

Agenda
City Commission of the City of Neodesha, KS
July 27, 2022 2:00 p.m.
ZOOM Online Access: <https://us02web.zoom.us/j/6203252828>

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 July 13, 2022 Minutes
- Approval of July 18, 2022 Special Call Minutes
- Appropriation (2022) 13

Item 4: Business Items to Consider

- A. Proclamation: National Night Out 2022
- B. 2022 Audit Engagement Letter: Jarred, Gilmore & Phillips PA
- C. Request for Use of Waterworks Amphitheatre & Riverwalk Park: WMC
- D. Request for Beer Garden at WMC Fall Festival: WMC

Item 5: Date/Time of Next Regular Meeting

Wednesday, August 10, 2022 at 2:00 p.m. – Regular Meeting, City Hall

Item 6: Executive Session – Non-elected Personnel

Item 7: Adjournment

AGENDA COMMENTS
CITY COMMISSION MEETING
July 27, 2022

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: Proclamation: National Night Out 2022

4.B: 2022 Audit Engagement Letter: Jarred, Gilmore & Phillips PA

For this agenda item, the Commission is asked to approve the engagement letter with Jarred, Gilmore & Phillips PA for the 2022 audit.

RECOMMENDED MOTION: *I move to approve the engagement letter with Jarred, Gilmore & Phillips PA, for completion of the 2022 audit in an amount not to exceed \$10,600.*

4.C: Request Use of Waterworks Amphitheatre & Riverwalk Park for a Fall Festival October 8, 2022: Erica Johnson, WMC

Staff has been contacted by representatives of Wilson Medical Center, who are asking for the use of the Waterworks Amphitheatre & Riverwalk Park for a Wilson Medical Center Fall Festival, to be scheduled for October 8th.

RECOMMENDED MOTIONS: *I move to approve the October 8th use of the Waterworks Amphitheatre & Riverwalk Park by Wilson Medical Center.*

4.D: Request for Beer Garden at Riverwalk Park: WMC

Representatives from Wilson Medical Center are requesting that the Commission approve their permit for conducting a Beer Garden during the Wilson Medical Center Fall Festival, October 8, 2022.

RECOMMENDED MOTIONS: *I move to approve a Beer Garden permit for Wilson Medical Center for their 2022 Fall Festival at Riverwalk Park, October 8, 2022.*

Item 6: Executive Session:

EXECUTIVE SESSION: Non-Elected Personnel

I move to recess to an Executive Session including the Governing Body, City Administrator, Assistant to the City Administrator, and City Clerk 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 Commission Room at ____ p.m.

July 13, 2022

The Board of Commissioners met in regular session at 2:00 p.m. in the Commission Room at City Hall conducting the meeting by live streaming with Zoom on Wednesday, July 13, 2022 with Mayor Johnson presiding and Commissioners Moffatt and Nichol present.

Commissioner Moffatt moved to approve the agenda with the addition of Business Item 4K: Discuss Internal Generation; Item 4L: Consider Solar Project Approval Notice (PAN); Scott Shreve; and Item 4M: Award Demolition Bids. Seconded by Commissioner Nichol. Motion carried.

Commission and Administrator Reports were heard.

Community Development Director reports were heard.

Public Comments were invited and heard.

Commissioner Nichol moved to approve the consent agenda as presented consisting of minutes from the June 22, 2022 Commission Meeting; minutes from the June 28, 2022 Special Call Meeting; Appropriation (2022) 09; and Fire Insurance Proceeds. Seconded by Commissioner Moffatt. Motion carried.

The Governing Body welcomed Dave Arteberry of Stifel, Nicolaus & Company, via Zoom, to discuss a resolution that will authorize the sale of bonds to redeem the temporary notes for the police building construction. Discussion held

RESOLUTION NO. 22-11

A RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL OBLIGATION BONDS, SERIES 2022-B, OF THE CITY OF NEODESHA, KANSAS.

WHEREAS, the City of Neodesha, Kansas (the "Issuer") has previously authorized certain improvements described as follows (the "Improvements"):

<u>Project Description</u>	<u>Res. No.</u>	<u>Authority (K.S.A.)</u>	<u>Amount</u>
Public Building Improvements – Police Station	21-04	12-1736 <i>et seq.</i>	\$600,000*

*exclusive of costs of issuance and interest on interim financing

WHEREAS, the Issuer desires to issue its general obligation bonds in order to permanently finance the costs of such Improvements and to retire the following temporary notes of the Issuer, which were issued to temporarily finance a portion of the costs of the Improvements (the "Refunded Notes"):

<u>Series</u>	<u>Dated Date</u>	<u>Maturity Date</u>	<u>Original Amount</u>	<u>Outstanding Amount</u>	<u>Redemption Date</u>
2021-1	04/14/2021	10/01/2022	\$600,000	\$600,000	09/01/2022

WHEREAS, the Issuer has selected the firm of Stifel Nicolaus & Company, Inc., Kansas City, Missouri (the "Municipal Advisor"), as municipal advisor for the issuance of said general obligation bonds; and

WHEREAS, the Issuer desires to authorize the Municipal Advisor, in conjunction with the Clerk and Gilmore & Bell, P.C., Wichita, Kansas, the Issuer's bond counsel ("Bond Counsel"), to proceed with all preliminary action necessary to sell said general obligation bonds.

WHEREAS, due to the volatile nature of the municipal bond market and the desire of the Issuer to achieve maximum benefit of timing of the sale of said general obligation bonds, the Governing Body desires to authorize the Mayor (or member of the Governing Body authorized to exercise the power and duties of the Mayor in the Mayor's absence) (the "Mayor"), to confirm the sale of such general obligation bonds, if necessary, prior to the next meeting of the Governing Body to adopt the necessary ordinance and resolution providing for the issuance thereof.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF NEODESHA, KANSAS, AS FOLLOWS:

Section 1. The Municipal Advisor, in conjunction with the City Administrator and Clerk, is hereby authorized to proceed with the offering for sale of the Issuer's General Obligation Bonds, Series 2022-B (the "Bonds"). The Bonds shall be sold, subject to the approving opinion of Bond Counsel, on a negotiated basis to a purchaser or purchasers (collectively the "Purchaser") to be designated by the Mayor, in consultation with the Municipal Advisor, after evaluating proposals submitted by prospective purchasers based on a request for proposals prepared by the Municipal Advisor. The timing of offering for sale, the pricing, the determination of the structuring and repayment terms of the Bonds and the selection of various other professionals necessary to complete the issuance of the Bonds, shall be determined by the Mayor, in consultation with the City Administrator, Clerk, the Municipal Advisor and Bond Counsel.

The confirmation of the sale of the Bonds shall be subject to publication of a notice of intent to sell the Bonds as hereinafter set forth, the execution of a bond purchase agreement between the Purchaser and the Issuer (the "Bond Purchase Agreement") in a form approved by Bond Counsel and the Issuer's legal counsel, the passage of an ordinance and adoption of a resolution by the Governing Body authorizing the issuance of the Bonds and the execution of various documents necessary to deliver the Bonds. The Mayor is hereby authorized to execute the Bond Purchase Agreement subject to the following parameters: (a) the principal amount of the Bonds shall not exceed \$635,000; and (b) the true interest cost of the Bonds shall not exceed 4.75%. Prior to the execution of the Bond Purchase Agreement, the Clerk shall cause to be published a Notice of Intent to Seek Private Placement relating to the Bonds in a newspaper of general circulation in Wilson County, Kansas, and the *Kansas Register*.

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Section 4. The Mayor, City Administrator, Clerk, and the other officers and representatives of the Issuer, the Municipal Advisor, and Bond Counsel are hereby authorized and directed to take such other action as may be necessary to: (a) carry out the sale of the Bonds; and (b) make provision for payment and/or redemption of the Refunded Notes from proceeds of the Bonds.

The transactions described in this Resolution may be conducted, and documents related to the Bonds may be sent, received, executed, and stored, by electronic means or transmissions. Copies, telecopies, electronic files and other reproductions of original executed documents (or documents executed by electronic means or transmissions) shall be deemed to be authentic and valid counterparts of such documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 5. The City Administrator and Clerk are hereby authorized and directed to execute the engagement letter related to services to be provided by the Municipal Advisor, in substantially the form attached hereto as **Exhibit A**.

Section 6. This Resolution shall be in full force and effect from and after its adoption.

Commissioner Moffatt moved to approve Resolution 22-11 as presented. Seconded by Commissioner Nichol. Motion carried.

The Governing Body welcomed Kyle Spielbusch of Jarred, Gilmore & Phillips, PA, for a presentation of the 2021 Audit. Discussion held.

Commissioner Nichol moved to accept the 2021 Audit as presented. Seconded by Commissioner Moffatt. Motion carried.

The Governing Body welcomed Mike Billings of USDA-RD, via Zoom, for completion of certain paperwork regarding the USDA-RD police equipment grant. Discussion held.

Commissioner Moffatt moved to approve the USDA-RD Letter of Conditions for the police equipment grant, and authorize the Mayor to sign the paperwork. Seconded by Commissioner Nichol. Motion carried.

Administrator Truelove addressed the Commission regarding an ordinance to formally designate certain areas of East Fir Street as a City Street. Discussion held.

ORDINANCE NO. 1767

AN ORDINANCE DESIGNATING CITY PROPERTY AS EAST FIR STREET IN LOT 1, BLOCK 1, VIVIAN DEER'S SUBDIVISION; AND THE NORTH 25 FEET OF LOTS 18 AND 19, BLOCK 1, VIVIAN DEER'S SUBDIVISION, OF THE CITY OF NEODESHA, WILSON COUNTY, KANSAS

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF NEODESHA, KANSAS:

Section 1. The following City-owned properties in the City of Neodesha, are hereby designated as East Fir Street.

- a) Lot 1, Block 1, Vivian Deer's Subdivision, City of Neodesha, Wilson County Kansas; and
- b) The North 25 Feet of Lots 18 and 19, Block 1, Vivian Deer's Subdivision, City of Neodesha, Wilson County Kansas.

Section 2. That the City of Neodesha, Kansas, reserves all rights to maintain, repair and replace any utilities within the boundary of the designated street area, and retains a permanent easement for said purposes.

Section 3. This Ordinance shall be in force and take effect from and after its adoption and publication once in the official newspaper of the City.

Commissioner Nichol moved to approve Ordinance 1767 as presented. Seconded by Commissioner Moffatt. Motion carried.

Administrator Truelove addressed the Commission regarding an ordinance to formally vacate certain roads in the West Granby Business Park. Discussion held.

ORDINANCE NO. 1768

AN ORDINANCE VACATING CERTAIN STREETS LOCATED IN THE WEST GRANBY BUSINESS PARK OF THE CITY OF NEODESHA, WILSON COUNTY, KANSAS.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF NEODESHA, KANSAS:

Section 1 The following streets in the West Granby Business Park, to the City of Neodesha, Kansas are hereby vacated.

- A. Little Bear Trail, lying East of Lots 9 and 10 and West of Lot 12, West Granby Business Park.
- B. Peitz Drive, located between the West right-of-way of Little Bear Trail and the East right-of-way of Woodring Parkway, West Granby Business Park.

Section 2 That the City of Neodesha, Kansas, reserves all rights to lay, maintain, repair and replace any utility lines within the boundary of the vacated area, and retains a permanent easement for said purposes.

Section 3 EFFECTIVE DATE. This ordinance shall be in force and take effect from and after its adoption and publication once in the official city newspaper.

Commissioner Moffatt moved to approve Ordinance 1768, vacating Little Bear Trail and Peitz Drive, as presented.

Seconded by Commissioner Nichol. Motion carried.

Administrator Truelove addressed the Commission regarding an ordinance which would incorporate by reference the Interconnection Standards for Renewable Energy Generators. Discussion held.

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ORDINANCE NO. 1769

AN ORDINANCE ADOPTING AND INCORPORATING BY REFERENCE, THE INTERCONNECTION STANDARDS FOR INSTALLATION AND PARALLEL OPERATION OF CUSTOMER OWNED RENEWABLE ELECTRIC GENERATION FACILITIES 25 kW_{AC} OR LESS FOR RESIDENTIAL SERVICE AND 200 kW_{AC} OR LESS FOR COMMERCIAL SERVICE IN THE CITY OF NEODESHA, WILSON COUNTY, KANSAS.

WHEREAS, the Governing Body of the City of Neodesha, Kansas, finds that there is increasing interest in customer-owned renewable energy resources, and

WHEREAS, policies and procedures are necessary for the health, safety and welfare of the citizens and city employees for the interconnection of such customer-owned renewable energy resources with the City's electric utility system; and

WHEREAS, the Governing Body of the City of Neodesha, Kansas, desires to enact certain uniform policies and procedures for such customer-owned renewable energy electrical generation; now therefore

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF NEODESHA, KANSAS:

Section One: There is hereby adopted and incorporated by reference the Interconnection Standards for Installation and Parallel Operation of Customer Owned Renewable Electric Generation Facilities 25kW_{AC} or Less for Residential Service and 200 kW_{AC} or Less for Commercial Service. No fewer than three copies of the publication shall be marked or stamped "official copy as adopted by Ordinance No. 1769 of the City of Neodesha, Kansas," and shall be filed with the City Clerk and open for inspection and available to the public at all reasonable hours.

Section Two: All other ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section Three: EFFECTIVE DATE. This ordinance shall be in full force and effect upon its adoption and publication in the official city newspaper.

Commissioner Nichol moved to approve Ordinance 1769, incorporating by reference the Interconnection Standards for Renewable Energy Generation. Seconded by Commissioner Moffatt. Motion carried.

Administrator Truelove addressed the Commission regarding an ordinance which provides additional guidelines for any utility customer interested in obtaining solar or wind generation for the home or business. Discussion held.

ORDINANCE NO. 1770

AN ORDINANCE ESTABLISHING A RENEWABLE PARALLEL GENERATION POLICY; ELECTRIC RATE SCHEDULE IN THE CITY OF NEODESHA, WILSON COUNTY, KANSAS.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF NEODESHA, KANSAS:

Section One:

Renewable parallel generation policy

(a) Available:

Service is available under this Rider at points on the Utility's existing electric distribution system for Customers operating Renewable Energy Resources. The service is available to Customer-generators on a first-come, first-served basis until the total rated generating capability of all interconnections served under Parallel Generation equals or exceeds four percent of the City's peak load for the previous calendar year. Upon reaching this limit, no additional service shall be available under this Rate Schedule. This Rate Schedule shall not be available for any electric service schedule allowing for resale.

(b) Application:

- (1) Service under this Renewable Parallel Generation Rate Schedule is available to City of Neodesha ("Utility") customers in good standing with a Customer-owned renewable electric Generation Facility as defined in the Interconnection Standards for Installation and Parallel Operation of Customer-owned Renewable Electric Generation Facilities 25 kW_{AC} or less for Residential Customers and 200 kW_{AC} or less for Commercial Customers that wish to receive a billing credit for surplus renewable energy supplied to the Utility subject to the terms and conditions of this Schedule. Customer-owned renewable generation and associated equipment are collectively referred to as a Generation Facility.
- (2) Utility may refuse interconnection of any generating facility with a rated generating capacity greater than Customer's annual peak electric load.

(c) Character of Service:

Single phase, 60 Hertz, alternating current will be supplied at standard voltages as available through one transformer. A qualifying Customer is a customer in good standing, connected to the Utility Electric Distribution System for the purpose of receiving retail electric service that also owns and operates a Generation Facility as defined in the Interconnection Standards for Installation and Parallel Operation of Customer-owned Renewable Electric Generation Facilities. The Generation Facility shall be installed and operated in accordance with the requirements of said Interconnection Standards.

(d) Rates:

All interconnected parallel generation customers shall be billed the rates set in the fee schedule found in chapter 16, section 16-36 of the City of Neodesha for Commercial and Residential Customers.

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(1) Minimum Bill:

The minimum monthly charge is set forth in the fee schedule found in chapter 16, section 16-36 of the Code of the City of Neodesha. Any credits (\$) applied to the bill will not result in a total bill less than the Minimum Bill.

(e) Metering:

Metering shall be accomplished by use of a Utility-approved electric meter or meters capable of registering the flow of electricity in each direction. The Utility may, at its own expense and with written consent of the Customer, install one or more additional meters to monitor the flow of electricity.

(f) Customer Billing:

The measurement of electricity supplied by the Electric Utility and delivered to the Electric Utility shall be calculated in the following manner. Electric Utility shall measure the amount of electricity delivered by Electric Utility to Customer and the amount of electricity generated by the Customer that is delivered to Electric Utility during the billing period, in accordance with normal metering practices. The kWh delivered by Electric Utility to the Customer shall be billed to the Customer at the rates contained in chapter 16, section 16-36 of the Code of the City of Neodesha. The kWh generated by the Customer and delivered to the Electric Utility shall be credited as described in Customer Billing Credit below. The calculated credit (\$) applied to the bill will not result in a total bill less than the Minimum Bill.

(g) Customer Billing Credit:

The billing credit for surplus energy generated by the Generation Facility and delivered to the Electric Distribution System that exceeds the Customer's instantaneous load but is not in excess of the appropriate generator size, the City shall credit one hundred and fifty percent (150%) of the City's monthly system average cost of purchased energy (\$/kWh) for the periods in which energy was delivered to the City.

(h) Terms and Conditions:

- (1) The Utility shall offer this Renewable Parallel Generation Rate Schedule to Customers that wish to receive billing credit for surplus renewable energy supplied to the Utility from eligible Customer-owned Solar Generation Facilities.
- (2) The Utility may limit the number and size of renewable generators to be connected to the Utility's system due to the capacity of the distribution line to which such renewable generator would be connected, and in no case, shall the Utility be obligated to purchase an amount greater than 4% of Utility's peak power requirements.
- (3) This Schedule shall only be available to Customers in good standing. All agreements hereunder shall be between the customer and the City and will not include third parties.
- (4) This Schedule is subject to the provisions of the Interconnection Standards for Installation and Parallel Operation of Customer-owned Renewable Electric Generation Facilities.
- (5) The Interconnection Agreement between the Utility and Customer must remain in effect and the Customer-Owned Generation Facility must be in full compliance with the terms and conditions of the Interconnection Standards for Installation and Parallel Operation of Customer-owned Renewable Electric Generation Facilities.
- (6) Any required insurance coverage is specifically addressed in the Interconnection Standards for Installation and Parallel Operation of Customer-owned Renewable Electric Generation Facilities.
- (7) Nothing in this Schedule shall abrogate any Customer's obligation to comply with all applicable Federal, State and Local laws, codes or Ordinances.
- (8) This Schedule shall remain in place for a minimum of 12 months.

Section Two: All other ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section Three: EFFECTIVE DATE. This ordinance shall be in full force and effect upon its adoption and publication in the official city newspaper.

Commissioner Moffatt moved to approve Ordinance 1770 as presented. Seconded by Commissioner Nichol. Motion carried.

Administrator Truelove addressed the Commission regarding an ordinance regarding vacant property registration. Discussion held.

ORDINANCE NO. 1771

AN ORDINANCE OF THE CITY OF NEODESHA, KANSAS PROVIDING FOR THE REGISTRATION OF VACANT BUILDINGS AND PROPERTIES; PROVIDING PROCEDURES RELATED TO INCENTIVES, MAINTENANCE, MARKETING AND ANNUAL INSPECTIONS.

WHEREAS, the Governing Body finds that abandoned and vacant residential and commercial buildings adversely affect quality of life, creates blight, and impacts local property values; and

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WHEREAS, abandoned and vacant buildings are known to attract vandalism, become havens for drug use and other crime, and require expenditure of public funds for police protection, fire protection and housing inspection; and

WHEREAS, the Governing Body finds that public health, safety and welfare are adversely affected by abandonment and prolonged vacancies in residential and commercial buildings; now therefore

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF NEODESHA, KANSAS:

Section 1. Chapter 8, Article VI of the City of Neodesha Code is amended by adding Division 4 to read as follows:

DIVISION 4. – VACANT PROPERTY REGISTRATION

Sec. 8-404. – Purpose.

Recognizing that abandoned and vacant buildings contribute to blight in both residential and non-residential neighborhoods, discourage economic development and retard appreciation of property values, endanger public health and safety, attract criminal activity, and create fire hazards, it is the responsibility of property owners to prevent buildings from becoming a burden to the neighborhood and community and a threat to the public health, safety, and welfare. The Governing Body finds that abandoned and vacant buildings result in increased expenditures for police, fire, and code services inspections and calls. Maintenance of the public health, safety, and welfare thus requires the City to maintain an accurate registration of all abandoned and vacant buildings.

Sec. 8-405. – Definitions.

For purposes of this article, certain phrases and words are defined below. Words or phrases not defined in this article but defined in applicable state law or the Code shall be given that meaning. All other words or phrase shall be given their common ordinary meaning. The following words, terms and phrases, when used in this article, shall have the meaning ascribed to them in this section, except where the context clearly indicates a different meaning.

Abandoned Building means a building that is vacant and is open or unsecured so that unauthorized admittance may be gained.

Building means a building, or other structure adapted to permanent occupancy for residential or commercial purposes.

City means the City of Neodesha, Kansas.

Chronic Vacancy or Chronically Vacant means a VACANT building which continues to remain vacant for six (6) months after initial notification by the City to the owner.

Occupancy means to conduct a lawful business or reside in all or any part of the building or structure as the business occupant, or as the legal or equitable owner/occupant(s) or tenant(s) on a permanent, non-transient basis, or any combination of the same. For purposes of this Article, evidence offered to prove that a person occupies a building or structure may include, but shall not be limited to, the regular receipt of regular mail through the U.S. Postal Service or proof of continual electric, water, sewer and trash services.

Owner means the person, persons or entity identified as the owner of the parcel with the Wilson County Appraiser's Office; or any agent identified by a nonresident owner; or any mortgagee of a property in foreclosure.

Unsecured means access to the building may be obtained through open, unlocked, broken or missing doors or windows of such building.

Vacant means any building intended for residential or commercial use which is not currently occupied or in use wherein no person or persons actually, currently conduct a lawful business or lawfully reside or live in any part of the building as the legal or equitable owners(s) or tenant-occupants(s) or tenant(s) on a permanent, non-transient basis or that is unoccupied.

Sec. 8-406. – Public officer.

The city administrator shall designate a public officer to be charged with the administration and enforcement of this Article.

Sec. 8-407. – Inquiry and inspection.

The public officer shall make inquiry and inspection of premises upon receiving information that a building may be abandoned or vacant. Upon making such inquiry and inspection the public officer shall make a written report of his or her findings.

Sec. 8-408. – Service of notice.

If the public officer determines that a building is abandoned or vacant then such officer shall give notice of the finding to the owner by:

(a) delivering written notice to the owner personally, or

(b) by first class mail through the U.S. Postal Service and by posting the notice on the building in a conspicuous place.

Sec. 8-409. – Notice content; vacant building.

The notice issued by the City for a vacant building shall be in writing and shall contain the common street address, description of the building, advise the owner that the building has been determined to be vacant, and will be subject to registration as a Chronically Vacant building after a period of six (6) months, and advise the owner that he or she has twenty (20) days to appeal the determination.

Sec. 8-410. – Notice content; abandoned or chronically vacant building.

The notice issued by the City for an Abandoned or Chronically Vacant building shall be in writing and shall contain the common street address, legal description of the property, registration requirements, and shall apprise the owner of the facts available to the City which resulted in the determination that the building is an abandoned or chronically vacant building and advise the owner that he or she has twenty (20) days to appeal the determination. The Notice shall state the steps which an owner may take to claim an exemption from

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registration fees. The time period for registration of an abandoned or chronically vacant building may be extended by the public officer for good cause.

Sec. 8-411. – Registration and maintenance requirements for abandoned and chronically vacant buildings; fees.

(a) The owner of an abandoned or chronic vacant building shall register the building with the City within twenty (20) days of service of a written Notice provided to the owner or agent of the existence of the abandoned or chronic vacant building, or show cause in writing to the public officer as to why the building is not abandoned or chronically vacant. If the owner contends that the building is neither abandoned nor chronically vacant then such owner shall provide the public officer with such information as the owner requests the public officer to consider in making his or her determination. The public officer shall render his or her written decision within ten (10) days of the notice that the owner challenges the initial notice that the building was abandoned or chronically vacant.

(b) The required registration shall be submitted on the form provided by the City, which form shall include the name, current mailing address, phone number and any other contact information of the owner; the names and addresses of all known lienholders and all other parties with a legal or equitable ownership interest in the building; the common address of the building and parcel tax identification number. The form shall also include a timetable for:

- (1) Returning the abandoned or chronically vacant building to appropriate occupancy or use; or
- (2) Marketing the chronically vacant building pursuant to the provisions of Section 8-412.

(c) The initial registration period is for six (6) months. After the initial registration period has expired and for every subsequent year a building remains abandoned or chronically vacant beyond the initial registration period, the owner of the abandoned or vacant building must:

- (1) re-register the building, by paying the appropriate fees, and
- (2) submitting an updated plan for either returning the building to appropriate occupancy or use, or marketing the property.

(d) Upon registration, the City shall provide the following incentives toward active marketing of the residential or commercial building:

- (1) Waive zoning fees, if applicable;
- (2) Provide solid waste removal, water, and sewer service for sixty (60) days at a reduced cost of fifty percent of the normal bill for these services with the total benefit to not exceed \$200.00 if the building is leased within ninety (90) days of initial registration within the guidelines adopted by the City Commission and effective at the date of occupancy; and

- (3) If the building requires remodeling, waive permit fees if remodeling occurs within ninety (90) days of initial registration.

(e) If the owner of an abandoned or chronically vacant building does not reside within 50 miles of Neodesha for at least six (6) months a year, then such owner must designate a resident agent with authority to act with respect to the property, including name, current mailing address, phone number and any other contact information of the owner's agent.

(f) Any subsequent owner of a registered abandoned or chronically vacant building must amend the registration with the public officer to include the new owner within thirty (30) days of any transfer of any ownership interest in the abandoned or chronic vacant building, but is not liable for an additional registration fee for the period for which it has been registered.

(g) The owner of an abandoned or chronically vacant building must keep the building and any adjoining property secure, safe and maintained in compliance with all federal, state and local ordinances and regulations.

(h) The initial registration fee for an abandoned or chronic vacant building is fifty dollars (\$50.00) per residential building, and one-hundred dollars (\$100.00) per commercial building, which shall be collected by the City at the time of initial registration of the building.

(i) If a building remains abandoned or chronic vacant more than 6 months after initial registration it shall be subject to a re-registration fee of \$250 per year for a residential building and \$500 per year for a commercial/industrial building. Funds derived from said fee shall be used to offset the City's cost of inspections and incentives as found in subsection (d).

Sec. 8-412. – Marketing exception to registration fees for chronically vacant buildings.

A chronically vacant building shall be exempt from the registration fee required pursuant to Section 8-411, for so long as the following marketing requirements are being met:

(a) Buildings marketed as "for rent" in a newspaper or in an online listing by organizations who provide real estate listings at a fair market value rental rate based upon market rental rates for comparable properties. The owner may show entitlement to this exemption by submitting evidence of marketing to the City. In the event that active marketing ceases, the building in question shall be immediately subject to registration fees.

(b) Buildings which are being actively marketed as "for sale" by a licensed real estate broker or by the owner and advertised as such in a newspaper or listed on a recognized online website. The owner may show entitlement to this exemption by submitting evidence of marketing to the City. In the event that active marketing ceases, the building in question shall be immediately subject to Registration.

(c) A building for which the owner executes a valid affidavit on a form provided by the City attesting that the owner intends to resume occupancy of the building within 180 days. Failure to actually resume occupancy of the building within 180 days will result in imposition of the registration fee that was exempted under this section, as well as any reregistration fees then becoming due.

Sec. 8-413. – Failure to register; fees, procedures.

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(a) An owner who fails to register or re-register an abandoned or chronically vacant building under this Article after written Notice shall be in violation of this Article. The registration fee provided for in Section 8-411 per residential building and per commercial building shall immediately become due and payable to the City.

(b) Any civil fees assessed under this section shall be billed to the owner or other responsible party at their registered address. Failure or refusal to pay fees after Notice and an opportunity to pay shall authorize the City to use any and all available legal remedies for the enforcement and collection of such fees; including but not limited to suits in law or equity in any court of competent jurisdiction, abatement of nuisances maintained in violation of this article, injunction or assessment of said registration or re-registration fees on the property to be collected with the property taxes. This Article in no way limits the actions or abatement procedures which may be taken by the City for a violation of any other ordinance of the City or statute of the State of Kansas.

(c) Should an owner fail to register an abandoned or chronically vacant building as provided in this Article, the public officer may file a complaint in the municipal court of the city against such owner and upon conviction of a violation of the provision of Section 8-411, be fined in an amount not less than \$250 and not more than \$500.

Sec. 8-414. – Appeal.

Any person aggrieved by a finding, order or decision made by the Public Officer pursuant to this Article may appeal such to the Governing Body by written notice delivered to the City Clerk within twenty (20) days, excluding weekends and holidays, from the final decision of the Public Officer. The Governing Body shall provide a hearing and make a decision affirming, overruling or modifying the finding, order or decision appealed from.

Secs. 8-415—8-434. - Reserved.

Section 2. All ordinances or parts of ordinances in conflict herewith are repealed.

Section 3. This Ordinance shall be in force and take effect from and after its adoption and publication once in the official newspaper of the City.

Commissioner Nichol moved to table this item until the August 25, 2022 meeting. Commissioner Nichol then amended his previous motion to table this item to the August 24, 2022 meeting. Seconded by Commissioner Moffatt. Motion carried.

Administrator Truelove addressed the Commission regarding a resolution that would modify the City's ambulance fees. Discussion held.

RESOLUTION NO. 22-12

A RESOLUTION SETTING FEES FOR THE CITY OF NEODESHA AMBULANCE SERVICE.

WHEREAS, the Governing Body shall set the fees for the City of Neodesha Ambulance Service; and

WHEREAS, Ambulance service fees shall cover the cost of Emergency and Non-Emergency runs, mileage, and materials and supplies used in the care and treatment of a patient.

NOW, THEREFORE, BE IT RESOLVED by the Governing body of the City of Neodesha that:

1. The fees for ambulance service shall be established as indicated on Exhibit A and become effective August 1, 2022.

EXHIBIT A

<u>SERVICE</u>	<u>PROPOSED RATE</u>
Basic Life Service (BLS) Non-Emergency Transport Basic Supplies included	\$600.00
Basic Life Service (BLS) Emergency Transport Basic Supplies included	\$725.00
Advanced Life Service (ALS) Non-Emergency Transport Basic Supplies included	\$850.00
Advanced Life Service -1(ALS) Non-Emergency Transport Basic Supplies included An assessment by an ALS provider and/or the provision of one or more ALS interventions. (i.e. - AEMT assessing the need for an IV.)	\$950.00

Advanced Life Service -2(ALS) Emergency Transport Basic Supplies included The administration of at least three different medications and/or one or more of the following procedures: manual defibrillation/cardioversion, endotracheal intubation, central venous line cardiac pacing (i.e. - code blue.)	\$1,200.00
Specialty Care transport. Basic supplies included. Interfacility Service provided beyond the scope of the Paramedic. (i.e. – if a Physician, Nurse Practitioner or respiratory therapist is needed for a transfer.)	\$1,350.00
Mileage Charges (per loaded mile)	\$18.00
Refusal to transfer This fee will be charged when an ambulance is called, but the patient or their family refuses the transfer. This fee can be appealed and will be reviewed by a committee consisting of the Fire Chief/EMS Director, City Administrator and City Clerk. If law enforcement personnel requested the ambulance, no charge will be made if a transfer is not needed.	\$250.00
Medical Facility Assist This fee will be charged to a medical facility for an EMS call to assist with a patient when no ambulance transport occurs. This fee will only be applied to the fifth and subsequent calls for patient assist in a calendar year.	\$250.00

Commissioner Moffatt moved to approve Resolution 22-12 as presented. Seconded by Commissioner Nichol. Motion carried.
Administrator Truelove addressed the Commission regarding the consideration of an agreement with USD 461 that would establish the position of a School Resource Officer. Discussion held.

Commissioner Nichol moved to approve the School Resource Officer Agreement with USD 461 as amended to include all schools. Seconded by Commissioner Moffatt. Motion carried.

Administrator Truelove addressed the Commission regarding internal electric generation, and to provide guidance to Staff on whether the City should continue pursuing new generators (Caterpillar), or whether the City should consider used generators. Discussion held. No action taken.

The Governing Body welcomed Scott Shreve, Priority Power Management, via Zoom, to discuss and consider approving a Project Approval Notice (PAN), for a solar project at the Neodesha Airport. Discussion held.

Commissioner Moffatt moved to approve the Solar Feasibility Agreement and the Project Approval Notice with POW Solar, LLC, as presented. Seconded by Commissioner Nichol. Motion carried.

Administrator Truelove addressed the Commission regarding bids that were received from two different companies for three planned demolition projects. Discussion held.

Commissioner Nichol moved to accept the demolition bid from Starbuck Trucking at a bid price of \$29,750. Seconded by Commissioner Moffatt. Motion carried.

At 4:15 p.m. Commissioner Nichol requested a 15-minute recess. Seconded by Commissioner Moffatt. Motion carried. The live streamed Zoom meeting was then placed on hold with audio, video and recording ceased.

At 4:15 p.m. the regular meeting of the Governing Body reconvened in the Commission Room at City Hall. The live streamed Zoom meeting then resumed with audio, video and recording.

Commissioner Moffatt moved to recess to an Executive Session including the Governing Body, City Administrator, City Clerk, and Chief of Police 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 Commission Room at 4:45 p.m. Seconded by Commissioner Nichol. Motion carried. The live streamed Zoom meeting was then placed on hold with audio, video and recording ceased.

At 4:45 p.m. the regular meeting of the Governing Body reconvened in the Commission Room at City Hall. The live streamed Zoom meeting then resumed with audio, video and recording. No action taken.

Commissioner Nichol moved to recess to an Executive Session including the Governing Body, City Administrator, City Clerk,
(continued on next page)

and Captain Ross Jamison 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 motion was then amended to dismiss Captain Jamison from the Executive Session and include Fire Chief Landon Woodward, as the duty crew which included Captain Jamison had an emergency call. The open meeting will resume in the Commission Room at 5:10 p.m. Seconded by Commissioner Moffatt. Motion carried. The live streamed Zoom meeting was then placed on hold with audio, video and recording ceased.

At 5:10 p.m. the regular meeting of the Governing Body reconvened in the Commission Room at City Hall. The live streamed Zoom meeting then resumed with audio, video and recording. No action taken.

Commissioner Moffatt moved to extend the Executive Session to 5:17 p.m. Seconded by Commissioner Nichol. Motion carried. The live streamed Zoom meeting was then placed on hold with audio, video and recording ceased.

At 5:17 p.m. the regular meeting of the Governing Body reconvened in the Commission Room at City Hall. The live streamed Zoom meeting then resumed with audio, video and recording. No action taken.

The next regular meeting of the Governing Body will be held at City Hall on Wednesday, July 27, 2022 at 2:00 p.m.

At 5:17 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
July 18, 2022

To the Board of Commissioners:

The Board of Commissioners will hold a Special Call meeting Monday, July 18, 2022 at 12:00 p.m., at City Hall, for the following purpose:

1. 2023 Budget Review
2. Approve Publication for 2023 Budget; Notice of Public Hearing
3. Executive Session: Non-elected Personnel

The Board of Commissioners met in a Special Call Session at 12:00 p.m. in the Commission Room at City Hall on Monday, July 18, 2022 with Mayor Johnson presiding and Commissioners Moffatt and Nichol present.

Administrator Truelove addressed the Commission regarding the 2023 Budget. An in-depth discussion was held with the Governing Body reviewing the budget as presented. No action taken

Administrator Truelove addressed the Commission regarding the 2023 Budget Public Hearing. Discussion held.

Commissioner Nichol moved to approve publication of the public hearing notice for the 2023 budget and to set the hearing date for Wednesday, August 10, 2022 at 2:00 p.m. at City Hall. Seconded by Commissioner Moffatt. Motion carried.

At 1:25 p.m. Commissioner Nichol requested a 5-minute recess. Seconded by Commissioner Moffatt. Motion carried.

At 1:30 p.m. the regular meeting of the Governing Body reconvened in the Commission Room at City Hall.

Commissioner Moffatt moved to recess to an Executive Session including the Governing Body, City Administrator, City Clerk and the Chief of Police Sam Tomlinson, 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 Commission Room at 1:45 p.m. Seconded by Commissioner Nichol. Motion carried.

At 1:45 p.m. the regular meeting of the Governing Body reconvened in the Commission Room at City Hall. No action taken.

At 1:45 p.m. Commissioner Moffatt moved to adjourn. Seconded by Commissioner Nichol. Motion carried. Meeting adjourned.

ATTEST:

Devin Johnson, Mayor

Stephanie Fyfe, City Clerk

APPROPRIATIONS REPORT**ORDINANCE NO 13****7/27/2022**

<u>VENDOR</u>	<u>REFERENCE</u>	<u>AMOUNT</u>	<u>CHECK NO</u>	<u>CHECK DATE</u>
A T & T	PHONE CHARGES	594.52	70795	7/27/2022
AUTO ZONE	RADIATOR	148.29	70796	7/27/2022
BLESSED BLOSSOMS	SYMPATHY PLANTS	172.00	70797	7/27/2022
BMI	MUSIC LICENSE FEE	391.00	70798	7/27/2022
BOBCAT WHITE STAR	EQUIPMENT SUPPLIES	172.92	70799	7/27/2022
BOUND TREE MEDICAL LLC	MEDICAL SUPPLIES	682.88	70800	7/27/2022
CALLTOWER	PHONE CHARGES	335.31	70801	7/27/2022
CHASE PEST CONTROL LLC	EXTERMINATOR SERVICE	420.00	70802	7/27/2022
NICKI CHURCH	POOL PARTY REFUND	75.00	70803	7/27/2022
D & D AUTO REPAIR & ALIGNMENT	WHEEL ALIGNMENT	72.95	70804	7/27/2022
EBH & ASSOCIATES	SAFE ROUTES TO SCHOOLS	5,179.60	70805	7/27/2022
ECONO SIGNS LIC	STREET SIGNS/RUBBER STREET BUMPS	1,537.02	70806	7/27/2022
ECX SYSTEMS LLC	BARRACUDA EMAIL SECURITY 8/22	50.00	70807	7/27/2022
EMERGENCY APPARATUS MAINTENANCE	PUMP TEST	3,757.77	70808	7/27/2022
FASTENAL COMPANY	SUPPLIES	17.54	70809	7/27/2022
FREDONIA READY MIX INC	CEMENT	3,290.00	70810	7/27/2022
HAWKINS INC	CHEMICALS	4,296.99	70811	7/27/2022
JARRED, GILMORE & PHILLIPS, PA	FINAL AUDIT BILLING	10,200.00	70812	7/27/2022
KANSAS DEPARTMENT OF REVENUE	2022 WTP FEES-APRIL-MAY-JUNE	1,099.59	70813	7/27/2022
KANSAS EMS ASSOCIATION	MEMBERSHIP DUES	240.00	70814	7/27/2022
NKC Tire	TIRES	702.72	70815	7/27/2022
KANSAS DEPT OF HEALTH & ENVIRO	WATER ANALYSIS Q9000	1,181.00	70816	7/27/2022
KOONS GAS MEASUREMENT	GAS SUPPLIES	1,367.05	70817	7/27/2022
MELS PRINTING	FIRE/EMS CARDS	135.95	70818	7/27/2022
MERIDIAN ANALYTICAL LABS LLC	WASTEWATER ANALYSIS	252.30	70819	7/27/2022
MID-AMERICAN RESEARCH CHEMICAL	MOSQUITO SPRAY	2,688.88	70820	7/27/2022
BANK OF AMERICA	ROCK	1,214.78	70822	7/27/2022
NDB NEODESHA	2022 FIREWORKS LIABILITY	424.00	70823	7/27/2022
NEODESHA AUTO SUPPLY	AUTO PARTS & SUPPLIES	1,159.15	70826	7/27/2022

NEW BOSTON CREATIVE GROUP LLC	ONGOING WEB DESIGN & DEVELOPMT	97.50	70827	7/27/2022
O'REILLY AUTOMOTIVE INC	AUTO PARTS & SUPPLIES	630.01	70828	7/27/2022
PATRIOT SERVICE COMPANY	SANITATION UNITS	1,600.00	70829	7/27/2022
PENMAC PERSONNEL SERVICES INC	TEMPORARY PERSONNEL SVC	975.26	70830	7/27/2022
PRIORITY POWER	JULY BILLING	2,588.80	70831	7/27/2022
QUALITY MOTORS	FRONT SUSPENSION	1,120.48	70832	7/27/2022
QUILL LLC	OFFICE SUPPLIES	261.95	70833	7/27/2022
RUGGED STEEL WORKS LLC	DUMPSTER WHEELS	500.00	70834	7/27/2022
SCHULTE SUPPLY INC	SUPPLIES	218.56	70835	7/27/2022
SIRCHIE	EVIDENCE/BOOKING SUPPLIES	862.67	70836	7/27/2022
CLARENCE SNYDER	AMMO	30.00	70837	7/27/2022
SOUTHERN UNIFORM & TACTICAL	UNIFORMS	585.47	70838	7/27/2022
SPARKLIGHT	INTERNET SERVICE	115.74	70839	7/27/2022
STANION WHOLESALE ELECTRIC	ELECTRIC SUPPLIES	4,443.98	70840	7/27/2022
TBS ELECTRONICS INC	RADIO MAINTENANCE	972.00	70841	7/27/2022
TLC GROUNDSKEEPING INC	LANDSCAPE MAINTENANCE	4,904.46	70842	7/27/2022
UNIFIRST CORPORATION	RUG & CLEANING SUPPLIES	1,017.04	70843	7/27/2022
USD 461	POOL CONCESSIONS	514.93	70844	7/27/2022
WILSON MEDICAL CENTER	JULY TAX DISTRIBUTION	27,815.91	70845	7/27/2022
US POST OFFICE	MAY BILLING	319.05	70512	6/10/2022
D & D AUTO REPAIR & ALIGNMENT	MOTOR	10,769.89	70513	6/10/2022
CASH	EMPLOYEE BIRTHDAYS	40.00	70514	6/10/2022
WEX BANK	FUEL	10,722.74	70515	6/10/2022
ADVANCE CONTROL SOLUTIONS	SCADA & PLC PROGRAM CHANGE	408.02	70516	6/10/2022
SOUTHERN STAR CENTRAL GP INC	MAY BILLING	10,404.19	70517	6/10/2022
VISA	MEMBER DUES, SUPPLIES, POOL CONCESSIONS	7,818.18	70518	6/10/2022
SPARKLIGHT	INTERNET SERVICE	171.97	70519	6/10/2022
O'REILLY AUTOMOTIVE INC	AUTO PARTS & SUPPLIES	900.98	70628	6/30/2022
CONSTELLATION NEWENERGY	MAY BILLING	20,869.20	70629	6/30/2022
IRS	ADJUSTED TAX AMOUNT	436.76	70630	6/30/2022
RWD #4	AIRPORT RURAL WATER	28.60	70631	6/30/2022
JEFF HULL'S PAVING & SEAL COAT	ADVANCE PYMT FOR SUPPLIES	10,000.00	70632	6/30/2022
JEFF HULL'S PAVING & SEAL COAT	FINAL PYMT SEAL COATING	73,932.50	70633	6/30/2022
US POST OFFICE	JUNE BILLING	322.66	70634	6/30/2022

SHARON RHODES	BOGART BAND 4TH OF JULY FESTIVITIES	500.00	70635	6/30/2022
WAYNE RHODES	SOUND EQUIP SETUP 4TH OF JULY FESTIVITIES	500.00	70636	6/30/2022
****TOTAL****		239,258.71		

ACH ELECTRIC ENERGY STATEMENTS BILLED JUNE 2022

KMEA - SPA Hydro Project	June 2022 Service	4,141.93
KMEA - GRDA Power Supply Project	August 2022 Service	154,356.63
KMEA - Energy Mgmt Project No 3	June 2022 Service	143,632.96
TOTAL ACH Electric Energy Statements		302,131.52



PROCLAMATION

National Night Out 2022: America's Night Out Against Crime

WHEREAS, the National Association of Town Watch (NATW) is sponsors a unique, nationwide crime, drug and violence prevention program on entitled “National Night Out”; and

WHEREAS, the “National Night Out” celebration provides a unique opportunity for the City of Neodesha to join forces with thousands of other communities across the country in promoting cooperative, police-community crime prevention efforts; and

WHEREAS, The City of Neodesha plays a vital role in assisting the Neodesha Police Department through joint crime, drug and violence prevention efforts in Neodesha and is supporting “National Night Out” locally; and

WHEREAS, it is essential that all citizen of Neodesha, be aware of the importance of crime prevention programs and impact that their participation can have on reducing crime, drugs and violence in Neodesha; and

WHEREAS, police-community partnerships, neighborhood safety, awareness and cooperation are important themes of the “National Night Out” program;

NOW, THEREFORE I, MAYOR Devin Johnson, do hereby call upon all the citizens of Neodesha to join the City Of Neodesha and the National Association of Town Watch in sponsoring the “National Night Out” celebration.

FURTHER, LET IT BE RESOLVED THAT, I, Mayor Devin Johnson, do hereby proclaim Tuesday, August 2, 2022, as “**NATIONAL NIGHT OUT**” in Neodesha, Kansas.

In witness thereof, I have hereunto set my hand and caused the Seal of the City of Neodesha to be affixed this 27th day of July, 2022.

ATTEST:

Devin Johnson, Mayor

Stephanie Fyfe, City Clerk



July 13, 2022

Honorable Mayor and City Commission
City of Neodesha, Kansas
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, 2022.

Audit Scope and Objectives

We will audit the financial statement of City of Neodesha, Kansas as of and for the year ended December 31, 2022. 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 (GAAS), 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. Summary of Expenditures – Actual and Budget – Regulatory Basis (Budget Funds Only)
2. Schedule of Receipts and Expenditures – Actual and Budget – Regulatory Basis (with Comparative Actual Amounts for the Prior Year)
3. Schedule of Cash Receipts and Cash Disbursements – Agency Funds – Regulatory Basis

The objectives of our audit are to obtain reasonable assurance as to whether the financial statement as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statement are fairly presented, in all material respects, in conformity with regulatory basis of accounting; and 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. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statement.

Jarred, Gilmore & Phillips, PA
CERTIFIED PUBLIC ACCOUNTANTS

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

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Auditor's Responsibilities for the Audit of the Financial Statement

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinion. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statement, including the disclosures, and determine whether the financial statement represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statement are 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 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 an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statement. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes 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. 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.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

Our audit of the financial statement does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statement, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. 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.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

- 1) Management override of controls
- 2) Improper revenue recognition

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 the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Other Services

We will also assist in preparing the financial statement of City of Neodesha in conformity with the regulatory basis of accounting based on information provided by you.

We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement 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.

You agree to assume all management responsibilities for the financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Responsibilities of Management for the Financial Statement

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining 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 monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statement in conformity with regulatory basis of accounting with the oversight of those charged with governance.

Management is responsible for making drafts of financial statement, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). 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, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statement and related matters.

Your responsibilities include adjusting the financial statement to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements 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 taken 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 and regulations.

You are responsible for the preparation of the supplementary information in conformity with 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 representation letter that (1) you are responsible for presentation of the supplementary information in accordance with regulatory basis of accounting; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with 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.

Engagement Administration, Fees, and Other

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

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 the State of Kansas or its designee. 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 State of Kansas or its designee. The State of Kansas or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

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.

To ensure that Jarred, Gilmore & Phillips, PA's independence is not impaired under the AICPA Code of Professional Conduct, you agree to inform the engagement partner before entering into any substantive employment discussions with any of our personnel.

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 fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, 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 each month as work progresses and are payable on presentation. We will perform the audit services for an amount not to exceed \$8,500.00, which includes travel and out-of-pocket costs. The City may be subject to a Single Audit in 2022 if Federal expenditures exceed \$750,000.00. If so, additional audit procedures will be required by the Single Audit Act. Our estimated fee for these additional services will be \$2,100.00, and a new engagement letter must be obtained.

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:

- accounting records that are not reconciled to detailed records and therefore, not ready to be audited,
- a significant change in the amount or type of accounting records maintained,
- 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, or
- new GASB pronouncements that require additional compliance work.
- a greater than expected risk of material misstatement due to fraud.
- additional grant funding that requires additional compliance testing.

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.

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.

Reporting

We will issue a written report upon completion of our audit of City of Neodesha's financial statement. Our report will be addressed to the Honorable Mayor and City Commission of the City of Neodesha. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinion 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 opinion, we may decline to express opinion or withdraw from this engagement.

We appreciate the opportunity to be of service to City of Neodesha, Kansas 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.

Sincerely,

A handwritten signature in cursive script that reads "Jarred Gilmore".

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

RESPONSE:

standing of **City of Neodesha, Kansas.**

Signature

Title