

WASHINGTON CITY COUNCIL MINUTES
Regular Meeting –City Hall
October 4, 2021

1. Call to order by Mayor.

2. Roll Call.

Present: Ryan Kern, Mayor
Kevin Elder, Council Member
Theresa Herrs, Council Member
Carolyn Pinnick, Council Member
Roxanne Schottel, Council Member

Absent: Don Imhoff, Council Member

Staff Present: Carl Chalfant, City Administrator
Denise Powell, City Clerk
Richard Applegarth, Power Plant Operator
Terry Morse, Power Plant Operator

Others: Cynthia Scheer, Washington County News
Rachel Lundquist, BG Consultants.
Chris Farabee, Owner, Farabee Mechanical
Kevin DeValkenaere, Systems Manager, Farabee Mechanical
Christy Metz, Washington

3. Citizens Comments.

No public comments.

4. City Hall Improvements.

Rachel Lundquist, BG Consultants, presented the final Architectural Report for City Hall Improvements. BG was contracted to look at City Hall to provide alternatives and recommendations for cost-effective improvements that meets the City's needs and benefit all members of the community.

The proposal included a larger Council chamber, added storage area for map cabinet and plotter, a third office in front of current offices, break room, large reception area, and relocation of bathrooms. On the exterior the existing brick will stay, the marble replaced with limestone and the corrugated metal replaced with aluminum composite panels, which could be digital sign or posters.

5. Minutes.

Motion to approve the minutes of the regular meeting held September 7, 2021, adjourned meeting held September 22, 2021, and special meeting held September 24, 2021 by Schottel and seconded by Herrs.

Vote: Ayes: Kevin Elder
Theresa Herrs
Carolyn Pinnick
Roxanne Schottel

6. Appropriations Ordinance 2021-10.

Motion to approve appropriations ordinance 2021-10 by Schottel and seconded by Herrs

Vote: Ayes: Kevin Elder
Theresa Herrs
Carolyn Pinnick
Roxanne Schottel

7. EMT Applicants/EIG Grant.

Motion to approve contracts with Christopher Pinnick and Ashley Holle for EMT training by Herrs and seconded by Schottel.

Vote: Ayes: Kevin Elder
Theresa Herrs
Roxanne Schottel
Abstain: Carolyn Pinnick

Motion to authorize the Mayor and Service Director to sign Education Incentive grant documents for the EMS Service for Christopher Pinnick and Ashley Holle by Herrs and seconded by Schottel.

Vote: Ayes: Kevin Elder
Theresa Herrs
Roxanne Schottel
Abstain: Carolyn Pinnick

8. Law Enforcement Contract.

Consensus of the Council was to notify the Washington County Sheriff of the City's intent to renew the Law Enforcement Contract for 2022.

9. Power Plant Operator Report.

The Council was given the three contracts for the purchase, installation and testing of the 2 - 2,000 kW Fairbanks Morse dual fuel engines from Wheeler World, Inc., KMEA Mid-States and Power Plant Compliance for the purchase of two catalyst, performance testing and construction permit compliance. A spreadsheet was created outlining the cost for each company, along with other associated costs.

Staff sent a request for financing the purchase, installation and testing of 2-2000 kW Fairbanks Morse Diesel Engine Generator Sets for \$1,600,000 to United Bank & Trust and FNB Washington and were available to be opened at the Council meeting.

Chris Farabee, owner, and Kevin DeValkenaere, systems manager of Farabee Mechanical, were present to give a quote for two dual fuel engines for the power plant.

Mayor Ryan Kern questioned the second proposal. Council member Roxanne Schottel stated she was under the impression that the reason the Council had to make a decision so quickly on the Indiana engines was because these engines were hard to find. Council Member Theresa Herrs stated she thought the reason they were rushed to make a decision was they would lose the engines from Wheeler World.

Power Plant Operator Terry Morse stated they previously contacted Farabee Mechanical for repairs to an engine. Morse stated he dropped the ball and didn't go back to Farabee Mechanical when looking to replace the engine. Applegarth stated they weren't made aware there were more engines out there. Morse stated he and Power Plant Operator Richard Applegarth went to look at some of Farabee's engines today at their facility. The engines are the same as quoted by the previous company.

Chris Farabee stated his company has completed many projects for the City and would welcome the chance to put something together. Farabee Mechanical installs, removes, modifies and maintains internal combustion power generating equipment. Farabee brought a proposal for 2-2 megawatt dual fuel engines.

Council Member Carolyn Pinnick asked about the City’s purchasing policy and why a formal bid was not put out. City Administrator Carl Chalfant stated the City was looking at emergency situation at first as the City doesn’t have capacity.

City Attorney Elizabeth Baskerville-Hiltgen asked the Council if they wanted to move forward with the purchase, if it is an emergency and if they want to bypass the purchasing policy. Baskerville-Hiltgen then asked if the reason for making the decision was that the engines found at Wheeler World were the only two engines that would fulfill the City’s needs. Consensus of the Power Plant Operators and the Council was yes. “I think that answers the question”, Baskerville-Hiltgen said. “At this point the City needs to go through the formal bid policy.” Baskerville-Hiltgen stated if the purchase is not an emergency, staff needs to take a step back and do the right thing for the community.

Chalfant stated he feels like it is an emergency situation. Chris Farabee stated the City is one engine from being an emergency. Morse stated if one of the compliant engines went down the City would be in a serious situation. Engines 1, 6 & 7 currently work and engines 2 and 5 don’t.

Chalfant stated he was not comfortable with the deadline by Wheeler World. Morse and Applegarth did a good job articulating the City’s needs, and provided good information to put something in front of the Council to fit the City’s needs.

City Attorney Baskerville-Hiltgen stated when visiting with Wheeler World about the contract there wasn’t a deadline, there were things to work out, and the City had time to make a decision.

Farabee stated he had a turn-key proposal and would like to hit the high points. City Attorney Baskerville-Hiltgen said any company should wait to give formal bid until the City goes through the formal bid policy.

Mayor Kern stated he felt the Council had been rushed to make a decision. He has had two individuals that are business owners that are not in favor of putting \$1.5 million into power plant.

Baskerville-Hiltgen asked if it would be beneficial for city to fix current engines. Farabee said there is significant damage to engine with aluminum throughout. Farabee stated that if the council chose to fix the engine it wouldn’t increase kilowatts, and it is a diesel only engine.

Council Member Pinnick stated she felt it was better to purchase an engine rather than to fix current engine.

Council Member Herrs stated the Council doesn’t have all the information needed to make a decision. She said the rate study isn’t done and the City hasn’t heard from the insurance company.

Consensus of the Council was to go out for formal bid with alternatives. The Council also discussed a town hall meeting and sending out surveys. Consensus was to send out surveys.

10. KMEA Recommendation.

Motion to approve a short-term purchase of 600kw or .6MW of energy for the on-peak hours or 6 a.m. to 10 p.m. for the months of December 2021, January 2022 and February 2022 from KMEA by Herrs and seconded by Schottel.

Vote: Ayes: Kevin Elder
Theresa Herrs
Carolyn Pinnick
Roxanne Schottel

Neal Daney, director, projects and asset management for KMEA, contacted staff Monday morning, Oct. 4th concerning City of Washington’s approximately 52% market exposure for electric energy for December, 52%

for January, and 56% for February. KMEA states the market pricing won't be that much different from what the City can secure this product for today—which has been quoted around \$70/MWh. It is KMEA's recommendation that the City reduce a portion of their winter market exposure by securing a product for 600 kW or .6 MW for the on-peak hours or 6:00 am until 10:00 p.m. The City of Washington has the luxury of mitigating most of their remaining market exposure at diesel prices between \$160-\$180/MWh.

Daney spoke with KMEA's attorney who believes that given the short-term nature of this transaction, the City could provide KMEA approval with an email confirmation and that KMEA would bill the City for this product under the normal EMP2 billing cycle. There are about 20 cities within all of the EMP's that are moving forward with reducing some of their market exposure this winter.

11. City Administrator Report.

- a) **Retirement.** A retirement reception will be October 29th for Dennis Stigge, water/wastewater operator, who has worked for the city for 14 years.
- b) **Grant.** Staff applied for a grant through the Washington County Community Foundation for refrigerators for the ball diamond and swimming pool.
- c) **Water Tower and Industrial Park.** Brian Foster, BG Consultants, issued requests for bids for the Water Storage Tank coating and industrial park utilities projects. Bids will be due back and presented at the November 1, 2021 council meeting. Foster is also working on obtaining a quote from Sargent drilling on installation of VFD's at wells and installing a permanent generator.
- d) **Washington Chamber of Commerce to Host Netherlands Journalist Laila Frank.** Full Time EMT Caroline Scoville (and Chamber representatives) has been working on a project with Laila Frank, one of the leading journalists on America in the Netherlands. Frank is working on a podcast-project called 'Welcome to Washington' and is visiting eight different Washingtons during her travels, as it's the most common place name in the States. She has selected Washington, Kansas, as one of her destinations. The Washington Chamber of Commerce will be hosting a welcome event in the FNB Basement, 101 C Street, on October 5, from 5:30 p.m. - 7 p.m., with Frank as the featured guest.
- e) **Old Water Pumphouse.** Staff is still reviewing and evaluating options.
- f) **Lots in 200 Block of 6th Street.** America Realty, the owners of two pieces property in the 200 block of West 6th Street, have requested utilities be removed in preparation for demolition next week.

12. City Clerk's Report.

- a) **Fuel Adjustment.** The fuel adjustment for bills due October 10, 2021 (August usage) is -.02721. No adjustment was made to the fuel adjustment on utility bills due to the cold snap February 2021. The remaining expense to be adjusted is \$47,000 of the KMEA EMP2 bill and \$43,489 for the KMEA GRDA bill.
- b) **Library Roof.** Josh McKinzey, Milbourn Construction, inspected and repaired the library roof. McKinzey found a loose flashing seam which was repaired and two holes in the side of the AC unit which he put sealant over. Milbourn Construction was notified Aug. 4 and notified staff repairs were made on Aug. 10th.
- c) **Thank You.** A thank you was received from Melinda, Adrianna, Caleb and Haley Woodring for the memorial sent on behalf of Wade Woodring, husband/father.
- d) **Reports.**
 1. **Washington County Senior Citizens Meal Site.** The Council was given for review the July 2021 financials for the Washington County Senior Citizens Meal Sites.

13. Mayor/Council Member Reports

Herrs

- a) **Flags on Poles.** Council Member Theresa Herrs stated she would like to see the Chamber of Commerce banners put up in the future. Herrs stated they look nice and are very welcoming.

Kern

- a) **Electric Conversion.** Mayor Kern asked for an update on the electric conversion project and requested monthly updates to assure the project is moving forward. City Administrator Carl Chalfant said staff has been reviewing the load on feeder line three as it is maxed and there is potential of adding a new business to the line. Chalfant also said staff will need assistance from Clay Center with converting the stretch that has Casey's and the downtown so they are not without electricity for an extended period of time.

14. Executive Session.

Motion to enter into executive session to review applications and resumes for power plant operator and water/wastewater operator for non-elected personnel to include the Mayor, Council, City Administrator to resume at 8:10 p.m. by Schottel and seconded by Pinnick.

Vote: Ayes: Kevin Elder
Theresa Herrs
Carolyn Pinnick
Roxanne Schottel

Motion to adjourn by Herrs seconded by Schottel.

Vote: Ayes: Kevin Elder
Theresa Herrs
Carolyn Pinnick
Roxanne Schottel

Meeting adjourned at 8:11 p.m.

Denise M. Powell, City Clerk