

**CITY OF OSAGE CITY**  
**COUNCIL MEETING**  
**February 14, 2023**

**ROLL CALL:** Now on this 14th day of February 2023, the Governing Body of the City of Osage City, Kansas, met at the Osage City Council Chamber in said City. The following members being present and participating to wit: Mike Gilliland, Mayor. Council Members: Cathryn Houghton, Brian Stromgren, Bruce Schoepflin, Shirley Bausman, Jeff Tice, Sharon Larson, and Jeanette Swarts. Excused: Council Member Eric Tincher. Officials present: Rick Godderz, City Attorney; Rod Willis, City Manager; Katie Hodge, Deputy City Manager/City Treasurer; Sadie Boos, City Clerk; Parks & Facilities Superintendent Gary Thompson and Dale Schwieger, Utility Director. Others present: Dixie Riedel, Gas Manager KMGGA.

**APPROVAL OF THE AGENDA:**

*Motion by Schoepflin, second by Tice to approve the agenda. The motion was declared carried.*

**RECOGNITION OF VISITORS:** None

**APPROVAL OF THE CONSENT AGENDA:**

- 1. Approval of January 24, 2023 Regular Meeting Minutes**

*Motion by Larson, second by Tice to approve the consent agenda. The motion was declared carried.*

**BUSINESS BEFORE THE COUNCIL:**

- 1. Congratulations to Deputy City Manager/City Treasurer Katie Hodge on being awarded \$400,000 for the City of Osage City by the Walter S. and Evan C. Jones Testamentary Trust for the Lincoln Park & Jones Park Enhancement Project. A special thanks to Grant Writer Katie Hodge and for supporting information provided by Parks & Facilities Superintendent Gary Thompson, Parks & Recreation Director Corey Linton and Utilities Director Dale Schwieger.**

Deputy City Manager/City Treasurer Katie Hodge explained the Jones Grant would include a new concession building with new bathrooms at the ballfields at Jones Park, and new swings, child/adult fitness equipment to be added to existing equipment at Lincoln Park. Since the original grant application request was in the amount of \$483,000 total, some adjustments will be made to accommodate the actual \$400,000 awarded. In addition, the KDHE Waste Tire Grant for rubber mulch is being applied for and the entire project has a one year completion date. Katie thanked Gary, Corey and Dale for their input on putting the Jones Grant together in a short time frame.

- 2. Presentation by Dixie Riedel, Gas Manager KMGA, on the Kansas Municipal Gas Agency (KMGA) Prepay Gas Supply Project through Minnesota Municipal Gas Agency (MMGA) as Tax Exempt Bond Issuer, Royal Bank of Canada (RBC) as Gas Supplier, BP Energy as Commodity Swap Provider, and KMGA and Member Cities as Participants for a discount range from 25-40 cents below market index prices. Osage City and KMGA signed a similar agreement in 2019 shortly before Covid-19 dramatically affected financial interest rate spreads which ended the prepay project at that time. Only present City Council Members Bruce Schoepflin and Jeanette Swarts were on the City Council in 2019.**

KMGA Gas Manager Dixie Riedel presented the outline for the Prepay Gas Supply Project and recommended monthly gas volume for prepay at 50% of three year historical average. Dixie explained the KMGA participation at 15 MMBtu/day would be about 10% of the volume needed by Minnesota Municipal Gas Agency to put the prepay gas supply project together with all the participants. The discount occurs with the difference between taxable and non-taxable bonds interest rate spreads, so the KMGA member cities are a group if they choose to participate in the 30 year bond commitment to receive the guaranteed minimum discount offered when the market conditions are favorable to complete the supply project. If the guaranteed minimum discount is not met for the 30 years, then the KMGA cities can choose to no longer participate. Each city deciding to participate must execute the Prepay Participation Agreement by March 15, 2023.

- 3. Approval of Haynes Equipment of Olathe bid in the amount of \$16,083.00 for an E/one Grinder Pump Station to replace the septic tank at the Jones Park ballfields. Other bid received in the amount of \$29,431.97 was from Ferguson Enterprises LLC of Topeka for the same specification grinder pump – Parks & Facilities Superintendent Gary Thompson**

Parks & Facilities Superintendent Gary Thompson explained the reason for replacing the ballfields old septic system that causes problems with a grinder pump station that solves the septic system problems with a reliable grinder pump system.

*Motion by Larson, second by Schoepflin to approve Haynes Equipment of Olathe bid in the amount of \$16,083.00 for an E/one Grinder Pump Station. The motion was declared carried.*

- 4. Approval of Evergreen Design-Build of Emporia total base bid amount of \$270,924 for the windows, doors, and storefront for the Star Block CDBG Building Rehabilitation \$250,000 Grant Award. Other bidder was Pinelux Exteriors LLC of Osage City in the amount of \$319,954 total base bid. Bid opening was Thursday February 9<sup>th</sup> at 11:00 a.m.- Ben Moore, AIA, Ben Moore Studio LLC of Manhattan**

Since the first bid round was not approved for being way over architect estimates, the CDBG portion of the project was put out for bids a second time. Evergreen Design-Build is within \$1,000 of the estimated total base bid by architect Ben Moore Studio, so is recommended.

*Motion by Schoepflin, second by Larson to approve Evergreen Design-Build of Emporia total base bid amount of \$270,924 for the windows, doors, and storefront for the Star Block CDBG Building Rehabilitation \$250,000 Grant Award. The motion was declared carried.*

**5. Information - Service Line Warranties Launch planned for end of February – Christopher Rebar, Account Manager for Service Line Warranties**

Service Line Warranties Launch documents being mailed to Osage City residents beginning the end of February were presented to the City Council. In addition, Service Line Warranties sends \$0.50 to the City for each new customer that participates in the warranty program.

**6. CDBG Sewer 2023 Grant Application and 2020 Grant Closeout updates**

CDBG Sewer 2023 Grant Application for \$592,500 was submitted by Brett Waggoner of Governmental Assistance Services on February 1<sup>st</sup> and the prior 2020 CDBG Sewer Grant has been closed out with our final reimbursement of \$44,217.24 to be received next week.

**7. Low and Moderate-Income (LMI) Survey Tabulation for 2023 and 2015 CDBG grant applications by Western Consultants dba Governmental Assistance Services**

Current LMI Survey for 2023 shows 62.7698% of Osage City residents being Low and Moderate Income compared to the LMI Survey for 2015 showing 54.64% being Low and Moderate Income, an increase of 8.13% in just 8 years. This issue is an important factor to include in policy direction for the future.

**ADJOURNMENT:**

*At the request of Council Member Schoepflin and on his motion, seconded by Council Member Larson and carried unanimously, the meeting adjourned.*

**APPROVED:** \_\_\_\_\_  
**Mike Gilliland, Mayor**

**ATTESTED:** \_\_\_\_\_  
**Sadie Boos, City Clerk**