

**MINUTES OF THE COUNCIL MEETING
OF THE CITY OF PAOLA, KANSAS
PAOLA JUSTICE CENTER 805 N PEARL
6:00 O'CLOCK P.M.
March 9, 2021**

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

Council Members present: Mayor Artie Stuteville and Council Members, Dave Smail, Trent Upshaw, Leigh House and LeAnne Shields.

Council Members absent: None

Also present: City Manager Sid Fleming, Assistant City Manager Randi Shannon, City Clerk Stephanie Marler, Police Captain Eric Jenkins, City Attorney Lee Tetwiler and Chris Williams with Highlands Development, LLC.

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

ROLL CALL: Mayor Stuteville and Council Members Smail, Upshaw, House and Shields were all present.

Agenda Item 1 - CONSENT AGENDA

- a. Approval of minutes of the meeting of February 9, 2021
- b. Approval of Salary Ordinances 21-4 & 21-5
- c. Approval of Appropriation Ordinances 945 and 946.
- d. Approval of the Pledged Collateral Report for February 2021.
- e. Approval of the Journal Entries Reports for February 2021.

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

Agenda Item 2 - COMMENTS FROM THE PUBLIC: None

Agenda Item 3 – NEW BUSINESS

Agenda Item 3a - Consider approval of Ordinance 3170 - Lake Miola Rules & Regulations.

Assistant Manager Shannon presented changes to the Lake Miola Rules & Regulations. She said the proposed changes are focused around camping regulations and the fee schedule.

Assistant Manager Shannon said the proposed ordinance focuses on the following:

- Defining “Abandonment” of campsite, equipment, or personal property and the process of which it will be handled.
- Establishing the “upper” and “lower” campsites, and specifying what type of camping equipment is permitted.
- Specifying the process on how campsites are reserved.

She said the changes to the fee schedule pertain to increasing the boat licensing and camping fees. The proposed fee changes are as follows:

- Boating Licensing
 - City of Paola and Miami County Residents will now be \$7.00 daily or \$35.00 annually.
 - Non City/ Non County Residents will now be \$15.00 daily and \$70.00 annually.
- Camping Fees
 - City of Paola and Miami County Residents will now be \$7.00 daily.
 - Non City/ Non County Residents will now be \$15.00.

Assistant Manager Shannon stated the Lake Miola Fee Schedule may be revised by a motion of the City Council without publication of such schedules.

Council Member Upshaw made a motion to approve Ordinance No 3170 amending the Lake Miola Rules and Regulations and make adjustments to the Lake Miola Fee Schedule. The motion was seconded by Council Member House and all voted aye. The motion passed 4 to 0.

Agenda Item 3b.i & 3b.ii - Baptiste Drive & Hedge Lane Right Turn Lane Project - KDOT Cost Share Agreement.

Manager Fleming discussed the 90/10 cost share agreement with KDOT that was approved on March 10, 2020. This project will improve the intersection of Baptiste Drive and Hedge Lane. He said in late October of 2020, KDOT facilitated the bid letting for the City of Paola’s Baptiste Drive and Hedge Lane Right Turn Lane Project (U-2362-01). He said the submitted bids were higher than the original cost-share agreement estimate. Since the City is responsible for the construction and construction engineering costs above the original cost-share agreement amounts, the City faced significant financial responsibility to ensure that the project happened.

Manager Fleming said through discussions with the City’s engineer, BG Consultants, and KDOT, it was determined that the preliminary estimate and associated project scope were based on a number of assumptions prior to survey, design, and investigation of existing systems. He said after reviewing these considerations, KDOT agreed to provide funding to cover the additional project costs identified during the detailed design phase.

Manager Fleming noted since KDOT will provide additional funding, the cost share agreement needs to be updated. He presented *Supplemental No 1 to Agreement No. 76-20* as prepared by KDOT. *Resolution 2021-004* was also presented to formally approve the supplemental agreement.

He stated in conjunction with the approval of the supplemental agreement, KDOT has also provided the *Federal/State Aid Authority to Award Contract Commitment of City Funds*. This document formally commits the City's share of the funding mechanism for the project.

Agenda Item 3b.i - After some discussion Council Member Smail made a motion to approve Resolution 2021-004 approving Supplemental No 1 to Agreement No 76-20 and authorize the necessary signatures. The motion was seconded by Council Member House and all voted aye. The motion passed 3 to 0.

Agenda Item 3b.ii - Council Member House made a motion to approve the Federal/State Aid Authority to Award Contract Commitment of City Funds and authorize the necessary signatures. The motion was seconded by Council Member Smail and all voted aye. The motion passed 4 to 0.

Agenda Item 3c - Consider renewal of insurance coverage with EMC Insurance.

Clerk Marler presented a proposal from Elliott Insurance through Employers Mutual Casualty (EMC) Company for the liability, property and auto insurance package that is set for renewal on April 1st. She said the proposed renewal for property insurance shows an increase due to an increased cost in building materials. She also stated there was an increase to auto coverage due to claims reported in 2020.

Clerk Marler presented the cost for renewal at \$151,198 and said additional consideration must also be given for the annual dividend that EMC pays to all cities in their Municipal Insurance Pool. She said in the last five years the average payment of \$19,210.29 is received in April.

Council Member Shields made a motion to approve the insurance renewal provided by EMC Insurance Company through Elliott Insurance Group be accepted in the amount of \$151,198.00 for the coverage year of April 1, 2021 to March 31, 2022. The motion was seconded by Council Member Upshaw and all voted aye. The motion passed 4 to 0.

Agenda Item 3d - Consider approval of Ordinance No 3171 levying a ½ cent Sales Tax.

Manager Fleming discussed the passage of the half cent sales tax voted on by the Paola citizens November 5, 2019. He said the City Council must approve an ordinance to officially begin levying the sales tax that will begin October 1, 2021.

Council Member Smail made a motion to approve Ordinance No 3171 - Levying a ½ Cent Sales Tax and authorize the necessary signatures. The motion was seconded by Council Member House and all voted aye. The motion passed 4 to 0.

Agenda Item 3e - Consider approval of Ordinance No 3172 for the Ratification of Actions for Paola Crossings.

Manager Fleming reminded the Council of the approved creation of a Tax Increment Financing (TIF) district for the entire Paola Crossings development and approved phased development of the TIF district for the Redevelopment Project Area 1 (RPA 1), which is approximately 9.6 acres. He said the redevelopment plans also included the utilization of a Community Improvement District (CID) to impose an additional 1.25% on retail sales made within the CID boundaries. Manager Fleming noted in July 2020, Paola City Council approved the creation of a CID for a small 1-acre lot on the south side of Baptiste Drive and RPA 1 in the Paola Crossings development. In addition to the TIF and CID and pending City and legal staff review, the Paola City Council also approved a Development Agreement and a Public Improvement Cost-Share Agreement with the Developer.

Manager Fleming said since the full execution of the Development Agreement and a Public Improvement Cost-Share Agreement has been delayed due to circumstances beyond the control of both the City and the Developer, Legal Counsel has recommended that the City “ratify and confirm” the actions that have been taken to date by approving Ordinance No. 3172 – Ratification of Actions for Paola Crossings.

Chris Williams with Highland Development LLC addressed the Council stating he plans to begin clearing trees from the property in the coming months to get ready for construction.

Council Member Upshaw made a motion to approve Ordinance No 3172 Ratification of Actions for Paola Crossings and authorize the necessary signatures. The motion was seconded by Council Member Smail and all voted aye. The motion passed 4 to 0.

Agenda Item 4 - COMMITTEE REPORTS: – None.

Agenda Item 5 - STAFF REPORTS

Manager Fleming gave an update on the COVID 19 numbers and mask mandate. He stated the numbers for Miami County continue to decline as we still have the mandate and more people are getting vaccinated. He suggested continuing with the restrictions since families will be traveling during the school districts spring break.

Manager Fleming updated the Council on the Baptiste Drive Extension project. He believes the contractor will begin work as early as March 15th.

Agenda Item 6 - MISCELLANEOUS MATTERS FROM THE COUNCIL: None

Agenda Item 7 - MISCELLANEOUS MATTERS FROM THE MAYOR: None

Agenda Item 8– EXECUTIVE SESSION: The justification being for the preliminary discussion of the acquisition of real property pursuant to K.S.A. 75-4319(b)(6) is the authority for this recess.

Council Member Smail made a motion recess into Executive Session for 20 minutes pursuant to the preliminary discussion of the acquisition of real property, K.S.A. 75-4319(b)(6). The purpose of the executive session is to discuss the possible acquisition of real property and shall include the Mayor, Council, City Attorney, City Manager, and Assistant City Manager. The regular meeting shall reconvene in the Municipal Court Room at 6:44 p.m. The Motion was seconded by Council Member Upshaw and all voted aye. The motion passed 4 to 0.

At 6:44 p.m. the Council came out of Executive Session and Council Member Upshaw made a motion to reconvene the recessed meeting. The motion was seconded by Council Member Shields and all voted aye. The motion passed 4 to 0.

Agenda Item 9 - ADJOURNMENT

With no additional business to come before the Council, Council Member Smail made a motion to adjourn. The motion was seconded by Council Member House and all voted aye. The motion passed 4 to 0.

Artie Stuteville, Mayor

ATTEST: [seal]

Stephanie Marler, City Clerk