

## Memorandum

**TO:** Mayor and City Council

**From:** Austin Gilley, City Administrator

**RE:** Notes to accompany agenda packet for City Council meeting **Monday, May 1, 2017**

### **Consent Agenda (Minutes, Claims, Routine Business)**

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#### *Council Expense Approval Report (p. 4 to 10 of 92)*

If you have any questions about any specific payment, please feel free to contact me prior to the meeting for more information. If there are any items that you believe deserve further consideration or debate by Council, those items can be added to the agenda at the meeting.

As previously explained, consent agendas are for routine business or operations that do not need debate or discussion. The Council can vote on the entire consent agenda with one vote – any member can motion: “I move to approve the consent agenda.” Likewise, any item can be removed from the consent agenda by a majority vote. This is standard procedure but it has not been the practice of the Rose Hill Governing Body to use this procedure. With many agenda items, a number of which are routine operational issues, this might be a good time to re-introduce this normal meeting procedure to help improve overall efficiency.

*-Approval of July 4 Fireworks display at Shorty Cox Park (p. 11).* City Code requires City Council approval of fireworks displays. This is the annual display at Shorty Cox Park, and all requirements appear to have been met.

*-Approval of expenditure to fix HVAC unit at City Hall Building (p. 14).* The City Hall building continues to have problems with its heating and air units. Currently, the City needs to replace the evaporator header/orifice assemblies to prevent them from becoming ice blocks. As previously explained, the City has a maintenance agreement for these units, and this problem was identified after the spring maintenance review. City staff has reviewed the recommendations and agrees with the proposal. This is a routine operations issue, but City Council rules require City Council approval.

*-Ordinance to amend personnel policy to allow for shared leave program (p. 15).* The Personnel Advisory Group for Employees identified this as an issue and is recommending this policy change. This will have minimal impact on operations and does not add any cost to the City.

*-Ordinance to amend personnel policy to revise new hire leave usage (p. 18).* The Personnel Advisory Group for Employees identified this as an issue and is recommending this policy change. This will have minimal impact on operations and does not add any cost to the City.

### **Action Items**

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#### *1: Resolution to confirm Mayor’s appointments (Vote required) (p. 19)*

In accordance with statute and City Ordinance, the Mayor is making the appointments as listed in the roster on page 20 and is seeking Council’s confirmation.

#### *2: Ordinance to amend the annual timing of Mayoral appointments (Vote required) (p. 22)*

Due to the changes in the state and City laws regarding the timing of elections, the City Attorney and I recommend that the City revise the timing of its appointments to coincide with that schedule. The ordinance on page 22 makes that change.

3: Ordinance to authorize a tax rebate and utility credit for select properties as an extension of the City’s Neighborhood Revitalization Program (Vote required) (p. 23)

During the adoption of the Neighborhood Revitalization Plan, the City Council assured the builders and developers that it would take a proactive approach to addressing the unintended consequence of making it difficult or impossible to sell homes that were already built or under construction that cannot be included in the standard rebate program. At this time, there appears to be only four houses that this affects. The Mayor and Council President are proposing an “extension” program that would be essentially the equivalent of the standard NRP program. In order to make this happen, the City would rebate its portion of property taxes and provide an annual utility credit to make up the difference. The proposed ordinance to authorize the plan is on page 23 of the packet, and the analysis used to reach the dollar amounts is on page 29.

- 4-8: Resolution to authorize sewer improvement projects and financing (p. 32) (Vote required);  
 Approval of work order 17-04 for Sewer Evaluation and Priority 1 Improvements (p. 35) (Vote required);  
 Approval of service agreement for Acoustic Testing Services (p. 39) (Vote required);  
 Approval of service agreement for GPS locating City’s Sewer Infrastructure (p.43) (Vote required);  
 Approval of service agreement for Ranson Financial to assist with SRF loan process (p. 68) (Vote required)

In accordance with Resolution 573, the City Council’s priority is to proceed with addressing infrastructure improvements in the City’s sewer lines. The City engineer conducted a preliminary evaluation of about one-fourth of the City’s lines. From that evaluation, critical problems have been identified. The Council’s expressed direction is to proceed with fixing those problems. Work order 17-04 is the next step in that process to engage the engineering firm to design, manage, and inspect the project and continue assisting with the ongoing evaluation. The Council’s expressed direction is also to proceed with completing the evaluation of the entire system. Included in the packet on page 39 is a proposal for acoustic testing, which is a more cost-effective method to determine which lines to video record instead of recording all of the lines (a savings about \$50,000 to \$80,000). In addition to the acoustic testing, the City needs to evaluate all of its 550 manholes and record this information and update sewer line locations in its GPS system. A proposal for providing these services is included in the packet page 43. As a comparison, in order for the City to complete this work itself, staff would need additional tools and about two to three years to complete. Also included in the packet on page 68 is an agreement for loan application services by the City’s financial advisor firm to help acquire a loan through the Kansas Department of Health and Environment’s State Revolving Fund wastewater loan program. This is necessary to assist the City in managing the many aspects and complicated timing of this overall effort where the City is trying to balance critical repairs with limited resources and a desire to only take on additional debt if necessary. At this point and as previously explained, the City’s intent is to use operating funds and reserve funds to continue the evaluation and to use reserve funds or loan funds until a comprehensive bond issue is necessary to make the priority and future repairs. This discussion will largely satisfy our budget plan below, but the rate review scheduled for May 15 may be delayed due to software conversion challenges.

Meeting	Topic	Notes
January 17	Budget Process	Last year I received feedback that the process did not work
February 6	Financial Review	Review 2016, debt service, and personnel expenses
February 21	Compensation Review	Review of market data
March 6	Priority List	Review of priorities, add/remove, and rank items
March 20	Priority List	Continued
April 3	“Big Expenses”	Using direction on priorities, compile a tentative list of capital projects and equipment needs
April 17	“Big Expenses”	Continued
<b>May 1</b>	<b>Utility Operations</b>	<b>Review water and sewer operation plans</b>
May 15	Utility Rate Review	Update third-party rate review, confirm multi-year approach

June 5	Police, Library	Review police department and library operation plans
June 19	Streets	Review street maintenance plans
July 3	Fee Schedule	Review and adopt fee schedule for upcoming year
July 17	Property Tax Funds	Keep in mind new tax lid law is in effect
August 7	Public Hearing, Adoption	

9: *Approval of work order for 17-03 for Master Park Planning (Vote required) (p. 70)*

In accordance with Resolution 573, park planning is a Council priority. Included in the packet is a work order for the Shorty Cox/School Street Pond Master Planning process. As previously reported, the Recreation Commission has committed to assist the City in funding the pond erosion problems. As previously explained, it will be prudent to do some planning due diligence before beginning that work or at least simultaneously. The additional benefit of the delay and the Recreation Commission's assistance is that the City can reallocate funds in its normal operating budget to fund the planning work.

10: *Discussion of work order for 17-01 for Green Waste Site Planning (Discussion only) (p. 73)*

Unlike the park planning work order, the City does not have the resources to fully fund this planning effort in this year's operating budget. In accordance with Resolution 573, the Council has asked that the City seek a partnership with the township. Prior to my drafting an official request, I am seeking Council's confirmation that the work order presented here is what we ultimately want to partner on. With this direction, I will draft official correspondence on behalf of the City.

11: *City Attorney's report to County Attorney regarding Council email communication (Discussion only) (p. 75)*

The City Attorney asked me to include in the packet all of the City Council's email correspondence involving the possible donation to KPTS. My understanding is that discussing any issue with a quorum of the board is a possible violation of the Kansas Open Meetings Act.

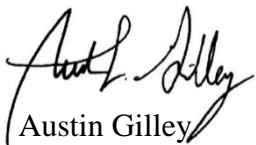
12: *Executive Session for attorney client privilege (Discussion only)*

The City Attorney asked for this item to provide additional legal advice as it relates to the Kansas Open Meetings Act.

13: *Donation to KPTS (Diamond) (Vote required)*

Council member Lionel Diamond asked for this item to be on the agenda.

Thank you,



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