

The Oakley City Council met in regular session on September 6, 2022, in the meeting room at the Oakley City Office, 415 W. 2<sup>nd</sup> Street, at 7:00 P.M. Mayor Stephenson presided.

Council members present. Leasa Huddle, Russ Kahle, Trevor Mader and Kile Zerr were present. Cheryl Stewart was absent.

City staff present. City Administrator Brock Sloan, Police Chief Daniel Cooper, and City Clerk Leann Hughes.

Others present. Kalyn Ritter, Bea Albers, Dominic Eck, Darren Goetz, Zach Collett, Scott Sproul, Raelene Keller, and Rod Tanner.

Call to order. Mayor Stephenson called the regular meeting to order at approximately 7:00 PM.

Approval of Minutes of Previous Meeting(s). Huddle moved to approve the minutes of the August 15, 2022, regular meeting, as presented. Mader seconded. Motion carried unanimously. Action (#14982).

Approval of AP Payment Register. Zerr moved to approve the September 1, 2022, AP Payment Register, for checks dated August 31, 2022, in the amount of \$148,485.85 (Check Nos. 440-444; 49235; 49276-49282; and 49288-49328). Huddle seconded. Motion carried unanimously. Action (#14983).

Approval of Time Entry Report. Mader moved to approve the Time Entry Report for August 7, 2022, to August 20, 2022, dated August 23, 2022, for the August 26, 2022, payroll, in the amount of \$53,737.58 for 2,336.01 hours (Check Nos. 17539-17542; ACH Nos. 97187-97220; AP Check Nos. 49283-49287; Wire Nos. 798-801). Kahle seconded. Motion carried unanimously. Action (#14984).

Department Head Reports. None.

#### HEARINGS:

7:05 P.M. – Public Hearing – Intent to Exceed Revenue Neutral Rate Resolution 2022-7 – Levy a Property Tax Rate Exceeding the Revenue Neutral Rate – Roll Call Vote. Mayor Stephenson recessed the regular meeting and opened the Public Hearing on Intent to Exceed Revenue Neutral Rate, Resolution 2022-07, at 7:05 P.M. Administrator Sloan stated the hearing is a state requirement since the City is planning to levy a property tax rate exceeding the revenue neutral rate. Mayor Stephenson asked for any comments or questions from the public in attendance; there were none. Mayor Stephenson asked for any comments or questions from the Council; there were none. Huddle moved to approve Resolution 2022-07, Intent to Exceed Revenue Neutral Rate. Kahle seconded. Mayor Stephenson performed a roll call vote, as follows: Russ Kahle – yes; Leasa Huddle – yes; Trevor Mader – yes; and Kile Zerr – yes. Cheryl Stewart was absent. Motion carried unanimously. Action (#14985). Mayor Stephenson closed the public hearing at approximately 7:08 P.M. and returned the meeting to regular session.

Citizen Request to Speak. None.

No other business was conducted while waiting to open the next public hearing at the stated time of 7:10 P.M.

7:10 P.M. – Public Hearing – Budget 2023 – Approve and Sign Budget Certification page and 2023 Budget Workbook. Mayor Stephenson recessed the regular meeting and opened the Public Hearing on approval of the 2023 Budget, at 7:10 P.M. Administrator Sloan reported there was an increase in the valuation, which would increase revenues, but expenses are also continuing to rise. Council Member Mader inquired about the total dollars; he was directed to the Certificate page in the Council packet, showing the proposed 2023 budget totals for each fund. There was also discussion that more specific information for each fund is located in the Budget Workbook. Mayor Stephenson asked for any comments or questions from the public in attendance; there were none. Mayor Stephenson asked for any additional comments or questions from the Council; there were none. Kahle moved to approve the 2023 Budget and workbook, as presented, and to

authorize the Mayor and Council to sign three (3) copies of the Budget Certification page. Mader seconded. Motion carried unanimously. Action (#14986). Mayor Stephenson closed the public hearing at approximately 7:16 P.M. and returned the meeting to regular session.

After Budget Hearing – Public Hearing – Issuance of Industrial Revenue Bonds and Resolution 2022-08 – IRBs. Mayor Stephenson recessed the regular meeting and opened the Public Hearing on Issuance of Industrial Revenue Bonds and Resolution 2022-08, IRBs, at 7:17 P.M. Dominic Eck, with Gilmore and Bell, P.C., bond attorneys, met with the Council to explain the process of issuing Industrial Revenue Bonds (IRBs) and to answer questions. Mr. Eck explained the process and reviewed the benefits for Mitten, Inc., including: 1. Mitten, Inc., will be eligible for a Sales Tax Exemption on construction materials; and 2. He noted that the City will act as a pass-through and the amount of the IRBs will not be counted against the City's debt limit. He also noted the City has no obligation for repayment of the bonds; this is a legal obligation of the bond holder. Council Member Mader inquired how much the property tax would be that will be waived in this process. Mr. Eck stated it is part of the cost/benefit analysis they performed, but he did not have that number with him. Mayor Stephenson asked for any comments or questions from the public in attendance; there were none. Mayor Stephenson asked for any additional comments or questions from the Council; there were none. Zerr moved to approve Resolution No. 2022-08, Industrial Revenue Bonds (Mitten, Inc., Project). Kahle seconded. Motion carried unanimously. Action (#14987). Mayor Stephenson closed the public hearing at approximately 7:27 P.M. and returned the meeting to regular session.

#### NEW DISCUSSION/ACTION ITEMS:

Scott Sproul, Raelene Keller – Rural Champions – Housing. Scott Sproul and Raelene Keller were present to discuss the Rural Champions grant program through the Kansas Department of Commerce. Keller explained this program was made possible through a partnership between the Patterson Foundation and the State and it is designed to help cities with critical needs. Sproul explained a little more about the Rural Champions program, noting the funds can be used for items such as childcare facilities, health and wellness projects, new housing or rehabilitation of housing or entrepreneurship development. Sproul stated he has been working with the Logan County Development Corporation and they have identified housing as an urgent need in Oakley at this time, and he noted the grant application is due September 16, 2022. Discussion followed and it was proposed the City create a Director of Housing position with \$20,000 of the salary paid by an Office of Rural Prosperity grant and \$30,000 of the salary, plus a benefits package, paid by the City. Administrator Sloan noted he thought the position might be good to consider if the Council would like to pursue a grant for housing, due to the time constraints he is under with other projects, and if it is possible to hire someone with some specific experience in this area, that would help ensure the project's success. Kale moved to approve the submission of an application for a Rural Champion grant; and, contingent upon award of this \$20,000 grant, for the City to create a Director of Housing position, with a salary of \$50,000/year, of which \$20,000 would be paid from the grant funds and \$30,000 would be paid by the City, with the City also providing a benefits package. Zerr seconded. Motion carried unanimously. Action (#14988).

Oil and Gas Lease – Landfill Site. Ron Tanner with J. Fred Hambright, Inc., was present to discuss the possibility of an Oil and Gas Lease on a tract within the landfill property. Tanner noted that Russell Oil drilled a well in the vicinity and they believe there is potential for this site. Mayor Stephenson inquired if this would interfere with the current grass lease the City has with an individual; Tanner said it would not. Discussion followed. Zerr moved to approve an Oil and Gas Lease with J. Fred Hambright, Inc., for the West one-half (W/2) of Section Eleven (11), Township Eleven (11) South, Range Thirty-two (32) West, Logan County, Kansas, for \$25.00/acre for a 3-year lease and a 2-year option, as presented. Kahle seconded. Motion carried unanimously. Action (#14989).

Temporary Permit – Logan County Healthcare. The Council reviewed an application for a Temporary Liquor Permit for the Logan County Healthcare Foundation Fall Gala. Huddle moved to approve a Temporary Liquor

Permit for the Logan County Healthcare Foundation, Inc., Fall Gala on October 15, 2022. Zerr seconded. Motion carried unanimously. Action (#14990).

Hopper (30) quote. Administrator Sloan reported the City purchased thirty (30) refuse hoppers that were delivered earlier this year and only four (4) are left. He presented a quote from Snyder Industries, Inc., in the amount of \$32,797.50, for thirty (30) three-yard (3-yd) Poly Tan Hoppers. Sloan noted the prices have increased around five percent (5%) from the last purchase. Mader moved to approve the purchase of thirty (30), three-yard (3-yd) hoppers from Snyder Industries, Inc., for a total amount of \$32,797.50, to be paid out of Sanitation Reserve. Zerr seconded. Motion carried unanimously. Action (#14991).

Water Leak Adjustment Form. Administrator Sloan discussed the draft Water Leak Adjustment Form included in the Council Packet. Kahle moved to approve the draft Water Leak Adjustment Form, as presented, and to approve the implementation of this program. Huddle seconded. Motion carried unanimously. (Action #14992).

#### UNFINISHED DISCUSSION/ACTION ITEMS:

Capacity Development Survey for KDHE Revolving Fund Water Loan. Administrator Sloan noted a copy of the Capacity Development Survey for KPWSLF Loan Application was provided in the Council packet for information only; no action is needed.

KDOT Fall 2022 Cost Share Application – Resolution of Support – 2022-09. Administrator Sloan reported he has been working with Evans, Bierly, Hutchinson & Associates, PA (EBH), to prepare a KDOT Cost Share Application for the reconstruction of South Freeman Avenue from US 40 to Front Street. Zach Collett, with EBH, was present to discuss the project with the Council. He advised the Council they need to decide on a percentage of the construction costs they are willing to contribute, 15%, 20% or 25%. Collett stated their experience has been that the larger the commitment from the City, the greater the likelihood of funding. He also noted the City is responsible for 100% of the engineering design and inspection. Sloan provided a list of the local share match at these different levels and a total cost with the Engineering added, in the Council packets. At this point, sidewalks are not a part of the project, but there might be some other funding alternatives for that portion. Mader moved to approve submitting an application for the KDOT Fall 2022 Cost Share Program with the City of Oakley committing to 25% of the construction costs, plus all of the engineering and inspection costs, and to adopt Resolution of Support, Resolution 2022-09. Zerr seconded. Motion carried unanimously. Action (#14993).

#### ADMINISTRATIVE REPORTS/DISCUSSION:

Brock Sloan, City Administrator. Administrator Sloan reported on several items, including:

- Julie Eskew submitted her resignation as Police Officer/fill-in Dispatcher, effective September 14, 2022. The Police Department is now advertising for one Police Officer and 2 Dispatchers.
- Scott Harrison was hired for the Water/Wastewater position and started August 29, 2022.
- FEMA approved the City's application on an emergency status since the flood plan maps have not been updated. This allows citizens to purchase flood insurance and there will be a news release letting the population know this.
- A spreadsheet of year-to-date donations made by the City was included in the Council packet; \$35,000 has been donated so far this year.
- A preliminary Vehicle Replacement Schedule was also included in the Council packet with some suggested guidelines for renewal and replacement of vehicles.
- The League of Kansas Municipalities will host a webinar on Wednesday, September 14, 2022, on City Officials Fundamentals. The webinar will be recorded, so Council members may register and watch the video later if they cannot attend the live session.

Leann Hughes, City Clerk. No Report.

MAYOR AND COUNCIL REPORTS/DISCUSSION:

Adjourn. Huddle moved to adjourn the meeting. Kahle seconded. Motion carried unanimously. Action (#14994). Mayor Stephenson adjourned the meeting at approximately 8:15 P.M.

Leann M. Hughes, CMC  
City Clerk

APPROVAL OF MINUTES:

The members of the Council acknowledged receipt of a copy of the minutes; said minutes were approved as presented at the September 19, 2022, regular meeting.