

**MINUTES**  
**NEOSHO CITY COUNCIL**  
**March 18, 2014 - 7:00 p.m.**  
**City Hall – Council Chambers**  
**203 E. Main St., Neosho, MO**

**OPENING PRAYER & PLEDGE OF ALLEGIANCE**

Josh Branham gave the opening prayer and Mayor Davidson led the Pledge of Allegiance.

A quorum being present, Mayor Davidson called the meeting to order at 7:00 p.m.

**ROLL CALL**

COUNCIL PRESENT:

Charles Collinsworth  
Steve Hart  
Tom Workman

Richard Davidson  
David Ruth

CITY OFFICERS PRESENT:

Steven Hays, City Attorney  
Troy Royer, City Manager  
Nora Houdyshell, City Clerk

Mike Eads, Fire Chief  
Daphne Pevahouse, Finance Director  
David McCracken, Police Chief  
Mike Hightower, Public Works  
Pam Baker, Human Resources Director  
Dana Daniel, Director of Economic Development  
Amy Moritz, Parks Director  
Maron Towse, Golf Course Manager

**APPROVAL OF AGENDA**

Motion was made to approve the agenda as presented by Councilman Workman and seconded by Councilman Collinsworth. The motion passed unanimously.

**CONSENT AGENDA:**

Motion to approve the consent agenda items as listed by Councilman Collinsworth and seconded by Councilman Workman

Roll call vote:

Charles Collinsworth – Yes  
Richard Davidson – Yes  
Steve Hart – Yes  
David Ruth – Yes  
Tom Workman - Yes.

Motion carried.

**MINUTES:**

The minutes of March 4, 2014, Regular Session was approved as presented.

**VISITORS BUSINESS**

**Mr. Bill Crowe – TDD & MoDOT**

Mr. Crowe read an article from the Neosho Daily wherein quoting Councilman Collinsworth regarding the installation delay of the Kodiak traffic light. Mr. Crowe further stated he requested March 19, 2013, closed session minutes that read the work toward the appeal was voted on to cease and \$70,000 since that date has been spent towards legal fees.

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Mayor Davidson explained to Mr. Crowe that visitor business is not time to engage council but that he would be glad to speak with him after the meeting.

### **Mr. Gene Franklin – TDD & Ethics**

Mr. Franklin stated he also read the Neosho Daily newspaper and agreed with Councilman Collinsworth statement. He further stated he has been against the TDD since the conception then accused a couple of councilman of being against it before they were for it.

Councilman Ruth stated he has always been against the appeal.

Mr. Franklin further stated reasons why he was against the TDD including, but not limited to, the upkeep the City will inherit from the TDD, the TDD was not voted on by patrons, the TDD is illegal and would have supported the City Council taking the lawsuit to the Supreme Court. He reminded the City Council they were elected by the citizens so they should represent them accordingly.

Mr. Franklin then accused Mr. Ruth of being unethical by playing golf for free.

### **Mr. Dave Crocker – Flooding**

Mr. Crocker informed City Council due to a City water leak his 4,000 square foot building flooded. He explained MOPERM denied the claim and is asking the City Council to consider paying for damages. Mr. Crocker explained the structure of the building and estimated damages at \$5,000.

(Councilman Collinsworth stepped out at 7:15 p.m.)

Mr. Crocker left with complimenting the City Councilmen's efforts.

### **UNFINISHED BUSINESS**

There was none.

### **BID**

The following bids were presented for consideration:

(Councilman Collinsworth returned at 7:17 p.m.)

### **Public Works – FY2014 HVAC**

Mike Hightower, Public Works Director, informed the council there was one bid received out of four for the 2014 HVAC bid for the Public Works building and recommended the council accept the bid from Lyerla Sheet Metal in the amount \$8,720. He further stated that Lyerla did the first phase of the work at the building; it was a fair bid but wish he would have received more.

Motion to approve bid from Lyerla Sheet Metal in the amount of \$8,720 by Councilman Collinsworth and seconded by Councilman Workman

### Roll call vote:

Richard Davidson – Yes  
Steve Hart – Yes  
David Ruth – Yes  
Tom Workman – Yes  
Charles Collinsworth - Yes

Motion carried.

**Public Works - Crowder Wastewater Plant Electric Motor**

Mike Hightower, Public Works Director, informed the council two bids were received for the 100 hp electric replacement motor at the Crowder Wastewater Plant and recommended the council accept the bid from Covert Electric for the Baldor motor in the amount of \$6,717.

The following bids were received by:

Covert Electric	\$6,717 Baldor
JCI	\$8,092 Baldor
	\$4,996 Marathon
Evans Electric	No Bid Received

Motion to approve bid to Covert Electric in the amount of \$6,717.00 by Councilman Collinsworth and seconded by Councilman Workman

Roll call vote:

Steve Hart – Yes  
David Ruth – Yes  
Tom Workman - Yes  
Charles Collinsworth – Yes  
Richard Davidson – Yes

Motion carried.

(Councilman Collinsworth left the meeting at 7:22 p.m.)

**Public Works – Shoal Creek Wastewater Plant Pump**

Mike Hightower, Public Works Director, informed the council two bids were received for the 5 hp submergible sludge pump at the Shoal Creek Wastewater Plant and recommended the council accept the bid from JCI for the KSB pump in the amount of \$6,319.

The following bids were received by:

Covert Electric	\$6,400
JCI	\$6,319 KSB
	\$5,180 Barnes
Enviroline, Inc	No Bid Received

(Councilman Collinsworth returned at 7:24 p.m.)

Motion to approve bid to JCI in the amount of \$6,319 by Councilman Workman and seconded by Councilman Ruth

Roll call vote:

David Ruth – Yes  
Tom Workman – Yes  
Charles Collinsworth - Yes  
Richard Davidson – Yes  
Steve Hart – Yes

Motion carried.

**Public Works – Streets Department – Asphalt Recycler/Hot Box**

Mike Hightower, Public Works Director, informed the council two bids were received for the replacement of the Street Department's hot box and recommended the council accept the bid from Spaulding MFG, Inc. in the amount of \$27,880.

The following bids were received by:

Falcon Road Maintenance Equip	\$36,973
Spaulding Mfg, Inc.	\$26,980 + \$900 option = \$27,880

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Key Equipment  
Sasco Pavement Coating

No Bid Received  
No Bid Received

Motion to approve bid to Spaulding Manufacturing in the amount of \$27,880 by Councilman Collinsworth and seconded by Councilman Workman

Roll call vote:

Tom Workman – Yes  
Charles Collinsworth – Yes  
Richard Davidson - Yes  
Steve Hart – Yes  
David Ruth – Yes

Motion carried.

**CORRESPONDENCE**

There was none.

**NEW BUSINESS**

**Annual Audit Report for the Fiscal Year 2012-2013.**

Mr. Andrew Marmouget presented the audit report for the fiscal year ending September 30, 2013 and stated the clean opinion given the City is the best you can receive.

He noted the following:

1. Commended the City for obtaining new depository agreements with banking institutions.
2. Noted that the City water loss percentage was 62% for the year and recommended adopting a meter replacement program; continue to investigate lines for leaks and investigate undocumented City usage.
3. Noted the segregation issues in the Court but stated the City has taken steps economically feasible to mitigate the lack of segregation of duties to help protect City assets.
4. The GASB Statement Number 68 Implementation will become effective for periods beginning after June 15, 2014 and is related to pensions, note disclosures and required supplementary information. Mr. Marmouget stated that pension funds are scrutinized across the country and would like to report that the City is 108% funded. He noted this is rarely seen and congratulated the City for their efforts.

Mayor Davidson stated that by refinancing the debt, repaying misappropriations, lowering property tax by 10%, making the hard decisions and with the hard work of the employees, a city can rebuild. He further stated how important reserves were for the times of economic down turn, the possibility of a fire truck breaking down, a water main breaking or other unexpected expenses. He added it would also impact revenues of the City if a big water user were to leave town. Then Mayor Davidson reflected in 2009 when the reserves were obsolete.

Mr. Marmouget stated that reserves are very important to maintain personnel during the down turning economy and when the sales tax goes down. Mr. Marmouget concluded with thanking city council and personnel for their professionalism.

Mayor Davidson thanked Mr. Marmouget for the presentation of the audit and congratulated city employees for their efforts.

**Bill No. 2014-610...Declaring certain personal property as surplus and setting forth the method for disposing of same. (Public Works)...1<sup>st</sup> Reading.**

Bill No. 2014-610 was read by title only by Mr. Hays.

Motion to pass Bill No. 2014-610 on first reading by Councilman Workman and seconded by Councilman Collinsworth

Roll call vote:

Charles Collinsworth – Yes  
Richard Davidson – Yes  
Steve Hart – Yes  
David Ruth – Yes  
Tom Workman - Yes.

Motion carried.

**Bill No. 2014-611...Providing that Chapter 405 of the Code of Ordinances, City of Neosho, Missouri be amended by revising Section 405.130(B)(1) of said code, providing for height regulations for buildings, structures and stand-alone signage and setting an effective date thereof...1<sup>st</sup> Reading.**

Bill No. 2014-611 was read by title only by Mr. Hays.

Motion to pass Bill No. 2014-611 on first reading by Councilman Workman and seconded by Councilman Collinsworth

Roll call vote:

Richard Davidson – Yes  
Steve Hart – Yes  
David Ruth – Yes  
Tom Workman – Yes  
Charles Collinsworth - Yes

Motion carried.

**Consider approval of the Hotel/Motel expenditure in support of the Annual Neosho Holiday Classic High School Basketball Tournament.**

Mr. Royer reviewed the economic impact the Annual Holiday Classic has on Neosho and recommended approving the \$10,00 expenditure from Hotel/Motel Tax Fund.

Councilman Collinsworth commended Branco and the Neosho Holiday Classic Tournament Committee for providing the information early for review but questioned if this had been approved for payment.

Mayor Davidson stated that although the council is supportive of this event, this council cannot bind future councils and since this crosses over into the next Fiscal Year, it will need to be brought back for consideration.

**Consider approval of the Neosho Area Chamber of Commerce agreement.**

Mr. Wes Franklin, Public Relations/Events Coordinator reviewed agreement between the City of Neosho and the Neosho Area Chamber of Commerce for \$10,000 expenditure from Hotel/Motel Fund to help promote tourism.

Motion to approve the agreement between the City of Neosho and the Neosho Area Chamber of Commerce and authorize Mayor to execute by Councilman Workman and seconded by Councilman Collinsworth

Roll call vote:

Steve Hart – Yes  
David Ruth – Yes  
Tom Workman - Yes  
Charles Collinsworth – Yes  
Richard Davidson – Yes

Motion carried.

**Consider approval of the Area Agency on Aging Agreement.**

Mr. Daniel, Economic Development Director reviewed the annual renewal letter.

Mayor Davison confirmed there was no monetary support provided.

Motion to approve the Area Agency on Aging Letter and authorize Mayor to execute by Councilman Workman and seconded by Councilman Collinsworth

Roll call vote:

David Ruth – Yes  
Tom Workman – Yes  
Charles Collinsworth - Yes  
Richard Davidson – Yes  
Steve Hart – Yes

Motion carried.

**Consider approval of the Irrevocable Consent to Annexation and Agreement Relating Thereto and allow connection to City Water at 13080 Laura Lane.**

Councilman Ruth verified street is not city owned.

Motion to approve Irrevocable Consent to Annexation Agreement as requested by Boatright Properties, Inc. and authorize water by Councilman Collinsworth and seconded by Councilman Workman

Roll call vote:

Tom Workman – Yes  
Charles Collinsworth – Yes  
Richard Davidson - Yes  
Steve Hart – Yes  
David Ruth – Yes

Motion carried.

**Discussion regarding Neosho Golf Course marketing tools and possible advertising restrictions.**

Mr. Maron Towse, Golf Course Manager presented currently used yard books and score cards for review and included that the Golf Course currently spends \$800 per year. He discussed the advertising option of Bench Craft Company providing yard books and score cards for free as they solicit sponsorships.

City Attorney Hays stated Bench Craft has provided an agreement that gives the City the option to state what type of businesses would not be able to advertise.

Mr. Towse stated the turnaround time for this company is 60 days and further commented that the Golf Course currently has enough cards and books to last this golf season.

Councilman Ruth stated he prefers the ones the Golf Course currently uses because they are clean versus the cluttered option with all of the advertisers.

Discussion followed including, but not limited to, asking Mr. Towse to look into expenses and advantages to him soliciting the sponsors for payment of these cards and books.

Without objection, Council will forward thoughts and ideas to the City Manager and discuss this at the next meeting.

**Water/Wastewater Rates discussion.**

Mayor Davidson turned the floor to Mr. Royer for discussion. Mr. Royer stated he did not put this on the agenda.

Councilman Ruth stated he asked Mr. Royer several months ago to look into problems due to the switchover of software and the options of lowering water rates.

Mr. Royer reviewed the debt requirements and reminded council that the City is required to have Two Million Dollars in reserves for this year alone. He further stated that the City borrowed Ten Million Dollars for a small project and several projects in the future that need to be addressed which cannot be done without reserves. He stated he did bring report regarding rates to council when this was discussed in the past but would provide them again if necessary.

Councilman Hart stated he would like to review them.

Mayor Davidson reviewed the history that this was presented to voters with an option to obtain a low interest rate with an SRF loan and was approved by voters. He further stated that once the State provided the water rates, it was voted into the code by ordinance number 2010-457 on January 18, 2011. He stated it was a 4-0 vote by himself, Tom Workman, Heather Bowers and Matt Persinger.

Mr. Royer stated he reviews the status of the SRF loan and rates every year.

Councilman Ruth stated that citizen's comment to him all of the time about their high water bills.

Mr. Royer stated there has been a water rate comparison done in the area and Neosho was competitive.

Mayor Davidson stated the SRF was voter approved and had the loan been on the open market the City could have potentially been looking at an additional Five Million Dollars in interest.

Councilman Hart stated concerns for citizens filling their pools and being charged sewer rates.

Councilman Ruth discussed septic tank use in City limits and Mr. Hightower clarified there were an estimated 20% of septic users in Neosho.

Councilman Hart stated that if you adjust sewer for those who want fill to pools and water gardens, then they use more water.

Mr. Royer reminded council he presented a report regarding winter averaging. Councilman Hart confirmed that this is something that needs started at the beginning of the year.

Discussion followed including, but not limited to, water loss percentages, and the option of obtaining a water meter from Public Works to attach to a fire hydrant to fill up a pool wherein the citizen is only charged for the water used.

**REPORT OF CITY OFFICERS**

**Daphne Pevahouse, Finance Director – Financial Report**

Mrs. Pevahouse reported the sales tax was down but the general fund was in a good position. She further reminded council the next month we will be paying several debt payments.

Councilman Ruth commended the reports Mrs. Pevahouse provides and that he was very pleased that she was hired for the job.

**APPOINTMENTS & VACANCIES**

**Airport Industrial Development Board:** One vacancy exists for a three year term for an affiliated industrial commercial aviation business. Term would be from October 1, 2013 through September 30, 2016. *One letter of interest has been received by Michael Kindellan, Amerigreen Worldwide*

Motion to appoint Michael Kindellan to the Airport Industrial Development Board by Councilman Collinsworth and seconded by Councilman Workman

Roll call vote:

Charles Collinsworth – Yes  
Richard Davidson – Yes  
Steve Hart – Yes  
David Ruth – Yes  
Tom Workman - Yes

Motion carried.

**Economic Development Sales Tax Committee:** Three vacancies exist; *One letter of interest has been received for the Ex-Officio Non-Voting Member; Neosho Area Chamber of Commerce President, Eric Norris.*

Motion to appoint Eric Norris, Neosho Area Chamber of Commerce President as Ex-Officio Non-voting member to the Economic Development Sales Tax Committee by Councilman Collinsworth and seconded by Councilman Workman

Roll call vote:

Richard Davidson – Yes  
Steve Hart – Yes  
David Ruth – Yes  
Tom Workman – Yes  
Charles Collinsworth - Yes

Motion carried.

**Neosho Housing Authority (Oakes):** One vacancy exists for a term of four years. *One letter of interest has been received for reappointment by Norma L. Powell.*

Motion to reappoint Norma Powell to the Neosho Housing Authority by Councilman Workman and seconded by Councilman Collinsworth

Roll call vote:

Steve Hart – Yes  
David Ruth – Yes  
Tom Workman - Yes  
Charles Collinsworth – Yes  
Richard Davidson – Yes

Motion carried.

**ADJOURN**

Mayor Davison asked if there was any further business to come before Council, with no response he asked for a motion to adjourn the March 18, 2014, Regular Session City Council meeting.

Motion to adjourn by Councilman Collinsworth and seconded by Councilman Workman. Unanimous vote to adjourn.

