

**City of Edgerton, Kansas**  
**Minutes of City Council Regular Session**  
**August 24, 2023**

A Regular Session of the City Council (the Council) was held in the Edgerton City Hall, 404 E. Nelson, Edgerton, Kansas August 24, 2023. The meeting convened at 7:00PM with Mayor Roberts presiding.

**1. ROLL CALL**

Clay Longanecker	present
Josh Lewis	present
Josh Beem	absent
Deb Lebakken	present
Bill Malloy	absent

With a quorum present, the meeting commenced.

Staff in attendance:

- City Administrator, Beth Linn
- City Attorney, Lee Hendricks
- City Clerk, Alex Clower
- Assistant City Administrator, Meagan Borth
- Marketing & Communications Manager, Kara Banks
- Public Works Director, Dan Merkh
- CIP Project Manager, Holly Robertson
- Development Services Director, Zachary Moore
- Finance Director, Karen Kindle
- Accountant, Justin Vermillion

**2. WELCOME.** Mayor Roberts welcomed all in attendance.

**3. PLEDGE OF ALLEGIANCE.** All present participated in the Pledge of Allegiance.

**Consent Agenda** *(Consent Agenda items will be acted upon by one motion unless a Council member requests an item be removed for discussion and separate action)*

4. Approve Minutes from August 10, 2023 Regular City Council Meeting.

Councilmember Longanecker moved to approve the Consent Agenda. Councilmember Lebakken seconded the motion. The consent agenda was approved, 3-0.

**Regular Agenda**

5. **Declaration.** There were no declarations made.

6. **Public Comments.** There were no public comments made.

**7. PUBLIC HEARING FOR RESOLUTION NO. 08-24-23A OF THE CITY OF EDGERTON, KANSAS TO LEVY A PROPERTY TAX RATE EXCEEDING THE REVENUE NEUTRAL RATE**

Ms. Kindle addressed the Council to give background on the information prior to mayor opening the public hearing.

She stated SB 13 repealed the previous tax lid which focused on the total property tax revenue required for the budget. SB 13 focuses on the mill rate and provides for the calculation of the Revenue Neutral Rate (RNR). The RNR calculation uses the last year's property tax revenue and this year's estimated assessed valuation to arrive at the mill rate that would be required to receive the same amount of property tax revenue as last year. However, SB 13 does not provide for any adjustments to the RNR to capture economic growth, issuance of debt or County errors in the assessed valuation numbers. She stated enclosed with this packet is an infographic from the League of Kansas Municipalities (LKM) illustrating the requirements of SB13.

She stated at the Council Meeting on June 10, 2021, the City's Financial Advisor and City staff presented information about SB 13 and asked for direction from the Council regarding suggested adjustments to the RNR. The resulting policy direction document is included.

She stated the property tax revenue amount included in the 2024 General Fund Budget was calculated based on these adjustment guidelines. Included in the packet is a reference sheet to those funds.

She stated the City is required to hold an RNR Public Hearing and pass a resolution setting the mill rate to be used for the 2024 Budget. The notice of the public hearing was published in the Gardner News on August 2, 2023, and on the City's website as required by State statute.

Mayor Roberts opened the public hearing at 7:04PM

With no questions or comments made, he then closed the public hearing at 7:04PM

**8. CONSIDER RESOLUTION NO. 08-24-23A OF THE CITY OF EDGERTON, KANSAS TO LEVY A PROPERTY TAX RATE EXCEEDING THE REVENUE NEUTRAL RATE**

Ms. Kindle stated the attached draft Resolution No. 08-24-23A establishes the City's mill rate at 29.671 mills.

Councilmember Longanecker asked if the revenue rate the City has now is 29.040.

Ms. Kindle stated that is the revenue neutral rate the county calculated.

Councilmember Lewis confirmed the number is down from last year.

Ms. Kindle confirmed the mill rate is slightly lower. She stated the rate for FY 2023 was 29.674.

With no further questions or comments, Mayor Roberts requested motion to approve the resolution.

Councilmember Lewis moved to approve, seconded by Councilmember Lebakken. Resolution No. 08-24-23A was approved, 3-0.

## **9. PUBLIC HEARING FOR THE PROPOSED 2024 BUDGET**

Ms. Linn played a video regarding how the City's budget operates.

Ms. Kindle addressed the Council. She stated council previously discussed property tax and went over expenditures and budget line items in detail at the budget work session. She stated since then, the schedule has been revised to include certain line items as listed in the packet as requested by Council.

She stated the general fund has been revised to include property tax rebates for seniors, additional road segments with Adopt-A-Highway, additional costs for moving Frontier Days to Martin Creek Park. She stated with these additions, the ending balance is still within the requirements.

She stated the utility funds have had no changes since the work session.

She stated the TIF funds schedule is new and the information is now included in the packet. She stated this was not covered at the work session because the county had not provided the information to the City before that meeting.

She stated other funds have had no changes since the work session.

She stated vehicles and equipment funds have had no changes as well.

Councilmember Longanecker stated he would like to note that county has made errors as recently as last year, so that is why the City budgets for it.

Ms. Linn stated that is correct, since Kansas passed the new statute, the City has seen two very significant errors.

With no further comments or questions, Mayor Roberts opened the public hearing at 7:14PM.

With no questions or comments from the public, Mayor Roberts then closed the public hearing at 7:15PM.

**10. CONSIDER RESOLUTION NO. 08-24-23B AUTHORIZING THE CITY TO EXECUTE AND DELIVER A FIRST AMENDMENT TO MASTER TRUST INDENTURE (PHASE 2)**

Mr. Scott Anderson, Bond Counsel, addressed the Council. He stated the city issued its home rule revenue bonds in 2019 to finance the costs of Logistics Park Phase Two projects. The bonds were purchased by Edgerton Land Holding Company, LLC. The bonds are being repaid from revenues collected by the City pursuant to the Phase Two Development Agreement with ELHC. He stated these revenues are collected by the City and remitted to UMB Bank as bond trustee and disbursed in accordance with the Master Trust Indenture for Phase 2.

He stated while administering the funds, an error was discovered in the Master Indenture. The parties intended that the excess revenues remaining each month be used to pay down the revenue bonds. However, because the bonds are a bullet maturity — meaning it does not mature for 30 years — excess revenues are not being used to pay down bonds. He stated the parties desire to amend the definition of Required Principal so that the revenue bonds will be paid down from excess funds on a semi-annual basis.

He stated the Resolution authorizes the City to enter into the First Amendment to Master Trust Indenture (Phase Two) to amend the definition of Required Principal. He stated it does nothing more to the agreement but change that definition.

With no questions or comments, Mayor Roberts requested motion to approve Resolution No. 08-24-23B.

Councilmember Longanecker moved to approve the motion, seconded by Councilmember Lewis. Resolution No. 08-24-23B was approved, 3-0.

**11. CONSIDER A PROFESSIONAL SERVICES AGREEMENT WITH RENAISSANCE INFRASTRUCTURE CONSULTING TO PROVIDE CONSTRUCTION INSPECTION SERVICES FOR THE 2023 CDBG 1<sup>ST</sup> AND MARTIN SANITARY SEWER REHABILITATION PROJECT**

Mr. Merkh addressed the Council. He stated similar to other large infrastructure projects, a critical component of the success of the project is partnering with firms to complete inspection services. He stated RIC performed construction inspection services for multiple projects in the past few years with a high level of satisfaction and attention to detail.

He stated RIC is a valued partner with the City of Edgerton and ElevateEdgerton! having worked with the City on multiple occasions. RIC has extensive knowledge of how Edgerton conducts projects. He stated they also have a team with over 30 years' experience.

He stated City Staff recommends utilizing RIC for Construction Inspection services of the construction associated with the 2023 CDBG 1<sup>st</sup> and Martin Sanitary Sewer Rehabilitation Project. Selection of RIC will expedite the start date for the project. He stated City Staff and RIC

will utilize the same agreement for services as previously agreed upon for the aforementioned projects. The Agreement provides a scope of work to include such services as performing inspections, notification of the City of any significant issues/changes to the plans, providing detailed reports of construction activity, reviewing testing reports and pay estimates, etc. The Agreement also includes an hourly rate schedule applicable for the term of the Agreement. He stated the Agreement is structured similar to the Agreement for City Engineer services where the City is only billed for actual hours of work performed. As with prior projects, RIC provided an estimate for the project (\$51,810.33), staff will work with RIC to best prioritize the use of their services to limit the project budget. He stated working with RIC and other partners for inspections services, it is hard to narrow down funding for estimates. For example, in 2021 the City was billed roughly half of what was budgeted for inspection services.

He stated due to the reduction in CDBG funding, an updated project budget will be brought before Council after bid opening at a future council meeting.

The Agreement is the City's standard agreement approved by City Attorney.

Councilmember Longanecker asked if the new building inspector position is qualified to perform these types of inspections.

Mr. Merkh stated the City will likely still have to hire someone out to do this work.

With no further questions or comments, Mayor Roberts requested motion to approve the agreement with RIC for the 2023 CDBG 1<sup>st</sup> and Martin Sanitary Sewer Rehabilitation Project.

Councilmember Lebakken moved to approve, seconded by Councilmember Longanecker. The agreement was approved, 3-0.

## **12. CONSIDER A PIPELINE LICENSE WITH BNSF RAILWAY**

Mr. Merkh stated in 2023, the City of Edgerton will bid the construction of a new sanitary sewer main across the BNSF Railway (BNSF). The City is required to enter into an agreement with BNSF for the construction and future maintenance of the new pipeline.

He stated enclosed with this item is a draft agreement from BNSF. Below is a summary of the important recitals from the Agreement.

- Exact fees for the Agreement are yet to be determined. The contract fees are \$5,824.00. The required insurance amounts are greater than the City's existing coverage, so an estimate is currently being prepared for the additional coverage.
- Currently the Agreement provides 12 months for construction from the effective date of the Agreement.
- City will include requirements in the bid documents and contract with the successful Contractor to meet ALL requirements outlined in the Agreement, such as insurance, notification for flagger, etc.

- Agreement does allow BNSF to change the grade or alignment of tracks or add additional tracks/facilities in the future. BNSF reserves the right to maintain their infrastructure and should the location of the sewer line interfere, the City is responsible for relocation.

City Attorney and City Staff have reviewed the Agreement. He stated while not yet finalized, both would recommend the City Council consider approval of the form of the Agreement subject to final approval by the City Attorney and authorize the Mayor to execute the Agreement.

Councilmember Lebakken asked what the location is.

Mr. Merkh stated south of 207<sup>th</sup>, approximately 200 feet running from east to west, heading toward Dwyer Farms.

With no further questions or comments, Mayor Roberts requested motion to approve the pipeline license agreement with BNSF and authorize the Mayor to execute once all approval is acquired.

Councilmember Lewis moved to approve, seconded by Councilmember Lebakken. The motion was approved, 3-0.

### **13. Report by the City Administrator**

- Marketing & Communications Update

Ms. Banks addressed the council. She reviewed the Marketing & Communications update from March-August. She stated the numbers continue to grow and interest in city events, pages, etc. continue to increase.

- Sheriff's Office Quarterly Update

Ms. Linn stated a representative from the Sheriff's Office will be coming the second meeting in September, so there will be no report tonight. She stated she also anticipates bringing the first municipal court report to that meeting as well.

### **14. Report by the Mayor**

Mayor Roberts stated he joined staff and ElevateEdgerton for the Kansas Housing Conference this last week and thought the turnout was good and they had some great conversations.

### **15. Future Meeting Reminders**

Mayor Roberts reminded council of the future meetings for council and planning commission.

### **Adjourn**

Councilmember Lewis moved to adjourn, seconded by Councilmember Lebakken. All in favor. The meeting was adjourned at 7:30PM.

Submitted by Alexandria Clower, City Clerk