

CITY OF THE HIGHLANDS
REGULAR COUNCIL MEETING
Monday, 5:00 p.m., March 13, 2023
Crazy Horse Sports Club, 922 W. Crazy Horse Dr., 67502

This meeting is being recorded.

Minutes

I. Meeting called to order - 5:01 p.m.

A. Welcome by Mayor Moore

B. Pledge of Allegiance

C. Roll call of the Council by City Clerk, Bonnie Swenson

Present: Jeff Jackson, Mark Kerschen, Brian McElgunn, Butch Neel, Kenny Nuss

AZC: Mo Penny

Guests: Jackie Holmberg and Jim Sherry, Ark Valley Electric Cooperative representatives, Steve Swartz, Peggy Williford, Loren and Tina Frees, Beth Stange, Karen Zimmerman, Jon and Amber Brown, R. Greg Tyler, Dave Thomas, John McDowell.

II. Approval of the agenda as presented

- Jeff Jackson made motion to approve agenda; Butch Neel seconded; motion carried unanimously.

III. Invited Guests: Jackie Holmberg, General Manager, and Jim Sherry, Operations Manager, discussed AVEC's parallel solar generation. When grid-interconnected solar systems generate more electricity than the member can utilize the instant it is produced, the excess electricity is fed back into the grid and used elsewhere on the distribution system; they do not offer net metering but try to keep rates as fair and reasonable as possible. They feel their usage versus demand costs are comparable to Evergy. Regarding GEO thermal, AVEC encourages water source heat pumps as solar does not use the energy AVEC provides. If the City wants to change providers, there is a procedure to follow, defined by the Kansas Corporation Commission (KCC). AVEC is a cooperative and their annual stockholder meeting is April 4, 2023. They encourage Highlands' residents to attend to learn more about how they determine rates.

IV. Public Comment(s):

Jon and Amber Brown addressed the council regarding their recent purchase of a dwelling in The Highlands. They live in Inman where their daughter is a high school senior, and they wish to complete the school year there. They have purchased a house in The Highlands because they appreciate the community feel

and its features, desiring to make it their "forever" home. However, due to the timing, they feel they need to rent the house temporarily to recover some expenses until they can move permanently. They currently operate a VRBO in Inman, with a 4.9 rating, that is located next to their present home. Mr. Brown shared a list of options they have and the pros and cons between the VRBO concept versus a long-term rental situation.

A. Short-term rental -

- have option to decline or accept occupants.
- owners will be on premises three to four times per week.
- no pets will be allowed.
- expect curfews to be obeyed and occupants to be respectful of neighbors.
- can limit group size.
- owners will maintain the grounds, provide outside surveillance.
- only visitor's vehicles allowed on premises.
- owner can manage better.
- occupants will be more financially sound, not low income.

B. Long-term rental - the only pro to this option is a guaranteed income for 12 months. Could either rent to college student(s) so the Brown's can enjoy the summers in The Highlands, or a traditional renter.

- are stuck with a long-term renter who can be hard to evict if unsuitable (can take up to 90 days).
- may be pets.
- no curfews can be enforced.
- can't control number of cars on premises.
- no limit on group sizes.
- owners cannot have access to property or store golf equipment there.
- no great way to screen applicants.

Mr. Brown stated that they will be renting it out for the short-term, no matter what the council decides. There are many reasons for someone to consider staying at The Highlands, but with surveillance, the neighbors will know who is walking through their yards and the Brown's will be able to monitor. Prairie Dunes has 12 short-term rentals and are building 16 more; the nearest hotel is 8 1/2 miles away, so is not convenient. He asked the council to create a task force to study the feasibility of this type of venture for the future and would like to be on the task force. They will put up privacy fences, whatever is necessary to make the surrounding neighbors feel better. He asked that the council consider drawing up the ordinance amendment based on feedback from the residents, rather than before.

Resident Peggy Williford addressed the council with her concerns of bringing strangers into the community. She stated how The Highlands is a community of people that know each other that work and play together, come together in crisis, and everybody watches out for each other. She is concerned that AirBnB businesses would encourage others AirBnB's to come in. She does not want a

stranger coming into the middle of a condo, for instance, creating security, safety and privacy concerns.

Resident Tina Frees agreed that The Highlands is a community where everyone knows their neighbors. Personally, they have had good and bad experiences with VRBO's. The Highlands has built our community into a little city, and they would feel uncomfortable having a rental next door but welcomes the Brown's as neighbors.

Resident John McDowell addressed the council on learning of complaints about the wainscoting color of his two-tone secondary structure not matching his primary structure. He was told he was out of compliance with an ordinance because it doesn't match. He said it depends on how the sun hits it - the front matches the house. From the golf course side, it does not appear to match the front of the house. Mayor Moore acknowledged that according to the permit we received, the picture shows as gray, not blue. She asked Mr. McDowell to provide the pictures he has so that the council can consider further. Mayor Moore stated the council will need to discuss as the ordinance says it must coordinate with the main structure. Will probably not decide at this meeting because information was just received.

V. Approval of Minutes: February 13, 2023 regular meeting

- Butch Neel made motion to approve minutes as presented; Kenny Nuss seconded; motion carried unanimously.

VI. Reports

A. Mayor

1. Reported on conversation with Travis Vogt, who oversees the fire districts in Reno County. There was a question why there had been no burning in the ROW between 82nd and Hendricks. They also have an area close to Buhler they are concerned with and are short on manpower right now. They will be addressing our area as soon as they can. Carol offered that we would provide help wherever we can. This is the area where the "Highlands fire" started.

2. Council agreed to extend an invitation to HCC representative, Julie Lanton, to further explain the "revenue neutral" concept to the council in preparation for budget planning at the April 10, 2023 meeting.

- Mo Penny will follow up with this invitation.

B. Treasurer

1. Mark reviewed the current financial report. Council members asked that the report be provided prior to the monthly meeting so they have time to review.

General Fund Beginning Balance 2-1-2023	\$ 62,909.74
Deposits/Receipts total	3,472.16
Disbursements total	(8,811.11)
General Fund ending balance 2-28-2023	57,570.79

Capital Improvement Fund	140,793.12
Equipment Reserve Fund	25,604.73
Parks and Recreation Fund	7,043.60
American Rescue Fund	<u>47,919.28</u>
Total 2-28-2023	\$278,931.52

2. Mayor Moore has been working with First National Bank on council members' access to the various accounts. She will provide FNB with the following list so they can proceed with transferring the Money Market from Heartland:

Deleting from all accounts: Cynthia Dale

Checking: Signing checks - Mark Kerschen, Brian McElgunn, Carol Moore

Information only - Bonnie Swenson, Jeff Jackson

CD: Mark Kerschen, Brian McElgunn, Carol Moore

Information only - Bonnie Swenson, Jeff Jackson

Money Market: Mark Kerschen, Brian McElgunn, Carol Moore

Information only - Bonnie Swenson, Jeff Jackson

Brian does not have an issue with anyone on the council having Information Only access to accounts. The council wants Jeff to continue to have Information Only - he said he has always had a login, just cannot sign checks.

- Jeff Jackson made a motion to approve this list for FNB; Kenny Nuss seconded; motion carried unanimously.

Bonnie presented invoices for approval:

- Jeff Jackson - \$47.70 - reimbursement for website domain renewal
- Nationwide Insurance - \$100.00 - Mark's treasurer bond
- Reno Co. Utilities - \$30.00 - water at entrance

- Motion made to approve payments by Butch Neel; Jeff Jackson seconded; motion carried unanimously.

C. AZRC

1. Mo presented two non-fee permits for fencing for submission to the county. They are for Dan and Jennifer Brace and Alan and Cindy Freeman. There are no new applications at this time. Mo checked with the cities of Inman, Buhler, Haven, Nickerson, Hutchinson and South Hutchinson - none have specific ordinances prohibiting AirBnB's.

2. Continued discussion on secondary structures coordinating with primary structures. Resident John McDowell addressed the complaint(s) he has received on his new building. He tried to color match to his primary dwelling as close as possible. Wanted to know who the complaints were from and is frustrated with the issue. Chris Brown has the same problem with his new structure and told Mo he will check into what else can be done. Audience comment was made that the property owners may have to paint their primary dwellings to match the secondary structures at this point. Will be asking for color samples in the future when permits are submitted.

D. Parks and Recreation Committee - Peggy Williford thanked Butch for providing containers to enable watering through the winter at the entrance. They have not met to discuss future park plans.

E. Welcome Committee - Tina Frees reported they are getting low on bags and thanked Jeff for suggesting that the City purchase the bags for future distribution. The new directory is almost complete and should go to the printer this week. There are only four advertisers remaining to pay their invoices.

VII. New Business

A. We heard from AVEC about what is involved in changing carriers. Everygy will need to define the extra cost to them, and let the City know if they are interested in our business before we can move forward.

- Mayor Moore will invite an Everygy representative to do a presentation at the April 10, 2023 meeting to discuss further.

B. At a previous meeting, the Council agreed to adopt the Reno County Burn Resolution. Mayor Moore took it to the City Attorney for review, now seeking final approval to post on the City's website for 30 days for resident feedback. Burn Ordinance 2023-30 allows the Reno County fire department to come into the City of The Highlands. Ordinance 2022-25 is still in effect until the new one goes into effect.

- Jeff Jackson made motion to put on website for 30 days; Brian McElgunn, seconded; motion carried unanimously.

C. Amendment to Ordinance 2020-18: Mayor Moore explained that it would clarify two issues - requests to move in structures and short-term rentals (AirBnb, VRBO).

1. Mo Penny had received a request from an outside party that requested to move an existing dwelling into The Highlands. It does not meet the square foot and aesthetic requirements so he will be notifying them of the council's decision to decline permission.

2. The second part addressing no rentals within the City of The Highlands for less than 30 days was discussed, as future residents, Jon and Amber Brown, brought their concerns to the council. Mr. Brown presented a list of pros and cons for permission to have a short-term rental until his family is ready to move permanently into the home they recently purchased. Other residents expressed their concerns for precedence setting and fear of property values declining. The HOA for Plaza residents has stricter rules for short-term rentals (no day rentals) and will overrule the City council's ordinance. Mrs. Brown explained their current experience of running an AirBnb in Inman, Kansas, and how they have strict rules they follow, including background checks. Mr. Brown suggested that he would be willing to sign a "not to exceed" duration agreement to confirm their intention of this being a short-term solution for them. Jeff suggested that this may need to be put on a ballot to allow the residents to vote at next election, either in November or a special election.

- Jeff Jackson made motion to post Ordinance 2020-18 amendment (which becomes Ordinance 2023-31) for 30 days, have City Clerk send email encouraging residents to go to the website, read the Ordinance 2023-31 amendment and invite their feedback; Butch Neel seconded; Mark Kerschen opposed; motion carried.

VIII. Unfinished Business

A. Update on drainage/culvert projects (2022 Goal #3) - Mo and Jeff have been in contact with Mike Engel of Powered by ME and they have developed a list of 5 projects, and a 6th one is in the process of being identified. PBM will charge \$125 to \$150 an hour, they will address one project at a time, as it is unknown how long each one will take. The American Rescue funds will be used for these projects.

- Project 1: Scraping edges of the road to allow water to enter the ditch/ROW.
- Project 2: Grade ditch on Dull Knife Road from Penny's property to Crazy Horse. This is needed to be done soon as the fiber optic crew is coming down that street.
- Project 3: Grade ditch on West Snokomo from Ely's property to corner of Paganica Pass. Includes plugging hole in berm that is allowing runoff water to enter private property.
- Project 4: Grade ditch on Wildwood from North of Gleason's property to the north to allow runoff to reach Mollhagen's lake property. Will include city purchasing a culvert to allow for narrowing the access road going to the Northwest across Mollhagen's lot. Need permission and approval from Mollhagen as well.
- Project 5: Grade ditch from south side corner of Crazy Horse and Dull Knife to corner of Crazy Horse and Monroe. May include a culvert across Crazy Horse to allow drainage north along Monroe. Will depend on township contribution as well.

- Brian McElgunn made motion to proceed with Project #1 and to hire PBM to do the work; Mark Kerschen seconded; motion carried unanimously.

B. Jeff Jackson met with the Reno County Township about the new park and the grade up on Monroe Street to county line, which is maintained by the Township. The Township will grade up and put ditches in on both sides of Monroe and tear trees out. They asked the City to kick in monies for purchasing about 4300 feet of rock (chat), which can come from the American Rescue funds. Jeff has an estimate coming from a surveyor with the county. The Township stated they will maintain 108th Street. Monroe is the Township's responsibility. This is all for drainage.

- Jeff will meet with Don Britain at Reno County to survey and grade.
- Mo will continue to talk with Mr. Mollhagen about use of land for a north exit. Mr. Mollhagen has suggested a 99-year lease, as he does not want to sell any property. A motion will be made later regarding this project.

C. Kenny Nuss provided a Right of Way (ROW) and cleanup update. He has identified three groups of residents and their notification status in previous mailings.

1. Would like to do a follow up mailing soon to landowners that have received the first notification. Has an updated list of residents and what communication has been made. This letter should include a contact name and phone number for residents to contact if they have questions or need clarification. He is pleased the process appears to be working - need to make sure that residents continue to be communicated with.
2. There is one landowner that did not receive a ROW letter in the past mailings.
3. There are lots that have been sold that received ROW letters in the past but did not notify the new owner.
4. Next steps will be an updated status letter to effected residents.

D. Country Club Drive - lots of work being done. Ward Davis will continue cleaning up their lots. There are a couple of residents in this area that have never received a ROW letter.

E. Terry Wall properties - she has done work on three properties this week and will continue. Kenny said she has been good to work with.

F. Still working on Golf Club cleanup plan.

IX. As may arise

Mark Kerschen said he had been approached by residents about when the next city-wide garage sale will be. It was determined that the council has not had

anything to do with this in the past, just a group of individuals. This is not a City function.

X. Date for next City Council meeting

- A and B. Jeff made motion to cancel the March 27, 2023 meeting and move on to the April 10, 2023 meeting; Butch Neel seconded; motion carried unanimously.

C. Agenda items for next meeting:

1. Comments on the two ordinances posted on website.
2. Pros and Cons of AirBnb vs. long-term rentals - send email to residents.

XI. 2022 Goals

1. Develop long-term plans for roads (obtain estimate from civil engineer) (completed)
2. Identify what needs to be done with roads this year (short term) (completed)
3. Identify drainage concerns
4. Establish Parks & Recreation committee (completed)
5. Continue with vacant lot clean-up
(2021 goals: Road repairs, vacant lot clean-up, signage [completed], future drainage concerns.)

XII. Motion to adjourn

- Jeff Jackson made motion to adjourn at 6:55 p.m.; Butch Neel seconded; motion carried unanimously.