MINUTES OF THE COUNCIL MEETING
OF THE CITY OF PAOLA, KANSAS
5:30 O’CLOCK P.M.

March 9, 2010

HELD AT THE PAOLA JUSTICE CENTER
805 North Pearl Street in Paola

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

Councilmembers present: Mayor Stuteville and Council Members Pritchard, Dial, and Bell.

Council Members absent: Councilmember Rowlett.

Also present: City Manager Wieland, City Clerk Droste, City Attorney Tetwiler, City Planner Gotfredson, Public Works Director Browning, Police Chief Smail, Richard Lentz, Janet McRae, Eric Bensen, Matt, Bensen, Angela Bensen, Mark Minden, Glenda Wright, Roger Wright, Carol Everhart from the Paola Chamber of Commerce, and Jesse Trimble from the Miami County Republic.

Agenda Item 1 - CALL TO ORDER: The regular council meeting was called to order by Mayor Stuteville.

Agenda Item 2 - ROLL CALL: Mayor Stuteville and Council Members Pritchard, Dial, and Bell were all present. Councilmember Rowlett was absent.

Agenda Item 3 - PETITIONS, REMONSTRANCES, AND COMMUNICATIONS
Mayor Stuteville asked the audience if anyone desired to address the Council about any issue that is not an agenda item. No one addressed the Council.

Agenda Item 4 - CONSENT AGENDA
a. Approval of minutes of the meeting of February 9 and February 23, 2010.
b. Approval of Salary Ordinances 10-03 and 10-04.
c. Approval of a Leak Allowance for 206 W Miami in the amount of $39.50.
d. Approval of a Leak Allowance for 602 E Chippewa in the amount of $50.00.

Councilmember Dial made a motion to approve the Consent Agenda as presented and authorize the Mayor to sign. The motion was seconded by Councilmember Pritchard and all voted aye. The motion passed 3 to 0.

Agenda Item – APPROPRIATION ORDINANCE 672 and 673.

Councilmember Bell commented on the spending on the programming at the Paola Community Center.
After discussion, Councilmember Pritchard made a motion to approve Appropriation Ordinances 672 and 673 as presented, and authorize the Mayor to sign. The motion was seconded by Councilmember Dial and all voted aye. The motion passed 3 to 0.

**Agenda Item 6 - REPORTS OF OFFICERS, BOARDS AND COMMITTEES**

**Agenda Item 6a – Consider approval of a pay request for the Fire Station project.**

Manager Wieland presented a pay request on the new Fire Station in the amount of $8,035.00. He reported that the project is now complete with the exception of just a very few minor items. He also reported that the open house at the new Fire Station was a huge success with a large crowd in attendance.

After discussion, Councilmember Dial made a motion to approve pay request #11 in the amount of $8,035.00 to Legacy Contractors, LLC for the Fire Station project. The motion was seconded by Councilmember Pritchard and all voted aye. The motion passed 3 to 0.

**Agenda Item 6b – Consider approval of invoices for the Community Center kitchen remodel project.**

Manager Wieland presented invoices for the renovation of the Paola Community Center kitchen remodel project and reported that the renovation is complete. Clerk Droste reported that the City has received funds from the Thomas Schwartz donation to pay for the renovation.

After discussion, Councilmember Pritchard made a motion to approve pay request #1 in the amount of $14,941.00 to Legacy Contractors, LLC; Smith’s Appliances, Inc in the amount of $599.00; and Muckenthaler, Inc in the amount of $5,115.00; for a total amount of $20,655.00 for the kitchen remodel project at the Paola Community Center. The motion was seconded by Councilmember Dial and all voted aye. The motion passed 3 to 0.

**Agenda Item 6c – Consider approval of the purchase of equipment for the Public Works Department.**

Public Works Director Browning presented bids for a new mower for the Cemetery Department. Browning recommended that the bid from Wiseman Lawn and Equipment for a Grasshopper 321D mower in the amount of $9,760.00 be accepted.

After discussion, Councilmember Dial made a motion to approve the purchase of a Grasshopper 321D Mower in the amount of $9,760.00 from Wiseman Lawn & Equipment. The motion was seconded by Councilmember Pritchard and all voted aye. The motion passed 3 to 0.

**Agenda Item 6d – Consider approval of an Ordinance amending utility rates.**

Manager Wieland presented an analysis of water utility rates for discussion and consideration. The analysis included four different options using different combinations of water rates ranging from $5.60 to $5.75 per 1,000 gallons ($0.56 to $0.575 per 100 gallons);
monthly service charges remaining from unchanged to increasing by $0.25 for all meter types; and debt service charges ranging from $15.00 to $16.00. All of the options that were presented project an overall “break even” for the Water Utility Fund. Each option was discussed at length, including the possibility of transferring $25,000 from the Water Debt Reserve Fund.

Mayor Stuteville recommend that $25,000 subsidy from the Water Debt Reserve Fund be considered as these funds should be used to help in the transition period in changing over to the new plant. Councilmembers Pritchard and Bell indicated that they would prefer to keep those funds available for a later time.

Councilmember Bell proposed increasing the water rate to $6.00 per 1,000 gallons ($0.60 per 100 gallons) to provide a cushion for the Water Utility Fund so that rates would not have to be adjusted as often in the future and in anticipation of scheduled MD CPUA debt payment increased in December, 2011.

Mayor Stuteville asked how much a residential water bill would increase if the water rate were increased to $5.75 per 1,000 gallons. Clerk Droste reported that excluding service charges, a residence that uses an average of 6,000 per month would experience an increase of $4.50 per month.

Councilmember Dial stated that she would prefer to keep water rates conservative and raise them as needed in the future rather than raising rates higher now to build reserves. She stated that it will be frustrating to increase rates more often in the future, but she preferred keeping them lower now.

Councilmember Bell stated that he was not in favor of raising the Service Charges and preferred that the increases be made only to the per gallon water rate.

After discussing each option, Councilmember Dial made a motion to approve AN ORDINANCE AMENDING TITLE VII UTILITIES, CHAPTER 700 WATER DEPARTMENT, ARTICLE II WATER RATES, SECTION 700.250 METERED VOLUME RATES, SECTION 700.260 SERVICE CHARGES, SECTION 700.267 WATER PLANT DEBT SERVICE CHARGE, AND SECTION 700.270 WATER SOLD BY TANK, TO THE MUNICIPAL CODE OF THE CITY OF PAOLA, KANSAS with the following rates:

Metered Volume Rates:
1. In the City Limits ............. $0.57 per 100 gallons
2. Outside the City Limits ........ $0.77 per 100 gallons

Service Charge:
1. In the City Limits:
   5/8 inch meter, charge per month ..... $8.75
   3/4 inch meter, charge per month ..... $9.40
   1 inch meter, charge per month ..... $8.75
   1 ½ inch meter, charge per month .... $11.35
   2 inch meter, charge per month ..... $21.15
2. Outside the City Limits:
   5/8 inch meter, charge per month .... $9.40
   3/4 inch meter, charge per month .... $10.11
   1 inch meter, charge per month ..... $12.27
   1 ½ inch meter, charge per month .... $15.23
   2 inch meter, charge per month ..... $23.06

Water Plant Debt Service Charge: $15.00 per month

Water Sold By Tank: 50 gallons .... $0.30

The motion was seconded by Councilmember Pritchard. Councilmembers Dial and Pritchard voted aye and Councilmember Bell voted nay. Mayor Stuteville voted aye. The motion passed 3 to 1. The Ordinance was assigned number 3008.

Agenda Item 7 – NEW BUSINESS

Clerk Droste presented the Sales Tax report for the month of February. He reported that the sales tax revenue amounted to $133,732.00 which was substantially lower than previous months.

Manager Wieland reported that the Intergovernmental Meeting was held this morning at the new Fire Station. Kansas City Power & Light gave a presentation on potential rate increases and the group was given a tour of the new facility.

Councilmember Bell asked about the lower sales tax revenues and the effect on the budget. Manager Wieland indicated that if sales tax collections do not increase, the budget will have to be amended to reflect the lower revenues. He also stated that the City Hall and Library projects are currently on hold.

Councilmember Bell asked about refunds of donations that were made to the Skate Park Fund. Clerk Droste reported that he had been contacted by two donors who requested that their donations be refunded to them since the City had not started construction on the skate park. The status of the skate park was discussed at length.

Janet McRae, Miami County Economic Development Director, reported that Miami County received a $500,000 grant to purchase foreclosed homes. The homes would be rehabilitated and managed by EKAN. Two homes would be purchased in Osawatomie and two in Paola. She also reported that the Bull Creek Bridge Project is still scheduled to open in May.

Mayor Stuteville recognized Boy Scouts Eric Bensen and Matt Bensen who were in attendance.

Agenda Item 8 – Executive Session. K.S.A. 75-4319(B)(2) is the authority for this recess.

Councilmember Dial made a motion to adjourn to Executive Session, to include the Mayor, Council, City Manager, City Clerk, and City Attorney for 20 minutes for the purpose of a consultation with an attorney for the governing body which is deemed privileged in the
attorney-client relationship; the regular meeting to reconvene at 6:50 p.m. The motion was seconded by Councilmember Pritchard and all voted aye. The motion passed 3 to 0.

At 6:50 pm the Governing Body came out of Executive Session and Councilmember Dial made a motion to reconvene the regular meeting. The motion was seconded by Councilmember Pritchard and all voted aye. The Motion passed 3 to 0.

No action was taken pursuant to the Executive Session.

**Agenda Item 9 - ADJOURNMENT.**

With no additional business to come before the Council, Councilmember Dial made a motion to adjourn. Councilmember Pritchard seconded the motion and all voted aye. The motion passed 3 to 0.

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Artie Stuteville, Mayor

ATTEST: (seal)

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Daniel G. Droste, City Clerk