

City of Spring Hill, Kansas
Minutes of City Council Regular Session
March 24, 2022

A Regular Session of the City Council was held in the Spring Hill Civic Center, 401 N. Madison, Council Chambers, Spring Hill, Kansas on March 24, 2022. The meeting convened at 7:00p.m. with Mayor Berkey presiding and Glenda Gerrity, City Clerk, recording.

Councilmembers in attendance: Diana Roth
 Brian Peel
 Chad Young
 Wendy North
 Chip VanHouden

Staff in attendance: Patrick Burton, Interim City Administrator
 Lou Ann Armstrong, Finance Director
 Cindy Henson, Chief of Police
 Jackie Messer, Director of Public Works
 Monakisha Jones, Human Resources Director

Consultants in attendance: F. Charles Dunlay, City Attorney
 Kevin O'Brien, Insurance Agent
 Tyler Ellsworth, Bond Counsel

INVOCATION

The invocation was given by Councilmember North.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

ROLL CALL

The City Clerk called the roll of the City Council. With a quorum present, the meeting commenced.

APPROVAL OF THE AGENDA

The Mayor requested to remove Item 7, Resolution designating financial depositories & authorized signatories, and delete an Executive Session

Motion by Peel, seconded by Young, to approve the agenda as amended. Motion carried unanimously.

PRESENTATION - Property/Casualty Liability Insurance

Mr. Kevin O'Brien, The Reilly Company, presented the insurance proposal for April 1, 2022 to April 1, 2023.

CITIZEN PARTICIPATION

Bill Peterman, 19431 W 200th Street, spoke about sewer gas, E and O insurance, pay down debt, and no benefit districts for developers.

PUBLIC HEARING

City of Spring Hill consider applying to the Board of Tax Appeals of the State of Kansas to grant an exemption from ad valorem taxes pursuant to K.S.A. 79-201a *Second or Twenty-Fourth* for property financed with the proceeds of not to exceed \$8,935,000 Industrial Revenue Bonds (Taxable under Federal Law), Series 2023 (GemTech LLC), issued pursuant to K.S.A. 12-1740 to 12-1749d

Councilman Peel recused himself from the Public Hearing and Agenda Item No. 8. He stated that his employer is one of the taxing authorities that will be affected by this item. Councilman Peel stepped out of the Council Chambers.

Mayor Berkey opened the public hearing at 7:50pm.

The mayor opened the public comment portion of the hearing. Thereupon, the courtesy of the floor was extended to:

Tyler Ellsworth, Bond Counsel, Kutak Rock
Pat Burton, Interim City Administrator, City of Spring Hill
Dan Carpenter, GemTech, 15665 S. Keeler Street, Olathe, KS

The mayor called for further comments from the public and, hearing none, closed the public hearing at 8:14p.m.

Councilman Peel returned to Council Chambers.

CONSENT AGENDA

- 1. Approval of Minutes: March 10, 2022, Regular Meeting**
- 2. Consider Approval of 2022 Aquatic Center Rates and Group Swim Lesson Rates**
- 3. Consider Approval of Temporary Use Permit (TUP-000011-2022): H.E.R.S., Inc.**

Motion by Roth, seconded by North, to approve the consent agenda. Motion carried unanimously.

FORMAL COUNCIL ACTION

4. Consider Approval of Appropriation Order No. 2022-03-24

Motion by Peel, seconded by North, to approve Appropriation Order No. 2022-03-24.

Motion carried by roll 5-0-0. North-yea, VanHouden-yea, Roth-yea and partially abstaining from any invoices from J & T Auto Services, Peel-yea, Young-yea

5. Consider Board Appointment for Spring Hill Parks Board

Mayor Berkey nominated Karen Lingenfelter to serve on the Spring Hill Parks Board.

Motion by Roth, seconded by North, to approve Mayor Berkey's appointment of Karen Lingenfelter to the Spring Hill Park Board for a term ending 2025. Motion carried 4-0-1 (Peel)

The City Clerk administered the Oath to Karen Lingenfelter.

6. Consider Approval of Construction Observation Agreement: Prairie Ridge at Spring Hill No. 4, Lamp Rynearson, Inc.

Motion by Roth, seconded by Young, to approve the Task Order from Lamp Rynearson, Inc. in the amount of \$33,572.00 for Construction Observation on Prairie Ridge at Spring Hill No. 4 and authorize the mayor to execute the agreement. Motion carried unanimously.

7. Consider Approval of Resolution No. 2022-R-XX: Consider resolution designating financial depositories and authorizing the mayor to designate authorized signatories and execute authorizations

This item was removed from agenda.

8. Consider Approval of Resolution No. ~~2022-R-04~~ 2022-R-05¹: Resolution of Intent for Industrial Revenue Bonds and approving the form of a Payment in Lieu of Tax Agreement (PILOT) for Ridgeline, LLC/GemTech, LLC

Councilman Peel recused himself from Item No. 8 and stepped out of the Council Chambers.

Motion by Young, seconded by VanHouden, to approve Resolution No 2022-R-05 determining the intent of the City of Spring Hill, KS to issue its industrial revenue bonds (taxable under federal law) in the approximate principal amount of \$8,935,000 to pay the cost of constructing and equipping a commercial facility within the city and approving the form of a payment in lieu of tax agreement in connection with a property tax exemption for the property financed with the proceeds of the bonds for GEMTECH LLC. Motion carried 4-0-1 (Peel)

Councilman Peel returned to Council Chambers.

¹ This Scrivener's Error is for the purpose of correcting Resolution No. 2022-R-04 contained within Item No. 8. The correct resolution number is 2022-R-05.

9. Consider and Authorize a Transfer of 2021 Budget Surplus from the General Fund to the Capital Projects Infrastructure (CIP) Fund and the Equipment Replacement Fund

Motion by Young, seconded by Roth, to approve and authorize the transfer of \$600,000 to the Capital Projects Infrastructure Fund and \$200,000 to the Equipment Replacement Fund from the 2021 General Fund Budget. Motion carried unanimously.

10. Consider and Authorize a Transfer of \$95,440.54 from the Special Highway Fund to the Dayton Creek Benefit District IV, 6th Plat Project

Motion by Roth, seconded by Young, to approve and authorize a transfer of \$95,440.54 from the Consolidated Highway Fund to the Dayton Creek Benefit District IV, 6th Plat project. Motion carried unanimously.

11. Consider Approval of Aquatic Center Slide Repair

Motion by Roth, seconded by Peel, to approve the bid from INSCO for \$37,647.00 and authorize unforeseen change orders not to exceed \$5,000 for a total of \$42,647. Motion carried unanimously.

12. Consider Approval of Property/Casualty Liability Insurance: The Reilly Company

Motion by Young, seconded by VanHouden, to approve The Reilly Company's premiums and terms for April 1, 2022 to March 31, 2023 for EMC Insurance and approve the EMC Insurance and Cyber Liability Rider and the Identity Theft Rider and deny the supplemental Pollution Liability Rider. Motion carried unanimously.

EXECUTIVE SESSION No. 1

Motion by Roth, seconded by Peel, to recess into Executive Session for 5 minutes to discuss litigation status pursuant to the attorney-client exception of K.S.A. 75-4319 (b) (2) of the Kansas Open Meetings Act. The open meeting will resume in the City Council Chambers at 9:25p.m. Persons to be in attendance are the following: F. Charles Dunlay, City Attorney, Patrick Burton, Interim City Administrator, and Chief Cindy Henson, Police Chief. Motion carried 5-0-0.

The meeting recessed at 9:15p.m.

The meeting reconvened at 9:27 p.m. with everyone present.

Mayor Berkey announced that no votes were taken, or decisions made during the executive session. The discussion was limited to the subject stated.

EXECUTIVE SESSION No. 2

Motion by North, seconded by Roth, to recess into Executive Session for 15 minutes to discuss litigation and investigation in anticipation pursuant to the attorney-client exception of K.S.A. 75-4319 (b) (2) of the Kansas Open Meetings Act. The open meeting will resume in the City Council Chambers at 9:45p.m. Persons to be in attendance are the following: F. Charles Dunlay, City Attorney, Patrick Burton, Interim City Administrator. Motion carried 5-0-0.

The meeting recessed at 9:30p.m.

The meeting reconvened at 9:45p.m. with everyone present.

Mayor Berkey announced that no votes were taken, or decisions made during the executive session. The discussion was limited to the subject stated.

EXECUTIVE SESSION No. 3

Executive Session deleted

ADJOURN

Motion by Roth, seconded by North, to adjourn. Motion passed unanimously.

The meeting adjourned at 9:46p.m.

/s/ Glenda Gerrity
Glenda Gerrity, City Clerk

Approved by the Governing Body on April 14, 2022.