

**MINUTES OF THE COUNCIL MEETING  
OF THE CITY OF PAOLA, KANSAS  
6:00 O’CLOCK P.M.**

**March 13, 2012**

**HELD AT THE PAOLA JUSTICE CENTER  
805 North Pearl Street in Paola**

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

Councilmembers present: Mayor Stuteville and Council Members Pritchard, Wilhoite, House, and Clouse.

Council Members absent: None.

Also present: City Manager Wieland, City Clerk Droste, City Attorney Tetwiler, Police Chief Smail, Public Works Director Browning, City Planner Gotfredson, Richard Lentz, and Brian McCauley with the Miami County Republic.

**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, Wilhoite, House, and Clouse were all present. No one was absent.

**Agenda Item 3 - PETITIONS, REMONSTRANCES, AND COMMUNICATIONS**  
Mayor Stuteville asked the audience if anyone desired to address the Council about any issue that is not an agenda item. No one addressed the Council.

**Agenda Item 4 - CONSENT AGENDA**

- a. Approval of minutes of the meeting of February 28, 2012.
- b. Approval of Salary Ordinance 12-05.
- c. Approval of Appropriation Ordinance No 722.
- d. Approval of the Journal Entries Report for February, 2012.
- e. Approval of the Pledged Securities Report for February, 2012.
- f. Approval of a request to waive a Building Permit Fee for USD 368.

Councilmember Wilhoite made a motion to approve the Consent Agenda as presented and authorize the Mayor to sign. The motion was seconded by Councilmember House and all voted aye. The motion passed 4 to 0.

**Agenda Item 5 - REPORTS OF OFFICERS, BOARDS AND COMMITTEES**

**Agenda Item 5a – Discussion regarding sewer utility rates.**

Manager Wieland presented a memorandum reporting the findings of his analysis of the Sewer Service Fund and the Waste Water Treatment Plant Fund for the purpose of determining sewer rates for the coming year. He stated that original budget projections for 2012 estimated the need to increase the monthly service charge by \$0.64 per month to \$23.50 and the volume charge by \$0.03 per 100 gallons to \$0.35 per 100 gallons.

Manager Wieland reported that based on the Governing Body's decision to pursue the refinancing of the KDHE financing for the sewer treatment plant and slightly higher than expected reserves, staff is suggesting that consideration be given to one of the following three options:

- 1) No increase in either the monthly service charge or the volume charge for 2012.
- 2) Increase the monthly service charge and volume charge slightly to keep budgeted revenues at the projected level in the 2012 Budget.
- 3) Increase the monthly service charge and volume charge as proposed in the 2012 Budget.

Manager Wieland stated that after reviewing all of the information that it was his recommendation not to increase either the service charge or volume charge for 2012. This would result in a decrease in the cash reserves for the sewer funds but it should not seriously impact appropriated reserves.

After a discussion, the Council agreed to accept the recommendation of the City Manager and not adjust the sewer service charge or the sewer volume charge for 2012. City Clerk Droste indicated that no formal action was necessary as no changes were being made to the rate structure.

**Agenda Item 5b – Consider approval of an Ordinance authorizing the prepayment of the Sewer Treatment Plant SRF Loan and authorizing the issuance of General Obligation Bonds.**

Clerk Droste presented an Ordinance authorizing the prepayment of the Sewer Treatment Plant SRF Loan and authorizing the issuance of General Obligation Bonds. He reported that the Ordinance is necessary for the City to proceed in the refinancing of existing debt, including the KDHE State Revolving Fund Loan for the sewer treatment plant. The city will benefit by a reduced interest rate on all of the debt and an extended term for the sewer treatment plant debt.

After a discussion, Councilmember Pritchard made a motion to approve AN ORDINANCE AUTHORIZING THE CITY OF PAOLA, KANSAS CONSTRUCT AND IMPROVE A WASTEWATER TREATMENT PLANT; PREPAY CERTAIN OUTSTANDING LOANS AND AUTHORIZING THE CITY TO ISSUE ITS GENERAL OBLIGATION BONDS IN THE AMOUNT NECESSARY TO PAY COSTS OF SUCH IMPROVEMENTS. The motion was seconded by Councilmember Wilhoite and all voted aye. The motion passed 4 to 0 and the Ordinance was assigned No. 3042.

**Agenda Item 5c – Consider approval of a Resolution authorizing General Obligation Refunding and Improvement Bonds.**

Clerk Droste presented a Resolution authorizing General Obligation Refunding and Improvement Bonds. He reported that the Resolution was a necessary additional step related to the adoption of the previous Ordinance.

After a discussion, Councilmember Wilhoite made a motion to approve A RESOLUTION OF THE CITY OF PAOLA, KANSAS AUTHORIZING AND PROVIDING FOR THE UNDERWRITING AND OFFERING FOR SALE OF THE CITY’S GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2012 IN THE APPROXIMATE AGGREGATE PRINCIPAL AMOUNT OF \$7,780,000. The motion was seconded by Councilmember Clouse and all voted aye. The motion passed 4 to 0 and the Resolution was assigned No. 2012-001.

**Agenda Item 5d – Consider approval of the sale of used mowers.**

Public Works Director Browning reported that annually, the City sells the two oldest mowers and replaces them with new equipment. He presented bids for the sale of the used mowers as follows:

2006 Ex-mark mower with 835 hours	
Blue Valley Tractor:	\$3,000.00
Wiseman Lawn Equipment:	\$3,300.00
Brian Ferguson:	\$3,500.00
2009 Ex-mark mower with 790 hours	
Blue Valley Tractor:	\$3,000.00
Wiseman Lawn Equipment:	\$3,300.00
Brian Ferguson:	\$3,500.00

After a discussion, Councilmember Pritchard made a motion to approve the bid from Brian Ferguson in the amount of \$7,000.00 for a 2006 Ex-Mark mower and a 2009 Ex-Mark mower as a part of the Public Works mower replacement program. The motion was seconded by Councilmember Wilhoite and all voted aye. The motion passed 4 to 0.

**Agenda Item 6 – NEW BUSINESS**

Mayor Stuteville recommended the appointment of Marjorie Brown to serve on the Paola Housing Authority Board and the appointment of Jim Pritchard to serve on the Marais Des Cygnes Public Utility Authority Board. Councilmember Wilhoite made a motion to approve the Mayor’s appointments as requested. The motion was seconded by Councilmember Pritchard and all voted aye. The motion passed 4 to 0.

Mayor Stuteville inquired about the temporary summer jobs at the Public Works Department. Public Works Director Browning reported that he has received a fair number of applications and that interviews would begin next week.

**Agenda Item 7 – ADJOURNMENT**

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

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Artie Stuteville, Mayor

ATTEST: (seal)

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Daniel G. Droste, City Clerk