

approved 11-30-15

City of Peabody  
Minutes of the City Council Meeting  
November 9, 2015

Office of the City Clerk  
November 9, 2015

**CALL TO ORDER:** The regular meeting was called to order by Councilman Wilson at 7:00 p.m. in the council chambers of City Hall located at 300 N. Walnut, Peabody, Kansas. The following council members were present: Megan Holt, Janice Woodruff, Travis Wilson, Tom Spencer, and Steve Rose. Mayor Larsen was not present.

**STAFF:** Stephanie Lago - City Clerk, Jonna Munson – City Treasurer, Bruce Burke – Chief of Police, Ronnie Harms – Superintendent of Public Works,

**VISITORS:** Susan Marshall - Peabody Gazette Bulletin, Larry Lago, Jim Rippe, Jon Haas – Ranson and Associates, Dale Clark and Amy Elliott of Knudsen Monroe, Randy Dallke, Commissioner Marion County.

**THE PLEDGE OF ALLEGIANCE** Council President Travis Wilson called the meeting to order.

**I. MINUTES:** The council reviewed minutes of the regular city council meeting held October 26, 2015. Councilman Wilson corrected the “approval of the agenda vote” from 5-0 to become 3-0 as two council members were absent.

**MOTION** by Rose to approve the minutes of October 26, 2015 as amended. Motion seconded by Tom. Motion carried 3-0-2 (Holt and Woodruff abstained).

**II. APPROPRIATIONS:** The council reviewed:

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PAYROLL 2015 11a	\$ 9,343.60
PAYROLL 2015 11a Tax & Benefits	\$ 8,314.48
PAYABLES 2015 11a	<u>\$ 41,740.81</u>
Totaling:	\$ 59,399.09
Release Weiss #32839	<u>\$ 330.00</u>
Grand Total	\$ 59,729.09

Clerk Lago asked the council to take note of three (3) checks that were in this batch which finalized the Monument Sign Project.: BG Consultants Inv. # 4 for \$897.00; BG Consultants Inv. #5 for \$1,504.00; Inv. #1 Vogts Construction for \$22,787.00. Once these are approved and paid, Clerk Lago will submit them to KDOT for 87% reimbursement. The Weiss Check #32839 for \$330.00 needs approval this evening as it was held earlier until merchandise had been received.

**MOTION** by Rose to approve appropriations in the amount of \$59,729.09. Motion seconded by Holt. Motion carried 5-0

Mayor Larsen joined the meeting in progress.

**III. PUBLIC COMMENT:** Jonna Munson requested to address the council. She expressed thanks to the City Council for their support of her attending the Municipal Academy from November 2nd – 6<sup>th</sup>.

Susan Marshall informed the gathering she was happy to report that the Department of Agriculture will provide start-up funds for the Main Street program to reactivate as of 1-1-16. It will no longer be funded by the state.

**IV. APPROVAL OF AGENDA:** Amended to add Randy Dallke when he arrives.

**MOTION** by Wilson to approve the agenda as amended. Woodruff seconded the motion. Motion carried 5-0.

**V. AGENDA ITEMS:**

**A. Monument Sign Completion – Clerk Lago**

Enclosed in the council packet for review were the Completion of Work Certificate which Mayor Larsen signed. This item closes the contract. The Contractor provided an affidavit that Engineer's Project No. 14-1068L indebtedness whether incurred by the Principal Contractor or subcontractor have been paid in full. As a result Vogts Construction Company submitted their pay Request #1 in the amount of 22,787.00.

**MOTION** by Rose to approve the Completion of Work Certificate, the Contractor's Affidavit and Pay Request submitted by Bill Zerger, GM of Vogts Construction. Motion seconded by Holt. Motion carried 5-0.

**B. Ranson Financial Consultants, LLC – John Haas, President of Ranson Financial Consultants**

Mr. Haas presented the council with two refined proposals on the refinancing of the City's General Obligation Bonds.

Table 10 Alternative A provides Front-End Savings - in the amount of \$48,033.58 in 2016 and closing savings of \$48,849.82 in 2046. (term of 30 years). From 2017 – 2045 annual payments will vary in extremes of -\$2,938.42 in 2027 or +\$2,336.58 in 2021. The total savings amount to \$77,589.55

Table 10 Alternative B provides Final Savings for the five (5) final years of the term, 2042, 2043, 2044, 2045 and 2046, each year saving \$48,849.82 resulting in a total savings \$212,808.83. (Term of 30 years) Again, annual payments vary in extremes of -\$6,443.92 in 2017 to +\$2,049.82 in 2041. However 21 years of the loan anticipate consistent cash savings.

There were three bidders for the refinanced bonds: Central States Capital Markets with the average interest rate of 3.7255% creating net interest cost of \$656,128.33; D. A. Davidson & Co. with the average interest rate of 3.7025% creating net interest cost of \$652,076.67; Cooper Malone with the average net interest rate of 3.6634% creating net interest cost of \$645,181.67.

Mr. Haas agreed the Calendar of Events for the process of GO Ref Bonds needs to be reviewed and corrected.

There was lengthy discussion and consideration of this matter by the council. The city's auditor, Dale Clark of Knudsen Monroe contributed further explanation and insight. Either Alternative will provide savings overall.

**MOTION** by Wilson to adopt Resolution 06-2015 A Resolution selecting a purchaser for, and authorizing the offering for sale of general obligation refunding bonds, series 2015 of the City of Peabody, Kansas. Peabody specifying Cooper- Malone as the purchaser / underwriter for the Bonds; further, Section 1 (b) shall read "the present value savings associated with refunding the Refunded Bonds shall but not less than \$75,000.00 of the principal amount of such Bonds."; That Alternative A providing Front-End Savings will be the selected format. Motion seconded by Holt. Motion carried 4-0-1 (Woodruff abstained).

**C. Employee Reports**

1. Stephanie Lago, City Clerk

Clerk Lago distributed a written report to the council covering preliminary research on tablets for the city council; Mentoring arranged with Don Osenbaugh; Redemption Letters processed for refinancing of bonds; contact with previous City Attorney, Bob Myers; report of new HVAC coming for Peabody Care and Rehab, Project Exemption Certificate for Middlecreek to do sewer replacement at Santa Fe Park; building permit update.

**D. Randy Dallke, Marion County Commissioner**

Commissioner Dallke joined the meeting at 8:00 p.m.

Dallke explained that he was attending tonight to bring to our attention information about High Risk Rural Roads. Accompanying Dallke was Bruce Boettcher, P.E. Vice President of BG Consultants, Emporia, KS. There is a correction in the road at 130th and Nighthawk. KDOT will engineer Nighthawk to be less severe of a curve and the slope will be more gradual. The new plan will build over our water line coming down from Hillsboro. (west side in right of way). Should Peabody re-lay the water line ahead of time and pay for the project or wait and have it included in the KDOT road project and costs? If the City decides to re-lay the water line now, Dallke believes the start date could be extended to June 1, 2016 in order to get the project done ahead of time. The minimum cost of this project may be \$30,000.00. Dallke believes that he can get Marion County to financially assist if we do the road project ourselves, ahead of time. But there was no specific guarantee or written agreement available.

**E. Reports from Standing Committees**

1. Water (Spencer) -  
Mayor Larsen reported he had met with Ronnie Harms to discuss the necessity of purchasing a back up impeller for the city's sewer system. As of this meeting it has already been ordered from Fluid Equipment in Kansas City for the price of \$2,029.71
2. Streets and Alleys (Woodruff & Wilson) - nothing to report
3. Sanitation (Larsen & Wilson) - nothing to report
4. Lights Committee (Holt & Wilson) - nothing to report  
Pole #KPLgassvc 34717 @ old dog pound \$11 month – disconnect. Clerk Lago spoke with Westar about this light. This light was scheduled for disconnection several years ago and the city has not been billed the \$11 per month since then. Physically, it never was disconnected. Since my inquiry, the light will now be disconnected.
5. Fire Committee (Larsen & Woodruff & Rose) - nothing to report
6. Park and Swimming Pool Committee (Woodruff & Spencer) -  
Brent Coffman wanted to get the city's approval for the size and color of the sign to be placed on the Floral Exhibition Hall/ Round House at City Park. Councilman Woodruff distributed two (2) options.

Council selected the white background with royal blue lettering which states "UNDEFEATED STATE CHAMPIONS FOOTBALL 1958 'COACH BOB COFFMAN' " A 2 x 3 size will be good if it fits right above the door.

Clerk Lago reported the porta pottie at the football field has been picked up by Prairie Pots as of 11-9-15.

There are cracks in the wall and sidewalk on pad at the swimming pool. Harms reports a that caulking tubes are \$7.99 at Peabody Hardware.

7. Building Committee (Larsen & Woodruff) – nothing to report
8. Finance and Ordinance (Holt – Rose)
9. Economic Development Committee (Larsen & Holt) –  
Mayor Larsen echoed his pleasure with the news Susan Marshall shared about the Main Street Program.

10. Personnel (Larsen & Wilson & Rose ) -

Clerk Lago reported on an amendment that was needed in the City's Personnel Policies and Guidelines, Page 26, ARTICLE K. SEPARATION #4 (b) Retirement shall be mandatory for all employees on the first day of the month following the month in which they attain the age of 65, except as provided in paragraph (c). Clerk Lago reminded the council that the full retirement age of 65 is now 66 according to the Social Security Department, and will need to be reviewed as the government alters this ruling in the future.

Lago requested section (b) of the PPG be changed to Social Security Guidelines as follows:

**Full / Normal retirement age as defined by Social Security:**

Year of Birth*	Full Retirement Age
1943 – 1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and later	67

And further that section (c ) line 3 “beyond age 65” be changed to “ **beyond age 66**”

**MOTION** by Holt to update the Personnel Policies and Guidelines as requested by Clerk Lago. Motion seconded by Wilson. Motion carried 5-0.

**F. Report from the Mayor –**

Mayor Larsen reported the Peabody Ambulance is up and running. Emergency staff and a paramedic nurse stepped up to fill the voids. Tammy Whiteside is the new crew chief. Travis Wilson is on the EMS Advisory Board. The County EMS Director turned in her resignation today with 2 weeks' notice for the County to find a new EMS director.

**COMMUNICATIONS:**

Letter from Westar

**ENCLOSURES:**

**VII: ITEMS TO BE ON AGENDA FOR UPCOMING MEETINGS:**

1. Process procedures for Lack of Water Service
2. Purchase of new pool cover

**VIII. ADJOURNMENT:**

There being no more business to be brought before the council **MOTION** by Wilson to adjourn the meeting at 9:00 p.m. Motion was seconded by Holt . Motion carried 5-0.

**CERTIFICATE**

I hereby certify that the foregoing minutes are a true and correct recording of the proceedings of the governing body of the City of Peabody, Kansas, held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

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Stephanie Lago, City Clerk