

Approved 7-28-14

City of Peabody
Minutes of the City Council Meeting
July 14, 2014

Office of the City Clerk
July 14, 2014

CALL TO ORDER: The regular meeting was called to order by Mayor Larry Larsen, 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: Steve Rose, Janice Woodruff, Tim Peterson, Robert Knapp and Travis Wilson. Mayor Larsen stated that a quorum was established.

STAFF: Stephanie Ax - City Clerk

VISITORS: Susan Marshall, PeabodyGazette-Bulletin, Jim Rippe, Nathan McGee, Rita and Bob Brady.

I. MINUTES:

The council reviewed the minutes of the regular city council meeting June 30, 2014

MOTION by Rose to approve the minutes of the regular scheduled city council meeting of June 30, 2014 with the names added to the motion on page 6. Motion was seconded by Knapp. Motion carried 5-0.

II. APPROPRIATIONS: The council reviewed

<u>Westar Group Bill</u>	\$ 1,325.54
<u>Payroll 2014 7A</u>	\$ 12,667.02
<u>Payroll 7A Benefits</u>	\$ 8,764.59
<u>Payables 2014 7A</u>	\$ 37,471.50

Councilman Rose requested check # 31153 in the amount of \$900.00 to Peabody Ambulance / EMS be pulled from Payables 2014 7A; Councilman Woodruff questioned check #31156 in the amount of \$697.95 to Pixius Communications; Woodruff also questioned the amount owed to Spur Ridge Vet Hospital. Mayor Larsen presented his opinion about what recently transpired with a particular animal case which created the bill, Chief Burke wants to look for another veterinary service; Councilman Knapp questioned check #31162 to Westar which included \$21.67 for the Baker buildings.

Mayor Larsen submitted a note dated 7-14-2014 and submitted it to the city clerk which stated: The Peabody Ambulance did request payment of the \$900 stipend for 2014. The money will be used to buy jackets, training and pop/water and new small refrigerator.

MOTION by Knapp to approve Westar Group Bill \$ 1,325.54 ; Payroll 2014 7A \$ 12,667.02; Payroll 7A Benefits \$ 8,764.59 ; Payables 2014 7A \$ 37,471.50. Motion was seconded by Woodruff. Motion carried 4-1 (Rose).

III. PUBLIC COMMENT:

Mayor Larsen invited anyone to speak during this portion of the meeting if it were three (3) minutes or less, or to request to be on the agenda if more time was needed.

Mr. Brady inquired if the city was in the real estate business. There is an empty lot north of his residence (705 Sycamore) which may in the free lots program. He has no interest in building a house on that lot, but would just like to add to the property around his home for a small orchard. Mayor Larsen told him to come back to the city council with an offer.

Mr. Brady also inquired about the water in the gutters from the city flushing the hydrants. Mayor Larsen posed the question, "Would it be okay for a citizen to retrieve the water into a tank of sorts and use for irrigation on his own property?" The city council concurred it would be fine.

IV. APPROVAL OF AGENDA:

Nathan McGee will be added to item B1 as his concern will be addressed in City Clerk Ax's report to the council.

Councilman Woodruff requested an executive session be added under personnel 10 minutes.

MOTION by Peterson to approve the agenda as amended. Motion was seconded by Woodruff. Motion carried 5-0.

V. AGENDA ITEMS:

A. Communication Contracts:

Clerk Ax presented renewal contracts from both AT&T (deadline 7/23/14) and Avaya (deadline 8/22/14). Krishyn Caldwell, City Treasurer had enclosed a copy of the most recent long distance bill with AT&T (which was very high) for the council's perusal. The council directed Ax to return the contracts for AT&T back to Ms. Caldwell, Accounts Payable Clerk to research provider alternatives.

The contract renewal with AVAYA did not contain any financial information. Councilman Wilson requested financial data before we sign anything.

B. Employee Reports:

Nathan McGee inquired if the city had other ways of collecting delinquent utility accounts rather than holding landlords liable. City Clerk Ax responded that, yes, the city uses the State Setoff Program for collections.

1. Stephanie Ax, City Clerk

As directed by city council Clerk Ax contacted attorney Robert Lane to discuss implementation of ordinance 03-2014 collecting delinquent tenant's utility bills from landlords. Lane in turn consulted Larry Baer with the League of Kansas Municipalities. Attorney Lane responded, 'The language in the ordinance meets the guidelines as presented by the LKM and their interpretation of the legislative changes that occurred in 2006 which allow for essentially joint liability... the city cannot put a lien on the property (which our ordinance complies with that prohibition) ...the City couldn't hold the property hostage by making landlord or Tenant B pay the unpaid bill after Tenant A skipped out on the obligation without paying. Collecting from the landlord by any legal means really comes down to if the landlord every voluntarily pays the obligation because without a lien and without being able to withhold service, there really isn't any other way to motivate a satisfaction.

RFQs for culvert repair on N. Elm Street were sent to Frank Oursler- Middlecreek, Rod Entz - Rod's Ditching, Graber Backhoe, Newton. The bids are to be opened at the July 28th City council meeting.

The city received an unsolicited bid from Handyman Services to paint the city office building - any necessary repairs will be made at \$35 per hours plus the cost of materials. Loose paint will be scraped off. Bare spots on wood will be primed before painting. Labor / prep work and painting \$2,500; bucket rental and or scaffolding rental \$500; Materials \$250 totaling \$3,250.00. Concerns were raised that this bid probably didn't include the purchasing of the paint, and that the children painting as part of the crew were too young for the job.

The 2014 - 2015 Application for Kansas Animal Shelter or Pound License was completed and returned to KS Dept of Agriculture, Animal division. Spur Ridge signed off as Veterinary Clinic. (this vet form had to be re-faxed to the State).

The City Statement of Bonded and Floating Indebtedness was completed and faxed to the Marion County Clerk's office.

The bill the city received from Marion County for the chip-seal to Peabody Street was \$7,000.00.

402 Elm was billed \$250.00 for the extensive trash piled at the curb during Spring Cleanup in May 2014 as they are not a current trash customer. If the bill is not paid, it will be turned over to Marion County to add to the property tax.

Shannon Denardi of 305 Pine provided the city with photos of her swimming pool which was just filled - after the water hydrant had been flushed in her area. Mayor Larsen confused 305 Pine with a different location.

The Myers' family would like to erect a new carport behind 308 N. Walnut as the previous unit was destroyed by an act of God beyond 50% of its value. Jim Rippe who was in attendance at the city council meeting, was a former member of The Planning and Zoning Committee. He stated that a metal awning is not real property but they will need a building permit and to follow zoning laws. He suggested that the first thing needed was the plan for the accessory structure which should go to the zoning committee and to look up the zoning regulations. The Main Street group should be involved too since the property is within the area of the historical district.

Clerk Ax developed a new form for the Animal Control Officer to use to help track the disposition of an animal the city picks up for any number of reasons. Chief Burke is reviewing the form .

C. Reports from Standing Committees

1. Water Committee – nothing to report

2. Streets and Alleys Committee – Cost Sharing Sidewalk Program

As directed by this committee, Clerk Ax included the city code Chapter XII on Streets and Sidewalks, Kansas State Statutes 12-1801 thru 12-1805, and a sample application from the City of Cheney for their sidewalk installation / replacement grant with the June 16, 2014 packet to assist in development of a sidewalk replacement program. The committee did not address the program at the previous meeting so it was carried forward to this meeting. Councilman Woodruff stated she wants to go back to what we did before - when the property owner tears up the total sidewalk (per lot - not a patch job), pays for it and then asks the city council for money - if we have money in the budget for it. Councilman Wilson agreed.

Glen Yoder's (301 N. Vine) alley from Division to 4th Street is a horrid mess. It is not for the city to clean up because that alleyway was vacated and returned to the adjacent property owner many years ago.

3. Sanitation Committee – nothing to report

4. Lights Committee – nothing to report

5. Fire Committee - nothing to report

6. Park and Swimming Pool Committee – Update

Councilman Woodruff asked when the pool was going to close this year; she feels that August 8th is too early to close. Mayor Larsen said there are lifeguards around even if Beth is a para at the school.

7. Building Committee –

Mayor Larsen had an appointment at the County Appraiser's Office on July 1, 2014 to discuss the status of the Baker buildings and the payment under protest on 117, 121, 123 and 125 N. Walnut. By the time of this meeting on July 14th, the city had received the Appraiser's Recommendations on each of these four (4) properties. An adjustment was made because of property damage not previously recognized. The adjustment resulted in a reduction in the appraised value as follows:

117 N. Walnut	Class C	Land \$2,380	Building \$5,610	Total \$7990
121 N. Walnut	Class C	Land \$3,250	Building \$10,400	Total \$13,650
123 N. Walnut	Class C	Land \$2,380	Building \$8,770	Total \$11,150
125 N. Walnut	Class C	Land \$2,380	Building \$11,120	Total \$11,120

Mayor Larsen will need to locate previous valuations to compare to these numbers. Even so, it is not possible for these buildings to house a business on the main floor, or for anyone to live upstairs in their current condition.

Clerk Ax presented the council with two proposals for maintenance contracts for both City Hall and the Butler building on N. Olive. This was in response to the police department and city shop's air conditioning unit breaking down. After Denny's had been called out, it was discovered that the problem could have been avoided by cleaning the condenser coil.

The damage resulted in a \$239 repair bill. Clerk Ax requested Denny's provide us with quotes on maintenance agreements as follows:

- a. Police Dept building \$244.20 annually (2 units)
- b. City Hall \$3667.20 annually (4 units)

Each of these agreements included 2 inspections annually, March and September, and included filters.

The council directed Ax to ask Mr. Manning if the city already has maintenance contracts for the city buildings.

8. Finance and Ordinance Committee - nothing to report
9. Economic Development Committee - nothing to report
10. Personnel -

Motion was made by Wilson to enter into executive session at 8:25 p.m. to discuss non-elected personnel for 10 minutes to include city council and Mayor Larsen. The motion was seconded by Peterson. The motion carried 5-0. The governing body re-entered regular session at 8:35 p.m.

D. Report from the Mayor

Mayor Larsen addressed the invoice sent to Leah Ottensmeier for reimbursement of the cost of recovering the password on Municipal Court laptop computer. It was undetermined when the password was changed on the computer in the police department. Do we turn this over to the city prosecutor or go to small claims court? It was suggested that we drop this matter but implement some sort of exit interview that will address these issues.

VI: COMMUNICATIONS:

No comment on communications

VII: ITEMS TO BE ON AGENDA FOR UPCOMING MEETINGS:

1. Voghts Parga Estimate
2. Report on Removal of Grass Growing in Streets.
3. Proposal for EBH Engineers for a long-range planning on improvement of streets, water and sewer systems.
4. Report on Deteriorating Ditch at 7th and Poplar.
5. Purchase of a new pool cover.
6. Upgrading Swimming Pool based on quote from W.G. Germaine.
7. Fire Cadet Program
8. Roof repair on Baker buildings

VIII. ADJOURNMENT:

There being no more business to be brought before the council. **MOTION** by Tim Peterson to adjourn the meeting at 8:45 p.m. Motion was seconded by Rose. 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)

Stephanie Ax, City Clerk

approved 7-28-14

City of Peabody Minutes of the Special City Council Meeting July 14, 2014

Office of the City Clerk
July 14, 2014

CALL TO ORDER: The special meeting was called to order by Mayor Larry Larsen at 6:00 p.m. in the council chambers of City Hall located at 300 N. Walnut, Peabody, Kansas. The following council members were present: Steve Rose, Janice Woodruff, Tim Peterson, Robert Knapp and Travis Wilson. A quorum was established.

STAFF: Mac Manning, Jr. - City Manager, Stephanie Ax - City Clerk, Krishyn Caldwell- City Treasurer,

VISITORS: Susan Marshall, Peabody Gazette-Bulletin

The purpose of this special meeting was to obtain an overview of the budget for 2015 presented by Manager Mac Manning, Jr.

Manager Manning prepared a Historical Budget Information spread sheet. Our year end cash balance is the lowest it has been in ten years: \$103,173.00 compared to \$552,709 at the end of 2014. We should have 10-15% in reserves but we don't.

We are already operating on a bare-bones budget. Revenue is flat; expenditures go up every year. There was a \$31,000 short fall in property tax. Assessed valuations are up this year, approximately \$8,000.00. (\$312,122 compared to \$321,092.00).

Do we consider raising the mill rate? One mill is approximately \$4,034. I suggest we raise by three (3) mills for about \$12,000.00. We can publish with an increase and decrease it later. But we cannot publish and then increase it later.

Mayor Larsen inquired about the possibility of hiring a third full time police officer,. If we are paying a part-time position already and just increase it to full-time.. Wouldn't it only be adding half of a full-time salary i.e. \$30,000.00 compared to \$60,000.00. What if this employee had health insurance through his spouse and didn't need benefits from the city?

Manning continued - the pool and pool house need a lot of repairs. Even if we get \$20,000.00 from the Recreation Commission we still have a lot of repairs yet to do.

We have \$12,000.00 as the first payment on a patrol car.

Manager Manning cut the PMSA budget to \$7,000.00. Morgan Marler may be developing a \$51,000 plan.

Our water rates from Hillsboro went up... Stephanie has followed by raising the rates on the utility billing as of July 1, 2014.

Manning would like to look into 50 cents to \$1.00 increase for current staff. The Police Department is \$1.00 hr. behind on full time police.

The State Health Insurance plan has a three year guarantee on rates... but it is still expensive.

Mayor Larsen injected that 2014 is the last year we will be paying on the Public Works /Police Department building.

City Council Minutes
July 14, 2014
Page 2

Manning continued \$62,000.00 - Bond & Interest payment – nothing we can do about that - structured for 40 years for the water main coming from Hillsboro.

Special Highway has \$98,000.00 in expenses for road projects.

Mayor Larsen added that the Highway grant for signage is still in planning.

Special Parks is supported by the liquor tax. We didn't need it this year so we didn't transfer funds.

Bond & Interest fund - carryover to cushion.

Water Operating - carryover \$6200.00 . We will only get ½ year of new rate revenue during 2014.

Sewer Operating - \$27,000.00 unencumbered cash balance at end of 2014.

Sewer Replacement – line needs to be replaced on the east side of Santa Fe park – 1st & Walnut. West side of Olive has sewer line needing repair also.

After the events of July 4th.. do we need to get a larger septic tank at the city park? Or do we attach it to the sewer line?

We should be clearing \$1 per trash container. We may need to raise rates.

At our next meeting on July 21st we will cover the general fund.

Mayor Larsen thanked Mac, Stephanie and Krishyn for their work in preparing for this meeting

ADJOURNMENT:

There being no more business to be brought before the council. **MOTION** by Woodruff to adjourn the meeting at 6:32 p.m. Motion was seconded by Woodruff. 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)

Stephanie Ax, City Clerk

Approved 7-28-14

City of Peabody Minutes of the Special City Council Meeting July 21, 2014

Office of the City Clerk
July 21, 2014

CALL TO ORDER: The special meeting was called to order by President Steve Rose, at 6:00 p.m. in the council chambers of City Hall located at 300 N. Walnut, Peabody, Kansas. The following council members were present: Steve Rose, Janice Woodruff, Tim Peterson, Robert Knapp and Travis Wilson. Mayor Larsen was absent.

STAFF: Mac Manning, Jr. City Manager, Stephanie Ax - City Clerk, Krishyn Caldwell, City Treasurer, Bruce Burke, Chief of Police.

VISITORS: Susan Marshall, PeabodyGazette-Bulletin, Morgan Marler

Council President Steve opened the meeting at 6:59 p.m.

The purpose of this special meeting was to discuss the budget for 2015.

2015 Revenue

We anticipate that General Fund Revenues will be up about \$30,000.00 in 2015 from Ad Valorem

2015 Expenditures

We anticipate that General Fund Expenditures will go down \$57,206.67 comparing budgeted 2014 to estimated 2014 expenses.

01-1000

The only full time salary that is paid from this fund is Krishyn . The only part time salary is the Animal Control Officer. Postage costs are expected to go up in 2015. We need to keep our landlines at city hall. Our legal line item is for legal counsel we have on retainer. We may be able to reduce legal publications by some use of publishing on line. Office Supplies have gone up but Stephanie tries to shop for the lowest prices. Reimbursed Expenses line item is used for the purchase of fireworks for the Fourth Fest Committee.

01-1100 Planning Commission – spread sheet printout incomplete

01-3000 Police Department

01-3100 Municipal Court Division

Chief Burke was in attendance to answer questions. The Police Department's budget for 2015 is \$252,325.00 compared to \$228,625.00 in 2014. (\$23,700.00 increase) Over time salaries show a significant increase of \$4,000.00. Care of Prisoners' line item was discussed. Electric monitoring might work to reduce costs but probably not. Office Equipment Maintenance line item has increased. Gasoline costs have increased as well.

01-5000 Parks

We are already \$1,800.00 over budget due to Part Time Salaries (Bobby); Drugs and Chemicals line item is over budget by \$1,350.00. The city is receiving \$8,000.00 annually from USD 398 for the use of the football fields, baseball fields, etc. which includes fertilizer and chemicals to offset our expenses. Mosquito spray comes under a different line item Pest Control. That chemical is very expensive and we will have to watch its use very closely.

01-6000 Swimming Pool

Councilman Woodruff inquired about the \$6,600.00 salary for the swimming pool manager. She is not sure that it should be that much if the pool is closing so early. Maintenance of the building and upgrading the pool to ADA requirements is going to be very expensive. The purchase of a \$7,000.00 pool cover may have to go onto the back burner.

01-7000 Special Utilities

Westar rates are up – so are the Franchise Fees. Water and Sewer Charges in this fund are based upon utility accounts of city property which we are paying at cost.

01-8000 Economic Development

Manager Manning recommended \$7,000.00 for this category (\$6,000.00 for a part time salary, \$100 postage, \$600.00 mileage/tolls, Dues and Memberships \$100.00, Office Supply \$200.) Morgan Marler stated that in past conversations Main Street had asked for \$35,000.00. This year PMSA's proposed budget is \$24,160.00 (\$15,600 – 52 wks @ \$20 hr; mileage \$560; printing expenses \$1,000; office equipment phone, ink and copies \$1,000; engineering consultation \$6,000.00). They also request the use of the former office space that was used by previous director, use of the office copier and fax machine, storage and file cabinets, as well as the laptop computer that was used by the previous director that contains all the PMSA and Eco Devo information on it. They would continue to use the agreed upon method of evaluation of employee that is stipulated in the Memorandum of Agreement.

Councilman Knapp expressed interest in understanding arrangement made between parties and the history involved. Clerk Ax was directed to locate the Memorandum of Agreement between the City of Peabody and the Board of Directors of Peabody Main Street Association with respect to the coordination of economic development and historic preservation activities for the community.

Clerk Ax inquired if the council previously discussed the salary for the administrator and eco devo/main street as sources of funding for the roof repair of the Baker buildings?

01-9000 Transfers

The main subject of conversation was the repair of the roofs of the Baker Buildings. Morgan Marler echoed the concern for repair of the Baker buildings' roofs. The grant of matched funds availability ends in August 2014. Have we moved forward with this? Councilman Knapp inquired exactly who is Baker Lofts LLC? Ms. Marler explained the Board of the LLC is comprised of three (3) 1. City Council Board, 2. Main Street Board 3. Eco Devo Board. Ms. Marler stated we might also apply for Gap financing.

Capital Funds will also be used for a new pool liner for \$27,000. We hope to receive funds from Peabody Burns Recreation Commission to offset some of this cost.

FUND 02 – Special Law and Fire Fund

FUND 05 – Special Park & Recreation Fund – spreadsheet printout incomplete.

Fund 09 – Water Operating Fund
Fund 12 – Sewer Operating Fund
Fund 14 – Refuse Operating Fund

ADJOURNMENT:

There being no more business to be brought before the council. **MOTION** by Tim Peterson to adjourn the meeting at 7:30 p.m. Motion was seconded by Woodruff. Motion carried 5-0.

City Council Minutes
July 14, 2014
Page 6

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)

Stephanie Ax, City Clerk