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Press Release

Commissioners approve \$2.9 million contract for Skyline project

Andale Ready Mix Central, Inc. will helm reconstruction of Skyline, 61st roads

ARKANSAS CITY, Kan. (July 9, 2015) — The City Commission of Arkansas City voted unanimously on Tuesday, July 7, to approve a contract agreement with Andale Ready Mix Central, Inc. for construction of the Skyline Road and 61st Road improvement project.

The contract, which is for an amount not to exceed \$2,899,914.15, is contingent upon review and approval from the Kansas Department of Transportation (KDOT), which originally pledged to pay \$2.3 million of the costs of the project through an economic development grant. KDOT since has offered an additional \$300,000 toward the cost of the project, for a total grant contribution of \$2.6 million.

The remaining \$299,914.15 will come from the City's Street Improvement Fund, which was funded through a five-year, half-cent street sales tax that concluded earlier this year.

The engineer's estimate for this project was \$3,179,223. Andale was the lowest of three bidders.

"We've been talking about this project for a long time, and to be able to leverage our money to get that grant is outstanding," Mayor Chad Giles said Tuesday night.

"For this to come about, to get that funding from the state, is just something that the City desperately needed. It will just put us over the top for that road, which is definitely needed to improve that area."

Work on the project is expected to begin this fall with the reconstruction of 61st Road, and the project is planned to be substantially complete by May 2016.

Skyline Road will be widened substantially, Public Works Director Eric Broce said Tuesday night, and it will be better able to bear the increased truck traffic that is expected. Broce said the new street would have 8 inches of paving atop a 12-inch base.

Center turn lanes also will be added into Skyline Industries and at the intersection with Eighth Street.

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In 2008, Skyline Road was identified by City officials as a street that needed funding for a simple mill and overlay. The cost estimate at that time was \$500,000.

But it later was determined that Skyline does not have an adequate base to support the heavy truck traffic generated by Goff Industrial Park, so other, more expensive paving options had to be considered.

In 2013, Creekstone Farms Premium Beef, the chief tenant at Goff, announced a substantial expansion project that will generate additional employment and business in Arkansas City. As a result, the City expects to see a substantial increase in truck traffic and pedestrian activity in the Goff area.

The City, in cooperation with Creekstone, applied in February 2014 for a KDOT economic development grant to assist with funding the reconstruction of Skyline and 61st roads, including associated stormwater drainage improvements, pedestrian pathways and street lighting. At the time, the total project cost was estimated at \$2.8 million, with KDOT paying \$2.3 million and the City \$500,000.

“This project is a great example of local industry and the City working together in partnership to stretch limited tax dollars to the maximum potential,” Broce said. “I can’t thank Creekstone enough for committing to stay here to do their expansion and working with us to get these incentives from the state.

“Not only will these roads be constructed to handle heavy truck traffic, but sidewalks and street lighting will be included to promote and facilitate pedestrian activity in this area.”

The current working cost estimates for this project are:

- construction costs — \$2,899,914.15;
- engineering costs — \$118,960;
- inspection and administrative costs (ongoing) — \$151,000;
- utility relocation and land acquisition costs (ongoing) — \$22,975.26;
- total project cost (to date) — \$3,192,849.41;
- total KDOT share through economic development grant — \$2,600,000;
- total City share through street sales tax funding — \$592,849.41.

Salvation Army rental of Senior Citizens Center

The City Commission also voted unanimously Tuesday night to authorize a lease agreement between the City of Arkansas City and the Salvation Army for the rental of office space in the Ceramic Room at the Arkansas City Senior Citizens Center.

The Salvation Army requires the space immediately because it must vacate its current building, which has been purchased. The Ceramic Room is used only three months each year, during tax season.

The Salvation Army will pay \$100 a month to assist with the cost of utilities, and in exchange, it will have exclusive use of the office space and may use some additional space for commodities storage if it is not otherwise needed by the senior center.

This is a month-to-month lease and it can be terminated with 30 days' written notice if the city requires the room for another purpose.

In other business, the commission:

- unanimously approved the June 16 regular meeting minutes as written.
- voted unanimously to appoint Dr. Jerry Old to the South Central Kansas Medical Center Board of Trustees.
- voted unanimously to repeal Resolution No. 2011-05-2701 regarding work sessions and set a new procedure for City Commission study sessions. To ensure transparency and that all discussion of agenda topics is held only during regular City Commission meetings, the resolution that schedules work sessions automatically on the Fridays preceding a regular meeting was repealed. In its place, this new resolution states the mayor can schedule, at his discretion, study sessions on a specific topic, during which no action can be taken.
- voted 4-1 to approve new Urban Area Boundary lines for Arkansas City, with Commissioner Brandon Every opposing. The city is required to determine and submit the boundary lines, which are partly determined by the U.S. Census Bureau, to KDOT. The UAB was expanded to include Parkerfield as a result of the 2010 Census, while the Lakewynds neighborhood, Goff Industrial Park and Patterson Park Subdivision were added because they are large traffic generators.
- voted 5-0 to approve the new urban functional classification of streets within Arkansas City. Most of the city's streets were downgraded in class to reflect more accurately their traffic flows and also to avoid cumbersome federal highway regulations that would have necessitated costly improvements to Summit Street, including new signage and possibly bridge upgrades. Some streets also were reclassified as part of the Skyline Road and 61st Road improvement project.
- unanimously approved a contract with R.E. Pedrotti Company, Inc. to upgrade the Supervisory Control And Data Acquisition (SCADA) system at the Wastewater Treatment Plant, for an amount not to exceed \$39,925. Portions of the existing SCADA system are obsolete and need replacing to ensure communications are not lost with existing Remote Terminal Unit sites.

- voted unanimously to schedule a public hearing to consider granting an economic development tax exemption to Creekstone Farms Premium Beef for 5:30 p.m. July 21 in the commission room at City Hall. The commission voted June 17, 2014, to support Creekstone's efforts to seek such an exemption for the expanded portions of its facility, completed in September 2014.
- heard a first reading of, but voted 2-2 not to table until 2017 an ordinance authorizing the Sunday sales of alcoholic liquor and cereal malt beverage in the original package within city limits. Every and Mayor Chad Giles voted to table, while Commissioners Dan Jurkovich and Duane Oestmann opposed the action. Commissioner Jay Warren abstained from voting because he sells homemade wine to local liquor stores. Although the ordinance could be revived at the next meeting for a second reading, the expressed consensus of the commission was that the issue should not be revisited until just before the next local election, if at all.
- heard a first reading of and unanimously approved an ordinance providing for standard contractual provisions by the City of Arkansas City. This ordinance is modeled off one implemented in Hays, which has had no issues with its ordinance. This ordinance provides standard provisions for competitively bid contracts or requests for proposals with the city, and includes provisions that generally are included after negotiation in every city contract.
- voted unanimously to schedule a public meeting at noon Friday, July 10, in the commission room at City Hall to hear budget requests from external agencies for the 2016 budget year. No action will be taken at this study session.