

City Commission of Arkansas City Meeting Minutes

The Arkansas City Board of City Commissioners met in regular session at 5:30 p.m. Tuesday, August 18, 2015, in the Commission Room at City Hall, 118 W. Central Ave., in Arkansas City. Those present at roll call were Commissioners Brandon Every, Dan Jurkovich, Duane Oestmann and Jay Warren, and Mayor Chad Giles.

Also present at roll call were City Manager Nick Hernandez, City Attorney Tamara Niles, Public Information Officer Andrew Lawson, City Clerk Lesley Shook, Public Works Director Eric Broce, Assistant Public Works Director Mike Crandall, Environmental Services Superintendent Rod Philo, Finance Director Kathy Cornwell, Fire Chief Bobby Wolfe and EMS Director Jeri Smith.

Citizens in attendance included Cindy Current, Kanyon Gingher, Mell Kuhn and Steven Walker.

Visitors included Greg Hogland, of BRB Contractors, Inc.; Richard Mfuko and Pete Molitor, of Andale Ready Mix Central, Inc.; and Sarah Unruh, of Professional Engineering Consultants, PA.

Pastor Mark Fry offered the opening prayer. Mayor Giles led the pledge of allegiance.

Agenda Additions/Deletions and Approval

City Manager Nick Hernandez asked to switch Action Items 1 and 2 under New Business.

Commissioner Warren moved to amend the agenda with the reordered action items under New Business and approve it. Commissioner Oestmann seconded the motion. A voice vote was unanimous in favor of the motion.

Mayor Giles declared the agenda amended and approved.

Recognition of Visitors

EMS Director Smith was introduced to the City Commission by Chief Wolfe and recognized for her recent appointment by Governor Sam Brownback to the Kansas Board of Emergency Medical Services. Wolfe said the State EMS Board is a very important board and commended Smith on her accomplishment.

Consent Agenda

Commissioner Oestmann made a motion to approve the consent agenda, to include the following item:

1. Approval of the August 4, 2015, regular meeting minutes and August 12, 2015, special meeting minutes as written.

Commissioner Jurkovich seconded the motion. A voice vote was unanimous in favor of the motion.

Mayor Giles declared the consent agenda approved.

City Commission of Arkansas City Meeting Minutes

New Business

Contracts with BRB Contractors for Repairs at Wastewater and Water Treatment Facilities

City Clerk Shook presented for discussion Resolutions authorizing contracts with BRB Contractors, Inc. to repair the existing digester roof and replace an aeration blower at the Wastewater Treatment Facility, for an amount not to exceed \$156,200, and to repair the mixing unit in the primary softening basin at the Water Treatment Facility, for an amount not to exceed \$143,000.

Environmental Services Superintendent Philo gave a brief presentation regarding the proposed repairs at the Wastewater Treatment Facility. Commissioner Warren asked Philo if KanPak would have to make changes at its facility to comply better with U.S. Environmental Protection Agency regulations. Philo said the letter from EPA that Warren referenced initially was based on an abnormal discharge from the company. He indicated that KanPak might be working on a pretreatment process to address the issue.

Commissioner Every asked about the cost of the aeration blower package. Philo explained the reasoning behind the design.

Mayor Giles asked about the process that was undertaken to solicit bids for the projects. Philo said Public Works Director Broce suggested using a design-build process, rather than the usual design-bid-build process, and asked him to contact Aqua Tech Engineering Consultants and gauge the firm's interest in the design portion.

Philo said he then was contacted by BRB, which expressed interest in the projects and submitted bids. BRB wished to handle the construction and pair with MKEC Engineering Inc., which would handle the design aspect.

BRB and MKEC bid on both the Wastewater and Water Treatment Facility contracts, while Aqua Tech and its contractor partner, Walters Morgan Construction, only bid on the Wastewater Treatment Facility repairs.

Commissioner Every asked if the City specified the aeration blower package system that was included in BRB's bid. Philo said he had turned over all of his prior research to both Aqua Tech and MKEC. Greg Hogland, of BRB, explained the reasoning behind the company's choice of blower. Mayor Giles asked if BRB would subcontract any work on the project. Hogland said BRB would be the general contractor, but would do much of the work itself.

Commissioner Oestmann asked about the life expectancy on the blower. Philo estimated at least 20 years.

Commissioner Jurkovich asked if the current blower was broken. Philo said it was not, but explained that replacing it with the proposed package would upgrade the controls and bring it into better compliance.

Mayor Giles asked a follow-up question about the bidding process. Broce said he had contact with Greg Tanner at an earlier date and had mentioned some upcoming projects, including the Wastewater Facility repairs. He said Tanner had put the word out to contractors as a courtesy to the City. Broce said that other than the call Philo placed to Aqua Tech, all other interest came without solicitation and possibly as a result of Tanner's influence.

Mayor Giles asked why the City didn't go out and get more than two bids for either project. Broce said it was specialty work and the availability of contractors depended on how much other work they had going. He also said Smith & Oakes was approached about pairing with a contractor, but the firm declined to bid.

City Commission of Arkansas City Meeting Minutes

Mell Kuhn, owner of Kuhn Mechanical, asked why he wasn't asked to bid. Mayor Giles asked if the City had to go with certain contractors and if local ones were excluded. City Manager Hernandez said the City was looking at partnering with an engineering firm and letting that firm pick the contractor with which it wanted to work.

Mayor Giles asked if using an engineering firm was required by the State of Kansas. Broce said the last project involving the digester was a roof replacement in 2009 for \$136,000, but the roof failed after just three years, and the City has been cited by the Kansas Department of Health and Environment since 2013 as a result of the failure.

Broce said he wanted to involve an engineering firm to ensure the work was done in a professional manner, and added that the last roof should have lasted 20 years, not three. Commissioner Every asked who installed the last roof and Broce said it was Kuhn Mechanical. Kuhn took full responsibility for the roof's failure and explained that improper materials were used. He said he had offered to replace the roof for \$8,000.

Commissioner Every asked if it would be advantageous to seek more bids for the project. Broce said he hadn't been able to find any other general contractors locally who would take on the work.

Mayor Giles moved to table both Resolutions and seek more bids. Commissioner Every seconded the motion.

Commissioner Every asked why the City would want to put \$143,000 into a water treatment plant that is scheduled to be replaced. Philo explained the maintenance that had been done on the clarifier so far.

Commissioner Warren asked about the possibility of replacing the bearings that power the mixing unit, which has been inoperable for more than a year, with in-house labor. Philo said the bearings only were identified as a problem within the last four weeks. Commissioner Every observed the water quality still has been acceptable with the mixing unit not in use, but Philo said that was because the other basin still was functioning.

Commissioner Oestmann asked if anything could be done to repair the mixing unit without spending so much money. Philo said he had looked into another option, but the engineers he talked to thought it could cost more.

Commissioner Every asked what would happen if the City did nothing. Philo said the City was meeting compliance requirements at this time, but a failure in the other clarifier could lead to much harder water.

Hogland said that because BRB's bid was now public, the company would not be interested in bidding on the project again as a result. He said the firm proposed several cost-saving measures as part of its bid. He also observed that if his company had performed work that failed after three years, he wouldn't expect more work.

Mayor Giles said he appreciated BRB's difficult position and emphasized that his problem was with the lack of variety in the bids presented, not BRB's bid. Broce explained how the project concept differed from the conventional design-bid-build process and that was why there wasn't a traditional bid opening advertised.

Mayor Giles asked why Aqua Tech and Walters Morgan were not given more time to prepare their bid for one of the projects. Broce said Philo had called that day to check on their progress, and added that the bid deadline already had been extended by a week, but he chose to pull the trigger to get the work on this meeting's agenda.

Commissioner Warren said he would like more detail on the bearings in the mixing unit. Commissioner Every asked if City staff could investigate that. Philo and Broce said they did not have people available at this time.

A voice vote was unanimous in favor of the motion on the floor. Mayor Giles declared the Resolutions tabled.

City Commission of Arkansas City Meeting Minutes

Recognition of Visitors (Continued)

Andale Ready Mix Central, Inc. representatives Richard Mfuko and Pete Molitor gave a presentation on the various new road construction technologies the company has available for potential City projects in the future.

The first is the SuperSlurry process, which provides full-depth reclamation of existing road surfaces and creates a new bonded base using liquefied cement material that has been 100-percent hydrated by water, upon which an improved roadway can be built. It avoids many of the drawbacks of conventional dry cement or cementitious soil stabilization, such as dust, uneven cement rate results or uneven compressive strength, reflective cracking and a short workability window.

The second is roller compacted concrete, which is a more efficient form of concrete paving topped with a broom finish. Microcracking is introduced to reduce the severity of shrinkage cracking in the future. The process has a lower initial cost and greater speed of construction than conventional reinforced concrete, is more structurally sound and has greater longevity than asphalt, and because of the broom finish, shares both methods' aesthetics.

The third is HA-5, a high-density mineral bond that improves asphalt pavement preservation and lifespan on local roads. This pavement preservation strategy helps to preserve the asphalt binder, or "glue," that holds the aggregate in place by stopping oxidation, raveling, and cracking due to ultraviolet radiation and moisture by preserving the elasticity of the oils in the binder. Andale estimates that each \$1 of investment in proactive road preservation, if applied at the correct time in its lifespan, could save \$6 to \$14 in future repairs or replacement.

Public Works Director Broce said he asked Andale to come down and introduce these methods so the City could brainstorm some projects on which to test them. He suggested using SuperSlurry and roller compacted concrete on North 15th Street from Radio Lane to the City limits. He showed some photos of the problems with the road and how the base has eroded away. Commissioner Dan Jurkovich asked for some cost comparisons.

Mayor Giles asked where the money for the 15th Street project would come from. Broce said \$266,000 in federal reimbursements could be used, with the remainder of the cost coming from the street sales tax fund.

Commissioners Warren and Jurkovich asked for a project proposal to be brought on a future agenda.

New Business (Continued)

Design Services for Existing Wells **Resolution No. 2015-08-2985**

City Clerk Shook presented for discussion a Resolution authorizing a contract with Professional Engineering Consultants, PA to provide structural, electrical, control and mechanical design services for improvements to existing wells, for an amount not to exceed \$56,000.

Public Works Director Broce said the scope of the contract grew out of a desire to have a standardized well house design for Well No. 8, currently being re-drilled and offset, and other future well offsets. As part of that design, he sought a generator capable of powering two pumps.

Commissioner Every asked if the generator could be used on other wells. Broce said its exact specifications wouldn't be known for sure until the well offset is completed and the new pump parameters are determined.

City Commission of Arkansas City Meeting Minutes

PEC representative Sarah Unruh said Layne Christensen Co. will tell PEC how much water the new well can pump and the well should like. PEC then will design a new well and well house for that location, with the building design able to be used in future well offsets where only the new wells will have to be designed.

In response to a question from Commissioner Jurkovich, Mell Kuhn said his company did the design for the last new well house that was built, free of charge, and that it was a standard design.

Commissioner Every asked if any other engineering firms were consulted for the proposed project. Broce said PEC was the only company contacted. He said the Kansas Department of Health and Environment would not accept a well house designed by a company that did not have the proper qualifications.

Kuhn praised PEC's work and said their designs would be more detailed than his, admitting that he likely did not have the proper qualifications on the prior design.

Commissioner Jurkovich moved to approve the contract with PEC. Commissioner Oestmann seconded the motion.

Commissioner Every asked Broce why he couldn't design the well house. Broce said he only was a civil engineer, while all engineering disciplines would be required for whichever firm designed the well house.

Unruh said the project scope was broader than just designing a well house. It also will look at whether to have soft starts on the motors, the cost of burying electrical service to the wells, the design of the generator, and the service to connect Well No. 8 and, in the future, Well No. 5 to that generator. There will be permitting components and calculations regarding how high to raise the wells to keep them above the high-water mark.

A voice vote resulted in four aye votes and one nay vote, with Commissioner Every dissenting.

Mayor Giles declared the resolution adopted and given Resolution No. 2015-08-2985.

Amendment to KDHE Loan Agreement **Resolution No. 2015-08-2986**

City Clerk Shook presented for discussion a Resolution to approve the First Amendment to the Loan Agreement by and between the Kansas Department of Health and Environment, acting on behalf of the State of Kansas, and the City of Arkansas City, the City of Winfield, and the Strother Field Commission.

City Manager Hernandez said the item was brought to him by Strother Field Manager Shawn McGrew.

The amendment was necessary because the final amount of the State Revolving Fund loan had changed. Both cities and the Strother Field Commission have to approve it before it can take effect.

Commissioner Jurkovich moved to approve the amendment to the loan agreement. Commissioner Warren seconded the motion. A voice vote was unanimous in favor of the motion.

Mayor Giles declared the resolution adopted and given Resolution No. 2015-08-2986.

City Commission of Arkansas City Meeting Minutes

SCKMC Loan and Reimbursement Agreement Resolution No. 2015-08-2987

City Clerk Shook presented for discussion a Resolution authorizing a Loan and Reimbursement Agreement with South Central Kansas Medical Center.

City Manager Hernandez said the agreement would formalize the \$300,000 interest-free loan approved Aug. 4 by the City Commission, with repayment consisting of \$25,000 monthly installments to begin in September.

Commissioner Oestmann moved to approve the agreement. Mayor Giles seconded the motion. A voice vote was unanimous in favor of the motion, with Commissioner Jurkovich abstaining. Mayor Giles declared the resolution adopted and given Resolution No. 2015-08-2987.

City Manager Updates

City Manager Hernandez informed the City Commission that the City of Arkansas City would be taking over the administration of the Cowley County Drug Task Force funds from the City of Winfield, with action to come before the Commission at a future meeting, and that two vacancies had opened on the Arkansas City Public Library Board of Trustees after Fred Bunting and Ed Gilliland resigned. He also mentioned that he was going to attend the funeral of Steve Endres, director of operations at Creekstone Farms Premium Beef, in Wichita.

Hernandez finished by presenting a list of assumptions and two spreadsheets regarding an analysis of future water rates and cash flow. Based on the assumptions, he said, the City should be able to afford the annual payments on the new Water Treatment Facility, devote at least \$500,000 to new water lines and \$250,000 for rehabilitating a well each year, construct a new redundant water line across the Walnut River and build a new standpipe in the Crestwood neighborhood, and still set aside \$286,000 for annual maintenance and replacement costs, potentially transfer money to other funds, and maintain around \$3 million in cash reserves.

Adjournment

Commissioner Jurkovich left the meeting just prior to adjournment. Commissioner Warren moved to adjourn. Commissioner Oestmann seconded the motion. A voice vote was unanimous in favor of the motion. Mayor Giles declared the meeting adjourned at 8:01 p.m.

THE ARKANSAS CITY
BOARD OF CITY COMMISSIONERS

Chad Giles, Mayor

ATTEST:

Lesley Shook, City Clerk