



***MINUTES
CITY COMMISSION MEETING
TUESDAY, OCTOBER 17, 2017
7:00 P.M.***

The Regular Meeting of the City Commission was held at 7:00 p.m. in the City Commission Room. Mayor Linda Morse and Commissioners Michael L. Dodson, Wynn Butler, Karen McCulloh, and Usha Reddi were present. Also present were the City Manager Ron R. Fehr, Deputy City Manager Jason Hilgers, Assistant City Manager Kiel Mangus, Legal Counsel Bill Frost, City Clerk Gary S. Fees, 11 staff, and approximately 25 interested citizens.

PLEDGE OF ALLEGIANCE

Mayor Morse led the Commission in the Pledge of Allegiance.

PROCLAMATIONS

Mayor Morse proclaimed October 19, 2017, ***Conflict Resolution Day***. Sharon Seidler, Program Coordinator, Riley-Geary Mediation, Conflict Resolution, and Briana Goff, Professor, School of Family Studies & Human Services, Kansas State University, were present to receive the proclamation.

Mayor Morse proclaimed October 26, 2017, ***Manhattan Town Center 30th Anniversary Celebration***. Brad Simonsson, General Manager, and Jeffrey Sutton, Marketing Manager, Manhattan Town Center, were present to receive the proclamation as well as former Manhattan Mayor Dr. Gene Klingler and former City Commissioner Kent Glasscock that were on the City Commission in 1987 when the Manhattan Town Center opened.

Mayor Morse proclaimed October 28, 2017, ***C. Clyde Run Fun Run/Walk and Midge's Mile Family Fun Walk***. C. Clyde Jones and Casey Carver were present to receive the proclamation.

Mayor Morse proclaimed October 2017, ***Community Planning Month***. Eric Cattell, Director; Chad Bunger, Assistant Director for Planning; and Planning Staff members Ben Chmiel, Carol Davidson, and Doug May, Community Development Department, City of Manhattan, were present to receive the proclamation.

COMMISSIONER COMMENTS

Commissioner Reddi informed the community that there would be a Mental Health Legislative Forum on Tuesday, October 24, 2017, at 5:30 p.m., in the City Commission Room and invited the community to attend. She stated there would be an Aggieville Infrastructure Analysis Public Meeting on Thursday, October 26, 2017, starting at 4:00 p.m., in the City Commission Room. She also highlighted upcoming events in Manhattan.

Commissioner McCulloh encouraged the community to participate in the Riley County Health Department annual Okt-FLU-ber-Fest on Thursday, October 26, 2017, from 1:00 p.m. - 7:00 p.m., if you haven't received your flu shot. She also stated that on Saturday, October 28, 2017, from 10:00 a.m. - 2:00 p.m. the public could dispose of their expired and unwanted prescription drugs at the Riley County Police Department or the Manhattan Town Center Mall across from Victoria's Secret. She encouraged citizens to take advantage of the disposal program and said the service is free.

Commissioner Dodson reminded citizens that the General Election is November 7, 2017, and encouraged everyone to participate in the election process. He stated that advance voting begins October 18, 2017, and highlighted the items on the ballot including City Commission candidates, School Board candidates, and the Quality of Life sales tax for recreation and trails.

Mayor Morse encouraged the community to enjoy the Kansas State University Homecoming Parade on Friday, October 20, 2017, and highlighted the parade route.

CONSENT AGENDA

(* denotes those items discussed)

MINUTES

The Commission approved the minutes of the Regular City Commission Meeting held Tuesday, October 3, 2017.

CLAIMS REGISTER NO. 2862

The Commission approved Claims Register No. 2862 authorizing and approving the payment of claims from September 27, 2017, - October 10, 2017, in the amount of \$3,275,196.66.

LICENSE

The Commission approved an annual Cereal Malt Beverages On-Premises License for Happy Valley LLC, 2307 Tuttle Creek Boulevard.

CONSENT AGENDA (CONTINUED)

ORDINANCE NO. 7319 – AMEND – GREASE MANAGEMENT PERMIT PROGRAM

The Commission approved Ordinance No. 7319 amending Sections 32-172 through 32-178 of the Code of Ordinances updating the Grease Management Permit Program, effective January 1, 2018.

ORDINANCE NO. 7320 – VACATE UTILITY EASEMENT – TRACT A, MENZIE SUBDIVISION

The Commission approved Ordinance No. 7320 vacating a portion of the public utility easements on Tract A, Menzie Subdivision.

RESOLUTION NO. 101717-A – SET BOND SALE DATE – GENERAL OBLIGATION BOND SERIES 2017-D

The Commission approved Resolution No. 101717-A setting November 21, 2017, as the date to sell \$10,170,000.00 in general obligation bonds, Series 2017-D.

FIRST READING – GENERAL OBLIGATION BOND SERIES 2017-D

The Commission approved first reading of an ordinance issuing \$10,170,000.00 in general obligation bonds, Series 2017-D.

RESOLUTION NO. 101717-B – INVESTMENT POLICY

The Commission approved Resolution No. 101717-B re-affirming expanded investment powers for the City of Manhattan based on final approval from the Pooled Money Investment Board.

AGREEMENT – PROFESSIONAL SERVICES – US 24/KIMBALL AVENUE INTERSECTION IMPROVEMENTS (ST1716)

The Commission authorized the Mayor and City Clerk to execute an Agreement for Professional Engineering Services, in an amount not to exceed \$108,378.00, with BG Consultants, Inc., of Manhattan, Kansas, for the US 24/Kimball Avenue Geometric Improvements Grant Project (ST1716).

* **AGREEMENT – PROFESSIONAL SERVICES – FORT RILEY DETENTION POND ANALYSIS PROJECT (SM1713)**

The Commission authorized the Mayor and City Clerk to execute an agreement for professional services, in an amount not to exceed \$86,035.00, with AMEC-Foster Wheeler, of Topeka, Kansas; and authorized City Administration to finalize and the Mayor and City Clerk to execute an appropriate agreement or action with Riley County for the Fort Riley Detention Pond Analysis Project (SM1713).

CONSENT AGENDA (CONTINUED)

AWARD CONTRACT – 2017 STREET MAINTENANCE CONCRETE PANEL, PHASE II (ST1714)

The Commission awarded and authorized the Mayor and City Clerk to execute a construction contract in the amount of \$559,255.00 to VanNahmen Construction, Inc., of Manhattan, Kansas, for the 2017 Concrete Street Maintenance, Phase II, project (ST1714).

AWARD CONTRACT – MESSENGER ROAD WATERLINE EXTENSION (WA1702)

The Commission accepted the Engineer's Opinion of Probable Cost in the amount of \$36,707.00, and awarded and authorized the Mayor and City Clerk to execute a construction contract in the amount of \$32,758.00 with Larson Construction, Inc., Manhattan, Kansas, for the Messenger Road Waterline Extension Project (WA1702).

* **AWARD CONTRACT – JARDINE TRAIL LIGHTING IMPROVEMENTS (SW1704, CIP #CU040P)**

The Commission accepted the Engineer's Opinion of Probable Cost in the amount of \$150,000.00 (\$125,000.00 for the Base Bid; \$25,000.00 for the Alternate); and awarded and authorized the Mayor and City Clerk to execute a construction contract in the amount of \$124,243.00 (\$89,928.00 for the Base Bid; \$34,315.00 for the Alternate) to Heineken Electric Company, Inc., of Beloit, Kansas, for the Jardine Trail Lighting Improvements Project between College Avenue and Hartford Road (SW1704, CIP #CU040P).

* **ACCEPT KDOT GRANT – SAFE ROUTES TO SCHOOL, PHASE IIB (ST1802)**

The Commission accepted the Safe Routes to School, Phase IIB (ST1802) Transportation Alternative Grant from the Kansas Department of Transportation.

* **ACCEPT KDOT GRANT – JULIETTE AVENUE BRICK STREET REHABILITATION, PH III (OSAGE STREET TO POYNTZ AVENUE) (ST1801)**

Ron Fehr, City Manager, provided additional information on the Juliette Avenue Brick Street Rehabilitation project.

Rob Ott, Director of Public Works, highlighted the benefits of the improvement and grant received from the Kansas Department of Transportation for this project.

The Commission accepted the Juliette Avenue Brick Street Rehabilitation, Phase III (Osage Street to Poyntz Avenue) (ST1801) Transportation Alternative Grant from the Kansas Department of Transportation.

CONSENT AGENDA (CONTINUED)

OUTSIDE CITY WATER AGREEMENT – 3605 ROCKY FORD AVENUE (RODNEY W. AND JANICE E. JAGER)

The Commission authorized the Mayor and City Clerk to execute an outside city limits water service connection agreement with Rodney W. Jager and Janice E. Jager, for the property located at 3605 Rocky Ford Avenue, Riley County, Kansas.

OUTSIDE CITY SEWER SERVICE AGREEMENTS – 1412 AND 1413 PENROSE PLACE (WELLS LANDING)

The Commission authorized the Mayor and City Clerk to execute agreements with Well Landing, LLC, for the outside city limits sanitary sewer service connections for the properties located at 1412 Penrose Place and 1413 Penrose Place, Riley County, Kansas.

AGREEMENT – FESTIVAL OF LIGHTS

The Commission approved and authorized the Mayor and City Clerk to execute an agreement with Whoville, Inc., for the holiday lighting and special events regarding “The Festival of Lights” at Blue Earth Plaza.

BOARD APPOINTMENTS

The Commission approved the following re-appointments by Mayor Morse to various boards and committees of the City.

Bicycle and Pedestrian Advisory Committee

Re-appointment of Brent Chamberlain, 1716 Poyntz Avenue, to a three-year Kansas State University term. Mr. Chamberlain’s term will begin November 1, 2017, and will expire October 31, 2020.

Re-appointment of Joseph Edmunds, 360 Zeandale Road, to a three-year Riley County term. Mr. Edmund’s term will begin November 1, 2017, and will expire October 31, 2020.

Re-appointment of Seth Scobee, 1001 S. Seth Child Road, to a three-year Riley County Police Department term. Mr. Scobee’s term will begin November 1, 2017, and will expire October 31, 2020.

Douglass Center Advisory Board

Re-appointment of Stan Hoerman, 2021 Blue Hills Road, to a three-year At-Large term. Mr. Hoerman’s term begins immediately and will expire October 2, 2020.

CONSENT AGENDA (CONTINUED)

Mayor Morse opened the public comments.

Hearing no comments, Mayor Morse closed the public comments.

After discussion and comments from the Commission, Commissioner McCulloh moved to approve the consent agenda. Commissioner Reddi seconded the motion. On a roll call vote, motion carried 5-0.

GENERAL AGENDA

AGREEMENTS – K-STATE INNOVATION CENTER (KSU-IC) BUILDING

Jason Hilgers, Deputy City Manager, presented an overview of the item. He highlighted the history and action by the City Commission in September 2004 to commit funds from the Economic Development Fund to construct the facility in the K-State Research Park. He also presented information on the existing Agreement and option to purchase the City-owned building as well as Agreements to be considered by the City Commission.

Mayor Morse opened the public comments.

Hearing no comments, Mayor Morse closed the public comments.

After discussion and comments from the Commission, Commissioner Dodson moved to approve the termination of the Operation Agreement with KSU-IC; amend the City/Kansas State University (KSU) Land Lease; approve the Lease Purchase between the City and KSU; and authorize the Mayor and City Clerk to execute the documents. Commissioner Butler seconded the motion. On a roll call vote, motion carried 5-0.

PRESENTATION - MANHATTAN CONVENTION AND VISITOR'S BUREAU (CVB) 2017 THIRD QUARTER REPORT

Karen Hibbard, Director, Manhattan Convention and Visitors Bureau (CVB), presented an overview of the third quarter activities of the CVB. She highlighted the monthly occupancy percentages and activity from January through August 2017; reported that occupancy was at 82.2% for the solar eclipse event; discussed the sales blitz in Wichita, Kansas, on August 24, 2017; and highlighted the new features and design of the Manhattan's Official Visitor's Guide. She then introduced Tony Peterman with Jones Lang LaSalle Hotels and Hospitality Group.

As this was a discussion item, the Commission took no action.

GENERAL AGENDA (CONTINUED)

PRESENTATION - MANHATTAN CONFERENCE CENTER POTENTIAL EXPANSION ANALYSIS

Tony Peterman, Executive Vice President, Jones Lang LaSalle Hotels & Hospitality Group, presented an update on the analysis completed for the potential expansion of the Conference Center. He highlighted the history and purpose of the initial study; presented a general market overview; provided an update on the performance of the Manhattan Conference Center and impact on the local hotel market; discussed industry trends in the marketplace; provided an update on what is happening in the industry and competition outside of Manhattan; provided recommendations and considerations on the facility expansion; and highlighted estimated costs, benefits and economic impacts on the potential expansion of the Conference Center. He then responded to questions from the Commission regarding Manhattan's market, the types of conferences that will attract attendees, and the need for open session break-out areas and additional vendor space.

Karen Hibbard, Director, Manhattan Convention and Visitors Bureau, responded to additional questions from the Commission about lost business and the challenges to meet the needs of varying types of conferences. She stated that meeting planners like to be under one roof.

After further comments from the Commission, Tony Peterman, Executive Vice President, Jones Lang LaSalle Hotels & Hospitality Group, responded to additional questions from the Commission regarding the analysis and report. He stated that he did not consider the parking garage in reviewing future projections.

Mayor Morse opened the public comments.

Steven Metzger, address not stated, voiced concern with having only four years of data points to review. He stated that he was skeptical of the potential expansion of convention space and need given the downward trends.

Brad Everett, General Manager, Hilton Garden Inn, provided information on the item and on the hotel operations. He informed the Commission that the community could lose business in the foreseeable future if an investment to expand the Conference Center is not made. He cited the annual Governor's Water Conference and Kansas Farm Bureau Annual Meeting as two examples that may move to larger facilities if the Conference Center does not expand.

Hearing no other comments, Mayor Morse closed the public comments.

After comments from the Commission, Ron Fehr, City Manager, informed the Commission that he appreciated the feedback and analysis provided on the Manhattan Conference Center.

GENERAL AGENDA (CONTINUED)

PRESENTATION - MANHATTAN CONFERENCE CENTER POTENTIAL EXPANSION ANALYSIS (CONTINUED)

As this was a discussion item, the Commission took no action.

FIRST READING - LEVY BUSINESS IMPROVEMENT SERVICES FEES FOR 2018 - AGGIEVILLE AND DOWNTOWN BUSINESS IMPROVEMENT DISTRICTS

Bernie Hayen, Director of Finance, presented an overview of the item. He highlighted the 2018 Business Improvement District (BID) Ordinances, changes to the proposed Ordinances for 2018, and improvements made to the BID process. He informed the Commission that the Downtown BID has recommended bringing the Manhattan Town Center into the core fee structure. He then responded to questions from the Commission regarding the process for delinquent payments and affidavits.

After comments from the Commission, Bernie Hayen, Director of Finance, responded to questions from the Commission regarding the billing and collection process, concerns expressed with the process last year and with the affidavits for the coming year, and prior delinquency issues. He stated that the filing of affidavits for nonpayment of BID fees would be required by each BID director. He then responded to questions from the Commission regarding the collection process and legal requirements of the affidavits needed for Municipal Court.

Bill Frost, Legal Counsel, provided additional information and clarification on the affidavit process required by Municipal Court. He stated that the person signing the affidavit has to have actual knowledge of the facts and has to have personally observed if the business is open. He then responded to questions from the Commission.

Bernie Hayen, Director of Finance, informed the Commission that Municipal Court needs an affidavit reflecting actual knowledge that the business is open and this information cannot be provided from a spreadsheet.

Scott French, Director of Fire Services, stated that this is the same process for property maintenance violations and the person signing the document needs to be the actual code inspector and cannot be himself or Brad Claussen, Building Official.

Mayor Morse opened the public comments.

Gina Scroggs, Executive Director, Downtown Manhattan Inc. (DMI), expressed concern regarding the affidavits and stated that this is the first time she has heard about the directors being responsible for the affidavits. She informed the Commission that the DMI Board of

GENERAL AGENDA (*CONTINUED*)

FIRST READING - LEVY BUSINESS IMPROVEMENT SERVICES FEES FOR 2018 - AGGIEVILLE AND DOWNTOWN BUSINESS IMPROVEMENT DISTRICTS (*CONTINUED*)

Directors will not put their name on an affidavit for another business and that this would put the directors in an adversarial position with the businesses. She informed the Commission that she can contact the business and tell them that their fees are due, but did not want to be the facilitator or instrument that sends someone to court. She then responded to questions from the Commission regarding the BID fees, affidavit process, and the current process to provide information to the businesses.

Bernie Hayen, Director of Finance, responded to additional questions from the Commission regarding the affidavit process. He stated that the affidavit process is a change from the past practice; however, the prior process is not what the statute requires and is not what the City should be doing. He then responded to questions from the Commission and provided clarification on the enforcement of the ordinance.

Jason Hilgers, Deputy City Manager, provided additional information on past delinquencies and the number of delinquencies in 2016 and 2017. He then responded to questions from the Commission.

Linda Mays, Executive Director, Aggieville Business Association, informed the Commission that working with the Finance Department staff has been beneficial for all and have learned quite a bit. She voiced concern that if the directors of the BIDs are required to sign affidavits, that would endanger the relationships fostered with the businesses. She highlighted the importance of the 30-day grace period and past issues from last year working with delinquent business owners. She asked that another solution be recommended instead of the directors signing the affidavits and not putting the City at-risk.

Hearing no other comments, Mayor Morse closed the public comments.

Ron Fehr, City Manager, provided additional information on the item and the affidavit process. He informed the Commission that other cities utilize their police officers to handle the affidavits. He stated another option would be to abandon the court system and turn over to a collections process; however, the feedback received is that it may be more damaging to a business because it affects their credit.

Commissioner Dodson asked if first reading of the ordinance is approved, does that lock the Commission in to having the BID directors responsible for the affidavits or is there still the ability to work out a process.

GENERAL AGENDA (CONTINUED)

FIRST READING - LEVY BUSINESS IMPROVEMENT SERVICES FEES FOR 2018 - AGGIEVILLE AND DOWNTOWN BUSINESS IMPROVEMENT DISTRICTS (CONTINUED)

After further comments from the Commission, Bernie Hayen, Director of Finance, stated that there is time to work out a process for the affidavits. He responded to questions from the Commission and stated that the City collects an administrative fee. He then provided additional information on the item.

Commissioner Reddi stated that she wanted the Business Improvement Districts to be successful and was comfortable with the proposal and affidavit process as outlined by City staff. She voiced support for the 30-day grace period, but stated that she did not want the Riley County Police Department involved with collections and affidavits.

Mayor Morse stated that she would support first reading of the ordinance and wanted a creative, unified solution that Gina Scroggs and Linda Mays could support. She voiced support for the BIDs, but did not want to invest a lot of the City's time chasing down delinquent businesses.

Commissioner Butler stated that he would support first reading of the ordinance, but said that his goal would be to come up with a compromise regarding the affidavit process that will work for everyone. He said if that cannot be done because of legal issues, then it might be the directors that would need to sign the affidavits.

Commissioner McCulloh said that she did not understand the trepidation from the executive directors with the proposed affidavit process for the payment of delinquent BID fees. She stated that the process is unfair to those BID businesses that pay. She voiced concern with the amount of time that City staff is spending facilitating this and wanted to see the directors involved in the collection process.

After additional discussion and comments from the Commission, Commissioner Butler moved to approve first reading of ordinances levying business improvement service fees for 2018 on businesses located within the Aggieville and Downtown Business Improvement Districts. Commissioner Dodson seconded the motion. On a roll call vote, motion carried 5-0.

FIRST READING - AMEND - LANDING FEES AT THE MANHATTAN REGIONAL AIRPORT

Jesse Romo, Airport Director, presented an overview of the item. He highlighted the current landing fee rates, the proposed rates and the impact to revenues. He then responded to questions from the Commission regarding the rate structure and proposed rates.

GENERAL AGENDA (CONTINUED)

FIRST READING – AMEND - LANDING FEES AT THE MANHATTAN REGIONAL AIRPORT (CONTINUED)

Mayor Morse opened the public comments.

Hearing no comments, Mayor Morse closed the public comments.

After comments from the Commission, Commissioner Butler moved to approve first reading of an ordinance amending Section 7-146 of the Code of Ordinances relating to landing fees at Manhattan Regional Airport. Commissioner Dodson seconded the motion. On a roll call vote, motion carried 5-0.

ADJOURNMENT

At 9:35 p.m., the Commission adjourned.



Gary S. Fees, MMC, City Clerk