

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

June 10, 2008

**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 Bell.

Council Members absent: None

Also present: Manager Wieland, Clerk Droste, Attorney Tetwiler, Deputy Police Chief Poore, Planner Givens, Public Works Director Bieker, Carol Everhart with the Paola Chamber of Commerce, Brian McCauley with the Miami County Republic, 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 Bell were all present.

Agenda Item 3 - PETITIONS, REMONSTRANCES, AND COMMUNICATIONS
No one addressed the Council.

Agenda Item 4 - CONSENT AGENDA

- a. Approval of minutes of the meetings of May 27, 2008.
- b. Approval of Salary Ordinance number 08-11.
- c. Approval of Appropriation Ordinance No. 630 and Journal Entries Report for May.

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

Agenda Item 5 - REPORTS OF OFFICERS, BOARDS AND COMMITTEES

Agenda Item 5a - Public Hearing for the purpose of considering a request to waive the restriction for selling any alcoholic beverage within 500 feet of a park, school or church for The BBQ Shack, LLC at 1613 E Peoria.

Councilmember Bell made a motion to open the public hearing. The motion was seconded by Councilmember Pritchard and all voted aye. The motion passed 4 to 0.

Clerk Droste reported that he received an application for a Cereal Malt Beverage License for The BBQ Shack, LLC at 1613 E Peoria. This property is within 500 feet of Lakemary Center and requires a public hearing prior to taking action on the license request.

The BBQ Shack, LLC is in the process of relocating from their existing location at 705 N Pearl to the Paola Crossings Building located at 1613 E Peoria. The BBQ Shack currently holds a Cereal Malt Beverage License at their current location, however, the license is not transferrable to the new location.

No one addressed the Council regarding the requested waiver.

Councilmember Dial made a motion to close the public hearing. The motion was seconded by Councilmember Pritchard and all voted aye. The motion passed 4 to 0.

Agenda Item 5b – Action pursuant to the Public Hearing.

Pursuant to the Public Hearing, Councilmember Dial made a motion to approve a waiver of the restriction for selling any alcoholic beverage within 500 feet of a park, school or church for The BBQ Shack, LLC at 1613 E Peoria. The motion was seconded by Councilmember Bell and all voted aye. The motion passed 4 to 0.

Agenda Item 5c - Consider approval of a new Cereal Malt Beverage License for consumption on premises for The BBQ Shack, LLC at 1613 E Peoria.

Clerk Droste presented the application for a new Cereal Malt Beverage License for consumption on premises for the BBQ Shack, LLC at 1613 E Peoria. He reported that approval of the license should be subject to a final Fire Safety Inspection as the restaurant is still under construction.

Councilmember Pritchard made a motion to approve a new Cereal Malt Beverage License for consumption on premises for The BBQ Shack, LLC at 1613 E Peoria subject to a satisfactory fire safety inspection. The motion was seconded by Councilmember Dial and all voted aye. The motion passed 4 to 0.

Agenda Item 5d - Consider a lease agreement with the Miami County Fair Association for the use of property in Wallace Park for the Miami County Fair from July 19 to July 28, 2008.

Clerk Droste presented a lease agreement with the Miami County Fair Association for the use of a portion of Wallace Park for the carnival at the Miami County Fair. He reported that the proposed lease is the same form that has been used for many years for the annual event.

Councilmember Dial made a motion to approve the Lease with the Miami County Fair Association. The motion was seconded by Councilmember Rowlett and all voted aye. The motion passed 4 to 0.

Agenda Item 5e -Consider approval of an agreement with Wilson and Company to perform a rate analysis for water and waste water utilities.

Manager Wieland presented a proposal from Wilson and Company for a rate study for water, stormwater, and sanitary sewer utilities. He explained that occasionally it is prudent to obtain an outside study for these utility rates. With the new water treatment plant coming on line soon, it would be advisable to have this third party review up front to confirm the planned rate structures. Additionally, the Kansas Department of Health and Environment requires periodic rate studies as a condition of the State Revolving Fund Loan for the new sanitary sewer plant.

Councilmember Bell questioned the expense of paying for an additional third party rate study when the City has already spent thousands in engineering studies prior to building the plant.

Councilmember Rowlett stated that this is an opportunity for an independent set of eyes to review the City's utility rates to make sure that the rate structures are adequate.

After discussing the proposal, Councilmember Dial made a motion to approve an agreement with Wilson and Company for a Rate Study for Water, Stormwater, and Sanitary Sewer at an hourly rate not to exceed \$10,000.00. The motion was seconded by Councilmember Rowlett. Councilmembers Dial and Rowlett voted aye, Councilmembers Bell and Pritchard voted nay, and Mayor Stuteville voted aye. The motion passed 3 to 2.

Agenda Item 5f - Consider the renewal of the City's employee group dental and life insurance policies.

Manager Wieland presented renewal premiums for group dental insurance from Blue Cross Blue Shield of Kansas and group life insurance from Advance Life Insurance. The premiums for dental insurance increased between 5% and 5.2% and the premiums for life insurance decreased 10.62%.

After discussing the proposals, Councilmember Pritchard made a motion to approve the renewal of the City's employee group dental insurance policy through Blue Cross Blue Shield and the group life insurance policy through Advance Life Insurance Company. The motion was seconded by Councilmember Bell and all voted aye. The motion passed 4 to 0.

Agenda Item 5g - Consider the approval of a Merchant Agreement for Credit and Debit Card Transactions.

Clerk Droste presented a Merchant Agreement from ETS for processing Credit and Debit Card transactions for the City. He reported that the proposed agreement had been revised from a variable fee to a single fixed rate fee. This level fee would allow for easy compliance with the new State Statute that allows Municipalities to pass along a convenience fee equal to the fee charged to them for processing these transactions.

Councilmember Bell questioned the term of the agreement and the amount of the flat fee. He indicated that he was approached by a Louisburg resident who runs a local business that provides this same service at a cheaper cost.

Clerk Droste indicated that the reason for selecting ETS was not based on cost as much as the fact that they are a business partner with the City's utility software vendor and they provide a ready interface to process internet utility payment processing.

Councilmember Rowlett asked if the decision to proceed was time sensitive or if it would be acceptable to check out this new vendor prior to proceeding. Clerk Droste indicated that there was no compelling timeline relative to the implementation of the new service.

After discussing the proposal, Councilmember Rowlett made a motion to table action on the Merchant Agreement with ETS for Credit and Debit Card Transactions. The motion was seconded by Councilmember Pritchard and all voted aye. The motion passed 4 to 0. Rowlett Pritchard

Agenda Item 6 – NEW BUSINESS.

Clerk Droste reported that a retirement reception has been planned for Michael Hamilton on Sunday, June 22nd from 3:00 pm to 5:00 pm at Evergreen Events.

Clerk Droste presented the quarterly report for workmen's compensation claims for 2008. He reported the year to date there have been 3 accidents with net incurred expenses of \$4,350.00.

Public Works Director Bieker reported that there is an issue with "sluffing" on the back side of the Lake Miola Dam. He reported that the sewer force main that runs along the top of the back side of the dam has broken and is contributing to the problem. He indicated that the dam is sound and that repairs are being planned. Options are being considered for re-routing the sewer to another location.

Public Works Director Bieker reported that work continues on 303rd Street and that asphalt is planned for Thursday of this week depending on the weather.

Councilmember Bell asked about the status of the funds for the Skate Board Park. Manager Wieland reported that there is \$50,000 in a CIP Fund for the park and he has visited with Mr. Adam Herron regarding the issue.

Councilmember Pritchard asked about the grass at the property on the northeast corner of Baptiste Drive and Silver Streets. Manager Wieland reported that he visited with the property owner earlier today and hoped that the situation would be resolved soon.

Mayor Stuteville reminded everyone about the Annual Chamber of Commerce Dinner on Monday, June 14th at 5:30 pm.

Agenda Item 7 - EXECUTIVE SESSION for preliminary discussions relating to the acquisition of real property. K.S.A. 75-4319(B)(6) is the authority for this recess.

Councilmember Dial made a motion to adjourn to Executive Session, to include the Mayor, Council, City Manager, and City Clerk, for 20 minutes for the purpose of preliminary discussions relating to the acquisition of real property; the regular meeting to reconvene at 6:45 p.m. Councilmember Rowlett seconded the motion and all voted aye. The motion passed 4 to 0.

Councilmember Pritchard made a motion to reconvene the adjourned meeting. Councilmember Dial seconded the motion and all voted aye. The motion passed 4 to 0.

Mayor Stuteville presented the following statement: "When the opportunity was presented to us for the second time to purchase the Old Middle School, we took into consideration again the needs of our firefighters, downtown business community, and citizens to complete a purchase that we unsuccessfully attempted two years ago."

Councilmember Dial made a motion to approve an agreement to purchase the "Old Middle School" from the Schoolhouse Foundation of Paola in the amount of \$267,500.00 subject to the terms and provisions of the contract and the covenants and restrictions of record and authorize the Mayor to sign the contract and related documents on behalf of the City of Paola. The motion was seconded by Councilmember Pritchard and all voted aye. The motion passed 4 to 0.

Agenda Item 7 – ADJOURNMENT.

With no additional business to come before the Council, Councilmember Dial 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