City of Harrisonville est. 1836

AGENDA
CITY OF HARRISONVILLE
BOARD OF ALDERMEN
REGULAR MEETING
CITY HALL
SEPTEMBER 10, 2018
7:00 PM

1. **Call to Order**

   A. **Roll Call**

2. **Pledge of Allegiance**

3. **Ceremonial Matters**

   A. **A Service Award honoring Kristi Osborn for 20 years of Service to the City**

4. **Public Participation**

5. **Approval of Minutes**

   A. **Board of Aldermen - Regular Meeting - Aug 20, 2018 7:00 PM**

   B. **Executive Session August 20, 2018**

6. **Agenda Items**

   A. **Council Bill 58: A RESOLUTION OF THE BOARD OF ALDERMEN AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO AN AGREEMENT WITH COMMERCE BANK FOR CITY OF HARRISONVILLE DEPOSITORY SERVICES FOR A PERIOD OF THREE YEARS BEGINNING NOVEMBER 1, 2018**

   B. **Council Bill 59: A RESOLUTION OF THE CITY OF HARRISONVILLE, MISSOURI ("CITY") AUTHORIZING, APPROVING AND DIRECTING THE EMPLOYMENT OF CERTAIN LAW FIRMS TO REPRESENT CITY IN POTENTIAL LITIGATION AGAINST CONTRIBUTORS OF OPIOID ADDICTION CRISIS.**

   C. **HHS Homecoming Parade 2018**

   D. **Council Bill 60: AN ORDINANCE OF THE BOARD OF ALDERMEN AUTHORIZING THE CITY ADMINISTRATOR TO SPONSOR TRANSFER OF $152,275 IN UNOBLIGATED NON-PRIMARY ENTITLEMENT GRANT FUNDS TO THE MISSOURI DEPARTMENT OF TRANSPORTATION AND ESTABLISHING AN EFFECTIVE DATE.**

E. **Council Bill 61: AN ORDINANCE VACATING EXCESS BUTLER DRIVE RIGHT OF WAY LOCATED WITHIN LOT 2 OF THE NORTHWEST QUARTER OF SECTION 4, TOWNSHIP 44 NORTH RANGE 31 WEST, TO THE CITY OF HARRISONVILLE, CASS COUNTY, MISSOURI, FROM APPROXIMATELY 1701 SOUTH BUTLER DRIVE SOUTH TO INDEPENDENCE STREET.**

7. **Aldermen and Committee Reports**

8. **Report from the City Administrator**

9. **Report from the Mayor**

10. **Adjourn From Regular Session**

Posted on City Hall Bulletin Board this 6th day of September, 2018

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Randall K. Jones, City Clerk

The Board of Aldermen meeting is an open meeting but is not a meeting of the public. There is a place on the agenda for comments of citizens under PUBLIC PARTICIPATION. Our rule is that comments by any individual or group shall not exceed (4) minutes. The Board of Aldermen request that concerns be initially addressed at the appropriate action level before coming to the Board of Alderman

City of Harrisonville est. 1836

DRAFT

MINUTES
CITY OF HARRISONVILLE
BOARD OF ALDERMEN
REGULAR MEETING
CITY HALL
AUGUST 20, 2018
7:00 PM

1. Call to Order & Pledge of Allegiance

The meeting was called to order at 7:00 p.m. by Mayor Brian Hasek.

2. Roll Call

Attendee Name	Organization	Title	Status	Arrived
Judy Bowman	Harrisonville	Board Member	Present	
Clint Long	Harrisonville	Board Member	Present	
Jessica Levsen	Harrisonville	Board Member	Present	
David Dickerson	Harrisonville	Board Member	Present	
Matt Turner	Harrisonville	Board Member	Present	
Marcia Milner	Harrisonville	Board Member	Present	
Judy Reece	Harrisonville	Board Member	Present	
Brad Bockelman	Harrisonville	Board Member	Present	
Brian Hasek	Harrisonville	Mayor	Present	

Others in attendance were: City Attorney John Fairfield, City Administrator Happy Welch, Finance Director Marcella McCoy, Account Specialist Debra Phelps, Public Works Director Eric Patterson, City Planner Roger Kroh, IT Director Jeremy Smith and City Clerk Randall Jones, Recording.

3. Ceremonial Matters

Mayor Hasek read a proclamation declaring the month of September, 2018 as Suicide Awareness Prevention Month for the City of Harrisonville.

A. Suicide Prevention Week

4. Public Participation

Jack Hopkins, 309 Johnston Drive, Raymore, MO, Community Bank of Raymore President, addressed the Mayor and Board of Aldermen in regard to the awarding of banking services. He pointed out the "final report" included in the meeting packet under banking services. He felt that the City's information was misleading and inaccurate.

Aaron Raines, 209 N. Linn, Nevada, MO, Commerce Bank Community President, addressed the Mayor and Board of Aldermen about the letter that he sent to them. Alderman Bowman pointed out that they (the Board) did not see the letter until earlier in the afternoon. Alderman Bowman asked about the Market Place TIFs being held at Commerce and payments that are made with them. Aaron Rains brought up about the banking services bids being opened to the public prior to being awarded.

5. Approval of Minutes

A. Board of Aldermen - Regular Meeting - Aug 6, 2018 7:00 PM

Alderman Bockelman questioned if his comment had been added to the minutes and City Clerk responded that yes, it was included in Section 7 under Aldermen reports.

RESULT:	**ACCEPTED [UNANIMOUS]**
MOVER:	Jessica Levsen, David Dickerson
AYES:	Bowman, Long, Levsen, Dickerson, Turner, Milner, Reece, Bockelman

6. Agenda Items

A. An Ordinance Levying A Tax For The Current Expense Of The City Of Harrisonville, Missouri, Upon Real Property And All Tangible Personal Property Of Whatsoever Nature And Character Subject To Taxation By The City Of Harrisonville For Such Purposes; Also, Levying A Special Tax Upon The Afore Described Properties For Public Parks; For A Total Tax Levy Of $0.6658

Mayor Hasek opened the public hearing. There was no citizen input. The hearing was closed by Mayor Hasek. Motion was made by Alderman Dickerson with second by Alderman Turner to suspend ruling and move the bill to its second reading. Motion carried. Roll call vote: Allerman Bowman aye, Alderman Bockelman aye, Alderman Reece aye, Alderman Milner aye, Alderman Dickerson aye, Alderman Long aye, Alderman Turner aye, Alderman Levsen aye. Upon passage, Mayor Hasek designated it to be Ordinance #3444.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	David Dickerson, Board Member
SECONDER:	Matt Turner, Board Member
AYES:	Bowman, Long, Levsen, Dickerson, Turner, Milner, Reece, Bockelman

B. A RESOLUTION OF THE BOARD OF ALDERMEN AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO AN AGREEMENT WITH COMMERCE BANK FOR CITY OF HARRISONVILLE DEPOSITORY SERVICES FOR A PERIOD OF THREE YEARS BEGINNING OCTOBER 1, 2018

City Administrator Happy Welch recommended that this be postponed until the September 10th meeting due to the three items that were not included in the original board packet and also an email that was received by Aldermen and staff that afternoon.

RESULT:	**TABLED [UNANIMOUS]** **Next: 9/10/2018 7:00 PM**
MOVER:	David Dickerson, Board Member
SECONDER:	Judy Reece, Board Member
AYES:	Bowman, Long, Levsen, Dickerson, Turner, Milner, Reece, Bockelman

C. A RESOLUTION OF THE CITY OF HARRISONVILLE, MISSOURI ("CITY") AUTHORIZING, APPROVING AND DIRECTING THE EMPLOYMENT OF CERTAIN LAW FIRMS TO REPRESENT CITY IN POTENTIAL LITIGATION AGAINST CONTRIBUTORS OF OPIOID ADDICTION CRISIS.

City Administrator Happy Welch presented the staff report. City Attorney John Fairfield stated that he had reviewed the resolution and gave an explanation on how the fees are deducted if and when a settlement is awarded and that the remainder of settlement is divided between all parties. Alderman Bockelman asked if there was any downside to this and Attorney Fairfield replied no. Alderman Bowman asked Administrator Welch how he received this information. Administrator Welch replied through an email from an individual in Kansas City. Alderman Bowman asked how many calls that the HPD and HES receive in regards to the opiod problem in Harrisonville and would also like to know what Chief Hofer and Chief Myler think in regards to this matter.

RESULT:	**TABLED [UNANIMOUS]** **Next: 9/10/2018 7:00 PM**
MOVER:	Judy Bowman, Board Member
SECONDER:	Judy Reece, Board Member
AYES:	Bowman, Long, Levsen, Dickerson, Turner, Milner, Reece, Bockelman

D. Resolution A RESOLUTION OF THE BOARD OF ALDERMEN AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO AN AGREEMENT WITH H.W. LOCHNER, INC. FOR DESIGN SERVICES FOR THE SOUTH HANGAR TAXI-LANE REHABILITATION PROJECT AT A COST OF $100,300 AND ESTABLISHING AN EFFECTIVE DATE.

RESULT:	**WITHDRAWN**

E. Resolution A RESOLUTION OF THE BOARD OF ALDERMEN AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO AN AGREEMENT WITH H.W. LOCHNER, INC. FOR CONSTRUCTION SERVICES FOR THE SOUTH HANGAR TAXI-LANE REHABILITATION PROJECT AT A COST OF $126,900 AND ESTABLISHING AN EFFECTIVE DATE.

RESULT:	**WITHDRAWN**

F. A RESOLUTION OF THE BOARD OF ALDERMEN AUTHORIZING THE AIRPORT MANAGER TO APPLY FOR $976,000 IN FEDERAL BLOCK GRANT FUNDING FOR THE SOUTH HANGAR TAXI-LANE REHABILITATION PROJECT AT THE LAWRENCE SMITH MEMORIAL AIRPORT AND ESTABLISHING AN EFFECTIVE DATE.

RESULT:	**WITHDRAWN**

G. AN ORDINANCE TO ACCEPT THE FINAL PLAT OF MAPLE TREE SUBDIVISION, A SUBDIVISION OF LAND BEING A RE-PLAT OF LOTS ONE (1), TWO (2), THREE (3) AND THE SOUTH TWENTY-FIVE AND ONE-HALF (25.5) FEET OF LOT FOUR (4), BLOCK ONE (1) IN MOODY'S ADDITION IN THE CITY OF HARRISONVILLE, CASS COUNTY, MISSOURI

Staff report was presented by Planner Roger Kroh. Motion was made by Alderman Dickerson with a second by Alderman Milner to suspend the ruling and move the bill to its second reading. Motion carried. Roll call vote: Allerman Bowman aye, Alderman Bockelman aye, Alderman Reece aye, Alderman Milner aye, Alderman Dickerson aye, Alderman Long aye, Alderman Turner aye, Alderman Levsen aye. Upon passage, Mayor Hasek designated it to be Ordinance #3445.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	David Dickerson, Board Member
SECONDER:	Marcia Milner, Board Member
AYES:	Bowman, Long, Levsen, Dickerson, Turner, Milner, Reece, Bockelman

7. Aldermen and Committee Reports

Alderman Bowman announced that the next Town Hall meeting hosted by herself and Alderman Reece would be September 8th at the HUMC with the Cass County Public Library as the program.

Alderman Bockelman asked about a meeting with himself, the Mayor and City Administrator to discuss the homeless and vagrant problem. Mayor Hasek stated he could possibly next week.

Alderman Reece addressed the banking services decision and would like to get more information from each bank. Mayor Hasek suggested that she speak with City Staff, Finance Director Marcella McCoy and Account Specialist Debra Phelps. Alderman Levsen stated that she had spoken with staff and understood the recommendation much better. She stated she had also received phone calls from residents stating which banking service they would like to see City go with.

Alderman Milner asked about the comment made when bid information goes out to the public. Administrator Welch stated it was by his direction.

Alderman Turner went to Wildcat Booster function last week. He reported that Junk in the Trunk last week was very busy.

8. Report from the City Administrator

Advised aldermen of the need to schedule a Finance/Personnel Committee meeting in September. Mayor recommended Aldermen to contact Mr. Welch with available dates the first two weeks of September.

9. Report from the Mayor

Mayor Hasek pointed out that the tax levy rate has not changed since he has been in Office. He attended the ribbon cutting ceremony of the Water Treatment Facility last week. Mayor Hasek addressed comments being made about the old hospital and how some are blaming the City for not allowing it to be developed. The company that has purchased it was offered some waiver of fees to refurbish the facility but chose not to accept them and start construction.

10. Adjourn to Executive Session - RSMo. 610.021 (1) Legal Actions, Causes of Actions or Litigation involving a public governmental body

Alderman Dickerson made motion to enter into Executive Session with a second by Alderman Turner. Roll call vote was taken with all ayes. Motion carried.

11. Adjourn From Regular Session

Motion by Alderman Milner with a second by Alderman Long to adjourn. Motion carried. Meeting adjourned at 8:18 p.m.

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Brian Hasek, Mayor & Ex-Officio
Chairman of the Board of Aldermen

ATTEST:

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Randall K. Jones, City Clerk

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Marcella McCoy, Director**

DATE: **August 2, 2018**

SUBJECT: **Banking Services Recommendation**

Type of Item: *Contract*

The effective date of the bank contract has been changed to November 1, 2018. This will allow sufficient time to migrate the data from one bank to the other and complete process training. Additionally, Community Bank has completed the on-line wire ability and approvals. Although, the system is still not working completely for my approval processes. It takes a couple of extra steps for me to complete an approval. Community Bank has stated they are working to correct this issue and will let me know once it is corrected. Also, there is still significant detail missing in the daily bank data to complete a reconciliation and post all incoming money to the proper accounts. A specific example is on Tuesday, September 4th, there was no detail available in the online system through Community Bank.

Interest income estimates have been provided in the data from each of the Banks. The following is the interest earned from Community Bank over the past three years along with the average bank account balance:

	Interest	Average ledger balance
2018	$37,936.95 (through Aug)	$4,200,000
2017	$19,098.88	$3,100,000
2016	$ 3,739.08	$1,600,000
2015	$ 4,202.19	$2,100,000

Total for three years $27,040.15. Average $9,013.38.

Council Bill No. 52

Resolution No.

A RESOLUTION OF THE BOARD OF ALDERMEN AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO AN AGREEMENT WITH COMMERCE BANK FOR CITY OF HARRISONVILLE DEPOSITORY SERVICES FOR A PERIOD OF THREE YEARS BEGINNING NOVEMBER 1, 2018

WHEREAS, the City of Harrisonville is required to have a designated depository bank; and

WHEREAS, a notice was posted and request for proposals were opened and accepted on July 26, 2018 for such services; and

WHEREAS, two proposals were received from banks with branches located in the City of Harrisonville; and

WHEREAS, staff has reviewed the proposals, received positive references and has made a recommendation; and

WHEREAS, the Finance/Personnel Committee has reviewed the recommendation and have forwarded that recommendation to the Board of Aldermen; and

WHEREAS, the Board of Aldermen has reviewed the information provided and concluded that Commerce Bank provides the best, responsive, responsible proposal and it is in the best interests of the city;

NOW THEREFORE BE IT RESOLVED BY THE HARRISONVILLE BOARD OF ALDERMEN THAT

Section 1: The City Administrator is hereby authorized and directed to enter into an agreement with Commerce Bank for City of Harrisonville depository services beginning November 1, 2018.

Section 2: That this resolution shall become effective immediately upon its passage and approval.

PASSED AND RESOLVED by the Board of Aldermen and **APPROVED** by the Mayor of the City of Harrisonville, Missouri this 10th day of September, 2018.

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Brian Hasek, Mayor & Ex Officio

Chairman of the Board of Aldermen

ATTEST:

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Randall K. Jones, City Clerk

WITNESS my hand and seal this 10th day of September, 2018

To: Mayor, Board of Aldermen and City Administrator
From: Marcella McCoy, Finance Director
Date: August 20, 2018
Subject: Banking Service Contract.

INTRODUCTION
The purpose of this memo is to outline the process used to recommend banking services including the timeline for the request for proposals. It outlines the initial review completed by staff for the Finance Committee discussion and recap the Committee discussion. it also outlines further discussion with both banks upon communication to the Board from Community Bank before the Finance Committee meeting. It highlights the concerns encountered with Community Bank services most recently before and after the software conversion. Additionally, information is included about the fees and/or costs associated with the proposed bank services. Finally, recommendation from staff and the Finance Committee to award Commerce Bank the banking service contract.

DISCUSSION

The State Audit Report states, “Soliciting proposals for professional services is a good business practice, helps provide a range of possible choices, and allows the city to make better-informed decisions to ensure necessary services are obtained from the best qualified provider taking expertise, experience, and cost into consideration. Written contracts are necessary to ensure all parties are aware of their duties and responsibilities and to prevent misunderstandings. Sections 8.285 to 8.291, RSMo, provide requirements for the selection of engineering services and Section 432.070, RSMo, requires contracts for political subdivisions to be in writing.”

The process of soliciting proposals for banking services complies with the above stated requirement. The City last went out for banking proposals in 2011. Community Bank was the recipient of that contract for a period of three years and have renewed the banking service contract each year. Procedures outlined in RSMO 95-355 define when Board of Alderman in fourth class cities are to select a depositary for a term defined in ordinance. Current City practice is to complete Request for Proposals for banking service every five years.

Request for Proposals for bank services for Federal or State of Missouri chartered, have at least a main office in the State of Missouri, and a branch in or near the city for day-to-day transaction services were published on May 25, 2018.

- Letters were sent to each local branch bank location referencing the request for proposals be submitted.
- Sealed proposals were due at city hall by 2pm on June 26, 2018.
- Two proposals were received from the City’s current bank, Community Bank of Raymore, and Commerce Bank.

A Request for Proposal provides the service provider an outline of services desired by the city but also affords them an opportunity to outline all services they have to offer. A proposal leaves open the opportunity for the Bank to share all available services they may provide to assist the City’s customers and staff with transacting business in the most efficient manner possible.

Staff who reviewed the proposals were Debbie Phelps, Accounting Specialist, Happy Welch, City Administrator, and myself. Debbie is a key resource in this process because she works with the bank daily completing the daily reconciliation, processing bond payments, investing cash, as well as numerous other functions involving bank transactions. Debbie used the SWOT (Strength, Weakness, Opportunity and Threat) approach to develop a list of advantages and disadvantages of each bank based on daily tasks and a review of the Request for Proposals. They are attached for reference and updated upon further communication with each bank.

Upon publishing the packet for the Finance Committee meeting, Community Bank provided a memo to the entire Board of Alderman and staff challenging or contradicting points outlined in the advantages and disadvantages document. This communication was helpful in clarifying prior information provided. I spoke to Mr. Jack Hopkins on the phone prior to the Finance Committee meeting to discuss his memo. We discussed the lack of communication regarding the Community Bank software upgrade to the City and clarified many of the challenges we have encountered since the upgrade. Community Bank staff has been responsive to our needs and they are confident many of these issues can be resolved over time. There has been no estimated date given to the City as to when the software issues will be resolved.

Another factor learned in communication with Community Bank was the opportunity to create wire transfers through an online application. Prior to this communication with Jack, Debbie and I were unaware of the availability of this product through Community Bank. The major advantage of an online process is the requirement of dual control. Dual control is the process of one authorized person inputting a wire request through an online banking application and separate authorized person approving the request. By utilizing the dual control online process to initiate ACH or wire transfers provides a required layer of security currently lacking with Community Bank. Comment has been outlined in the State Audit to adopt the dual control security service. Both banks offering this service equates the evaluation of this service. Technology security is more and more of a concern and challenge in today's world. Such a challenge was recently experienced here in our community by a local organization.

Current wire transfer process with Community Bank involves creating a PDF document print generated from an Excel Spreadsheet listing the amount and bank account to whom the wire is to be sent. The PDF document is then sent via email to staff members at Community Bank. Community Bank staff then contacts the person via phone call who sent the email wire request to confirm the request, banking information and amount of the wire. Currently Debbie Phelps is the main contact for this process. Upon confirmation by bank staff the wire is then forwarded on to the wire transfer department to complete the transfer.

Dual control is currently a secure online service offered by Commerce Bank. In prior positions Debbie Phelps has personally worked with the Commerce application. Commerce Bank online environment is an OTP (one time password) device free application. Commerce Connections application requires the use of PIN (personal identification number) whenever a wire is initiated and/or approved. The advantage of a PIN versus an OTP is business can be conducted if a device is lost or damaged.

A wire or ACH transfer in Commerce Connections is created by one user in the online application and sent for approval to a different user. The approver will receive an automated phone call from Commerce and then be asked to enter their PIN. The automated call also verifies the amount of the wire transmitted. Online security functions automatically verify the banking data is valid prior to transmission. If the destination banking information is incorrect, the wire will be cancelled, and notification sent to the submitter of the cancellation. An additional advantage of the Commerce application allows users to set up templates for frequently used transfers which are created and saved at the user's convenience. These templates eliminate any accidental changes to important banking information that may occur in spreadsheets.

Return of any funds (NSF) is automatically listed in live time in the Commerce online application. This allows the user to research returns and immediately notify departments. The City does not have to worry about missing emails since the NSF data is available to all current users.

Commerce Bank also offers a vast IT support team that offers extended hours available past normal banking hours when needed. Furthermore, the following statements expand on the technology issues encountered during the City's tenure with Community Bank. Many of these issues were encountered recently.

ACH issues
Two recent incidents were encountered where human error revealed issues in the checks and balances currently in place for processing ACH files. Both issues exposed the programming weaknesses regarding the ACH upload interface. In the first instance an ACH was sent to Community bank with incorrect year data. When the Community banking program received the file the program neither checked the year date nor detected the date error. This check and balance process is commonplace with file uploads and is an expected and vital functionality of the bank. Details in the programming to complete a check and balance prevents exposing the City to liability and ultimately customer frustration. Errors happen when either the wrong file is uploaded, or a wrong date is entered. Both issues should have been caught at the file upload program by either checking the file date or the file amount. This simple verification process would have saved the city countless staff hours rectifying payroll issues and dealing with angry customers whose accounts we debited in error.

Positive pay issue
The City was not aware of any issues with current positive pay process until it inexplicably stopped working. Positive pay is an accounting process utilized as an attempt to stop fraud. A file containing the dates, check numbers, amounts, and payees is sent over to verify each check as it is cleared through the bank statement. When the bank was contacted concerning the issue the City was told we are their only customer using the positive pay function. Being the only Community Bank customer using positive pay demonstrates Community Bank did not make the City's needs a priority when the bank began its software transition. City staff was told that we would have to change our file format sent to the bank, rather than them attempting to fit the file alter or reformat to work with their new system. As the customer who is obviously important enough to fight for now, I would expect to have received a higher level of service through this transition.

Transaction data
As a result of the recent Community Bank software conversion the City no longer receives all necessary transaction data for both payments and deposits supplied prior to the conversion needed to allocate monies to appropriate City funds in a timely manner. Specifically, the Emergency Services ACH payments do not contain enough data which was previously supplied that is vital to accurately applying the paid amounts to the correct patient/call number. Additionally, the conversion has complicated the Notice of Insufficient Funds (NSF) check returns notification process. Prior to the conversion NSF checks were emailed to the City with an actual paper copy of the check arriving via postal mail days later. The transactions on the daily bank inquiry indicate a NSF payment is present. Staff is then required to research at length the amount in order to locate the appropriate customer to notify. Again, Bank staff has stated they are working

on correcting this issue, however, no timeline as to when we can expect this correction has been received.

Early in July, we had a citizen request to verify a prior payment on their utility account. When attempting to retrieve the information from the Community online application it was discovered no account history prior to July 2, 2018 existed. As of August 14th, it has been discovered that transaction history has been further restricted to July 16, 2018. The City currently does not have online access to the first half of July (1-15) not only for transaction data, but also for statement detail. There is still no prior history available to view on line as has been in the past. City staff must call the bank for bank staff to pull history.

Community Bank states that funds are insured and that security is not a valid point of measure confirms our point that from a technology standpoint there is a clear lack of understanding on the part of Community to provide necessary technology pieces available through Commerce.

Community Bank states there is no need for account analysis because there are no fees is short sighted and is purely being used to highlight their proposal rather than the accounting and reconciliation needs of the City's various lines of business.

Community Bank states that a disaster recovery plan was not asked for or outlined in the RFP does not indicate the presence of one.

Community Bank allows us to use another merchant service vendor since they don't offer their own and partner with a third party. This type of diversity causes headaches and confusion when support is needed by staff to rectify a situation.

I have attempted to outline the concerns staff has conveyed through the RFP and review process with Community Bank as the City's depository. One of the most difficult parts of the evaluation process is rating the services provided by both banks. Simply examining fees charged for transactions and account analysis is narrow-sighted. A broader view of customer service, available banking services, advanced security, and bank size clearly defines the added value of Commerce Bank. Community Bank currently does not charge a monthly fee for any service provided and their proposal is to continue that practice. Community Bank also provides interest earnings at the current Federal Reserve rate less .25% of the account balances. Commerce does charge fees associated for services but is offering an interest offset that will most likely more than cover the cost of those fees. Any additional interest earned will be credited on the balances through Commerce as well. Therefore, the transaction cost of services becomes equal between the two bank proposals as far as payments made to the bank.

When comparing costs of service, a bank can charge fees for services the City literally pays directly to the bank. However, there are also indirect costs the City incurs when staff is required to complete a task such as a phone call to the bank for history that a citizen has requested. These types of costs incurred by the City is not figured into free. Community Bank is not proposing to charge any fees paid to them. However, recently, there has been a cost of City staff time and efficiency in trying to complete simple bank related transactions. The Positive Pay, ACH files executed, applying payments to patient accounts, NSF check notification processes, just to name a few. All these things have created an indirect cost to the City due to staff time and the cost of customer assurance. I want the citizens of Harrisonville to know that staff is handling personal information and money the most efficient manner. I want them to know, that we as staff understand payments should be applied timely and correctly as our citizens should expect as part of their city service. When information is inadequate it is challenging, processes are delayed without explanation it hinders staff to work effectively. Community Bank has said they can correct all these things. However, I do not think they should have to be corrected. These issues could have been easily avoided and should not have occurred. It is a customer's reasonable expectation for a bank's system to produce all the same information the customer has seen before as they make upgrades. Admittingly there are usually always growing pains and mistakes will and do happen. However, if resources are readily available for comparison, then mistakes should be expected to be minimal. Information and service should be expected to improve with upgrades, not diminish.

Community Bank has provided additional analysis of cost of services and interest earnings as a benefit in the attached document. Commerce Bank has also provided additional analysis of the cost of services and interest earnings for the two options Commerce proposed in the attached document.

Community Bank calculates an annual interest earning of over $40,000 per year.

Commerce Bank calculates an annual interest earnings of $85,650 using the Capital Markets Group option.

The City has many lines of business which involve many daily transactions. It is the City's ultimate responsibility to choose a vendor who can support current and future needs because they have done it before and success is repeatable.

Finally, I believe each bank can provide basic service. However, I think it best to look beyond basic. Commerce is a large regional bank that provides layers of security and more geographic diversification. Commerce also has a larger asset base that will be beneficial should some unforeseen tragedy occur. At the end of the day, the core question of banking services is whether the software solution being provided is robust, integrated, and well supported.

ACTION REQUIRED/RECOMMENDATION

The Finance and Personnel Committee voted to recommend Commerce Bank for the City depository. Staff is also recommending Commerce Bank and respectfully asks the Board of Alderman to authorize the banking service contract to Commerce Bank.

Community Bank of Raymore

- No cost
- Current bank – no conversion
- Interest earnings calculated at an estimated fed rate of 1.25% less .25 equals 1% on $3.5 million amounts to $35,000 annually.

- No disaster recovery plan outlined in RFP – Disaster Recovery Plan provided after communication was sent to the entire Board stating they had a disaster recovery plan as required of all banks.
- Chartered bank – State Chartered Bank as required
- Equity of $19.1 million
- $238.6 million in assets
- Three offices with 44 total employees
- Offices are geographically close making the susceptible to disaster risk – Still a concern
- No ACH credit option available for accounts payable vendors – CBR states in the RFP "We allow debit origination for accounts payable items." The letter addressing these items state that a file like the payroll file can be uploaded. It appears contradicting. Which way does it work?
- Does not offer bank owned merchant services
- Wire transfers currently made via emailing PDF file containing banking information and transfer amount to bank employees – Again information was provided after the RFP was reviewed and recommendation made to the Finance Committee. Such information is most helpful to have upon staff transition and ongoing communication with the City about services that may provide a deeper layer of security.
- City of Harrisonville is only customer with CBR that uses the Positive Pay Function. Recently during a software conversion at CBR this option was inadvertently eliminated, and the City was not notified but instead discovered when attempting to use the Positive Pay Option – Like other points, this was brought to CBR's attention after the City received an error that the file did not work. CBR and the City's software company are still working through this issue that began with the Bank software conversion and no notification to the correct City staff members.
- Not a member of the Federal Reserve – this is a required institution qualification in the RFP document. CBR proposal states "We have access to all services provide by the Federal Reserve Bank." The access to services is not the same as a member. A concern for security remains.
- Most recent concerns with the software update:
    - Recent addition to City staff and issuance of security fob took several days that may be typical. The fob did not work until Wednesday, August 1st when bank staff brought out a new fob.

Commerce Bank

Advantages:

- Detailed disaster recovery plan
- Multi state presence minimizes disaster risk
- Online wire and ACH debit and credit capabilities available through multiple layers of security
- Currently services Harrisonville School District
- Dual approval controls for cash transactions done online through Commerce Connections
- $6.4 billion in Market Cap
- $24.8 billion in assets
- Instant online reports
- Online return notification
- Commerce Markets is current broker for the City's investments
- Overnight interest sweep
- Commerce Bank owned merchant services available
- Multitude of optional services available
- Higher security than what is now being used by the City
- Detailed account analysis online
- DirectCheck Card available to those who do not receive paychecks via ACH
- Access to Benefits Banking service to employees

Disadvantages:

- Cost for service – annual fees estimated at $17,637 OFFSET by Earning Credit Allowance of $17,637 based on Earnings Credit Option provided.

Community Bank

RAYMORE • PECULIAR • HARRISONVILLE

August 13, 2018

Marcella McCoy
Director of Finance
City of Harrisonville
300 E. Pearl St.
P.O. Box 367
Harrisonville, MO

RE: Banking Services Contract

Dear Ms. McCoy:

This letter is intended to provide you with a comparison of the net benefit to the City of Harrisonville under two proposals it has received for its banking services contract. It also contains information to again correct incorrect information presented to the Board of Aldermen last week in the "Comparative Analysis Request for Proposal Depository Services 2018" that was handed out at the end of the discussion on the topic. Finally, I am asking you to prepare a new comparison for the Board of Aldermen that contains correct information.

I hope the information included in this correspondence will help you prepare a fair and comprehensive comparison of the two proposals. I am fine if you share this letter and the supporting documents with Commerce Bank. If we need to correct an error, I would be happy to do so. All of us should be able to agree to what the proposals include and how the costs compare before we go before the Board of Aldermen again.

Depository Contract Proposal Cost Comparison

The proposal from Community Bank of Raymore will provide the City of Harrisonville with a net benefit over the term of the contract of $120,173.85 compared to the proposal provided by Commerce Bank assuming interest rates and account activity levels remain flat.

The Community Bank of Raymore proposal net benefit of **$120,173.85** includes saving the City **$51,995.13** in fees and will pay the City **$68,178.72** more in interest income during the term of the contract compared the other proposal under the current interest rate.

Should interest rates go up by an average of 1% over the three - year term of the contract, the Community Bank of Raymore proposal will provide the City of Harrisonville a net benefit of **$167,637.36** compared with the alternative proposal. In the rising rate environment, we are in, this scenario seems possible. If account activity levels rise, there would also be a corresponding

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increase in the net benefit offered by the Community Bank of Raymore proposal since the costs under the Commerce proposal will go up.

There are four attachments to support the net benefit calculation. The first is a listing of the 8 accounts the City currently maintains at the 3 banks and the average balances in each account. The second attachment is more detail on the computation of the interest the City would earn under both proposals under consideration. The third attachment is a sample analysis of the service charges under the Commerce proposal as we understood them. The fourth attachment explains where the volumes came from that were used in the Commerce Bank Cost Analysis. Again, I would encourage you to share this information with the Commerce representatives to make sure the analysis is fair. We would be happy to correct anything where needed.

Corrections Requested to the "Comparative Analysis Request for Proposal Depository Services 2018" Report Passed Out at the Last Board of Aldermen Meeting

This is a request to correct several mistakes in this report.

First, please correctly show that Community Bank of Raymore is an online cash and securities member of the Federal Reserve and has Automatic Clearinghouse (ACH) credit capability to City customers and accounts payable vendors under the "Required Institution Qualifications" section of the report. Our proposal clearly states these things on pages 1 and 2 of our proposal.

Community Bank of Raymore's proposal clearly stated it meets all the required institution requirements.

Please correctly show under the "Required Banking Services" that we can offer account analysis and provided a better alternative to an automatic sweep as allowed in the City RFP. Please refer to your RFP on page 5 where it clearly allows alternative solutions and states; "Except for non-essential deviations or acceptable alternatives, …". The City is benefiting by Community Bank of Raymore paying ¼% below the Fed Funds rate on 100% of the ledger balance of the City deposits in each account without charging for an automated sweep. This would seem to precisely follow the intended purpose of the provision in the RFP. On page 4 of our proposal, we do offer to provide the City with a monthly account analysis while mentioning this would not seem to be needed since we will not be charging the City for any services and paying interest on 100% of the ledger balances. Please correct both of those oversights.

Community Bank of Raymore's proposal clearly shows it can provide all the required banking services.

Please correct under "Optional Banking Services" that Community Bank of Raymore offers electronic vendor payments as mentioned above. The analysis provided to the Board of

Aldermen contradicts our proposal as stated on page 2. I also documented that in my letter to you dated July 30, 2018. Please correct that oversight.

This same topic is misstated under “Estimated Costs of Required Services” of the hand out.

On a minor note, I believe the check printing for the general account for Commerce Bank is misrepresented. You might at least want to clarify that. Their proposal states there will be a full charge for the checks.

We offer to reclear returned checks at not cost.

You might also please note that you have positive pay working as of last week.

Merchant Services Section of Comparative Analysis Request for Proposal Depository Services 2018 Passed Out at the Last Board of Aldermen Meeting

It appears odd that the analysis would not include staying with your current vendor who we introduced to the City staff several years ago. **A simple cost comparison that is included in the comparative analysis attachment would seem to show the current provider is saving the City money compared to the Commerce proposal.**

While we have a lot of faith in Rod Foster and BancCard, our recommendation would be to put out an RFP for these optional services and get several proposals for comparison. At first blush the Commerce proposal will not be the low-cost option.

Community Bank of Raymore will work with any vendor the City selects without any added cost.

Request to Provide the Board of Aldermen with an Accurate and Complete Comparison

While I am sending this correspondence to the Aldermen who have an email shown on the City website, I am asking you to present a complete, fair and accurate analysis of the two proposals the City has under consideration for banking services. The analysis that has been presented to the Finance Committee and the Board of Aldermen up to this point has been misleading, inaccurate and incomplete. It seems only fair that you provide a new comparison that we can all agree is accurate.

Conclusion

Community Bank of Raymore has provided the proposal that clearly best meets the evaluation criteria included in the City of Harrisonville Request for Proposal for Banking Services. It meets all the requirements and can provide all the required services at a substantial financial benefit to the City. We are asking that the City award its banking services contract to Community Bank of Raymore for another three years.

Sincerely,

Jack D. Hopkins

Jack D. Hopkins
President

Attachments

City of Harrisonville Banking Accounts Listing
Interest Earnings Under the Two Proposals
Commerce Bank Cost Analysis
Basis for Volumes in Commerce Bank Cost Analysis
Comparative Analysis Request for Proposal Depository Services 2018 Prepared by City Staff and handed out at the last Board of Aldermen Meeting

City of Harrisonville
Banking Accounts
As of
August 14, 2018

Last 3 Digits of Account No.	Ave. Balance	Time Reviewed
Community Bank of Raymore		
878	$ 10	June 2018
752	$ 1,033	June 2018
663	$ 13,448	2017
671 *	$ 2,678,377	2017
Commerce Bank		
115 *	$ 699,962	June 2018
224	$ 0	June 2018
914	$ 2	June 2018
Country Club Bank		
003 *	$ 177,666	June 2018
Total Investible	**$3,570,498**	

*Assumed to be the three accounts on which Commerce proposes to pay interest on at 60% of the Fed Funds Target rate. The average balance in those three accounts would be $3,556,005. Only account 671 appears to have funds that Commerce will consider uncollected and not available to be invested. The deposits in that account during 2017 were divided by 240 to calculate that amount. It comes to $243,164. That leaves $3,312,841 to invest. The remaining $14,493 in the other four accounts would earn .07%.

Community Bank of Raymore will pay interest on the entire $3,570,498 at .25% less than the Fed Funds Rate.

Comparative Analysis Request for Proposal Depository Services 2018
Determination of Volumes

Quantity taken from the City of Harrisonville, Request for Proposal Exhibit A

Transfers to/from Other Accounts
Returned Items
ACH Debits
ACH Credits
Stop Payments
Wire Transfers In (stated below again)
Wire Transfers Out (stated below again)
Credit Card Deposits
Printed Deposit Slips
Locked Money Bags
Check Printing General Account
Incoming Wire Transfer
Outgoing Wire Transfer

Historical Data in the two City accounts held at Community Bank of Raymore

Check/Debits
Deposit/Credits
ACH Items Originated
ACH Return Items
ACH Transmissions
Premium Positive Pay per Item
Positive Pay Exception Item
Imaging Per Item
Cash Deposit per Deposit*
Cash Deposits per $100*

***** One week of each month in 2018 was retracted from the system and a weekly average was calculated to determine an estimated annual average of cash deposits conducted and total cash deposited.

Estimated volumes from Commerce Bank Proposal, Exhibit A

Account Maintenance
Sweep Account Maintenance
ACH Monthly Maintenance
Premium Positive Pay Maintenance per Account
Image CD Monthly
Connections Base
Connections Current Day per Account
Wire Module Per Account
Supervision and Assessment (Average Ledger Balance)

City of Harrisonville
Depository Contract Proposal Comparison
Interest Earnings Over the Three - Year Contract Period

Basis for Calculations

1. Community Bank of Raymore would pay interest on an average balance of $3,570,498. This represents 100% of the ledger balance in each account.
2. Commerce Bank will only pay market interest on 3 of 7 accounts. The total balances in those accounts available to invest would be an average of $3,312,841. Another $14,493 would earn .07%. Commerce Bank will only pay interest on "available funds". This means a deposit will not be available for investment until one day after it is made. This was accounted for by dividing the average deposits made each month in 2017 into the two accounts at Community Bank of Raymore per month by 20 to represent the average number of working days. This resulted in a reduction of $243,164 in investable funds.
3. Community Bank of Raymore will pay the .25% less than the Fed Funds Rate. Commerce Bank is offering to pay 60% of the Fed Funds Rate.
4. It assumes Commerce sweeps 100% of the available funds daily. This only makes sense since the earnings credit rate is only .55% and a 10% reserve requirement would inflate the funds required to sit idle to offset charges.
5. Calculations were made assuming a 2.0% Fed Funds rate, which is the rate as of 8/8/18 and a 3.0% and 4.0% Fed Funds rate. This was done to reflect our current rising rate environment.
6. The rates being paid by Community Bank of Raymore under the three scenarios would be 1.75%, 2.75% and 3.75%.
7. The rates being paid by Commerce Bank under the three scenarios would be 1.2%, 1.8% and 2.4%.

Interest Income Comparisons

2% Fed Funds Rate

Community Bank of Raymore will pay the City of Harrisonville $62,483.72 per year or $187,451.15 over the life of the contract.

Commerce Bank would pay the City of Harrisonville $39,754.09 per year or $119,262.28 over the life of the contract.

Difference in favor of Community Bank of Raymore of **$22,729.63 per year or $68,178.72 over the life of the contract.**

3% Fed Funds Rate

Community Bank of Raymore will pay the City of Harrisonville $98,188.70 per year or $294,566.09 over the life of the contract.

Commerce Bank would pay the City of Harrisonville $59,641.29 per year or $178,923.86 over the life of the contract.

Difference in favor of Community Bank of Raymore of **$38,547.41 per year or $115,642.23 over the life of the contract.**

4% Fed Funds Rate

Community Bank of Raymore will pay the City of Harrisonville $133,893.68 per year or $401,681.03 over the life of the contract.

Commerce Bank would pay the City of Harrisonville $79,518.33 per year or $238,555.00 over the life of the contract.

Difference in favor of Community Bank of Raymore of **$54,375.35 per year or $163,126.05 over the term of the contract.**

Comparative Analysis Request for Proposal Depository Services 2018

Estimated Cost of Required Services	Commerce Bank Cost Per Unit	Commerce Bank Quantity	Commerce Bank Total Cost Annually	Community Bank of Raymore Cost Per Unit	Community Bank of Raymore Quantity	Community Bank of Raymore Total Cost Annually
Transfers to/from Other Accounts	$1.00	125	$125.00	$0.00	125	$0.00
Returned Items	$5.00	140	$700.00	$0.00	140	$0.00
ACH Debits	$0.08	275	$22.00	$0.00	275	$0.00
ACH Credits	$0.10	800	$80.00	$0.00	800	$0.00
Stop Payments	$5.00	20	$100.00	$0.00	20	$0.00
Wire Transfers In (stated below again)	$7.00		$0.00	$0.00	0	$0.00
Wire Transfers Out (stated below again)	$11.00		$0.00	$0.00	0	$0.00
Credit Card Deposits	$0.10	950	$95.00	$0.00	950	$0.00
Printed Deposit Slips	$0.00	750	$0.00	$0.00	750	$0.00
Locked Money Bags	$0.00	10	$0.00	$0.00	10	$0.00
Safe Deposit Box	$0.00	0	$0.00	$0.00	0	$0.00
Internet Banking Services	See Attached			$0.00	0	$0.00
Check Printing General Account	Full Charge	4000	$2,000.00	$0.00	4000	$0.00
Account Maintenance	$5.00	84	$420.00	$0.00	84	$0.00
Sweep Account Maintenance	$100.00	12	$420.00	$0.00	12	$0.00
Check/Debits	$0.10	4438	$443.80	$0.00	4438	$0.00
Deposit/Credits	$0.15	2940	$441.00	$0.00	2940	$0.00
ACH Monthly Maintenance	$15.00	24	$360.00	$0.00	24	$0.00
ACH Items Originated	$0.10	19896	$1,989.60	$0.00	19896	$0.00
ACH Return Items	$6.50	60	$390.00	$0.00	60	$0.00
ACH Transmissions	$10.00	48	$480.00	$0.00	48	$0.00
Incoming Wire Transfer	$7.00	20	$140.00	$0.00	20	$0.00
Outgoing Wire Transfer	$11.00	60	$660.00	$0.00	60	$0.00
Premium Positive Pay Maintenance per Account	$30.00	12	$360.00	$0.00	12	$0.00
Premium Positive Pay per Item	$0.10	4438	$443.80	$0.00	4438	$0.00
Positive Pay Exception Item	$3.00	0	$0.00	$0.00	0	$0.00
Imaging Per Item	$0.04	4438	$177.52	$0.00	4438	$0.00
Image CD Monthly	$25.00	12	$300.00	$0.00	12	$0.00
Connections Base	$45.00	12	$540.00	$0.00	12	$0.00

Connections Current Day per Account	$10.00	72	$720.00	$0.00	72	$0.00
Wire Module Per Account	$12.00	24	$288.00	$0.00	24	$0.00
Cash Deposit per Deposit	$1.25	943	$1,178.75	$0.00	943	$0.00
Cash Deposits per $100	$0.0015	$1,353,961	$2,030.94	$0.00	1353961	$0.00
Supervision and Assessment (Average Ledger Balance)	0.082%	Avg Ledger	$2,426.30	$0.00	Avg Ledger	$0.00
Subtotal of Estimated Costs of Required Services Calculated on an Annual Basis			**$17,331.71**			**$0.00**

Estimated Cost of Optional Services	***Commerce Bank***	***Community Bank of Raymore***
	Cost	**Cost**
ACH Risk Manager per Account	$30.00	$0.00
Recleared Checks per Check	$8.00	$0.00
DirectCheck Annual Fee per Year	$25.00	N/A
DirectCheck Load per Item	$0.25	N/A
Electronic Bill Collection per Month	$75.00	N/A
Electronic Bill Collection per Item	$0.17	N/A
Remote Deposit Maintenance per Month	$50.00	$0.00
Remote Deposit per Item	$0.09	$0.00
Remote Deposit per ACH	$0.09	$0.00
Remote Deposit Setup (1 Time Fee)	$150.00	$0.00
Remote Deposit Site License	$27.00	$0.00
Collect Pay Online Monthly	$400.00	N/A
Collect Pay Online Web Pays per Payment	$0.18	N/A
Collect Pay Online IVR Payments per Payment	$0.31	N/A
Collect Pay Online IVR per Minute	$0.07	N/A
Positive Pay Alerts per Email Address Monthly	$2.00	$0.00
Positive Pay Alerts Email per Account Monthly	$3.00	$0.00

Merchant Services

	Commerce Bank	***Community Bank of Raymore*** *For comparison purposes, this assumes the City maintains their relationship with BancCard*
Discount Rate on Mastercard/Visa/Discover	0.25%	0.19%
MasterCard/Visa/Discover Transaction Fee per Item	$0.00	$0.00
MasterCard/Visa/Discover Authorization Fee per Item	$0.10	$0.05
Amex Discount	0.35%	0.50%
Amex Authorization per Item	$0.10	$0.10
Chargeback Fee if Applicable	$18.00	$20.00
Positive Pay and Automatic Reconciliation	$7.00	$0.00
Monthly Federal Regulatory Compliance Fee	$2.50	$0.00
Fixed Acquirer Network Participation Fees	PASS THROUGH	PASS THROUGH
Account Setup	$0.00	$0.00
Additional Accounts	$0.00	$0.00
Annual PCI Compliance Fee	$89.00	$90.00
Non-Compliance Fee-if steps are not followed	$19.95	$0.00
Equipment per Month per Store	$15.00	$0.00
FD130	$299.00	$0.00
Monthly Statement	$0.00	$0.00
Business Track Web Reporting	$0.00	$0.00
Local Support	$0.00	$0.00

*Estimated costs are based on anticipated volume and services requested

To: City of Harrisonville Board of Aldermen
From: Commerce Bank
Regarding: Information Request for Banking Services

Regarding the request for additional information for the proposed deposit contract, attached and within this document is our response to the continued biased information that is being provided about our bid. You will see a greater level of sophisticated commercial banking services will be provided by Commerce Bank to offer the City of Harrisonville far more benefit and value.

Please review the estimates on the following pages that are based on volumes presented by the city of Harrisonville. Our bid offered 2 options of how the City can use balances to offset fee's, an earnings credit rate of 55 basis points (55bps) and utilizing an automated repo sweep set at 60% of Fed Funds Target Rate where interest earned is used to pay for services*. You will see 2 proforma's where the second options shows investing excess funds via our Capital Markets Group to maximize interest earnings.

One of the primary benefits of Commerce Bank is the ability to invest in marketable securities through the Capital Markets Group (CMG). The City currently maintains a portfolio in excess of $12,000,000 with CMG to enhance yield and fund future cashflow needs. As the primary bank for the City, Commerce Bank will be able to work actively with the City to help analyze their cash needs and invest more of the funds that are currently left in the checking account. Over the past three years the City has obtained yields of 0.855%** over the Fed Funds Target Rate by investing through CMG. If $3,000,000 of the $4,000,000 currently left in checking was invested and the City obtained the same spread it has over the past three years, the City would earn an additional $76,950 over the Fed Funds Target Rate.

Commercial customers with Analyzed accounts at Commerce Bank will receive a monthly analysis statement reflects actual volumes and costs associated with each service. This statement will also inform staff of the minimum amount of funds they need to keep in the account to OFFSET COST of services as well as the excess funds that can be invested to obtain greater returns.

Our Bid addressed EVERY item of the Request For Proposal and did not require staff to have to seek additional details as to the quality of our bank and its services. The banking services that have been provided to the city in the current contract were free because they are very common, offer minimal levels of security, minimal dual controls, no automation, and as I understand are very unreliable. In the Comparative Analysis document that was provided by community bank, 29 of the items are marked either N/A - because they do not have the product or “Not Working Because of Software Conversion”. It is unacceptable for an organization with the balances and volumes of the City of Harrisonville to have essential banking systems unavailable for extended periods.

In addition to the requested basic services, the city staff has indicated interest in the following services that will further deliver time saving automation and accelerate delivery of funds.
Electronic Bill Collection – this electronic process will link bill payment providers and financial institutions to make the exchange of funds an electronic process and eliminate those paper check mailing delays, often reducing payment receipt times to 1-2 days.
Collect Pay Online – Allow customers to pay by card over the phone, in person or online. Although the city is currently using a provider we would look consolidating this service and further centralizing this service within your Commerce Bank relationship.

Remote Deposit – Remote deposit eliminates the time wasted making trips to the bank and allows deposits to be made right from the office.
Fraud Prevention – with Positive Pay and ACH Risk Manager your risk of fraudulent transactions is reduced significantly.   Information provided to us by you will allow alerts to be sent anytime an unauthorized item tries to post to your account.

Commercial Customer Support for all essential services is available through your local commercial relationship team but also through our Commercial Customer Support from 7am – 7pm Monday thru Friday and is located in Kansas City.

In regards to the bid for Merchant Services, in general we have reviewed the volumes of types of current merchant activities and again are confident with our own processing and staff in Kansas City we can bring better service and lower overall cost to the City of Harrisonville versus the 3rd party vendor, Elavon out of Knoxville TN, that is currently being utilized.

Thank you for allowing us to bid your relationship, I am confident the City of Harrisonville will receive a greater level of service and a higher quality of banking services when you consolidate your banking relationship to Commerce Bank.

Sincerely,

Aaron D. Rains

Aaron D. Rains,
Commerce Bank
Community President
Harrisonville, MO

*This is an estimated proforma based on information provided by the City of Harrisonville and may not be reflective of actual volumes and services used.   Actual services used and actual volumes will be used in calculating the actual charges to the City's analysis.

**Past performance is not indicative of future results.

Commerce Bank
Member FDIC

City of Harrisonville, MO

	Commerce Bank	CMG Investment
Average Collected Balance	$3,825,000.00	$825,000.00
Less Reserve Requirement - 10%	$382,500.00	$82,500.00
Net Collected Balance	$3,442,500.00	$742,500.00
Total Monthly Treasury Services Charges	$1,469.72	$1,279.07
Earnings Credit Allowance	$1,472.63	$317.63
Net Monthly Service Fee Due	($2.91)	**$961.44**
Invest In Marketable Securities		$3,000,000.00
Historical average 0.855 over Fed Funds Target*		2.855
Annual Earnings		$85,650.00
Monthly Earnings		$7,137.50
Net Monthly Earnings for the City		$6,176.06
	0.55%	0.55%

Commerce Bank

Commerce Bank Service Descriptions	Volume	Price	Monthly Charge	Monthly Charge
Account Maintenance	7	$5.00	$35.00	$35.00
Repo Maintenance	1	$100.00	$100.00	$100.00
Checks/Debits Posted	315	$0.10	$31.50	$31.50
Deposits/Credits Posted	400	$0.15	$60.00	$60.00
Checks Deposited	600	$0.05	$30.00	$30.00
Return Deposited Item	1	$5.00	$5.00	$5.00
Supervision & Assessment*	-	$0.00082	$243.08	$52.43
Cash Deposits - estimate for volume	30	$1.2500	$37.50	$37.50
ACH Monthly Maintenance	2	$15.00	$30.00	$30.00
Connections ACH Module	1	$25.00	$25.00	$25.00
ACH Debits Rec'd	23	$0.08	$1.84	$1.84
ACH Credits Rec'd	67	$0.10	$6.70	$6.70
ACH Transmission	6	$10.00	$60.00	$60.00
ACH Items Originated	1,200	$0.10	$120.00	$120.00
ACH Returns	-	$6.50	$0.00	$0.00
ACH Filter	7	$30.00	$210.00	$210.00
Account Transfer	11	$1.00	$11.00	$11.00
Incoming Wire Transfers	4	$12.00	$48.00	$48.00
Connections Wire Out	1	$7.00	$7.00	$7.00
Positive Pay Maint .	5	$30.00	$150.00	$150.00
Positive Pay Per Item	315	$0.10	$31.50	$31.50
Positive Pay Alerts Per Email Address	2	$2.000	$4.00	$4.00
Positive Pay Alerts Per Account Mnthly	7	$3.00	$21.00	$21.00
CD Rom Production	0	$25.00	$0.00	$0.00
Imaged Item	315	$0.04	$12.60	$12.60
Connections Base Charge	1	$45.00	$45.00	$45.00
Connections Balance Rpt (prev day)	6	$10.00	$60.00	$60.00
Connections Transactions Detail			$0.00	$0.00
Connections Current Day	6	$10.00	$60.00	$60.00
Connections Wire Module	2	$12.00	$24.00	$24.00
			$1,469.72	**$1,279.07**

This is an estimated Proforma based on information provided by the City and may not be reflective of actual volumes and services used. Services used and actual volumes will be used in calculating the actual charges to the City's analysis.

***Past performance is not indicative of future results.**

Confidential

Comparative Analysis Request for Proposal Depository Services 2018

Required Institution Qualifications	Commerce Bank	Community Bank of Raymore
FDIC Insured?	x	x
Federal or State of Missouri chartered with main office or full-service branch in the State of Missouri?	x	x
Online cash and securities member of the Federal Reserve?	x	
Acceptable quality rating by a nationally recognized bank rating organization?	x	x
Able to provide at a minimum 105% collateralization of all deposits with collateral permitted by and comply with Missouri Revised Statute?	x	x
Provide monthly report of collateral to City within 10 days of month-end?	x	x
Sole capacity of providing all "Required Service?" (No joint ventures, consortiums, or contract services will be acceptable.)	x	x
Automatic Clearinghouse (ACH) debit capability to customer and accounts payable vendors?	x	x
Automatic Clearinghouse (ACH) credit capability to City customers and accounts payable vendors?	x	
Subtotal	9/9	7/9

Comparative Analysis Request for Proposal Depository Services 2018

Required Banking Services	Commerce Bank	Community Bank of Raymore
ACH Collection	x	x
Availability of Funds Deposited	x	x
Credit Card Payments	x	x
Automatic Sweep	x	**Not Offered**
Stop Payments	x	x
Daylight Overdrafts	x	x
Account Anaysis	x	
Designated Account Liaison	x	x
Record Retention	x	x
Employee Payroll	x	x
Banking Supplies	x	x
Safe Deposit Box	x	x
Market to Market Valuation	x	x
Online Access to Information	x	x
Monthly Reports	x	x
Subtotal	15/15	13/15

Comparative Analysis Request for Proposal Depository Services 2018

Optional Banking Services	Commerce Bank	Community Bank of Raymore
Courier	Not Offered	Not Offered
Electronic Vendor Payments	x	Debit origination only
Cancelled Check Safekeeping	x	x
Remote Deposit	x	X
Positive Pay and Automatic Reconciliation	x	X
Subtotal	4/5	3.5/5

Comparative Analysis Request for Proposal
Depository Services 2018

Estimated Costs of *Required* Services (Annual) Unless Otherwise Noted	**Commerce Bank**	**Community Bank of Raymore**
Transfer to/from Other Accounts	$ 125.00	$ -
Returned Items	$ 700.00	$ -
ACH Debits	$ 22.00	$ -
ACH Credits	$ 80.00	Not Offered
Stop Payments	$ 100.00	$ -
Wire Transfers In/Out per Wire	$7 In $11 Out	$ -
Credit Card Deposits	$ 95.00	$ -
Printed Deposit Slips	$ -	$ -
Locked Money Bags	$ -	$ -
Safe Deposit Box	$ -	$ -
Internet Banking Services	$ -	$ -
Check Printing General Account	$ -	$ -
Account Maintenance	$ 420.00	$ -
Sweep Account Maintenance	$ 1,200.00	$ -
Checks/Debits	$ 378.00	$ -
Deposits/Credits	$ 720.00	$ -
ACH Monthly Maintenance	$ 360.00	$ -

Attachment: Competitive analysis using SWOT1 (Banking Services Recommendation)

Comparative Analysis Request for Proposal
Depository Services 2018

ACH Items Originated	$ 1,440.00	$ -
Estimated Costs of *Required* Services (Annual) Unless Otherwise Noted	**Commerce Bank**	**Community Bank of Raymore**
ACH Return Items - each	$ 6.50	$ -
ACH Transmissions - each	$ 10.00	$ -
Incoming Wire Transfer	$ 336.00	$ -
Outgoing Wire Transfer	$ 132.00	$ -
Premium Positive Pay Maintenance per Account	$ 360.00	$ -
Premium Positive Pay per Item	$ 378.00	$ -
Positive Pay Exception Item - each	$ 0.10	$ -
Imaging Per Item	$ 3.00	$ -
Image CD Monthly	$ 151.20	$ -
Commerce Connections Base	$ 300.00	$ -
Commerce Current Day per Account	$ 540.00	$ -
Commerce Wire Module per Account	$ 720.00	$ -
Cash Deposit per deposit	$ 288.00	$ -
Cash Deposits per $100	$ 1.25	$ -
Supervision and Assessment (Average Ledger Balance)	$ 0.00150	$ -

Comparative Analysis Request for Proposal
Depository Services 2018

Estimated Costs of *Optional* Services (Annual) Unless Otherwise Noted	Commerce Bank	Community Bank of Raymore
ACH Risk Manager per Account	$ 30.00	Not Offered
Recleared Checks per Check	$ 8.00	Not Offered
DirectCheck Annual Fee per Year	$ 25.00	Not Offered
DirectCheck Load per Item	$ 0.25	N/A
Electronic Bill Collection per Month	$ 75.00	Not Offered
Electronic Bill Collection per Item	$ 0.17	Not Offered
Remote Deposit Maintenance per Month	$ 50.00	$ -
Remote Deposit per Item	$ 0.09	$ -
Remote Deposit per ACH	$ 0.09	$ -
Remote Deposit Setup (1 Time Fee)	$ 150.00	$ -
Remote Deposit Site License	$ 27.00	$ -
Collect Pay Online Monthly	$ 400.00	Not Offered
Collect Pay Online Web Pays per Payment	$ 0.18	Not Offered
Collect Pay Online IVR Payments per Payment	$ 0.31	Not Offered
Collect Pay Online IVR per Minute	$ 0.07	Not Offered
Positive Pay Alerts per Email Address Monthly	$ 2.00	Currently down due to software conversion
Positive Pay Alerts Email per Account Monthly	$ 3.00	Currently down due to software conversion

Comparative Analysis Request for Proposal Depository Services 2018

Merchant Services	Commerce Bank	Community Bank of Raymore
Discount Rate on MasterCard/Visa/Discover	0.25%	Not Offered
MasterCard/Visa/Discover Transaction Fee per Item	$ -	Not Offered
MasterCard/Visa/Discover Authorization Fee per Item	$ 0.10	Not Offered
Amex Discount	0.35%	Not Offered
Amex Authorization per Item	$ 0.10	Not Offered
Chargeback Fee if Applicable	$ 18.00	Not Offered
Positive Pay and Automatic Reconciliation	$ 7.00	Not Offered
Monthly Federal Regulatory Compliance Fee	$ 2.50	Not Offered
Fixed Acquirer Network Participation Fees	Pass Through	Not Offered
Account Set-up	Waived	Not Offered
Additional Accounts	$ -	Not Offered
Annual PCI Compliance Fee	$ 89.00	Not Offered
Non-Compliance Fee - N/A if steps are followed to become compliant	$ 19.95	Not Offered
Equipment per Month per Store	$ 15.00	Not Offered
FD130	$ 299.00	Not Offered
Monthly Statement	$ -	Not Offered
Business Track Web Reporting	$ -	Not Offered
Local Support	$ -	$ -

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Happy Welch, City Administrator**

DATE: **August 1, 2018**

SUBJECT: **Opioid Litigation**

Type of Item: *Approval*

Background:

You may have heard about the proliferation of opioid addiction that has increased exponentially the past 10 years affecting families across the U.S. Much of the discussion lately has been who is responsible for this addiction increase and is there a case that large pharmaceutical companies may be in some ways responsible. This addiction in turn has cost cities and counties money to battle the drug addiction through law enforcement and EMS departments with increased drug related calls.

Issue:

A new, large, multi-district litigation is occurring in U.S. Federal Court in Ohio seeking damages for states, counties, cities, hospitals, and others. This can be compared to the lawsuit against "Big Tobacco" but the money will be distributed to the locals directly instead of through the state, and a city or county must be part of the lawsuit or they will not receive anything to help offset the costs associated with opioid addiction.

The law firm of Skikos Crawford Skikos & Joseph has a managing partner in a leadership position appointed by the federal judge presiding over this litigation and they are collaborating with one other firm in this litigation. They are looking for participant cities and counties in Missouri and Kansas to come on board and we are bringing this to the board for review and approval.

Recommendation:

This litigation is at no cost for the city. No general fund money will be expended for this litigation with the law firm spending all costs up front and then taking their portion if and when a judgment is handed down.

Cass County, St. Joseph, Buchanan County, Lafayette County have signed on. The proposed contract has been reviewed by our attorney and I am recommending the board read this ordinance once, review the materials, and approve at the September 10 meeting.

I have included a background of the law firm and explanation of the case for your review.

Additional Information:

A review of police files shows that over a 3 1/2 year period there have been 42 cases related to opioid abuse. Estimating that each case involves an estimated 6 hours of work for the investigating/arresting officer, $200 for the lab test, plus overhead for equipment and materials, at a cost almost $500 not including court time. Total cost over that time period is $21,000. These are possession cases directly related to opioids not counting crimes that occur due to stealing, burglary, or robbery to support the habit.

Council Bill No. 53

Resolution No.

A RESOLUTION OF THE CITY OF HARRISONVILLE, MISSOURI ("CITY") AUTHORIZING, APPROVING AND DIRECTING THE EMPLOYMENT OF CERTAIN LAW FIRMS TO REPRESENT CITY IN POTENTIAL LITIGATION AGAINST CONTRIBUTORS OF OPIOID ADDICTION CRISIS.

WHEREAS, the City is experiencing serious Opioid use as a result of the ready availability of the drug and its abuse;

WHEREAS, Opioid litigation requires specialized knowledge and experience that has been demonstrated by the Law Firms;

WHEREAS, the Law Firms have been engaged by other governmental entities to handle their Opioid litigation, including, as examples, the City of St. Joseph, Missouri, and the Missouri Counties of Cass, Buchanan and Lafayette;

WHEREAS, the Law Firms proposed Legal Services Agreement provides for a 20% contingent fee, and provides that no fee will be charged if there is no recovery to the City;

WHEREAS, the Law Firms proposed Legal Services Agreement provides that the Law Firms will advance the necessary litigation expenses but that the City will not be required to reimburse such expenses if there is no recovery to the City;

WHEREAS, for the above reasons, the Board of Aldermen of the City in their discretion feel it is in the best interest of the City to waive Purchasing Policy requirements with respect to bidding, procedure, and contracts to engage the Law Firms irrespective of such requirements as the best reasonable supplier of such professional services; and,

WHEREAS, the City desires to retain the Law Firms identified herein to advise and represent the City regarding litigation and the award of damages from the contributors of opioids within the City.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, AS FOLLOWS:

Section 1. The Board of Aldermen, as the governing body of the City, hereby authorizes and approves the employment of the law firms identified in the Legal Services Agreement, attached hereto and incorporated herein as **Exhibit "A"** (herein referred to as the "Law Firms") to represent the City in potential litigation against contributors of the Opioid addiction crises.

Section 2. The Board of Aldermen hereby authorizes and approves, or confirms authorization and approval, of the Legal Services Agreement, substantially in the form attached hereto and incorporated herein by reference thereto as **Exhibit "A"**, and directs the Mayor of The City of Harrisonville to execute and enter into the Legal Services Agreement with the Law Firms, setting forth the scope of the work to be performed by the Law Firms, including litigation against contributors to the Opioid addiction crises within the City and the terms and conditions of the employment of the Law Firms. The Legal Services Agreement may be amended, after approval of this Resolution, by the Board of Aldermen of The City of Harrisonville, and thereafter the Mayor's signature on the amended Legal Services Agreement shall be evidence of such approval.

Section 3. The Board of Aldermen waives Purchasing Policy requirements with respect to bidding, procedure, and contracts and engage the Law Firms irrespective of such requirements as the best reasonable supplier of such professional services.

Section 4. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

Section 5. This Resolution shall be in full force and effect from and after its adoption as provided by law.

This Resolution was introduced, seconded and adopted at a duly convened meeting of the Board of Aldermen of The City of Harrisonville held on__________________, 2018.

Brian Hasek, Mayor

ATTEST:

Randall K. Jones, City Clerk

CERTIFICATE

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of The City of Harrisonville that the foregoing is a true and complete copy of a certain Resolution duly adopted by The Board of Aldermen of the City of Harrisonville, at a duly convened meeting properly held on___________________________________, 2018; that said Resolution appears as a matter of public record in the official records of the City; that said meeting was duly held in accordance with all applicable requirements of City laws that said Resolution has not been amended, modified, revoked or repealed; and that same is now in full force and effect.

IN TESTIMONY WHEREOF, witness my signature this____________________, 2018.

Randall K. Jones, City Clerk

SKIKOS

The National Opioid Epidemic:
Legal Action by Counties and Cities
to Abate the Opioid Epidemic and Recover Costs to Communities

EXECUTIVE SUMMARY

The opioid epidemic is now a nationally recognized crisis. Its causes are coming to light: intentional opioid overprescribing fueled by overpromotion and the failure of manufacturers and distributors to perform their legal duty to monitor suspicious orders to warn of the increased abuse risk of new formulations.

The consequences of the opioid epidemic transcend party lines, socioeconomic lines and racial lines. Opioid abuse is now the leading cause of death for those under age 50. Many of the costs of the epidemic have fallen on financially burdened counties, cities and municipalities. The epidemic is creating pressure on healthcare facilities, law enforcement agencies, first responders and the communities at large, resulting in rising costs, a strain on resources, and urgent concerns about public safety. It has only grown worse as people who were addicted to prescription pills have, thanks to heightened law enforcement efforts that limit supply, turned to street opioids like heroin.

Counties and cities are taking action now to file legal actions against prescription opioid manufacturers and distributors to hold them accountable for the current crisis. This is not a class action—in order for counties and cities to participate to assure they have a voice in the litigation and in any resolution, they must file their own actions.

The primary goal of the litigation is to recover not only tax dollars spent on the epidemic in the past, but also to secure funds for programs that can effectively treat and reverse this epidemic. These may include:

- Awareness/Education Campaigns
- Preventative Measures
- Monitoring Prescriptions and Use
- Emergency Costs/Naloxone Overdose Kits
- Treatment Programs
- Disposal Programs for Unused Drugs
- Law Enforcement Costs
- Other Programs to Care for Addicted Patients and Their Families

Remedies sought will also include claims for injunctive relief to stop illicit opioids from entering your communities and harming your constituents. For those communities impacted by the sober living homes that have contributed to the crisis, the litigation can also address such concerns.

In taking on the multi-billion dollar pharmaceutical industry, it will take the strength of multiple firms to be able to fund and execute this type of litigation. We work with a national consortium of law firms with decades of experience and success litigating against Big Pharma, and are dedicated to representing cities and counties nationwide in the opioid litigation. And in January 2018 one of the consortium's members – Steve Skikos – was appointed by the federal district judge in Cleveland to be Plaintiffs' Co-Liaison Counsel, where he will play a major role in the strategy and management of the litigation.

There is little risk to the counties and cities to participate in the litigation. All financial risk will be absorbed by the consortium law firms which work on a contingency fee basis. The counties and cities will pay nothing to file and maintain their actions unless and until there is a recovery.

The Role of Opioid Manufacturers and Distributors in the Epidemic

Opioids are derived from the poppy plant or are man-made in the lab. They range from natural opioids such as opium and morphine, to semi-synthetic such as oxycodone, to fully synthetic such as fentanyl, which is 50 to 100 times stronger than morphine.

Opioids create artificial endorphins in the brain, which bind to the brain's opioid receptors producing euphoric effects and providing pain relief. For many patients, opioids trick the brain into stopping production of endorphins. When this happens, users experience excruciating withdrawal symptoms thus leading to addiction. And when addicted patients can no longer get an opioid prescription, they turn to other means to obtain opioids including turning to black market prescription opioids and heroin. This cycle leads to a cascade of costs not only to the addicted individuals and their families, but also to the cities and counties for emergency response, treatment, law enforcement, homelessness and other costs.

The primary culprits who set the opioid crisis in motion are the manufacturers and distributors of prescription opiates. These powerful and highly addictive drugs were approved by the FDA for limited uses, such as for cancer pain, end of life treatment and as a last resort for pain therapy. But once approved, the manufacturers embarked on a massive and illegal marketing campaign aimed at expanding their use to be a first line of pain therapy and assuring doctors by downplaying their addiction risk. The distributors, for their part, were required by law to monitor sales and to report to the Drug Enforcement Agency any abnormal or suspicious changes in distribution. But the "Big 3"—McKesson, AmerisourceBergen, and Cardinal Health—which control 85 percent of the distribution market, failed to do so. Their tracking and reporting failures hid the true scope of the opioid abuses from authorities and allowed the epidemic to explode.

The deliberate nature of the pharmaceutical industry's conduct is documented in the *60 Minutes* telecast entitled, "The Whistleblower," which aired in October 2017. The joint CBS and Washington Post investigation of the distribution industry describes the manner in which the distributors turned a blind eye to pain pills being diverted to illicit use. *60 minutes* followed up with "Too Big to Prosecute," which aired in December 2017.

The Role of Litigation in Addressing the Epidemic

What started as a trickle of lawsuits by counties and cities has now progressed to a steady tide, as hundreds of lawsuits have been filed nationally against the prescription opioid manufacturers and distributors. In December 2017, a federal judicial panel ordered that all actions filed in federal courts across the country be coordinated in a single proceeding called a Multi-District Litigation (or "MDL") in Cleveland, Ohio. The judge appointed to oversee the litigation, the Hon. Dan Polster, is a highly experienced judge with prior success in running another pharmaceutical MDL involving nearly 1000 cases (*In re Gadolinium*, MDL 1909). Judge Polster recognized that the courts may be the best venue for solving the opioid crisis, and already he set in motion discussions aimed towards early resolution of the cases.

In addition, there are a number of state court litigations against the opioid manufacturers and distributors. For instance, California and Pennsylvania are the homes to several of the manufacturers and distributors, and so it is anticipated those and other state courts will be handling numerous cases filed by counties, cities and other entities as well.

The filed cases include claims for Public Nuisance, which seeks injunctive relief and funding to abate the opioid nuisance created by the manufacturers and distributors. They also include claims negligence and related common law claims to recoup prior costs associated with the epidemic. They further assert claims for unfair competition, false advertising and other state and federal statutory claims for injunctive relief, civil penalties and other remedies against the manufacturer and distributor defendants for their unlawful conduct.

In short, the goal of litigation for counties and cities is to ensure they have an action on file and a seat at the table when it comes time for resolution of the cases, so they can have a voice and be in a position to maximize their recovery of funds in the litigation. It is the intent of any resolution that funds go directly to the counties and cities so their elected officials can direct and control where those funds are most needed to combat the epidemic in their communities. Without the clout of actual, active cases on file in their own names, counties and cities are powerless and must rely on others to negotiate a resolution and for funds to trickle to them.

Our Legal Team

We have in place a consortium of law firms with the resources and expertise in pharmaceutical drug and complex litigation to maximize recovery for our clients in the opioid litigation. Our lawyers, with the support of their peers, have been appointed to leadership positions by dozens of courts in state and federal pharmaceutical drug coordinated litigations. We have litigated successfully against many of the largest companies involved in this litigation, including Johnson & Johnson, Teva Pharmaceuticals and McKesson. We have access to experts in all fields touching this litigation who will assist us in evaluating the case and guiding our litigation strategy, and, if necessary, testify at trial. We also have considerable experience in negotiating and resolving these highly complex litigations to maximize recovery for our clients. And we have experienced trial lawyers who successfully tried numerous pharmaceutical drug and other cases to trial.

More detailed information about the law firms in the consortium and their lawyers, and the work we are doing on behalf of counties and cities in the opioid litigation will be provided on request. If you would like further information or have questions about the litigation or any potential representation, please do not hesitate to contact us and we would be happy to set up a call or meeting.

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About Our Firm

For over 25 years, our attorneys have represented claimants in litigation against the country's biggest corporations. From General Electric to Johnson & Johnson, we have a national reputation for successfully leading large-scale (multi-claimant) catastrophic damage and injury claims. We have held leadership positions in dozens of coordinated proceedings in both California and nationally. Some of our current appointments include Co-Liaison Counsel in the Opioid Multi-District Litigation (MDL) and Co-Lead Counsel in the DePuy ASR MDL. We are also Plaintiffs' Co-Liaison Counsel in the Reglan Judicial Council Coordinated Proceeding (JCCP) in San Francisco and a member of the Plaintiffs' Executive Committee in the Talcum Powder JCCP in Los Angeles, among many others.

Court-Appointed Leadership Position – Opioid Federal MDL Litigation

On December 5, 2017, the Judicial Panel on Multi-District Litigation assigned and transferred all pending federal Opioid cases to the Honorable Dan A. Polster in Cleveland for pre-trial coordination and management. On January 4, 2018, Judge Polster appointed Steve Skikos of our firm as Plaintiffs' Co-Liaison Counsel for the coordinated litigation. Steve Skikos previously was appointed by Judge Polster as leadership in the Gadolinium coordinated MDL proceedings, which was handled to a successful conclusion.

Our Opioid Litigation Attorneys

Steve Skikos

Steve Skikos is a founding partner of Skikos, Crawford, Skikos & Joseph LLP, and has over 25 years experience in pharmaceutical drug and medical device litigation. Mr. Skikos has practiced on the area of pharmaceutical and medical device litigation almost exclusively since 1996. Prior to founding Skikos Crawford, Mr. Skikos was the managing partner of the San Francisco office of Lopez, Hodes, Restaino, Milman & Skikos.

Mr. Skikos was appointed in January 2018 as Co-Liaison Counsel in the Multi-District Litigation ("MDL") coordinated proceedings pending before the Hon. Dan Polster in the Northern District of Ohio in Cleveland. Mr. Skikos previously was appointed by Judge Polster to the Plaintiffs' Executive Committee for the federal Gadolinium MDL coordinated litigation, which successfully resolved the claims of approximately 1,000 plaintiffs who suffered serious injury and death from the administration of that drug. Mr. Skikos also was appointed Co-Lead Counsel by Judge David Katz in the federal ASR Hip MDL coordinated litigation, also in the Northern District of Ohio. Mr. Skikos was the lead attorney who negotiated a $2.5 billion dollar settlement of approximately 8,000 plaintiffs who were implanted with the defective ASR hip and required a revision surgery.

Mr. Skikos was one of the primary negotiators in a $700 million dollar settlement of more than 8,000 cases related to the use of the pharmaceutical drug Zyprexa in *In Re Zyprexa Products Liability Litigation*, MDL 1596 in the Eastern District of New York. Mr. Skikos also was the lead negotiator in the recent and ongoing settlement of the Reglan/Metoclopramide Litigation Judicial Council Coordination Proceedings ("JCCP") pending in San Francisco Superior Court, which resulted in a nationwide settlement resolving approximately 5,000 cases with 18 pharmaceutical manufacturer defendant groups.

Mr. Skikos graduated from Hastings College of Law in 1990 where he was Executive Publications Editor of the Hastings International and Comparative Law Review and recipient of the Hastings 1066 Scholar Award. He received his undergraduate degree, with honors, from the University of Notre Dame in 1987.

Mr. Skikos's court-appointed leadership positions in both federal MDL and California state court JCCP proceedings include the following:

MDL Leadership Positions

- Plaintiffs' Co-Liaison Counsel appointment by the Honorable Dan A. Polster in *In re: National Prescription Opiate Litigation*, MDL No. 2804 (N.D. Ohio)
- Co-Lead Counsel appointment by the Honorable David A. Katz in the *In re: DePuy Orthopedics Inc. ASR Hip Implant Prods. Multidistrict Litigation*, MDL No. 2197 (N.D. Ohio)
- Plaintiffs' Executive Committee and Plaintiffs' Steering Committee appointment by the Honorable Dan A. Polster in *In re: Gadolinium Contrast Dyes Products Liability Litigation*, MDL No. 1909 (N.D. Ohio)
- State-Federal Liaison Counsel to the Consolidated California Litigation appointment by the Honorable David R. Herndon in the *In re: Yasmin and Yaz (Drospirenone) Marketing, Sales Practices and Products Liability Litigation*, MDL No. 2100 (S.D. Illinois)
- Science and Expert Committee appointment by the Honorable Lewis A. Kaplan in *In re Rezulin Products Liability Litigation*, MDL No. 1385 (S.D. New York)
- Science and Expert Committee appointment by the Honorable Jed S. Rakoff in the *In re: Ephedra Products Liability Litigation*, MDL No. 1598 (S.D. New York)
- "706 National Expert Committee" appointment by the Honorable Sam C. Pointer in *In re: Silicone Gel Breast Implant Products Liability Litigation*, MDL No. 926 (S.D. Alabama)

California JCCP Leadership Positions

- Individual Plaintiffs' Liaison Counsel appointment by the Honorable Curtis E.A. Karnow in the California Coordinated Proceeding *California North Bay Fire Cases*, JCCP No. 4955
- Plaintiffs' Executive Committee appointment by the Honorable Maren E. Nelson in the California Coordinated Proceeding *Johnson & Johnson Talcum Powder Cases*, JCCP No. 4872

- Plaintiffs' Steering Committee appointment by the Honorable Richard A. Kramer in the California Coordinated Proceeding *DePuy ASR Hip System Cases*, JCCP No. 4649
- Co-Lead Counsel (Plaintiffs' Liaison) appointment by the Honorable Richard A. Kramer in the California Coordinated Proceeding *Reglan/Metoclopramide Cases Litigation*, JCCP No. 4631
- Plaintiffs' Liaison Counsel appointment by the Honorable Richard A. Kramer in the California Coordinated Proceeding *Gadolinium Medical Cases*, JCCP No. 4546
- Plaintiffs' Executive Committee and Co-Liaison Counsel appointment by the Honorable Carolyn B. Kuhl in the California Coordinated Proceeding *Yaz, Yasmin and Ocella Contraceptive Cases*, JCCP No 4608
- Plaintiffs' Executive Committee appointment by the Honorable Steven L. Perk in the California Coordinated Proceeding *Fosamax/Alendronate Sodium Drug Cases*, JCCP No. 4644
- Plaintiffs' Executive Committee appointment by the Honorable Kenneth R. Freeman in the California Coordinated Proceeding *Actos Product Liability Cases*, JCCP No. 4696
- Plaintiffs' Co-Liaison Counsel appointment by the Honorable Kim Dunning in the California Coordinated Proceeding *Zoloft Birth Defect Cases*, JCCP No. 4771
- Plaintiff's Steering Committee appointment by the Honorable Anthony J. Mohr in the California Coordinated Proceeding *Toyota Motor Cases*, JCCP No. 4621
- Plaintiff's Lead Counsel appointment by the Honorable Emilie H. Elias in the California Coordinated Proceeding In Re *Trasylol Drug Cases*, JCCP 4593
- Plaintiffs' Liaison Counsel appointment by the Honorable Emilie H. Elias in the California Coordinated Proceeding *In re: Ortho Evra Litigation*, JCCP No. 4506
- Plaintiffs' Liaison Counsel appointment by the Honorable Wendell Mortimer, Jr. in the California Coordinated Proceeding *In re: Baycol Cases I and II*, JCCP Nos. 4217 and 4223
- Plaintiffs' Liaison Counsel appointment by the Honorable Ronald L. Styn in the California Coordinated Proceeding *In re: Metabolife 365 Cases*, JCCP No. 4360

- Co-Liaison Counsel appointment by the Honorable Anthony J. Mohr in the California Coordinated Proceeding *In re: PPA Litigation*, JCCP No. 4166
- Co-Liaison Counsel appointment by the Honorable Carl J. West in the California Coordinated Proceeding *In re: Rezulin Litigation*, JCCP No. 4122

Jane Joseph

Jane Joseph, one of the founding partners of the firm, has worked for over 30 years in pursuit of obtaining justice for her injured clients. She specializes in working with experts to develop the medical and scientific causation issues in mass tort cases and creating large-scale damage models to ensure the recovery and equitable distribution of compensation to claimants. Ms. Joseph is on the Plaintiffs' Damages and Experts committee for the federal opioid Multi-District Litigation proceedings. Ms. Joseph is recognized for her outstanding ability to drill down to the specifics of each case in order to maximize theories of individual causation and damages. Her relationships with clients and attention to client needs is well known.

Mark Crawford

Mark Crawford is a founding partner of Skikos, Crawford, Skikos & Joseph, and has over 25 years experience in pharmaceutical drug and medical device and other complex litigation. Mr. Crawford currently is court-appointed Plaintiffs' Co-Liaison Counsel for the California Risperdal JCCP coordinated proceedings in Los Angeles, and Plaintiffs' Co-Lead Counsel for the California Fosamax coordinated proceedings in Orange County. Mr. Crawford also is on the Plaintiffs' Complaint and Law and Briefing committees for the federal opioid Multi-District Litigation proceedings. Mr. Crawford does extensive appellate work and Supreme Court briefing in the pharmaceutical field, and is a member of the United States Supreme Court Bar. Mr. Crawford's appellate work includes briefing and arguing *Teva Pharmaceuticals v. Superior Court* (2013) 217 Cal.App.4th 96, *cert. denied*, 2015 U.S. LEXIS 687 (U.S., Jan. 20, 2015), which found state law failure to warn claims against generic drug manufacturers are not preempted under federal law.

Autumn Dawn Monteau

Autumn Dawn Monteau, an enrolled member of the Three Affiliated Tribes of Fort Berthold, North Dakota, is of counsel to the Skikos Firm with regard to Tribal Affairs and the Opioid litigation. She's been licensed to practice law for nine years before the State of New Mexico courts. In 2011, Ms. Monteau was appointed by State of New Mexico Governor, Susana Martinez, to the position of General Counsel to the New Mexico Indian Affairs Department, where she helped form and implement state-tribal government to government relations in the areas of tribal sovereignty and jurisdiction; infrastructure development; education; healthcare; behavioral health; economic development; gaming; tourism; water rights and natural resources; cultural resource protection; state regulation; and taxation. Prior to her work for the State, she was an associate attorney at the law firm of Luebben, Johnson & Barnhouse where she provided legal counsel to Indian tribes, tribal businesses, tribal associations and non-tribal clients on a diverse array of Indian law and general civil matters.

Adriana Desmond

Adriana Desmond is an associate of the Skikos Firm, and has over 14 years experience in pharmaceutical drug and medical device litigation. Ms. Desmond has extensive experience in both MDL and state coordinated proceedings. Ms. Desmond has worked on numerous mass tort pharmaceutical and medical device cases for the firm including but not limited to the following litigations: Yaz, Yasmin and Ocella cases, DePuy ASR, DePuy Pinnacle, Biomet Hip, Trasylol, Actos, Risperdal, Zoloft and Talcum Powder. Ms. Desmond is on the Plaintiffs' Steering Committee for the California Karl Storz Morcellator litigation. She was appointed by the Honorable David Katz as a member of the Settlement Oversight Committee relating to the settlement of more than 8,000 cases in the DePuy ASR national settlement program.

Dylan Jensen

Dylan Jensen is of counsel to the Skikos Firm, and was admitted to the Missouri State Bar in 2017. Mr. Jensen has several years of experience assisting the firm in its pharmaceutical drug litigation, including the California Risperdal and Reglan coordinated JCCP proceedings. Mr. Jensen graduated from the University of California, Hastings College of the Law in 2016, where he was Co-Editor-in-Chief of the UC Hastings Communication and Entertainment Law Journal. Mr. Jensen graduated in 2013 with a B.A. from Swarthmore College in Swarthmore, Pennsylvania.

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OVERVIEW

With a national reach from the heart of the Midwest, Wagstaff & Cartmell enjoys a strong reputation throughout the country in high-stakes litigation and trial practice.

Founded in 1997 when Tom Wagstaff and Tom Cartmell left a large Kansas City firm to form a boutique, the original vision of Wagstaff and Cartmell was to be a premier trial firm representing both plaintiffs and defendants in complex tort and commercial cases.

Now with 33 attorneys and over 50 supporting staff members, who work together in a fast-paced, team-oriented environment from a single office in Kansas City, Missouri, Wagstaff & Cartmell carries on the founders' original vision both within the Kansas City legal community and nationally. The Firm's growth has been through careful recruitment of partners, associates, and of counsels – many of whom left partner or senior associate positions at bigger firms. Others served judicial clerkships or worked for federal government agencies prior to joining Wagstaff & Cartmell.

Few firms combine as seamlessly a sophisticated defense practice representing large, public and private companies with a nationally recognized plaintiffs' practice in class actions, mass tort, and multi-district litigation. That did not happen overnight. When they first opened their doors, Tom Wagstaff and Tom Cartmell and their three-lawyer firm primarily defended hospitals, doctors, and other healthcare providers in malpractice cases. To this day, several of the largest and most respected hospital systems in the Midwest rely on Wagstaff & Cartmell for defense work and dispute resolution, as do other large companies including the largest privately owned company in Kansas City.

But the drive to create a sophisticated plaintiffs' practice was also present from the start, and it has helped fuel the Firm's growth. Wagstaff & Cartmell lawyers believe from their own experience that the perspective and credibility gained through defense work helps those lawyers, and their clients, on the plaintiff's side. Whether serving in national leadership positions in mass tort pharmaceutical or medical device MDLs, or serving as class counsel in leadership positions in national antitrust litigation, or representing individual plaintiffs in high-stakes catastrophic injury or complex commercial disputes, Wagstaff & Cartmell has the resources, the experience, and the drive to achieve the best results possible for its clients.

Today, the Firm's lawyers appear in cases throughout Missouri and Kansas, as well as in multi-district litigation, class actions, and mass tort cases throughout the United States. The Firm has lawyers licensed in Missouri, Kansas, Illinois, Arkansas, Colorado, Utah, the District of Columbia, and in numerous federal district courts and federal appellate courts, including the United States Supreme Court.

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LEADERSHIP

Wagstaff & Cartmell attorneys have frequently been selected by clients or appointed by courts to leadership positions in national multi-district litigation, mass tort consolidations, and class actions, including the following recent or current appointments:

CASE	COURT	LEADERSHIP ROLE
In re Syngenta Litigation, Case No. 27-cv-15-3785 (Class Action and Mass Tort Consolidation)	**4th Jud. Dist. Ct., MN**	**Plaintiffs' Steering Comm.**
Jaynes, et al. v. American Express Co., Case No. 15-cv-1598 (Antitrust Class Action)	E.D.N.Y.	Plaintiffs' Exec. Comm.
In re Benicar Products Liability Litigation, MDL No. 2606	**D.N.J.**	**Plaintiffs' Steering Comm.**
In re Effexor Products Liability Litigation, MDL No. 2458	E.D. Pa.	Plaintiffs' Steering Comm.
In re Incretin Mimetics Products Liability Litigation, MDL No. 2452	**S.D. Cal.**	**Plaintiffs' Steering Comm.**
In re Coloplast Corp., Pelvic Repair System Products Liability Litigation, MDL No. 2387	S.D. W.V.	Plaintiffs' Exec. Comm.
In re Zoloft Product Liability Litigation, MDL No. 2342	**E.D. Pa.**	**Plaintiffs' Steering Comm., Chair, Discovery Comm.**
In re Ethicon Pelvic Repair System Products Liability Litigation, MDL No. 2327	S.D. W.V.	National Co-Lead Plaintiffs' Counsel
In re Boston Scientific Corp., Pelvic Repair System Products Liability Litigation, MDL No. 2326	**S.D. W.V.**	**Plaintiffs' Exec. Comm.**
In re American Medical Systems, Inc., Pelvic Repair System Products Liability Litigation, MDL No. 2325	S.D. W.V.	Plaintiffs' Exec. Comm.
Whitton v. Deffenbaugh Disposal, Inc. et al., Case No. 12-cv-2247 (Commercial Class Action)	**D. Kan.**	**Co-Lead Class Counsel**

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Continued

LEADERSHIP

Wagstaff & Cartmell attorneys have frequently been selected by clients or appointed by courts to leadership positions in national multi-district litigation, mass tort consolidations, and class actions, including the following recent or current appointments:

CASE	COURT	LEADERSHIP ROLE
In re Depuy Pinnacle Hip Implant Products Liability Litigation, MDL No. 2244	**N.D. Tex.**	**Plaintiffs' Steering Comm.**
In re Polyurethane Foam Antitrust Litigation, MDL No. 2196 (Antitrust Class Action)	N.D. Ohio	Plaintiffs' Exec. Comm.
In re C.R. Bard, Pelvic Repair System Products Liability Litigation, MDL No. 2187	**S.D. W.V.**	**Plaintiffs' Exec. Comm.**
In re 2003 NPM Adjustment Arbitration Proceedings (Consolidated Contract Dispute)	Consolidated Arbitration	Lead Outside Counsel (State of Kansas)
Dahl et al. v. Bain Capital Partners, LLC et al., Case No. 07-cv-12388 (Antitrust Class Action)	**D. Mass.**	**Plaintiffs' Proposed Exec. Comm.**
In re Ephedra Products Liability Litigation, MDL No. 2071	S.D. N.Y.	Plaintiffs' Steering Comm.
In re Trasylol Products Liability Litigation, MDL No. 1928	**S.D. Fla.**	**Deposition Comm.**
In re Avandia Marketing, Sales Practices and Products Liability Litigation, MDL No. 1871	E.D. Pa.	Co-Lead Trial Counsel
In re Kugel Mesh Hernia Patch Products Liability Litigation, MDL No. 1842	**D. R.I.**	**Plaintiffs' Steering Comm.**
In re Bextra and Celebrex Product Liability Litigation, MDL No. 1699	N.D. Cal.	Co-Lead Trial Counsel and Plaintiffs' Steering Comm.

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RESULTS

Wagstaff & Cartmell attorneys and their clients have achieved impressive results in a wide variety of cases, including the following examples:

CASE	COURT	OUTCOME
In re Bextra and Celebrex Product Liability Litigation, MDL No. 1699	N.D. Cal.	$745 Million Settlement of Thousands of Injury Claims
Dahl et al. v. Bain Capital Partners, LLC et al., Case No. 07-cv-12388	D. Mass.	$590.5 Million Settlement in Antitrust Class Action
In re 2003 NPM Adjustment Arbitration Proceedings	Consolidated Arbitration	Preserved up to $500 Million in MSA Payments for State of Kansas
In re Polyurethane Foam Antitrust Litigation, MDL No. 2196	N.D. Ohio	$151 Million Preliminary Settlement for Class of Indirect Purchasers in Antitrust Class Action
In re Ephedra Products Liability Litigation, MDL No. 2071	S.D. N.Y.	$50 Million Settlement of Hundreds of Injury Claims
In re Potash Antitrust Litigation, MDL No. 1996	N.D. Ill.	$20.5 Million Settlement for Class of Indirect Purchasers in Antitrust Class Action
Citadel Plaza LLC v. City of Kansas City, Missouri, Case No. 1016-cv03781	16th Jud. Dist. Ct., Mo.	$15 Million Settlement for Developer Client in Breach of Contract Case
Johnson et al. v. Prime Tanning Corp. et al., Case No. 09BU-CV06421	5th Jud. Dist. Ct., Mo.	$10 Million Settlement for Class of Property Owners in Contamination Case
Perry v. Luu, et al., Case No. 1500-cv-279123	Sup. Ct., Cal.	$5.7 Million Verdict in Bellwether TV Mesh Trial
Lopez-Aguirre v. Bd. Of Cnty. Comm'rs, et al., Case No. 12-2752	D. Kan.	$3.5 Million Settlement in Civil Rights Prisoner Abuse Case
Huskey v. Ethicon, et al., Case No. 12-cv-05201	S.D. W.V.	$3.27 Million Verdict in Bellwether TV Mesh Trial

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AREAS OF PRACTICE

CLASS ACTIONS

In the past five years, Wagstaff & Cartmell attorneys have successfully certified classes and recovered hundreds of millions of dollars for class members in class action litigation, in cases ranging from environmental contamination in Northwest Missouri to antitrust violations on Wall Street. The Firm has developed significant expertise in the areas of antitrust, securities, consumer protection, pharmaceutical, and products liability class action litigation. Meanwhile, the Firm's lawyers have likewise defended large corporate clients in major class-action litigation. Through these experiences, the Firm has developed expertise in all phases of complex class action litigation.

COMPLEX COMMERCIAL & ANTITRUST

The trial lawyers at Wagstaff & Cartmell have experience in a wide variety of complex commercial disputes, including the successful representation of small businesses, major corporations, and entrepreneurs. In particular, Wagstaff & Cartmell has developed a robust practice representing class action plaintiffs pursuing remedies for price fixing, bid rigging, and other forms of price manipulation. Wagstaff & Cartmell attorneys are frequently called to prosecute and defend claims involving contract disputes, business torts, intellectual property, ownership disputes, securities fraud, business-to-business litigation and FINRA arbitration. Wagstaff & Cartmell has the resources and experience necessary to navigate the sometimes turbulent waters of e-discovery, to handle large-scale motions and briefing projects, and ultimately to take complex commercial disputes all the way to trial if necessary.

MASS TORT / DRUGS & DEVICES

Wagstaff & Cartmell is widely recognized as one of the country's leading plaintiffs' firms in drug and device products liability litigation. This recognition stems from the Firm's past successes, extensive experience, and excellent reputation acquired while pursuing and leading some of the largest drug and device products liability cases in United States.

The Firm is proud to take on the country's largest pharmaceutical and device manufactures on behalf of thousands of its own injured clients from across the United States. As a result, Wagstaff & Cartmell has become a choice destination for referring attorneys from around the country who trust that the Firm has the expertise and resources necessary to properly handle this type of complicated litigation. The Firm's results in this area, totaling in the billions of dollars, are a testament to its legal acumen and decades of experience in pursuing these types of claims.

PERSONAL INJURY

Wagstaff & Cartmell represents individuals and families who have suffered catastrophic personal injuries or loss of life due to the negligence or fault of another. The Firm has secured major verdicts and settlements arising from commercial vehicle accidents, nursing home neglect, and mental health abuse in just the last couple of years and understands the tragic toll – physical, emotional, and financial – that unexpected accidents and injuries take on their victims and loved ones. Wagstaff & Cartmell lawyers know how to investigate, litigate, and try these cases to juries, when necessary, to obtain the best result possible for its clients and often their surviving family members. Wagstaff & Cartmell handles personal injury cases in state and federal courts across the United States.

Bertram & Graf, L.L.C.

Kansas City Product Liability Attorneys

At **Bertram & Graf, L.L.C.**, we have the specialization and extensive legal experience necessary to obtain a favorable case outcome. Our firm is comprised of highly trained personal injury and civil litigation attorneys. We have a history of success and a reputation for developing innovative legal strategies and providing individualized support to our clients. We adhere to the highest standards of integrity and provide each of our clients with personalized legal solutions. Our Kansas City product liability lawyers deliver strong, dedicated legal representation and have achieved exceptional results for clients.

Small Firm Service, Large Firm Prowess

At Bertram & Graf, L.L.C., we are devoted to ensuring our clients' needs are met. We believe our firm's integrity and passion are the reason why many clients are satisfied with the legal representation we have provided them with.

Our Kansas City product liability attorneys primarily focus on complex and mass tort litigation (with an emphasis in pharmaceutical product liability), criminal defense, medical malpractice, catastrophic personal injury, and nursing home cases.

At Bertram & Graf, L.L.C., we are devoted to ensuring our clients' needs are met. We believe our firm's integrity and passion are the reason why many clients are satisfied with the legal representation we have provided them with.

J. SCOTT BERTRAM

PERSONAL INFORMATION

Office Address	Bertram & Graf, LLC 4717 Grand Ave., Suite 800 Kansas City, MO 64112 TEL: (816) 523-2205 FAX: (816) 523-8258
Website	www.bertramgraf.com
E-mail Address	jsbertram@bertramgraf.com
Home Address	970 Navajo Lane West Lake Quivira, KS 66217 (913) 897-6572

Born	June 23, 1948 Springfield, Missouri
EDUCATION	Missouri State University, Springfield, Missouri – Bachelor of Science, 1971 University of Missouri, Kansas City – Juris Doctor. 1974

PROFESSIONAL EXPERIENCE

1974-1977	Legal Aid and Defenders Society of Kansas City, Kansas City, Missouri
1977-1978	Associate with the Law Offices of Patrick Faltico, Kansas City, Missouri
1978-1980	Partner with Bertram & Bony, Kansas City, Missouri
1980-1987	Sole Practitioner, Law Offices of J. Scott Bertram, Kansas City, Missouri
1988-1989	Associate, Levy & Craig, Kansas City, Missouri
1989- 2007	Private Practice, The Bertram Law Firm, LLC

	Kansas City, Missouri
2007-Present	Managing Partner, Bertram & Graf, LLC, Kansas City, Missouri and Denver, Colorado

LICENSURE

1974 Missouri Bar

1974 United States District Court for the Western District of Missouri

Currently admitted to practice *pro hac vice* in the following courts:

United States District Court for the Eastern District of Louisiana,
United States District Court for the Northern District of Ohio,
United States District Court for the District of Minnesota,
State of New Jersey, Atlantic County.

PROFESSIONAL ORGANIZATIONS

Kansas City Metropolitan Bar Association

American Association of Justice

Missouri Trial Lawyers Association

POSITIONS HELD

Vice-Chairman of Lawyers for Children for the Kansas City Metropolitan Bar Association in 2002

Chairman of Lawyers for Children for the Kansas City Metropolitan Bar Association in 2003

PRESENTATIONS

1. February 1984 "How to Settle the Small Case," Kansas City Metropolitan Bar Association (KCMBA).

2. June 1992 "Direct Examination," Kansas City Metropolitan Bar Association (KCMBA).

3. June 1994 “Medical Malpractice in Missouri,” National Business Institute (NBI), Kansas City, Missouri.

4. September 1996 “Trial Advocacy in Missouri,” National Business Institute (NBI), Kansas City, Missouri.

5. November 1998 “Opening Statement in a Fen-Phen Case” Kansas City Metropolitan Bar Association (KCMBA).

6. January 2001 “How to Spot a Good Propulsid Case,” Mealey’s, New Orleans, Louisiana.

7. May 2001 “Detailed Propulsid Warnings from the Manufacturer,” Missouri Bar, Telephone Seminar.

8. June 2001 “Developing and Preparing your Propulsid Case,” Mealey’s, New Orleans, Louisiana.

9. January 2002 “How to Effectively Evaluate Whether you Have a Good or Bad Baycol Case,” Mealey’s, San Diego, California.

10. March 2002 “Overview of the Nationwide Fen-Phen Settlement,” Mealey’s, Philadelphia, Pennsylvania.

11. September 2002 “What Do You Have To Do to Get Your Fen-Phen Money?” Paradise Island, Bahamas.

PUBLICATIONS

1. 1994 “Medical Malpractice in Missouri,” National Business Institute (NBI).

2. 1996 “Trial Advocacy in Missouri,” National Business Institute (NBI).

HONORS

Best of the Bar, as published in the Kansas City Business Journal, 2003 – 2009
Selected to Super Lawyers, 2010, 2011, 2016 and 2017

PRACTICE AREAS

(1) Pharmaceutical product liability litigation;
(2) Medical negligence, and
(3) Nursing home abuse/negligence.

LEGAL SERVICES AGREEMENT
Notes/Summary

RE: The Harrisonville, Missouri civil suit against those legally responsible for the wrongful manufacture and distribution of prescription opiates and damages caused thereby.

1. Law Firms.

BERTRAM & GRAF, LLC
4717 Grand Avenue, Suite 800
Kansas City, MO 64112

SKIKOS CRAWFORD SKIKOS & JOSEPH, LLP
One Sansome Street, Suite 2820
San Francisco, CA 94104

2. Attorney Fees – Contingent Fee.

2.1. Twenty percent (20%) of the total Net Recovery Award in favor of the CLIENT as an attorney fee whether the claim is resolved by compromise, settlement, or trial and verdict (and appeal).

2.2. After the award/settlement all litigation expenses as described in Section 4.3.2., excluding the contingent fee, will be calculated and subtracted from the gross award to determine the net award of recovery. ("Net Recovery Award").

2.3. CLIENT grants the FIRM an interest in a fee based on the gross recovery. If a court awards attorneys' fees, the FIRM shall receive the "greater of" the gross recovery-based contingent fee or the attorneys' fees awarded. **There is no fee if there is no recovery.**

3. Litigation Focus.

The litigation focuses on the manufacturers and wholesale distributors and their role in the diversion of millions of prescription opiates into the illicit market which has resulted in opioid addiction, abuse, morbidity and mortality. The billion-dollar industry denies liability.

4. Litigation Expenses/Costs; Strategy.

<u>The litigation will be very expensive, and the litigation expenses will be advanced by the FIRM with reimbursement contingent upon a successful recovery</u>. The outcome is uncertain, as is all civil litigation, with compensation contingent upon a successful recovery. [my emphasis added]

4.1. Damage Model.

The FIRM intends to present a damage model designed to abate the public health and safety crisis. This damage model may take the form of money damages and/or equitable remedies (e.g., an abatement fund). The purpose of the lawsuit is to seek reimbursement of the costs incurred in the past fighting the opioid epidemic and/or recover the funds necessary to abate the health and safety crisis caused by the unlawful conduct of manufacturers, wholesale distributor, and/or other parties which liability can attach.

4.2. Fees and Reimbursement – Monetary Damages or Equitable Relief.

4.2.1. The CLIENT agrees to compensate the FIRM, contingent upon prevailing, by paying 20% of any settlement/resolution/judgment, in favor of the CLIENT, whether it takes the form of monetary damages or equitable relief.

4.2.2. 20% of Gross Value Equitable Relief. For instance, if the remedy is in the form of monetary damages, CLIENT agrees to pay 20% of the gross amount to FIRM as compensation and then reimburse the reasonable litigation expenses. If the remedy is in the form of equitable relief (e.g., abatement fund), CLIENT agrees to pay 20% of the gross value of the equitable relief to the FIRM as compensation and then reimburse the reasonable litigation expenses. Provided, however, that if such equitable relief/award is not paid into an abatement fund such that the 20% Contingent Fee may be paid from money in such abatement fund, no Contingent fee will be paid or owed by Client.

4.2.3. Judgment Is Not Public Funds For Purpose of Calculating Fee. To be clear, the FIRM shall not be paid nor receive reimbursement from public funds unless required by law. However, any judgment arising from successful prosecution of the case, or any consideration arising from a settlement of the matter, whether monetary or equitable, shall not be considered public funds for purposes of calculating the contingent fee unless required by law.

4.2.4. Moneys Expended by Defendants. Under no circumstances shall the CLIENT be obligated to pay any attorneys fee or any litigation expenses except from moneys expended by defendant(s) pursuant to the resolution of the CLIENT's claims. If the defendant(s) expend their own resources to abate the public health and safety crisis in exchange for a release of liability, then the FIRM will be paid the designated contingent fee from the resources expended by the defendant(s).

4.3. Costs and Other Expenses – Law Firms Advance.

4.3.1. THE FIRM and/or the other law firms in association with the FIRM, hereinafter referred to as the "Attorneys," shall advance all necessary litigation expenses necessary to prosecute these claims.

4.3.2. All such litigation expenses, including the reasonable internal costs of electronically stored information (ESI) and electronic discovery generally or the direct costs incurred from any outside contractor for those services, will be deducted from any recovery before the contingent fee is calculated.

4.3.3. There is no reimbursement of litigation expenses if there is no recovery.

4.3.4 Court Costs advanced will be payable out of the Client's share of any recovery and will not affect the contingency rate or fees due to the FIRM.

5. Fee Sharing with Co-Counsel.

The division of fees, expenses and labor between the Attorneys will be decided by private agreement between the law firms and subject to approval by the CLIENT. Any division of fees will be governed by the ABA Model Rules of Professional Conduct including: (1) the division of fees is in proportion to the services performed by each lawyer or each lawyer assumes joint responsibility for the representation and agrees to be available for consultation with the CLIENT; (2) the CLIENT has given *written* consent after full disclosure of the identity of each lawyer, that the fees will be divided, and that the division of fees will be in proportion to the services to be performed by each lawyer or that each lawyer will assume joint responsibility for the representation; (3) except where court approval of the fee division is obtained, the *written* closing statement in a case involving a contingent fee shall be signed by the CLIENT and each lawyer and shall comply with the terms of the ABA Model Rules of Professional Conduct; and (4) the total fee is *not clearly excessive*.

6. Communications – Lead Counsel.

6.1. Contact Person with Law Firms.

LEAD COUNSEL shall appoint a contact person to keep the CLIENT reasonably informed about the status of the matter in a manner deemed appropriate by the CLIENT. The CLIENT at all times shall retain the authority to decide the disposition of the case and personally oversee and maintain absolute control of the litigation.

6.2. Written Statement of Result of Litigation at Conclusion.

Upon conclusion of this matter, LEAD COUNSEL shall provide the CLIENT with a written statement stating the outcome of the matter and, if there is a recovery, showing the remittance to the client and the method of its determination. The closing statement shall specify the manner in which the compensation was determined under the agreement, any costs and expenses deducted by the lawyer from the judgment or settlement involved, and, if applicable, the actual division of the lawyers' fees with a lawyer not in the same firm.

7. Review and Understanding of This Agreement.

CLIENT acknowledges its review and understanding of this agreement, having read its contents in its entirety, and CLIENT understands and agrees with all of its provisions. CLIENT acknowledges that nothing in this Agreement makes any promise or guarantee regarding the successful determination of client's claim or causes of action, nor any guarantees regarding the amount of recovery or the type of relief, if any, which Client may obtain therefrom. Further, the Attorneys, its employees or agents, make no such promises or guarantees. Attorneys' comments about the outcome of this matter are expressions of opinion only and the Attorneys make no guarantee as to the outcome of any litigation, settlement or trial proceedings.

EXHIBIT "A"

Legal Services Agreement

LEGAL SERVICES AGREEMENT: ENGAGEMENT TO REPRESENT

RE: The Harrisonville, Missouri civil suit against those legally responsible for the wrongful manufacture and distribution of prescription opiates and damages caused thereby.

1. SCOPE OF EMPLOYMENT: The City of Harrisonville, Missouri (hereinafter "CLIENT"), by and through its Board of Aldermen, hereby retains the law firms of SKIKOS CRAWFORD SKIKOS & JOSEPH, LLP, BERTRAM & GRAF LLC, and WAGSTAFF & CARTMELL, LLP, ("The FIRM") pursuant to the Missouri Rules of Professional Conduct, on a contingent fee basis, to pursue ***all*** civil remedies, as outlined in the FIRMS' attached proposal publication, against the manufacturers of prescription opiates, those in the chain of distribution, and/or other parties against which liability can attach of prescription opiates responsible for the opioid epidemic which is plaguing Harrisonville, Missouri including, but not limited to, filing a claim for public nuisance to abate, enjoin, recover and prevent the damages caused thereby. **Steve Skikos** of the law firm SKIKOS CRAWFORD SKIKOS & JOSEPH, LLP and **Tom Cartmell** of the law firm WAGSTAFF & CARTMELL, LLP, shall serve as LEAD COUNSEL. CLIENT authorizes lead counsel to employ and/or associate additional counsel, with consent of CLIENT, to assist LEAD COUNSEL in the just prosecution of the case. CLIENT consents to the participation of the following firms (collectively referred to, herein, as "Attorneys"), if no conflicts exist, including but not limited to conflicts pursuant to ABA Model Rules of Professional Conduct:

BERTRAM & GRAF, LLC
4717 Grand Avenue, Suite 800
Kansas City, MO 64112

SKIKOS CRAWFORD SKIKOS & JOSEPH, LLP
One Sansome Street, Suite 2820
San Francisco, CA 94104

WAGSTAFF & CARTMELL, LLP
4740 Grand Avenue, Suite 300
Kansas City, MO 64112

2. ATTORNEYS FEES: In consideration, CLIENT agrees to pay twenty percent (20%) of the total recovery (gross) in favor of the CLIENT as an attorney fee whether the claim is resolved by compromise, settlement, or trial and verdict (and appeal). The gross recovery shall be calculated on the amount obtained before the deduction of costs and expenses. CLIENT

grants the FIRM an interest in a fee based on the gross recovery. If a court awards attorneys' fees, the FIRM shall receive the "greater of" the gross recovery-based contingent fee or the attorneys' fees awarded. **There is no fee if there is no recovery.**

The CLIENT acknowledges this fee is reasonable given the time and labor required, the novelty and difficulty of the questions involved, and the skill requisite to perform the legal service properly, the likelihood this employment will preclude other employment by the FIRM, the fee customarily charged in the locality for similar legal services, the anticipated (contingent) litigation expenses and the anticipated results obtained, the experience, reputation, and ability of the lawyer or lawyers performing the services and the fact that the fee is contingent upon a successful recovery.

This litigation is intended to address a significant problem in the community. The litigation focuses on the manufacturers and wholesale distributors and their role in the diversion of millions of prescription opiates into the illicit market which has resulted in opioid addiction, abuse, morbidity and mortality. There is no easy solution and no precedent for such an action against this sector of the industry. Many of the facts of the case are locked behind closed doors. The billion-dollar industry denies liability. The litigation will be very expensive and the litigation expenses will be advanced by the FIRM with reimbursement contingent upon a successful recovery. The outcome is uncertain, as is all civil litigation, with compensation contingent upon a successful recovery. Consequently, there must be a clear understanding between the CLIENT and the FIRM regarding the definition of a "successful recovery."

The FIRM intends to present a damage model designed to abate the public health and safety crisis. This damage model may take the form of money damages and/or equitable remedies (e.g., an abatement fund). The purpose of the lawsuit is to seek reimbursement of the costs incurred in the past fighting the opioid epidemic and/or recover the funds necessary to abate the health and safety crisis caused by the unlawful conduct of manufacturers, wholesale distributor, and/or other parties which liability can attach. The CLIENT agrees to compensate the FIRM, contingent upon prevailing, by paying 20% of any settlement/resolution/judgment, in favor of the CLIENT, whether it takes the form of monetary damages or equitable relief. For instance, if the remedy is in the form of monetary damages, CLIENT agrees to pay 20% of the gross amount to FIRM as compensation and then reimburse the reasonable litigation expenses. If the remedy is in the form of equitable relief (e.g., abatement fund), CLIENT agrees to pay 20% of the gross value of the equitable relief to the FIRM as compensation and then reimburse the reasonable litigation expenses. To be clear, the FIRM shall not be paid nor receive reimbursement from public funds unless required by law. However, any judgment arising from successful prosecution of the case, or any consideration arising from a settlement of the matter, whether monetary or equitable, shall not be considered public funds for purposes of calculating the contingent fee unless required by law. Under no circumstances shall the CLIENT be obligated to pay any attorneys fee or any litigation expenses except from moneys expended by defendant(s) pursuant to the resolution of the CLIENT's claims. If the defendant(s) expend their own resources to abate the public health and safety crisis in exchange for a release of liability, then the FIRM will be paid the designated contingent fee from the resources expended by the defendant(s). CLIENT acknowledges this is a necessary condition required by the FIRM to dedicate their time and invest their resources on a contingent basis to this enormous project. If the defendant(s) negotiate a release of liability, then the FIRM should be compensated based upon the consideration offered to induce the dismissal of the lawsuit.

Negotiability of Fees: The rates set forth above are not set by law but are negotiable, and have been negotiated in good faith and arm's length, between the FIRM and CLIENT.

3. COSTS AND OTHER EXPENSES: THE FIRM and/or the other law firms in association with the FIRM, hereinafter referred to as the "Attorneys," shall advance all necessary litigation expenses necessary to prosecute these claims. All such litigation expenses, including the reasonable internal costs of electronically stored information (ESI) and electronic discovery generally or the direct costs incurred from any outside contractor for those services, will be deducted from any recovery before the contingent fee is calculated. **There is no reimbursement of litigation expenses if there is no recovery. Costs advanced will be payable out of the Client's share of any recovery and will not affect the contingency rate or fees due to the FIRM.**

4. FEE SHARING WITH CO-COUNSEL: The division of fees, expenses and labor between the Attorneys will be decided by private agreement between the law firms and subject to approval by the CLIENT. Any division of fees will be governed by the ABA Model Rules of Professional Conduct including: (1) the division of fees is in proportion to the services performed by each lawyer or each lawyer assumes joint responsibility for the representation and agrees to be available for consultation with the CLIENT; (2) the CLIENT has given *written* consent after full disclosure of the identity of each lawyer, that the fees will be divided, and that the division of fees will be in proportion to the services to be performed by each lawyer or that each lawyer will assume joint responsibility for the representation; (3) except where court approval of the fee division is obtained, the *written* closing statement in a case involving a contingent fee shall be signed by the CLIENT and each lawyer and shall comply with the terms of the ABA Model Rules of Professional Conduct; and (4) the total fee is *not clearly excessive*.

5. COMMUNICATIONS WITH CLIENT: LEAD COUNSEL shall appoint a contact person to keep the CLIENT reasonably informed about the status of the matter in a manner deemed appropriate by the CLIENT. The CLIENT at all times shall retain the authority to decide the disposition of the case and personally oversee and maintain absolute control of the litigation.

Upon conclusion of this matter, LEAD COUNSEL shall provide the CLIENT with a written statement stating the outcome of the matter and, if there is a recovery, showing the remittance to the client and the method of its determination. The closing statement shall specify the manner in which the compensation was determined under the agreement, any costs and expenses deducted by the lawyer from the judgment or settlement involved, and, if applicable, the actual division of the lawyers' fees with a lawyer not in the same firm, as required in Rule 1.5 of the ABA Model Rules of Professional Conduct. The closing statement shall be signed by the CLIENT and each attorney among whom the fee is being divided.

6. REVIEW AND UNDERSTANDING OF THIS AGREEMENT: CLIENT acknowledges its review and understanding of this agreement, having read its contents in its entirety, and CLIENT understands and agrees with all of its provisions. CLIENT acknowledges that nothing in this Agreement makes any promise or guarantee regarding the successful determination of client's claim or causes of action, nor any guarantees regarding the amount of recovery or the type of relief, if any, which Client may obtain therefrom. Further, the Attorneys, its employees or agents, make no such promises or guarantees. Attorneys' comments about the outcome of this matter are expressions of opinion only and the Attorneys make no guarantee as to the outcome of any litigation, settlement or trial proceedings.

SIGNED, this day of________________, 2018.

Harrisonville, Missouri

____
Brian Hasek, Mayor

Accepted:

BERTRAM & GRAF, LLC
4717 Grand Avenue, Suite 800
Kansas City, MO 64112

SKIKOS CRAWFORD SKIKOS & JOSEPH, LLP
One Sansome Street, Suite 2830
San Francisco, CA 94104

WAGSTAFF & CARTMELL, LLP
4740 Grand Avenue, Suite 300
Kansas City, MO 64112

By _________________________________ Date: ___________________

Tom Cartmell
Steve Skikos
Lead Counsel

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **John Hofer, Director**

DATE: **September 4, 2018**

SUBJECT: **HHS Homecoming Parade 2018**

Type of Item: *Approval*

Issue: The Harrisonville High School Student Council (Advisor Emily Terwilliger) has requested to have the annual Homecoming Parade on September 28, 2018 from 12:30 pm to 2:00 pm. The parade entries will stage in the park again this year and the requested route is different then prior years as they the are requesting to cross Mechanic Street/MO. State Highway #7. City staff has spoken several times regarding this new request and staff does not support any parade crossing a State Highway. City staff, including City Administrator Welch, have met with school officials and expressed our concerns with this proposed route. City staff is concerned with delays in traffic as Mechanic Street is very busy any time during the day but especially over the noon hour. School officials (Emily Terwilliger) plan to attend the Board of Alderman meeting to discuss this request with the Board directly. City staff would ask that they use a more traditional route that does not cross a State Highway.

This event occurs during normal city business hours so we will attempt to utilize staff from other city departments as well as school district for traffic control rather than pay off-duty police officers overtime. The VIPS will also be contacted to check there availability to assist as well. Therefore, there should be limited costs for city services associated with this event.

Background: This event has occurred for many years and on a few occasions in the past we have had issues with the participants following the parade rules (attached). The past few years these issues have been very minimal as the school administration has worked diligently to address these issues. The applicant has been provided the rules and regulations sheet (attached) and has agreed to adhere to these rules. The required insurance will be provided to the City Clerk's Office should this event be approved.

Recommendation: It is staff's recommendation that this event be approved as long a more traditional route is approved and all noted rules and regulations are adhered to and that all state laws and local ordinances are followed.

C. Action Item (ID # 2994)

HHS Homecoming Parade 2018

Attachments:

Parade Rules 01-01-2018 (PDF)

HHS HC Parade 2018 (PDF)

REVISED-Homecoming Parade Route 2018 (PNG)

Harrisonville Parade Rules & Regulations

1. Entrants must observe all applicable rules and regulations and follow instructions from police and parade officials or be barred from the parade. The Harrisonville Police Department reserves the right to remove any entrant from the parade either prior to or any time during the parade.

2. No Parade participant may throw candy or any other item to Parade spectators**. Any entry with participants throwing items will be removed from the Parade by the Parade director or the Harrisonville Police Dept. Walkers may hand items to spectators only. There will be no exceptions to this rule.**

3. Tractors, trucks and other tow vehicles must be clean, attractive and quiet running vehicles.

4. No entry will be allowed that conveys any obscene message.

5. **No one will get on or off a float or entry once it has started down the parade route.**

6. All entries having music or sound amplifying systems shall maintain a volume that will not interfere with other entries, especially those with animals. If a unit is informed by the Police that the noise generated by their unit is too loud; they shall immediately turn the volume down or take other steps identified by the parade applicant/director or the Police.

7. Drivers of any and all vehicles in the parade areas must possess a valid driver's license, be at least 18 years old, and possess all liability vehicle insurance. The driver will remain seated in the driver's seat for the duration of the parade. Entries (lawn mowers, mini bikes, mopeds, go-carts, etc.) with younger drivers require written approval by the Chief of Police at least 24 hours prior to the event.

8. All pets in the Parade must be kept on leashes and held by someone strong enough to manage them. Animals participating in the Parade must be kept under control. If you cannot control your animal or its presence presents any safety issue, please leave the Parade area with your animal rather than risk a problem.

9. Entries involving animals of any kind must provide their own clean-up, or "pooper scooper" immediately following their entry.

10. Participants on bicycles, scooters, skates, skateboards, etc. must wear a helmet and proper safety equipment.

11. Floats must have proper safety chains to connect the float to the tow vehicle.

12. Support vehicles for marching units will not be allowed in the parade.

13. All vehicular entries shall proceed at a safe and appropriate speed, shall maintain a safe distance from spectators and shall not weave from side to side.

14. Parade units that stop along the parade route due to a mechanical malfunction may be removed from the parade.

15. All participants, in consideration of participation in this event, agree to indemnify, hold harmless and release the City of Harrisonville, its agents and employees, from any and all liability for any injury or damage which may arise out of or in any way be connected with participation in the Parade.

SPECIAL EVENTS APPLICATION

A. FILING PERIOD: An application for an event permit shall be filed not less than seven (7) days prior to the meeting of the Board of Alderman at time applicant desires the issuance of a permit. Applicant must realize that, dependent upon the nature of the event and the scope of services being required of the City, the Board of Alderman may require additional time to review the permit application.

B. CONTENTS: The application for an event permit shall set forth the following information.

1. Organization: Harrisonville Schools

2. Name of Applicant: Alek Baker / Student Council

   Address: 503 S Lexington Harrisonville Mo.

   Phone: (816) 380-2727 Cell: (816) 738-6186

3. Purpose of Event: Homecoming Parade

4. Proposed date(s) and time(s) of Event: 9/28/18 12:30 AM

5. Location(s) where event will be held: See attatched

6. Anticipated crowd size: 1 to 3 thousand

7. City services requested: (Please check all that apply) Provide detailed letter for these requests.

   ☒ Electricity ☒ Police Protection ☒ Traffic Control ☐ Ambulance Standby

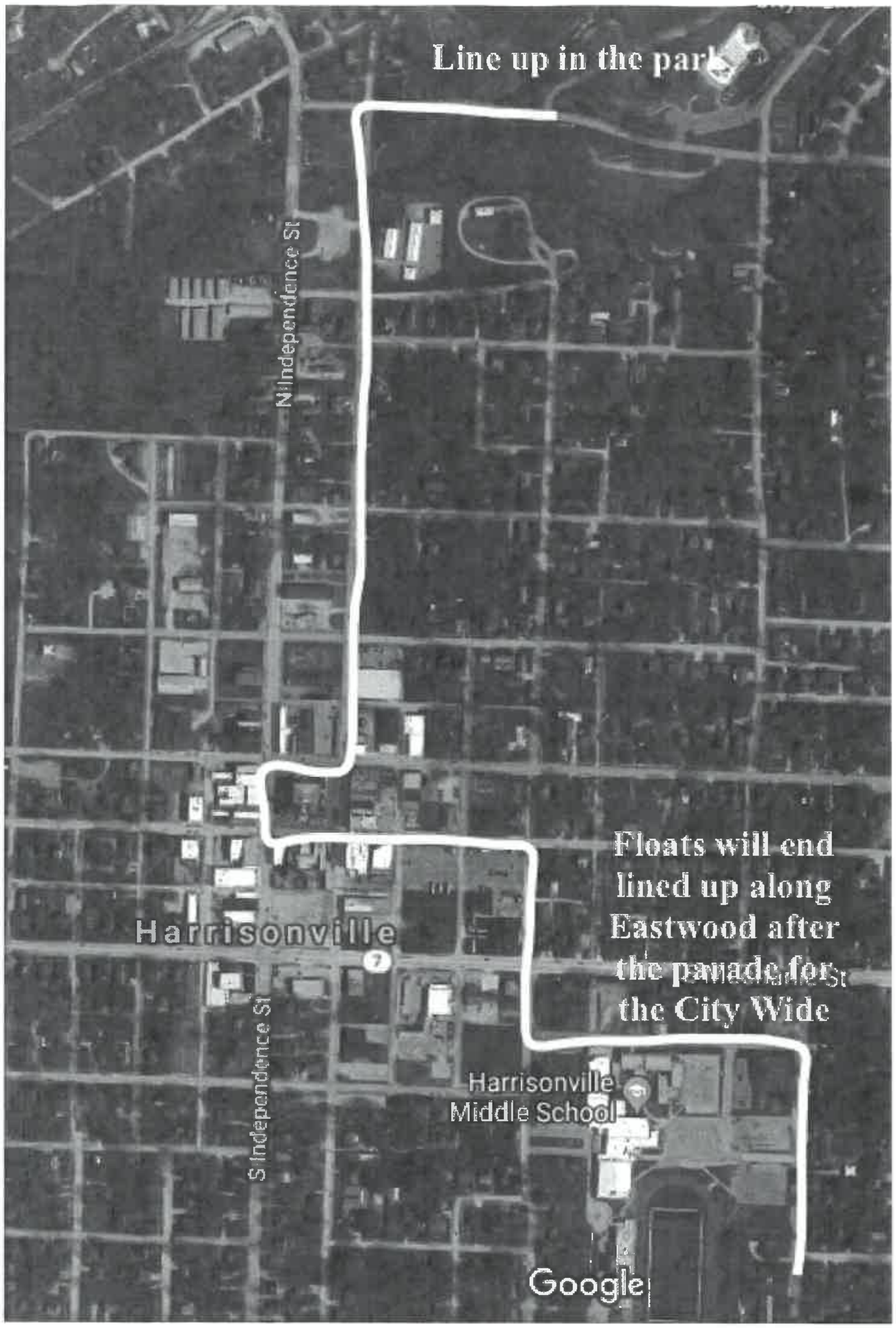
   ☐ Cones ☒ Barricades ☒ Street or parking lot clean up

8. Any additional information: We are requesting permission to hold our annual fall Homecoming parade.

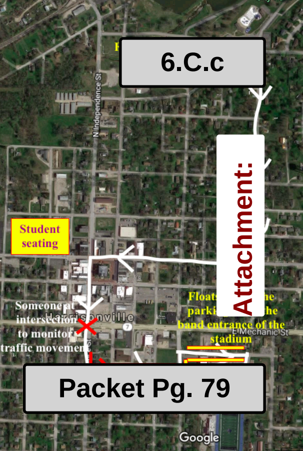
APPROVED this _____ day of ____________, 20 ___.

____
Chief of Police

____
City Clerk



Attachment: HHS HC Parade 2018 (HHS Homecoming Parade 2018)


N Independence St
Student seating
Someone at intersection to monitor traffic movement
Harrisonville
7
E Mechanic St
band entrance of the
stadium
Google

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **April Clark, Assistant**

DATE: **September 5, 2018**

SUBJECT: **Non-Primary Entitlement Transfer Form**

Type of Item: *Approval*

Council Bill No.

Ordinance No.

Ordinance AN ORDINANCE OF THE BOARD OF ALDERMEN AUTHORIZING THE CITY ADMINISTRATOR TO SPONSOR TRANSFER OF $152,275 IN UNOBLIGATED NON-PRIMARY ENTITLEMENT GRANT FUNDS TO THE MISSOURI DEPARTMENT OF TRANSPORTATION AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Harrisonville ("City") has not used grant funds from the 2015 Non-Primary Entitlement Grant or a portion of the 2013 Non-Primary Entitlement Grant for the Lawrence Smith Memorial Airport;

WHEREAS, unused funds can be returned to the Missouri Department of Transportation ("MoDOT");

WHEREAS, the Federal Aviation Administration ("FAA") allows airports to transfer this money back to the MoDOT Aviation Section so they can be used at other airports in Missouri;

WHEREAS, the City is unable to obligate the funds by September 30, 2018;

WHEREAS, the total amount of unused funds is $152,275;

WHEREAS, the Board of Aldermen have reviewed the request and believe it to be in the best interest of the citizens to transfer said funds to MoDOT for use in the State of Missouri rather than return to the FAA;

NOW THEREFORE BE IT ORDAINED BY THE HARRISONVILLE BOARD OF ALDERMEN THAT:

Section 1: The City Administrator is hereby authorized and directed by the Board of Aldermen to apply for a Request for Approval of Agreement for Transfer of Entitlements on behalf of the City of Harrisonville, Missouri, to transfer $152,275 of 2013 & 2105 unobligated Non-Primary Entitlement Grant funds to the Missouri Department of Transportation Aviation Division.

Section 2: That this ordinance shall become effective immediately upon its passage and approval.

READ ONE TIME BY TITLE ONLY ON SEPTEMBER 10, 2018. READ FOR A SECOND TIME BY TITLE ONLY ON SEPTEMBER 10, 2018, AND WAS DULY APPROVED BY THE BOARD OF ALDERMEN THIS 10TH DAY OF SEPTEMBER 2018.

Aye:

Nay:

Abstain:

Absent:

Brian Hasek, Mayor & Ex Officio
Chairman of the Board of Aldermen

ATTEST:

Randall K. Jones, City Clerk

WITNESS my hand and seal this 10th day of September 2018

City of Harrisonville est. 1836

NPE TRANSFER
LAWRENCE SMITH MEMORIAL AIRPORT
HARRISONVILLE, MISSOURI

To: **Mayor and Board of Aldermen**

From: **James Green, Airport Manager**

Date: **September 4, 2018**

RE: **Non-Primary Entitlement Grant Transfer**

Type of Item:
This form will transfer the City of Harrisonville's unused 2015 Non-Primary Entitlement Grant and a portion of the 2013 Non-Primary Entitlement Grant to the Missouri Dept. of Transportation Aviation Section from the Federal Aviation Administration.

Background:
Every year the City of Harrisonville receives a grant from the Federal Aviation Administration for approved airport maintenance and development projects. These grants are to be under contract for projects within 3 years or they will expire and be returned to the FAA. The FAA allows airports in Missouri to transfer these funds to the MODOT Aviation Section so that they may remain in Missouri for the benefit of Missouri airports as oppose to being returned to the FAA for use on the federal level.

The entire amount of the 2015 NPE Grant has not been used, as well as a portion of the 2013 NPE Grant (under contract with the Airport Layout Plan Update and GIS Project) which is in the process of being closed out. The end of the Federal Fiscal Year is September 30th and these funds cannot be put under contract for an approved project by the deadline and they will expire. Transferring these funds from the FAA to MODOT does not further bind the City of Harrisonville to any grant obligations or regulations.

Expiring Grants to be Transferred:

2015 NPE Grant	$150,000
2013 NPE Left Over From ALP/GIS Proj.	$ 2,275
Total Transfer	**$152,275**

Recommendations:
Staff recommends to the board that the Transfer of Entitlements Form in the amount of **$152,275** be approved.

Missouri Department of Transportation
Aviation Section

Request for Approval of Agreement for Transfer of Entitlements

In accordance with 49 USC § 47117(c)(2),

Name of Transferring Sponsor: City of Harrisonville
hereby waives receipt of the following amount of funds apportioned to it under 49 USC § 47117(c) for the:

Name of Transferring Airport (and Locid): Lawrence Smith Memorial (LRY)

for each fiscal year listed below:

Entitlement Type (Passenger, Cargo or Nonprimary)	Fiscal Year	Amount
Nonprimary	2015	$150,000
Nonprimary	2013	$2,275
		$
		$
Total		**$152,275**

The Missouri Department of Transportation has determined that the waived amount will be made available to:

Name of Airport (and Locid) Receiving Transferred Entitlements:

Name of Receiving Airport's Sponsor:

a public use airport in the same state or geographical areas as the transferring airport for eligible projects under 49 USC § 47104(a).

The waiver expires on the earlier of 9/30/18 (date) or when the availability of apportioned funds lapses under 49 USC § 47117(b).

For the Missouri Department of Transportation:

Signature: ______________________________________

Name: Michelle Teel

Title: Multimodal Operations Director

Date: ____

Missouri Department of Transportation
Aviation Section

Certification of Transferring Sponsor

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

Executed on this day of ____________________ , ___________.

Name of Sponsor: City of Harrisonville

Name of Sponsor's Authorized Official:

Title of Sponsor's Authorized Official:

Signature of Sponsor's Authorized Official: ___________________________________

Certificate of Transferring Sponsor's Attorney

I, ____, acting as Attorney for the Sponsor do hereby certify that in my opinion the Sponsor is empowered to enter into the foregoing Agreement under the laws of the state of _____________________________. Further, I have examined the foregoing Agreement and the actions taken by said Sponsor and Sponsor's official representative has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the said state and 49 USC § 47101, et seq.

Dated at __________________________ (City, State), this _____ day of ________________, ________.

Signature of Sponsor's Attorney: ____

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Roger Kroh, Planner**

DATE: **September 6, 2018**

SUBJECT: **Butler Dr. Vacation**

Type of Item: *Approval*

MEMORANDUM

September 6, 2018

To: Mayor and Board of Aldermen

From: Roger Kroh, Community Development Planner

Action: Vacation of Excess Butler Dr. Right of Way at the Intersection with Independence St. and South Commercial St.

Applicant: Mr. Jeff Schrock, owner of 1801 and 1897 Butler Dr., JDS Auto Detailing, Inc.

Background:

This application is from Mr. Jeff Schrock, owner of 1801 and 1897 Butler Dr., to vacate the Butler Sr. right-of-way where the street was removed and reconfigured as part of the Butler Dr. / Independence St. / Commercial St. intersection improvement done several years ago by the Missouri Department of Transportation. The right-of-way proposed for vacation is the excess right of way between approximately 1701 S. Commercial St. and the intersection of Butler Dr. with Independence Street and South Commercial Street.

The applicant, who has owned JDS Auto Detail, Inc. in Harrisonville for over 20 years, is requesting that the unused right-of-way by vacated so that it can be used in a better designed and maintained green space and parking lot at his new building now under construction at 1801/1897 Butler Dr. Adjacent Country Club Bank is also supporting the vacation. They would like to sell Mr. Schrock a small remnant of their property that is on the east side of Butler Drive as they have no use for it and it can be used and better maintained as green space and parking at Mr. Schrock's new building. If the city does not approve the vacation, Mr. Schrock can reconfigure his parking lot to avoid needing the right-of-way. However, staff concurs that incorporating the right-of-way and the Country Club Bank remnant makes for a better green space and parking lot.

Per Sec. 515.020 of the Harrisonville Code of Ordinances, a sign was posted in July on the land to be vacated and at two other locations in the city giving notice that Mr. Schrock's petition would be considered by the BOA at its August 6 meeting unless an objection was received from any person owning property abutting the right-of-way under consideration for vacation. In addition, letters were sent to the Missouri Department of Transportation and all property owners in the block of Butler where the right-of-way is under consideration for vacation. By ordinance, receipt of an objection delays consideration of the petition for 30 days.

Prior to the August 6 meeting, an objection was received from an abutting property owner, Mr. Gary Kidd. Consequently, consideration of the petition has been delayed to the September 10 BOA meeting. Prior to the August 6 BOA meeting, staff had several conversations with Mr. Kidd about his concerns and responded to them by email. Attached is that email correspondence and you will note that staff believes that it has addressed Mr. Kidd's concerns.

Following the August 6 meeting, staff attempted to follow up with Mr. Kidd by phone to see if his concerns were addressed, but Mr. Kidd did not return the phone call.

<u>Options:</u>

The City may:

- Approve the request for alley vacation.
- Deny the request for alley vacation.

<u>Staff Recommendation:</u>

Approval of an ordinance vacating the alley right-of-way but encumbering the property with a utility easement.

Attach. Ordinance with Exhibits I, II

Exhibit III Correspondence with Mr. Gary Kidd

Council Bill No.

Ordinance No.

AN ORDINANCE VACATING EXCESS BUTLER DRIVE RIGHT OF WAY LOCATED WITHIN LOT 2 OF THE NORTHWEST QUARTER OF SECTION 4, TOWNSHIP 44 NORTH RANGE 31 WEST, TO THE CITY OF HARRISONVILLE, CASS COUNTY, MISSOURI, FROM APPROXIMATELY 1701 SOUTH BUTLER DRIVE SOUTH TO INDEPENDENCE STREET.

WHEREAS, a petition was brought forward to the City of Harrisonville ("City") to vacate excess Butler Drive street right of way extending from 1701 South Butler Drive south to the intersection of Independence Street and Commercial Street as shown on Exhibit I;

WHEREAS, the applicant seeks to utilize the excess street right of way for a better designed and maintained green space and parking lot at his new building now under construction at 1801 S. Butler Dr.;

WHEREAS, Country Club Bank is supportive of the vacation as it owns a small remnant of land on the east side of Butler Dr. that was created when the Butler Dr. intersection was re-configured, and which they would like to sell to the owner of the new building at 1801 S. Butler Drive to improve the appearance, utility and maintenance of its green space and parking;

WHEREAS, the street right of way became excess when the Missouri Department of Transportation (MoDOT) reconfigured the intersection of Butler Dr. with Commercial Street and it is not proposed to be improved by MoDOT and the City in the future;

WHEREAS, the City will retain easement rights to the proposed street right of way;

WHEREAS, per RSMo. Section 88.673 the street right of way will revert to the adjoining property owners per State Statute;

WHEREAS, in accordance with the provision of Chapter 89 RSMo, and Section 515.020 of the Code of Ordinances of the City of Harrisonville, Missouri, thirty (30) days' notice of said petition for vacation has been provided in three (3) of the most prominent and public places in the district, twenty (20) days' notice has been given by certified mail to all persons who own land on the same block as the portion of street or alley to be vacated, and notice has been given to the Chairman of the Planning and Zoning Commission, and

WHEREAS, consideration of said petition was delayed thirty (30) days from the intended date of consideration, August 6, 2018, to September 10, 2018 as opposition to the vacation was received by prior to the August 6, 2018 board of aldermen meeting from Gary D. Kidd at 1603 S. Butler Dr. who is a person owning land on the same block as the portion of the street to be vacated;

WHEREAS, the Board of Aldermen after careful and due deliberation find that vacating the alley right of way is in the best interest of the City of Harrisonville and its residents, and that the vacated property be dedicated to the adjoining property owners;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI AS FOLLOWS:

SECTION 1. The Board of Aldermen of Harrisonville, Missouri, hereby declares it necessary, reasonable and proper to discontinue as a right-of-way and forever vacate the following described right-of-way as a street, subject to the following reservation of the existing easements.

A TRACT OF LAND BEING PART OF LOT 2 OF THE NORTHWEST QUARTER OF SECTION 4, TOWNSHIP 44 NORTH RANGE 31 WEST, IN THE CITY OF HARRISONVILLE, CASS COUNTY, MISSOURI DESCRIBED AS:

COMMENCING AT THE SOUTHEAST CORNER OF THE WEST HALF OF SAID LOT 2; THENCE NORTH 01°39’09” EAST 89.75 FEET TO A POINT ON THE NORTHERLY RIGHT OF WAY LINE OF SOUTH INDEPENDENCE STREET, OR STATE HIGHWAY 2 SAID POINT BEING THE CENTER OF OLD BUTLER DRIVE AND THE POINT OF BEGINNING; THENCE SOUTH 81°14’24” EAST ALONG THE NORTHERLY LINE OF SAID INDEPENDENCE STREET 20.15 FEET TO THE EAST LINE OF SAID OLD BUTLER DRIVE; THENCE NORTH 01°39’09” EAST ALONG THE EAST LINE OF SAID OLD BUTLER DRIVE, 221.46 FEET TO A POINT 25.00 FEET EAST OF THE CENTER OF BUTLER DRIVE AS NOW ESTABLISHED; THENCE SOUTHWESTERLY ALONG A CURVE TO THE RIGHT PARALLELING THE CENTER OF SAID BUTLER DRIVE AS NOW ESTABLISHED, HAVING AN INITIAL TANGENT BEARING OF SOUTH 08°44’13” WEST, A RADIUS OF 325.00 FEET AND AN ARC LENGTH OF 127.85 FEET TO THE WEST LINE OF SAID OLD BUTLER DRIVE; THENCE SOUTH 01°39’09” WEST ALONG THE WEST LINE OF SAID OLD BUTLER DRIVE, 95.93 FEET TO A POINT ON THE NORTH RIGHT OF WAY LINE OF SAID INDEPENDENCE STREET; THENCE SOUTH 81°17’51” EAST 20.15 FEET TO THE POINT OF BEGINNING. CONTAINING 5816 SQUARE FEET OF LAND MORE OR LESS

SECTION 2. All that portion of the above vacated property is hereby retained as a perpetual utility easement for the construction, maintenance, repair, relocation and operation of all public utility facilities and surface water drainage. No permanent buildings or structures shall be located within or upon said easement.

SECTION 3. The statutory right of reversion in the owners of the abutting property is hereby confirmed, subject to the easement expressly reserved in Sections 2 of this ordinance, as is provided by the laws of the State of Missouri, the Mayor and the City Clerk are hereby authorized to execute all necessary instruments required to confirm the reversionary rights of the owners of property abutting on the area vacated, as described in this ordinance.

SECTION 4. *Effective Date*. The effective date of approval shall be coincidental with the Mayor’s signature and attestation by the City Clerk.

SECTION 5. *Severability*. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Vote taken as follows:

Ayes:

Nays:

Absent:

Abstain:

READ TWO TIMES BY TITLE ONLY ON SEPTEMBER 10, 2018 AND PASSED BY THE BOARD OF ALDERMEN THIS 10th DAY OF SEPTEMBER 2018.

____

Brian Hasek, Mayor and Ex-Officio
Chairman of the Board of Aldermen

ATTEST:

____

Randall K. Jones, City Clerk

APPROVED by the Mayor this10th Day of September 2018.

Exhibit I   Right-of-way Vacation Map
Exhibit II Right-of-way Vacation Aerial Map

Exhibit I Vacation Plan

Exhibit I Unused Butler Drive Right of Way

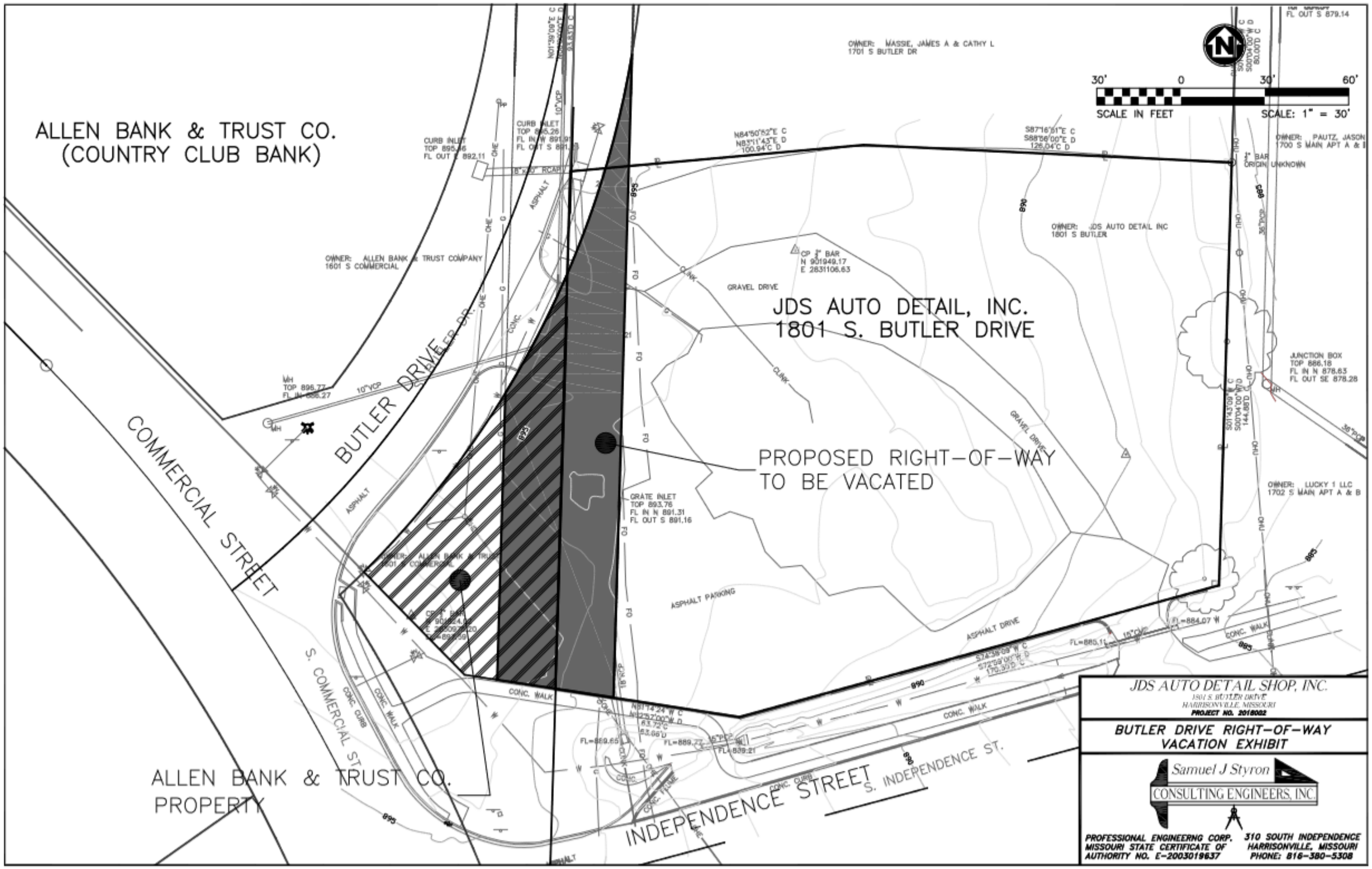


Exhibit II Vicinity Map

Attachment: Exhibit II Right of Way Aerial Map (Butler Dr. Vacation)

EXHIBIT III Correspondence with Mr. Kidd

FW: Email to Gary Kidd

From: Roger Kroh <rkroh@harrisonville.com>
Sent: Tue, Jul 24, 2018 at 9:28 pm
To: Christopher Arthur, Happy Welch, Michael O'Keefe, Eric Patterson, Rodney Jacobs
Butler Drive ROW Vacation.pdf (401.8 KB)

Thanks to all of your input.

Roger

-----Original Message-----
From: "Roger Kroh" <rkroh@harrisonville.com>
Sent: Tuesday, July 24, 2018 9:21pm
To: kidgrem2@embarqmail.com
Subject: FW: Butler Dr. ROW Vacation

Hi Gary,

Thanks for taking the time to call last week. I received your subsequent email with your objections and I will share it with the BOA for the Aug 6 meeting.

I did more research after we talked Friday. The type of work to be done in the new building is the same work done in the existing building - detailing, car washing and window tinting. JDS Auto Detailing has been in operation there for 20 years and we recall no complaints from neighbors. Cars being detailed or having windows tinted are inside during the day and owners take them home at night. The cars are not junkers as noone waste money detailing junkers. All work is done inside and there is no painting and no outdoor storage. The installation of bedliners occurs at another site and it will not be moved to the new building. To double check what I've learned, please follow through with the conversations you were going to have with Sam Styron and the neighbors of the existing JDS. You should also do a site visit and talk to the owner. Here are responses to your other suggestions and requests.

1. Add Community Development email addresses to City website. Done.

2. Get exhibit better depicting the ROW to be vacated. Done. See attached.

3. Where is vacation notice posted in addition to city hall? On a sign at the site and at Southerlands. The Post Office and Price Shopper wouldn't let them go up.

4. Why did city staff mail the letters? The city should have vacated the excess street right-of-way as the last step of the MoDOT intersection

improvement project years ago. So, we mailed the letters and the applicant is paying certified postage.

5. Desire for more information Please recognize that I did look at the old files to see what used to be sent to property owners and then provided significantly more this time. But, I do appreciate the feedback and will take it into consideration when we receive another application.

6. Buffer between commercial and residential zoning Applicant has been advised. Sec. 305.570 (A) says, in part, ".....screening shall consist of screening fences, natural screening (earthen berms, shrubs, trees, bushes, etc.) or a combination of screening methods....."

7. What happens if the vacation is not approved They might have to move or lose several parking spaces. But, there will be only 4-5 employee cars and customer cars are inside in the day.

Call if any questions. After you finish your due diligence, please let me know if you still wish to object or not as an objection adds 30 days.

Roger

-----Original Message-----
From: "Gary Kidd" <kidgrem2@embarqmail.com>
Sent: Saturday, July 21, 2018 2:11pm
To: rkroh@harrisonville.com, "Happy Welch" <hwelch@ci.harrisonville.mo.us>
Subject: right of way abatement

Can we get email addresses on the city website, to copy and paste along with the email links that not everyone can use.
I would appreciate a response.
I am opposed to the vacation of the right of way, the process to vacate and the proposed land usage next to residential property.
In the past city has had buffered transitional zoning policy from commercial to residential properties.
Auto painting, spraying of bed liner belongs in a strictly commercial setting not next to residential even if it is in C2 zones area.
If the city chooses over objections too grant the abatement it would not be practical to abate the entire right of way.
In the future the intersection will need to be improved and possibly butler drive also the purchase of land for the improvements.

Why give away land to purchase it back in the future, broken portions will be of less value than a large strip.
If the property is in the city easement it should be retained, it currently cant be built on.
I have included two abatement options that are in the best interest of the city/citizens.
Code 515.020 does not appear to include the city`s responsibility sending out letters as in revised code 405.620
Code 515.020 Thirty (30) days' notice shall be given by posting in three (3) of the most prominent and public places in the district.
The letter only states City Hall, where are the other locations.
Why are the citizens required to do all the legwork, they should receive a copy of section 515.020, the petition, Know the desired use of the land and the layout of structures.
A opposition form, return stamped envelope should be provided.

Gary Kidd
1603 s butler dr
Harrisonville
816-518-2204

Section 515.020Vacation of Street, Alley, Etc.

[CC 1977 §30-1; Ord. No. 298-B, 4-3-1946; Ord. No. 1439 §1, 1-16-1985]

A.
Whenever any person desires to vacate any street, alley, commons and public square or part thereof, he/she may petition the Board of Aldermen giving a distinct description of the property to be vacated, which petition shall be filed with the City Clerk and shall remain on file for a period of thirty (30) days before being acted upon by the Board of Aldermen.

B.
Notice of the pendency of such petition shall be given as follows:

1.
Thirty (30) days' notice shall be given by posting in three (3) of the most prominent and public places in the district.

2.
Twenty (20) days' notice shall be given by certified mail to all persons whose land the portion of street or alley to be vacated touches and all persons who own land on the same block as the portion of street or alley to be vacated.

3.
Notice shall also be given to the Chairman of the Planning and Zoning Commission immediately upon filing.

C.
If no opposition is made to such petition, the Board of Aldermen may vacate the same with such restrictions and reservations as they may deem for the public good, but if opposition shall be made by any person owning property abutting on such street, alley, commons or public square, such application shall continue on file for a further period of thirty (30) days for a hearing thereon, when, if either the objector shall consent to such vacation or if upon such hearing the Board of Aldermen deems it advisable to overrule such objection, the Board of Aldermen may grant the prayer of the petition.

D.
The part so vacated, if the same is a street or alley, shall revert to the owners of the adjacent lots in proportion as it was taken from them, if there is evidence of such and if not, it shall be attached to

the ground bordering on such street or alley and all title thereof shall vest in the person owning the property on each side thereof in equal proportions according to the length or breadth of such ground, as the same may border on such street or alley and whenever a public square shall be vacated, the property thereof shall be disposed of in such manner as the Board of Aldermen may direct.

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Happy Welch, City Administrator**

DATE: **September 6, 2018**

SUBJECT: **City Administrator Report**

Type of Item: *Discussion*

C I T Y   A D M I N I S T R A T O R   R E P O R T

September 10, 2018

1. Cass County Highway Department will be installing an "Intersection Ahead" sign on Jefferson Parkway for southbound drivers before Waters Road. This was a request from the Public Safety Committee to warn drivers coming up on Waters Road and the approaching intersection.
2. Street Department has set Saturday, October 13, 2018 as our Fall Cleanup Day. This will be from 8a-4p out on Rockhaven Road and it is one day ONLY. There will also be an eWaste collection Saturday, October 20, 2018 for electronics. CRT TV's will cost $20 and CRT monitors will cost $15 but other electronics are free. No hazardous waste will be collected at either of these events.
3. The next meeting of the Board will be a budget meeting with the Department Heads. We are finalizing revenues and expenditures and seeing how much capital is available for those capital requests from the various departments. This meeting will start at 6p on Monday, September 24. Then we can bring proposed final budgets for the Board to amend or accept and bring final budgets for approval in November.
4. Code enforcement has 3 trash complaint issues that are in the court process and the properties are scheduled to be in court on September 12. Two were continuances from August and another was a no show from August.
5. Plans are coming together for the Burnt District Festival on the Square October 5th & 6th. It starts at 5p Friday, the parade is Saturday, the carnival runs both days, and there's music on Pearl St. and in the Reunion Garden. The city is gearing up for our part in the Festival and we hope to see thousands of folks that weekend.

A. Discussion Item (ID # 2998)

City Administrator Report