

**RUSSELL CITY COUNCIL MEETING**  
**City Hall - 133 W. 8<sup>th</sup> St. - Russell, Kansas**  
**Date: Tuesday, June 2, 2020, Time: 4:30 p.m.**

**CALL TO ORDER**

**INVOCATION/PLEDGE OF ALLEGIANCE**

**APPROVAL OF AGENDA**

**PUBLIC COMMENTS**

Members of the public are welcome to use this time to make comments about City matters  
(A maximum of five minutes)

**PRESENTATIONS AND PUBLIC HEARINGS**

- 1) Water Conservation Status
- 2) Downtown Revitalization Project Update
- 3) 2021 Budget Request – Russell Public Library
- 4) 2021 Budget Request – Russell Recreation Commission
- 5) 2021 Budget – Enterprise Funds

**CONSENT AGENDA**

- 1) Approval of May 19, 2020, Council Meeting minutes
- 2) Licenses:
  - a. Building  
Eck & Eck Construction LLC, 270 Hopewell Rd, Ellis, KS

**UNFINISHED BUSINESS**

- 1) 2020 Pool Operations

**NEW BUSINESS**

- 1) FAA Airport Lease Agreement

**DEPARTMENT REPORTS**

**PUBLIC COMMENTS**

Members of the public are welcome to use this time to make comments about City matters  
(A maximum of five minutes)

**EXECUTIVE SESSION**

**GOVERNING BODY/CITY MANAGER COMMENTS**

**ADJOURNMENT**

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In compliance with the Americans with Disabilities Act, the City of Russell will provide reasonable accommodations for all public meetings. Persons requiring accommodations in attending any of our public meetings should contact Katrina Woelk, City Clerk/ Finance Director, at 785.483.6311 a minimum of 48 hours prior to the meeting.

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## Russell Public Library Budget Proposal 2021

Revenue	2019 Budget	2019 Actual	2020 Budget	2021 Budget Proposal
Taxes	\$154,600.00	\$157,483.99	\$160,000.00	\$160,000.00
In-house income	\$2,000.00	\$2,040.79	\$2,000.00	\$2,000.00
Miscellaneous	\$200.00	\$25,426.95	\$300.00	\$300.00
Interest	\$400.00	\$1,104.54	\$400.00	\$400.00
CKLS Grant	\$11,000.00	\$13,100.00	\$13,500.00	\$13,650.00
CKLS Competitive Grant	\$0.00	\$1,152.00	\$1,000.00	n/a
CKLS Courier Stipened	n/a	n/a	\$1,050.00	\$1,050.00
State Grant	\$1,200.00	\$1,272.05	\$1,130.00	\$1,065.00
Hupfer Charitable Foundation	\$5,500.00	\$5,950.80	\$5,600.00	\$5,600.00
SLP Grant	\$2,000.00	\$4,500.00	\$2,500.00	\$2,000.00
Donations and Memorials	\$2,500.00	\$4,389.47	\$2,500.00	\$2,500.00
<b>TOTAL</b>	<b>\$179,400.00</b>	<b>\$216,419.59</b>	<b>\$189,980.00</b>	<b>\$188,565.00</b>

### Expenditures

Salaries	\$83,000.00	\$87,287.17	\$91,900.00	\$88,550.00
Library Materials	\$22,000.00	\$19,530.14	\$20,000.00	\$16,000.00
Periodicals	\$1,700.00	\$2,142.99	\$1,900.00	\$1,700.00
Utilities	\$13,600.00	\$13,461.45	\$13,700.00	\$13,800.00
Telephone	\$2,100.00	\$2,050.00	\$2,200.00	\$2,200.00
Postage	\$400.00	\$293.62	\$450.00	\$500.00
Janitor Supplies	\$500.00	\$497.31	\$600.00	\$600.00
Bonds & Insurance	\$6,100.00	\$8,739.00	\$6,700.00	\$6,700.00
New Equipment	\$2,000.00	\$1,774.33	\$2,000.00	\$1,500.00
Misc. & Audit	\$1,000.00	\$1,112.55	\$1,000.00	\$1,000.00
Payroll Taxes	\$6,000.00	\$6,662.55	\$6,900.00	\$6,900.00
Membership & Dues	\$500.00	\$371.98	\$500.00	\$400.00
Unemployment Tax	\$100.00	\$83.62	\$100.00	\$100.00
KPERS Contributions	\$4,800.00	\$5,024.11	\$5,300.00	\$5,300.00
Copy Machine Lease	\$1,500.00	\$1,303.07	\$1,400.00	\$1,400.00
Supplies	\$4,000.00	\$4,169.96	\$4,680.00	\$3,000.00
Repairs & Maintenance	\$13,000.00	\$4,828.25	\$10,000.00	\$6,265.00
Accounting	\$3,800.00	\$3,515.00	\$3,300.00	\$3,500.00
Continuing Education	\$1,000.00	\$2,118.36	\$2,000.00	\$1,000.00
Computer and Technology	\$2,000.00	\$1,059.36	\$2,000.00	\$1,500.00
Employee Benefit	\$5,400.00	\$4,868.53	\$5,400.00	\$5,600.00
Programming	\$2,400.00	\$2,484.14	\$2,400.00	\$2,000.00
Summer Library Program	\$2,500.00	\$3,467.97	\$3,500.00	\$2,000.00
Transfer Expense	\$0.00	\$0.00	\$0.00	\$0.00
CKLS Competitive Grant	\$0.00	\$351.62	\$1,000.00	n/a
Courier Services	n/a	n/a	\$1,050.00	\$1,050.00
Capital Improvement	n/a	n/a	n/a	\$16,000.00
<b>TOTAL EXPENSES</b>	<b>\$179,400.00</b>	<b>\$177,197.08</b>	<b>\$189,980.00</b>	<b>\$188,565.00</b>

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CITY OF  
**Russell**

## RUSSELL RECREATION 2019 SUMMARY

Offered over 30 programs thru Rec Center and Memorial Park  
1,003 directly affected      1,500+ indirectly affected  
Ages range from 3 years old to over 90 years old

Regular season attendance: 1,000+ out of town  
2,200 in town

Special Events attendance: 5 events with 3,000+ total  
1,011 players/coaches

Over 7,000 Spectators/Players/Coaches involved

Supported/Partnered with 19 outside groups  
12 outside groups utilized the Rec Center for their events

Fitness Room: upgraded 2 machines and added 2 new styles  
added part-time certified trainer from Hospital

Supported: 2 full-time and 51 seasonal workers  
Seasonal workers average age is 16  
Over \$100,000 was paid out to employees  
5 events produced about \$35,000 for community

# **TENTATIVE SUMMER PLANS 2020**

**SIGNUP TILL JUNE 5. PICK TEAMS JUNE 6. START PRACTICES JUNE 8. WILL ACCEPT LATE SIGNUP'S WITHOUT PENALTIES.**

## **12u and 15u Baseball and Softball – in town only**

Same Coach(s) run instruction/scrimmages for 2 nights weekly:

Softball: 12under 6-730pm, 15under 730-9pm

Baseball: 12under 6-730pm, 15under 730-9pm

2<sup>nd</sup> and 3<sup>rd</sup> week of June are instructional sessions

Scrimmages/Games starting June 22

Play 3 weeks thru July 10 (optional 1 more week)

## **T-Ball**

Practice 2<sup>nd</sup> and 3<sup>rd</sup> weeks of June

Games on Monday/Thursday starting June 22

Play 3 weeks thru July 10 (optional 1 more week)

## **Machine-Pitch**

Practice 2<sup>nd</sup> and 3<sup>rd</sup> weeks of June

Games on Monday/Thursday starting June 22

Play 3 weeks thru July 10 (optional 1 more week)

### **OR if not enough for at least 3 teams:**

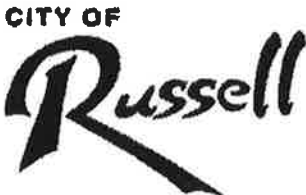
2<sup>nd</sup> and 3<sup>rd</sup> weeks of June are instructional sessions

Scrimmages/Games starting June 22

Play 3 weeks thru July 10 (optional 1 more week)

**Swimming would be offered in July only. Tumbling, Tennis, and Art could be offered last 2 weeks of June and a second session the middle 2 weeks in July.**

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## City Council Agenda Form

**Meeting Date:** June 2, 2020  
**Agenda Item Title:** 2021 Budget - Enterprise Funds  
**Department:** City Manager

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**Agenda Item Description:** Draft 2021 Budget for Enterprise Funds and Reserves

**Background:** As part of our on-going budget preparation process, we will review our enterprise funds. Enterprise funds are those funds that charge fees for services and include our utility departments: electric, water, wastewater, and sanitation.

Our utilities have both fixed and variable costs. Fixed costs remain constant whether the utility is delivering a service or producing a product or not. An example of visualizing the difference is to imagine the utility sitting idle. Expenses when sitting idle are fixed costs. These include items such as personnel, debt service on infrastructure, and general maintenance. Whether the utility produces anything or not, there are going to be expenses due to these fixed costs. Whereas when the utility is producing a product or providing a service, there are additional expenses incurred during production or delivery and these are variable costs. The reserve funds can be viewed as investments in the future reliability of the utility, referred to as capital improvements.

**City Attorney Review/ Comment:** N/A

**Funding Source:** User Fees

**Options:** For review, discussion, and input as part of the overall 2021 budget preparation process.

**Staff Recommendation:** Formal action not requested at this time. For review, discussion, and input as part of the overall 2021 budget preparation process

**Attachment(s):** DRAFT 2021 Enterprise Fund Budgets and Reserve Funds



**ELECTRIC DEPRECIATION FUND**

**2017-2030**

Description	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
<b>CASH BALANCE 1/1/XX</b>	2,194,501	2,293,922	1,771,921	1,923,324	1,475,324	1,163,324	1,341,324	1,664,324	62,324	225,324	594,924	(1,060,076)	(715,076)	(370,076)
<b>REVENUE</b>														
Actual or Projected Revenue	250,000	250,000	250,000	360,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000
Rice/NESHAP (URES)	53,545	55,222	53,867	53,000	53,000	53,000	53,000	53,000	53,000	24,600				
Interest	10,280	17,219	29,131	35,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Total Revenue	313,825	322,441	332,998	448,000	418,000	418,000	418,000	418,000	418,000	389,600	365,000	365,000	365,000	365,000
Total Resources Available	2,508,326	2,616,363	2,104,919	2,371,324	1,893,324	1,581,324	1,759,324	2,082,324	480,324	614,924	959,924	(695,076)	(350,076)	(5,076)
<b>EXPENDITURES</b>														
Spare Generator Unit Heads				30,000										
Unit 10 Overhaul	185,280			125,000										
Catalytic converters (Rice/NESHAP)				135,000										
Breaker Replacement				35,000	35,000		35,000		35,000					
Transformer Maintenance				10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Cooling Tower Overhaul		410,551												
Pole Testing 500 Poles Per Year			24,832											
New 34.5 line to complete loop to plant			10,910											
South Power Loop			68,338											
Spacer Cable			37,316											
Distribution Building		30,470			250,000									
Digger Truck		255,056												
Distribution System				10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Improve & update Fossil Substation					125,000									
Reclousres					30,000		30,000							
Pickup Truck			28,006											
Crane	19,265													
Bobcat Skid Steer	9,859													
Liteing/Storm Alert				90,000	10,000	10,000	10,000							
500-FCI Test Kit			12,193											
Line Construction for New Development					200,000									
Bucket Truck				220,000		175,000			200,000					
Protective Relay Upgrades				45,000										
Turbine Batteries				16,000	25,000	35,000								
Server		148,365		180,000	35,000									
Generators														
Turbine Overhaul (\$50/Engine Hour)								2,000,000		2,000,000				
<b>TOTAL EXPENDITURES</b>	214,404	844,442	181,595	896,000	730,000	240,000	95,000	2,020,000	255,000	20,000	2,020,000	20,000	20,000	10,000
<b>CASH BALANCE 12/31/XX</b>	2,293,922	1,771,921	1,923,324	1,475,324	1,163,324	1,341,324	1,664,324	62,324	225,324	594,924	(1,060,076)	(715,076)	(370,076)	(15,076)

# WATER

	Prior Year	Current Year	Proposed Budget
	Actual for 2019	Estimate for 2020	Year for 2021
Unencumbered Cash Balance Jan 1	\$ 2,326,544	\$ 2,335,013	\$ 1,743,428
Receipts:			
Water Sales	2,668,725	2,260,000	2,260,000
State Water Protection Fee	8,017	8,000	8,000
Late Payment Penalty	5,856	2,500	1,000
Bad Debt Collections	-	21,213	-
Ranch Agreement	18,781	-	-
Water Main Tap Fees	975	1,811	-
Interest on Idle Funds	35,192	13,000	13,000
Miscellaneous	<u>19,352</u>	<u>16,268</u>	<u>5,000</u>
Total Receipts	2,756,898	2,322,792	2,287,000
Resources Available:	5,083,442	4,657,805	4,030,428
	Prior Year	Current Year	Proposed Budget
	Actual for 2019	Estimate for 2020	Year for 2021
Expenditures:			
Administration:			
Contractual	27,615	25,080	27,780
Commodities	-	-	-
Production:			
Personnel	289,646	330,349	393,209
Contractual	116,863	186,200	197,800
Commodities	376,186	454,500	499,500
Capital Outlay	-	-	-
Distribution:			
Personnel	203,438	230,557	248,502
Contractual	18,726	24,600	24,500
Commodities	22,958	44,600	44,600
Capital Outlay	10,397	-	-
Debt Service	96,728	96,729	186,729
Transfer to Bond & Interest	472,372	475,262	460,752
Transfer to Personal Benefits	289,000	301,500	340,000
Transfer to Water Improvement Fund	703,500	625,000	280,000
Transfer to General Fund	120,000	120,000	120,000
Transfer to Risk Mgt Reserve	<u>1,000</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>2,748,429</u>	<u>2,914,377</u>	<u>2,823,372</u>
Unencumbered Cash Balance Dec 31	<u>\$ 2,335,013</u>	<u>\$ 1,743,428</u>	<u>\$ 1,207,056</u>

**WATER IMPROVEMENT  
2017-2030**

Description	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
<b>CASH BALANCE 1/1/XX</b>	932,467	1,178,244	1,541,295	1,854,224	536,232	708,232	855,232	1,007,232	1,194,232	1,356,232	1,528,232	1,668,232	855,232	947,232
<b>REVENUE</b>														
State Loan / Federal Grant			5,000	595,000	4,000,000									
Transfers In	370,000	450,000	703,500	625,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000
Interest	3,903	9,263	20,141	12,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Prior Year Canceled Encumb														
Total Revenue	373,903	459,263	728,641	1,232,000	4,285,000	285,000	285,000	285,000	285,000	285,000	285,000	285,000	285,000	285,000
Total Resources Available	1,306,370	1,637,507	2,269,936	3,086,224	4,821,232	993,232	1,140,232	1,292,232	1,479,232	1,641,232	1,813,232	1,953,232	1,140,232	1,232,232
<b>EXPENDITURES</b>														
Water Mains Replacement	1,150			25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Water Lines		20,131	235,500	1,057,336								1,000,000		
EDR System Inspection /Maint			26,654	1,150,540										
EDR Repairs			46,121											25,000
High Service Pump		2,680		23,773	15,000	15,000				15,000				
Pax Mixer			11,625											
Water Tower Maintenance	47,795	47,795	45,256	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500
Plant B Roof			9,650											
Big Creek VFD Pump			19,500											
Edward Ave Ext			9,325											
SC200 Controllers			4,438											
Vehicle GPS	4,523													
Titratror			5,215											
HET Rebates	1,000	1,383	850	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Share of Cedar Bluff O&M		4,478	3,324	6,450	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Well Rehabilitation	50,654	19,745	23,813	9,070	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Plant A Assessment /Rebuild			58,317		4,000,000									
Plant A Repairs			22,050											45,000
Bobcat Skid Steer	23,004													
Truck Replacement			29,399											
Heater System for Plant B			1,048			25,000								
Ground Water Development														
Backhoe				88,450									95,000	
<b>TOTAL EXPENDITURES</b>	128,126	96,212	415,712	2,549,992	4,113,000	138,000	133,000	98,000	123,000	113,000	145,000	1,098,000	193,000	168,000
<b>CASH BALANCE 12/31/XX</b>	1,178,244	1,541,295	1,854,224	536,232	708,232	855,232	1,007,232	1,194,232	1,356,232	1,528,232	1,668,232	855,232	947,232	1,064,232



**SANITATION DEPRECIATION  
2017-2030**

Description	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
<b>CASH BALANCE 1/1/XX</b>	645	75,251	135,511	291,671	208,671	283,871	289,071	199,271	269,471	339,671	249,871	320,071	390,271	300,471
<b>REVENUE</b>														
Sale of Assets			4,200											
Transfers In	75,000	60,000	150,000	120,000	75,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
Interest		260	1,960	2,000	200	200	200	200	200	200	200	200	200	200
Prior Year Canceled Encumb														
Total Revenue	75,000	60,260	156,160	122,000	75,200	70,200	70,200	70,200	70,200	70,200	70,200	70,200	70,200	70,200
<b>Total Resources Available</b>	<b>75,645</b>	<b>135,511</b>	<b>291,671</b>	<b>413,671</b>	<b>283,871</b>	<b>354,071</b>	<b>359,271</b>	<b>269,471</b>	<b>339,671</b>	<b>409,871</b>	<b>320,071</b>	<b>390,271</b>	<b>460,471</b>	<b>370,671</b>
<b>EXPENDITURES</b>														
Trash Truck	-	-	-	150,000			160,000			160,000			160,000	
Recycling Building	-	-	-	10,000		50,000								
Recycling Building Furnaces						15,000								
Compactor														
Recycling Trailer	394													
Roof	-	-	-	15,000										
Shop wire/lighting	-	-	-	30,000										
<b>TOTAL EXPENDITURES</b>	<b>394</b>	<b>-</b>	<b>-</b>	<b>205,000</b>	<b>-</b>	<b>65,000</b>	<b>160,000</b>	<b>-</b>	<b>-</b>	<b>160,000</b>	<b>-</b>	<b>-</b>	<b>160,000</b>	<b>-</b>
<b>CASH BALANCE 12/31/XX</b>	<b>75,251</b>	<b>135,511</b>	<b>291,671</b>	<b>208,671</b>	<b>283,871</b>	<b>289,071</b>	<b>199,271</b>	<b>269,471</b>	<b>339,671</b>	<b>249,871</b>	<b>320,071</b>	<b>390,271</b>	<b>300,471</b>	<b>370,671</b>

# WASTEWATER

	Prior Year	Current Year	Proposed Budget
	Actual for 2019	Estimate for 2020	Year for 2021
Unencumbered Cash Balance Jan 1	\$ 350,502	\$ 597,099	\$ 544,772
Receipts:			
Sewer Usage Charge	862,215	750,000	800,000
Penalty	2,076	1,800	500
Sewer Tap Main Fees	13,411	2,907	2,600
Bad Debts	-		
Reimbursed Expense	-		
Interest on Idle Funds	8,416	4,500	1,000
Miscellaneous	2,883	2,600	-
Total Receipts	<u>889,001</u>	<u>761,807</u>	<u>804,100</u>
Resources Available:	1,239,503	1,358,906	1,348,872
	Prior Year	Current Year	Proposed Budget
	Actual for 2019	Estimate for 2020	Year for 2021
Expenditures:			
Personnel	115,365	147,734	169,014
Contractual	16,573	24,200	21,700
Commodities	60,466	46,000	45,800
Debt Service	-	-	98,000
Transfer to General Fund	110,000	110,000	110,000
Transfer to Personnel Benefits	105,000	106,200	85,000
Transfer to Wastewater Improvement	235,000	380,000	487,000
Capital Outlay			
Total Expenditures	<u>642,404</u>	<u>814,134</u>	<u>1,016,514</u>
Unencumbered Cash Balance Dec 31	<u>\$ 597,099</u>	<u>\$ 544,772</u>	<u>\$ 332,358</u>

**WASTEWATER REPLACEMENT  
2017-2030**

Description	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
<b>CASH BALANCE 1/1/XX</b>	315,218	413,569	453,562	682,760	433,760	891,760	462,760	633,760	760,760	901,760	1,072,760	1,242,760	1,405,760	1,589,760
<b>REVENUE</b>														
Grants														
Interest	1,296	3,999	6,749	3,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Transfers In	152,124	160,000	235,000	380,000	487,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Loan Proceeds				4,000,000										
Total Revenue	153,420	163,999	241,749	4,383,000	488,000	201,000	201,000	201,000	201,000	201,000	201,000	201,000	201,000	201,000
Total Resources Available	468,638	577,568	695,311	5,065,760	921,760	1,092,760	663,760	834,760	961,760	1,102,760	1,273,760	1,443,760	1,606,760	1,790,760
<b>EXPENDITURES</b>														
Solar Aerator	55,069	54,894	-	-	-	-	-	-	-	-	-	-	-	-
Vactor Truck				600,000										
Forced Sewer Main 1-70 Lift						500,000								
Front End Mower											21,000			
Computers			1,220											
Server				2,000										
Rehabilitate Sewers		1,888		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
I & I			10,065											
Cindy Drive Lift Station						100,000								
Repairs														
Toro Grounds Master Mower												28,000		
Cruiser Pontoon														
Lift Station Pump Replacement				20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Trash Pump		2,680												
1/2 of Rich's Truck								14,000						
Bee Keeper Renewal		37,193												
Truck Replacement								30,000						
Dredge Lagoons		27,351	1,266	4,000,000					30,000					
<b>TOTAL EXPENDITURES</b>	55,069	124,006	12,551	4,632,000	30,000	630,000	30,000	74,000	60,000	30,000	31,000	38,000	17,000	10,000
<b>CASH BALANCE 12/31/XX</b>	413,569	453,562	682,760	433,760	891,760	462,760	633,760	760,760	901,760	1,072,760	1,242,760	1,405,760	1,589,760	1,780,760

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**May 19, 2020**

**Russell City Council Meeting – Minutes  
City Hall  
Russell, KS**

Mayor Mader called the City Council meeting to order at 4:30 PM with the following members in attendance: Councilmembers Madden, Cross, Stoppel, Wagner, Talbott, Mitch Driscoll, Matt Driscoll and Monty Morrill by phone.

The following staff members participated by virtual conference: City Manager Jon Quinday, Assistant City Manager Kayla Schneider, Electric Director Duane Banks, Public Works Director Rich Krause, Building Official Roger Sells, Fire Chief Dylan Riedel, Police Chief Dale Weimaster, and City Clerk Katrina Woelk.

**Approval of Agenda**

Councilmember Cross made a motion to approve the agenda. Councilmember Stoppel seconded. The motion carried unanimously.

**Public Comments**

None

**Presentations and Public Hearings**

1. Water Conservation Status

City Manager Quinday updated the council on the status of the City's wells and Big Creek.

2. 2021 Budget – Discussion of Miscellaneous Funds

City Manager Quinday gave a presentation over the city's non-budgeted miscellaneous funds.

**Consent Agenda**

Councilmember Cross made a motion to approve the consent agenda. Councilmember Wagner seconded. The motion carried unanimously.

## **Unfinished Business**

### **1. FAA Grant for Airport Runway, Taxiway, and Apron Rehabilitation Project**

Councilmember Cross made a motion to approve the FAA grant application for the Airport Runway, Taxiway and Apron Rehabilitation Project and authorize the Mayor the grant application and sponsor certifications. Councilmember Stoppel seconded. The motion carried unanimously.

### **2. Professional Services Agreement – Water Production Plant “A”**

Councilmember Cross made a motion to approve the approve the Bartlett and West, Inc. Agreement for Professional Services in the amount of \$325,000.00 the design, permitting, and bidding services for upgrades to Water Treatment Plant “A” as outlined in the scope of work. Councilmember Matt Driscoll seconded. The motion carried unanimously.

## **New Business**

None

## **Department Reports**

### **1. Deines Cultural Center**

Shannon Trevethan, the DDC Director provided an update on the Deines Cultural Center

### **2. Pool Operations**

The staff updated the Council on progress made to prepare the pool for a June 15<sup>th</sup> Opening.

## **Public Comments**

None

## **Executive Session**

### **1. For Matters Deemed Subject to Attorney-Client Privilege**

Councilmember Cross made a motion to recess into executive session, to include the City Manager and City Attorney, to discuss potential litigation, pursuant to the consultation with an attorney on matters that would be deemed privileged in an attorney-client relationship exception, KSA 75-4319(b)(2). The open meeting will resume in the city council chamber at 5:30 p.m. Councilmember Stoppel seconded. The motion carried unanimously.

## **Adjournment**

Councilmember Cross made a motion to adjourn the meeting. Councilmember Wagner seconded the motion. The motion carried unanimously.

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Katrina Woelk, City Clerk



## City Council Agenda Form

**Meeting Date:** June 2, 2020  
**Agenda Item Title:** Federal Aviation Administration Lease Agreement Renewal  
**Department:** Public Works

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**Agenda Item Description:** FAA Lease Agreement Renewal Providing Space in Terminal Building

**Background:** The Federal Aviation Administration (FAA) leases approximately 420 square feet of space in the airport terminal building to house aeronautical communication equipment. The lease expires on September 30, 2020. The FAA has requested to renew their lease for a 10-year term with an annual payment to the city of \$1,184.40 per year. The terms of the new lease are the same as the current lease.

**City Attorney Review/ Comment:** 5/21/2020

**Funding Source:** N/A

**Options:**

1. Approve Lease No. 697DCM-20-L00115 with the Federal Aviation Administration as presented.
2. Provide staff with alternate direction.
3. Take no action - the current FAA lease expires on September 30, 2020.

**Staff Recommendation:** Approve Lease No. 697DCM-20-L00115 with the Federal Aviation Administration as presented and authorize the Mayor to sign the required documents.

**Attachment(s):** Lease Agreement with Exhibit

**ANTENNA AND EQUIPMENT SPACE LEASE**

**Between**

**UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION  
FEDERAL AVIATION ADMINISTRATION**

**And**

**CITY OF RUSSELL, KANSAS**

**Lease No. 697DCM-20-L-00115  
(RSL) FAA Equipment Space  
Russell, Kansas**

**SECTION 1 - OPENING**

**6.1.1 Preamble (JAN 2017)**

This Lease is hereby entered into by and between the City of Russell, Kansas, hereinafter referred to as the Lessor and the United States of America, acting by and through the Federal Aviation Administration, hereinafter referred to as the Government. The terms and provisions of this Lease, and the conditions herein, bind the Lessor and the Lessor's heirs, executors, administrators, successors, and assigns.

For purposes of this Lease, the terms Contractor and Lessor are interchangeable with each other.

**6.1.2 Succeeding Lease (JAN 2015)**

This Lease succeeds Lease No. DTFACN-11-L-00033 and all other previous agreements between the parties for the leased property described in this document.

**6.1.3 Witnesseth (JAN 2015)**

Witnesseth: The parties hereto, for the consideration hereinafter mentioned covenant and agree as follows:

**6.1.4 Description (OCT 1996)**

The Lessor hereby leases to the Government the following described premises which shall be related to the FAA's activities in support of Air Traffic Operations: Approximately 420 square feet of space in the Administration Building, located at the Russell Municipal Airport, Russell, Kansas, as shown on Floor Plan, identified as Exhibit A, attached hereto and made a part hereof.

**SECTION 2 - TERMS**

**6.2.5 Term (AUG 2002)**

To have and to hold, for the term commencing on October 1, 2020 and continuing through September 30, 2030 inclusive, provided that adequate appropriations are available from year to year for the consideration herein.

**6.2.6 Consideration (JUL 2017)**

The Government shall pay the Lessor rent for the premises in the amount of \$1,184.40 per annum, payable to the City of Russell, Kansas at the quarterly rate of \$296.10. Payment shall be made in arrears, without the submission of invoices or vouchers. Payments are due on the first business day following the end of the payment period and are subject to available appropriations. The payments shall be directly deposited in accordance with the "Payment by Electronic Funds Transfer" clause in this Lease. Payments shall be considered paid on the day an electronic funds transfer is made.

**6.2.7 Cancellation (JUL 2017)**

The Government may terminate this Lease at any time, in whole or in part, if the Real Estate Contracting Officer (RECO) determines that a termination is in the best interest of the Government. The RECO shall terminate by delivering to the Lessor a written notice specifying the effective date of the termination. The termination notice shall be delivered by certified mail return receipt requested and mailed at least 30 days before the effective termination date.

**6.2.14 Holdover (JUL 2017)**

If after the expiration of the Lease, the Government shall retain possession of the premises, the Lease shall continue in full force and effect on a month-to-month basis. Payment shall be made in accordance with the Consideration clause of the Lease, in arrears on a prorated basis, at the rate paid during the Lease term. This period shall continue until the Government shall have signed a new lease with the Lessor, acquired the property in fee, or vacated the premises.

**6.2.16 Lessor's Successors (JUL 2017)**

The terms and provisions of this Lease and the conditions herein bind the Lessor and the Lessor's heirs, executors, administrators, successors, and assigns.

**SECTION 3 - GENERAL CLAUSES**

**3.2.5-1-RE Officials Not to Benefit (OCT 1996)**

No member of or delegate to Congress, or resident commissioner, shall be admitted to any share or part of this lease, or to any benefit arising from it. However, this clause does not apply to this lease to the extent that this lease is made with a corporation for the corporation's general benefit.

**3.3.1-15-RE Assignment of Claims (OCT 1996)**

Pursuant to the Assignment of Claims Act, as amended, 31 U.S.C. § 3727, 41 U.S.C. § 6305 the Lessor may assign its rights to be paid under this lease.

**6.3.10 Maintenance of Premises (JAN 2017)**

The Lessor will maintain the demised premises, including the building, grounds, all equipment, fixtures and appurtenances furnished by the Lessor under this Lease, in good repair and tenantable condition. The Lessor shall ensure that all hazards associated with electrical equipment are marked in accordance with the Occupational Safety and Health Administration (OSHA) requirements and National Fire Protection Association (NFPA) 70 electrical code.

**6.3.16 Failure in Performance (OCT 1996)**

In the event the Lessor fails to perform any service, to provide any item, or meet any requirement of this Lease, the Government may perform the service, provide the item, or meet the requirement, either directly or through a contract. The Government may deduct any costs incurred for the service or item, including administrative costs, from the rental payments. No deduction of rent pursuant to this clause will constitute default by the Government on this Lease.

**6.3.17 No Waiver (OCT 1996)**

No failure by the Government to insist upon strict performance of any provision of this Lease, or failure to exercise any right, or remedy consequent to a breach thereof, will constitute a waiver of any such breach in the future.

**6.3.18 Non-Restoration (JUL 2017)**

It is hereby agreed between the parties that, upon termination of its occupancy (due to termination or expiration of the Lease), the Government shall have no obligation to restore and/or rehabilitate, either wholly or partially, the property that is the subject of this lease, including any holdover period. It is further agreed that the Government may abandon in place any or all of the structures and equipment installed in or located upon said property by the Government during its tenure. Such abandoned equipment shall become the property of the Lessor.

**6.3.26 Damage by Fire or Other Casualty (OCT 1996)**

If the building or structure is partially or totally destroyed or damaged by fire or other casualty or if environmentally hazardous conditions are found to exist so that the leased premises is untenable as determined by the Government, the Government may terminate the Lease, in whole or in part, immediately by giving written notice to the Lessor and no further rental will be due.

**6.3.28 Interference (OCT 2008)**

Should there be interference with the Lessor's facility due to the FAA operations, the FAA shall correct the problem immediately. If the Lessor's facility interferes with FAA's equipment, then the Lessor will correct the problem immediately.

**6.3.29 Alterations (FEB 2019)**

The Government shall have the right during the term of this Lease, including any extensions thereof, to make alterations, attach fixtures, and erect structures or signs in or upon the premises hereby leased. All alterations and additions are and will remain the property of the Government and may be removed or otherwise disposed of by the Government. The parties hereto mutually agree and understand, that no restoration rights shall accrue to the Lessor for any alterations or removal of alterations to the leased premises under this Lease, and that the Government shall have the option of abandoning alterations in place, when terminating the Lease, at no additional cost.

**6.3.30 Hold Harmless (OCT 1996)**

In accordance with and subject to the conditions, limitations and exceptions set forth in the Federal Tort Claims Act of 1948, as amended (28 USC 2671 et. seq.), hereafter termed "the Act" the Government will be liable to persons damaged by any personal injury, death or injury to or loss of property, which is caused by a negligent or wrongful act or omission of an employee of the Government while acting within the scope of his office or employment under circumstances where a private person would be liable in accordance with the law of the place where the act or omission occurred. The foregoing shall not be deemed to extend the Government's liability beyond that existing

under the Act at the time of such act or omission or to preclude the Government from using any defense available in law or equity.

**6.3.31 Default by Lessor (OCT 1996)**

Each of the following shall constitute a default by Lessor under this Lease:

A. If the Lessor fails to perform the work required to deliver the leased premises ready for occupancy by the Government with such diligence as will ensure delivery of the leased premises within the time required by the lease agreement, or any extension of the specified time.

B. Failure to maintain, repair, operate or service the premises as and when specified in this Lease, or failure to perform any other requirement of this Lease as and when required, provided such failure which shall remain uncured for a period of time as specified by the RECO, following Lessor's receipt of written notice thereof from the RECO.

C. Repeated failure by the Lessor to comply with one or more requirements of this Lease shall constitute a default notwithstanding that one or all failures shall have been timely cured pursuant to this clause.

If default occurs, the Government may, by written notice to the Lessor, terminate the lease in whole or in part.

**6.3.32 Compliance with Applicable Laws (OCT 1996)**

The Lessor shall comply with all federal, state and local laws applicable to the Lessor as owner or Lessor, or both, of building or premises, including, without limitation, laws applicable to the construction, ownership, alteration or operation of both or either thereof, and will obtain all necessary permits, licenses and similar items at Lessor's expense. This Lease shall be governed by federal law.

**6.3.33 Covenant Against Contingent Fees (AUG 2002)**

The Lessor warrants that no person or agency has been employed or retained to solicit or obtain this contract upon an agreement or understanding for a contingent fee, except a bona fide employee or agency. For breach or violation of this warranty, the Government shall have the right to annul this contract without liability or, in its discretion, to deduct from the contract price or consideration, or otherwise recover the full amount of the contingent fee.

**6.3.34 Anti-Kickback (JAN 2017)**

The Anti-Kickback Act of 1986 (41 U.S.C. 51-58) (the Act), prohibits any person from (1) Providing or attempting to provide or offering to provide any kickback; (2) Soliciting, accepting, or attempting to accept any kickback; or (3) Including, directly or indirectly, the amount of any kickback in the contract price charged by a prime Contractor to the United States or in the contract price charged by a subcontractor to a prime Contractor or higher tier subcontractor.

**6.3.35 Examination of Records (AUG 2002)**

The Comptroller General of the United States, the Administrator of FAA or a duly authorized representative from either shall, until three (3) years after final payment under this contract have access to and the right to examine any of the Lessor's directly pertinent books, documents, paper, or other records involving transactions related to this contract.

### **6.3.36 Subordination, Nondisturbance and Attornment (JAN 2017)**

A. The Government agrees, in consideration of the warranties and conditions set forth in this clause, that this Lease is subject and subordinate to any and all recorded mortgages, deeds of trust and other liens now or hereafter existing or imposed upon the premises, and to any renewal, modification or extension thereof. It is the intention of the parties that this provision shall be self-operative and that no further instrument shall be required to effect the present or subsequent subordination of this Lease. Based on a written demand received by the RECO, the Government will review and, if acceptable, execute such instruments as Lessor may reasonably request to evidence further the subordination of this Lease to any existing or future mortgage, deed of trust or other security interest pertaining to the premises, and to any water, sewer or access easement necessary or desirable to serve the premises or adjoining property owned in whole or in part by Lessor if such easement does not interfere with the full enjoyment of any right granted the Government under this Lease.

B. No such subordination, to either existing or future mortgages, deeds of trust or other lien or security instrument shall operate to affect adversely any right of the Government under this Lease so long as the Government is not in default under this Lease. Lessor will include in any future mortgage, deed of trust or other security instrument to which this Lease becomes subordinate, or in a separate non-disturbance agreement, a provision to the foregoing effect. Lessor warrants that the holders of all notes or other obligations secured by existing mortgages, deeds of trust or other security instruments have consented to the provisions of this clause, and agrees to provide true copies of all such consents to the RECO promptly upon demand.

C. In the event of any sale of the premises or any portion thereof by foreclosure of the lien of any such mortgage, deed of trust or other security instrument, or the giving of a deed in lieu of foreclosure, the Government will be deemed to have attorned to any purchaser, purchasers, transferee or transferees of the premises or any portion thereof and its or their successors and assigns, and any such purchasers and transferees will be deemed to have assumed all obligations of the Lessor under this Lease, so as to establish direct privity of estate and contract between Government and such purchasers or transferees, with the same force, effect and relative priority in time and right as if the lease had initially been entered into between such purchasers or transferees and the Government; provided, further, that the RECO and such purchasers or transferees shall, with reasonable promptness following any such sale or deed delivery in lieu of foreclosure, execute all such revisions to this Lease, or other writings, as shall be necessary to document the foregoing relationship.

D. None of the foregoing provisions may be deemed or construed to imply a waiver of the Government's rights as a sovereign.

### **6.3.39 Integrated Agreement (OCT 1996)**

This Lease, upon execution, contains the entire agreement of the parties, and no prior written or oral agreement, express or implied shall be admissible to contradict the provisions of this Lease.

### **6.3.44 Inspection (OCT 1996)**

The Government reserves the right, at any time after the Lease is signed and during the term of the Lease, to inspect the leased premises and all other areas of the building to which access is necessary, to ensure a safe and healthy work environment for the Government tenants and the Lessor's performance under this Lease. The Government shall have the right to perform sampling of suspected hazardous conditions.

### **6.3.45 Contract Disputes (JAN 2017)**

All contract disputes arising under or related to this Lease will be resolved through the FAA dispute resolution system at the Office of Dispute Resolution for Acquisition (ODRA) and will be governed by the procedures set forth in 14 C.F.R. Parts 14 and 17, which are hereby incorporated by reference. Judicial review, where available, will be

in accordance with 49 U.S.C. 46110 and will apply only to final agency decisions. A Lessor may seek review of a final Government decision only after its administrative remedies have been exhausted.

All contract disputes will be in writing and will be filed at the following address:

Office of Dispute Resolution for Acquisition, AGC-70  
Federal Aviation Administration  
800 Independence Avenue, S.W., Room 323  
Washington, DC 20591  
Telephone: (202) 267-3290

A contract dispute against the FAA will be filed with the ODRA within two (2) years of the accrual of the lease claim involved. A contract dispute is considered to be filed on the date it is received by the ODRA.

The full text of the Contract Disputes clause is incorporated by reference. Upon request the full text will be provided by the RECO.

## **SECTION 4 - FINANCIAL CLAUSES**

### **6.4.1 System for Award Management - Real Property - SAM Waiver (JAN 2017)**

The System for Award Management (SAM) is the Government's required method to receive vendor information. However, you have been granted an exception to SAM and therefore must provide your initial payment information and any future changes to your payment information to the RECO on a completed and signed "Vendor Miscellaneous Payment Information" form, together with any other required notice under this lease.

### **6.4.2 Payment by Electronic Funds Transfer (JAN 2017)**

All payments by the Government under this Lease will be made by electronic funds transfer (EFT). The Government will make payment by EFT through the Automated Clearing House (ACH) network, subject to the rules of the National Automated Clearing House Association. The rules governing federal payments through the ACH are contained in 31 CFR Part 210. The Lessor is responsible for maintaining correct payment information with the Government. If the Lessor's EFT information is incorrect or outdated, the Government is not required to make payments to the Lessor until correct/current EFT information is submitted to the Government for payment distribution.

## **SECTION 5 - DESIGN AND CONSTRUCTION CLAUSE**

### **6.5.22 Installation of Antennas, Cables & Other Appurtenances (JAN 2017)**

The Government shall have the right to install, operate and maintain antennas, wires and their supporting structures, including any linking wires, connecting cables and conduits atop and within buildings and structures, or at other locations, as deemed necessary by the Government. The Government will coordinate with the Lessor when installing antennas, cables, and other appurtenances.

**SECTION 7 - SERVICES, UTILITIES, AND MAINTENANCE CLAUSES**

**6.7.1-1 Services and Utilities (JAN 2017)**

Services supplied to technical equipment will be supplied 24 hours a day, and seven days a week. The Government will have access to the leased premises at all times, including the use of electrical services without additional payment.

- A. UTILITIES
- B. SNOW REMOVAL
- C. BUILDING MAINTENANCE

**SECTION 10 - CLOSING**

**6.10.1 Notices (JUL 2017)**

All notices/correspondence shall be in writing, reference the Lease number, and be addressed as follows:

TO THE LESSOR:  
City of Russell, Kansas  
P.O. Box 112  
Russell, Kansas 67665

TO THE GOVERNMENT:  
Federal Aviation Administration  
Real Estate Branch, AAQ-920  
10101 Hillwood Parkway  
Fort Worth, Texas 76177

**6.10.3 Signature Block (JUL 2017)**

This Lease shall become effective when it is fully executed by all parties.

In witness whereof, the parties hereto have signed their names.

CITY OF RUSSELL, KANSAS

UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION  
FEDERAL AVIATION ADMINISTRATION

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Jennifer W. Miller  
Real Estate Contracting Officer

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**SECTION 11 – ATTACHMENTS/EXHIBITS/SPECIAL STIPULATIONS**

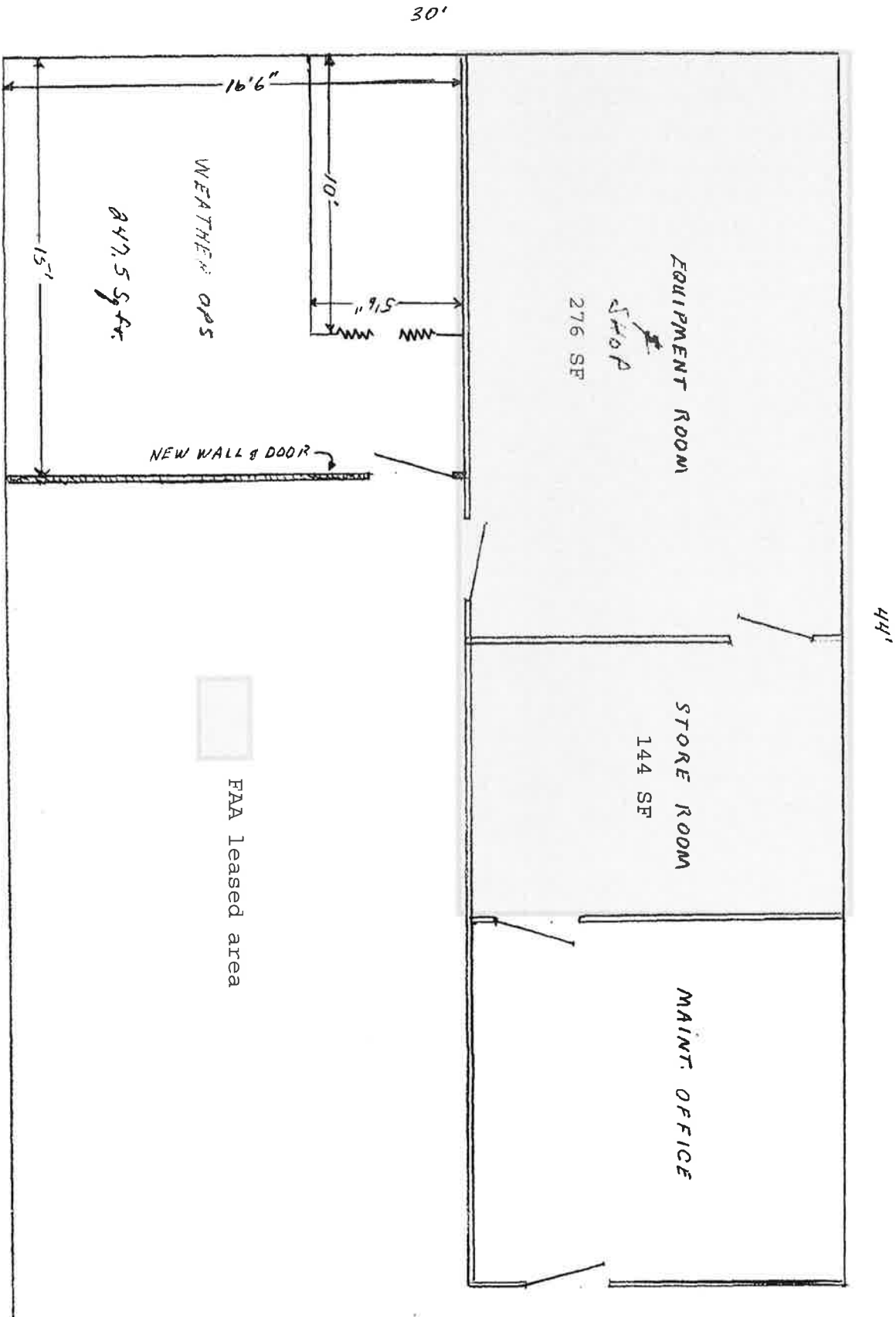
Number	Title	Date	Number of Pages
1	Exhibit A - FAA Engineering Sketch Sheet	10/1/2000	1

**PUBLIC AUTHORIZATION CERTIFICATE**

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, I \_\_\_\_\_ certify that I am the  
\_\_\_\_\_ of the City of Russell named in the attached agreement; that \_\_\_\_\_  
who signed said agreement on behalf of the City of Russell is \_\_\_\_\_ of the City of Russell  
and that said agreement was duly signed for and on behalf of the City of Russell by authority of its governing body, and  
is within the scope of its powers.

Signed \_\_\_\_\_

The individual signing this certificate and the individual signing the lease cannot be the same person.



RUSSELL KS AF  
 WEATHER OPS