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## CITY COUNCIL AGENDA

**Tuesday, February 2, 2016**  
**7:00 p.m.**

1. CALL TO ORDER
  - A. Roll Call
  - B. Invocation
  - C. Pledge of Allegiance
2. MAYOR AND COUNCIL REPORTS
3. STAFF REPORTS
  - A. City Attorney Report
  - B. City Staff Report
  - C. Bob Serverance-Isle of Lights 2015 Report
4. PUBLIC COMMENT
5. CONSENT AGENDA
  - A. 1/19/16 City Council Meeting Minutes
  - B. Appropriations 2A
6. ORDINANCES
  - A. Ordinance 2176 Code Adoption
7. RESOLUTIONS
  - A. Resolution 2016-5 Financing Police Radios
  - B. Resolution 2016-6 Fee Schedule
  - C. Resolution 2016-7 GAAP Waiver
8. FORMAL ACTIONS
  - A. Audit Agreement
  - B. Pickup Bid
9. CLOSED SESSION
  - A. Attorney-Client Privileged Information

### 10. ADJOURNMENT

#### PUBLIC BUILDING COMMISSION

- A. Call to Order
- B. Roll Call
- C. 7/1/2014 PBC Meeting Minutes
- F. Adjournment

### ***WORK SESSION AGENDA***

#### 1. CORRESPONDENCE AND STAFF REPORTS

- A. City Attorney Report
- B. City Staff Report

#### 2. DISCUSSION ITEMS

- A. City Administrator LEAPS Proposal
- B. People Service, Inc Proposal

#### 3. ADJOURNMENT

**NOTE: Background information is available for review in the office of the City Clerk prior to the meeting.**

**The Public Comment section is to allow members of the public to address the Council on matters pertaining to any business within the scope of Council authority and not appearing on the Agenda. Kansas Statutes prohibit the Council from taking action on any item not appearing on the Agenda, except where an emergency is determined to exist.**



BELOIT CITY COUNCIL MEETING MINUTES  
January 19, 2016

The Beloit City Council met in regular session on January 19, 2016 in the Council Chambers. Mayor Tom Naasz called the meeting to order at 7:00 p.m. Council Members in attendance were Lloyd Littrell, Kent Miller, Bob Richard, Robert Petterson, Matt Otte, Tony Gengler, and Rick Brown. Also present were City Administrator Glenn Rodden, City Attorney Katie Schroeder, and City Clerk Amanda Lomax.

Department heads in attendance were Chris Jones, Ronnie Sporleder, Heather Hartman, Jim Bentz, Dave Elam, and Mike Clark.

Mayor Tom Naasz gave the invocation and the Pledge of Allegiance was recited.

Councilor Otte thanked City Administrator Glenn Rodden for his years of service with the City of Beloit. Councilor Miller said he appreciated everything Glenn has done with the city. Councilor Richard wished Glenn good luck. Councilor Petterson said the VFW served 433 at their last Sunday breakfast. Mayor Naasz thanked Glenn for his leadership and advice since Glenn started working here.

City Attorney Katie Schroeder reported on the following:

1. Katie thanked Glenn for everything he has done while with the city and said she learned a lot from him.
2. Next meeting Katie will have an ordinance prepared to adopt the city code.

City Administrator Glenn Rodden reported on the following:

1. The Transportation Department accepted an award from Kansas Ready Mix Association in Kansas City for the North Campus Street Improvement.
2. The State is considering moving up the property tax lids to this year instead of 2018. Most of the push is coming from Kansas Realtor's Association.

Public Comment: Garret McBlair and Rebecca Kats with the FCCLA club at Beloit Junior/Senior High School presented a Mitchell County food pantry funding proposal to Council. Garret said the food pantry gets low several times throughout the year and proposed citizens voluntarily donate to the food pantry having the charge on their utility bill.

Public Hearing: The Downtown CDBG Final Performance hearing started at 7:13 p.m. Jeff Roberg, property owner of NCK Properties, and Doug McKinney with NCK Regional Planning was present. Jeff thanked the Council for their support with the project. Gloria Homeier, property owner of Full House, could not attend the meeting but enclosed a thank you letter to Council for their support with the project. Time ended 7:17 p.m.

The Consent Agenda consisted of January 5, 2016 Council Meeting Minutes, and appropriations 1B. A motion was made by Councilor Petterson and seconded by Councilor Miller to approve the Consent Agenda in its entirety. Roll call vote yeas: Gengler, Petterson, Brown, Littrell, Miller, Otte, and Richard. Nays: None.

Charter Ordinance 14 Adopting Elections to fall of odd-numbered years was presented to Council for approval. Charter Ordinance 14 will replace current charter ordinances 2, 7, 10, and 12, exempts city from 12-104a, and fixes Section 2 of Charter Ordinance 1. A motion was made by Councilor Richard and seconded by Councilor Brown to adopt Charter Ordinance 14 Adopting Elections to fall of odd-numbered years. Roll call vote yeas: Petterson, Brown, Littrell, Richard, Gengler, Miller, and Otte. Nays: None.

Staff is recommending that Council approve the Water Pipe bid in the amount of \$13,908.76 from HD Supply for the Water Systems Department. A motion was made by Councilor Littrell and seconded by Councilor Gengler to approve the Water Pipe bid in the amount of \$13,908.76 from HD Supply for the Water Systems Department. Motion carried 7-0. Nays: None.

Staff is recommending that Council approve a 2016 4wd GMC Sierra 1500 from Beloit Motor Company in the amount of \$28,704.20 for the Waste-water Department. A motion was made by Councilor Petterson and seconded by Councilor Brown to table the purchase of 2016 4wd GMC Sierra 1500. Motion carried 7-0. Nays: None.

Staff is recommending that Council approve the Line Truck bid from Altec Industries in the amount of \$303,169.00. And to approve the financing bid from Guaranty State Bank to finance the Line Truck at 2.237% for 60 months and to allow Mayor Tom Naasz and City Clerk Amanda Lomax to sign the lease agreement. A motion was made by Councilor Brown and seconded by Councilor Otte to approve the Line Truck bid from Altec Industries in the amount of \$303,169.00. And to approve the financing bid from Guaranty State Bank to finance the Line Truck at 2.237% for 60 months and to allow Mayor Tom Naasz and City Clerk Amanda Lomax to sign the lease agreement. Motion carried 6-1. Nays: Littrell.

Staff is recommending that Council approve the 13 Circuit Protection Relays from Mid-States Energy in the amount of \$50,390.00. The relays will replace outdated relays at the Power Plant. A motion was made by Councilor Miller and seconded by Councilor Richard to approve the 13 Circuit Protection Relays from Mid-States Energy in the amount of \$50,390.00. Motion carried 7-0. Nays: None.

A motion was made by Councilor Brown and seconded by Councilor Richard to adjourn the meeting. Motion carried 7-0. The meeting ended at 7:36 p.m.

Work Session started 7:36 p.m. Council Members in attendance were Kent Miller, Bob Richard, Matt Otte, Tony Gengler, Robert Petterson, Lloyd Littrell, and Rick Brown. Also present were City Administrator Glenn Rodden, City Attorney Katie Schroeder, and City Clerk Amanda Lomax.

Department heads in attendance were Chris Jones, Ronnie Sporleder, Heather Hartman, Jim Bentz, Dave Elam, and Mike Clark.

City Administrator Glenn Rodden gave a power point presentation about the projects that have been completed and projects in the future.

Councilor Bob Richard wanted People Service out of Lincoln Nebraska to attend next meeting to give a presentation.

Work Session ended: 8:00 p.m.

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TOM NAASZ, Mayor

ATTEST:

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AMANDA LOMAX, City Clerk



# Accounts Payable Detail Listing

City of Beloit

| <u>Vend# Vendor Name</u> |   | <u>Pay#</u> | <u>Post Date</u> | <u>Due Date</u>   | <u>Amount</u> | <u>Invoice</u>                              | <u>Date</u> | <u>PO#</u> | <u>Date</u>  | <u>Status</u>     |
|--------------------------|---|-------------|------------------|-------------------|---------------|---|-------------|------------|--------------|-------------------|
|                          | <u>Account#</u>                                 |             |                  | <u>Work Order</u> |               | <u>Description</u>                          |             |            | <u>Debit</u> | <u>Credit</u>     |
| 558                      | <b>AFLAC</b>                                    |             |                  |                   |               |   |             |            |              |                   |
| 64766                    | 10-00-2035                                      | 1/1/2016    | 1/1/2016         |                   | 181.27        | 125 Plan                                    |             |            | 65.89        | Ck# 21616 Recorde |
|                          | 53-00-2035                                      |             |                  |                   |               | 125 Plan                                    |             |            | 115.38       | 0.00              |
|                          |   |             |                  |                   |               |   |             |            | 181.27       | 0.00              |
| 64767                    | 10-00-2035                                      | 1/1/2016    | 1/1/2016         |                   | 21.73         | AFLAC Rider                                 |             |            | 21.73        | Ck# 21616 Recorde |
| 64951                    | 10-00-2035                                      | 1/15/2016   | 1/15/2016        |                   | 181.27        | 125 Plan                                    |             |            | 65.89        | Ck# 21616 Recorde |
|                          | 53-00-2035                                      |             |                  |                   |               | 125 Plan                                    |             |            | 115.38       | 0.00              |
|                          |   |             |                  |                   |               |   |             |            | 181.27       | 0.00              |
| 64952                    | 10-00-2035                                      | 1/15/2016   | 1/15/2016        |                   | 21.73         | AFLAC Rider                                 |             |            | 21.73        | Ck# 21616 Recorde |
| 65030                    | 10-00-2035                                      | 1/29/2016   | 1/29/2016        |                   | 181.27        | 125 Plan                                    |             |            | 65.89        | Ck# 21616 Recorde |
|                          | 53-00-2035                                      |             |                  |                   |               | 125 Plan                                    |             |            | 115.38       | 0.00              |
|                          |   |             |                  |                   |               |   |             |            | 181.27       | 0.00              |
| 65031                    | 10-00-2035                                      | 1/29/2016   | 1/29/2016        |                   | 21.73         | AFLAC Rider                                 |             |            | 21.73        | Ck# 21616 Recorde |
| 2949                     | <b>ALL PHASE CONSTRUCTION</b>                   |             |                  |                   |               |   |             |            |              |                   |
| 65063                    | 30-00-3000                                      | 2/4/2016    | 2/4/2016         |                   | 11,858.64     | 14-HR-001 HOUSING REHAB GRANT               |             | 23523      | 11,858.64 ✓  | Posted 0.00       |
|                          |   |             |                  |                   |               |   |             |            |              |                   |
|                          | <b>AMERICAN FIDELITY-SUPPLEMENTAL INSURANCE</b> |             |                  |                   |               |   |             |            |              |                   |
| 64777                    | 21-00-2035                                      | 1/1/2016    | 1/1/2016         |                   | 594.62        | AF-125 PLAN SUPPLEMENTAL                    |             |            | 594.62       | Ck# 21617 Recorde |
| 64778                    | 21-00-2035                                      | 1/1/2016    | 1/1/2016         |                   | 263.52        | AF-RIDER SUPPLEMENTAL                       |             |            | 263.52       | Ck# 21617 Recorde |
| 64962                    | 21-00-2035                                      | 1/15/2016   | 1/15/2016        |                   | 594.62        | AF-125 PLAN SUPPLEMENTAL                    |             |            | 594.62       | Ck# 21617 Recorde |
| 64963                    | 21-00-2035                                      | 1/15/2016   | 1/15/2016        |                   | 263.52        | AF-RIDER SUPPLEMENTAL                       |             |            | 263.52       | Ck# 21617 Recorde |
| 65041                    | 21-00-2035                                      | 1/29/2016   | 1/29/2016        |                   | 594.62        | AF-125 PLAN SUPPLEMENTAL                    |             |            | 594.62       | Ck# 21617 Recorde |
| 65042                    | 21-00-2035                                      | 1/29/2016   | 1/29/2016        |                   | 263.52        | AF-RIDER SUPPLEMENTAL                       |             |            | 263.52       | Ck# 21617 Recorde |
| 1567                     | <b>ATCO INTERNATIONAL</b>                       |             |                  |                   |               |   |             |            |              |                   |
| 64983                    | 51-41-6000                                      | 2/4/2016    | 2/4/2016         |                   | 374.75        | 10451250 BLANCO MAX II/G-MAX                |             |            | 374.75 ✓     | Posted 0.00       |
| 54                       | <b>BARCO MUNICIPAL PRODUCTS INC</b>             |             |                  |                   |               |   |             |            |              |                   |
| 64984                    | 10-15-7450                                      | 2/4/2016    | 2/4/2016         |                   | 157.74        | IN-218572 BARRICADE SHEETING LEFT           |             | CLARK492   | 157.74 ✓     | Posted 0.00       |
| 74                       | <b>BELOIT MEDICAL CENTER, PA</b>                |             |                  |                   |               |   |             |            |              |                   |
| 64976                    | 10-15-3000                                      | 2/4/2016    | 2/4/2016         |                   | 130.00        | 7520 PRE-EMPLOYMENT PHYSICAL                |             | 23499      | 130.00 ✓     | Posted 0.00       |
| 77                       | <b>BELOIT READY MIX</b>                         |             |                  |                   |               |   |             |            |              |                   |
| 64985                    | 25-00-6160                                      | 2/4/2016    | 2/4/2016         |                   | 629.00        | 613525 25.16 TONS AB-3                      |             | CLARK493   | 629.00 ✓     | Posted 0.00       |
| 65051                    | 53-41-6150                                      | 2/4/2016    | 2/4/2016         |                   | 256.50        | 613526 1 SACK FLOWABLE                      |             | 24254      | 256.50 ✓     | Posted 0.00       |
| 2701                     | <b>BERGMANN MADONNA</b>                         |             |                  |                   |               |   |             |            |              |                   |
| 64977                    | 10-13-2911                                      | 2/4/2016    | 2/4/2016         |                   | 18.00         | PATCHES ON 605 UNIFORMS                     |             | 20869      | 18.00 ✓      | Posted 0.00       |
| 256                      | <b>BRENNTAG SOUTHWEST INC</b>                   |             |                  |                   |               |   |             |            |              |                   |
| 64986                    | 51-41-6170                                      | 2/4/2016    | 2/4/2016         |                   | 1,866.48      | BSW689408 CARBON/WC2045 POLYMER             |             |            | 1,866.48 ✓   | Posted 0.00       |
| 2531                     | <b>MARY JANE CHAPMAN</b>                        |             |                  |                   |               |   |             |            |              |                   |
| 65043                    | 10-17-6800                                      | 2/4/2016    | 2/4/2016         |                   | 348.61        | CROCK POT CLASS REIMBURSEMENT               |             | 23656      | 348.61 ✓     | Posted 0.00       |
| 2906                     | <b>CINTAS FIRE 636525</b>                       |             |                  |                   |               |   |             |            |              |                   |
| 65052                    | 25-00-3000                                      | 2/4/2016    | 2/4/2016         |                   | 1,750.32      | OF58564413 NEW & SERVICED FIRE EXTINGUISHER |             | CLARK497   | 1,750.32 ✓   | Posted 0.00       |



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City of Beloit

| <b>Vend# Vendor Name</b> |   | <b>Pay#</b> | <b>Post Date</b> | <b>Due Date</b>   | <b>Amount Invoice</b>                      | <b>Date</b> | <b>PO#</b> | <b>Date</b>  | <b>Status</b>  |
|--------------------------|---|-------------|------------------|-------------------|--|-------------|------------|--------------|----------------|
|                          | <b>Account#</b>                           |             |                  | <b>Work Order</b> | <b>Description</b>                         |             |            | <b>Debit</b> | <b>Credit</b>  |
| 486                      | <b>KDHE-BUREAU OF WATER (continued)</b>   |             |                  |                   |  |             |            |              |                |
| 64989                    | 51-41-2400                                | 2/4/2016    | 2/4/2016         | 20.00             | LORAN CHISM-CERTIFICATION RENEW            |             |            | 20.00 ✓      | Posted<br>0.00 |
| 2736                     | <b>KDHE-ENVIRONMENTAL LAB ACCREDITATI</b> |             |                  |                   |  |             |            |              |                |
| 64990                    | 51-41-3000                                | 12/31/2015  | 2/4/2016         | 664.00            | B7500<br>KDHE LAB TESTING (OCT.-DEC.)      |             |            | 664.00 ✓     | Posted<br>0.00 |
| 1887                     | <b>KMEA GRDA OPERATING FUND</b>           |             |                  |                   |  |             |            |              |                |
| 64991                    | 53-41-6220                                | 2/4/2016    | 2/4/2016         | 107,090.82        | GRDA-BE-16-02<br>FEBRUARY SERVICE          | 23974       |            | 107,090.82 ✓ | Posted<br>0.00 |
| 556                      | <b>KMEA WAPA OPERATING FUND</b>           |             |                  |                   |  |             |            |              |                |
| 64992                    | 53-41-6220                                | 2/4/2016    | 2/4/2016         | 17,295.54         | WAPA-BL-16-01<br>JANUARY SERVICE           | 23973       |            | 17,295.54 ✓  | Posted<br>0.00 |
| 389                      | <b>KOHLER'S GARAGE</b>                    |             |                  |                   |  |             |            |              |                |
| 65055                    | 53-41-6000                                | 2/4/2016    | 2/4/2016         | 43.35             | 84801<br>IRON                              | 24259       |            | 43.35 ✓      | Posted<br>0.00 |
| 393                      | <b>STEVE KRIER</b>                        |             |                  |                   |  |             |            |              |                |
| 65056                    | 53-43-2911                                | 2/4/2016    | 2/4/2016         | 139.74            | REIMBURSEMENT FOR BOOTS                    | 24251       |            | 139.74 ✓     | Posted<br>0.00 |
| 805                      | <b>KRONE'S SERVICE CENTER, INC</b>        |             |                  |                   |  |             |            |              |                |
| 64994                    | 10-13-4310                                | 2/4/2016    | 2/4/2016         | 128.00            | 14328<br>ABBY ALLMON TOW BILL              | 20870       |            | 128.00 ✓     | Posted<br>0.00 |
| 2289                     | <b>PAT KRUSE</b>                          |             |                  |                   |  |             |            |              |                |
| 64995                    | 10-15-2911                                | 2/4/2016    | 2/4/2016         | 146.42            | REIMBURSEMENT FOR BOOTS                    | CLARK496    |            | 146.42 ✓     | Posted<br>0.00 |
| 2852                     | <b>MATTHEW KUIACK</b>                     |             |                  |                   |  |             |            |              |                |
| 65023                    | 10-18-2400                                | 2/4/2016    | 2/4/2016         | 400.00            | COLLEGE REIMBURSEMENT MARKETIN             | 23654       |            | 400.00 ✓     | Posted<br>0.00 |
| 1037                     | <b>LATTIN AVIATION-TRAVIS LATTIN</b>      |             |                  |                   |  |             |            |              |                |
| 64996                    | 10-22-3000                                | 2/4/2016    | 2/4/2016         | 1,200.00          | SERVICE CONTRACT-FEBRUARY                  | 23492       |            | 1,200.00 ✓   | Posted<br>0.00 |
| 188                      | <b>LAWSON PRODUCTS INC</b>                |             |                  |                   |  |             |            |              |                |
| 65057                    | 53-41-6000                                | 2/4/2016    | 2/4/2016         | 307.43            | 9303813994<br>EAR PLUGS/HOSE CLAMPS        | 24263       |            | 307.43 ✓     | Posted<br>0.00 |
| 405                      | <b>LEAGUE OF KS MUNICIPALITIES</b>        |             |                  |                   |  |             |            |              |                |
| 64997                    | 10-11-2400                                | 2/4/2016    | 2/4/2016         | 25.00             | 16-789<br>WEBINAR-A. LOMAX-RELIGION IN WOR | 23487       |            | 25.00 ✓      | Posted<br>0.00 |
| 409                      | <b>LIGHT &amp; WATER UTILITIES</b>        |             |                  |                   |  |             |            |              |                |

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City of Beloit

| <u>Vend#</u> | <u>Vendor Name</u>                             | <u>Pay#</u>     | <u>Post Date</u> | <u>Due Date</u>   | <u>Amount</u> | <u>Invoice</u>                 | <u>Date</u> | <u>PO#</u> | <u>Date</u>  | <u>Status</u> |
|--------------|--|-----------------|------------------|-------------------|---------------|--------------------------------|-------------|------------|--------------|---------------|
|              |  | <u>Account#</u> |                  | <u>Work Order</u> |               | <u>Description</u>             |             |            | <u>Debit</u> | <u>Credit</u> |
| 409          | <b>LIGHT &amp; WATER UTILITIES (continued)</b> |                 |                  |                   |               |                                |             |            |              |               |
| 64998        |  | 2/4/2016        | 2/4/2016         |                   | 31,833.88     |                                |             | 23500      |              | Posted        |
|              |  | 10-11-6220      |                  |                   |               | ADMIN                          |             |            | 3,079.86 ✓   | 0.00          |
|              |  | 10-11-6220      |                  |                   |               | ADMIN SHARE                    |             |            | 47.69 ✓      | 0.00          |
|              |  | 10-13-6220      |                  |                   |               | PD SHARE                       |             |            | 47.69 ✓      | 0.00          |
|              |  | 51-41-6220      |                  |                   |               | WATER SHARE                    |             |            | 47.68 ✓      | 0.00          |
|              |  | 10-14-6220      |                  |                   |               | FIRE DEPT                      |             |            | 265.31 ✓     | 0.00          |
|              |  | 10-15-6220      |                  |                   |               | TRANSPORTATION                 |             |            | 558.09 ✓     | 0.00          |
|              |  | 10-18-6220      |                  |                   |               | PARKS & REC                    |             |            | 1,638.72 ✓   | 0.00          |
|              |  | 10-20-6220      |                  |                   |               | CEMETERY                       |             |            | 209.43 ✓     | 0.00          |
|              |  | 10-22-6220      |                  |                   |               | AIRPORT                        |             |            | 510.09 ✓     | 0.00          |
|              |  | 51-41-6220      |                  |                   |               | WATER PLANT                    |             |            | 7,500.80 ✓   | 0.00          |
|              |  | 52-41-6220      |                  |                   |               | SEWER PLANT                    |             |            | 8,793.89 ✓   | 0.00          |
|              |  | 53-41-6220      |                  |                   |               | POWER PLANT                    |             |            | 407.18 ✓     | 0.00          |
|              |  | 51-43-6220      |                  |                   |               | WATER SYSTEMS                  |             |            | 225.52 ✓     | 0.00          |
|              |  | 52-43-6220      |                  |                   |               | SEWER SYSTEMS                  |             |            | 225.51 ✓     | 0.00          |
|              |  | 53-43-6220      |                  |                   |               | SYSTEMS OP SHARE               |             |            | 225.51 ✓     | 0.00          |
|              |  | 51-43-6220      |                  |                   |               | SYSTEMS OP SHARE               |             |            | 30.95 ✓      | 0.00          |
|              |  | 52-43-6220      |                  |                   |               | SYSTEMS OP SHARE               |             |            | 30.94 ✓      | 0.00          |
|              |  | 53-43-6220      |                  |                   |               | SYSTEMS OP SHARE               |             |            | 30.94 ✓      | 0.00          |
|              |  | 10-13-6220      |                  |                   |               | PD SHARE                       |             |            | 30.94 ✓      | 0.00          |
|              |  | 53-43-6220      |                  |                   |               | ELECTRIC SYSTEMS               |             |            | 53.98 ✓      | 0.00          |
|              |  | 10-19-6220      |                  |                   |               | NORTH CAMPUS                   |             |            | 7,785.39 ✓   | 0.00          |
|              |  | 10-21-6220      |                  |                   |               | POOL                           |             |            | 71.06 ✓      | 0.00          |
|              |  | 10-13-6220      |                  |                   |               | PD                             |             |            | 16.71 ✓      | 0.00          |
|              |  |                 |                  |                   |               |                                |             |            | 31,833.88 ✓  | 0.00          |
| 424          | <b>MCHENRY ELECTRIC &amp; SUPPLY</b>           |                 |                  |                   |               |                                |             |            |              |               |
| 64999        |  | 2/4/2016        | 2/4/2016         |                   | 6.18          | 015465                         |             | 23997      |              | Posted        |
|              |  | 53-43-6000      |                  |                   |               | PLUG                           |             |            | 6.18 ✓       | 0.00          |
| 65000        |  | 2/4/2016        | 2/4/2016         |                   | 342.15        |                                |             | CLARK494   |              | Posted        |
|              |  | 10-15-4330      |                  |                   |               | 015492-CHAINS & FLT. SAWS      |             |            | 69.15 ✓      | 0.00          |
|              |  | 10-15-4330      |                  |                   |               | 015502-2-12 VOLT BATTERIES     |             |            | 273.00 ✓     | 0.00          |
|              |  |                 |                  |                   |               |                                |             |            | 342.15 ✓     | 0.00          |
| 65024        |  | 2/4/2016        | 2/4/2016         |                   | 119.00        | 015476                         |             | 23649      |              | Posted        |
|              |  | 10-18-6180      |                  |                   |               | CHAINS, BAR OIL, OIL MIX       |             |            | 76.00 ✓      | 0.00          |
|              |  | 10-18-4330      |                  |                   |               | CHAINS, BAR OIL, OIL MIX       |             |            | 43.00 ✓      | 0.00          |
|              |  |                 |                  |                   |               |                                |             |            | 119.00 ✓     | 0.00          |
| 2069         | <b>COLLEEN MCKEON</b>                          |                 |                  |                   |               |                                |             |            |              |               |
| 65001        |  | 2/4/2016        | 2/4/2016         |                   | 43.39         | 6135                           |             | 23497      |              | Posted        |
|              |  | 10-11-2911      |                  |                   |               | REIMBURSEMENT FOR BOOTS        |             |            | 43.39 ✓      | 0.00          |
| 824          | <b>MCMASTER CARR COMPANY</b>                   |                 |                  |                   |               |                                |             |            |              |               |
| 65002        |  | 2/4/2016        | 2/4/2016         |                   | 707.79        | 46734041                       |             |            |              | Posted        |
|              |  | 51-41-4360      |                  |                   |               | CHEMICAL METERING PUMP & HEAD  |             |            | 707.79 ✓     | 0.00          |
| 2480         | <b>MUELLER SYSTEMS, LLC</b>                    |                 |                  |                   |               |                                |             |            |              |               |
| 65058        |  | 2/4/2016        | 2/4/2016         |                   | 2,970.00      | 3240368                        |             | 24258      |              | Posted        |
|              |  | 53-43-7500      |                  |                   |               | 9S ELECTRIC METERS             |             |            | 2,970.00 ✓   | 0.00          |
| 2301         | <b>NEX-TECH WIRELESS</b>                       |                 |                  |                   |               |                                |             |            |              |               |
| 65005        |  | 2/4/2016        | 2/4/2016         |                   | 55.61         | 4340933                        |             | 20868      |              | Posted        |
|              |  | 10-13-5310      |                  |                   |               | PD PHONE-FEB. SERVICE          |             |            | 55.61 ✓      | 0.00          |
| 2864         | <b>NXKEM USA, LLC</b>                          |                 |                  |                   |               |                                |             |            |              |               |
| 65003        |  | 2/4/2016        | 2/4/2016         |                   | 203.67        | 1090538                        |             |            |              | Posted        |
|              |  | 51-41-6000      |                  |                   |               | MAGIC WIPES                    |             |            | 203.67 ✓     | 0.00          |
| 1462         | <b>NXTEC USA, LLC</b>                          |                 |                  |                   |               |                                |             |            |              |               |
| 65004        |  | 2/4/2016        | 2/4/2016         |                   | 245.31        | 1090644                        |             |            |              | Posted        |
|              |  | 51-41-6000      |                  |                   |               | GREASE RAGS                    |             |            | 245.31 ✓     | 0.00          |
| 2380         | <b>OFFICE OF THE STATE TREASURER</b>           |                 |                  |                   |               |                                |             |            |              |               |
| 65006        |  | 2/4/2016        | 2/4/2016         |                   | 239,993.75    | R116030187711                  |             | 23467      |              | Posted        |
|              |  | 51-45-9804      |                  |                   |               | GO BONDS WATERLINE REPLACEMEN  |             |            | 235,000.00 ✓ | 0.00          |
|              |  | 51-45-9803      |                  |                   |               | GO BONDS WATERLINE REPLACEMEN  |             |            | 4,993.75 ✓   | 0.00          |
|              |  |                 |                  |                   |               |                                |             |            | 239,993.75 ✓ | 0.00          |
| 65007        |  | 2/4/2016        | 2/4/2016         |                   | 4,125.00      | R116030187709                  |             | 23912      |              | Posted        |
|              |  | 30-00-9806      |                  |                   |               | GO TEMPORARY NOTE-N CAMPUS STR |             |            | 4,125.00 ✓   | 0.00          |

# Accounts Payable Detail Listing

City of Beloit

| <b>Vend# Vendor Name</b>                              |                 | <b>Post Date</b> | <b>Due Date</b>   | <b>Amount</b> | <b>Invoice</b>                                       | <b>Date</b> | <b>PO#</b> | <b>Date</b>  | <b>Status</b>             |
|---|-----------------|------------------|-------------------|---------------|--|-------------|------------|--------------|---------------------------|
| <b>Pay#</b>   | <b>Account#</b> |                  | <b>Work Order</b> |               | <b>Description</b>                                   |             |            | <b>Debit</b> | <b>Credit</b>             |
| <b>2380 OFFICE OF THE STATE TREASURER (continued)</b> |                 |                  |                   |               |  |             |            |              |                           |
| 65008   | 53-45-4725      | 2/4/2016         | 2/4/2016          | 20,000.00     | R116030187710<br>2013 SERIES REV. BOND-ELEC. UTILITY |             | 23911      | 20,000.00✓   | Posted<br>0.00            |
| <b>534 PORT LIBRARY</b>                               |                 |                  |                   |               |  |             |            |              |                           |
| 65009   | 22-00-3200      | 2/4/2016         | 2/4/2016          | 90,000.00     | PAYMENT TO LIBRARY                                   |             | 23469      | 90,000.00✓   | Posted<br>0.00            |
| <b>478 POWERPLAN</b>                                  |                 |                  |                   |               |  |             |            |              |                           |
| 65010   | 51-43-4330      | 2/4/2016         | 2/4/2016          | 119.81        | 465047<br>OIL & SERVICE ON JD 310SK BACKHOE          |             |            | 119.81✓      | Posted<br>0.00            |
| <b>1263 PRAIRE FIRE COFFEE ROASTERS</b>               |                 |                  |                   |               |  |             |            |              |                           |
| 65059   | 53-41-6000      | 2/4/2016         | 2/4/2016          | 105.67        | 809571<br>COFFEE                                     |             | 24255      | 105.67✓      | Posted<br>0.00            |
| <b>2645 PRINT SOURCE</b>                              |                 |                  |                   |               |  |             |            |              |                           |
| 65045   | 10-13-6000      | 2/4/2016         | 2/4/2016          | 117.92        | 2269344-IN<br>PERMIT DECALS                          |             | 20875      | 117.92✓      | Posted<br>0.00            |
| <b>1335 PUR- O- ZONE, INC.</b>                        |                 |                  |                   |               |  |             |            |              |                           |
| 65011   | 10-11-4300      | 2/4/2016         | 2/4/2016          | 1,534.18      | 687376<br>CLEANING SUPPLIES FOR MUNI                 |             | 23486      | 1,534.18✓    | Posted<br>0.00            |
| <b>2947 SAFARILAND, LLC</b>                           |                 |                  |                   |               |  |             |            |              |                           |
| 65012   | 10-13-7440      | 12/31/2015       | 2/4/2016          | 1,617.00      | HOLSTERS   |             | 20871      | 1,617.00✓    | Posted<br>0.00            |
| <b>2935 SHADOW PRODUCTIONS</b>                        |                 |                  |                   |               |  |             |            |              |                           |
| 64595   | 51-41-3000      | 12/31/2015       | 12/31/2015        | 200.00        | DJ SERVICE FOR XMAS PARTY                            |             |            | 200.00       | Ck# 72105 Printed<br>0.00 |
| <b>2845 SHOPKO STORES OPERATING CO., LLC</b>          |                 |                  |                   |               |  |             |            |              |                           |
| 65013   | 10-15-6000      | 2/4/2016         | 2/4/2016          | 28.99         | 3513<br>PRINTER INK                                  |             | CLARK495   | 28.99✓       | Posted<br>0.00            |
| 65044   | 10-13-6000      | 2/4/2016         | 2/4/2016          | 17.47         | 3588<br>ICE NO MORE/WINDSHIELD WASHER                |             | 20872      | 17.47✓       | Posted<br>0.00            |
| <b>84 ST JOHN'S SCHOOL - CROSSWALK GUARD</b>          |                 |                  |                   |               |  |             |            |              |                           |
| 65014   | 10-13-3000      | 2/4/2016         | 2/4/2016          | 95.00         | CROSSWALK 19 DAYS @ 5.00-JAN                         |             | 23493      | 95.00✓       | Posted<br>0.00            |
| <b>643 STANION WHSE ELECTRIC COMPANY</b>              |                 |                  |                   |               |  |             |            |              |                           |
| 65060   | 53-43-6000      | 2/4/2016         | 2/4/2016          | 345.72        | 4023770-00-EYENUTS/W20 WEDGE CLA                     |             | 24268      | 238.64✓      | Posted<br>0.00            |
|   | 53-43-6000      |                  |                   |               | 4022431-00-200 5 RS M                                |             |            | 107.08✓      | 0.00                      |
|   |                 |                  |                   |               |  |             |            | 345.72✓      | 0.00                      |
| 65061   | 53-43-6070      | 2/4/2016         | 2/4/2016          | 2,142.34      | 4024232-00<br>XARMS                                  |             | 24264      | 2,142.34✓    | Posted<br>0.00            |
| <b>2928 THE MITRE BOX</b>                             |                 |                  |                   |               |  |             |            |              |                           |
| 65064   | 30-00-3000      | 2/4/2016         | 2/4/2016          | 15,207.00     | 14-HR-001<br>HOUSING REHAB GRANT                     |             | 23524      | 15,207.00✓   | Posted<br>0.00            |
| <b>673 THOMPSON'S OK TIRE, INC</b>                    |                 |                  |                   |               |  |             |            |              |                           |
| 65015   | 53-43-6140      | 12/31/2015       | 2/4/2016          | 1,901.00      | 1-114372<br>SKID STEER TIRES                         |             | 23489      | 1,901.00✓    | Posted<br>0.00            |
| <b>LD TREKK DESIGN GROUP, LLC</b>                     |                 |                  |                   |               |  |             |            |              |                           |
| 65016   | 51-41-3000      | 2/4/2016         | 2/4/2016          | 1,368.66      | 15-001612<br>TASTE & ODOR STUDY                      |             | 23498      | 1,368.66✓    | Posted<br>0.00            |
| <b>822 USA BLUE BOOK</b>                              |                 |                  |                   |               |  |             |            |              |                           |
| 65017   | 52-43-4360      | 2/4/2016         | 2/4/2016          | 496.88        | 847884<br>RUST REFORMER & EPOXY PAINT                |             |            | 496.88✓      | Posted<br>0.00            |
| <b>697 USD 273</b>                                    |                 |                  |                   |               |  |             |            |              |                           |
| 65018   | 10-13-3000      | 2/4/2016         | 2/4/2016          | 351.00        | CROSSWALK 18 DAYS @ 19.50-JAN                        |             | 23491      | 351.00✓      | Posted<br>0.00            |
| <b>2948 SHEILA WAGNER</b>                             |                 |                  |                   |               |  |             |            |              |                           |
| 65062   | 10-17-6800      | 2/4/2016         | 2/4/2016          | 841.24        | CROCK POT CLASS REIMBURSEMENT                        |             | 23647      | 841.24✓      | Posted<br>0.00            |

# Accounts Payable Detail Listing

City of Beloit

**Vend# Vendor Name**

| <u>Pay#</u>     | <u>Post Date</u>                                    | <u>Due Date</u>    | <u>Amount</u> | <u>Invoice</u>                 | <u>Date</u> | <u>PO#</u> | <u>Date</u> | <u>Status</u> |
|-----------------|---|--------------------|---------------|--------------------------------|-------------|------------|-------------|---------------|
| <u>Account#</u> | <u>Work Order</u>                                   | <u>Description</u> | <u>Debit</u>  | <u>Credit</u>                  |             |            |             |               |
| 660             | <b>WICHITA WINWATER WORKS CO., INC. (continued)</b> |                    |               |                                |             |            |             |               |
| 65019           | 2/4/2016  | 2/4/2016           | 161.83        | 21039000                       |             |            |             | Posted        |
|                 | 51-43-6080  |                    |               | SS REPAIR CLAMP                |             |            | 161.83 ✓    | 0.00          |
|                 |   |                    | 591,351.01    | 83 Non-voided payables listed. |             |            |             |               |

Report Setup  
 AP - Accounts Payable Listing : Vendor Name  
 Filter Options  
 Starting: 12/31/2015  
 Ending: 2/4/2016  
 Banks: All  
 Payable Status: Posted, Printed, ACH, Recorded, Voided,  
 Unpaid  
 All Vendors Selected

## REQUEST FOR COUNCIL ACTION

|                                |   |
|--------------------------------|---|
| <b>DATE:</b>                   | <b>TITLE:</b>   |
| February 2, 2016               | Ordinance 2176 Adopting the City Code   |
| <b>ORIGINATING DEPARTMENT:</b> | <b>TYPE OF ACTION:</b>  |
| Administration                 | <input checked="" type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION |
|                                | <input type="checkbox"/> FORMAL ACTION <input type="checkbox"/> OTHER             |

### RECOMMENDATION:

I recommend that the Council approve Ordinance 2176 Adoption of the City Code.

### FISCAL NOTE:

- There is no direct cost associated with approval of this item.

### DISCUSSION:

The codification of ordinances for the city has been a very long process and has taken several years to accomplish. Adopting Ordinance 2176 will finalize the codification process and Citycode Financial out of Wichita will update our code within 48 hours on-line any time a change is adopted by Council.

Respectfully submitted,

Tom Naasz,  
Mayor



(Published in the Beloit Call on the 5<sup>th</sup> day of February, 2016)

**ORDINANCE NO. 2176**

**AN ORDINANCE ADOPTING THE CODIFICATION OF ORDINANCES OF THE CITY OF BELOIT, KANSAS, PROVIDING FOR THE REPEAL OF CERTAIN OTHER ORDINANCES NOT INCLUDED THEREIN, EXCEPTING CERTAIN ORDINANCES FROM REPEAL AND SAVING CERTAIN ACCRUED RIGHTS AND LIABILITIES.**

**BE IT ORDAINED** by the Governing Body of the City of Beloit, Kansas:

**Section 1. Adoption of the Code of the City of Beloit, Kansas.**

The codification of ordinances of the City of Beloit, Kansas, prepared by Citycode Financial LLC, Wichita, Kansas, as set out in the following chapters, Chapters I to XVIII and Appendices A and B, all inclusive, and entitled the "Code of the City of Beloit, Kansas," is hereby authorized, adopted and ordained as the "Code of the City of Beloit, Kansas." The Code is authorized by ordinance and was made in conformity with K.S.A. 12-3014 and 12-3015 and amendments thereto. Said code shall be duly certified by the City Clerk. One copy of the code shall be filed in the office of the City Clerk and shall be designated as and shall constitute the official ordinance book. Three additional copies shall be filed in the office of the city clerk and shall be designated for use by the public.

**Section 2. Repeal of general ordinances.**

All ordinances and parts of ordinances of a general nature passed prior to February 2, 2016, are hereby repealed as of the date of publication of said code except as hereinafter provided.

**Section 3. Same; excepting certain ordinances from repeal.**

In construing this ordinance, the following ordinances shall not be considered or held to be ordinances of a general nature:

(a) Ordinances pertaining to the acquisition of property or interests in property by gift, purchase, devise, bequest, appropriation or condemnation;

(b) Ordinances opening, dedicating, widening, vacating or narrowing streets, avenues, alleys and boulevards;

(c) Ordinances establishing and changing grades of streets, avenues, alleys and boulevards;

(d) Ordinances naming or changing the names of streets, avenues and boulevards;

(e) Ordinances authorizing or directing public improvements to be made;

(f) Ordinances creating districts for public improvements of whatsoever kind or nature;

- (g) Ordinances levying general taxes;
- (h) Ordinances levying special assessments or taxes;
- (i) Ordinances granting any rights, privileges, easements or franchises therein mentioned to any person, firm or corporation;
- (j) Ordinances authorizing the issuance of bonds and other instruments of indebtedness by the city;
- (k) Ordinances authorizing contracts;
- (l) Ordinances establishing the limits of the city or pertaining to annexation or exclusion of territory;
- (m) Ordinances relating to compensation of officials, officers and employees of the city;
- (n) All charter ordinances;
- (o) Any appropriation ordinance or ordinances relating to a specific transfer of funds;
- (p) Any zoning ordinance or ordinances changing the zoning classification of any property within the city or amending the city's zoning map;
- (q) Ordinances of a temporary nature;
- (r) Any ordinance which is special, although permanent in effect;
- (s) Any ordinance, the purpose of which has not been accomplished.

Provided, that the above enumeration of exceptions shall not be held or deemed to be exclusive, it being the purpose and intention to exempt from repeal any and all ordinances not of a general nature and general ordinances specifically excepted by this section. Ordinances which are not of a general nature shall be numbered consecutively, approved by the governing body, published, and filed with the city clerk, but such ordinances shall not be prepared for insertion in this code, nor be deemed a part hereof.

**Section 4. Arrangement of and notations throughout the code.**

The arrangement and classification of the several chapters, articles, and sections of the code adopted by section 1 of this ordinance and the headnotes and footnotes at the ends of the sections, are made for the purpose of convenience and orderly arrangement, and do not constitute a part of the ordinances, and therefore, no implication or presumption of legislative intent or construction is to be drawn therefrom.

**Section 5. Accrued rights and liabilities.**

The repeal of ordinances as provided in section 2 hereof, shall not affect any rights acquired, fines, penalties, forfeitures or liabilities incurred thereunder, or actions involving any of the

provisions of said ordinances or parts thereof. Said ordinances above repealed are hereby continued in force and effect after the passage, approval and publication of this ordinance for the purpose of such rights, fines, penalties, forfeitures, liabilities and actions therefor.

**Section 6. Severability.**

If for any reason any chapter, article, section, subsection, sentence, portion or part of the "Code of the City of Beloit, Kansas," or the application thereof to any person or circumstances is declared to be unconstitutional or invalid, such decision will not affect the validity of the remaining portions of this code.

**Section 7. Effective date.**

This ordinance shall be published in the official city newspaper and shall take effect and be in force from and after the publication of the "Code of the City of Beloit, Kansas" as provided in K.S.A. 12-3015.

**ADOPTED AND PASSED** by the governing body of the City on February 2, 2016 and **APPROVED AND SIGNED** by the Mayor.

---

TOM NAASZ, Mayor

ATTEST:

---

AMANDA LOMAX, City Clerk

CERTIFICATE OF THE CITY CLERK

State of Kansas        )  
                                  )  
Mitchell County        )

I, Amanda Lomax, City Clerk of the City of Beloit, Mitchell County, Kansas do hereby certify that said city is a city of the second class of the mayor-council form of government under the statutes of Kansas; that this codification of the general ordinances of said city and the publication thereof in book form were ordered and authorized by the governing body by ordinance and in accordance therewith is entitled the "Code of the City of Beloit, Kansas," that said codification was adopted as the "Code of the City of Beloit, Kansas," by the governing body by Ordinance No. 2176 passed on February 2, 2016 as authorized by K.S.A. 12-3015; that said ordinance and said codification of general ordinances as contained in this volume will take effect upon publication of 4 or more copies in book form; that the publication of 4 copies of this code in book form and said adoptive ordinance constitute due passage of this code and all general ordinances contained therein; that the codification and said adoptive ordinance as contained herein are true and correct copies; and that said publication imports absolute verity and is to be received in evidence in all courts and places without further proof as provided by K.S.A. 12-3015.

I further certify that the "Code of the City of Beloit, Kansas," and the matter therein contained will take effect and be in force from and after February 5, 2016 (date of publication of the codification ordinance in the newspaper).

\_\_\_\_\_  
AMANDA LOMAX, City Clerk

DATE: February 2, 2016.

## REQUEST FOR COUNCIL ACTION

|                                |  |
|--------------------------------|--|
| <b>DATE:</b>                   | <b>TITLE:</b>  |
| February 2, 2016               | RESOLUTION 2016-5 POLICE RADIO LEASE AGREEMENT   |
| <b>ORIGINATING DEPARTMENT:</b> | <b>TYPE OF ACTION:</b> <input type="checkbox"/> <b>ORDINANCE</b> <input checked="" type="checkbox"/> <b>RESOLUTION</b> |
| Police Department              | <input type="checkbox"/> <b>FORMAL ACTION</b> <input type="checkbox"/> <b>OTHER</b>                                    |

### RECOMMENDATION:

I recommend that the Council approve the 3 year Lease-Purchase Agreement at 2.19% with Solomon Valley Bank for Police Radios from Motorola Solutions, Inc in the amount of \$16,800.00, and allowing Mayor Tom Naasz and City Clerk Amanda Lomax to sign lease documents with Solomon Valley Bank.

### FISCAL NOTE:

- The cost of this item is \$16,800.00.
- There is no fiscal impact on the FY2016 budget because payments for will not start until FY2017.

### DISCUSSION:

Council approved the purchase of the police radios 1/5/2016.

Respectfully submitted,

Tom Naasz,  
Mayor



**RESOLUTION NO. 2016-5**

BE IT RESOLVED by the Governing Body of the City of Beloit, Kansas:

1. The governing body of the City of Beloit, Kansas has considered and deemed it advisable to purchase Police Radios from Motorola Solutions, Inc for use by the Beloit Police Department.

2. The governing body deems it advisable to enter into a 3-year lease agreement with Solomon Valley Bank, a branch of First National Bank and Trust, for the financing of these radios. The principal amount of the lease will be \$16,800.00 at a rate of 2.19. Payments will be made annually with the first lease payment due in January 2017.

3. The Mayor Tom Naasz, and City Clerk, Amanda Lomax, are hereby authorized and directed to execute said lease agreement with Solomon Valley Bank, a branch of First National Bank and Trust, and any and all other and further documents which may be reasonably necessary or required to effectuate the purchase of the police radios, and perform and receive performance thereunder.

PASSED by the Governing Body and signed by the Mayor this 2nd day of February 2016.

CITY OF BELOIT, KANSAS

\_\_\_\_\_  
Tom Naasz, Mayor

ATTEST:

\_\_\_\_\_  
Amanda J. Lomax, City Clerk



## **TAX-EXEMPT LEASE/PURCHASE AGREEMENT**

**THIS TAX-EXEMPT LEASE/PURCHASE AGREEMENT** (this "Agreement"), dated as of January 26, 2016, is made by and between FIRST NATIONAL BANK AND TRUST ("Lessor"), and The City of Beloit, Kansas ("Lessee").

**LEASE:** Lessor hereby leases to Lessee and Lessee hereby leases from Lessor all the Property described in Property Schedule incorporated herein by reference, upon the terms and conditions set forth herein and as supplemented by the terms and conditions set forth in the Property Schedule and the exhibits thereto. The term "Agreement" shall be deemed to include this Tax-Exempt Lease / Purchase Agreement, together with the Property Schedule and the exhibits thereto.

**LEASE TERM:** The Lease Term for the Property listed in the Property Schedule shall commence upon the commencement date and continue for the time period set forth in the Property Schedule. The Lease Term is not less than 90 days. This Agreement cannot be canceled or terminated by Lessee except as expressly provided herein. This Agreement is a triple net lease. Lessor will not, directly or indirectly, provide or be obligated to provide for: (a) Servicing, repair, or maintenance of the Property during the Lease Term. (b) Parts or accessories for the Property. (c) Loan of replacement or substitute property while the Property is being serviced. (d) Payment of insurance for the Lessee (except where the Lessee has failed in its contractual obligation to purchase or maintain required insurance. (e) Renewal of any license or registration for the Property unless renewal by the bank is necessary to protect its interest as owner or financier of the Property.

**LEASE PAYMENTS:** Lessee shall pay rent to Lessor for the Property in the amounts, and on the dates specified, in the Property Schedule. Lessor and Lessee intend that the obligation of Lessee to pay Lease Payments hereunder shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or monies of Lessee. Lessee shall pay when due all taxes, fees and governmental charges assessed or levied against or with respect to the Property.

**NO OFFSET:** SUBJECT TO THE RIGHT TO NON-APPROPRIATE, SET FORTH BELOW, THE OBLIGATIONS OF LESSEE TO PAY THE LEASE PAYMENTS DUE UNDER THE PROPERTY SCHEDULE AND TO PERFORM AND OBSERVE THE OTHER COVENANTS AND AGREEMENTS CONTAINED IN THIS AGREEMENT SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF OR DEFENSE, FOR ANY REASON, INCLUDING WITHOUT LIMITATION, ANY DEFECTS, MALFUNCTIONS, BREAKDOWNS OR INFIRMITIES IN THE PROPERTY OR ANY ACCIDENT, CONDEMNATION OR UNFORESEEN CIRCUMSTANCES. THIS PROVISION SHALL NOT LIMIT LESSEE'S RIGHTS OR ACTIONS AGAINST ANY VENDOR.

**LATE CHARGES:** Should Lessee fail to duly pay any part of any Lease Payment or other sum to be paid to Lessor under this Agreement on the date on which such amount is due hereunder, then Lessee shall pay late charges on such delinquent payment from the due date thereof until paid at the rate of 10% per annum or the highest rate permitted by law, whichever is less.

**MAINTENANCE OF PROPERTY:** At all times during the Lease Term, Lessee shall, at Lessee's own cost and expense, maintain, preserve, and keep the Property in good working order, and condition, and from time to time make or cause to be made all necessary and proper repairs, replacements, and renewals to the Property, which shall become part of the Property. The Property is and will remain personal property.

**INSURANCE OF PROPERTY:** All risk of loss to the Property shall be borne by the Lessee. At all times during the Lease Term, Lessee shall, at Lessee's own cost and expense, cause casualty, public liability, and property damage insurance to be carried and maintained (or shall provide Lessor with a certificate stating that adequate self-insurance has been provided) with respect to the Property, sufficient to protect the full replacement value of the Property and to protect from liability in all events for which insurance is customarily available. Lessee shall furnish to Lessor certificates evidencing such coverage substantially in the form of Exhibit E to the Property Schedule. Any insurance policy to be carried and maintained pursuant to this Agreement shall be so written or endorsed as to make losses, if any, payable to Lessee and Lessor as their respective interests may appear. All such liability insurance shall name Lessor as an additional insured. Each insurance policy carried and maintained pursuant to this Agreement shall contain a provision to the effect that the insurance company shall not cancel the policy or modify it materially or adversely to the interest of the Lessor without first giving written notice thereof to Lessor at least 30 days in advance of such change of status. If Lessee does not provide the insurance required by this Agreement, Lessor shall have the right to purchase such insurance at Lessee's expense.

**SECURITY INTEREST; FINANCING STATEMENT:** To secure Lessee's obligations hereunder, Lessee grants Lessor a first priority security interest in the Property, including substitutions, repairs, replacements and renewals, and the proceeds thereof. Lessee hereby authorizes Lessor to file all financing statements which Lessor deems necessary or appropriate to establish, maintain and perfect such security interest. Provided there does not exist an Event of Default as defined herein, the Lessee shall have the right of quiet enjoyment of the Property throughout the Lease Term. Unless otherwise required by Lessor or by applicable law, title to the Property may be held in the name of Lessee, subject to Lessor's security interest hereunder.

**TAX EXEMPTION:** The parties contemplate that interest payable under this Agreement will be excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). The tax-exempt status of this Agreement provides the inducement for the Lessor to offer financing at the interest rate set forth herein. Therefore, should this Agreement be deemed by any taxing authority not to be exempt from taxation, Lessee agrees that the interest rate shall be adjusted, as of the date of loss of tax exemption, to an interest rate calculated to provide Lessor or its assignee an after tax yield equivalent to the tax exempt rate and Lessor shall notify Lessee of the taxable rate. Provided, however, that the provision of the preceding sentence shall apply only upon a final determination that the interest payments are not excludable from gross income under Section 103(a) of the Code, and shall not apply if the determination is based upon the individual tax circumstances of the Lessor, or a finding that the party seeking to exclude such payments from gross income is not the owner and holder of the obligation under the Code.

**REPRESENTATIONS AND WARRANTIES OF LESSEE:** Lessee hereby represents and warrants to Lessor that: (a) Lessee is a State, possession of the United States, the District of

Columbia, or political subdivision thereof as defined in Section 103 of the Code and Treasury Regulations and Rulings related thereto. If Lessee is incorporated, it is duly organized and existing under the Constitution and laws of its jurisdiction of incorporation and will do or cause to be done all things necessary to preserve and keep such organization and existence in full force and effect. (b) Lessee has been duly authorized by the Constitution and laws of the applicable jurisdiction and by a resolution of its governing body (which resolution, if requested by Lessor, is attached hereto), to execute and deliver this Agreement and to carry out its obligations hereunder. (c) All legal requirements have been met, and procedures have been followed, including public bidding, in order to ensure the enforceability of this Agreement. (d) The Property will be used by Lessee only for essential governmental or proprietary functions of Lessee consistent with the scope of Lessee's authority and will not be used in a trade or business of any person or entity, by the federal government or for any personal, family or household use. Lessee's need for the Property is not expected to diminish during the term of the Agreement. (e) Lessee has funds available to pay Lease Payments until the end of its current appropriation period, and it intends to request funds to make Lease Payments in each appropriation period, from now until the end of the term of this Agreement. (f) The Lessee shall comply at all times with all applicable requirements of the Code, including but not limited to the registration and reporting requirements of Section 149, to maintain the federal tax-exempt status of the Agreement. The Lessee shall maintain a system with respect to this Agreement, which tracks the name, and ownership interest of each assignee who has both the responsibility for administration of, and ownership interest in this Agreement. (g) Lessee's exact legal name is as set forth on the first page of this Agreement. Lessee will not change its legal name in any respect without giving thirty (30) days prior written notice to Lessor.

**RISK OF LOSS:** Lessee shall bear all risk of loss of or related to the Property, including, but not limited to, the possession, ownership, use or operation thereof, except that Lessee shall not bear the risk of loss that arise directly from events occurring after Lessee has surrendered possession of the Property to Lessor in accordance with the terms of the Agreement.

**NON-APPROPRIATION:** If sufficient funds are not appropriated to make Lease Payments under this Agreement, this Agreement shall terminate and Lessee shall not be obligated to make Lease Payments under this Agreement beyond the then current fiscal year for which funds have been appropriated. Upon such an event, Lessee shall, no later than the end of the fiscal year for which Lease Payments have been appropriated, deliver possession of the Property to Lessor. If Lessee fails to deliver possession of the Property to Lessor, the termination shall nevertheless be effective but Lessee shall be responsible for the payment of damages in an amount equal to the portion of Lease Payments thereafter coming due that is attributable to the number of days after the termination during which the Lessee fails to deliver possession and for any other loss suffered by Lessor as a result of Lessee's failure to deliver possession as required. Lessee shall notify Lessor in writing within seven (7) days after the failure of the Lessee to appropriate funds sufficient for the payment of the Lease Payments, but failure to provide such notice shall not operate to extend the Lease Term or result in any liability to Lessee. Lessee hereby waives any right which it now has or which may be acquired or conferred upon it by any law or order of any court or other governmental authority to terminate this Agreement or its obligations hereunder, except in accordance with the express provisions hereof.

**ASSIGNMENT BY LESSEE:** Without Lessor's prior written consent, Lessee may not, by operation of law or otherwise, assign, transfer, pledge, hypothecate or otherwise dispose of the Property, this Agreement or any interest therein.

**ASSIGNMENT BY LESSOR:** Lessor may assign, sell or encumber all or any part of this Agreement, the Lease Payments and any other rights or interests of Lessor hereunder.

**EVENTS OF DEFAULT:** Lessee shall be in default under this Agreement upon the occurrence of any of the following events or conditions ("Events of Default"), unless such Event of Default shall have been specifically waived by Lessor in writing: (a) Default by Lessee in payment of any Lease Payment or any other indebtedness or obligation now or hereafter owed by Lessee to Lessor under this Agreement or in the performance of any obligation, covenant or liability contained in this Agreement and the continuance of such default for ten (10) consecutive days after written notice thereof by Lessor to Lessee, or (b) any representation, warranty or statement made or furnished to Lessor by or on behalf of Lessee proves to have been false in any material respect when made or furnished, or (c) actual or attempted sale, lease or encumbrance of any of the Property, or the making of any levy, seizure or attachment thereof or thereon, or (d) dissolution, termination of existence, discontinuance of the Lessee, insolvency, business failure, failure to pay debts as they mature, or appointment of a receiver of any part of the property of, or assignment for the benefit of creditors by the Lessee, or the commencement of any proceedings under any bankruptcy, reorganization or arrangement laws by or against the Lessee.

**REMEDIES OF LESSOR:** Upon the occurrence of any Event of Default and at any time thereafter, Lessor may, without any further notice, exercise one or more of the following remedies as Lessor in its sole discretion shall elect: (a) terminate the Agreement and all of Lessee's rights hereunder as to any or all items of Property; (b) proceed by appropriate court action to personally, or by its agents, take title and possession from Lessee of any or all items of Property wherever found and for this purpose enter upon Lessee's premises where any item of Property is located and remove such item of Property, free from all claims of any nature whatsoever by Lessee and Lessor may thereafter dispose of the Property; provided, however, that any proceeds from the disposition of the Property in excess of the sum required to (i) pay to Lessor an amount equal to the total unpaid principal component of Lease Payments under the Property Schedule, (ii) pay any other amounts then due under the Property Schedule and this Agreement, and (iii) pay Lessor's costs and expenses associated with the disposition of the Property and the Event of Default (including attorneys fees), shall be paid to Lessee or such other creditor of Lessee as may be entitled thereto, and further provided that no deficiency shall be allowed against Lessee; (c) proceed by appropriate court action or actions to enforce performance by Lessee of its obligations hereunder or to recover damages for the breach hereof or pursue any other remedy available to Lessor at law or in equity or otherwise; (d) declare all unpaid Lease Payments and other sums payable hereunder during the current fiscal year of the Lease Term to be immediately due and payable without any presentment, demand or protest and / or take any and all actions to which Lessor shall be entitled under applicable law. No right or remedy herein conferred upon or reserved to Lessor is exclusive of any right or remedy herein or at law or in equity or otherwise provided or permitted, but each shall be cumulative of every other right or remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise, and may be enforced concurrently therewith or from time to time. Lessee agrees to pay to Lessor or reimburse Lessor for, in addition to all other amounts due hereunder, all of Lessor's costs of collection, including reasonable attorney fees, whether or not

suit or action is filed thereon. Lessee and Lessor hereby irrevocably waive all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Agreement.

**INDEMNIFICATION:** Lessee shall indemnify, hold harmless and defend Lessor and its directors, officers, employees, agents and representations, from and against all liability, obligations, losses, damages, penalties, claims, actions, costs and expenses (including but not limited to reasonable attorneys' fees) of whatsoever kind or nature which in any way relate to or arise out of this Agreement or the acquisition, ownership, rental, possession, operation, condition, sale or return of the Property. All amounts which become due from Lessee under this paragraph shall be payable by Lessee within thirty (30) days following demand therefore by Lessor and shall survive the termination or expiration of this Agreement.

**NO LESSOR REPRESENTATIONS OR WARRANTIES:** LESSOR MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AND ASSUMES NO OBLIGATION WITH RESPECT TO THE TITLE, MERCHANTABILITY, CONDITION, QUALITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF THE PROPERTY DESCRIBED IN PROPERTY SCHEDULE, OR THE CONFORMITY OF THE PROPERTY TO ANY SPECIFICATIONS OR PURCHASE ORDER, OR TO THE DESIGN, DELIVERY, INSTALLATION OR OPERATION OF THE PROPERTY AND LESSOR HEREBY DISCLAIMS THE SAME. LESSEE ACKNOWLEDGES THAT THE PROPERTY IS LEASED BY LESSOR TO LESSEE "AS IS" AND ALL SUCH RISKS ARE BORNE BY LESSEE.

**OPTION TO PURCHASE:** If Lessee has complied with all the terms and conditions of this Agreement, Lessee shall have the option to purchase not less than all of the Property covered by the Property Schedule "as is" at the Payment Date(s) and for the Option to Purchase Value(s) set forth in the Amortization & Payment Schedule attached as Exhibit B to the Property Schedule by giving written notice to Lessor not less than sixty (60) days prior to the date(s) specified for the exercise of such option(s). Upon Lessee's timely payment of all Lease Payments specified in such Amortization & Payment Schedule and the Final Purchase Option Price, Lessee shall be deemed to have properly exercised its option to purchase the Property, on an "as is" basis, and shall be deemed to have acquired all of Lessor's right, title and interest in and to the Property. Payment of the applicable Option to Purchase Value shall occur on the applicable purchase date specified in such Amortization & Payment Schedule attached, at which time Lessor shall deliver to Lessee a bill of sale transferring Lessor's interest in the Property to Lessee, on an "as is" basis, free from any lien or encumbrance created by Lessor.

**TERMINATION AND RETURN OF PROPERTY:** Unless Lessee has properly exercised its Option to Purchase pursuant to the preceding paragraph, Lessee shall, upon the expiration of the term of this Agreement or any earlier termination hereof, deliver the Property to Lessor unencumbered and in good condition and repair, ordinary wear and tear excepted, by loading the Property at Lessee's sole expense, on such carrier or delivering the Property to such location, as Lessor shall provide or designate.

**NOTICES:** All notices, and other communications provided for herein shall be deemed given when delivered or mailed by certified mail, postage prepaid, addressed to Lessor or Lessee at their

respective addresses set forth below or such other addresses as either of the parties hereto may designate in writing to the other from time to time for such purpose.

**AMENDMENTS AND WAIVERS:** This Agreement and the Property Schedule and the Exhibits thereto constitute the entire agreement between Lessor and Lessee with respect to the Property and this Agreement may not be amended except in writing signed by both parties.

**CONSTRUCTION:** This Agreement shall be governed by and construed in accordance with the laws of the Lessee's State. Titles of sections of this Agreement are for convenience only and shall not define or limit the terms or provisions hereof. Time is of the essence under this Agreement. This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns. This Agreement may be simultaneously executed in counterparts, each shall be an original with all being the same instrument.

**Agreed to Lessor:**

First National Bank and Trust

By: \_\_\_\_\_  
Name: Lloyd K. Culbertson  
Title: President

First National Bank and Trust  
225 State Street  
Phillipsburg, KS 67661  
Telephone: 785-543-6511  
Facsimile: 785-543-6515  
E-mail: \_\_\_\_\_

**Agreed to by Lessee:**

City of Beloit

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Beloit KS 67420  
Telephone: \_\_\_\_\_  
Facsimile: \_\_\_\_\_  
E-mail: \_\_\_\_\_

THE STATE OF KANSAS  
COUNTY OF MITCHELL

Before me the undersigned authority, on this day personally appeared \_\_\_\_\_, known to me to be the person whose name is subscribed to the foregoing Agreement, and acknowledge to me that he executed the same for the purpose and consideration therein expressed, in the capacity therein stated and as the act and deed of such corporation.

Given under my hand and seal of office this 26<sup>th</sup> day of January 2016.

My commission expires:

\_\_\_\_\_

\_\_\_\_\_  
Notary

THE STATE OF KANSAS  
COUNTY OF **MITCHELL**

Before me the undersigned authority, on this day personally appeared **Lloyd K Culbertson, President of First National Bank and Trust**, known to me to be the person whose name is subscribed to the foregoing Agreement, and acknowledge to me that he executed the same for the purpose and consideration therein expressed, in the capacity therein stated and as the act and deed of such corporation.

Given under my hand and seal of office this 26<sup>th</sup> day of January 2016.

My commission expires:

\_\_\_\_\_

\_\_\_\_\_  
Notary

## REQUEST FOR COUNCIL ACTION

|                                |  |
|--------------------------------|--|
| <b>DATE:</b>                   | <b>TITLE:</b>  |
| February 2, 2016               | RESOLUTION NO. 2016-6 Fee Schedule   |
| <b>ORIGINATING DEPARTMENT:</b> | <b>TYPE OF ACTION:</b> <input type="checkbox"/> ORDINANCE <input checked="" type="checkbox"/> RESOLUTION |
| Administration                 | <input type="checkbox"/> FORMAL ACTION <input type="checkbox"/> OTHER                                    |

### RECOMMENDATION:

I recommend that the Council approve Resolution No. 2016-6 Fee Schedule.

### FISCAL NOTE:

- There is no direct cost associated with approval of this item.

### DISCUSSION:

The changes were made to the 2016 Fee Schedule:

- Annual Salvage yard license fee for \$200.00
- Occupation tax for Class A clubs biennial fee for \$250.00
- Occupation tax for liquor store biennial fee for \$400.00
- Occupation tax for drinking establishments biennial fee for \$400.00
- Deleting the rental of the cotton candy machine. (no longer in use)
- Updating the dates for early pool pass purchases

Respectfully submitted,

Tom Naasz,  
Mayor



## Resolution 2016-6 Fee Schedule

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELOIT  
ADOPTING 2016 FEE SCHEDULE

**WHEREAS**, the City of Beloit, Kansas, charges fees for activities and services offered by the City; and

**WHEREAS**, the fees are needed to ensure the City of Beloit is compensated for the use of facilities, equipment, and services; and

**WHEREAS**, after reviewing the fees, the Governing Body believes that the fees are fair to both the public and the City;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Beloit that, effective February 2nd, 2016, City fees shall be as follows:

| General Topic          | Specific Topic  | 2016 Fees  |
|------------------------|---|--|
| <b>Administration:</b> |   |  |
| Application Fees:      | Variance  | \$50   |
|                        | Conditional Use   | \$50   |
|                        | Zoning Application Fees                                 | \$50   |
|                        | Plat Fee  | \$50   |
|                        | Building Permit Fee                                     | .25% of estimated cost (\$25 min.)   |
| Miscellaneous:         | Economy Shop Rent                                       | \$50 per month   |
|                        | Return Check Fee  | \$30   |
|                        | Personnel/Operator per hour                             | \$30 per hour - Overtime \$45 per hour   |
|                        | Commercial sign permits                                 | \$25   |
|                        | To send a fax   | \$1 per page   |
|                        | To make copies  | \$.25 per page   |
|                        | Grill (per day)   | \$25   |
|                        | Special Event License                                   | \$25   |
|                        | Transient Merchant Fee                                  | \$100/day or \$400/year + \$50 Investigation Fee   |
|                        | Salvage Yard License Fee                                | \$200  |
| Miscellaneous:         | <i>Grass Cutting</i>                                    | Cost + \$250 Administrative Fee for 1 <sup>st</sup> Occurrence, Cost + \$500 for 2 <sup>nd</sup> , Cost + \$750 for 3 <sup>rd</sup> and Cost + \$1,000 for 4 <sup>th</sup> |
|                        | <i>Nuisance Abatement</i>                               | Cost + \$250 Administrative Fee for 1 <sup>st</sup> Occurrence, Cost + \$500 for 2 <sup>nd</sup> , Cost + \$750 for 3 <sup>rd</sup> and Cost + \$1,000 for 4 <sup>th</sup> |
| Open Records Fees:     | Per Page  | \$0.25   |
|                        | Per Quarter Hour  | \$7.50   |
| Alcohol License Fees:  | Convenience/Grocery store                               | \$75   |
|                        | Occupation tax for Class A clubs<br>biennial fee        | \$250  |
|                        | Occupation tax for liquor store<br>biennial fee         | \$400  |
|                        | License Fee for Drinking<br>Establishments biennial fee | \$400  |
|                        | Serve in and carry out                                  | \$200  |
|                        | Taverns that serve 3.2 beer                             | \$150  |
| Franchise Fees:        | Trash Fee   | 10%  |
|                        | Fire Protection fees                                    | Yearly FD mil levy + 10%   |
| Animal Fees:           | <b>Registration for pets per year:</b>                  |  |
|                        | Spayed or Neutered                                      | \$5  |
|                        | Non spayed or Non neutered                              | \$50   |
|                        | Not registered (after 1/31 of each<br>year)             | \$20   |
|                        | Lost Tag Replacements                                   | \$15   |
|                        | Transfer Fee  | \$1  |
|                        | <b>If animal is taken to the pound:</b>                 |  |
|                        | First Impoundment                                       | \$10 + \$10/day thereafter   |
|                        | Second/Subsequent Impoundment                           | \$20 + \$10/day thereafter   |
|                        | <b>Level I Offense:</b>                                 |  |
|                        | First Offense   | \$15   |
|                        | Second Offense  | \$30   |
|                        | Third Offense   | \$45   |
|                        | Fourth Offense  | Court  |
|                        | <b>Level II Offense:</b>                                |  |
|                        | First Offense   | \$25   |
|                        | Second Offense  | \$50   |
|                        | Third Offense   | \$75   |
|                        | Fourth Offense  | Court  |
|                        | <b>Level III Offense:</b>                               |  |
|                        | First Offense   | \$40   |
|                        | Second Offense  | \$80   |
|                        | Third Offense   | \$120  |
|                        | Fourth Offense  | Court  |
|                        | <b>Level IV Offense:</b>                                |  |
|                        | First Offense   | \$100 + impound fees   |
|                        | Second Offense  | \$200 - \$500  |
|                        | Removal of large dead animals                           | \$50   |

|                            |  |   |
|----------------------------|--|---|
|                            | Kenneling fees                                       | \$10/day  |
|                            | Hobby Breeder's License                              | \$200/year  |
|                            | Reapplication for Hobby Breeder's                    | \$20  |
|                            | Commercial Establishments                            | \$300/year  |
|                            | Reapplication for Comm. Establishments               | \$30  |
|                            | Private Guard Dog License                            | \$100/year  |
|                            | Commercial Guard Dog Service License                 | \$400/year  |
| <b>Police Department:</b>  | Special Use Permit                                   | No Charge   |
|                            | <b>Police Reports:</b>                               |   |
|                            | Accidents  | \$5   |
|                            | Criminal (Front Page Only)                           | \$0.25  |
| <b>Parks and Rec.:</b>     |  |   |
|                            | Co-ed Volleyball                                     | Varies by # of teams  |
|                            | Co-ed Softball                                       | Varies by # of teams  |
|                            | Adult Programs                                       | Varies by program   |
|                            | Youth Programs                                       | Varies by program   |
|                            | Cotton Candy machine                                 | \$25 per day + \$25 deposit   |
| <b>Chautauqua Park:</b>    | White Building (Reserve)                             | \$50/day + \$50 deposit   |
|                            | Gazebo (Reserve)                                     | \$25/day + \$25 deposit   |
|                            | Camping  | By donation   |
| <b>Municipal Building:</b> | Tables   | \$5/table/day + \$50 deposit  |
|                            | Chairs   | \$.50 per day + \$50 deposit  |
|                            | Not pick up between 8-5, no help loading, not clean  | \$25 extra rental   |
| <b>Room Rental:</b>        | Deposit for any key                                  | \$50  |
|                            | Club sports team renting Gym at available times      | 2 months \$100 Deposit + \$100 Rental, 3 months \$100 Deposit + \$150 Rental                          |
|                            | <b>Gym: Deposit Fee Does NOT Guarantee all Dates</b> |   |
|                            | School deposit                                       | \$1,000   |
|                            | Private - For Profit/Business                        | \$100 Deposit + \$125 Rental  |
|                            | Private - Non-Profit                                 | \$100 Deposit + \$75 Rental   |
|                            | Community Activity                                   | \$100 Deposit + on City Agreement   |
|                            | <b>Conference Room:</b>                              |   |
|                            | Private - For Profit/Business                        | \$50 Deposit + \$50 Rental  |
|                            | Private - Non-Profit                                 | \$50 Deposit + \$50 Rental  |
|                            | Community Activity                                   | \$50 Deposit + on City Agreement  |
|                            | <b>Trail Room:</b>                                   |   |
|                            | Private - For Profit/Business                        | \$50 Deposit + \$50 Rental  |
|                            | Private - Non-Profit                                 | \$50 Deposit + \$50 Rental  |
|                            | Community Activity                                   | \$50 Deposit + on City Agreement  |
|                            | <b>Sutter Room:</b>                                  |   |
|                            | Private - For Profit/Business                        | \$100 Deposit + \$125 Rental  |
|                            | Private - Non-Profit                                 | \$100 Deposit + \$75 Rental   |
|                            | Community Activity                                   | \$100 Deposit + on City Agreement   |
|                            | <b>Entire Basement:</b>                              |   |
|                            | Private - For Profit/Business                        | \$200 Deposit + \$225 Rental  |
|                            | Private - Non-Profit                                 | \$200 Deposit + \$150 Rental  |
|                            | Community Activity                                   | \$100 Deposit + on City Agreement   |
| <b>Cemetery:</b>           | Standard Burial (opening and closing)                | \$400   |
|                            | Burial after hours, holidays, weekends               | add \$150.00  |
|                            | Infant Burial  | \$100   |
|                            | Cremation  | \$150   |
|                            | Cremation over 24 X 24                               | \$200   |
|                            | Grave spaces   | \$300   |
|                            | Veteran & spouse grave spaces in Soldier Square      | \$0   |
|                            | Transfer of Deeds                                    | \$25  |
| <b>Sports Complex:</b>     | Concession Stand: per event                          | 25 + \$50.00 Deposit  |
|                            | Concession Stand: per Season                         | \$100 + \$50 Deposit  |
|                            | Season Key Deposit                                   | \$50  |
|                            | Field Marking (private use)                          | \$25  |
|                            | Field Rental for Lights (private use)                | \$25  |
| <b>Swimming Pool:</b>      | Daily Admittance:                                    | 2 years and under - Free with accompanied adult (over 18) must be in swim diaper if not potty trained |
|                            |  | 3 -17 years \$4.00  |
|                            |  | 18-61 years \$6.00  |
|                            |  | 62 and over \$2.00  |
|                            | Individual Seasonal Pass                             | before 5/14/16 \$60.00  |
|                            | Individual Seasonal Pass                             | 5/14/16 and after \$85.00   |
|                            | Family Seasonal Pass                                 | before 5/4/16 (2 adults and 4 kids) \$175.00  |
|                            | Family Seasonal Pass                                 | before 5/14/16 Option 1 - Each additional family's child - \$25.00 up to \$225.00                     |
|                            | Family Seasonal Pass                                 | 5/14/16 and after (2 adults and 4 kids) \$200.00  |

|                                     |  |
|-------------------------------------|--|
| Family Seasonal Pass                | 5/14/16 and after Option 1 - Each additional family's child - \$25.00 up to \$250.00<br>Option 2 - The family's babysitter an additional \$50.00 per person with consent form            |
| Day Care Provider                   | \$30.00 for a seasonal pass used when supervising day care children only   |
| Private Swim Lessons                | Both teacher and student needs to pay the admission/have a pass and file form with pool manager  |
| City Sponsored Swim Lesson          | Will depend on current cost  |
| Pool Parties:                       |  |
| All inclusive features              | Under 50 admissions \$200.00 for 1.5 hours<br>50 to 100 admissions \$250.00 for 1.5 hours<br>Over 100 admissions \$300.00 for 1.5 hours<br>Concession Stand Open - an additional \$25.00 |
| Pool without lazy river             | Under 50 admissions \$150.00 for 1.5 hours<br>50 to 100 admissions \$150.00 for 1.5 hours<br>Over 100 admissions \$200.00 for 1.5 hours<br>Concession Stand Open - an additional \$25.00 |
| Toddler Party                       | Only toddler sections open - 25 Children maximum with 10 adults for 1 hour \$50.00   |
| <b>Transportation:</b>              |  |
| Transportation Operator             | \$30 per hour - Overtime \$45 per hour   |
| Barricades:                         |  |
| Business                            | \$30   |
| Non-Business                        | \$0  |
| Vehicle Usage Rates:                | Description of Vehicle Proposed Fees (per hour)  |
| <b>Parks &amp; Rec</b>              |  |
| 1976 Ford Bus                       | \$15 + cost of operator  |
| 2002 GMC 1 Ton Dump Truck           | \$20 + cost of operator  |
| 1985 Ford 1 Ton Dump Truck          | \$20 + cost of operator  |
| 1996 Ford 1 Ton Service Pickup      | \$20 + cost of operator  |
| 1996 IHC Tandem Dump Truck          | \$60 + cost of operator  |
| 2010 ¾ Ton Dump Truck               | \$20 + cost of operator  |
| 1977 Chevy 2 Ton Flatbed            | \$40 + cost of operator  |
| 1997 Johnston Sweeper               | \$70 + cost of operator  |
| 1967 2 Ton Oil Distributor          | \$50 + cost of operator  |
| 1983 GMC Oil Distributor            | \$50 + cost of operator  |
| 2003 GMC 2500 HD 4X4                | \$25 + cost of operator  |
| 2004 Ford 1 Ton Service Truck       | \$35 + cost of operator  |
| 8 x 12 Tilt Trailer                 | \$15 + cost of operator  |
| 1985 GMC 2 Ton Flatbed              | \$40 + cost of operator  |
| Airport Courtesy Car                | \$20 + cost of operator  |
| Portable Welder                     | \$15 + cost of operator  |
| 1969 Chevy 1 Ton Water Truck        | \$20 + cost of operator  |
| 1989 Caterpillar Motor Grader       | \$75 + cost of operator  |
| 1979 Ford 545 Utility Tractor       | \$35 + cost of operator  |
| 1987 Caterpillar 916 Loader         | \$75 + cost of operator  |
| 2011 J.D. 524K Loader               | \$75 + cost of operator  |
| 2002 (310 SG) J.D. Backhoe          | \$75 + cost of operator  |
| Sullair Air Compressor plus tools   | \$30 + cost of operator  |
| Self Propelled Concrete Saw         | \$25 + cost of operator  |
| 1982 Chevy 10 cy. Dump Truck        | \$50 + cost of operator  |
| 1982 IHC 7 cy. Dump Truck           | \$40 + cost of operator  |
| 1994 Ford Service Truck             | \$35 + cost of operator  |
| 2008 Ford Pickup                    | \$20 + cost of operator  |
| 1994 Belarus Tractor                | \$35 + cost of operator  |
| 2002 Vibratory Packer               | \$60 + cost of operator  |
| Ferguson Rubber Tired Roller        | \$25 + cost of operator  |
| 2000 Freightliner Semi              | \$60 + cost of operator  |
| Gomaco Curb Machine                 | \$75 + cost of operator  |
| 2012 Bobcat Skid Steer              | \$40 + cost of operator  |
| 2007 Craico Crack Sealer            | \$30 + cost of operator  |
| Chevy Dump Truck                    | \$40 + cost of operator  |
| Water Service Truck F550            | \$50 + cost of operator  |
| Sewer Service 1 Ton                 | \$50 + cost of operator  |
| 2000 GMC 1 Ton Pickup-Sewer         | \$30 + cost of operator  |
| 1998 446B CAT Backhoe-Sewer         | \$75 + cost of operator  |
| Allis Front Loader - WW Plant       | \$75 + cost of operator  |
| Sewer Rodder                        | \$60 + cost of operator  |
| Generator for sewer lift stations   | \$35 + cost of operator  |
| 2000 Ford F350 - Water              | \$35 + cost of operator  |
| 2009 Vac-Con Sewer Truck            | \$100 + cost of operator   |
| 2001 Dodge Ram 1500 - Water<br>Pump | \$30 + cost of operator  |
| Pole Drill Rig                      | \$50 + cost of operator  |
| Rock n' Roller Concrete Stamper     | \$25 + cost of operator  |
| Scarifier                           | \$60 + cost of operator  |
| Farm Tractor                        | \$20 + cost of operator  |
| Tractor and Mower                   | \$35 + cost of operator  |

|                    |  |   |
|--------------------|--|---|
|                    | Hand Mower   | \$10 + cost of operator                       |
|                    | Weed Eater   | \$10 + cost of operator                       |
|                    | Tapping Machine  | \$15 + cost of operator                       |
|                    | Pipe Saw   | \$15 + cost of operator                       |
|                    | Boring Machine (push pull)   | \$75 + cost of operator                       |
|                    | Boring Machine (auger)   | \$75 + cost of operator                       |
|                    | Filter and Equipment   | \$50 + cost of operator                       |
|                    | Fire Truck   | \$150 + cost of operator                      |
|                    | Barricade  | \$30 per day                                  |
| Utility Cut Fee:   | Asphalt/Concrete   | \$150 + materials                             |
|                    | Brick  | \$200 + materials                             |
|                    | Gravel   | \$100 + materials                             |
| Utilities:         | Deposit  | \$150   |
|                    | Transfer Service   | \$30  |
|                    | <b>Reconnect Fee:</b>  |   |
|                    | If shut off for non payment  | \$75 + tax                                    |
|                    | After 5pm or on weekends   | \$75 + tax +\$75                              |
| <b>Operations:</b> |  |   |
| Water:             | <b>Meters:</b>   |   |
|                    | 3/4"   | Free  |
|                    | All sizes greater than 3/4"  | Cost of Meter                                 |
|                    | <b>Tapping Fees:</b>   |   |
|                    | 3/4"   | \$150   |
|                    | 1"   | \$150   |
|                    | 1 1/2"   | \$350   |
|                    | 2"   | \$550   |
|                    | 4"   | \$900   |
|                    | 6"   | \$1,200                                       |
|                    | Out-of-City Hook-up Fee  | \$1,400                                       |
|                    | Impact Fee   | \$400   |
| Sewer              | Tapping Fees   | \$250.00 if city crew taps                    |
|                    | Impact Fees  | \$450   |
|                    | Out-of-City Hook-up Fee  | \$1,400                                       |
| Electric:          | <b>Temporary electric Connect Fee:</b>                                       |   |
|                    | Inside City Limits (per 6 months)  | \$100   |
|                    | Outside City Limits (per 6 months)   | \$200   |
|                    | <b>Out-of-City Hook-up Fee</b>   | \$1600 per project                            |
|                    | <b>Electric Impact Fees:</b>   |   |
|                    | Transformer KVA will be rated at 4 premises of equal load size.              |   |
|                    | If transformer is not situated for this, below price may be multiplied by 4. |   |
|                    | <b>1/0 240V</b>  |   |
|                    | <b>Amperes</b>   |   |
|                    | 0 to 60  | \$200   |
|                    | 61 to 100  | \$250   |
|                    | 101 to 150   | \$350   |
|                    | 151 to 200   | \$400   |
|                    | 201 to 400   | \$450   |
|                    | 401 to 600   | \$500   |
|                    | 601 to 800   | \$550   |
|                    | 801 to 1,000   | \$600   |
|                    | Over 1,000 – per each  | \$600   |
|                    | additional thousand amperes or fraction thereof                              |   |
|                    | <b>3/0 208 or 240V</b>   |   |
|                    | <b>Amperes</b>   |   |
|                    | 0 to 60  | \$200   |
|                    | 61 to 100  | \$300   |
|                    | 101 to 150   | \$400   |
|                    | 151 to 200   | \$500   |
|                    | 201 to 400   | \$600   |
|                    | 401 to 600   | \$700   |
|                    | 601 to 800   | \$800   |
|                    | 801 to 1,000   | \$900   |
|                    | Over 1,000 – per each  | \$900   |
|                    | additional thousand amperes or fraction thereof                              |   |
|                    | <b>3/0 480V</b>  |   |
|                    | <b>Amperes</b>   |   |
|                    | 0 to 60  | \$350   |
|                    | 61 to 100  | \$450   |
|                    | 101 to 150   | \$550   |
|                    | 151 to 200   | \$650   |
|                    | 201 to 400   | \$750   |
|                    | 401 to 600   | \$850   |
|                    | 601 to 800   | \$950   |
|                    | 801 to 1,000   | \$1,050                                       |
|                    | Over 1,000 – per each  | \$1,050                                       |
|                    | additional thousand amperes or fraction thereof                              |   |
|                    | Electric Operator  | \$30 per hour - Overtime \$45 per hour        |
|                    | After hour transfer of elec service  | \$200.00 minimum & \$45 per operator per hour |
|                    | Crimping Tool Hand Hydraulic   | \$50 first 2 hours then \$30 per hour         |

|                                  |                                      |
|----------------------------------|--------------------------------------|
| 2014 Bobcat Skidsteer - Plant    | \$30 + cost of operator              |
| 1977 Ford Dump Truck             | \$40 + cost of operator              |
| Ford 1 Ton - Steve's Truck       | \$30 + cost of operator              |
| Chevy Pickup - Ron's Truck       | \$30 + cost of operator              |
| Ford Large Bucket Truck (newest) | \$110 + cost of operator             |
| Ford Small Bucket Truck          | \$75 + cost of operator              |
| Ford Large Bucket Truck          | \$110 + cost of operator             |
| Ford Digger Derrick              | \$90 + cost of operator              |
| GMC Digger Derrick               | \$90 + cost of operator              |
| Case-Davis Small Trencher        | \$35 + cost of operator              |
| John Deere Skidsteer             | \$30 + cost of operator              |
| Vermeer Large Trencher           | \$75 + cost of operator              |
| Vermeer Chipper for trees        | \$25 + cost of operator              |
| Unit 10                          | \$30.00 + cost of operator           |
| 1981 GMC 7 cy. Dump Truck        | \$40 + cost of operator              |
| Light Pole Fees: Pole Setting    | \$1,000                              |
| 100 HPS or LED Security Light    | \$12.60 per month in city limits     |
| 100 HPS or LED Security Light    | \$13.86 per month out of city limits |
| 250 HPS Security Light           | \$18.90 per month in city limits     |
| 250 HPS Security Light           | \$20.79 per month out of city limits |
| Pole intersection                | Wood=free / Metal= \$1,300           |

**PASSED AND ADOPTED** at a regular meeting of the Governing Body of the City of Beloit and signed by the Mayor this 2nd day of February, 2016.

\_\_\_\_\_  
TOM NAASZ, Mayor

ATTEST:

\_\_\_\_\_  
AMANDA J. LOMAX, City Clerk





## REQUEST FOR COUNCIL ACTION

|                                |   |
|--------------------------------|---|
| <b>DATE:</b>                   | <b>TITLE:</b>   |
| February 2, 2016               | RESOLUTION 2016-7 WAIVER OF GAAP ACCOUNTING                                       |
| <b>ORIGINATING DEPARTMENT:</b> | <b>TYPE OF ACTION:</b>  |
| Administration                 | <input type="checkbox"/> ORDINANCE <input checked="" type="checkbox"/> RESOLUTION |
|                                | <input type="checkbox"/> FORMAL ACTION <input type="checkbox"/> OTHER             |

### RECOMMENDATION:

I recommend that the Council approve Resolution No. 2016-7 Waiver of GAAP Accounting for FY2015.

### FISCAL NOTE:

- There is no cost associated with approving this resolution. In fact, the cost of our annual audit has actually decreased since cash basis audits are less time-consuming than GAAP-based audits.

### DISCUSSION:

Attached is Resolution No. 2016-7, a waiver of GAAP Accounting for the fiscal year 2015. According to K.S.A. 75-1120a, municipalities are required to use fiscal and accounting procedures in the preparation of annual financial statements that conform to generally accepted accounting principles (GAAP). However, K.S.A. 75-1120a also contains a provision that allows municipalities to request a waiver from this requirement. The governing body must pass a yearly resolution requesting a waiver from the State of Kansas Director of Accounts and Reports. This request "shall be granted" provided the request meets certain conditions including:

- GAAP financial statements have "no significant value to the governing body or members of the general public of the municipality."
- As long as the provisions of "revenue bonds ordinances or resolutions or other ordinances or resolutions of the municipality do not require GAAP financial statements."

There are several differences between GAAP audits and cash basis audits. One is that fixed assets (buildings, land, and equipment) are not accounted for in a cash basis audit. Another significant difference is balance sheets showing items such as receivables, inventories, and deferred revenue are not presented. Our current audit firm estimates that only one or two of the municipalities that they audit actually prepare GAAP audits. The rest of their clients use cash basis audits. We utilized a cash basis audit since FY2004 and found the process and the results to be acceptable. A cash basis is more consistent with our daily accounting practices as well. This should simplify our annual audit and hopefully continue to make it more understandable.

Respectfully submitted,

Tom Naasz,  
Mayor



**RESOLUTION 2016-7**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELOIT  
WAIVER OF GAAP ACCOUNTING**

**WHEREAS**, the City of Beloit, Kansas, has determined that the financial statements and financial reports for the year ended 2015 be prepared in conformity with the requirements of K.S.A. 75-1120a(a) are not relevant to the requirements of the cash basis and budget laws of this state and are of no significant value to the City Council or the members of the general public of the City of Beloit and

**WHEREAS**, there are no revenue bond ordinances or resolutions of the municipality that require financial statements and financial reports to be prepared in conformity with K.S.A. 75-1120a(a) for the year ended December 31, 2015.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Beloit as follows:

The City Council requests the Director of Accounts and Reports to waive the requirements of K.S.A. 75-1120a(a) as they apply to City of Beloit for the year ended December 31, 2015.

**BE IT FURTHER RESOLVED** that the City Council shall cause the financial statements and financial reports of the City of Beloit to be prepared on the basis of cash receipts and disbursements as adjusted to show compliance with the cash basis and budget laws of this State.

**PASSED AND ADOPTED** at a regular meeting of the Governing Body of the City of Beloit and signed by the Mayor this 2nd day of February, 2016.

\_\_\_\_\_  
Tom Naasz, Mayor

ATTEST:

\_\_\_\_\_  
Amanda Lomax, Director of Finance/City Clerk





## REQUEST FOR COUNCIL ACTION

|                                |                        |  |  |
|--------------------------------|------------------------|--|--|
| <b>DATE:</b>                   | <b>TITLE:</b>          |  |  |
| February 2, 2016               | AUDIT FIRM SELECTION   |  |  |
| <b>ORIGINATING DEPARTMENT:</b> | <b>TYPE OF ACTION:</b> | <input type="checkbox"/> <b>ORDINANCE</b>                | <input type="checkbox"/> <b>RESOLUTION</b> |
| Administration                 |                        | <input checked="" type="checkbox"/> <b>FORMAL ACTION</b> | <input type="checkbox"/> <b>OTHER</b>      |

### RECOMMENDATION:

I recommend that the Council approve the FY2015 audit agreement with Clubine and Rettele in an amount not to exceed \$8,800.00 and designate the Director of Finance/City Clerk to oversee their services.

### FISCAL NOTE:

- The direct cost of this item is approximately \$8,800.00.
- Funding for this type of item was included in the 2015 budget in various line items, including 10-11-3310 (General Fund-Administration-Audit). The audit amount is split between the four major funds (General, Electric, Water, and Wastewater)

### DISCUSSION:

Every year the City's financial statements from the previous year are audited. For the past ten years, the City had a contract with Clubine and Rettele, from Salina, to perform this duty. Contact was not made with any other firms this year.

Clubine and Rettele are requesting that the City "designate a qualified management-level individual to be responsible and accountable for overseeing their services." While the audit is taking place, Clubine and Rettele staff will be in the City Office going through financial documents for several days. City staff will assist them with any requests they may have. Clubine and Rettele have done a good job for us in the past and City staff works well with their staff.

Respectfully submitted,

Tom Naasz,  
Mayor



**CLUBINE  
&  
RETTELE  
CHARTERED**

Certified Public Accountants



Robert I. Clubine, CPA  
David A. Rettele, CPA  
Jay D. Langley, CPA, CGMA  
Jon K. Bell, CPA  
Leslie M. Corbett, CPA, CGMA  
Stacy J. Osner, CPA

Marci K. Fox, CPA  
Linda A. Suelter, CPA  
Valerie K. Linenberger, CPA  
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218 South Santa Fe  
P.O. Box 2267  
Salina, Kansas  
67402-2267

Salina  
785 / 825-5479  
Salina Fax  
785 / 825-2446

Ellsworth  
785 / 472-3915  
Ellsworth Fax  
785 / 472-5478

January 15, 2016

City of Beloit  
Mayor and City Council  
119 N Hersey  
Beloit, KS 67420

We are pleased to confirm our understanding of the services we are to provide the City of Beloit, Kansas, for the year ended December 31, 2015. We will audit the financial statement of the City of Beloit and its related municipal entity, Beloit Port Library, as of and for the year ended December 31, 2015.

We have been engaged to report on the regulatory-required supplementary information (RRSI) that accompanies the City of Beloit's financial statement. We will subject the following RRSI to the auditing procedures applied in our audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statement as a whole:

- 1) Schedule 1, Summary of Regulatory Basis Expenditures – Actual and Budget
- 2) Schedule 2, Schedules of Regulatory Basis Receipts and Expenditures – Actual and Budget
- 3) Schedule 3, Schedule of Regulatory Basis Receipts and Expenditures – Agency Funds
- 4) Schedule 4, Schedule of Regulatory Basis Receipts and Expenditures – Related Municipal Entity

**Audit Objective**

The objective of our audit is the expression of opinions as to whether your financial statement is fairly presented, in all material respects, in conformity with the *Kansas Municipal Audit and Accounting Guide (KMAAG)* and the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which is a regulatory basis of accounting, the practices of which differ from accounting principles generally accepted in the United States of America (GAAP) and to report on the fairness of the RRSI referred to in the second paragraph when considered in relation to the financial statement as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the KMAAG, and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinion. If our opinion on the financial statement is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

**Management Responsibilities**

Management is responsible for the financial statement and all accompanying information as well as all representations contained therein. You agree to assume all management responsibilities for any nonattest services we provide. You are also responsible for making all management decisions and performing all management functions; for designating an individual with suitable skill, knowledge, or experience to oversee our assistance with the preparation of your financial statement and related notes; and for evaluating the adequacy and results of those services and accepting responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statement of the respective Summary Statement of Receipts, Expenditures, and Unencumbered Cash of the City of Beloit in conformity with the KMAAG and the practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which is a regulatory basis of accounting, the practices of which differ from GAAP.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

You are responsible for the preparation of the RRSI in conformity with the KMAAG regulatory basis of accounting. You agree to include our report on the RRSI in any document that contains and indicates that we have reported on the RRSI. You also agree to include the audited financial statement with any presentation of the RRSI that includes our report thereon or make the audited financial statement readily available to users of the RRSI no later than the date the RRSI is issued with our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for the presentation of the RRSI in accordance with the KMAAG; (2) you believe the RRSI, including its form and content, is fairly presented in accordance with the KMAAG regulatory basis of accounting; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

It is our understanding that management and the governing body have taken appropriate action through the adoption of a resolution pursuant to K.S.A. 75-1120a(c) to waive the statutory requirement to prepare its annual financial statement in accordance with GAAP, and have elected to prepare the financial statement (special purpose financial statement) in accordance with a special purpose framework consistent with the basis of cash receipts and disbursements as adjusted to show compliance with the cash basis and budget laws of the State of Kansas (Kansas Cash Basis Law, K.S.A. 10-1101 et seq., and the Kansas Budget Law, K.S.A. 79-2925 et seq.) as regulated by the State in the KMAAG.

Management understands and acknowledges the following with regards to the special purpose financial statement:

- The purpose for using the KMAAG regulatory basis framework is to comply with the statutory provisions applicable to the entity for preparation of the financial statement on a basis of accounting other than GAAP;
- The financial statement is intended for general use;
- Management has taken appropriate steps to determine that the KMAAG regulatory basis framework is acceptable in the circumstances for meeting its annual financial statement reporting needs;
- Informative disclosures will be included in the financial statement that are appropriate to the KMAAG regulatory basis framework, including:
  - A description of the KMAAG regulatory basis framework, including a summary of significant accounting policies, and how the framework differs from GAAP
  - Informative disclosures similar to those required by GAAP for items contained in the special purpose financial statement that is the same as, or similar to, the financial statement prepared in accordance with GAAP
  - Any additional disclosures beyond those specifically required by the KMAAG regulatory basis framework that may be considered necessary to achieve fair presentation of the special purpose financial statement
  - Management has chosen to include financial information of the following related municipal entity in its financial statement:
    - Beloit Port Library

With regard to the electronic dissemination of the audited financial statement, including the financial statement published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

## **Auditor's Responsibilities**

### ***Audit Procedures—General***

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statement is free of material misstatements, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors are limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statement and related matters.

### ***Audit Procedures—Internal Control***

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatements of the financial statement and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

### ***Audit Procedures—Compliance***

As part of obtaining reasonable assurance about whether the financial statement is free of material misstatements, we will perform tests of the City of Beloit's compliance with applicable laws and regulations and the provisions of contracts and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

We will also be responsible for the following with regards to the audit of the financial statement:

- For complying with all auditing standards generally accepted in the United States of America as relevant to and adapted to the circumstances of the audit of the special purpose financial statement
- For evaluating whether the special purpose financial statement is suitably titled, adequately refers to or describe the KMAAG regulatory basis framework, include a summary of significant accounting policies, adequately describes how the KMAAG regulatory basis framework differs from GAAP in qualitative terms, and includes the appropriate informative disclosures as described in Management's Responsibilities above
- For evaluating whether the special purpose financial statement achieves fair presentation with regards to the KMAAG regulatory basis framework and forming the appropriate opinion on the special purpose financial statement taken as a whole
- For expressing an opinion as to the fair presentation of the financial statement in accordance with GAAP, in addition to expressing an opinion about whether the financial statement is prepared in accordance with the KMAAG regulatory basis framework, due to the fact that the special purpose financial statement is intended for general use

**Engagement Administration, Fees, and Other**

We understand that your employees will locate any documents selected by us for testing.

Jay D. Langley is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, not including expenses will not exceed \$8,800.00. In addition we will bill any assistance with the budget at our standard hourly rates. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered upon the completion of our field work and are payable on delivery of our audit report. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to the City of Beloit, Kansas and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

*Clubine and Rettele, Chartered*

Clubine and Rettele, Chartered

**RESPONSE:**

This letter correctly sets forth the understanding of the City of Beloit, Kansas.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## REQUEST FOR COUNCIL ACTION

|                                |                        |  |  |
|--------------------------------|------------------------|--|--|
| <b>DATE:</b>                   | <b>TITLE:</b>          |  |  |
| February 2, 2016               | Pickup Truck Bid       |  |  |
| <b>ORIGINATING DEPARTMENT:</b> | <b>TYPE OF ACTION:</b> | <input type="checkbox"/> <b>ORDINANCE</b>                | <input type="checkbox"/> <b>RESOLUTION</b> |
| Wastewater Department          |                        | <input checked="" type="checkbox"/> <b>FORMAL ACTION</b> | <input type="checkbox"/> <b>OTHER</b>      |

### RECOMMENDATION:

I recommend that the city council approve the 2016 4wd GMC Sierra 1500 from Beloit Motor Company in the amount of \$28,704.20.

### FISCAL NOTE:

Funding is available under Waste-water Equipment reserve fund 57-00-6000 (with a current cash balance of \$235,071.48 as of 1-15-2016).

|                             |             |
|-----------------------------|-------------|
| Beloit Motor Company        | \$26,606.20 |
| (2016 GMC Sierra 1500 2wd)  |             |
| Beloit Motor Company        | \$28,704.20 |
| (2016 GMC Sierra 1500 4wd)  |             |
| <br>                        |             |
| Beloit Truck and Auto Bid 1 | \$25,638.00 |
| (2016 Ford F150 XL 2wd)     |             |
| Beloit Truck and Auto Bid 2 | \$28,708.00 |
| (2016 Ford F150 XL 4wd)     |             |

### DISCUSSION:

Respectfully submitted,

Tom Naasz,  
Mayor



**Resubmittal of tabled pickup bid**

**To: Mayor and Council**

**From: James Bentz (Director of Water/Wastewater Operations)**

**Water Plant Pickup**

The current 2001 Dodge has reached its rotation period (15 yrs). I put out bids for a new pickup with the results following. I did elect to go with a crew cab because out of my 4 Depts. whenever anyone needs to go to school, conferences and etc. this is the vehicle they use, and most times there is more than 2 people going. Also, instead of using it for a trade in, I made arrangements with the Park Dept. that we will transfer the Dodge to them and use a 1994 Ford F150 they had for our trade in.

|                            |                      |     |            |
|----------------------------|----------------------|-----|------------|
| Beloit Auto & Truck Plaza  | 2016 F150 XL         | 2wd | \$25638.00 |
|                            |                      | 4wd | \$28708.00 |
| Beloit Motor Company, Inc. | 2016 GMC Sierra 1500 | 2wd | \$26606.20 |
|                            |                      | 4wd | \$28704.20 |

After reviewing the specs of both vehicles. I am recommending we purchase the 4wd GMC Sierra 1500 from Beloit Motor Company for \$28704.20. Barring any problems, we should have this vehicle for at least another 15 yrs. And due to the price difference of approx. \$2000.00. I think over all we will benefit more by having the 4wd option. Also, I recommend the GMC because included in the bid quote it has higher tow and carrying weight ratings and it comes standard with better options and equipment.

The funds are available in 57-00-6000 Equipment Reserve.

Last council meeting (1-19-2016) this pickup bid was tabled for further study. I'd like to clarify my recommendation for your behalf.

This vehicle was bid on its normal rotation period. Rotation periods were set up to avoid equipment getting too many years or miles on them. Keeping the Cities assets up to date. Whereas the Dodge pickup is fairly low miles, it will be transferred. Helping another dept. with their ageing vehicle problems.

I recommended both Crew Cab and 4 wheel drive based on as stated above, besides my use of the vehicle. This is the vehicle used if people of the 4 Depts. that I oversee need to get classes, training or transporting equipment for repair. An Ext. Cab just does not allow enough room and the Crew Cab should rectify that problem for many years. Also, with hopefully at least 15 yrs. life on this new vehicle and not knowing what the future may bring. I feel it is in the Cities best interest to go with the 4 wheel drive. Not only for unknown driving conditions but in increased trade in value.

Budget wise, although the total price of the recommended vehicle is \$28704.20. \$25704.20 will be paid by the fund listed above. The remaining \$3000.00 will be paid directly or transferred by Parks Dept. in exchange for the 2001 Dodge pickup.

Lastly, it was brought up about the uncertainty of privatizing the utilities, and the need for this vehicle. If that is the route the Council pursues, this vehicle can easily be transferred to another Dept. that has aging vehicles they need to replace, but do not have the funding to do so.





2016 Fleet/Non-Retail GMC Sierra 1500 2WD Crew Cab 143.5" TC15543

**PRICING SUMMARY**

PRICING SUMMARY - 2016 Fleet/Non-Retail TC15543 2WD Crew Cab 143.5"

|                    | <u>MSRP</u>        |
|--------------------|--------------------|
| Base Price         | \$36,030.00        |
| Total Options:     | \$1,195.00         |
| Vehicle Subtotal   | \$37,225.00        |
| Advert/Adjustments | \$0.00             |
| Destination Charge | \$1,195.00         |
| GRAND TOTAL        | <u>\$38,420.00</u> |

*Government Discount  
and FORO Pickup*  
-11,713.80  
26606.20 - BID

*\$400, Trade-in*

Report content is based on current data version referenced. Any performance-related calculations are offered solely as guidelines. Actual unit performance will depend on your operating conditions.

GM AutoBook, Data Version: 420.0, Data updated 1/5/2016  
©Copyright 1986-2005 Chrome Systems Corporation. All rights reserved.  
Customer File:

2016 Fleet/Non-Retail GMC Sierra 1500 4WD Crew Cab 143.5" TK15543

**PRICING SUMMARY**

PRICING SUMMARY - 2016 Fleet/Non-Retail TK15543 4WD Crew Cab 143.5"

|                    | <u>MSRP</u>        |
|--------------------|--------------------|
| Base Price         | \$39,180.00        |
| Total Options:     | \$1,195.00         |
| Vehicle Subtotal   | \$40,375.00        |
| Advert/Adjustments | \$0.00             |
| Destination Charge | \$1,195.00         |
| <b>GRAND TOTAL</b> | <b>\$41,570.00</b> |

- 12865<sup>80</sup> Government Discount  
and Ford Pickup  
28704.20 - BID

\$400. For Ford Trade-in

Report content is based on current data version referenced. Any performance-related calculations are offered solely as guidelines. Actual unit performance will depend on your operating conditions.

GM AutoBook, Data Version: 420.0, Data updated 1/5/2016  
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Customer File:

City of Beloit Bid Sheet

Bids Must Be Submitted On This Sheet

propose to perform the services and provide the materials according to the specifications:

All item(s)/material(s) are to be bid F.O.B., Beloit, KS. 67420

This bid is guaranteed for no less than thirty (30) days from the date of the bid opening.

Bid Amount: 2wd crew 25638<sup>00</sup>

Submitted By: Wagdy Richard

Printed Name: W. Richard

Company Name: Beloit Auto & Tincan Plaza

Date: 1-6-15

City of Beloit Bid Sheet  
Bids Must Be Submitted On This Sheet

I propose to perform the services and provide the materials according to the specifications:  
All item(s)/material(s) are to be bid F.O.B., Beloit, KS. 67420

This bid is guaranteed for no less than thirty (30) days from the date of the bid opening.

Bid Amount: 4wd Crew \$28708<sup>00</sup>  
Submitted By: Wade Richard  
Printed Name: W. Richard  
Company Name: Beloit Auto & Tincal Plaza  
Date: 1-6-15

**James Bentz**

---

**From:** Wade Richard <waderichard3094@gmail.com>  
**Sent:** Thursday, January 07, 2016 9:26 AM  
**To:** beloitplants@nckcn.com  
**Subject:** Beloit Auto & Truck Plaza Bid Summary  
**Attachments:** doc06454720160107084750.pdf

Jim,

Attached is the actual build invoice on the 4wd Ford F150 Crew Cab XL that we bid. You will find that we added nothing more than what you requested. The truck will have cloth seats, A/C, cruise, power steering, power brakes and a standard AM/FM stereo.

Here are a break down of numbers:

\$39,470 MSRP  
\$10,851 Trade  
\$28,619 Difference  
\$89.00 Administrative fee  
\$28,708 Total Bid

Wade Richard  
Beloit Auto & Truck Plaza  
1-800-748-8408  
785-738-3573 Office  
785-534-2367 Cell



PUBLIC BUILDING COMMISSION MEETING MINUTES  
July 1, 2014

The Public Building Commission met in regular session on July 1, 2014 in the Council Chambers. Those in attendance were Kent Miller, Tom Naasz, and Matt Otte.

Commissioner Matt Otte called the meeting to order at 7:57 p.m.

A motion was made by Commissioner Miller and seconded by Commissioner Naasz to approve June 3, 2014 meeting minutes. Motion passed 3-0. Nays: None

A motion was made by Commissioner Naasz and seconded by Commissioner Otte to appoint Kent Miller as Secretary. Motion passed 3-0. Nays: None

A motion was made by Commissioner Naasz and seconded by Commissioner Miller to approve Resolution 2014-2 Refunding Revenue Bonds. Motion passed 3-0. Nays: None

A motion was made by Commissioner Naasz and seconded by Commissioner Miller to approve Resolution 2014-3 Tax Compliance Agreement. Motion passed 3-0. Nays: None

A motion was made by Commissioner Miller and seconded by Commissioner Naasz to adjourn the meeting. Motion passed 3-0. The meeting ended at 8:00 p.m.

---

President

ATTEST:

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Secretary



## ITEMS FOR COUNCIL DISCUSSION

**DATE:**

February 2, 2016

**TITLE:**

WORK SESSION DISCUSSION

**DISCUSSION:**

Items for discussion at your February 2, 2016 Work Session will include the following:

1. City Administrator LEAPS Proposal – Enclosed is a proposal from The League of Kansas Municipalities to search for a new city administrator. Weather permitting, Anna-Marie Keena with the League will attend the meeting to answer question about their services.
2. People Service, Inc Proposal – Enclosed is a proposal from People Service, Inc to discuss outsourcing water and waste-water services. Chris Gutschow with People Service will attend the meeting to discuss their proposal.

Respectfully submitted,

Tom Naasz,  
Mayor





300 SW 8th Avenue, Ste. 100  
Topeka, KS 66603-3951  
P: (785) 354-9565  
F: (785) 354-4186  
www.lkm.org

January 20, 2016

Glenn Rodden, City Administrator  
City of Beloit  
119 N Hershey  
PO Box 567  
Beloit, Kansas 67420

RE: LEAPS—League Executive/Administrative Position Search

Dear Mr. Rodden:

Thank you for notifying the League that the City of Beloit is interested in seeking the LEAPS—League Executive/Administrative Position Search for the placement of a new city administrator. We are equipped to assist your agency during this important transition.

As you requested; included in this packet is information providing an overview of the our services, as well as a price quote for Beloit. I have enclosed a brochure for you and each governing body member, along with a sample of the candidate summary booklet that each member will receive after the resume submission period. I would also appreciate the opportunity to make a presentation in person at your next city council meeting. A review of our services demonstrates that LEAPS primary focus is to provide an impartial process with expertise in local government to ensure a qualified-candidate pool.

One additional benefit to note; once your candidate has been placed, the League will then initiate a relationship between that candidate and the KACM—Kansas Association of City/County Management; assisting the new Beloit administrator in receiving the necessary support and continued professional development required of today's city administrators. As a benefit of the LEAPS, the first year of membership with KACM is one of the unique LEAPS services.

If there are any questions about LEAPS, please e-mail me at [akeena@lkm.org](mailto:akeena@lkm.org) or call the League at (785) 354-9565. I will follow-up within one week to see how things are progressing.

Sincerely,

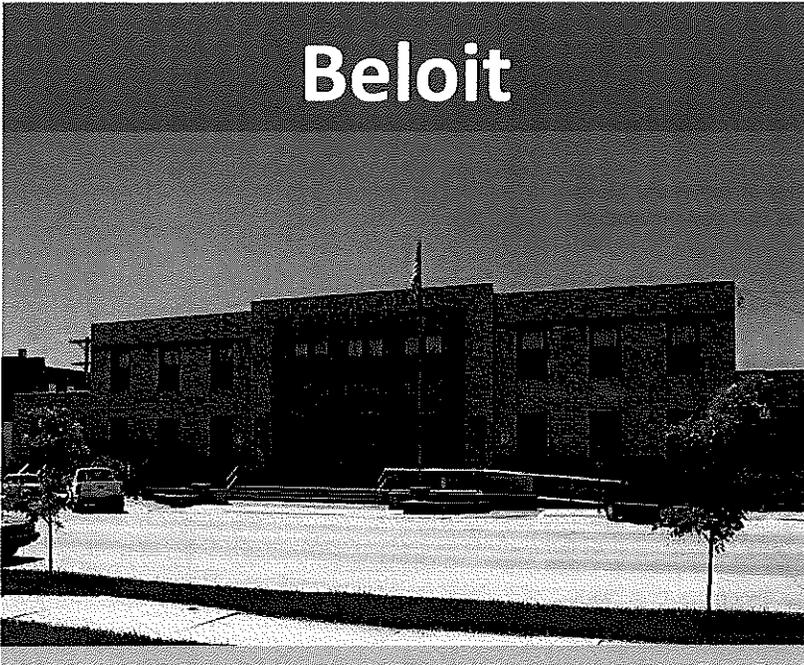
Anna-Marie Keena  
Member Services Manager

Enclosures

Cc: Mayor Tom Naasz  
Mandy Lomax, City Clerk



**Beloit**



**City Administrator**



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The League Executive/Administrative Position Search

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*Helping Cities Find Great Leaders*



**THE PLANNING SESSION**

League Staff will provide the Governing Body with an overview of the entire LEAPS process. The presentation will cover roles and responsibilities, as well as a timeline for completing the search.

**GOVERNING BODY ASSESSMENT**

Each member of the Governing Body will complete two surveys to help shape the position and the candidate pool.

The "Who is Responsible?" profile will further clarify the responsibilities for the position. This instrument will also help determine the position description and assist in screening applicants.

The "Ideal Candidate" profile will determine the specific skills and management style that governing body members would like to see in the person filling the position. This instrument will help build the position description, advertisement, and determine the criteria used for screening resumes.

**SALARY GUIDANCE**

We will conduct a salary and benefits survey to provide the Governing Body with information regarding the level of City Administrator compensation.

**ADVERTISING**

League Staff will create advertisements and produce a plan to properly advertise the position. We use state, regional, and national resources to reach highly qualified candidates.

**PROCESSING RESUMES**

The League creates a database of all candidates and checks resumes for completeness and compliance with the requirements set forth by the Governing Body. We will express our recommendations to help the Governing Body select candidates for interviews. The city will make the final determination of how many and which candidates to interview.

**INTERVIEWING CANDIDATES**

League Staff will provide advice on scheduling interviews. We will also contact the candidates and arrange interviews at a time agreeable to the city. League Staff will also provide a selection of questions to ask candidates during the interviews. These questions will allow the Governing Body to determine the skills, communications style, and knowledge of candidates.

**WE GUIDE YOU THROUGH THE ENTIRE PROCESS**

Before an offer is made, League Staff will help your city with background checks to thoroughly evaluate the final candidates. We will also provide the city with information regarding criminal background checks. Once the city has made a formal offer of employment and has a signed employment contract, the League will notify all candidates that the position has been filled.

**EXPERIENCE**

The League has the experience of conducting more than 60 LEAPS searches since the program was started in 1998. We know Kansas Municipalities and this experience will provide a service to your city that is both economical and beneficial!



## League Professional Recruiting Program

### LEAGUE OF KANSAS MUNICIPALITIES

#### QUOTE FOR SERVICES: CITY OF БЕЛОIT

The quoted price includes all of these services:

**Total Cost: \$4,053.66 + advertising (generally \$600 - \$1,100)**

- ◆ Administer Characteristics Profile/Who's Responsible Surveys, which will build consensus and aid in reviewing the City Administrator description.
- ◆ Help the City create a job description, which will aid in candidate selection and build a firm foundation for the position.
- ◆ Conduct a salary survey, which will show what comparable cities are paying City Administrator's.
- ◆ Assist the City in drafting an advertisement for the position based on the determined characteristics and job description. The League will place all ads in locations selected by the City and bill the City at the completion of the project for advertising costs.
- ◆ Review the resumes for compliance with the selected characteristics criteria and job description requirements.
- ◆ Recommend candidates to the City for the purpose of narrowing the interview process. Assist the City in arranging interviews and preparing interview questions. We provide information on those questions considered appropriate, as well as questions that address the selected characteristics criteria.
- ◆ Check professional references, educational background, and previous employment of final candidate(s).
- ◆ Provide information to the City regarding criminal background checks.
- ◆ Notify all candidates after the position has been filled.
- ◆ Staff time and expenses for up to two trips to Beloit to administer this plan.



## Ten Reasons to Utilize LEAPS

### **1. YOU SET THE STANDARDS**

The League will ask each governing body member to complete a Characteristics Profile Checklist and a Distribution of Responsibility Checklist. This establishes the most important characteristics your community desires in a new City Administrator.

### **2. WE KNOW KANSAS**

For nearly a century, the League of Kansas Municipalities has served cities and counties in the State of Kansas. We understand the type of leaders needed in Kansas communities. We can help you find them.

### **3. WE PROVIDE A PLANNING SESSION**

A League Representative will be available to visit your community, discuss the process, provide guidance, and answer any questions.

### **4. WE PERSONALIZE THE JOB DESCRIPTION**

The League will use the governing body's desired characteristics to establish a job description specifically for your community.

### **5. WE PROPOSE AN ADVERTISING PLAN**

The League will create sample advertisements, suggest potential advertising locations, and provide a fee estimate, but the governing body will have the final say on the city's advertising cost. The League receives discounted rates from several of our partners.

### **6. WE COMMUNICATE WITH THE APPLICANTS**

All applicants will send their resumes to the League. We will create a database of the candidates and closely screen each resume for compliance with the advertisement. We will also field the phone calls regarding the application process to provide you with a neutral third-party during the hiring process.

### **7. WE RECOMMEND THE TOP CANDIDATES**

The League will provide a booklet of the top candidates along with their resumes and Interview packets of each candidate. We include a summary of the applicants and will discuss the advantages and potential concerns.

### **8. WE UNDERSTAND PUBLIC HIRING**

We provide guidance on the area of public hiring, which includes the Kansas Open Meetings Act and Executive Sessions. We can also help you create a list of useful interview questions and help you avoid unlawful questions.

### **9. WE SERVE AS A CLEARINGHOUSE**

You can direct all calls from candidates to our office. As a third-party, we will provide a fair and neutral hiring process. The League will also formally notify those candidates who were not successful during the interview process.

### **10. WE SAVE YOU MONEY**

The League offers the executive search service to members for thousands less than executive recruitment firms. We also serve as a neutral advisor exclusively representing cities to assure you get the best candidate for your community.



## Timetable

### Estimated Timetable for City Administrator Recruitment

|              |  |
|--------------|--|
| February 16: | Approval of position advertisement   |
| February 18: | Placement of position announcement ads   |
| March 20:    | Preferred deadline for resume submission   |
| March 28:    | Receive report from Ranking Committee recommending finalists for position              |
| April 5:     | Select finalists for interviews  |
| April 11:    | Conduct initial interviews   |
| April 18:    | Interview finalists; convene meetings between finalists and department heads (week of) |
| April 25:    | Select preferred candidate and extend conditional employment offer (week of)           |
| May 2:       | Approve employment agreement and announce new City Administrator (week of)             |
| June 1:      | New City Administrator begins work (or as soon as possible)                            |



**Pros and Cons of the Three Techniques**

All CAO searches consist of common elements, including assessing your city's needs, marketing the vacancy, screening candidates, and setting up interviews. Below are three basic alternatives available to cities seeking a CAO.

| <b>PROS</b>   | <b>CONS</b>  |
|---|--|
| <b>League of Kansas Municipalities - LEAPS</b>  |  |
| <p>Full service, relieves staff and council/commission from recruiting/screening chores</p> <p>Level of service depends on community's specifications</p> <p>Knows local communities, their needs and the idiosyncrasies of Kansas</p> <p>Less expensive than private firms</p> <p>Knows most Kansas CAOs better than a private firm because of regular working relationships</p> <p>Good contacts with other Leagues and cities for background checks</p> <p>Have experience, can verify success record</p> <p>Pay for one-year of membership in the Kansas Association of City/County Management for selected candidate</p> | <p>Does not normally directly solicit employed CAOs in Kansas</p> <p>Less familiar with CAOs outside of Kansas</p> |

|  |   |
|--|---|
| <b>Private Executive Recruiting Firm</b>   |   |
| <p>Full service, relieves staff and council/commission from recruiting/screening chores</p> <p>Level of service depends on community's specifications</p> <p>Actively solicits candidates</p> <p>May be able to dedicate more time to project than the city</p> <p>Knows current availability of CAOs throughout the United States who are seeking a new community</p> <p>Acquainted with many CAOs on a regional/national basis</p> | <p>Often expensive, depending on level of services purchased</p> <p>Possible conflict of interest</p> |

|   |   |
|---|---|
| <b>Self-Administered Recruitment Process</b>  |   |
| <p>Least expensive</p> <p>Provides council/commission with greatest involvement in process</p> <p>Works best when city has a professional human resources staff</p> | <p>Unfamiliar with process which may result in costly mistakes</p> <p>Of these alternatives, requires the most time from council/commission members</p> <p>Council/commission does not normally solicit or know of potential candidates</p> <p>Outside resources required for background check unless a full service human resources program is available</p> <p>Recruitment can interfere with normal city business and require extensive staff time</p> <p>May place city staff in an awkward position of reviewing their potential supervisors in an unsupervised portion of the process</p> |



## Legal v. Discriminatory Interview Questions

*The following table can serve as guide to questions that can and cannot be asked due to the EEOC. The table is an overview of legal and discriminatory questions, but it is not exhaustive.*

| TOPIC                           | LEGAL QUESTION  | DISCRIMINATORY QUESTION  |
|---------------------------------|---|--|
| Family Status                   | <ul style="list-style-type: none"> <li>Do you have any responsibilities that conflict with job attendance or travel requirements?</li> </ul> <p><i>Must be asked of all candidates</i></p>  | <ul style="list-style-type: none"> <li>Are you married?</li> <li>What is your spouse's name?</li> <li>What is your maiden name?</li> <li>Do you have any children?</li> <li>Are you pregnant?</li> <li>What are your child care requirements?</li> </ul> |
| Race                            | <ul style="list-style-type: none"> <li>None</li> </ul>  | <ul style="list-style-type: none"> <li>What is your race?</li> </ul>   |
| Religion                        | <ul style="list-style-type: none"> <li>None</li> </ul> <p><i>You may inquire about availability for weekend work.</i></p>   | <ul style="list-style-type: none"> <li>What is your religion?</li> <li>Which church do you attend?</li> <li>What are your religious holidays?</li> </ul>   |
| Residence                       | <ul style="list-style-type: none"> <li>What is your address?</li> </ul>   | <ul style="list-style-type: none"> <li>Do you own or rent your home?</li> <li>If you move to town, will you buy a home?</li> <li>Who resides with you?</li> </ul>  |
| Sex                             | <ul style="list-style-type: none"> <li>None</li> </ul>  | <ul style="list-style-type: none"> <li>Are you male or female?</li> </ul>  |
| Age                             | <ul style="list-style-type: none"> <li>If hired, can you offer proof that you are at least 18 years of age?</li> </ul>  | <ul style="list-style-type: none"> <li>How old are you?</li> <li>What is your birth date?</li> </ul>   |
| Arrests or Criminal Convictions | <ul style="list-style-type: none"> <li>Have you ever been convicted of a crime?</li> </ul> <p><i>You must state that a conviction will be considered only as it relates to fitness to perform the job.</i></p>  | <ul style="list-style-type: none"> <li>Have you ever been arrested?</li> </ul>   |
| Citizenship or Nationality      | <ul style="list-style-type: none"> <li>Can you show proof of your eligibility to work in the U.S.?</li> <li>Are you fluent in any languages other than English?</li> </ul> <p><i>Second question may be asked only if it relates to the job being sought.</i></p> | <ul style="list-style-type: none"> <li>Are you a U.S. citizen?</li> <li>Where were you born?</li> </ul>  |
| Disability                      | <ul style="list-style-type: none"> <li>Are you able to perform the essential functions of this job with or without reasonable accommodation?</li> </ul> <p><i>Show the applicant the position description so he or she can give an informed answer.</i></p>       | <ul style="list-style-type: none"> <li>Are you disabled?</li> <li>What is the nature or severity of your disability?</li> <li>Have you ever filed a workers' comp claim?</li> </ul>  |
| Organizations & Clubs           | <ul style="list-style-type: none"> <li>Please tell me about job-related organizations, clubs, professional societies, or other associations to which you belong.</li> </ul>   | <ul style="list-style-type: none"> <li>Please tell me about all organizations, clubs, societies and lodges to which you belong.</li> </ul>   |

*\* Adapted from Legal and Effective Interviewing (Coastal Human Resources) and The Costs of Bad Hiring Decisions & How to Avoid Them by Carol Hacker (St. Lucie Press)*



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The League Executive/Administrative Position Search

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*Helping Cities Find Great Leaders*

A service of



300 SW 8th Avenue, Ste. 100  
Topeka, KS 66603-3951  
[www.lkm.org](http://www.lkm.org)

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# LEAGUE OF KANSAS MUNICIPALITIES

## CONTRACT FOR LEAGUE EXECUTIVE/ ADMINISTRATIVE POSITION SEARCH

### City of Beloit

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This agreement is made and entered into between the City of Beloit, hereinafter referred to as the "City," and the League of Kansas Municipalities, hereinafter referred to as the "League." This agreement is made and entered into on the later of the two dates listed at the end of this contract.

#### Part I

The League agrees to assist the City in filling their position of City Administrator. In assisting with this process, the League will provide the services described below:

(a) The League will administer the Distribution-of-Responsibility Surveys and the Ideal Candidate Profile to be completed by the Mayor, City Council, and/or search committee.

(b) The League will use the data obtained from the surveys as well as any applicable job descriptions to review the City's current job description for the position of City Administrator and make recommendations for possible changes.

(c) Based on the job description and the data obtained in the surveys, League staff will assist the City in creating an advertisement. The League will place ads in the locations selected by the City and bill the City for the costs associated with advertising at the completion of the executive search.

(d) The League will receive all resumes and check them for compliance with the selected characteristics criteria and job description requirements. The League will provide the City with the complete pool of applicants no later than twenty-four (24) hours before the applicant-review meeting between the League and City. To ensure a fair and impartial process, the League will not provide the city with the applications until the twenty-four (24) hour window before the review meeting.

(e) Based on the job description and the data obtained from the City, League staff will review the applicants for the City position and recommend applicants for interviews. The City will determine the number of candidates to interview and which applicants to interview.

(f) The League will schedule all selected candidates for interviews on a date mutually agreeable to the City within ten (10) days of the resume-review date.

(g) The League will assist the City in the interview process by preparing interview questions, providing information to avoid potentially illegal questions, and providing information on calling an executive session to interview candidates.

(h) Upon notification from the City, the League will provide relevant information to guide the city through the background-check process prior to a formal offer being made.

(i) Once a formal offer has been made and accepted, the League will notify all candidates that the position has been filled.

## **Part II**

The League understands that the position for which we are assisting in the search process is the position of City Administrator.

At the completion of each step in the search process, copies of the relevant documents will be sent to the City.

## **Part III**

City agrees to pay the League a base fee of \$4,053.66 for the services provided under this agreement. The City will pay half of the base fee (\$2,026.83) upon accepting the League's offer to provide the City with an executive search program. The balance of the base fee, \$2,026.83, will be paid upon the completion of the selection and hiring process or upon the termination of this agreement, as specified in Part IV, whichever occurs first. The base fee includes League staff time and expenses for up to two trips to the City. All additional trips to the City shall be billed at the rate of \$150.00 per trip plus mileage at the rate of \$0.054 [federal mileage rate] per mile from Topeka, Kansas. In addition to trip fees, the City is responsible for all advertising expenses. Trip fees and advertising expenses will be billed to the City as incurred by the League, but not more frequently than monthly, and shall be due upon receipt.

## **Part IV**

The executive search program will commence upon the League's receipt of the first payment required in Part III and will be conducted on a schedule mutually agreed to by the parties. Both parties agree that they will not unreasonably withhold agreement to such schedule. The process will continue until the City has filled the position or February 1, 2017, whichever occurs first. By the agreement of the parties the termination date may be extended one or more times, but in no event for more than a total of 90 days beyond the stated date. Upon termination, the City must immediately pay the balance of the base fee, all unpaid trip expenses, and all advertising expenses. Additionally, upon termination, the League's obligations are complete. Upon full payment, all obligations and responsibilities for both





February 2, 2016

City of Beloit  
Tom Naasz, Mayor  
119 North Hersey Avenue  
Beloit, Kansas 67420

Dear Mr. Naasz,

PeopleService is pleased to submit our proposal for the - Operation, Maintenance & Management of the water and wastewater treatment facilities for the City of Beloit. Since being invited to present this option, we have collaborated to produce a preliminary plan that we believe will fulfill your needs.

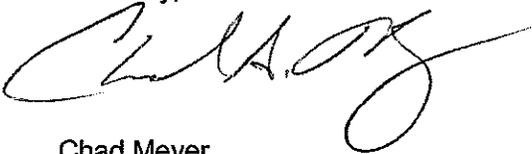
Selecting PeopleService would position the City to have a partner in place that can handle the future needs that might arise. For over twenty-five years we have specialized in providing high quality, dependable service to systems such as yours. As a result, we know many of the challenges you and your peers face and are prepared to help you address and overcome them. We are also proud of the professional water and wastewater operators that have been assembled to not only form the backbone of our Company and be its owners, but who are also the Company's greatest and most valuable asset.

We would work with everyone involved to develop a transition plan to make this process as seamless as possible. We are a team of professionals that has the ability to successfully transform our plan into reality. You can be assured that we will manage the project closely and carefully.

We strive to have our partnerships last for many years, and pledge to you that we will continue to strive for this objective in the way we work with your customers as we never forget that we serve you and your community. It's a promise that's built the company behind our name – PeopleService.

Thank you in advance for your consideration. We appreciate the opportunity to present you with this alternative and the chance to build a mutually rewarding relationship with the City.

Sincerely,



Chad Meyer  
President

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- C Case Studies
- D Standard Form of Contract
- E Generic Insurance Certificate

## Section II - Corporate Profile

### A. Demographic Information

|                                      |  |
|--------------------------------------|--|
| Name of Corporation –                | PeopleService, Inc.  |
| Corporation’s Headquarters Address – | 209 S. 19 <sup>th</sup> Street, Suite 555<br>Omaha, Nebraska 68102 |
| Address of Nearest Regional Office – | 209 S. 19 <sup>th</sup> Street, Suite 555<br>Omaha, Nebraska 68102 |
| Federal Tax Identification Number –  | 47-0804697   |

### B. Where And When Organized

|   |   |
|---|---|
| Date of Incorporation –                 | September 12, 1996                          |
| State of Incorporation –                | Nebraska                                    |
| Years in Business ( <i>see note</i> ) – | First Contract Implemented December 1, 1988 |

*Note: PeopleService was started as a division of Aquila, Inc. and operated as such until the employees purchased it in January of 1997. Since that time it has operated as PeopleService, Inc.*

### C. Client Listing

Since commencing operations in 1988, PeopleService has demonstrated rapid growth in bidding on and obtaining O&M contracts. We currently have 154 O&M water/wastewater contracts under management: 57 full service contracts and 97 management services contracts. Of the 154 O&M projects, 37 are located in Iowa, 73 in Minnesota, 33 in Nebraska, 11 in Missouri and 1 in Illinois. In Appendix A you will find a client listing with varying scope of services.

By type of services provided, some include both water and wastewater, others are either water or wastewater. Our wastewater projects consist of stabilization ponds/lagoons, trickling filter, activated sludge (SBR, Aero-Mod, Oxidation Ditch, BioLac, etc.) and aerated lagoons. Our water projects consist of pressure filters, gravity filtration, membrane filtration, lime softening, ion exchange softening, reverse osmosis, surface water – or water systems which pump well water directly into their connected distribution system and utilize chemical addition such as chlorine, and poly phosphate. The remainder of the water systems we operate pump well water directly to a distribution system with no chemical addition. PeopleService employs one hundred certified, licensed operators to operate and maintain these treatment plants.

To get a more complete picture of our full line of services, our level of expertise, and our vast experience in the industry, it is important to look at PeopleService as a company comprised of accomplished and dedicated professionals who have achieved an impressive level of production and performance in our relatively short history. Regulatory agencies have recognized this performance and as a result have awarded several state, regional and national E.P.A. awards to plants managed and operated by PeopleService. With PeopleService as your operator, you are not just hiring individuals, but a team of professionals who can maintain your facilities in the most efficient and cost-effective manner.

**D. Experience With Public Contracts**

PeopleService has twenty five years of experience with full service contracts. These are contracts by which PeopleService provides all personnel, pays for most operating costs (to include but not limited to communication services, chemical purchases, and laboratory fees, preventive maintenance supplies, materials and services, and any required transportation). The first full service contract signed by PeopleService was in Ackley, Iowa in late 1988, and is a client that PeopleService still serves today.

We have firsthand experience with the operations management for facilities like yours. We have also worked with water and wastewater treatment plants, and water distribution and wastewater collection systems that are undergoing upgrades, modifications or that are being newly constructed. For potable water treatment solutions, PeopleService currently operates surface water treatment plants, lime softening plants, a membrane filtration plant, reverse osmosis plant and several other filtration and softening plants. For wastewater solutions, PeopleService operates mechanical wastewater treatment plants including tricking filters, rotating biological contact (RBC), sequencing batch reactors (SBR), and various designs of activated sludge wastewater treatment plants, along with stabilization ponds or aerated lagoons used to treat wastewater. PeopleService also operates systems where our sole responsibility is the operation of all or a portion of a wastewater collection system, lift stations, or grinder pumps.

**E. Depth Of Resources**

Our Region Manager for your area is Duane Grashorn. Duane has operating experience and is involved in offering support to on-site personnel and has many years of experience in the water and wastewater fields. He is a specialist in the day-to-day treatment of water and wastewater and is in constant communication with all members of his team. A copy of his resume is included in Appendix B. There are no organizational or regulatory boundaries that preclude us from bringing any or all team members to bear on issues affecting the operation of your facility. Along with regulatory compliance and protection, one of PeopleService's highest priorities is that our clients be satisfied with our service.

Because of the large number of clients PeopleService serves, it has an excellent reputation and relationship with the regulatory agencies at the statewide level as well as the local level. In addition, employees of PeopleService have in the past and are currently serving on committees of industry associations, including the Board of the Iowa Water Environment Association and the American Water Works Association. These relationships give PeopleService ready access to other resources in the various states where the company operates.

PeopleService currently operates water and wastewater treatment plants with varying capacities and design flows. We also operate many other water systems where no treatment or only chemical addition is performed, as well as wastewater systems that use stabilization ponds or aerated lagoons for treatment. In most of these cases, PeopleService's responsibilities also include the water distribution and wastewater collection systems. All of the systems operated by PeopleService are located in the Midwest.

**F. Experience With System Upgrades Or Modifications**

PeopleService has been involved in upgrades and the construction of new facilities at many locations. Our involvement has ranged from working with our client's engineers to design projects, to inspecting construction projects, to developing concepts for inclusion by engineers in the design for upgrades and modifications. Example case studies can be found in Appendix C.

**G. Experience With Treatability Issues**

PeopleService has had experience treating various water supplies that contain numerous contaminants. Examples include the removal of arsenic and radio-nuclides (with chemical additions developed by PeopleService and proven to be effective in two different locations). In addition, we operate surface water treatment plants that have ever more stringent requirements with regard to turbidity, where PeopleService again tested various chemicals until it found the right combination of chemicals to achieve the most cost effective method of compliance.

In the wastewater treatment field PeopleService has experience with treating difficult wastewater streams from industrial users (egg processors, packing houses, etc.), and utilized spent "pickle liquor" (used ferric chloride), the by-product of an industrial steel process, for the removal of phosphorus at a fraction of the cost (a portion of the transportation cost only) of other treatment options.

**H. Ability To Deal With New Regulations**

PeopleService has served clients with water systems that have been previously untreated. Putting into operation a filtration plant that includes the addition of chemicals can create many regulatory considerations. The same is true from a wastewater treatment perspective when clients served by PeopleService have gone from stabilization ponds for treatment to activated sludge treatment. This also produces dramatic changes in applicable regulations. At other facilities operated by PeopleService, revised permits have been issued adding treatment for only one additional contaminant (such as ammonia or phosphorus). In these cases, PeopleService was able to modify treatment procedures to accommodate the required removal, or to work with clients to make necessary facility changes.

## Section III - Operational Approach

This proposal is subject to the execution of an Operation and Maintenance Agreement (Contract) between PeopleService, Inc. and the City of Beloit, Kansas containing such terms and conditions upon which all parties shall agree. The paragraphs following discuss some of the major terms that are included.

### A. Facility Responsibility

As the contractor to Beloit, PeopleService would manage, operate and maintain the water (treatment, distribution and storage) and wastewater (treatment, collection and lift station) systems. These activities would include the normal operations and maintenance duties required to assure that the facilities meet all water quality and environmental regulations, and that the City's investment in these facilities is protected.

### B. Staffing Plan

The Regional Manager for the Beloit facilities, Duane Grashorn, would be the overall project manager with the Beloit facilities and operating personnel becoming part of his region. Mr. Grashorn, an experienced, licensed operator, will be responsible for providing (i.e., hiring) the necessary, licensed personnel to complete the daily operation and maintenance of the facilities and to meet permit requirements. For example, the operator who will be assigned to the Beloit operations will be required to obtain Grade III water and a Grade III wastewater license.

In addition to hiring qualified personnel, the Region Manager has the ongoing responsibility of providing direction, oversight, training and mentoring to employees assigned to the City's facilities. Having this management position filled by an individual who is experienced in the water and wastewater industry is one of the advantages the City derives from using PeopleService as compared to continuing the operation using City employees. We also require that the on-site operator (s) live within or near the Beloit area. The on-site operator (s) would: 1) be supported by and become part of PeopleService's network of over one hundred licensed, professional operators, 2) have access to specialized equipment owned by PeopleService, and 3) have access to the technical expertise of PeopleService's entire Management Team.

It is our desire and intent to hire the staff members we'll need to operate and maintain the City's water and wastewater facilities from the existing City staff in order to maintain the knowledge base that currently exists. We would hope that the current employees would apply for the positions. PeopleService would recruit for staff members outside the existing employees to fill any remaining vacancies.

PeopleService understands the value of trained and motivated personnel. We provide our employees the opportunity to attend company-paid training to give them improved knowledge of the water/wastewater profession, certification advancement opportunities and the information to work more safely, including OSHA compliance training.

PeopleService stresses the importance of providing good customer service to all of its employees, and urges them to act in a professional manner when dealing with users of the systems they operate. To assure its employees are in a position to deliver high quality customer service, PeopleService has adopted policies such as a residency requirement, whereby employees are required to live within a thirty minute response time of the facility where they work. We compensate

personnel to be on-call and available to respond quickly. We also administer random drug and alcohol tests in an attempt to make sure employees are physically competent to respond to emergencies. Cellular telephones are provided to on-call personnel so clients can easily reach the personnel needed to respond to any emergencies.

#### **C. Outside Contractors**

PeopleService will only use subcontractors for the completion of very specific and specialized tasks, such as but not limited to repair of pumps/controls, flow meter calibration, the annual servicing of any backup generators, etc. The actual subcontractors to be used will be determined at the time they are required and will be hired based on quality and price of the service to be delivered. Employees of PeopleService will complete the routine operation and maintenance tasks.

#### **D. Owner's Equipment**

PeopleService would use all of the equipment currently assigned to the City's water and wastewater facilities (except passenger vehicles) to continue operation and maintenance of the facilities. Acquisition of new or replacement equipment would be the City's responsibility. PeopleService would provide a vehicle (s) for its operator (s).

#### **E. Operational Assessment**

PeopleService will continue to search for ways to improve the treatment processes and/or lower the cost of all processes without degrading the quality of water produced by the treatment plants or without sacrificing the integrity of the systems. As a result of our experience with similar facilities, we believe there are some areas where we could make changes that might improve treatment, the quality of service provided and the cost of service. We will implement improvements that do not require capital expenditures and will make recommendations to the City with respect to the those that do. Some of the items identified are as follows:

- Cross-training for PeopleService's operators on the operation of the Beloit facilities so they can provide effective backup and emergency support.
- Evaluate the type and amount of chemicals being used at the facilities. The objective of this evaluation would be to identify the blend and dosage of chemicals that would not only be the most effective at contaminant removal but from a cost perspective as well.
- Evaluate the land application process to develop a standard operating procedure. This would be completed to provide more information to assist in improving the overall operations.

#### **F. Maintenance Assessment**

PeopleService appreciates the fact that our clients have a major investment in the water and wastewater infrastructure serving their community. We also know that completing preventative maintenance and keeping the infrastructure in excellent condition and operating at peak efficiency saves our clients and us time and money. It also helps make sure the facility is compliant with all water and wastewater regulations.

PeopleService uses a computerized maintenance program to both schedule maintenance work orders for completion and create a history of completed maintenance. The records from this system will be available for review by the City.

PeopleService does not formulate policy nor do we assume any ownership of the facilities. The City continues to be responsible for all capital outlay items, which in general are expenditures for non-routine, nonrecurring repairs, replacements or additions that cost in excess of \$1,000. The following are some items that we focus on in an effort to assist our clients with the proper operation and maintenance of their infrastructure:

- Analyzing pump operational efficiencies to determine if pumps are currently operating at or near the original equipment specifications.
- Implementing a long-term painting program that is intended to reduce or eliminate corrosion of the piping, structures, pumps, safety railings, etc.

Our business is to operate and maintain water and wastewater facilities. If you choose PeopleService, you will not be paying for expertise that you are not using, or duplicating expertise already available to you from your Engineer. As a result, while PeopleService can provide input to the needs assessment for the facilities and the planning for the improvements needed to address these needs, any actual design or construction of the improvements would be outside the scope of our contract.

PeopleService is an operations and maintenance company, and as such, we perform the routine, preventative maintenance on the equipment for which we are responsible. This may include many minor repairs. However, any major repairs or replacements will remain the financial responsibility of the City. On their behalf, PeopleService will secure the most cost-effective and efficient means of completing those repairs and replacements, and we will work with the chosen contractors/vendors to assure the repairs/replacements are made with the least possible disruption to the operation of the facilities and service to consumers.

#### **G. Safety**

PeopleService stresses working safely as a way of operating. The Company sponsors its own OSHA training program. All PeopleService operating personnel are required to attend the training program each year. In addition to the training, PeopleService provides its operators with any needed PPE (personal protective equipment) including safety shoes, gas monitors, lock out/tag out equipment, safety signage, etc. PeopleService also conducts quarterly safety meetings, has safety committees within each organizational region, provides safety manuals for each employee and has instituted a safety incentive program that rewards employees for good safety records.

#### **H. Public Relations**

PeopleService strongly believes in community relations and will participate in community programs to educate citizens concerning the function of the City's water and wastewater treatment system and how we address environmental protection. We provide tours, group presentations and whatever other reasonable activities may be requested.

## I. Contractual Provisions

This proposal is subject to the execution of an Operation and Maintenance Agreement (Contract) between PeopleService, Inc. and the City of Beloit containing such terms and conditions as the parties shall both agree. The paragraphs following discuss some of the major terms that would be included. A draft of PeopleService's standard full service agreement is included in Appendix D of this proposal.

### 1. Term

Term of the agreement would be five years and is predicated on a May 1, 2016 implementation date. On the expiration date of the original term of the agreement, the agreement would automatically be extended for an additional five-year term, unless terminated by either party through written notice at least ninety days prior to the normal expiration date.

### 2. Liability Coverage

The Company carries a business owner's policy that provides \$1,000,000 of liability coverage and an umbrella liability policy that provides at least \$4,000,000 of coverage, making the total liability coverage \$5,000,000. The Company also carries an environmental/pollution liability policy, including clean-up/remediation with a limit of \$5,000,000. A copy of a generic certificate of insurance is included in Appendix E of this proposal.

### 3. Price Adjustments

The compensation included in this proposal is valid for the first twelve months of the agreement only. PeopleService's approach to compensation for future fiscal years is to adjust the contract price annually based on the change in the Consumer Price Index (CPI). This compensates PeopleService for the inflationary changes to the price of the goods and services it purchases, as well as the increase in wages required for the retention of effective and competent employees.

That first adjustment would take place on May 1, 2017 and would be based on the change in the Consumer Price Index (CPI-U) from January, 2016 to January, 2017. Future cost-of-living increases would be based on the change from January the year immediately preceding the year of adjustment and January the year of the adjustment. These CPI changes would be accomplished by a Letter of Acknowledgement and would not require formal action by the City or a signed contract amendment. There are no other automatic changes to price.

### 4. Flows and Loadings

There is a provision that should the flow of, or the quality of raw water arriving at the treatment plant change significantly, the parties agree to renegotiate the compensation if the changes have resulted in increased or decreased costs for PeopleService. Should changes in regulatory requirements result in a higher cost of treatment, these would be the responsibility of the City until a contract amendment could be negotiated.

Exhibit A to the agreement will contain a detailed description of the Beloit facilities for which PeopleService is responsible. Before major upgrades or modifications to those facilities become part of the agreement, the parties would be required to negotiate an amendment to Exhibit A of the agreement and the compensation, if required.

With the exceptions noted, the compensation (including cost-of-living increases) due PeopleService under the terms of the contract is guaranteed for the term of the contract. Thus, PeopleService assumes the risk of any cost increases that exceed the rate of inflation as measured by the CPI, as well as minor changes to the facilities, increasing population, etc.

#### **5. Maintenance True-Up**

Part of the compensation paid by the City will be used by PeopleService to pay for the materials and supplies and outside contractors needed to perform the required preventative maintenance. By terms of the contract, this maintenance fund is "trued-up" at the end of each contract period. If at that time any of the budgeted funds remain unspent, PeopleService would refund these funds to the City. If expenditures for the contract year exceeded the amount budgeted, PeopleService would invoice the City for the excess expenditures. This amount would be over and above the normal monthly compensation and would be payable within thirty days of the invoice.

#### **6. City Service**

For purposes of this proposal, PeopleService makes the assumption that it would not be billed for the use of City utilities such as, water and/or sewer, electric and solid waste.

#### **7. Non-Compliance**

PeopleService also assumes the risk of any fines or penalties assessed for non-compliance with permits should the non-compliance be the result of negligence on the part of PeopleService or its employees.

## Section IV - Scope of Service

The Scope of Services is the primary basis for the proposal that includes all elements involved in the management and operation of the physical facilities for water and wastewater. A version of this section will become exhibit B to the actual agreement signed by the parties. The Scope of Services for the full service contract operation includes the following:

### A. Personnel and Responsibilities

PeopleService will provide the personnel necessary to manage, operate and maintain the City's water (treatment, storage and distribution) wastewater (treatment, collection and lift stations) facilities in a manner intended to achieve optimum performance, and to maintain equipment for system integrity, within the City's budgeted resources.

### B. Training

PeopleService will provide technical training to the water and wastewater operators on treatment process, preventive maintenance techniques, and safety awareness, including the continuing education units (CEU's) necessary for the operating personnel to maintain their licenses.

### C. Communication, Vehicle and Consumable Supplies

PeopleService will procure and pay for one data/internet service at the water and wastewater treatment facilities, consumable supplies, vehicle fuels and materials and services necessary for the safe and efficient day-to-day operations.

### D. NPDES Testing

Monitor, sample, analyze, and report as required by the Kansas Department of Health and Environment (KDHE) with respect to the NPDES permit for wastewater treatment. For the testing required by the NPDES permit (both influent and effluent BOD, TSS, ammonia, pH, temperature, oil & grease, fecal), PeopleService shall be responsible for the cost of the laboratory analysis of the samples. For any additional testing required by regulatory agencies but not part of the current NPDES permit, PeopleService shall notify Owner, collect the samples, prepare them for delivery to the outside laboratory and ship them. Owner shall be responsible for the cost of shipping the samples and the cost of the laboratory analysis of the samples.

### E. Water Testing

PeopleService will monitor, sample, analyze, and report as required by the Kansas Department of Health and Environment (KDHE) in matters related to the potable water supply. Testing of the potable water will include those daily, weekly and annual tests (chlorine residuals, phosphate, pH, alkalinity, hardness, chlorite, manganese, temperature, turbidity, fluoride), as well as the coliform bacteria, TTHM, SOC, VOC, nitrate and nitrite tests necessary to maintain the daily operation of the water treatment system. For any additional or repeat testing required by regulatory agencies but not part of the current permit, PeopleService shall notify Owner, collect the samples, prepare them for delivery to the outside laboratory and ship them. Owner shall be responsible for the cost of shipping the samples and the cost of the laboratory analysis of the samples.

### F. Liaison

PeopleService will act as a liaison between the City and the KDHE and to the federal EPA in matters relating to compliance with water quality and other liaison activities, as required.

**G. Effluent Quality**

PeopleService will be responsible for effluent quality, including liability for fines and civil penalties should permit conditions be violated while plant loadings and flows are within the design capability of the wastewater treatment plant, but only in those situations where permit conditions could have been met using existing in-place equipment.

**H. Bio-Solids**

PeopleService will coordinate, direct and complete the City's bio-solids handling program using the Owner's equipment while using its best efforts to maintain existing and secure additional sites approved by KDHE if needed. Fuel for the equipment will be considered part of the annual maintenance fund or if an outside contract is used, those costs shall be Owner's responsibility.

**I. Maintenance Program**

PeopleService will implement the use of a comprehensive, preventative maintenance program in an attempt to ensure the projected life expectancy of plant equipment, and we will enforce existing equipment warranties and guarantees, and maintain all warranties on any new equipment purchased after the effective date of an agreement.

**J. Water Meters**

PeopleService will be responsible for water meter maintenance and customer service requests (turn-on, turn-offs, high bill complaints, etc.) including the replacement of malfunctioning meters. The City shall be responsible for scheduling, providing and paying for all water meter supplies used for replacement of malfunctioning meters and new hook ups.

**K. Fire Hydrants**

PeopleService will be responsible for flushing fire hydrants semi-annually except for any areas where it is determined that more frequent flushing is required. Hydrant lubrication shall be completed as needed.

**L. Distribution and Collection Systems Repair**

PeopleService will be responsible for coordinating any repairs to the distribution and collection system. Using the City's equipment or chosen contractor PeopleService will make the actual repair. The City or its contractor shall also be responsible for the replacement and resurfacing of all streets or private property, with the City being responsible for its own expenses and those of its contractor.

**M. Locates**

Using the City's equipment, PeopleService will complete all water/sewer line locates requested by the Kansas One Call System. Any fees necessary for Owner to participate in this program shall remain the responsibility of Owner. In addition, PeopleService shall inspect all new water and sewer taps of Owner's transmission and interceptor lines.

**N. Collection System Cleaning**

Using the City's equipment, PeopleService will respond to plugged sewer main calls and will coordinate the actions necessary to restore normal flows when required. PeopleService will develop and implement a wastewater collection system cleaning program, as well as maintaining adequate records of the cleaning program. The program would include cleaning of at least one-fourth (25%) of the collection system each year as well as any sections identified as trouble spots. If an outside contractor is needed the City shall remain responsible for the cost of the outside contractor. Fuel for the jet machine will be considered part of the annual maintenance fund.

**O. Manhole Inspection Program**

During the initial term of this Agreement, PeopleService shall implement a manhole inspection program by inspecting as many manholes as can be located. All data will be documented and copies provided to Owner.

**P. Water Valve Inspection and Exercise Program**

During the initial term of this Agreement, PeopleService shall implement a water valve inspection and exercise program for all water valves. All data will be documented and copies provided to Owner.

**Q. General Appearance**

PeopleService will maintain cleanliness of process equipment and buildings and the general appearance of all facilities.

**R. Security**

Within the limits of available security devices, PeopleService will secure and protect utility facilities for which it is responsible.

**S. Monthly Report**

PeopleService will provide a monthly written report to designated City officials summarizing plant performance, flows, major projects or accomplishments, and preventive and corrective maintenance activities for the month.

**T. Compliance with Laws**

PeopleService will comply with all applicable City, state, and federal laws, regulations, and administrative rules.

**U. Public Relations**

PeopleService will use a professional manner in dealing with community groups concerned with any facet of the operations, including tours and other public relations programs.

**V. Industry Liaison**

PeopleService will serve as a liaison between Owner and any new or existing major contributing industries, and provide technical assistance to Owner in consultation to existing industries and to any new industries, in matters relating to their pretreatment process or agreements with Owner.

**W. Expansion and Improvements**

PeopleService will coordinate and cooperate with the City's engineer and contractors to facilitate the completion of any expansion or improvement to the facilities.

## X. Value Added Services

PeopleService offers several types of professional services to our clients without charge. We term these additional services as "value added" services that clearly differentiate us from the typical O&M contract services provider. By providing these studies, audits, and assessments, we hope to gain a firm knowledge of our client's systems and at the same time increase our value to them so that we are able to establish a long-term, lasting relationship. The following lists our "value added" services, which we provide to our clients as part of our support services package:

### 1) SDWA Assessment and Consultation

Evaluate the effects of the public health regulatory requirements of Safe Drinking Water Act (SDWA) and amendments to it on the municipal water supply and offer procedures to comply with more stringent water quality standards. The U.S. Environmental Protection Agency (EPA) has mandated a comprehensive drinking water sampling and analysis program to test for the presence of potential contaminants. Any new required testing, such as but not limited to additional volatile organic compounds (VOC), synthetic organic chemicals (SOC), and heavy metals would be at the Owner's expense.

### 2) Water Rates Study

Conduct water rate analysis, review existing water rate structure, and compare existing water rates with other communities. Design water rate structure that includes projected capital and O&M requirements for all users of the water utility system. The base or minimum fees consider equity of all system users. Consumption or volume fees consider amount of water used (metered). Also determine amount and percent of water loss/unaccounted. Recommend procedures to close gap between production records and customer billing amounts.

### 3) Five Year Water Capital Improvements Assessment and O&M Budgeting Assistance

Determine condition of the infrastructure serving community. Present alternatives to consider when planning a facility upgrade or expansion depending upon community growth projections and regulatory agency requirements. Work closely with client's consulting engineer to evaluate cost effectiveness of alternatives. Provide assistance to clients in preparing annual budgets for resources and monies of capital replacement/repair and O&M expenses for the water and wastewater treatment plant.

### 4) Wastewater Rates Study

Conduct wastewater rate analysis. Review existing wastewater rate structure. Compare existing wastewater rates with other communities. Design wastewater rate structure that includes projected capital and O&M requirements for all users of the wastewater utility system. Wastewater rates can be based as a percentage of water use or as a monthly flat billing rate to cover expenses.

**5) Inflow/Infiltration (I/I) Analysis of Wastewater Collection System**

Conduct I/I investigation of sanitary collection system to determine the extent of storm drainage into the wastewater treatment system utilizing smoke testing equipment. Analyze WWTP influent flows and compare with local precipitation data. Recommend additional studies, analyses or remedial action to reduce I/I flows.

**6) Industrial Pre-Treatment Investigation**

Conduct investigation of industrial pre-treatment processes. Assess impact of industrial loadings resulting from new or expanded operations on the municipal WWTP. Work with selected industries to add or improve current pre-treatment processes to minimize potential shock loadings to existing wastewater system.

**7) Laboratory Quality Assurance and Quality Control (QA/QC) Program**

Develop a quality assurance and procedures program for essential wastewater laboratory tests. Laboratory personnel will be trained in the use of the techniques and procedures included in the program. A quality assurance program is an essential part of laboratory certification established in some states. It has proven to be effective in improving analytical accuracy.

## Section V - Proposed Pricing

Total annual cost for the scope of services being proposed by PeopleService is currently estimated to be \$930,000 for the twelve months beginning May 1, 2016 and ending April 30, 2017. Based on this annual price, the monthly cost is \$77,500, which will be held constant for the first twelve months of the agreement. This price is valid until May 1, 2016. After that date, PeopleService reserves the right to re-examine the scope of services offered and review all estimated costs. The details of what is included in this price proposal are discussed in the following paragraphs.

### A. Operating Personnel:

Includes wages, benefits and overtime for certified operators. During the transition period, vacations, emergencies or major projects, and other leave conditions, other PeopleService field and corporate personnel will provide supplemental support. In addition this category covers the license fees for the individual operators as well as the training necessary for them to maintain or upgrade their licenses.

### B. Supplies/Materials:

Includes consumables used in the operation and maintenance of the facilities such as but not limited to vehicle gasoline, tools, vehicle expenses, office supplies, postage, clothing, safety equipment, etc.

### C. Communication Services:

Includes one data/internet service at the water and wastewater treatment facility as well as a cellular telephone(s) for its operator(s). PeopleService also maintains a toll-free answering service for emergencies.

### D. Maintenance/Repair Expenditures:

Includes the cost of general maintenance and minor repairs to the wastewater facilities that do not exceed \$1000. This does not include PeopleService's labor cost, which is included in the Operating Personnel category above. It also does not include major repairs or replacements, which are considered capital outlay items that remain the responsibility of the City. "Maintenance" includes routine and/or repetitive activities required or recommended by the equipment manufacturer to maximize the service life of equipment, vehicles, facilities or any component thereof. PeopleService pays for all routine maintenance costs such as parts, seals, bearings, lubricants, packings, hardware, nuts, bolts, fasteners, pipe, fittings, cleaning supplies, and electrical repair parts such as relays, fuses and switches. At PeopleService we believe maintenance management should minimize repair costs so they do not become capital expenditures for the City. Maintenance is estimated at \$35,000 for the first twelve months. This amount would be escalated annually using the CPI adjustment. Any budgeted funds for maintenance that remain unspent at the end of the contract year would be refunded. If maintenance costs exceed this amount, PeopleService would advise the City and provide documentation for all expenses over this limit, for which the City would be responsible.

### E. Insurance:

Insurance coverage includes workman's compensation, property damage, comprehensive general liability, pollution liability and vehicle coverage on PeopleService supplied vehicles and equipment assigned to the facilities.

**F. Administrative/Overhead:**

These costs are indirect, administrative, support and/or overhead costs which cover technical troubleshooting by operations specialists, coordination with regulatory agencies, training, education, travel, operator certification, provided "value added" services, human resources, legal, clerical support, accounting, purchasing, finance, data processing and other supporting service costs. In addition, our management service fee, which represents the firm's risk, profit and earnings in this project are included.

**G. Total O&M Costs:**

As stated, the total O&M cost would be \$930,000. On the 15<sup>th</sup> of each month for the first twelve months of the contract, PeopleService would invoice the City for one twelfth of the annual amount or \$77,500 for the following month's service fees. Said invoice would carry a due date of the 1<sup>st</sup> of the month in which the service is rendered (i.e., the invoices for June 2016's service would be rendered on May 15, 2016, and would be due on June 1, 2016.) Any other invoices rendered by PeopleService for work it performs that is outside the agreed to scope of service would be due thirty days after the invoice date.

See the Contractual Provisions discussion under the Operational Approach section of this response for a discussion of the contractual terms regarding adjustments to the above pricing.

If our proposal leaves any questions unanswered, please contact:

**Chris Gutschow**  
Director of Business Development  
Office: 877-774-4311 ext. 7003  
Cell: 402-960-5700  
Email: cgutschow@peopleservice.com

**Duane Grashorn**  
Region Manager  
Office: 877-774-4311 ext. 7011  
Cell: 402-677-3781  
Email: dgrashorn@peopleservice.com

## Client Listing

| Client                          | Process/Type   | Customer Since | Scope of Services   | Client Contact   |
|---------------------------------|--|----------------|---|--|
| Arlington, Nebraska             | <ul style="list-style-type: none"> <li>- Lift stations</li> <li>- Gravity filter water plant</li> <li>- Chemical addition</li> </ul>   | 09/01/10       | <ul style="list-style-type: none"> <li>- Lift station O&amp;M</li> <li>- Collection system O&amp;M</li> <li>- Use of computerized maintenance program</li> <li>- Water treatment plant O&amp;M</li> <li>- Distribution system O&amp;M</li> </ul>  | Linda Douglas, City Clerk/Treasurer<br>245 North 2 <sup>nd</sup> Street<br>Arlington, NE 68002<br>(402) 478-4212<br>arlington@futuretk.com   |
| Clarinda, Iowa                  | <ul style="list-style-type: none"> <li>- Trickling filter</li> <li>- Primary clarifiers</li> <li>- Certified laboratory</li> <li>- Surface water treatment plant</li> <li>- Gravity filter water treatment plant</li> </ul>                                      | 3/16/93        | <ul style="list-style-type: none"> <li>- Wastewater plant O&amp;M</li> <li>- Lift station O&amp;M</li> <li>- Bio-solids management</li> <li>- Collection system O&amp;M</li> <li>- Use of computerized maintenance program</li> <li>- Water treatment plant O&amp;M</li> <li>- Meter repair/replacement</li> <li>- Meter reading</li> <li>- Locates</li> <li>- Distribution system O&amp;M</li> </ul> | Gary McClamon, City Manager<br>200 South 15 <sup>th</sup> Street<br>Clarinda, IA 51632<br>(712) 542-2136<br>clarindaclerk@iowatelecom.net    |
| Country Club Village, Missouri  | <ul style="list-style-type: none"> <li>- Activated Sludge</li> <li>- Aero-mod</li> <li>- Lift stations</li> <li>- Sludge press</li> </ul>  | 12/01/12       | <ul style="list-style-type: none"> <li>- Wastewater plant O&amp;M</li> <li>- Lift station O&amp;M</li> <li>- Collection system O&amp;M</li> <li>- Use of computerized maintenance program</li> </ul>  | Barney Tietz, Trustee<br>6601 North Belt Hwy<br>St. Joseph, MO 64506<br>(816) 232-4621<br>barneytietz@yahoo.com                              |
| Elkader, Iowa                   | <ul style="list-style-type: none"> <li>- Activated sludge</li> <li>- Aero-mod</li> <li>- Lift stations</li> <li>- Land application</li> <li>- Pressure filter water plant</li> <li>- Chemical addition</li> </ul>  | 01/01/90       | <ul style="list-style-type: none"> <li>- Wastewater plant O&amp;M</li> <li>- Lift station O&amp;M</li> <li>- Water treatment plant O&amp;M</li> <li>- Collection system O&amp;M</li> <li>- Use of computerized maintenance program</li> <li>- Locates</li> </ul>  | Jennifer Cowser, City Administrator<br>207 North Main<br>Elkader, IA 52043<br>(319) 245-2174<br>elkaderadmin@alpinecom.net                   |
| Humboldt, Iowa                  | <ul style="list-style-type: none"> <li>- Activated Sludge</li> <li>- Bio Lac</li> <li>- Aerobic Digestion</li> <li>- U V Disinfection</li> <li>- Reed Beds</li> <li>- 4 Lift Stations</li> <li>- Lime softening water plant</li> <li>- 2 water towers</li> </ul> | 01/01/96       | <ul style="list-style-type: none"> <li>- Wastewater plant O&amp;M</li> <li>- Lift station O&amp;M</li> <li>- Use of computerized maintenance program</li> <li>- Collection system O&amp;M</li> <li>- Bio-solids management</li> <li>- Land application</li> <li>- Pretreatment program</li> <li>- Sewer jetting</li> </ul>  | Travis Goedken, City Administrator<br>29 5 <sup>th</sup> Street South<br>Humboldt, IA 50548<br>(515) 332-3435<br>travisg@cityofhumboldt.org. |
| Maryville, Missouri             | <ul style="list-style-type: none"> <li>- Xenon membrane water treatment plant</li> <li>- Kruger</li> <li>- Activated sludge</li> </ul>   | 05/01/06       | <ul style="list-style-type: none"> <li>- Water treatment plant O&amp;M</li> <li>- Use of computerized maintenance program</li> <li>- Wastewater plant O&amp;M</li> <li>- Pretreatment program</li> </ul>  | Greg McDaniel, City Manager<br>415 North Market Street<br>Maryville, MO 64468<br>(660) 562-8001<br>gmcdaniel@maryville.org                   |
| Nodaway County RWD #1, Missouri | <ul style="list-style-type: none"> <li>-Rural water distribution system</li> <li>-1200 miles of piping</li> <li>-booster stations</li> </ul>   | 5/15/13        | <ul style="list-style-type: none"> <li>-Distribution O&amp; M</li> <li>- Use of computerized maintenance program</li> <li>-meter reading and installation</li> </ul>  | John Blackford, Board member<br>120 E. 3 <sup>rd</sup> Street<br>Maryville, MO 644687<br>(660)582-5011                                       |
| Valley, Nebraska                | <ul style="list-style-type: none"> <li>- Gravity filter water plant</li> <li>- Lift stations</li> </ul>  | 07/01/91       | <ul style="list-style-type: none"> <li>- Water plant O&amp;M</li> <li>- Distribution system O&amp;M</li> <li>- Lift station O&amp;M</li> <li>- Collection system O&amp;M</li> <li>- Meter reading</li> <li>- Locates</li> </ul>   | Joan Suhr, City Administrator<br>203 North Spruce Street<br>Valley, NE 68064<br>(402- 359-2251<br>cityclerk@valley.omhcoxmail.com            |
| Waterloo, Nebraska              | <ul style="list-style-type: none"> <li>- Activated sludge</li> <li>- Oxidation ditch</li> <li>- Lift stations</li> <li>- UV disinfection</li> <li>- Purchase wholesale water</li> </ul>  | 10/01/91       | <ul style="list-style-type: none"> <li>- Wastewater plant O&amp;M</li> <li>- Lift station O&amp;M</li> <li>- Collection system O&amp;M</li> <li>- Use of computerized maintenance program</li> <li>- Locates</li> <li>- Distribution system O&amp;M</li> </ul>  | Melissa Johnson, Administrator/Clerk/Treasurer<br>509 South Front Street<br>Waterloo, NE 68069<br>(402) 779-2292<br>mjohnson@waterloone.com  |

## Work Experience:

**1993 - Present PeopleService, Inc. Region Manager**

Managing, leading, negotiating and fulfilling contract requirements to 37 water/wastewater projects. Assure that all projects are adequately staffed and that the operation and maintenance of the facilities are conducted in compliance with company policy/procedures, government requirements, industry and contractual obligations.

### Water/Wastewater Operator

Provided day-to-day activities through contract operations to the City of Valley, Nebraska. Responsible for efficient and effective operation and maintenance of water/wastewater treatment facilities and pumping facilities. Ensured plants function to their optimum capabilities in compliance with state and federal regulations. Performed operation and required laboratory tests and analysis of product, prepared and submitted monthly operations and performance reports. Procured all materials, supplies, electrical power, chemicals, contract services and items necessary in the operation and maintenance of the system. Performed preventative maintenance and repairs on machinery and equipment.

**1989 - 1993 Fremont Department of Utilities Wastewater Operator**

Responsible for the daily operation of the wastewater plant. Repaired wastewater equipment, set up sampler to accommodate State required samples and followed all OSHA guidelines.

**1984 - 1989 Hormel Foods Packinghouse Laborer**

General laborer at Hormel meat division

**1978 - 1984 Port Orange Supplies Manager**

Managed all aspects of a family-owned plumbing and electrical supply store.

**1975 - 1978 Fremont Department of Utilities Wastewater Operator**

Responsible for the daily operation of the wastewater plant. Repaired wastewater equipment, set up sampler to accommodate State required samples and followed all OSHA guidelines.

## Qualifications:

- Twelve years management experience of up to 35 PeopleService water/wastewater projects and up to 10-15 employees in Nebraska requiring a high level of customer service, strong organizational skills and ability to handle multiple projects
- Over 25 years experience in water/wastewater operations
- Experience in future development and planning of major utility projects through current and previous employer

## Education:

- Valley High School Graduate
- Attended various pollution control training and drinking water training seminars

## Certification:

- Nebraska Grade IV wastewater certification
- Nebraska Grade I water certification
- Nebraska Grade IV backflow certification
- Nebraska CDL Class B Drivers License

## Work Experience:

### 2003 - Present PeopleService, Inc. Director of Business Development

Primarily responsible to lead, develop and maintain communication with new and current clients in order to facilitate future needs. Understanding of contract operations functionality, strategy and its market. Build relationships and develop credibility with customers and understand the customer's business, its goals and objectives; identify areas where PeopleService will help the customer meet those goals.

### 2002 - 2003 Thrivent Financial for Lutherans Financial Associate

As a Financial Associate I provided products and services that included: annuities, insurance, investment products, and specialized financial analysis to provide advice and services to help people achieve their dreams and secure their financial futures.

### 1997 - 2002 PeopleService, Inc. Water/Wastewater Operator

Provided day-to-day activities through contract operations to the Cities of Bennington, Waterloo, Valley, and Gretna, Nebraska. Responsible for efficient and effective operation and maintenance of water/wastewater treatment facilities and pumping facilities. Ensured plants function to their optimum capabilities in compliance with state and federal regulations. Performed operation and required laboratory tests and analysis of product, prepared and submitted monthly operations and performance reports. Procured all materials, supplies, electrical power, chemicals, contract services and items necessary in the operation and maintenance of the system. Performed preventative maintenance and repairs on machinery and equipment. Coordinate safety programs for the Region employees.

### 1992 - 1997 Structural Components Systems, Nebraska Truss Builder and Crew Leader

Responsible for building roof trusses and managing a four-person crew. Assisted in training of new employees and performed daily inventory of projects completed.

## Qualifications:

- 15 years of experience in water/wastewater operations
- Ability to work as a team member
- Goal oriented and able to meet multiple deadlines
- Understanding issues a City Government encounters

## Education:

- Bachelor of Environmental Science, Midland Lutheran College, 1993 - 1997
- Biology minor, Midland Lutheran College, 1993 - 1997

## Certification:

- Nebraska Grade II Wastewater Certification
- Nebraska Grade I Water Certification

## Scholarships:

- 100% self-supporting through college
- Presidents Scholarship
- Athletic Scholarship

## Project Summary:

This project began as a wastewater treatment and collections contract in 1993. The City was experiencing difficulties in meeting State regulations and hired PeopleService to correct the problem. The water plant came on line in 1995 when the City lost its water superintendent and did not have a properly certified person to run the system. Since 1995, the town has operated with 6 PeopleService employees to operate and maintain the water and wastewater treatment facilities plus the collections and distribution systems. This is done with 5 less employees than the City operated the two departments with. In 1996-97, we oversaw the wastewater plant upgrade to its current capacity. In 2000, the wastewater lab became certified and continues to receive high marks for its quality and procedural controls. In 2004, PeopleService helped with the planning and design processes for a new 2.4 MGD water treatment plant. The City continues to rely on PeopleService for all its wastewater and water needs and we have developed a partnership that is beneficial to both parties.

**Client:**  
**Clarinda, IA**

**Population: 5,500**

**Employees: 5**

**Responsibilities:** Operations, Maintenance & Management of Treatment plants, Distribution and Collection system

**Description of Facilities:** WWTP 1.6 MGD trickling filter plant with anaerobic digestion, WTP 2.4 MGD conventional surface water treatment plant and 2 water storage towers.

## Obstacles:

- Ongoing facility upgrades
- 80-year-old water treatment facility
- Tightening governmental regulations
- Aging infrastructure

## Accomplishments:

- Implemented chlorine dioxide system
- Met LTI and Stage 1 and 2 D/DBP rules
- Wastewater plant upgrade
- Wastewater plant lab certification
- Assisted with the design and construction of new 2.4 MGD surface water plant



*PeopleService* INC.  
Water & Wastewater Professionals

**877-774-4311**

209 S. 19th Street, Suite #555  
Omaha, NE 68102

[peopleservice.com](http://peopleservice.com)



## Project Summary:

This project began in January of 1996. The City at that time was out of compliance with its 40-year-old trickling filter plant with anaerobic digestion and had major problems with their lift stations. PeopleService assisted the City in establishing guidelines for selection of an engineer to design a new treatment plant. In December of 2000, a new 2.7 MGD Bio-Lac activated sludge plant went on-line with reed bed sludge handling and a 3 million gallon equalization basin. The Humboldt system also has 4 lift stations and a primary main lift station. Since 2000, three of the lift stations have had major upgrades or replacement. Numerous sewer system lines have been replaced or rehabilitated with cured-in-place pipe liners. PeopleService has helped establish private sewer service standards and completion of a major sump pump inspection program. The water system was added in 2009. It consists of a 2.3 MGD lime softening plant, two 500,000 gallon water towers, and the distribution system. Humboldt uses two water sources, one well and one spring. In 2011, the Iowa DNR reclassified the spring source as under the influence of surface water. We assisted the City of Humboldt with the upgrade of the water treatment plant to meet the Surface Water Treatment Rule.

**Client:**  
Humboldt, IA

**Population:** 4,460

**Employees:** 6

**Responsibilities:** Operations, Maintenance & Management of Wastewater system, Operations, Maintenance, & Management of Water system

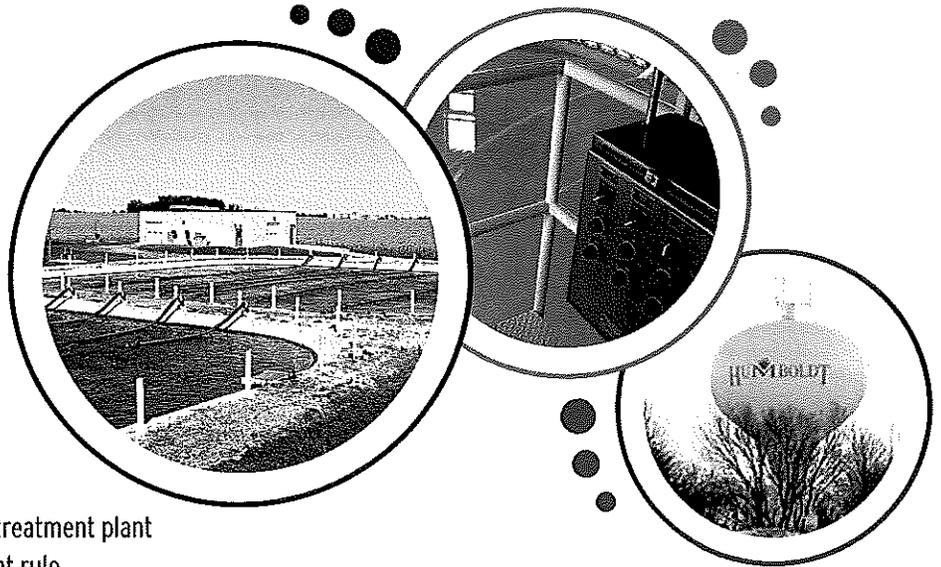
**Description of Facilities:** WWTP 2.7 MGD activated sludge plant (Bio-Lac), 5 lift stations, and collection system. WTP 2.3 MGD IGW lime softening plant and two 500,000 gallon water towers and distribution system

## Obstacles:

- Non-compliant trickling filter plant
- Antiquated lift stations
- Deteriorated collection system
- Reclassification as influenced ground water
- Deteriorated distribution system
- Lack of water storage

## Accomplishments:

- New activated sludge plant
- 4 new or rehabbed lift stations
- Established sewer standards
- Sump pump inspection program
- Sewer system improvements
- Assisted with \$6.0M upgrade of water treatment plant
- Transitioned to surface water treatment rule
- Distribution system improvements
- Assisted with addition of a new 500,000 gallon water tower



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## Case Study

# Maryville, Missouri

### Project Summary:

Maryville is a contract in Northwest Missouri acquired in 2006. It is a 5.0 MGD membrane filtration plant and gets its water from Lake Mozingo. They have two towers and use a combination of sodium permanganate, chlorine dioxide, and a Kruger flocculator to remove manganese, taste and odors, and TOC. The community just completed a new \$12 M dollar activated sludge facility. There are also five significant industrial contributors with various levels of pretreatment and reporting to oversee.

**Client:**  
Maryville, MO

**Population: 11,900**  
plus College  
Population

**Employees: 5**

**Responsibilities:** Operations, Maintenance & Management of Water & Wastewater Treatment Facilities

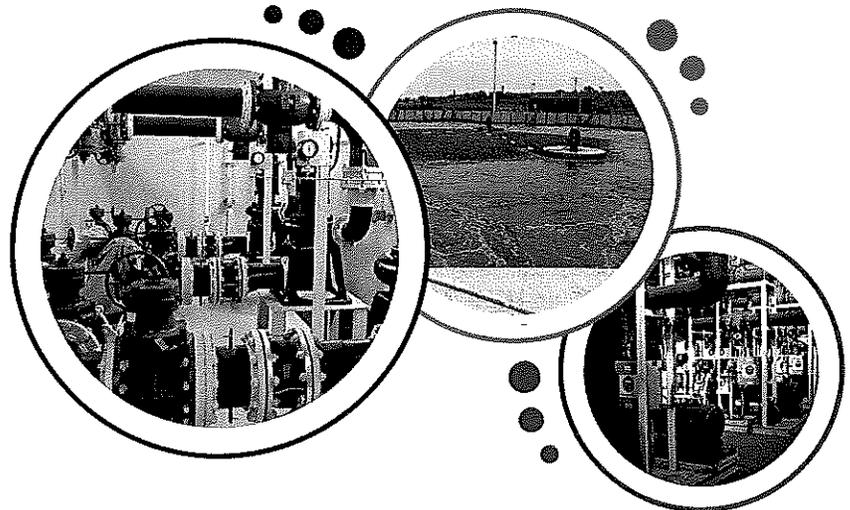
**Description of Facilities:** 5.0 MGD membrane surface water treatment facility, 2.0 MGD activated sludge facility.

### Obstacles:

- THM reduction to meet Stage 2 rules
- Continued implementation of membrane filtration system
- Wastewater lagoon system
- Nearly 24 hour a day operation of water treatment plant
- Outdated industrial pretreatment program

### Accomplishments:

- THM reduction to Stage 2 regulations, with improved usage of chemicals.
- Changes made in scheduling to allow for a rotating schedule to allow all operators some weekends off, while also reducing overtime.
- Changes to lagoon outfall structure to allow better usage of lagoon and reduce the amount of solids to the stream.
- Assisted the City with the planning and construction of a new 2.0 MGD extended aeration facility.
- Updated the pretreatment program to meet EPA standards



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**OPERATION AND MAINTENANCE AGREEMENT**

This Operation and Maintenance Agreement (the "Agreement") dated as of \_\_\_\_\_, 2014, is between the City of \_\_\_\_\_, a municipal corporation (the "Owner"), whose address is \_\_\_\_\_, and PEOPLESERVICE, INC., and its successors and assigns ("PeopleService"), whose address is 209 South 19<sup>th</sup> Street, Suite 555, Omaha, Nebraska 68102-1758.

**RECITALS:**

WHEREAS, Owner is the owner of a municipal water and wastewater treatment plant as described in Exhibit A to this Agreement (the "Facilities"); and

WHEREAS, Owner desires to engage PeopleService to operate and maintain the Facilities on behalf of Owner and PeopleService desires to accept such engagement, all upon the terms and conditions hereafter set forth; and

WHEREAS, Owner is authorized by law to enter into this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties agree as follows:

**ARTICLE I - SCOPE OF SERVICES**

1.1 Commencing on \_\_\_\_\_, or such other date mutually acceptable in writing to PeopleService and Owner (the "Effective Date"), PeopleService will provide all routine operation and maintenance of Owner's Facilities on a 7 day per week basis within the design capacity of the Facilities as described in Exhibit A to this Agreement ("Description of Facilities"). The routine operation and maintenance services to be provided by PeopleService are further described in Exhibit B of this Agreement.

1.2 Commencing with the Effective Date of this Agreement, PeopleService shall implement its standard operating procedures. Within one hundred eighty (180) days after the Effective Date of this Agreement, PeopleService shall place into operation preventive maintenance and process control programs, including documentation of operation and maintenance procedures conducted for the water and wastewater utility system and a written analysis of the condition of all equipment in the Facilities together with a prioritized list of needed repairs. Such records shall be available for inspection by Owner at all reasonable times.

1.3 PeopleService will be responsible for expenses incurred in the routine operation and maintenance of the Facilities, including personnel services, communication services, materials, supplies, contracted services, insurance, and equipment maintenance and repair (subject to the limitations contained in Sections 1.4 and 2.1.b of this Agreement).

1.4 PeopleService shall provide all required maintenance to preserve the existing life of all assigned equipment and vehicles of the Facilities. PeopleService will bear the expense of maintenance and repair of all equipment, physical facilities, and vehicles assigned for PeopleService's use, except for capital replacement expenditures as defined in section 2.1 (b), provided that such expense does not exceed a maximum annual maintenance/repair (noncapital) expenditure of \$\_\_\_\_\_ for the first year of this Agreement. In subsequent years, the maximum annual maintenance/repair expenditure will be increased by the C.P.I. adjustment contained in section 4.2 of this Agreement. In performing maintenance and repairs, PeopleService will perform in an economical manner and make all reasonable efforts to remain below the annual maintenance/repair expenditure amount while remaining in compliance with all applicable regulations. PeopleService will refund to Owner any unused monies less than the maintenance/repair expenditure amount. In the event that such expenses approach or exceed this maximum annual amount, PeopleService shall promptly notify Owner. Any repair expenses in excess of the maximum amount set forth in this provision shall be approved by Owner. PeopleService shall invoice Owner the amount of maintenance/repair expenses in excess of the maximum annual maintenance/repair limit set forth in this provision at the end of the 12-month period. Owner shall reimburse

PeopleService for such excess expenditures.

1.5 PeopleService will provide properly certified employees for the staffing of Facilities. Backup services will be provided by PeopleService corporate personnel. In addition, PeopleService will be on call 24 hours per day, 7 days per week, for emergency situations.

1.6 PeopleService shall advise Owner and serve as Owner's liaison to regulatory agencies and industrial users in matters related to the operation of the Facilities. However, PeopleService will not act as, or provide, legal counsel in this capacity.

1.7 PeopleService will supervise all regulatory compliance and financial transactions pertaining to the day-to-day operation of the Facilities. Subject to the limitations of this Section 1.7, PeopleService shall operate the Facilities in compliance with state and federal regulatory requirements. PeopleService will pay all fines imposed for process upsets and violation of discharge limits unless the process upsets or violations are attributable to:

- (a) Flows or pollutants which are not within the Design Capabilities of the Facilities; pollutants include, but are not limited to soluble oil, heavy metals, excessive suspended solids and excessive organic loadings;
- (b) The malfunction or failure of equipment which is not solely due to the negligent acts, errors or omissions of PeopleService;
- (c) Construction activities which are undertaken to improve the wastewater treatment process but which are beyond the operating scope of services of PeopleService as delineated in this Article I; or
- (d) Discharges from industrial facilities in violation of any pretreatment standards applicable to those discharges.

In no event shall PeopleService be responsible for the payment of state or federal fines

imposed or damages, attorney fees, and court costs awarded as a result of actions, inactions, process upsets or violations which occurred prior to or existed on the Effective Date of this Agreement, and which are not due solely to the negligence of PeopleService, nor shall PeopleService be responsible for payment of any fines, penalties, damages or attorney's fees resulting from requirements not expressly assumed by PeopleService herein, including any reporting requirements.

With regard to potable water supplies, PeopleService will not be responsible for inherent water quality that fails to meet specifications of the Safe Drinking Water Act and amendments thereto concerning inorganic chemicals, pesticides, volatile organic chemicals, synthetic organic compounds, lead and copper standards. However, PeopleService will use its best efforts to treat Owner's potable water supplies to meet drinking water standards.

1.8 PeopleService shall exercise the due care in performing its obligations and duties under this Agreement which is normally and reasonably provided with respect to similar contract services.

1.9 PeopleService will provide and maintain at all times during the term of this Agreement the following minimum insurance coverage:

- (a) Statutory Workers' Compensation Insurance in compliance with the laws of the state of \_\_\_\_\_ which has jurisdiction of PeopleService employees engaged in the performance of services hereunder; together with Employers Liability coverage in the amount of \$500,000 for each incident;
- (b) General liability coverage of at least \$1,000,000 combined single limit, each occurrence, for bodily injury and property damage with Owner named as additional insured;
- (c) Comprehensive auto liability insurance which shall include \$500,000 combined single limit coverage for bodily injury and property damage; and

(d) Umbrella liability coverage of at least \$4,000,000 is provided in addition to the statutory workman's compensation requirement, basic general liability or auto liability coverage noted above.

PeopleService will furnish Owner with Certificates of Insurance as evidence that policies providing the required coverage and limits are in full force and effect. Such policies shall provide that no less than thirty (30) days' advance notice of cancellation, termination or alteration shall be sent directly to PeopleService and Owner.

## **ARTICLE II - RESPONSIBILITIES OF OWNER**

2.1 As part of this Agreement Owner agrees to assume the following responsibilities:

(a) Owner shall maintain in full force and effect, in accordance with their respective terms, all guarantees, warranties, easements, permits, licenses and other similar approvals and consents received or granted to Owner as owner of all Facilities and component parts thereof;

(b) Owner shall be responsible for all capital replacement and major maintenance/repair expenditures which are defined as nonrecurring expenditures greater than \$\_\_\_\_, that Owner determines necessary and required, provided that PeopleService will first be consulted for justification and need;

(c) Owner shall be responsible for filing, obtaining, and maintaining current water supply operations permit and NPDES permit for discharge of wastewater; and for filing all required reports under the Emergency Planning and Community Right-To-Know Act or any other statute or authority; provided, however, PeopleService shall assist Owner with preparing these filings and shall provide ongoing assistance regarding the maintenance of these permits;

- (d) Owner shall at all times provide access to the Facilities for PeopleService, its agents and employees;
- (e) Owner shall provide PeopleService the use of all existing equipment owned by Owner, necessary for the operation and maintenance of the Facilities and warrants that such operating equipment is in good condition;
- (f) Owner shall be responsible for all damage to the Facilities, components thereof, PeopleService equipment on site, and all resulting liability to any and all third parties, when such damage and/or liability are caused by flood, fire, acts of God or other force majeure events, civil disturbance, extreme cold temperatures, excessive subsoil moisture, or misuse of property to the extent Owner was negligent regarding the misuse of such property;
- (g) Owner shall be responsible for all fines imposed for process upsets and violations of discharge limits attributable to the operation and maintenance of the Facilities to the extent set forth in Section 1.7 as well as fines imposed for failure to report as required by Section 2.1(c).
- (h) Owner shall designate an individual to act as liaison with PeopleService in connection with the performance of services by PeopleService under this Agreement;
- (i) Owner shall be responsible for all property, excise and other taxes assessed on the Facilities; and
- (j) Owner shall bear all costs incurred as a result of regulatory requirements not in effect on the Effective Date of this Agreement.

2.2 Owner shall maintain in full force and effect all existing policies of property and general liability insurance pertaining to the Facilities. Owner shall furnish PeopleService with Certificates of Insurance as evidence that such policies are in full force and effect under such policies. Such policies shall provide that no less than thirty (30) days' advance notice of cancellation, termination or alteration shall be sent directly to PeopleService and Owner.

2.3 Owner shall indemnify and hold PeopleService, its officers, employees and agents, harmless under this Agreement for any and all claims, damages, costs or expenses caused by malfunction or failure of the Facilities or any components thereof or other liability or loss including injury, death, or damages to any person or property related in any way to the performance of this Agreement to the extent such claims, damages, costs, expenses, liability or loss are caused by the negligent acts, errors or omissions of Owner. Additionally, Owner shall indemnify PeopleService, its officers, employees and agents harmless for any and all fines, penalties, attorney's fees and damages resulting from Owner's failure to comply with permitting, reporting or other statutory or regulatory requirements which are the responsibility of the Owner. This provision shall survive the termination of this Agreement.

### **ARTICLE III - RESPONSIBILITIES OF PEOPLESERVICE**

3.1 PeopleService shall indemnify and hold Owner, its employees and agents, harmless under this Agreement for all claims, damages, costs or expenses caused by malfunction or failure of the Facilities or any components thereof or other liability or loss including injury, death, or damages to any person or property related in any way to the performance of this Agreement to the extent such claims, damages, costs, expenses, liability or loss are caused by the negligent acts, errors or omissions of PeopleService. This provision shall survive the termination of this Agreement.

#### **ARTICLE IV - COMPENSATION**

4.1 As compensation for services rendered by PeopleService pursuant to this Agreement, Owner shall pay to PeopleService the sum of \$\_\_\_\_\_ per month during the first twelve (12) months of this Agreement, commencing with the Effective Date. The monthly payment shall be due and payable on the first day of the month in which services are to be rendered. All other compensation to PeopleService is due upon receipt of PeopleService's invoice and payable within thirty (30) days of the date of the invoice.

4.2 The monthly compensation provided in Section 4.1 shall be adjusted on \_\_\_\_\_ of each year, beginning on \_\_\_\_\_. The basis for the annual adjustment for \_\_\_\_\_ shall be the change in the Consumer Price Index for All Urban Consumers (CPI-U) as regularly reported by the U.S. Bureau of Labor Statistics, between \_\_\_\_\_ and \_\_\_\_\_. For each year thereafter, the adjustment shall be the change in the CPI-U as reported between \_\_\_\_\_ of the year immediately preceding the year of adjustment and \_\_\_\_\_ of the year of the adjustment. This annual adjustment shall be done by letter acknowledging the change and will not require official action or contract amendment.

4.3 If for any ninety (90) day consecutive day period during the term of this Agreement the average quality and/or quantity of wastewater influent or water production should significantly change (i.e. 20 percent in flow or loadings) compared to the average experienced during the twelve months immediately preceding the Effective Date of this Agreement, resulting in increased operating costs, both parties will mutually agree to negotiate an adjustment to reflect the incremental costs. If the parties cannot agree on an adjustment within ninety (90) days following PeopleService's request for an adjustment, either party may terminate this Agreement by giving thirty (30) days written notice to the other party.

## **ARTICLE V - TERM OF AGREEMENT**

5.1 This Agreement shall remain in full force and effect for five (5) years from the Effective Date. The Agreement shall be automatically renewed for successive terms of five (5) year each unless written notice of cancellation is given by either party to the other no less than ninety (90) days prior to the date of expiration.

## **ARTICLE VI - TERMINATION**

6.1 This Agreement may be terminated by either party in the event of the other party's breach of a material term of the Agreement, by the first party's giving written notice of such breach and the second party's failure to correct within thirty (30) days of receipt of such notice.

6.2 PeopleService shall not be in breach under this Agreement for its failure to perform its obligations under this Agreement, to the extent that the performance of such obligations is prevented or delayed by any event which is beyond the reasonable control of PeopleService, including but not limited to Acts of God, strikes, labor disputes, and unavailability of parts. In the event PeopleService claims that its performance is prevented or delayed by any such event, PeopleService will promptly notify Owner of that fact and the circumstances preventing or delaying its performance.

## **ARTICLE VII - MISCELLANEOUS**

7.1 Any temporary or portable equipment which is provided by PeopleService during the term of this Agreement and which is not deemed part of the Facilities shall remain the property of PeopleService upon termination of this Agreement. PeopleService shall not make any expenditure for capital replacements of the Facilities or any component thereof without the prior approval of Owner unless there is an emergency. An emergency exists when such expenditures are necessary to continue operation of Owner's Facilities or to provide for public health, safety or environmental protection. If there is an emergency, PeopleService shall provide Owner with verbal notice of the need for the capital replacement expenditure as soon

as possible. Owner shall reimburse PeopleService for such emergency capital replacement expenditures in accordance with Section 4.1 of this Agreement.

7.2 This Agreement represents the entire agreement of the parties and may only be modified or amended in a writing signed by both parties.

7.3 Written notices required to be given under this Agreement shall be deemed given when mailed by first class mail to PeopleService, Attention: President, and to Owner, Attention: City Clerk, at the addresses set forth for each in the opening paragraph of this Agreement.

7.4 This Agreement shall be governed by, and construed in accordance with, the laws of the state of \_\_\_\_\_.

7.5 Neither party shall assign, in whole or in part, any of the rights, obligations or benefits of this Agreement except to a parent, affiliate, or wholly owned subsidiary, without the prior written consent of the other party, which consent shall not be unreasonably withheld. For purposes of this Section 7.5, an affiliate is defined as a company, the controlling interest in which is owned by the parent of the party.

7.6 PeopleService shall register with and utilize an electronic verification system or program for all of its new hire employees. This electronic verification system or program now known as the "E-Verify Program", but also may include an equivalent federal program designated by the Department of Homeland Security or another federal agency authorized to verify the work eligibility status of employees. PeopleService shall contractually require all subcontractors performing work under this contract to also register and utilize such electronic verification system for employees hired on or after the Effective Date of this Agreement. PeopleService and all of its subcontractors shall use such electronic verification system to determine the work eligibility status of each new employee physically performing any services under this contract. Any person whom the electronic verification system determines is ineligible or not authorized to work in the United States shall not be permitted by PeopleService or a subcontractor to perform services under this contract.

7.7 As a government contractor, PeopleService must comply with the provisions of Executive Order 11246, as amended, and other existing laws related to Equal Employment Opportunity (EEO). Part of our commitment to EEO is to take affirmative action to ensure that job seekers are recruited; job applicants are considered for employment opportunities; and employees are treated without regard to their race, gender, color, religion, national origin, age, sexual orientation, gender identity or expression, genetic information, disability or veteran status or any other status protected by law. In addition, the Equal Pay Act of 1963, as amended, prohibits sex discrimination in the payment of wages to women and men performing substantially equal work, in jobs that require equal skill, effort and responsibility, under similar working conditions, in the same establishment.

7.8 Owner agrees not to offer employment to or to hire any current or former employee of PeopleService until twelve (12) months has lapsed since the employee's termination from PeopleService. This restriction shall not apply to employees who worked for the Owner prior to their employment with PeopleService.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first above written.

PEOPLESERVICE, INC.

CITY OF \_\_\_\_\_

\_\_\_\_\_  
President

\_\_\_\_\_  
Mayor

Attest: \_\_\_\_\_  
Assistant Secretary

Attest: \_\_\_\_\_  
City Clerk

## OPERATION AND MAINTENANCE AGREEMENT

### EXHIBIT A

#### Description of Facilities

For purposes of this Agreement, the following water/wastewater utility components are included:

- WATER SYSTEM: [ The actual contract would contain a description of the water production, treatment, storage and distribution system. ]
  
- WASTEWATER SYSTEM: [ The actual contract would include a description of the wastewater collection system, lift stations and treatment. ]

## OPERATION AND MAINTENANCE AGREEMENT

### EXHIBIT B

#### Services to be Provided by PeopleService

Except as otherwise provided in the Operation and Maintenance Agreement, and subject to the limitations set forth therein, PeopleService shall provide the following services to Owner in connection with the Facilities:

[In this space in the actual contract, the Scope of Services from the original proposal, as agreed to by the parties during contract negotiations, would be repeated.]

#### Miscellaneous

A - PeopleService will provide the necessary information to complete all forms required through the administration of the water and wastewater treatment systems. PeopleService will not be required to pay any fees associated with the licenses or permits required by the state agencies. PeopleService will pay all expenses associated with the individual operator certification.

B - PeopleService will not be responsible for any additional costs associated with any construction project or upgrades involving the water and/or wastewater systems.

C - For services requested by the Owner and provided by PeopleService that are beyond the Scope of Services contained in this Exhibit B, PeopleService shall charge the Owner at the rate of \$50 per hour between the hours of 8:00 a.m. and 5:00 p.m. Monday through Friday (except for holidays). At all other times and during holidays, the billing rate shall be \$75 per hour. Hours billed shall include any required travel time. Owner agrees to pay invoices for said charges in compliance with the terms contained in the paragraph 4.1 of this Agreement.

Client#: 38721

PEOPL1

**ACORD**<sup>TM</sup>

**CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY)

12/22/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

|  |   |        |
|--|---|--------|
| <b>PRODUCER</b><br>INSPRO Insurance<br>P.O. Box 689<br>Fremont, NE 68026<br>402 721-9707 | <b>CONTACT NAME:</b> Jeannie Samuels  |        |
|  | <b>PHONE (A/C, No, Ext):</b> 402-941-1927 <b>FAX (A/C, No):</b> 402-721-2844<br><b>E-MAIL ADDRESS:</b> jsamuels@insproins.com |        |
| <b>INSURED</b><br>PeopleService, Inc.<br>209 S 19th St, #555<br>Omaha, NE 68102          | INSURER(S) AFFORDING COVERAGE   | NAIC # |
|  | INSURER A: Employers Mutual Insurance   | 21415  |
|  | INSURER B:  |        |
|  | INSURER C:  |        |
|  | INSURER D:  |        |
|  | INSURER E:  |        |

**COVERAGES**      **CERTIFICATE NUMBER:**      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE  | ADDL INSR | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS   |
|----------|--|-----------|----------|---------------|-------------------------|-------------------------|--|
| A        | <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY<br><input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR<br><br>GEN'L AGGREGATE LIMIT APPLIES PER:<br><input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC<br>OTHER: |           |          | 1D94797       | 01/01/2016              | 01/01/2017              | EACH OCCURRENCE \$1,000,000<br>DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000<br>MED EXP (Any one person) \$5,000<br>PERSONAL & ADV INJURY \$1,000,000<br>GENERAL AGGREGATE \$2,000,000<br>PRODUCTS - COM/POP AGG \$2,000,000<br>\$ |
| A        | AUTOMOBILE LIABILITY<br><input checked="" type="checkbox"/> ANY AUTO<br>ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS<br><input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS  |           |          | 1E94797       | 01/01/2016              | 01/01/2017              | COMBINED SINGLE LIMIT (Ea accident) \$1,000,000<br>BODILY INJURY (Per person) \$<br>BODILY INJURY (Per accident) \$<br>PROPERTY DAMAGE (Per accident) \$<br>\$   |
| A        | <input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR<br>EXCESS LIAB    CLAIMS-MADE<br>DED <input checked="" type="checkbox"/> RETENTION \$10000   |           |          | 1J94797       | 01/01/2016              | 01/01/2017              | EACH OCCURRENCE \$4,000,000<br>AGGREGATE \$4,000,000<br>\$   |
| A        | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY<br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y/N<br>(Mandatory In NH)<br>If yes, describe under DESCRIPTION OF OPERATIONS below   |           | N/A      | 1H94797       | 01/01/2016              | 01/01/2017              | <input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER<br>E.L. EACH ACCIDENT \$500,000<br>E.L. DISEASE - EA EMPLOYEE \$500,000<br>E.L. DISEASE - POLICY LIMIT \$500,000   |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

|   |  |
|---|--|
| <b>CERTIFICATE HOLDER</b><br>To Whom It May Concern | <b>CANCELLATION</b><br>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.<br><br>AUTHORIZED REPRESENTATIVE<br><i>Ronald L. Eidensick</i> |
|---|--|

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