

OSAWATOMIE CITY COUNCIL
AGENDA

August 26, 2021

6:30 p.m. | Memorial Hall | 411 11th Street

1. Call to Order
2. Roll Call
3. Pledge of Allegiance
4. Invocation
5. Consent Agenda

Consent Agenda items will be acted upon by one motion unless a Council member requests an item be removed for discussion and separate action.

 - A. August 26th Agenda
 - B. Meeting Minutes – August 12th, 2021
 - C. Calling a Special City Council Meeting for September 16, 2021 – 2022 Budget
 - D. Pay Application(s)
 - E. Special Event Permit – Border War BBQ
 - F. Special Event Permit – Freedom Festival
6. Comments from the Public

Citizen participation will be limited to 5 minutes. Stand & be recognized by the Mayor.
7. Public Hearing
 - A. CDBG-CV Grant – Mike Scanlon
8. Presentations, Proclamations, and Appointments
 - A. 2020 Audit – Jarred, Gilmore, and Phillips
 - B. Proclamation of Constitution Week for 2021 – Tammy Seamands
 - C. Final City Logo Presentation (Res 916) – Mike Scanlon
9. Unfinished Business
 - A. Resolution 908 and 908A – 2022 Budgetary Policies – City of Osawatome, Kansas – Mike Scanlon
10. New Business
 - A. Resolution 913 -- Agreement with USD 367 School District for the Licensing of Property at Mile Zero (Trailhead Parking) – Mike Scanlon
 - B. Resolution 914 – Amending the Uniform Personnel Policies and Guidelines for the City of Osawatome, Kansas – Mike Scanlon
 - C. Resolution 915 – Amending the April 9, 2020 Employment Agreement of Mr. Michael J. Scanlon, City Manager – Mayor Mark Govea
 - D. Ordinance 3798 – Adopting the 2021 Standard Traffic Ordinance – Chief Dave Stuteville
 - E. Ordinance 3799 – Adopting the 2021 Uniform Public Offense Code – Chief Dave Stuteville
 - F. Resolution 916 – Accepting the New City Logo from Springboard Creative – Sam Moon
 - G. Resolution 917 – Accepting the 2020 Annual Electric Report – Terry Upshaw
 - H. Ordinance 3800 – Amending Portions of the Solid Waste Code – Mike Scanlon
 - I. Selecting Voting Delegates for the League of Kansas Municipalities Annual Conference – Mayor Mark Govea
11. Council Report
12. Mayor’s Report

OSAWATOMIE CITY COUNCIL
AGENDA

August 26, 2021

6:30 p.m. | Memorial Hall | 411 11th Street

13. City Manager & Staff Report
 - A. Upcoming Conferences
 - i) KAPIO (Sept 30 – Oct 1)
 - ii) ICMA (Oct 3 – Oct 6)
 - iii) LKM (Oct 9 – Oct 11)
 - B. MiCo Challenge – Oct 9
14. Executive Session
15. Other Discussion/Motions
16. Adjourn

NEXT REGULAR MEETING – September 23rd, 2021

Osawatomie, Kansas. **August 12, 2021.** The Council Meeting was held at Memorial Hall located at 411 11th Street. Mayor L. Mark Govea called the meeting to order at 6:30 p.m. Council members present were Walmann, Dickinson, LaDuex, Hampson, Wright and Caldwell. Council members Diehm and Macek was absent. City Staff present at the meeting were City Manager Mike Scanlon, City Clerk Tammy Seamands, Assistant to the City Manager Sam Moon, Chief Building Official Ed Beaudry, Utility Clerk Kim Coffelt and City Attorney Richard Wetzler. Members of the public were: Jordy Goff, Cody Goff, Kari Bradley, Dale Koontz, Dale Koontz, Derek Henness, Nicole Henness, Paul Davidson, Kevin Fullerton, Jenny Weaver and Brad Weaver.

INVOCATION. Paul Davidson, New Hope Parish

CONSENT AGENDA. Approval of August 12th Agenda, July 8th Council Minutes, July 22nd Council Minutes and Pay Applications – BG Consultants - \$42,490.00, **Motion** made by LaDuex, seconded by Dickinson to approve the consent agenda as presented. Yeas: All.

COMMENTS FROM THE PUBLIC.

Paul Davidson – 1st Presbyterian Church is part of the New Hope Parish. New Hope Parish consists of three church families of Miami County Kansas, First Presbyterian Church of Osawatomie, First Presbyterian Church of Paola, and Miami Presbyterian Church near Louisburg. They are starting do more Parish events together. They are getting ready to go watch the Monarchs play baseball. It is \$50 per person if anyone would like to join them.

PUBLIC HEARINGS.

INTEGRATED RESOURCE PLAN – Congress requires the Western Area Power Administration and its customers to provide an annual report of supply-side, demand-side, and renewable resource activities undertaken as a result of the National Energy Policy Act of 1992. Mayor Govea opened the public hearing at 6:37 p.m. The mayor asked three times if there were any comments. Hearing no comments, the hearing was closed at 6:39 p.m.

PRESENTATIONS, PROCLAMATIONS AND APPOINTMENTS.

LIBRARY BOARD APPOINTMENT – KEVIN SCHASTEEN – **Motion** made by LaDuex, seconded by Hampson to approve the appointment of Kevin Schasteen to the Osawatomie Library Board. Yeas: All.

CHAMBER OF COMMERCE ANNUAL BUDGET PRESENTATION – Kari Bradley presented the Chamber of Commerce Annual Budget.

CITY LOGO REDESIGN REVIEW – Kevin Fullerton of Springboard Creative gave a presentation of suggested Logo redesign examples that their firm has came up with for the city. Fullerton asked the governing body for their comments and opinions on the two logos that was presented. Springboard will take that information back and tweak the logo that the majority of the council preferred and bring it back to the next council meeting.

BUDGET FORCAST – City Manager Mike Scanlon discussed his plan to increase revenue for street repairs by contemplating both a property tax increase and a sales tax increase. He asked council to consider both of those items and then to vote on them at the next meeting.

UNFINISHED BUSINESS. – None.

NEW BUSINESS.

RESOLUTION 905 – PRE-DEVELOPMENT AGREEMENT FOR GOFF EVENT SPACE. – Jordy and Cody Goff shared their idea of a constructing an event space and set of cottages in proximity to Mile Zero on the Flint Hills Trail. They are looking to invest in properties and projects in our community. **Motion** made by Caldwell, seconded by LaDuex to approve Resolution 905 – Directing the City Manager to sign a predevelopment agreement with Jordy and Cody Goff for the development of the Goff event space as presented. Yeas: All.

RESOLUTION 906 – ALWAYS AND FUREVER – The goal of this resolution is to create a framework for the expansion and renovation of the Osawatomie Animal Shelter. Working with Always and Furever, LLC we will be jointly raising donation dollars and grant dollars for this project. **Motion** made by Caldwell, seconded by Wright to approve Resolution 906 – Directing the City Manager to develop a plan and appropriate agreements (in conjunction with Always and Furever LLC) for the expansion and renovation of the Osawatomie Animal Shelter (OAS) as presented. Yeas: All.

RESOLUTION 907 – TOWERPOINT AGREEMENTS – In the fall of 2020, the city was contacted by Tower Point Acquisitions for the sale of tower leases used by cellular phone companies to provide services to their customers. The agreed upon price for this transfer is \$300,000 and action tonight transfers the easements and leases from the City to TowerPoint dba TPA V, LLC. **Motion** made by Hampson, seconded by Caldwell to approve Resolution 907- Directing the City Manger to Enter into an assignment of lease and easement agreement with TPA V, LLC for the payment of three hundred thousand dollars (\$300,000). Yeas: All. Walmann was out of the room at the time of the vote.

RESOLUTION 908 – 2022 BUDGETARY POLICIES – moved to August 26, 2021 agenda.

RESOLUTION 909 – CONTRACT WITH CIVICPLUS AND TEXTMYGOV USING A COMBINATION OF FUNDS (ARPA/CARES) – Assistant to the City Manger Sam Moon requested approval to change the city website from the self-hosted WordPress platform back to a Civic Plus hosted website. Staff has been unable to replicate some of the core features from our previous website. Textmygov will allow customers to text in keywords to a designated number and report anything from a pot hole to a power outage. **Motion** made by Walmann, seconded by LaDuex to approve Resolution 909 – Authorizing a contract with Civic Plus and Textmygov using a combination of Cares Act and Arpa funding. Yeas: All.

RESOLUTION 910 – ADOPTING CITY OF OSAWATOMIE ECONOMIC DEVELOPMENT INCENTIVE POLICY - City Manager Mike Scanlon stated that we are about

to complete all of the site certification steps that will allow us to offer our Northland properties for consideration through the Kansas Commerce Department's International and Business recruitment offices. One key piece is a statement from the Governing Body related to economic incentives. **Motion** made by Hampson, seconded by Wright to approve Resolution 910 – Adopting a set of economic incentive policies using tools prescribed by Kansas statute. Yeas: All.

RESOLUTION 911 – LAKE REGION SOLID WASTE BENCH PROJECT – The City partnered with the Lake Region Solid Waste Authority to submit an application to the KDHE Waste Tire Grant Program. During the spring of 2021, we were notified that this project had been selected to receive a grant for benches. The following locations have been identified for the benches: 3 benches at the playground areas around the Osawatomie Lake, 1 bench at the Soldier's Monument, 1 bench at the outdoor Family Fitness Park, and 6 benches at various school bus locations around town. **Motion** made by Walmann, seconded by Dickinson to approve Resolution 911 – Accepting benches from the Kansas Department of Health and Environment's (KDHE) Waste Tire Grant Project and assisting community organizations in installing the benches. Yes: All.

RESOLUTION 912 – ACCEPTING THE BUDGET FOR THE OSAWATOMIE CHAMBER OF COMMERCE – **Motion** made by LaDuex, seconded by Hampson to approve Resolution 912 – Allocating \$30,000 to the Osawatomie Chamber of Commerce as part of the 2022 budget and committing to annual increases based on local CPI for the Kansas City Metropolitan area as of January 1 of the current year. Yeas: All. Wright abstained due to conflict of interest. Wright is related to the executive director.

COUNCIL REPORTS.

Cathy Caldwell ~ it is great to have an active Chamber director like Kari Bradley

Karen LaDuex ~ appreciates that department heads are presenting items at the council meetings instead of leaving it all up to the city manager.

Jeff Walmann ~ saw that the information boards are in place on the kiosk at the trail but was wondering where the picnic tables for the trail head are.

MAYOR'S REPORT – **Thanks** to Chief Building Official Ed Beaudry for working on a resolution to the trailers on Walnut, for getting the Adair house removed and for helping in the search for Bryant.

Tonight, we are going to have an executive session regarding a personnel matter which is the city manager's review.

I want to thank everybody who helped in finding Bryant—KS Highway Patrol, Miami County Sheriff's Office, Johnson County Sheriff's Office, KS Parks and Wildlife, Missouri Search Dog Team, Osawatomie Fire Department, Osawatomie Police Department and the Osawatomie residents.

1. Call to Order
2. Roll Call
3. Pledge of Allegiance
4. Public Hearing
 - A. Revenue Neutral Rate Hearing (Hearing Notice attached) – Mike Scanlon
 - B. 2022 Budget Hearing and Presentation (Hearing Notice attached) – Mike Scanlon
5. New Business
 - A. Resolution 918 – Resolution to exceed the Revenue Neutral Rate (RNR) – Mike Scanlon
 - B. Resolution 919 – 2022 Budget Resolution -- Mike Scanlon
6. Adjourn

NEXT REGULAR MEETING – September 23rd, 2021



City of Osawatomi
 439 Main Street; P.O. Box 37
 Osawatomi, KS 66064
 (913) 755-2146

SPECIAL EVENTS PERMIT APPLICATION

Department Use Only

Date Filed: _____
 Event Deposit
 Date Paid: _____
 \$50 Permit Fee
 Date Paid: _____
 \$25 State Permit
 Date Paid: _____

1. NAME OF APPLICANT AND/OR ORGANIZATION: DEE ROEHL / JOHN BROWN FOUNDATION	
2. CONTACT PHONE # AND EMAIL (OPTIONAL): 785.418.9669 BORDERWARBBQ@GMAIL.COM	

3. TYPE OF SPECIAL EVENT APPLICANT IS APPLYING FOR:
 BBQ COMPETITION

4. MAILING ADDRESS OF APPLICANT/ORGANIZATION: PO BOX 401 OSAWATOMIE, KS 66064	5. ADDRESS/LOCATION OF SPECIAL EVENT: JOHN BROWN MEMORIAL PARK 1000 MAIN STREET OSAWATOMIE, KS 66064
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6. DATE(S) AND TIME(S) FOR PERMIT, INCLUDING SET UP AND TEAR DOWN:
 FRIDAY OCTOBER 22, 2021 & SATURDAY OCTOBER 23, 2021

7. ENTRY TO EVENT: FEE YES ___ NO <u>X</u> PUBLIC <u>X</u> OR PRIVATE ___	8. STREET CLOSURE: YES ___ NO <u>X</u> IF YES, TIME OF CLOSURE REQUIRED: <u>MAYBE SOME RESTRICTIONS IN PARK</u>	9. # OF EXPECTED ATTENDINGS: <u>300</u>
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10. WILL ALCOHOL OR CMB FOR PERSONAL CONSUMPTION BE ALLOWED AT THE EVENT? YES X NO ___
 WILL CMB BE SOLD AT THE EVENT? YES ___ NO X
 WILL THERE BE AN ENTRY FEE TO THE AREA WHERE CMB IS PROVIDED BY A THRID PARTY? YES ___ NO X
 IF YES TO ANY OF THE ABOVE, APPLICANT DATE OF BIRTH IS REQUIRED 08/12/1980

11. IS THERE LIABILITY INSURANCE COVERAGE FOR THE EVENT: YES X NO ___
 IF YES, NAME OF INSURANCE COMPANY, AGENT AND AMOUNT OF COVERAGE: _____
MPR / CITY OF OSAWATOMIE

STATEMENT OF APPLICANT

I HAVE REVIEWED THIS APPLICION COMPLETELY AND EVERYTHING CONTAINED HEREIN IS TRUE AND CORRECT. I AGREE TO HOLD THE CITY OF OSAWATOMIE HARMLESS FROM AND AGAINST ANY LOSS, COST OR DAMAGE OF ANY NATURE ARISING OUT OF ANY ACTION OR CLAIM AGAINST THE CITY OF OSAWATOMIE OR ITS EMPLOYEES, IN CONNECTION WITH THE EVENT. I ACKNOWLEDGE THAT I HAVE RECEIVED A COPY OF ALL ORDINANCES AND ATTACHMENTS AND I FULLY UNDERSTAND THAT I WILL BE HELD RESPONSIBLE FOR ANY VIOLATIONS OF STATE LAWS, CITY OF OSAWATOMIE ORDINANCES, AND ANY RESTRICTIONS OR REQUIREMENTS ASSOCIATED WITH THIS PERMIT AT THE LOCATION AND TIME SPECIFIED ON THIS PERMIT.

SIGNATURE Dee Roehl DATE 8-20-21

PERMIT APPLICATION: APPROVED _____ DENIED _____
 DECISION BY: _____ DATE OF DECISION: _____

COMMENTS: _____



City of Osawatomie
 439 Main Street; P.O. Box 37
 Osawatomie, KS 66064
 (913) 755-2146

SPECIAL EVENTS PERMIT APPLICATION

Department Use Only

Date Filed: _____
 Event Deposit
 Date Paid: _____
 \$50 Permit Fee
 Date Paid: _____
 \$25 State Permit
 Date Paid: _____

1. NAME OF APPLICANT AND/OR ORGANIZATION:	
2. CONTACT PHONE # AND EMAIL (OPTIONAL):	

3. TYPE OF SPECIAL EVENT APPLICANT IS APPLYING FOR:

4. MAILING ADDRESS OF APPLICANT/ORGANIZATION:	5. ADDRESS/LOCATION OF SPECIAL EVENT:
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6. DATE(S) AND TIME(S) FOR PERMIT, INCLUDING SET UP AND TEAR DOWN:

7. ENTRY TO EVENT: FEE YES ___ NO ___ PUBLIC ___ OR PRIVATE ___	8. STREET CLOSURE: YES ___ NO ___ IF YES, TIME OF CLOSURE REQUIRED: _____	9. # OF EXPECTED ATTENDINGS: _____
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10. WILL ALCOHOL OR CMB FOR PERSONAL CONSUMPTION BE ALLOWED AT THE EVENT? YES ___ NO ___
 WILL CMB BE SOLD AT THE EVENT? YES ___ NO ___
 WILL THERE BE AN ENTRY FEE TO THE AREA WHERE CMB IS PROVIDED BY A THRID PARTY? YES ___ NO ___
 IF YES TO ANY OF THE ABOVE, APPLICANT DATE OF BIRTH IS REQUIRED _____

11. IS THERE LIABILITY INSURANCE COVERAGE FOR THE EVENT: YES _____ NO _____
 IF YES, NAME OF INSURANCE COMPANY, AGENT AND AMOUNT OF COVERAGE: _____

STATEMENT OF APPLICANT

I HAVE REVIEWED THIS APPLICION COMPLETELY AND EVERYTHING CONTAINED HEREIN IS TRUE AND CORRECT. I AGREE TO HOLD THE CITY OF OSAWATOMIE HARMLESS FROM AND AGAINST ANY LOSS, COST OR DAMAGE OF ANY NATURE ARISING OUT OF ANY ACTION OR CLAIM AGAINST THE CITY OF OSAWATOMIE OR ITS EMPLOYEES, IN CONNECTION WITH THE EVENT. I ACKNOWLEDGE THAT I HAVE RECEIVED A COPY OF ALL ORDINANCES AND ATTACHMENTS AND I FULLY UNDERSTAND THAT I WILL BE HELD RESPONSIBLE FOR ANY VIOLATIONS OF STATE LAWS, CITY OF OSAWATOMIE ORDINANCES, AND ANY RESTRICTIONS OR REQUIREMENTS ASSOCIATED WITH THIS PERMIT AT THE LOCATION AND TIME SPECIFIED ON THIS PERMIT.

SIGNATURE _____ DATE _____

PERMIT APPLICATION: APPROVED _____ DENIED _____
 DECISION BY: _____ DATE OF DECISION: _____

COMMENTS: _____

NOTICE OF REVENUE NEUTRAL RATE HEARING

The governing body of

City of Osawatomie

will meet on September 16 at 6:30 pm at Memorial Hall for the purpose of hearing and answering objections of taxpayers relating to revenue neutral rate and proposed tax rate, as required by 2021 Kansas Senate Bill 13.

SUPPORTING COUNTIES

Miami (home county)

Revenue Neutral Rate*	63.236	Proposed Tax Rate	80.00
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Tax Rates are expressed in mills

* Revenue Neutral Rate as defined by 2021 Kansas Senate Bill 13

Kansas taxing subdivisions,

In March 2021, the Kansas Legislature passed Senate Bill (SB) 13 to establish limitations on ad valorem property tax levies by taxing subdivisions without an additional notice and hearing prior to budget adoption. Subsequently, Senate Substitute for House Bill 2104 was passed to amend the timelines in SB 13. SB 13 is retroactively effective January 1, 2021. The change in policy applies to the 2022 budget cycle.

The bill repeals the tax lid law and computed tax limits imposed by KSA 79-2925b and KSA 79-2925c. Alternatively, the bill introduces the use of a “revenue neutral rate”, defined as the amount of ad valorem tax revenue levied in the prior year over the current year assessed valuation estimates, expressed as a mill. County clerks are responsible for computing and providing the rate to taxing subdivisions with the budget information estimates by June 15th.

Who does SB 13 apply to?

Taxing subdivisions have been defined by the bill as “any political subdivision of the state that levies an ad valorem tax on property”. Recreation commissions are considered a taxing subdivision for the purpose of SB 13.

What impact does SB 13 have to Kansas taxing subdivisions?

Taxing subdivisions cannot levy above the revenue neutral rate (RNR) without holding a Revenue Neutral Rate Hearing for tax payers to attend and provide feedback. At the end of the RNR hearing, the governing body of the taxing subdivision will publicly vote to pass a resolution to exceed the RNR for the upcoming budget year.

If the subdivision fails to hold the RNR hearing, the subdivision should consider the RNR as a mill rate cap. County clerks are encouraged (not required) to cap the subdivision’s ad valorem property tax levy at the RNR. If the taxing subdivision levies above the RNR without holding the required hearing and passing a resolution, the taxing subdivision would be required to refund all tax payers any amount levied above the RNR.

What is the timeline for the RNR hearing procedure?

By **July 20th** of each budget year, taxing subdivisions will notify their county clerk of their intent to exceed the RNR by providing the county clerk the proposed tax rate and the RNR hearing information. *Note: At a minimum, the subdivision’s budget should be complete for any fund receiving ad valorem property tax.*

Beginning in 2022, county clerks will notify via mail (or email if electronic communication has been requested by the tax payer) all tax payers of the revenue neutral rate hearings and levy changes impacting their property. The notification will include on one notice, among other things, all taxing subdivisions within the county that affect the tax payer’s property. For calendar years 2022 and 2023, the State of Kansas will reimburse county clerks the cost of the mailed notice. In subsequent years, the cost will be proportionately divided between taxing subdivisions holding a RNR hearing.

Between **August 20th and September 20th**, taxing subdivisions will hold their RNR hearing. The subdivision will be required to publish the hearing to the newspaper and subdivision website (if maintained) 10 days prior to the hearing date. Tax payers must be given the opportunity to speak without unreasonable restriction. At the end of the RNR hearing, the governing body of the taxing subdivision will vote to pass a resolution to levy above the RNR. *Note: The RNR hearing can be held in conjunction with the normal budget hearings, but the budget cannot be adopted prior to holding the RNR hearing.*

By **October 1st**, any taxing subdivision that chose to exceed the RNR will provide the county clerk with their adopted budget and required forms, including the published notice of RNR hearing and adopted resolution to exceed the RNR.

What is the risk of not holding the RNR Hearing?

The taxing subdivision cannot levy above the RNR.

If the taxing subdivision adopts a budget that does not exceed the RNR, the subdivision should contact the county clerk to prepare for valuation decreases from the June 15th property valuation estimates to the November 1st property valuations certified to the county clerk. If property valuations decrease from June 15th to November 1st, the taxing subdivision would realize less dollars than budgeted.

If the taxing subdivision levied higher than the RNR, the legislation requires refunds to tax payers in any amount levied above the RNR.

Is the budget submission date the same for subdivisions not exceeding the RNR?

Subdivisions that have opted to levy below the RNR will certify their adopted budget to the county clerk by August 25th. See the full timeline below.

Other tips:

- Contact the newspaper for content submission date and format requirements. Ensure you have the correct contact information and due dates for the RNR hearing notice. After 2021, the subdivision will not be able to reschedule the hearing (since taxpayers will be notified via mail, the hearing date cannot move).
- Holding a RNR hearing will protect the budget from unintended revenue decreases if property valuations decrease. To ensure the subdivision can levy the dollars budgeted, the subdivision should hold the RNR hearing – even if the intention is to remain revenue neutral.
- With the RNR hearing notice to the county clerk being July 20th, taxing subdivisions should have the budget completed for funds that receive ad valorem property tax revenue by July 20th or sooner.
- Additional Resources:
 - The full bill text and history can be found on the Kansas Legislature website at www.kslegislature.org
 - Check the Municipal Services website for additional guidance and FAQs, sample language, sample publications, etc. <https://admin.ks.gov/offices/oar/municipal-services>

- See the infographic summarizing SB 13 and HB 2104 designed by the League of Kansas Municipalities:
https://cdn.ymaws.com/www.lkm.org/resource/resmgr/files/infographics/SB_13_Infographic_v3.pdf
- School districts are encouraged to contact Kansas Department of Education with questions regarding the budget and RNR.

Timeline if Exceeding the Revenue Neutral Rate

- **June 15th:** Assessed property valuation estimates distributed from County Clerks (will include the Revenue Neutral Rate)
- **July 20th:** Last day to notify County Clerk of intent to levy above RNR
 - Clerk should be provided proposed tax rate and RNR hearing information (date, time, location)
 - Beginning in 2022, County Clerk will notify tax payers via mail/email of all taxing subdivisions exceeding RNR
- **August 20th – September 20th:** Hold RNR hearing prior to or in conjunction with budget hearing
 - Publication of hearing must be done 10 days prior to RNR hearing
 - Publish in newspaper and website (if website is maintained)
- **August 20th – September 20th:** Hold budget hearing
 - Publication of hearing must be done 10 days prior to budget hearing
- **August 20th – October 1st:** Governing body passes resolution to exceed RNR (if applicable) and formally adopts budget
- **August 30th – October 1st:** Governing body certifies budget to County Clerk

Timeline if not Exceeding the Revenue Neutral Rate

- **June 15th:** Assessed property valuation estimates distributed from County Clerks (will include the Revenue Neutral Rate)
- **By August 4th:** Publish Notice of Budget Hearing in newspaper
- **By August 15th:** Hold budget hearing at least 10 days after published Notice of Budget Hearing
- **August 15th – 25th:** Governing body formally adopts budget
- **August 25th:** Governing body electronically submits budget to County Clerk

Feel free to contact Municipal Services at ARMunis@ks.gov with questions regarding SB 13.

Sincerely,

Municipal Services

PROCLAMATION

ISSUED BY THE MAYOR AND CITY COUNCIL

WHEREAS, September 17, 2021, marks the two hundred thirty-fourth anniversary of the drafting of the Constitution of the United States of America by the Constitutional Convention; and

WHEREAS, It is fitting and proper to accord official recognition to this magnificent document and its memorable anniversary; and to the patriotic celebrations which will commemorate the occasion; and

WHEREAS, Public Law 915 guarantees the issuing of a proclamation each year by the President of the United States of America designating September 17th through September 23rd as Constitution Week;

NOW, THEREFORE, I, L. Mark Govea, Mayor of the City of Osawatomie, do hereby proclaim the week of September 17th through September 23, 2021 as

Constitution Week

and I urge all citizens to reaffirm the ideals that the Framers of the constitution had in 1787 by vigilantly protecting the freedoms guaranteed to us through this guardian of our liberties, remembering that lost rights may never be regained

Proclaimed this 26th day of August, 2021.

L. Mark Govea, Mayor
City of Osawatomie

AFFIDAVIT OF PUBLICATION

NPG Newspapers, Inc., P.O. Box 29, St. Joseph, MO 64502

Reference: 103172
Ad ID: 6690551

P.O. :
DESC. :Hearing.Grant 20-CV-103 performance

TAMMY SEAMANDS
CITY OF OSAWATOMIE - LEGALS
P.O. BOX 37
OSAWATOMIE, KS 66064-0037

Miami County Republic

(Published in the Miami County
Republic Wed. 8/11/21)

State of Kansas, Miami County, ss:

PERFORMANCE PUBLIC
HEARING NOTICE

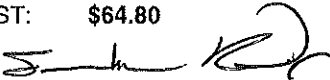
I, Sandra Ridings being duly sworn according to law, state that I am the Legal Advertising Coordinator of the Miami County Republic, a weekly newspaper printed in the State of Kansas, and published in and of general circulation in Miami County, Kansas, with a general paid circulation on a weekly basis in Miami County, Kansas; and that said newspaper is not a trade, religious, or fraternal publication. Said newspaper is published at least weekly fifty times a year and has been so published continuously and uninterrupted in said County and State for a period of more than five years prior to the first publication of the said notice; and has been admitted to the post office of Paola, in said county as second class matter.

The city of Osawatomie, KS will hold a public hearing on Thursday, August 26th, 2021, at 6:30pm, at Memorial Hall located at 411 11th St. Osawatomie, KS for the purpose of evaluating the performance of Grant No. 20-CV-103 which was for a small business grant program (economic development) and meal program assistance within the city limits of Osawatomie, KS. The scope of work supplied small business grants, meal program funding, and associated administrative costs in the amount of \$167,000.

That this notice, a true copy of which is hereto attached, was published in the regular and entire issue of said weekly newspaper as follows, to-wit:

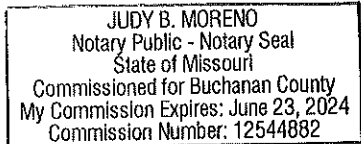
All proposed activities were accomplished. This grant was funded, all or in part, from the Kansas Department of Commerce, Small Cities Community Development Block Grant (CDBG) funds. All aspects of the grant will be discussed, and oral and written comments will be recorded and become part of Osawatomie's CDBG Citizen Participation Plan. Reasonable accommodations will be made available to persons with disabilities. Requests should be submitted to the city clerk (913) 755-2146 by August 25th, 2021.

Run Dates: 08/11/21 to 08/11/21
Appearances: 1
AD SPACE: 65
TOTAL COST: \$64.80

(Signed) 

Subscribed and sworn before me this
11 day of Aug. 2021

 Notary Public



My Commission Expires: 6/23/24



City of Osawatomie

ACTION ITEM SUMMARY	Item Number:	9.A
	Date:	August 9, 2021
City Manager	From:	Mike Scanlon

RE: Resolution 908 – Establishing Budget Policies for fiscal year 2022.

RECOMMENDATION: That the City Council approve Resolution 908 – A Resolution establishing Budget Policies for fiscal year 2022.

DETAILS: It’s important for the City Council, on an annual basis to agree on a broad set of budget policies. What you see in Resolution 908 are four “broad questions” and policies that will drive our future budgets and budget discussions. These budget policies work “hand-in-hand” with our Five-Year Financial Forecast which we reviewed in July.

Question 1: Is what we charge in property tax this year what you want to charge next year – Should we ask for and budget more for streets? **This proposed 2022 Budget Resolution includes \$450,000 in new dollars for streets – generated by an increase in mills of 16.764. All other property tax funds will generate the same dollars in 2022 as they did in 2021. The entire mill increase is in the General Fund – and all new dollars are assigned to streets.**

Question 2: What is the right level of Budget Reserves? How much should we be required to carryover from one year to the next? **Our current goal is to reach 25% of our General Fund Revenues – is that sufficient?**

Question 3: On a periodic basis we should make sure we are charging the appropriate utility rates to cover operations and infrastructure. Are we charging the right amount? **We will be finishing that up over the course of the next several months.**

Question 4: On a periodic basis we should make sure our Fees and Charges reflect our true cost of service. Again, are we charging the right amount? **We will be finishing that up over the course of the next several months.**

This will be an annual Resolution that we will use to guide staff in building next years budget and ensuring we’re doing the work that will help sustain Osawatomie in the long-term.

Related Statute / City Ordinances	Resolutions 778, 779, 784 and 794
Line Item Code/Description	N/A
Available Budget:	N/A

RESOLUTION NO. 908

BY THE CITY OF OSAWATOMIE, KANSAS

A RESOLUTION ESTABLISHING BUDGET POLICIES FOR FISCAL YEAR 2022.

WHEREAS, the City of Osawatomie’s overriding goal is to provide its residents with a superior level of services with a budget that the community can afford; and

WHEREAS, the City of Osawatomie’s City Council through Resolutions 778, 779, 784 and 794 have begun to put in place a financial framework to assist them in managing the financial resources of the City; and

WHEREAS, it is only appropriate for the City Council begin a discussion of the broad set of budgetary policies that will guide this community over the coming decade; and

WHEREAS, the City Staff wishes to begin creating a Fund Balance Reserve equivalent to 90-days of the City’s General Fund expenditures (**25% of Annual Expenses**); and

WHEREAS, the COVID-19 pandemic has put even more pressure on the City’s budget both in the short- and long-term; and

WHEREAS, it is only appropriate that the City not simply adopt an annual budget but also set multi-year budgetary and financial policies to ensure the ongoing operation of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF OSAWATOMIE, KANSAS:

SECTION ONE: That the following will serve as the Budgetary Policies of the City of Osawatomie, KS.

- A. The City will increase its mill rate in the General Fund from the Revenue Neutral Rate (RNR) of 27.669 to 44.433. This increase in mill rate will generate \$450,000 annually that will be dedicated to Street repairs, replacement and maintenance.
- B. The City will maintain the mill rate in the following funds equivalent to the RNR (for 2022) as calculated by the Miami County Clerk,
 - a. Employee Benefit Fund: 18.549
 - b. Bond and Interest Fund: 15.91
 - c. Special Law Enforcement Equipment Fund: .923
 - d. Industrial Development Fund: .185
- C. The City will continue the Solid Waste Utility consistent with Resolution 785 payable through annual property tax payments adjusting for the increase in the Waste Management Contract of 3% for each of the next three (3) years -- 2022, 2023 and 2024.
- D. The City will be updating Utility Rates that will become effective January 1, 2022 based on a rate study (update) that all utilities are charging an appropriate rate to both replace and maintain the existing infrastructure and cover normal operating costs.

- E. All Fees and Charges for services outside of the City’s utilities will be reviewed during the annual budget process and any changes made effective on the 1st day of the new calendar year.

SECTION TWO: This Resolution will form the basis for all future *Budgetary Policy Resolutions* and serve as the “overall” Budgetary Policy of the City of Osawatomie, KS.

PASSED AND APPROVED by the Governing Body of the City of Osawatomie, Kansas, this 12th day of August, 2021, a majority voting in favor of.

APPROVED and signed by the Mayor.

L. Mark Govea, Mayor

(SEAL)

ATTEST:

Tammy Seamands, City Clerk



Memorandum

Date: August 9, 2021
To: Mayor and City Council
From: Mike Scanlon, City Manager
Subject: Resolution 908 and a proposed Sales Tax Question

If you recall from my Five-Year Financial Forecast presentation – I made the statement that we have figured out how to balance much of our operating budget over the next five years, but there’s no money left to fix our streets. In the 2022 budget I’m proposing a “three-prong” attack on taking this issue on.

The first two prongs require tax increases so that we produce the dollars necessary to take care of our streets. One part would be property tax and the second part sales tax. The property tax portion can be done during our annual budget process. The sales tax portion requires a vote of the citizens.

What’s proposed and what it generates:

Source and Rate	Amount of Dollars (annually)
Property Tax – 16.764 mills	\$450,000
Sales Tax -- 0.50%	\$125,000
TOTAL	\$575,000

Additionally, we as an organization need to couple the \$1,000,000 we will receive over the next 10 years from Miami County Sales Tax with another \$2,000,000 in grants. Taken altogether we would be able to generate \$8,750,000. We would then couple this with our need to replace both our water distribution and wastewater collection systems and using “economies of scale” get much more done in streets in a shorter period of time (five years) than we could continuing the piece-meal approach we are following now. I believe we can also get 20% more done if we then bundle this into a bond issue and cut down the cost of construction inflation in future years. This all can be achieved. **BUT IT WILL TAKE THE ENTIRE COMMUNITY GETTING BEHIND THE EFFORT.**

I have attached a proposed Sales Tax question I would like the City Council to consider.

City of Osawatomie, KS

Sales Tax Question

“Shall the City of Osawatomie levy an additional retailers’ sales tax in the amount of five-tenths of one percent (0.5%) to be used exclusively for costs of maintenance and improvements of existing City streets, gutters, curbs, sidewalks, alleys and street lighting, provided such tax shall take effect on January 1, 2022 and expire on December 31, 2031?”

RESOLUTION NO. 908A

A RESOLUTION AUTHORIZING THE MIAMI COUNTY ELECTION OFFICIAL TO SUBMIT TO THE ELECTORS OF THE CITY OF OSAWATOMIE, KANSAS THE QUESTION OF IMPOSING A SPECIAL ONE-HALF OF ONE PERCENT (0.5%) CITYWIDE RETAILERS' SALES TAX QUESTION ON THE NOVEMBER 2, 2021 GENERAL ELECTION BALLOT.

WHEREAS, K.S.A. 12-187 et seq., as amended, (the "Sales Tax Act") authorized the Governing Body to submit to the electors of the City the question of imposing Citywide retailers' sales taxes, which may be in an amount not to exceed two percent (2%) for general purposes and in an additional amount not to exceed one percent (1%) for special purposes, provided sales taxes for special purposes shall expire ten (10) years from the initial date of collection thereof; and

WHEREAS, the electors of the City previously approved propositions to authorize the levy of the Citywide retailers' sales taxes in the amount of one percent (1%) for general purposes and one-quarter of one percent (.25%) for eight years for the special purpose of purchasing and installation of equipment for the City's fire and police operations, and the purchase and installation of any new, replacement or updated computer software for the City's fire, police and municipal court operations; and

WHEREAS, the Governing Body deems it advisable that additional funds be derived to finance the repair, rebuilding, and rehabilitation of streets and related infrastructure and all related improvements, and any financing therefor; and

WHEREAS, to finance the costs of street, sidewalk, curb improvements and related costs, the Governing Body deems it advisable to submit to voters the question of imposing a special one-half of one percent (0.5%) Citywide retailers sales tax (the "Sales Tax").

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF OSAWATOMIE, KANSAS:

SECTION ONE: The City Council hereby authorizes the County Clerk of Miami County Kansas, who is also the County's Election Official, to place the following sales tax ballot question on the general election ballot to be held November 2, 2021:

Shall the following be adopted,

“Shall the City of Osawatomie levy a special purpose retailers’ sales tax in the amount of one-half of one percent (0.5%) to take effect on January 1, 2022 and to be levied for ten years until December 31, 2031, on retail sales consummated within the city of Osawatomie; the proceeds of which shall be used to pay for, in whole or in part with any other funds the cost of repairing, rebuilding, rehabilitating, upgrading and improving streets, sidewalks and all related street infrastructure and any short- or long-term financing required?”

PASSED AND APPROVED by the Governing Body of the City of Osawatomie, Kansas, this 26th day of August, 2021, a majority voting in favor of.

APPROVED and signed by the Mayor.

L. Mark Govea, Mayor

(SEAL)

ATTEST:

Tammy Seamands, City Clerk



City of Osawatomie

ACTION ITEM SUMMARY	Item Number:	10.A
	Date:	August 23, 2021
City Manager	From:	Mike Scanlon

RE: Resolution 913 – Licensing Agreement to be submitted to USD 367 for Flint Hills Trail Parking Lot and Access Point.

RECOMMENDATION: Approve Resolution 913 a Resolution directing the City Manager to work with USD-367 on a Licensing Agreement for Flint Hills Trail Parking Lot and Access Point.

DETAILS: As the Flint Hills trail was developed a portion of land was needed to create a parking lot and access point on land owned by the Osawatomie School District (USD 367). All of the Licensing Agreement information is included (as well as Exhibits) in the packet for your review. Once submitted to the School District for their approval it will come back to the City and we'll pass an Ordinance approving the Licensing Agreement.

RESOLUTION NO. 913

BY THE CITY OF OSAWATOMIE, KANSAS

A RESOLUTION OF THE CITY COUNCIL OF OSAWATOMIE, KANSAS, DIRECTING THE CITY MANAGER TO WORK WITH THE OSAWATOMIE SCHOOL DISTRICT (USD-367) ON A LICENSING AGREEMENT FOR THE FLINT HILLS TRAIL PARKING LOT AND ACCESS POINT LOCATED ON SCHOOL DISTRICT PROPERTY.

WHEREAS, the City of Osawatomie along with the Kanza Rail-Trails Conservancy have worked to develop the Osawatomie Trailhead; and

WHEREAS, the City of Osawatomie along with the Kanza Rail-Trails Conservancy has raised almost \$500,000 to make the Osawatomie portion including the Walker Station the preeminent portion of the Flint Hills Trail; and

WHEREAS, the Osawatomie School (USD 367) has been an invaluable contributor to the development of the Osawatomie section of the Flint Hills trail by allowing us to use portions of School Property for trail development and parking.

NOW, THEREFORE, be it resolved by the Governing Body of the City of Osawatomie:

Section 1: That the City Council direct the City Manager to continue to work with USD 367 on the development of the Flint Hills Trail.

Section 2: That the City Manager present to the School District the necessary documents and information so that they may consider the approval of a Licensing Agreement that allows for the use of School District land as part of the Flint Hills Trailhead and Parking Lot.

PASSED AND APPROVED by the Governing Body of the City of Osawatomie, Kansas, this 26th day of August, 2021, a majority voting in favor of.

L. Mark Govea, Mayor

(SEAL)

ATTEST:

Tammy Seamands, City Clerk

**USD 367 LICENSE AGREEMENT WITH THE CITY OF OSAWATOMIE
(For Flint Hills Trail access across School Property and possible location of three (3) Summer Hike/Bike
Huts in vicinity of the Flint Hills Trail)**

This LICENSE AGREEMENT is made October 1, 2021 between the City of Osawatomie, a City of the Second Class of the State of Kansas, whose address is c/o City Manager, 439 Main Street, PO Box 37, Osawatomie, KS 66064 (Grantee) and the Osawatomie Unified School District (USD) 367, whose address is 1200 Trojan Drive, Osawatomie, KS 66064 (Grantor).

RECITALS

1. Grantor is the owner of property known as Karl E. Cole Sports Complex located at 900 12th Street, Osawatomie, KS 66064.
2. Grantee is the owner of property known as the Flint Hills Trail Parking Lot and Access Point, as depicted in Exhibit B.
3. The Grantee's improvements include a parking lot as shown on Exhibit C.
4. The Grantee is willing to construct and pay for all the improvements in exchange for the public being permitted to use the trail and hike/bike huts.
5. Grantor has agreed to grant a temporary construction license and minimum 10-year license, with automatic extensions on a portion of the Grantor's Property for the benefit of Grantee and subject to the terms and conditions herein. The purpose of this License Agreement is to permit Grantee to construct, maintain, repair, and replace railbed that currently cuts through the property and turn it into a multi-use trail with HBHs and to permit public use of these amenities.

AGREEMENT

1. Grant of Licenses. For an annual license fee of one dollar (\$1.00) due on the annual anniversary of this Agreement, Grantor hereby grants to Grantee a license over and across the lands shown in Exhibit "B" attached hereto and made a part hereof within the Trojan School Property (License Area) until March 31, 2041. Subject to termination by either party as provided in Section 4 below. The License shall be used by the Grantee for a parking lot and access point to the trail. The Grantee shall be responsible for and shall pay costs for all maintenance and repair of the License Area and shall keep the parking lot and access point in good repair and condition.
2. Indemnification. The Grantee agrees to protect, indemnify and hold harmless Grantor, its Board members, employees and agents, from and against any loss, damage or claims, including reasonable attorneys' fees and costs, arising out of: (i) the use, including the initial construction, of the License Area by the Grantee; (ii) any mechanic lien claims for unpaid labor services or materials affecting any of the License Area; and (iii) any and all costs associated with removal of improvements located in the License Area upon termination of this License Agreement as further outlined in Section 5. The Grantee shall obtain, at its expense, and keep in full force and effect through the term of this License Agreement, with a reputable insurer, general public liability insurance of the License Area with a limit of not less than \$_____ per individual and \$_____ per occurrence and, during times of construction of any improvements, repairs or replacements, shall maintain (or cause its contractor to maintain) workmen's compensation and builder's risk insurance in amounts reasonably satisfactory to Grantor: and all said policies shall name Grantor as an additional insured and the Grantee shall provide Grantor with proof of such insurance. Grantor shall have the right to request the Grantee to review and increase the limits of insurance coverage hereunder based on prevailing limits then carried by like or similar risks.
3. Termination for Convenience. This License does not constitute a permanent easement. This License Agreement may be terminated by either party at any time by providing the other with ninety (90) day written notice ("Notice of Termination"). After delivery of the Notice of Termination, the Grantee shall remove the Parking Lot and restore the land back to the condition that existed prior to the construction activities at Grantee's sole cost.
4. Default, Right to Cure; Termination for Cause. In the event of any default under the provisions of this Agreement, the non-defaulting party shall, prior to the exercise of any right or remedy, give the party alleged to be in default written notice of such default together with right for a period of 10 days after receipt of such notice to cure said default. If an alleged default by its nature is not capable of being cured within the time provided, the party alleged to be in default shall, provided such party is proceeding with all due diligence, have up to an additional twenty days to cure said default unless there are weather conditions that prevent the cure. If the Grantee fails to repair, replace and maintain parking lot or access point within the cure period, or any extension thereof, the Grantor may undertake such work and the Grantee agrees to repay the Grantor for such costs, or the Grantor may immediately terminate this agreement and pursue

any right or remedy allowed by this Agreement or otherwise by law. If the Grantor terminates the Agreement the Grantee shall remove parking lot and restore the land to the condition that existed prior to the construction activities at Grantee's sole cost within thirty (30) days of date of termination.

5. Notices. Any notice, demand, or document which either party is required or may desire to give, deliver or make to the other party shall be in writing and may be personally delivered or given by facsimile transmission or given by United States certified mail, return receipt requested, addressed as follows:

To Grantor: USD - 367
 Superintendent
 1200 Trojan Drive
 Osawatomie, KS 66064

To Grantee: City of Osawatomie
 City Manager
 439 Main St., P.O. Box 37
 Osawatomie, KS 66064

6. Miscellaneous.

7.1 Remedies. Either party shall have the right and power to bring suit in its own name for any legal or equitable relief due to lack of compliance with any provisions of this Agreement. If any court proceedings are instituted in connection with the rights of enforcement and remedies provided in this Agreement, the prevailing party shall be entitled to reimbursement of its costs and expenses, including reasonable attorneys' fees, in connection therewith.

7.2 No Waiver. The failure of either party to insist upon the strict performance of any provisions of this Agreement or to exercise any right or option available to it, or to serve any notice or to institute any action, shall not be a waiver or a relinquishment for the future of any such provision.

7.3 Amendments in Writing. This Agreement may not be amended nor may any rights hereunder be waived, except by an instrument in writing executed by the parties hereto and duly recorded in the real estate records of Miami County, Kansas.

7.4 Kansas Law. The interpretation, enforcement or any other matters relative to this Agreement shall be construed and determined in accordance with the laws of the State of Kansas. This agreement is subject to the laws of the State of Kansas, jurisdiction shall be in the District Court of Miami County, in the event of any legal proceedings arising from the transaction described herein.

7.5 Correction Documents. In the event any clerical or other errors are found in this Agreement or any other descriptions or other exhibits hereto, or in the event any exhibit shall be missing, the parties agree to promptly execute, acknowledge, initial and/or deliver as necessary any

documentation in order to correct the erroneous document, description, exhibit or to provide any missing exhibit.

7.6 Changes to Plans. Any changes to the parking lot design or use shall require the written consent of the Grantor, which consent shall not be unreasonably withheld.

7.7 The Grantee shall not erect any signage within the Licenses Area without the prior written agreement of the Grantor, which consent shall not be unreasonably withheld.

7.8 Binding Effect. All provisions of this Agreement inure to the benefit of and are binding upon the parties hereto, their heirs, successors, assigns and personal representatives.

7.9 Non-waiver. The Parties hereto understand and agree that each is relying on and does not waive or intend to waive by this Agreement or any provision hereof, the monetary limitations and any other rights, immunities and protections provided by the Kansas Tort Claims Act, K.S.A. 75-6101 et seq. as amended from time to time or otherwise available to the Parties.

IN WITNESS WHEREOF, the parties have signed this Agreement the day and year first written above.

ATTEST:

By: _____
Tammy Seamands, City Clerk

GRANTEE:

CITY OF OSAWATOMIE

By: _____
L. Mark Govea, Mayor

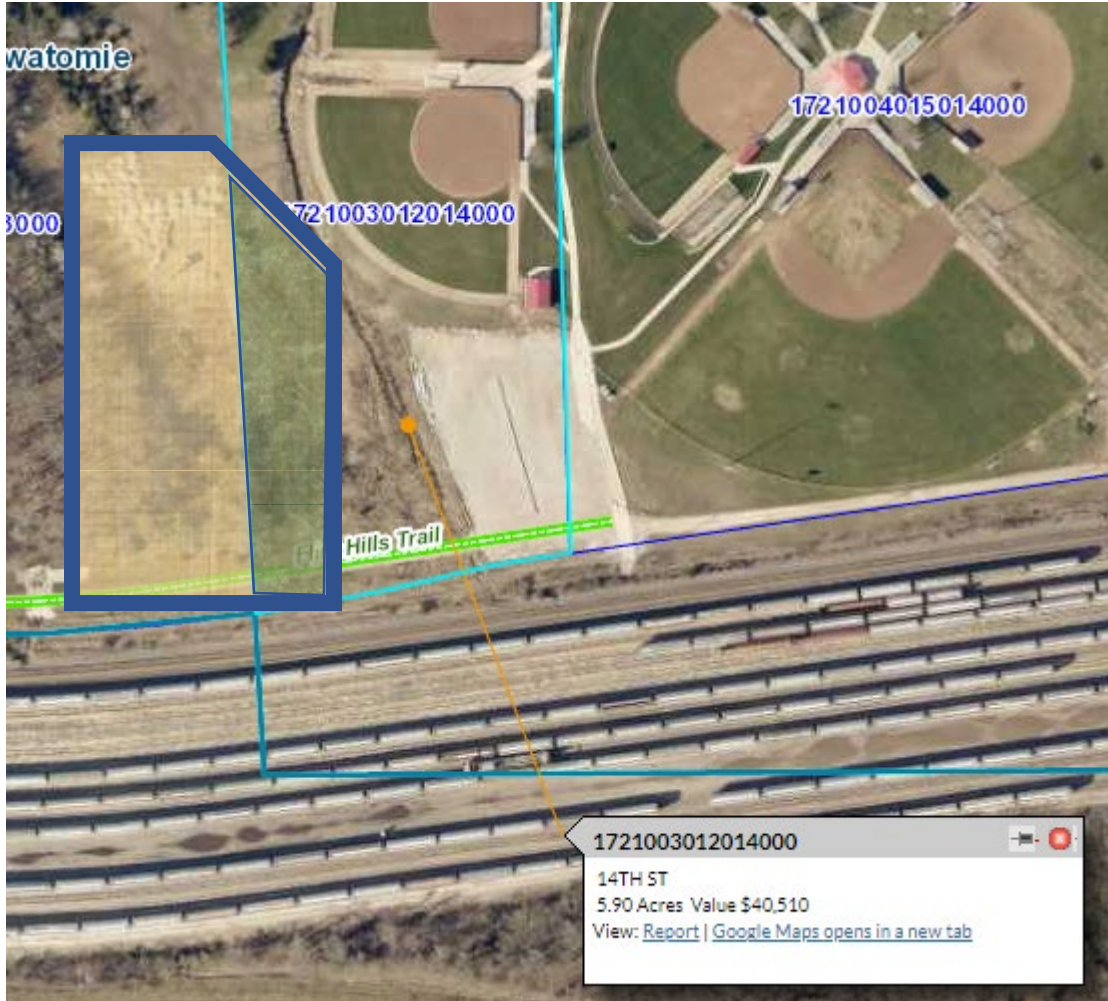
GRANTOR:

USD-367

By: _____
DJ Needham , President

EXHIBIT B

FLINT HILLS TRAIL – PARKING LOT AND ACCESS POINT



 Parking Lot Boundary


 Portion of School Property dedicated to Parking

EXHIBIT C

Parking Lot Improvements





City of Osawatomie

ACTION ITEM SUMMARY	Item Number:	10.B
	Date:	August 23, 2021
City Manager	From:	Mike Scanlon

RE: Resolution 914 – A Resolution of the Governing Body of the City of Osawatomie making the following changes to the Uniform Personnel Policies and Guidelines for the City of Osawatomie, Kansas.

RECOMMENDATION: Approve Resolution 914 – A Resolution of the Governing Body of the City of Osawatomie making the following changes to the Uniform Personnel Policies and Guidelines for the City of Osawatomie, Kansas.

DETAILS: In 2015 the City of Osawatomie adopted a set of Uniform Personnel Policies and Guidelines for City Employees. Resolution 914 is the first set of amendments made to the policies and guidelines.

As stated in the Uniform Personnel Policies and Guidelines,

“The City reserves the right, in its sole discretion, to alter, amend, delete, supplement or change, at any time and without advance notice, any of its policies, including those covered in this manual. New or revised policies shall be effective on dates determined by the City and shall remain in effect until the City gives notice to the contrary. The City shall notify employees of any revisions to the Policies and Guidelines or its policies.”

The changes requested in Resolution 914 relate to the following five areas,

- a) Definition of employee and excluding contract economic development employees.
- b) Calculation of overtime based solely on hours worked.
- c) Elimination and sunseting of Compensatory Time Off.
- d) Shift Differential Pay.
- e) Changes to Residency Requirements.

CITY OF OSAWATOMIE, KANSAS

RESOLUTION NO. 914

A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF OSAWATOMIE MAKING THE FOLLOWING CHANGES TO THE UNIFORM PERSONNEL POLICIES AND GUIDELINES FOR THE CITY OF OSAWATOMIE KANSAS.

WHEREAS, the Uniform Personnel Policies and Guidelines were established and made effective on January 1, 2015; and

WHEREAS, over time there are required changes necessary to preserve dollars, reduce future liabilities, clarify guidelines and reflect changes that have occurred in the recruitment, retention and ongoing compensation of employees.

NOW, THEREFORE, be it resolved by the Governing Body of the City of Osawatomie:

Section 1. The Governing Body hereby amends Chapter 1, Section I – Purpose, Subsection c, to read as follows,

“c) The Policies and Guidelines are presented for informational and guidance purposes only. The Policies and Guidelines apply to all City employees and supersedes or replaces any prior City personnel policy manuals and memoranda which were issued on subjects covered in this Policies and Guidelines. The Policies and Guidelines do not apply to the contract legal employees, contract economic development employees or Governing Body. The City reserves the right, in its sole discretion, to alter, amend, delete, supplement or change, at any time and without advance notice, any of its policies, including those covered in this manual. New or revised policies shall be effective on dates determined by the City and shall remain in effect until the City gives notice to the contrary. The City shall notify employees of any revisions to the Policies and Guidelines or its policies. Amended, superseded or deleted policies shall not be relied upon.”

Section 2. The Governing Body hereby amends Chapter 10, Section V – Overtime, Subsection b, to read as follows,

“Overtime for pay purposes, will include all actual hours worked in excess of 40 hours in a one-week work period. “Hours worked”, for the purposes of calculating overtime pay, ~~shall~~ will not include any hours taken during the pay period such as vacation, sick leave, or other time authorized in these rules. This shall include paid holidays.”

Section 3. The Governing Body hereby replaces in its entirety Chapter 10, Section VI – Compensatory Time Off, with the following,

“VI. Compensatory Time Off

- a) Eligibility. Effective 09/01/2021 employees are no longer eligible to work overtime and receive compensatory time in lieu of overtime.”
- b) Use of Accrued Compensatory Time. Usage of compensatory time is subject to supervisor’s approval and is dependent on available personnel and the needs of the city.
- c) Compensatory Pay. If compensation is paid to an eligible employee for accrued compensatory time off, the compensation will be paid at the regular rate earned by the employee at the time the employee receives such payment. An eligible employee who has accrued compensatory time off upon termination will be paid for the unused compensatory time.
- d) Records. The official time and attendance records maintained by the /city will be the controlling records for any compensatory time purpose. The city may pay an employee in whole or in part, for accumulated compensatory time, at any time.
- e) Deadline for the use of Compensatory Pay. All accrued compensatory pay must be used by September 30, 2022.”

Section 4. The Governing Body hereby adds the following to Chapter 10, Section VX – Shift-Differential,

- a) Upon the approval of the City Manager a shift-differential can be paid for those employees who are required to work the “midnight” shift. This shall be reviewed on an annual basis to makes sure it is appropriate and that funds are available to pay it.

Section 5. The Governing Body hereby amends Chapter 6, Section VIII Residency Requirement as follows,

“VIII. Residency Requirements

The City of Osawatomie encourages all employees to make the City they work for their home. Applicants for any open position who are residents of the City of Osawatomie shall be given preference over non-residents, all other qualifications being equal. Residency requirements for City of Osawatomie employees include the following:

- ~~a) The City Manager, Assistant City Manager, Director of Public Safety and the Police Chief and Assistant Police Chief shall live within the city limits.~~

New a)

- b) Police ~~Officer~~ Personnel shall live within 30 minutes of the Osawatomie Police Station, as determined by the Police Chief.

New b)

- c) Certain employees of the Department of Utilities and Public Works, who collect standby pay or are subject to call out for emergencies, shall live within ~~the Osawatomie School District, or an equivalent response time from another location with the area.~~ 30 minutes of their assigned work address. ~~Employees who live outside of the Osawatomie School District and wish to participate in these positions shall submit a request for consideration of their response time/distance.~~

New c)

- d) Each department within the City maintains the right to establish emergency response times for certain positions that may be more stringent than this established minimum.
- e) ~~Any City employee whose primary residency does not meet the criteria for the current position as set out above, as of January 1, 2015 is "grandfathered" at their existing residential address and not subject to this section unless; (1) a previous requirement to relocate to the City already exists as a condition of employment; or (2) upon promotion or transfer to a new position has residency requirements as set forth in subsections a thru d above."~~

PASSED AND APPROVED by the Governing Body of the City of Osawatomie, Kansas, this 26th day of August, 2021, a majority voting in favor of.

APPROVED and signed by the Mayor.

L. Mark Govea, Mayor

(SEAL)

ATTEST:

Tammy Seamands, City Clerk



City of Osawatomie

ACTION ITEM SUMMARY	Item Number:	10.C
	Date:	August 23, 2021
Mayor and Governing Body	From:	Mark Govea

RE: Resolution 915 – A Resolution of the Governing Body of the City of Osawatomie Amending the April 8, 2020 Employment Agreement of Michael J. Scanlon.

RECOMMENDATION: Approve Resolution 915 – A Resolution of the Governing Body of the City of Osawatomie Amending the April 8, 2020 Employment Agreement of Michael J. Scanlon.

DETAILS: Mr. Michael J. Scanlon entered into an Employment Agreement with the City of Osawatomie on April 8, 2020. Resolution 915 contemplates changes to that agreement for both residency and compensation.

CITY OF OSAWATOMIE, KANSAS

RESOLUTION NO. 915

A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF OSAWATOMIE AMENDING THE EMPLOYMENT AGREEMENT OF THE CITY MANAGER.

WHEREAS, Mr. Michael J. Scanlon, City Manager for the City of Osawatomie has successfully completed one-year of service with the City of Osawatomie; and

WHEREAS, that year of service was reviewed and rated by eight (8) members of the Governing Body, five (5) individuals from the community and two (2) Department Heads for a total of fifteen (15) people involved in his evaluation; and

WHEREAS, that Review yielded a collective average score of 194 out of 220 or 88%. Of the reviewers five (5) ranked Mr. Scanlon performance between 96% to 100%. The lowest score Mr. Scanlon received was 75%; and

WHEREAS, all Reviewers ranked the area of personnel and personnel management as an area that Mr. Scanlon needed to improve on.

NOW, THEREFORE, be it resolved by the Governing Body of the City of Osawatomie:

Section 1. Given the superior performance exhibited by Mr. Scanlon since his employment, and based on the review of salaries and benefits paid to similar City Managers/Administrators in the area the Governing Body deems that Mr. Scanlon is deserving of an increase in compensation and other appropriate changes to his Employment Agreement. The Governing Body hereby amends the Employment Agreement of Mr. Scanlon as shown in Exhibit A – Amendment to Employment Agreement,

PASSED AND APPROVED by the Governing Body of the City of Osawatomie, Kansas, this 26th day of August, 2021, a majority voting in favor of.

APPROVED and signed by the Mayor.

L. Mark Govea, Mayor

(SEAL)

ATTEST:

Tammy Seamands, City Clerk

EXHIBIT A

AMENDMENT TO EMPLOYMENT AGREEMENT

MICHAEL J. SCANLON

The following sections of the current Employment Agreement shall be amended to reflect the following:

3. Salary

Subsection a. replaced with

“a. Employee shall receive a compensation increase totaling \$15,000, which can be taken by the employee as an increase in the base salary up to \$7,500 or as a one-time bonus of \$15,000, or in any combination selected by the employee. It shall become effective and payable upon passage of Resolution 915.”

6. Other Terms and Conditions of Employment.

~~a. Residency-REMOVED~~

Date: July 16, 2021
To: Governing Body
From: Mayor Govea and City Councilmember LaDuex
Subject: Annual Review of City Manager Mike Scanlon

Thank you all for participating in the review of our City Manager. This **Review Memo** is broken down into six parts,

1. Summary of the Review
2. Intersection of “Difficulties” – Between Reviewers and Self-Review
3. Ranking the “Strengths” – Between Reviewers and Self-Review
4. Other comments and suggestions shared
5. Development of a plan for improvement in areas identified as “Difficulties”
6. Recommendation to the Governing Body of change in Salary and Benefits

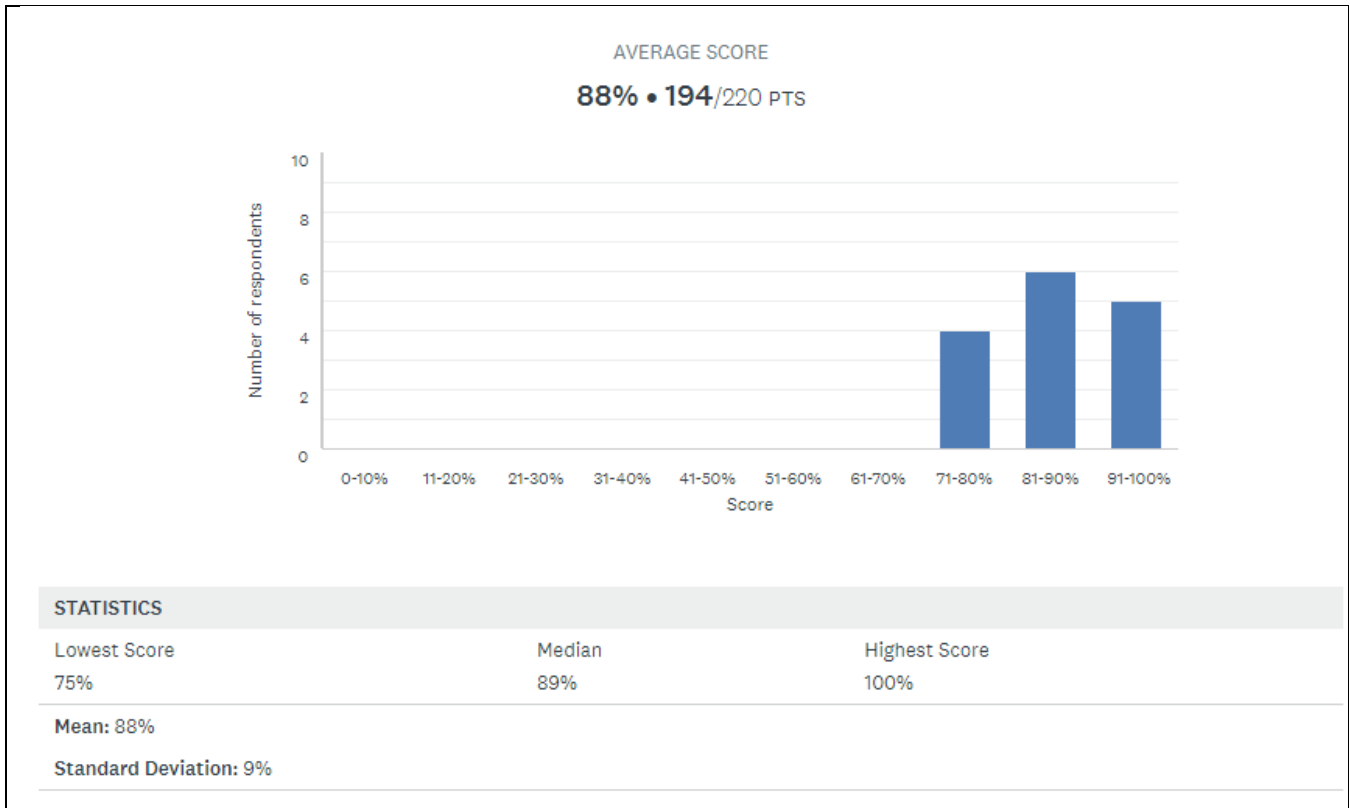
The initial review survey was sent out to 18 individuals, broken into these four rating groups,

Rating Group 1	Rating Group 2	Rating Group 3	Rating Group 4
<i>Mayor and City Council</i>	<i>Outside Raters</i>	<i>Two randomly selected Department Heads</i>	<i>City Manager</i>
Mayor Govea and Councilmembers (Caldwell, Dickinson, Diehm, Hampson, LaDuex, Macek, Walmann, Wright)	Ron Dowd, Roy Sechepine, Teri Auten, Gordon Schrader, Justin Burchett, and Janet McRae	Morgan Crabtree and Tammy Seamands	Mike Scanlon

Surveys were completed by 16 of the 18 individuals. Those results were shared among the City Manager, Mayor and President of the Council, Ms. Karen LaDuex

Summary of the Review Survey

Overall Rating of Performance (less the City Manager’s response)



Rating of Performance by Rating Group

Rating Group 1	Rating Group 2	Rating Group 3	Rating Group 4
<i>Mayor and City Council</i>	<i>Outside Raters</i>	<i>Two randomly selected Department Heads</i>	<i>City Manager</i>
90%	85%	90%	73%

Rating of Performance by Individual Reviewers

Reviewer Number	Rating Group 1 <i>Mayor and City Council</i>	Rating Group 2 <i>Outside Raters</i>	Rating Group 3 <i>Two randomly selected Department Heads</i>	Rating Group 4 <i>City Manager</i>
1	80%	89%	91%	73%
2	82%	96%	89%	
3	100%	75%		
4	100%	75%		
5	96%	88%		
6	96%	--		
7	78%			
8	91%			
9	--			

The summary of the reviews shows a range of reviews between 73% and 100%. The lowest review score was that of the City Manager, given to himself. **Eleven reviewers (2/3rds) scored the City Manager’s performance at 88% or higher.**

Intersection of “Difficulties” – Between Reviewers and Self-Review

Difficulties identified by Reviewers

Question Ranking		
QUESTIONS (44)	DIFFICULTY	AVERAGE SCORE
Q25 Recruits and retains competent personnel for staff positions	1	77%
Q29 Promotes training and development opportunities for employees at all levels of the organization	2	79%
Q28 Professionally manages the compensation and benefits plan	3	80%
Q26 Applies an appropriate level of supervision to improve any areas of substandard performance	4	81%
Q12 Sets meeting agendas that reflect the guidance of the governing body and avoids unnecessary involvement in administrative actions	4	81%
Q27 Stays accurately informed and appropriately concerned about employee relations	4	81%
Q33 Sustains or improves staff performance by evaluating the performance of staff members at least annually, setting goals and objectives for them, periodically assessing their progress, and providing appropriate feedback	7	83%
Q35 Prepares a balanced budget to provide services at a level directed by council	8	84%
Q18 Responds in a timely manner to request from the governing body for special reports	9	85%
Q32 Develops and maintains a friendly and informal relationship with the staff and work force in general, yet maintains the professional dignity of the city manager’s office	9	85%

Difficulties identified by Self-Review

Question Ranking		
QUESTIONS (44)	DIFFICULTY	AVERAGE SCORE
Q29 Promotes training and development opportunities for employees at all levels of the organization	1	40%
Q26 Applies an appropriate level of supervision to improve any areas of substandard performance	1	40%
Q25 Recruits and retains competent personnel for staff positions	1	40%
Q12 Sets meeting agendas that reflect the guidance of the governing body and avoids unnecessary involvement in administrative actions	4	60%
Q9 Willing to try new ideas proposed by governing body members and/or staff	4	60%
Q28 Professionally manages the compensation and benefits plan	4	60%
Q17 Provides regular information and reports to the governing body concerning matters of importance to the local government, using the city charter as guide	4	60%
Q20 Responsive to requests from citizens	4	60%
Q39 Appropriately monitors and manages fiscal activities of the organization	4	60%
Q41 Avoids unnecessary controversy	4	60%

Understanding the Intersection of Difficulties:

In meeting with the City Manager, the purpose of this section of the report is to see if there is a disconnect between how the manager views his/her performance compared to that of the reviewers **in areas of difficulty**. There should be some level of overlap on these items if the manager is performing well. Those managers that demonstrate a “high” level of intersection tend to be self-aware and understand how they are viewed and what they need to work on. Those managers that demonstrate a “low” level of intersection tend to appear “aloof” and “out of step” with their community and governing body. The City Manager seems to see what the Reviewers see and has a high intersection (70%) in the areas of difficulty. ***Of note, there is only one difference in the top five questions between the reviewers and the City Manager.***

Top 10 areas of Difficulty (Lowest Scores)

Reviewers	Self-Review
Q25	Q29
Q29	Q25
Q28	Q26
Q26	Q27
Q12	Q20
Q27	Q28
Q33	Q17
Q35	Q13
Q18	Q33
Q32	Q12

Ranking the “Strengths” – Between Reviewers and Self-Review

Question Ranking		
QUESTIONS (44)	DIFFICULTY	AVERAGE SCORE
Q42 Cooperates with neighboring communities and the county	44	99%
Q43 Helps the council address future needs and develop adequate plans to address long term trends	42	96%
Q44 Cooperates with other regional, state and federal government agencies	42	96%
Q7 Demonstrates a capacity for innovation and creativity	40	95%
Q6 Maintains knowledge of current developments affecting the practice of local government management	40	95%
Q3 Displays enthusiasm, cooperation, and will to adapt	37	93%
Q23 Meets with and listens to members of the community to discuss their concerns and strives to understand their interests	37	93%
Q4 Mental and physical stamina appropriate for the position	37	93%
Q40 Shares responsibility for addressing the difficult issues facing the city	36	92%
Q21 Demonstrates a dedication to service to the community and its citizens	25	91%

Question Ranking		
QUESTIONS (44)	DIFFICULTY	AVERAGE SCORE
Q40 Shares responsibility for addressing the difficult issues facing the city	37	100%
Q10 Sets a professional example by handling affairs of the public office in a fair and impartial manner	37	100%
Q42 Cooperates with neighboring communities and the county	37	100%
Q22 Maintains a nonpartisan approach in dealing with the news media	37	100%
Q6 Maintains knowledge of current developments affecting the practice of local government management	37	100%
Q15 Supports the actions of the governing body after a decision has been reached, both inside and outside the organization	37	100%
Q7 Demonstrates a capacity for innovation and creativity	37	100%
Q21 Demonstrates a dedication to service to the community and its citizens	16	80%
Q37 Prepares a budget and budgetary recommendations in an intelligent and accessible format	16	80%
Q30 Encourages heads of department to make decision within their jurisdictions with minimal city manager involvement, yet maintains general control of operations by providing the right amount of communication to the staff	16	80%

Ranking the Strengths:

In meeting with the City Manager, the purpose of this section of the report is not to look at the intersection of specific characteristics as was done with “Difficulties” – but to look at broad areas of strength. The survey instrument that was completed includes 10 distinct performance areas. Typically, managers that are strong on one particular characteristic in an area are strong in several. What we are looking for is a consistency both from the reviewer and the person being reviewed. The question we are looking to answer -- **Is there agreement in the areas the manager is succeeding at?**

Survey Areas:

- Individual Characteristics (IC)
- Professional Skills and Status (PSS)
- Relations with Elected Members of the Governing Body (REMGB)
- Policy Execution (PE)
- Reporting (RE)
- Citizen Relations (CR)
- Staffing (ST)
- Supervision (SU)
- Fiscal Management (FM)
- Community (CO)

Top 10 areas of Strengths (Highest Scores)

Reviewers	Self-Review
Q42(CO)	Q40(CO)
Q44(CO)	Q10(PSS)
Q43(CO)	Q42(CO)
Q7(PSS)	Q22(CR)
Q6(PSS)	Q6(PSS)
Q3(IC)	Q15(PE)
Q23(CR)	Q7(PSS)
Q4(IC)	Q21(CR)
Q40(CO)	Q37(FM)
Q21(CR)	Q30(SU)

As you can see 75% of the “Strengths” scores are found in three areas Community (CO) and Professional Skills and Status (PSS), and Individual Characteristics (IC). Of note and not surprising, is that raters have a much higher score for Individual Characteristics than the City Manager, which is likely the reason for the City Manager’s overall score being lower than the reviewers.

Other comments and suggestions shared

<input type="checkbox"/>	It would be nice if the finalized council meeting packet was available at least by the monday before the meeting to have time to go over it.	7/23/2021 10:16 PM	View respondent's answers	Add tags▼
<input type="checkbox"/>	Mike has proven to be visionary and forward thinking City Manager which is a breath of Fresh Air to our community.	7/13/2021 10:05 AM	View respondent's answers	Add tags▼
<input type="checkbox"/>	tends to plan for and address the large and complicated issues while not addressing the small items apparent to the public like signage, snow removal, downtown plantings, city wide weeds, junk cars, etc. etc. The small maintenance items seen everyday by average citizens are put on the back burner while large redevelopment secret plans dominate his time and efforts.	7/13/2021 9:31 AM	View respondent's answers	Add tags▼
<input type="checkbox"/>	It seems at times our public works activities,ie water pipe break on Terrace,gets elevated to city council after the frustrations of citizens are heard. Our town came with an overwhelming amount of issues. Public works being the most visual and difficult for our residents. A better way of communicating to the public is needed.			
<input type="checkbox"/>	I believe that our CM is doing an amazing job given the plethora of issues the city faces and the lack of resources at hand. His ability to provide creative, yet practical, solutions is impressive. Equally impressive is his ability to maintain his enthusiasm and equilibrium in the face of daunting tasks. He is the consummate teacher, making staff and council better than their highest expectations.	7/12/2021 11:44 PM	View respondent's answers	Add tags▼
<input type="checkbox"/>	Brevity (primarily in writing)	7/12/2021 10:08 PM	View respondent's answers	Add tags▼
<input type="checkbox"/>	Better communication on changes in the organization regarding staffing changes and job duties with all department heads. Include the department head in making a decision regarding a citizen complaint/issue.	7/12/2021 4:49 PM	View respondent's answers	Add tags▼
<input type="checkbox"/>	My only concern is that Mike is such a fast paced thinker that I wonder about the ability of staff and partners to keep up without burning out.			

Development of a plan for improvement in areas identified as “Difficulties”

It was noted in our discussions with the City Manager that the primary area of concern is **Staffing**. This is evidenced both in the top five areas identified by reviewers and by about half the additional comments that were submitted. The top five difficulty areas identified by reviewers were,

Q25 Recruits and retains competent personnel for staff positions
Q29 Promotes training and development opportunities for employees at all levels of the organization
Q28 Professionally manages the compensation and benefits plan
Q26 Applies an appropriate level of supervision to improve any areas of substandard performance
Q27 Stays accurately informed and appropriately concerned about employee relations

Comments that support the need for improvement by the City Manager in the area of staffing

“....The small maintenance items seen everyday by average citizens are put on the back burner while large redevelopment secret plans dominate his time and efforts.”

“....it seems at times our public works activities, i.e. water pipe break on Terrace, gets elevated to city council after the frustrations of citizens are heard.”

“...Better communication on changes in the organization regarding staffing changes and job duties with all department heads. Include the department head in making a decision regarding a citizen complaint/issue.”

“...I wonder about the ability of staff and partners to keep up without burning out.”

In consultation with the City Manager the following Improvement Plan has been identified for the next 12 months period.

Q25 Recruits and retains competent personnel for staff positions

- Expand the number of online Recruitment tools/sites
 - Indeed
 - LKM / MML / ICMA / CCMFOA
- Skills Assessment and DISC Profiles (hiring right)

Q29 Promotes training and development opportunities for employees at all levels of the organization.

- Send all DH and front-line supervisors to the Mid-America Regional Council (MARC) and the Government Training Institute (GTI) for Supervisor Training
 - Teamwork and Delegation
 - Coaching and Motivation
- Send all DH's (already completed Terry, Bill and Tammy) to Leadership Edge taught by the Kansas Leadership Center (KLC)

Q28 Professionally manages the compensation and benefits plan

- Update and develop Job Descriptions that outline the skills and education needed for various jobs in the organization.
- Conduct a regionally relevant salary and benefit survey

Q26 Applies an appropriate level of supervision to improve any areas of substandard performance

- Establish areas of departmental improvement in the annual review share with City Council and measure.

Q27 Stays accurately informed and appropriately concerned about employee relations

- Establish quarterly luncheons across the various departments.
 - Safety Topic
 - Management Topic
 - Strategic Planning Topic
 - Annual Review Topic

Additional Review Information:

As part of Mr. Scanlon’s accreditation as a City Manager he shared with us is Knowledge Assessment which ICMA credentialed managers are required to take to identify those knowledge areas that need to be improved upon.



ICMA Management Assessment for ICMA Members, ELDP, Leadership ICMA, and MCMI

Score: 82.6%

Topic	Percentage Correct
Communication and Information Sharing	80%
Community and Resident Service	100%
Community Engagement	80%
Equity and Inclusion	75%
Financial Management and Budgeting	88.8%
Human Resources Management and Workforce Engagement	83.3%
Personal and Professional Integrity	83.3%
Personal Resiliency and Development	100%
Policy Facilitation and Implementation	80%
Service Delivery	62.5%
Staff Effectiveness	100%
Strategic Leadership	75%
Strategic Planning	75%
Technological Literacy	83.3%

Mr. Scanlon has identified the Equity and Inclusion, Strategic Leadership, and Strategic Planning as areas he needs to improve in that are most relevant to the City of Osawatomie. Service Delivery is an area he will dig deeper into in 2022 and 2023.



City of Osawatomie

ACTION ITEM SUMMARY	Item Number:	
	Date:	August 23, 2021
Chief of Police	From:	David Stuteville

RE: Ordinance 3798 & 3799

RECOMMENDATION: That the City Council approve Ordinance 3798 – An Ordinance regulating traffic within the corporate limits of the City of Osawatomie, Kansas; incorporating by reference the “Standard Traffic Ordinance for Kansas Cities” Edition of 2021, with certain omissions, changes, and additions; prescribing additional regulations; amending Chapter 14, Article 1, of the City of Osawatomie municipal code; and repealing existing provisions.

DETAILS: : The *Standard Traffic Ordinance (STO) for Kansas Cities* and the *Uniform Public Offense Code (UPOC) for Kansas Cities* have been published by the League of Kansas Municipalities for decades. They are designed to provide a comprehensive traffic code (STO) and criminal code (UPOC) for Kansas Cities.

The STO, in large part, parallels the state traffic act, just as the UPOC parallels the state criminal code. They do not take effect in a city until the governing body has passed and published an ordinance incorporating each of them by reference. The incorporating ordinance does not change the current modifications to the STO and UPOC which are already in the City Code. The Council may make additional changes in the future as long as it does not conflict with state statute.

For public records purposes, there must be at least three official copies of each on file with the City Clerk. We also make sure that enforcing officers each have a copy.

According to the publisher, LKM, the following represents the changes in the STO from the 2020 edition to the 2021 edition: See attached list

Related Statute / City Ordinances	
Line Item Code/Description	N/A
Available Budget:	N/A

ORDINANCE NO. 3798

AN ORDINANCE REGULATING TRAFFIC WITHIN THE CORPORATE LIMITS OF THE CITY OF OSAWATOMIE, KANSAS; INCORPORATING BY REFERENCE THE “STANDARD TRAFFIC ORDINANCE FOR KANSAS CITIES” EDITION OF 2021, WITH CERTAIN OMISSIONS, CHANGES, AND ADDITIONS; PRESCRIBING ADDITIONAL REGULATIONS; AMENDING CHAPTER 14, ARTICLE 1, OF THE CITY OF OSAWATOMIE MUNICIPAL CODE; AND REPEALING EXISTING PROVISIONS.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF OSAWATOMIE, KANSAS:

SECTION ONE: Section 101 of Article 1 of Chapter 14 of the City of Osawatomie Municipal Code is hereby amended to read as follows:

14-101. INCORPORATING STANDARD TRAFFIC ORDINANCE. There is hereby incorporated by reference for the purpose of regulating traffic within the corporate limits of the City of Osawatomie, Kansas, that certain standard traffic ordinance known as the “Standard Traffic Ordinance for Kansas Cities,” Edition of 2021, prepared and published in book form by the League of Kansas Municipalities, Topeka, Kansas, save and except such articles, sections, parts or portions as are hereafter omitted, deleted, modified or changed. One copy of said Standard Traffic Ordinance shall be marked or stamped “Official Copy as Incorporated by the Code of the City of Osawatomie,” with all sections or portions thereof intended to be omitted or changed clearly marked to show any such omission or change and to which shall be attached a copy of this Ordinance, and filed with the City Clerk to be open to inspection and available to the public at all reasonable hours. The Police Department, Municipal Judge and all administrative departments of the City charged with the enforcement of the Ordinance shall be supplied, at the cost of the City, such number of official copies of such Standard Traffic Ordinance similarly marked, as may be deemed expedient.

SECTION TWO: EXISTING SECTION REPEALED. Chapter 14, Article 1, Section 101 of the Code of the City of Osawatomie as adopted prior to the passage of this Ordinance is hereby repealed.

SECTION THREE: EFFECTIVE DATE. This ordinance shall take effect and be in force from and after its publication in the official City Newspaper.

PASSED AND APPROVED by the Governing Body of the City of Osawatomie, Kansas, this 26th day of August, 2021.

APPROVED AND SIGNED by the Mayor.

L. Mark Govea, Mayor

(SEAL)

ATTEST:

Tammy Seamands, City Clerk



CITY OF OSAWATOMIE

FORM OF SUMMARY FOR PUBLICATION OF ORDINANCE

Ordinance No. 3798: AN ORDINANCE REGULATING TRAFFIC WITHIN THE CORPORATE LIMITS OF THE CITY OF OSAWATOMIE, KANSAS; INCORPORATING BY REFERENCE THE “STANDARD TRAFFIC ORDINANCE FOR KANSAS CITIES” EDITION OF 2021, WITH CERTAIN OMISSIONS, CHANGES, AND ADDITIONS; PRESCRIBING ADDITIONAL REGULATIONS; AMENDING CHAPTER 14, ARTICLE 1, OF THE CITY OF OSAWATOMIE MUNICIPAL CODE; AND REPEALING EXISTING PROVISIONS.

Pursuant to the general laws of the State, a general summary of the subject matter contained in this ordinance shall be published in the official City newspaper in substantially the following form:

(Published in the Miami County Republic, September 1, 2021) It

Summary of Ordinance No. 3798

On August 26, 2021 the City of Osawatomie, adopted Ordinance No. 3798, which incorporates by reference the 2021 Edition of the Standard Traffic Ordinance for Kansas Cities. A complete copy of this ordinance is available at www.Osawatomieks.org or at City Hall, 439 Main St., Osawatomie, Kansas. This summary certified by Richard Wetzler, City Attorney.

This Summary is hereby certified to be legally accurate and sufficient pursuant to the laws of the State of Kansas.

DATED: August 26, 2021

Richard S. Wetzler
Richard S. Wetzler, City Attorney

ORDINANCE NO. 3799

AN ORDINANCE REGULATING PUBLIC OFFENSES WITHIN THE CORPORATE LIMITS OF THE CITY OF OSAWATOMIE, KANSAS; INCORPORATING BY REFERENCE THE "UNIFORM PUBLIC OFFENSE CODE FOR KANSAS CITIES" EDITION OF 2021; AMENDING AND REPEALING CHAPTER 11, ARTICLE 2, SECTION 201 OF THE CITY OF OSAWATOMIE MUNICIPAL CODE; AND REPEALING EXISTING PROVISIONS.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF OSAWATOMIE, KANSAS:

SECTION ONE: CODE AMENDED. Section 11-201 of the City of Osawatomie Municipal Code is hereby amended to read as follows:

11-201. INCORPORATING UNIFORM PUBLIC OFFENSE CODE. There is hereby incorporated by reference for the purpose of regulating public offenses within the corporate limits of the City of Osawatomie, Kansas, that certain code known as the "Uniform Public Offense Code," Edition of 2019, prepared and published in book form by the League of Kansas Municipalities, Topeka, Kansas, save and except such articles, sections, parts or portions as are hereafter omitted, deleted, modified or changed. No fewer than three copies of said Uniform Public Offense Code shall be marked or stamped "Official Copy as Incorporated by the Code of the City of Osawatomie, Kansas," with all sections or portions thereof intended to be omitted or changed clearly marked to show any such omission or change and to which shall be attached a copy of this section, and filed with the City Clerk to be open to inspection and available to the public at all reasonable hours.

SECTION TWO: EXISTING SECTION OF CODE REPEALED. Chapter 11, Article 2, Section 201 of the City of Osawatomie Municipal Code as adopted prior to the passage of this Ordinance is hereby repealed.

SECTION THREE: EFFECTIVE DATE. This Ordinance shall take effect and be in force from and after its publication in the official City Newspaper.

PASSED AND APPROVED by the Governing Body of the City of Osawatomie, Kansas, this 26th day of August, 2021.

APPROVED AND SIGNED by the Mayor.

L. Mark Govea, Mayor

(SEAL)

ATTEST:

Tammy Seamands, City Clerk



CITY OF OSAWATOMIE

FORM OF SUMMARY FOR PUBLICATION OF ORDINANCE

Ordinance No. 3799: AN ORDINANCE REGULATING PUBLIC OFFENSES WITHIN THE CORPORATE LIMITS OF THE CITY OF OSAWATOMIE, KANSAS; INCORPORATING BY REFERENCE THE “UNIFORM PUBLIC OFFENSE CODE FOR KANSAS CITIES” EDITION OF 2021 AMENDING AND REPEALING CHAPTER 11, ARTICLE 2, SECTION 201 OF THE CITY OF OSAWATOMIE MUNICIPAL CODE; AND REPEALING EXISTING PROVISIONS.

Pursuant to the general laws of the State, a general summary of the subject matter contained in this ordinance shall be published in the official City newspaper in substantially the following form:

(Published in the Miami County Republic, September 1, 2021) It

Summary of Ordinance No. 3799

On August 26, 2020, the City of Osawatomie, adopted Ordinance No. 3799, which incorporates by reference the 2021 Edition of the Uniform Public Offense Code for Kansas Cities. A complete copy of this ordinance is available at www.Osawatomiaks.org or at City Hall, 439 Main St., Osawatomie, Kansas. This summary certified by Richard Wetzler, City Attorney

This Summary is hereby certified to be legally accurate and sufficient pursuant to the laws of the State of Kansas.

DATED: August 26, 2020

Richard S. Wetzler
Richard S. Wetzler, City Attorney



City of Osawatomie

ACTION ITEM SUMMARY	Item Number:	
	Date:	August 9, 2021
City Clerk / Chief Finance Officer	From:	Tammy Seamands

RE: League of Kansas Municipalities Voting Delegate Registration

RECOMMENDATION: Discuss and appoint two voting delegates and two alternate voting delegates.

DETAILS: The League of Kansas Municipalities will hold their annual business meeting and policy session of city voting delegates on Monday, October 11, 2021. The governing body of each member city may elect city delegates from among the city’s officers to represent the city in the conduct and management of the affairs of the League of Kansas Municipalities.

Based on the population, we need to elect two voting delegates and two alternate voting delegates. In 2019 our voting delegates were 1) Mark Govea, 2) Karen LaDuex and the Alternate voting delegates were 1) Tammy Seamands 2) Meagan Borth.

Related Statute / City Ordinances	
Line Item Code/Description	N/A
Available Budget:	N/A



City of Osawatomie

ACTION ITEM SUMMARY	Item Number:	10.G
	Date:	August 26, 2021
Assistant to the City Manager	From:	Sam Moon

RE: RESOLUTION NO. 916 – A Resolution accepting the new City Logo designed by Springboard Creative for the benefit of the City of Osawatomie, Kansas.

RECOMMENDATION: City Staff recommends that Council approve Resolution 916 – A Resolution accepting the new City Logo designed by Springboard Creative for the benefit of the City of Osawatomie, Kansas.

DETAILS: The current City of Osawatomie logo, our little green tree, has been in effect since at least 1993. While simple and clean, it is very nondescript and generic, and has no ties to our community’s most notable features. As we embark upon our downtown planning project and redevelopment, we’d like to also look at redeveloping our City identity. We have so much to offer visitors and residents alike, and we should be marketing ourselves accordingly. Working with Springboard Creative, we’d like to find a logo that is uniquely Osawatomie. Whether we incorporate our landmarks, historic places, landscapes, or downtown architecture is yet to be determined, but it’s easy to see that we have a wealth of interesting people, places, and things to draw inspiration from.

Within that redesign will also be the creation of unique logos for two of our “exterior” departments that operate a little independently of the general City umbrella: golf course and public library. These two departments operate more like businesses than our interior departments and they have the ability to draw visitors. Because of these qualities, we believe it would benefit all parties for them to have their own logos (while still matching the overall brand) to allow them greater marketing independence and promote their respective industries.

When the downtown planning project finishes in the fall and implementation starts will be the best time to debut a new City identity. People will be engaged and excited about the next generation of Osawatomie, and we’ll have a proud new brand to present.

Tonight’s action will memorialize the logo selection of the City Council and place it as Exhibit A in Resolution 916.

Related Statute / City Ordinances	Resolution 806, Resolution 882
Line Item Code/Description	N/A
Available Budget:	N/A

CITY OF OSAWATOMIE, KANSAS

RESOLUTION No. 916

**A RESOLUTION ACCEPTING THE NEW CITY LOGO DESIGNED BY
SPRINGBOARD CREATIVE FOR THE BENEFIT OF THE CITY OF OSAWATOMIE
KANSAS.**

WHEREAS, the City of Osawatomie’s current logo has been in effect since at least 1993 and has no unique or identifying elements related to our community, its history, or our cultural landscape; and

WHEREAS, exterior departments that have public engagement outside the general City umbrella, such as the Osawatomie Golf Course and Osawatomie Public Library, do not have their own identifying logos or other unique branding elements; and

WHEREAS, the City of Osawatomie is preparing to engage in a downtown planning project aimed at revitalizing our downtown corridor and community-wide identity, the culmination of which would be the optimum time to debut a new government brand or identity to better convey what the City has to offer visitors and residents alike; and

WHEREAS, Springboard Creative has created a new logo to replace the City’s old one.

NOW, THEREFORE, be it resolved by the Governing Body of the City of Osawatomie:

Section 1. The Governing Body hereby directs the City Manager to complete the redesign of the City Logo in conjunction with Springboard Creative and based on the direction of the City Council that is hereby titled “Exhibit A”.

PASSED AND APPROVED by the Governing Body of the City of Osawatomie, Kansas, this 26th day of August, 2021, a majority voting in favor of.

APPROVED and signed by the Mayor.

L. Mark Govea, Mayor

(SEAL)

ATTEST:

Tammy Seamands, City Clerk



City of Osawatomie

ACTION ITEM SUMMARY	Item Number:	10.H
	Date:	August 23, 2021
Director of Utilities	From:	Terry Upshaw

RE: RESOLUTION NO. 917 – A Resolution accepting the 2020 Annual Electrical Report as presented by staff.

RECOMMENDATION: City Staff recommends that Council approve Resolution 917 – A Resolution accepting the 2020 Annual Electrical Report.

DETAILS: The City is required as a condition of our power purchase agreements to provide an Annual Electrical Report. This is for Governing Body and General Public information purposes.

Related Statute / City Ordinances	
Line Item Code/Description	N/A
Available Budget:	N/A

CITY OF OSAWATOMIE, KANSAS

RESOLUTION NO. 917

A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF OSAWATOMIE ACCEPTING THE 2020 ANNUAL ELECTRIC REPORT AS SUBMITTED BY STAFF.

WHEREAS, it is required that the city produce an annual electrical report to comply with power purchase agreements; and

WHEREAS, the annual electric report provides the Governing Body and community with an update on the overall operations of the Electric Utility; and

WHEREAS, it shows good financial and operations management responsibility to produce such a report.

NOW, THEREFORE, be it resolved by the Governing Body of the City of Osawatomie:

Section 1. The City Council accept the 2020 Annual Electric Report as presented by staff.

PASSED AND APPROVED by the Governing Body of the City of Osawatomie, Kansas, this 26th day of August, 2021, a majority voting in favor of.

APPROVED and signed by the Mayor.

L. Mark Govea, Mayor

(SEAL)

ATTEST:

Tammy Seamands, City Clerk

2020 Annual Report of the Electric System

City of Osawatomie, Kansas

Presented to the City Council

August 26, 2021



**2020 ANNUAL REPORT
OSAWATOMIE ELECTRIC SYSTEM**

Description of the System

The City’s electric system (the “System”) was established in 1939 to provide electricity to the residents of the City, with numerous improvements and expansions occurring over the years. The System currently has 2,074 meters, an average hourly peak of 4.1 megawatts and a peak load of approximately 8.9 megawatts. In 2011, the system hit its historical peak of approximately 9.9 megawatts. The city distributes power on a 2400/4160, and 7200/12470 voltages through two interconnects with Evergy and two substations. The current power plant is comprised of the original power plant which was built in 1939, with a major addition added in 1968. In 2020, the electric system served approximately 4,300 residents of Osawatomie plus numerous businesses and industries.

As of the end of 2020, the city currently owns and operates 5.6 megawatts of onsite diesel generators and 12.0 megawatts of new onsite diesel generation, which primarily serve as emergency back-up and as capacity coverage for power the City purchases at wholesale pursuant to several purchase contracts described below. The existing purchase contracts provide the City with 4.3 megawatts of electricity during summer months and 3.3 megawatts during other times of the year. Between generating capabilities and purchase contracts, the City currently has the ability to provide up to 21.9 megawatts of power during summer months and 20.9 megawatts at other times.

Description of Existing Facilities of the System

The Electric Utility System consists of one plant building, a network of distribution facilities, necessary transformers and switch stations, and three generating units with the following capacities:

<u>Unit</u>	<u>Capacity</u>	<u>Manufacturer</u>	<u>Installation</u>
2	1800 KW	Nordberg	1957
4	1000 KW	Nordberg	1952
5	2800 KW	Nordberg	1967
11	2000 KW	Caterpillar	2016
12	2000 KW	Caterpillar	2016
13	2000 KW	Caterpillar	2016
14	2000 KW	Caterpillar	2016
15	2000 KW	Caterpillar	2016
16	2000 KW	Caterpillar	2016

New Generation Project

In December 2015, the City of Osawatomie issued \$6,095,000 in revenue bonds for a \$5.9 million project which will increase the capacity of the System, provide for a more secure source of power and reduce operating costs. The project includes the acquisition and installation of six 2-megawatt diesel powered generators, each of which has approximately two thousand hours (more or less) of run time. The generators are 2006 Caterpillar 3516 generators with diesel engines. The generators come with 480-volt step-up transformers and switch gear. As of the end of 2018, all six of the project generators were online and operable.

The project also provides for an upgrade to the 7th Street Substation and, the construction of a new 9th Street substation to replace the current power plant substation. These upgrades have allowed the city to begin a self-funded, staff-performed upgrade of the entire distribution system so the community can operate at the more efficient 12470 volts. The project also provided for the construction of a new 7,500 sq. ft., \$450,000 electric distribution building which was completed in the summer of 2019.

Now fully operational, the project generators have more than replaced the electricity capacity provided by the Nearman contract, by increasing to 21.9 megawatts. The capacity from the new generators alone will be sufficient for the System to provide all current necessary power to the City even if loses its connection to the regional electric distribution grid. The additional capacity will also allow the System to provide future service to a large area in the northern portion of the City that is currently undeveloped as well as potentially allow the System to sell electricity to other communities. Furthermore, due to the relatively high fixed and variable costs of the Nearman contract, the City has realized a net operating savings of at approximately \$240,000 a year by purchasing power elsewhere or generating power itself.

At the end of calendar year 2015, the city secured the purchase of the generator units, had the units delivered to a temporary site, and engaged JEO Consulting Group and the project engineers to begin designing the details for the project. At the end of 2018 the City had \$192,785 remaining of the \$5.85 million in bond proceeds to be expended on the project, primarily for final payments on the 9th Street Substation, communications for telemetry, and finishing the new electric shop.

Generation Project Budget

	Updated Budget
PROJECT COSTS	
Generators	
Generator Units/Delivery	\$ 1,876,600
Warranty/Service Agreement (3 yrs)	110,000
Load Testing & Startup	137,000
Substations	
7 th Street Substation Modifications	718,609
9 th Street Substation	1,823,712
New Electric Shop	450,000
Engineering/Permitting	366,050
Contingencies	403,819
TOTAL PROJECT COSTS	\$ 5,886,390
FINANCING	
Bond Proceeds	\$ 5,848,570
(Over)/Under Budget	\$ (37,820)

Electric Production

The following table shows the System's production and sales for the past five years.

<u>Year</u>	<u>kWh Generated</u>	<u>kWh Purchased</u>	<u>kWh Sold</u>
2020	37,250	34,221,132	28,277,049
2019	65,000	34,714,675	30,163,850
2018	20,000	36,149,320	30,707,378
2017	170,600	33,833,384	29,360,565
2016	9,800	35,492,725	30,822,864
2015	20,000	35,473,725	29,899,406
2014	2,300	35,547,773	29,546,809

Note: The difference between kWh Generated and kWh Purchased less kWh Sold is primarily due to line loss and power provided for street lighting. As a result of undertaking the project and future improvements, the City anticipates eventually upgrading the system to a more efficient 12470 volts and reducing line loss to approximately 6-8%.

Power Supply Requirements

Peak demands and average energy loads are depicted in the following table. The City's staff believes that variation in peak and average is attributable to a number of factors including seasonal weather conditions.

<u>Year</u>	<u>Net Peak Demand</u>		<u>Average Load</u>	
	<u>mW</u>	<u>% Increase</u>	<u>mW</u>	<u>% of Peak</u>
2020	6.8	-1.82	4.428	65.1
2019	8.3	-2.3	2,899	34.9
2018	8.5	0	4.127	48.6
2017	8.5	-4.5	3.862	45.4
2016	8.9	0	4.053	45.5
2015	8.9	2.3	4.052	45.5
2014	8.7	0	4.058	46.6

Electric Power Supply Resources

The city meets its supply obligations to its electric customers through a combination of resources including the operation of its own power production facilities and through purchasing power under the Supply Agreements described below.

Supply Agreements

The ability of the System to service its Debt Service Requirements is in part contingent on the availability of a supply of electric energy. The following outlines agreements the City has for supply of electric energy. All of these contracts, with the exception of the arrangement with EMP1, are of a "take or pay" nature. However, there is no guarantee that the suppliers will not default on the obligation to supply electric energy to the System or that circumstances will not prevent the supply of electric energy to the System.

Available Capacity	2016	2017	2018	2019	2020
On-site Generation	5.6	11.6	17.6	17.6	17.6
GRDA	3.0	3.0	3.0	3.0	3.0
SPA	0.4	0.4	0.4	0.4	0.4
WAPA	0.9	0.9	0.9	0.9	0.9
Nearman-BPU	-	-	-	-	-
Subtotal	9.9	15.9	21.9	21.9	21.9

Nearman Creek Power Plant (Nearman) - Nearman Creek Power Plant is a 235 MW coal fired power plant that is located in Kansas City, Kansas. The Kansas Municipal Energy Agency (KMEA) has a Participation Power Sales Agreement with the Kansas City, Kansas Board of Public Utilities (BPU) under which KMEA purchases electric power and energy. The city had an underlying participation agreement with KMEA under which the city purchased, on a take or pay basis, 2.5 MW hourly of Nearman power plant electric power and pays monthly demand, fuel, operation & maintenance, transmission, and KMEA administration charges. During the summer of 2014, the City voted to opt out of this agreement pursuant to an offer by BPU to buy out the current contract with many cities, in advance of a major facility upgrade to the Nearman plant. The Project, financed with proceeds of the Bonds, replaced the capacity the City previously acquired under the Nearman contract which ended December 31, 2015.

Grand River Dam Authority of Oklahoma (GRDA) – The City has a wholesale power agreement with the Grand River Dam Authority of Oklahoma (“GRDA”) via the Kansas Power Pool (“KPP”) in effect as of 2000 and expires in the year 2026. Under the terms of the agreement, GRDA agrees to supply 3.0 MW during summer months and 2.2 MW for all other months during a contract year at a formula-based rate.

Southern Power Administration (SPA) – A Hydro Power Pooling Contract from SPA, originally signed with the Kansas Municipal Energy Agency (KMEA) on December 20, 1983, was extended until midnight, December 31, 2018. In June 2019, the city agreed to an extension of the SPA agreement to June 1, 2034. The hydro peaking power is obtained from the Southwestern Power Administration (SWPA) through KMEA subject to the terms of a contract between those agencies. The City is allocated 400 kW capacity under this contractual arrangement.

Western Area Power Administration (WAPA)- A Hydro Power Pooling Contract between WAPA and KMEA provides power to 47 participating Kansas cities, including the City, through the KMEA. Power under this contract is scheduled to allow the City and other participants to avoid demand charges and replace high-cost peak-hour energy. The pooling contract between WAPA and KMEA is effective until 2054. The City is allocated 852 kW during the summer months and 742 kW during the winter months under this arrangement.

Energy Management Project No. 1 (EMP1) Under the EMP1 arrangement, six participating Kansas cities of KMEA—Osawatomie, Baldwin, Gardner, Garnett, Ottawa and Pomona—have combined their electric systems for the purpose of purchasing power as a centrally dispatched group and to manage power resources in the Nearman, GRDA, SPA and WAPA projects. EMP1 is also used to jointly purchase load following service from Kansas City Power and Light. The EMP1 arrangement does not involve a minimum purchase amount or price.

Cost of Electricity by Source

The following table sets forth the City's cost of electric energy by source:

SOURCE	2020		2019		2018		2017	
	COST	MWh	COST	MWh	COST	MWh	COST	MWh
GRDA	\$859,755	21,960	\$ 866,349	21,906	\$951,621	21,960	\$988,548	21,960
Nearman*	-	-	-	-	-	-	-	-
WAPA	83,466	2,803	83,466	2,803	83,466	2,803	97,049	2,803
SPA	28,541	1,052	30,921	1,302	26,535	839	38,183	1,303
EMP1	161,885	8,405	200,534	8,704	342,950	10,601	169,196	2,982
Transmission	296,544	-	296,543	-	318,497	-	279,013	-
TOTAL	\$1,252,139		\$ 1,477,813	34,715	\$1,723,069	36,149	1,571,988	33,833

Note: Total annual cost figure shown above do not exactly match contractual costs of electric production shown in the City's audited financial statements due to timing of billing by power providers and payment by the City.

* The City's contract with Nearman expired December 31, 2015 and was not renewed.

Largest Electric Utility Customers

The following table lists the top 10 largest users of the System for 2020

<u>Customer</u>	<u>Product or Service</u>	<u>Purchased kWh</u>	<u>Billing</u>	<u>Percentage of Total System Charges</u>
USD #367	School District	3,090,706	\$ 308,658	14.1%
Life Care	Nursing Home	1,404,965	144,609	5.9%
City of Osawatomie	Government Utilities	915,624	94,941	4.1%
Casey's General Stores	2 Convenience Stores	704,330	67,108	2.5%
Tri-Ko	Community Service Provider / Industry	258,170	30,941	1.6%
Sonic Drive-in	Restaurant	257,797	24,413	1.1%
Vintage Park	Assisted Living	183,959	26,548	0.8%
Union Pacific Railroad	Transportation	168,838	20,900	0.7%
Dollar Tree Stores, Inc.	Discount Store	167,564	15,817	0.5%
Whistle Stop	Restaurant	136,200	15,128	0.5%
Subtotal		7,288,153	749,063	31.8%

Sales

The following table indicates the sales by type of customer for 2020.

<u>Type</u>	<u>2020 Sales</u>	<u>Active Meters</u>	<u>2019 Sales</u>	<u>Active Meters</u>
Residential	\$ 2,218,035	1,775	\$ 2,249,165	1,766
Commercial	1,086,983	261	1,180,891	245
Industrial	12,219	2	11,692	2
City	<u>84,669</u>	<u>15</u>	<u>110,542</u>	<u>15</u>
Total	\$ 3,401,906	2,053	\$ 3,552,290	2,097
Total kWh	28,277,049		30,163,850	

Historical Customers

The following table sets forth the historic number of customers served by the System for the years indicated

<u>Year</u>	<u>Customers</u>
2020	2,053
2019	2,097
2018	2,074
2017	2,097
2016	2,085
2015	1,987
2014	2,000

Note: Increase in customers is a result from how multiple meters at an address are counted. Only minor changes in the number of meters.

RATES AND CHARGES

Utility System Billings and Collections

The System bills customers monthly on an individual basis. Under present policies, utility bills are due when received, but contain a delinquency date which provides ten days for payments. Service is terminated if full payment is not received within 20 days after notice of termination is given. Customers can request a hearing after notice of termination is given and termination may be postponed under certain circumstances.

State and Federal Regulation

The rates, fees and charges for electric service through the System as currently constructed and operated will be exempt from rate regulation by the Kansas Corporation Commission. The precise nature and extent future government regulation and the resulting impact of such regulation on the operation and profitability of the System cannot now be determined. The City has covenanted in the Resolution to comply with all such governmental regulation.

Electric Service Rates

In May of 2021, the city implemented an effective average rate increase of .048 per kilowatt hour.

In August of 2019, the city implemented an effective average rate increase of approximately \$0.005 per kWh to again bridge the gap between the current operating costs and expected excess capacity sales to occur in 2021 and forward. Those increases are reflected in the projected financials below. The City maintains the right and has covenanted in the Ordinance authorizing the issuance of the Bonds to increase fees and charges as needed to ensure adequate revenues to operate the utility, pay debt service on outstanding bonds, and provide required reserves.

For 2018, the city raised rates by an average of 3.95%, which would have generated an additional \$135,000 if applied to 2017 sales. The need for the increase was the result of increased operational costs, mild weather for several years, the loss of the grocery store in 2016, which was

a major customer, and delays in selling some of the system's excess capacity.

Prior to 2018, the City's rates had not been increased since, September 25, 2008. In 2010 rates were reduced slightly and in 2012 the monthly Residential and Small General meter charges were reduced by \$1. In 2015, the City made a change in the ECA calculation method to capture the savings from the termination of the Nearman contract and the application of that savings to the bond payments for the project.

Residential*	
Meter Charge	\$11.75
First 500 kWh per month	\$0.119
All kWh over 500 kWh per month	\$0.093
Small General*	
Meter Charge	\$15.00
First 500 kwh per month	\$0.119
Next 4,500 kwh per month	\$0.108
All over 5,000 kwh per month	\$0.093
Large General (Demand Meters)*	
Monthly Customer Charge	\$80.00
Demand	Minimum kW demand or 60% of highest
Demand Charge per kW of Demand	\$5.858
Usage Rate for first 150 demand kWh (150 x demand)	\$0.078
Usage Rate for next 150 demand kWh (150 x demand)	\$0.072
Usage Rate for all additional kWh	\$0.063
Minimum bill	demand + customer charge
School District*	
Demand Meters	
Monthly Customer Charge	\$80.00
Demand	Minimum kW demand or 60% of highest summer kW demand
Demand Charge per kW of Demand	\$5.858
Usage Rate for first 150 demand kWh (150 x demand)	\$0.074
Usage Rate for next 150 demand kWh (150 x demand)	\$0.068
Usage Rate for all additional kWh	\$0.063
Minimum bill	demand + customer chg
City Use & School District Non-Demand*	
Usage Rate kWh per month	\$0.101
Outside City limits	50% over rates listed above
Energy Cost Adjustment (ECA) Charge*	
Base Rate for Calculation (Calculation in Ordinance)	\$.048/kWh beg May 2021
ECA Calculation Period	Based on energy costs for actual billing period

* ECA applied to all electric rates.

Note: 15-312. Energy Cost Adjustment (ECA).

(a) All electric bills are subject to a monthly Energy Cost Adjustment (ECA) and shall be calculated as follows:

The rate for energy to which this adjustment is applicable shall be adjusted by \$.0001 per kilowatt-hour (kWh) in the aggregate cost of energy as computed by the following formula:

$$\frac{((P + G + O) / (K + C)) \times L}{1000} - (B) = \text{Adjustment}$$

P = The current month actual total cost of power purchased.

G = The current month actual total cost of City generation.

O = The current month actual total cost of any other associated power supply expenses.

K = The current month actual total kWh of the delivered purchased power.

C = The current month actual total kWh of the delivered City generation power.

L = The current City losses determined annually $\frac{((\text{Purchased Power} + \text{City Generation}) - \text{City Billed})}{\text{City Billed}}$.

B = The Base will be established by a fee resolution, as specified in Section 15-308.

Future Rate Increases

In December of 2021, the City will complete an electric rate review which will include a transformer impact fee to accounts for the increasing number of service upgrades being done in our residential areas. The City maintains the right and has covenanted in the Ordinance authorizing the issuance of the Bonds to increase fees and charges as needed to ensure adequate revenues to operate the utility, pay debt service on outstanding bonds, and provide required reserves.

Electric System Competition

The city has authority to provide electric service to customers within the boundaries of the City. The city is singly certificated and it alone is authorized to provide electric service in the city, except that the Osawatomie State Hospital and a small residential area that was annexed into the city within the last 10 years, are certificated by Kansas City Power and Light (KCPL). The city has not purchased the rights to those existing services at this time. The certificated area is surrounded by areas certificated to Kansas City Power and Light (KCPL).

2018 Annual Rate Comparisons to Evergy

<u>Customer Examples</u>	Osawatomie			Evergy Comparison		
	<u>kWh</u>	<u>Total Cost</u>	<u>\$/kWh</u>	<u>Total Cost</u>	<u>\$/kWh</u>	<u>% Diff</u>
Residential (non-demand)	10,025	\$ 1,252	\$ 0.124	\$ 1,545	\$ 0.154	23.4%
Small General Service (non-demand)	8,992	1,396	0.155	1,879	0.209	34.6%
Medium General Service (demand)	1,167,118	110,296	0.095	141,076	0.121	27.9%

Note: City has no Large General Service customers. No estimates given for rate differential.

DEBT STRUCTURE OF THE SYSTEM

Current Indebtedness of the System

The following table sets forth all of the outstanding obligations of the System as of December 31, 2019:

<u>Project</u>	<u>Series</u>	<u>Original Amount</u>	<u>Principal Outstanding</u>	<u>Final Maturity</u>
Electric Utility System Revenue	2015-A	\$6,230,000	\$5,010,000	09-01-35

Historical & Projected Financials

The following is a summary of the historical *revenues*, operating expenditures, and payments of bonds for the System.

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Revenues	\$ 3,377,463	\$ 3,664,640	\$ 3,941,249	\$ 3,748,846	\$ 3,653,841
Operation & Maintenance Expense(1)	<u>2,710,395</u>	<u>2,766,515</u>	<u>3,053,363</u>	<u>2,539,762</u>	<u>2,225,028</u>
Net Income	\$ 967,058	\$ 898,247	887,886	1,209,084	1,428,813
Debt Service	\$339,334	\$ 435,725	\$ 435,725	\$ 432,501	\$ 434,100
Debt Service Coverage	2.85x	2.06x	2.04x	2.80x	3.29x

The following is a projected summary of the *future* revenues, operating expenditures, and payments of Bonds for the System.

	<u>2021</u>	<u>2022</u>	<u>2023</u>
Revenues	\$4,153,025	\$4,263,155	\$ 4,263,155
Operation & Maintenance Expense (1)(2)	<u>2,913,967</u>	<u>3,080,962</u>	<u>3,080,952</u>
Net Income	\$1,239,058	\$ 1,182,203	\$ 1,182,203
Debt Service	\$436,350	\$ 436,250	\$ 431,525
Debt Service Coverage	2.85X	2.71X	2.74X

(1) Excludes capital outlay expenditures and discretionary transfers out of the System for non-utility related purposes (e.g. recreation, golf course, tourism, general capital improvements). Such transfers are subordinate to the repayment of the Bonds and may only be made from the Surplus Fund.

(2) As a result of completion of the Project and termination of its purchase contract with Nearman Creek Power Plant, the City experienced a net decrease in operation and maintenance costs of approximately \$240,000 per year. Additionally, the City anticipates lower production costs due to reduction of line loss and future potential revenue growth from the sale of power made possible by the Project.

Sources: Historical Financials - Audited Financial Statements
 Revenue & Expense Projections – City of Osawatomie
 Debt Service Requirements - 2015-A Issuance Debt Service Schedule



City of Osawatomie

ACTION ITEM SUMMARY	Item Number:	10.I
	Date:	August 23, 2021
City Clerk / Chief Finance Officer	From:	Tammy Seamands

RE: ORDINANCE 3800 – An Ordinance to amend Section 15-506 of the City Code regarding the storage of solid waste and recyclable materials and amending Section 15-523.

RECOMMENDATION: City Staff recommends that Council approve Ordinance 3800 to amend Section 15-506 of the City Code regarding the storage of solid waste and recyclable materials and amending Section 15-523 of the City Code regarding the schedule of fees and charges.

DETAILS: This is a cleanup of Ordinance 3874 that eliminated a section on proper storage of containers and incorporates the appropriate reference for the fee and administrative charge that is included in all utility bills.

Related Statute / City Ordinances	Resolution 3781, Resolution 3784
Line Item Code/Description	N/A
Available Budget:	N/A

ORDINANCE NO. 3800

AN ORDINANCE REPLACING SECTION 15-506 REGARDING STORAGE OF SOLID WASTE AND RECYCLABLE MATERIALS AND AMENDING SECTION 15-523 SCHEDULE OF FEES AND CHARGES.

NOW THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF OSAWATOMIE KANSAS:

SECTION ONE: Section 15-506 of the City Code is hereby amended to read as follows:

Section 15-506. Storage of Solid Waste and Recyclable Materials.

The following provisions of this article shall be observed in the storage of solid wastes and recyclable materials:

1. The occupant of every dwelling unit and of every institutional, commercial, industrial, agricultural or business establishment, from which solid waste and/or recyclable materials collection is made under this article, shall place all solid waste and/or recyclable materials in approved containers. Whenever a portion of the solid waste and/or recyclable materials is subject to decay or putrefaction, blowing or spillage by weather or animals, such an accumulation must be kept covered or in approved containers, closed bins or containers not subject to deterioration. For single family dwellings and duplexes, containers may be stored outdoors in the following locations:
 - a. Behind the dwelling in the rear yard; or
 - b. On the side or front yard behind the front building line of the dwelling.
 - i. The City may, during inclement weather, provide an amnesty period.
2. Residential solid waste shall be stored in approved containers of not more than 96 gallons. They shall be of lightweight and sturdy construction. Containers, when such are recognized by the City as approved containers for residential solid waste, shall not be placed at a collection point any sooner than 5pm on the day prior to collection, and must be returned to appropriate storage locations no later than 11am the day after collection.

SECTION TWO: Section 15-523 of the City Code is hereby amended to read as follows:

Section 15-523. Schedule of fees and charges.

The charges to be assessed and paid by the property owner for the collection, transportation and disposal of solid waste and recyclable materials shall be as fixed from time to time in the city's schedule of fees and include the appropriate franchise fee and administrative service charge.

SECTION THREE: This ordinance shall take effect and be in force from and after its passage, approval, and publication in the Official City newspaper.

PASSED AND APPROVED by the Governing Body of the City of Osawatomie, Kansas, a majority being in favor thereof, this 26th day of August 2021.

APPROVED AND SIGNED by the Mayor.

L. Mark Govea

Mayor

(SEAL)

ATTEST:

Tammy Seamands
City Clerk