



## **City Manager's Report**

June 26<sup>th</sup>, 2018

Honorable Mayor Cole and City Commissioners Gwin and Brecheisen-Huss,

As has been the case the past couple of months, we have been extremely busy the past couple of weeks in the front office still being short-handed with multiple people on leave. Our recent hires in the water and wastewater department are catching on and we will be welcoming the new Chamber Director and administrative assistant for the City next week. We also had an internet and telephone outage this week due to an issue with AT&T's fiber backbone. I attended the County Commission meeting and the joint EMP meeting for KMEA in Kansas City this past week and I also met with an energy consultant regarding our gas utility, access control companies for the recreation center's door, and Rich McCain and Vicki Mills of Anderson County Hospital to discuss insurance concerns and other issues. After speaking with both Mr. McCain and Mrs. Mills, and USD 365 Superintendent Don Blome, I believe we will have a joint meeting scheduled later this year with all four entities represented. I plan to be out of town on Monday and Wednesday next week as our regional economic development meeting is in Fort Scott on Monday and a workshop on Parallel Generation is being held in McPherson on Wednesday. I plan to make a presentation in the near future on why we should consider adopting parallel generation regulations for our electric customers. I also have been reaching out to our Federal Representatives to see if we can obtain any assistance from their offices regarding our water plant financing with USDA.

As for the agenda items, item A is the discussion of recognition of two local businesses, Hawkins, Incorporated and Trade Winds Bar and Grill, as Merit Award recipients of the 2018 Business Appreciation Month Awards. I expect Barbara Anderson from the Kansas Department

of Commerce to be here to present the awards as well as Hawkins' Manager Tom Lasser and Trade Winds' owner Angie Smith in attendance to accept the awards. Both Hawkins and Trade Winds are terrific members of our business community and are very deserving of these awards. Item B is Ordinance 4196 relaxing the living requirements for Planning Commission Board Members. This ordinance was tabled last meeting and I have received no requested modifications to it, so it is ready for your approval if you still wish to do so. Item C is consideration of the Resolution formally directing the County Clerk to add to the November ballot the question asking Garnett electors if they wish to transition to a five member City Commission.

Item D is the consideration of a funding request for transient guest tax (TGT) dollars from the Greeley Smokeoff. This was tabled at our last meeting and my recommendation stands the same. You will see attached the founding ordinance 3690, which created the Tourism Advisory Board, stating the duty of the Board is to support "tourism in Garnett and in the adjacent areas of Anderson County surrounding the City." Charter Ordinance 23 does not as directly reference "areas of Anderson County surrounding the City", however it does in my opinion leave room to support such events via the definition of "Convention and tourist promotion". This is defined as "Activities to attract visitors into the community through marketing efforts, including advertising, directed to pleasure travelers and others whose presence in the community is likely to increase local business activity or which encourage increased lodging facility occupancy." This definition, combined with Section Four (4) of the Charter Ordinance, I believe afford the ability to support events and programs outside the City Limits. Section Four (4) reads, "The City of Garnett, Kansas shall be and is authorized to expend the funds raised by the levy of any tax under the authority of this Charter Ordinance on such programs and projects as reasonably may be expected to promote tourism or conventions benefitting the City of Garnett, Kansas. The City Manager is hereby authorized on behalf of the Governing Body to make such expenditures directly or contract for convention and tourism programs to be implemented." As mentioned in my last report, the Smokeoff's request this year is \$2,000, less than the \$2,114 they were awarded last year. While they were awarded \$2,114 last year, they actually only spent \$1,555 of their award. The Tourism Committee has recommended approval of the requested funds. You will also see

the request documentation in your packet. Item E is the consideration of the bills and payroll in the amount of \$172,331.84.

Mr. Tate and Mr. Giczewski have compiled a report on the information you requested regarding Mr. Gainer's properties along with a brief history. I have attached it for your review. As you know, we have been working with the Airport Board and Garver to complete a grant application with the Federal Aviation Administration (FAA) to update our Airport Master Plan to a more fundable plan. We will be submitting our grant application next week and our local match, if awarded, will be ten percent (10%), so \$18,500, of the \$185,000 project. As we budgeted \$15,000 for this project, in the event the project does get funded and it does exceed \$150,000 total, we will have to find the difference above \$15,000 in the budget somewhere. As with all departments, and similar to the USDA grant situation, we are striving to keep costs down as much as possible in order to have the budget room to pay for overruns like these. As you know, these situations are common and is why we try to keep costs down as much as possible throughout the year in order to ensure we have the funding available when the opportunity arises. As I've explained previously, this is why I try to save larger purchases for the end of the year to ensure that we don't have to cut operations or services in order to stay under budget. Sometimes that doesn't always work out timing wise, but that is the goal. As for this specific situation, while it will be challenging to shave \$3,500 from operations elsewhere in the Airport Fund, I believe we are on a good path right now and expect to meet that goal – giving us the funding for the entire grant match.

As you will see in the attached email from the ISO, we have been granted time to formally adopt the 2018 codes as you have directed. We will go ahead and order the 2018 code books as they have the ordinance to adopt the code provisions by reference included. We will move forward and need to keep the ISO informed of our progress with at least quarterly updates in the event it takes longer than anticipated. I have also attached information showing the trend (as of the end of 2017) of the electric energy market where our electricity comes from, the Southwest Power Pool (SPP). As you can see, renewable energy, especially wind, has taken a progressively larger share of the load each year for the past four (4) years and we expect that trend to continue.

This has generally resulted in progressively lower average energy prices – although thus far through 2018 we have seen average prices climb. Overall, the expectation is for the market to remain on this course of growth in renewables and relatively stable, lower energy prices. However, this could all change if the Federal Government is successful in their attempt to prop up coal and nuclear power plants to prevent them from closing. Such a change could possibly increase the reliability of the energy grid; however, it would likely also make the energy market more volatile. Our annual Libertyfest Fireworks Celebration is on this upcoming Saturday, June 30<sup>th</sup>. I would also like to invite you to help greet the public and take donations at the entrance for Libertyfest if you would be interested in volunteering.

As always, please let me know if you have any questions and I appreciate the opportunity to serve you and this wonderful community as your City Manager.

Sincerely,

A handwritten signature in cursive script that reads "Christopher T. Weiner".

Christopher T. Weiner, City Manager