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*MINUTES  
CITY COUNCIL MEETING  
COUNCIL CHAMBERS – HUTCHINSON, KANSAS  
OCTOBER 18, 2016  
9:00 A.M.*

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1. The Governing Body of the City of Hutchinson, Kansas met in regular session at 9:00 a.m. on Tuesday, October 18, 2016 in the City Council Chambers with Mayor Daveline presiding. Councilmembers Soldner, Dechant, and Inskeep were present. Councilmember Piros de Carvalho was absent from the meeting.

2. The Pledge of Allegiance to the flag was recited.

3. The prayer was given by Councilmember Dechant.

4. Petitions, Remonstrances and Communications

a. Oral communications from the audience. (Please limit your remarks to five (5) minutes and to items NOT on the agenda.)

There were no oral communications from the audience.

5. Consent Agenda

a. Approval of Minutes of October 4, 2016 City Council meeting.

b. Approval of September financial reports.

c. Approval of appropriation ordinance in the amount of \$4,122,515.49.

Motion by Councilmember Soldner, second by Councilmember Inskeep, to approve the Consent Agenda and authorize the Mayor to sign. The motion passed unanimously.

6. Ordinances and Resolutions

a. Consider Resolution regarding the issuance of Industrial Revenue Bonds on behalf of Hutchinson Regional Medical Center. Angela Richard, Assistant Finance Director, spoke. Andrew Kovar, bond counsel for Triplett, Woolf, Garretson, LLC, also spoke, saying there will be a public hearing on November 15, 2016, at which time the bonds will actually be approved. Cassie Dolan, CFO for Hutchinson Regional Medical Center said the newspaper was very accurate in their story. Ms. Dolan said there are two projects associated with this IRB. The first is an expansion of the ICU on the first floor; and they will have a total of 18

ICU rooms. She said the rooms will be large enough for family to be in the rooms; and when family is involved studies show patients recover much more quickly. They will also have booms in the rooms that hold all of the equipment; and they rooms will have all of the latest technology. Second, upgrades will be made to the mechanical system as the facility is 40 years old. Mayor Daveline asked when the project would be completed. Ms. Dolan said it would be a maximum of 24 months. She said the ICU unit will take approximately 18 months. Additional discussion ensued.

Motion by Councilmember Dechant, second by Councilmember Inskeep, to approve Resolution 2016 R 35 of the Governing Body of the City of Hutchinson, Kansas determining the advisability of issuing Industrial Revenue Bonds of said City for the purposes of financing the acquisition, construction, installing, furnishing, and equipping of improvements to and an expansion of existing hospital facilities to be located in said City; and authorize the Mayor to sign. The motion passed unanimously.

7. New Business

a. Consider contract with Pepsi Beverage Company. Meryl Dye, Assistant City Manager, spoke. Discussion ensued.

Motion by Councilmember Soldner, second by Councilmember Inskeep, to approve an exclusive beverage supply contract with Pepsi Beverages Company for 2017, 2018 and 2019; and authorize the Mayor to sign. The motion passed unanimously.

b. Consider SEIU Contract for 2017. Meryl Dye, Assistant City Manager, spoke. An overview of the revisions was presented.

Motion by Councilmember Inskeep, second by Councilmember Soldner, to approve the SEIU Contract for 2017; and authorize the Mayor to sign. The motion passed unanimously.

c. Consider 2017 health and dental insurance renewal. Tom Sanders, Director of Human Resources, spoke. Mr. Sanders said 2016 has been a high claims year; and is about 16% higher than last year. He said data shows this has been due to several catastrophic cases, some of which are already resolved. He said claims spiked in the middle of the year; and are now trending back to normal levels. Mr. Sanders said they are looking closely at claims to determine if changes need to be made in the future. Mr. Sanders said currently 14% of employees are on the high deductible plan. He said several individuals have exceeded the stop loss limit; and that cost will probably spike in 2018. Additional discussion ensued. Councilmember Dechant said he strongly supports high deductible plans; and has found them to be less expensive. He asked if 2017 claims don't have large amounts going to critical care, if the City could see a decrease in rates for 2018. Mr. Sanders said we may see a lesser increase, but probably not a decrease. He

said if you screen out the high claims, the remaining claims are running 15-20% lower. Additional discussion ensued.

Motion by Councilmember Dechant, second by Councilmember Soldner, to approve the proposed health and dental program and authorize staff to execute the group health, vision and dental insurance contracts with Aetna and Surency for the 2017 plan year. The motion passed unanimously.

8. Report of City Officials

a. Council

- Councilmember Soldner said she had an e-mail from someone congratulating the City on street repairs; and saying the City is doing a good job on maintaining the infrastructure.
- Councilmember Dechant said he is glad to be back; and is sorry he missed the League conference.
- Councilmember Inskeep said he had an out-of-town visitor that visited River's Bank Orchard Park; and was very impressed.

b. City Manager

- Sports Arena update

Justin Combs, Director of Parks and Facilities, spoke. Mr. Combs said windows are being installed on the south addition; and they are also framing some interior walls. He said the main locker rooms are completed; and have been turned over to the teams. The visitors' locker rooms are nearing completion. Mr. Combs said ceilings are also being installed; and the new media area (crow's nest) is being worked on. He said the existing sound and scoreboard system is still functioning; and will be used until we convert to the new system. He said they are also finishing up the weight room and training facility; and the east driveway should be asphalted by the end of this week. They are also working on islands for trees on the east side. He said a lot of things are going on right now; and the project is approximately 56% completed.

Mr. Combs said six weeks ago he mentioned soft costs which include furniture, fixtures and equipment. He said they have a budget of \$373,000 for these items; and have asked the college to take care of office equipment, etc. in areas that are specific to the college. Mr. Combs said he has met with the design team,

representative of the college, vendors, etc.; and identified \$70,000 to \$90,000 in savings. He said some items were duplicated on several lists, some went to college costs, etc. He said purchasing of these items will take place over the next several weeks. Mr. Combs also talked about contingency balances, etc.

Mr. Combs said there are two items he needs to address. The first is in regard to the red tile floor; and the difficulty in removing it. He said the glue has been very hard to remove; and the concrete floor underneath is wavy. He said they are having to grind away a lot more than anticipated to get all the glue off; and this is causing the cost to go up significantly. Mr. Combs said he is concerned because of the cost and appearance; and this may not be the best option. He said he challenged J.E. Dunn to come up with options; and also challenged them to advise us what we can spend on the floor. J.E. Dunn came back with eight to nine options; and this was narrowed down to four options. He said those options were presented to the building committee. One option is to grind and polish the concrete which will cost an additional \$125,000; and the floor will not look good. The second option is to replace the tile with something similar at a cost of \$425,000. Options three and four are for a similar product, but from different companies. This is for a liquid resin that is poured onto the concrete and troweled, then covered with a two-part epoxy paint finish. There are various color options available and the cost is from \$217,000 to \$266,000. Mr. Combs said a lot of time has been spent with the building committee discussing these options; and they are recommending the resin flooring at a cost of \$217,000. He said this will come from the construction contingency; and the cost savings from the furniture, fixtures and equipment could help offset this cost.

Mr. Combs said on Monday afternoon (October 17) another issue came up which needs to be discussed before getting feedback on the flooring. He said on the three practice gyms, the moisture readings are extremely high. These readings should be at 85%; but they are currently 95-97%. Mr. Combs said the wood flooring can't be installed with the levels that high as it will void the warranty. He said the flooring contractor has come up with several options, but the cost will be an additional \$46,000 to \$96,000. This involves putting down a vapor barrier between the concrete and the wood. He said there is a conference call scheduled at 1:00 p.m. today with the architect team, J.E. Dunn, and the flooring contractor. The hope is that once the HVAC

system is operable, it will help to get air moving. This could dry the concrete out quickly; and they may be able to use a less expensive vapor barrier.

Mayor Daveline said Mr. Combs did a good job of summarizing the progress. He said two months ago the advisory committee looked at the concrete that was being ground down; and was not comfortable with the appearance. When they heard about the resin flooring, the committee was drawn to this; and believes it is the right thing to do for long term physical appearance. He said there is a noticeable difference between the resin and the sealed concrete. Mayor Daveline said he believes this is the right decision; and Councilmembers Soldner and Inskeep agreed. Mr. Combs did say this won't completely solve the issue. Councilmember Dechant asked about data regarding durability, peeling, chipping, etc. Mr. Combs said those questions were asked; and they will be looking at sites where this product has been used. Mr. Combs said this product is used where 747's are parked; and believes it will hold up well. Additional discussion ensued regarding the flooring.

Councilmember Dechant asked about the gym floors; and why there is such a high moisture content. Mr. Combs said he hasn't had that conversation with them yet, but it did pass all of the tests. He doesn't know if the high moisture content is due to the rain we had this summer, temperatures, etc. He said there were similar issues in the locker rooms, but those readings weren't as high. Additional discussion ensued.

Mr. Deardoff said today councilmembers are just being given an update; and some of the decisions have to be made quickly. He said what is most important is that the council is comfortable to move forward with the flooring for the balance of the arena; and then address questions about the court floors.

- Plum Creek Elementary traffic concerns

City Manager, John Deardoff, said Councilmember Piros de Carvalho, is not here today, but said she had received several phone calls about traffic issues around the Plum Creek School. He said when the project was developed in 2013 the parties entered into a Development Agreement; and one of the issues was pedestrian control. The school district decided it didn't need anything at that time. Mr. Deardoff said the agreement states the

cost will be borne by USD 313; and he has been in contact with Superintendent Berblinger to talk about options, etc.

- Hampton East Development

Councilmember Dechant asked about the Hampton East development; and whether this was in a floodplain or if surface flooding was a problem. Discussion ensued. Bruce Colle, Director of Engineering, said a sliver of one corner is in the flood plain; and the plat indicates where that is located. He said he has communicated with the developer about this issue. Additional discussion ensued.

9. Executive Session

a. Motion by Councilmember Inskeep, second by Councilmember Soldner, to recess into executive session pursuant to the personnel matters of non-elected personnel exception, K.S.A. 75-4319(b)(1) in order to discuss the City Manager performance evaluation; the open meeting to resume in the City Council chamber at 10:20 o'clock a.m. The motion passed unanimously.

10. Adjournment

Motion by Councilmember Soldner, second by Councilmember Dechant, to adjourn. The motion passed unanimously.