

CALL TO ORDER – PLEDGE OF ALLEGIANCE

Mayor Jacob LaRue presided and called the meeting to order at 6:30 p.m., the Pledge of Allegiance was recited.

Commissioners Present: Mayor LaRue and Commissioners Kevin Berthot, Phillip Chaney, and Tim Fairchild.

Staff Present: Todd Newman, City Manager; Ryan Follmer, Assistant City Manager; Tina Bailey, City Clerk; David Brake, City Attorney; and Cory Kepley, Chief Finance Officer.

INVOCATION

The invocation was given by Commissioner Tim Fairchild.

AGENDA

Mayor LaRue requested the removal of Agenda Item 8H-Resolution Declaring Property at 1116 S Evergreen in Violation of Chanute Municipal Code. The amended agenda was approved on motion by Commissioner Berthot, seconded by Commissioner Fairchild. Voting Aye: All. Motion carried unanimously.

CONSENT AGENDA

The Consent Agenda is used to approve non-controversial or routine matters by a single motion and vote. The Consent Agenda consisted of the following:

- Minutes – City Commission – October 9, 2023
- Warrant Register dated October 11, 2023
- Warrant Register dated October 18, 2023
- Review Various Board and Committee Minutes and Reports
- Request to Hold Annual Spook Parade – October 26, 2023
- Request to Temporarily Close the 200 Block of West Elm for Halloween Trick or Treaters

Motion made by Commissioner Fairchild, seconded by Commissioner Berthot, to approve the Consent Agenda as presented. Voting Aye: All. Motion carried unanimously.

PUBLIC COMMENTS

Dennis Franks, NMRMC CEO commented on Agenda Item 8A - Orizon Development Agreement Agenda. He expressed his support of this item.

Amy Jensen, Chanute Chamber of Commerce and Office of Tourism Executive Director requested that the City Commission consider approval of painting a 3-D Elephant Mural on the side of the City's new downtown restroom. She distributed a picture of the proposed painting.

General discussion was made. Comments were made by City Manager Todd Newman.

Commission consensus was to move forward with the mural as presented.

Ruthann Boatwright, Main Street Chanute Executive Director commented on the 2023 Artist Alley event and also the upcoming Spook Parade.

CITY MANAGER'S REPORT

City Manager Todd Newman gave his report on City activities and operations. He reported that he will provide an update on the housing project at the first regular meeting in November. He also reported that the annual road closure on South Highland Avenue from 5th Street to 10th Street is scheduled for October 31, 2023 from 4:00 p.m. to 10:00 p.m.

General discussion was made. Comments were made by City Manager Todd Newman.

NEW BUSINESS

AMENDMENT TO ORIZON DEVELOPMENT AGREEMENT

In November of 2017, the City of Chanute pursuant to a Development Agreement with Orizon, issued Industrial Revenue Bonds which exempted Orizon's real estate from taxation for 10 years. In the fall of 2022 at the request of Orizon's lender, title to Orizon's real estate went to the lender and the Industrial Revenue Bonds were paid off five years early. This resulted in all of Orizon's real estate being returned to the tax rolls.

The City of Chanute owes Orizon \$1,000,000 under the Fourth Amendment to the Development Agreement for reaching full-time Chanute employment levels of 372 and 422 for 12 continuous months. Orizon is proposing a Fifth Amendment to the Development Agreement, which would repay the City of Chanute \$500,000 of the \$1,000,000 to be paid, if the City of Chanute approves the issuance of new Industrial Revenue Bonds to restore the tax-exempt status to Orizon's real estate.

The City of Chanute would receive \$500,000 and the assessed valuation for the other taxing entities in Neosho County would be reduced by the assessed value of Orizon's real estate.

The City Attorney and/or bond counsel will prepare the Amendment to the Development Agreement and bond documents if directed to do so by City Commission.

Orizon Aerostructures CEO Charlie Newell provided a presentation of their request.

General discussion was made. Comments were made by City Manager Todd Newman, City Attorney David Brake, Orizon CEO Charlie Newell, Orizon President Henry Newell, and Polsinelli Law Firm Attorney Korb Maxwell.

Motion made by Commissioner Chaney, seconded by Commissioner Fairchild, to approve the Fifth Amendment to the Development Agreement between the City of Chanute and Orizon Aerostructures-Chanute, Inc. with additional negotiations of the lots located in the Osa Martin Heights Subdivision.

Voting Aye: Commissioners Berthot, Chaney, and Fairchild.

Voting Nay: Mayor LaRue

Motion carried.

APPOINT ONE MEMBER TO THE GOLF COURSE ADVISORY BOARD

Golf Course Advisory Committee Member Nancy Issacs has resigned from the committee. The Golf Course Advisory Committee reviewed board applications at their regular meeting on October 5, 2023. The Golf Course Advisory Committee is recommending appointment of Mike Boaz to fill the board vacancy.

General discussion was made. Comments were made by City Manager Todd Newman.

Motion made by Commissioner Berthot, seconded by Commissioner Fairchild to appoint Mike Boaz to the Golf Course Advisory Committee. Voting Aye: All. Motion carried unanimously.

PROPERTY RESOLUTION – 218 NORTH WASHINGTON

PROPERTY RESOLUTION – 1612 SOUTH HIGHLAND

PROPERTY RESOLUTION – 121 SOUTH DENMAN

PROPERTY RESOLUTION – 1202 SOUTH HIGHLAND

PROPERTY RESOLUTION – 511 NORTH CENTRAL

PROPERTY RESOLUTION – 714 NORTH GRANT

PROPERTY RESOLUTION – 1020 SOUTH LARSON

General discussion was made. Comments were made by City Manager Todd Newman.

Motion made by Commissioner Fairchild, seconded by Commissioner Berthot, to adopt resolution declaring that the above properties are in violation of Chanute Municipal Codes and authorizing abatement of certain nuisances as presented. Voting Aye: All. Motion carried unanimously.

The Resolutions were assigned: No. 2023-120, No. 2023-121, No. 2023-122, No. 2023-123, No. 2023-124, No. 2023-125, and No. 2023-126.

COMMISSION COMMENTS

Commissioner Chaney requested an update from the Depot Management Committee related to an engineer estimate for replacement of the HVAC.

General discussion was made. Comments were made by City Manager Todd Newman.

Commissioner Chaney commented on the City's golf course and funding options for planting additional trees.

General discussion was made. Comments were made by City Manager Todd Newman and Chief Finance Officer Cory Kepley.

Commissioner Fairchild commented on the Orizon tax abatement and the history of the development agreement.

Commissioner Fairchild commented on the definition of Economic Development, creating a CIP Item for Industrial Recruitment Funds, and the upcoming election-special sales tax question.

General discussion was made. Comments were made by City Manager Todd Newman and City Attorney David Brake.

Mayor LaRue commented on tonight's discussion of the Orzion agenda item and his vote.

ADJOURNMENT

Motion made by Commissioner Fairchild, seconded by Mayor LaRue, to adjourn. Voting Aye: All. Motion carried unanimously. Meeting adjourned at 7:50 p.m.

Tina L Bailey, CMC
City Clerk