

A regular meeting of the City Council of the City of Iola was held on July 14, 2014, at 6:00 p.m., at the Riverside Park Community Building, 510 Park Avenue, Iola, Kansas.

### **CALL MEETING TO ORDER**

Mayor Joel Wicoff called the meeting to order at 6:00 p.m.

### **ROLL CALL**

Mayor Wicoff, Council Members Zornes, Becker, Wells, Ford, Shaughnessy and Franklin were present. Also present were Administrator Slauch, Assistant Administrator Schinstock, and City Clerk Hutton. Attorney Robert Johnson arrived at 6:15 p.m. Council Members Myrick and French were absent.

### **REVIEW & APPROVAL OF AGENDA**

Motion made by Council Member Wells and seconded by Council Member Franklin to approve the agenda as presented. All in favor. Motion carried.

### **PUBLIC COMMENTS**

Donna Houser stated that she appreciates the rail trail and that there are several individuals that use it. The Partners in Pride Grant is almost expended, the CITE/PRIDE group is working with THRIVE to apply for another grant for a disc golf course. Forty-one historic building signs were ordered and all but six are up.

Tom Brigham representing Iola Rotary Club informed the council that the Smokin' Hot Cars and BBQ event has received a proclamation from the Governor which would guarantee the winner of the BBQ event an invitation to the Jack Daniel's World championship cook-off. They are currently working with city staff to assure everything that is needed for the event is in place. The group is asking everyone that attends to bring a non-perishable item which will be added to the donated pork butts which will be donated to the community pantry.

Jim West – Informed the council that the city is lucky to have our own utilities and he is concerned about money being transferred out of the utility funds leaving insufficient funds for necessary capital projects. If the gas projects are not completed on a timely manner the KCC could intervene.

Council Member Myrick was entered into the council meeting via telephone from the VA Medical Center just to let everyone know how he was doing.

### **CONSENT AGENDA**

**A. Minutes Approval - June 23, 2014**

**B. Appropriations Approval – 2014-13**

**C. Personnel Action**

- **Bo Becker – Gas, Water & Wastewater – Transfer to Electric Department**
- **Grady Ratliff – Fire Department – Termination**

- **Elizabeth Drake – Fire Department – Annual**
- **Danielle McNaught – Fire Department – Six-Month**
- **Mike Phillips – Electric Generation – Annual**
- **Kenneth Powell – Fire Department – Promotion**
- **Kevin Appling – Electric Generation – Twelve Month**
- **David Shelby – Police Department – Annual**
- **Brandon Andres – Police Department – Annual**
- **Daniel Rodriguez – Police Department - Annual**

Council Member Franklin asked about the appropriation for signs. The purchase was for forty signs for the CITF/PRIDE group which is funded by the group. Council Member Franklin asked about the appropriation for KMEA Hydro project. Administrator Slauch informed the council that is a membership fee that is required to maintain the hydro portion of our electric generation. Council Member Franklin asked about the appropriation for the two screw in plug heaters that were purchased by the electric department. Staff wasn't sure what these purchases were and will check on them and report back to the council. (It was determined in follow up that these were heaters for the Wartsila engines.) Motion made by Council Member Franklin to approve the consent agenda as presented. Motion seconded by Council Member Ford. All in favor. Motion carried.

## **NEW BUSINESS**

**A. Safe Routes to School Grant Resolution – Shonda Jefferis** – Shonda has prepared the grant application for Phase I of the Safe Routes to School Program. Safe Routes to School is a federally funded program geared towards encouraging and enabling grade school and middle school children to walk and bicycle to school. Phase I of this program provides funding for developing a comprehensive Safe Routes Plan. The phase I grant can provide up to \$15,000 with no match requirement. With this funding the city would be able to hire a consultant to aid in evaluating our sidewalk infrastructure and to help with developing a plan that could later be used to seek the Phase II Safe Routes to School Grant. To be eligible to receive the grant the City must submit a Resolution of Support and Administration. Motion made by Council Member Becker and seconded by Council Member Zornes to approve the resolution of support to apply for the Phase I of the Safe Routes to School Program. All in favor. Motion carried.

## **B. Housing Demolition Resolution – Shonda Jefferis** –

The Code Office has inspected and prepared reports on two structures that are unfit and or dangerous. A request for approval of the necessary resolutions to hold a public hearing on August 25, 2014 for the structures located at 309 S Kentucky and 119 W. Vine is being requested. Motion made by Council Member Wells and seconded by Council Member Franklin to hold a public hearing on the properties at 309 S Kentucky and 119 W Vine on August 25, 2014 at 6:00 p.m. All in favor. Motion carried.

**C. Pay Compensation Study** – Administrator Slaugh presented a brief synopsis of how the wage study took place. He noted that wages were compared to other municipalities not the private sector. Council Member Ford asked what the different pay steps were based on. Were job qualifications and dangers of the job taken into consideration? She would like the council to see the full report and asked what factors were used for the study. It would be beneficial to see a current pay chart compared to the results of the study. Administrator Slaugh stated that it would cost approximately \$99,856 to implement the pay range changes. Staff is recommending spreading the implementation process over a three year period. Council Member Franklin asked if the increase would be on top of the COLA increase. Administrator Slaugh stated that not all employees will actually receive an increase due to the pay study. The COLA increase is a separate item and will continue to be implemented along with the study. Council Member Wells stated that it all boils down to a priority to pay your people. Changes haven't been made to the pay scale since 2008 it is time to bring it up to the level it should be. Mayor Wicoff stated that even though all employees would not receive an actual 7.5% increase that is how it would be perceived by the public. Where is the money going to come from? We need to be thinking about this when we are reviewing the two budget items; EMS shortfall and 2015 budget later in the meeting. Council Member Ford stated that the employees didn't really receive their COLA last year it went to pay the increase in KPERS. Administrator Slaugh noted that the 2015 budget does not include the pay increase. Mayor Wicoff wondered what the actual cost would be for all employees with the study. Council member Ford noted that it is not the employee's fault that feet were drug and things were not done in a timely manner. It is the responsibility of the council to make it right and get the pay scale where it should be. Administrator Slaugh noted that the study will be reviewed with staff and a final project will be brought to the next meeting.

## **UNFINISHED BUSINESS**

**A. USD #257 Sales Tax Pending - Discussions** – Administrator Slaugh stated that this agenda item is a follow up from the last meeting. The school is proposing that the city put a sales tax increase of ½ % on the ballot with ½ going to the school district to construct new buildings and ½ going to the city for capital projects. A joint agreement will have to be drawn up between the two entities. Council Member Wells stated that he is in favor of putting it on the ballot as long as the school builds on property that the city currently services utilities or will have access to serve utilities; otherwise we are paying them to move out of our service area. "I'm always reminded of a Greek quote here, 'A society grows great when old men plant trees whose shade they know they shall never sit in, '". "And that's the way I feel about building schools. Even if you don't have kids, it's one of those things you just have to do. You have to build new schools. And apparently in Iola, that's every 100 years." Council Member Franklin stated that she would not be in favor of increasing the sales tax because it would be a burden on the local business owners. Attorney Johnson stated that he had spoken with the school's bond attorney and he stated that the council didn't need to make a decision this evening. They could make it at the next meeting. He stated that the ballot will be worded that both the bond issue and

the sales tax increase would have to be passed before either could go into effect. Motion made by Council Member Wells and seconded by Council Member Ford to have staff move forward with completion of the documents to be considered at the next meeting. Voting in favor of the motion were Council Members Ford, Wells, Shaughnessy, and Becker. Voting against the motion were Council Members Zornes and Franklin. Motion passed by a majority vote.

**B. EMS Funding – Discussions** – Administrator Slaugh stated that the joint service is going great. The crews are doing an excellent job and the management of the department is going well. The contract is being followed by having the three stations and the entire service being operated as a Type I service. The county commissioners made a motion at their last meeting that they will give an undisclosed amount of money to help make up the shortfall with the stipulation that it be paid back if at any time we decide to turn the service back over to them. The combined service has saved tax payers of the county money. Council Member Ford asked Chief Thyer how the overtime is looking. Chief Thyer stated that the department is currently down four people; two are on sick leave and there are two open positions; therefore; overtime is continuously high. Council Member Becker stated that the city is looking at a \$378,000 deficit. If the county were to run the county wide ambulance service it would cost more than one and a half million dollars. Where would they get the money from? What would they do with the shortfall? The taxes were collected by the county for EMS countywide services. They should be handed over to the city to run the combined service. Per the contract the service locations and the type of service cannot be changed. The city cannot continue to pull money from the reserves. Council Member Wells stated that he understands what others are saying, but the council needs to face up to the fact that we signed a bad contract. He thanked the county for the overtures of the possibility of providing some funds. He has spoken with employees in the department that were previous county employees and they are happy. They like the service and feel it is a better run service and is better for everyone in the county. He stated that he would not be in favor of putting a charge on the utility customers for EMS; however; a charge that would support the safety departments he could support. Council Member Ford stated that she is in favor of the sales tax so that everyone that shops here regardless of where they live would be participating in support of the services. Mayor Wicoff stated that he understands everyone's concerns but would like to wait to see what the county commissioners come back with to help support the service. Council Member Shaughnessy stated that it is a county wide service and it is not right that a countywide service should be funded by only Iola citizens. Mayor Wicoff stated that we have accomplished what we set out to do; we are running the best service for the entire county at a better price. What options do we have to fund the service? Administrator Slaugh stated that the only options available this late in the year would be a surcharge on utility bills in combination with a transfer from reserves. The council was in agreement to table this item until the next meeting to see what the county offers.

## **ROUNDTABLE**

**A. Animal Control Discussions** – Administrator Slaugh stated that this agenda item was on the agenda at the request of Council Member French. He stated that if the council wanted to discuss the item they could or wait until Council Member French was present to discuss it. The council wanted to wait on the item.

Mayor Wicoff declared a ten-minute break.

**B. Flewharty Library House – Discussions -**

**Executive Session – Attorney/Client Privileged -** Motion made by Council Member Wells and seconded by Council Member Franklin to adjourn into executive session to discuss Attorney/Client Privileged information. All in favor. Motion carried. Present Mayor, Council, Attorney Johnson and Administrator Slaugh. The regular meeting will resume at 7:47 p.m.

Administrator Slaugh stated that he would like to change his recommendation to meet with the school district and discuss options with them taking over the property. Motion made by Council Member Wells to not take any action on this item. Council Member Wells withdrew his motion. Roger Carswell, Library Director stated that he felt it would be irresponsible for the city to give up the house. The library has used it for many events and it is beneficial to have it. The amount of money to maintain the building is a drop in the bucket to the dollars the council has been discussing this evening and therefore the city should take over maintenance. Motion made Council Member Wells to take no action on this matter. Motion seconded by Council Member Ford. All in favor. Motion carried.

7:55 p.m. Attorney Bob Johnson left the meeting.

**C. 2015 Budget Discussions** – Administrator Slaugh noted that the budget issues for the 2015 calendar year include: Drop in the assessed valuation approximately 5% which will result in about a \$50,000 less in revenue to the general fund. EMS service costs will increase. The chip and seal program for the northwest area of \$310,000 and if Highland Cemetery is included the cost would be approximately \$340,000. In 2014 part of the funds came from sales tax revenue from the capital projects fund. With the lowered assessed valuation the library mill levy would have to be increased to maintain the same dollar amount as in the 2014 budget and allow them to be eligible for the state grant. In the industrial fund \$87,800 would be set aside to fund special economic development projects. The water and wastewater funds need an increase in rates in order to sustain regular maintenance and pay bond debt payments and make system improvements.

A mill levy increase of six mills will have an impact on a homeowner of a \$100,000 home of \$69.50 per year. Council Member Shaughnessy asked what the increase would

be on businesses. Staff will check into this and report back. (It was determined that a commercial or industrial business worth \$100,000 would incur a \$150.00 increase.) Council Member Franklin asked if an increase in water and wastewater rates was done would that go into effect in January. Administrator Slaugh stated that the increase would be effective January 1, 2015. Council Member Franklin reminded the council that earlier in the meeting Jim West commented on the necessity of the bare steel main replacement and the need to provide funds within the budget for this. Administrator Slaugh noted that Standard and Pours is currently reviewing the city's rating and the lower reserves in the utility funds due to increased transfers to support the general fund would be affect the rating. Mayor Wicoff reminded the council that when charities came asking for money the council needs to decide now to either budget for those items or not support them. He also cautioned the council in accepting grant funds without considering the cost to the city and whether or not the city is able to fund it. The council needs to consider the salary survey increase with the budget. The mill levy increase needs to be considered with much thought. The city has maintained a flat mill levy for several years and an increase would affect all citizens. Council Member Wells would like to see how much it would cost the city for a 5% increase instead of a 7.5% increase for the salary survey study. Motion made by Council Member Wells and seconded by Council Member Franklin to set a public hearing for the 2015 budget on August 11, 2014 at 6:00 p.m. All in favor. Motion carried.

## **COUNCIL & ADMINISTRATOR REPORT**

### **A. Mayor Wicoff –**

- None

### **B. Council Member Wells–**

- Thanked the EMS Department and the Police Department for the response to the emergency event at Elks Lake on July 4<sup>th</sup>. Everyone did a great and professional job.

### **C. Council Member Ford –**

- Thanked the city for all of their support for the Mad Bomber Event. It was a great success.
- The playground equipment is ready for concrete. The weather has prevented the ground work to be completed on the project.

### **D. Council Member Franklin–**

- Attended the Mad Bomber Event it was great.
- Mentioned at Highland Cemetery the mortar on the bricks at the east entrance is coming off.
- What is going to be done about the drainage issue at the Highland Cemetery?

### **E. Council Member Shaughnessy –**

- Work being done at the M&M plant is looking great.

**F. Council Member Becker –**

- None

**G. Council Member Myrick –**

- Absent

**H. Council Member Zornes –**

- None

**I. Council Member French –**

- Absent

**J. Administrator Slaugh –**

- Reminded the council that the July 28<sup>th</sup> meeting will be held at the North Community Building to accommodate the fair set up that will be going on in this building.
- Two million dollars will be transferred this week to Landmark bank to begin the transfer from Great Southern to Landmark.

**Executive Session – Non-Elected Personnel** - Motion made by Council Member Wells and seconded by Council Member Franklin to adjourn into executive session to discuss Non-Elected Personnel. All in favor. Motion carried. Present Mayor, Council, and Administrator Slaugh. The regular meeting will resume at 8:35 p.m.

**DATE / TIME OF NEXT MEETING**

City Council Meeting 6:00 p.m. Monday July 28<sup>th</sup>, 2014

City Council Meeting 6:00 p.m. Monday August 11<sup>th</sup>, 2014

**ADJOURNMENT**

**8:35 p.m.** Motion made by Council Member Becker and seconded by Council Member Franklin to adjourn the meeting. As the vote was unanimous, the meeting was declared adjourned.

CITY OF IOLA

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Approved by the City Council of the City of Iola, Kansas this 28<sup>th</sup> day of  
July 2014.

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Mayor, Joel Wicoff

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City Clerk, Roxanne Hutton