

TO: Mayor and City Commissioners
RE: **Study Session Agenda**
FROM: Richard U. Nienstedt, City Manager

A Study Session is scheduled for **January 30, 2012 at 4:00 pm** in the conference room on the first floor of City Hall, 101 S. Hickory. The following items will be presented:

I. Public Comments

II. Items to be Placed on the Regular City Commission Agenda

- a. Minutes from the January 18, 2012 Regular Meeting and the January 23, 2012 Study Session. *pp. 1 - 6*
- b. Swearing in Kiersten Eads, a new 2011-2012 Youth in Government representatives.
- c. A resolution supporting improvements to the Park Place II Apartments. *pp. 7 - 8*
- d. An ordinance vacating a limited portion of a stormwater easement located at 1110 Enterprise Street. *pp. 9 - 11*
- e. A resolution for the addressing of Ottawa University buildings and the use of private lanes. *pp. 12 - 14*
- f. A request for a hearing on the impact of the demolition of the structure located at 124 S. Main.
- g. A resolution providing for the demolition of the commercial structure at 124 S. Main Street. *pp. 15 - 22*

III. Items for Presentation and Discussion

- a. Discussion continues regarding the financing plan for the Ottawa Municipal Airport Temporary Notes. *pp. 23 - 30*
- b. Discussion continues regarding the revised Stormwater Utility. *pp. 31 - 39*
- c. Discussion continues regarding the proposed wastewater rate schedule for 2012-2016. *pp. 40 - 42*
- d. City Manager's Report
- e. Commissioners' Reports
- f. Mayor's Report

IV. Announcements

- February 1, 2012 Special Call Meeting, City Hall Day, Topeka
- February 1, 2012 **NEXT REGULAR MEETING**, 7:00 pm
- February 6, 2012 Study Session, 4:00 pm
- February 13, 2012 Study Session, 4:00 pm
- February 15, 2012 Regular Meeting, 9:30 am
- February 15, 2012 Joint City/County/USD 290 Luncheon, Franklin County Commission Chambers, 1428 S. Main
- February 20, 2012 Study Session, 4:00 pm
- February 27, 2012 Study Session, 4:00 pm
- March 5, 2012 Study Session, 4:00 pm
- March 7, 2012 Regular Meeting, 7:00 pm

V. Adjourn

VI. Items Already Placed

- a. Minutes from the January 4, 2012 Special Call meeting, the January 4, 2012 Regular Meeting, and the January 9, 2012 Study Session.
- b. A proclamation recognizing Scout Week, January 29 – February 5, 2012.

**CITY COMMISSION
Regular Meeting Minutes
Commission Chambers
101 S. Hickory, Ottawa, Kansas
Minutes of January 18, 2012**

The City Governing Body met at 9:30 am this date for the Regular City Commission Meeting with the following members present and participating to wit: Mayor Ramsey, Commissioner Richards, Commissioner Caylor, Commissioner Jorgensen, and Commissioner Reed. A quorum was present.

The Mayor called the meeting to order and welcomed the Chamber Audience and led the Pledge of Allegiance to the American flag and the invocation was given by Director of Finance Scott Bird.

Consent Agenda

Thereupon, Commissioner Reed made a motion, seconded by Commissioner Jorgensen, to approve the consent agenda. The consent agenda included the agenda. The motion was considered and upon being put, all present voted aye. The Mayor declared the Consent Agenda duly approved.

Public Comments

None offered at this time.

Declaration

Thereupon, the Mayor asked the City Commission for declarations of any conflict or outside communications that might influence their ability to impartially consider today's issues and come to a fair decision. None were declared.

Proclamation-Catholic Schools Week

Thereupon, Commissioner Caylor read a proclamation recognizing Catholic Schools Week. Catholic Schools Week is celebrated nationally the last week in January; this year that week is January 29 – February 5. This year's theme is "Catholic Schools: Faith. Academics. Service." This year Sacred Heart School celebrates its 60th Anniversary; this proclamation recognizes the contributions of Sacred Heart School and its students and alumni to our community. Principal Diane Chapman and students from Sacred Heart School accepted the proclamation.

The Governing Body heard from Principal Diane Chapman who thanked the City Commission for the proclamation and invited everyone to attend the Chamber Coffee at Sacred Heart on February 3, 2012 at 8 am.

The Governing Body heard from Sacred Heart students Russell White, Olivia Peoples, and Tucker Mace who briefly explained what faith, academics, and service means to them.

January 18, 2012

Unofficial until approved

Construction Agreement-Ottawa Municipal Airport

Thereupon, the Governing Body reviewed a request to approve construction agreement documents for improvements to runway 17-35 at the Ottawa Municipal Airport. Commissioner Caylor made a motion, seconded by Commissioner Richards, to approve the request.

During discussion it was explained staff requests approval of construction agreement documents which establish Emery Sapp & Sons as contractors for the runway improvements. The Federal Aviation Administration (FAA) will fund \$2,102,230 for the project; the City will provide \$134,393 for a total estimated project cost of \$2,236,623.

Project Manager Matt Jacobs of H.W. Lochner provided a brief overview of the improvements to runway 17-35. Mr. Jacobs described the approval process from the FAA for the recommended improvements, the recommended improvements from H.W. Lochner, the history of prior improvements, and the potential for future expansion to runway 17-35. The motion was considered and upon being put, all present voted aye. The Mayor declared the request duly approved.

Federal Fund Exchange Agreement

The Governing Body reviewed a request to authorize the 2011 Kansas Department of Transportation (KDOT) Federal Fund Exchange Agreement. Commissioner Richards made a motion, seconded by Commissioner Caylor, to approve the request.

During discussion it was explained staff requests authorization to sign this agreement which facilitates KDOT reimbursement payments for street improvements made during 2011 up to a maximum of \$126,007. The motion was considered and upon being put, all present voted aye. The Mayor declared the request duly approved.

City Manager's Report

City Manager Richard Nienstedt announced the Joint City/County/USD 290 Luncheon at USD 290, 1404 S Ash, on January 18, 2012 at 12 Noon.

Fire Chief Jeff Carner provided an update on the failing structure at 124 S Main and explained the previous tenant had completely vacated the building.

Commissioner's Report

Commissioner Caylor reported on the following:

- Encouraged all citizens to take part in the Citizen Survey being conducted by the City
- Applauded OU students for taking part in Martin Luther King, Jr Day activities and encouraged all citizens to give their own time to help others
- Expressed delight in how well-behaved Sacred Heart students were during today's meeting

Commissioner Richards also encouraged input from all citizens through the Citizen Survey.

January 18, 2012

Unofficial until approved

Announcements

The Mayor announced the following:

- January 18, 2012: Joint City/County/USD 290 Luncheon at USD 290, 1404 S Ash at 12 Noon
- January 23, 2012: Study Session at 4 pm
- January 30, 2012: Study Session at 4 pm
- February 1, 2012: Next Regular Meeting at 7 pm

Executive Session

Recess

Thereupon, Commissioner Jorgensen made a motion, seconded by Commissioner Richards, to recess into Executive Session to discuss attorney-client privilege with the City Attorney and City Manager present for a period of 10 minutes and to reconvene in open session at 10:30 am. The motion was considered and upon being put, all present voted aye. The Mayor declared the meeting duly recessed.

Reconvene

Commissioner Richards made a motion, seconded by Commissioner Caylor, to reconvene at 10:30 am into open session. The motion was considered and upon being put, all present voted aye. The Mayor declared the meeting duly reconvened.

Adjournment

There being no further business to come before the Governing Body Commissioner Caylor made a motion, seconded by Commissioner Richards, to adjourn the meeting at 10:31 am.

Carolyn S. Snethen, City Clerk

**STUDY SESSION MINUTES
OTTAWA, KANSAS
Minutes of
January 23, 2012**

The Governing Body met at 4 pm this date with the following members present and participating to wit: Mayor Ramsey, Commissioner Richards, Commissioner Caylor, and Commissioner Reed. Commissioner Jorgensen was absent. A quorum was present.

Mayor Ramsey called the meeting to order.

Public Comments

The Governing Body heard from Youth in Government (YIG) Representative Ciera Gardner who gave an overview of the YIG mini-projects that were chosen as their service project this year.

Review of Minutes

The Governing Body reviewed minutes from the January 4, 2012 Special Call meeting, the January 4, 2012 Regular Meeting, and the January 9, 2012 Study Session and agreed to place these items on the next Regular Meeting Agenda on February 1, 2012 at 7 pm.

Approval of Minutes

The Governing Body reviewed the following minutes:

II b. Revised minutes from the November 16, 2011 Regular Meeting. These minutes were approved at the December 21, 2011 meeting. Upon review, it was discovered that a page had been omitted from the agenda packet. Staff requested action at this study session in order to close 2011 for audit purposes.

II c. Minutes from the November 21, November 28, December 5, December 12, and December 19, 2011 Study Sessions; the November 29 and December 21, 2011 Special Call Meetings; and the December 7, and December 21, 2011 Regular Meetings. Staff requested action at this study session in order to close 2011 for audit purposes.

Commissioner Reed made a motion, seconded by Commissioner Richards to approve the minutes as listed in items II b and II c on the agenda. The motion was considered and upon being put, all present voted aye. The Mayor declared the minutes duly approved.

Proclamation-Scout Week

The Governing Body reviewed a proclamation recognizing Scout Week, January 29-February 5, 2012, and agreed to place this item on the next Regular Meeting Agenda.

Ottawa Municipal Airport Temporary Notes

The Governing Body heard from David Arteberry, George Baum and Associates, who provided an overview of the financing plan for the Ottawa Municipal Airport Temporary Notes.

The Mayor asked for continued discussion at the next Study Session on January 30, 2012.

January 23, 2012

Unofficial until approved

Ordinance-Stormwater Utility

The Governing Body reviewed an ordinance for the Stormwater Utility and agreed to place this item on the next Study Session Agenda.

Resolution-Wastewater (Sanitary Sewer) Rate Schedule

The Governing Body reviewed a resolution for the wastewater (sanitary sewer) rate schedule for 2012-2016 and agreed to place this item on the next Study Session Agenda.

City Manager's Report

City Manager Richard Nienstedt reported on the following:

- City Hall Day in Topeka on February 1, 2012
- National League of Cities (NLC) further discussion at the next Study Session on who plans to attend

Commissioner's Reports

Commissioner Richards reported on the following:

- Received positive public comments regarding the 15th Street sidewalk project
- Expressed his appreciation for the work by City Staff to advertise the Old City Hall building for sale
- Reviewing the budget for the upcoming 2013 budget discussions and looking for ways to reduce City debt

Commissioner Caylor reported on the following:

- Encouraged AT&T to speak to Commission about internet and U-Verse in Ottawa
- Attended part of the recent sidewalk meeting and noted few citizens were in attendance, good questions were asked by those attending

Mayor's Report

The Mayor reported on the following:

- County Zoning Meeting this evening, January 23, 2012, to hold a Public Hearing on the Interlocal Agreement
- Requested Director of Planning/Codes/Inspection Wynndee Lee provide an update on 124 S Main. Mrs. Lee had nothing new to report until hearing from the City engineer.
- Citizen survey, 1025 paper surveys mailed

Announcements

The following announcements were made:

- January 30, 2012: Study Session at 4 pm
- February 1, 2012: City Hall Day, Topeka
- February 1, 2012: Next Regular Meeting at 7 pm

January 23, 2012

Unofficial until approved

Adjournment

There being no further business to come before the Governing Body Commissioner Richards made a motion, seconded by Commissioner Caylor, to adjourn the meeting. The Mayor declared the meeting duly adjourned.

Carolyn S. Snethen, City Clerk

RESOLUTION:_____

A RESOLUTION ENDORSING THE CONTINUED TARGETED SENIOR OCCUPANCY FOR PERSONS EXCLUSIVELY FIFTY-FIVE AND OLDER AT PARK PLACE APARTMENTS II HOUSING DEVELOPMENT.

WHEREAS, the City of Ottawa, KS has been informed by Commercial Group, Inc. that a housing tax credit application will be filed with the Kansas Housing Resources Corporation for the development of affordable rental housing to be located at 1519 S Elm in Ottawa, Kansas; and

WHEREAS, this phase of the Park Place Apartments II housing development will contain no more than twenty-four (24) senior apartments; and

WHEREAS, the apartments have been and will continue to be targeted for senior occupancy, those persons exclusively fifty-five and older; and

WHEREAS, the development will be renovation of the existing structures to modernize and provide updated housing for the residents of Ottawa, Kansas.

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the City of Ottawa, that we endorse and approve the development of the aforesaid housing in our community, subject to city ordinances and the building permit process. In the event that any of the characteristics mentioned above should materially change prior to the issuance of a building permit, this resolution is null and void.

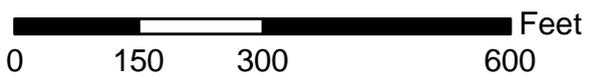
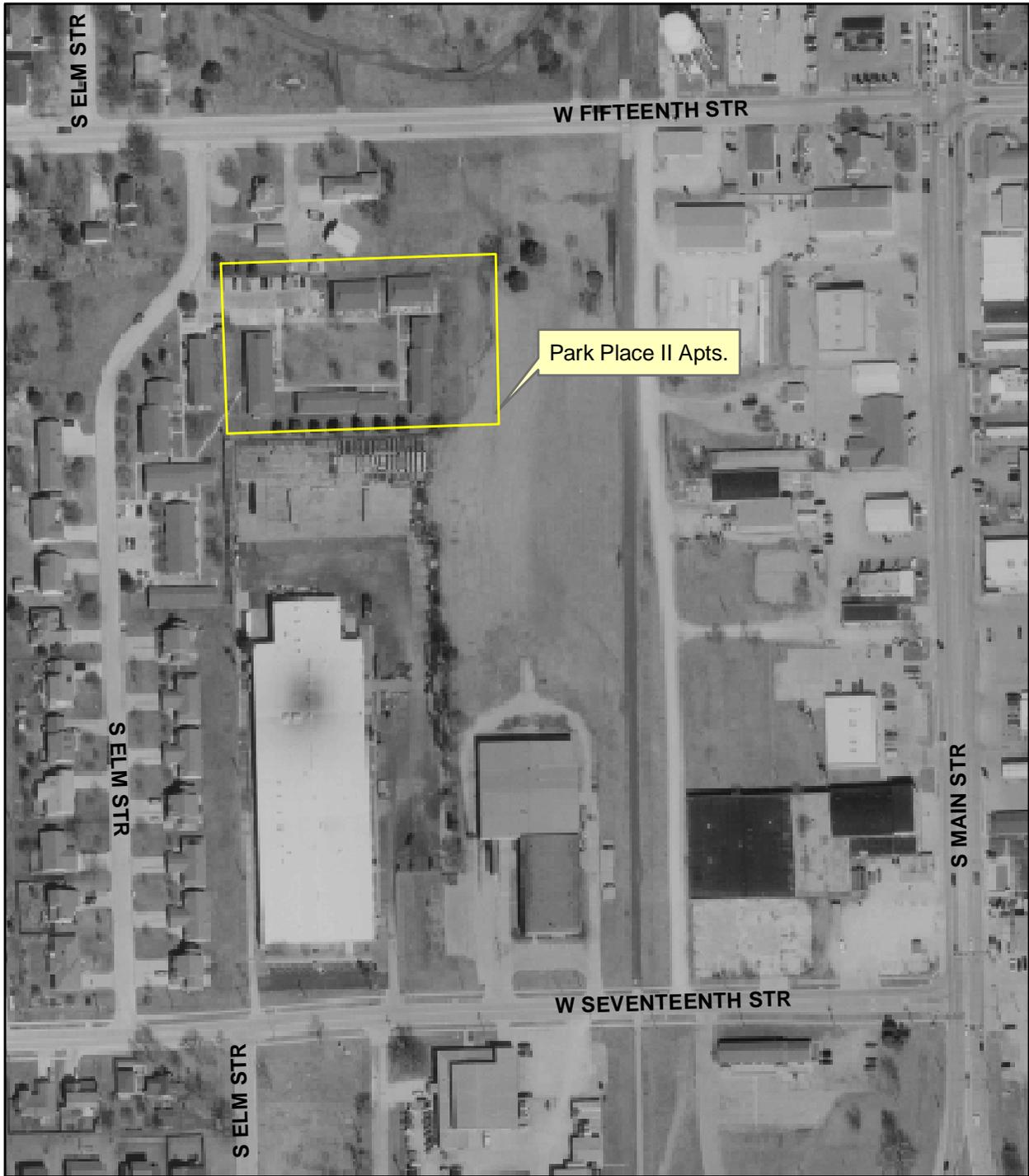
ADOPTED BY THE GOVERNING BODY THIS _____day of February 2012.

Gene Ramsey, Mayor

ATTEST:

Carolyn Snethen, City Clerk

Location Map



STAFF MEMORANDUM

Target Meeting Date: February 1, 2012

TO: Richard Nienstedt, City Manager

FROM: Wynndee S. Lee, AICP, Director of Planning & Codes Administration

DATE: January 25, 2011

SUBJECT: **An ordinance** vacating a limited portion of a stormwater easement located at 1110 Enterprise Street.

Mac Fasteners Inc. has requested vacation of a portion of a stormwater easement on their property in the Northeast Ottawa Industrial Park. The applicant requested the vacation as it was discovered the new building had been built over the easement by about one foot. There are no other property owners besides the city affected by this as Mac Fasteners own the property on both sides of the easement.

Normally a public hearing is held with the Planning Commission and then a recommendation is sent to the City Commission. However, due to the urgency, so Mac Fasteners Inc. can close on a loan, staff presented the item to the Planning Commission for recommendation to the City Commission. The public hearing will be held during the City Commission meeting.

The Planning Commission recommends to the City Commission, after they hold the public hearing, to approve the stormwater easement vacation request by a 6-0 vote.

ORDINANCE NO. _____

AN ORDINANCE VACATING THAT PORTION OF the stormwater easement at 1110 Enterprise Street.

BE IT ORDAINED by the Governing Body of the City of Ottawa, Kansas, as follows:

Section 1: The aforementioned described real estate located at 1110 Enterprise Street, more particularly described as follows:

Commencing at the Northwest corner of Lot 17 of Block B, Northeast Industrial Park, 2nd Addition, in the City of Ottawa, Franklin County, Kansas; thence North 87 degrees 52 minutes 23 seconds East 25.00 feet to the East line of an existing drainage easement; thence South 02 degrees 07 minutes 37 seconds East 103.30 feet along the existing drainage easement, to the true point of beginning of easement to be vacated; thence South 02 degrees 07 minutes 37 seconds East 203.17 feet along the existing drainage easement; thence South 87 degrees 52 minutes 23 seconds West 1.50 feet; thence North 02 degrees 07 minutes 37 seconds West 203.17 feet; thence North 87 degrees 52 minutes 23 seconds East 1.50 feet to the point of beginning, containing 305.00 square feet, more or less.

is hereby vacated.

Section 2: From and after the effective date of this ordinance the ownership of the portion of the drainage easement vacated herein, shall revert to the owners of the real estate at 1110 Enterprise Street.

Section 3: The City Clerk is authorized to certify a copy of the order and directed to record this ordinance in the office of the Register of Deeds of Franklin County, Kansas.

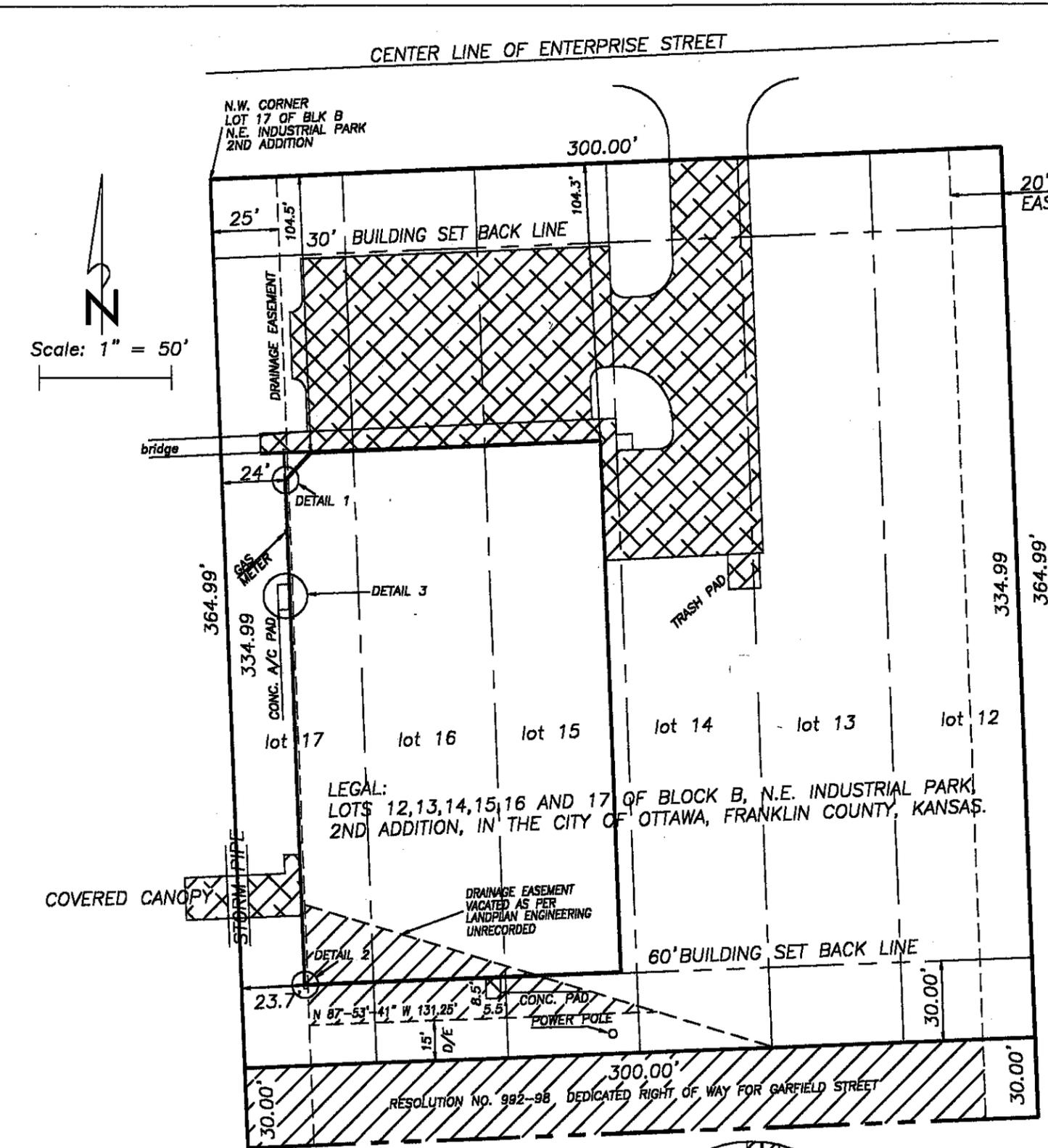
Section 4: This ordinance shall take effect and be in force after its passage and publication in the official city newspaper.

PASSED AND ADOPTED by the Governing Body of the City of Ottawa, Kansas, this _____ day of _____, 2012.

Mayor

ATTEST:

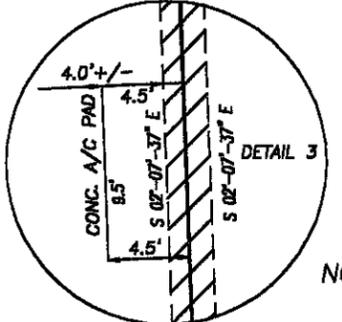
City Clerk



Scale: 1" = 50'

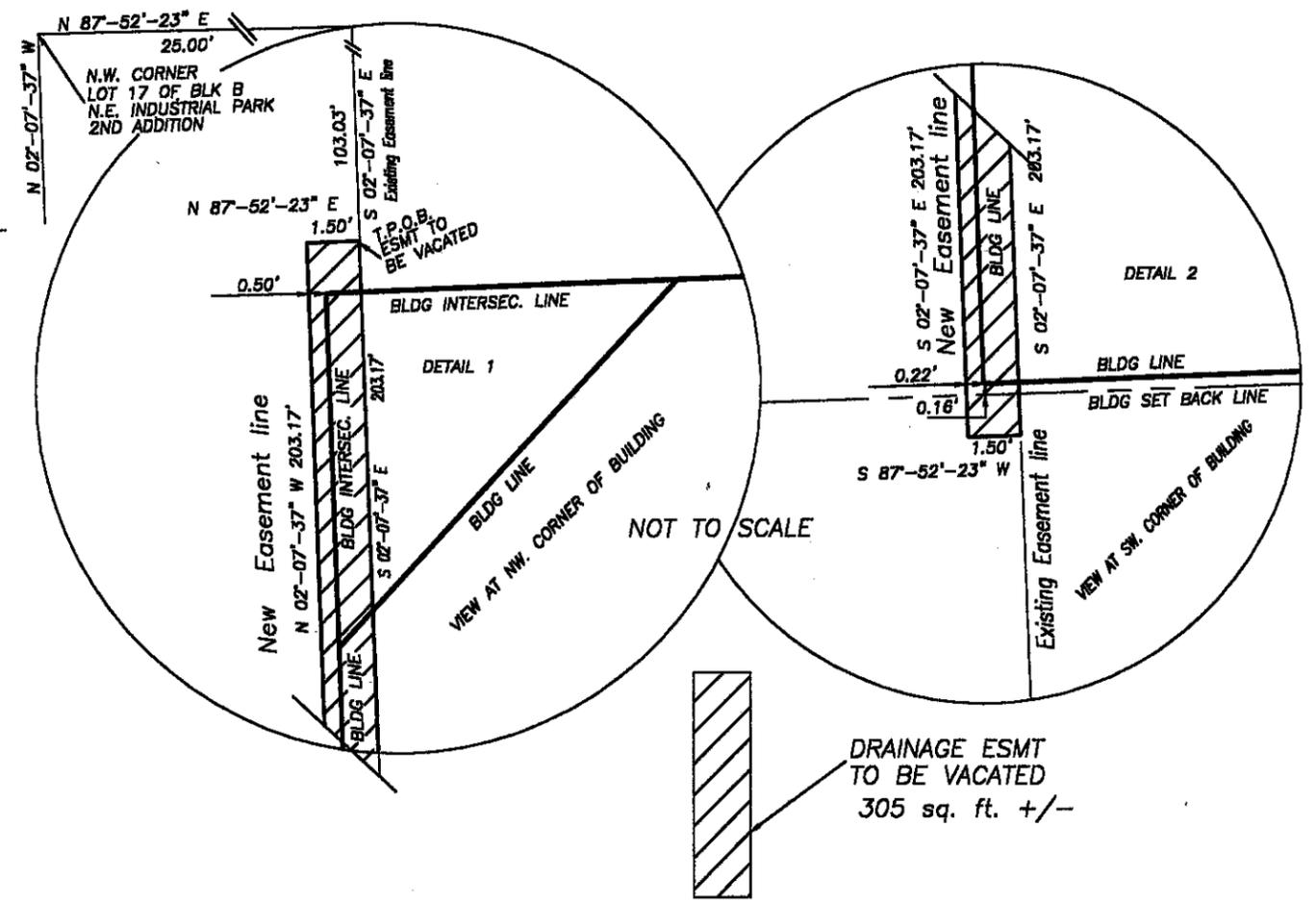
LEGAL: LOTS 12,13,14,15,16 AND 17 OF BLOCK B, N.E. INDUSTRIAL PARK, 2ND ADDITION, IN THE CITY OF OTTAWA, FRANKLIN COUNTY, KANSAS.

CATES SURVEYING INC.
 Bryon K. Cates
 Professional Surveying Services
 790 Pawnee Rd. Pomona, KS 66076
 Phone 785-566-3391 Fax 785-566-3391



NOT TO SCALE

RECEIVED
 JAN 25 2012
CITY OF OTTAWA



THE FOLLOWING TRACT OF LAND IN THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 16 SOUTH, RANGE 19 EAST OF THE SIXTH P.M., IN THE CITY OF OTTAWA, FRANKLIN COUNTY KANSAS.

THE TRACT OF LAND, IS DECEIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF LOT 17 OF BLOCK B, N.E. INDUSTRIAL PARK, 2ND ADDITION, IN THE CITY OF OTTAWA, FRANKLIN COUNTY, KANSAS.; THENCE NORTH 87 DEGREES 52 MINUTES 23 SECONDS EAST 25.00 FEET TO THE EAST LINE OF AN EXISTING DRAINAGE EASEMENT; THENCE SOUTH 02 DEGREES 07 MINUTES 37 SECONDS EAST 103.30' ALONG THE EXISTING DRAINAGE EASEMENT, TO THE TRUE POINT OF BEGINNING OF EASEMENT TO BE VACATED; THENCE SOUTH 02 DEGREES 07 MINUTES 37 SECONDS EAST 203.17 FEET ALONG THE EXISTING DRAINAGE EASEMENT; THENCE SOUTH 87 DEGREES 52 MINUTES 23 SECONDS WEST 1.50 FEET; THENCE NORTH 02 DEGREES 07 MINUTES 37 SECONDS WEST 203.17 FEET; THENCE NORTH 87 DEGREES 52 MINUTES 23 SECONDS EAST 1.50 FEET TO THE POINT OF BEGINNING, CONTAINING 305.00 SQUARE FEET, MORE OR LESS.

BRYON K. CATES
 LICENSED SURVEYOR
 1-25-2012

DRAINAGE EASEMENT TO BE VACATED	
PART OF LOT 17 BLOCK B, N.E. INDUSTRIAL PARK 2ND ADDITION	
SURVEY ORDERED BY: MAC FASTENERS	JOB# 12011210FA
JANUARY 05, 2012	
PAGE 1 OF 1	SURVEY PERFORMED BY: Bryon K. Cates R.L.S. #1208

STAFF MEMORANDUM

Target Meeting Date: February 1, 2012

TO: Richard U. Nienstedt, City Manager

FROM: Wynndee S. Lee, AICP, Director of Planning & Codes Administration

DATE: January 24, 2012

SUBJECT: **A Resolution** for the addressing of Ottawa University buildings and the use of private lanes.

Ottawa University has been working with AT&T for some time to upgrade their phone system and enhance the ability for 911 dispatched calls to respond to a specific location. Currently the address for all calls from OU is 1001 S. Cedar. However, due to the number of buildings, many of which are really interior to the campus, it was requested that the city create addresses that would match up with the numbering we do on all properties within the city. City planning staff did just that, but found that some addresses would be better located using private lanes instead of line of sight to a street. Attached is an aerial photography of the final addressing of all buildings. However, since several of these are interior, the county requested some formal documentation as to the private lanes. Attached is a resolution to acknowledge those areas. Ottawa University has already numbered all of the buildings and placed the private lane signage in the appropriate locations.

RESOLUTION NO. _____

A RESOLUTION IDENTIFYING PRIVATE LANES WITHIN THE CAMPUS OF OTTAWA UNIVERSITY AND BUILDING ADDRESSES FOR THE PURPOSE OF CLEAR IDENTIFICATION FOR 911 RESPONSES AND LOCATION FINDING.

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF OTTAWA, KANSAS,

SECTION 1. The Mayor and City Clerk are hereby authorized and directed to execute this resolution, for the purpose of identifying the three private lanes within the Ottawa University Campus and identifying structures with addresses consistent with addressing on public rights-of-way for the purpose of 911 response and location finding.

Otter Lane	
501 Otter Lane	Bennett Hall
521 Otter Lane	Brown Hall
College Lane	
1001 College Lane	Mowbray Union
1007 College Lane	Commons Building
1014 College Lane	Ward Science Hall
1021 College Lane	Mabee Building
1031 College Lane	Hull Center
1045 College Lane	Hull Center
Braves Lane	
1012 Braves Lane	Peoples Bank Field

SECTION 2. This resolution shall be in full force and effect from its adoption.

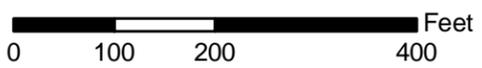
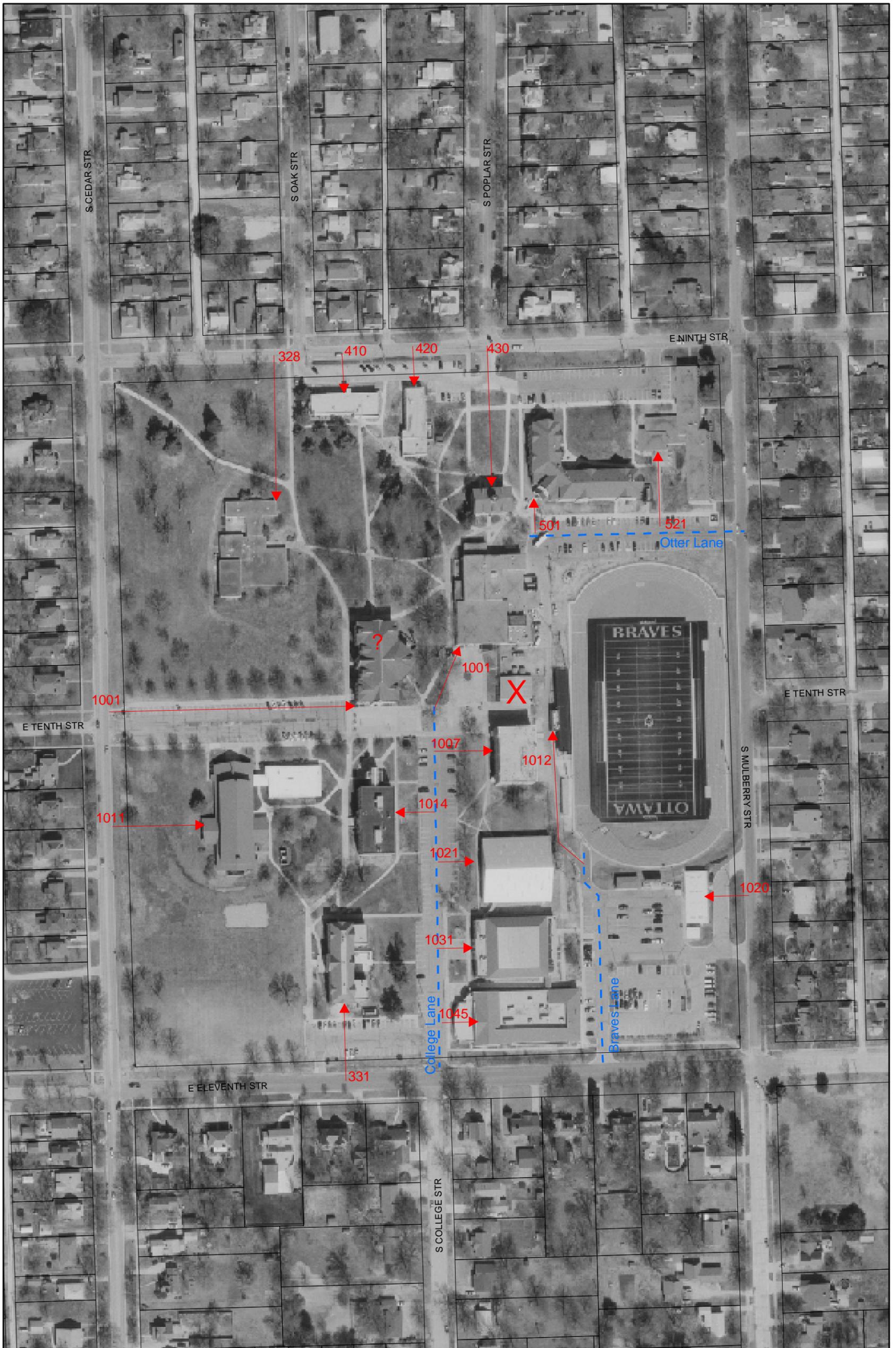
SECTION 3. PASSED AND ADOPTED by the Governing body of the City of Ottawa, Kansas, this _____ day of _____, 2012.

Mayor

ATTEST:

City Clerk

Ottawa University Addressing Proposal



Memorandum

To: Richard U. Nienstedt, City Manager
From: Wynndee Lee, Director of Planning & Codes
Date: January 25, 2012
Re: Governing Body Determination

As you may recall on January 4, 2012 we received a report from the owners engineer concerning the building at 124 S. Main. The engineer stated in his report that the current conditions of the upper floor masonry, the condition of the East and West walls, the weak mortar, and the probability of catastrophic structural failure all make this a potentially life threatening situation and the building is unsafe to occupy. The city utilities have been removed and the gas has been shut off and line has been capped inside. AT&T has removed their cable to the terminal inside the building as well. The city had BG Consultants structural engineer review the building as well. Attached are both of the letters from the two engineers. Both recommend removal of the building.

As this is within the downtown historic area, the permit application for demolition of the commercial structure was reviewed by the State Historic Preservation Office, who determined: Demolition will encroach upon, damage or destroy the downtown historic area.

We also made calls and tried to find potential buyers who have experience with structural repairs to preserve the building.

Based upon all of the above statements, attached documents, and viewing the site multiple times, staff concurs that the structure is not safe to occupy and needs to be removed. "Reasonable and prudent" is a difficult test to determine, as it is possible to repair if enough funds are dedicated. The owner, however, is unwilling to invest that amount and needs to reduce the liability exposure to possible collapse. Mr. El-Aasar in his letter stated "It is my opinion that this building is no longer safe to occupy and is considered beyond repair due to the severe deterioration and buckling of its bearing walls." As such the building should be removed as soon as possible, so staff recommends a finding that no reasonable and prudent alternative exist due to the urgency and risk of collapse.

CONFIDENTIAL

1

RESOLUTION NO. _____

A resolution providing for the demolition of the commercial structure at 124 S. Main Street.

WHEREAS, the City Commission for the City of Ottawa, Kansas does hereby find and conclude as follows:

1. That at a duly constituted and lawful meeting of the City Commission held a hearing in conformance with Kansas law in which the City Commission heard evidence concerning the demolition of the commercial structure at 124 S. Main Street, Ottawa, Kansas.
2. That the City Commission has jurisdiction to hear such request.
3. That the public at large and the parties to this action have received notice of such hearing and have had the opportunity to present such evidence as the parties and the City Commission deem relevant and appropriate for such hearing.
4. That, after considering all relevant factors, the City Commission by roll call vote has determined the following:

That there are no feasible and prudent alternatives to the demolition of the commercial structure and the request for a permit is approved.

By this City Commission of the City of Ottawa it is so ordered.

Section 1: The City Commission will provide notice to the Kansas State Historic Preservation Officer of this decision by Certified Mail, and no permit will be issued within five days of such notice.

Section 2: This resolution shall be in full force and effect from and after its adoption.

ADOPTED this _____ day of _____, 2012

Attest:

Mayor

City Clerk

Approved as to form:

Bob Bezek, Jr., City Attorney

Ken Sidorowicz, PC

January 4, 2012

Re: Dangerous Building
124 S. Main
Ottawa, KS

Mr. Dave Piotrowsky
Codes Inspector
City of Ottawa
101 South Hickory
Ottawa, KS 66067

Dear Alan:

I visited the referenced jobsite on the afternoon of January 4, 2012, and following below is a brief summary of my opinions/observations regarding the structural integrity of the M occupancy commercial building. An inspection was conducted of the interior and exterior of the building.

Inspection revealed that the upper or third floor masonry above the second floor stone was severely buckled on the North and South sides. The South wall was buckled approximately 3 feet out of plane at the parapet, and the North wall exhibited a similar buckled condition although it was not quite as severe.

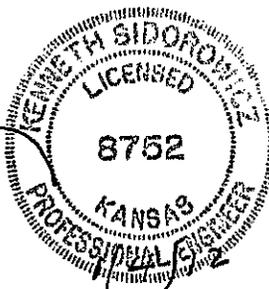
Further evaluation of the East and West walls revealed severe deterioration of the masonry at the window openings both in the brick and stone of the West wall. Closer interior inspection of the upper walls revealed numerous cracks, and mortar, which appeared to be a lime sand mix, had little strength. Both of these walls have been structurally compromised by the extent of the deterioration, with the West wall at the old alley being in the worst condition.

The current condition of the upper floor masonry, the condition of the East and West walls, the weak mortar, and the probability of catastrophic structural failure all make this a potentially life threatening situation. This building in its current condition is unsafe to occupy, per IBC 115.1.

Please call me if the City needs any additional information.

Sincerely,


Ken Sidorowicz, P.E.
President



January 20, 2012

Wynndee S. Lee, AICP
Director of Planning & Codes Administration
City of Ottawa
101 S. Hickory
Ottawa, KS 66067

RE: 124 S. Main, Ottawa, KS
12-1004L

Dear Ms. Lee;

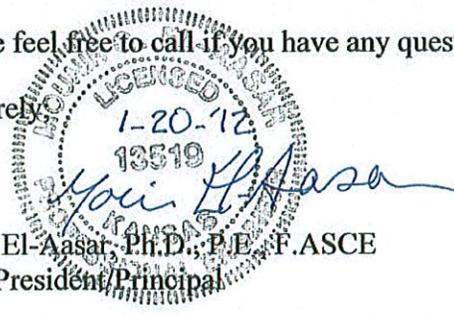
On January 17, 2012, an appointment was made to inspect the above referenced building. During the inspection the following were present, Mr. Jeff Carner, Fire Chief, Mr. Gary Skiles and Mr. David Piotrowsky, Codes Inspectors and Mr. Bob Bezek, City Attorney.

Our inspection revealed that the three story building with partial basement was constructed in the late 1800's with the third floor added to it in the early 1900's. The basement and the first two stories were constructed of masonry while the third floor was constructed of bricks. All walls along the perimeter of the building are bearing walls. The brick walls on the north and south sides of the building have brick columns to act as stiffeners spaced at approximately 25' along these two walls. It was observed that these brick columns have severely buckled and the bricks have sheared off vertically near the middle of each column. Also, the inspection revealed that the east and west walls have severely buckled with the areas between the windows more than 12 inches out of plane. Several areas of the floor, especially on the third floor, appeared to be severely deteriorated and rotted out. Large cracks were also observed at all joints between walls.

It is my opinion that this building is no longer safe to occupy and is considered beyond repair due to the severe deterioration and buckling of its bearing walls. Also, it is my opinion that the second and third stories of this building should be demolished in a safe manner. This can only be done by a skilled and experienced contractor and under the supervision of a licensed professional and/or structural engineer. This work should be done by fully bracing the walls from the inside and the outside, since the roof trusses are currently acting as ties to hold the building together.

Please feel free to call if you have any questions or comments.

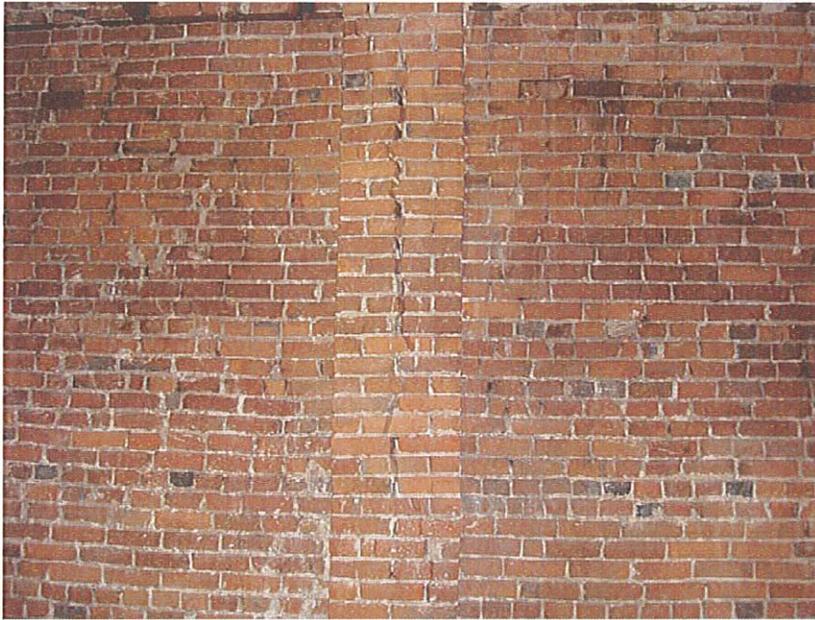
Sincerely,


Moni El-Asar, Ph.D., P.E., F.ASCE
Vice President/Principal

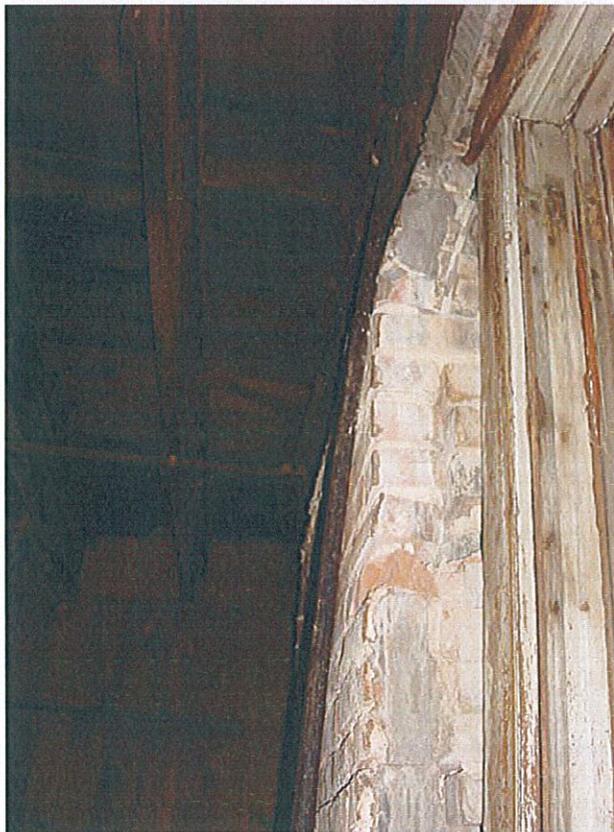


Also

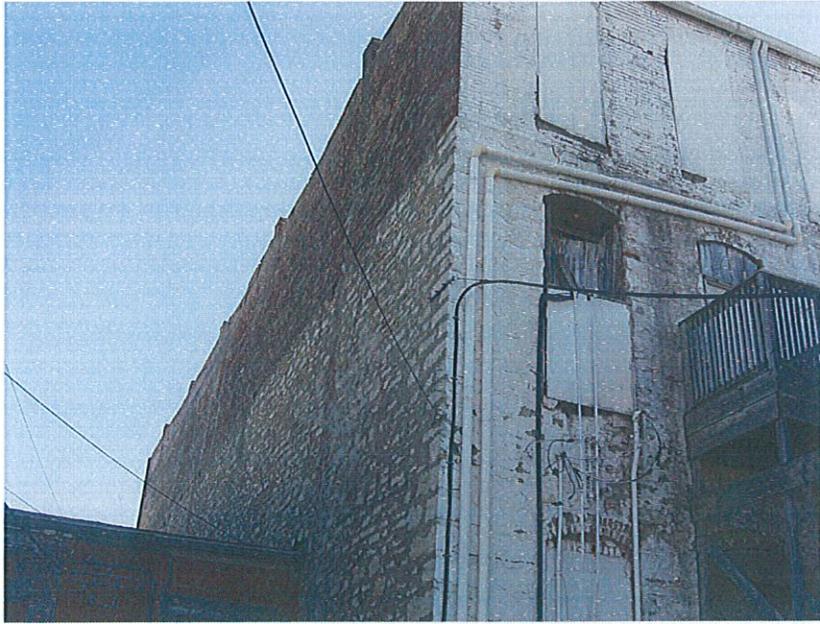
Lawrence, Ks. • Hutchinson, Ks. • Emporia, Ks.



Brick Column with Vertical shear crack along the middle



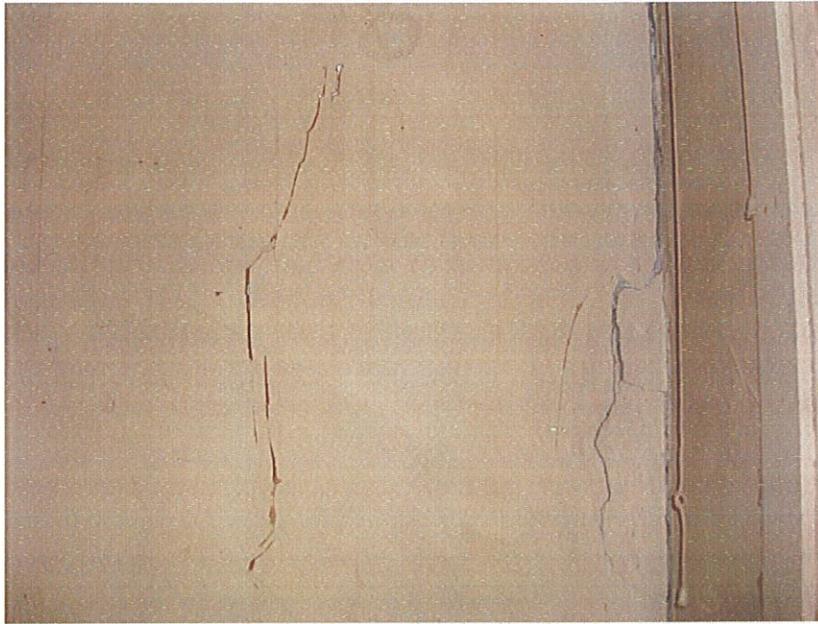
West wall buckling between windows



Leaning (buckling) north wall and deteriorated west wall



Rotted and deteriorated floors



Vertical cracks near the joint between north and east walls



June 1903 date shown on third floor wall

6425 SW 6th Avenue
Topeka, KS 66615



KSR&C No. 12-01-074

phone: 785-272-8681
fax: 785-272-8682
cultural_resources@kshs.org

Kansas Historical Society

Sam Brownback, Governor
Jennie Chinn, Executive Director

January 19, 2012

Brenda Denton
Permit Technician
City of Ottawa
Planning & Codes Department
PO Box 60
Ottawa, KS 66067

RECEIVED

JAN 23 2012

CITY OF OTTAWA

Re: Demolition of 124 S. Main, Contributing to Ottawa Historic Central Business District
Franklin County

Dear Ms. Denton:

We have reviewed the materials received on January 18, 2012 regarding the above-referenced project in accordance with the state preservation statute K.S.A. 75-2724. The law requires the State Historic Preservation Officer (SHPO) be given the opportunity to comment on proposed projects affecting historic properties or districts. Properties listed in the National Register of Historic Places and/or the Register of Kansas Places, or those properties that are located within 500 feet of the boundaries of historic properties or districts located within the corporate limits of a city are subject to review.

The SHPO is charged with determining whether or not projects will "encroach upon, damage or destroy" historic buildings or their environs. By definition, demolition will encroach upon, damage or destroy 124 S. Main. The statute states that the project cannot proceed until the local governing body has determined, based on a consideration of all relevant factors, that there is no feasible and prudent alternative to the proposal and that the project includes all possible planning to minimize harm to the historic property and its environs. The local governing body is required to give five days' notice of such determination, by certified mail, to the SHPO. The statute allows for anyone aggrieved by the governing body's determination to file suit and have the issue decided in the courts.

Thank you for giving us the opportunity to comment on this proposal. Please submit any comments or questions regarding this review to Kim Gant at 785-272-8681, ext 225 or kgant@kshs.org.

Sincerely,

Jennie Chinn
State Historic Preservation Officer

Patrick Zollner
Director, Cultural Resources Division
Deputy State Historic Preservation Officer

Proposed Financing Plan

City of Ottawa, Kansas General Obligation Improvement and Refunding Bonds Series 2012A&B

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George K. Baum & Company
INVESTMENT BANKERS SINCE 1928

4801 Main Street, Suite 500
Kansas City, Missouri 64112
816-474-1100

City of Ottawa, Kansas
General Obligation Improvement and Refunding Bonds
Series 2012A&B

Overview of Financing Plan

Purpose and Structure of Series 2012A Bonds

- Permanent funding for airport improvement projects
- Bond proceeds will be used to retire outstanding General Obligation Renewal Temporary Notes, Series 2011-A
- Bonds structured to be repaid over 10 years
- Due to nature of improvements, bonds will not be designated as "bank qualified"

Purpose and Structure of Series 2012B Bonds

- Refinance City's outstanding General Obligation Bonds, Series 2003
- Reduce interest cost from 4.55% to approximately 2.10%
- Save approximately \$40,000
- Save on bond issuance costs by combining issue with airport project bonds
- Bonds will be "bank-qualified"

Bond Distribution Plan

- Give first priority to local investors to purchase bonds
- Have UMB Bank serve as underwriter in negotiated sale
(UMB has correspondent relationships with most all banks in town)
- Bonds not sold locally will be distributed into general market by UMB

**CITY OF OTTAWA, KANSAS
GENERAL OBLIGATION IMPROVEMENT AND REFUNDING BONDS
SERIES 2012A&B**

CALENDAR OF EVENTS

<u>Date</u>	<u>Event</u>	<u>Responsible Parties*</u>
JAN 10	Begin Data Collection	I, FA
	Bond Sizing Calculation Completed	I, BC, FA
23	Introduce Financing Plan to Commission at Work Session	I, BC, FA
	Draft of Preliminary Official Statement Distributed for Comment	FA
31	Draft Resolution Authorizing Sale of Bonds Distributed	BC
	Draft Notice of Private Placement Distributed	BC
FEB 7	Comments Due on Resolution Authorizing Sale of Bonds	I, BC, FA, U
8	Information Forwarded to Rating Agency	FA
	Final Resolution Authorizing Sale of Bonds Forwarded to City	BC
15	Commission Passes Resolution Authorizing Sale of Bonds	I
16	Comments Due on Draft Notice of Private Placement	I, BC, FA, U
	Notice of Private Placement Forwarded to Local Paper and Kansas Register	BC
20	Draft Bond Resolution and Ordinance Distributed	BC
21-23	Bond Rating Call	I, FA
23	Notice of Private Placement Published in Local Paper and Kansas Register	I verifies
24	Comments Due on Draft Preliminary Official Statement	I, BC, FA, U
27	Receive Bond Rating	I, FA
	Preliminary Official Statement Distributed to Potential Purchases	U
MAR 2	Comments Due on Draft Bond Resolution and Ordinance	I, BC, FA, U
5-7	Bond Offering	I, BC, FA, U
7	Final Bond Resolution and Ordinance Forwarded to City for Approval	BC
	Sale Results Presented to Commission	I, BC, FA
	Commission Passes Bond Resolution and Ordinance	I
8	Transcript Assembly Begins	BC
	Final Official Statement to Printer	BC
21	Registration Instructions to State Treasurer	U
	Printing Complete-Bonds Forwarded to State Treasurer	BC
	Transcript Assembly Complete	BC
	Transcript Forwarded to Attorney General	BC
22	Closing Memorandum Distributed	FA
26	Transcript Approved	BC verifies
	Bond Registration Complete-Bonds Forwarded to DTC	-
29	Closing and Delivery of Funds	I, BC, FA, U
APRIL 1	Redemption of Series 2011A Notes	-

JANUARY						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

FEBRUARY						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29			

MARCH						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

NOTE: Bold items indicate actions or meetings of City Commission

***Key:**

- I = Issuer, City of Ottawa
- BC = Bond Counsel, Kutak Rock
- FA = Financial Advisor, George K. Baum & Company
- U = Underwriter, UMB Bank

December 28, 2011

City of Ottawa, Kansas

General Obligation Improvement & Refunding Bonds
Series 2012A&B

Total Issue Sources And Uses

Dated 03/15/2012 | Delivered 03/29/2012

	Series 2012A Airport	Series 2012B Refunding	Issue Summary
Sources Of Funds			
Par Amount of Bonds	\$875,000.00	\$820,000.00	\$1,695,000.00
Accrued Interest from 03/15/2012 to 03/29/2012	520.82	541.33	1,062.15
Total Sources	\$875,520.82	\$820,541.33	\$1,696,062.15
Uses Of Funds			
Total Underwriter's Discount (0.800%)	7,000.00	6,560.00	13,560.00
Costs of Issuance	18,794.61	21,659.14	40,453.75
Deposit to Debt Service Fund	520.82	541.33	1,062.15
Deposit to Project Construction Fund	846,055.00	-	846,055.00
Deposit to Net Cash Escrow Fund	-	790,906.63	790,906.63
Rounding Amount	3,150.39	874.23	4,024.62
Total Uses	\$875,520.82	\$820,541.33	\$1,696,062.15

City of Ottawa, Kansas

General Obligation Improvement Bonds

Series 2012A

(Not Bank Qualified)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
03/29/2012	-	-	-	-	-
10/01/2012	90,000.00	0.800%	7,291.47	97,291.47	97,291.47
04/01/2013	-	-	6,336.25	6,336.25	-
10/01/2013	80,000.00	0.900%	6,336.25	86,336.25	92,672.50
04/01/2014	-	-	5,976.25	5,976.25	-
10/01/2014	85,000.00	1.100%	5,976.25	90,976.25	96,952.50
04/01/2015	-	-	5,508.75	5,508.75	-
10/01/2015	85,000.00	1.250%	5,508.75	90,508.75	96,017.50
04/01/2016	-	-	4,977.50	4,977.50	-
10/01/2016	85,000.00	1.400%	4,977.50	89,977.50	94,955.00
04/01/2017	-	-	4,382.50	4,382.50	-
10/01/2017	85,000.00	1.600%	4,382.50	89,382.50	93,765.00
04/01/2018	-	-	3,702.50	3,702.50	-
10/01/2018	90,000.00	1.750%	3,702.50	93,702.50	97,405.00
04/01/2019	-	-	2,915.00	2,915.00	-
10/01/2019	90,000.00	1.950%	2,915.00	92,915.00	95,830.00
04/01/2020	-	-	2,037.50	2,037.50	-
10/01/2020	90,000.00	2.100%	2,037.50	92,037.50	94,075.00
04/01/2021	-	-	1,092.50	1,092.50	-
10/01/2021	95,000.00	2.300%	1,092.50	96,092.50	97,185.00
Total	\$875,000.00	-	\$81,148.97	\$956,148.97	-

Yield Statistics

Accrued Interest from 03/15/2012 to 03/29/2012	520.82
Bond Year Dollars	\$4,491.39
Average Life	5.133 Years
Average Coupon	1.8067678%

Net Interest Cost (NIC)	1.9626216%
True Interest Cost (TIC)	1.9680250%
Bond Yield for Arbitrage Purposes	1.8808945%
All Inclusive Cost (AIC)	2.4280377%

IRS Form 8038

Net Interest Cost	1.7951719%
Weighted Average Maturity	5.133 Years

City of Ottawa, Kansas

General Obligation Refunding Bonds

Series 2012B

Savings Report

Calendar Year	Debt Service on New Bonds					
	Principal	Coupon	Interest	New D/S	OLD D/S	Savings
2012	20,000.00	0.800%	7,578.67	27,578.67	66,316.25	38,737.58
2013	65,000.00	0.900%	13,760.00	78,760.00	80,807.50	2,047.50
2014	65,000.00	1.050%	13,175.00	78,175.00	78,857.50	682.50
2015	70,000.00	1.200%	12,492.50	82,492.50	81,857.50	(635.00)
2016	70,000.00	1.350%	11,652.50	81,652.50	79,575.00	(2,077.50)
2017	70,000.00	1.500%	10,707.50	80,707.50	82,237.50	1,530.00
2018	75,000.00	1.650%	9,657.50	84,657.50	84,657.50	-
2019	75,000.00	1.800%	8,420.00	83,420.00	81,797.50	(1,622.50)
2020	75,000.00	2.000%	7,070.00	82,070.00	83,872.50	1,802.50
2021	75,000.00	2.200%	5,570.00	80,570.00	80,652.50	82.50
2022	80,000.00	2.400%	3,920.00	83,920.00	82,362.50	(1,557.50)
2023	80,000.00	2.500%	2,000.00	82,000.00	83,800.00	1,800.00
-	\$820,000.00	-	\$106,003.67	\$926,003.67	\$966,793.75	\$40,790.08

PV Analysis Summary (Gross to Gross)

Gross PV Debt Service Savings	42,068.25
Accrued Interest Credit to Debt Service Fund	541.33
Contingency or Rounding Amount	874.23
Net Present Value Benefit	\$43,483.81
Net PV Benefit / \$745,000 Refunded Principal	5.837%
Net PV Benefit / \$820,000 Refunding Principal	5.303%
TIC	2.081%

2012A&B (PRELIMINARY) | Series 2012B Refunding | 1/19/2012 | 8:53 AM

George K. Baum & Company
Kansas Public Finance

City of Ottawa, Kansas
General Obligation Bonds
Series 2003

Bonds to be Refunded - Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S	Fiscal Total
09/01/2012	50,000.00	16,316.25	66,316.25	50,000.00	3.650%	16,316.25	66,316.25	-
10/01/2012	-	-	-	-	-	-	-	66,316.25
03/01/2013	-	15,403.75	15,403.75	-	-	15,403.75	15,403.75	-
09/01/2013	695,000.00	15,403.75	710,403.75	50,000.00	3.900%	15,403.75	65,403.75	-
10/01/2013	-	-	-	-	-	-	-	80,807.50
03/01/2014	-	-	-	-	-	14,428.75	14,428.75	-
09/01/2014	-	-	-	50,000.00	4.000%	14,428.75	64,428.75	-
10/01/2014	-	-	-	-	-	-	-	78,857.50
03/01/2015	-	-	-	-	-	13,428.75	13,428.75	-
09/01/2015	-	-	-	55,000.00	4.150%	13,428.75	68,428.75	-
10/01/2015	-	-	-	-	-	-	-	81,857.50
03/01/2016	-	-	-	-	-	12,287.50	12,287.50	-
09/01/2016	-	-	-	55,000.00	4.250%	12,287.50	67,287.50	-
10/01/2016	-	-	-	-	-	-	-	79,575.00
03/01/2017	-	-	-	-	-	11,118.75	11,118.75	-
09/01/2017	-	-	-	60,000.00	4.300%	11,118.75	71,118.75	-
10/01/2017	-	-	-	-	-	-	-	82,237.50
03/01/2018	-	-	-	-	-	9,828.75	9,828.75	-
09/01/2018	-	-	-	65,000.00	4.400%	9,828.75	74,828.75	-
10/01/2018	-	-	-	-	-	-	-	84,657.50
03/01/2019	-	-	-	-	-	8,398.75	8,398.75	-
09/01/2019	-	-	-	65,000.00	4.500%	8,398.75	73,398.75	-
10/01/2019	-	-	-	-	-	-	-	81,797.50
03/01/2020	-	-	-	-	-	6,936.25	6,936.25	-
09/01/2020	-	-	-	70,000.00	4.600%	6,936.25	76,936.25	-
10/01/2020	-	-	-	-	-	-	-	83,872.50
03/01/2021	-	-	-	-	-	5,326.25	5,326.25	-
09/01/2021	-	-	-	70,000.00	4.700%	5,326.25	75,326.25	-
10/01/2021	-	-	-	-	-	-	-	80,652.50
03/01/2022	-	-	-	-	-	3,681.25	3,681.25	-
09/01/2022	-	-	-	75,000.00	4.750%	3,681.25	78,681.25	-
10/01/2022	-	-	-	-	-	-	-	82,362.50
03/01/2023	-	-	-	-	-	1,900.00	1,900.00	-
09/01/2023	-	-	-	80,000.00	4.750%	1,900.00	81,900.00	-
10/01/2023	-	-	-	-	-	-	-	83,800.00
Total	\$745,000.00	\$47,123.75	\$792,123.75	\$745,000.00	-	\$221,793.75	\$966,793.75	-

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	3/15/2012
Average Life	6.501 Years
Average Coupon	4.5529771%
Weighted Average Maturity (Par Basis)	6.462 Years

Refunding Bond Information

Refunding Dated Date	3/15/2012
Refunding Delivery Date	3/29/2012

2003 | SINGLE PURPOSE | 1/19/2012 | 9:06 AM

George K. Baum & Company
 Kansas Public Finance

City of Ottawa, Kansas

General Obligation Improvement & Refunding Bonds
Series 2012A&B

Detail Costs Of Issuance

Dated 03/15/2012 | Delivered 03/29/2012

COSTS OF ISSUANCE DETAIL

Financial Advisor	\$8,475.00
Escrow Trustee	\$1,500.00
Escrow Verification	\$2,500.00
Bond Counsel	\$15,000.00
Kansas Attorney General	\$300.00
State Treasurer - Paying Agent	\$2,118.75
State Treasurer - Registration	\$660.00
Rating Agency Fee	\$8,000.00
CUSIP Identification Numbers	\$800.00
Publication	\$1,000.00
Overnight & Delivery	\$100.00
TOTAL	\$40,453.75

ORDINANCE NO. _____

AN ORDINANCE ESTABLISHING A STORMWATER MANAGEMENT PROGRAM AND A STORMWATER UTILITY FEE FOR THE CITY OF OTTAWA, KANSAS, FOR THE PURPOSE OF PLANNING, DESIGNING, FUNDING, CONSTRUCTING AND MAINTAINING STORMWATER MANAGEMENT, SEDIMENT AND EROSION CONTROL, AND FLOOD AND STORMWATER DISCHARGE PROGRAMS, PROJECTS AND FACILITIES, AND REVIEWING AND APPROVING STORMWATER MANAGEMENT AND SEDIMENT CONTROL PLANS FOR LAND DISTURBING ACTIVITIES, AND PROVIDING FOR THE ADMINISTRATION AND ENFORCEMENT THEREOF AND PROVIDING FOR STORMWATER MANAGEMENT RATES TO BE SET BY RESOLUTION OF THE GOVERNING BODY.

WHEREAS, the City of Ottawa maintains a system of storm and surface water management facilities including, but not limited to, inlets, conduits, manholes, channels, ditches, drainage easements, retention and detention basins, infiltration facilities, and other components as well as natural waterways. The stormwater system in the City needs regular maintenance and improvements; and

WHEREAS, all property in the City uses or benefits from the maintenance of the stormwater system. The extent of use of the stormwater system by each property is dependent on factors that influence runoff, including land use and the amount of impervious surface on the property; and

WHEREAS, the costs of improving, maintaining, operating and monitoring the stormwater system should be equitably allocated, to the maximum extent practicable, to all properties based on the impact of runoff from the impervious areas of the property on the stormwater management system; and

WHEREAS, management of the stormwater system to protect the public health, safety and welfare requires adequate revenues and it is in the interest of the public to finance stormwater management adequately with a user fee system that is reasonable and equitable so that each user of the system pays to the extent to which the user contributes to the need for it. The City is responsible for the provision of a planned and orderly system for managing and mitigating the effects of development on stormwater and appropriate balancing between development and preservation of the natural environment. To accomplish these ends, the City desires to create a Stormwater Management Program and Stormwater Utility; and

WHEREAS, the Stormwater Management Program will also initiate innovative and proactive approaches to stormwater management to address problems in areas of the City that currently are prone to flooding, protect against replication of these types of problems and the creation of similar problems in newly developing areas of the City, and assist in meeting the mandates of the National Pollutant Discharge Elimination System (NPDES) as created by the Federal Clean Water Act and associated state and federal laws and their supporting regulations; and

WHEREAS, the Stormwater Utility Fee imposed by this ordinance is neither a tax nor a special assessment, but a charge (in the nature of tolls, fees or rents) for services rendered or available.

NOW THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF OTTAWA, KANSAS,

UTILITIES

Chapter 14

ARTICLE VI. STORMWATER UTILITY

Sec. 14-601 Definitions.

For the purposes of this Article, the following words and phrases shall have the meanings indicated:

Billing Period means the service period identified on the utility bill. Each account shall be billed monthly in arrears of the service period. A developed property that receives a City of Ottawa water or sewer utility service shall be billed monthly in arrears of the service.

City Attorney and his or her designee provides legal counsel for the City Commission, City Manager and City staff.

City Manager means the City Manager for the City of Ottawa, Kansas or his or her designee.

Customer means anyone receiving and being billed for water/sewer utility services from the City.

Developed Property means real property that has been altered from its natural state by the addition of any improvements such as buildings, structures or other impervious area.

Dwelling Unit means a singular unit or apartment providing complete, independent living facilities for one or more persons including provisions for living, sleeping, eating, cooking and sanitation.

Equivalent Residential Unit (ERU) means a unit of measure that is equal to the average impervious area per dwelling unit located on residential property within the City limits.

Equivalent Residential Unit Rate (ERU Rate) means the amount charged for each ERU in calculating the Stormwater Utility Fee.

Exempt Property means public rights of way, public streets, public alleys, residential and non-residential driveways, and public sidewalks.

Fee or Stormwater Utility Fee means the charge established under this Article to be billed to customers/owners to fund the costs of Stormwater Management Program and of operating, maintaining and improving the Stormwater System in the City.

Governing Body means the Mayor and elected Commissioners as set out in Chapter 2 of the Code of the City of Ottawa, KS.

Impervious Area means the number of square feet of hard surfaced areas which either prevent or delay the entry of water into soil mantle as it entered under natural conditions as Undeveloped Property and/or causes water to run off the surface in greater quantities or at an increased rate of flow from that present under natural conditions as Undeveloped Property including, but not limited to, roofs, sidewalks, patios, most conventionally surfaced streets, pavement, driveways, parking lots, athletic courts and any other oiled, graveled, or compacted surface.

UTILITIES
Chapter 14

Non-Residential Property means any property that is designated by the Utility Billing System in a billing category other than residential.

National Pollutant Discharge Elimination System (NPDES) means the national program for issuing, modifying, revoking and reissuing, terminating, monitoring and enforcing permits, and imposing and enforcing pretreatment requirements under Sections 307, 402, 318 and 405 of the federal Clean Water Act.

Property Owner means the property owner of record as listed in the County Assessment Roll. A property owner includes any individual, corporation, firm, partnership or group of individuals acting as a unit, and any trustee, receiver or personal representative.

Residential Property means any property designated by the Utility Billing System as residential.

- a) *Master Water Meter Residential* means developed property which contains both a master water meter pursuant to Chapter 14 of the City Code; and 2) residential property.
- b) *Multiple Water Meter Residential* means developed property that contains both 1) multiple water meters pursuant to Chapter 14 of the City Code; and 2) residential property.

Stormwater or *Stormwater Runoff* means runoff, surface flow, and drainage resulting from precipitation (which may include surface water, snowmelt, and and/or ground water).

Stormwater Management Fund or Fund means the enterprise Fund created by this Article to operate, maintain and improve the City's Stormwater System and for such other purposes as stated in this Article.

Stormwater Management Program means the planning, design, construction, regulation and enforcement, improvement, repair, maintenance, control measures, public education, citizen participation and operation of facilities and programs relating to water, flood plains, flood control, grading erosion, tree conservation and sediment control.

Stormwater System means the system or network of storm and surface water management facilities including but not limited to inlets, conduits, manholes, channels, ditches, drainage easements, retention and detention basin, infiltration facilities and other components as well as all natural waterways located within the corporate City limits and/or the City's area of zoning authority.

Stormwater Utility means the utility created by this Article for the purpose of implementing and funding the Stormwater Management Program.

Stormwater Utility Fee see *Fee*

Undeveloped Property means real property that has not been altered from its natural state by dredging, filling, removal of trees and vegetation, creation of impervious surfaces or other activities that have disturbed or altered the topography or soils on the property.

UTILITIES

Chapter 14

Utility Billing System means the system utilized by the City of Ottawa to create a periodic utility bill and any or all upgrades or modifications to that system.

Sec. 14-602 Findings and Statements of Policy.

- A. The City maintains a system of storm and surface water management facilities including, but not limited to, inlets, conduits, manholes, channels, ditches, drainage easements, retention and detention basins, infiltration facilities and other components as well as natural waterways. The stormwater system needs regular maintenance and improvements.
- B. All developed property in the City either uses or benefits from the maintenance of the stormwater system. The extent of use of the stormwater system by each property is dependent on factors that influence runoff and overland flow, including land use and the amount of impervious surface on the property.
- C. The costs of improving, maintaining, operating and monitoring the stormwater system should be allocated, to the extent practicable, to all developed properties based on the impact of runoff from the impervious areas of the property on the stormwater management system.
- D. Management of the stormwater system to protect the public health, safety and welfare requires adequate revenues and it is in the interest of the public to finance stormwater management adequately with a user fee system that is reasonable and equitable so that each user of the system pays to the extent to which the user contributes to the need for it. The City is responsible for the provision of a planned and orderly system for managing and mitigating the effects of development on stormwater and appropriate balancing between development and preservation of the natural environment. To accomplish these ends, the City desires to create a Stormwater Management Program (SWMP) and Stormwater Utility.
- E. The Stormwater Management Program will also initiate innovative and proactive approaches to stormwater management within the City to address problems in areas of the City that currently are prone to flooding, protect against replication of these types of problems in newly developing areas of the City, and assist in meeting the mandates of the National Pollutant Discharge Elimination System (NPDES) as created by the Federal Clean Water Act and associated state and federal laws and their supporting regulations.
- F. The Stormwater Utility Fee imposed by this Article is neither a tax nor a special assessment, but a charge (in the nature of tolls, fees or rents) for services rendered or available.

Sec. 14-603 Establishment of Stormwater Management Program and Stormwater Utility.

Pursuant to this Article, Chapter 14, the City's general home rule authority, its nuisance abatement authority, its police powers and all other authority, the governing body does hereby establish both a

UTILITIES
Chapter 14

Stormwater Management Program and a Stormwater Utility and hereby declares its intention to operate the same.

Sec. 14-604 Administration of the Stormwater Management Program.

Under the Stormwater Utility, the City Manager shall have the power to undertake the following activities to administer the Stormwater Management Program:

- A. To advise the governing body on matters relating to the Stormwater Management Program and to make recommendations to the governing body concerning the adoption of ordinances, resolutions, policies and regulations in furtherance of the objectives of the Stormwater Management Program.
- B. The acquisition by gift, purchase or eminent domain of real property, easements thereon and/or interests therein necessary to construct, operate and maintain stormwater management facilities.
- C. To undertake the engineering and design, debt service and related financing expenses, construction costs for new facilities and enlargement or improvement of existing facilities, operation and maintenance of the stormwater system.
- D. Regulate, establish standards, review and inspect land use or property owner activities when such activities have the potential to affect the quantity, timing, velocity, erosive forces, quality, environmental value or other characteristics of stormwater which would flow into the stormwater management system or in any way affect the implementation of the Stormwater Management Program.
- E. Monitoring, sampling and inspection of stormwater management facilities.
- F. Water quality monitoring and water quality programs.
- G. Retrofitting developed areas for pollution control.
- H. Inspection and enforcement activities.
- I. Analyze the cost of services and benefits provided by the Stormwater Utility and the structure of fees, service charges, credits and other revenues on a regular basis and make recommendations to the governing body regarding the same.
- J. To undertake expenditures as required to implement these activities, including costs of capital improvements, operations, maintenance and other costs as may be required.
- K. Other activities, which are reasonably required.

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Sec. 14-605 Classification of Property for Purposes of Determining the Stormwater Utility Fee.

For purposes of determining the Stormwater Utility Fee, all properties in the City are classified into one of the following classes:

- A. Residential property.
 - 1. Residential Fee. The Commission has determined that a flat Stormwater Utility Fee shall be charged against all residential properties classified as a dwelling unit. The Commission reserves the right to amend or adjust this Stormwater Utility Fee or to establish a formula for calculating the Stormwater Utility Fee at any time.
 - 2. The Equivalent Residential Unit (ERU) is hereby established for purposes of calculating the Stormwater Utility User Fee. The ERU is hereby established to be 2,600 square feet of Impervious Area.
 - 3. The initial ERU rate to be used for calculating the Stormwater Utility Fee per ERU shall be established by resolution, with recommended revisions set by resolution of the governing body. The Stormwater Utility User Fee for residential property shall be the ERU rate multiplied by the number of individual dwelling units existing on the property.
 - a. Multiple Water Meter Residential: the charge for each water customer shall be the ERU multiplier times the ERU rate.
 - b. Master Water Meter Residential: the charge for the single water customer shall be the ERU rate multiplied by one (1).

B. Non-residential Property.

For non-residential property, the charge shall be the ERU rate times the square footage of all impervious area of the property divided by 2,600 square feet. Non-residential properties with shared impervious area shall be charged on a proportionate amount as determined by the City Manager.

C. Undeveloped Property.

There shall be no fee for undeveloped property.

Sec. 14-606 Stormwater Utility Fee.

A monthly service charge is imposed upon all developed property, not including exempt property as defined in 14-601, in the City to fund Stormwater Management Programs. The amount of the fee will be established by resolution and shall be implemented as stated in the resolution.

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Thereafter, the monthly service charge shall be calculated annually on January 1 and monthly during the following 12 month period. This service charge shall be known as the Stormwater Utility Fee ("Fee"). The Fee shall be calculated to ensure adequate revenues to fund the costs of the Stormwater Management Program and to provide for the operation, maintenance and capital improvements of the stormwater system in the City.

The City Manager shall make an annual recommendation to the governing body as to the monthly charge necessary to fulfill the proposed purpose of the Stormwater Management Program. Any changes in the fee may then be established by resolution of the Governing Body.

Sec. 14-607 Charges for Tax-Exempt Properties.

The governing body finds that all real property in the City contributes to stormwater runoff and either uses or benefits from the maintenance of the stormwater system. Therefore, except as otherwise provided in Section 14-601, all developed property in the City, including property that is exempt from property tax shall be charged the appropriate Stormwater Utility Fee.

Sec. 14-608 When Stormwater Utility Fee Payable; Interest and Penalties; Lien on Real Property; Abatement of Small Amounts Due.

The Stormwater Utility Fee shall become part of the monthly water bill sent to utility customers, paid in accordance with Chapter 14, Article 2, Water Service. Any account that is inactive in the utility billing system shall not be charged the Stormwater Utility Fee until the account becomes active. In the event any person, shall fail to pay the user charges when due, water service shall be terminated as provided in section Chapter 14, Article 2 of Municipal Code of the City of Ottawa, Kansas.

Sec. 14-609 Requests for Appeal or Correction of the Stormwater Utility Fee.

A customer/property owner may request an appeal or correction of the fee by submitting the request in writing to the Director of Finance (or his/her designee) within thirty (30) days after the issue date of the contested bill. Grounds for appeal or correction of the fee include:

- A. Incorrect classification of the property for purposes of determining the fee; and
- B. Errors in the identification of the property subject to the fee.

The Director of Finance shall make a determination within thirty (30) days after receipt of the customer/property owner's completed written request for appeal or correction of the fee. The Director's decision on a request for appeal or correction of the fee shall be final. A customer/property owner must comply with all rules and procedures adopted by the City when submitting a request for appeal or correction of the fee and must provide all information necessary for the Director to make a determination on a request for correction of the fee. The burden of proof shall be on the customer/property owner to demonstrate, by clear and convincing evidence, that the determination of the Director, from which the appeal is being taken, is erroneous. The Director shall notify the

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customer/property owner in writing of the decision. Failure to comply with the provisions of this subsection shall be grounds for denial of the request. The filing of a notice of appeal shall not stay the imposition or duty to pay the fee. If the Director determines that the fee should not be paid or the amount is less than the amount appealed, the City shall issue a refund in the appropriate amount to the customer/property owner. All refunds shall be without interest.

Sec. 14-610 Rules and Regulations, Authority to Promulgate.

The City Manager shall promulgate such reasonable rules and regulations as may from time to time be necessary to properly conduct and administer the operation of the stormwater management system. Violations of such rules and regulations will be punishable as provided in this Article. Fees for insufficient fund checks or other uncollectible instruments of payment may be established from time to time.

Sec. 14-611 Right of Entry and Inspection.

The City Manager shall have access to any premises within the City's stormwater management program area, and shall have authority to direct compliance with the provisions of this Article and with the rules and regulations promulgated pursuant to the authority set forth in this Article.

Sec. 14-612 Failure to Comply with Article and Rules; Duty of Director; Discontinuance of Service; Prosecution.

If the City Manager shall discover, upon any premises served by the stormwater management program, any violation of this Article, or of any rule or regulation promulgated there under, the City Manager shall order cessation of the prohibited practice or discontinue service to the premises or both, and s/he may request the City Attorney to prosecute the offending customer/property owner.

Sec. 14-613 Time for Payment; Disconnection for Non-Payment; Reconnection or Disconnection Charge; Exemptions; Waivers.

Each customer shall make payment of the amount shown on his/her statement to be due at the Office of the Department of Utilities in City Hall during regular hours on or before the due date or within fifteen (15) days thereafter; provided, that if the due date is the twenty-fifth (25th) day of a calendar month, payment may be on or before the tenth (10th) day of the calendar month following. If the amount due is not paid within said time, the account shall be classified as delinquent and shall therefore have a late payment fee consisting of the greater of ten dollars (\$10.00) or ten percent (10%) of the billed amount.

Sec. 14-614 Unpaid and Delinquent Utility Bills, Costs of Collection.

After authorization by the City Manager, on any collection action filed by the City Attorney or any attorney acting on behalf of the City of Ottawa, for an unpaid and delinquent stormwater utility bill, the City hereby authorizes the said attorney to include as the costs of the action the reasonable collection costs, including but not limited to reasonable attorney fees necessary there under, as a lawful damage to be sought by the City Attorney in any collection.

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Sec. 14-615 Stormwater Utility Fee Credits.

The Governing Body may, by resolution, establish a system of credits for best management practices (BMPs) that assist in minimizing site-specific stormwater runoff and/or reducing site pollutants in stormwater runoff or any other similar BMP measure. This credit may reduce the Stormwater Utility Fee that is imposed in Section 14-605.

Sec. 14-616 Severability.

If any provision of this Article is declared unconstitutional, or the application thereof to any person or circumstance is held invalid, the constitutionality of the remainder of the policy and the applicability thereof to other persons and circumstances shall not be affected thereby.

Sec. 14-617 Codification.

This Ordinance shall be incorporated into the Municipal Code of the City of Ottawa.

Sec. 14-618 Effective Date.

This Ordinance shall be in full force and effect from its adoption and after publication in the Ottawa Herald.

PASSED AND ADOPTED this _____ day of _____, 2011.

Attest:

City Clerk

Mayor

Memo

To: Richard U. Nienstedt, City Manager and the Honorable City Commission
From: Scott Bird, Director of Finance & Jim Bradley, Director of Utilities
Date: 12/15/2011
Re: Wastewater Improvements/rates

As has been stated during this year's budget sessions and during several other discussions, one of the issues the City needs to address most is related to the improvement of wastewater lines in both the east and northeast areas of the community. Both areas are key for the future and continued growth of the community. You may recall that earlier in 2011, staff invited representatives from Professional Engineering Consultants, Inc. (PEC) to a study session to explain the Eastside Interceptor issue in detail. They explained the need for replacement of this interceptor from an economic development needs, to meet KDHE/EPA requirements and necessary maintenance issues for this aged part of the City's collection system.

If this goal is to be accomplished, an adjustment to the City's wastewater rate schedule will be necessary going forward. Please keep in mind, the last rate adjustment to the Wastewater utility was implemented in January 2008 and should be adjusted to some degree with or without the improvement to this system. With that being said, a nominal increase will only keep the utility in a holding position at best.

The attached resolution provides a series of 4% annual increase starting in January 2012 and continuing through 2016. This should provide adequate funding for both operations and the first five years of payment on \$4.4 million project. It should be noted that further increase will be likely in years 2017 - 2019.

RESOLUTION NO. _____

A RESOLUTION finding the advisability of and ordering the adoption of applicable rates, charges, rules and regulations, conditions and availability of the services rendered by the Wastewater Department of the City of Ottawa, Kansas and establishing an effective date, and providing for the enforcement thereof.

WHEREAS, Section 14-108 of the Municipal Code of the City Of Ottawa provided for the establishment of rates, charges, rules and regulations pertaining to the availability of wastewater service to be set by resolution of the Governing Body of the City of Ottawa, and

WHEREAS, from time to time certain capital improvements are necessary for the long term benefit of the city and its citizens, and

WHEREAS, such capital improvements must be funded for adequately,

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF OTTAWA, KANSAS, that

Section 1. Sewer service furnished by the City of Ottawa shall be delivered in accordance with rates, fees and charges provided for in this resolution.

Section 2. The City Manager or his designee is charged with the duty of enforcement of all rates, fees and charges.

Section 3. The rates, fees and charges shall remain in full force and effect until rescinded or modified by subsequent resolution of the Governing Body of the City of Ottawa.

Section 4. It is hereby determined and declared to be necessary and conducive to the protection of the public health, safety, welfare and convenience of the City to collect charges from all contributors to the City's treatment works. The proceeds of such charges so derived will be used for the purpose of payment of expenses associated with such public wastewater collection and treatment works. Each contributor shall pay for the services provided by the City based on use of the collection and treatment works as determined by a water meter acceptable to the City.

- A. For residential contributors, monthly sewer user charges shall be based on the average of the monthly water usage billed during the months of December, January, February and March, which shall be the "winter average water usage." If a residential contributor has not established a winter average water usage, the monthly sewer user charge shall be based on the median usage charge for all other residential contributors. For residential contributors that reside in master metered apartment houses, the sewer charge shall be based on the amount of water actually used during each billing cycle. The winter average water usage shall be established each April; and, subsequently, the residential sewer-rate will be changed starting with the April 18th billing. Residential accounts shall not be double billed in any billing cycle, resulting from a change of tenant for apartment residing residential contributors.
- B. For all other contributors, including, but not limited to, commercial or industrial establishments, master metered multiple-family dwellings and master metered mobile home parks sewer user charges shall be based on water used during the current month. If any contributor, other than a residential contributor, has a consumptive use of water, or in some other manner uses water which does not enter the wastewater collection system, the user charge for that contributor may be based on a wastewater meter or separate water meters installed and maintained in a manner acceptable to the City, at the contributor's expense.
- C. Charges for sewer usage shall not exceed the following without further action by the governing body.

	Minimum Charge	Volume Charge
		per CCF
1-Jan-12	\$13.36	\$2.44
1-Jan-13	\$13.90	\$2.54
1-Jan-14	\$14.45	\$2.64
1-Jan-15	\$15.03	\$2.75
1-Jan-16	\$15.63	\$2.86

- D. For those contributors who contribute wastewater, the strength of which is greater than normal domestic sewage, a surcharge in addition to the normal user charge will be collected. The surcharge for operation and maintenance including replacement shall be based on per pound of biochemical oxygen demand (BOD) and/or per pound of suspended solids (SS) as follows.

	BOD	SS
	per CCF	per CCF
1-Jan-12	\$0.78	\$0.68
1-Jan-13	\$0.81	\$0.70
1-Jan-14	\$0.84	\$0.73
1-Jan-15	\$0.88	\$0.76
1-Jan-16	\$0.91	\$0.79

- E. Any residential or commercial contributor whose contribution originates from outside the corporate city limits of the City of Ottawa shall pay a rate equivalent to 1.5 times the rates established in subsections C and D above as applicable.
- F. Any user which discharges any toxic pollutants, or any contributor which discharges any substance which singly or by interaction with other substances causes identifiable increases in the cost of operation, maintenance or replacement of the treatment works, shall pay for such increased costs. The charge to each such contributor shall be as determined by the Director of Utilities and approved by the City Manager.
- G. Where all or part of the water consumed is obtained from private sources of supply, the following provisions shall apply:
1. Suitable metering devices as approved by the Director of Utilities shall be provided and maintained by the owner or occupant at all times in connection with each or all sources of private water. The Director of Utilities or his designee shall have access to the premises at all reasonable times for the purpose of inspection, testing and reading of such meters.
 2. The volume of private water consumed during the previous month, together with the consumption of public water as determined from the records of the City, shall be the basis for computing the wastewater volume. The owner or occupant may install at his expense an approved metering device to accurately measure wastewater flow in lieu of the above formula.
- H. The sewer surcharge as defined by Ordinance 3381-01 shall be in addition to section 4C above.

Section 5. Resolution 1329-05 is hereby rescinded and replaced by the above, which shall be reviewed annually.

Section 6. This resolution shall be in full force and effect after its adoption.

ADOPTED this ____ day of _____ 2011.

Mayor

Attest

City Clerk