

City Commission Chambers
101 S Lincoln Ave.
Chanute, KS 66720

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 Jacob LaRue and Commissioners Kevin Berthot, Tim Egner, and Tim Fairchild.

Commissioners Absent: Commissioner Larry Taylor.

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

INVOCATION

The invocation was given by Mayor Jacob LaRue.

AGENDA

Mayor LaRue requested the removal of Agneda Item 9I-Property Resolution for 508 North Evergreen. The amended Agenda was approved on motion by Commissioner Egner, seconded by Commissioner Berthot. 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 – July 28, 2025
- Warrant Register dated July 30, 2025
- Warrant Register dated August 6, 2025
- Uncollectible Accounts
- Review Various Board and Committee Minutes and Reports

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

PUBLIC COMMENTS

None.

CITY MANAGER'S REPORT

City Manager Todd Newman gave his report on City activities and operations. Items reported on included an update on the building located at 23 West Main and also an update on Fiber Pon 13.

PUBLIC HEARING – 2026 MUNICIPAL BUDGET AND TAX RATE

Conduct a Public Hearing for the proposed 2026 Municipal Budget & Tax Rate and for that purpose, Mayor LaRue opened a hearing at 6:33 p.m.

As there were no comments from the public the Public Hearing was closed at 6:34 p.m.

NEW BUSINESS

2026 FIREWORKS SHOW

City Staff is recommending using Mr. Allan Miller for next year's Fourth of July celebration. Mr. Miller shot off this year's display and everything went off beautifully. City staff will follow the same procedures with City Staff picking up and delivering the fireworks on the day of. Parks and Street Departments will help out with road closures. Any extracurricular or fundraising activities with the Fireworks display will be associated with an outside agency.

General discussion was made. Comments were made by Mr. Allan Miller and City Manager Todd Newman.

Motion made by Commissioner Berthot, seconded by Commissioner Egner, to approve a 2026 Fireworks Show for Friday, July 3, 2026 and authorization for City staff to finalize a contract with Mr. Miller for his services and purchase of fireworks, not to exceed \$15,000 out of Tourism. Voting Aye: All. Motion carried unanimously.

ELECTRIC RATES

During the 2025 Budget Work Sessions, the City Commission discussed making a slight adjustment to the current rates. Rising costs due to inflation and lack of generation has caused revenue to significantly decline in the electric utility.

The proposed \$0.09 per kilowatt rate would set the total cost for a residential customer in September 2025 at \$0.138. The difference from the residential rate in 2016 to the proposed rate in September 2025 is an increase of less than 3% a year.

The increase is also needed to cover rising costs to the General Fund such as radios for Police and Fire.

Motion made by Commissioner Egner, seconded by Commissioner Berthot, to pass an Ordinance amending Chanute Municipal Code Section 14.16.200 Pertaining to Electric Rates for Customers Inside and Outside the Corporate Limits of the City of Chanute. Voting Aye: All. Motion carried unanimously.

The Ordinance was assigned: No. 2673

2026 BUDGET ADOPTION AND CERTIFICATION

The County Clerk has submitted a preliminary assessed value for Chanute at \$71,336,997. Based on this assessment, the value of one mill should be approximately \$71,337 which is \$1,304 less per mill than last year's mill value of \$72,640,694. The estimated Revenue Neutral Rate (RNR) for the 2026 budget is 7.572 mills which is even with the Neosho County provided rate of 7.572.

The 2026 Budget Certification establishes a maximum spending limit of \$65,445,989. This limit is \$2,632,899 higher than the 2025 limit of \$62,814,090. The property tax levy is set at 7.572 mills, which is less than the 2025 proposed levy of 7.896.

A Public Hearing for the 2026 Municipal Budget has been conducted.

General discussion was made. Comments were made by City Manager Todd Newman, Chief Finance Officer Cory Kepley, City Attorney David Brake, and Assistant City Manager Ryan Follmer.

Motion made by Commissioner Egner, seconded by Commissioner Berthot, to Adopt the 2026 Budget as published and authorize the Governing Body to sign the Certificate. Voting Aye: All. Motion carried unanimously.

MULTIFAMILY HOUSING REVENUE BONDS – CHANUTE HOUSING, LLC

Chanute Housing, LLC is planning to construct 32 units of housing behind Wal-Mart within the city limits of Chanute. The City Commission has previously approved an RHID District for this project.

Multifamily Housing Revenue Bonds are a method of financing a new construction project. The issuance of these Revenue Bonds will allow the property and services purchased or used in conjunction with the construction of the project to be sales tax exempt.

The City of Chanute is not liable for repayment of the bonds. The issuer is paid solely from revenues received from the project.

General discussion was made. Comments were made by City Attorney David Brake.

Motion made by Commissioner Berthot, seconded by Commissioner Egner, to adopt A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF CHANUTE, KANSAS DETERMINING THE ADVISABILITY OF ISSUING MULTIFAMILY HOUSING REVENUE BONDS FOR THE PURPOSE OF FINANCING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A RESIDENTIAL FACILITY TO BE LOCATED IN THE CITY; AND AUTHORIZING EXECUTION OF RELATED DOCUMENTS. Voting Aye: All. Motion carried unanimously.

The Resolution was assigned: No. 2025-101

PROPERTY RESOLUTION – 213 WEST 4TH

PROPERTY RESOLUTION – 1416 SOUTH EDITH

PROPERTY RESOLUTION – 17 SOUTH FOREST

PROPERTY RESOLUTION – 516 SOUTH LINCOLN

PROPERTY RESOLUTION – 1106 NORTH STEUBEN

PROPERTY RESOLUTION – 1216 NORTH GARFIELD

PROPERTY RESOLUTION – 1022 SOUTH FOREST

Motion made by Commissioner Egner, seconded by Commissioner Fairchild, 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. 2025-102, No. 2025-103, No. 2025-104, No. 2025-105, No. 2025-106, No. 2025-107, and No. 2025-108.

COMMISSION COMMENTS

Commissioner Fairchild commented on the upcoming Ballot Question for Special Sales Tax to fund CRDA and encouraged everyone to do their research prior to voting in November.

Commissioner Berthot complimented the City Street Crew on recent street maintenance and use of the slurry seal machine.

Commissioner Berthot commented on Commissioner Fairchild's comments made during adoption of the 2026 Budget and agreed that review of the Chanute Public Library and the Chanute Recreation Commission operating budgets and lease agreements for City owned buildings should be made during next year's budget work sessions.

Mayor LaRue reported that he had received complaints related to bumps on West Cherry Street.

General discussion was made. City Manager Todd Newman reported that complaints should be directed to the State, Cherry Street is a highway and maintained by the State.

Mayor LaRue reminded everyone that school starts this week and to be mindful of children.

ADJOURNMENT

Motion made by Mayor LaRue, seconded by Commissioner Fairchild, to adjourn. Voting Aye: All. Motion carried unanimously. Meeting adjourned at 7:19 p.m.

Tina L Bailey, CMC
City Clerk