

June 20, 2022

The City Council of Scott City met in regular session on the above date at 7:30 p.m. in City Hall.

Present were Mayor Everett Green, Council members Craig Richards, Kelly Funk, Josh Gooden, Bo Parkinson, Barb Wilkinson, Adam Winter, City Attorney Rebecca Faurot, City Administrator Brad Pendergast (via Zoom), and City Clerk Ruth Becker.

The Council and others recited the Pledge of Allegiance.

The minutes of the June 6, 2022 regular council meeting were presented.

Motion by Adam Winter seconded by Josh Gooden to approve the minutes of the June 6, 2022 regular council meeting. Vote – 5-yes, 1-abstain, Craig Richards.

The minutes of the June 15, 2022 special council meeting were presented.

Motion by Josh Gooden seconded by Adam Winter to approve the minutes of the June 15, 2022 special council meeting. Vote – 5-yes, 1-abstain, Kelly Funk.

Appropriation Ordinance #993B was presented.

Motion by Josh Gooden seconded by Adam Winter to approve Appropriation Ordinance #993B. Vote – Unam.

Wes Preston, a representative advocating for the National League of Cities’ (NLC) Service Line Warranty Program was present via Zoom to discuss three items that had been made available for the Council packet: *NLC Service Line Warranty Program Overview*, a sheet with information specific to Scott City, and *Marketing Agreement* between the City of Scott City and Utility Service Partners Private Label, Inc. d/b/a Service Line Warranties of America. Mr. Preston informed the Council that Service Line Warranty Program is endorsed by the League of Kansas Municipalities (LKM) as well. City Administrator Brad Pendergast confirmed this statement. Mr. Preston explained that many homeowners are not aware of their responsibility for their water and sewer lines and that part of the services provided by Service Line Warranties of America (parent company) is to provide education to citizens in the form of three City-approved mailings per year which would bear the City of Scott City’s logo of choice and contact information for City personnel. Mr. Preston assured the Council that no mailing would be sent out without the express approval of the City Council prior to the mailing. He further indicated that there would be no door-to-door solicitation or phone calls to potential customers. Mr. Preston presented the three types of coverage that would be offered and explained that interested customers could take advantage of any or all the plans offered. The plans include:

- **External Water Line** \$6.49/month Unlimited Calls/Up to \$8,500 per call
- **External Sewer Line** \$8.49/month Unlimited Calls/Up to \$8,500 per call
- **In-Home Plumbing** \$9.99/month Unlimited Calls/Up to \$3,000 per call

Following questions raised by Council member Barb Wilkinson, Mr. Preston explained that any repair and replacement activity would be guaranteed to meet current plumbing code requirements

and that the local inspector would be involved if the repair being made required a permit, with the cost of the permit and inspections to be covered by the warranty. He also noted that Service Line Warranties of America would contract with local contractors who meet all licensing requirements, and those contractors would be used to complete the warranted work to be done. Homeowners would not have the ability to choose their own contractor. He also stated that, although there is a 30-day waiting period to file a claim once the customer has signed on, there are no pre-inspections that would disqualify a homeowner. It was pointed out that there is no cost to the City to participate in this program and that there may even be an opportunity for a small revenue stream, noting that the City of Scott City could receive a \$0.50 per contract per month royalty for signing an agreement with Service Line Warranties of America. Mayor Everett Green, speaking as an insurance agent, indicated that, although endorsements may be available, standard homeowners' insurance policies do not typically provide coverage for these types of repairs.

Motion by Barb Wilkinson seconded by Craig Richards to authorize City Administrator Brad Pendergast to enter into an agreement with Service Line Warranties of America to offer these services to Scott City residents. Vote – Unam.

Mayor Everett Green explained that, as the City moves forward with the water improvement projects, contractors will have to bore under the railroad lines. Kansas & Oklahoma Railroad (K&O) requires that all entities involved in the project (GMS, Inc., the City of Scott City, and the Contractor that is ultimately awarded the contract) have substantially higher limits of liability insurance than the City already has.

	<u>Required by K&O</u>	<u>Current Liability Policy</u>
General Liability	\$5,000,000	\$1,000,000
Auto	\$2,000,000	\$1,000,000
Workers Compensation	\$1,000,000	\$500,000 (statutory limit)

Mayor Green noted that the most efficient way to meet Kansas & Oklahoma Railroad's requirements would be to purchase a \$4,000,000 umbrella liability policy supplement the City's existing insurance to ensure a \$5,000,000 limit. Council member Bo Parkinson asked about the length of the policy's term. Mayor Green noted that such a policy must be effective for a period of at least a year and that the premium for the policy would be \$15,000. Mayor Green asked City Administrator Brad Pendergast to check with GMS Engineer Ken White, to see if the cost of the umbrella policy could be reimbursed through the Kansas Public Water Supply Loan Fund loan for the water improvements. Mayor Green noted that the City is protected somewhat by the Kansas Tort Claims Act which limits the amount that an individual can sue a city for in the collection of damages, which is typically limited to \$500,000. Council member Bo Parkinson requested that, due to the cost of the additional insurance and the uncertain time frame required for the project, that the City not purchase the umbrella policy until the project is at the point of being ready to bore under the railroad lines. Mayor Green indicated that he would continue to work with GMS engineers and Mr. Pendergast to see that the umbrella policy does not go into effect until it is needed.

Motion by Bo Parkinson seconded by Barb Wilkinson to authorize the Mayor and City Administrator to move forward in obtaining an umbrella liability policy with a limit of \$4,000,000 to become effective just prior to the boring under the railroad lines. Vote – Unam.

Provided in the packet was *General Ledger Inquiry* dated June 16, 2022 indicating receipts made from the police department into the General Fund in the year since the VIN Fund was created on June 7, 2021. A total of \$375 had been receipted into the General Fund for ATV/UTV registrations. Police Chief David Post explained that this revenue is for fees associated with the registration of these vehicles. He also explained that the expenses for items such as tags and stickers for registration renewals are currently taken out of the General Fund. Police Chief Post requested that both expenses and revenues for ATV/UTV registrations be added to the VIN Fund.

Motion by Adam Winter seconded by Barb Wilkinson to approve Police Chief David Post's request to both receipt registration fees to and expense the cost of tags and stickers for ATV/UTV registrations from the VIN Fund moving forward. Vote – Unam.

Mayor Everett Green acknowledged Jay O'Brien in the audience before beginning the discussion on the potential sale of Lot 8, Block 6 in I. L. Eastman's Addition. Mayor Green reminded the Council that Mr. O'Brien had bid \$1,000 for the lot when it was originally put out for bid along with Lot 7, Block 6 in I. L. Eastman's addition, but was not initially offered the lot for that amount because of a bid from Ruben Brokofsky, who had bid \$2,100 per lot for a total of \$4,200 for both lots. At the time, it was unclear in the way the bid was presented whether Mr. Brokofsky would take only one lot or if he desired them both. After a discussion with Mr. Brokofsky, it was determined that he had wished to purchase the lots together. During the June 6, 2022 Council meeting, it was discussed whether the lot should be awarded to the sole remaining bidder on the lot, Jay O'Brien, who had been present in the audience during that meeting as well. Mayor Green expressed that there had been some confusion during that discussion and that a decision had not been reached. He reminded the Council that it had been Street, Water, & Sewer Superintendent Terence Appel's recommendation to sell the lot to Mr. O'Brien for \$1,000 because the City has no use for the lot. Also noted was the elevation of the lot and the fact that the lot has no street access.

Motion by Josh Gooden seconded by Barb Wilkinson to accept the \$1,000 bid offered by Jay O'Brien for Lot 8, Block 6 in I. L. Eastman's Addition to the City of Scott City. Vote – Unam.

Mayor Green thanked Mr. O'Brien for his patience during this process.

Provided in the packet was a document used to demonstrate revenue loss per fund due to the Covid-19 outbreak in 2020 as created by the League of Kansas Municipalities' staff and utilized by City Administrator Brad Pendergast. The *Revenue Loss Calculator* estimated the City of Scott City's annual growth to be approximately 4.1%. The difference between the anticipated increased amount of the Transient Guest Tax Fund for 2020 and the actual revenue received by the fund in 2020 demonstrated a revenue loss \$23,136.33 for 2020. City Administrator Brad Pendergast reminded the Council that the travel industry took a "big hit" during the height of Covid-19 pandemic and suggested that the Council approve a transfer from the ARPA fund to the Transient Guest Tax Fund to help offset the loss that had occurred. He also noted that the Transient Guest Tax Committee (Craig Richards, Barb Wilkinson, and Adam Winter) had met earlier in the day with Travel & Tourism Coordinator Jennifer Turner to discuss a possible increase in the Transient Guest Tax rate from 5% to 6%. Committee Member Adam Winter stated that the Committee agrees that the tax rate should be increased to 6% at the beginning of the new year. The change would come in the form of a Charter Ordinance that would need to be sent to the state a quarter prior to the tax becoming effective.

Motion by Craig Richards seconded by Adam Winter to approve the transfer of \$23,000 from the ARPA Fund to the Transient Guest Tax Fund for revenue replacement as allowed by the

American Rescue Plan Act and to discuss the Transient Guest Tax rate increase in more detail at a future meeting. Vote – Unam.

Provided in the packet was *City of Scott City/A+ Aviation Separation Agreement Cost*. The table demonstrates a payout amount, negotiated with A+ Aviation, for the two remaining months of the Fixed Base Operator (FBO) management fee at \$3,920 per month, three months' hangar rent at \$1,550 per month, and 4,371 gallons of 100 low lead fuel at \$6.25 per gallon for a total of \$39,808.75. An additional payout of approximately \$10,000 will need to be made to cover the cost of cameras, locks, and other items that will remain at the airport for the continued use at the airport. This additional compensation will be paid at the end of three months to ensure the current FBO's compliance with transition requirements. A copy of the signed *Release and Termination Agreement* between the City of Scott City and A+ Aviation, LLC was also included in the packet. City Attorney Rebecca Faurot indicated that the agreement provides for a release of liability against the City.

Motion by Josh Gooden seconded by Adam Winter to authorize the initial separation cost as discussed, in the amount of \$39, 808.75, to be paid out of the Airport Sinking Fund and to address the additional payout amount for assets remaining at the airport, that were purchased by A+ Aviation, at a future Council meeting. Vote – Unam.

Mayor Everett Green announced that Scott City Housing Authority (SCHA) Property Manager Ardith Scammehorn was unable to attend as scheduled. Mrs. Scammehorn intends to present her quarterly report at the next regular Council meeting. City Attorney Rebecca Faurot informed the Council that a situation has arisen concerning the SCHA and a reported tenant grievance. Mrs. Faurot indicated that, per the procedures set forth by SCHA and USDA, a 3-person board needs to be formed to hear such grievances. There are two approaches through which this can be accomplished. The first is to have a member of the management team, the aggrieved tenant, and a 3rd party agreed upon by the first two parties join to form a board specific to each grievance. The second approach is for the housing authority board to appoint three individuals to the board to hear grievances. City Attorney Faurot recommended that, since the City Council is the SCHA board, with the Mayor serving as the President of the board, that the grievance board be created with members of the SCHA board. Council members, and SCHA board members, Kelly Funk, Josh Gooden, and Barb Wilkinson were appointed by SCHA board President Everett Green to serve on the Scott City Housing Authority Grievance Board.

Motion by Barb Wilkinson seconded by Josh Gooden to approve the appointments made by Mayor Everett Green, acting as Scott City Housing Authority Board President, of Kelly Funk, Josh Gooden, and Barb Wilkinson to the SCHA Grievance Board. Vote – Unam.

GMS, Inc. Engineer David Frisch was unable to attend. *Project Manual for 8th Street Extension* had been included in the packet for review.

Under the open agenda, Everett Green, acting as the City's insurance agent, was pleased to announce that the City's insurance returned a Safety Group Dividend in the amount of \$22,536.99, which is up by approximately \$600 over last year.

Pool Manager Marci Patton and Assistant Pool Manager Jessica Berry were in attendance. Mrs. Patton reported steady attendance since their opening on Memorial Day. She was appreciative of

the Police Department's visits to the pool during which they handed out popsicles to the swimmers. Other topics briefly touched upon by Mrs. Patton were: the SCORE program will continue throughout the month of June and the school will be billed after the last group of the month; five communities took part in the Scott City swim meet; Pioneer Communications will provide free swimming and hot dogs on June 22 for Splash Night; the first Moonlight Swim is scheduled for Saturday, June 25; Red Cross swimming lessons begin the following week; and water aerobics and lap swims are popular again this year. Mrs. Patton announced that after the upcoming weekend, there will be a total of four Water Safety Instructor (WSI) certified lifeguards on staff—Cami Patton, Connor Cupp, Alivia Noll, and Alli Patton. She indicated that WSI training has been difficult to find, so the City is lucky to have so many WSI-trained guards this year. The *Monthly Pool Update* page was included in the packet for Council members to review.

Building Inspector Lloyd Foster was not in attendance.

Police Chief David Post reported that the next month will be busy with a lot of training and a lot of vacations, making scheduling more difficult. Last week, Officer Whitney Savolt spent two days in Dodge City taking a Human Trafficking Course. Officer Bailey White will be in Hutchinson all week for School Resource Officer (SRO) training. Next week, Sergeant Colton Schmitt and Sergeant Jason (Jay) Poore will be in Hutchinson attending Kansas Police Administrative Seminar, which is a leadership course that covers all aspects of running a police department. Police Chief Post reported that there will be two parades in early July—one on July 4, the Hometown Heroes Parade (a new event this year) in which they will participate, not provide traffic control, and one on July 9 for the Scott County Fair in which they will provide traffic control. Council member Barb Wilkinson asked if Officer Savolt could provide Human Trafficking training to the local hotels now that she has completed her training. Police Chief Post indicated that it was a very good course, and she should be able to reach out to the hotels to provide information to them on how to spot potential human trafficking. At the end of Police Chief Post's report, Mayor Green reminded the Council members that they are all considered "hometown heroes." He indicated that he would participate in the parade, and he invited them to join in as well.

Parks Superintendent Terence Appel was not in attendance.

Street, Water, & Sewer Superintendent Terence Appel was not in attendance. Reggie Ford reported in his absence. On behalf of Mr. Appel, Mr. Ford requested to sell the 1986 GMC 1-Ton vehicle on Purple Wave. The 1-ton vehicle that was recently ordered is scheduled to go into production at the end of the month, and once it is received, it will be fitted with the dump bed that was ordered alongside it. Mr. Ford indicated that the 1986 GMC will not be needed between now and the time the new truck arrives.

Motion by Adam Winter seconded by Josh Gooden to authorize the sale of the 1986 GMC 1-ton truck on Purple Wave. Vote – Unam.

Mr. Ford also reported on behalf of Mr. Appel that the monthly cost of the salt used at the water treatment plants has now gone above the \$5,000 bidding threshold for the first time. In looking at the trends over the past several months, costs have increased steadily since the February 2022 shipment. It is likely that each subsequent shipment will also be above the \$5,000 bid threshold. Both Mr. Ford and City Administrator Brad Pendergast agreed that the purchase of the salt is necessary for the operation of the water treatment facilities, and that this purchase would be

considered impracticable to bid. They also noted that Street, Water, & Sewer Superintendent Terence Appel wanted to be transparent with the Council regarding the increasing cost.

Reggie Ford also reported that Mr. Appel and Mr. Pendergast had hired Chase Cupp as a full-time employee in the Street Department effective on June 20, 2022. Mr. Cupp will enter the Pay Plan at Grade/Step G1 as a Maintenance Worker II based on his prior experience working in the Street Department as seasonal help.

City Clerk Ruth Becker reminded the Council that the next regular Council meeting will be held on Tuesday, July 5, 2022 due to the City's observance of Independence Day on Monday, July 4. It was noted that there had been a typographical error on the agenda stating that the meeting would be held on July 6.

Mrs. Becker passed along a request from multiple City employees, asking the Council to consider adding Juneteenth as a City holiday, in keeping with the tradition that the City typically mirrors holidays as observed by Scott County, which now has added Juneteenth as a paid holiday. Mayor Green instructed the Council to give this matter some thought and asked that the matter be discussed with a review of the personnel policy in November or December.

City Administrator Brad Pendergast reported that he had been working with Scott County Development Committee (SCDC) Director Katie Eisenhour and her summer intern, Dalsy Cupp, on branding for Scott City. He presented some images on the television monitor for potential branding for the City of Scott City and other Scott City entities. The branding is intended to connect different entities within Scott City while still personalizing the logo for each entity. Mayor Green pointed out that the brand is consistent across all individualized logos by having a consistent centralized font and image, but each entity, such as the airport, could alter the border of the image for personalization. Council expressed affirmation about the idea of branding and was interested in moving forward.

Mr. Pendergast reported that Ben McNary and Warren Bland are now serving as seasonal workers at the airport since A+ Aviation, LLC has left the Fixed Base Operator (FBO) role. Mr. McNary and Mr. Bland are working with FuelMaster on enabling the sale of fuel by the City of Scott City. With Mayor Green's approval, Mr. Pendergast ordered 3,000 gallons of Jet A fuel at a cost of approximately \$16,000 which has already been received. All fuel purchased by the City of Scott City will be charged to the Airport Enterprise Fund, except for the cost of remaining fuel negotiated with A+ Aviation. All receipts for fuel sales will also be credited to the Airport Enterprise Fund. Mr. McNary has procured a mower that can be used as a tug to tow planes out of the hangars and is working to obtain airport forks for the tug at an expected cost of \$600 - \$700. He has been able to get all the utilities transferred into City of Scott City's name. Building Solutions is expected to begin pouring the taxiway from Fairleigh's hangar to Frontier Ag's taxiway the following morning at 4:00 a.m.

Mr. Pendergast informed the Council that the League of Kansas Municipalities' Municipal Training Institute (MTI) will host a Kansas Open Meetings Act (KOMA)/Kansas Open Records Act (KORA) class on August 24, 2022 at the Safe Child Center at Western Kansas Child Advocacy Center. Mr. Pendergast and Mayor Green encouraged Council members to consider attending. The City will cover the cost for any official who wishes to attend.

City Attorney Rebecca Faurot had nothing to report.

The financial & investment reports were presented.

Mayor Green had nothing additional to report.

Motion by Adam Winter seconded by Barb Wilkinson to adjourn at 8:37 p.m. Vote – Unam.

Everett M. Green
Mayor

Ruth Becker
City Clerk