

**MINUTES OF THE COUNCIL MEETING
OF THE CITY OF PAOLA, KANSAS
5:30 O’CLOCK P.M.**

July 24, 2007

**HELD AT THE PAOLA PUBLIC WORKS BUILDING
29370 Old KC Road in Paola**

The Governing Body of the City of Paola, Kansas, met with Mayor Stuteville presiding.

Councilmembers present: Mayor Stuteville, Council Members Pritchard, Dial, Rowlett, and Hamilton.

Council Members absent: None.

Also present: Manager Newton, Clerk Droste, Attorney Tetwiler, Police Chief Smail, Public Works Director Bieker, Planner Givens, Brian McCauley with the Miami County Republic, Carol Everhart, and others.

Agenda Item 1 - CALL TO ORDER: The regular council meeting was called to order by Mayor Stuteville.

Agenda Item 2 - ROLL CALL: Mayor Stuteville and Council Members Pritchard, Dial, Rowlett, and Hamilton were all present.

Agenda Item 3 - PETITIONS, REMONSTRANCES, AND COMMUNICATIONS

Hannes Poetter addressed the Council regarding the Marais Des Cygnes Public Utility Authority. His expressed concerns regarding: Paola paying the same cost for water as Louisburg; Louisburg’s bond rating; the cost to pipe water to Louisburg; if large water users will still get a quantity discount for water in Paola; Paola’s municipal use of water; the growth rates of Paola and Louisburg and future water costs. Mr. Poetter also expressed concerns regarding parking around the Park Square and possible reconsideration of the location of the new Fire Station.

Agenda Item 4 - CONSENT AGENDA

- a. Approval of minutes of the meetings of July 10, 2007.
- b. Approval of Salary Ordinance number 07-13.
- c. Approval of Appropriation Ordinance No. 609.

Councilmember Rowlett made a motion to approve the Consent Agenda, as presented, and authorize the Mayor to sign. Councilmember Dial seconded the motion and all voted aye. The motion passed 4 to 0.

Agenda Item 5a – Consider 2008 Budget Notice of Public Hearing to be set for August 14, 2007.

Manager Newton presented the proposed 2008 budget and the Notice of Public Hearing to be set for August 14, 2007. He reported that the City's mill levy would be 40.545 for 2008 which was a decrease of 1.554 mills from the 2007 levy of 42.099.

Councilmember Dial made a motion to approve the proposed 2008 budget for publication at \$12,164, and set August 14, 2007 as the date for the budget public hearing. The motion was seconded by Councilmember Pritchard and all voted aye. The motion passed 4 to 0.

Agenda Item 5b - Report on traffic study of Redbud Drive.

Public Works Director Bieker presented reports that were generated by the City's speed recording devices in Indian Hills subdivision over the period from June 22nd thru July 2nd and from July 6th thru July 11th. The data that was collected during these times were recorded in "stealth mode". Bieker reported that the sensors are set up in the neighborhood now in "flashing mode" and recording additional data.

After discussing the data and the neighborhood characteristics, it was suggested that the additional data be brought back to the Council on the August 28th Council Meeting with a recommendation from Staff.

Agenda Item 5c - Consider renewal options for the City's Group Health, Dental, and Life Insurance policies.

Clerk Droste presented renewal information on the City's group health, dental and life insurance policies for city employees. He reported that at the last Work Study Session, the Council discussed the City's group policies. The following renewals were offered for the policies: Group Life Insurance through Advance Life - no premium increase; Group Dental Insurance through Blue Cross Blue Shield - 6.9% to 7.2% increase; and Group Life Insurance through United Health Care - 19.1% increase on current plan.

Clerk Droste explained an alternative plan is proposed for the group health insurance by United Health Care. The plan includes higher deductibles that are supplemented with a Health Reimbursement Account (HRA). The City would fund the HRA at \$1,000 per single participant and \$3,000 per family (2 or more). The HRA would reduce deductibles from \$1,000 / \$3,000 as compared to \$2,000 / \$4,000 for the City's current plan. Premiums would also be approximately 24% lower than the premiums for the existing plan not including the cost to the City to fund the HRA. Prescription benefits would remain unchanged.

A summary of the existing and proposed plans and costs are as follows:

Current Group Health Insurance Plan through United Health Care

Doctor Visit Co-Pay - In Network	\$20
Urgent Care Co-Pay - In Network	\$50
Emergency Room Co-Pay	\$100

Major Medical	<u>Per Person</u>	<u>Per Family</u>
Deductible	\$500	\$1,500
Coinsurance 90% - Max Out of Pocket (Out of Network has separate higher limits)	\$2,000	\$4,000

	<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 3</u>
Prescription Drug Co-Pay	\$10	\$25	\$40

Plan - Monthly Premiums	Current	Renewal	Amount of	Percent
	<u>Premium</u>	<u>Premium</u>	<u>Increase</u>	<u>Increase</u>
Employee + Family	\$778.30	\$926.92	\$148.62	19.1%
Employee + Child	\$497.60	\$592.62	\$95.02	19.1%
Employee + Spouse	\$535.88	\$638.21	\$102.33	19.1%
Employee Only	\$255.18	\$303.91	\$48.73	19.1%

Proposed HRA Plan Through United Health Care

Doctor Visit Co-Pay - In Network	N/A
Urgent Care Co-Pay - In Network	N/A
Emergency Room Co-Pay	N/A

Major Medical	<u>Per</u>	<u>Per</u>
	<u>Person</u>	<u>Family</u>
Deductible	\$2,000	\$6,000
Coinsurance 100% - Max Out of Pocket (Out of Network has separate higher limits)	\$2,000	\$6,000

HRA Benefits - First Dollar Coverage	\$1,000	\$3,000
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Net Total Maximum Out of Pocket:	
Employee + Family	\$3,000
Employee + Child	\$1,000
Employee + Spouse	\$1,000
Employee Only	\$1,000

	<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 3</u>
Prescription Drug Co-Pay	\$10	\$25	\$40

Plan - Monthly Premiums	Current <u>Premium</u>	HRA Plan <u>Premium</u>	Amount of <u>Decrease</u>	Percent <u>Decrease</u>
Employee + Family	\$778.30	\$586.24	-\$192.06	-24.7%
Employee + Child	\$497.60	\$374.81	-\$122.79	-24.7%
Employee + Spouse	\$535.88	\$403.64	-\$132.24	-24.7%
Employee Only	\$255.18	\$192.21	-\$62.97	-24.7%

Clerk Droste reported that United Health Care would be meeting with employees to explain the changes in the plans and how the HRA works.

After discussing the renewals, Councilmember Pritchard made a motion to approve the renewal of the City’s Group Health Insurance with United Health Care, Group Dental Insurance with Blue Cross Blue Shield, and Group Life Insurance with Advance Live as presented. The motion was seconded by Councilmember Dial and all voted aye. The motion passed 4 to 0.

Agenda Item 5e - Consider an agreement with Kutak Rock, LLP (EMC Insurance) to perform a legal review of changes to the City’s Personnel Rules and Regulations.

Clerk Droste presented an agreement with Kutak Rock, LLP to perform a legal review of proposed changes to the City’s Personnel Rules and Regulations. He reported that the City’s insurance carrier, EMC, has a program that will pay for a majority of the cost of the review.

Councilmember Rowlett made a motion to approve an agreement with Kutak Rock, LLP (EMC Insurance) to perform a legal review of changes to the City’s Personnel Rules and Regulations in the net amount of \$1,200.00. The motion was seconded by Councilmember Hamilton and all voted aye. The motion passed 4 to 0.

Agenda Item 5f - Status report on the Codification of the City’s Municipal Code Book.

Clerk Droste reported that he has been notified by the League of Kansas Municipalities that a first draft of the codification of the City’s municipal code would be forthcoming on July 27th

Agenda Item 5g - Consider approval of a Contract with Allenbrand-Drews for design and construction staking services for the Hidden Meadows Subdivision Benefit District.

Manager Newton reported that he met with the developers of Hidden Meadows and they have indicated verbally that they desire to withdraw the request to form the benefit district and requested that no action be taken on the contract.

Agenda Item 5h - Report from Carol Everhart on Economic Development.

Carol Everhart presented her report regarding economic development activities. There were no questions from the Council.

Agenda Item 5i - Consider approval of a “Notification of Change of Relationship from Financial Advisor to Underwriter” for Piper Jaffray.

Clerk Droste presented a Notification of Change of Relationship from Financial Advisor to Underwriter for Piper Jaffray. He reported that Piper Jaffray is the Financial Advisor to the City of Paola and will be the Underwriter of the bonds for the Marais Des Cygnes Public Utility Authority.

After discussing the document, Councilmember Hamilton made a motion to approve a “Notification of Change of Relationship from Financial Advisor to Underwriter” for Piper Jaffray for the Marais Des Cygnes Public Utility Authority Bond Issue. The motion was seconded by Councilmember Pritchard and all voted aye. The motion passed 4 to 0.

Agenda Item 6 - NEW BUSINESS

Manager Newton reported that he and County and other City Officials met with the Director of the Mid-America Regional Council to discuss the County’s membership in MARC. Manager Newton indicated that there may be grant funds available through this membership for economic expansion.

Councilmember Rowlett reported that The Food Network will feature the BBQ Shack on the TV show “Diners, Drive-Ins and Dives”. The feature would be filmed on August 2nd & 3rd.

Councilmembers Hamilton, Dial, and Pritchard had no additional issues to discuss.

Mayor Stuteville reminded everyone that the Fair Parade is tomorrow. Marlene Riebe invited the Council to ride on the Rotary float as honored guests.

Agenda Item 7 - EXECUTIVE SESSION - K.S.A. 75-4319(B)(1) is the authority for this recess.

Councilmember Rowlett made a motion to adjourn to Executive Session, to include the Mayor, Council, City Manager, City Clerk, Personnel Director, and City Attorney, for 30 minutes for the purpose of discussing personnel matters of non-elected personnel; the regular meeting to reconvene at 7:15 p.m. The motion was seconded by Councilmember Dial and all voted aye. The motion passed 4 to 0.

At 7:15 pm, Councilmember Hamilton made a motion to reconvene the regular meeting. The motion was seconded by Councilmember Rowlett and all voted aye. The motion passed 4 to 0. No action was taken pursuant to the executive session.

Agenda Item 7 – ADJOURNMENT.

With no additional business to come before the Council, Councilmember Hamilton made a motion to adjourn the meeting. Councilmember Pritchard seconded the motion and all voted aye. The motion passed 4 to 0.

Artie Stuteville, Mayor

ATTEST: (seal)

Daniel G. Droste, City Clerk