

A regular meeting of the City Council of the City of Iola was held on June 26, 2017, at 6:00 p.m., at the Riverside Park Community Building, 510 Park Avenue, Iola, Kansas.

CALL MEETING TO ORDER

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

ROLL CALL

Mayor Wicoff Council Members, Wells, Zornes, Ford, B. Franklin, Middleton A. Franklin, Shaughnessy and Becker were present. Also present were Administrator Fleming, Assistant Administrator Schinstock, and City Clerk Hutton.

REVIEW & APPROVAL OF AGENDA

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

PUBLIC COMMENTS

Donna Houser informed the council that the sump pumps have been installed at the stadium. The entire stadium has been power washed.

She noted that she has heard from individual citizens that are not in agreement with the City Council giving money to private entities that are coming to town. She told them that they should come to the City Council meeting and voice their opinions to the Council.

Toby Shaughnessy, owner of Sam and Louie's, stated that four years ago when he opened his restaurant he was only offered the incentives that were available to everyone. The proposed hotel and restaurant is being offered more than what he was offered back then. Marshall Barnhart, owner of Dudley's Done Right BBQ, stated that he received no help from the city he built his business by himself. He stated that offering these incentives to a new restaurant will hurt all of the current businesses because they will take away from their business even for just a few days.

Michael Sailor, owner of Rookies, stated that he received no incentives when they opened their restaurant. This new business has no roots here in town and they will not be putting any roots down.

CONSENT AGENDA

A. Minutes Approval

- June 12, 2017

B. Appropriations Approval – 2017-11

C. Personnel Action

- Bo Becker – Electric Distribution – Annual
- Derrick Carr – Gas, Water & Sewer – Six Month
- Dereck Womelsdorf – Gas, Water & Sewer – Six Month
- Trent Rhodes – Parks Department – Annual
- Michael Aronson – Police Department – Annual

- **Brandon Westerman – Electric Generation – Resignation**

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

EXECUTIVE SESSION

Council Member Middleton made a motion to adjourn into executive session for 30 minutes for Attorney-Client Privilege. The purpose of the executive session is to discuss contract negotiations and shall include the Mayor, Council, City Administrator Fleming and City Attorney. The regular meeting shall reconvene at 6:40 p.m. The Motion was seconded by Council Member Zornes. All in favor. Motion carried.

Council Member Wells made a motion to adjourn into executive session for 15 minutes for Attorney-Client Privilege. The purpose of the executive session is to discuss contract negotiations and shall include the Mayor, Council, City Administrator Fleming and City Attorney. The regular meeting shall reconvene at 6:55 p.m. The Motion was seconded by Council Member A. Franklin. All in favor. Motion carried.

Council Member Wells made a motion to adjourn into executive session for 15 minutes for Attorney-Client Privilege. The purpose of the executive session is to discuss contract negotiations and shall include the Mayor, Council, City Administrator Fleming and City Attorney. The regular meeting shall reconvene at 7:14 p.m. The Motion was seconded by Council Member A. Franklin. All in favor. Motion carried.

ROUNDTABLE

A. Electric Generation - Discussions – Administrator Fleming reviewed the fact that Iola's current capacity requirement is roughly 28MW while our generation capacity is only 22.5 MW. To maintain our status as a partial-requirement electric utility, Iola must have enough generation to fully meet its capacity needs. Otherwise, Iola would be categorized as a full-requirement utility, and its costs for capacity and power would increase dramatically. Staff, as well as other SEG members, is exploring generation options. David Schaefer with High Plain Power Systems LLC recently coordinated a generation project for the City of Osawatomie. Staff is working with Mr. Schafer and exploring a similar project for the City of Iola, which includes the potential purchase of generation to get the City to the 28 MW capacity required. Scott Shreve, EMG, stated that if the City obtained more than the necessary 28 MW, it could sell the excess on the open market. Council Member B. Franklin asked if we just got rid of some diesel units. Mike Phillips, Electric Production Superintendent, stated that we did just get rid of a couple of units that were not RICE compliant and would not have been feasible to make them compliant. Council was in consensus for staff to continue researching possible options to purchase diesel generators with low hours on them.

NEW BUSINESS

A. SPA Power Termination – Administrator Fleming stated that the SPA hydropower entitlement makes up a small percentage of our energy profile. It is also one of our most expensive products per MWh. SPA is seeking 15-year commitments to “renew” this entitlement, which is provided through a KMEA hydropower pooling contract. The hydro entitlement does offer some capacity coverage, but it is more than twice the cost of the capacity that we buy from Chanute.

There is also the concern about transmission for this entitlement. While we may be able to get some short-term “relief” to this issue, a long-term solution is anticipated to be cost prohibitive.

Based on the current contract, pricing, transmission restrictions, and renewable alternatives, staff requests a motion stating the Iola does not wish to renew its SPA Federal Hydro Entitlement beyond the term of the current agreement, which ends May 31, 2019, and authorizing the necessary signatures. Motion made by Council Member Wells and seconded by Council Member Becker to not renew the contract with KMEA for Hydropower when it expires in May of 2019. All in favor. Motion carried.

B. Humanity House Request – Bridges Out of Poverty Training – Tracy Keagle of Humanity House has requested to use the North Community Building on July 22nd to hold a training session for the Bridges Out of Poverty Program. Motion made by Council Member Wells and seconded by Council Member Zornes to authorize staff to waive the building rental fee for Humanity House on July 22nd at the North Community Building. All in favor. Motion carried.

C. Washington Street Pedestrian Bridge Project – Assistant Administrator Schinstock briefed the Council on the events that took place following the engineer study of the pedestrian bridge. The engineer estimate did not include the crane and the moving of the bridge into place over the creek. The estimated project shortfall is approximately \$80,000. Assistant Administrator Schinstock has spoken with Kansas Department of Wildlife and Parks about a possibility of some additional funding. It is also possible that some other funding can be found. However, these funds will not be secured until after the contract is signed for the Kansas Department and Wildlife Parks and Tourism Grant. The Council will likely need to make a decision if they want to move forward with the understanding that they may have to come up with the \$80,000 shortfall out of the City’s Capital Projects Fund. Council Member Ford stated that so many groups have worked hard to secure these grants it would be a shame to not move forward with the project. Council Member A. Franklin asked what the balance in the Capital Project Fund was. Administrator Fleming stated the current balance is approximately \$1.3 million. Council Member A. Franklin stated that he feels that money should be used for infrastructure and not for this. There are better priorities for the city’s money. Mayor Wicoff asked what the bridge is set on in the water. Assistant Administrator Schinstock stated that the bridge is built on the embankment there is nothing in the creek itself that holds the bridge up.

Donna Houser stated that the CITF group has been trying to work on getting this bridge for a long time. They are working on getting some funding assistance for the City.

Mark Peters stated that he and his wife walk every day. They are just wondering how many people actually use the trails. How many man hours is it going to take for the city to maintain this bridge? Is this a wise financial decision for the city to invest this much money into this bridge. Council Member Ford stated the trail was right behind her house and it gets used a lot. Council Member A. Franklin wondered if it is more important than infrastructure. The Council seemed to be in consensus to continue moving forward with the project.

D. Demolition Bid Awards – 311 S. Chestnut & 524 North Street – Staff recently brought both 311 S Chestnut and 524 North Street to Council for approval to remove the dangerous and unsafe structures. Both locations were deemed dangerous due to recent structure fires, and staff sought immediate removal based on section 14-611, (1) of the Unified Development Code. At the May 22nd Council meeting staff was approved to move forward with obtaining bids for the immediate removal of these structures. Two bids were received one for Lyle Rockers & Son in the amount of \$9,000 total cost for both houses, and Mueller & Sons in the amount of \$6,740 total cost for both houses. Motion made by Council Member Wells and seconded by Council Member B. Franklin to approve the low bid from Mueller and Sons for the demolition of 311 S Chestnut and 524 North Street for the total project amount of \$6,740 based on Sec 14-611, (1) of the Unified Development Code. All in favor. Motion carried.

E. Standard Traffic Ordinance- Amendment (Section 182.1) – Administrator Fleming informed the Council that the recent legislation increased the fine for the seat belt violation from \$10.00 to \$30.00. In order for the City of Iola to maintain compliance with this increase, the City has to pass an Ordinance amending the Standard Traffic Ordinance for 2016. The 2017 Standard Traffic Ordinance will be coming out in a few months and will be adopted per Ordinance at that time. Motion made by Council Member Ford and seconded by Council Member Zornes to approve ordinance 3476 and authorize the necessary signatures. Voting in favor of the motion were Council Members: Zornes, Ford, Middleton, Wells, Becker, B. Franklin and A. Franklin. Voting against the motion was Council Member Shaughnessy. Motion passed by majority vote.

COUNCIL & ADMINISTRATOR REPORTS

A. Mayor Wicoff –

- None

B. Council Member Wells–

- Didn't return phone calls or emails while I was in Tokyo because it was too expensive. Feel free to contact me with questions or concerns.

C. Council Member Ford –

- None

D. Council Member B. Franklin–

- None

E. Council Member Shaughnessy –

- Went to Council Grove to their river walk. Iola needs to take advantage of the river. Make it a place to attract people.

F. Council Member Becker –

- None

G. Council Member Middleton–

- None

H. Council Member Zornes –

- Wished everyone a happy and safe Fourth of July.

I. Council Member A. Franklin –

- None

J. Administrator Fleming–

- Passed around a thank you note from CASA.
- Planning on putting the governance discussion on a meeting in July.
- Scott Shreve will discuss Power Purchase and how the ECA change has affected the City at a meeting in July.
- Reminded Council that Ron Conaway's retirement party is Tuesday from 2:00-3:30 p.m.

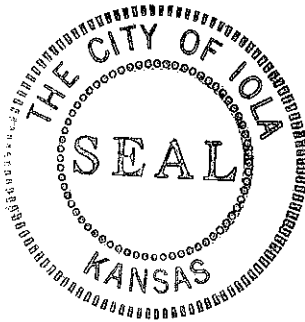
DATE / TIME OF NEXT MEETING

City Council Meeting 6:00 p.m. Monday, July 10, 2017

ADJOURNMENT

8:07 p.m. Motion made by Council Member Becker and seconded by Council Member B. Franklin to adjourn the meeting. All in favor. Motion carried.

Approved by the City Council of the City of Iola, Kansas this 10th day of July 2017.



Mayor Wicoff

City Clerk, Roxanne Hutton