

**MINUTES OF THE COUNCIL MEETING
OF THE CITY OF PAOLA, KANSAS
PAOLA JUSTICE CENTER 805 N PEARL
6:00 O'CLOCK P.M.
June 8, 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, Interim Police Chief Eric Jenkins, City Attorney Lee Tettwiler, Public Works Director Kirk Rees, Public Works Employee Hayden Delmont, and Harold Mayes with Agler & Gaeddert.

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.

INTRODUCTION – Public Works Director Rees introduced a new employee, Hayden Delmont, who will be working with the water and wastewater department.

Agenda Item 1 - CONSENT AGENDA

- a. Approval of minutes of the meeting of May 11, 2021
- b. Approval of Salary Ordinances 21-10 & 21-11
- c. Approval of Appropriation Ordinances 951 and 952.
- d. Approval of the Pledged Collateral Report for May 2021.
- e. Approval of the Journal Entries Reports for May 2021.
- f. Approve liquor license renewal for El Potro Mexican Cafe, 602 N Pearl contingent upon approved safety inspection.

Council Member Smail made a motion to approve the Consent Agenda as presented and authorize the mayor to sign. The motion was seconded by Council Member Upshaw 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 – Audit Items

i. Presentation of the 2020 Audit Report by Harold Mayes of Agler & Gaeddert.

Mr. Harold Mayes with Agler & Gaeddert presented the 2020 Audit Report for the City of Paola. He reported that the opinion of the financial statements for the City is presented on a “cash basis” per the Kansas Municipal Audit and Accounting Guide and is fairly stated.

Mr. Mayes reviewed the summary statement of receipts and unencumbered cash balance at the end of 2020. He also discussed the funds for projects that were approved in 2020 but will not be spent until 2021 and noted the long-term debt balance has decreased.

Mr. Mayes discussed the potential pension liability for KPERS and KP&F. He noted as of December 31, 2020, the City’s proportionate share of the collective net pension liability reported to KPERS was \$1,681,783 and \$2,041,705 for KP&F.

Mr. Mayes pointed out a new Note in the audit report that is dealing with COVID-19 and they had not yet realized the full impact of the virus on the financial statements.

Mr. Mayes reviewed the Statement of Cash Receipts and Expenditures – Actual and Budget. He explained that this is the schedule that the State of Kansas is most interested in as it determines if there are any budget violations for the fiscal year. The schedule indicates the city had no unfavorable variances with the 2020 Budget.

With no further discussion Council Member House made a motion to accept the 2020 Audit Report from Agler & Gaeddert. The motion was seconded by Council Member Smail and all voted aye. The motion passed 4 to 0.

ii. Consider a Letter of Engagement for the 2021 audit.

Mr. Mayes presented a Letter of Engagement from Agler & Gaeddert for the preparation of the 2021 audit. The audit firm proposed a fee of \$15,400 plus out of pocket expenses.

Council Member Upshaw made a motion to accept the audit report [Letter of Engagement] with Agler & Gaeddert in the amount of \$15,400.00 plus out of pocket expenses. The motion was seconded by Council Member House and all voted aye. The motion passed 4 to 0.

iii. **Consider approving Resolution No 2021-008 waiving certain provisions of GAAP.**

Clerk Marler presented a Resolution requesting a waiver from conformance with Generally Accepted Accounting Principles for 2021. Pursuant to Kansas Statues, the city has the option of preparing all audit reports on a cash basis rather than accounting for the fixed assets of the city.

Council Member Shields made a motion to approve Resolution No 2021-008 waiving conformance with certain provisions of Generally Accepted Accounting Principles. The motion was seconded by Council Member Upshaw and all voted aye. The motion passed 4 to 0.

Agenda Item 3b – Codification of Ordinances for the City of Paola.

Manager Fleming stated the City of Paola currently utilizes a Municipal Code Book to organize a compilation of City ordinances. He said although the code is available on the website it is a group of unsearchable PDFs which make it difficult to navigate. He also noted the online code is only updated once per year.

Manager Fleming said the City has engaged Citycode Financial, LLC to complete a transition from the existing code to a new online format that is searchable. He said additionally, as new ordinances are passed and adopted, they will be incorporated into the online version shortly thereafter.

Manager Fleming presented Ordinance 3174 for consideration to formally approve and adopt the Codification of Ordinances prepared by Citycode Financial LLC.

Council Member Smail made motion to adopt Ordinance No 3174 for the Codification of Ordinances for the City of Paola 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 3c - Consider a Conditional Use Permit for 604 N Silver St

Assistant Manager Shannon presented a request for a Conditional Use Permit (CUP) from PIT, LLC. She said the applicant is looking to reopen the gas station/convenience store as well as an unmanned U Haul Rental at 604 N Silver. She also noted that although this location was once a gas station, due to the discontinued use for a period longer than six months, it will require a CUP.

Assistant Manager Shannon said the Planning Commission held a public hearing on May 19, 2021 to discuss the CUP, one member of the public attended the meeting to speak in favor of the CUP. She said the following conditions were recommended by the Planning Commission:

- 1.) Lighting shall be all cut-off fixtures located to minimize impact on adjoining properties and comply with Article 12, DRAINAGE, UTILITIES, PARKING AND LIGHTING of the LDO.

- 2.) All rental units shall be parked in accordance with the parking setbacks stated in Article 4, Table 4.110A.
- 3.) All rental units shall be parked on paved, hard-surface.
- 4.) Until the gas station is open for service, there shall be a maximum of 6 rental units parked on paved, hard-surface areas.
- 5.) Once the gas station is operational, 4 of the six spaces shall be available for customer parking. The remaining two spaces will be available for rental unit parking. Applicant may add additional paved, hard-surface to the property at which time the CUP may be amended to provide space for additional rental unit parking.
- 6.) At any time, the City may institute revocation of the conditional use permit for violations of the conditions of approval, expiration, or the reasons specified in Section 21.225 of the Land Development Ordinance. The City shall provide notice to the landowner and public in the same manner as was provided for the establishment of the conditional use permit.

After further discussion Council Member Shields made a motion to adopt Ordinance No 3175 for the Conditional Use Permit located at 604 N Silver St 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 3d – Final Plat for Hidden Meadows Phase III.

Assistant Manager Shannon presented the third and final plat for Hidden Meadows Estates Phase III. She said the applicant for this development is C3 Reality and includes the remaining 19 residential lots in the sub-division.

After some discussion Council Member Upshaw made a motion to approve the Final Plat for Hidden Meadows Phase III. 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 reminded the Council of the upcoming meeting on Wednesday, June 9th with the Planning Commission for a Comprehensive Plan Analysis Review.

Manager Fleming said he invited the candidates for the upcoming election to an informational session on Thursday, June 17th.

Manager Fleming asked Mayor Stuterville if she would like to suggest a council representative to join a Recreation Commission task force. Mayor Stuterville ask Councilman Upshaw to join and he accepted.

Manager Fleming discussed the changes that have been made in the budget process for 2021 and suggests the Revenue Neutral Rate hearing be held.

Manager Fleming gave a project update on the following: Lake Miola Dam, Baptiste Drive Extension, Baptiste Drive and Hedge Lane, Water/Wastewater Master Plan and GIS training.

Agenda Item 6 - MISCELLANEOUS MATTERS FROM THE COUNCIL:

Council Member House said she has received several compliments on how nice the cemetery looks even with all the rain recently.

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 House made a motion to recess the city council into Executive Session for 30 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 7:15 p.m. The motion was seconded by Council Member Upshaw and all voted aye. The motion passed 4 to 0.

At 7:15 p.m. the Council came out of Executive Session and Council Member Smail made a motion to reconvene the recessed meeting. The motion was seconded by Council Member Upshaw 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 Shields and all voted aye. The motion passed 4 to 0.

Artie Stuteville, Mayor

ATTEST: [seal]

Stephanie Marler, City Clerk