ORIGINAL

Minutes

BASEHOR CITY COUNCIL MEETING
April 16, 2007
6:00 p.m.
Basehor City Hall

Official Presiding: Mayor Chris Garcia

Members Present: Pres. John Bonee, Iris Dysart, Bill Hooker, Keith Sifford, and Terry Thomas

Members Elect: Terry Hill and Jim Washington

Staff Present: Carl Slaugh, Mary Mogle, Gene Myracle, Dave Lutgen

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WORK SESSION – 6:00 p.m.

All Council Members were in attendance. The city attorney was not in attendance.

1. Discussion regarding agenda items.

Public Hearing – Falcon Lakes Special Assessments (Rescheduled to May 7, 2007)

The city administrator summarized the Falcon Lakes Benefit District explaining the district was formed to pay for infrastructure such as sewer, sidewalks, and Falcon Lakes Parkway with the cost of improvements being spread out over the improved lots. The original bond issue had an estimated square feet and project cost of $3.2 million (.27 cents per sq. ft.). After the second year, the developer came to the City reporting his assessments were wrong and should be re-assessed. There were three lots that should not have been assessed and caused the developer to overpay his assessment. The reassessment calculations spread out over the existing property owners who had underpaid would receive increases in their assessments over the remaining bond period. Mr. Slaugh noted a typical property owner would pay between $80-$100 more a year on their assessment.

Councilmember Thomas asked what if an owner did not own the property the first three years of the bonds. Mr. Slaugh noted the first owner would have received the savings and the new owner would have to pay the assessment. President Bonee explained if the developer owned the lot the first two years and underpaid, they should not receive a reimbursement for the overpayment. The new owner should not be liable for the shortage, but the developer should pay.

President Bonee asked if staff had researched if Leavenworth County or the City of Basehor was overpaid. Mr. Slaugh reported that had been researched and the County did not overpay the City. The initial problem started with Tracts B & D, which were assessed and should not have been.

Councilmember Thomas said his concerns were if the developer under paid $91,000 of assessments in error, the new property owners would bear the burden of repayment, not the developer.

Mr. Slaugh said the City did not have a mechanism to deal with that inequity without going lot by lot to see when the property was purchased. He discussed the County payments versus bond payments.

President Bonee said the City should find some way to pay the developer the overpayment before the end of the bond period. Mr. Slaugh said it was not appropriate that the city-at-large should pay Mr. Ferzandi $91,000 before the end of the bond period because there is not $91,000 in excess until the end of the bond in year 2019. Council discussed the process the City and developer goes through to create a benefit district. Mr. Slaugh reported Piper Jaffray informed him the initial information came from the developer's engineer and then submitted to him by Mike Hooper.

Mr. Jim Washington asked if Piper Jaffray was given a spreadsheet. Mr. Slaugh said the information came from the developer and engineer and then passed on to bond counsel. Mr. Washington said prior to the public hearing the City needs to know who provided the information, prepared the spreadsheet, and who prepared the calculations. Mr. Slaugh stated Piper Jaffray said his company prepared the calculations based on information provided to them by the city and developer. Mr. Slaugh stated Piper Jaffray was going to pull additional files from their archives to see if they have more information.

Mr. Slaugh reported the 2% Administrative Fee was split into two lump sum amounts (1) included in temporary notes, and 2) included in bonds. There was not a separate line item in the paperwork depicting the initial amount.

Councilmember Thomas thought staff should go back into the records to find when lots were sold.

Mr. Slaugh reported the corrections only apply to the lots that were platted the first two years.

Falcon Lakes resident Terry Hill said the amount to be collected should be fair and equitable to both the developer and Falcon Lakes residents.

Mr. Slaugh said it was not fair to the City taxpayers at-large to pay the developer back $91,000 out of the General Fund. The City would not collect the $91,000 until the bond was paid in full.

Business Item "d". Consider General Liability Insurance bids for year commence April 1, 2007 through April 1, 2008.

City Administrator Carl Slaugh explained JR Reilly, Reilly & Sons Insurance received bids from EMC Insurance and Traveler's Insurance. The insurance bids were as follows:

Travelers - $39,500
EMC - $43,723. Reduced bid of $39, 632 was submitted on 4/16/07

Mr. Slaugh noted EMC reduced this price to be competitive with Travelers and also agreed to cover the lift stations at replacement cost rather than depreciated cost. Mr. Reilly pointed out in the property section there was two errors, (1) $500 deductible but proposal shows $1000; and (2) EMC does not provide earthquake coverage, but Travelers included it in their package.

Mr. Washington suggested reviewing the valuation of the wastewater treatment plant. Mr. Reilly said that was going to be reviewed as well. Mr. Washington brought up the liability limits asking if the $1,000,000 was per claim. Mr. Reilly noted it was per year.

Mr. Slaugh reported staff has researched hiring a risk analyst to come in and perform a risk management study. *(Tape 1, Side B)*

REGULAR MEETING – 7:00 p.m.

ROLL CALL BY MAYOR CHRIS GARCIA AND PLEDGE OF ALLEGIANCE

All Council Members were in attendance. The city attorney was not in attendance.

PUBLIC HEARING -Falcon Lakes Special Assessments (Rescheduled to May 7, 2007)

There were no comments at this time.

CONSENT AGENDA

(Consent Agenda Items will be acted upon by one motion unless a Council Member requests an item be removed for discussion and separate action.)

a. Approve Minutes
   1. April 2, 2007 Regular Meeting
b. Approve Treasurer's Report & Vendor Payments

c. Approve investment recommendations (none)
d. Approve calendar of events

A motion was made by Councilmember Hooker and seconded by Councilmember Dysart to approve the Consent Agenda as presented. A roll call vote was taken with all members voting in favor. Motion passed 5-0.

RECOGNITION OF VOLUNTEERS

The following volunteers and organizations were recognized for their service to the community.

Ron Milbourn, Lions Club
Harry and Dee Smith, VFW
Debbie Breuer, Basehor Dairy Days Association
Basehor Athletic Association
George Smith, PRIDE
Gold PRIDE
YouthFriends and YouthFriends "Care Cats"
John Klinkenberg, Kiwanis Club
Trinity Family Learning Center

RECOGNITION OF OUTGONG COUNCIL MEMBERS

Mayor Garcia presented plaques to outgoing council members John Bonee and Bill Hooker.

INSTALLATION OF NEW COUNCIL MEMBERS

City Clerk Mary Mogle administered the Oath of Office to newly elected council members Iris Dysart, Jim Washington, and Terry Hill.

RECEPTION TO RECOGNIZE COUNCIL MEMBERS AND VOLUNTEERS

Mayor Garcia announced there would be brief intermission for a reception in honor of the outgoing council members and volunteers. (7:20 p.m. to 7:45 p.m.)

ELECTION OF COUNCIL PRESIDENT

A motion was made by Councilmember Hill and seconded by Councilmember Dysart to elect Councilmember Terry Thomas as council president. A roll call vote was taken with all members voting in favor with the exception of Councilmember Thomas who abstained. Motion passed 5-0. (Note: Vote of abstained counts toward the prevailing side.)

CALL TO PUBLIC
Members of the public are welcome to use this time to comment about any matter relating to City business that is listed on this Agenda. The comments that are discussed under "Call to Public" may or may not be acted upon by the Council during this meeting. There is a five-minute time limit. (Please wait to be recognized by the mayor then proceed to the podium, state your name and address).

a. Citizen Comments Regarding Agenda Items

There were no comments from members of the audience at this time.

SCHEDULED DISCUSSION ITEMS

There were no items to discuss at this time.

BUSINESS

a. Consider adoption of Resolution 2007-04 to set public hearing date of May 7, 2007 for Falcon Lakes Benefit District.

A motion was made by President Thomas and seconded by Councilmember Sifford moved to approve Resolution 2007-04 prescribing reassessment with respect to certain projects authorized by Resolution 2001-05 of the city of Basehor, Kansas: Approving certain documents in connection therewith; Authorizing and directing that a public hearing be held with respect thereto; and authorizing certain other documents and actions. A roll call vote was taken with all members voting in favor. Motion passed 5-0.

RES. 2007-04. A RESOLUTION PRESCRIBING REASSESSMENT WITH RESPECT TO CERTAIN PROJECTS AUTHORIZED BY RESOLUTION NO. 2001-05 OF THE CITY OF BASEHOR, KANSAS; APPROVING CERTAIN DOCUMENTS IN CONNECTION THEREWITH; AUTHORIZING AND DIRECTING THAT A PUBLIC HEARING BE HELD WITH RESPECT THERETO; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS.

b. Consider adoption of Resolution 2007-05 and Bylaws for MARCIT

A motion was made by Councilmember Dysart and seconded by President Thomas to approve Resolution 2007-05 and Bylaws for MARCIT. Discussion. A roll call vote was taken with all members voting in favor. Motion passed 5-0.

RES 2007-05. RESOLVED THAT THE CITY OF BASEHOR HEREBY AUTHORIZES THE EXECUTION BY CITY OF BASEHOR OF THE BYLAWS OF MARCIT WHICH ARE ATTACHED HERETO AND WHICH WERE ADOPTED BY THE MEMBERS OF MARCIT ON NOVEMBER 3, 2006.

c. Consider Industrial Site Selection as recommended by Industrial Site Committee

City Administrator Carl Slaugh reported the Industrial Site Selection committee identified four properties, Meyer, Nick, Schlagel, and Miles, to be considered for an industrial site in the Basehor area. These four properties have been assessed using the Leavenworth County Port Authority score card. Miles property was the number one property with a score of 777 out of 1,000 possible points. Properties were rated in seven different categories. At a past meeting, Council agreed to submit all properties and pay the additional fee of $500 per property. The Port Authority would pay for the Miles property to be surveyed since it received the highest score. Mr. Slaugh explained the score card process.

Miles, Meyer, and Nick's have indicated they are willing to sell for an industrial park and Schlagel was not interested in selling at this time unless the right price was offered.

Councilmember Thomas asked if Steve Miles was still going to pay to submit his property. Mr. Slaugh stated Miles was not going to pay to have his study done, but has participated in compiling the packet.

Mr. John Bonee suggested the City might need to pay to have utilities installed (i.e. electrical, gas, water) in order to bring the score up on some of the properties.

Councilmember Washington said the City should take every action they could in order to get all four properties into the "pipeline" to acquire some type of consideration.

President Thomas recommended submitting all five properties. He felt it was a small price to pay toward Basehor's future.

Councilmember Dysart recommended delaying submittal until the 24-40 Corridor Study was finalized. She asked if it mattered that some properties were not currently zoned industrial in the Comprehensive Plan.

A motion was made by Councilmember Washington to authorize the planning director to submit the Schlagel, Nick, Meyer, and Boch properties. Motion died for lack of second.

Councilmember Washington noted he left out the Miles property since the planning director's staff report stated it was not in the best interest of the City to consider the Miles property.

Mr. Slaugh said he thought it was in the City's best interest to include the Miles property since it has the highest score of all the properties being considered and infrastructure was readily available.

A motion was made by President Thomas and seconded by Councilmember Sifford to nominate all five properties. A roll call vote was taken with all members voting in favor. Motion passed 5-0.

d. Consider General Liability Insurance bids for year commence April 1, 2007 through April 1, 2008.

A motion was made by Councilmember Sifford and seconded by Jim Washington to retain EMC as insurance carrier and accept their bid of 39,632. A roll call vote was taken with all members voting in favor. Motion passed 5-0.

e. Consider revised Assistant City Clerk job description and wage plan.

A motion was made by Councilmember Thomas and seconded by Councilmember Washington to table action until after executive session. A roll call was taken with all members voting in favor. Motion passed 5-0.

CITY ADMINISTRATOR REPORT

- Joint Training session, Council, Planning Commission, and Board of Zoning Appeals is scheduled for April 24th from 6-8:00 at city hall.
- League of Kansas Municipalities offers training for new council members on May 5, 2007.
- County moved equipment in today to start work on Hollingsworth Rd.
- The city attorney informed him notice had been served to property owner on 147th St. regarding condemnation; however, he was not certain when the twenty days expired.
- 147th Street Improvement project bid opening was scheduled for April 18th at 10:00 a.m. To date, thirteen contractors have picked up plan sets.
- K-7 Corridor Committee – each entity involved in the corridor study was given an award from Federal Highway Commission by Kansas Secretary of Transportation Deb Miller.
- Next Public meeting for 24/40 Corridor is in May, Tonganoxie, KS
- 24/40 Corridor Study committee will give a presentation on May 7 regarding guidelines.

MAYOR'S REPORT

- Mayor Garcia thanked the city administrator and planning director for their work on the Falcon Lakes Benefit District re-assessments.
- Recognized Cub Scouts that were in the audience.
- Urged citizens to participate in PRIDE sponsored City Wide Clean Up on Saturday, April 21, 2007.

- Encouraged new council members to attend the LKM Training on May 5.

COUNCIL MEMBER REPORTS

Keith Sifford

Councilmember Sifford asked the city superintendent to give an update on 158th Street/24-40 Highway improvements.

City Superintendent Gene Myracle reported he received confirmation from Leavenworth County Commissioners that the proposed work had been approved and work could be scheduled.

Jim Washington

Councilmember Washington inquired as to the process to appoint a new city attorney. Mayor Garcia reported it is a mayor's appointment with approval of the Council. Interviewing has been taking place and he will have a name on May 7 for Council consideration.

Iris Dysart

Councilmember Dysart asked for an update on the sewer line repair in the Rickel subdivision. Mr. Myracle reported the contractor would start next Monday and then the next project should start a couple weeks later, weather permitting.

EXECUTIVE SESSION

A motion was made by Councilmember Thomas and seconded by Councilmember Sifford to convene into Executive Session for fifteen minutes to discuss personnel issues. A roll call vote was taken with all members voting in favor. Motion passed 5-0. (8:32 p.m.)

At 8:47 p.m. the regular meeting was called to order with all members present.

e. Consider revised Assistant City Clerk job description and wage plan.

A motion was made by President Thomas and seconded by Councilmember Washington to approve the job description for the Assistant City Clerk and wage plan as submitted. Discussion. A roll call vote was taken with all members voting in favor. Motion passed 5-0.

ADJOURNMENT

There being no further business to discuss, a motion was made by President Thomas and seconded by Councilmember Sifford to adjourn the April 16, 2007 Council meeting. A roll call vote was taken with all members voting in favor. Motion passed 5-0.

ORIGINAL

Submitted for Council approval with/without corrections or additions this 7th day of May, 2007.

Mayor Chris Garcia

SEAL OF THE CITY OF BASEHOR, KANSAS
CORPORATE
SEAL

Attest:

Mary A. Mogle, CMC, City Clerk