

Glen Elder City Council Minutes (Special)

September 14, 2015

The Glen Elder City Council met in special session on Monday night at 7:00 p.m., September 14th, 2015 at City Hall, with Council President, Sheila Paxson presiding and council members Lindsey Clark, Barry McPeak, Tracy Anderes and Ken Kusler present. Also in attendance: Eldon Behymer, and Mary Jo Gruwell.

Thompson Housing Development

Katie Schroeder, City Attorney, pointed out the samples of General Obligation Bonds for 10, 15 and 20 year bonds and loan amortizations she had received this week from Piper Jaffray & Co. She had also contacted an attorney from the League of Municipalities to discuss this development and deferred assessments. It was the feeling of the league attorney that it would be in the best interest of the city to not defer assessments; especially since the city would be donating labor which when computed is a possible savings of \$90,000 to the overall cost of the project. The council had a lengthy discussion with regard to what would happen if the patrons defaulted on the project. McPeak, Anderes and Clark also expressed concerns with other costly projects the city is already committed to such as, the painting of the water tower and sidewalk projects. It was pointed out the council has already developed a plan to help cover the costs of those two projects through capital outlay funds. The Council asked Eldon if there would be any problems with water pressure with an increase in homes. He said no. He felt they could have the water lines run within a week with favorable weather. He feels the electricity would not be a problem either, with poles being placed along the backside of the properties, and possible underground lines to the street for street lights. The sewer system may create more of a challenge as each lot owner would be responsible for running a sewer line to the main line. A discussion was held regarding the building of the streets and the need for good drainage to Second Street. Eldon said, at this time, the street would be rocked rather than oiled. Kusler asked the attorney what happens if the project comes in less than what the bond is set for. The attorney explained that you start with a temporary note until the project is completed and you can see total outlay, then the final bond is set. Paxson stated if all things went well and the lots are sold, it would mean more tax monies as well as utilities for the city, but she realized there is some risk for the city if all doesn't go as planned and patrons default on the project. Ken Kusler made the motion to give Thompson's a proposal the city would get a bond to cover materials needed and donate labor for the project. Thompson's would begin paying assessments at the first tax assessment time after the completion of the project. Tracy Anderes seconded the motion and the motion carried three to one, with McPeak voting no. The city attorney explained this is just the first step. She will contact Thompsons with this proposal. If accepted, the process would continue with Thompson's submitting a petition to the city for the project. The council will have the chance to re-evaluate at that time.

Rominger Building

Eldon opened the discussion letting the council know if they decide to allow Rominger to deed the old station to the city, KDHE said they do not have to have the ground tested. If down the road testing is done for some reason, the city is not financially responsible for the cost of the testing or any outcome the testing might show. There was testing on the ground in 1992 when the tanks were moved from below ground to above ground. They were negative. He said the lot would measure 65' X 122'. The council discussed possible costs that would be incurred such as; surveying, moving the water meter, title search and renting trucks to haul demolition to the landfill. The city attorney stated this overall cost would probably be much less then eventually having to do something anyway as the building becomes more deteriorated. Tracy Anderes made the motion to draw up a contract with Dennis Rominger to take over the property as is, and split survey costs with Rominger. Barry McPeak seconded the motion and the motion carried with four ayes.

With no other business Barry made a motion to adjourn the meeting. Lindsey seconded the motion and with four council members voting aye, the meeting was adjourned at 8:35 p.m.

(These are unofficial minutes, until approved at the next council meeting!)

Mary Jo Gruwell, Assistant City Clerk