-End Close:** Kathy thanked staff for hard work and prep for upcoming annual audit.
- **2013 WABA Home Show:** Kathy reminded Council of the upcoming WABA Home show, February 7<sup>th</sup>-10<sup>th</sup> at Century II. Volunteers are still needed to work the booth, and that the School St. Pond would be promoted this year.
- **REAP Sustainable Communities Grant:** Reminded Council that they were invited to a kick-off breakfast on February 1, 2013, 7:30-8:45 a.m. at the National Center for Aviation Training.

Kathy addressed the citizens stating that if they ever had any questions, or if any Councilmembers had concerns or questions, they could come and talk with her at anytime. She stated that the City is not trying to hide any information and that all efforts are being made to maintain stable City finances.

### **DISCUSSION ITEM #4: DEPARTMENT HEADS' REPORT**

**Bob Sage, Police Chief:** Nothing beyond his report.

**Kirk Hayden, Public Works Director:** Noted that due to the dry weather conditions, the ground has been moving causing several water mains breaks. As a result he and his department are watching these very closely.

### **DISCUSSION ITEM #5: MAYOR'S REPORT**

**Mayor Conway:**

- **Yearly Audit:** On-site audit work will begin the week of February 11<sup>th</sup>-15<sup>th</sup>.

### **DISCUSSION ITEM #6: COUNCILMEMBERS' REPORT**

**T. Potter:** Stated that the citizens should be number one and that the City needs to be advocates of the citizens.

**K. Carselowey:** Nothing to report.

**D. Vernia:** Thanked the citizens for coming to the meeting, values input and condolences to the Matt Bates family in the loss of Ethel Cox.

**J. Jones:** Thanked the citizens for coming out and to feel free to come to him with any concerns.

**R. Curtis:** Thanked those who came to meeting and will take what they say to heart.

**DISCUSSION ITEM #7: ADJOURNMENT**

There being no further business to come before Council, the following:

**MOTION (by R. Curtis):** To adjourn the meeting at 8:30 p.m. SECOND BY T. Potter, with MOTION PASSING 5-0.

Respectfully submitted:

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Kelly L. Mendoza, Recorder  
Assistant City Clerk