

**MINUTES OF THE COUNCIL MEETING
OF THE CITY OF PAOLA, KANSAS
PAOLA JUSTICE CENTER 805 N PEARL
6:00 O'CLOCK P.M.
October 12, 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 Tetwiler, Brian McCauley with the Miami County Republic, Public Works Director Kirk Rees, Jordan Schlesener, Kathy Peckman, Alan Hire Linda VanRheen and Rena Smith.

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 Jordan Schlesener as the newest employee to Public Works. Director Rees said Jordan will work on the utility crew.

Agenda Item 1 - CONSENT AGENDA

- a. Approval of minutes of the meeting of September 14, 2021
- b. Approval of Salary Ordinances 21-19 & 21-20.
- c. Approval of Appropriation Ordinances 959 and 960.
- d. Approval of the Pledged Collateral Report for September 2021.
- e. Approval of the Journal Entries Reports for September 2021.
- f. Approve liquor license renewal for Third Base Liquor, 701 S Silver, contingent upon receipt of application, fee and approved safety inspection.

Council Member Shields made a motion to approve the Consent Agenda as presented and authorize the mayor to sign it. 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:

Linda Van Rheen – 407 E Kaskaskia – asked the Council to address the property at 403 E Kaskaskia. She stated there is trash everywhere and believes there is illegal activity taking place.

Agenda Item 3 – NEW BUSINESS

Agenda Item 3a - Consider a Final Plat of Calico Court.

Assistant Manager Shannon discussed a final plat request for property owned by Legacy Properties & Development, LLC. She said the parcel on Sundance Dr. is approximately 2.88 acres and the applicant is looking to split the parcel into five (5) separate lots. Lots 2-5 are intended for residential development. She said the minimum lot size requirement for residential lots in the TA district is 8,500 square feet, the smallest proposed lot size (Lot 4) is 12,269 square feet. There is a 25ft build line around the property, as well as the required 10ft utility easements.

Assistant Manager Shannon said with the size of Lot 1 at 1.66 acres, it is possible for residential development as well as some commercial development. If a commercial project is to be developed the applicant will have to submit a site plan for Planning Commission's review.

Council Member Smail made a motion to approve the Final Plat of Calico Court. The motion was seconded by Council Member House and all voted aye. The motion passed 4 to 0.

Agenda Item 3b - Consider Ordinance # 3180 - Water Rate Adjustment

Manager Fleming said the City establishes a rate structure to collect user fees, which fund the purchase of water and the necessary operation and maintenance activities. The rate structure and associated user fees should support and fully fund the operations and maintenance of all utility activities, build and preserve an appropriate reserve, pay for any outstanding debt, and save money for future capital improvement plan (CIP) projects.

Manager Fleming said Since 2010, the Water Utility crew has made capital improvements to the water system, performed emergency leak repairs, and conducted general maintenance tasks. All this work has been done with a pay-as-you-go approach and has been limited by the financial status of the utility. He said limited capital projects have been completed and no money has been saved to help fund future CIP projects either. With an aging infrastructure – some of which is 80 years old, the need for capital improvements far outweighs the utility's ability to fund projects.

Manager Fleming also said after weighing factors like the financial status of the utility, the need to address aging infrastructure, and the financial impact to utility customers and Paola citizens, Council gave staff direction at the October 5th Work Study Meeting to draft an ordinance to adjust the water rates. This rate adjustment targets a ten percent (10.0%) increase for water sales revenue

and serves to capture additional revenue from the existing usage. The additional revenue can be utilized to ensure that operation and maintenance costs are fully covered, build the reserve, and begin to strategically fund CIP projects.

Council member Upshaw made a motion to adopt Ordinance No. 3180 – Water Rate Adjustment and authorize the necessary signatures. The motion was seconded by Council Member Shields and all voted aye. The motion passed 4 to 0.

Agenda Item 3c – Consider Ordinance #3181 – Project Authorization

Manager Fleming presented a proposed ordinance that would allow certain projects to be paid by a half cent sales tax, approved in the 2019 election, to get underway. He said after seeking public input and evaluating multiple alternatives, the City Council has identified a set of projects to be funded through the retailers' sales tax. These initial projects include the rehabilitation of and enhancements to the Paola Family Pool and Wallace Park ballfields, as well as the stabilization of the Lake Miola dam. In order to finance these projects, the City will need to issue general obligation bonds to pay the total cost. In order to promptly start these projects, temporary notes will need to be issued to cover the upfront costs.

Manager Fleming said the estimated cost is \$6,700,000 for the Pool Project and Park Facilities Project, under the authority of the "Public Building Act" as well as the estimated cost of \$1,200,000 for the Drainage Project under the "Drainage Act" and "Home Rule Amendment". He said the Project Authorization allows the costs for the projects to be paid by the city-at-large through the issuance of general obligation bonds. The city will then be able to utilize the retailers' sales tax to pay off the general obligation bonds.

Council Member Shields said she disagrees with the proposed baseball field project in Wallace Park due to the location being in a flood way declaring it is against regulations stated in the Land Development Ordinance (LDO). She said it is not fair to ask taxpayers to pay \$6,700,000 in bonds and would like the ballfield project taken out of the Project Authorization until approval is received from the State and permitted under the LDO. She supports the Pool Project and Lake Miola Dam Project and would move forward with these items. Manager Fleming clarified that the authorization is not issuing bonds at this time but instead permits the city to issue debt on the projects to include planning and engineering costs.

After some additional discussion Council Member Smail made a motion to approve Ordinance #3181 – Project Authorization and authorize the necessary signatures. The motion was seconded by Council Member Upshaw. Council Member's Smail, Upshaw and House all voted aye and Council Member Shields voted nay. The motion passed 3 to 1.

Agenda Item 4 - COMMITTEE REPORTS

Council Member Upshaw said representatives from the Recreation Commission Task Force met with the Rotary club. The group is trying to make sure information is out before the upcoming election.

Agenda Item 5 - STAFF REPORTS - None

Agenda Item 6 - MISCELLANEOUS MATTERS FROM THE COUNCIL - None

Agenda Item 7 - MISCELLANEOUS MATTERS FROM THE MAYOR:

Mayor Stuteville asked if the drainage situation at the property located at 608 E Peoria had been addressed. Manager Fleming stated he sent an email to the council regarding it.

Agenda Item 8 – EXECUTIVE SESSION

Agenda Item 8a - Discuss Matters Under Non-Elected personnel.

Council Member House moved city council recess into Executive Session for 31 minutes pursuant to personnel matters of non-elected personnel, K.S.A. 75-4319(b)(1). The purpose of the executive session is to discuss an individual employee's performance and employment and shall include the Mayor, Council and City Attorney. The regular meeting shall reconvene in the Municipal Court Room at 6:52 PM. The motion was seconded by Council Member Upshaw and all voted aye. The motion passed 4 to 0.

At 6:52 PM 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 Smail and all voted aye. The motion passed 4 to 0.

Council Member House moved that the City Council authorize the City attorney to execute a contract to retain the services of Shelly Freeman of Freeman Martin McKee for the purpose of conducting an investigation pertaining to personnel matters. The motion was seconded by Council Member Smail and all voted aye. The motion passed 4 to 0.

Council Member House moved that the City Council, pursuant to Section 14 C.2 of the Employment Agreement with the City Manager, suspend the City Manager with pay and benefits while an independent investigation is conducted concerning personnel matters. 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 House 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