

**MINUTES**  
**NEOSHO CITY COUNCIL**  
**December 16, 2014 - 7:00 p.m.**  
**City Hall – Council Chambers**  
**203 E. Main St., Neosho, MO**

**OPENING PRAYER & PLEDGE OF ALLEGIANCE**

Jeremie Bridges gave the opening prayer and 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:

Richard Davidson  
Steve Hart  
Tom Workman

COUNCIL ABSENT:

David Ruth  
Charles Collinsworth

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  
Ryan Long, Public Works  
Duane Linch, Public Works  
Pam Baker, Human Resources Director  
Dana Daniel, Director of Economic Development  
Amy Moritz, Parks Director  
Maron Towse, Golf Course Manager  
Wes Franklin, Events Coordinator

**APPROVAL OF AGENDA**

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

**CONSENT AGENDA:**

Motion to approve the consent agenda by Councilman Workman and seconded by Councilman Hart.

Roll call vote:

Richard Davidson – Yes  
Steve Hart – Yes  
Tom Workman – Yes

Motion carried.

**APPROVAL OF MINUTES:**

The minutes of December 2, 2014 – Regular Session

**VISITORS BUSINESS**

There was none.

**UNFINISHED BUSINESS**

**Consideration for Easement Ownership and consideration of disposal – Discussion Only**

Mayor Davidson requested an update and turned the floor over to City Manager Royer who stated the title work has been ordered but not received yet from Newton County Title.

**BID**

The following bid recommendations were presented for consideration.

**Golf Course – Chemical Bid**

Mr. Maron Towse stated there were three bids mailed with one being returned within the required time frame and recommended the council approve the bid from GreensPro.

Motion to accept the bid from GrrrensPro in the amount of \$22,794.00 by Councilman Workman and seconded by Councilman Hart.

Roll call vote:

Steve Hart – Yes  
Tom Workman - Yes  
Richard Davidson – Yes

Motion carried.

**Public Works – Backhoe for Sewer Line Maintenance**

Mr. Duane Linch informed council the 1999 backhoe is outdated and needs replaced. He recommends the State bid from Victor L. Phillips including Option #1 in the amount of \$79,399.65.

Discussion followed.

Motion to approve recommendation including Option #1 in the amount of \$92,399.65 less trade in valued at \$13,000.00 with a total purchase price of \$79,399.65 by Councilman Hart and seconded by Councilman Workman.

Roll call vote:

Tom Workman – Yes  
Richard Davidson - Yes  
Steve Hart – Yes

Motion carried.

**CORRESPONDENCE**

There was none.

**NEW BUSINESS**

Bill No. 2014-648...Providing that the revenues and expenditures budget be amended for the Fiscal Year beginning October 1, 2014, and ending September 30, 2015...1<sup>st</sup> Reading. (City Clerk)

Bill No. 2014-648 was read by title only by Mr. Hays.

Motion to pass Bill No. 2014-648 on first reading by Councilman Hart and seconded by Councilman Workman.

City Clerk Houdyshell outlined the expenditures in the budget adjustment including but not limited to, the fees for the November election that exceeded the line item amount.

Roll call vote:

Richard Davidson – Yes

Steve Hart – Yes

Tom Workman – Yes

Motion carried.

**Resolution Bill No. 2014-08...Resolving that the City of Neosho adopts the Amendment to Section 125 Premium Only Plan of the Internal Revenue Code.**

Resolution Bill No. 2014-08 for Resolution 150-2014 was read by title only by Mr. Hays.

Motion to pass Resolution Bill No. 2014-08 by Councilman Workman and seconded by Councilman Hart.

City Manager Royer stated this was an amendment to the Cafeteria Plan per IRS Notice 2014-55 issued in September 2014, Section 125.

Without objection from the City Council, Mayor Davidson requested the City Clerk to perfect the motion to include, “and authorize Mayor to execute the documents”.

Roll call vote:

Steve Hart – Yes

Tom Workman - Yes

Richard Davidson – Yes

Motion carried.

**Consider request submitted by Mr. Larry Neff regarding Hale McGinty property.**

Mr. Royer stated after Mr. Larry Neff received notification from MoDOT for an additional 15 feet for city utility lines; he received a letter from Mr. Neff regarding the set back requirements for housing in the R-1 District. He explained during the Hale McGinty extension plans; the City will move their water lines causing Mr. Neff to have concern regarding his property lines. He stated that Mr. Neff believes this may hinder his ability in the future to build homes to conform to existing homes. Mr. Royer informed council, per code, the setback lines are from the property pins.

Mayor Davidson stated he reviewed the maps confirming an existing easement on both sides of the Hale McGinty. He stated the setbacks are 25 feet and the current houses are 40 to 50 feet off of the road. Mayor Davidson stated until there is a better understanding of where the final road is going to be and what utilities are needed, the council would be hard pressed to act on his request.

City Attorney Hays stated agreement, without final plans for the road and utility needs and there not being a permit request placed per code from Mr. Neff, there would be no action required at this time.

**Consider approval of Second Amended Agreement for Option to Purchase Real Estate between the City of Neosho and Neosho Area Business and Industrial Foundation, Inc.**

Mr. Royer stated NABIFI has requested an extension regarding the Option to Purchase Real Estate due to expire December 31, 2014.

Mr. Franks reviewed project progress and reiterated the need for an extension to June 30, 2015.

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Mayor Davidson stated the original extension was through the expiration date of the current appraisal which Mr. Kaiser stated was plenty of time. He further stated confusion regarding the relationship between the land transaction and the free trade zone which Mr. Franks was unable to answer. Mayor Davidson stated although there is no problem with extending the Option, he had concerns extending the Option without an updated appraisal due to audit reports from July 2011.

Mr. Workman agreed the City should obtain an updated appraisal as well as supporting the extension.

Discussion followed.

City Attorney Hays stated support for receiving an updated appraisal and stated he did not see a problem with receiving the update back by the expiration term of the agreement.

Councilman Steve Hart interjected this is a land transaction in the amount of \$613,224.00 which is one of the highest appraised pieces of property he has seen in Neosho. He stated the free trade zone would be important to economic growth and sees no reason to delay approving the extension.

Motion made to approve the Option to Purchase Real Estate made by Councilman Hart.

Councilman Workman asked if the agreement can be extended for the life of an updated appraisal.

City Attorney Hays reminded Councilman Workman there was a motion on the floor at which time there needs to be a second before discussion could continue.

Councilman Workman seconded the motion to accept and approve the Option to Purchase Real Estate.

City Attorney Hays stated confidence the updated appraisal could be completed and this agreement voted on or before the first meeting in January, extending for the life of the updated appraisal.

Councilman Workman reiterated the appraisal should be updated and the extension should be given but only to keep the records and land value current due to the recommendation of auditor.

Councilman Hart interjected a question to Mr. Hays requesting the statutory requirement for the City to request an appraisal.

Mr. Hays stated he would need to get back with him.

Discussion continued.

Mr. Franks stated it was his understanding from speaking to other cities there is no law requiring the city to sell city-owned property at the appraised value.

Mr. Hays stated there would need to be an appraisal or a fair market appraisal conducted by experts in that field.

Mr. Franks requested again the City Attorney provide evidence of law requiring the City to sell property at the appraised price.

Mr. Hays stated the law required to sale property at the highest value and would certainly try to receive the appraised value. He further explained if the property is sold at a lower value than the appraisal there needs to be documentation to explain why.

Mr. Franks asked if there could be other factors brought into the value to justify the sale wherein Mr. Hays answered the City tried before to sell property to the School District at a lower value than the appraisal and the State Auditor disagreed with that course of action.

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Councilman Hart stated the Auditors do not run this City and have no concerns if the City has economic growth or not. He further stated concerns regarding the City causing yet another delay.

Mayor Davidson agreed there should be no delays but reiterated the City has done everything they can to support this endeavor. He informed Councilman Hart that Mr. Royer sent an email to Mr. Franks in early November requesting the progress so if there needed to be an extension the City would have 60 days to obtain an updated appraisal. Mayor Davidson stated at that time City staff was informed the project was on schedule to only find out on December 4<sup>th</sup> there needs to be an extension acted on by December 16<sup>th</sup>.

Mr. Franks made a request to make sure the appraiser understands this property is part of a superfund site and should be reflected in the appraisal.

Discussion continued.

Councilman Hart and Mr. Franks agreed that there could be the option of NABIFI and the City obtaining their own individual appraisals.

Mayor Davidson encouraged NABIFI to pursue their own appraisal if they wished to do so.

Councilman Hart stated he agreed with Mr. Franks that the current appraisal did not take into consideration this property is a superfund site and should the updated appraisal come back \$100,000.00 less then there has been an injustice done to the City.

Discussion followed.

Councilman Hart reminded council there is a motion and second on the floor and called for a vote.

Discussion followed.

Mayor Davidson asked if there was a motion to table the motion to approve the agreement.

Councilman Hart insisted on taking a vote on the current motion.

Discussion followed.

Motion made to postpone this issue until no later than December 31<sup>st</sup> pending the outcome of the appraisal.

Councilman Hart insisted there is no need to update the appraisal.

Discussion followed.

City Attorney Hays asked City Clerk to read the motion made by Councilman Hart.

City Clerk read, "Motion to approve the Option to Purchase Real Estate".

City Attorney Hays stated that if there is a vote taken on Councilman Hart's motion and it fails, the current agreement will not be able to come back to council as presented.

Councilman Workman seconded the motion to postpone as made by Mayor Davidson.

Mayor Davidson called for a vote for the motion to postpone.

Roll call vote:

Tom Workman – Yes  
Richard Davidson – Yes  
Steve Hart – No

Motion failed.

Mayor Davidson called for a vote to accept the Option.

Roll call vote:

Richard Davidson – No  
Steve Hart – Yes  
Tom Workman – No

Motion failed.

**Consider approval of Pitney Bowes annual maintenance agreement.**

Mrs. Daphne Pevahouse, Finance Director reviewed the maintenance agreement terms for the postage meter located at City Hall and asked for approval.

Motion to approve annual maintenance agreement with Pitney Bowes and authorize the Mayor to execute by Councilman Hart and seconded by Councilman Workman.

Roll call vote:

Steve Hart – Yes  
Tom Workman - Yes  
Richard Davidson – Yes

Motion carried.

**Consider approval of Police Department equipment purchase through the LLEBG Grant.**

Lieutenant David Kennedy stated the Police Department has been awarded the grant that was approved by council in August and reviewed the equipment they plan to purchase.

Mayor Davidson verified the grant covers 100% now in lieu of the 10% match as in the past.

Motion to accept the grant for 2015 from Local Law Enforcement Block Grant in the amount of \$6,320.00 and authorize Mayor to execute any documents as required by Councilman Hart and seconded by Councilman Workman.

Roll call vote:

Tom Workman - Yes  
Richard Davidson – Yes  
Steve Hart – Yes

Motion carried.

**Consider approval of Neosho Area Fire Protection District Agreement.**

Fire Chief Mike Eads presented the annual agreement between the City of Neosho and the Neosho Area Fire Protection District for a term of three years.

Mayor Davidson confirmed this was meant to be for a term of three years but the dates of the agreement reflect four years.

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After conferring with the City Attorney and Chief Eads, Mayor Davidson requested Chief Eads to bring a revised agreement reflecting the dates of January 1, 2014, through December 31, 2017.

Motion to approve the agreement subject to the amendment for the contract date to run through December 31, 2017, for a period of three years and authorize Mayor to execute by Mayor Davidson and seconded by Councilman Workman.

### Roll call vote

Richard Davidson – Yes  
Steve Hart - Yes  
Tom Workman – Yes

Motion carried.

### **REPORT OF CITY OFFICERS**

#### **City Manager Royer – Attorney Fee Updates**

Mr. Royer informed council of the attorney fees spent in the amount of \$15,981.94 regarding the pending lawsuits.

#### **City Manager Troy Royer – Golf Course**

Mr. Royer commended City staff for working as a team to help repair the golf course #13 green.

#### **Mayor Richard Davidson – TDD Newspaper Article**

Mayor Davidson stated after reading the paper where the Transportation Development District is going out for bids on January 23<sup>rd</sup> he asked Mr. Royer to obtain an update regarding the plans for the projects and what has been proposed for the Hale McGinty traffic issues. He reminded Mr. Royer as a stipulation to council signing the cooperative agreement in 2012, the Hale McGinty traffic concerns were to be addressed.

#### **Finance Director Pevahouse – Financials**

Mrs. Pevahouse reviewed financials pointing out the sales tax revenue has increased 4% from December of last year. She then announced this is a record quarter for sales tax revenue!

#### **City Manager Troy Royer – Council Meeting**

Mr. Royer announced this is Chief McCracken's last council meeting wherein everyone gave a standing ovation for his many years of service.

### **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 December 16, 2014, Regular Session City Council meeting.

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

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Mayor Davidson adjourned the closed meeting at 8:03 p.m.

**APPROVED:**

**NEOSHO CITY COUNCIL**

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**Mayor**

**ATTEST:**

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**City Clerk**