

The El Dorado City Commission met in a regular session on November 17, 2014 at 7:00 p.m. in the Commission Room with the following present: Mayor Michael Fagg, Commissioner Chase Locke, Commissioner Bill Young, Commissioner Nick Badwey, Assistant City Engineer Scott Rickard, and City Clerk Tabitha Sharp. Absent: Commissioner David Chapin and City Attorney Jim Murfin.

VISITORS

Julie Clements	El Dorado Times	El Dorado, KS
Gayl and Bob Reed		
Rodney and Gaylene Reed	412 N Taylor	El Dorado, KS
David and Deb Wilson		El Dorado, KS
John Wilson		El Dorado, KS
Linda Jolly	El Dorado Inc.	El Dorado, KS
James Powell	323 W Carr	El Dorado, KS
James Cook	719 Fredrick Dr	El Dorado, KS
Gay Crosley	415 Post Rd	El Dorado, KS
Diane Kriwiel	530 Prairie Rd	El Dorado, KS
Allen and Amanda Stalnaker	1155 S Emporia	El Dorado, KS
Sarah Hagen	701 S Sunset	El Dorado, KS
Steve and Rosie Moody	El Dorado Fire Department	El Dorado, KS
Tony Yaghjian	El Dorado Fire Department	El Dorado, KS
Derek Stover	El Dorado Fire Department	El Dorado, KS
Jesse Cross	El Dorado Fire Department	El Dorado, KS
Caleb Fistler	El Dorado Fire Department	El Dorado, KS
Derick Boggs	El Dorado Fire Department	El Dorado, KS

CALL TO ORDER

Mayor Michael Fagg called the November 17, 2014 meeting to order.

INVOCATION

Mayor Michael Fagg opened the meeting with an invocation.

PLEDGE OF ALLEGIANCE

Ms. Shum’s 3rd Grade Class from Grandview Elementary led the Pledge of Allegiance.

EMPLOYEE SERVICE AWARDS

Department Heads presented the following employees with service awards:

- 10 Year Award – Sarah Hagen – Engineering
- 15 Year Award – Amanda Stalnaker – Engineering
- 20 Year Award – Rodney Reed – Fire Reserves
- 25 Year Award – David Wilson & John Wilson – Fire Reserves.

PERSONAL APPEARANCE

Linda Jolly, Director of El Dorado Inc., presented a report on targeted businesses. She stated that El Dorado Inc. began efforts in 2012 to reach out to local groups regarding their wishes for business development in El Dorado.

Ms. Jolly stated that the survey showed petrochemical companies as the most important. Warehousing and intermodal businesses were also shown to be a good fit due to the location of rail service. The group also wanted to look at medical or aircraft production in the future as well as natural gas businesses. She stated that the second tier of interest was in alternative energy, high tech business and heavy manufacturing. The bottom tier showed alcoholic beverage bottling, canning and meat processing as potential businesses.

Ms. Jolly reviewed items that were believed to be required in order to get these businesses. These included a skilled labor force, plentiful utility resources, amenities such as the YMCA, and a local hospital.

Commissioner Bill Young asked about the high tech business ranking.

Ms. Jolly stated she thought that they do not feel we have the infrastructure to support high tech businesses.

City Manager Herb Llewellyn stated that there was no internet access north of the train tracks.

Scott Rickard, Assistant City Engineer, stated that they struggle with the larger providers feeling that El Dorado is not a good investment.

City Manager Llewellyn stated that we could not justify the cost that AT&T wanted for installing their service.

Commissioner Young asked if we had talked to Kansas Fiber Network about using their service on the turnpike.

City Manager Llewellyn stated that they have spoken to the Kansas Turnpike Association about branching off of their system, but they were not interested at the time.

Commissioner Nick Badwey stated that things have changed in the Turnpike Association and that they might consider it now.

City Manager Llewellyn stated that they have talked to Kansas Fiber Network in the past when looking at options.

Commissioner Young stated that everything today is dependent upon those connections and that if it is a roadblock to recruiting new business, we might need to address it.

City Manager Llewellyn stated that when we have the ability to hit off of our own towers, we may provide the backup for these larger companies.

Ms. Jolly stated that another consideration is access to rail. She stated that we might need to do the work so that it could be extended to new business quickly.

Commissioner Chase Locke stated that we needed to be creative in our recruitment of other types of business. He stated that he read about a temporary production spot for commercials and videos located between New York and L.A.

City Manager Llewellyn stated that the businesses that have opened since he came to El Dorado have all been because of relationships to the city.

Commissioner Locke stated that we could certainly do what we can to recruit industry within reason.

Commissioner Young asked what our process is for recruiting and how do we think outside of the box.

City Manager Llewellyn stated he felt it was all about connections. He stated that we have to get employees to serve those businesses and figure out what we need to do to get them.

Ms. Jolly stated that it is about relationships. She stated that in order for El Dorado Inc. to help a company, the company must go to them. She encouraged people who have these relationships to communicate that to businesses. She stated that if we have the components that those industries need, we have a chance because we are a user friendly community.

Commissioner Locke stated that he thought that it was ok to recruit mobile businesses like the production group that attracts people to our town on a continual basis.

Commissioner Young asked about the requirement that the business contacts Inc. directly.

Ms. Jolly stated that in order to be eligible for State funding, the business has to contact Inc. and Inc. has to tell the community that the company is leaving. Once that has been done, then they can move forward with the recruitment process.

Commissioner Young asked how often they go to tradeshow to try and recruit businesses.

Ms. Jolly stated that she goes once per year, they can go more if we invest more in that effort. She stated that Hutchinson recently invested \$5 million in a project to recruit businesses over five years. That money supported staffing and incentives.

Commissioner Locke asked what we are doing to target small business. He stated that he saw a special on a town in Texas that got one artist to come and then more followed. They are now known for that.

Ms. Jolly stated that we need to encourage businesses that are going to be successful. She stated that it is important to work with these people up front so that they do not fail.

Mayor Michael Fagg asked Ms. Jolly believed we are above average in our economic development efforts.

Ms. Jolly stated that the City has definitely done their part by dedicating funds and staffing to El Dorado Inc.

Mayor Fagg asked how many commercial lots were available around town.

Ms. Jolly stated that there were 20 acres in the business office park, 74 in the industrial side of the office park and 30 acres in the industrial park. She stated that there is property along 6th Street and another 100 acres west of town.

Mayor Fagg asked about the number of lots in the business park.

Ms. Jolly stated that they are different sizes. She stated that the front 24 acres were platted and had streets, water and sewer service, there were 15 lots available there of varying size.

Mayor Fagg asked if we had picked up any business from out of state.

Ms. Jolly stated one of the first businesses she picked up was Curbs Plus and they were from out of state. She stated that we are currently working on a project that would be from out of state as well. She stated that Valmont did not have a Kansas presence when they came.

Mayor Fagg asked how many jobs were in the El Dorado area.

Ms. Jolly stated that she could get that information.

Mayor Fagg stated that he felt there were a lot of jobs in the area and he wanted to know where those individuals were living.

City Manager Llewellyn stated that the city has done that survey. He stated that the results showed that the workers do not live here because there is no housing here.

Commissioner Young concurred that the response was that there was no housing.

Ms. Jolly stated that they reviewed employees at USD 490, the college, SBA and the refinery for that survey.

Commissioner Locke stated that if Ms. Jolly needed an elected official to attend meetings, he would be happy to help.

Commissioner Young agreed.

Mayor Fagg confirmed that the reason businesses have to contact Inc. directly was because of the competition between cities.

Ms. Jolly stated that he was correct, we try to give other communities the same consideration that we would like to have regarding existing businesses.

PUBLIC COMMENT

Mayor Michael Fagg opened the floor for public comments.

James Powell, 323 W Carr, stated he would like to support the neighborhood revitalization program renewal before the City Commission this evening.

Mr. Powell also stated that he disagreed with Ms. Jolly's assessment of the high tech industry. He stated that it is a huge opportunity that we are missing.

City Manager Herb Llewellyn stated that while our base is definitely in petroleum, the future is definitely technology and other businesses that are outside the box.

Mayor Michael Fagg asked for the Chamber to come and discuss the top five businesses that we need to recruit in El Dorado.

City Manager Llewellyn stated that he would contact them.

CONSENT AGENDA

Approval of the City Commission minutes, November 3, 2014.

Commissioner Bill Young moved that the Consent Agenda, as presented, be approved.

Commissioner Chase Locke seconded the motion.

Motion carried 5 – 0.

NEIGHBORHOOD REVITALIZATION PROGRAM (NRP) EXPIRATION

Scott Rickard, Assistant City Engineer, stated that staff have brought the draft of the neighborhood revitalization plan and are asking the Commission to execute the plan and allow us to move forward with the discussions with the other taxing entities.

Mr. Rickard reviewed the elements of the proposed plan. Residential properties constructed prior to 1970 will be eligible for a rebate up to 10 years. New residential properties on infill land will be eligible for a 10 year rebate up to a maximum of \$175,000. New residential properties in the new subdivisions would be eligible for a 5 year rebate up to \$175,000. The subdivision portion of the plan would expire in one year.

Mr. Rickard stated that commercial properties in blighted or condemned areas or that are eligible for grant opportunities would be eligible for tax rebates.

Mr. Rickard stated that the plan has been sent to the other taxing entities. He stated that he and Ms. Jolly were able to meet with the Board of Trustees at the college. He stated that they had reservations on the new housing rebates and the lack of cap on non-residential properties.

Mr. Rickard stated that if the plan is approved, they will meet with the College Trustees, USD 375, USD 490 and the County to ask them to enter into an agreement.

Commissioner Bill Young asked about the meetings with the college and the school districts.

Mr. Rickard stated that he and Ms. Jolly had reviewed the plan at a meeting and excused themselves when they believed the discussion was over. After they left, discussion continued and it became apparent that they were concerned with the new residential properties.

Commissioner Nick Badwey asked how many years the NRP had been in El Dorado.

Mr. Rickard stated that it had been in place since 1996.

Commissioner Badwey asked if it had been basically the same in those years.

Mr. Rickard stated that they have added areas to the program throughout the years.

City Manager Herb Llewellyn stated that the change in the plan is that now the program is available all over town.

Commissioner Young confirmed that the five year rebate on new construction is not a new part of the plan.

City Manager Llewellyn stated he was correct. He stated that the additions to the plan have been made in reaction of the Commission by the lack of building projects.

Commissioner Badwey confirmed that the two reservations that the College Board has are things that we haven't changed.

Mr. Rickard stated that he was correct.

Commissioner Badwey confirmed that the plan is reviewed every year.

Mr. Rickard stated that it is reviewed approximately every three years. He stated that the new housing recommendations were reviewed every year until two years ago. He stated that all of the taxing entities have signed it each time.

Commissioner Badwey asked if the other entities had issues with the plan.

Mr. Rickard stated that they have not met with the others. He stated that they knew about a possible conflict on the Board of Trustees and decided to get in front of it early.

Commissioner Badwey stated he did not understand the reluctance to pass the plan. He stated he felt it had been successful.

Mr. Rickard stated that we showed success when the plan was revised in 2009 and typically show success each time the plan is revised. New housing has dropped off in the last few years because there was no space in the existing subdivisions.

Commissioner Badwey stated that our subdivisions have been full. He stated that it would be a shame if they could not fill the two new subdivisions. He stated that he felt we have worked with the College on several projects and it would be a shame if they couldn't support us.

Commissioner Young stated that we have had a good relationship with the College. He stated he did not understand the sudden change with their board.

City Manager Llewellyn stated that this program in other areas has become political and a drive for business development as opposed to residential development.

Commissioner Badwey stated that it has always been his understanding that the best way to lower taxes is to increase the tax base.

Mayor Michael Fagg stated he thought that the County would not vote in favor of this.

City Manager Llewellyn stated that he could see a "no" vote from the same city that opposed it on the College Board.

Mayor Fagg stated that he felt when you give repeatedly, they expect it and it does not encourage growth any more. He stated that we needed the group that helped Hutchinson come work with us on housing.

Mayor Fagg asked why the program was going to be longer this time.

Mr. Rickard stated that it had always been a three year program. He stated that the only portion of the plan that has decreased is new home construction. He stated that those reinvesting in existing properties have still been going on.

Mayor Fagg stated he would like to shorten the program and then discuss it with the other group.

Mr. Rickard stated that is why he put the new housing in for only a year. He stated that the plan could be revised at any time.

City Manager Llewellyn stated that this has been a consistent plan since the housing market experienced a crash.

Mr. Rickard stated that staff are trying to get a consistent plan to make things easier for administration.

City Manager Llewellyn stated that they are also trying to create an environment that businesses can plan in.

Mayor Fagg stated that we would know what the new developments were doing in two years.

City Manager Llewellyn asked how that would affect the plan.

Mayor Fagg stated we would know if there were any new homes in that time. He stated he was not against the program, he would just like to shorten it so we have more flexibility in the future.

Mr. Rickard stated that the core of this program is reinvestment in existing structures and the infill.

Commissioner Chase Locke asked if it would be to our benefit to follow up with more conversations.

City Manager Llewellyn stated that they are meeting again on the 9th of December. He stated that Commissioners could talk to them then.

Mr. Rickard stated that the City Commission should do what is in the best interest of El Dorado.

Commissioner Badwey asked if the City Commission could act on it and show their support and then go talk to the other entities.

Mayor Fagg stated he did not want to give new tax money to the other entities if they were not supporting it by taking less in taxes over the course of the program.

City Manager Llewellyn stated that it was something granted by the State of Kansas.

Mayor Fagg stated that it would be less effective if we were the only entity participating.

Commissioner Young agreed, he stated that it would not be effective at all if we did not do anything.

Mayor Fagg asked if it could be changed to two years.

Commissioner Badwey stated that it could be revised at any point.

Mayor Fagg asked if there were any applications turned in to the City Manager's office for consideration on the dilapidated properties.

City Manager Llewellyn stated that he hadn't received very many.

Mr. Rickard stated that it was a good idea to have it as part of the plan because it had been used when there were fires at different properties.

Mayor Fagg asked if the City Manager could review the application and then send it to the Commission for approval.

Commissioner Young stated that he didn't think the Commission needed to be involved on that level.

City Manager Llewellyn stated that past Commissions did not want to see condemnations and so they weren't done.

Commissioner Bill Young moved to approve Resolution 2748, a resolution authorizing and directing the Mayor to execute an interlocal agreement with the Butler County Board of County Commissioners, Butler Community College, Unified School District #490, and Unified School District #375, to extend the Neighborhood Revitalization Program.

Commissioner Nick Badwey seconded the motion.

Mayor Fagg stated that he didn't like the four year plan and that he wanted all of the entities to participate.

Commissioner Young stated that if one of those entities decided they did not want to help, it is still the job of the Commission to help the community develop.

Commissioner Badwey stated that we should drive the program.

Mayor Fagg stated he thought people will be building without the program. He stated that it is not fair to give those people a free ride and make others pay the tax.

Commissioner Young reiterated that the only portion that was four years was the infill. He stated that the new construction is up for reconsideration in one year.

Motion carried 3 – 1 (Mayor Fagg opposed).

DISCUSSION REGARDING SPEC HOUSING PROGRAM

City Manager Herb Llewellyn stated that at the last meeting, the City Commission reviewed information regarding adding two homes to the El Dorado Inc. Spec Housing Program.

Linda Jolly, El Dorado Inc. Director, stated that the Spec Housing Program provides the builder with an interest rebate to the developer up to \$10,000 after the home is on the market six months. It also provides for reimbursement of special assessments of up to \$150 per month for up to a year.

Ms. Jolly stated that the exposure on each home would be \$11,800. She stated that the City Commission and El Dorado Inc. each have a commitment currently of \$23,600 and they are asking to increase that commitment to \$30,000. She stated that thus far, there have been no payments made and that there would only be a payment if the home didn't sell within the 6 month period.

Commissioner Bill Young confirmed that there had been no cost yet.

Ms. Jolly stated that he was correct. The first house that was approved sold within the first six months. She stated that Newton did the program and only had to pay one time.

Commissioner Nick Badwey asked if there were applications pending.

Ms. Jolly stated that there were.

Commissioner Badwey confirmed that there were no applications from Ted Farmer's addition.

Ms. Jolly stated that he was correct. She stated that one applicant has backed out, so there is a space for Mr. Farmer to place a home in the program.

Commissioner Chase Locke stated he was in support of the program.

Commissioner Young clarified that the new spots were not reserved for any certain development.

Ms. Jolly stated that he was correct. She stated that the applications contain three in new subdivisions and two in existing subdivisions.

Mayor Fagg asked what the tax payer has put in to the development thus far.

Scott Rickard, Assistant City Engineer, stated that the City of El Dorado has always extended water mains and stormwater to every new residence as far back as they can tell. He stated that sanitary sewer is the sole responsibility of the development or customer. He stated that the development pays for a standard residential street, the city pays the costs of intersections and non-standard streets.

Mr. Rickard stated that if the city sees the opportunity for future growth, the city pays for anything out of the ordinary like a larger sewer main or a nonstandard street.

Mayor Fagg asked if El Dorado Inc. still gives a \$5,000 incentives to new residents.

Ms. Jolly stated that they do not.

Mr. Rickard stated that a new home typically pays \$100-\$150 in specials per month. He stated that these programs allow us to reduce some of the other costs for those people and encourage building.

Mayor Fagg confirmed that the specials include sewer and streets.

Mr. Rickard stated that it did.

Mayor Fagg asked if we could put an expiration date on it.

City Manager Llewellyn stated that there is a limit on the money, not the time.

Mayor Fagg stated he felt that the City is paying $\frac{3}{4}$ of the cost because the city matches El Dorado Inc. funds and then they are asking us to match this program. He stated that he felt El Dorado Inc. should put the money up for the extra houses.

City Manager Llewellyn stated that he thought it was the same thing as the College telling us no on the NRP.

Commissioner Chase Locke stated he felt if this program helps progress, he was not opposed to it.

Commissioner Badwey stated that it is a relatively small amount of money.

Mayor Fagg stated that he felt there should be a waiting list and that might encourage more people to build.

Commissioner Badwey stated that they have discussed the shortage in housing and this program is trying to solve that issue for a relatively small amount of money.

Mayor Fagg stated that he was around when the lots in the Griler addition were developed and those were never sold and are now up for auction in the County tax sale. He stated that we should limit our risk to four.

Ms. Jolly clarified that they are only asking to approve the \$30,000, not the number of homes. She stated that based on special assessments, they might have to adjust their commitment.

Mayor Fagg stated that we needed to consider homes that are for sale.

Ms. Jolly stated that the program is for spec housing, so it would not affect individual builders.

Mayor Fagg stated he felt that subsidizing one side was hurting the individuals building.

City Manager Llewellyn stated that if homes are priced right, they will sell.

Mayor Fagg asked if it existed anywhere else in Kansas.

Ms. Jolly stated that Newton does.

Commissioner Chase Locke moved to increase the committed funds in the spec housing program from \$23,600 to \$30,000 in order to assist El Dorado Inc.

Commissioner Bill Young seconded the motion.

Motion carried 3 – 1 (Mayor Fagg opposed).

UPDATE ON TOWANDA AVENUE

Assistant City Engineer Scott Rickard stated that they reviewed the plans with the project consultant. He stated that the plans were about 90% complete. He stated that fortunately there aren't a lot of utilities to be relocated.

Mr. Rickard stated that we will be within budget at this point.

Mr. Rickard stated that they were looking at a way to get pedestrians across Constant Creek without increasing the cost. They have been able to narrow the road over the bridge to accommodate a 6 foot pedestrian path on the north side of the box culvert.

Mr. Rickard stated that they have spent a lot of time on drainage. He stated that it is more difficult near Graham Park because the drainage basin is so large.

Mr. Rickard stated that they are on track for a January letting and to bring it in front of the Commission for approval to begin construction in late February.

Mayor Michael Fagg asked if there was a chance for the price to come in lower due to the decrease in fuel.

Mr. Rickard stated that there is always a chance, but they have not seen a decrease in asphalt oils. He stated that we have been fortunate to get good prices and that it was good that we are doing the project earlier in the year.

NEW BUSINESS

Commissioner Nick Badwey wished the citizens Happy Thanksgiving.

Commissioner Badwey asked when the new dog ordinance was in effect.

City Clerk Tabitha Sharp stated that it was in effect on the first Monday of November. Citizens can contact the animal shelter for an application if they need it.

Commissioner Badwey stated that he attended the Bradford Library Sloppy Joe benefit and that it was a good event.

Commissioner Chase Locke congratulated the high school on their production over the weekend and thanked the community for their support.

Commissioner Locke stated that we needed to emphasize the good things happening in our school district as a part of the housing efforts.

City Manager Herb Llewellyn stated that it was important to tell our story and promote our community.

Commissioner Bill Young asked if a work session had been planned for the Comprehensive plan review.

City Manager Llewellyn stated that he had planned on early February so that we did not have to work around the holidays.

Commissioner Young congratulated the employees who received service awards and thanked all of the employees for their hard work.

Commissioner Young asked for an update on city holidays.

City Manager Llewellyn stated that we are off two days for Thanksgiving, one for Christmas, we traditionally let hourly employees go early for Christmas Eve.

Commissioner Young asked if we would be open on Friday after Christmas.

City Manager Llewellyn stated that it was up to the Commission. He stated that they have traditionally cancelled the second meeting in December and the first in January as well.

Commissioner Young asked if now was the time to discuss it being closed.

City Manager Llewellyn stated that they had time if they wanted to wait.

Commissioner Locke stated he would be in favor of closing on the day after Christmas.

Commissioners Young and Badwey also supported being closed that day.

Commissioner Young pointed out that there are several items that need to be discussed at the first meeting; he asked if they would be holding the second meeting.

City Manager Llewellyn stated that if something came up and it was necessary, they could schedule a special meeting if the second meeting was cancelled.

Commissioner Young stated that he thought he would be out of town for the second meeting.

Commissioner Locke stated that he was fine with tentatively cancelling it.

Mayor Michael Fagg stated that he felt it was agenda driven.

Mayor Fagg stated that he was also at the Library sloppy joe dinner and it was a great event. He stated that the community should be very proud of the library board and their efforts on the remodel.

Mayor Fagg asked if there was a survey done on the home lumber building before purchase. He stated that it was connected to another building.

Scott Rickard, Assistant City Engineer, stated that the wall had been blocked up and was no longer open.

Mayor Fagg stated he was concerned about finding out that the other portion of the building was on our property at some point in the future.

Mr. Rickard stated that the descriptions are very cumbersome and that the lots there were small because of how the area was platted back when the building was built.

City Manager Llewellyn stated that he did not remember if they had done a survey.

Mr. Rickard stated that it was well established.

Mayor Fagg stated that he thought there might be mold on the brick wall on the north towards the bottom.

Mr. Rickard stated that a structural engineer from Wichita walked through the building with us and wasn't concerned. He stated that the building official has also been through the building several times and is not concerned. He stated that the issues were typical with a structure that age.

Mayor Fagg asked about plans for remodeling the community market.

City Manager Llewellyn stated that there is a project with some money and they are going to apply for grant money as well.

Mayor Fagg stated he was also concerned about renting the space to the college for classes. He did not want us to take the opportunity from someone else.

City Manager Llewellyn stated that if they received the grant to build a commercial kitchen, they could discuss the opportunity with the college, but it would not interfere with our activities. He stated that they currently rent from the City of Wichita and this would be an opportunity to bring them back.

Mayor Fagg asked if there was another space for them.

City Manager Llewellyn stated that they tried to stay when they went to Wichita and did not find one.

Commissioner Locke stated he felt it was a good use of the space, especially with the opportunity for the grant, and as long as it did not interfere with our vision for the building, he was ok with it.

CITY MANAGER'S REPORT

City Manager Herb Llewellyn stated that there are currently no applications for pit bulls within the city.

City Manager Llewellyn stated that the city does not normally get out until there is more than two inches of snow. He stated that by the time it stopped snowing late Sunday morning

City Manager Llewellyn stated that normally we pretreat all primaries and secondaries and this time we only pretreated bridges. He stated that it was a mistake that will not be repeated.

City Manager Llewellyn stated that it is our expectation that streets would be cleared, and that this will not happen again.

Mayor Fagg asked if we could have the February work session on a Saturday morning.

City Manager Llewellyn stated that they could.

Commissioner Young agreed.

ADJOURNMENT

Commissioner Bill Young moved to adjourn the meeting at 9:31 p.m.

Commissioner Nick Badwey seconded the motion.

Motion carried 4 – 0.

City Clerk Tabitha D. Sharp

Mayor Michael A. Fagg