

MINUTES
SPECIAL CITY COMMISSION MEETING
TUESDAY, JUNE 22, 2010
5:00 P.M.

The Special Meeting of the City Commission was held at 5:00 p.m. in the City Commission Room. Mayor Bruce Snead and Commissioners James E. Sherow, Loren J. Pepperd, Jayme Morris-Hardeman, and Bob Strawn were present. Also present were the City Manager Ron R. Fehr, Assistant City Manager Jason Hilgers, Assistant City Manager Lauren Palmer, City Attorney Bill Frost, City Clerk Gary S. Fees, 10 staff, and approximately 25 interested citizens.

PLEDGE OF ALLEGIANCE

Mayor Snead led the Commission in the Pledge of Allegiance.

SPECIAL MEETING

RESOLUTION NO. 062210-A – ISSUE GENERAL OBLIGATION BONDS - PARKING GARAGE (PG0901), 3RD STREET INFRASTRUCTURE (ST0909), AND CONFERENCE CENTER (CC0901)

Jason Hilgers, Assistant City Manager/Redevelopment Coordinator, presented an overview on the item, including the landscape and streetscape components. He requested that the Commission consider providing an opportunity to negotiate with local contractors for the landscaping and irrigation system by amending the proposed motion in the memorandum. He then responded to questions from the Commission regarding the Third Street improvements, parking garage, conference center, project costs, and financing.

Ron Fehr, City Manager, provided additional information on the project and on the associated street elevation and intersection projects.

Jason Hilgers, Assistant City Manager/Redevelopment Coordinator, responded to questions from the Commission on the presented costs and the initial projected costs for the parking garage.

SPECIAL MEETING (CONTINUED)

RESOLUTION NO. 062210-A – ISSUE GENERAL OBLIGATION BONDS - PARKING GARAGE (PG0901), 3RD STREET INFRASTRUCTURE (ST0909), AND CONFERENCE CENTER (CC0901) (CONTINUED)

Rick Huffman, Managing Member, HCW-Manhattan, LLC, presented background information on the item and provided a breakdown on the bids received on the South End Redevelopment Project, including a summary of items for the parking garage, conference center, and Third Street improvements. He then responded to questions from the Commission regarding hotel financing, construction timeframe, local preference for sub-contractors for the landscape and streetscape, use of higher quality items, and hotel operations.

Bill Killian, Killian Construction, informed the Commission that he was pleased to be building this project and provided additional information about his business and past projects that his firm has constructed. He then introduced members of his team.

Rick Huffman, Managing Member, HCW-Manhattan, LLC, responded to questions from the Commission regarding the project construction period and stated that there will be contingencies to address potential project change orders.

Jason Hilgers, Assistant City Manager/Redevelopment Coordinator, provided clarification on the conference center costs, STAR Bonds, and investments from the City and State.

Rick Huffman, Managing Member, HCW-Manhattan, LLC, responded to questions from the Commission on the total construction costs for the Hilton Garden Inn.

Ron Fehr, City Manager, and Jason Hilgers, Assistant City Manager/Redevelopment Coordinator, provided additional information about future expansion opportunities for the hotel and on the annual audit to be provided to the State.

After discussion, Mayor Snead moved to concur with bids on the conference center (CC0901), parking garage (PG0901), and 3rd Street improvements (ST0909) and authorize HCW, LLC, of Branson, Missouri, to finalize contracts for construction with Killian Construction, of Springfield, Missouri; authorize negotiations with local companies for Third Street and associated landscaping and streetscaping; and, approve Resolution No. 062210-A to issue general obligation bonds for the City's portion of the parking garage. Commissioner Pepperd seconded the motion.

After additional discussion by the Commission, on a roll call vote, motion carried 5-0.

SPECIAL MEETING (*CONTINUED*)

ORDINANCE NO. 6830 – AMEND – 2009 STANDARD TRAFFIC ORDINANCE, SEATBELTS, AND WIRELESS COMMUNICATION

Katharine Jackson, Assistant City Manager, provided an overview on the item and clarified changes made to the ordinance. She then responded to questions from the Commission on the definition of a hands-free device.

Ron Fehr, City Manager, provided updated information on the proposed signage to be used and responded to comments by the Commission regarding the continual education efforts that will be needed.

After discussion, Commissioner Sherow moved to approve Ordinance No. 6830 amending the provisions of the 2009 Standard Traffic Ordinance for Kansas Cities relating to the use of seat belts and wireless communication devices. Commissioner Strawn seconded the motion. On a roll call vote, motion carried 4-1, with Commissioner Pepperd voting against the motion.

AGREEMENT – ENGINEERING SERVICES; AWARD CONTRACT - BROWNING AVENUE AND DICKENS AVENUE STORM WATER IMPROVEMENTS, PHASE 1 (SM1004)

Commissioner Strawn stated that he would be abstaining from the item.

Dale Houdeshell, Director of Public Works, presented the item. He then responded to questions from the Commission regarding the project, procedure used for the agreement, bids received, and water detention plans. He stated that a policy and process for non-benefit district developments would be established.

Mark Bachamp, Schultz Construction, provided additional information on the Westport Commons, Unit Two, and Browning Avenue project. He then responded to questions from the Commission about the timing of the project and when the item was brought to the attention of City Staff.

Dale Houdeshell, Director of Public Works, provided additional information on the item and timeframe.

Ron Fehr, City Manager, informed the Commission that he was made aware of this item late in the process, but was satisfied with the outcome of the project. He recognized the shortcomings in the process utilized for this project and voiced a commitment to ensure that the policy is followed so that this does not happen again.

Tim Schultz, Schultz Construction, provided additional information on the need for storm water improvements in this area and on the importance of the timeliness of the project.

SPECIAL MEETING (*CONTINUED*)

AGREEMENT – ENGINEERING SERVICES; AWARD CONTRACT - BROWNING AVENUE AND DICKENS AVENUE STORM WATER IMPROVEMENTS, PHASE 1 (SM1004) (*CONTINUED*)

After additional discussion by the Commission, Commissioner Sherow moved to accept the Engineer's Estimate in the amount of \$141,595.00; award a construction contract to J and K Contracting, L.C., of Junction City, Kansas, in the amount of \$141,496.01; and authorize the execution a professional services agreement with BG Consultants, Inc., of Manhattan, Kansas, in the amount of \$17,142.00 for the Browning Avenue and Dickens Avenue Storm Water Improvements Project (SM1004). Commissioner Morris-Hardeman seconded the motion. On a roll call vote, motion carried 4-0.

WORK SESSION

OUTSIDE AGENCY REQUESTS - 2011 FUNDING

Emily Campbell, Budget Officer, presented an overview of the proposed 2011 City Budget, the proposed mill levy for 2011, property tax impact based on a \$220,000 home, bond and interest property tax distribution, summary of outside agency requests, and the 2011 Budget considerations for outside agencies. She then responded to questions from the Commission regarding the Bond and Interest Fund and the proposed personnel increases.

Ron Fehr, City Manager, and Dale Houdeshell, Director of Public Works, responded to questions from the Commission on new utility positions proposed in the 2011 Budget.

Fred Atchison, Director, Manhattan Public Library, and Tom Giller, Vice Chair, Manhattan Public Library Board of Directors, provided an overview of Library services available and responded to questions from the Commission.

Penny Alonso, Treasurer, Manhattan Arts Center (MAC), provided an update on the events, activities, and fundraisers at the MAC.

Deanna Hall, President, Board of Directors, Manhattan-Riley County Crime Stoppers, and Brian Swearingen, Riley County Police Department, provided an overview of the role of Crime Stoppers and results in the community. Mr. Swearingen then responded to questions from the Commission.

WORK SESSION (*CONTINUED*)

OUTSIDE AGENCY REQUESTS - 2011 FUNDING (*CONTINUED*)

Cindy Bontrager and Mark Taussig, representing Kansas State University and the City/University Fund, presented an overview of the City/University projects planned for 2011. Ms. Bontrager then responded to questions from the Commission regarding the proposed visitor's center, transportation allocation, annual appropriations amount, and the Athletic Department's participation.

Bernie Hayen, Director of Finance, provided additional information on the sales tax collected on campus.

Gina Scroggs, Executive Director, Downtown Manhattan Inc. (DMI), provided information about DMI and requested \$40,000.00 towards its standard operating and program expenses, with an additional \$5,000.00 for the purposes of helping to offset the costs to expand the design services into the periphery of the Downtown Business Improvement District. She then responded to questions from the Commission.

Commissioner Morris-Hardeman recused herself on Special Alcohol and Social Services funding recommendations.

Elaine Johannes, Chair, Special Alcohol Funds Committee, presented an overview of the Special Alcohol Fund and the Committee's 2011 allocation report and funding recommendations. She then responded to questions from the Commission regarding funding for Pawnee Mental Health, Fake St. Patty's Day event, and if there were any requests from other agencies.

Ron Fehr, City Manager, and Pam Jager, Budget and Audit Analyst, Staff Liaison, provided additional information on the tax revenue used to fund these agencies.

The Commission took a brief recess.

Debbie Madsen, Chair, Social Services Advisory Board, presented the 2011 proposed allocation and funding recommendations. She then responded to questions from the Commission.

Anne Smith, Flint Hills Area Transportation Agency, requested funds for the 2011 Budget from the City and responded to questions from the Commission.

2010 CHAMBER OF COMMERCE MID-YEAR REPORTS AND 2011 BUDGET REQUESTS

Lyle Butler, President, Manhattan Area Chamber of Commerce, introduced and provided an overview of the Manhattan Area Chamber of Commerce mid-year report and 2011 Budget requests.

WORK SESSION (CONTINUED)

2010 CHAMBER OF COMMERCE MID-YEAR REPORTS AND 2011 BUDGET REQUESTS (CONTINUED)

Karen Hibbard, Director, Manhattan Convention and Visitors Bureau, provided an update on the Convention and Visitors Bureau guest tax, 2010 projects, and Manhattan's growth. She then responded to questions from the Commission regarding the transient guest tax use and marketing plans for the Flint Hills Discovery Center.

John Pagen, Vice President for Economic Development, Manhattan Area Chamber of Commerce, presented an overview and update on Advantage Manhattan and economic development activities and initiatives.

Bevin Landrum, Military Relations Manager, Manhattan Area Chamber of Commerce, presented an overview of the investment made and activities programmed to strengthen military relations with Fort Riley. She then responded to questions from the Commission.

Kristin Holt, Member Services Manager, Manhattan Area Chamber of Commerce, presented an overview and update on the Manhattan 24/7 campaign and survey results.

Lyle Butler, President, Manhattan Area Chamber of Commerce, responded to questions from the Commission on the Chamber audit.

Bernie Hayen, Director of Finance, and Ron Fehr, City Manager, responded to questions from the Commission regarding the Chamber's audit and availability.

Ron Fehr, City Manager, informed the Commission that the next Budget Work Session was scheduled for July 13, 2010, and a public hearing for the 2011 Budget was planned for August 3, 2010. He stated that a six month update analysis, focusing on financial aspects would be provided.

After discussion by the Commission, Mayor Snead thanked the outside agencies for their great work and presentations. He encouraged the Commissioners to send Budget questions to City Staff.

ADJOURNMENT

At 10:27 p.m., the Commission adjourned.



Gary S. Fees, MMC, City Clerk