

CITIZEN PARTICIPATION

Gina Crawford, with The Meadowlark Event Center at 20650 W. 191st Street, requested that the City look into exempting sparklers from being on the list of prohibited fireworks and allowing the use of sparklers all year long. Currently, bride & groom's prefer a sparkler sendoff outside the establishment rather than having bird seed thrown. As sparklers are prohibited, the Meadowlark Event Center cannot do a sparkler send-off and have lost business to surrounding communities that allow sparklers. Council President Owen directed Mr. Hendershot to review and discuss with Ms. Crawford.

CONSENT AGENDA

Motion by Hughes, seconded by Eckert to approve the Consent Agenda:

- 1. Approval of Minutes: January 13, 2020, Regular Meeting**
- 2. Appropriation Order 2020-01-23**
- 3. Consider Approval of Contract: Utility Line Locating Service, Integrity Locating Services, LLC**

Motion carried 4-0-0.

FORMAL COUNCIL ACTION

4. Oath of Office Andrea Hughes, City Council Member Elect

Item was deleted. (Councilmember Hughes took her oath at City Hall prior to the meeting.)

5. Consider Approval of Purchase: Vehicle for Public Works Department

The Public Works Director reported that staff previously submitted a budget request for \$50,000.00 and was approved to purchase a pre-owned dump truck for the Street Division. This unit would be added to the divisional fleet and provide field operational support for transporting materials and rock used for street repairs, construction, and re-construction. The City's largest single axle dump truck can haul approximately 7 tons of material at a time; tandem axle dump trucks can haul up to 12 tons of material or more which would allow more material to be hauled per load (which will also reduce additional costs for hauling material if purchased directly from a rock quarry or private trucking company) compared to using existing dump trucks.

Staff searched for used vehicles over the last several months and found a suitable unit that would meet the Public Works Department's needs. New tandem axle trucks can range anywhere from \$120,000.00 to \$150,000.00 or more depending upon options and specifications. This unit is currently located and owned by the City of Wellsville. It is a 2000 Sterling tandem axle dump truck with a Caterpillar Engine, Allison Automatic Transmission, and has 166,000 miles. This unit also comes equipped with up to date maintenance records, a salt spreader and snowplow (valued at over \$26,000 new). This truck was originally owned by the Kansas Department of Transportation and is in very good condition despite its age. The City of Wellsville has priced this vehicle at \$22,500.00.

Staff recommends the approval to pre-authorize the Director of Public Works to purchase the Pre-owned 2000 Sterling Dump Truck from the City of Wellsville for \$22,500.00.

Motion by Hughes, seconded by Eckert, to approve the one-time exemption to exceed the \$5,000 purchasing authority.

Motion carried 4-0-0.

6. Consider Approval of Purchase: Vehicle for Community Development Department

The Community Development Director reported that City staff reached out to Government Discount Pricing Dealers and requested bids for a new Jeep Renegade Latitude. Olathe Jeep, New Century Jeep (Paola) and Victory Jeep in Ottawa responded to the request for bids, Landmark Jeep did not. On December 18, 2019, the Governing Body approved the purchase of a vehicle from Victory Jeep in Ottawa, Kansas. When the City went to take possession of the vehicle, Victory informed the City, they would require 10-20 days to get the title to the City. The City Clerk said that the title agreement could not be signed without the City Legal approving it and the Governing Body (Mayor) would need to sign or approve signing the document. This stopped the purchase of the vehicle.

The 2005 Ford Escape has been on the “Needs Immediate Consideration” for several years. The 2005 vehicle has 111,000 miles with no air conditioning and the transmission needs an estimated \$1,200.00 in repairs. The interior roof liner has peeled away, a new fuel pump, alternator, and engine battery components have also recently been replaced in this vehicle. Victory Jeep, Ottawa has the low bid by 54 cents in the amount of \$22,165.00. Since the time of stopping the purchase, Community Development has contacted several of the dealerships and the same vehicle can be purchased for \$22,166.00 (rounded up). Staff would request approval to purchase a vehicle not to exceed cost of \$22,166.00.

Motion by Eckert, seconded by Hughes, to approve purchase of vehicle for Community Development Department.

Motion carried 4-0-0.

7. Consider Acceptance of Bid the Proposal: ALLO Communications

The City Administrator presented the same information from the December 18, 2019 and January 9, 2020 meeting. The item was tabled on January 9, 2020 due to confusion related to KORA and the non-disclosure agreement that accompanied the Broadband RFP. City Attorney, Frank Jenkins, provided clarification that KORA does pre-empt confidentiality in the non-disclosure agreement. The review committee’s recommendation continues to be that ALLO Communications proposal be selected as the top candidate to bring high-speed internet to the City of Spring Hill; the proposal be accepted, and staff directed to enter into contract negotiations. If this recommendation is accepted, it does not mean ALLO will be in the City tomorrow digging and putting in fiber. It means that the City will enter into contract negotiations that will come back before the Council at a future date.

Mr. Hendershot stated that due to social media traffic, he wanted to emphasize the proposal for ALLO does not create a municipal owned internet utility. Councilwoman Hughes added that the Broadband Task Force had a company come in and discuss the types of internet service a City could and couldn't own. When the task force reviewed the information and cost, they recommended that the City should not be in the internet business to the citizens. The Broadband Task Force recommended that the City should entice a company to come in and do competitive marketing in our area. Mr. Hendershot also stated the committee did focus the analysis on the submittals that could provide 1gb or higher; and that would provide full build out to residents and businesses in a reasonable amount of time.

Councilwoman Hughes stated that the recommended company, ALLO, is a multi-state provider who has a backbone that runs through Kansas City and they will have two points of connection and it will come into Spring Hill. ALLO will lay fiber in the ground between eight City facilities. The facilities are perfectly located in the center of the city, so they will take the middle mile approach. While the ground is open for ALLO to lay fiber for the City facilities, ALLO can lay additional bundles of fiber that can be stretched out and sold to the citizens. The City is currently leasing fiber that does not support the facilities and the current provider has indicated they cannot increase that speed. If ALLO lays fiber, the City will own their own fiber and can have companies come in to give competitive bids for service.

Councilman Owen voiced concerns related to the non-disclosure agreement and requested further clarification. It was his understanding that the non-disclosure agreement went out with the RFP, but he was unsure who decided the non-disclosure agreement needed to accompany the RFP. Mr. Hendershot stated it was decided the non-disclosure agreement would accompany the RFP as it was expected that companies could potentially be providing classified information relating to their businesses, such as technology and financial information. While this has not been the rule for the City, this is not an uncommon practice. The non-disclosure agreement was thoroughly reviewed and approved by the City's legal team prior to release.

Councilman Owen said he believes the Mayor made a great decision by starting the Broadband Task Force. It is his understanding there are two companies who are willing to go up to 1g and a third company that wants to come to town. A kick-off and welcoming party were held for this third company. Now the City wants to partner with another company and pay this other company \$350,000 tax dollars to connect the City buildings. These dollars are not directly benefiting the citizens, they are benefiting the City. According to his calculations that is seven years of leasing. There are possibilities in this time that the other companies will upgrade and speed up, and we could potentially lease better. Councilman Owen stated at this time he would not be supporting the broadband RFP or any project that spends tax dollars to connect City buildings.

Councilwoman Hughes stated that neither of the two companies in the City have upgraded to a gig. One of the companies has decided to not upgrade at all and the other did respond to the RFP indicating they will upgrade in the future, but they are not sure if it will happen in the next five years. It is also unclear what part of town they will do the upgrades. Councilwoman Hughes stated that if you kill this today, you have killed three years' worth of work and people are stuck with what they have for the existing future with no plan to make it better.

Councilman Graves added that when he, Owen and Hughes ran for Council, the number one thing they all agreed on is internet. It was his understanding the City wanted the big companies to come to town and were told no, as the City was not big enough. They now have an opportunity to at least start negotiations. He would like that it be remembered they all ran on this opportunity to bring better internet and the current options are not the answer. He believes this is killing the opportunity for businesses to come and for residents to move to Spring Hill.

Councilman Eckert voiced concern that a miracle mile will be put in and there would be more expense to build out from there. Mr. Hendershot indicated there would not be an additional cost to the City, the expense would be paid by ALLO.

Councilman Owen voiced concern that choosing a company would scare off competition. He would prefer to talk to other companies with this (RFP) gone. Councilwoman Hughes stated there are two incentives for other companies. If the company can provide 1gb service to the City and residents, their permitting fees will be waived. The only benefit being given to ALLO is while they have the ground open to lay fiber for the City, they can put in independent, extra connections, to re-sell to the citizens.

Councilman Graves stated that ALLO will build their hub in town and the citizens will have support locally, so ideally the residents aren't waiting days to get someone out to their home for an issue. Mr. Hendershot said these are things that can be worked into contract negotiations, so citizens are protected, and they have reasonable expectation of speedy repair or installation service, assuming ALLO is willing to have that in the contract.

Motion by Hughes, seconded by Graves, to approve acceptance of the proposal from ALLO Communications and direct City staff to enter contract negotiations.

Motion carried 3-1 (Owen) -0.

DISCUSSION

8. 2021 Budget Core Components

The Assistant City Administrator presented the proposal of a new budget process called Biennial budgeting. This process would not greatly change the current process other than look at the budget two years at a time. Biennial budgeting would allow the City to focus on long-range planning, consistent prioritization from year to year, reallocation of resources to program evaluation and communication of goals to the public. The results of this process can help develop a strategic plan for Spring Hill and will be able to see the impact in the Citizen Survey results. In year one, Administration, would present a two-year budget. The budget for the first year is formally adopted and the budget for the second year is conditionally approved. In year two, the budget is revised to adjust revenue estimated, changes in programs and is formally adopted. The budget process is broken into four phases (planning, development, review and adoption). There will be several discussion items and three work sessions scheduled during this budget process.

It was the consensus of the City Council to move forward with Biennial budgeting with the agreement of scheduling department work sessions.

9. Credit Card Fees

The Assistant City Administrator presented the proposal for implementing credit card acceptance fees in the amount of 2.5% per transaction for municipal court, planning permits and right-of-way permits. The City is currently charged a convenience fee for every credit card accepted. The City feels that in some aspects of business the fees should be assessed back to the cardholder, such as developer fees and municipal court fees. However, the City feels that certain payments such as utility billing, pet tags and aquatic center should not be assessed a fee as they are customers.

It was the consensus of the City Council to move forward with these credit card acceptance fees. The Assistant City Administrator will present the Council with a Fee Resolution at an upcoming meeting.

10. Right-of-Way Permit Fee Adjustments

The Public Works Director addressed the City Council about Right-of-Way permit fee adjustments. The established fees were based upon comparison and an average of surrounding communities. In December 2019 the City invited excavators to attend a formal presentation to announce the new Right-of-Way permitting program and discuss the permit application process. During this open forum one of the main items that excavators inquired about was the cost of the permit fee, which they felt may be higher than average of neighboring communities. Staff felt the City should re-evaluate these fees to ensure the City maintains the level on interest that is inline with our competing communities. Staff reviewed surrounding communities' fees for Right-of-Way permits and is requesting an adjustment of fees to \$100 for the first parcel, \$100 for the next 1000 feet and \$100 for each additional 1000 lineal feet.

It was the consensus of the City Council to approve the recommendation to adjustment the Right-of-Way permit fees. The Public Works Director and City Attorney will prepare an adjusted Permit Fee Resolution to present to Council.

ADJOURN

Motion by Hughes, seconded by Eckert, to adjourn.

The meeting adjourned at 9:14p.m.

/s/ Ashley Wood
Ashley Wood, Deputy City Clerk

Approved by the Governing Body on February 13, 2020.