

**Regular Meeting Minutes
Commission Chambers
101 S Hickory, Ottawa, Kansas
Minutes of September 21, 2016**

The City Governing Body met at 9:30 am, this date, for the Regular City Commission Meeting with the following members present and participating to wit: Mayor Caylor, Commissioner Skidmore, Commissioner Graves, Commissioner Reed, and Commissioner Jorgensen. A quorum was present.

Mayor Caylor called the meeting to order.

The Mayor welcomed the Chamber Audience and led the Pledge of Allegiance to the American flag. The invocation was given by Finance Director Scott Bird.

Consent Agenda

Commissioner Reed made a motion, seconded by Commissioner Graves, to approve the consent agenda, to include this regular meeting agenda, minutes from the August 22, 2016 Special Call Leadership Session, August 29, 2016 Study Session, August 31, 2016 Special Call Joint Meeting, August 31, 2016 Special Call Leadership Academy Luncheon and September 7, 2016 Regular Meeting. The motion was considered and upon being put, all present voted aye. The Mayor declared the consent agenda duly approved.

Public Comments

None offered at this time.

Declaration

None were given at this time.

Proclamation—Constitution Week

Commissioner Graves read a proclamation recognizing Constitution Week on September 17-23, 2016. Constitution Week is an official week to commemorate the anniversary of the creation of the world's longest-lived written Constitution. Members of the General Edward Hand Chapter, Daughters of the American Revolution were in attendance at the meeting and Retired Chief Master Sergeant Jayne Schlenker accepted the proclamation and thanked the Governing Body for the recognition.

Proclamation—Domestic Violence Awareness Month

Commissioner Reed read a proclamation recognizing October as Domestic Violence Awareness Month. Domestic Violence Awareness Month focuses attention on victims of domestic violence and their children and promotes the support of shelters and community programs that serve them. Willow Domestic Violence Center Franklin County Program Coordinator Cassie Myers accepted the proclamation and thanked the Governing Body for the recognition.

Recognition of New Employees

The Governing Body heard from Finance Director Scott Bird who introduced the following new employees:

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Amy Finch, City Clerk

Amy joined the City as City Clerk on August 29, 2016

Laurel Gimzo, Assistant City Clerk

Laurel joined the City as Assistant City Clerk on September 6, 2016

Recognition of Operator Meritorious Service Award Recipient

The Governing Body heard from Assistant Utilities Director David Buehler who recognized Water Production Superintendent Keith McAdoo for being the recipient of an American Water Works Association Operator Meritorious Service Award and the Silver Droplet Award for 25 years in the American Water Works Association. Mr. Buehler complimented Mr. McAdoo for being a mentor and advocate for the quality of water we produce and taking great pride in his staff and his facility.

The Governing Body also heard from Utilities Director Dennis Tharp who stated Mr. McAdoo is an example to young people of what a career at the City of Ottawa can be. Mr. McAdoo thanked the Governing Body for the recognition and stated he has worked with a wonderful group of operators and leaders throughout the years.

Resolution—Assignment and Amendment of Redevelopment Agreement

The Governing Body reviewed a resolution authorizing the approval of assignment of the redevelopment agreement by Super Market Developers Inc to Group Ottawa LLC.

The Governing Body heard from Special Bond Counsel Tyler Ellsworth with Kutak Rock who explained the new buyer is assuming and the current owner is requesting the Governing Body to approve an assignment of the redevelopment agreement and answered questions from the Governing Body.

It was further explained the resolution accomplishes the following three items:

1. Makes a finding that the new owner has the financial ability and experience to step in to the developer's role, which is supported by a legal opinion from Kutak Rock LLP
2. Approves the execution of an Assignment and Assumption Agreement to memorialize the transfer of the developers' rights under the agreement
3. Approves a brief amendment to the redevelopment agreement authorizing and approving the new owner to pledge revenue streams from TIF and CID incentives as collateral for a loan in connection with the purchase of the facility

Mr. Ellsworth also stated the developer's obligations under the agreement have essentially been fulfilled and Kutak Rock's fees as City's counsel will be paid from the TIF and CID proceeds. Commissioner Skidmore made a motion, seconded by Commissioner Jorgensen, to adopt the resolution. The motion was considered and upon being put, all present voted aye. The Mayor declared the resolution duly adopted and the resolution was duly numbered Resolution No. 1701-16.

Public Hearing—Evaluate Performance of Neighborhood Stabilization Program Grant

The Mayor explained a public hearing on the evaluation of the performance of Grant No. 09-NSP-006 for the Neighborhood Stabilization Program and closeout of the grant is needed.

Mayor Caylor opened the Public Hearing at 9:53 am.

The Governing Body heard from Southeast Kansas Regional Planning Commission Planning & Development Consultant Susan Galemore who provided the following grant performance details:

- Neighborhood Stabilization Program (NSP) started in 2009 with stimulus money distributed to communities after the foreclosure crisis
- City of Ottawa has fully leveraged and utilized the grant funds to the fullest extent, including requesting additional funds to continue program efforts
- City of Ottawa was awarded and expended \$1,153,500 in grant funds
- Project initially proposed to address four abandoned and foreclosed properties
- Project included two single-family dwellings that the City acquired, rehabilitated, and donated to East Central Kansas Economic Opportunity Corporation (ECKAN) as rental stock
- Project also included six duplexes the City purchased, renovated, and donated to ECKAN as rental stock
- Project also included three redeveloped properties where three single-family dwellings were constructed and sold to income-eligible families
- Program income from the sale of properties was forwarded to the State of Kansas and reutilized in other programs, which totaled \$128,378.52 after expenses
- City of Ottawa best utilized the grant funds awarded out of the NSP projects administered for Southeast Kansas
- Commended City staff's commitment to the project
- Stated a public hearing is required to discuss the performance of the project and allow the public to comment before the grant can officially be closed

Commissioner Jorgensen stated this project took place in the midst of the great recession and helped our local tradesmen and contractors who struggled for lack of business and helped provide housing to community members. Mr. Jorgensen stated the project was a great success for all involved.

The Governing Body heard from Community Development Director Wynndee Lee who explained no local dollars were spent on the project and the City only contributed staff time. Mrs. Lee also stated the City administers many of its own projects; however, the Southeast Regional Planning Commission administered this project due to its complexity.

There being no one else to speak to this issue Mayor Caylor closed the Public Hearing at 9:59 am.

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Resolution—Closeout Neighborhood Stabilization Grant

The Governing Body reviewed a resolution authorizing the Mayor to sign documents to close the Neighborhood Stabilization Grant. Commissioner Graves made a motion, seconded by Commissioner Skidmore, to adopt this resolution. The motion was considered, and upon being put, all present voted aye. The Mayor declared the resolution duly adopted and the resolution was duly numbered Resolution No. 1702-16.

Business Purchase Agreement—Roselawn Memorial Gardens Inc

The Governing Body heard from City Attorney Blaine Finch who reviewed a request for approval of a Business Purchase Agreement for Roselawn Memorial Gardens Inc to purchase the cemetery from Gwen Todd and answered questions from the Governing Body.

Mr. Finch explained the agreement provides for a voluntary transfer of assets of the corporation from Roselawn Memorial Gardens Inc to the City of Ottawa to include the cemetery, a \$,5000 perpetual maintenance fund, and surplus acreage with potential use for future infrastructure needs. Mr. Finch stated if this business purchase agreement is approved the real estate closing would be scheduled for October. Commissioner Jorgensen made a motion, seconded by Commissioner Graves, to approve the Business Purchase Agreement. The motion was considered and upon being put, all present voted aye. The Mayor declared the business purchase agreement duly approved.

2015 Financial Audit

The Governing Body heard from Jonathan Nibarger, Mize Houser & Company PA, who reviewed the 2015 Financial Audit. It was explained the overall health of the City budget is satisfactory.

During discussion it was stated there was one statutory violation in the audit due to actual expenditures exceeding budgeted expenditures in the Wastewater Treatment Plant fund. This was a result of debt restructuring and will be addressed in the future with budget amendments. Commissioner Reed made a motion, seconded by Commissioner Skidmore, to approve this audit. The motion was considered and upon being put, all present voted aye. The Mayor declared the audit duly approved.

City Manager's Report

City Manager Richard U Nienstedt reported on the following:

- September 20, 2016: Joint Meeting with the County to discuss Rock Creek Development Park project timeline and design; will review flow chart at next Study Session on October 3, 2016
- September 21, 2016: Joint City/County/USD 290 Luncheon at Noon, County Admin Offices

Commissioner's Reports

Commissioner Jorgensen reported on the following:

- September is a busy month with events scheduled each weekend
- Saturday, September 24, 2016 Airport Open House & Fly-In, 8 am–12 pm
- Congratulated Over the Road Gang for swift clean up of Main Street after the Ol' Marais River Run 2016 Car Show and the excellent show and record number of cars

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Commissioner Skidmore reported on the following:

- Car show was a great event
- Thanked volunteers and law enforcement agencies who worked to make the car show a successful event

Mayor's Report

Mayor Caylor reported on the following:

- Wished everyone a happy last day of summer
- Encouraged everyone to go to the airport on Saturday for Airport Open House & Fly-In
- Thanked everyone for being good citizens and keeping our community vibrant

Announcements

Mayor Caylor announced the following:

- September 21, 2016 City/County/USD 290 Joint Meeting, 12:00 pm, County Admin Offices
- September 24, 2016 Airport Open House & Fly-In, 8:00 am – 12:00 pm, Airport
- September 26, 2016 Study Session, 4:00 pm, City Hall CANCELED

Adjournment

There being no further business to come before the Governing Body, Commissioner Skidmore made a motion, seconded by Commissioner Graves, to adjourn the meeting. The motion was considered and upon being put, all present voted aye. Mayor Caylor declared the meeting duly adjourned at 10:15 am.

Amy Finch, City Clerk