

September 5, 2023

The City Council of Scott City met in regular session on the above date at 6:30 p.m. in City Hall.

Pastor Jeff Goetzinger from the First United Methodist Church was present to lead the Council and others present in prayer.

Present were Mayor Everett Green, Council members Craig Richards, Jeff Allen, Josh Gooden, Bo Parkinson, Adam Winter, Armando Tarango, City Attorney Jennifer Cunningham (by Zoom), City Administrator Brad Pendergast, and City Clerk Ruth Becker.

The Council and others recited the Pledge of Allegiance.

The minutes of the August 21, 2023, regular council meeting were presented.

Motion by Josh Gooden seconded by Armando Tarango to approve the minutes of the August 21, 2023, regular council meeting. Vote – Unam.

Mayor Everett Green took a moment to remind Council members that they should not abstain from a vote to approve minutes simply because they were absent from the meeting for which the minutes were written. Council members have the responsibility to review the minutes, as presented in the Council packets, and to verify their accuracy.

Appropriation Ordinance # 1008A was presented.

Motion by Josh Gooden seconded by Adam Winter to approve Appropriation Ordinance # 1008A. Vote – Unam.

Mayor Everett Green opened the Hearing to Exceed the Revenue Neutral Rate (RNR) for the 2024 Budget. Mayor Green announced that there would be two budget related hearings as part of this meeting - the Hearing to Exceed the RNR and the Budget Hearing itself. Community members present to speak about the proposed budget were Michelle Nix, Elizabeth Inganza, and Debra Weaver. When asked about the appropriate time to bring up questions about property taxes during the public hearings, Mayor Everett Green asked City Administrator Brad Pendergast to clarify the difference between the two public hearings. Mr. Pendergast stated that the first hearing, to exceed the revenue neutral rate, is simply held to allow the governing body to adopt a budget that exceeds the mill levy rate that would bring in the same amount of tax dollars levied during the previous year. He went on to explain that when assessed valuations are high, the mill levy rate is lower and when the assessed valuations are low, the mill levy rate is higher. Mr. Pendergast also explained that, although the City budget, as presented, will levy about 1 ½ mills above the revenue neutral rate figured by the County Clerk, the increased dollar amount for the 2024 Budget is an estimated \$45,000 to \$50,000 in ad valorem taxes for the entire city. Mr. Pendergast also noted that the Budget Hearing would be the more appropriate time to address concerns about property taxes. Mayor Green asked if any Council member or member of the audience had any concerns related to the Hearing to Exceed the Revenue Neutral Rate. No one responded.

Mayor Green closed the Hearing to Exceed the Revenue Neutral Rate.

Presented in the packet was *Resolution 2023-06*, a Resolution of the City of Scott City, Kansas to levy a property tax rate exceeding the revenue neutral rate. The RNR, as provided by the Scott County Clerk in June 2023, was calculated as 61.864, whereas the mill levy for the proposed 2024 Budget is expected to be 63.360 mills.

Motion by Bo Parkinson seconded by Jeff Allen to approve *Resolution 2023-06* allowing the City of Scott City to levy a property tax rate exceeding the RNR of 61.864 mills as calculated by the Scott County Clerk. The Roll Call vote was as listed:

Governing Body Member	Yes	No	No Vote
Craig Richards	X		
Jeff Allen	X		
Kelly Funk			X
Josh Gooden	X		
Bo Parkinson	X		
Barb Wilkinson			X
Adam Winter	X		
Armando Tarango	X		
<b>TOTAL</b>	<b>6</b>	<b>0</b>	<b>2</b>

Mayor Green opened the 2024 Budget Hearing and announced that any comments or questions regarding the 2024 Budget would be heard until the hearing closes at the end of the council meeting.

Elizabeth Inguanza expressed her concern regarding the recent increase in property taxes. She indicated that she knows people who have moved out of Scott City into neighboring communities because they feel like they can no longer afford to live here. She also noted that, by raising property taxes so dramatically, the City might be collecting more money from property tax revenue but will not be bringing in as much in sales tax revenue because people are forced to spend fewer dollars on things such as eating at restaurants and buying groceries. Council member Armando Tarango and Mayor Everett Green worked together to explain that only about 1/3 of a property tax increase is received by the City of Scott City; Scott County and USD 466 also levy taxes based on the increased assessed property valuations. City Administrator Brad Pendergast explained that the increase in property taxes correlates to an increase in assessed valuations across the city, a process that the City has no control over. Audience members inquired why there has been such a huge jump in assessed valuations over the past two years. City Administrator Brad Pendergast explained, in his understanding, that when the new Scott County Appraiser began her duties in Scott County, she determined that valuations were too low for the market value – homes were being sold for far more than the amount for which they were appraised. He also explained that

appraisers are bound to meet state guidelines and that State of Kansas officials are now reviewing the performance of these appraisers. Council member Bo Parkinson remarked that he had questioned the recent appraised value of his home and had contested the increase at the Scott County Appraiser's office. Others are welcome to question their appraisals as well. Michelle Nix, Human Resources Director at Scott County Hospital, reiterated the audience's belief that people are struggling to afford to live in Scott City, in part due to the rising property tax burden. She noted that businesses in the city cannot keep jobs filled because people cannot afford to live here. Scott County Development Committee (SCDC) Executive Director Katie Eisenhour, who was present in the audience, noted that the average monthly rent in Scott City is \$625, which is a good number when compared with industry standards. Debra Weaver expressed that she has concerns because of the increased valuation of her home. As a person on a fixed income, she fears that, after a few more years, she will have to sell her home just to live. Ms. Weaver also wanted to know how taxes are generated for recreation commissions. Mayor Everett Green responded that the school district levies taxes for the recreation commissions. Council member Bo Parkinson further stated the mill levy for recreation commissions is set by state statute. Mayor Green inquired if there was any further discussion regarding the 2024 Budget for the City of Scott City. No one responded in the affirmative. Mayor Green announced that the Budget Hearing would remain open for comment until the end of the meeting.

Scott Recreation Commission (SRC) Director Cody Brittan was present to provide his quarterly update to the Council. Mr. Brittan reported that all the SRC youth programs for the summer season had concluded. He noted that there had been a drop in enrollment in these programs over the past year due to the increase in the number of traveling youth teams whose schedules conflicted with the SRC's youth schedule. He and Assistant Director Jordan Carter will work to reconfigure schedules next year to help increase enrollment in summer youth programs. The focus of the SRC right now is the flag football season. Mr. Brittan was happy to report that, because of the amount of "natural" moisture over the summer season, water usage for 2023 has dropped significantly. Last year, the SRC used 7.3 million gallons of water at the soccer field and sports complex. This year, that number has decreased to 1.3 million gallons. He was also excited to announce that the "ground-breaking" for the new sprinkler system is scheduled to be about two weeks away. Mr. Brittan's final item was to state that the memberships at the Fitness Center are holding steady at approximately 235 members. Council members and Mayor Green expressed their appreciation for Mr. Brittan for the work he and his team are doing.

Included in the packet was *Third Renewal of Lease Agreement* between the City of Scott City, Kansas (lessor) and Scott City Recreation Commission (lessee). The agreement outlines an additional 10-year lease term for the premises recognized as the Scott Recreation Commission Sports Complex. The renewal term begins effective July 6, 2022, and shall extend the termination date of the original lease agreement to July 6, 2032. As stated in the original agreement, an annual rental fee of One Dollar (\$1.00) shall be paid to the City of Scott City. City Administrator Brad Pendergast explained that this renewal of the lease agreement had been overlooked at renewal time for the last two renewals, simply because of the long-term aspect of the agreement. City Clerk Ruth Becker noted that, now that she has been made aware of the original lease, and its subsequent renewals, she has made note of the renewal date in several places so the next renewal will not be missed.

Motion by Josh Gooden seconded by Jeff Allen to approve the *Third Renewal of Lease Agreement* between the City of Scott City, Kansas and Scott City Recreation Commission for the premises described as the SRC Sports Complex. Vote – Unam.

Scott County Development Committee (SCDC) Executive Director Katie Eisenhower was present to update the Council about current events. She began her report by stating that she and City Administrator Brad Pendergast are working on a prospective land purchase which would require annexation and rezoning. Although her report on this matter was vague, she stated that, if all goes well, the process of annexation and rezoning would have to begin soon.

Mrs. Eisenhower informed the Council that ground-breaking for the newly awarded Senior Housing project is expected sometime in the first quarter of 2024. She reminded the Council of the agreement that the Council had made to finish the construction of a through street leading to the location of the Senior Housing units.

SCDC Director Katie Eisenhower announced that several large-scale businesses have been seeking out opportunities in Scott City.

Mrs. Eisenhower's final item for the evening was to inform the Council that some progress is being made in selling the four Moderate Income Housing (MIH) homes that have been difficult to sell based on the income-based criteria set by the Kansas Housing Resources Corporation (KHRC). Attendees at the recent KHRC Conference in Overland Park were able to convince the agency that changes needed to be made to the income-based qualifications for homes, such as the four on Chestnut Street, to sell. Currently, people who can afford these homes do not fall into the income-based guidelines set by KHRC. Therefore, KHRC has agreed to lift the income restrictions on these four homes. Another amendment to the existing agreement with Kansas Housing Resources Corporation is expected to be sent to the City of Scott City soon. It is expected that the \$80,000 of down payment assistance (DPA) that had been set by the previous amendment may be altered based on the number of homes that are sold to MIH, income-based buyers. All four homes would still be eligible to take advantage of the benefits provided by the Scott County Neighborhood Revitalization Plan.

Included in the packet was *Resolution No. DOI-137 (2023)*, a Resolution approving the formation of a Sister City partnership with the City of Scott City, Kansas as passed, adopted, and approved by the Northern Cheyenne Tribal Council, and signed by Serena Wetherelt, President of the Northern Cheyenne Tribe.

Also provided in the packet was a letter from the United States Department of the Interior, Bureau of Indian Affairs, Northern Cheyenne Agency in Lame Deer, Montana. The letter states that the above mentioned *Resolution No. DOI-137 (2023)* has been recognized and filed by the Department of the Interior. As it is now the City of Scott City's turn to reciprocate the intent to forge a Sister City relationship with the Northern Cheyenne Tribe, a resolution will be presented at the next Council meeting on September 18, 2023, followed by a signing ceremony in Patton Park during a *Celebration of the 145<sup>th</sup> Anniversary of the Battle at Punished Woman's Fork* on Saturday, September 23, 2023. Details and the schedule for the ceremony are still being finalized.

City Administrator Brad Pendergast noted that he, City Attorney Jennifer Cunningham, and local artist and historian Jerry Thomas will work together to develop a plan that is mutually beneficial to both the Northern Cheyenne Tribe and City of Scott City. The plan is expected to contain educational, social, and historical components.

Mayor Green informed the Council that approximately 50 members of the Northern Cheyenne Tribe will travel to Scott City for the ceremony and other events to celebrate the *145<sup>th</sup> Anniversary of the Battle at Punished Woman's Fork*.

Included in the packet was an excerpt from the League of Kansas Municipalities' website describing the need to register voting delegates to vote during the *Annual Business Meeting & Convention of Voting Delegates* in Wichita on Monday, October 9, 2023. City officials who have registered for the conference are Mayor Everett Green, Council member Barb Wilkinson, City Administrator Brad Pendergast, and City Clerk Ruth Becker. City Clerk Ruth Becker explained that the number of votes per city is determined by population size. City of Scott City governing body members may elect two delegates and two alternates – two votes total.

Motion by Josh Gooden seconded by Craig Richards to elect Mayor Everett Green and Council member Barb Wilkinson as voting delegates, and City Administrator Brad Pendergast and City Clerk Ruth Becker as alternate delegates to vote at the *Annual Business Meeting & Convention of Voting Delegates* in Wichita on Monday, October 9, 2023. Vote – Unam.

GMS, Inc. Engineer Ken White was present to update the City Council on ongoing City projects. Mr. White informed the Council that KDHE is still delaying approval of the water project because the *Sources of Pollution No Impact Statement* has not been completed to their satisfaction. GMS staff has tried working with KDHE staff to gain an understanding of what needs to be corrected, but KDHE has not provided the guidance that GMS needs to adequately provide an approved document. The current comments from KDHE are due to GMS engineers by September 15, but KDHE has stated that they need a full set of plans to be re-submitted first. Mr. White is still hopeful that the City and GMS will be able to advertise for bids by the end of October. According to state guidelines, advertisements to bid must be run for four weeks before the project can be awarded. The delay might have one positive aspect – better weather for the construction of the water tower. Mr. White also informed the Council that some clients of GMS in Colorado have been experiencing supply chain issues. Street, Water, & Sewer Superintendent Terence Appel indicated that he has not had any problems getting materials when needed, but he would be interested in letting bids for materials acquisition, similar to how materials were obtained ahead of the K96 Water System Improvement project. Mr. White indicated that GMS could separate out the materials acquisition portion of the project from the construction portion to help eliminate the possibility of further delays due to lack of materials. He plans to send a list of materials to Core & Main to ensure their availability.

Mr. White expressed his frustration with GMS's working relationship with KDHE. Mayor Everett Green and City Administrator Brad Pendergast both shared that they felt and understood Mr. White's frustration. Mayor Green and Mr. Pendergast noted that they plan to meet with State Representatives to discuss the issues that GMS is having with KDHE.

There was nothing to report under the open agenda.

Building Inspector Jerek Wasinger was not in attendance. Nothing was reported on his behalf.

Police Chief David Post informed the Council that he had interviewed a candidate for the open Police Officer position. He announced that he had made a conditional job offer that was accepted

by the candidate pending the results of the background check and psychological test. Although the candidate is not currently a certified officer, he has seven years of military experience.

Parks Superintendent Terence Appel had nothing to report.

Street, Water, and Sewer Superintendent Terence Appel reported that the city's wells are pumping approximately 22 hours per day and that the water tower level is holding steady at about 50%.

Mr. Appel informed the Council that Central Power Systems out of Garden City had performed load tests on 3 of the City's generators. The generator at Well #9 did not function well at all. The 20-year old generator had been moved to Well #9 from its original location; it is believed that it was already malfunctioning at the time of the transfer. Mr. Appel recommended that the Council accept bids to replace the generator. The generator at the south treatment plant performed well, while the generator at the north treatment plant got too warm because of the casing surrounding it. Mr. Appel plans to provide more ventilation to the generator, which should make it perform better. Central Power Systems has not yet tested the generator at City Hall.

City Clerk Ruth Becker notified the Council that City Hall would be closed on the afternoon of September 12, 2023 so that City Hall staff could receive ALICE (active shooter) training conducted by Scott City Police Officer Bailey Davidson and Scott City Police Sergeant Colton Schmitt. Mrs. Becker extended an invitation to any Council members who would like to attend.

City Administrator Brad Pendergast stated that he will present some options for a water rates discussion at the next regular Council meeting. He also mentioned that he will be working with City Attorney Jennifer Cunningham regarding ongoing issues with the 8<sup>th</sup> Street extension.

City Attorney Jennifer Cunningham confirmed that she had been working with Wyatt Hoch, a construction law attorney in Wichita, regarding the 8<sup>th</sup> Street extension and the issues with the construction. Mr. Hoch is representing Nowak Construction in this matter. City Attorney Cunningham will present a preliminary fix for 8<sup>th</sup> Street at the next Council meeting if an agreement can be reached by then.

There were no executive sessions.

Mayor Green had no additional comments.

Mayor Everett Green asked if there were any further questions or comments regarding the 2024 Budget. No questions or comments were made. Mayor Green closed the 2024 Budget Hearing.

Motion by Josh Gooden seconded by Jeff Allen to approve and adopt the 2024 Budget for the City of Scott City as presented. Vote – Unam.

The Council took a short break.

Mayor Green called the meeting back to order.

Motion by Adam Winter seconded by Armando Tarango to adjourn at 7:41 p.m. Vote – Unam.

Everett M. Green  
Mayor

Ruth Becker  
City Clerk