

COUNCIL COMMITTEE OF THE WHOLE
April 1, 2013

The Council Committee of the Whole met on Monday, April 1, 2013 at 6:00 p.m. in the Council Chambers. The meeting was called to order by Council President Charles Clark with the following members present: Mayor Ron Shaffer, Ashley Weaver, Dale Warman, Steve Noll, Ruth Hopkins, Michael Kelly, Andrew Wang (late), Laura Wassmer, Brooke Morehead, David Morrison, Charles Clark, Ted Odell and David Belz. Staff Members present: Wes Jordan, Chief of Police; Keith Bredehoeft, Interim Public Works Director; Katie Logan, City Attorney; Quinn Bennion, City Administrator; Dennis Enslinger, Assistant City Administrator; Lisa Santa Maria, Finance Director; Nic Sanders, Human Resources Specialist and Joyce Hagen Mundy, City Clerk.

COU2013-11 Consider 2013-2014 Insurance Renewals

Charles Clark called upon Bob Frankovic, the city's insurance consultant with Cretcher-Heartland, to present the proposed insurance renewals. Cretcher-Heartland went out to bid on behalf of the City for its Property/Casualty Renewals. The recommended carriers are incumbents - Trident (Property); Rli (Inland Marine) and Argonaut (GL/Auto/Public Official/employment practices, Law Enforcement Liability, Workers Compensation) for the coverage year beginning May 1, 2013.

The Insurance Committee discussed the renewal options and approved modifications to some of the coverages to reduce premium rates. Overall, the renewal bids represented an increase of \$11,066 or 3.9% with the proposed policies very similar to the current coverage. The most significant change in premium is the property coverage rate with an increase of \$5,539. The law enforcement liability rate also increased \$4,037. All other rates are similar or reduced.

The premiums are budgeted in the general fund in 2013 and the renewal amount will be budgeted as part of the 2014 budget process. The deductible amounts will be taken from the insurance reserve fund.

Steve Noll stated the Insurance Committee met several times and unanimously supports the proposed renewals. He noted that changes were made to the city's coverage to reduce premium costs such as lowering the auto physical damage coverage on older city vehicles and removing from coverage police vehicles that were in transition. Bob Frankovic noted these changes reduced the premium after renewal by \$1709.

Steve Noll made the following motion, which was seconded by Michael Kelly and passed unanimously:

**MOVED THE GOVERNING BODY APPROVE THE INSURANCE
RENEWAL POLICIES AND RATES WITH TRIDENT, RLI AND ARGO-
NAUT AT A RENEWAL RATE NOT TO EXCEED \$297,701 FOR**

**THE UPCOMING COVERAGE YEAR MAY 1, 2013 THROUGH APRIL 30, 2014
COUNCIL ACTION TAKEN
4/1/2013**

Bob Frankovic introduced Steve Sopinski with Cretcher-Heartland who was also present and has been working with city staff.

Discussion regarding 2014 Budget - Overview of significant Items

Quinn Bennion noted City staff has updated the list of significant budget items for discussion adding requested information, estimated financial impact and date the item will come before the Council Committee for consideration. Also updated and distributed was the Council Priority List. Mr. Bennion noted that most of the priority items will not be able to be discussed and researched before the June budget preparation.

A3 Address Emerald Ash Borer Infestation

Keith Bredehoeft reported staff is continuing to research this issue and that more data is needed before an action plan can be developed. A realistic estimate of the cost for a program is not possible without an evaluation of the Ash trees in the city. Staff is proposing a budget of \$50,000 to hire an outside company to do the evaluation and begin treatment in 2014 with remaining budget funds. The evaluation would be done by an arborist that would rank the trees for treatment. Quinn Bennion added the individual conducting the evaluation would be different from the individual providing the tree removal or treatment.

Ruth Hopkins confirmed there are 750 city owned Ash trees in city right-of-way and parks. Brooke Morehead asked if the city had any history on these trees. Mr. Bredehoeft responded public works staff has located all the trees, but not evaluated their condition. He feels the city has time to develop a plan.

Quinn Bennion noted that one of the considerations will be the number of Ash Trees located on the street. Research indicates that this disease is nearly 100% fatal without treatment. Steve Noll asked if residents would be made aware of the findings of the evaluation. Mr. Bredehoeft responded there will be major public involvement in the development of the plan.

Michael Kelly confirmed that this is an ongoing cost and that treated trees will need to continue to be treated or they will die. Therefore an important part of this plan is to create a removal and replanting schedule to minimize the impact.

Laura Wassmer expressed concern that \$50,000 is not sufficient funding to address the problem. Mr. Bredehoeft responded the \$50,000 is sufficient to do the evaluation necessary to develop a plan of action and noted immediate action is not necessary. Charles Clark stated he felt the earlier cost figures were high based on an estimate he received to treat three Ash trees on his property. He also feels that as this becomes a bigger issue there will be more competition by companies to provide the needed services.

Steve Noll moved to move forward with the proposed inclusion of \$50,000 in the 2014 budget to address Emerald Ash Borer infestation. The motion was seconded by Michael Kelly and passed unanimously.

A8 Pool Closing on Weekdays after start of school

Quinn Bennion stated this has been considered in the past. He noted the past attendance figures for week day attendance after the start of school and related revenue.

Brooke Morehead stated is this not a significant cost and she feels the benefit to the residents outweighs the savings to be incurred. Brooke Morehead moved to not close the pool on weekdays after the start of school. The motion was seconded by Ted Odell and passed by a vote of 10 to 2.

B25 Employee Appreciation Events

Quinn Bennion reviewed the employee appreciation events held over the past three years and noted the fund is also used for employee anniversary awards and holiday luncheon. Those employees who cannot attend due to scheduled work are given gift certificates, nothing is given to employees who are unable or choose not to attend.

Ruth Hopkins noted her employer has recently dropped employee events and the action has had a very negative impact on morale. Michael Kelly asked why the events were held out of the City. Quinn Bennion responded the events are determined by an employee committee. He noted in the past city events have been tried with very little participation. Michael Kelly asked if the employees had a holiday party. Mr. Bennion replied they have an employee luncheon during work in the Council Chambers. Mr. Kelly felt given the fiscal condition these events should be reined in.

Andrew Wang asked about participation levels. While he feels it is important to show appreciation to employees, he does not feel holding special employee events is an integral part of being a good employer.

David Belz warned against being penny wise and pound foolish. He does not see anything wrong with holding employee appreciation events. He noted this is one tenth of one percent of the city's budget and to further reduce the amount spent would be an event smaller percentage of the budget. He feels that if this was to be cut, it will be the perception of the employees that the Council is balancing the budget on their backs.

Ted Odell stated he would like to look at other opportunities for these events. Quinn Bennion responded this item was discussed in 2009 and 2010 when the city was in the position that cuts had to be made to the budget. This year staff is not looking at having to reduce the budget or increase the mill levy. City employees do appreciate and look forward to these events. He noted that in-house planned events take significant staff time to plan and implement.

Dale Warman stated that "7 Habits" book states you "must take time to celebrate achievements". In today's economy employees are being asked to do more with less.

He is totally against cutting these appreciation events. Ruth Hopkins added this is one of the few times that Council members are allowed to interact with city employees. She added that several years ago this event was a dinner/dance held at Meadowbrook Country Club. Attendance at the event kept getting lower and it was discovered that public works employees were not participating. A committee was formed to get input from the employees in the selection of an event that would appeal to all employees.

Michael Kelly stated employee morale starts with compensation and then other benefits. He feels at some point these extra benefits need to be reined in. Andrew Wang stated he does not feel the event should be taken away, but he would like to see less money spent.

Laura Wassmer moved the proposed funding for the Employee Appreciation Events of \$15,000 remain in the 2014 budget. The motion was seconded by Ruth Hopkins.

Brooke Morehead stated she can see both sides but feels the council owes its residents to be good stewards of their tax dollars.

The motion was voted on and passed by a vote of 7 to 5 with Weaver, Kelly, Wang, Morehead and Odell voting in opposition.

B28 Discuss lump sum merit awards

Quinn Bennion noted again this is an item considered in 2009 and 2010. Review of this revealed in 2012 only one employee received a lump sum merit award due to being at the maximum of their range and cost the city \$104 (the amount the merit increase earned was over the maximum range).

Laura Wassmer noted this would have very minimal impact on the budget and that good employees should be compensated.

Andrew Wang asked how this process worked, how it was calculated and if it involved highly compensated employees. Mr. Bennion responded it is based on an employee's performance evaluation; however, in the case where the employee is at the top of their range, an increase in base salary cannot be given. Therefore, if the performance evaluation earned a 2% increase, the employee is given a lump sum payment equivalent to the 2% increase and their base salary remains the same. This is generally for a long term employee and could be an employee in an entry level position or management position.

Kathy Thompson, a resident in attendance, asked why ranges were established if they were not going to be honored. Mr. Bennion stated salary ranges are set by ordinance and noted the employee's base salary does not increase over the maximum range.

Brooke Morehead stated it is a question of philosophy whether you are paying for the position or paying for the person in the position. A position has been given a value and that value does not increase due to an employee being in the position for a long time. An employee seeking more compensation, needs to move to a higher valued position.

Brooke Morehead moved the 2014 budget does not include funding for lump sum merit awards. The motion was seconded by Michael Kelly.

Andrew Wang confirmed that this is not an automatic increase. Michael Kelly asked what the potential number of employees reaching maximum in the next few years. Mr. Bennion responded that 5 employees are currently within 2% of their maximum. Ted Odell confirmed that salary ranges can be changed. Mr. Bennion responded they are evaluated each year based on several indexes. For 2013 the salary ranges increased 2.6% for all positions.

The motion was voted on and failed by a vote of 2 to 10.

Council President Charles Clark announced that the April 15th Council Committee of the Whole meeting will discuss City Health Insurance Premiums and the comprehensive compensation study.

STAFF REPORTS

Public Safety

- Chief Jordan reported he has a copy of the “48 Hours” episode available for viewing by Council members who may have missed the airing of the episode.

Public Works

- Keith Bredehoeft reported the city will test USDA Emerald Bore Traps this summer with one at Porter Park and another at Public Works.
- Staff is continuing to gather information for the Kansas Department of Emergency Management for possible funding on the earlier snow event.
- Mr. Bredehoeft reported the results of the new salt deicer used this past season in conjunction with regular highway rock salt. The new deicer is more environmentally friendly, is effective at colder temperatures. The salt was used on 75th Street & Mission Road. Staff recommends continuing to use both products and will be bidding both products for 2014.

Ted Odell asked for the results of the sidewalk surveys on this year’s street projected. Mr. Bredehoeft reported all three streets will have sidewalks installed with none of the segments reaching a “no vote” of 75%.

Administration

- Dennis Enslinger reported the Planning Commission would hold a work session on the Mission Valley project following their meeting tomorrow evening. No comments will be taken from the public, no formal application has been filed.
- The City will host a Compost event this Saturday, April 6th at Harmon Park
- The Earth Fair will be held on Saturday, April 13th at Shawnee Mission East.
- Mr. Enslinger announced he has tickets available for the “Shooting Stars Gala Event” at Johnson County Community College this Sunday, April 7th.

- Lisa Santa Maria reported the auditors were on-site last week for the 2012 audit. They expect to have the audit completed and present it to the Council the end of April.
- The 2012 4th Quarter Financial report was distributed to the Council. The year-end fund balance was 39.3% of Revenue, similar to the previous year. Staff is anticipating increased sales and property taxes of 1% for 2013.
- The Finance Committee will meet on Tuesday, April 9th.
- Quinn Bennion provided an update on Notify JoCo which has been implemented and tested. He encouraged all Council members to go online and register.
- The Assistant to the City Administrator has been hired and will begin work on Wednesday, April 10th.
- The City Clerk announced that the annual code of ethics statement, statement of substantial interest forms and council pay requests have been distributed and need to be returned to her as soon as possible. Registration forms for recreational members were distributed via e-mail to all council members.

MAYOR'S REPORT

Mayor Shaffer reported he attended the following events representing the City: March 21 - Kansas City Chamber Networking event; March 22 - Brighton Gardens, Taste of PV; March 23 - Johnson County Legislative Breakfast; March 26 - Johnson County State of the County and March 29 - Retirement celebration for Fire Chief Phil Hodgdon.

Adjournment

Council President Charles Clark adjourned the meeting at 7:15 p.m.

Charles Clark
Council President