

CITY OF LANSING
CITY COUNCIL MEETING

MEETING MINUTES
December 15, 2022

Call To Order:

The regular meeting of the Lansing City Council was called to order by Mayor McNeill at 7:00 p.m.

Roll Call:

Mayor McNeill called the roll and indicated which Councilmembers were in attendance.

Councilmembers Present:

Ward 1: Gene Kirby and Dave Trinkle

Ward 2: Don Studnicka and Marcus Majure

Ward 3: Kerry Brungardt and Jesse Garvey

Ward 4: Dan Clemons and Gregg Buehler

Absent:

OLD BUSINESS:

Approval of Minutes of the Regular Meeting of December 1, 2022, as presented.

Councilmember Clemons made a motion to approve Regular Meeting Minutes of December 1, 2022, as presented. Councilmember Brungardt seconded the motion. No discussion took place. **Roll Call Vote: Aye: Councilmembers Buehler, Clemons, Brungardt, Studnicka, Kirby, Majure, and Garvey. Nay: none; Abstain: Councilmember Trinkle; Absent: none. The motion was approved.**

Audience Participation: None.

Presentations: None.

COUNCIL CONSIDERATION OF AGENDA ITEMS:

Public Hearing on and Consideration of the Amended 2022 Budget.

Councilmember Kirby made a motion to open the public hearing for Amendments to the 2022 budget. Councilmember Majure seconded the motion. Roll Call Vote: Aye: Councilmembers Buehler, Clemons, Brungardt, Studnicka, Trinkle, Kirby, Majure, and Garvey. Nay: none; Abstain: none; Absent: none. The motion was approved.

The Capital Improvements Fund requires an amendment to the 2022 Budget. The biggest change to this budget is for the K7 & Eisenhower Project expense line. KDOT reimbursements that offset the expenses are typically received thirty to forty-five days after billing. This will result in invoices that are paid by the city in 2022 not being reimbursed by KDOT until 2023. The final payment to KDOT for the DeSoto Road Project was also paid in 2022. Minor adjustments were made to other expense line items to reflect actual expenditures

No discussion took place.

Councilmember Kirby made a motion to close the public hearing for Amendments to the 2022 budget. Councilmember Garvey seconded the motion. Roll Call Vote: Aye: Councilmembers Buehler, Clemons, Brungardt, Studnicka, Trinkle, Kirby, Majure, and Garvey. Nay: none; Abstain: none; Absent: none. The motion was approved.

Councilmember Clemons made a motion to adopt the amendments to the 2022 budget as presented. Councilmember Buehler seconded the motion. Roll Call Vote: Aye: Councilmembers Buehler, Clemons, Brungardt, Studnicka, Trinkle, Kirby, Majure, and Garvey. Nay: none; Abstain: none; Absent: none. The motion was approved.

Ordinance No. 1092 – Ward Boundaries.

Ordinance No. 1092 establishes Wards 1 through 4 boundaries and precincts to take effect January 1, 2023.

Councilmember Brungardt made a motion to approve Ordinance No. 1092 establishing Wards 1 through 4 boundaries as presented. Councilmember Buehler seconded the motion.

Councilmember Studnicka asked for clarification on what changed. Discussion commenced between the City Administrator, City Attorney, and Council regarding the census data and federal requirements. The City Administrator stated that it was kept as similar as they could. **Roll Call Vote: Aye: Councilmembers Buehler, Clemons, Brungardt, Studnicka, Trinkle, Kirby, Majure, and Garvey. Nay: none; Abstain: none; Absent: none. The motion was approved.**

Ordinance No. 1093 – General Obligation Bonds, Series 2022.

Ordinance No. 1093 authorizes the levy of a 0.45 percent (0.45%) Retailers’ General-Purpose Sales Tax and related matters. The Sales Tax ballot question passed by a margin of 1721 – Yes and 1698 – No. This would raise Lansing’s sales tax rate to 9.4% beginning July 1, 2023 and will sunset 20 years after. Based on the most recent projections, the city could see an additional \$500,000 to \$600,000 per year to be devoted to a municipal aquatic center.

Councilmember Clemons made a motion to approve Ordinance No. 1093 and authorize necessary signatures. Councilmember Buehler seconded the motion. Councilmember Trinkle asked what would happen to the money until the aquatic center is constructed. The City Administrator stated that it would be set aside and build up like previous tax associated construction projects. He also stated that the design and engineering of the aquatic center would be hundreds of thousands of dollars as well. So, the sales tax can also pay for the design and engineering. **Roll Call Vote: Aye: Councilmembers Buehler, Clemons, Brungardt, Studnicka, Trinkle, Kirby, Majure, and Garvey. Nay: none; Abstain: none; Absent: none. The motion was approved.**

Request for Cereal Malt Beverage License Renewals.

Each year the businesses that hold a CMB License must be renewed by the city and the State. The required reviewing of the application has been done, there are no changes to the applications from previous years. The licensing fee and Kansas State Stamp Tax have been paid for 2023.

Councilmember Buehler made a motion to approve the Cereal Malt Beverage License renewal for Aldi Inc. at 1217 North Main Street. Councilmember Studnicka seconded the motion. Roll Call Vote: Aye: Councilmembers Buehler, Clemons, Brungardt, Studnicka, Trinkle, Kirby, Majure, and Garvey. Nay: none; Abstain: none; Absent: none. The motion was approved.

Addendum to American Rescue Plan Public Private Partnership Policy.

The City Council approved a policy in February of 2022 to partner with private entities to construct public sewer lines in Lansing when they spark growth and investment. Recently, the idea of assisting with the construction of sanitary and storm sewers for commercial and industrial projects has arisen.

Since this policy is targeted toward commercial and industrial projects, it could create additional jobs, sales taxes, and property taxes in Lansing. An industrial or commercial building appraised at \$1M would generate \$9,112 per year in property taxes based on our current mill levy of 36.448, highlighting a positive return on investment once fully taxable. This policy is based on American Rescue Plan Act funds and not property tax funds. ARPA funds must be expended for projects that promote government services and cannot be utilized for private service lines. Once ARPA funds are expended, this policy would become null.

Councilmember Buehler made a motion for approval of American Rescue Plan Act Addendum for commercial and industrial projects. Councilmember Kirby seconded the motion.

Councilmember Clemons asked if there were any projects in mind. City Administrator Tim Vandall stated that there are at least two companies that he feels pretty confident are going to reach out regarding these funds. Discussion continued regarding requirements for the companies to apply. The ARPA funds are required to be committed by the end of 2024 and spent by 2026. If by the middle of 2024 there are still funds remaining, there might be storm sewer or sanitary sewer project that we might try to check off the list. **Roll Call Vote: Aye: Councilmembers Buehler, Clemons, Brungardt, Studnicka, Trinkle, Kirby, Majure, and Garvey. Nay: none; Abstain: none; Absent: none. The motion was approved.**

Authorization to Bid Town Centre Sewer Improvement Project.

The Town Centre Improvement project is ready to move into the bidding and construction phase. All regulatory approvals have been received, and staff have approved the plans. This project includes the replacement and relocation of approximately 1,000 feet of sanitary sewer between West Kay and West Kansas Street adjacent to Town Centre Drive. The project will take approximately 120 days for substantial completion. The engineering estimate for this project is \$950,000 and the project will be funded with the utility’s capital reserve.

Councilmember Brungardt made a motion to authorize staff to advertise bids for the Town Centre Sewer Improvement project. Councilmember Buehler seconded the motion.

The Mayor stated that if we move forward on the project, that the Independence Day fireworks would have to be at Bernard Park. If the city waits until after July 4, then the option for Town Centre to be used for the Independence Day event would still be available. The City Administrator added that approval for a start date in the fall could still be approved now. Wastewater Director Tony Zell stated that there were really three options. The first two as referenced by the mayor. The third option being to wait on bidding until September time frame which may allow for more competitive bids. Discussion continued between the Council and Mr. Zell regarding the urgency of the project and the advantages of waiting until the fall to bid out the project. **Roll Call Vote: Aye: Councilmembers Buehler, Clemons, Brungardt, Studnicka, Trinkle, Kirby, Majure, and Garvey. Nay: none; Abstain: none; Absent: none. The motion was approved.**

Resolution No. B-10-2022 – A Resolution authorizing staff to waive the requirements of K.S.A. 75-1120a(a) as they apply to the city of Lansing for the year ended December 31, 2022.

Currently, the city’s financial statements are prepared on a budgetary basis throughout the year, with year-end adjustments made to comply with Generally Accepted Accounting Principles (GAAP). The auditors make many of the year-end adjustments as part of the audit process. Recently, the Governmental Accounting Standards Board (GASB) has issued several pronouncements which have added additional reporting requirements for financial reporting, and emphasis on in-house preparation of adjustments and GAAP financial statements rather than by auditors. GAAP basis financial statements are difficult to read and interpret for those who do not have a financial background. In the

state of Kansas, it is permissible to prepare financial statements using the Kansas Municipal Audit and Accounting Guide (KMAAG) or cash basis of accounting. This aligns the audited financial statements more closely with the financial statements used throughout the year. Less staff time would be spent preparing schedules and adjustments to produce financial statements that show information which is not often used by those viewing the statements. City staff consulted with the City’s bond counsel and financial advisors to ensure there would be no adverse impact on the city’s bond rating.

Councilmember Kirby made a motion to approve Resolution No. B-10-2022. Councilmember Buehler seconded the motion. Discussion commenced between Finance Director Beth Sanford and the Council regarding the differences between GAAP accounting standards and cash basis. **Roll Call Vote: Aye: Councilmembers Buehler, Clemons, Brungardt, Studnicka, Trinkle, Kirby, Majure, and Garvey. Nay: none; Abstain: none; Absent: none. The motion was approved.**

Notice of Intent to Terminate Interlocal Agreement.

The City Council went over the recent Kansas Supreme Court ruling at the October 27th work session. The City discussed a desire to have conversations with partner entities of the interlocal agreement, as well as a desire to not have the interlocal agreement automatically renew for four additional years. Staff have reached out to members of the Fire District 1 Board, Delaware Township, and our representative to the County Commission. Per Judge King’s ruling in 2020, the City can rescind its notice of intent to terminate the ILA. If our conversations with partner organizations result in positive and meaningful changes the City can rescind its notice of intent to terminate the ILA. By issuing the notice of intent to terminate, we can begin the process of reviewing and potentially allocating assets. Once this is complete, the City will have a better idea of the financial implications and what equipment would need to be purchased.

Councilmember Brungardt made a motion to approve the notice of intent to terminate the interlocal agreement dated June 26, 2003. Councilmember Garvey seconded the motion. Councilmember Clemons asked for clarification on moving ahead with talks now to make sure we are not going to affect anybody’s retirement, pensions, or anything of that nature with a start date of 2026. The City Administrator stated that he had spoken with Delaware Township, our local county commissioner, and notified our members of the board. Regarding staff pensions, if they are on KP&F that is what our police department is on as well. 2026 was discussed at the work session in an attempt to be methodical, to think this through, and to engage in discussions. 2026 would be the city’s preference, and that was mentioned to the commissioner and the Delaware Township. The date referenced in the intent to terminate is to prevent the interlocal agreement from being renewed. If the notice is not issued, no one is under any obligation to talk to us. We were ignored for three years. Our goal is to have discussions at this point. Interactions with the staff of Fire District 1 have been overwhelmingly positive. Councilmember Majure and the City Administrator discussed the plan for talks with High Prairie Township. Mr. Robinson clarified that each geographical boundary of each entity will remain unchanged unless they expand themselves. We would have to annex and expand our boundaries because right now they are fixed. They would remain fixed unless we take a proactive step where we are adding land or losing land. **Roll Call Vote: Aye: Councilmembers Buehler, Clemons, Brungardt, Studnicka, Trinkle, Kirby, Majure, and Garvey. Nay: none; Abstain: none; Absent: none. The motion was approved.**

Appointment of Public Defender.

The City’s Public Defender, Geoffrey Sonntag, was recently appointed to be a judge in the 1st Judicial District of Atchison County by the Governor. This appointment leaves the city with no Public Defender. The City was contacted by two attorneys interested in filling the vacancy. City staff consulted with

Judge Fuller and the Prosecuting Attorney and are recommending that James Floyd be appointed as the city’s Public Defender.

Councilmember Kirby made a motion to authorize the Mayor to appoint James Floyd as Lansing’s Public Defender. Councilmember Buehler seconded the motion. Roll Call Vote: Aye: Councilmembers Buehler, Clemons, Brungardt, Studnicka, Trinkle, Kirby, Majure, and Garvey. Nay: none; Abstain: none; Absent: none. The motion was approved.

REPORTS:

Department Heads: Nothing to discuss.

City Attorney: Nothing to discuss.

City Administrator: The grant the city applied for to repair the bridge on Desoto Rd by the catholic church was not approved by KDOT. We will continue to maintain and make sure it is safe. He and the Director of Parks and Recreation have been talking with the aquatic consultant, and he should have that contract at the next city council meeting in January. The consultant stated that if the splash pad was incorporated into the pool location, it would save tens of thousands of dollars because they could be run on the same pumps, same chemicals, staff would already be there, and the design is done. So, you could move the design from one location to the other. He acknowledged that improvements would still be made to the city park and do some type of destination playground. Or possibly do a smaller single pass system at City Park. The consultant said if we are trying to do the type of splash pad that is recycling the water, where you are injecting chlorine and trying to clean it with pumps out there and sending staff out there three or four times a day, moving the splashpad to the aquatic center would save some money. Councilmember Clemons asked if the feedback link for additions to the pool had been posted. Mr. Vandall stated that no updates had been received, but the initial reports showed 80% approval for the aquatic center. There was not a lot of feedback against the current design. Some in-house discussions have happened regarding another open house to get additional feedback. Discussion continued regarding the number of lap lanes in the design and the cost effectiveness and possible budgetary restrictions. Discussion continued regarding the feedback on the fireworks display at Town Centre versus Bernard Park.

Governing Body:

Councilmember Buehler: Thanked Director Zell for the explanation regarding the sewer project. On this day in 1891, James Naismith introduced the very first version of basketball with thirteen rules and a peach basket nailed to each side of his school’s gym.

Councilmember Clemons: He did discuss the surveys at the last Port Authority meeting. Everyone agreed to it, but they are waiting on a traffic study. Next month, they will be putting together a group of people to dust off the 19-year-old plans to bring them up to date and look for the future.

Councilmember Brungardt: Thanked Director Zell for his presentation. Thanked Director Sanford for thoroughly explaining the GASB, GAAP, and KMAAG. Congratulated Director Schmitz on his new job. Wished everyone a Merry Christmas.

Councilmember Studnicka: Wanted to wish everyone a Merry Christmas and have a happy new year.

Councilmember Trinkle: Merry Christmas to everyone and happy new year.

Councilmember Kirby: Agreed with what had already been said. He would also like to bring up, in light of recent events that other elected bodies seem to have, that we've all got different backgrounds, different life experiences. But every week we come here; we don't always agree but we don't let our egos get in the way. I'm extremely proud of the way, since I've been on here, that the council has conducted themselves and put the city first.

Councilmember Majure: Merry Christmas to everybody, and happy new year to everybody. Thanks for everybody's hard work. Stated that Director Schmitz will be missed and thanked him for his service and years here in the city.

Councilmember Garvey: Ditto what Councilmember Kirby said. We have a great group of people up here that work well together. Merry Christmas and happy new year.

ADJOURNMENT:

Councilmember Garvey made a motion to adjourn. Councilmember Brungardt seconded the motion. Roll Call Vote: Aye: Councilmembers Buehler, Clemons, Brungardt, Studnicka, Trinkle, Kirby, Majure, and Garvey. Nay: none; Abstain: none; Absent: none. The motion was approved.

The meeting was adjourned at 7:55 p.m.

ATTEST:

City Clerk Tish Sims, CMC