

**MINUTES OF THE COUNCIL MEETING
OF THE CITY OF PAOLA, KANSAS
PAOLA JUSTICE CENTER 805 N PEARL
6:00 O'CLOCK P.M.
August 9, 2022**

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

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

Council Members absent: Council Member Kathy Peckman

Also present: City Manager Randi Shannon, City Clerk Stephanie Marler, Police Chief Eric Jenkins, Public Works Director Kirk Rees, City Planner Jessica Newton, Brian McCauley with the Miami County Republic, Alan Hire, Pete Bell, Harley Davidson, Will Shannon, George Honn, Mike Welter, Roy L. Miller, Cliff Blackmore, Jim Pritchard, Lee Mott, Lee Gazzano and others.
Conner Harris with Mammoth Construction joined virtually.

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

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

Council Member Peckman joined virtually through zoom. Due to some technical difficulties, Ms. Peckman was on the call but unable to be heard until 6:25pm. The first two items for vote will reflect Ms. Peckman as absent.

Agenda Item 1 - CONSENT AGENDA

- a. Approval of minutes of the meeting of July 12, 2022.
- b. Approval of Salary Ordinances 22-14, 22-15 & 22-16.
- c. Approval of Appropriation Ordinance 979 & 980.
- d. Approval of the Pledged Collateral Report for July 2022.
- e. Approval of Journal Entries report for July 2022
- f. Renewal of a drinking establishment license for Applebee's, 1301 Kansas Dr., contingent upon receipt of required application, fee and inspection.

Council Member Upshaw made a motion to approve the Consent Agenda as presented and authorize the mayor to sign. The motion was seconded by Council Member Smail and all voted aye. The motion passed 3 to 0.

Agenda Item 2 - COMMENTS FROM THE PUBLIC: None

Agenda Item 3 – NEW BUSINESS

Agenda Item 3a – Paola Roots Festival

Lee Mott, President of the Paola Roots Festival Committee, addressed the Council regarding the upcoming Roots Festival. He stated this will be the 33rd annual year for the festival and it will take place on August 26th & 27th. On Friday night, the headliner is the *Danielle Nicole Band* and on Saturday evening *Bernard Allison* will be the headliner. Mr. Mott said the festival is also the home of the East Central Kansas BBQ Contest.

Mr. Mott acknowledged the many committee members and volunteers that help put the festival together. He stated they hire a security team and sanitation team. All money is either put back into the festival or donated for scholarships or community needs. The cost of admission is \$15.00 for Friday and \$20.00 for Saturday. He said this is the first year 2-day advanced tickets can be purchased online for \$30.00, kids 12 and under get in free.

Mr. Mott also thanked the Public Works Department and the Police Department for all of their help and support. After additional discussion, Mr. Mott thanked the City Council for its support of the Roots Festival.

Agenda Item 3b – Phase 1 Wallace Park Ball Fields

i. Consider waiving the bidding process for Phase 1 construction.

Manager Shannon said according to the City of Paola Purchasing Policy the process for sealed bids for goods or services involving construction of a public improvement may be waived if the Governing Body determines the waiver is in the City's best interest. She said an agreement was signed with Mammoth Construction, January 20, 2022, for survey services, geotechnical and Phase 1 design for \$74,000. She said the included design fee of \$54,000 would be rolled into the Phase 2 design if Paola chooses to continue with Mammoth for construction of the design build project.

Council Member Shields referred to a section from the Kansas Municipalities Governing Body Handbook regarding the bid procedure for public improvements. She said it states you should stick to the rules and not waive procedures. She also referenced the City of Paola Purchasing Policy stating the acquisition of goods and services should be made in a manner and method which provides for the prudent expenditure of City funds and local bidders should be given a preference over bidders outside the city limits. She said the bid solicitation was not done correctly and should have been advertised in the local newspaper and on the website *drexeltech.com*.

Council Member Upshaw confirmed the original request for bids went to three different contractors and only two bids were received.

Council Member Smail made a motion to waive the sealed bid process according to the City of Paola Purchasing Policy, Section 5 under Procedures. The motion was seconded by Council Member Upshaw. Council Members Smail and Upshaw voted aye and Council Member Shields voted nay. The motion passed 2 to 1.

ii. Consider an agreement with Mammoth Construction for Phase 1 Wallace Park Ball Field Construction.

Mayor House asked if anyone would like to address the Council on this item:

Mike Welter, 306 N Walnut, spoke on behalf of the American Legion and expressed his concerns about the parking around the ball fields. He said the current design of parking will cause problems for the Legion. He proposed adding an additional parking lot to the east side of the new fields to alleviate some of the problems.

Pete Bell, 209 N Castle, spoke on behalf of the American Legion also. He wanted to reiterate that in return for the land donated to the City, the City would provide protected parking for the American Legion.

Alan Hire, 15895 Lake Shore Dr., also wanted to reiterate the parking concerns. He said there will be minimal parking and no access. He also believes the documents from January do not reflect the new agreement, there should be an amendment. Mr. Hire stated the design for the project is incomplete and underfunded.

Manager Shannon started by noting Conner Harris with Mammoth Construction was on the phone to address any questions the Council may have. She said the Scope of Work and Clarification, which is an amendment to the agreement, is for two fields north of Wallace Park Dr. Manager Shannon said Mike Welter, with the American Legion, expressed his concerns prior to the meeting so she was able to speak with Mammoth and they agreed to design an access drive to alleviate some congestion. The design will not be an additional cost but the construction will be. Manager Shannon noted sales tax was included in the original bid and since it was removed the difference will cover the additional cost.

Mayor House asked Mr. Harris to clarify is the quote for turf replacement of \$300-\$400 thousand dollars was for 1 or 2 fields. Mr. Harris was able to confirm the replacement cost of the turf will be approximately \$300-\$400 thousand dollars per field and the lifespan of turf is 10–12 years. He said there are options to replace high wear areas to prolong the life of the turf.

Mayor House said she understands the concerns that a new concession stand and restrooms are not on the design but the plan is to try and fund these items with grants and other sources. She noted there are working restrooms and a concession stand currently.

After some more discussion Council Member Smail made a motion to approve an agreement with Mammoth Construction for \$2,565,628.00 for Phase 1, ball fields 3 & 4 and parking modifications, and authorize the necessary signature. The motion was seconded by Council Member Upshaw. Council Members Smail and Upshaw voted aye. Council Members Peckman and Shields voted nay. In the event of a tie the Mayor casts the deciding vote. Mayor House voted in favor of the motion and the motion passed 3 to 2.

Agenda Item 3c – Set the public hearing to exceed the RNR and adopt the 2023 Budget.

Clerk Marler said prior to formally adopting the 2023 Budget for the City of Paola, the City Council must set and conduct 2 public hearings. She said the first hearing will consider the exceedance of the Revenue Neutral Rate (RNR) and the second will be the adoption of the 2023 budget.

Clerk Marler said to comply with budget laws, the date of the public hearing should be set for September 13, 2022. Once the hearing date is set the notice will be published in the newspaper at least 10 days prior to the public hearing date. She said the notice will include both the RNR hearing and the budget hearing.

Council Member Peckman made a motion to set the public hearings to exceed the Revenue Neutral Rate and adopt the 2023 Budget on Tuesday, September 13, 2022 at 6:00 pm at the Paola Justice Center. The motion was seconded by Council Member Upshaw and all voted aye.

Agenda Item 3d – Amendment to the wholesale water agreement with RWD #1.

Manager Shannon said as discussed at the August 2, 2022 Work Study meeting, the agreement with Rural Water District (RWD) #1 has not been updated since 2014. She said currently the minimum sum of \$1,000 for the first 300,000 gallons is billed and then \$2.67 per thousand gallons over the initial 300,000 gallons. She said the water fund can no longer support the reduced rates to RWD #1 due to the increased costs for Paola to purchase water from the Mara Des Cygne Public Utility Authority (PUA). Paola currently purchases water at a rate of \$8.45 per 1000 gallons.

Manager Shannon said a proposed agreement has been created.

1. Effective November 1, 2022 billing, the minimum monthly sum of \$1,000 for the first 300,000 will no longer apply and the billed amount will be directly reflected in the usage.
2. Effective November 1, 2022 billing, the rate increases to \$5.00 per 1,000 gallons will be reflected for water usage.
3. Effective January 1, 2023 the rate increases to \$8.45 per 1,000 gallons, directly reflective of the cost of the City.
4. In the event that the MDCPUA rate increases in the future, the rate of the purchase of water may rise proportionally with the City's cost.

Manager Shannon said this will not increase revenue but will decrease money lost.

Council Member Upshaw clarified that if RWD #1 should choose not to purchase water from Paola the City would still have to cover the cost of take or pay until the annual recalculation corrects it in the future.

Council Member Upshaw made a motion to approve the rate adjustment plan for the Rural Water District #1 agreement 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 3e – Consider a CUP for 506 N Silver – U-Haul business.

Planner Newton said at its meeting on July 19, 2022, the Planning Commission held a Public Hearing in regards to a conditional use permit at 506 N Silver for a U-Haul business. She said no one but the applicant spoke at the hearing.

Planner Newton said the Planning Commission recommends approval of the CUP with the following conditions:

1. Lighting shall be cut-off fixtures located to minimize impact on adjoining properties.
2. All rental vehicles shall be parked in accordance with the parking setbacks stated in Article 4, Table 04.110 A.
3. No limits on number of vehicles and/or trailers so long as parking meets all setback requirements.
4. All rental vehicles shall be parked on a paved hard-surface on the west side of the building (taking access from W 3rd St). The hard surface shall be installed within twelve (12) months of approval of CUP.
5. The parking lot shall be screened from neighboring residential properties.
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.

Council Member Shields made a motion to adopt Ordinance No 3189 approving a CUP to allow a U-Haul rental service at 506 N Silver for Morris Contracting, Inc. The motion was seconded by Council Member Peckman and all voted aye. The motion passed 4 to 0.

Agenda Item 3f – Acknowledge EMMA submission

Clerk Marler said the 2021 Financial Statement and 2021 Operating Data were filed on the Electronic Municipal Market Access (EMMA) system on August 5th. She said pursuant to the City's Continuing Disclosure Policy, the Council must be notified within 5 days of submission and the memorandum received on August 5th shall serve as official notification. She said to be in compliance with the policy the Council needs to officially acknowledge the submission.

Council Member Upshaw made a motion acknowledge that in compliance with Section II (2) of the Continuing Disclosure Policy for the City of Paola, the City Clerk did provide to the Governing Body written confirmation that the 2021 Audit Report and 2021 Operating Data for the City of Paola were electronically filed on the Electronic Municipal Market

Access (EMMA) system on August 5, 2022. The motion was seconded by Council Member Peckman and all voted aye. The motion passed 4 to 0.

Agenda Item 5 – COMMITTEE REPORTS – None

Agenda Item 6 - STAFF REPORTS

Planner Newton said there were 5 new home permits submitted for Indian Hills neighborhood.

Agenda Item 6 - MISCELLANEOUS MATTERS FROM THE COUNCIL:

Council Member Smail asked if any new employees were hired at the Police Department or Public Works Department. Chief Jenkins did not have any new employees and Director Rees said a summer help employee will be moving to full time.

Council Member Upshaw thanked staff for the work on the budget and hopes we can continue to work toward the betterment of Paola.

Agenda Item 7 - MISCELLANEOUS MATTERS FROM THE MAYOR:

Mayor House said thank you for the work on the budget. She also said thank you for the respectful way the ball field discussion was handled.

Agenda Item 8 – 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 Upshaw and all voted aye. The motion passed 4 to 0.

Leigh House, Mayor

ATTEST: [seal]

Stephanie Marler, City Clerk