



**CITY COUNCIL MEETING  
GLADSTONE, MISSOURI  
MONDAY, JULY 25, 2016**

**OPEN STUDY SESSION 6:30 PM**

- 1. Housing Plan and Framework Update**
- 2. Kansas City Area Transportation Authority Annual Contract**
- 3. Atkins-Johnson Farm and Museum Visioning Workshop Report**

**REGULAR MEETING: 7:30 PM**

**TENTATIVE AGENDA**

The City Council will meet in Closed Executive Session at 6:15 pm Monday, July 25, 2016, in the City Manager's office, Gladstone City Hall, 7010 North Holmes, Gladstone, Missouri. The Closed Executive Session is closed pursuant to RSMo. Open Meeting Act Exemption 610.021(2) for Real Estate Acquisition Discussion.

- 1. Meeting Called to Order.**
- 2. Roll Call.**
- 3. Pledge of Allegiance to the flag of the United States of America.**
- 4. Approval of Agenda.**
- 5. Approval of Closed July 11, 2016, City Council Meeting Minutes.**
- 6. Approval of Regular July 11, 2016, City Council Meeting Minutes.**

**CONSENT AGENDA**

**RESOLUTION R-16-43** A Resolution authorizing the City Manager to execute a contract with McConnell and Associates Corporation, in the total amount not to exceed \$34,111.00 for the Happy Rock parking lot seal coating; Project TP1705.

**RESOLUTION R-16-44** A Resolution authorizing the City Manager to execute a contract with Superior Bowen Asphalt Company, LLC, in the total amount not to exceed \$596,089.10 for the 2016 Mill and Overlay Program; Project TP1706.

**RESOLUTION R-16-45** A Resolution authorizing Change Order No. 1 in the amount of \$68,000.00 to the contract with Lan-Tel Communications Services, Incorporated, for the 2016 Curb, Gutter and Sidewalk Project.

**RESOLUTION R-16-46** A Resolution authorizing acceptance of a proposal from Hutchinson Salt Company for the purchase of snow removal salt.

## **APPROVE FINANCIAL REPORT MONTH END JUNE 30, 2016**

### **REGULAR AGENDA**

- 7. Communications from the Audience.**
- 8. Communications from the City Council.**
- 9. Communications from the City Manager.**

**RESOLUTION R-16-47** A Resolution authorizing the City Manager to amend the 457 Deferred Compensation Plan and Trust Agreement to include the associated ROTH Amendments through ICMA Retirement Corporation.

**RESOLUTION R-16-48** A Resolution authorizing the City Manager to amend the Retirement Health Savings Plan Agreement to include the associated participation and adoption amendments through ICMA Retirement Corporation.

**RESOLUTION R-16-49** A Resolution authorizing the City Manager to execute agreements between the City of Gladstone, Missouri, and the Kansas City Area Transportation Authority to provide public transportation and property management services for the period of July 1, 2016, through June 30, 2017.

- 10. Other Business.**
- 11. Questions from the News Media.**
- 12. Adjournment.**

Representatives of the News Media may obtain copies of this notice by contacting:

City Clerk Ruth Bocchino      Posted at 2:30 pm  
City of Gladstone                July 21, 2016

7010 North Holmes  
Gladstone, MO 64118  
816-423-4096

**RESOLUTION NO. R-16-43**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH McCONNELL AND ASSOCIATES CORPORATION, IN THE TOTAL AMOUNT NOT TO EXCEED \$34,111.00 FOR THE HAPPY ROCK PARKING LOT SEAL COATING; PROJECT TP1705.**

**WHEREAS**, three (3) proposals were received for the Happy Rock Parking Lot Seal Coating, and the proposal of McConnell and Associates Corporation, in the base bid amount of \$34,111.00, has been determined by the Director of Public Works and City Engineer to be the lowest and best proposal.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, AS FOLLOWS:**

**THAT**, the City Manager of the City of Gladstone, Missouri, is hereby authorized to execute a contract with McConnell and Associates Corporation, for work as outlined in the contract for a total amount not to exceed \$34,111.00.

**FURTHER, THAT** funds for such purpose are authorized from the Transportation Sales Tax fund.

**INTRODUCED, READ, PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, THIS 25<sup>th</sup> DAY OF JULY 2016.**

\_\_\_\_\_  
Jean B. Moore, Mayor


ATTEST:

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Ruth E. Bocchino, City Clerk

## MEMORANDUM

TO: Scott Wingerson; City Manager

THROUGH: Tim Nebergall; City Engineer; Director of Public Works

FROM: Glen Whitten; Construction Contracts Administrator 

DATE: July 19, 2016

RE: Project TP1705; Happy Rock Parking Lot Seal Coating

Staff received the following bids for the referenced project:

McConnell & Associates Corp.	\$34,111.00
Musselman & Hall Contractors, LLC	\$45,814.08
Pavement Management	\$51,209.00

The Engineer's estimate, prepared by staff, was \$49,524.00.

The base project involves the placement of intermediate maintenance products, including crack sealing, seal coating and striping on the east side of Happy Rock Park and just the striping of the west side. Due to favorable pricing, staff is recommending that crack sealing and seal coating of the west side be added to the contract at a later date via change order at an estimated cost of \$15,300.00.

McConnell & Associates Corp. is a company based in North Kansas City, Missouri that has been in business for more than 50 years. Staff has worked with McConnell & Associates on various projects in the past, is very pleased with their work and is looking forward to working with them again on this project.

Based on all available information staff is recommending that this project be awarded to McConnell & Associates Corp. at the bid price of \$34,111.00 at the next regularly scheduled City Council meeting. Funds for this project are provided for from the Transportation Sales Tax Fund.

If you have any questions or require additional information, please contact me at your convenience.

**RESOLUTION NO. R-16-44**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH SUPERIOR BOWEN ASPHALT COMPANY, LLC, IN THE TOTAL AMOUNT NOT TO EXCEED \$596,089.10 FOR THE 2016 MILL AND OVERLAY PROGRAM; PROJECT TP1706.**

WHEREAS, three (3) proposals were received for the 2016 Mill and Overlay Program, and the proposal of Superior Bowen Asphalt Company, LLC, in the base bid amount of \$596,089.10 has been determined by the Director of Public Works and City Engineer to be the lowest and best proposal.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, AS FOLLOWS:**

THAT, the City Manager of the City of Gladstone, Missouri, is hereby authorized to execute a contract with Superior Bowen Asphalt Company, LLC, for work as outlined in the contract for a total amount not to exceed \$596,089.10.

FURTHER, THAT funds for such purpose are authorized from the Transportation Sales Tax fund.

**INTRODUCED, READ, PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, THIS 25<sup>th</sup> DAY OF JULY 2016.**

\_\_\_\_\_  
Jean B. Moore, Mayor

ATTEST:

\_\_\_\_\_  
Ruth E. Bocchino, City Clerk

## MEMORANDUM

TO: Scott Wingerson; City Manager

THROUGH: Tim Nebergall; City Engineer; Director of Public Works

FROM: Glen Whitten; Construction Contracts Administrator

DATE: July 19, 2016

RE: Project TP1706; 2016 Mill and Overlay Program

Staff received the following bids for the referenced project:

Superior Bowen Asphalt Company	\$596,089.10
Little Joe's Asphalt, Inc.	\$692,097.25
Metro Asphalt, Inc.	\$694,801.34

The Engineer's estimate, prepared by staff, was \$630,396.75.

This project involves the placement of approximately 5,000 tons of asphalt on residential streets and approximately 25,000 square yards of ultrathin bonded asphalt surface (UBAS) on NE 72<sup>nd</sup> Street between Missouri Route 1 and N. Antioch Road.

The contract also includes a "piggy-back" provision for the Village of Oakview and the Village of Oakwood. As in past years, the project includes an asphalt index to allow for the adjustment of asphalt unit prices due to changes in the oil market.

Superior Bowen Asphalt Co. is a company based in Kansas City, Missouri that has been in business for more than 60 years. Superior Bowen Asphalt Co. has performed the City's Mill and Overlay Programs in the past. Staff is very pleased with their work and is looking forward to working with them again this year.

Based on all available information staff is recommending that this project be awarded to Superior Bowen Asphalt Co. at the bid price of \$596,089.10 at the next regularly scheduled City Council meeting. Funds for this project are provided for from the Transportation Sales Tax Fund.

If you have any questions or require additional information, please contact me at your convenience.

## RESOLUTION NO. R-16-45

**A RESOLUTION AUTHORIZING CHANGE ORDER NO. 1 IN THE AMOUNT OF \$68,000.00 TO THE CONTRACT WITH LAN-TEL COMMUNICATIONS SERVICES, INCORPORATED, FOR THE 2016 CURB, GUTTER AND SIDEWALK PROJECT.**

**WHEREAS**, additional work under the 2016 Curb, Gutter and Sidewalk Project has been determined necessary and is recommended by the Director of Public Works and City Engineer.

**NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, AS FOLLOWS:**

**THAT**, the City Manager of the City of Gladstone, Missouri, is hereby authorized to execute Change Order No. 1 to the 2016 Curb, Gutter and Sidewalk Project TP1604 with Lan-Tel Communication Services, Incorporated, as follows:

Original Contract Amount:	\$ 214,722.00
Change Order 1	<u>68,000.00</u>
<b>Revised Contract Amount:</b>	<b><u>\$ 282,722.00</u></b>

**FURTHER, THAT** funds for such purpose are authorized from the Transportation Sales Tax Fund.

**INTRODUCED, READ, PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, THIS 25<sup>th</sup> DAY OF JULY 2016.**

\_\_\_\_\_  
Jean B. Moore, Mayor

ATTEST:

\_\_\_\_\_  
Ruth E. Bocchino, City Clerk

## MEMORANDUM

TO: Scott Wingerson; City Manager

THROUGH: Tim Nebergall; City Engineer; Director of Public Works

FROM: Glen Whitten; Construction Contracts Administrator

DATE: July 19, 2016

RE: Project No. TP1604  
2016 Curb, Gutter and Sidewalk Program

The 2016 Curb, Gutter and Sidewalk Program was awarded to Lan-Tel Communications Services, Inc. by Resolution R-16-31. Change Order 1 will modify the scope of work of that contract to include sidewalks and pedestrian improvements in the downtown area and on NE 76<sup>th</sup> Street.

Staff is recommending that Change Order One be added to the existing contract with Lan-Tel Communications Services, Inc. at a cost of \$68,000.00. Funds are provided from the Transportation Sales Tax Fund.

A financial breakdown of the Contract is:

Original Contract Amount:	\$ 214,722.00
Change Order 1	<u>68,000.00</u>
<b>Revised Contract Amount:</b>	<b><u>\$ 282,722.00</u></b>

If you have any questions or require additional information please contact me at your convenience.

**RESOLUTION NO. R-16-46**

**A RESOLUTION AUTHORIZING ACCEPTANCE OF A PROPOSAL FROM HUTCHINSON SALT COMPANY FOR THE PURCHASE OF SNOW REMOVAL SALT.**

**WHEREAS**, two (2) proposals were received for snow removal salt and the proposal of Hutchinson Salt Company is recommended.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI AS FOLLOWS:**

**THAT** the City Manager of the City of Gladstone, Missouri, be and is hereby authorized to accept the proposal of Hutchinson Salt Company for the purchase of snow removal salt on an as-needed basis at a cost of \$52.70 per ton.

**FURTHER, THAT** funds for such purpose are authorized from the General Fund.

**INTRODUCED, READ, PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI THIS 25<sup>th</sup> DAY OF JULY 2016.**

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Jean B. Moore, Mayor

ATTEST:

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Ruth E. Bocchino, City Clerk



## *Department of Public Works Memorandum*



**DATE:** July 20, 2016

**TO:** Scott Wingerson, City Manager *TAN*

**FROM:** Timothy A. Nebergall, Director of Public Works

**RE:** 2016-2017 Salt Bid

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The City of Gladstone recently solicited bids for a cooperative salt contract. The Clay County Highway Department, the City of Liberty, and the City of North Kansas City participated in the request for bids. With additional entities, the amount of salt requested increases and subsequently is cheaper than each entity alone. Requests for bids were sent to five (5) suppliers. Four (4) suppliers responded to our request.

Bids are as follows:

<b>Company</b>	<b>7-day Delivery</b>	<b>24-hour Delivery</b>
Hutchinson Salt Company	\$52.70	No bid
Independent Salt Company	\$61.09	No bid
Compass Minerals	No bid	No bid
Cargill Deicing Technology	No bid	No bid

Of the two (2) companies that submitted a bid, Public Works staff has determined that the bid from Hutchinson Salt Company in the amount of \$52.70 per ton is the lowest and best bid received. Hutchinson Salt Company has been the City's vendor in years past and adequately met our needs. The City's current contract, which will expire at the end of July, was with Independent Salt Company in the amount of \$63.20 per ton.

The request for bid specified up to 3,000 tons of material. We retain the right to purchase more or less depending on the severity of the winter.

If you have any questions, please contact me.



# CITY OF GLADSTONE MISSOURI

Financial Report for Twelve Months Ended  
June 30, 2016

## GENERAL FUND

Revenue Source	June 2016	June 2015	\$ Change	% Change	% of Budget	FY16 Budget
Property Tax	\$ 3,353,983	\$ 3,368,381	\$ (14,398)	0%	101%	\$ 3,311,023
Sales Tax	3,830,222	3,690,774	139,448	4%	103%	3,727,627
Gross Receipts Tax	3,333,241	3,539,306	(206,065)	-6%	92%	3,604,971
Licenses & Permits	645,140	769,588	(124,447)	-16%	118%	544,779
Intergovernmental	1,291,427	1,270,300	21,127	2%	101%	1,272,500
Charges for Services	3,048,811	3,109,213	(60,401)	-2%	96%	3,178,074
Fines & Forfeitures	979,043	1,215,364	(236,321)	-19%	90%	1,090,873
Operating Revenues	16,481,867	16,962,925	(481,058)	-3%	99%	16,729,847
Misc. Revenue	739,941	692,656	47,286	7%	66%	1,118,251
Equity Transfer	211,201	44,832	166,369	371%	100%	211,201
Total Revenues	<u>\$ 17,433,010</u>	<u>\$ 17,700,413</u>	<u>\$ (267,403)</u>	<u>-2%</u>	<u>97%</u>	<u>\$ 18,059,299</u>

Total revenues for the General Fund through twelve months or 100.00% of this fiscal year are \$17,433,010, compared to total budgeted revenues for the year of \$18,059,299. This indicates that actual revenues are 3% under projected revenues. Operating revenues for the General Fund are \$16,481,867, while last year at this time operating revenues were \$16,962,925, resulting in a \$481,058 decrease. Property tax collections are flat. Sales tax on a cash basis is up 4%. Gross receipts taxes are down 6% mainly due to decreases in telecommunications and natural gas, but partially offset by increases in electricity. License and Permits revenues are down 16% as building permits return to normal after last year's roof replacement permits and permits associated with Linden Woods Village. Intergovernmental is up 2% due to increases in City share Road District revenue and from increases in motor vehicle tax from the state. Charges for Services revenue is down 2% mainly due to ambulance receipts but partially offset by increased sales in Senior Activity and in animal adoptions. Fines and Forfeitures are down 19% related to Senate Bill 5. Miscellaneous Revenue is up 7% due to receiving an increase to insurance settlements and loss control credits, partially offset by a dividend from MPR last year.

Expenditure Function	June 2016	June 2015	\$ Change	% Change	% of Budget	FY16 Budget
General Administration	\$ 1,243,084	\$ 1,230,215	\$ 12,869	1%	120%	\$ 1,039,294
Finance	1,436,163	1,506,775	(70,612)	-5%	94%	1,520,728
Public Safety	7,728,169	7,824,145	(95,977)	-1%	93%	8,311,511
Public Works	1,968,336	2,162,252	(193,916)	-9%	90%	2,176,775
Community Develop	924,980	927,728	(2,747)	0%	90%	1,025,755
Parks & Recreation	2,411,292	2,378,191	33,101	1%	96%	2,517,621
Non-Departmental	909,665	782,441	127,224	16%	89%	1,022,975
Transfers/Debt	433,577	475,587	(42,010)	-9%	91%	474,144
Total Expenditures	<u>\$ 17,055,265</u>	<u>\$ 17,287,334</u>	<u>\$ (232,068)</u>	<u>-1%</u>	<u>94%</u>	<u>\$ 18,088,803</u>

Expenditures through twelve months or 100.00% of this fiscal year amounted to \$17,055,265, or 94% of FY16 budgeted expenditures of \$18,088,803. This indicates that actual expenditures are 6% less than projected expenditures and 1% less

than last year's expenditures of \$17,287,334. General Administration expenditures are up 1% due to one-time contractual legal expenses but partially offset by personnel changes in Public Information. Finance expenditures are down 5% due to payments in FY15 to a contract analyst and to timing of technology purchases in IT. Public Safety expenditures are down 1% due mainly to final payments to retiring employees last year but offset in part by benefit changes in FY16 implemented as part of the pay study. Public Works expenditures are down 9% due to position vacancies, low motor fuel prices, reduced purchases of road salt, reduced garage expenses, and a final debt payment last year on capital equipment purchases. Community Development expenditures are flat. Parks & Recreation expenditures are up 1% due mainly to increases in Senior Activities and to equipment purchases, offset in part by changes in personnel. Non-Departmental is up 16% due to legal contractual agreements. Transfers/Debt is down 9% due to refinancing a loan resulting in reduced interest payments. Current revenues are greater than expenditures in the amount of \$377,745. Please note that this number is preliminary and is subject to change due to year-end accruals, outstanding expense payments, and audit adjustments.

### COMBINED WATER AND SEWERAGE SYSTEM FUND

Revenue Source	June 2016	June 2015	\$ Change	% Change	% of Budget	FY16 Budget
Sanitation	\$ 5,506,239	\$ 5,519,499	\$ (13,260)	0%	95%	\$ 5,783,058
Water	3,281,547	3,288,194	(6,648)	0%	95%	3,463,338
Operating Revenues	8,787,786	8,807,693	(19,907)	0%	95%	9,246,396
Water Reserves	-	-	-	0%	0%	60,000
Misc Revenue	100,973	178,004	(77,031)	-43%	102%	98,770
Total Revenues	\$ 8,888,759	\$ 8,985,697	\$ (96,938)	-1%	95%	\$ 9,405,166

Total budgeted revenues for the fiscal year are \$9,405,166. Total revenues through twelve months or 100.00% of this fiscal year, amounted to \$8,888,759, or 95% of FY16 budgeted revenues. This indicates that revenues are 5% less than budgeted projections and also reflects a decrease of \$96,938 from last year's revenues of \$8,985,697. Operating revenues are flat from last year as reduced sales in the wet year are offset by rate increases in both water and sewer. Miscellaneous revenues are down due to receiving a loss control award (\$50,000) and to a rebate from Kansas City Power and Light (\$37,500) for work done at the treatment plant in FY15, but offset slightly due to receiving money for scrap metal sales in FY16.

Expenditure Function	June 2016	June 2015	\$ Change	% Change	% of Budget	FY16 Budget
Production	\$ 1,088,304	\$ 1,272,374	\$ (184,070)	-14%	91%	\$ 1,190,335
Operations & Maint	722,430	863,648	(141,218)	-16%	68%	1,067,594
Sewer Collection	290,714	320,546	(29,832)	-9%	72%	402,306
Non-Departmental	5,437,953	5,378,199	59,754	1%	96%	5,656,012
Transfers to Reserve	-	-	-	0%	0%	51,580
Debt Payments	1,034,802	956,809	77,994	8%	100%	1,036,405
Total Expenses	\$ 8,574,204	\$ 8,791,576	\$ (217,372)	-2%	91%	\$ 9,404,232

Total budgeted expenses for the fiscal year are \$9,404,232. Total expenses through twelve months or 100.00% of this fiscal year amounted to \$8,574,204 or 91% of FY16 budgeted expenses. This indicates that actual expenses are 9% less than budgeted projections and 2% or \$217,372 less than last year's expenses of \$8,791,576. Production expenditures are down 14% due to capital expenditures for solar panels at the water plant (\$56,580) and replacing a carbon dioxide tank (\$76,170) in FY15, and due to staffing changes in FY16. Operations division expenditures are down 16% due to reduced contractual spending on repairs on water line breaks, timing of capital improvements, and to position vacancies. Sewer division spending is down 9% due to timing of sewer line maintenance and from savings on fuel due to low diesel prices but offset by increased personnel costs from full staffing and implementing the pay study. Non-departmental is up 1% due to a full year of the sewer rate increase from Kansas City in May 2015. Debt payments are up due to the first payment on

the lease purchase used to finance major capital equipment purchases last year. Current revenues are greater than expenses for the fiscal year. Net income on a cash basis is \$314,555. Please note that this number is preliminary and is subject to change due to year-end accruals, outstanding expense payments, and audit adjustments.

### COMMUNITY CENTER AND PARKS TAX FUND

Revenue Source	June 2016	June 2015	\$ Change	% Change	% of Budget	FY16 Budget
Sales Tax	\$ 850,769	\$ 866,746	\$ (15,977)	-2%	104%	\$ 816,500
Intergovernmental	203,525	675,000	(471,475)	-70%	100%	203,525
Charges for Service	1,237,036	1,244,080	(7,043)	-1%	91%	1,356,075
Other Income	231,618	241,032	(9,414)	-4%	97%	239,160
Operating Revenues	2,522,949	3,026,858	(503,909)	-17%	96%	2,615,260
Misc Revenue	28,543	29,888	(1,345)	-5%	90%	31,574
Transfers	716,000	100,000	616,000	616%	100%	716,000
Equity Transfer	192,753	37,000	155,753	421%	100%	192,753
Total Revenues	\$ 3,460,245	\$ 3,193,746	\$ 266,499	8%	97%	\$ 3,555,587

Total budgeted revenues for the fiscal year are \$3,555,587. Total revenues through twelve months or 100.00% of this fiscal year, amounted to \$3,460,245 or 97% of FY16 budgeted revenues. This indicates that revenues are 3% less than budgeted projections and reflects an increase of \$266,499 from last year's revenues of \$3,193,746. Sales tax received is down 2%. Charges for Service are down 1% from last year due to decreases in Community Center memberships but partially offset by outdoor pool season passes this year. Other Income decreased 4% due to timing of payments for pool lane rentals. Intergovernmental decreased 70% due to reductions in the payment from the school district related to the distribution of their share of the savings from refunding the 2006 Series Bond Issue. Transfers for debt increased \$616,000 due to the annual budgeted transfer from the Capital Improvement Sales Tax fund for debt service on refunded bonds.

Expenditure Function	June 2016	June 2015	\$ Change	% Change	% of Budget	FY16 Budget
Community Center	\$ 817,811	\$ 827,222	\$ (9,412)	-1%	91%	\$ 896,130
Natatorium	793,925	830,043	(36,118)	-4%	91%	873,600
Outdoor Pool	101,112	117,334	(16,222)	-14%	74%	136,717
Non-Departmental	99,456	98,119	1,337	1%	97%	102,478
Transfer Out-Capital Prc	932,328	-	932,328	0%	100%	932,327
Debt Payments	618,673	1,300,701	(682,028)	-52%	67%	917,297
Total Expenses	\$ 3,363,304	\$ 3,173,419	\$ 189,885	6%	87%	\$ 3,858,549

Total budgeted expenditures for the fiscal year are \$3,858,549. Total expenses through twelve months or 100.00% of this fiscal year, amounted to \$3,363,304 or 87% of FY16 budgeted expenses. This indicates that actual expenses are 13% less than budgeted projections. Community Center expenses are down 1% due to purchasing fitness equipment last year and to high electric bills last year, but partially offset by increased spending on member classes and personal training programs. The Natatorium is down 4% as pool painting in FY16 was offset by purchase of a prominent controller in FY15 and by the high electric bills last year. Outdoor Pool expenses are down 14% because of the cooler summer weather in July and August, 2015. Non-departmental is up 1% mainly due to an increase in insurance expense. Transfers Out are up due to transferring savings from refunding the 2006 Series Bond Issue to construction funds for the related projects. Debt payments are down due to refunding the 2006 Series Bond Issue. Current revenues are greater than current expenditures. Net income on a cash basis is \$96,941. Please note that this number is preliminary and is subject to change due to year-end accruals, outstanding expense payments, and audit adjustments.

## PUBLIC SAFETY SALES TAX FUND

Revenue Source	June 2016	June 2015	\$ Change	% Change	% of Budget	FY16 Budget
Sales Tax	\$ 850,576	\$ 817,443	\$ 33,132	4%	104%	\$ 816,500
Misc Revenue	129,675	302	129,373	42827%	100%	130,115
Equity Transfer	21,487	110,160	(88,673)	-80%	100%	21,487
Total Revenues	<u>\$ 1,001,738</u>	<u>\$ 927,905</u>	<u>\$ 73,832</u>	<u>8%</u>	<u>103%</u>	<u>\$ 968,102</u>

Total budgeted revenues for the fiscal year are \$968,102. Total revenues through twelve months or 100.00% of this fiscal year amounted to \$1,001,738, or 103% of FY16 budgeted revenues. This indicates revenues are 3% more than budgeted revenues, and also reflects an increase of \$73,832 over last year's revenues of \$927,905. Sales tax on a cash basis is up 4%. Misc revenue is up because of loan proceeds of \$129,315 used to finance integrated in-car and body-worn camera systems.

Expenditure Function	June 2016	June 2015	\$ Change	% Change	% of Budget	FY16 Budget
PSST Law	\$ 696,232	\$ 646,344	\$ 49,888	8%	92%	\$ 752,750
Non-Departmental	33,058	12,370	20,688	167%	81%	40,919
Debt Payments	194,033	187,533	6,500	3%	100%	194,333
Total Expenses	<u>\$ 923,323</u>	<u>\$ 846,247</u>	<u>\$ 77,076</u>	<u>9%</u>	<u>93%</u>	<u>\$ 988,002</u>

Total budgeted expenditures for the fiscal year are \$988,002. Total expenses through twelve months or 100.00% of this fiscal year are \$923,323, or 93% of the FY16 budgeted expenses. This indicates that actual expenses are 7% less than budgeted projections, and are 9% or \$77,076 more than last year's expenses of \$846,247. Law division is up 8% due to purchase of integrated body-worn cameras and in-car video equipment, \$98,500, partially offset by purchasing two vehicles in FY16 instead of four in FY15. Non-Departmental is up \$20,688 due to computer server purchases related to the video equipment. Current revenues are greater than current expenditures. Net income on a cash basis is \$78,415. Please note that this number is preliminary and is subject to change due to year-end accruals, outstanding expense payments, and audit adjustments.

Respectfully submitted

*Debra Daily*

Debra Daily  
Director of Finance

## **RESOLUTION NO. R-16-47**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO AMEND THE 457 DEFERRED COMPENSATION PLAN AND TRUST AGREEMENT TO INCLUDE THE ASSOCIATED ROTH AMENDMENTS THROUGH ICMA RETIREMENT CORPORATION.**

**WHEREAS**, the City of Gladstone has employees rendering valuable services; and

**WHEREAS**, the City of Gladstone has established a Deferred Compensation Plan for such employees which serves the interest of the City of Gladstone by enabling it to provide reasonable retirement security for its employees by providing flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; and

**WHEREAS**, the City Council has determined that the continuance of the deferred compensation plan will serve these objectives.

**NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, AS FOLLOWS:**

**THAT**, The City of Gladstone hereby amends and restates the 457 Deferred Compensation Trust Agreement (Plan 300641) and Administrative Services Agreement through ICMA Retirement Corporation, to include the associated Roth Amendment for the benefit of the City's employees.

**INTRODUCED, READ, PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, 25<sup>TH</sup> DAY OF JULY, 2016.**

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Jean B. Moore, Mayor

**ATTEST:**

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Ruth Bocchino, City Clerk



**General Administration**  
**Human Resources Division**

TO: Scott Wingerson, City Manager  
Chris Williams, City Attorney

FROM: Charlene Leslie, HR Administrator

DATE: July 15, 2016

**SUBJECT: ICMA-RC Fund Restructuring**

The City of Gladstone Deferred Compensation Plan is the ICMA Retirement Corporation's (ICMA RC) employer-sponsored retirement savings vehicle that allows employees to voluntarily accumulate assets under the provision of Section 457 of the Internal Revenue Code. Recently ICMA-RC announced the restructuring of proprietary investment offerings to a Collective Investment Trust (CIT)-only structure. This change is scheduled to occur during the fourth quarter of 2016. To accomplish this, the registered Vantagepoint Funds will be liquidated and assets invested in those funds will be transferred to collective investment trust funds (CITs).

Similar to registered mutual funds, CITs combine the assets of multiple investors into a single fund with a specific investment strategy. Unlike mutual funds, CITs are exempt from SEC registration and can only be made available to retirement plans, and not the general public. Previously CITs were traditionally available only to large retirement plans. However, due to enhancements in fund design, CITs are now more attractive and advantageous for public sector retirement plans of all sizes. Many CITs trade the same way as mutual funds and often are ranked by Morningstar.

The change to a CIT-only structure is meant to increase value to participants through a simplified investment structure, improved flexibility and more cost-efficient investment options. There are over 100 investment options under the CIT-only structure. The expected savings from this change are meant to lower investor costs. Otherwise, the new CITs will adhere to the same investment objectives and use the same investment strategy as the registered Vantagepoint Funds.

**Section 457 Plan – No Action Required**

Currently, the City has over 100 participants in the Section 457 Deferred Compensation Plan representing assets of approximately \$5.2 million. Participants in the Section 457 Plan may already invest in CITs. In October 2016, ICMA-RC plans to move the assets of each of the underlying VT Vantagepoint Funds to the corresponding CIT Funds.

ICMA-RC estimates that this change will reduce annual expenses of each VT Vantagepoint Fund by 0.04% to 0.06% (\$400 to \$600 annually per \$1 million invested). The City is not required to take any action specific to this change.

#### **“Sidecar” Roth IRA – Required Action**

In 2004, the City amended the plan by adding the Roth IRA feature. This “sidecar” provision allowed participating employees to make Roth (after tax) deferrals through the 457 plan. As a result, the deferrals and associated earnings could later be withdrawn tax free after meeting certain criteria. In 2011, the City amended the plan to allow In-plan Roth conversions. This provision allowed participating retired employees, who were eligible to withdraw assets from the plan, to convert their 457 plan assets to Roth assets. In 2013, the City amended our plan to allow in-plan Roth conversions for participating active employees.

With the restructuring of Roth IRA proprietary investment offerings the Vantagepoint Funds will no longer be available as of September 2016. Therefore, if no action is taken by the City, the Vantagepoint Funds would be liquidated and transferred to the IRA default fund, which is a money market fund. Currently, the City has 15 participants in the “side car” Roth IRA structure. This represents assets of approximately \$50,000, of which \$30,000 are invested in Vantagepoint Funds. To complicate matters, CITs will not be allowed as an investment option for participants in the “side car” Roth IRA; this structure is basically being discontinued.

The City has three options in addressing this issue. It could 1) take no action – as noted previously; or 2) select additional individual investment options within ICMA-RC’s IRA platform – which may result in increased fiduciary liability for the City; or 3) amend the plan to discontinue the current “sidecar” Roth IRA and establish a “payroll deduction” Roth IRA which would allow employees to roll-over their current assets into any of the 104 investment fund options under ICMA-RC’s new IRA platform. The latter option is the recommended choice. To execute this plan, the city needs to execute an amendment to the Deferred Compensation Plan and Trust Agreement.

#### **Retiree Health Savings (“RHS”) Plan – Required Action**

The City of Gladstone Retirement Health Savings (RHS) Plan is the ICMA-RC’s employer-sponsored health benefit savings vehicle that allows employees to accumulate assets to pay for eligible medical expenses at retirement on a tax-free basis. The RHS is similar to the ICMA-RC 457 Deferred Compensation Plan in that it allows an employee to invest dollars on a pre-tax basis for financial needs during retirement. The adoption of the RHS assists employees in saving to pay for one of retirement’s greatest financial needs – health care.

Our RHS agreement was originally established in 2007 under the voluntary contribution provision. However, the Internal Revenue Service (IRS) suspended future contributions in 2008. In accordance with the Internal Revenue Service rulings, the RHS plan is now available to City of Gladstone employees under the mandatory provision – for example

all eligible employees make mandatory, pre-tax employee contributions from required accrued leave. All earnings grow tax-deferred and withdrawals may be used to pay for qualified medical benefits for participants, their spouses and/or dependents tax-free.

Currently, there are 23 active RHS participants – which are retired employees. Earlier this year, ICMA-RC made the VantageTrust II funds available to the RHS plan, so that these funds may be added to the city's plan. The VantageTrust II funds (VT II Funds) are a series of CITs that currently invest in the Vantagepoint Funds and Dreyfus Cash Management Fund. If the city adopts the VT II Funds, the RHS plan assets will be transferred from Vantagepoint Funds and the Dreyfus Case Management Fund to the VT II Funds, resulting in an annualized savings of 0.08% on those assets. This September, ICMA-RC plans for the assets of each VT II Fund to be transitioned to an underlying CIT Fund, which is estimated to reduce expenses of the VT II Funds by an additional 0.04% to 0.06% for a total reduction of 0.12% to 0.14% (\$1,200 to \$1,400 annually per \$1 million invested on assets in those funds).

The City has two options in addressing this issue. It could 1) take no action – resulting in Vantagepoint Fund assets being transferred to the plan's default fund (a money market account); or 2) adopt VT II which allows assets from the Vantagepoint Funds and Dreyfus Cash Management Fund to be transferred into the VT II Funds prior to the scheduled closing of the Vantagepoint Funds. The latter option is the recommended choice. To execute this plan, the city needs to execute the associated RHS Participant Agreement.

Upon the Council's authorization for the City Manager to amend the Deferred Compensation Plan and Trust Agreement to include the associated Roth IRA amendments and to execute the associated RHS Participant Agreement, the suggested changes by ICMA-RC may be executed. ICMA-RC will then inform the affected participants/employees/retirees by letter of their alternatives for transferring assets out of the Vantagepoint Funds prior to closure. The goal of the restructure is to increase value to participants through a simplified investment structure, provide additional flexibility and utilize more cost-efficient fund options.

C: Leadership Team

**RESOLUTION NO. R-16-48**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO AMEND THE RETIREMENT HEALTH SAVINGS PLAN AGREEMENT TO INCLUDE THE ASSOCIATED PARTICIPATION AND ADOPTION AMENDMENTS THROUGH ICMA RETIREMENT CORPORATION.**

**WHEREAS**, the City of Gladstone has employees rendering valuable services; and

**WHEREAS**, the City of Gladstone has established a Retirement Health Savings (RHS) Plan for such employees which serves the interest of the City of Gladstone by enabling it to provide reasonable retirement security for its employees by providing flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; and

**WHEREAS**, the City Council has determined that the continuance of the RHS Plan will serve these objectives.

**NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, AS FOLLOWS:**

**THAT**, The City of Gladstone hereby amends and restates the Retirement Health Savings Plan Agreement (Plan 800448), to include the associated participation and adoption amendments through ICMA Retirement Corporation for the benefit of the City's employees.

**INTRODUCED, READ, PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, THIS 25TH DAY OF JULY, 2016.**

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Jean B. Moore, Mayor

ATTEST:

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Ruth Bocchino, City Clerk



**General Administration**  
**Human Resources Division**

TO: Scott Wingerson, City Manager  
Chris Williams, City Attorney

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Upon the Council's authorization for the City Manager to amend the Deferred Compensation Plan and Trust Agreement to include the associated Roth IRA amendments and to execute the associated RHS Participant Agreement, the suggested changes by ICMA-RC may be executed. ICMA-RC will then inform the affected participants/employees/retirees by letter of their alternatives for transferring assets out of the Vantagepoint Funds prior to closure. The goal of the restructure is to increase value to participants through a simplified investment structure, provide additional flexibility and utilize more cost-efficient fund options.

C: Leadership Team

## **RESOLUTION NO. R-16-49**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AGREEMENTS BETWEEN THE CITY OF GLADSTONE, MISSOURI, AND THE KANSAS CITY AREA TRANSPORTATION AUTHORITY TO PROVIDE PUBLIC TRANSPORTATION AND PROPERTY MANAGEMENT SERVICES FOR THE PERIOD OF JULY 1, 2016 THROUGH JUNE 30, 2017.**

**WHEREAS**, the City Council of the City of Gladstone, Missouri, has determined the advisability of entering into a contract with Kansas City Area Transportation Authority (KCATA) for the retention of public transportation to serve Gladstone residents during the period of July 1, 2016 through June 30, 2017; and

**WHEREAS**, the cost of public transit and property management services to be provided by KCATA to the residents of the City of Gladstone, Missouri, is estimated to be \$109,164.00; and

**WHEREAS**, the total obligation for public transit services to the City of Gladstone is estimated to be \$91,840.00; and

**WHEREAS**, the City of Gladstone and KCATA have installed transit shelters and amenities on Missouri Route 1 (M-1) south of NE 72<sup>nd</sup> on the west side of N. Prospect and at the general locations of NE 64<sup>th</sup> Street and N. Oak Trafficway, NE 72<sup>nd</sup> Street and N. Oak Trafficway and NE 70<sup>th</sup> Street and N. Oak Trafficway; and will be installing amenities at NE 67<sup>th</sup> Street and N. Oak Trafficway on the west side. The City of Gladstone's obligation is \$17,324.00; and

**WHEREAS**, because North Oak Trafficway is potential Bus Rapid Transit (BRT) candidate, the City of Gladstone shall be a participant in all studies and discussions that are to be conducted in the near future.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, AS FOLLOWS:**

**THAT**, the City Manager is hereby authorized to execute the contract with KCATA for public transit services within Gladstone at a cost not to exceed \$91,840.00.

**AND THAT**, The City Manager is authorized to execute additional contract services for the property management services for a total cost of \$17,324.00.

**FURTHER THAT**, expenditure of such funds is hereby authorized from the Transportation Sales Tax Fund.

**INTRODUCED, READ, PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, THIS 25TH DAY OF JULY, 2016.**

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Jean B. Moore, Mayor

Attest:

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Ruth E. Bocchino, City Clerk



**All-America City**

**Gladstone**



**2008**

## **MEMORANDUM**

**To:** City Council  
**From:** Alan D. Napoli, C.B.O.  
Interim Director of Community Development  
**CC:** Scott C. Wingerson, Assistant City Manager  
**Date:** July 19, 2016  
**Re:** Kansas City Area Transportation Authority (KCATA) Annual Contract

Attached is a Resolution for City Council's consideration, which would authorize the City Manager to execute agreements with KCATA to provide public transportation services and property management services.

The KCATA operates six (6) routes through the City of Gladstone; these routes are, 36X Gladstone Express, 37X N. Broadway Express, 38 Meadowbrook, 136 Boardwalk/Antioch, 142 North Oak and 237 Gladstone/Antioch MetroFlex; which has expanded its route to include the City of Gladstone from NE 72<sup>nd</sup> Street north to NE 77<sup>th</sup> Street and from Missouri 1 Highway west to N. Euclid Avenue. This expansion was done at the request of the City staff because we had residents that inquired about the MetroFlex use in this area. KCATA expanded the MetroFlex into this area at no additional cost to the City of Gladstone. The total cost of these services is \$119,355.00. After passenger revenue, federal subsidy and state subsidy the City of Gladstone's share is \$91,840.00.

Property management services costs related to regular maintenance of the shelters and amenities is \$17,324.00. This covers weekly transit stop cleaning for four (4) stops, weekly trash removal at eight (8) stops, monthly recycling service at five (5) stops, Semi-annual in-depth electrical inspection of two (2) electronic kiosks and monthly electrical inspections and maintenance for these two (2) kiosks. These costs include the maintenance of new amenities to be installed at the existing northbound stop at NE 67<sup>th</sup> Street and N. Oak Trafficway. As in previous years the City of Gladstone will install the concrete pad and KCATA will install the bench and trash/recycling containers.

The total cost for the Kansas City Area Transportation Authority transit services and property management services is \$109,164.00. The funds for these services are being provided from the Transportation Sales Tax Fund.