



*MINUTES
CITY COUNCIL MEETING
COUNCIL CHAMBERS – HUTCHINSON, KANSAS
FEBRUARY 2, 2016
9:00 A.M.*

1. The governing Body of the City of Hutchinson, Kansas met in regular session at 9:00 a.m. on Tuesday, February 2, 2016 in the City Council Chambers with Mayor Piros de Carvalho presiding. Councilmembers Dechant, Inskeep, Daveline and Soldner were present.
2. The Pledge of Allegiance to the flag was recited.
3. The prayer was given by Pastor Kim Biery of Trinity United Methodist Church.
4. Petitions, Remonstrances, and Communications

Dean Hachenberger, owner of DH Home Improvement, said he has been in business for 40 years. He said he attended the meeting with the Hutchinson Builders Association; and said part of the program was in regard to the International Building Code. Mr. Hachenberger said when the code was adopted, it was his belief the code regulates the construction of structures and buildings; and sees that as new construction, not remodeling. He said he didn't hear anything about remodeling, renovation or maintenance. Mr. Hachenberger said it appears when the City adopted this code, it didn't take into account that the majority of homes are from 50-100 years old. He said he knows about substandard housing because he lived in substandard housing during the depression. Mr. Hachenberger said you have low standard housing for two reasons. One, people don't care; and second is they don't have the funds to make repairs. He suggested dividing the City into districts; and start with those that have the greatest need, saying you can't solve the problem overnight. Mr. Hachenberger asked for tolerance and leeway for houses that were built 50 - 100 years ago when applying this code, saying it was written for new construction. He said council probably wonders why he is the low bidder on grant projects. Mr. Hachenberger said most contractors add a profit into the subcontractors bid; and he does not do this. He said he doesn't make a lot of money off of the total project.

The Mayor said the City is thankful for all of his work; and said funds are contingent upon strict adherence to the Property Maintenance Code. She said the adoption of the code was quite controversial; and because we have an older stock of homes we needed to do something to raise the standard. She apologized that he finds it inhibiting; and said she appreciates his input.

5. Consent Agenda

- a. Approval of Minutes of January 19, 2016 City Council meeting.
- b. Approval of appointment to the Greater Hutchinson Convention/Visitors Bureau Board of Rayne Templeton, 407 East 37th, for a one-year rotational hotel term beginning 1/01/2016 through 12/31/2016.
- c. Approval of appropriation ordinance in the amount of \$2,520,850.36.

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

6. Ordinances and Resolutions

a. Consider Resolution of Intent for Fire Station #5. Frank Edwards, Finance Director, spoke. Councilmember Daveline said he was surprised to see this item on the agenda; and asked if we have a time schedule for when bonds will be issued. He also asked if this is a 2016 project. Mr. Edwards said it is a 2016 project; and bonds will be issued in summer or early fall. City Manager, John Deardoff, said this allows us to begin the design phase. Additional discussion ensued. Mr. Deardoff said the design will be very similar; and cost should be about the same as Fire Station #3.

Motion by Councilmember Daveline, second by Councilmember Inskeep, to approve Resolution 2016 R 5 authorizing the City of Hutchinson, Kansas, to make certain public building improvements and authorizing the issuance of General Obligation Bonds of the City to pay the costs thereof, all pursuant to K.S.A. 12-1736 et seq.; and authorize the Mayor to sign. The motion passed unanimously.

b. Consider Ordinance authorizing General Obligation Bonds for the Hutchinson Sports Arena project. Frank Edwards, Finance Director, spoke. Mr. Edwards said there were 10 bidders on this project; and low bid was an interest rate of 1.52%. He said this amounts to a \$1.8 million dollar savings on this project. The Mayor asked if this would allow us to pay the bonds off early. Mr. Edwards said it depends on sales tax revenues. The City Manager said we may be able to pay them off in 8.5 years rather than 10 years, but it does depend on the sales tax. Discussion ensued.

Motion by Councilmember Dechant, second by Councilmember Inskeep, to approve Ordinance 2016 – 1 authorizing the issuance and delivery of \$24,985,000.00 principal amount of General Obligation Bonds, Series 2016-A, of the City of Hutchinson, Kansas; and providing for the levy and collection of an annual tax for the purpose of paying the principal of and interest on the bonds as they become due; and authorize the Mayor to sign. The motion passed unanimously.

c. Consider Resolution authorizing General Obligation Bonds for the Hutchinson Sports Arena project. Frank Edwards, Finance Director, spoke.

Motion by Councilmember Soldner, second by Councilmember Dechant to approve Resolution 2016 R 6 prescribing the form and details of and authorizing the delivery of \$24,985,000.00 principal amount of General Obligation Bonds, Series 2016-A, of the City of Hutchinson, Kansas, previously authorized by an Ordinance of the City; and authorize the Mayor to sign. The motion passed unanimously.

7. New Business

a. Consider 2016 Historic Preservation Fund grant support letter. Jana McCarron, Director of Planning & Development, spoke. Discussion ensued. Councilmember Inskeep asked about how this will be publicized. Ms. McCarron said there will be some direct mailing, as well as door to door. She said members of the Landmarks Commission and the Houston Whiteside Historic District have volunteered to go door to door; and the news media can also publicize the availability of grant funds. Additional discussion ensued.

Motion by Councilmember Daveline, second by Councilmember Inskeep, to approve and authorize the Mayor to sign/modify and authorize the Mayor to sign/disapprove a support letter for the 2016 Historic Preservation Fund grant. The motion passed unanimously.

b. Consider Rural Housing Incentive District Financing Policy. Jana McCarron, Director of Planning & Development, spoke. Discussion ensued.

Motion by Councilmember Inskeep, second by Councilmember Soldner, to accept and approve City Council Policy 30, Rural Housing Incentive District (RHID) Financing. The motion passed unanimously.

c. Consider grant approval for Avenue A Community Development Block Grant. Amy Denker, Housing Program Coordinator, spoke. Discussion ensued.

Motion by Councilmember Soldner, second by Councilmember Dechant, to accept the recommendation of the South Central Kansas Development District (SCKEDD) to approve multiple bid awards to one contractor. The motion passed unanimously.

d. Consider bid tabulation and award for 1111 East Avenue B. Amy Denker, Housing Program Coordinator, spoke.

Motion by Councilmember Dechant, second by Councilmember Soldner, to accept the recommendation of the South Central Kansas Development District (SCKEDD) to award the 1111 East Avenue B bid to DH Home Improvement; and authorize the Mayor to sign. The motion passed unanimously.

e. Consider bid tabulation and award for 1213 East Avenue A. Amy Denker, Housing Program Coordinator, spoke.

Motion by Councilmember Dechant, second by Councilmember Daveline, to accept the recommendation of the South Central Kansas Development District (SCKEDD) to award the 1213 East Avenue A bid to DH Home Improvement; and authorize the Mayor to sign. The motion passed unanimously.

f. Consider bid tabulation and award for 318 East Avenue A. Amy Denker, Housing Program Coordinator, spoke.

Motion by Councilmember Dechant, second by Councilmember Soldner, to accept the recommendation of the South Central Kansas Development District (SCKEDD) to award the 318 East Avenue A bid to DH Home Improvement; and authorize the Mayor to sign. The motion passed unanimously.

g. Consider bid tabulation and award for 1217 East Avenue A. Amy Denker, Housing Program Coordinator, spoke.

Motion by Councilmember Soldner, second by Councilmember Dechant, to accept the recommendation of the South Central Kansas Development District (SCKEDD) to award the 1217 East Avenue A bid to DH Home Improvement; and authorize the Mayor to sign. The motion passed unanimously.

8. Report of City officials

a. Council

- Councilmember Soldner said she was excited about the announcement by B&B Theatres regarding their renovation project.
- Councilmember Dechant had no comments.
- Councilmember Inskeep said it was good to hear the NJCAA signed to have the tournament in Hutchinson for another 25 years.
- Councilmember Daveline had no comments.
- Mayor Piros de Carvalho thanked the City Manager, Paul Brown and Meryl Dye for taking her and Councilmember Daveline to Topeka for Local Government Day. She said they had a good conversation with Senator Bruce.

b. City Manager

Mr. Deardoff said he met with Jason McDade regarding the ATV access issue. Mr. McDade provided a written format of his proposal to the City Manager. Mr. Deardoff said he and the Mayor would meet with the City of South Hutchinson to see if this is doable for them; and will set up a meeting with South Hutchinson.

The City Manager said he would like to set up a study session on February 11, 18 or 25 to review and refine goals that were discussed at the City Council retreat. He would like to review the ice storm cleanup, the water and sewer rate study, etc. Discussion ensued. The study session was set for February 18, 2016 at 8:30 a.m.

Mr. Deardoff said in his weekly report he addressed the cost of clean-up from the recent ice storm. He said FEMA costs were used for the equipment usage charges.

Mr. Deardoff said the Sports Arena bid package #1 is to be bid this Thursday; and will come to the City Council on February 16 for approval. He said this represents 65% of the total project. Mr. Deardoff said bid package #2 will be done in March.

Mr. Deardoff also recognized visitors from Leadership Reno County who were in attendance.

9. Executive Session

a. Motion by Councilmember Soldner, second by Councilmember Dechant, to recess into executive session for the purpose of discussing employer/employee negotiations, confidential data relating to financial affairs or trade secrets of second parties; and consultation with an attorney on matters that would be deemed privileged in an attorney/client relationship; until 11:00 o'clock a.m. at which time no binding action shall be taken. The motion passed unanimously.

Motion by Councilmember Soldner, second by Councilmember Inskeep, to extend the executive session to 11:15 a.m., at which time no binding action shall be taken. The motion passed unanimously.

10. Adjournment

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