

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

**August 8, 2006**

**HELD AT THE PAOLA COMMUNITY CENTER  
IN THE INTERNATIONAL ROOM**

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

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

Council Members absent: None.

Also present: Manager VanderHamm, Clerk Droste, City Attorney Tetwiler, Public Works Director Bieker, Police Chief Smail, Sarah Maloney from the Miami County Republic, and others.

**PLEDGE OF ALLEGIANCE:** Mayor Stuteville invited everyone in attendance to join in the Pledge of Allegiance.

**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, Rowlett, and Hamilton were all present.

**Agenda Item 3 - PETITIONS, REMONSTRANCES, AND COMMUNICATIONS**  
No one addressed the Council.

**Agenda Item 4 - CONSENT AGENDA**

- a. **Approval of minutes of the meetings of July 25, 2006**
- b. **Approval of Salary Ordinance number 06-14**
- c. **Approval of Appropriation Ordinance No. 587**

Councilmember Rowlett made a motion to approve the Consent Agenda and authorize the Mayor to sign. Councilmember Hamilton seconded the motion and all voted aye.

**Agenda Item 5 – REPORTS OF OFFICERS, BOARDS AND COMMITTEES**

**Agenda Item 5a - Public Hearing for and adoption of the proposed 2007 Paola City Budget.**

Councilmember Pritchard made a motion to open the public hearing on the proposed 2007 Paola City Budget. The motion was seconded by Councilmember Dial and all voted aye.

Mayor Stuteville asked if there was anyone in attendance who wished to address the Council in regard to the Budget.

Councilmember Rowlett stated that the budget includes \$37,000 for the Chamber of Commerce. He asked if these funds would be split between regular Chamber activities and Economic Development. Manager VanderHamm recommended that \$18,000 be designated for regular Chamber activities and \$19,000 for economic development. Eric Bunnell with the Chamber agreed and stated that the funds needed to be identified separately as the two activities would be segregated on the books of the Chamber.

Manager VanderHamm pointed out that this is the public hearing that establishes the final budget for 2007. The proposed budget for 2007 is \$11,348,063 with an estimated mill levy of 41.893, a decrease of 2.436 mills. He went on to give a summary explanation of the budget.

Councilmember Rowlett made a motion to close the public hearing and adopt the 2007 Paola City Budget in the amount of \$11,348,063 as published. The motion was seconded by Councilmember Pritchard and all voted aye.

**Agenda 5b - Consider an Ordinance Attesting to an Increase in Tax Revenues for Budget Year 2007.**

Councilmember Dial made a motion to approve AN ORDINANCE ATTESTING TO AN INCREASE IN TAX REVENUES FOR BUDGET YEAR 2007 FOR THE CITY OF PAOLA, KANSAS. The motion was seconded by Councilmember Rowlett and all voted aye. Clerk Droste assigned No. 2921 to the Ordinance.

**Agenda Item 5c - Public Hearing for the purpose of considering an application to be submitted to the Kansas Department of Commerce for Small Cities Community Development Block Grant funds under the Housing Neighborhood Development category.**

Councilmember Pritchard made a motion to open the public hearing on the proposed application for CDBG funds. The motion was seconded by Councilmember Dial and all voted aye.

Donna Crawford with Governmental Assistance Services indicated that this is the final step in applying for the CDBG funds. She distributed an updated map of the targeted area and indicated that she has 11 completed applications for the program with 10 more anticipated. She indicated that they had reviewed the budget and they were unable to reduce the amount of the grant request below \$400,000. Donna asked if there was anyone in the audience that had any questions.

No one in the audience address the Council

Councilmember Pritchard asked if Crawford reviewed the rating for the three dilapidated homes in the targeted area. Mrs. Crawford indicated that these homes were revisited. One of those homes looked good from the exterior, but the inside was gutted and not habitable. She was trying to contact the owner to find out what the plans are for the home.

She indicated that she had met with a landlord in the area who owns 10 homes in the target area who wants to participate in the program.

Manager VanderHamm noted that 4 of the 21 “B” rated homes were 2 story and 3 of the 7 “C” rated homes have 2 stories. He asked if this would improve our application in the eyes of the State.

Mrs. Crawford stated that this would help because most of the 2 story homes are rated “A”.

Councilmember Dial made a motion to close the public hearing. The motion was seconded by Councilmember Pritchard and all voted aye.

Councilmember Dial made a motion to approve a Resolution certifying legal authority to apply for the 2007 Kansas Small Cities Community Development Block Grant Program from the Kansas Department of Commerce and authorizing the Mayor to sign and submit such an application. The motion was seconded by Councilmember Pritchard and all voted aye. Clerk assigned No. 2006-006 to the Resolution.

Councilmember Dial made a motion to approve and authorize the Mayor to sign the Statement of Assurances and Certifications; CDBG Disclosure Report; Anti-displacement Plan; and Grant Application Signature Page. The motion was seconded by Councilmember Pritchard and all voted aye.

#### **Agenda Item 5d - Selection of the Grant Administrator and Building Inspector for the CDGB Grant.**

Clerk Droste tabulated the rating sheets from the Council. He reported that Government Assistance Services received the highest ranking for Grant Administrator and Hernly Associates received the highest rating for Building Inspection Services.

Councilmember Rowlett made a motion to approve Donna Crawford as the Grant Administrator and Hernly Associates as the Building Inspector for the CDGB Grant Application. The motion was seconded by Councilmember Pritchard and all voted aye.

#### **Agenda Item 5e - Presentation by Overland Property Group LLC and request for Resolution of Support.**

Bill Brewer introduced himself, Fuss O’Meara, Lou Williams, and Austin Chamberlin who were all involved in the project.

Austin Chamberlin of Overland Property Group, LLC presented a summary of the project that the group proposes for Paola. He explained that the property is located at 900 N Hospital Drive just north of Prairie Place Apartments. The development would contain a total of 25 units with rents anticipated to range from \$550 to \$650 per month. The 8.8 acre site would allow for additional units to be added in future phases. The total cost of the first 25 units in the project is estimated at \$3 million.

Mr. Chamberlin explained that Overland Property Group has completed 600 units similar to this project over the last 6 years at a total development cost of \$65 million dollars. The latest project was completed just off of State Avenue in Kansas City, Kansas.

Councilmember Rowlett questioned if the City's Land Development Ordinance restricted the number of multifamily developments within the same proximity to one another. He suggested that the developer check this out before the project gets too far down the road. Councilmember Rowlett asked if each of the units would have an individual water meter. Clerk Droste stated that it is likely that each unit would be required to have individual water meters.

Clerk Droste explained that the Resolution of Support that the group was requesting would be included in the application to the State for the tax credits. The Resolution is contingent upon the project being approved through the normal planning process and that it conform to building codes.

Councilmember Pritchard made a motion to approve A RESOLUTION OF SUPPORT. The motion was seconded by Councilmember Rowlett and all voted aye. Clerk Droste assigned No. 2006-007 to the Resolution.

#### **Agenda Item 5f - Consider approval of Engineering Consultant Services.**

Clerk Droste reported that he and Manager VanderHamm had met with Allenbrand Drews, Olsson Associates, and BG Consultants. He explained that one of the issues involved in selecting a firm will be the potential for conflicts of interests. When this occurs, another firm will need to be available to represent the City to avoid the conflict.

Cost of the services is also very much a consideration given the duration of the relationship with the engineer. BG Consultants had the lowest hourly rates of the three firms; they also represent other cities in the area such as Garnett, Ottawa, and Tonganoxie. BG Consultants also has staff members that have been employed as a city or county engineer.

Droste explained that one cannot overlook the convenience of having Allenbrand Drews just a block down the street. The City has a long standing relationship with the firm and city staff is very familiar with the firm. However, the greatest chance of a conflict of interests exists with Allenbrand Drews as they currently do work for developers in Paola. Allenbrand Drews original proposal included a \$5,000 monthly retainer, however, in subsequent communications, the firm agreed to provide services based on their hourly fee schedule for a number of months until an appropriate retainer fee and included services could be better defined.

Councilmember Hamilton asked Dick Allenbrand if his firm had an opportunity to represent a developer, would he turn down the developer due to the relationship with the City. Mr. Allenbrand indicated that the firm would accept the job from the developer and the City would have to rely on the back up engineering firm.

Manager VanderHamm indicated that all three firms are well qualified and all have the potential for conflict of interest. The Council discussed the possibility that a City Engineer would be hired in the near future and any arrangement for engineering services would be short term.

At the conclusion of the discussion, Councilmember Rowlett made a motion to approve a contract with Allenbrand Drews for engineering services subject to review of the City Attorney with BG Consultants as backup. The motion was seconded by Councilmember Hamilton and all voted aye.

**Agenda Item 5g - Consider selection of a plan for health insurance through United Health Care for City employees.**

Clerk Droste presented a spreadsheet comparing renewal options for the City's group health insurance for employees.

The first option is a renewal of the existing group plan with a 12.5% increase in premiums. The monthly increase for employees range from \$7.11 to \$21.79 depending on the persons covered by the plan.

The second option introduces higher co-payments for prescription drugs with an increase of 8.8% over current premiums. The prescription co-payments would be increase from \$10 / \$25 / \$40 to \$10 / \$35 / \$60 under this optional plan.

Manager VanderHamm reported that the 2006 budget anticipated an increase of 20% in renewal premiums versus the 12.5% increase that is proposed.

Councilmember Rowlett asked if there has been any discussion about increasing the City's participation from 75% to some other higher number. After discussing this possibility, staff was instructed to create an analysis of options for future discussion.

After discussing the options, Councilmember Pritchard made a motion to approve group health insurance plan option A through United Health Care for City Employees. The motion was seconded by Councilmember Dial and all voted aye.

Clerk Droste advised the Council that he had been contacted by Morris & Associates that EMC had advised him that the City would no longer be required to maintain a separate Police Professional Liability Policy. This coverage would now be extended to the City through the existing Linebacker Policy through EMC for no additional premium. This will result in a savings of \$20,936 based on the premium paid in 2005. Written acknowledgement from EMC will be provided to the Council.

**Agenda Item 5h - Consider request for additional playground equipment in Whitaker Park.**

Public Works Director Bieker presented estimates for adding playground equipment at Whitaker Park. In a previous meeting the Council had received a request from Anna Faust for additional play structures for older children in the park. Additionally, the City received \$1,000 from Miami County specifically earmarked for park improvements. The balance of the cost of the improvements would be paid from the Special Parks Fund.

After discussing the options presented, Councilmember Pritchard made a motion to approve the addition of a 13' dome jungle gym and a swing set in the amount of \$2,730 plus fall protection materials, and round out the play area within Whitaker Park. The motion was seconded by Councilmember Dial and all voted aye.

**Agenda Item 5i - Consider approval of Change Order No 6 for the Wastewater Treatment Plant.**

Public Works Director Bieker presented a summary of Change Order 6 for Contract A on the Waste Water Treatment Plant. The Change Order includes:

- 1) Drain pump discharge isolation and check valves - \$+10,027.06
  - 2) Drain pump discharge & clarifier splitter baffles - \$+1,584.35
  - 3) Wash water pump low level cutoff float - \$+553.33
  - 4) Extend contract to allow for completion of the 'Punch List' - \$+0.00
- Total amount of change order \$12,164.74

Councilmember Rowlett made a motion to approve change order number 6 in the amount of \$12,164.74 with CAS Construction for Contract A on the Wastewater Treatment Plant project. The motion was seconded by Councilmember Hamilton and all voted aye.

**Agenda Item 5j - Consider approval of the Waste Water Treatment Plant Construction Draw #13.**

Clerk Droste presented construction draw #13 for the waste water treatment plant.

Councilmember Hamilton made a motion to approve construction draw #13 in the amount of \$345,585.47 for the new waste water treatment plant. The motion was seconded by Councilmember Rowlett and all voted aye.

**Agenda Item 5k - Discussion about mixed uses within a single development.**

Manager VanderHamm advised the Council that issues regarding mixed uses within a development will be discussed at the Planning Commission level. He indicated that if the Council was not interested in seeing any changes to the current regulations, that it would be timely to discuss preferences prior to the Planning Commission giving consideration to the issue.

Amy Barenklau presented a summary of previous Planning Commission discussions on the issue.

Councilmember Rowlett stated that one of the difficulties of 'suburban' zoning is the minimum square footage and frontage requirements for lots. Additionally, when mixed uses are proposed for a development in suburban zoning, the green space requirement increases from 10% to 35%. The green space requirement for the Doherty development would be approximately 40 acres if they develop with mixed uses. It was his opinion that this is one inherent problem with the LDO.

After discussing the issue further, Mayor Stuteville suggested that the Council attend the Planning Commission meeting on August 15<sup>th</sup> to discuss the issue in detail.

### **Agenda Item 6 - NEW BUSINESS**

Manager VanderHamm presented a summary of the revenues and expenditures for the 2006 budget to date. The report was discussed with the Council.

Councilmember Hamilton inquired about sidewalks that have been removed by homeowners and if they would be required to replace them. Manager VanderHamm indicated that any sidewalk that was removed should be replaced. He agreed to pass along addresses to the Building Inspection Department.

Councilmembers Rowlett and Dial had no additional topics to discuss.

Councilmember Pritchard asked about the air quality study at Taylor Forge. Manager VanderHamm reported that there have been discussions with the State and that the issue was still being pursued. Councilmember Pritchard reported that he had received a call about One Stop Auto parking vehicles in restricted areas and cleaning engines and allowing the grease to run into the storm sewer. Also, he had talked with Ed Dawson about removing the bush at the corner of Hillcrest and Brookside.

Mayor Stuteville reminded the Council that the Board of Education was meeting on Monday at 7:00 pm to take action on the bids for the school's property.

### **Agenda Item 7 - EXECUTIVE SESSION - Executive Session for the purpose of a consultation with an attorney for the governing body which is deemed privileged in the attorney-client relationship. K.S.A. 75-4319(B)(2) is the authority for this recess.**

Councilmember Rowlett made a motion to adjourn to Executive Session 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 8:10 p.m. The motion was seconded by Councilmember Hamilton and all voted aye.

At 8:10 p.m. the meeting was reconvened.

### **Agenda Item 8 – ADJOURNMENT.**

With no additional business to come before the Council, Councilmember Dial made a motion to adjourn the meeting. Councilmember Rowlett seconded the motion and all voted aye.

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Artie Stuteville, Mayor

ATTEST: (seal)

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Daniel G. Droste, City Clerk