

CITY OF SOUTH HAVEN, KANSAS
COUNCIL MEETING
July 6th, 2020 6:30 pm

The South Haven City Council met in regular session on Monday, July 6th, 2020 at City Hall 231 S Main at 6:30 pm. Presiding was Mayor Kim Byers, who called the meeting to order.

Council Members Present: Steve Nicholson, Katrina Hallman, Seth Brown, and Emily Harding.

Council Members Absent: Linda Elliott

Others Present: City Clerk-Casey Mraz, City Maintenance-Thomas Bacon, Fire Chief-Garratt Locke, Pastor-Jimmy Charles, Deena Byers and Beth Warren Ransom Financial Group.

Opening Prayer: Pastor Jimmy Charles from South Haven Baptist Church opened with prayer.

Approval of Regular Meeting Minutes Dated 6-1-2020:

MOTION: by Steve Nicholson to approve the minutes from 6-1-2020 with one correction noting "Katrina Hallman" motioned for the gravel purchase. Second Emily Harding.

MOTION: Passed unanimously.

Approval of Special Meeting Minutes Dated 6-15-2020.

MOTION: by Seth Brown to approve the Special Meeting minutes dated 6-15-2020 with requested change of the wording from "in route" to "returning to station", to approve the Special Meeting minutes second Steve Nicholson.

MOTION: Passed unanimously.

Approval of Expenses/Disbursements:

Mayor Byers stated June Revenue in the amount of \$38,732.90. Mayor Byers stated that a large portion of that expense was the City's annual tax payment in the amount of \$29,050.98. Expenses for June totaled \$19,835.22. Mayor Byers presented the Council an example format of the finance listing all transactions and uncleared transactions from a sample Accounting Software program for Council's consideration. Councilmember Brown stated "this is shady." Council reviewed and asked several good questions regarding the Account line items including the Dividend's payable line, Net Income, and Professional services listed on the example format. Councilmember Hallman suggested itemizing out the Professional services to Accounting, Legal, and other Professional services to have their own accounting line. Councilmember Katrina Hallman inquired about the City Operations line and what was included in that amount. Mayor Byers discussed any purchases/expenses for City Operations that are not allocated to the Water, Sewer, or Road funds would be included in that Account line for example office supplies, daily operation expenses, gas, lawnmower part etc.

Mayor Byers reiterated it was a sample format and that there would be a learning curve involved for everyone when transitioning from the manual paper ledgers to implementing & utilizing accounting software. Mayor Byers stated the Council's input is very helpful. Council continued to review the example format and discussed at length their preferences and gave suggestions to the Clerk and Mayor. Councilmember Katrina Hallman inquired about the Insurance account line. Mayor Byers discussed that all Insurance type expense would be included there for example: Fire, Liability Insurance, Work Comp, Property, Vehicle, and Surety Bonds. Councilmember Hallman asked if the

Bond Insurance was monthly. Mayor Byers responded it is paid annually. Hallman asked this was paid last month. Mayor Byers provided clarification that there was a refund from the previous Clerk's bond and purchase of a new Surety Bond for the new clerk. Council requested they would like the Clerk and Mayor to continue to provide a separate list of monthly expenses and deposits.

MOTION: by Emily Harding, second Seth Brown to approve the June expenses in the amount of \$17,660.78.

MOTION: Passed unanimously.

PATRON INPUT:

Deena Byers inquired about the accounting software and shared her experience with using bank software.

REPORT CITY OFFICERS:

City Maintenance: Thomas reported a water leak scheduled for repair. Two water meter cans are also leaking. Thomas has scheduled the contractor to dig. Council discussed the locations of the water leaks. Thomas stated one leak is slow and the other leak is leaking pretty good. Thomas stated the happens in very dry conditions usually in August.

City Park Lights- Thomas reported he has discussed the lights with Wheatland and they recommended putting lights on north pole at the location. City would be responsible for the LED lights. Thomas explained importance of selecting the right light since it is much brighter.

Thomas reported several big tree branches up high that are broke at the park and playground area. Thomas reported branches overgrown are reaching the lines, rooftops, and surrounding structures. Thomas requested a quote from Ken Whaley to trim, remove, and clean out the higher broken branches around lines, undercut, and prune 19 trees for approximately \$2200-\$2500.

Thomas reported the 4-H event is Jul 25th at the end of the month and people would be in the park. He recommends getting the trees cleaned up and trimmed up before then.

Mayor Byers inquired about the cost of the LED lights, Thomas stated he would guess around \$1000.

Thomas reported the blower switch in the City tractor is not working. He is unsure if the switch or relay went out. He stated he cannot figure out why the AC will not work. Thomas suggested taking tractor to them look at it. He does not know the cost. Thomas discussed the possibility of taking tractor in annually and costs of winter maintenance.

Fire Chief: Chief Locke reported they took the tanker up and had the 5-stop one water line replaced. Garratt reported that the all the under plumbing is rusted out and needs replaced. Garratt reported cost would be \$3000-\$3500. Garratt sent out the estimate via email to the Council and Clerk. Garratt suggested we put it on the list even if we waited until next year or off season.

Garratt discussed a list of things he needs to start buying for the Fire Dept. Garratt stated it could fall under fire-fighting equipment upgrades with grant. Garratt read a list including two nozzles, new suspenders, two helmets, 2 face shields, two belts, and 14 charcoal masks. He estimates the costs to be

around \$750.00. Garratt stated this may fall under the current \$5000 matching grant with Kanokla which they only have the AED purchase of \$3000 on grant at this time. Katrina Hallman asked how they worded the grant.

Mayor Byers asked Chief Locke to provide the list and City could contact Kanokla to see if any grant opportunities are available that could possibly include those items. Garratt stated he was thinking of just purchasing items now from donation fund. Garratt reported the Rib Day Fundraiser raised \$3,163.00.
City Clerk: None.

OLD BUSINESS

1. **Demolition Project Donations:** No new monies have been received. Grant closes on year from application date.
2. **Utility Billing Policy:** Mayor Byers stated she incorporated all changes suggested by the Councilmembers. Steve Nicholson asked if policy was reviewed by Attorney. Mayor Byers stated yes, attorney has reviewed it. Seth Brown inquired about size of meters the city has and stated to his knowledge the City only has one water rate. Mayor Byers discussed that the current water rate code chart on file shows the water rate is set by volume usage and increases slightly after 10,000 gallons of water been used. Councilmember Hallman explained the water rate and volume usage up to 10,000 gallons and rate after 10,000 gallons of usage. Council discussed further changes to the policy. Mayor Byers read aloud each of the Council's requested changes and all changes were incorporated. Mayor Byers asked if Council was ready to Motion to approve. Councilmember Brown stated he would like to see final version of the policy edits just discussed and accepted and to send the final version back to the Attorney to review again one more time. Mayor Byers stated she would send the policy back to the Attorney to review as requested. No Motion.
3. **Bond Refinance Opportunities-** Mayor Byers asked Beth Warren to answer any questions the Council may have regarding the Interest rates discussed at the last meeting. Ms. Warren presented the improved interest rates to the Council and stated the interest rates would offer additional savings to the GO Bond. Ms. Warren presented the same savings plan with new interest rates and discussed the savings option 1 of annual savings distributed over the term of the loan in the amount of \$135,000, option 2 Tail-end savings which saves 5 years of payments total savings of \$194,000 over the term of bond, and option 3 up-front savings of \$116,000 with the bulk of savings seen in the front 2 years of the date of issue. Ms. Warren discussed these are estimate savings until loan is locked in.

NEW BUSINESS

Bond Refinance:

MOTION: by Steve Nicholson, second Emily Harding to approve the GO Bond 2008 Refinance Option-1 annual savings of \$135,000 distributed over the term of the loan.

MOTION: Passed unanimously.

Resolution 4-2020 Mayor Byers read aloud the Resolution authorizing the offering for sale General Obligation Bond Series 2020 of the city of South Haven.

MOTION: by Steve Nicholson, second Emily Harding to approve the adoption of the Resolution 4-2020.

MOTION: Passed unanimously.

Purchase of Road Gravel:

MOTION by Steve Nicholson, second Katrina Hallman to approve the purchase of 3 loads of gravel.

MOTION passed unanimously.

Tree Trimming Quote:

MOTION: by Steve Nicholson, second Katrina Hallman to approve the quote for tree trimming in the City park in the amount of \$2500.

MOTION: Passed unanimously.

City Tractor Repair for Blower Switch

MOTION: by Emily Harding, second Katrina Hallman to approve tractor repairs up to the amount of \$500 with any work required above the cost of \$500 Thomas will report back to the Council.

MOTION: Passed unanimously.

IT Equipment/City Computer: Mayor Byers reviewed the two quotes provided by Kanokla for a new PC, and monitor.

MOTION: by Seth Brown, second Steve Nicholson to approve the purchase the new PC computer per Kanokla quote with an additional monitor.

MOTION: Passed unanimously.

Kanokla Grant Opportunity:

MOTION: by Steve Nicholson, second Seth Brown to approve the Kanokla contract to receive grant in amount of \$10,500 each year in October for 5 years.

MOTION: Passed unanimously.

Accounting/Bookkeeping Software: Mayor Byers discussed with Council the time Clerk and herself have spent evaluating, training, attending software demonstrations and searching out accounting software and the costs. CenterPoint accounting software was identified as being user friendly, lower cost, and interfaces with our current utility billing software. Mayor Byers explained that the Accounting Software will greatly help the time management spent managing the books in comparison to the paper ledger process. Mayor Byers reviewed the benefits including time management, ease of audit process with electronic books, tracking bill payments and due dates, accountability, reconciliation accuracy, running payroll and ability to track all funds separately in real time and accurately.

Council discussed function of the accounting software with our utility software and how that operates.

Mayor Byers explained most cities & businesses use Accounting Software.

Council expressed that they would like the Clerk to learn the paper ledger accounting process and to table the topic at this time.

Mayor Byers asked Council to please consider all of the necessary tools and resources needed for one to carry out their jobs giving the examples of the Fire Dept & the equipment they have to have to do their job effectively, Maintenance Department and the tools needed for that job, and to consider the tools they have to have at their own individual employers to do their jobs.

No Motion.

ANNOUNCEMENTS, MEETINGS AND NEXT AGENDA ITEMS:

- Monday, Aug 3rd, 2020- Council Meeting @ 6:30 pm

ADJOURNMENT

MOTION by Seth Brown, second Emily Harding to adjourn the City Council meeting at 8:45 p.m.

MOTION approved unanimously.

Kim Byers, Mayor

Casey Mraz, City Clerk

Councilmembers

