City of Harrisonville est. 1836

AGENDA
CITY OF HARRISONVILLE
BOARD OF ALDERMEN
REGULAR MEETING
CITY HALL
JULY 1, 2019
7:00 PM

1. Call to Order

A. Pledge of Allegiance

B. Roll Call

2. Ceremonial Matters

3. Public Participation

4. Approval of Minutes

A. Board of Aldermen - Work Session - May 30, 2019 5:00 PM

B. Board of Aldermen - Work Session - Jun 12, 2019 5:00 PM

C. Board of Aldermen - Regular Meeting - Jun 17, 2019 7:00 PM

D. Executive Session June 17, 2019

5. Agenda Items

A. Council Bill 42: A RESOLUTION OF THE BOARD OF ALDERMEN ADOPTING SHORT TERM GOALS OF THE CITY OF HARRISONVILLE, MISSOURI

B. Council Bill 43: A RESOLUTION OF THE BOARD OF ALDERMEN AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO AN AGREEMENT WITH BURNS AND MCDONNELL FOR A WATER & SEWER RATE STUDY AT A COST OF $31,350.

C. Council Bill 44: A RESOLUTION BY THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI TERMINATING THE ADMINISTRATIVE SUSPENSION AND DELAY OF PROCESSING DEVELOPMENT AND OTHER APPLICATIONS RELATED TO MEDICAL MARIJUANA WHICH WAS APPROVED BY RESOLUTION 2019-008 ON MARCH 4, 2019 AND ESTABLISHING AN EFFECTIVE DATE

6. Aldermen and Committee Reports

7. Report from the City Administrator

8. Questions from the Media

9. Adjourn From Regular Session

Posted on City Hall Bulletin Board this 27th day of June, 2019

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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
WORK SESSION
MPR
MAY 30, 2019
5:00 PM

1. Call to Order

The meeting was called to order at 5:00 PM by Mayor Judy Bowman

2. Present

Attendee Name	Organization	Title	Status	Arrived
Brad Bockelman	Harrisonville	Board Member	Absent	
Dave Doerhoff	Harrisonville	Board Member	Present	
Marcia Milner	Harrisonville	Board Member	Present	
Judy Reece	Harrisonville	Board Member	Present	
Clint Miller	Harrisonville		Present	
David Dickerson	Harrisonville	Board Member	Present	
Gary Davidson	Harrisonville	Board Member	Present	
Matt Turner	Harrisonville	Board Member	Present	
Judy Bowman	Harrisonville	Mayor	Present	

Others present were: City Administrator Happy Welch, Police Chief John Hofer, Public Works Director Eric Patterson, Building Official Chris Arthur, HES Chief Eric Myler, IT Director Jeremy Smith, Parks & Recreation Director Chris Deal, Finance Director Marcella McCoy, City Clerk Randall Jones, Recording and Attorney Joe Lauber, Presenter.

3. Discussion Items

Recap of Goal-Setting Session May 30, 2019

Based on survey results and discussion at the May 30 work session, the Mayor, Board of Aldermen, and City staff have identified short term goals of the City with action steps to be completed by March 31, 2020, unless otherwise indicated below. These goals and their action steps are identified in under general titles listed alphabetically below:

Code Enforcement

- Create a program for increased code enforcement AND to incentivize better property management throughout the City
  - Increased Code Enforcement
    - Describe/identify what increased code enforcement means:
      - Property maintenance
      - Nuisance properties
      - Dangerous buildings
    - Review the City's current Code provisions and consider the adoption of the International Property Maintenance Code
    - Update nuisance ordinances to make them consistent with state statutes
    - Inventory/prioritize problem properties throughout the City to increase the impact of enforcement efforts
  - Incentive Options
    - Learn about incentives, and particularly Chapter 353, RSMo, abatement programs
    - Identify an incentives program and develop a plant to implement it
    - Review-update the City's incentives policy to ensure it is consistent with the identified program
    - Improve recognition for best-kept properties

<u>Economic Growth</u>

- Hire one dedicated and certified economic development professional to promote the City for economic development opportunities
  - Budget for this position in the FY 2019-2020 budget
  - Review and update the City's economic development policy regarding authority and expectations for the position
  - Develop a list of qualifications for the position
  - Review and edit the job description for this position
  - Review and update the description of the City for use with recruiting an individual for this position
  - Collaborate with other cities to develop goals, expectations, measurements of success and consider tying these to a compensation program for the position
  - Timeline:

- Advertise for the position in October 2019
- Interview applicants in November 2019
- Hire the best applicant in December 2019
- Economic development professional begins work in January 2020

Infrastructure

- Create a plan for the immediate, short-term, and long-term, to prioritize the City's infrastructure projects to get those projects designed, scheduled, and identify how to fund them
  - Definitions:
    - Immediate = now until March 31, 2020
    - Short-term = 2020 - 2022
    - Long-term = 2024 - 2029
  - Priority Projects (generally):
    - Sewer rates
      - Currently the water utility heavily subsidizes the sewer utility
      - This situation is not sustainable for future maintenance and replacement needs of the City's aging sewer system (in addition to the needs of the City's water system)
      - Identify the best approach for planning and reconfiguring how ongoing maintenance and future of replacement of sewer infrastructure is funded to offset years of prior legislative bodies "passing the buck" to future citizens
      - Hold a public charrette to provide information and gather public opinion on developing this "best approach"
    - Sewer Plant
      - Missouri Department of Natural Resources is applying intense regulatory pressure to make improvements to the City's sewer plant
      - Design and construction must be completed within 2 years
    - Storm water improvements
      - Utilize hydrology study expected to be complete around October 2019 to identify storm water improvements that make the largest impact to improving the City's infrastructure and policies

Meeting adjourned at 9:20 p.m.

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Judy Bowman, Mayor & Ex-Officio
Chairman of the Board of Aldermen

ATTEST:

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Randall K. Jones, City Clerk

City of Harrisonville est. 1836

DRAFT

MINUTES
CITY OF HARRISONVILLE
BOARD OF ALDERMEN
WORK SESSION
CITY HALL
JUNE 12, 2019
5:00 PM

I. Call to Order

The meeting was called to order at 5:00 PM by

Attendee Name	Organization	Title	Status	Arrived

Those attending were Mayor Bowman, Aldermen: Matt Turner, Gary Davidson, David Dickerson, Clint Miller, Marcia Milner and David Doerhoff. Others for the entire tour were City Administrator Happy Welch, Finance Director Marcella McCoy, Public Works Director Eric Patterosn and City Clerk Randall Jones.

II. City Facilities Tour

5:00p - Meet at Old Police Dept.

5:15p - Walk over to new PD & Tour

5:30p - Tour Public Works Maintenance Shed

5:40p - Tour Old Electric/Water Plant Tour/Substation

6:05p - Tour City Park

6:20p - Tour North Park/ Parks Maintenance Shed

6:40p - Drive around Community Center/Head to Skeet Range/North Lake

7:10p - Tour Upgraded Water Plant

7:30p - Tour Electric Dept./North Substation

7:45p - Tour HES

8:05p - Tour Street Maintenance Shed

8:15p - View Airport, Walmart DC, Love's, ADS, Church & Dwight, United Forest Products

8:35p - Tour Sewer Plant

Publish

8:50p - Tour Animal Control

9:10p - Finish Tour at City Hall

Judy Bowman, Mayor & Ex-Officio
Chairman of the Board of Aldermen

ATTEST:

Randall K. Jones, City Clerk

City of Harrisonville est. 1836

DRAFT

MINUTES
CITY OF HARRISONVILLE
BOARD OF ALDERMEN
REGULAR MEETING
CITY HALL
JUNE 17, 2019
7:00 PM

1. Call to Order

The meeting was called to order at 7:00 PM by Mayor Judy Bowman

A. Pledge of Allegiance

Attendee Name	Organization	Title	Status	Arrived
Brad Bockelman	Harrisonville	Board Member	Present	
Dave Doerhoff	Harrisonville	Board Member	Present	
Marcia Milner	Harrisonville	Board Member	Present	
Judy Reece	Harrisonville	Board Member	Present	
Clint Miller	Harrisonville	Board Member	Present	
David Dickerson	Harrisonville	Board Member	Present	
Gary Davidson	Harrisonville	Board Member	Present	
Matt Turner	Harrisonville	Board Member	Present	
Judy Bowman	Harrisonville	Mayor	Present	

Others present were: City Attorney Christine Rolo, City Administrator Happy Welch, Finance Director Marcella McCoy, HES Chief Eric Myler, Police Lieutenant Chris Osterberg, City Planner Roger Kroh, Parks & Recreation Director Chris Deal, Parks & Recreation Assistant Director Dave Killpack, Parks Supervisor John Crook and City Clerk Randall Jones, Recording.

2. Ceremonial Matters

A. Cass Community Health Foundation Presentation

Former Mayor Kevin Wood presented Mayor Judy Bowman a certificate from the Cass Community Health Foundation for Harrisonville residents winning the 5K for Health Community Challenge Award for the second year in a row.

B. Duane Gerke 20 year Service Award

Mayor Bowman presented Duane Gerke, HES Captain a certificate for 20 years of service to the City of Harrisonville.

C. Art Carver 25 year Service Award

Minutes Acceptance: Minutes of Jun 17, 2019 7:00 PM (Approval of Minutes)

Mayor Judy Bowman presented Art Carver, Parks Department, with a certificate for 25 years of service to the City of Harrisonville.

3. Public Participation

None.

4. Approval of Minutes

A. Board of Aldermen - Regular Meeting - Jun 3, 2019 7:00 PM

Motion to accept minutes with amendment to Item F. changing the word tabled to the word postpone. Motion was made by Alderman Dickerson with a second by Alderman Davidson. Motion carried.

RESULT:	**ACCEPTED [UNANIMOUS]**
MOVER:	David Dickerson, Board Member
SECONDER:	Gary Davidson, Board Member
AYES:	Bockelman, Doerhoff, Milner, Reece, Miller, Dickerson, Davidson, Turner

B. Board of Aldermen - Work Session - Jun 3, 2019 5:30 PM

RESULT:	**ACCEPTED [UNANIMOUS]**
MOVER:	Marcia Milner, Board Member
SECONDER:	Clint Miller, Board Member
AYES:	Bockelman, Doerhoff, Milner, Reece, Miller, Dickerson, Davidson, Turner

C. Executive Session Minutes June 3, 2019

A motion was made by Alderman Turner with a second by Alderman Doerhoff to accept the June 3, 2019 Executive session minutes. Motion carried.

5. Agenda Items

A. Resolution for FIREWORKS IN THE PARK 7-4-2019

Staff report presented by City Administrator Happy Welch.. Upon passage, Mayor Bowman designated it to be Resolution 2019-026.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Clint Miller, Board Member
SECONDER:	David Dickerson, Board Member
AYES:	Bockelman, Doerhoff, Milner, Reece, Miller, Dickerson, Davidson, Turner

B. A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO SIGN AN AGREEMENT WITH MISSOURI VOCATIONAL ENTERPRISES FOR THE PURCHASE OF EQUIPMENT STORAGE LOCKERS FOR THE HARRISONVILLE POLICE DEPARTMENT, AND ESTABLISING AN EFFECTIVE DATE THEREOF.

Minutes Acceptance: Minutes of Jun 17, 2019 7:00 PM (Approval of Minutes)

Staff report presented by Lieutenant Chris Osterberg. Upon passage, Mayor Bowman designated it to be Resolution 2019-027.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Gary Davidson, Board Member
SECONDER:	Dave Doerhoff, Board Member
AYES:	Bockelman, Doerhoff, Milner, Reece, Miller, Dickerson, Davidson, Turner

C. A RESOLUTION APPROVING AN AGREEMENT FOR POLICE SERVICES BETWEEN THE CITY OF HARRISONVILLE AND THE HARRISONVILLE CASS R-IX SCHOOL DISTRICT, AUTHORIZING THE CITY ADMINISTRATOR TO SIGN THE AGREEMENT, AND ESTABLISING AN EFFECTIVE DATE.

Staff report presented by City Administrator Happy Welch. Upon passage, Mayor Bowman designated it to be Resolution 2019-028.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	David Dickerson, Board Member
SECONDER:	Matt Turner, Board Member
AYES:	Bockelman, Doerhoff, Milner, Reece, Miller, Dickerson, Davidson, Turner

D. County Request Waive Building Fees

RESULT:	**WITHDRAWN**

E. AN ORDINANCE TO ENACT AND PLACE A MORATORIUM ON THE ALLOWABLE SIZE OF SPECIAL SIGNS UNDER CHAPTER 405 OF THE HARRISONVILLE MUNICIPAL CODE OF ORDINANCES AND COMING WITHIN THE PURVIEW OF PENDING LEGISLATION REGARDING AND CONCERNING ONE OR MORE AMENDMENTS TO SECTION 435.125 SPECIAL SIGNS OF THE HARRISONVILLE MUNICIPAL CODE AS IT PERTAINS TO SPECIAL SIGN SIZE REGULATION AND ESTABLISHING AN EFFECTIVE DATE THEREOF.

Presented by City Administrator Happy Welch. Council Bill #41 was read for the first time by title only. A motion to suspend the rules and move Council Bill #041-19 to its second reading by Alderman Miller with a second by Alderman Reece. Motion carried. Roll call vote was taken: Alderman Bockelman aye, Alderman Doerhoff aye, Alderman Milner aye, Alderman Reece aye, Alderman Miller aye, Alderman Dickerson aye, Alderman Davidson aye, Alderman Turner aye. Having been read in title only twice upon passage, Mayor Bowman designated it to be Ordinance #3468.

RESULT:	**ADOPTED [7 TO 0]**
MOVER:	Clint Miller, Board Member
SECONDER:	Judy Reece, Board Member
AYES:	Bockelman, Milner, Reece, Miller, Dickerson, Davidson, Turner
RECUSED:	Dave Doerhoff

F. Amendment 2 Public Hearing

Staff report presented by City Planner Roger Kroh. No citizen input.

G. An Ordinance Amending Chapter 405, Zoning Regulations, of the Code of Ordinances of the City of Harrisonville, Cass County, Missouri implementing Article XVI of the Constitution of the State of Missouri regarding Medical Marijuana.

Presented by City Planner Roger Kroh. Council Bill #37 was read for the first time by title only. A motion to suspend the rules and move Council Bill #037-19 to its second reading by Alderman Dickerson with a second by Alderman Turner. Motion carried. Roll call vote was taken: Alderman Bockelman aye, Alderman Doerhoff aye, Alderman Milner aye, Alderman Reece aye, Alderman Miller aye, Alderman Dickerson aye, Alderman Davidson aye, Alderman Turner aye. Having been read in title only twice upon passage, Mayor Bowman designated it to be Ordinance #3469.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	David Dickerson, Board Member
SECONDER:	Matt Turner, Board Member
AYES:	Bockelman, Doerhoff, Milner, Reece, Miller, Dickerson, Davidson, Turner

6. Aldermen and Committee Reports

Alderman Miller received a citizen concern over speeding on Webster Street. He also gave update from the Park Board meeting. The Parks Board will be hosting a golf tournament on July 26th.

Alderman Turner gave an update on the Elk's fishing derby and announced that the Planning & Zoning meeting for June had been cancelled.

7. Report from the City Administrator

Reminder of website training for staff next week.

A. May 2019 Monthly Municipal Court Report

8. Questions from the Media

Dennis Minich with the South Cass Tribune asked if there were any votes takes in executive session. The answer was no.

9. Adjourn From Regular Session

A motion was made by Alderman Dickerson with a second by Alderman Milner to adjourn. Motion carried. Meeting adjourned at 7:29 p.m.

Judy Bowman, 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: **Happy Welch, City Administrator**

DATE: **June 18, 2019**

SUBJECT: **Board Goal Resolution**

Type of Item: *Approval*

The Board discussed setting goals for the year ending March 31, 2020 at the Board retreat on May 30th.

Joe Lauber summarized the discussion and drafted a resolution for the Board to adopt to make those goals official.

Council Bill No.

Resolution No.

A RESOLUTION OF THE BOARD OF ALDERMEN ADOPTING SHORT TERM GOALS OF THE CITY OF HARRISONVILLE, MISSOURI

Whereas, the City of Harrisonville has as its mission to objectively serve the citizens, provide the services necessary to ensure the safety and well-being of all, and provide the quality of life expected by the community; and

Whereas, to carry out that mission, the Mayor, Board of Aldermen and City staff desired to identify the three most important issues currently facing the City and set goals and action steps to resolve those issues; and

Whereas, the Mayor and Board of Aldermen, along with City have worked together to identify these issues, goals, and action steps; and

Whereas, the Board of Aldermen desires to set a course for achieving each of these goals by March 31, 2020; and

Whereas, the Board of Aldermen desires to memorialize these efforts to create a tangible reminder of its determination to achieve these goals on or before March 31, 2020.

Now Therefore, **be it resolved by the Board of Aldermen of the City of Harrisonville, Missouri, as follows:**

Section 1. The City's elected and appointed officials shall endeavor to implement, administer, execute, and complete the following goals of the City by March 31, 2020:

1. Create a program for increased code enforcement AND to incentivize better property management throughout the City.

2. Hire one dedicated and certified economic development professional to promote the City for economic development opportunities.

3. Create a plan for the immediate, short-term, and long-term, to prioritize the City's infrastructure projects to get those projects designed, scheduled, and identify how to fund them.

Section 2. The City's elected and appointed officials have identified action steps to implement each of these goals and identify those steps in **Exhibit A** herein attached.

PASSED AND RESOLVED by the Board of Aldermen and **APPROVED** by the Mayor of the City of Harrisonville, Missouri this 1st day of July 2019.

Judy Bowman, Mayor & Ex Officio

Chairman of the Board of Aldermen

ATTEST:

____

Randall K. Jones, City Clerk

WITNESS my hand and seal this 1st day of July 2019

Exhibit A

Code Enforcement

- Create a program for increased code enforcement AND to incentivize better property management throughout the City
  - Increased Code Enforcement
    - Describe/identify what increased code enforcement means:
      - Property maintenance
      - Nuisance properties
      - Dangerous buildings
    - Review the City's current Code provisions and consider the adoption of the International Property Maintenance Code
    - Update nuisance ordinances to make them consistent with state statutes
    - Inventory/prioritize problem properties throughout the City to increase the impact of enforcement efforts
  - Incentive Options
    - Learn about incentives, and particularly Chapter 353, RSMo, abatement programs
    - Identify an incentives program and develop a plan to implement it
    - Review-update the City's incentives policy to ensure it is consistent with the identified program
    - Improve recognition for best-kept properties

Economic Growth

- Hire one dedicated and certified economic development professional to promote the City for economic development opportunities
  - Budget for this position in the FY 2019-2020 budget
  - Review and update the City's economic development policy regarding authority and expectations for the position
  - Develop a list of qualifications for the position
  - Review and edit the job description for this position
  - Review and update the description of the City for use with recruiting an individual for this position
  - Collaborate with other cities to develop goals, expectations, measurements of success and consider tying these to a compensation program for the position
  - Timeline:
    - Advertise for the position in October 2019
    - Interview applicants in November 2019
    - Hire the best applicant in December 2019
    - Economic development professional begins work in January 2020

Infrastructure

- Create a plan for the immediate, short-term, and long-term, to prioritize the City's infrastructure projects to get those projects designed, scheduled, and identify how to fund them
  - Definitions:
    - Immediate = now until March 31, 2020
    - Short-term = 2020 - 2022
    - Long-term = 2024 – 2029
  - Priority Projects (generally):
    - Sewer rates

- Currently the water utility heavily subsidizes the sewer utility
- This situation is not sustainable for future maintenance and replacement needs of the City's aging sewer system (in addition to the needs of the City's water system)
- Identify the best approach for planning and reconfiguring how ongoing maintenance and future of replacement of sewer infrastructure is funded to offset years of prior legislative bodies "passing the buck" to future citizens
- Hold a public charrette to provide information and gather public opinion on developing this "best approach"

▪ Sewer Plant
- Missouri Department of Natural Resources is applying intense regulatory pressure to make improvements to the City's sewer plant
- Design and construction must be completed within 2 years

▪ Storm water improvements
- Utilize hydrology study expected to be completed around October 2019 to identify storm water improvements that make the largest impact to improving the City's infrastructure and policies

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **April Clark, Assistant**

DATE: **June 24, 2019**

SUBJECT: **Harrisonville Water/Wastewater Rate Study**

Type of Item: *Contract*

Council Bill No.

Resolution No.

A RESOLUTION OF THE BOARD OF ALDERMEN AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO AN AGREEMENT WITH BURNS AND MCDONNELL FOR A WATER & SEWER RATE STUDY AT A COST OF $31,350.

WHEREAS, the City of Harrisonville ("City") wishes to review the rates charged to the utility customers that are established for the water and sewer systems;

WHEREAS, the City advertised in a paper of public record and notified at least 5 companies who could perform the study;

WHEREAS, after review of the submittals received by staff, and subsequent negotiation for a fair price, recommend Burns and McDonnell, P.C. to perform the study;

WHEREAS, Burns and McDonnell has prepared a Proposed Work Plan that staff finds agreeable and recommends approval;

WHEREAS, the Board of Aldermen have reviewed the Proposed Work Plan and feel it is in the best interest for the City of Harrisonville and its utility customers to accept the recommendation of staff to engage in a contract with Burns and McDonnell for a cost of $31,350.

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

Section 1: The City Administrator is hereby authorized and directed by the Board of Aldermen on behalf of the City of Harrisonville to enter into an agreement with Burns and McDonnell, P.C. of Kansas City, Missouri to perform a Water and Sewer Rate Study at a cost of $31,350.00.

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 1st day of July 2019.

____

Judy Bowman, Mayor & Ex Officio
Chairman of the Board of Aldermen

ATTEST:

____

Randall K. Jones, City Clerk

WITNESS my hand and seal this 1st day of July 2019

BURNS & McDONNELL

June 21, 2019

Eric Patterson
Public Works Director
City of Harrisonville, Missouri
300 East Pearl
Harrisonville, MO 64701

Re: Updated Approach and Proposed Fee for the Water and Sewer Rate Structure and Cost of Service Study

Eric:

As a follow up to recent conversations, please find attached our revised proposal for the water and sewer rate study for the City of Harrisonville. Attached you will find an updated scope of service and a proposed level of effort and fee.

Updates to the scope include the following:

- Addition of a face to face meeting for Task 4
- Inclusion of an additional task to evaluate the potential cost/benefit of AMI for the utility
- Adjustments to the milestones to reflect a July start time

I believe this accurately reflects our conversation regarding our approach, but should you have any questions or if you'd like to discuss further, please let me know. I can be reached at 816-822-4207 / dnaumann@burnsmcd.com.

Sincerely,
BURNS & McDONNELL

David F. Naumann

David F. Naumann
Project Manager

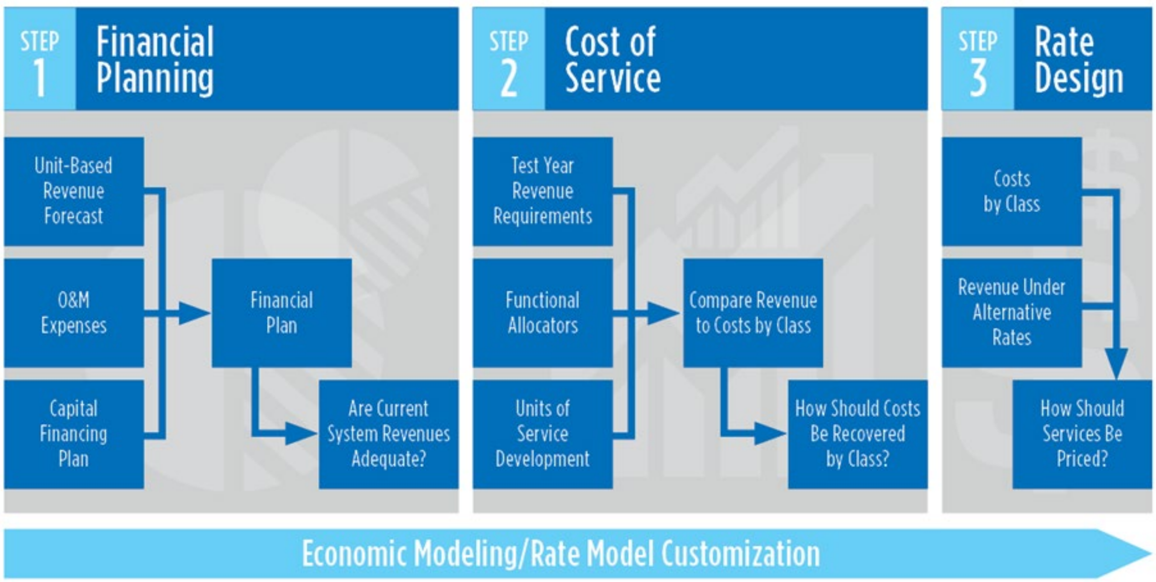
9400 Ward Parkway \ Kansas City, MO 64114
O 816-333-9400 \ F 816-333-3690 \ burnsmcd.com

PROPOSED WORK PLAN

DETAILED WORK PROGRAM

At its most basic level, Burns & McDonnell's rate studies are designed to create a financial roadmap to prudently plan for funding requirements, to defensibly and equitably recover costs, and to implement rate adjustments that achieve utility policy goals and objectives.

Our approach to executing utility rate studies is grounded in the principles established by the AWWA *M1 Principles of Water Rates, Fees, and Charges Manual* and the WEF *Financing and Charges for Wastewater Systems Manual*. The three-step approach that we follow aligns with industry standards and is depicted below. This approach has been utilized by our proposed project team in completing over 50 municipal utility cost-of-service and rate studies across the country in the last five years and will serve as a solid basis for the execution of the City's desired water and sewer rate study.



Step 1: Financial Planning provides an indication of the adequacy of the revenue generated by current rates. The results of the financial forecast analysis will answer the questions "Are the existing rates adequate?" and "If not, what level of overall revenue increase is needed?"

Step 2: Cost of Service focuses on assigning cost responsibility to customer classes. Each customer class is allocated an appropriate share of the overall system costs based on the level of service provided. The net revenue requirements (costs to be recovered from rates) identified in Step 1 are allocated to customers in accordance with industry standards and principles and system characteristics.

Step 3: Rate Design provides for the required revenue recovery. Once the overall level of revenue required is identified and customer class responsibility for that level of revenue is determined, schedules of rates for each rate class are developed that will generate revenues accordingly.

PROPOSED WORK PLAN

(continued)

We have organized the tasks below to address the specific scope of services requested in the City's RFP. All requested scope components are included herein and are sequenced in a way we believe will enable project completion efficiently and effectively. We are prepared to adjust our approach to meet the City's needs as may be desired.

Task 1 – Initiate Project

The objective of Task 1 is to initiate the Study.

Task 1.1 – Conduct Project Kick-off Meeting

Burns & McDonnell will initiate the project by conducting a project kick-off meeting at the City's offices. This meeting will provide the opportunity for Burns & McDonnell to meet with key utility staff and gain further understanding of the project requirements and refine the project scope. It will also allow Burns & McDonnell and the City to discuss the project approach, schedule, deliverables, various issues to be addressed, and the initial data and information requested. During the meeting, we will work with the City to finalize the study goals, objectives, and timeline that will result in completion of all tasks and deliverables in accordance with the City's needs.

Task 1.2 – Review Background Information

As data becomes available, Burns & McDonnell will review information pertinent to the proposed Study. Such information is anticipated to include:

- Budgets and capital plans;
- Audited financial statements for the previous three fiscal years;
- Budget versus actual revenues and expenses for the previous three fiscal years;
- Bond covenants;
- Existing service contracts for wholesale, large users, and government customers:
- Historical customer data (e.g. number of active accounts by customer class, billable sewer flow by class, revenues by class)
- Projected capital expenditures;
- Fund balances;
- Existing debt and loan payment schedules;
- Financial policies or targets such as debt service coverage, reserve balances, or other as applicable;
- Fixed asset system records, including original cost, vintage date, annual depreciation, accumulated depreciation, and related depreciation rates;
- Treatment plant strength loadings and operating statistics; and
- Other appropriate information as deemed necessary.

TASK 1 DELIVERABLES AND MEETINGS:

- Deliverables: Initial Data Request
- Formal Meeting: Project Kick-off at the City's offices

Task 2 – Financial Plan Development

The objective of Task 2 is to develop a water and sewer utility financial plan that assesses the impact of funding future operating and capital needs over a seven-year study period. Financial modeling will be developed to accommodate up to a 15-year financial plan for longer-term planning purposes; however official study reporting, financial planning, and rate development will be completed for the seven-year horizon.

PROPOSED WORK PLAN

(continued)

Task 2.1 – Evaluate Current Usage Levels and Prepare Revenue Forecast

Projected annual utility service revenues under existing rates will be developed. Burns & McDonnell will review historical growth in the number of customers by class and then forecast the annual number of customers for each rate class for each year of the forecast period.

Burns & McDonnell will analyze water consumption and sewer volume characteristics for a recent, representative fiscal year to determine quantities of water and wastewater volume billed by class at various consumption levels. This information will be used in the forecast of revenues under existing water and sewer rates and will provide important data used in the consideration of alternative rate structures.

Burns & McDonnell will assess trends in water usage and wastewater volume per account for each customer class. Based on the usage analysis and other available information, Burns & McDonnell will estimate the future usage per customer for each rate class for the utility. The estimates of the annual number of customers and the annual usage per customer will provide the basis for forecasting annual water sales and sewer volume usage over the Study period. The existing schedules of rates will be applied to the projected water sales and sewer volumes and the estimated numbers of customers to develop forecasted annual water and sewer revenues under existing rates for the forecast period.

Burns & McDonnell will also develop projections of revenues from other existing sources, which may include interest income and other income sources.

Task 2.2 – Project Capital Flow of Funds

Burns & McDonnell will review the capital improvement plan (CIP) and develop a capital planning flow of funds. This plan will acknowledge anticipated sources and uses of capital funds to implement the CIP. Funding sources may include existing balances, issuance of proposed revenue or general obligation bonds, state loans, connection fees and other sources as applicable. Uses of funds will include the renewal and replacement program, other CIP, cost of debt as applicable and other costs as identified through consultation with the City. Scenarios that evaluate alternative approaches to capital funding will be assessed and reviewed with the City, including use of debt and/or pay-as-you-go funding.

Task 2.3 – Project Operating Revenue Requirements

Projections of annual system operation and maintenance expenses will be developed based on variables that may include projected water sales and sewer volumes, historical expense levels, existing budgets, inflation estimates and the input of the City staff regarding any planned changes to the operation and maintenance of the utility systems.

Annual debt service requirements on any outstanding debt will be included in the operating forecast. To the extent additional financing of expected capital improvements is indicated to be required, estimates of new debt service requirements will also be incorporated in the forecast. In addition, the impacts of any financial performance requirements or targets, i.e. debt service coverage requirement, reserve levels, target operating ratio, etc., whether imposed internally or externally, will be considered. Estimated payments for future debt issuance will be developed solely for the purpose of depicting future revenue requirements and evaluating the sufficiency of revenues under existing or proposed rates. The actual structure of future debt may vary based on conditions in existence when debt is issued and the recommendations of the City's Municipal or Financial Advisor regarding the structure and timing of debt.

Projections of any other utility system cash expenditures not included in any of the above categories will also be captured in the financial forecast. Such expenditures may include transfers or routine capital expenditures.

PROPOSED WORK PLAN

(continued)

Task 2.4 – Review and Finalize Operating Cash Flow

Burns & McDonnell will summarize the annual forecasts of the water and sewer utility revenues, as well as the projected operating requirements in the form of pro-forma cash flow analyses. These analyses will identify any annual operating surplus or deficit anticipated during the study period. The total projected annual surplus or deficit will provide an indication of whether the existing rates will generate sufficient revenues to cover the utility's costs for each year of the forecast period, and whether an overall revenue adjustment is necessary. Compliance with loans and revenue bond covenants under existing rates will also be evaluated as applicable.

Forecasted revenue requirements will be compared against available industry benchmarks, focused primarily on performance measures evaluated by bond rating agencies. In collaboration with City staff, sensitivities will be run on the cash flow projections related to changes in key variables such as changes in growth, usage, weather, inflation, changes in CIP, and other variables.

Burns & McDonnell will review the preliminary forecast results with the City. During this meeting, Burns & McDonnell will review assumptions and results for each component of the cash flow forecast. During the meeting adjustments may be made "real time" to optimize the financial plans and meet the City's needs.

TASK 2 DELIVERABLES AND MEETINGS:

- Deliverables: Evaluation of Usage Levels and Characteristics
  Revenue Sufficiency Analysis
  Water and Sewer Financial & Capital Funding Plans
- Formal Meeting: Review Meeting to Finalize Cash Flow at the City's offices

Task 3 –Cost of Service Analysis

The objective of Task 3 is to determine the cost of service based on the revenue requirements developed in prior tasks, and to subsequently determine each customer class' responsibility in recovering that cost of service.

The information contained in the financial forecasts will be used to determine a test year revenue requirement. Burns & McDonnell will create a cost of service analysis that will equitably allocate the overall revenue requirements to each customer classes utilizing the cash basis. The development of the allocated class cost of service will be consistent with industry standards as promulgated by AWWA and WEF.

Task 3.1 – Determine Utility Cost Assignments

Burns & McDonnell will functionalize and assign each category of the utilities' system's costs to applicable utility functions. Functions for the water system may include base, maximum day, maximum hour, fire protection, and customer or meter components. Functions for the sewer system will include volume, strength and customer components. Fixed asset records will be reviewed and analyzed to support the allocation of net plant in service to functions for the water and sewer utilities.

Task 3.2 – Allocate Functional Costs to Classes

Service requirements for each customer class will be estimated for each of the utility cost functions. Unit costs will be applied to each customer class units to assign costs to customer classes in accordance with the service provided.

PROPOSED WORK PLAN

(continued)

Task 3.3 – Revenue and Cost of Service Comparison

Burns & McDonnell will prepare a comparison of the allocated cost of service results with the projections of revenues under existing rates by class, to identify the degree to which existing rates create inequities in the recovery of costs among rate classes.

TASK 3 DELIVERABLES AND MEETINGS:

- Deliverables: Water and Sewer Cost of Service Allocations to Customer Classes
- Formal Meeting: Conference Call to Review Cost of Service Results

Task 4 – Proposed Rate Development

The objective of Task 4 is to develop proposed rates that meet the needs and objectives of the water and sewer utilities.

Burns & McDonnell will develop rates for the seven-year rate plan using the existing rate structure, adjust levels of raters to achieve the future revenues identified in the financial plan.

Burns & McDonnell will prepare a comparison of typical bills under both the existing and the proposed rates for representative water and sewer customer user profiles. Additionally, a regional comparison of residential bills will be completed to evaluate the competitiveness of current and future Harrisonville water and sewer rates.

TASK 4 DELIVERABLES AND MEETINGS:

- Deliverables: Proposed Water and Sewer Rates
  Typical Bill Comparison
- Formal Meeting: Review Meeting at the City's offices

Task 5 – Evaluate Cost/Benefit of AMI

The objective of Task 5 is to evaluate the costs and benefits of implementing an advanced metering infrastructure (AMI) program.

Burns & McDonnell anticipates a four-step process in the development of this evaluation.

1. During an on-site meeting, define the areas where costs are expected to be incurred or benefits may accrue in collaboration with the City.
2. Develop the assumptions and inputs required to evaluate the impacts identified in during the on-site meeting.
3. Perform computations to compare total benefits to total costs.
4. Prepare a summary memo describing the key assumptions and findings.

This task is intended to represent a high level, independent evaluation of the merits associated with the potential AMI program. The summary memo will be separate from the rate study report, but it is expected to be delivered on the same timeline. For efficiency we propose having the initial meeting during the same trip to review draft financial plans.

TASK 5 DELIVERABLES AND MEETINGS:

- Deliverables: Draft and Final Summary Memo
- Formal Meeting: Initial meeting at the City's offices
  Conference call to review the summary memo

PROPOSED WORK PLAN

(continued)

Task 6 – Deliver Study Results

Burns & McDonnell will summarize the water and sewer rate study results in the draft report for review by City staff. The updated report will include an executive summary with recommendations, a summary of background data and assumptions, and specific sections addressing the financial planning, cost of service, and rate design analysis.

Feedback regarding the draft report will be incorporated into the Final Report as appropriate. An electronic copy of the final report will be provided in Adobe PDF readable format in full color. Hard copies of the report may also be provided if desired by the City. Additionally, Burns & McDonnell will assist with up to two study briefings with key stakeholders as the study progresses.

At the conclusion of the Study, Burns & McDonnell will develop a presentation that summarizes the findings of the Study. A presentation of these findings and recommendations will be made at to elected officials at a public hearing(s).

TASK 6 DELIVERABLES AND MEETINGS:

- Deliverables: Draft Report
  Adobe PDF copy of the Final Report
- Formal Meeting: Conference Call to Discuss Report
  Up to Two Study briefings
  Presentations

GENERAL TIMELINE

Our project team is prepared to initiate the assignment immediately upon receipt of the notice to proceed. We will complete this Study within a schedule acceptable to the City and agreed to prior to notice to proceed and execution of the contract agreement.

Based on conversation with the City, a proposed timeline has been prepared and is shown in the table below. We believe this timeline reflects a pace to the Study that would allow for appropriate collaboration and time for review of deliverables. We are prepared to further adjust the schedule to better meet the City's needs.

Milestone	2019 Estimated Completion Dates
Notice to Proceed	July 1
Project Initiation and Kickoff	Week of July 8
Financial Planning Review	Week of August 5
Cost of Service and Rate Review	Week of August 26
Draft Report and AMI Memo Submittal	Early September
Final Report and AMI Memo Submittal	Late September
Presentation of Recommendations	September/October

Note: Up to two key stakeholder meetings to be scheduled during the project as determined in collaboration with the City.

PROPOSED WORK PLAN

(continued)

PROPOSED LEVEL OF EFFORT AND FEE

An itemized level of effort and proposed fee is shown in the table below, and proposes a not-to-exceed fee of $31,350. This fee includes all expenses associated with executing the project. We propose billing on a time and materials basis monthly as costs are incurred.

Harrisonville, MO Water and Sewer Rate Study									
	Task 1 - Initiate Project	Task 2 - Financial Plan Development	Task 3 - Cost Of Service Analysis	Task 4 - Proposed Rate Development	Task 5 - Evaluate Cost/Benefit of AMI	Task 6 - Deliver Study Results	Estimated Total Hours	Total Labor & Expense	Hourly Rate
Consultant									
Dave Naumann	3	8	8	5	6	16	46	$ 10,810	235
Sara Stafford		6	12	2	10	8	38	$ 8,322	219
Alex Craven		40	24	12	6	2	84	$ 9,912	118
Sara Ruckman		1	1	1		1	4	$ 572	143
Total Labor	3	55	45	20	22	27	172	$ 29,616	
Expenses $ (1)								$ 1,734	
Total Project Fees (3)	$ 705	$ 8,057	$ 7,483	$ 3,172	$ 4,308	$ 5,891		$ 31,350	

(1) Expenses include cost of technology and printing.

City of Harrisonville est. 1836

STAFF REPORT

TO: **Board of Aldermen**

FROM: **Roger Kroh, Planner**

DATE: **June 26, 2019**

SUBJECT: **Terminate Administrative Delay of Medical Marijuana Applications**

Type of Item: *Approval*

Background:

On November 6, 2018 the voters of the State of Missouri approved Amendment 2 to the Constitution of the State of Missouri which legalizes medical marijuana within the State.

On March 4, 2019 the Board of Aldermen approved an Administrative Delay on the accepting and processing of applications related to medical marijuana to allow adequate time for the City to examine the issues related to medical marijuana and make changes to the Code of Ordinances. The resolution stipulated that the Administrative Delay expires when the Board of Aldermen completes its study and amendments to the Code of Ordinances or by August 3, 2019 when the State of Missouri begins accepting applications for medical marijuana facilities for dispensing, cultivation, manufacturing and testing.

On June 17, 2019, the Board of Aldermen amended the Zoning Chapter of the Code of Ordinances to establish the zoning districts where medical marijuana facilities will be allowed and set standards governing such things as hours of operation and separation from schools, day cares and churches, etc. As the State of Missouri will begin receiving applications for medical marijuana facilities on August 3, 2019, staff recommends terminating the Administrative Delay at this time so that staff will be free to work with those preparing applications for medical marijuana facility licenses during the month of July.

The Board of Aldermen will be receiving amendments to the licensing and penalties in the near future. However, we see no reason to continue the moratorium as the licensing and penalty amendments will not be needed until after December 2019 when the State announces the successful applicants.

Alternatives

1. Approve resolution terminating Administrative Delay.
2. Deny resolution and allow Administrative Delay to sunset on August 3, 2019.

Recommendation:

Approval of resolution to terminate Administrative Delay at this time.

Council Bill No.

Resolution No.

A RESOLUTION BY THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI TERMINATING THE ADMINISTRATIVE SUSPENSION AND DELAY OF PROCESSING DEVELOPMENT AND OTHER APPLICATIONS RELATED TO MEDICAL MARIJUANA WHICH WAS APPROVED BY RESOLUTION 2019-008 ON MARCH 4, 2019 AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, on November 6, 2018 the voters of the State of Missouri approved Amendment 2 to the Constitution of the State of Missouri which legalizes medical marijuana within the State;

WHEREAS, on March 4, 2019 the Board of Aldermen enacted Resolution No. 2019-008, an administrative delay or temporary moratorium ("Administrative Delay") related to the activities defined in Amendment 2 in order to enact appropriate zoning regulations in the Code of Ordinances;

WHEREAS, on June 17, 2019 the Board of Aldermen enacted Ordinance No. 3469 which amended Chapter 405, Zoning Regulations, of the Code of Ordinances implementing Article XVI of the Constitution of the State of Missouri regarding Medical Marijuana.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE CITY OF HARRISONVILLE, MISSOURI, as follows:

Section 1.

1. Termination of Administrative Delay. The Board of Aldermen hereby terminates the restrictions imposed by the Administrative Delay adopted with Resolution 2019 - 008 on March 4, 2019 on the deliberation and approval of applications related to medical marijuana.
2. Receiving and Procession Applications. The Board of Aldermen hereby directs staff to begin receiving and processing development applications pursuant to the Code of Ordinances of the City related to medical marijuana related uses.

Section 2.

No Amendment of Code. This Resolution is not intended as, and should not be interpreted as, an amendment to the Code of Ordinances of the City of Harrisonville but is merely direction to staff with respect to the acceptance of and processing of applications for permits or licenses related to any medical marijuana related uses within the geographic area of the City of Harrisonville, Missouri.

Section 3.

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 1st day of July 2019.

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Judy Bowman, Mayor and Ex-Officio
Chairman of the Board of Aldermen

ATTEST:

____

Randall K. Jones, City Clerk

WITNESS my hand and seal this ___ day of July 2019