

**Minutes of the Belton City Council
Public Hearing, Work Session,
and Regular Meeting
February 11, 2020
City Hall Annex
520 Main Street, Belton, Missouri**

Mayor Davis called the public hearing to order at 6:03 p.m. to receive input on the proposed annual budget for fiscal year beginning April 1, 2020 and ending March 31, 2021.

Public Comments:

Susan Huffman, 509 Mark Lane. She sent in questions ahead of time (Exhibit A attached). Sheila Ernzen, Assistant City Manager and Finance Director, read her questions and answers.

Kirby Hall, 503 Madera Circle. He sent in questions ahead of time (Exhibit B attached). Ms. Ernzen read his questions and answers.

Brent White, 608 Mallory Dr. He had a question about the 12.5% sewer increase. Ms. Ernzen said the 12.5% increase is what Little Blue Valley is charging us. Our ordinance states we will increase the billed amount no less than we receive from our third party. Mr. White asked to see the Little Blue Valley invoice.

Councilmember Savage asked why Little Blue Valley is increasing the rate. Ms. Ernzen said it's for them to do significant improvement on their sewer/wastewater system. Councilmember Clark said since half of the City is serviced by our own wastewater facility, what are we using the 12.5% increase for. Ms. Ernzen said all citizens are charged the same rate. Belton uses the money to reduce its own I & I.

Kirby Hall, 503 Madera Circle. He said he received information from Inver Heights, MN that it didn't cost as much as Belton is proposing for a Police Chief search. James Person, Police Chief, said it was a figure he proposed. It may not cost that much in the end.

Ms. Ernzen said it is required by law for water and sewer user fees to be used for water and sewer. Councilmember Savage asked what a water bill pays for. Ms. Ernzen said salaries/benefits in the water and wastewater department; maintenance of pump stations, water towers, water meters, etc.

Ben Furman, 909 Winesap Court. He asked what the City is doing to reduce the water bill. He said the City could stop mailing out paper bills. Ms. Ernzen said our current system is too old to allow this, but we're looking at a new system next year that would allow this. The City is also looking at pay-as-you-go infrastructure improvements. This is less costly over time.

Stephanie Furman, 909 Winesap Court. She asked when the increases will stop. Ms. Ernzen said once we replace the lines with PVC pipe. Unfortunately, all the pipe is aging out at the same time.

Alexa Barton, City Manager, said anyone who is concerned with their bill should contact the Utilities Department and they can go over it with you. Our water meters can take hourly readings and it will help show when you're using more water then other times.

Robert Powell, 802 Main Street. We understand this will all be expensive. We are concerned that we don't know exactly where our money is going.

Andrea Coda, 16314 Harris Ave. She asked why is everyone getting the 12.5% increase on sewer when half of the City is not serviced by Little Blue Valley. Ms. Ernzen said the City is using the money to reduce our own I & I.

Brent White, 608 Mallory Dr. He asked how are we growing our community? Ms. Barton said our population has a slow, but steady increase. January was a record month for single family housing permits. We are also bringing people here through work force.

James Pryan, 1007 Red Court. He asked if any of our water bill ends up in the general fund. Ms. Ernzen said no. Mr. Pryan asked if the City gave away a fire hydrant last year to a private, for-profit business. Ms. Ernzen said all fire hydrants are part of the City infrastructure. It was not given to a private business.

Being no further business, Mayor Davis adjourned the public hearing at 7:27 p.m. and took a short recess.

Mayor Davis called the work session to order at 7:42 p.m.

Ms. Ernzen gave an overview of the special revenue funds in the FY2021 budget.

Being no further business, Mayor Davis adjourned the work session at 8:12 p.m. and called the regular meeting to order.

Councilmember Lathrop lead the Pledge of Allegiance to the Flag.

Councilmembers present: Mayor Davis, Tim Savage, Gary Lathrop, Chct Trutzcl, Dean VanWinkle, Dave Clark, Stephanie Davidson, and Lorrie Peek

Councilmembers absent: Ryan Finn

Staff present: Alexa Barton, City Manager; Padraic Corcoran, Attorney; and Andrea Cunningham, City Clerk

CONSENT AGENDA

Councilmember Trutzel moved to approve the consent agenda consisting of a motion:

- approving the minutes of the January 28, 2020, City Council Work Session, Public Hearing & Regular Meeting.
- authorizing the purchase of Vehicle Mounted Life Safety Harness System Equipment for a total cost of \$6,618.20, for the Public Works Department.
- authorizing the purchase of 20 remote speaker microphones and 25 volume knob gaskets from Motorola Solutions for a total cost of \$7,498.25, for the Belton Fire Department.
- approving the January 2020 Municipal Division Summary Report for Municipal Court.
- approving Resolution R2020-03: **A resolution appointing Tom MacPherson to the Planning Commission.**
- approving Resolution R2020-04: **A resolution reappointing Patte' Klaus-Schreihofner to the University of Missouri Extension Council.**

Councilmember Lathrop seconded. All present voted in favor. Consent agenda approved.

ORDINANCES

Andrea Cunningham, City Clerk, gave the final reading of Bill No. 2020-05: **An ordinance approving the Final Plat for Traditions Villas - 1st Plat in the City of Belton; a tract of land located in the Southwest ¼ of Section 18-46n-32W, in the City of Belton, Cass County, Missouri and authorizing the Mayor and City Clerk to sign the plat for recording with the Cass County Recorder's office.**

Presented by Councilmember Trutzel, seconded by Councilmember Lathrop. Vote on the final reading was recorded:

Ayes: 8 Mayor Davis, Savage, Davidson, Trutzel, VanWinkle, Lathrop, Peek, Clark

Noes: 0

Absent: 1 Finn

Bill No. 2020-05 was declared passed and in full force and effect as **Ordinance No. 2020-4552**, subject to Mayoral veto.

Ms. Cunningham read Bill No. 2020-07: **An ordinance of the City of Belton, Missouri amending Chapter 3 – Alcoholic Beverages, Chapter 15 – Offenses Involving Minors, and Appendix A – Schedule of Fees and Charges of the Code of Ordinances of the City of Belton, Missouri.**

Presented by Councilmember Peek, seconded by Councilmember Lathrop. Vote on the first reading was recorded with all present voting in favor. First reading passed.

Ms. Cunningham read Bill No. 2020-08: **An ordinance approving the reappropriation & revision of the City of Belton Fiscal Year 2020 Adopted City Budget for the purpose of replacing the golf course irrigation pump control system.**

Presented by Councilmember Lathrop, seconded by Councilmember Clark. Vote on the first reading was recorded with all present voting in favor. First reading passed. **Councilmember Clark moved to hear the final reading.** Councilmember Trutzel seconded. Vote to hear the final reading was recorded with all present voting in favor. Motion passed. The final reading was read. Presented by Councilmember Clark, seconded by Councilmember Trutzel. Vote on the final reading was recorded:

Ayes: 8 Mayor Davis, Clark, Davidson, Lathrop, VanWinkle, Savage, Peek, Trutzel

Noes: 0

Absent: 1 Finn

Bill No. 2020-08 was declared passed and in full force and effect as **Ordinance No. 2019-4553**, subject to Mayoral veto.

CITY COUNCIL LIAISON REPORTS

Councilmember Davidson gave a Park report.

- February 22, Daddy-Daughter dance
- February 29, Memorial Station Gala for the log cabin
- Co-Ed volleyball starts in March

MAYOR'S COMMUNICATIONS

- 5 Guys ribbon cutting was last week
- DARE golf tournament is the first week of June

CITY MANAGER'S REPORT

February/March 2020 meetings

2/25 work session & regular meeting – 6:00 p.m.

3/10 work session & regular meeting – 6:00 p.m.

3/24 work session & regular meeting – 6:00 p.m.

There will be a special meeting and work session on February 19 at 1:00 p.m. to report on the Fire Department Feasibility study.

The new Public Works Director is here tonight, Greg Rokos.

At 8:31 p.m. Councilmember Trutzel moved to enter Executive Session to discuss matters pertaining to the leasing, purchase or sale of Real Estate, according to Missouri Statute 610.021.2, and to discuss matters pertaining to Legal Actions, according to Missouri Statute 610.021.1, and that the record be closed, and the meeting adjourned from there. Councilmember VanWinkle seconded. The following vote was recorded.

Ayes: 8 Trutzel, VanWinkle, Davidson, Lathrop, Mayor Davis, Savage, Peek, Clark

Noes: 0

Absent: 1 Finn

Being no further business, the meeting was adjourned following the executive session.

Andrea Cunningham, City Clerk

Mayor Jeff Davis

1. What is the City of Belton doing to lower the costs for water and sewer rather than increase them?
 - a. There are many factors that impact water and sewer rates for Belton customers. The city's current rates reflect substantial investments in increasing water capacity and water pressure for adequate fire protection and improvements to the City's wastewater treatment plant. Proposed rate increases will provide funding to replace aging water infrastructure and continued investment in reducing I & I to our wastewater system.
2. Line maintenance, hazard insurance and telephone increased substantially under wastewater.
 - a. The sewer line maintenance budget line item was increased to make repairs to the 166th/ Spring Valley sewer main in FY2021. The estimated cost to repair this sewer main is \$110,000.
 - b. A 10% increase in hazard insurance is budgeted annually. The FY2020 premiums totaled \$46,619 + 10% (\$4,661.90) = \$51,280.90 rounded up to \$51,300.
 - c. The telephone budget stayed the same as compared to the FY20 budget. Both FY20 & FY21 are budgeted at \$25,000. The FY2020 department estimate is \$23,000. \$25,000 is a reasonable estimate for FY21. This line item includes funding for on-call staff cell phones, tablets, hot spots and land lines.
3. The City of Belton 2020 budget does not address the failing sewer systems which are also beyond their lifecycle. Has the City purchased the camera truck budgeted and reviewed the sewer system in the residential areas? Is the City going to continue with emergency repairs as the backups into homes and sinkholes keep happening? Is the City of Belton going to continue to allow untreated wastewater to seep into the ground from existing fractured sewer lines? I noticed that the 2021 budget for sewer line maintenance increased from \$75,000 to \$220,000 for a 193% increase.
 - a. The FY2020 and FY2021 wastewater budget include significant investments to stabilize our streambanks and reduce inflow & infiltration of storm water into the City's sewer system. The extra I & I impacts our wastewater system by increasing the volume of waste processed.
 - b. The City purchased the camera truck in October 2019 and is spending a significant amount of time inspecting and reviewing the sewer system through out the City, including in residential areas.
 - c. The City will continue making emergency repairs to sewer lines, as needed. The funding for this is included in the sewer line maintenance budget line item. Sink hole repairs from collapsing storm water pipes are funded by the Street fund. Sewer fees collected from customers can only be used to maintain the City's sanitary sewer (wastewater) system, these fees cannot be used for the City's storm sewer system.
 - d. The City is investing a significant amount of money into reducing I & I through sewer line inspections, lining sewer line interceptors and repairing collapsed pipes. Our sewer lines are not pressurized meaning that wastewater flowing through the pipes is not seeping into the ground through cracks in the lines.
 - e. The \$220,000 for sewer line maintenance includes \$110,000 to make repairs to the 166th/ Spring Valley sewer main and an additional \$110,000 for general maintenance and repairs for lines that have failed.

4. Health insurance rates have increased more than 2.6% and retirement has increased more than 1%. Under Administration, retirement increased 57.4%, Salaries increased 13.9% and health insurance increased 26.8%. Public Works salaries increased 24.6%, Health by 53.9% and retirement by 75.4%. Police health insurance rate increased by 5.4%. There are other examples as well. These were compared using 2019 Actual to 2021 proposed.
 - a. FY2019 actual expenses take into account savings from employee turnover that actually occurred during FY2019. When employees leave, there is often times a short time of vacancy in positions as the City goes through the hiring process saving money on salaries. New employees have a waiting period of approximately 90 days before they are eligible for insurance benefits and six months before they are eligible for retirement benefits. Every year the City's budget includes a full year of salaries and benefits for each approved position.
5. Has the City of Belton considered that more storefronts do not necessarily mean the right mix that would generate the most sales tax?
 - a. The City doesn't decide the storefronts that choose to locate in the City. Business owners are private individuals and corporations who make their decisions based on their own criteria and local demand. While the City has welcomed many new businesses to our City in the last few years, the reality is that on-line sales are significantly reducing the City's available sales tax revenues.

Andrea Cunningham

From: Sheila Erzen
Sent: Wednesday, February 12, 2020 9:09 AM
To: Andrea Cunningham
Subject: RE: Public Hearing on the Proposed Budget Annual Budget beginning April 1, 2020

From: Kirby Hall <khall16739@gmail.com>
Sent: Tuesday, February 11, 2020 4:41 PM
To: Lorrie Peek <lpeek@belton.org>; Stephanie Davidson <sdavidson@belton.org>
Cc: Jeff Davis <jdavis@belton.org>; Ryan Finn <rfinn@belton.org>; David Clark <dclark@belton.org>; Chet Trutzel <ctrutzel@belton.org>; Dean Vanwinkle <dvanwinkle@belton.org>; Gary Lathrop <glathrop@belton.org>; Tim Savage <tsavage@belton.org>; Alexa Barton <ABarton@belton.org>; Sheila Erzen <serzen@belton.org>
Subject: Public Hearing on the Proposed Budget Annual Budget beginning April 1, 2020

Ms. Peek and Ms. Davidson,

As representatives for Ward 3, where I reside, I wanted to address comments to you regarding the proposed annual budget. Hopefully, I will have the opportunity to make these comments in person this evening. In any event, I wanted to share these thoughts with you.

1. I was very surprised to learn that cities apparently have the capability to add fees to utility prices. From documents on the city's website, I was able to see that additional fees have been added to water and sewer rates above and beyond what is being charged to Belton by the supplier, Kansas City.

Cities are able to charge the fee amount that will cover the cost of providing the service.

2. Our rates for combined water and sewer services are substantially higher than either of our two closest neighbors (Raymore and Grandview).

The City of Belton's fees for water and sewer are based on the cost of providing those services to our customers. The City of Belton has recently made substantial investments to increase water capacity and water pressure for adequate

fire protection and also made significant improvements to the City's wastewater treatment plant. The proposed rate increase to water will provide funding to replace aging water infrastructure, replacing asbestos and cast iron pipe.

3. I have seen in documents on your website that the reserve in the water and/or sewer account is at or above \$2,000,000.00.

The Water and Wastewater funds each have less than 3 months of operating expenses in reserve.

The Wastewater fund is expected to have a cash carryover of \$8.1 million to begin FY21. Only \$1.1 million is not allocated and can be used in case of an emergency or natural disaster on sewer costs (3 months of operating expenses is \$1.3 million). \$2.9 million is restricted for debt service, \$4.1 million is restricted for capital outlay and equipment replacement.

The Water fund is expected to have a cash carryover of \$6.5 million to begin FY21. Only \$1.1 million is not allocated and can be used in case of an emergency or natural disaster on water costs (3 months of operating expenses is \$1.4 million). \$4.2 million is restricted for debt service, \$1.2 million is restricted for capital outlay and equipment replacement.

4. I would have expected that replacement of aging water and/or sewer infrastructure would be accomplished with funds generated from bond sales since these improvement have such a long life span. Although, I admit that I do not know if the City has reached its bonding capacity.

The City issued debt to make improvements to the wastewater treatment plant and to increase water capacity and water pressure for adequate fire protection. \$17.63 of every water and sewer bill goes to pay the principal and interest on these debt issues.

5. Over the years, I have observed regulatory agencies overseeing utility companies, such as Evergy and its predecessor KCP&L, seeking rate increases. I naively assumed that such oversight covered water as well because water is even more crucial to life support than electricity. Hence, the city's ability to increase fees for water and sewer services simply by a majority vote of nine elected representatives surprised me.

Utility rates must be based on the actual cost of providing the services to users.

6. I would like to see the actual costs charged by Kansas City for water in each of the past five (5) fiscal years. Additionally, I would like to

see the revenues received from water and sewer payments received in each of those years. Then, I would like to see an accounting of the expenditures of the revenues in excess of the costs associated with water and sewer accounts for these five (5) years.

All of this information can be found on the City's website by reviewing the City's budgets.

7. Regarding the costs associated with consulting fees (\$50,000.00) and transition costs (\$170,000.00) associated with hiring an appointed Police Chief, I was again surprised. These appear high to me. Especially the transition costs. I have reached out to the Human Resources Director in a mid-western community (out-of-state) regarding the costs associated with their search for a Police Chief in the past few years. This community is roughly 10,000 people larger in population than Belton. When I receive that information (expected soon) I will share it with you.

The \$170,000 includes salary and benefits. The salary is budgeted at \$117K and benefits are \$53K.

I appreciate the opportunity to share my thoughts. I must admit that if I were looking to locate in the southern portion of the metro area, the costs of water and sewer would concern me.

Attached is information I prepared and shared with the homeowners in our subdivision.

Kirby Hall
503 Madera Circle
Belton, MO 64012-3344

