

REQUEST FOR SPECIAL GOVERNING BODY MEETING

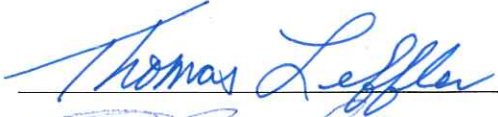


Augusta, Kansas

February 24, 2022

To Mike Rawlings
Mayor of Augusta, Kansas

We, the undersigned, governing body members of the City of Augusta, Kansas hereby respectfully request you call a special meeting of the governing body at 6:00 p.m. on Friday February 25, 2022 to provide authorization to City staff regarding the submittal of an application to the Building a Stronger Economy (BASE) grant program.

Signed:

Governing Body Members



AGENDA
CITY OF AUGUSTA
Council Meeting
Friday, February 25, 2022
6:00 P.M.

“Augusta – Where the metro’s edge meets the prairie’s serenity offering the perfect blend of opportunity and proximity for living, commerce and culture.”

- A. CALL TO ORDER**
- B. PLEDGE OF ALLEGIANCE**
- C. PRAYER**
- D. RECITAL OF REQUEST FOR SPECIAL MEETING**
- E. BUSINESS**
 - 1. RESOLUTION NO. 2022-06 VERIFYING AVAILABILITY OF MATCHING FUNDS IN THE FORM OF EMPLOYEE WAGES AND BENEFITS AND AUTHORIZING SUBMITTAL OF A BASE GRANT APPLICATION FOR MODERNIZING AUGUSTA’S UTILITY INFRASTRUCTURE AND EXPANDING LOCAL BUSINESS**

Consider approval of Resolution No. 2022-06 verifying availability of matching funds in the form of employee wages and benefits and authorizing submittal of a BASE grant application for modernizing Augusta’s utility infrastructure and expanding local business.

 - a. Staff Report
 - b. Council Motion/Vote**
 - 2. RESOLUTION NO. 2022-07 VERIFYING AVAILABILITY OF MATCHING FUNDS AND AUTHORIZING SUBMITTAL OF A BASE GRANT APPLICATION FOR CONSTRUCTION OF UTILITY UPGRADES TO SERVICE THE AUGUSTA MUNICIPAL AIRPORT AND NEARBY INDUSTRIAL PARK SPACE**

Consider approval of Resolution No. 2022-07 verifying the availability of matching funds and authorizing the submittal of a BASE grant application for construction of utility upgrades to service the Augusta Municipal Airport and nearby industrial park space.

- a. Staff Report
- b. Council Motion/Vote**

F. ADJOURNMENT



CITY OF AUGUSTA CITY COUNCIL AGENDA REPORT

Meeting Date: February 25, 2022

Department: Administration

Submitted By: Josh Shaw, City Manager

Prepared By: Susie Geiger, Assistant to the City Manager

Agenda Title: **Resolution No. 2022-06 Verifying Availability of Matching Funds in the Form of Employee Wages and Benefits and Authorizing Submittal of a BASE Grant Application for Modernizing Augusta’s Utility Infrastructure and Expanding Local Business**

RECOMMENDED ACTION:

Approve of Resolution No. 2022-06 verifying availability of matching funds in the form of employee wages and benefits and authorizing submittal of a BASE grant application for modernizing Augusta’s utility infrastructure and expanding local business.

BACKGROUND:

At the City Council’s Strategic Retreat on February 19, 2022, City Manager Josh Shaw gave Council an overview of several grant opportunities that staff was planning on applying for in 2022. One of these programs is the Building a Stronger Economy (BASE) grant program, which provides funding to infrastructure projects that address economic development opportunities and has a maximum grant award of \$25 million.

Over the past few weeks, City staff has worked with D-J Engineering, Inc. on a joint application submittal to the BASE program. We are applying for funding to upgrade and expand the utilities in the industrial park, including the installation of a 69 KV line and 6” water main to service the Oak Street area. We are applying for a grant of \$9,096,425.

The BASE program requires a match of 25%, but we are able to use investments made by D-J Engineering in new buildings and capital equipment since 2019 as matching contributions. This means the City will not have to dedicate any matching funds to the project other than the personnel costs for our electric distribution employees to install the utility upgrades.

ANALYSIS:

The proposed Resolution 2022-06 will authorize City staff to submit an application for this project to the BASE grant program by the deadline of Monday, February 28, 2022. This

resolution also verifies that the City has available matching funds to pay the personnel costs for our electric distribution employees to install the utility upgrades for the project.

FISCAL IMPACT/FUNDING SOURCE:

Because D-J Engineering’s recent investments in new buildings and capital equipment qualify as matching contributions, the City does not have to dedicate any matching funds to the project except for personnel costs for our electric distribution employees to install the utility upgrades, which will come out of the 2022, 2023, and 2024 City budgets.

Department Head Approval Date:

City Manager Approval Date:

City Attorney Approval Date:

Attachments *(list in packet assembly order):*

1. Proposed Resolution 2022-06

RESOLUTION NO. 2022-06

A RESOLUTION VERIFYING AVAILABILITY OF MATCHING FUNDS IN THE FORM OF EMPLOYEE WAGES AND BENEFITS AND AUTHORIZING SUBMITTAL OF A BASE GRANT APPLICATION FOR MODERNIZING AUGUSTA'S UTILITY INFRASTRUCTURE AND EXPANDING LOCAL BUSINESS

WHEREAS, the City of Augusta, Kansas (the "City") wishes to partner with D-J Engineering, Inc. on a joint application submittal to the Kansas BASE grant program; and

WHEREAS, investments made by D-J Engineering, Inc. in new buildings and capital equipment since 2019 are being utilized as matching contributions to the project; and

WHEREAS, as part of the scope of the project, the City is requesting grant funding for various electric system improvements that will be installed by city staff; and

WHEREAS, the City has forecasted the staff time required to complete the utility project installations and is willing to pay those staffing costs through the regular budget process as part of the City's local matching contribution to the BASE grant project;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF AUGUSTA, KANSAS:

Section 1. The Governing Body acknowledges the availability of and commits to funding the personnel costs for Augusta's electric distribution employees to install the utility upgrades, as presented in the BASE project submittal, in the city's 2022, 2023, and 2024 budgets.

Section 2. The City Manager is hereby authorized and directed to submit the BASE grant application and any supporting materials with the forecasted staffing costs as the City's matching contribution towards the project.

Section 3. This resolution shall take effect and be in full force immediately after its adoption by the Governing Body for the City of Augusta, Kansas.

PASSED, APPROVED, AND ADOPTED this 25th day of February, 2022.

MIKE L. RAWLINGS, MAYOR

(SEAL)

ATTEST:

ERICA L. JONES, CITY CLERK



CITY OF AUGUSTA CITY COUNCIL AGENDA REPORT

Meeting Date: February 25, 2022

Department: Administration

Submitted By: Josh Shaw, City Manager

Prepared By: Susie Geiger, Assistant to the City Manager

Agenda Title: **Resolution No. 2022-07 Verifying Availability of Matching Funds and Authorizing Submittal of a BASE Grant Application for Construction of Utility Upgrades to Service the Augusta Municipal Airport and Nearby Industrial Park Space**

RECOMMENDED ACTION:

Approve of Resolution No. 2022-07 verifying the availability of matching funds and authorizing the submittal of a BASE grant application for construction of utility upgrades to service the Augusta Municipal Airport and nearby industrial park space.

BACKGROUND:

At the City Council’s Strategic Retreat on February 19, 2022, City Manager Josh Shaw gave Council an overview of several grant opportunities that staff was planning on applying for in 2022. One of these programs is the Building a Stronger Economy (BASE) grant program, which provides funding to infrastructure projects that address economic development opportunities and has a maximum grant award of \$25 million.

At that retreat, City staff informed Council that Butler County was planning to submit an application to the BASE program for utility improvements and land acquisition to support industrial growth near the Augusta Municipal Airport. This would include an extension of the City’s sewer line to the airport and an upgrade of the existing RWD water line.

Butler County is partnering with the City of Augusta and City of Andover in the submittal of this application, with the plan to evenly split the required local match of 25%. This would mean the City of Augusta would need to commit to providing \$583,291 in matching funds. The City does have sufficient funds on hand through a combination of the airport enterprise cash balance, ARPA funding, and the balance of the capital improvement fund.

ANALYSIS:

The proposed Resolution 2022-07 will authorize City staff to submit this application jointly with Butler County and the City of Andover by the deadline of Monday, February 28, 2022. This resolution also verifies that the City has \$583,291 in matching funds available and commits to utilizing it for this project if the grant is awarded.

City staff has also prepared a letter of support for the project to submit with the joint application should Council authorize submittal by approving Resolution 2022-07.

FISCAL IMPACT/FUNDING SOURCE:

The \$583,291 in matching funds would be paid for out of a combination of Fund 70 Airport, Fund 16 Capital Improvement, and ARPA funding from the federal government.

Department Head Approval Date:

City Manager Approval Date:

City Attorney Approval Date:

Attachments *(list in packet assembly order):*

1. Proposed Resolution 2022-07
2. Letter of Support from City for BASE Grant Application

RESOLUTION NO. 2022-07

A RESOLUTION VERIFYING AVAILABILITY OF MATCHING FUNDS AND AUTHORIZING SUBMITTAL OF A BASE GRANT APPLICATION FOR CONSTRUCTION OF UTILITY UPGRADES TO SERVICE THE AUGUSTA MUNICIPAL AIRPORT AND NEARBY INDUSTRIAL PARK SPACE

WHEREAS, the City of Augusta, Kansas (the “City”) wishes to partner with Butler County and the City of Andover, Kansas on a joint application submittal to the Kansas BASE grant program; and

WHEREAS, the local 25% match for the improvements described in the project submittal totals \$ \$1,749,875; and

WHEREAS, the partners to this BASE grant program agree to split the estimated local match evenly, making Augusta’s portion \$583,291; and

WHEREAS, the City has sufficient funds on hand through a combination of airport enterprise cash balance, local ARPA funding, and capital improvement dollars to cover the City’s portion of the local match;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF AUGUSTA, KANSAS:

Section 1. The Governing Body acknowledges the availability of and commits to funding the City of Augusta’s proportional \$583,291 match as presented in the joint project submittal if awarded.

Section 2. The City Manager is hereby authorized and directed to submit this resolution and any other supporting documentation required as well as draft a letter of support to provide to Butler County in be included in the joint BASE grant submittal documentation.

Section 3. This resolution shall take effect and be in full force immediately after its adoption by the Governing Body for the City of Augusta, Kansas.

PASSED, APPROVED, AND ADOPTED this 25th day of February, 2022.

MIKE L. RAWLINGS, MAYOR

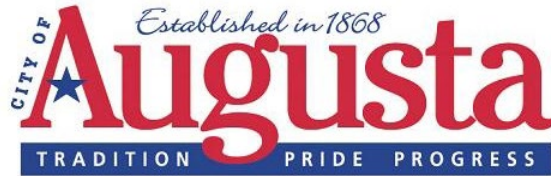
(SEAL)

ATTEST:

ERICA L. JONES, CITY CLERK

Mike Rawlings
Mayor

City Council Members
Mike Huddleston
Eric Birk
Bob Bailey
Tom Leffler
Jake Marr
Jeff Brown
Kip Richardson
Ronald Reavis



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Josh Shaw
City Manager
Cody Sims
Assistant City Manager
Erica Jones
City Clerk/Finance Director
Todd Ackerman
Public Safety Director
Makala Navarro
Human Resources Manager
Tim Johnson
Utilities Director

February 25th, 2022

Jonathan Clayton, Director of Economic Recovery
Kansas Department of Commerce
101 E Wyatt Earp Blvd
Dodge City, KS 67801

Dear Mr. Clayton and BASE Committee Members:

I am writing this letter with full authorization from Augusta's City Council to express our support for the joint BASE grant submittal from Butler County, the City of Andover, and the City of Augusta for utility improvements and land acquisition to support industrial growth near Augusta Municipal Airport. Augusta Municipal Airport is one of the largest general aviation airports in the State of Kansas with over 100 aircraft based on the field, but it has never lived up to its full potential. Our proximity to Wichita while falling outside of the metro's congested commercial airspace makes Augusta Municipal Airport the ideal training ground for new pilots and aircraft operators who value convenience and ease of operation. If we were able to build more hangar space, our based aircraft number would be substantially larger given our considerable tenant waitlist.

Augusta Municipal Airport has 190 acres of total property with about 15-20 acres readily available for hangar space expansion to store aircraft or develop new businesses. The biggest factor limiting the airport's growth is the lack of supporting infrastructure. Presently, businesses on the field are served by septic tanks and leech fields, which greatly diminish the amount of land available for development as well as the types of businesses that can be supported. Numerous restaurant owners have wanted to build restaurants on the airport but were deterred by the lack of sewer infrastructure. Even more prospects wanting to construct large industrial buildings for hangars and aeronautical business operations have lost interest due to the lack of natural gas infrastructure given the exorbitant cost of heating facilities with propane.

In fall 2023, the airport will initiate dirt work on a new runway reconstruction and extension project that will go through 2024. This \$10 million project should set the Augusta municipal airport up for small to medium-sized business jet traffic. Combined with the utility enhancements provided by the BASE grant, Augusta Municipal Airport would be a legitimate economic driver for the region and attract significant amounts of new aviation traffic and business opportunities.

Sincerely,

Josh Shaw,
City Manager