

RECORD OF PROCEEDINGS OF THE GOVERNING BODY CITY OF GARDNER, KANSAS

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May 6, 2024

The City Council of the City of Gardner, Kansas met in regular session on May 6, 2024, at 7:00 p.m. in the Council Chambers at Gardner City Hall, 120 East Main Street, Gardner, Kansas, with Mayor Todd Winters presiding. Present were Councilmembers Mark Baldwin, Kacy Deaton, Mark Wiehn, Steve Shute and Steve McNeer. City staff present were City Administrator Jim Pruetting; Finance Director Matt Wolff; Police Chief Pam Waldeck; Utilities Director Gonz Garcia; Parks Director Jason Bruce; Community Development Director Dave Knopick; Public Works Director Kellen Headlee; City Attorney Ryan Denk; City Clerk Renee Rich. Others present included those listed on the sign-in sheet and others who did not sign in.

There being a quorum of Councilmembers present, Mayor Winters called the meeting to order at 7:00 p.m.

PLEDGE OF ALLEGIANCE

Mayor Winters led those present in the Pledge of Allegiance.

PRESENTATIONS

PUBLIC HEARING

- 1. Hold a public hearing for the purpose of receiving comments to a request for a Waiver of the Distance Limitation to allow for the sale of sealed domestic table wine within 200 feet of a school, church or library during the weekly Gardner Farmers Markets events to be held on Thursdays, 4pm to 7pm, from May 23, 2024 to September 5, 2024.**

Councilmember Deaton made a motion to open a public hearing for the purpose of receiving comments to a request for a Waiver of the Distance Limitation to allow for the sale of sealed domestic table wine within 200 feet of a school, church or library during the weekly Gardner Farmers Markets events to be held on Thursdays, 4pm to 7 pm, from May 23, 2024 to September 5, 2024.

Councilmember Shute Seconded.

With all of the Councilmembers voting in favor of the motion, the motion carried.

No members of the public came forward.

Councilmember McNeer made a motion to close the public hearing.

Councilmember Deaton Seconded.

With all of the Councilmembers voting in favor of the motion, the motion carried.

- 2. Hold a public hearing for the purpose of receiving comments for the proposed Wastewater Treatment Plant Improvements and KDHE State Revolving Fund Loan Application.**

Councilmember Deaton made a motion to open a public hearing for the purpose of receiving comments for the proposed Wastewater Treatment Plant Improvements and KDHE State Revolving Fund Loan Application.

Councilmember Baldwin Seconded.

With all of the Councilmembers voting in favor of the motion, the motion carried.

Finance Director Matt Wolff gave a brief presentation for the proposed wastewater treatment plan improvements and the KDHE loan financing approach. The Kill Creek Water Resource Recovery Facility phase two expansion project is necessary because we are currently running with an average of about 90% inflow which is near capacity. KDHE has set a deadline for the spring of 2026 for this expansion to be operative. This project is anticipated to take at least twenty months but could take longer if there are complications with supply chains. The lead time for electrical components has been taking a long time, so we need to get this project started as soon as

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possible. This project will expand our capacity by 2.5 MGD. The project creates another train of two treatment basins, two sedimentation basins, a sludge thickener, two digester basins, sludge pumping and centrifuge, a UV system and resolves operation, code compliance and safety issues. The March project estimate was \$37M. The guaranteed maximum price will be in known in June and costs may go up due to KDHE Loan Requirements including the American Iron and Steel Act and the Davis-Bacon Act and prevailing wages. Despite these requirements, we think the KDHE loan approach is preferred due to low interest rates and interest rate savings that will offset those increased costs and still benefit the city. KDHE only has so much in funds available for state revolving fund loans, so we are applying and don't know if we will be approved or if we will be approved for the entire amount. We will also ask for authority to issue General Obligation bonds to finance the full project or fill the financial gap depending on how much we are approved for with the KDHE Loan. There are planned wastewater rate increases of 4.2% every year until 2031. Revenues and expenditures in the Wastewater Fund Forecast are related to Kill Creek Phase 2 Expansion, Cedar Niles Lift Station, the New Utilities Maintenance Building, and the Winwood Relief Sewer Capital projects and their associated debt proceeds. The planned rate increases each year are necessary to pay for the wastewater treatment plant improvements. The city intentionally built-up the fund balance in preparation for these projects and have been planning for years for these projects. Staff is asking the Council to pass a resolution authorizing the city to apply for a KDHE SFT Loan to finance the proposed Wastewater Treatment Plant Improvements.

No members of the public came forward.

Councilmember McNeer made a motion to close the public hearing.

Councilmember Deaton Seconded.

With all of the Councilmembers voting in favor of the motion, the motion carried.

PUBLIC COMMENTS

No members of the public came forward.

CONSENT AGENDA

1. **Standing approval of the minutes as written for the regular meeting on April 15, 2024.**
2. **Standing approval of City expenditures prepared April 11, 2024 in the amount of \$571,302.42; April 18, 2024 in the amount of \$713,724.89; and April 25, 2024 in the amount of \$767,048.28.**
3. **Consider approving a City/County agreement for reconstruction of a culvert on Four Corners Road.**
4. **Consider a recommendation to authorize the City Administrator to execute a supply contract for the materials for Circuit 31 Overhead Powerline Rebuild. (CIP EL4000).**
5. **Consider reappointments to the Planning Commission**

Councilmember Shute made a motion to approve the Consent Agenda.

Councilmember Deaton Seconded.

With all of the Councilmembers voting in favor of the motion, the motion carried.

PLANNING & ZONING CONSENT AGENDA

None

COMMITTEE RECOMMENDATIONS

OLD BUSINESS

NEW BUSINESS

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1. Consider a request for a Waiver of the Distance Limitation to allow for the sale of sealed domestic table wine within 200 feet of a school, church or library during the weekly Farmers Markets events to be held on Thursdays, 4pm to 7pm, from May 23, 2024 to September 5, 2024.

City Clerk Rich said the Farmers Market is held weekly and is within 200 feet of a school, church, and library. This Waiver of Distance is to allow the sale of sealed domestic table wine to be purchased at the market.

Councilmember Wiehn asked if we could consider setting up districts where it would be common to serve or sell alcohol and we would not have to do a waiver each time. The concern is there may be businesses that would not want to operate downtown with these limitations. City Attorney Denk said it is the way our code is written, but we may be able to change our distance. Discussion continued about whether to look into districts or make a change to our codes. Councilmember Deaton said the only concern is losing a little bit of control because everything we have passed is outside of school times and this could open it up to times during school hours. Councilmember Shute asked what we would do if there was a building that was sold and the new business wanted to sell alcohol, we would have to continue looking at this. Councilmember Baldwin said the way we are working on this by approving waivers when they are requested seems to be working fine. Shute said we may want to look at it further in case we have a business move downtown that fall within the 200-foot limitation.

Denk said we can do what we want on cereal malt beverage licensing, but the limits for clubs and drinking establishments are different in the state law. The State allows alcohol to be served and consumed within 200 feet, but no package sales. It was determined to keep looking at waivers as they come in and keep the idea of making changes in the back of our minds so we can revisit if a scenario comes up that we want to review.

Councilmember Deaton made a motion to approve a request for a Waiver of the Distance Limitation to allow for the sale of sealed domestic table wine within 200 feet of a school, church or library during the weekly Farmers Markets events to be held on Thursdays, 4pm to 7pm, from May 23, 2024 to September 5, 2024.

Councilmember Shute Seconded.

With all of the Councilmembers voting in favor of the motion, the motion carried.

2. Consider a resolution declaring the intent of the City to issue Industrial Revenue Bonds (taxable under federal law) in the principal amount not to exceed \$5,250,000 for the purpose of financing a portion of the acquisition, construction and equipping of a multifamily apartment project within the city (Poplar Pointe Apartments).

Finance Director Matt Wolff said the developer of Poplar Pointe Apartments has asked for the use of Industrial Revenue Bonds for financing a portion of its multi-family apartment project. This financing approach would provide the developer with a sales tax exemption on the construction materials which would enable the developer to include more amenities into the project. The resolution included in the packet outlines the amenities which represent a significant private investment and adds additional value to the development project beyond the minimum development requirements. The IRBs will be paid solely out of the rentals revenues and receipts derived from the lease of the project to the company from the city. The bond shall not be a general obligation of the city nor constitute a pledge of full faith and credit and shall not be payable in any manner of taxation. There is no tax abatement associated with the bonds.

Councilmember Deaton made a motion to adopt Resolution No. 2137, a resolution declaring the intent of the City of Gardner, Kansas, to issue Industrial Revenue Bonds (taxable under federal law) in the principal amount not to exceed \$5,250,000 for the purpose of financing a portion of the acquisition, construction and equipping of a multifamily apartment project within the City (Poplar Pointe Apartments).

Councilmember McNeer Seconded.

With all of the Councilmembers voting in favor of the motion, the Resolution passed and was assigned Resolution number 2137.

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Deaton: Yes

Wiehn: Yes

Shute: Yes

McNeer: Yes

Baldwin: Yes

3. Consider adopting a resolution authorizing filing of an application with the Kansas Department of Health and Environment for a loan under the Kansas Water Pollution Control Revolving Fund Act (K.S.A. 1988 Supp. 65-3321 through 65-3329).

Finance Director Matt Wolff said his earlier presentation also covered this business item and the next new business item. Mayor Winters asked if the loan amount is typically funded in full. Wolff said he expects the costs to go up and he is not sure if they will fund a loan higher than that amount. We could use G.O. Bonds to fill in the gap. They did advise they are getting a lot of requests from other cities and other projects, so we are not sure how much finding they have available. Shute said he hopes KDHE will make us a priority in the process since they are requiring these improvements.

Councilmember Shute made a motion to Adopt Resolution No. 2138, a resolution authorizing filing of an application with the Kansas Department of Health and Environment for a loan under the Kansas Water Pollution Control Revolving Fund Act (K.S.A. 1988 Supp. 65-3321 through 65-3329).

Councilmember Deaton Seconded.

With all of the Councilmembers voting in favor of the motion, the Resolution passed and was assigned Resolution number 2138.

Wiehn: Yes

Shute: Yes

McNeer: Yes

Baldwin: Yes

Deaton: Yes

4. Consider adopting a resolution authorizing the construction of certain sewerage system improvements and authorizing general obligation bonds to be issued in an amount not to exceed \$37,555,000 to pay the cost of such improvements, all pursuant to K.S.A. 12-617 and 12-618.

Councilmember Baldwin made a motion to adopt Resolution No. 2139, a resolution authorizing the construction of certain sewerage system improvements and authorizing general obligation bonds to be issued in an amount not to exceed \$37,555,000 to pay the cost of such improvements, all pursuant to K.S.A. 12-617 and 12-618.

Councilmember Deaton Seconded.

With all of the Councilmembers voting in favor of the motion, the Resolution passed and was assigned Ordinance number 2139.

Shute: Yes

McNeer: Yes

Baldwin: Yes

Deaton: Yes

Wiehn: Yes

COUNCIL UPDATES

Pruetting said every spring we start getting inquiries about golf carts. A map was shared showing the streets that are 25 mph or less. There are provisions we can consider regarding speed, stay within residential streets, insurance, lighting, slow vehicle tags and others we could take from other ordinances. Baldwin does not have a

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problem with them in neighborhoods. McNeer says it seems to be a question everywhere. Shute does not have a problem with golf carts unless they are on main streets. Baldwin says some people would be stuck in their neighborhoods if there is a restriction of 25 mph. Deaton says we would have to require insurance and is worried about them on busy streets. She also questions if there would be age restrictions. There is a concern of them being on trails and greenways. Kellen said KDOT may have to be involved for approval of golf carts to be on or crossing US56. There would be no way to get completely across town due to our corridors and layout.

Deaton put out a PSA about not putting grass in the street for motorcyclists. Shute added not to send the grass into the sewers either.

EXECUTIVE SESSION

ADJOURNMENT

There being no further business to come before the Council, on a motion duly made by Councilmember Deaton and seconded by Councilmember McNeer the meeting adjourned at 7:37 pm.

City Clerk