

CITY OF OSAGE CITY
COUNCIL MEETING
May 10, 2022

ROLL CALL: Now on this 10th day of May 2022, the Governing Body of the City of Osage City, Kansas, met at the Osage City Council Chamber in said City. The following members being present and participating to wit were Mayor: James Peterson. Council Members: Cathryn Houghton, Brian Stromgren, Bruce Schoepflin, Karey Heiserman, Jeff Tice, Mike Gilliland, Sharon Larson and Jeanette Swarts. Officials present: Rick Godderz, City Attorney; Rod Willis, City Manager; Katie Hodge, Deputy City Manager/City Treasurer; Terri Fultz, City Clerk; Dale Schwieger, Utility Director and Sadie Boos, Deputy City Clerk. Others present: Eric Tincher, John Terry and Craig Croucher

APPROVAL OF THE AGENDA:

Motion made by Heiserman, second by Schoepflin to approve the agenda. The motion was declared carried.

RECOGNITION OF VISITORS: None

APPROVAL OF THE CONSENT AGENDA:

1. Approval of April 26, 2022 Regular Meeting Minutes

Motion made by Schoepflin, second by Heiserman to approve the consent agenda. The motion was declared carried.

BUSINESS BEFORE THE COUNCIL:

- 1. Flint Hills Trail project bid letting is August 2022 with \$1,000,000 KDOT Transportation Alternatives (TA) funding plus \$250,000 Osage City Local Match (\$125,000 x 2 years) required when original application was submitted on September 6, 2018 and awarded January 30, 2019. Since being awarded in 2019, numerous State Budget delays, further project requirements, and inflation costs have occurred bringing the official estimated 2023 cost to \$1,896,305 total. The City of Osage City is responsible for all costs above the \$1,000,000 grant award, requiring \$893,305 in funding, including the \$125,000 in the 2022 approved budget and \$125,000 in the preliminary 2023 budget. The exact amount will depend on the actual contractor bid awarded for the project. American Rescue Plan Act (ARPA) funds in the amount of \$426,143.86 have been awarded to Osage City, with \$35,833.35 approved for the Osage County wide radio system and \$206,586.56 approved as match for the KwiKom fiber application that was not awarded. Discussion and decision needed on the remaining ARPA funds designated for Osage City and additional funding for the Flint Hills Trail project:**

City Manager Rod Willis gave an update of the bid letting that has been changed from July 2022 to August 2022. The application was submitted in 2018 and awarded in 2019. The KDOT grant funds are \$1,000,000 and any costs above that will be the City's responsibility. The City is committed to completing Flint Hills Trail project. The City Council approved budgeting \$125,000 in 2022, and preliminary plans \$125,000 for 2023 totaling \$250,000 matching funds toward the City's original share funding the trail. KDOT has added in inflation costs since the 2018 original application with the 2022 estimated project amount at \$1,893,305 causing the City's share at \$893,305. With the increase cost of the City's share of the trail project it was asked if there are any features of the trail plan, like the landscaping that could be taken out or done at a later time. Also asked, if the remaining American Rescue Plan Act (ARPA) funds of \$390,310.51 weren't used toward the KwiKom match, could that be used to offset the funds above the \$250,000 budgeted for the trail. Deputy City Manager/City Treasurer Katie Hodge explained that a decision on what to spend the remaining ARPA funds on doesn't have to be done right now, but will have to be decided by December 31, 2022. This discussion will continue once the bids have been received for the trail project and how the City will fund their share.

- 2. Discussion on KwiKom alternate proposal in the amount of \$330,538.50 City of Osage City cost share on the proposed broadband fiber Grant Agreement due to KwiKom not being awarded to JMZ Corporation in this second round of the ten year program in the Kansas Broadband Acceleration Grant for 2022. JMZ Corporation does business as KwiKom Communications. The \$123,971.94 additional cost share request results from increasing the 25% Osage City match to a 40% Osage City match with KwiKom paying 60% of the fiber project total – John Terry, Business Development Manager, KwiKom Communications LLC:**

It was the general consensus of the City Council to not allocate the remaining ARPA Funds to be spent not towards the KwiKom broadband program.

- 3. Authorize Mayor Peterson to execute the Jarred, Gilmore & Phillips 2022 Audit Letter of Engagement – Deputy City Manager/City Treasurer Katie Hodge:**

Motion made by Swarts, second by Larson to authorize the Mayor to sign the Jarred, Gilmore & Phillips 2022 Audit Letter of Engagement. The motion was declared carried.

- 4. Consider the National League of Cities (NLC) Service Line Warranty Program for private water and sewer infrastructure for homeowners within Osage City limits. Tabled April 12, 2022 and April 26, 2022 for additional information – Utilities Director Dale Schwieger:**

City Attorney Rick Godderz recommended, if the program is approved, the words 'partner' or 'select' not be used, but instead use 'authorize' in the letter sent to the citizens.

Motion made by Heiserman, second by Gilliland to enter into the agreement with NLC Service Line Warranty Program by HomeServe. Roll call vote: Swarts-yea, Larson-Nay,

Gilliland-Yea, Tice-Yea, Heiserman-Yea, Schoepflin-Nay, Stromgren-Yea and Houghton-Nay. With 5 yea and 3 nay the motion was declared carried.

5. Shred Day is Saturday May 21, 2022 from 9:00 a.m. to 11:00 a.m. at the Street Department facility at 9th & Main – City Clerk Terri Fultz:

City Clerk Terri Fultz reminded the City Council about the upcoming Shred Day event and invited them to spread the word to citizens, friends and family in Osage City to participate by bringing their personal shred items to the Street Department.

6. Executive session for financial affairs of second parties to include Mayor and City Council, City Attorney, Utilities Director, Deputy City Manager/City Treasurer, City Clerk, and City Manager:

Motion made by Schoepflin, second by Tice at 7:58 p.m. to recess to Executive Session for a period of 12 minutes for Financial Affairs of Second Parties to include Mayor and City Council, City Attorney, Utilities Director, Deputy City Manager/City Treasurer, City Clerk, and City Manager. The motion was declared carried.

At 8:10 p.m. Mayor Peterson declared the meeting back into open session.

Motion made by Schoepflin, second by Tice to approve the Operations and Maintenance Assistance Agreement between the City of Osage City and Kansas Municipal Energy Agency (KMEA) and to nullify the Operations and Maintenance Assistance Agreement approved at the April 26, 2022 City Council meeting. The motion was declared carried.

Motion made by Schoepflin, second by Gilliland to approve the Asset Purchase Agreement between the City of Osage City, as seller, and the Kansas Municipal Energy Agency, as buyer. The motion was declared carried.

ADJOURNMENT: At the request of Council Member Heiserman at 8:14 p.m., and on her motion, seconded by Council Member Swarts and carried unanimously, the meeting adjourned.

APPROVED: _____

**James Peterson
Mayor**

ATTESTED: _____

**Teresa Fultz
City Clerk**