

October 13, 2021

The regular monthly meeting of the Chapman City Council was held Wednesday, October 13, 2021, at City Hall at 7:00 pm. Mayor Howard Battishill was present. Council members present were Christy Loy, Mary Monasmith, Tim Jury, Jim Bell, and Rick Johnson. Also in attendance was City Administrator Mark Campbell, City Clerk Bill Flanery and City Attorney John Purvis. Others in attendance were April Swartz, James Reynolds, Phyllis Cheney and Natalie Frakes.

#2 Consent Agenda

Motion by Jury to approve the consent agenda as presented, 2nd by Johnson, vote: yes, unanimous (5-0). Motion carried.

#3 Public Comments

Phyllis Cheney requested stop signs be placed in the alleys beside Kansas Coffee & Ice Cream and Phyllis' Flowers and More. She observed children on bicycles almost being hit by cars due to the cars not stopping when exiting the alleys. Natalie Frakes suggested pedestrian crosswalks be placed at the end of the alleys as well.

Natalie Frakes stated she is a graduate student at Kansas State University and is currently taking a course on rural development of communities. She has selected Chapman as her lab community for the semester and may request a few interviews with staff in the next couple of weeks.

#4 Audit Presentation by April Swartz

Mrs. Swartz stated the audit was completed on 28 July 2021. The City of Chapman reports on the KMAg regulatory basis which is essentially a checkbook. The City has receipts and expenditures on a cash basis and also has encumbrances which are obligations committed to by the City. This is a simple way of doing it and the way most cities and almost all counties within the State of Kansas do their bookkeeping.

There were some journal entry adjustments for 2020. One was for a lift station expenditure that was made at the end of the year and there was another adjustment to correct some prior year numbers that were incorrect. There was nothing of any concern and it is normal to have a couple of adjustments when doing a city's audit.

The recreation fund started off as a negative number and finished as a negative number. Mrs. Swartz stated she already had a conversation with the City Administrator about the recreation fund and the City has a plan for it. There was a project fund that was also negative but is grant funded/reimbursed so being in the red is not a problem with project funds.

The City started the year with \$1,387,271.00 and ended the year with \$1,199,764.00. The City has a new \$950,000.00 temporary note but as of the end of 2020, the City has only drawn-down \$290,000.000. The City has three general obligation bonds. All bond payments were made on time and in accordance with the payment schedules. The City also has several leases. No new leases were added in 2020.

There were a couple of funds that were over budget. The General Fund was over budget by about \$10,500 last year. The Library and Library Employee Benefits Funds were a little bit over and the rest of the funds were under. Overall, the City was under budget by \$260,000 for the year.

Motion by Jury to accept the 2020 audit, 2nd by Bell, vote: yes, unanimous (5-0). Motion carried.

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#5 Resolution 10132021 – Payment to Nowak in the amount of \$170,214.73

Motion by Bell to approve resolution 10132021 for payment to Nowak in the amount of \$170,214.73, 2nd by Loy, vote: yes, unanimous (5-0). Motion carried.

#6 Resolution 10132021B – Authorization of draw-down on temporary note in the amount of \$131,884.35

Motion by Bell to approve resolution 10132021B for authorization of draw-down on temporary note in the amount of \$131,884.35, 2nd by Johnson, vote: yes, unanimous (5-0). Motion carried.

#7 Discussion on property at 105 E. 3rd St (Old Grocery Store)

City Administrator, Mark Campbell, stated an environmental study had been done on the old grocery store and they discovered asbestos and some lead paint. The City Administrator has been in contact with the owner of the grocery store about removing the asbestos and possibly tearing down the building after the asbestos has been removed. There is the possibility of receiving a grant to remove the asbestos. The grant would pay for 50 percent of the cost of the removal. The owner of the property has paid the property taxes and is willing to deed the property over to the City. The City would receive the grant money for the asbestos removal and would pay 50 percent of the cost. The cost of the asbestos removal would be much higher if the building or roof collapsed as all of the material would be considered contaminated. The City Administrator recommended the City move forward with applying for the grant and have the property owner deed the property over to the City. After removal of the asbestos, propose that anyone interested in purchasing the property pay to tear down the building and have the City deed the property over to them. The grant would pay 50 percent of the cost and the remaining cost would be approximately \$7,000 to \$8,000.

Councilman Johnson asked if there were any liens on the property. City Attorney, John Purvis, previously asked the owner of the property if there were any liens and he did not believe there were any. Mr. Purvis stated that he would check and make sure there were no liens before the City went forward.

Motion by Jury to move forward with having the property at 105 E. 3rd Street deeded over to the City and requesting a grant to remove the asbestos contingent on there being no liens or taxes due on the property, 2nd by Loy, vote: yes, unanimous (5-0). Motion carried.

#8 Approval of reduction of cost of the Mill and Overlay Project on Marshall Street Between 6th and 9th (Reduced from \$85,805.00 to \$80,591.00)

City Administrator, Mark Campbell, stated the Mill and Overlay Project was approved at \$85,805.00 but the final cost of the project was only \$80,591.00.

Motion by Bell to approve the final cost of the Mill and Overlay Project of \$80,591.00, 2nd by Johnson, vote: yes, unanimous (5-0). Motion carried.

#9 Approval of reduction of cost of the Noble Street Water Line Project (Reduced from \$129,880.00 to \$119,725.00)

City Administrator, Mark Campbell, stated the Noble Street Water Line Project was approved at \$129,880.00 but the final cost of the project was only \$119,725.00.

Motion by Jury to approve the final cost of the Noble Street Water Line Project of \$119,725.00, 2nd by Bell, vote: yes, unanimous (5-0). Motion carried.

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#10 Cost of living pay increase of 3% for city employees effective January 1st, 2022

City Administrator, Mark Campbell, stated the increase of 3% was figured into the 2022 budget. Councilman Johnson asked how the 3% was calculated or what it was based on. Mr. Campbell stated the City has used 3% in the past and it is pretty standard for communities. It is based on inflation and the consumer price index (CPI). Councilman Johnson noted that inflation this year is almost 6%.

Motion by Jury to approve a cost of living pay increase of 3% for city employees effective January 1st, 2021, 2nd by Johnson, vote: yes, unanimous (5-0). Motion carried.

#11 Reports

City Administrator Report:

- The lagoons are filled and switch over from the sewer plant is scheduled to take place next week.
- There is a possibility that FEMA may contribute to the Lagoon Project but they have not made a final determination.
- The fireworks display is scheduled for Saturday, November 13, 2021 (Veterans' Day weekend). It will be contingent upon the weather and the fireworks will be shot off from the same place as last time, behind Casey's.
- The water line under Noble Street has been fixed. The City will flush the hydrants to clear out the lines.
- Overall sales tax is up 11% and alcohol revenue is up \$62.00 from this time last year.
- The lights donated by the Root family should be here on December 8th.

Councilman Jury thanked everyone for their hard work.

#12 Adjournment

Motion by Jury to adjourn, 2nd by Bell, vote: yes, unanimous (5-0). Motion carried.