**REGULAR MEETING**

**December 20, 2016**

The Board of City Commissioners of the City of Herington, Kansas met at City Hall at 6:00 p.m. on the above date—the following being present: Mayor Kat Souza, Commissioner Michelle Stanford, Commissioner Mark Hager, Commissioner Dave Jones, City Manager Ed Patton, City Attorney Brad Jantz, and City Clerk Debra Wendt. Commissioner Kitty Walter was absent.

The meeting was opened with the Pledge of Allegiance. A motion was made by Commissioner Stanford, seconded by Commissioner Hager, to approve the minutes of the meeting of December 6, 2016. The motion passed, with Commissioners Stanford, Hager, and Jones voting “Aye,” and Mayor Souza abstaining. Appropriation Ordinances #C1130-16 and #P1210-16 were discussed and reviewed. No one spoke at the public forum.

Ed added one additional agenda item. Tax relief on mowing, Nicki Johns, was added as #16A. A motion was made by Commissioner Jones, seconded by Commissioner Stanford, to approve the agenda, with the addition of #16A. Motion carried, all voting, “Aye.”

A contract for solid waste collection and disposal with M & K Trash Service that would run 1-1-17 through 12-31-18 was considered. The sum of $17.05 per month/per customer remains the same as in the current contract. A motion was made by Commissioner Stanford, seconded by Commissioner Jones, to approve the contract. Motion carried, all voting, “Aye.”

The next two items on the agenda were Buck Driggs, water plant project, and Chelsea Morris, USDA. These were both tabled until later in the meeting when Chelsea arrives.

Cereal malt beverage license renewals for 2017 were considered. The dates were corrected on two of the applications. A motion was made by Commissioner Stanford, seconded by Commissioner Jones, to approve cereal malt beverage licenses for 2017 for consumption on the premises for Uncle Bob’s Bowling Center, Pizza Hut, and The Spot and Dining Car. Motion carried, all voting, “Aye.” A motion was made by Commissioner Stanford, seconded by Commissioner Jones, to approve cereal malt beverage licenses for packaged only for Ampride, The Spot and Dining Car, and Barnes Food Center. Motion carried, all voting, “Aye.”

Mayor Souza read a proclamation commemorating City of Herington School Choice Week to be held January 22-28, 2017. A motion was made by Commissioner Stanford, seconded by Mayor Souza, to authorize the Mayor to sign the proclamation. Motion carried, all voting, “Aye.”

A motion was made by Mayor Souza, seconded by Commissioner Stanford, to accept the resignation of Larry Mann from the Board of Zoning Appeals. Motion carried, all voting, “Aye.”

An application to the Board of Zoning Appeals was considered. Dave questioned whether we need this board, or if the Commission could act as the board. Ed said that they would be forced into a dual role, and that we need a separate board for zoning appeals. Dave pointed out that at the present time, there is not a quorum on the board, as it only has two members, so one more is needed to get back to a functioning board. It was brought up that the applicant may not be the best choice for this, and he didn’t do a very good job of filling out the application. It was noted that the position is advertised on the City’s web site. There is one more Commission meeting before a scheduled Board of Zoning Appeals meeting in January. After discussion, a motion was made to table this appointment until the next meeting, and see if we get any more applications. The motion passed 3-1, with Commissioner Jones casting the dissenting vote.

A motion was made by Mayor Souza, seconded by Commissioner Stanford, to appoint Russ Almes (City or Boards position) to the Convention and Visitors Bureau to fill a vacancy, term to expire 4-30-17. Motion carried, all voting, “Aye.”

A motion was made by Commissioner Stanford, seconded by Commissioner Jones, to approve a contract with Lindburg, Vogel, Pierce, Faris Chtd. for the 2016 audit, for a price not to exceed $12,576.00. This is up slightly from the 2015 fee. A motion was made by Commissioner Stanford, seconded by Commissioner Jones, to approve the contract. Motion carried, all voting, “Aye.”

The next item on the agenda was Nicki Johns, tax relief on mowing charges. This was on property she purchased at a tax sale. Michelle said that we really need a policy in place. Mark said that they had directed Ed to come up with a policy stating that 75% of the mowing charges would be removed after one year as long as the owner is making progress on the property and keeping it mowed. Ed replied that no motion had been made, but that he would have a policy to be considered at the next meeting.

At 6:23 p.m. a motion was made by Commissioner Jones, seconded by Commissioner Stanford, for the City Commission, City Manager, and City Attorney to go into executive session for twenty minutes to discuss non-elected personnel. Motion carried, all voting, “Aye.” At 6:44 p.m. the meeting was back in regular session.

Buck Driggs was present to give an update on the water plant project. He commented on the environmental assessment, an objection from KDOT, a portion of the area being in the flood plain, the need for temporary funding from KDHE until the USDA funding is finalized, and other issues. Mayor Souza opened the public hearing to solicit comments on the project. D.J. Neuberger said that the public hearing was not on the agenda, and he was told that it was set by being published in the paper, to give citizens a chance to comment. Chelsea Morris said that the environmental report for the project is completed. The hearing was then closed.

Chelsea Morris of USDA presented letters of condition for two proposed Herington Municipal Hospital projects that they would like to fund with revenue bonds. The first project is roofing and flooring renovation, $410,000 at 2.375% interest for twenty years, and the second is for an electronic health records system and radiology equipment for $750,000 at 2.375% interest for seven years. Brad questioned if he is to serve as counsel, or if the hospital’s attorney will. Chelsea said there are a few forms to sign tonight, to allow USDA to allocate funds and lock in the interest rate. A letter of intent was presented for the roofing and flooring project. Hospital Administrator Alan Meisinger said that the reduction in the insurance premium would pay for the roofing and flooring bond issue payments. He also said that he has found radiology equipment at a cheaper price, and that he could find other financing for equipment at 3% interest. Dave Jones was concerned about where funds would come from to pay for this. Alan said much of cost would be reimbursed by Medicare. A motion was made by Commissioner Stanford, seconded by Commissioner Jones, to authorize the Mayor to sign the letter of intent to meet conditions with Rural Development for the roofing and flooring project. Motion carried, all voting, “Aye.” A motion was made by Commissioner Jones, seconded by Commissioner Stanford, to authorize the Mayor to sign the assurance agreement with USDA for the roofing and flooring project. Motion carried, all voting, “Aye.” Chelsea pointed out that there is no commitment at this time, and it is not obligatory until the money is spent.

A letter of intent for the health records system and equipment was considered. Mark was concerned about the City’s liability if the hospital does not pay. A motion was made by Commissioner Jones, seconded by Mayor Souza, to authorize the Mayor to sign the letter of intent for the records system/equipment. Discussion was held after the motion. Cynthia Naylor and D.J. Neuberger both had comments. The vote passed 3-1, with Commissioner Hager casting the dissenting vote. A motion was made by Commissioner Jones, seconded by Commissioner Stanford, to authorize the Mayor to sign the assurance statement for the records system/equipment. The motion passed, with Mayor Souza and Commissioners Stanford and Jones voting “Aye,” and Commissioner Hager voting “Nay.”

The final document to be considered for the Hospital revenue bond was the request for obligation of funds form. A motion was made by Commissioner Stanford, seconded by Commissioner Jones, to authorize the Mayor to sign the request for obligation of funds for the roofing/flooring project. Motion carried, all voting, “Aye.” A motion was made by Commissioner Stanford, seconded by Commissioner Jones, to authorize the Mayor to sign the request for obligation of funds for the electronic health records/equipment. The motion failed, with all Commissioners voting “Nay.” A new motion was made by Commissioner Stanford, seconded by Mayor Souza, to authorize the Mayor to sign the request for obligation of funds, electronic health records/equipment, conditional on line item veto authority for the City Commission. The motion passed 3-1, with Commissioner Hager casting the dissenting vote.

At 7:50 p.m. a motion was made by Commissioner Jones, seconded by Commissioner Stanford, for the City Commission, City Attorney, and City Manager to go into executive session for 25 minutes, attorney/client privilege. Motion carried, all voting, “Aye.” At 8:15 p.m. the meeting was back in regular session. No action was taken.

Ed mentioned some information on Incode software, items being sold on Purple Wave, and the November balance sheet. Michelle asked Ed if he has been in touch with Stan Harris, and Dave asked about the mobile home on 12th Street.

Dave thanked the workers for putting up the Christmas decorations. Michelle commented on the workers fixing a water break in freezing weather, and asked why intersections were not salted better. Dave said that there are some board issues that need to be addressed, with the Convention and Visitors Bureau at the top of the list. Michelle brought up some issues that will come up due to the change to November City elections such as the annual re-organization of the commission. Brad will check on this. Kat wished everyone “Happy Holidays.”

A motion was made by Commissioner Jones, seconded by Commissioner Stanford, to adjourn the meeting. Motion carried, all voting, “Aye.”

Also present at the meeting were Virginia Neuberger, Catherine Anderson, Ken Walters, Phyllis Bettles, Buck Driggs, Dr. Richard Uhlig, Pat Uhlig, Cynthia Naylor, Tandi Reiff, Chelsea Morris, Alan Meisinger, Gloria Boomer, D.J. Neuberger, Katrina Hager, Vanessa Lawrenz, Howard Hailey, and J.R. Sparke.

 Debra Wendt

 City Clerk