

**MINUTES OF THE COUNCIL MEETING
OF THE CITY OF PAOLA, KANSAS
PAOLA JUSTICE CENTER 805 N PEARL
6:00 O'CLOCK P.M.
January 10, 2023**

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, Deborah Hayes, Kathy Peckman and LeAnne Shields.

Council Members absent: None

Also present: City Manager Randi Shannon, City Clerk Stephanie Marler, Police Chief Eric Jenkins, Public Works Director Kirk Rees, City Planner Jessica Newton and Terry Presta.

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

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

Agenda Item 1 - CONSENT AGENDA

- a. Approval of minutes of the meeting of December 13, 2022.
- b. Approval of Salary Ordinances 22-27.
- c. Approval of Appropriation Ordinance 989 & 990.
- d. Approval of the Pledged Collateral Report for December 2022.

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

Agenda Item 2 - COMMENTS FROM THE PUBLIC:

No one addressed the Council.

Agenda Item 3 – ANNUAL DESIGNATION OF DEPOSITORYIES FOR CITY FUNDS

Clerk Marler said annually the City must designate the depository institutions for City funds. The City's operating account is at Security Bank of KC and the payroll account is at First Option Bank. She said the city bids out certificates of deposit and naming all 5 local banks as depositories creates some competition and allows for higher returns.

Council Member Peckman made a motion to designate Security Bank of Kansas City, Great Southern Bank, First Security Bank, First Option Bank and Landmark National Bank as depositories for City funds. The motion was seconded by Council Member Shields and all voted aye. The motion passed 4 to 0.

Agenda Item 4 –ANNUAL RESOLUTION AUTHORIZING THE CITY MANAGER TO PAY CLAIMS

Clerk Marler presented Resolution No. 2023-001 allowing the City Manager to pay claims against the city. She said the Council has annually adopted the resolution since going to monthly meetings in 2017. This gives the City Manager authority to approve payments to avoid late fees.

Council Member Smail made a motion to approve Resolution No. 2023-001 authorizing the City Manager to pay claims pursuant to K.S.A. 12-105b(e). The motion was seconded by Council Member Hayes and all voted aye. The motion passed 4 to 0.

Agenda Item 5 – NEW BUSINESS

Agenda Item 5a – New housing Incentive Program Amendment

Manager Shannon gave a brief overview of a May 1995 Petition for Public Improvement that was filed to assess the cost of the public improvements of the extension of municipal water and sewer services. She said this project included a waterline extension as well as the sanitary sewer extension from the hospital which is a ten-inch (10") force main near US Highway 169. She said the cost of the improvements were approximately \$1,570,000.00. The city adopted a special connection fee for properties tying into the 1995 hospital sanitary sewer system to help recover some of the project costs.

Manager Shannon said there has been expressed interest for a newly constructed home located in the Miami County jurisdiction to connect to the sewer line. With the current rate structure, the connection fees for the home would total \$67,500.00. She said as discussed in previous work study meetings a proposed amendment to the existing housing incentive program is being presented. This would allow for a 50% fee reduction while keeping the original intent of the Municipal Code.

After further discussion, Council Member Peckman made a motion approve Ordinance No. 3197 amending the New Housing Construction Incentive Program. The motion was seconded by Council Member Shields and all voted aye. The motion passed 4 to 0.

Agenda Item 5b – Amend Water Rates

Manager Shannon explained the water utility is an enterprise activity for the City of Paola, operating in a business-like fashion. 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 operation.

Manager Shannon said a review of the financial health of the water utility shows that over the last 3 years, the fund has relied on the reserves that were built to approximately \$187,000.00. She said this is largely due to the fact the City of Paola is purchasing water from the PUA for a larger amount than is being charged to the customers.

Manager Shannon said after weighing factors like the financial status of the utility, need to address aging infrastructure, and financial impact to utility customers, an amendment to the rate structure is being presented as Ordinance No 3198. She said the proposed ordinance does not change the minimum charges and gives the anticipated meter volume increases until the year 2025.

After further comments Council Member Smail made a motion to approve Ordinance No 3198 amending the metered volume water rate structure effective January 31, 2023. The motion was seconded by Council Member Hayes and all voted aye. The motion passed 4 to 0.

Agenda Item 5c – Water Leak Allowance Request - 407 W Wea

Clerk Marler presented a water leak allowance request from Mr. Daniel Mukeku, who owns the rental property at 407 W. Wea. She said per the Water Leak Allowance Policy, the homeowner must provide evidence that the leak has been repaired. Mr. Mukeku provided an invoice that appeared suspicious and was not acceptable proof of the repair.

Clerk Marler reported she asked the building inspector if the work was approved and determined a permit had not been pulled by the homeowner or repair company. Council Members discussed the possibility of a plan for payment due to the property housing two families and the shut off day being January 11th.

After review of the request, Council Member Peckman made a motion to deny the leak allowance for 407 W Wea in the amount of \$615.00 and request Mr. Mukeku obtain a permit and completed inspection. The motion was seconded by Council Member Smail and all voted aye. The motion passed 4 to 0.

Agenda Item 5d – Water Leak Allowance Request - USD 368, 403 N Hospital

Clerk Marler presented a leak allowance request from USD 368. She said the leak was repaired and the school district qualifies for a maximum reduction of 75,000 gallons totaling \$615.00.

Council Member Hayes made a motion to approve the leak allowance for USD 368 at 403 N Hospital Dr in the amount of \$615.00. The motion was seconded by Council Member Smail and all voted aye. The motion passed 4 to 0.

Agenda Item 5e – Bond Offering Resolution No 2023-002

Clerk Marler presented Resolution No. 2023-002: Authorization to Issue Bonds, allowing the underwriting and offering for sale of the General Obligation Bonds regarding the sales tax projects. She said with the ballfield project moving along and the pool project getting

underway, the advice of Greg Vahrenberg with Raymond James & Associates, Inc is to start the process and continue to monitor the bond market.

After some discussion regarding anticipated projects and costs Council Member Smail made a motion to Resolution No 2023-002 authorizing Raymond James & Associates, Inc. to offer the City's General Obligation Bonds for sale. The motion was seconded by Council Member Peckman and all voted aye. The motion passed 4 to 0.

Agenda Item 6 - STAFF REPORTS

Chief Jenkins

1. A new officer, Jonathan Rolf, has been hired.

Director Rees

1. Crews are taking down Christmas decorations, working on sewers, and installing a new fire line for the church on the square.

Clerk Marler

1. 2022 ended with 125 registered dogs and 20 registered cats.

Planner Newton:

1. The Community Development Department ended the year with 475 permits issued.
2. Mammoth has started laying turf on the new ballfields.
3. Next Planning Commission meeting has a full agenda.

Agenda Item 7 - MISCELLANEOUS MATTERS FROM THE COUNCIL:

Council Member Smail said he was glad to see the new Casey's going up so quickly.

Council Member Smail asked when the fiber will be laid. Manager Shannon said they have already started and should be done about May.

Council Member Smail asked what is going in the old Miller Pharmacy building. Director Rees said it is Reach Church.

Council Member Hayes asked if One Stop Convenience is on track. Clerk Marler said she talked with the owner about the CMB license and they still had some work to do.

Council Member Hayes asked about construction on the new Scooters Coffee. Planner Newton said the company is working on site development.

Council Member Hayes asked about the progress on the traffic light at Hedge Ln and Baptiste Dr. Director Rees said the company is working on getting supplies and it may be 4-5 weeks.

Agenda Item 8 - MISCELLANEOUS MATTERS FROM THE MAYOR:

Mayor House thanked Director Rees and his crew for all the work they had to do outside during the extremely cold weather spell.

Agenda Item 9—ADJOURNMENT

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

ATTEST: [seal]



Leigh House

Leigh House, Mayor

Stephanie Marler
Stephanie Marler, City Clerk

