

December 1, 2008

The Board of Aldermen, City of Kearney, Missouri, met in regular session at Kearney City Hall, 100 East Washington, December 1, 2008 at 6:30 P.M. with Mayor Dane presiding. Members present were Jeff Couchman, Alan Gustin, Jenny Hayes and Dan Holt. Staff members present were Jim Eldridge, Shirley Zimmerman and Jay Bettis.

The Mayor opened the meeting with the Pledge of Allegiance.

CONSENT AGENDA

The following items were submitted for the Board of Aldermen to approve:

- Minutes for November 17th meeting
- Bills presented for payment
- Decker Construction Proposal for Emergency Sewer Repairs/Manhole Rehab

Staff reported that when investigating sewer back up problems on South Clark Street, the Water Department found two manholes behind Kramer Hardware that are in serious condition and needed repaired.

Staff presented a memo from Jay Bettis, Water Superintendent, to hire Decker Construction on a “not to exceed” quote to undertake three related projects:

	\$9,682 for installation and reroute to new manhole
	\$4,100 manhole rehab
	\$8,470 installation of backflow valve on South Clark
Total	\$22,252

Staff said these repairs would greatly help in minimizing future back-ups to the residences at 104 West 3rd and 103 West 2nd Streets.

Jay Bettis, Water Superintendent, said Decker Construction is very good about adjusting some of the costs if Staff can do some of this work. He said he would recommend that funds be transferred from the following funds to cover the cost of this work:

Equipment Maintenance	\$10,000
Sludge Hauling	\$10,000
Lift Station Maintenance	\$ 3,000

He said he feels like these funds would have these surpluses at the end of the budget year so it will still allow funds to operate those areas until the budget year ends.

Alderman Holt said the last time we talked about this area we discussed using two backflow valves. Mr. Bettis said they have decided that the two valves could cause problems at the houses. This one device will be on the lateral where we can maintain it.

A motion was made by Alderman Gustin and seconded by Alderman Couchman to approve the Consent Agenda as presented. The motion carried unanimously.

MAYOR'S REMARKS

VISITORS Mayor Dane said he wanted to welcome students from a political science class at Maple Woods College. He invited them to raise their hand anytime they had any questions.

ADMINISTRATOR'S REPORT

BRUCE CULLEY, CPA, PRESENTATION AND REVIEW OF FY08 AUDIT Mayor Dane invited Bruce Culley, CPA, to present the FY08 Audit Report.

Bruce Culley, CPA, presented the draft copy of the FY08 Audit Report. He said the City converted from a Cash System to Accrual System this year. He said the overall net assets of the City increased by \$1,177,508. He said some of that is due to the purchase of the house next to City Hall and the Amphitheater.

Mr. Culley said the City continues to pay down the TIF at a greater rate than expected. He said the comparison of budget figures to expenditures is very good. He said the City is still in good financial standing.

Alderman Couchman said last year we inquired about being sure we had safe guards in place with Staff. Mr. Culley said it's difficult to have lots of checks and balances when the Staff is small but the City does a very good job of that.

Mr. Culley said we decided not to go back past 2005 with infrastructure inventory at this time. He said if we need to do that for more bonding capacity we can do that in the future.

Alderman Holt said he thought we had discussed setting aside money for future building of a sewer plant. Staff said we aren't doing that at this time due to slow down of building permits.

Mayor Dane asked Mr. Culley if there was anything the City should be looking at to help out in these tough economic times. Mr. Culley said we should just try to stay within the budget. He said at this time the City has healthy fund balances.

Alderman Gustin asked if Mr. Culley typically pulled bills from water collection or tickets from Court and follows up on them. Mr. Culley said he tests every type of revenue source.

Mayor Dane said if the Board of Aldermen is satisfied with the Audit Report we would instruct Mr. Culley to finalize it and present it at the next meeting. It was the general consensus of the Board of Aldermen that the Report was fine.

KEYSTONE AWARDS Staff reported that the Keystone Awards banquet would be December 9th at 11:30 A.M. He said they will be recognizing Westbrook Assisted Living Center addition, Downtown Improvements and the new Casey's Store.

NEW BUSINESS

PROPOSED METER SET AND SEWER CONNECTION CHARGE ORDINANCE FOR MULTI FAMILY AND COMMERCIAL

Staff presented a proposed ordinance establishing new meter set charges and sewer connection fees on multi-family and commercial buildings that would address a deficiency in the City's current meter set policy. The current policy simply addresses a single connection fee based on single family dwelling unit, not fully crediting multi-family and commercial for their impacts to the system.

The ordinance would create new categories for multi-family dwellings on a \$1500 per unit basis and for commercial buildings based on size.

It also addresses the same issue for sewer connection fees, creating a \$900 per unit sewer connection fee for multi-family, \$1900 for commercial buildings under 5,000 square feet and \$3,000 for buildings over 5,000 square feet.

The calculation is borrowed from Platte City which establishes an equivalent dwelling unit cost at .6 (six-tenths) of the cost of a single family dwelling connection. Their calculation is far more complex for commercial.

Staff said until recent years we haven't had much multi-family dwelling construction. They cause a larger impact on the water and sewer system than single family dwellings. Due to the slow down in growth and single family dwellings we need to address the deficiency in revenue for the water and sewer departments.

Mayor Dane said this is the reason we need to move forward with rate increases. He said it is better to make change while things are slow.

Alderman Holt asked if this will cause builders and commercial developers to go to other cities. He said we can't afford to run people off at this time.

Alderman Gustin asked if we have had increases in parts, etc. Jay Bettis, Water Superintendent, said cost of parts had doubled and tripled. He said we are setting secondary meters at below cost at this time. He said we need to be ready for when building comes back.

Alderman Couchman asked if single family just raises \$40. Staff said that is correct.

Alderman Couchman said it doesn't cost any more to set a meter for multi-family than single yet we are only raising the price of multi-family. Staff said this is an impact fee to help defray cost of the higher demand.

Mayor Dane said we must look at every avenue of revenue source at this time or we would see rates triple. He said our bond payments, etc. are based on number of meters set and that number has reduced drastically.

Alderman Couchman asked where we are with our water capacity. Mayor Dane said we are good for several years. This revenue would be mainly to pay off debt.

PROPOSED METER SET AND SEWER CONNECTION CHARGE ORDINANCE FOR MULTI FAMILY AND COMMERCIAL-CONT

Mayor Dane said our balance in the water and sewer fund will be off budget about a quarter of a million dollars this year. This is in part due to the wet year and not selling as much water and as well as only selling twenty-five meters opposed to one hundred meters projected. He said we could maybe reduce the figure from .6 (six-tenths) to .4 (four-tenths) for the calculation rate.

Alderman Hayes asked if we could consider putting a cap on multi-family rates. Staff said we can do a more comprehensive look at neighboring towns to see what they do.

Mayor Dane said we don't have to take any action tonight. He said the Aldermen can study this and come back to Staff with any other ideas. He suggested that we have Clark Thompson, Larkin Group, come up and explain the ins and outs of this. He said we have a surplus at the present time but it will reduce a lot in the next couple years.

Alderman Couchman said with no permits being pulled we may have to look at adjusting water and sewer rates.

Mayor Dane said we are talking to neighboring Public Water Districts about selling water to them. If we can work something out there that will help.

ALDERMEN DISCUSSION

ALDERWOMAN HAYES Alderman Hayes said she had been back out to Pilot and she wondered if we have come up with any solutions to the traffic problems there.

Staff said at this time MoDOT is saying no to a traffic light at that spot. We do have a meeting with them on December 8th in regard to a second interchange and that location will also be brought up. Staff said we keep hammering them every month.

ALDERMAN GUSTIN Alderman Gustin asked if Clear Creek Drive will be closed the entire time the new bridge is being built on 92 Highway. Staff said that is correct.

MAYOR DANE Mayor Dane said the Mayor's Christmas Tree Lighting was very nice and the music was lovely. He invited everyone to go out and walk the trail and look at the trees. He said they will be having the Chamber Lighting at Lion's Park on December 11th.

ADJOURNMENT There being no further business on the agenda, a motion was made by Alderman Couchman and seconded by Alderman Holt to adjourn. The motion carried unanimously.

The following bills were presented for payment at the December 1, 2008 meeting:

ORG/VENDOR NAME	WARRANT: 120108	AMOUNT

* 1996 SRF REV BD Expense UMB BANK		5,323.29

* 2001 SRF Rev Bd Expense	
UMB BANK	14,692.63
* City Hall Expenses	
CHRIS' LAWN CARE AND	50.00
CINTAS CORPORATION #690	151.22
CORPORATE EXPRESS	38.22
BILLY R DANE	175.00
INTL COUNCIL OF SHOPPING CENTERS	100.00
KEARNEY CHAMBER OF	50.00
MONARCH INDUSTRIES, INC.	161.93
NEXTEL COMMUNICATIONS	.30
NPG NEWSPAPERS INC	240.00
PITNEY BOWES	37.74
TCOM INC	300.00
THOMPSON MOWING, INC.	15.00
UNISOURCE, INC	190.00
JOAN H. UPDIKE	14.46
* Community Development Dir	
CINTAS CORPORATION #690	15.29
CLAY CO ASSESSOR	112.50
NEXTEL COMMUNICATIONS	.22
UNISOURCE, INC	97.50
* General Admin. Revenues	
CLAY COUNTY COLLECTOR	790.43
* Meter Deposit Expenses	
PAUL BLODGETT	56.47
LISA BOGGS	46.99
MICKI COLE	4.78
TRAVIS DOWNING	24.74
LEAH EMBRY	31.48
FREEDOM MORTGAGE SERVICES	64.55
JOHN GAMM	24.88
BENJAMIN LARKINS	46.31
RYAN MANLY	20.36
DEBBIE MCELROY	24.13
KATHRY MILNER	46.78
KERRY PURDY	46.36
* Park Fund Expenses	
CINTAS CORPORATION #690	7.48
COLE PRINTING	119.50
DESIGNED 2 WIN	50.00
GRAINGER	213.10
BOBBI L JONES	180.00
KANSAS CITY METRO PARKS	75.00
DAVID KEITH KEPLINGER	140.00
ORSCHELNS CARD CENTER	132.93
PITNEY BOWES	37.74
PLATTE CLAY ELECTRIC	3,040.37
PORTER'S BUILDING CENTER	408.48
QUICK STOP	1,462.86
THOMPSON MOWING, INC.	1,334.00
WESTERN EXTRALITE COMPANY	58.15
* Park Special Projects	
ERIC MARSHALL	65.68
* Police Dept. Expenses	
THE ARMORY	147.80
BOARD OF POLICE	159.00

CINTAS CORPORATION #690	179.11
CORPORATE EXPRESS	42.36
GINO'S ITALIAN CUISINE	608.84
NEXTEL COMMUNICATIONS	68.39
OMB POLICE SUPPLY	125.97
PITNEY BOWES	37.74
* Pooled Cash	
AFLAC/REMITTANCE	41.94
BLUE CROSS BLUE SHIELD OF KC	16,778.24
FAMILY SUPPORT	1,224.00
ING FINANCIAL ADVISERS,LLC	2,181.33
MISSOURI LAGERS	16,068.18
METLIFE SMALL BUSINESS CENTER	1,416.30
MO DEPT. OF REVENUE	5,108.00
VISION SERVICE PLAN (IC)	422.80
* Sewer Plant Expenses	
ACE PIPE CLEANING, INC.	3,442.00
ALLIED WASTE SERVICES	109.24
BRINK'S HOME SECURITY	31.95
C.G. CALIBRATION SERVICES	110.00
CINTAS CORPORATION #690	24.42
ORSHELNS CARD CENTER	56.28
PLATTE CLAY ELECTRIC	8,738.77
THOMPSON MOWING, INC.	65.00
WESTERN FIRST AID & SAFETY	33.68
* Solid Waste	
DEFFENBAUGH INDUSTRIES	18,504.25
* Street Department Expense	
CINTAS CORPORATION #690	40.65
DEFFENBAUGH DISPOSAL	875.00
FERRELLGAS, INC.	450.91
MO-LTAP	50.00
NEXTEL COMMUNICATIONS	14.89
ORSHELNS CARD CENTER	285.59
PLATTE CLAY ELECTRIC	349.55
PORTER'S BUILDING CENTER	77.42
THOMPSON MOWING, INC.	195.00
* W & S Admin. Expenses	
CINTAS CORPORATION #690	50.76
CITY OF KEARNEY	26,296.17
TOMMY GILES	45.00
MO DNR-DMS RECEIPT &	2,403.30
NEXTEL COMMUNICATIONS	.60
PITNEY BOWES	37.74
* W & S Oblig. Expenses	
UMB BANK	3,430.93
* Water Plant Expenses	
ACCO UNLIMITED CORP	862.00
BRENNTAG MID-SOUTH, INC	1,375.26
BRINK'S HOME SECURITY	63.90
CINTAS CORPORATION #690	26.00
FERRELLGAS, INC.	501.03
HACH CHEMICAL	601.30
HARMON PLUMBING	119.50
KANSAS CITY WINNELSON	1,429.40
PLATTE CLAY ELECTRIC	686.60
THOMPSON MOWING, INC.	130.00

WESTERN FIRST AID & SAFETY	33.67
WESTERN EXTRALITE COMPANY	153.42

TOTAL	146,630.03

APPROVED: _____ **ATTEST:** _____
Billy R. Dane, Mayor **Joan H. Updike, City Clerk**

