

CITY COMMISSION MINUTES

August 26, 2003

6:30 P.M.

A special meeting of the Junction City City Commission was held on Tuesday, August 26, 2003 with Mayor Mick Wunder presiding.

The following members of the Commission were present: Kay Blanken, Terry Heldstab, Ken Talley, Jack Taylor, Mick Wunder. Staff present were: City Manager Rod Barnes, City Attorney Charles Zimmerman, City Engineer Thomas E. Neal and City Clerk Colleen Woodruff.

PLEDGE OF ALLEGIANCE

CONSENT AGENDA

Commissioner Talley moved, seconded by Commissioner Taylor to approve the consent agenda as presented. Ayes: Blanken, Heldstab, Talley, Taylor, Wunder, Nays: None. Motion carried. The consent agenda consisted of the following:

- a. Approval of Commission Minutes - August 19, 2003.
- b. Approval of Appropriation Ordinance A-37 dated August 21, 2003 in the amount of \$180,889.53 and payroll ordinance P-17, dated August 22, 2003 in the amount of \$176,064.60.
- c. Pay estimate #8 to Smokey Hill LLC for the Riley Manor Street improvements in the amount of \$79,183.67.
- d. Set bid date for September 11, 2003 for demolition and condemnation of 1108 N Jefferson and 535 W 9th Street.
- e. Set bid date for September 12, 2003 for HOME rehabilitation work at 709 West Chestnut Street.

PUBLIC HEARING

Mayor Wunder opened a public hearing to consider a request for property tax exemption for ConAgra Foods Corporation, 1920 Lacy Drive.

Larry Cope, Economic Development Director stated that a request from ConAgra Foods for 100% property tax abatement had been received. Con Agra is planning a 9.5 million dollar expansion that will employ an additional 26 employees. The Economic Development Commission unanimously approved the request. Mr. Cope stated that the improvements will help some of the water discharge problem by allowing the brine to be reused instead of going into the water supply.

Mayor Wunder closed the Public Hearing.

Commissioner Talley moved, seconded by Commissioner Heldstab to approve the 100% property tax exemption as requested. Ayes: Blanken, Heldstab, Talley, Taylor, Wunder. Nays: None. Motion carried.

ORDINANCE S-2694-INDUSTRIAL REVENUE BONDS

Ordinance S-2694 was presented on final reading.

ORDINANCE S-2694

AN ORDINANCE AUTHORIZING THE CITY OF JUNCTION CITY, KANSAS TO ISSUE ITS TAXABLE INDUSTRIAL REVENUE BONDS, SERIES 2003 (JOHN Q. HAMMONS HOTEL AND CONVENTION CENTER PROJECT) IN THE AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$13,350,000 FOR THE PURPOSES OF ACQUIRING, CONSTRUCTING AND EQUIPPING A HOTEL AND CONVENTION CENTER FACILITY; AUTHORIZING EXECUTION OF A BOND AGREEMENT BY AND BETWEEN THE CITY, JOHN Q. HAMMONS, OF SPRINGFIELD, MISSOURI IN HIS CAPACITY AS TRUSTEE OF THE JOHN Q, HAMMONS REVOCABLE TRUST DATED DECEMBER 28, 1989, AS AMENDED AND RESTATED AND KANSAS STATE BANK OF MANHATTAN, MANHATTAN, KANSAS; AUTHORIZING THE CITY TO LEASE SUCH FACILITY TO JOHN Q. HAMMONS,

Commissioner Blanken moved, seconded by Commissioner Heldstab to approve Ordinance S-2694 on final reading. Ayes: Blanken, Heldstab, Taylor, Wunder. Nays: None. Abstain: Talley. Motion carried.

RESOLUTION 1915-WATER WATCH

Resolution 1915 declaring a water watch was presented for consideration, City Manager Barnes stated that the Governors Office and Kansas Water Office have declared a drought watch for Geary County and asked that communities make citizens aware of the potential for water problems. This resolution asks for voluntary water conservation by the citizens of Junction City. Mr. Barnes stated that the city is still producing enough water to supply Junction City. There are no mandatory restrictions.

Commissioner Blanken moved, seconded by Commissioner Talley to approve Resolution 1915 as requested. Ayes: Blanken, Heldstab, Talley, Taylor, Wunder. Nays: None. Motion carried.

RESOLUTION 1916 AUTHORIZING THE SALE OF GENERAL OBLIGATION BONDS

Resolution 1916, authorizing the sale of general obligation refunding and economic development bonds, Series DL and taxable general obligation bonds, Series DM. was presented for consideration.

David Arteberry, Bond Counsel presented the financing plan. He stated that with refunding four of the outstanding bond issues with the new convention center debt the city could achieve the following benefits:

- Accommodate new debt with no tax increase.
- Reduce interest rate on refunded debt from 5.82% to approximately 2.61%.
- Save issuance costs by combining refunding with new borrowing.
- Accomplish financing plan with no out of pocket costs to the city, all financing costs paid from bond proceeds.

Mr. Arteberry stated that he did not foresee any problem selling the bonds. Commissioner Blanken moved, seconded by Commissioner Talley to approve Resolution 1916 as presented. Ayes: Blanken, Heldstab, Talley, Taylor, Wunder. Nays: None. Motion carried.

ORDINANCE S2695-AUTHORIZING THE ISSUANCE AND DELIVERY OF GENERAL OBLIGATION BONDS AND ECONOMIC DEVELOPMENT BONDS

Ordinance S-2695 was presented on first reading.

ORDINANCE S-2995

AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF \$6,135,000* PRINCIPAL AMOUNT OF GENERAL OBLIGATION REFUNDING AND ECONOMIC DEVELOPMENT BONDS, SERIES dl AND \$540,000* PRINCIPAL AMOUNT OF TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES DM, OF THE CITY OF JUNCTION CITY, KANSAS; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS AS THEY BECOME DUE; AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH; AND MAKING CERTAIN COVENANTS WITH RESPECT THERETO.

Commissioner Talley moved, seconded by Commissioner Heldstab to approve Ordinance S-2995 on first reading. Ayes: Blanken, Heldstab, Talley, Taylor, Wunder. Nays: None. Motion carried.

RESOLUTION 1917-SUPPORTING THE PRIVATE FUND DRIVE FOR THE OPERA HOUSE FOUNDATION.

Resolution 1917 supporting the private fund drive for the Opera House renovations.

City Manager Barnes stated that the Opera House renovation project requires using a number of sources for funds. One of the major components will be the solicitation of private donations. A main component of the fund drive would be the development of material and creation of a team to solicit for the funds. Chris Keeshan Associates has submitted a contract to complete this work. Her one year contract would be \$65,000. The preliminary study indicated the capacity for raising over \$1,500,000 existed in the community. The \$65,000 needs to be paid over the next year and would be repaid through the private donations. In order for the fund drive started, there would need to be a loan for the e\$65,000. This resolution will have the City guarantee the loan only if funds were not raised in the private fund drive.

Commissioner Heldstab moved, seconded by Commissioner Talley to approve Resolution 1917 as presented. Ayes: Heldstab, Talley, Wunder. Nays: Blanken, Taylor. Motion carried.

AUTHORIZATION FOR POLICE CHIEF TO ACQUIRE EQUIPMENT

Captain Tim Brown, Police Department requested City Commission approval to purchase a GPS Tracking System and Undercover recording device from Special Law Enforcement finds. The approximate dollar amount is \$23,100.00.

Commissioner Blanken stated that she had read that there will be a federal mandate that will require a change from narrow band radios to wide band radios. She asked if this would make the equipment that was purchased obsolete. Captain Brown stated that that was just for communications and would not interfere with the use of the equipment purchased.

Commissioner Heldstab moved, seconded by Commissioner Taylor to approve the request to purchase equipment. Ayes: Heldstab, Talley, Taylor, Wunder. Nays: Blanken. Motion carried.

GENERAL DISCUSSION

Mayor Wunder opened the meeting for general discussion.

Barbara Smith addressed the Commission about the negative opinions expressed in the paper about the Big Red One returning to Fort Riley. She stated that the citizens needed to be positive in all comments and start planning for their return now.

COMMISSIONER COMMENTS

Mayor Wunder opened the meeting for Commissioner comments.

Mayor Wunder stated that are certain situations that the Commission and staff can not make comments. He stated that the City Attorney would give them direction on what to discuss.

STAFF COMMENTS

Mayor Wunder opened the meeting for staff comments.

City Manager Barnes stated that the Commission needed to adjourn into an executive session to discuss matters of non-elected personnel.

EXECUTIVE SESSION

Commissioner Heldstab moved, seconded by Commissioner Talley to adjourn into executive session at 7:00 p.m. to reconvene at 7:10 pm. to discuss matters related to non-elected personnel. Ayes: Blanken, Heldstab, Talley, Taylor, Wunder. Nays: None. Motion carried. Included in the executive session were the City Attorney, City Manager and City Commission

Commissioner Talley moved. Seconded by Commissioner Blanken to reconvene into regular session having made no decisions nor taken any action while in executive session. Ayes: Blanken, Heldstab, Talley, Taylor, Wunder. Nays: None. Motion carried.

ADJOURNMENT

Commissioner Taylor moved, seconded by Commissioner Talley to adjourn at 7:12 p.m. p.m. Ayes: Blanken, Heldstab, Talley, Taylor, Wunder, Nays: None. Motion carried.

APPROVED AND ACCEPTED THIS 2nd DAY OF SEPTEMBER, 2003 AS THE OFFICIAL COPY OF THE JUNCTION CITY CITY COMMISSION MINUTES FOR August 26, 2003

Colleen Woodruff

Colleen Woodruff, City Clerk

Mick Wunder

Mick Wunder, Mayor