

LINDSBORG CITY COUNCIL
Lindsborg City Hall
December 16, 2024–6:30 p.m.
Meeting Minutes

COUNCILMEMBERS PRESENT: Mayor Clark Shultz, Corey Peterson, Rebecca Van Der Wege, Kirsten Bruce, Blaine Heble, Joshua Swanson, John Presley, Andrew Smith

MEMBERS ABSENT: Tanner Corwin

OTHERS PRESENT:

Kristi Northcutt, Roxie Sjogren, Zach Strella, David Hay, Marcus Petty, Holly Lofton, Noah Flores, Lauren Doak, Rod Schrage, Milton Collins, Denny Walker, Bryan Giesen, Officer Mike and Andrea Adams, Officer Russell Almes, Chris Lindholm, Chief Davis, Terry Reed, Colleen Walker, Alexa Reed, Bill and Beth Olson, Scott Bontz, Nancy Reese

The meeting was called to order at 6:30 p.m. by Mayor Clark Shultz, followed by the pledge of allegiance.

PUBLIC INPUT:

Community member Nancy Reese shared her concern about the lack of people picking up after their dog(s). Her suggestion was to have police officers speak to those walking their dogs and ask if they have bags to clean up after their dog(s) as a proactive measure.

AMENDMENTS TO THE AGENDA:

City Administrator Kristi Northcutt requested to amend the agenda to add a Cereal Malt Beverage license for YesWay to the consent agenda. There were no objections.

BUDGET AMENDMENT HEARING:

At 6:34 p.m., Mayor Shultz recessed the regular City Council meeting and opened the Budget Hearing.

Finance Director David Hay reported that the Water Fund Budget needs to be amended to reflect accurately what should have been budgeted for the 2024 fiscal year. Due to a keying error within the budget spreadsheet, commodities were budgeted at \$10,000 when they should have been budgeted for \$100,000. The rest of the amendment is the Cash Forward amount that was not entered to allow for unencumbered cash to be used if needed during the 2024 fiscal year. Normally this would not have been an issue, but due to the rising costs, the City could exceed budget authority in this fund per the original 2024 budget without an amendment.

Mayor Shultz opened the floor for public comment; there was none.

Councilmember Andrew Smith moved to approve the amended 2024 Water Fund Budget as presented. Seconded by Councilmember Blaine Heble and passed with 5 ayes and one abstention from Council President Peterson.

Councilmember Andrew Smith moved to close the budget hearing. Seconded by Councilmember Kirsten Bruce and passed 7-0 by voice vote.

Mayor Shultz closed the budget hearing at 6:46 p.m. and reopened the regular City Council meeting.

MAYOR'S REPORT:

Mayor Shultz commented on the weekend's festivities and thanked Councilmember Presley for his 29 years of playing a shepherd at the Old Mill as part of their Heritage Christmas activities.

CONSENT AGENDA

Councilmember John Presley moved to approve the minutes from the December 2, 2024, regular Council meeting, Payroll Ordinance 5514, Purchase Order Ordinance 5515, and a cereal malt beverage license for YesWay. Motion seconded by Councilmember Andrew Smith and passed 7-0 by roll call vote.

APPOINTMENTS:

Mayor Shultz appointed Denny Walker as the interim Director of Public Works and Terry Reed as the Interim Chief of Police/Director of Public Safety and their oaths of office were issued by City Clerk Roxie Sjogren.

COMMITTEE REPORTS:

There were no committee reports.

FIRST READING:

City Employee Handbook/Policy Manual

The last update to the City of Lindsborg Employee Handbook was in December 2022. At that time, a full five-year review of the handbook and all policies was planned for 2023, with implementation in 2024. This year, a City Council sub-committee was established to review the handbook and consider revisions; this included Councilmembers Corwin, Presley, and Bruce with staff members Kristi Northcutt and Roxie Sjogren. They reviewed the handbook and after consultation with HR Partners and the City Attorney, recommend the additions outlined below (refer to the section stated for further detail within the handbook), as well as updates to language or policies required by law.

- **Artificial Intelligence (section II-8):** This policy governs the use of (AI). It is designed to ensure that all work products prepared wholly or in part using AI in official duties meet the highest standards of accuracy, integrity, and ethical responsibility. *Recommended by legal.*
- **Timekeeping and Reporting (section III-6):** Due to the new timekeeping system implemented as part of the InCode10 upgrade, this policy is being added to outline the procedures, definitions, and expectations for time keeping and recording.
- **Holidays (section IV-2):** Exchanging Good Friday for a Floating Holiday (which could be used Good Friday or any other day). This aligns with State of Kansas observed holidays and most other cities queried.
- **Sick Leave Rollover (section IV-5):** The City will allow employees to roll over up to 40 hours of sick leave to their vacation bank annually. To participate, employees must have a minimum balance of 248 hours and when rolling over, can never go below 240 hours.
- **Paid Parental Leave (section IV-9):** Adding four weeks of paid leave upon the birth or adoption of a child. Additional guidelines apply.
- **Remote Work Policy (section V-4):** Sets out the procedures for remote-work-eligible positions, if/when needed. *Recommended by legal.*
- **Work-Hour Limitations (section VI-1):** This policy is designed to ensure the safety and well-being of all city staff by limiting the number of hours they are permitted to work consecutively. *Recommended by legal.*

Previously, there was a separate policy manual and employee handbook. This new, proposed version incorporates policies into the handbook for one, easier-to-reference version for staff. Many of the redlined additions to the handbook are policies that are being brought over from the policy manual and are not new policies being proposed.

No action was taken at this meeting. Council feedback will be incorporated into a final draft for consideration by Council at the January 6, 2025, meeting.

OLD BUSINESS:

FEDERICO DUERST AGREEMENT

City staff and Federico/Duerst staff presented the draft 2025 Memorandum of Agreement for consulting services to City Council at the December 2, 2024, regular meeting.

As a reminder on the topic, in November of 2018, the City entered an agreement with Federico/Duerst Consulting for advocacy services to help build and enhance relationships with state legislators, executives, and agencies within the state. With this agreement, meetings have been coordinated with the Governor, Lt. Governor, Commerce Secretary, Chair of the Senate Assessment and Taxation Committee, and Kansas Department of Transportation officials. Two "Lindsborg Day at the Capitol" events have been held. In 2023 and 2024, the agency coordinated "8th Grade Day at the Capitol," with the city hosting a field trip of SVMS 8th graders for a day touring the Capitol and meeting legislators. This trip is once again scheduled for 2025. The "Meet in the Middle" rural summit, which brings legislators and other leaders from the across the state to Lindsborg for non-partisan conversation about important issues affecting all Kansans, was inaugurated in Lindsborg in 2019 with 130 attendees; 2021 and 2023 events brought in more than 100 attendees each, with record sponsorship by local businesses and organizations in 2023. This event is being planned again in 2025.

One significant connection made initially by the Federico/Duerst team in 2023 led to KDOT taking notice of Lindsborg's K-4 Grade Separation project. The team initially connected the City to Peter Van Sickle at KDOT, who came to Lindsborg and held several in-person and remote meetings with City staff to discuss the project. Following Mr. Van Sickle's departure from KDOT, staff connected with those who took his place and continued discussions about the project. In October 2024, KDOT held Local Consult Meetings across the state. At District 2's meeting (in person) and during a virtual meeting, Lindsborg's projects rated high following a successful turnout of staff, councilmembers, and local community leaders who spoke on behalf of the project. In March 2024, KDOT awarded the project to the City, a value of over \$8M.

Federico/Duerst also provides daily committee reports and weekly recaps during the legislative session, as well as calls, virtual and in-person meetings, and talking points on bills that potentially or directly impact Lindsborg.

From 2018-2024, the City did not see an increase in rates, at \$2,000/month. In 2024, the firm requested an increase to \$2,250/month (which was approved by City Council) and another increase to \$2,500/month is requested in 2025.

Councilmember Rebecca Van Der Wege moved to approve the 2025 Federico/Duerst agreement, as presented. Seconded by Councilmember Kirsten Bruce and passed 7-0 by roll call vote.

NEW BUSINESS:

City Issued Credit Cards

Staff have been in discussions with several different credit card vendors to find one that fits the needs of the City. Currently, the City uses a Peoples Bank & Trust credit card issued through Bankers Bank of Kansas.

Staff were specifically looking for a vendor that could provide an easy-to-use system to allocate purchases and scan in receipts without having to wait until the end of the month. The first contact was with the current provider to see if it was an option that they offered; currently they are not able to offer anything comparable to what other vendors can. Alternatively, staff spoke with RAMP, US Bank, and UMB Bank. UMB was selected based off the 1.25% cash back (1% with the current provider) and no monthly charge, along with the features that staff wishes to add, that aid in the audit trail. The other vendors either didn't provide cash back, had a monthly charge, or didn't offer what staff was looking for.

UMB is a Kansas City-based bank with the closest location in Salina. The City will be assigned an account executive that is based out of Kansas City to handle any needs that we may have. If she is unavailable, there is a team of eight other account executives that can assist in real time.

Most of the maintenance that the City would require can be done through the UMB website. They have other customers who are on Tyler ERP Pro 10 (which the City of Lindsborg utilizes), and it allows us to pull a report straight out of their online system and import it into the ERP Pro 10 system to submit as a payable. Currently, staff create an excel spreadsheet, send it to department directors, and then department directors enter the account number, a brief description, and uploads receipts to a shared folder. Support staff inputs the information into the ERP Pro 10 system to submit as a payable, which the Finance Director and City Administrator review. With UMB, there is a mobile app and website that would allow staff to quickly take a picture of a receipt, add a description, and then code the account number. The new system would be faster, more efficient, and leave less room for error.

Councilmember John Presley moved to approve the UMB Credit Card Organization Resolution 10-2024 and Agreement for a Credit Card Program for the City of Lindsborg. Seconded by Councilmember Rebecca Van Der Wege and passed 6-1 with Councilmembers Presley, Heble, Bruce, Smith, Peterson, and Van Der Wege voting aye and Councilmember Swanson voting no.

Cart Path Concrete

An ongoing budgeted project is to continue connecting cart paths around the Lindsborg Golf Course. There is currently gravel in most paths and concrete in the spots that have been completed in years past.

Information was sent to four contractors; quotes were received from two of them.

- Powers Construction, LLC \$19,860.00
- James Coy Construction, Inc. \$17,898.61

Both contractors agreed to have the work completed by May 2025.

Councilmember Blaine Heble moved to approve contracting with James Coy Construction for up to \$20,000 to pour concrete cart paths at the Lindsborg Golf Course. Seconded by Andrew Smith and passed 7-0 by roll call vote.

Fire Department Bunker Gear

The Lindsborg Fire Department set up a plan to purchase three sets of new bunker gear each year to replace bunker gear that is expired, is set to expire during the fiscal year, or is unserviceable. Only two sets of bunker gear are currently needed to replace two sets that are expired, per the Fire Chief.

Staff budgeted \$8,000.00 for this fiscal year to purchase three new sets of bunker gear.

Quotes were obtained from three different vendors. The three quotes are as follows:

- Ed M. Feld Equipment Co. \$5,770.00
- Weis Fire \$5,847.16
- Galls \$7,679.80 (Custom Stitching not included)

Councilmember Joshua Swanson moved to approve the purchase of two sets of bunker gear from Ed M. Feld Equipment Co. in the amount of \$5,770.00. Seconded by Rebecca Van Der Wege and passed 7-0 by roll call vote.

Verizon Lease Amendment

Since July 2023, staff have been communicating and negotiating with Verizon on a revised lease agreement for the equipment that Verizon has on top of the City's water tower. The original agreement from 2006 was amended in 2012 and 2018. The current agreement does not end until 2026, but Verizon is doing equipment upgrades and would like to have a new agreement in place prior to making any hardware changes.

The current agreement in place is \$22,485.95 per year with a rent escalator of 15% every five (5) years. The initial revised proposal that Verizon offered was \$15,000 annually with a rent escalator of 10% every five (5) years. There were also five (5) additional five-(5) year renewal terms. Staff contacted other resources to determine the current market price for rent. Verizon will be reducing the amount of equipment that is being put back up on the tower, which was taken into consideration. After several back-and-forth counter offers over the last 16 months from each side, an agreement that staff and the mayor feel comfortable with was agreed upon, pending City Council approval.

The final draft of the agreement presents an Initial Extension Term (ET) of five (5) years of \$18,000 annually, with a rent escalator of 15% every five (5) years, with four (4) additional extension terms (AET) of five (5) years each.

Initial ET	\$18,000.00/Annually (2027)
1 st AET	\$20,700.00/Annually (2032)
2 nd AET	\$23,805.00/Annually (2037)
3 rd AET	\$27,375.75/Annually (2042)
4 th AET	\$31,482.11/Annually (2047)

The council was provided with a revised agreement that had been reviewed and approved by both the City Administrator and the City Attorney.

Councilmember Kirsten Bruce moved to approve the Verizon Wireless Third Amendment to Water Tower Attachment Communication Site Agreement as presented. Seconded by Andrew Smith and passed 7-0 by roll call vote.

Cost of Living Adjustment (COLA)

On an annual basis, the City Council considers a Cost-of-Living Adjustment (COLA) for full-time city employees. Historically, the benchmark used to determine the percentage amount has been the Consumer Price Index (CPI) for the Midwest Region. Through November 2024, the cumulative Midwest Region CPI is 2.6%, and inflation nationwide is at 2.5% (the COLA distributed by the Social Security Administration). In 2024, the Midwest Region CPI has ranged from 2.5% to 2.8%.

In preparing the 2025 budget, which the Council adopted on Sept. 16, 2024, 3.0% is budgeted for a COLA increase for all full-time staff. This was based on inflation projections at the time of budget preparation. As part of the 2025 Operating Budget, the City Council also discussed a new formula for COLA and merit increases, with a total cap of 5%. For example, this means that if a 3% COLA was implemented, that employees would be eligible for up to a 2% merit increase based upon their performance evaluations.

Discussion with seven (7) other cities in the region resulted in the following data:

- Three (3) cities are proposing a COLA less than 3%; two of the three have a higher merit increase program than Lindsborg.
- Three (3) cities are proposing a 3% COLA; all have a higher merit increase program than Lindsborg.
- One (1) city has not yet finalized its COLA, but has a higher merit increase program than Lindsborg.

The City of Lindsborg takes pride in the ability to recruit and retain quality employees in the workforce. Being able to provide competitive pay and benefits in the municipal government space is a driving factor in ensuring the security

and longevity of the city’s employees. A 3.0% COLA is budgeted and possible due to strong fiscal management and would positively impact employee retention and recruitment in a volatile economic environment with rising costs of fuel, food, housing, childcare, medical care, and services, just to name a few.

During 2024, staff merit raises were reduced as a cost-savings measure. Therefore, while the Midwest Region CPI reflects 2.6%, the administration recommends that the City Council consider rounding up to offer a COLA of 3% to full-time staff, as budgeted.

Mayor Shultz stated that while it was not a part of the motion, staff merit and COLA increases would be capped at 5% based on the budget as approved by Council.

Councilmember Rebecca Van Der Wege moved to approve a 2.6% Cost-of-Living Adjustment for all regular full-time city employees, effective January 1, 2025. Seconded by Blaine Heble and passed 7-0 by roll call vote.

Sales Tax Transfer

Local sales tax (1/2-cent sales tax) is collected in the City of Lindsborg and then allocated to specific capital items. December sales tax numbers are not yet available, so a final update will be given at the Jan. 21, 2025, meeting. Unallocated local sales tax (1/2-cent sales tax) is budgeted to be transferred at year end to either the Equipment Reserve Fund or the Capital Improvement Reserve Fund. Administration recommends that \$100,000 be transferred to the Capital Improvement Reserve Fund to help address deferred maintenance issues upcoming in 2025.

<i>Estimated</i> year-end sales tax revenue:	\$235,121.11
Proposed transfer to Capital Improvement Reserve Fund:	(\$100,000.00)
Proposed transfer to Special Parks Fund:	(\$8,700.00)*
Proposed sales tax application for General Fund	<u>(\$114,537.37)</u>
Estimated balance of the unallocated half-cent sales tax	\$11,883.74
Balance of Capital Improvement Reserve Fund (after transfer)	\$122,057.14

**Special Parks is separate from the General Fund, so a separate transfer must take place*

Based on the supplemental document provided to the City Council, the total of \$123,237.37, then removing the \$8,700.00 for Special Parks as noted above, results in the proposed sales tax application for General Fund of \$114,537.37.

Councilmember Andrew Smith moved to approve the transfer of \$100,000 to the Capital Improvement Reserve Fund and \$8,700 to Special Parks Fund from the local half-cent sales tax. Seconded by Councilmember Kirsten Bruce and passed 7-0 by roll call vote.

CVB Billboards

After Dec. 2, 2024, City Council approval of two billboards, the CVB was notified by Lamar that one of the billboards had not had a courtesy hold placed on it and that it had been sold, thereby nullifying Council’s approval for two billboards to be rented for one year from Lamar. Lamar was notified of the inability to proceed until further approval from council as both billboards were presented as one agenda item. Lamar thought it would be well into 2025 before another billboard, west of Salina, would be available.

CVB staff reached out to Link, a billboard company that is utilized by the Abilene CVB, and they were able to guarantee two billboards on I-70, both in better locations than the Lamar billboard locations. One of these new billboards is lit, making it easy to see no matter the time of day. Both are larger billboards than the CVB has previously been able to secure with Lamar, due to rising costs. Link states that small communities are their bread and butter, and they pride themselves on taking good care of their small clients.

Link guarantees these prices for three years with Council approval. While this is a three-year contract, each year will be brought back to the City Council for expenditure approval, as has been done previously.

Councilmember John Presley moved to unencumber funds for the one-year contract with Lamar for two billboards at a cost of \$11,204 as presented on Dec. 2, 2024. Seconded by Councilmember Joshua Swanson and passed 7-0 by roll call vote.

Councilmember Kirsten Bruce moved to approve a three-year agreement with Link for two billboards for the first annual payment of \$10,075 with an additional one-time cost of \$775 for graphics. Seconded by Councilmember John Presley and passed 7-0 by roll call vote.

ADJOURNMENT:

Councilmember Kirsten Bruce moved for adjournment, seconded by Councilmember Andrew Smith, and passed 7-0 by voice vote. The meeting was adjourned at 8:42 p.m.

Respectfully Submitted,

A handwritten signature in black ink that reads "Roxie Sjogren". The signature is written in a cursive, flowing style.

Roxie Sjogren, MMC
City Clerk