

Agenda

City Commission of the City of Neodesha, KS
August 26, 2020 2:00 p.m.

Item 1: Opening Session

- Call to Order
- Roll Call
- Invocation
- Pledge of Allegiance
- Additions/Deletions to the Agenda
- Mayor's Report
- Commissioners' Reports
- City Administrator's Comments
- Community Development Director Report

Item 2: Public Comments

Item 3: Consent Agenda (Routine agenda items can be approved with unanimous consent of the City Commission. Any item can be removed and placed in items of business.)

- Approval of August 12, 2020 Minutes
- Approval of August 17, 2020 Special Call Meeting Minutes
- Approval of August 21, 2020 Special Call Meeting Minutes
- Appropriation (2020) 16
- Raw Water Project Bond Appropriation No. 76
- Gas Line Project Appropriation No. 12

Item 4: Business Items to Consider

- A. Resolution: Special Question Election
- B. Resolution: Dangerous Structures; 906 Church
- C. Maguire Iron – Notice of Award for Water Tower Construction
- D. Midwest Computer Sales – Purchase Phone System Upgrade & Equipment
- E. Engagement Letter for 2020 Audit – Jarred, Gilmore & Phillips PA

Item 5: Date/Time of Next Regular Meeting

Wednesday, September 9, 2020 at 2:00 p.m. – Regular Meeting, City Hall

Item 6: Executive Session:

Item 7: Adjournment

AGENDA COMMENTS
CITY COMMISSION MEETING
August 26, 2020

Additions to the Agenda

RECOMMENDED MOTION: *I move to approve the agenda as presented.*

Consent Agenda

RECOMMENDED MOTION: *I move to approve the consent agenda as presented.*

Business Items to Consider

4.A: Resolution: Special Question Election

This agenda item was tabled by the Commission on August 21, 2020. The Commission is asked to consider the language change on the ballot for a Special Election Question, and to approve Resolution 20-09, calling for a 1% sales tax to be considered November 3, 2020, during the regular election.

RECOMMENDED MOTION: *I move to approve Resolution 20-09 as presented.*

4.B: Resolution: Dangerous Structures; 906 Church

The Commission is asked to consider Resolution 20-10, calling for a Public Hearing, October 14, 2020, 2pm, in the Commission Chambers, to show cause why the structure located at 906 Church Street should not be condemned and ordered repaired or demolished as an unsafe or dangerous structure.

RECOMMENDED MOTION: *I move to adopt Resolution 20-10 setting a public hearing for October 14, 2020 as presented.*

4.C: Maguire Iron – Notice of Award for Water Tower Construction

Bids were received and publicly opened for the referenced project on August 12, 2020. Four bids were received for the project, and the low bidder is Maguire Iron. PEC has reviewed the bid, in the amount of \$1,171,000, and has determined that Maguire Iron is qualified for the project and is a qualified bidder. The Commission is asked to approve the Notice of Award, awarding the project to Maguire Iron, pending USDA approval.

RECOMMENDED MOTION: *I move to approve the Notice of Award, for the Water Tower Construction Project, to Maguire Iron at a project cost of \$1,171,000, pending USDA approval.*

4.D: Midwest Computer Sales – Purchase Phone System Upgrade & Equipment

The Commission is asked to consider a quote, from Midwest Computer Sales, for the replacement of the City's phone system. Staff has noticed a significant decline in the effectiveness of our phone system. Keven Pekrul, our IT consultant, indicates that our phone system is out of date, and not

supported for further upgrades. The Commission is asked to approve this system upgrade at a cost of \$14,659.

RECOMMENDED MOTION: *I move to approve the quote from Midwest Computer Sales, for phone system upgrades, at a cost not to exceed \$14,659.*

4.E: Engagement Letter for 2020 Audit – Jarred, Gilmore & Phillips PA

For this agenda item, the Commission is asked to approve the engagement letter with Jarred, Gilmore & Phillips PA for the 2020 audit.

RECOMMENDED MOTION: *I move to approve the engagement letter with Jarred, Gilmore & Phillips PA, for completion of the 2020 audit in an amount not to exceed \$9,700.*

Neodesha, Kansas

August 12, 2020

The Board of Commissioners met in regular session in the great room at City Hall practicing social distancing at 2:00 p.m. on Wednesday, August 12, 2020 with Mayor Johnson presiding and Commissioners Moffatt and Nichol present.

Commissioner Moffatt moved to approve the agenda as presented. Seconded by Commissioner Nichol. Motion carried.

Commission and Administrator Reports were heard.

Community Development Director report was heard.

Public Comments were invited and heard.

Commissioner Nichol moved to approve the Consent Agenda consisting of the minutes from the July 22, 2020 Meeting; minutes from the July 30, 2020 Special Call Meeting; minutes from the August 3, 2020 Special Call Meeting; Appropriation (2020) 15; Raw Water Project Bond Appropriation No. 75; and Gas Line Project Appropriation No. 11. Seconded by Commissioner Moffatt. Motion carried.

The Commission welcomed Dave Arteberry from Stifel, Nicolaus & Company receiving a presentation on the upcoming process of closing out the City's water/sewer temporary notes and seeking approval of a Financial Advisory Services Agreement. Discussion held.

Commissioner Moffatt moved to approve the Financial Advisory Services Agreement to retain Stifel, Nicolaus & Company Inc. as financial advisor to the City of Neodesha, Kansas for the proposed General Obligation Bonds and allow the City Administrator to sign the agreement. Seconded by Commissioner Nichol. Motion carried.

Administrator Truelove addressed the Commission regarding a resolution that will provide notice of the City's intent to redeem the water/sewer temporary notes. Discussion held.

RESOLUTION NO. 20-08

A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF NEODESHA, KANSAS DECLARING IT NECESSARY AND ADVISABLE TO PROVIDE FOR THE GIVING OF NOTICE OF REDEMPTION OF THE CITY'S GENERAL OBLIGATION TEMPORARY NOTES, SERIES A, 2018 AND GENERAL OBLIGATION RENEWAL TEMPORARY NOTES, SERIES A, 2019.

WHEREAS, the City of Neodesha, Kansas (the "City") has previously issued its General Obligation Temporary Notes, Series A, 2018 (the "2018 Notes") in the original principal amount of \$4,750,000; and

WHEREAS, the City has previously issued its General Obligation Renewal Temporary Notes, Series A, 2019 (the "2019 Notes") in the original principal amount of \$2,250,000; and

WHEREAS, in order to achieve low interest costs, and to accomplish a comprehensive and orderly plan of financing it is necessary and desirable to provide for the refunding and redemption of the 2018 Notes and 2019 Notes. *(a complete copy of this Resolution can be viewed in the City Clerk's office)*

Commissioner Nichol moved to approve Resolution No. 20-08 as presented. Seconded by Commissioner Moffatt. Motion carried.

Commissioner Moffatt moved to convene as the Neodesha Land Bank to consider the acceptance of the donation of property located at 7 Timber Ridge Estates. Seconded by Commissioner Nichol. Motion carried. Discussion held.

Commissioner Nichol moved to approve accepting the donation of property located at 7 Timber Ridge Estates. Seconded by Commissioner Moffatt. Motion carried.

Commissioner Moffatt moved to adjourn as the Neodesha Land Bank Board and re-convene as the City of Neodesha Governing Body. Seconded by Commissioner Nichol. Motion carried.

Administrator Truelove addressed the Commission regarding the Reece Trust Norman No 1 Preservation Project. Discussion held. No action taken.

The next regular meeting of the Governing Body will be held at City Hall on Wednesday, August 26, 2020 at 2:00 p.m.

At 3:50 p.m. Commissioner Moffatt moved to adjourn. Seconded by Commissioner Nichol. Motion carried.

ATTEST:

Devin Johnson, Mayor

Stephanie Fyfe, City Clerk

SPECIAL CALL FOR SPECIAL MEETING OF BOARD OF COMMISSIONERS

Neodesha, Kansas
August 17, 2020

To the Board of Commissioners:

The Board of Commissioners will hold a Special Call meeting Monday, August 17, 2020 at 5:30 p.m. for the following purposes:

1. 2020 Budget Hearing and Approval of Budget
2. Audit Management Letter – Jarred, Gilmore & Phillips, PA
3. Sales Tax Discussion
4. Housing Development Discussion

The Board of Commissioners met in a Special Call Session on Monday, August 17, 2020, at 5:30 p.m. with Mayor Johnson presiding and Commissioners Moffatt and Nichol present.

Mayor Johnson opened the 2021 Budget Hearing and asked for comments. None were heard. The hearing was then closed.

Commissioner Nichol moved to adopt the Budget for the 2021 calendar year as presented. Seconded by Commissioner Moffatt. Motion carried.

Administrator Truelove addressed the Commission regarding the Management Representation Letter from Jarred, Gilmore & Phillips, PA, which is required for the 2019 audit process. Discussion held.

Commissioner Moffatt moved to authorize the Mayor to sign the Management Representative Letter for the 2019 Audit. Seconded by Commissioner Nichol. Motion carried.

Administrator Truelove addressed the Commission regarding the county-wide, one-percent sales tax. Discussion held.

Commissioner Nichol moved to direct staff to create a ballot question for a one-percent retailer's sales tax. Seconded by Commissioner Moffatt. Motion carried.

Administrator Truelove addressed the Commission regarding the current housing development situation within the City of Neodesha. Discussion held. No action taken.

At 6:50 p.m. Commissioner Nichol moved to adjourn the meeting. Seconded by Commissioner Moffatt. Motion carried. Meeting adjourned.

ATTEST:

Devin Johnson, Mayor

Stephanie Fyfe, City Clerk

SPECIAL CALL FOR SPECIAL MEETING OF BOARD OF COMMISSIONERS

Neodesha, Kansas
August 21, 2020

To the Board of Commissioners:

The Board of Commissioners will hold a Special Call meeting Friday, August 21, 2020 at 12:00 noon for the following purposes:

1. Consider Resolution for Special Question Election
2. Executive Session – Non-Elected Personnel

The Board of Commissioners met in a Special Call Session in the great room at City Hall on Friday, August 21, 2020 at 12:00 noon with Mayor Johnson presiding and Commissioners Moffatt and Nichol present.

Administrator Truelove addressed the Commission regarding Resolution 20-09 which relates to the calling of a Special Question Election. Discussion held.

Commissioner Moffatt moved to table Resolution 20-09 until August 26, 2020. Seconded by Commissioner Nichol. Motion carried.

Commissioner Nichol moved to recess to an Executive Session including the Governing Body, City Administrator, City Clerk and Fire Chief Duane Banzet in the Commission Room to discuss an individual employee's performance pursuant to the non-elected personnel matter exception KSA 75-4319(b)(1) because if this matter were discussed in open session it might invade the privacy of those discussed. The open meeting will resume in the great room at City Hall at 1:25 p.m. Seconded by Commissioner Moffatt. Motion carried.

At 1:25 p.m. the regular meeting of the Governing Body reconvened in the great room at City Hall. No action taken

At 1:27 p.m. Commissioner Moffatt moved to adjourn the meeting. Seconded by Commissioner Nichol. Motion carried. Meeting adjourned.

ATTEST:

Devin Johnson, Mayor

Stephanie Fyfe, City Clerk

APPROPRIATIONS REPORT

ORDINANCE 16	8/26/2020
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<u>VENDOR</u>	<u>REFERENCE</u>	<u>AMOUNT</u>	<u>CHECK NO</u>	<u>CHECK DATE</u>
A T & T	PHONE CHARGES	169.22	67546	8/26/2020
ADVANCE INSURANCE COMPANY	SEPTEMBER PREMIUMS	535.36	67548	8/26/2020
AIRGAS USA LLC	SAFETY GLASSES	135.52	67549	8/26/2020
ARLAN COMPANY INC	POOL SUPPLIES	126.00	67550	8/26/2020
AXON ENTERPRISE INC	TASER PROGRAM	380.00	67551	8/26/2020
MARGIE J BOGGS	REFUND OVERPMT AMBULANCE BILL	270.33	67552	8/26/2020
BORDER STATES INDUSTRIES INC	METERING & RADIO KIT	6,252.62	67553	8/26/2020
BOUND TREE MEDICAL LLC	MEDICAL SUPPLIES	896.86	67554	8/26/2020
HARIETT CALLARMAN	REFUND OVERPMT AMBULANCE BILL	100.00	67555	8/26/2020
CALLTOWER	PHONE CHARGES	336.43	67556	8/26/2020
CANON FINANCIAL SERVICES	COPIER & PRINTER LEASE	739.77	67557	8/26/2020
CENTRAL POWER SYSTEMS	GENERATOR REPAIR	3,189.64	67558	8/26/2020
CHASE PEST CONTROL LLC	EXTERMINATOR SVC	400.00	67559	8/26/2020
CINTAS	FIRST AID SUPPLIES	36.97	67560	8/26/2020
D & D AUTO REPAIR & ALIGNMENT	VEHICLE MAINTENANCE	1,195.00	67561	8/26/2020
NOMA DILL	REFUND OVERPMT AMBULANCE BILL	115.60	67563	8/26/2020
DOCUMENT DESTRUCTION INC	ON SITE SHRED SERVICE	261.25	67564	8/26/2020
ECX SYSTEMS LLC	BARRACUDA EMAIL SECURITY 9/20	50.00	67565	8/26/2020
THEODORE M EMERSON	REFUND OVERPMT AMBULANCE BILL	175.00	67566	8/26/2020
FAB CREATIVE SERVICES	SIGNS	226.03	67567	8/26/2020
FASTENAL COMPANY	SUPPLIES	230.21	67568	8/26/2020
FORSYTHE'S HEATING & ELECTRIC	SERVICE CALL	134.51	67569	8/26/2020
HAWKINS INC	CHEMICALS	3,821.73	67570	8/26/2020
JARRED, GILMORE & PHILLIPS, PA	REVIEW OF 2021 BUDGET	210.00	67571	8/26/2020
KANSAS STATE TREASURER	WMC BOND PAYMENT	71,198.75	67572	8/26/2020
KEY EQUIPMENT & SUPPLY CO	FOOTAGE COUNTER METER WHEELER	864.29	67573	8/26/2020
KOONS GAS MEASUREMENT	MAIN SPRING REBUILD KIT	576.24	67574	8/26/2020
LANDIS+GYR TECHNOLOGY INC	AUTOMATED METERING	45,710.00	67575	8/26/2020

LEAGUE OF KS MUNICIPALITIES	KS OPEN RECORDS ACT TRAINING	450.00	67576	8/26/2020
MATT MAHAFFEY	UNIFORMS	146.97	67577	8/26/2020
MIDWEST COMPUTER SALES	IT SERVICES	1,207.00	67578	8/26/2020
MIDWEST MINERALS, INC	ROCK	718.93	67579	8/26/2020
NORTHERN SAFETY & INDUSTRIAL	SAFETY GLASSES	80.30	67580	8/26/2020
OK ELECTRIC WORKS	VEHICLE PARTS	165.00	67581	8/26/2020
PENMAC PERSONNEL SERVICES INC	TEMPORARY PERSONNEL SERVICE	3,603.93	67582	8/26/2020
PRIORITY POWER	JULY BILLING	1,000.00	67583	8/26/2020
RED BUD SUPPLY INC	STRIPE MARKING WAND W/WHEEL	182.00	67584	8/26/2020
ROMANS OUTDOOR POWER	BELTS	68.58	67585	8/26/2020
SENSIT TECHNOLOGIES	PARTS,REPAIR,CALIBRATION	619.71	67586	8/26/2020
SOUTHERN STAR CENTRAL GP INC	JULY BILLING	2,851.40	67587	8/26/2020
SPARKLIGHT	INTERNET SERVICE	86.30	67588	8/26/2020
SPARKLIGHT-PD	CABLE SERVICE	211.53	67589	8/26/2020
SUBSURFACE SOLUTIONS	SOCKET PANEL ASSEMBLY	104.50	67590	8/26/2020
TASC	CLAIM CARD/ADMIN FEES	497.22	67591	8/26/2020
ERMA E TATTERSHALL	REFUND OVERPMT AMBULANCE BILL	139.61	67592	8/26/2020
TLC GROUNDSKEEPING INC	MAIN ST LANDSCAPE MAINTENANCE	2,181.31	67593	8/26/2020
TRI VALLEY DEVELOPMENTAL SERV	POOL CONCESSIONS	151.51	67594	8/26/2020
WALMART COMMUNITY BRC	SUPPLIES	264.16	67595	8/26/2020

****TOTAL****

153,067.29

RAW WATER PROJECT BOND

APPROPRIATION 76

August 26, 2020

Vendor	Invoice No	Check No	Amount	Description
Decker Electric Inc	PR 2	1206	85,975.00	Construction
Decker Electric Inc	PR 3	1207	94,031.00	Construction
GRAND TOTAL			<u>180,006.00</u>	

Approved the day above written.

Devin Johnson, Mayor

Attest

Stephanie Fyfe, City Clerk

Contractor's Application for Payment No. 2

Application Period: Thru April 2020		Application Date: 4/29/2020
To (Owner): City of Neodesha	From (Contractor): Decker Electric, Inc.	Via (Engineer): Professional Engineering Consultants
Project: Neodesha WTP SCADA/VFD improvements	Contract: 35-180004-008-2005	
Owner's Contract No.: 35-180004-008-2005	Contractor's Project No.: 1908-012	Engineer's Project No.:

**Application For Payment
Change Order Summary**

Approved Change Orders			
Number	Additions	Deductions	
			1. ORIGINAL CONTRACT PRICE..... \$ 268,150.00
			2. Net change by Change Orders..... \$
			3. Current Contract Price (Line 1 + 2)..... \$ 268,150.00
			4. TOTAL COMPLETED AND STORED TO DATE
			(Column F total on Progress Estimates)..... \$ 142,500.00
			5. RETAINAGE:
			a. 5% X \$142,500.00 Work Completed..... \$ 7,125.00
			b. 5% X Stored Material..... \$
			c. Total Retainage (Line 5.a + Line 5.b)..... \$ 7,125.00
			6. AMOUNT ELIGIBLE TO DATE (Line 4 - Line 5.c)..... \$ 135,375.00
			7. LESS PREVIOUS PAYMENTS (Line 6 from prior Application)..... \$ 49,400.00
			8. AMOUNT DUE THIS APPLICATION..... \$ 85,975.00
			9. BALANCE TO FINISH, PLUS RETAINAGE
			(Column G total on Progress Estimates + Line 5.c above)..... \$ 132,775.00
TOTALS			
NET CHANGE BY			
CHANGE ORDERS			

Contractor's Certification

The undersigned Contractor certifies, to the best of its knowledge, the following:

(1) All previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with the Work covered by prior Applications for Payment;

(2) Title to all Work, materials and equipment incorporated in said Work, or otherwise listed in or covered by this Application for Payment, will pass to Owner at time of payment free and clear of all Liens, security interests, and encumbrances (except such as are covered by a bond acceptable to Owner indemnifying Owner against any such Liens, security interest, or encumbrances); and

(3) All the Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

Contractor Signature

By: *[Signature]* Date: 8-13-2020

Payment of \$ 85,975.00
(Line 8 or other - attach explanation of the other amount)

is recommended by *[Signature]* 8/18/2020
(Engineer) (Date)

Payment of \$ 85,975.00
(Line 8 or other - attach explanation of the other amount)

is approved by _____
(Owner) (Date)

Approved by _____
Funding or Financing Entity (if applicable) (Date)

Progress Estimate - Lump Sum Work

Contractor's Application

For (Contract):			Neodesha WTP SCADA/VFD Improvements		Application Number				2							
Application Period			Thru April 2020		Application Date				4/29/2020							
					Work Completed		E		F		G					
A			B		C		D		Materials Presently Stored (not in C or D)		Total Completed and Stored to Date (C + D + E)		%		Balance to Finish (B - F)	
Specification Section No.			Description		Scheduled Value (\$)		From Previous Application (C + D)		This Period							
			Project Layout & Submittals		\$34,000.00		\$34,000.00				\$34,000.00		100.0%			
			Computer System		\$18,000.00		\$18,000.00				\$18,000.00		100.0%			
			Control Panels - Hardware		\$118,500.00				\$82,500.00		\$82,500.00		69.6%		\$36,000.00	
			Software		\$33,000.00				\$8,000.00		\$8,000.00		24.2%		\$25,000.00	
			HMI Screen Submittal & Review		\$12,500.00										\$12,500.00	
			Panel Installation		\$43,000.00										\$43,000.00	
			Startup & Testing		\$9,150.00										\$9,150.00	

Contractor's Application for Payment No. 3

Application Period: Thru May 2020		Application Date: 5/27/2020
To (Owner): City of Neodesha	From (Contractor): Decker Electric, Inc.	Via (Engineer): Professional Engineering Consultants
Project: Neodesha WTP SCADA/VFD Improvements	Contract: 35-180004-008-2005	
Owner's Contract No.: 35-180004-008-2005	Contractor's Project No.: 1908-012	Engineer's Project No.:

Application For Payment

Change Order Summary

Approved Change Orders			1. ORIGINAL CONTRACT PRICE.....	\$	\$268,150.00
Number	Additions	Deductions	2. Net change by Change Orders.....	\$	
			3. Current Contract Price (Line 1 ± 2).....	\$	\$268,150.00
			4. TOTAL COMPLETED AND STORED TO DATE		
			(Column F total on Progress Estimates).....	\$	\$241,480.00
			5. RETAINAGE:		
			a. 5% X \$241,480.00 Work Completed.....	\$	\$12,074.00
			b. 5% X _____ Stored Material.....	\$	
			c. Total Retainage (Line 5.a + Line 5.b).....	\$	\$12,074.00
			6. AMOUNT ELIGIBLE TO DATE (Line 4 - Line 5.c).....	\$	\$229,406.00
			7. LESS PREVIOUS PAYMENTS (Line 6 from prior Application).....	\$	\$135,375.00
			8. AMOUNT DUE THIS APPLICATION.....	\$	\$94,031.00
			9. BALANCE TO FINISH, PLUS RETAINAGE		
			(Column G total on Progress Estimates + Line 5.c above).....	\$	\$38,744.00
TOTALS					
NET CHANGE BY					
CHANGE ORDERS					

Contractor's Certification

The undersigned Contractor certifies, to the best of its knowledge, the following:
 (1) All previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with the Work covered by prior Applications for Payment;
 (2) Title to all Work, materials and equipment incorporated in said Work, or otherwise listed in or covered by this Application for Payment, will pass to Owner at time of payment free and clear of all Liens, security interests, and encumbrances (except such as are covered by a bond acceptable to Owner indemnifying Owner against any such Liens, security interest, or encumbrances); and
 (3) All the Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

Contractor Signature

By: Ben Fui Date: 8-13-2020

Payment of: \$ 94,031.00
 (Line 8 or other - attach explanation of the other amount)

is recommended by: [Signature] 8/18/2020
 (Engineer) (Date)

Payment of: \$ 94,031.00
 (Line 8 or other - attach explanation of the other amount)

is approved by: _____
 (Owner) (Date)

Approved by: _____
 Funding or Financing Entity (if applicable) (Date)

Contractor's Application

EJCDC® C-620 Contractor's Application for Payment
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August 26, 2020

Vendor	Invoice No	Check No	Amount	Description
Forsythe Heating & Electric	10289	1108	293.40	Construction
NPL Construction	PR 2	1109	166,237.86	Construction
GRAND TOTAL			<u>166,531.26</u>	

Approved the day above written.

Devin Johnson, Mayor

Attest

Stephanie Fyfe, City Clerk

invoice

Forsythe Heating & Electric, LLC
 4752 Quail Road
 Neodesha, Ks. 66757
 Lanny Forsythe-Owner

Date: 08/12/2020
 Invoice No.: 10289
 Due Date: 08/22/2020
 Customer PO GAS LINE
 No.: PROJECT

Bill To:
 CITY OF NEODESHA
 PO BOX 336
 NEODESHA, KS. 66757

Qty	Description	Unit Price	TAX %	Total
2	LABOR TO SET GAS METER	\$95.00	0%	\$190.00
2	1" BLK PIPE	\$2.10	0%	\$4.20
2	THEADS	\$0.50	0%	\$1.00
1	1" FLASHGUARD FLOOR FLANGE	\$38.24	0%	\$38.24
1	1" FLASHGUARD FLOOR CONNECTOR	\$50.73	0%	\$50.73
1	1X3 BLK NIPPLE	\$3.94	0%	\$3.94
1	BLK COUPLING	\$2.09	0%	\$2.09
1	TEFLON & RECTORSEAL	\$2.00	0%	\$2.00
4	TAPCON SCREWS	\$0.30	0%	\$1.20

Total \$293.40

Balance Due \$293.40

GAS LINE PROJECT-1419 N. 8TH-KLINGENBERG

Thank you for your business.



Contractor's Application for Payment No. 2

Application Period: 6/23/20 - 7/28/2020	Application Date: 8/6/2020
To (Owner): City of Neodesha	Via (Engineer): Professional Engineering Consultants, P.A.
From (Contractor): NPL Construction Co.	
Project: Neodesha Gas Distribution System Improvements	Contract:
Owner's Contract No.:	Engineer's Project No.: 35-171291-000-2005
Contractor's Project No.:	

Application For Payment Change Order Summary

Approved Change Orders		
Number	Additions	Deductions
		-\$51,165.27
TOTALS		-\$51,165.27
NET CHANGE BY CHANGE ORDERS	\$51,165.27	

1. ORIGINAL CONTRACT PRICE.....	\$ 1,699,401.00
2. Net change by Change Orders.....	\$ -\$51,165.27
3. Current Contract Price (Line 1 ± 2).....	\$ 1,648,235.73
4. TOTAL COMPLETED AND STORED TO DATE	
(Column F total on Progress Estimates).....	\$ 389,536.07
5. RETAINAGE:	
a. 5% X \$389,536.07 Work Completed.....	\$ 19,476.80
b. 5% X _____ Stored Material.....	\$ _____
c. Total Retainage (Line 5.a + Line 5.b).....	\$ 19,476.80
6. AMOUNT ELIGIBLE TO DATE (Line 4 - Line 5.c).....	\$ 370,059.27
7. LESS PREVIOUS PAYMENTS (Line 6 from prior Application).....	\$ 203,821.41
8. AMOUNT DUE THIS APPLICATION.....	\$ 166,237.86
9. BALANCE TO FINISH, PLUS RETAINAGE	
(Column G total on Progress Estimates + Line 5.c above).....	\$ 1,278,176.46

Contractor's Certification

The undersigned Contractor certifies, to the best of its knowledge, the following:

(1) All previous progress payments received from Owner on account of Work done under the Contract have been applied on account to discharge Contractor's legitimate obligations incurred in connection with the Work covered by prior Applications for Payment;

(2) Title to all Work, materials and equipment incorporated in said Work, or otherwise listed in or covered by this Application for Payment, will pass to Owner at time of payment free and clear of all Liens, security interests, and encumbrances (except such as are covered by a bond acceptable to Owner indemnifying Owner against any such Liens, security interest, or encumbrances); and

(3) All the Work covered by this Application for Payment is in accordance with the Contract Documents and is not defective.

Contractor Signature

By: *[Signature]* Date: 8/12/20

Payment of: \$ 166,237.86
(Line 8 or other - attach explanation of the other amount)

is recommended by: *Teresa Kaufman* 8/25/2020
(Engineer) (Date)

Payment of: \$ _____
(Line 8 or other - attach explanation of the other amount)

is approved by: _____
(Owner) (Date)

Approved by: _____
Funding or Financing Entity (if applicable) (Date)

Progress Estimate - Unit Price Work

Contractor's Application

For (Contract):								Application Number: 2				
Application Period: 6/23/20 - 7/28/2020								Application Date: 44049				
A						B	C	D	E	F		
Item			Contract Information				Estimated Quantity Installed	Value of Work Installed to Date	Materials Presently Stored (not in C)	Total Completed and Stored to Date (D + E)	% (F / B)	Balance to Finish (B - F)
Bid Item No.	Description	Item Quantity	Units	Unit Price	Total Value of Item (\$)							
1	6" PIPE	9021	LF	\$39.95	\$360,388.95	2868	\$114,576.60		\$114,576.60	31.8%	\$245,812.35	
2	4" PIPE	14492	LF	\$28.25	\$409,399.00	6535	\$184,613.75		\$184,613.75	45.1%	\$224,785.25	
3	3" PIPE	36	LF	\$23.00	\$828.00						\$828.00	
4	2" PIPE	850	LF	\$21.75	\$18,487.50						\$18,487.50	
5	6" VALVE	32	EA	\$925.00	\$29,600.00	3	\$2,775.00		\$2,775.00	9.4%	\$26,825.00	
6	4" VALVE	56	EA	\$825.00	\$46,200.00	24	\$19,800.00		\$19,800.00	42.9%	\$26,400.00	
7	3" VALVE	2	EA	\$725.00	\$1,450.00						\$1,450.00	
8	2" VALVE	1	EA	\$625.00	\$625.00						\$625.00	
9	GAS SERVICE REPLACEMENT	278	EA	\$2,207.76	\$613,757.28	22	\$48,570.72		\$48,570.72	7.9%	\$565,186.56	
10	CONNECT TO EXISTING PIPE	15	EA	\$3,200.00	\$48,000.00	6	\$19,200.00		\$19,200.00	40.0%	\$28,800.00	
11	CONN EXIST PIPE W/TAPPING TEE	2	EA	\$1,500.00	\$3,000.00						\$3,000.00	
12	CONNECT TO EXISTING SERVICE	1	EA	\$1,000.00	\$1,000.00						\$1,000.00	
13	CONNECT TO EXISTING METER	1	EA	\$1,500.00	\$1,500.00						\$1,500.00	
14	REGULATOR STATION, 11TH & ELM	1	LS	\$15,000.00	\$15,000.00						\$15,000.00	
15	REGULATOR STATION, RAILROAD & 4TH	1	LS	\$15,000.00	\$15,000.00						\$15,000.00	
16	REGULATOR STATION, MAIN & 10TH	1	LS	\$15,000.00	\$15,000.00						\$15,000.00	
17	GAS LINE ABANDONMENT	1	LS	\$10,000.00	\$10,000.00						\$10,000.00	
18	SITE CLEARING & RESTORATION	1	LS	\$54,000.00	\$54,000.00						\$54,000.00	
19	EROSION CONTROL	1	LS	\$5,000.00	\$5,000.00						\$5,000.00	
	Totals				\$1,648,235.73		\$389,536.07		\$389,536.07	23.6%	\$1,258,699.66	

RESOLUTION NO. 20-09

A RESOLUTION AUTHORIZING AND PROVIDING FOR THE CALLING OF A SPECIAL QUESTION ELECTION IN THE CITY OF NEODESHA, KANSAS, FOR THE PURPOSE OF SUBMITTING TO THE ELECTORS OF THE CITY THE QUESTION OF IMPOSING A ONE PERCENT (1%) CITYWIDE RETAILERS' SALES TAX; AND PROVIDING FOR THE GIVING OF NOTICE OF SAID ELECTION.

WHEREAS, K.S.A. 12-187 *et seq.*, as amended (the "Act"), authorizes the governing body (the "Governing Body") of the City of Neodesha, Kansas (the "City") to submit to the electors of the City the question of imposing Citywide retailers' sales taxes, which may be in an amount not to exceed two-percent (2%) for general purposes or in an additional amount not to exceed one percent (1%) for special purposes, provided sales taxes for special purposes shall expire not later than ten (10) years from the initial date of collection thereof; and

WHEREAS, the Governing Body hereby further deems it advisable to provide for an additional source of revenue to fund infrastructure projects, including improvements to streets, sidewalks, utilities, and stormwater drainage improvements, provided the electors of the City authorize such sales tax at an election held in the City for such purposes; and

WHEREAS, the Governing Body deems it advisable to provide for the calling of a special question election in the City for the purpose of submitting to the qualified electors of the City the question of imposing a one percent (1%) Citywide retailers' sales tax (the "Sales Tax"); and

WHEREAS, in order to authorize the Sales Tax, it is deemed advisable to call a special question election in the City on November 3, 2020; and

WHEREAS, if approved, the Sales Tax will constitute a sales tax imposed for special purposes, as said term is described in K.S.A. 12-189, as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF NEODESHA, KANSAS:

SECTION 1. Public Purpose; Implementation of Sales Tax. It is hereby deemed necessary and advisable and in the best interests of the citizens of the City to authorize and impose the Sales Tax, the revenue from which will be used to fund infrastructure projects, including improvements to streets, sidewalks, utilities and stormwater drainage improvements. Collection of the Sales Tax, if approved by the electors of the City, shall commence on April 1, 2021, or as soon thereafter as permitted by law, and shall terminate or as soon thereafter as permitted by the Act, and to terminate 10 years after its commencement. All proceeds of the Sales Tax shall be applied for the purposes set forth in this *Section 1*; provided, however, in the event that other City funds are required to be utilized for such purposes, such City funds may be reimbursed from the proceeds of the Sales Tax.

SECTION 2. Special Question Election. It is hereby authorized, ordered and directed that a special question election shall be and is hereby called to be held in the City on November 3, 2020, at which time there shall be submitted to the qualified electors of the City the following proposition:

Shall the following be adopted?

Shall the City of Neodesha, Kansas, be authorized to impose a one percent (1.00%) Citywide retailers' sales tax, the revenue from which will be used as follows: 0.50% for improvements to streets and sidewalks; and 0.50% for infrastructure, including utility and stormwater drainage improvements; such sales tax to expire ten (10) years after its commencement; all pursuant to the provisions of K.S.A. 12-187 *et seq.*, as amended?

SECTION 3. Special Question Election Procedures. The vote at said special question election shall be by ballot, and the proposition stated above shall be printed on the ballot, together with voting instructions as provided by law. The City Clerk shall transmit a copy of this Resolution to the Wilson County Clerk to give notice of the special question election as provided by law by publishing a Notice of Special Question Election in substantially the form attached hereto as ***Exhibit A*** once each week for two (2) consecutive weeks in a newspaper of general circulation in the City, with the first publication to be not less than twenty-one (21) days prior to the date of the special question election, and the last publication shall be not more than ninety (90) days prior to the date of the special question election.

SECTION 4. Effective Date. This Resolution shall be effective from and after adoption by the Governing Body.

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ADOPTED by the Governing Body of the City of Neodesha, Kansas, on August 26, 2020.

(Seal)

Mayor

ATTEST:

City Clerk

CERTIFICATE

I hereby certify that the above and foregoing is a true and correct copy of the Resolution of the City of Neodesha, Kansas, adopted by the Governing Body thereof on August 26, 2020, as the same appears of record in my office.

DATED: AUGUST 26, 2020.

City Clerk

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CITY OF NEODESHA

RESOLUTION NO. 20-10

A RESOLUTION FIXING A TIME AND PLACE AND PROVIDING FOR NOTICE OF A HEARING BEFORE THE GOVERNING BODY OF THE CITY OF NEODESHA, KANSAS AT WHICH TIME THE OWNER, HIS AGENT, LIENHOLDERS OF RECORD AND OCCUPANTS OF THE STRUCTURE LOCATED AT 906 CHURCH STREET, LEGAL DESCRIPTION: LOTS TWENTY-ONE (21) AND TWENTY-TWO (22), BLOCK SIX (6) FORD'S ADDITION TO THE CITY OF NEODESHA, WILSON COUNTY, KANSAS, MAY APPEAR AND SHOW CAUSE WHY SUCH STRUCTURE SHOULD NOT BE CONDEMNED AND ORDERED REPAIRED OR DEMOLISHED AS AN UNSAFE OR DANGEROUS STRUCTURE.

WHEREAS, Ed Truelove, the Enforcement Officer of the City of Neodesha, did on the 26th day of August, 2020, file with the Governing Body of said City a statement in writing that certain unoccupied structures hereinafter described are unsafe and dangerous;

NOW, THEREFORE, BE IT RESOLVED by the Governing body of the City of Neodesha that a hearing will be held on the 14th day of October, 2020, before the Governing Body of the City at 2:00 p.m. in the Commission Room of City Hall, 1407 N. 8th; at which time the owner, his agent, any lien holder of record and any occupant of the structure located at 906 Church Street may appear and show cause why such structure should not be condemned as an unsafe or dangerous structure and ordered repaired or demolished.

BE IT FURTHER RESOLVED that the City Clerk shall cause this Resolution to be published two consecutive times and shall give notice of the aforesaid hearing in the manner provided by law.

ADOPTED AND APPROVED by the governing body of the City of Neodesha, Kansas this 26th day of August, 2020.

ATTEST:

Devin Johnson, Mayor

Stephanie Fyfe, City Clerk

NOTICE OF AWARD

Date of Issuance:

Owner: City of Neodesha, Kansas

Owner's Contract No.:

Engineer: Professional Engineering Consultants, P.A.

Engineer's Project No.: 35-180004-012-2005

Project: Neodesha 200,000 Gallon CBD Water Tower

Contract Name:

Bidder: Maguire Iron, Inc.

Bidder's Address: PO Box 1446, Sioux Falls, SD 57101

TO BIDDER:

You are notified that Owner has accepted your Bid dated August 12, 2020 for the above Contract, and that you are the Successful Bidder and are awarded a Contract for:

Neodesha 200,000 Gallon CBD Water Tower (Base Bid plus Add Alternate 2)

The Contract Price of the awarded Contract: \$1,171,000.

3 unexecuted counterparts of the Agreement accompany this Notice of Award, and one copy of the Contract Documents have been transmitted or made available to Bidder electronically.

You must comply with the following conditions precedent within 15 days of the date of receipt of this Notice of Award:

1. Deliver to Owner 3 counterparts of the Agreement, fully executed by Bidder.
2. Deliver with the executed Agreement(s) the Contract security and insurance documentation as specified in the Instructions to Bidders and General Conditions, Articles 2 and 6.
 - a. Deliver with the executed Contract Documents the certificate of insurance as specified in the General Conditions and Supplementary Conditions.
 - b. Deliver with the executed Contract Documents proof of filing of the Statutory Bond with the Clerk of the District Court.

Failure to comply with these conditions within the time specified will entitle Owner to consider you in default, annul this Notice of Award, and declare your Bid security forfeited.

Within ten days after you comply with the above conditions, Owner will return to you one fully executed counterpart of the Agreement, together with any additional copies of the Contract Documents as indicated in Paragraph 2.02 of the General Conditions.

Owner: City of Neodesha, Kansas

Authorized Signature

By:

Title: City Administrator

Copy: Engineer

THE CITY OF NEODESHA

P.O. BOX 336
Phone: (620) 325-2828

NEODESHA, KANSAS 66757

CHARGE TO Telephone / IT Equipment

DATE

PURCHASE ORDER

THIS NO. MUST APPEAR ON ALL
PACKAGES, CORRESPONDENCE,
B/L'S AND INVOICES.

No. **7602**

VENDOR

Midwest Computer Sales
12036 Finney Road
Fredonia, KS 66736

SHIP TO

City of Neodesha

TERMS		F.O.B.	VIA	SHIP ON	
QUANTITY	DESCRIPTION			PRICE	
	Allworx Phone System Upgrade & Equipment*			\$12,659.00	
	Estimated Labor for Installation*			<u>2,000.00</u>	
	Total Estimated			\$14,659.00	
	*see attached estimates				

INSTRUCTIONS TO VENDOR

1. PLEASE ACKNOWLEDGE EACH ORDER PROMPTLY AND GIVE THE SHIPPING DATE.
2. FORWARD A SHIPPING NOTICE ON DATE OF SHIPMENT TO THE INVOICE ADDRESS INDICATED ABOVE.
3. INVOICE EACH ORDER SEPARATELY ON DAY OF SHIPMENT.
4. THE COMPLETE PURCHASE ORDER NUMBER, INCLUDING PREFIX AND SUFFIX, MUST BE SHOWN ON ALL INVOICES, SHIPPING PAPERS, SHIPPING CONTAINERS AND FREIGHT BILLS.
5. PREPAY ALL ALLOWED FREIGHT.

6. UNLESS OTHERWISE PROVIDED HEREIN, ANY WRITTEN ACKNOWLEDGMENT OF THIS ORDER OR THE DELIVERY OF ANY MATERIALS OR SERVICES IN ACCORDANCE WITH THIS PURCHASE SHALL CONSTITUTE ACCEPTANCE BY THE SELLER, SUBJECT TO ALL SPECIFICATIONS, TERMS AND CONDITIONS ON THE FACE OF THIS ORDER WHICH ARE MADE A PART HEREOF AND ALSO ALL ATTACHMENTS HERETO.

THE CITY OF NEODESHA

BY

Commission Approval 08/26/2020



12036 Finney Rd
Fredonia, KS 66736
620-288-0266

TO: City of Neodesha
1407 N 8th
Neodesha, KS 66757

Switch Replacement for Phone Systems

8/7/2020

Ubiquiti ES-24-500W POE Switch with Fiber Tranceivers QTY4 @\$642.00 ea \$2568.00

Ubiquiti ES-48-500W POE Switch with Fiber Tranceivers QTY1 @\$1099.00ea \$1099.00
\$3667.00

Installation & Configuration will be billed at hourly rate of \$80.00hr x 5 hrs est \$ 400.00

Applicable Sales Tax Will Be Added to Invoice

TOTAL **\$4,067.00**

This proposal expires if not accepted within 30 days after the date hereof

Midwest Computer Sales & Service reserves all rights to system design including but not limited to all designs, drawings, and specifications of submitted proposals. Until the completion of work solicited by Owner any designs, drawings and specifications of submitted proposal are property of Midwest Computer Sales & Service for the sole purpose of securing work for Midwest Computer Sales & Service and are not to be copied or shared with similar entities.

BY my signature below, I indicate acceptance of this proposal and its conditions as described herein. I have authority to obligate my company for this purchase:

Customer Signature: _____ Company Name: _____

Date: _____

Thanks

Kevin Pekrul

mwcomp@twinmounds.com



12036 Finney Rd
Fredonia, KS 66736
620-288-0266

TO: City of Neodesha - City Hall
1407 N 8th
Neodesha, KS 66757

City Hall Phone System Upgrade

8/7/2020

Allworx 48x to Connect 731 Trade in:	\$1099.00
(1) Requires a one-time fee for transferring existing advanced software license keys to the new Connect server.	
(2) Any existing hardware and software trade warranties do not transfer.	
(3) Old Allworx server must be returned to Allworx within 30 days of receiving the new Connect server System #000ADD0246A1	
Allworx Connect 7XX series key transfer expense for transferring keys between servers	\$ 599.00
Allworx Connect 731 Hardware & Software	\$1099.00
4-year extended hardware warranty and software upgrade key package. ** Must be purchased within 90 days of the hardware installation**	
Allworx Phone Incentive, if an X series Trade In is ordered and it includes the purchase of the key transfer key along with the purchase of an extended warranty, Allworx will provide at no charge two Verge Phones - a 9312 phone and a 9304 phone. No substitutions valid until 8-31-2020	\$0.00
Upgrade Labor & Installation will be billed at hourly rate of \$80.00/hr x 5 hrs est	<u>\$400.00</u>

Applicable Sales Tax Will Be Added to Invoice

This proposal expires if not accepted within 30 days after the date hereof

TOTAL **\$ 3,197.00**

Midwest Computer Sales & Service reserves all rights to system design including but not limited to all designs, drawings, and specifications of submitted proposals. Until the completion of work solicited by Owner any designs, drawings and specifications of submitted proposal are property of Midwest Computer Sales & Service for the sole purpose of securing work for Midwest Computer Sales & Service and are not to be copied or shared with similar entities.

BY my signature below, I indicate acceptance of this proposal and its conditions as described herein. I have authority to obligate my company for this purchase:

Customer Signature: _____ Company Name: _____

Date: _____

Thanks

Kevin Pekarul

mwcomp@twinmounds.com



12036 Finney Rd
Fredonia, KS 66736
620-288-0266

TO: City of Neodesha - Fire Dept
112 S 4th
Neodesha, KS 66757

Fire Dept Phone System Upgrade
8/7/2020

Allworx 48x to Connect 731 Trade in:	\$1099.00
(1) Requires a one-time fee for transferring existing advanced software license keys to the new Connect server.	
(2) Any existing hardware and software trade warranties do not transfer.	
(3) Old Allworx server must be returned to Allworx within 30 days of receiving the new Connect server System #000ADD0246F4	
Allworx Connect 7XX series key transfer expense for transferring keys between servers	\$ 599.00
Allworx Connect 731 Hardware & Software	\$1099.00
4-year extended hardware warranty and software upgrade key package. ** Must be purchased within 90 days of the hardware installation**	
Allworx Phone Incentive, if an X series Trade In is ordered and it includes the purchase of the key transfer key along with the purchase of an extended warranty, Allworx will provide at no charge two Verge Phones - a 9312 phone and a 9304 phone. No substitutions valid until 8-31-2020	\$0.00
Upgrade Labor & Installation will be billed at hourly rate of \$80.00/hr x 5 hrs est	<u>\$ 400.00</u>

Applicable Sales Tax Will Be Added to Invoice \$ 3,197.00

This proposal expires if not accepted within 30 days after the date hereof

Midwest Computer Sales & Service reserves all rights to system design including but not limited to all designs, drawings, and specifications of submitted proposals. Until the completion of work solicited by Owner any designs, drawings and specifications of submitted proposal are property of Midwest Computer Sales & Service for the sole purpose of securing work for Midwest Computer Sales & Service and are not to be copied or shared with similar entities.

BY my signature below, I indicate acceptance of this proposal and its conditions as described herein. I have authority to obligate my company for this purchase:

Customer Signature: _____

Company Name: _____

Date: _____

Thanks

Kevin Pekrul

mwcomp@twinmounds.com



12036 Finney Rd
Fredonia, KS 66736
620-288-0266

TO: City of Neodesha - Public Works Public Works Phone System Upgrade
1200 W Granby 8/7/2020
Neodesha, KS 66757

Allworx 6x to Connect 536 Trade in: \$899.00

- (1) Requires a one-time fee for transferring existing advanced software license keys to the new Connect server.
- (2) Any existing hardware and software trade warranties do not transfer.
- (3) Old Allworx server must be returned to Allworx within 30 days of receiving the new Connect server System #000ADD025BC7

Allworx Connect 5XX series key transfer expense for transferring keys between servers \$325.00

Allworx Connect 530/536 Hardware & Software \$475.00

4-year extended hardware warranty and software upgrade key package. ** Must be purchased within 90 days of the hardware installation**

Allworx Phone Incentive, if an X series Trade In is ordered and it includes the purchase of the key transfer key along with the purchase of an extended warranty, Allworx will provide at no charge two Verge Phones - a 9312 phone and a 9304 phone. No substitutions valid until 8-31-2020 \$0.00

Upgrade Labor & Installation will be billed at hourly rate of \$80.00/hr x 5 hrs est \$400.00

Applicable Sales Tax Will Be Added to Invoice TOTAL \$ 2,099.00

This proposal expires if not accepted within 30 days after the date hereof

Midwest Computer Sales & Service reserves all rights to system design including but not limited to all designs, drawings, and specifications of submitted proposals. Until the completion of work solicited by Owner any designs, drawings and specifications of submitted proposal are property of Midwest Computer Sales & Service for the sole purpose of securing work for Midwest Computer Sales & Service and are not to be copied or shared with similar entities.

BY my signature below, I indicate acceptance of this proposal and its conditions as described herein. I have authority to obligate my company for this purchase:

Customer Signature: _____ Company Name: _____

Date: _____

Thanks

Kevin Pekrul

mwcomp@twinmounds.com



12036 Finney Rd
Fredonia, KS 66736
620-288-0266

TO: City of Neodesha - Water Plant
1400 W Wisconsin
Neodesha, KS 66757

Water Plant Phone System Upgrade

8/7/2020

Allworx 6x to Connect 536 Trade in: \$899.00

- (1) Requires a one-time fee for transferring existing advanced software license keys to the new Connect server.
- (2) Any existing hardware and software trade warranties do not transfer.
- (3) Old Allworx server must be returned to Allworx within 30 days of receiving the new Connect server System #000ADD025C12

Allworx Connect 5XX series key transfer expense for transferring keys between servers \$325.00

Allworx Connect 530/536 Hardware & Software \$475.00

4-year extended hardware warranty and software upgrade key package. ** Must be purchased within 90 days of the hardware installation**

Allworx Phone Incentive, if an X series Trade In is ordered and it includes the purchase of the key transfer key along with the purchase of an extended warranty, Allworx will provide at no charge two Verge Phones - a 9312 phone and a 9304 phone. No substitutions valid until 8-31-2020 \$0.00

Upgrade Labor & Installation will be billed at hourly rate of \$80.00/hr x 5 hrs est \$400.00

Applicable Sales Tax Will Be Added to Invoice

TOTAL \$2,099.00

This proposal expires if not accepted within 30 days after the date hereof

Midwest Computer Sales & Service reserves all rights to system design including but not limited to all designs, drawings, and specifications of submitted proposals. Until the completion of work solicited by Owner any designs, drawings and specifications of submitted proposal are property of Midwest Computer Sales & Service for the sole purpose of securing work for Midwest Computer Sales & Service and are not to be copied or shared with similar entities.

BY my signature below, I indicate acceptance of this proposal and its conditions as described herein. I have authority to obligate my company for this purchase:

Customer Signature: _____ Company Name: _____

Date: _____

Thanks

Kevin Pekarul

mwcomp@twinmounds.com



July 22, 2020

City Commission
City of Neodesha
P.O. Box 336
Neodesha, Kansas 66757

We are pleased to confirm our understanding of the services we are to provide City of Neodesha, Kansas for the year ended December 31, 2020. We will audit the financial statement of City of Neodesha as of and for the year ended December 31, 2020. It is agreed that the basis of presentation of the financial statement will be in compliance with the regulatory basis of accounting. It is further agreed that the municipality shall pass, by resolution, a waiver of the requirements of the law relating to the preparation of financial statement and financial reports that conform to generally accepted accounting principles as provided by K.S.A. 75-1120a (c).

We have also been engaged to report on supplementary information that accompanies City of Neodesha's financial statement. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statement as a whole, in a report combined with our auditor's report on the financial statement:

1. Schedule of Expenditures of Federal Awards
2. Summary of Expenditures – Actual and Budget – Regulatory Basis (Budget Funds Only)
3. Schedule of Receipts and Expenditures – Actual and Budget – Regulatory Basis (with Comparative Actual Amounts for the Prior Year)
4. Schedule of Receipts and Disbursements – Agency Funds – Regulatory Basis

Audit Objectives

The objective of our audit is the expression of an opinion as to whether your financial statement is fairly presented, in all material respects, in conformity with the regulatory basis of accounting and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statement as a whole. The objective also includes reporting on—

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statement in accordance with *Government Auditing Standards*.

Jarred, Gilmore & Phillips, PA
CERTIFIED PUBLIC ACCOUNTANTS

412 W. MAIN, P.O. BOX 97
NEODESHA, KANSAS 66757
(620) 325-3430

1815 S. SANTA FE, P.O. BOX 779
CHANUTE, KANSAS 66720
(620) 431-6342

16 W. JACKSON
IOLA, KANSAS 66749
(620) 365-3125

www.jgppa.com

- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such an opinion. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the City Commission of City of Neodesha. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement. We will plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatement or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatement or violations of laws or governmental regulations that do not have a direct and material effect on the financial statement or on major programs. However, we will inform the appropriate level of management of any material errors, any

fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statement; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statement and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statement and to preventing and detecting misstatement resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statement. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statement are free of material misstatement, we will perform tests of City of Neodesha's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and

material effect on each of City of Neodesha's major programs. The purpose of these procedures will be to express an opinion on City of Neodesha's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statement, schedule of expenditures of federal awards, and related notes of City of Neodesha in conformity with the regulatory basis of accounting and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statement that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statement, schedule of expenditures of federal awards, and all accompanying information in conformity with the regulatory basis of accounting and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statement, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statement to correct material misstatement and confirming to us in the management representation letter that the effects of any uncorrected misstatement aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statement as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statement.

Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review on the first day of fieldwork.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to [include the audited financial statement with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with the regulatory basis of accounting. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statement with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with the regulatory basis of accounting; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with the regulatory basis of accounting; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statement, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statement, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statement, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statement, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to the City; however, management is responsible for distribution of the reports and the financial statement. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Jarred, Gilmore & Phillips, PA and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to your grantor or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Jarred, Gilmore & Phillips, PA personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by your grantors. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Neil L. Phillips, CPA, is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

It is our understanding that your intent in engaging us is that the financial statement we render to you under this agreement will be made available to the State of Kansas Division of Accounts and Reports. Moreover, as of the time of this engagement, we have not been notified, in writing or otherwise, that the professional accounting services rendered under this

agreement will be made available to any other person, firm, or corporation for any purpose not specified hereinabove. Consequently, no other person, firm, or corporation is entitled to rely upon these professional services for any purpose without our express, written agreement. This engagement letter embodies the entire agreement and understanding between the parties hereto and there are no promises, warranties, covenants or conditions made by any of the parties except as herein expressly contained. The terms and conditions of this engagement shall be governed and construed in writing signed by all the parties. It is agreed that venue and jurisdiction involving any matters arising out of this engagement letter is in the State of Kansas.

Disputes arising under this agreement (including the scope, nature, and quality of services to be performed by us, our fees, and other terms of the engagement) shall be submitted to mediation. A competent and impartial third party, acceptable to both parties, shall be appointed to mediate, and each disputing party shall pay an equal percentage of the mediator's fees and expenses. No suit or arbitration proceeding shall be commenced under this agreement until at least 60 days after the mediator's first meeting with the involved parties. If the dispute requires litigation, the court shall be authorized to impose all defense costs against any non-prevailing party found not to have participated in the mediation process in good faith.

Our fees for these services will be based on the actual time spent at our standard hourly rates, plus travel and other out-of-pocket costs such as report production, typing, postage etc. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered as work progresses, and are payable on presentation. We will perform the audit services for an amount not to exceed the following amount:

Audit for December 31, 2020	\$7,800.00
Single Audit	2,100.00

These fees are based upon anticipated cooperation from your personnel, and the assumption that unexpected circumstances will not be encountered during the audit. The following are examples of circumstances which could result in an increase in fees:

- A significant change in the amount or type of accounting records maintained
- A change in personnel with a corresponding change in level and quality of work performed
- Additional significant state and/or federal grants not identified previously
- Issuance of long-term debt not identified previously for the purposes of new financing or refunding of previously issued long-term debt
- New GASB pronouncements that require additional compliance work
- A greater than expected risk of material misstatement due to fraud
- New accounting or auditing standards that require additional compliance work
- Accounting records that are not reconciled to detailed records and therefore, not ready to be audited,

We would like to point out that we expect the proposal fee to be a maximum charge. As can be seen above, the additional charges would only be necessary due to unusual circumstances not foreseen when the audit proposal was prepared. If significant additional time is necessary, we would discuss it with you and arrive at a new fee estimate.

We appreciate the opportunity to be of service to City of Neodesha, and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Our audit engagement ends on delivery of our audit report. Any follow-up services that might be required will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

Sincerely,



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

RESPONSE:

This letter correctly sets forth the understanding of **City of Neodesha, Kansas**.

Signature _____

Title Mayor