



MINUTE RECORD
Regular Council Meeting City of Haven

Meeting: REGULAR

Date: OCTOBER 19, 2020

THE CITY COUNCIL MEETING IN REGULAR SESSION HELD AT 215 S. RENO AVENUE WAS CALLED TO ORDER AT 7:00 PM BY MAYOR ADAM WRIGHT. THE FOLLOWING PEOPLE WERE PRESENT:

Council Members: Sandra Williams, Mark Robinson, Ron Dale, Tricia Paramore.

Absent: Matt Johnson.

Others: Derek Stoll, Leslie Atherton, Andrew Foulston, Emily Branson, Philip Kauffman, Jitana Graf, Tom O'Brien, James Ging, Stephen Schaffer, Shauna Schoepf-Pearce, Jessica Schmidt, Ronnie Smith, Katie Shive.

The meeting was opened with a moment of silence to honor those in military, first responders, and other public service to our country and community.

"Accept Resignation of Council Member Matt Johnson" was added to the agenda after motion from Williams and second from Dale. Motion passed unanimously.

Public Comment

Jessica Schmidt, owner of 209 S. Kansas Ave, spoke about the restructuring of electrical rates. She commended the governing body members for their public service. She commented on the dilemma before the Council – losing an iconic business that's part of Haven's identity that likely cannot be replaced or slashing rates for Haven Steel Products and placing that burden upon the backs of all other electrical customers. Ultimately, she suggested "Option Z" to give everyone what they deserve – Haven Steel gets a decrease and the residents get a smaller increase than is being presented.

Shauna Schoepf-Pearce, resident of 609 E. Main and Fixed Asset Manager of Shep Chevrolet, also spoke about the restructuring of electrical rates. She thanked the Council for pausing the vote to hear from the community. Schoepf-Pearce noted that she does not feel that shifting the burden from one electrical customer to all the others is the answer. She asked if the right time for an electrical upgrade project is now and noted the strong cash reserves in the Electric Fund. She said she knows that those on the Council at the City have worked hard to build those reserves for an extraordinary situation, but this might be that extraordinary situation.

Minutes

Dale moved and Williams seconded to approve the minutes of the October 5, 2020, meeting with one revision. Motion passed.

Accounts Payable

Dale moved and Robinson seconded to approve accounts payable, totaling \$133,080.02. Motion passed unanimously.

Members were provided with financial reports for the month of September 2020, including a summary of receipts and disbursements, comparison of budgeted to actual expenditures, and reconciliation of Jayhawk Utility receipts to money deposited into utility accounts.

Discuss Restructuring of Electrical Rates

Members were provided with Options A – H to consider for restructuring of electrical rates. According to Mayor Wright, Ken Brown, owner of Haven Steel Products, has said he would settle for an all-in rate of 9 cents per kWh

Approved 11.02.2020



and would donate \$100,000 to the City for the first year to help compensate for the increase that would come from Evergy for the building of the West Harvey substation. This all-in rate is represented by Options E and F.

Dale said, "the needs of the many outweigh the needs of the one." He recognized the importance of Haven Steel but said we should not in good conscience put the burden on the residents or the other smaller commercial customers. The EDC has said they want to build the residential portion of Haven up, and houses that have come up in the market here are definitely selling. He said that quite a few people in Haven are on fixed incomes, and any decision to change rates according to the options outlined would result in a significant burden on residential customers. We need to put our resources and our effort toward a new residential development to increase housing and residents. That could help make up for, "God forbid," us losing Haven Steel. Dale recommended no changes to the electrical rates at all at this time.

Mayor Wright suggested implementing an industrial rate for Haven Steel now, leaving everything else alone and then re-evaluating at a later date.

Paramore said she thought the electrical upgrade could be taken on with the current cash reserves but otherwise agreed with Dale.

Williams said she is spent a lot of time pondering the rates. She said she thought it would behoove us to try to give Haven Steel an industrial rate and felt that Option A is a good compromise. She felt the City should stay ahead of the game to be prepared for when the Evergy rate goes up.

Robinson said he does not like that Haven Steel is holding the City hostage, saying "give us what we want or we're leaving," though on the other hand he would like to have them stay. He said he does not see a way to make both sides happy but noted he does not care for the current tiered rate structure.

After lengthy discussion, members settled on a newly created option, labeled Option I, that would result in the loss of \$145,000 in revenue to the City in comparison to 2019. Option I is as follows, including reworking of ECA for extraordinary circumstances only:

Residential

Monthly Customer Charge \$10.00

Energy Charge \$0.1539 / kWh

Commercial

Monthly Customer Charge \$10.00

Energy Charge \$0.1491 / kWh

Commercial Demand

Monthly Customer Charge \$10.00

Energy Charge \$0.1193 / kWh

Demand Charge \$7.55 / kW

Industrial Demand (Equates to 9 cents all-in based on 2019 usage and average 21% load factor)

Monthly Customer Charge \$25.00

Energy Charge \$0.035 / kWh

Demand Charge \$8.21 / kW

Robinson moved and Williams seconded to approve Option I for implementation January 1, 2021. The motion passed with four "yes" votes.

Approved 11.02.2020



Mayor Wright suggested the City could reduce funding to the library to help offset the revenue loss.

Members discussed how to secure the “agreement” between the City’s newly established rate and Ken Brown’s promise of the \$100,000 donation. Haven Steel representative, Tom O’Brien, said Haven Steel would want some assurance that the rates would not increase in the next six months, for example. Atherton said she didn’t think an agreement to lock in the rates would be possible because elections often change the Council make-up, which could easily change the discussion dynamic, and ordinances and resolutions can be repealed and / or amended at the Council’s pleasure. That is a question perhaps answered best by the City Attorney, she noted. Williams said the parties may have to just trust each other on the matter at hand.

Appoint Martha Holmes to Tree Board for a term expiring 12/31/2023

Williams moved and Robinson seconded to appoint Martha Holmes to the Tree Board for a term expiring December 31, 2023. Motion passed.

Adopt Ordinance Amending Parade Ordinance

Chief Schaffer and City Clerk Leslie Atherton recently took a closer look at the City’s parade ordinance, and while there are many events that occur throughout the year that meet the definition of a parade, there’s historically only one event that is charged a parade permit fee of \$100. That event is the Haven Fall Festival. Schaffer and Atherton felt like the permit fee should be removed from the ordinance as the ordinance does allow for an applicant to be billed if the City services needed for the event are excessive. The real point of the parade permit application is communication. Robinson moved and Williams seconded to adopt Ordinance 690, removing the permit fee from the parade permit. Motion passed unanimously.

Adopt Resolution Authorizing Bond Sale

In line with the information presented by Kip Hart from McLiney and Company, a proposed resolution was presented to the Council to authorize the sale of bonds related to refinancing the water project bonds. Dale moved and Paramore seconded to adopt Resolution 373. Motion passed unanimously.

Chief Schaffer:

Updates

Officer Lowy was driving the 2016 Impala and hit a light pole base turning around. Two bids were obtained for the necessary repairs, and the insurance company has opted to go with the low bidder, Haven Auto, for the work.

Consider Hiring Part-Time Officer

Schaffer recommended the hiring of Marcus Schneider as a part-time police officer at \$12.50 / hour. He noted that the applicant’s references have been checked and returned favorably. Robinson moved and Paramore seconded to hire Marcus Schneider as a part-time police officer at a rate of \$12.50 per hour. Motion passed unanimously.

Derek Stoll, Public Works Director

Consider Purchase of Salt for Water Treatment Facility (\$6,000)

Stoll requested authorization to purchase a load of salt for the water treatment facility, not to exceed \$6,000. The last load was ordered in March and cost around \$5,586.81. Paramore moved and Robinson seconded to approve the purchase, not to exceed \$6,000. All members voted in favor of the same.

Consider Purchase of Concrete Box for Low Water Crossing

Stoll requested authorization to purchase a concrete box to go in at the low water crossing by the burn site for \$20,000. Williams moved and Robinson seconded to approve the purchase as presented. Motion passed with four “yes” votes.



Updates

- The playground equipment going up by the swimming pool is “really cool” and should be done in the next week.
- A few electrical issues have required attention.
- Waiting on parts to repair a few water leaks.
- Air conditioners / heaters for well houses are in but have taken a little more work to install than anticipated.
- Public Works has begun to vacuum leaves.

Resignation

Williams moved and Robinson seconded to accept the resignation of Council member, Matt Johnson. All members voted in favor of the same.

Council Concerns

Williams asked what became of the wrecked 2009 ambulance. Mayor Wright let her know that the ambulance is totaled, and Midwest Public Risk will pay out \$100,000 to settle the matter and allow us to keep the old unit so we can remount the box if we wish.

Dale advised that Haven Rec is going to wait as long as possible to order jerseys for the basketball season to see what affects COVID may have.

Agenda Planning

Items for the November 2, 2020, meeting were listed aloud.

Adjournment

At 8:28 PM, the meeting was adjourned after motion from Dale and second from Paramore.

/s/
Adam Wright, Mayor

Attest:

/s/
Leslie Atherton, City Clerk