MERRIAM CITY COUNCIL AGENDA
CITY HALL
9001 WEST 62ND STREET
OCTOBER 10, 2016
7:00 P.M.

If you require any accommodation (i.e. qualified interpreter, large print, reader, hearing assistance) in order to attend this meeting, please notify the Administrative Office at 913-322-5500 no later than 24 hours prior to the beginning of the meeting.

I. CALL TO ORDER - PLEDGE OF ALLEGIANCE

II. ROLL CALL

III. PUBLIC ITEMS

Members of the public are encouraged to use this time to make comments about matters that do not appear on the agenda. Comments about items on the regular agenda will be taken as each item is considered. ***Please note: individuals making Public Comments will be limited to 5 minutes.***

IV. CONSENT AGENDA

All items listed under the heading are considered to be routine by the City Council and may be enacted by one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests, in which case that item will be removed from the Consent Agenda and considered separately.

V. MAYOR'S REPORT

VI. COUNCIL ITEMS

1. Consider approval of the minutes of the City Council meeting held September 26, 2016.

A. Finance and Administration

1. Consider approval of an engagement letter with Allen, Gibbs & Houlik, L.C. for audit of the 2016 financial statements.

2. Consider approval of the 2017 Holiday Schedule.

3. Consider approval of a resolution cancelling the December 25, 2017 City Council Meeting.

4. Monthly Finance Report.

B. Community Development/Public Works/CIP

1. Update on Parks and Recreation Facilities.
2. Update on Police Department building.
3. CIP Update.

VII. STAFF ITEMS

VIII. NEW BUSINESS

IX. EXECUTIVE SESSION

X. ADJOURNMENT

Respectfully submitted,

Juliana Pinnick

Juliana Pinnick

MERRIAM CITY COUNCIL MINUTES
CITY HALL
9001 WEST 62ND STREET
September 26 2016
7:00 P.M.

I. CALL TO ORDER - PLEDGE OF ALLEGIANCE

Mayor Ken Sissom called the meeting to order at 7:00 pm.

II. ROLL CALL

Al Frisby
Scott Diebold
Chris Evans Hands
Cheryl Moore
Nancy Hupp
Bob Pape
Robert Weems
Jim Wymer was absent.

Staff present: Chris Engel, City Administrator; Mike Daniels, Police Chief; Bryan Dehner, Fire Chief; Bryan Dyer, Community Development Director; Kevin Bruemmer, Public Works Director; Cindy Ehart, Finance Director; Nicole Proulx Aiken, City Attorney; and Juli Pinnick, City Clerk.

III. PUBLIC ITEMS

Members of the public are encouraged to use this time to make comments about matters that do not appear on the agenda. Comments about items on the regular agenda will be taken as each item is considered. ***Please note: individuals making Public Comments will be limited to 5 minutes.***

Eric Jackson, 10006 W. 61st Street addressed the council regarding the proposed Pool and Community Center projects. Mr. Jackson feels that the city is not being good stewards of the taxpayers dollars based on recent budgeted amounts for art projects throughout the city. Mr. Jackson asked if Merriam residents be allowed to vote on a bond issue and/or a large city expenditure planned for a Community Center and swimming pool.

Mayor Sissom commented that there is no way to answer his question as we are still in the process of determining what options will be presented. There are some statutes that require public vote in certain circumstances for bond issues and the city would follow the law in that regard. It is still too early to determine any options for funding of these facilities as we are not sure what or where anything will be

built. It is anticipated that the results and a final recommendation from the committee in mid-February. Until that time there is no way to speculate how or what projects will be funded.

Sam Matier, 8515 W. 57th St. commented that Merriam is very fortunate to have steady revenue streams from sales tax. However, it is always unclear if those revenue streams will last over time. Mr. Matier feels that the council needs to be careful in making decisions that won't bring the city to hard times.

The Community Center and Aquatic project will be large expenditures and will directly affect Merriam and the respect that city government receives from the residents. Mr. Matier has a committee that has researched state law regarding a public vote on a bond issuance. The law states that the council may allow the public to vote. He feels there is no guarantee that the public will get to vote on these projects. Mr. Matier eluded that the council may be getting information about the bond issue voting in executive sessions that were recently held. Mr. Matier is not arguing if the projects should move forward, his argument is that Merriam residents should have the right to vote on whether the city should borrow an unprecedented amount of money for the projects.

Mayor Sissom commented that when the time comes, the public will be informed of what is going to be built, how much it will cost and how it will be paid for.

Mayor Sissom clarified to Mr. Matier that executive sessions cannot be held for just any reason. There are strict topics that can only be discussed in executive session and the funding of the Community Center and Aquatic Center and whether or not bonds will be issued for this project is not a topic allowed to be discussed in executive session.

IV. CONSENT AGENDA

All items listed under the heading are considered to be routine by the City Council and may be enacted by one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests, in which case that item will be removed from the Consent Agenda and considered separately.

V. MAYOR'S REPORT

VI. PLANNING COMMISSION

VII. COUNCIL ITEMS

1. Consider approval of the minutes of the City Council Meeting held September 12, 2016.

COUNCILMEMBER HANDS MOVED THAT THE COUNCIL APPROVE THE MINUTES OF THE CITY COUNCIL MEETING HELD SEPTEMBER 12, 2016. COUNCILMEMBER WEEMS SECONDED AND THE MOTION WAS UNANIMOUSLY APPROVED.

A. Finance and Administration

1. Appointment of City voting delegates for the Kansas League of Municipalities Annual Conference.

   COUNCILMEMBER HUPP MOVED THAT THE COUNCIL AUTHORIZE COUNCILMEMBER CHRISTINE HANDS AND BOB PAPE AS THE KANSAS LEAGUE OF MUNICIPALITIES VOTING DELEGATES FOR THE CITY OF MERRIAM. COUNCILMEMBER MOORE SECONDED AND THE MOTION WAS UNANIMOUSLY APPROVED.

2. Consider approval of an ordinance amending section 44-244, penalty for possession of marijuana and section 44-241, definition of marijuana, of the Merriam Code of Ordinances. (recommend waiving the first reading)

   City Attorney Nicole Proulx Aiken provided the background for this item.

   During the 2016 legislative session, the Kansas Legislature passed HB 2462, which lowered the penalties for first and second marijuana possession convictions. Under state law, before July 1, 2016, a first conviction for possession of marijuana was a Class A non person misdemeanor; a second conviction for possession of marijuana was a drug severity level 5 felony. Now, under state law, the penalty for a first conviction of possession of marijuana is a Class B non person misdemeanor; a second conviction of possession of marijuana is a Class A non person misdemeanor.

   Merriam's City Code currently penalizes possession of marijuana as a Class A violation. This ordinance mirrors the new state law and changes the penalty for a first conviction of possession of marijuana to a Class B violation. The ordinance also adds that a second conviction of possession of marijuana is a Class A violation. Before July 1, 2016, Merriam's municipal court could not prosecute second convictions of possession of marijuana, because they were felonies. Now, with this change, Merriam's municipal court will be able to prosecute second violations, if requested by Johnson County District Court. The ordinance also amends the definition of marijuana to match the definition in state law.

draft

Constitutional home rule allows the City of Merriam to impose stricter penalties than the state. Thus, the council may choose to continue penalizing first convictions of marijuana possession as Class A violations. However, city staff, including the city prosecutor, chief of police, and city attorney recommend that the council lower the penalty to match new state law. The city prosecutor has indicated that this ordinance will not affect her prosecution, the fines charged, or the penalties imposed. Staff further recommends that the council waive the first reading requirement because the new state law took effect on July 1, 2016.

COUNCILMEMBER MOORE MOVED THAT THE COUNCIL WAIVE THE CUSTOMARY FIRST READING OF AN ORDINANCE AMENDING SECTIONS 44-421 AND 44-244 OF THE MERRIAM CODE OF ORDINANCES. COUNCILMEMBER PAPE SECONDED AND THE MOTION WAS UNANIMOUSLY APPROVED.

COUNCILMEMBER MOORE MOVED THAT THE COUNCIL APPROVE AN ORDINANCE AMENDING SECTIONS 44-421 AND 44-244 OF THE MERRIAM CODE OF ORDINANCES. COUNCILMEMBER HANDS SECONDED AND THE MOTION WAS UNANIMOUSLY APPROVED.

3. Consider acceptance of an Acknowledgement and Release from Hendrick Automotive Group for the Merriam Pointe Redevelopment Project.

Finance Director Cindy Ehart introduced Joe Serrano, the City's TIF/Development attorney for the City.

Mr. Serrano provided the background for this item.

On March 28, 2011, the City approved an Amended and Restated Redevelopment Agreement for the Merriam Pointe Project with Merriam Investors, LLC and Hendricks. The agreement set the maximum tax increment financing (TIF) reimbursement at $6.75 million including $1 million to be remitted to Hendricks. Because Hendricks has now received the maximum allowable reimbursement and because they have satisfied their obligations under the 2011 agreement, Merriam Investors, LLC wishes to release Hendricks from that agreement.

Merriam Investors, LLC remains as the sole Developer and owner of the remaining TIF. Certified, unreimbursed TIF expenses due to Merriam Investors, LLC per terms of the 2011 agreement are currently $3,443,743.

COUNCILMEMBER HUPP MOVED THAT THE COUNCIL ACCEPT AN ACKNOWLEDGEMENT AND RELEASE FROM HENDRICK AUTOMOTIVE GROUP FOR THE MERRIAM POINTE REDEVELOPMENT PROJECT AND AUTHORIZE THE MAYOR TO SIGN SAID ACKNOWLEDGEMENT AND RELEASE. COUNCILMEMBER HANDS SECONDED AND THE MOTION WAS UNANIMOUSLY APPROVED.

4. Consider approval of a funding agreement between Merriam Luxury Imports, LLC and the City.

Finance Director Cindy Ehart provided the background for this item.

On March 28, 2011, the City executed a Redevelopment Agreement for the Merriam Pointe project with Merriam Investors, LLC and Hendrick Automotive Group. Earlier tonight, the City approved a release of Hendricks from their rights and obligations as Co-Developer under this agreement. Merriam Investors, LLC is now the sole Developer and owner of the remaining tax increment financing (TIF) incentives under the 2011 agreement.

On August 03, 2016 Merriam Investors, LLC granted the City an authorization to communicate and negotiate with Merriam Luxury Imports, LLC (MLI) in connection with an application for additional TIF incentives in the Merriam Pointe project area. MLI, managed by Mr. Richard Webb, owns the vacant drainage parcel adjacent to the Infiniti dealership on West Frontage Road. MLI seeks $6 million for the purpose of constructing a new automobile dealership, but indicates the cost of site work is prohibitive without the assistance of TIF.

To consider the request, the City will need outside legal and professional consultants. Mr. Webb has advanced $50,000 as required per the terms. The agreement outlines what the funds may be used for and how the City would request additional funds if necessary. The agreement *does not commit* the City to make any changes in the existing Redevelopment District Plan, Redevelopment Project Plan or Redevelopment Agreement. It simply protects the City from incurring out-of-pocket costs associated with consideration of the changes.

The City's TIF/Development attorney Joe Serrano of Kutak Rock, LLP has reviewed the Funding Agreement.

COUNCILMEMBER HUPP MOVED THAT THE COUNCIL APPROVE A FUNDING AGREEMENT BETWEEN MERRIAM LUXURY IMPORTS, LLC AND THE CITY AND AUTHORIZE THE MAYOR TO SIGN THE

AGREEMENT. COUNCILMEMBER MOORE SECONDED AND THE MOTION WAS UNANIMOUSLY APPROVED.

5. Consider the appointment of Columbia Capital as Financial Advisor to the City for a three-year term.

   Finance Director Cindy Ehart provided the background for this item.

   From time to time the City requires an outside financial advisor to provide services including evaluation of requests for developer incentives, coordination of debt issues, and other financial advisory services. In recent years the City has used various firms to provide these services on an "as-needed" basis. Staff recently issued a request for qualifications (RFQ) from interested firms to evaluate and select the firm best able to deliver services.

   The City received submittals from six firms that were reviewed by the city administrator and finance director. Each submittal was judged on several criteria including quality, completeness, relevant firm experience, staff experience, and customer references. Fees were considered after the initial review but received less weight.

   Staff recommends Columbia Capital as the firm best able to provide services. Columbia Capital was formed in 1996 as an independent alternative to investment banking firms. They have extensive experience with economic development and bond issuance projects for Kansas clients, including Edgerton, Prairie Village and Topeka. Colombia Capital currently serves the City as investment advisor under a separate agreement. The firm has eight employees in their Overland Park office. Mr. Jeff White will be the firm principal responsible for their engagement with the City.

   COUNCILMEMBER PAPE MOVED THAT THE COUNCIL APPOINT COLUMBIA CAPITAL AS THE CITY'S FINANCIAL ADVISOR FOR A THREE-YEAR TERM; AUTHORIZE STAFF TO NEGOTIATE THE FINAL CONTRACT AND AUTHORIZE THE MAYOR TO SIGN THE FINAL CONTRACT. COUNCILMEMBER HANDS SECONDED AND THE MOTION WAS UNANIMOUSLY APPROVED.

6. Consider approval of an ordinance regarding right-of-way excavation. (recommend waiving the first reading)

   City Attorney Nicole Proulx Aiken provided the background for this item.

draft

During the 2016 legislative session, the Kansas Legislature passed S Sub for HB 2131, which limits the city's ability to regulate the siting of wireless telecommunications infrastructure in the public right-of-way.

This ordinance amends several sections of the city's Right-of-Way Use and Excavation Code to comply with the legislation and to ensure the city retains the maximum authority allowed under state law to regulate the public right-of-way.

The ordinance also cleans up several sections of the code in which small changes were needed. For example, section 10 changes the name of water district no. 1 to WaterOne.

Staff further recommends that the city council waive the first reading of this ordinance, because the new law takes effect on October 1, 2016.

COUNCILMEMBER HANDS MOVED THAT THE COUNCIL WAIVE THE CUSTOMARY FIRST READING OF AN ORDINANCE AMENDING CHAPTER 59 OF THE MERRIAM CODE OF ORDINANCES REGARDING RIGHT-OF-WAY USE AND EXCAVATION. COUNCILMEMBER PAPE SECONDED AND THE MOTION WAS UNANIMOUSLY APPROVED.

COUNCILMEMBER HUPP MOVED THAT THE COUNCIL APPROVE AN ORDINANCE AMENDING CHAPTER 59 OF THE MERRIAM CODE OF ORDINANCES REGARDING RIGHT-OF-WAY USE AND EXCAVATION. COUNCILMEMBER HANDS SECONDED AND THE MOTION WAS UNANIMOUSLY APPROVED.

B. Community Development/Public Works/CIP

1. Consider approval of CIP project GM1608- Reforestation Projects.

   City Administrator Chris Engel provided the background for this item.

   In August 2015 the City Council approved the updated Council Policy #120 – Acquisition of Right-Of- Way and Easement for Public Projects. This update changed the process of compensating property owners impacted by city capital projects, including the loss of trees and shrubs. Prior to that update, the city used a formula based on what was removed to determine what was replaced, and the city took full responsibility for the reforestation. The new policy removes the city from the reforestation process and provides a direct payment at fair market value prior to construction.

Due to the timing of the policy change and the duration of several projects, the city has three projects that began under the old policy and are now ready for reforestation. Those projects are: Meyer Creek, Connell Drive and Sherwood Forest Outlet Repair. To meet the reforestation needs of these projects, city staff has devised a hybrid plan to migrate the obligations of the old policy to the process of the new policy.

Public Works has determined an average tree or shrub cost to include installation, and applied it to the original formula for each impacted property. The city will credit that amount, in the name of the property owner, at Family Tree Nursery to be used however the property owner prefers. Working directly with Family Tree Nursery allows residents access to their superior products and their knowledge, service and over 50 years of experience. Family Tree Nursery also provides residents the ability to personally choose the species and the number of trees and/or shrubs that most appropriately fit their property. This process also affords residents all of the associated warranties provided by the nursery while meeting the City's commitment to see their property reforested.

Because these project budgets have been closed or fully expended, a new CIP project has been created to complete this work – GM1608 Reforestation Projects. Funding for this project has been carved out of the CIP Fund's general project contingency in 2016. While individually these projects may fall under the $30,000 spending authority, the total project cost of $55,000 requires City Council approval.

COUNCILMEMBER MOORE MOVED THAT THE COUNCIL APPROVE CIP PROJECT GM1608-REFORESTATION PROJECTS IN THE AMOUNT OF $55,000. COUNCILMEMBER HANDS SECONDED AND THE MOTION WAS UNANIMOUSLY APPROVED.

2. Presentation regarding landlord situs address.

Community Development Director Bryan Dyer provided the background for this item.

Landlords are required to pay a flat rate landlord licensing fee for each residential rental unit they lease out within the city. The only exception is apartment complexes. The licensing fee for apartment complexes is based on the square footage of living space within the complex. The implementation of the new Community Development and Administration case management software, Citizenserve, has identified inconsistencies in the assessment of landlord licensing fees.

The previous case management software assessed Landlord licensing fees on the situs address provided by Johnson County AIMS. Situs addressing is based upon a property parcel. Each property parcel has one situs address.

Assessing fees based on situs address is problematic because a single property parcel may have one situs address but multiple rental units. The most common example of this are duplexes that are located on one parcel with one situs address. Because the previous system assessed the landlord licensing fee based on the situs address, a landlord leasing a duplex was assessed a licensing fee for only one unit, not for both units.

Staff worked with Citizenserve to base the new tracking software on address points instead of situs address. AIMS provides an address point for each known dwelling unit within the city. Basing the new software on address points has a number of benefits including being able to accurately and equitably assess landlord licensing fees. Citzenserve will assess a licensing fee for each unit the landlord has for lease.

Staff has identified approximately 106 units owned by 70 landlords that have not been assessed the correct fee. The majority of those landlords will have a fee increase of $90. However, there are a number of landlords that own more than one duplex and their fee increase will be higher. Additionally, there are a few four-, five- and an eight-plex landlords that will have a more significant fee increase.

Community Development staff and the Communication Manager are working together to educate landlords on this billing correction. Included in the Agenda Packet was a letter that is being sent to each landlord that is affected by billing correction. The letter outlines the fee correction in addition to outlining services that the city provides as part of the Landlord Licensing and Rental Inspection program. Community Development staff will also personally reach out to those landlords most affected by the correction.

3. Community Development Update.

Community Development Director Bryan Dyer provided the following updates:

Tiber Ridge Villas is nearly fully built out. There are two lots left to be built on as well staff is working with the developer on the final landscape plan.

Billy Crook, 6636 Wedd St, asked Mr. Dyer if the developer was going to address drainage issues at Timber Ridge with their final landscape plan.

Mr. Dyer commented that he is aware that some residents have concerns with drainage issues. He also noted that the development was designed with over land flow of drainage. While it would not be an approved method for drainage today, and it does appear to be working as designed as no water has infiltrated any dwelling. Staff has spoken with the developers representative regarding the drainage concerns. The representative indicated that they would be addressing these concerns with residents at the Timber Ridge Home Owners Association meeting.

Forest Park Homes Association had a picnic on Sunday; several city staff members were in attendance and their presence was well received.

Crestview School and Slater Retail Center are on schedule for their anticipated completion dates.

Staff is aware of the IHOP closing and did not receive any advanced notification of the closing from the franchisee. In addition, while comments have been made in public about a new restaurant opening at that site, staff has not received any applications for a new restaurant to replace the IHOP.

VIII. STAFF ITEMS

IX. NEW BUSINESS

X. EXECUTIVE SESSION

COUNCILMEMBER MOORE MOVED THAT THE COUNCIL RECESS INTO EXECUTIVE SESSION PURSUANT TO THE KANSAS OPEN MEETINGS ACT EXCEPTION FOR THE PURPOSE OF RECEIVING LEGAL ADVICE. PRESENT WILL BE THE GOVERNING BODY, CITY ATTORNEY AND CITY ADMINISTRATOR. THE MEETING WILL RECONVENE IN THE COUNCIL CHAMBERS AT 8:40 PM. COUNCILMEMBER HANDS SECONDED AND THE MOTION WAS UNANIMOUSLY APPROVED.

The meeting reconvened at 8:40 pm.

XI. ADJOURNMENT

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE COUNCIL. COUNCILMEMBER HANDS MOVED TO ADJOURN AT 8:41 PM. COUNCILMEMBER HUPP SECONDED AND THE MOTION WAS UNANIMOUSLY APPROVED.

Respectfully submitted,

Juliana Pinnick

draft

Juliana Pinnick
City Clerk

draft

AGENDA ITEM INFORMATION FORM

Agenda Item: Consider approval of an engagement letter with Allen, Gibbs & Houlik, L.C. for audit of the 2016 financial statements.

Department: Finance

Background/Description of Item:

The firm of Allen, Gibbs & Houlik, L.C. (AGH) was selected in October 2012 through a Request for Proposals (RFP) process to serve the City for a four-year term, 2012 through 2015. While that term has now concluded, staff proposes to extend their engagement for two more years. AGH has proposed a 2% increase to 2015 actual fees for the extended engagement.

Auditing standards require the Governing Body's formal acceptance of the engagement terms. Attached are two relevant documents:

1. The "engagement letter" which outlines the audit objective, reporting, fees and conditions/limitations (for signature by the Mayor). *Note: the "Optional Human Resource Assessment" offered by AGH is not currently recommended by staff, but is a future consideration.*

2. AGH's "System Review Report" prepared by an independent CPA firm which demonstrates their quality control system meets professional standards. Reviews are conducted every three years. An updated report is underway and will be shared when available.

The proposed audit fee for 2016 is $25,845. Preliminary field work is planned for January 2017 with final field work commencing March 2017. The final report will be available in May 2017.

Related Ordinance or Statutes: None

Recommendation: Staff recommends approval of the engagement letter for the audit of the 2016 financial statements with Allen, Gibbs & Houlik, L.C. for an amount not to exceed $25,845, and authorization for signature by the Mayor.

Prepared by: Cindy Ehart, Finance Director Date: October 6, 2016

AGH CPAs & ADVISORS

September 20, 2016

The Honorable Mayor and City Council Members
City of Merriam
9001 W. 62nd Street
Merriam, KS 66202

Dear Mayor and Council Members:

THE OBJECTIVE AND SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

You have requested that we audit the financial statements of City of Merriam, Kansas (the "City"), which comprise governmental activities, each major fund and aggregate remaining fund information as of and for the year-ended December 31, 2016 and December 31, 2017 which collectively comprise the basic financial statements. We will also a) report on whether supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole, and b) apply certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

Our audit will be conducted with the objective of our expressing an opinion on the financial statements.

You have informed us that you intend to prepare a Comprehensive Annual Financial Report (CAFR) and submit it for evaluation by the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting. Our association with the CAFR is to consist of procedures required under generally accepted auditing standards for Other Information (including the Introductory and Statistical Sections of the CAFR), and for Supplementary Information presented in the CAFR.

REPORTING

We will issue a written report upon completion of our audit of the City's financial statements. Our report will be addressed to the governing board of the City. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

PROFESSIONAL FEES

Our charges for professional services will be made based on our regular hourly rates plus out-of-pocket expenses, which include reimbursements for travel subsistence, report reproduction, and computer time charges. We estimate the aggregate professional fees for the examination services discussed above, including out-of-pocket, will not exceed $25,845 for both the year ended December 31, 2016 and December 31, 2017.

Monthly billings of charges incurred to date with a final billing on completion of the work. Invoices not paid within 30 days will be charged a service fee of 1½% per month.

Our fees for the audit and accounting services described above are based upon the value of the services performed and the time required by the individuals assigned to the engagement, plus direct expenses. Our fee estimate and completion of our work is based upon the following criteria:

1. Anticipated cooperation from City personnel

2. Timely responses to our inquiries

3. Timely completion and delivery of client assistance requests

4. Timely communication of all significant accounting and financial reporting matters

5. The assumption that unexpected circumstances will not be encountered during the engagement

OPTIONAL HUMAN RESOURCE ASSESSMENT

Human capital is one of your organization's most valuable assets. Although it is not reflected as an asset on your financial statements, your workforce has a direct impact on your bottom line. Our Employer Solutions consultants are pleased to provide employers an objective third party analysis of your organization's human resource practices, policies, procedures and strategies to protect the organization, establish best practices and identify opportunities for improvement.

In an effort to provide a full scope of services while maintaining a reasonable cost, we have developed a rotational program extending over three years:

Year 1: ***Human Resource Compliance*** - review of employment policies, personnel files, required notices and postings, and employment processes related to employment law compliance

Year 2: ***Payroll and Benefits Compliance*** - review of overall payroll system setup, including taxability of earnings, benefits and deduction categories and reporting compliance

Year 3: ***Human Resource Strategies*** - review of talent management practices including recruitment strategies, training and development programs, succession planning, employee engagement and communication initiatives, performance management systems, etc.

These procedures are optional and are a separate engagement from the financial statement audit. This supplemental engagement is not designed to detect errors, irregularities, or illegal acts, including fraud or defalcations, if they exist. It is designed to identify potential areas of risk and provide ideas for improvements and best practices within the human resource area of your company.

☐ Yes, I agree to enter into a separate engagement for the additional recommended services outlined above. Estimated annual costs are based on the size of the organization and would not exceed the amount outlined in the table below:

# of Employees	Annual Cost
<100	$4,000
100-249	$5,000
250-499	$6,000
500-999	$7,500
1,000+	TBD

☐ No, I decline the additional recommended services outlined above. In doing so, I understand that these services are not a part of the financial statement audit procedures.

CONDITIONS AND LIMITATIONS

To assist you in understanding the scope of our services and other matters related to the completion of these attest services, we have attached a copy of the "*Allen, Gibbs & Houlik, L.C. Attest Services Conditions and Limitations*". Our attest services are expressly subject to these conditions and limitations, and by signing below and by signing the standard management representation letter, you will be agreeing to them.

It is understood that any non-attest services provided by Allen, Gibbs & Houlik, L.C. (AGH) are in the nature of advisory service to the City's management, and related recommendations, accordingly, are subject to management oversight. Further, in providing our current non-attest services or those we may provide in the future, it is agreed that AGH is not assuming any management responsibilities, decisions or functions for the City. Management acknowledges its responsibilities to make all management decisions and perform all management functions for the City, to oversee the services provided by AGH, to evaluate the adequacy and results of those services, and to accept management responsibility for the services rendered. In that regard, the City agrees to designate a management employee to oversee services provided by AGH; the City's Finance Director, Cindy Ehart, has been designated to oversee the non-attest services provided by AGH. Further, the undersigned hereby acknowledges that it is the responsibility of the City's management to establish and maintain the City's internal controls, including monitoring ongoing activities.

This letter constitutes the complete and exclusive statement of agreement between Allen, Gibbs & Houlik, L.C. and the City, superseding all proposals, oral or written, and all other communications, with respect to the terms of the engagement between the parties.

As part of AGH's ongoing commitment to serve as a trusted advisor, we offer several other resources that provide additional value beyond this engagement itself. AGHUniversity.com offers a full schedule of complimentary education and other updates to clients throughout the year. AGH Alerts and newsletters also include periodic mailings or emails to alert clients to new accounting, audit and tax standards or regulations. We appreciate our relationship with your company and look forward to serving you in the future.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements including our respective responsibilities.

Respectfully,

ALLEN, GIBBS & HOULIK, L.C.

Benjamin O. Hart
Vice President, Assurance Services

BOH:llm

Enclosure

Acceptance: Your signature below confirms your acceptance of the preceding information and your receipt and acceptance of the "*Allen, Gibbs & Houlik, L.C. Attest Services Conditions and Limitations*".

I have also reviewed and selected an option relating to the Optional Human Resource Assessment, as discussed above.

_____ _____
Signature Date

Attest Services Conditions and Limitations

In the course of providing attest services, Allen, Gibbs & Houlik, L. C. (AGH) applies customary practices intended to fulfill our professional responsibilities in a cost effective manner. This document defines our professional responsibilities and the standards that we employ in providing you with our attest services. We find that by more clearly defining our professional service responsibilities, and your responsibilities as a client of AGH, we can prevent any uncertainties in providing our attest services. By signing the "Understanding of Engagement", you are agreeing to the conditions and limitations described below.

The Responsibilities of the Auditor

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS. Also, an audit is not designed to detect errors or fraud that are immaterial to the financial statements.

In making our risk assessments, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.

We will also communicate to the governing board *(a)* any fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements that becomes known to us during the audit, and *(b)* any instances of noncompliance with laws and regulations that we become aware of during the audit (unless they are clearly inconsequential).

Our report on internal control will include any significant deficiencies or material weaknesses in controls of which we become aware as a result of obtaining an understanding of internal control and performing tests of internal control consistent with requirements of the standards identified above.

The funds that you have told us are maintained by the Government and that are to be included as part of our audit are the same as those included in the previous year's audited financial statements.

The Responsibilities of Management and Identification of the Applicable Financial Reporting Framework

Our audit will be conducted on the basis that management and when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

a. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;

b. To evaluate subsequent events through the date the financial statements are issued or available to be issued and to disclose the date through which subsequent events were evaluated in the financial statements. Management also agrees that they will not evaluate subsequent events earlier than the date of the management representation letter referred to below;

c. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;

d. For establishing and maintaining effective internal control over financial reporting and for informing us of all significant deficiencies and material weaknesses in the design or operation of such controls of which it has knowledge.

e. To provide us with:

(1) Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters;
(2) Additional information that we may request from management for the purpose of the audit; and
(3) Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

As part of our audit process, we will request from management and when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit including among other items

a. That management has fulfilled its responsibilities as set out in the terms of this letter; and

b. That it believes 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.

Management is responsible for the preparation of the required supplementary information, supplementary information presented in relation to the financial statements as a whole in accordance with accounting principles generally accepted in the United States of America. Management agrees to include the auditors' report on the RSI or supplementary information in any document that contains the supplementary information and that indicates that the auditor has reported on such RSI or supplementary information. Management also agrees to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance of the supplementary information and the auditors' report thereon.

The governing board is responsible for informing us of its views about the risks of fraud within the entity, and its knowledge of any fraud or suspected fraud affecting the entity.

You have informed us that you may issue public debt in the future and that you may include our report on your financial statements in the offering statement. You have further informed us that you do not intend that we be associated with the proposed offering.

We agree that our association with any proposed offering is not necessary, providing the Government agrees to clearly indicate that we are not associated with the contents of any such official statement or memorandum. The Government agrees that the following disclosure will be prominently displayed in any such official statement or memorandum:

Allen, Gibbs & Houlik, L.C., our independent auditor, has not been engaged to perform, and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Allen, Gibbs & Houlik, L.C. also has not performed any procedures relating to this official statement memorandum.

Other Terms and Conditions

If, in connection with our audit, you request us to perform accounting services necessary for the preparation of the financial statements (such as maintaining depreciation schedules, drafting the financial statements, etc.), you agree to designate an appropriate individual to oversee the services, make all management decisions involved in those services, evaluate the adequacy and results of the services, and accept responsibility for the results of the services.

If circumstances arise relating to the conditions of your records, the availability of sufficient, competent evidential matter, or indications of a significant risk of material misstatement of the financial statements because of error, fraudulent financial reporting, misappropriation of assets or noncompliance which, in our professional judgment prevent us from completing the audit, or forming an opinion, we retain the unilateral right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawal from the engagement.

The working papers for this engagement are the property of AGH, and constitutes confidential information. However, you acknowledge and grant your assent that representatives of the cognizant or oversight agency or their designee, other government audit staffs and the U.S. Government Accountability Office shall have access to the audit working papers upon their request; and that we shall maintain the working papers for a period of at least five years after the date of the report, or for a longer period if we are requested to do so by the cognizant or oversight agency. Access to requested workpapers will be provided under the supervision of AGH audit personnel and at a location designated by our firm.

In determining our fees, the factors having a direct impact on our time and billings include the timely closing and overall condition of the accounting records and the extent to which we must compile information or make bookkeeping adjustments to your records to conform to appropriate accounting rules. In that regard, we have furnished your personnel with a listing of the routine accounting records and schedules we normally need in connection with our services. In order to keep our charges to a minimum, we suggest that your personnel provide us with these records, schedules and other assistance from time to time by compiling necessary information and locating supporting documents. This assistance enables us to spend a minimum amount of time performing routine accounting or clerical tasks and thus concentrate more strictly on audit services. If delays in the timing of our receipt of these records, incompleteness or errors cause us to spend extra time to complete the above services, this will result in increased fees. We will, of course, make every effort to minimize any unnecessary disruption of your staff's schedule.

In the event we are requested or authorized by the Government or are required by government regulation, subpoena, or other legal process to produce our documents or our personnel or the personnel of AGH as witnesses with respect to our engagements for the Government, the Government will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees And expenses of our counsel, incurred in responding to such requests.

If you intend to publish or otherwise reproduce the financial statements and/or make reference to us or our audit in a document other than an official statement, you agree to provide us with the printer's proofs or a master for our review and consent before reproduction and/or release

occurs. You also agree to provide us with a copy of the final reproduced material for our consent before it is distributed or released. Our fees for any additional services that may be required under our quality assurance system as a result of the above will be established with you at the time such services are determined to be necessary. In the event our auditor/client relationship has been terminated when the Government seeks such consent, we will be under no obligation to grant such consent or approval.

It is understood that an audit, and any other services, provided by AGH necessarily rely, to some extent, on information provided by the Government, including management representations, as well as other information and documents. Accordingly, the Government hereby indemnifies AGH and its owners and employees, and holds them harmless from all claims, liabilities, losses, or costs in connection with any services provided by AGH that are in any way related to circumstances where there has been a knowing misrepresentation by a member of the Government's management which has caused, in any respect, AGH's breach of contract or negligence. This indemnification shall survive any terminations under this letter.

Both parties to this agreement have made a substantial investment in their respective employees and depend upon them to generate future profits. Because of this, we agree that neither party (including related affiliates) shall hire, nor solicit for hire, any person employed by the other during the term of the service relationship and for a period of one year after the termination of services. Since our professional standards require that we perform certain additional procedures on current and previous years engagements whenever a shareholder or professional employee leaves the firm and is subsequently employed by or associated with a client, you agree to compensate AGH for any additional costs incurred as a result of the Government's employment of a shareholder or professional employee of AGH.

We agree that any dispute arising out of, or relating to, this agreement or an interpretation of this agreement that we are not able to resolve ourselves shall be submitted to mediation under the American Arbitration Association Rules for Professional Accounting and Related Services Disputes before resorting to arbitration, litigation or some other dispute resolution procedure.

Costs and expenses of the mediation shall be borne equally by each of us. Mediation shall take place within two weeks after notification by the aggrieved party of a request for mediation unless extended by the mediator, and shall not be subject to pre-hearing discover except as specifically authorized by the mediator. If the mediation does not result in an agreement acceptable to all sides, any party may take such other further action as he, she, or it deems advisable under law or equity. In the event any party takes such legal action without first submitting the issue(s) to mediation as required by this clause, that party shall pay the legal expenses of the responding party plus all court costs incurred by said action.

It is agreed by the Government and AGH or any successors in interest that no claim, by or on behalf of either party, arising out of services rendered pursuant to this agreement shall be asserted more than two years after the date of the last audit report issued or one year after the date of termination of AGH's services, whichever date occurs first.

During the course of our engagement, we may accumulate records containing data which should be reflected in your books and records. You will determine that all such data, if necessary, will be so reflected. Accordingly, you will not expect us to maintain copies of such records in our possession. We shall maintain the audit working papers for a period of five years after the date of the audit report or after the termination of service.

The financial statements and our report on them are not to be modified in any manner. The final version supersedes all prior drafts. Any preliminary draft version of the financial statements previously provided to you in an electronic format should be deleted from your computer, and all printed copies of any superseded preliminary draft versions should likewise be destroyed.

This agreement also sets forth the terms and conditions agreed to by AGH and the Government for the transmittal of data through the Internet into or from AGH's e-mail system. Internet data transfers are susceptible to security breaches. You agree that AGH shall not have any liability for lost data, unauthorized access to records, data or files, destruction of records, data or files, viruses, delays or failure of performance or suitability. You agree that data transmitted by the Government to AGH will not include a) any employee personal information such as social security numbers or dates of birth, or b) bank or investment account identification numbers. You agree to hold harmless AGH, its shareholders, agents or employees from any damages or expenses arising out of or resulting from any use of AGH's e-mail system, whether or not authorized. AGH agrees that it will provide reasonable alternatives that are more secure than e-mail for the transmittal of data, upon request.

AGH acknowledges that it has access to nonpublic information of the Government and its consumers and such information constitutes valuable and proprietary assets of the Government. AGH also acknowledges that the Government has a responsibility to its own consumers and employees to keep records and information confidential and proprietary. AGH agrees that it shall maintain confidentiality of any nonpublic personal information about consumers the Government obtained by AGH in the course of its performing services for the Government.

From time to time, and depending upon the circumstances, we may use third-party service providers to assist us in providing professional services to you. In such circumstances, it may be necessary for us to disclose confidential client information to them. We enter into confidentiality agreements with all third-party service providers and we are satisfied that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others.

Other Services

It is understood that, from time to time, Allen, Gibbs & Houlik, L.C. (AGH) may provide other services that are not contemplated hereby or are not otherwise encompassed in this understanding of arrangements for services. Such other services may be the subject of a separate letter addressing the arrangements for those services. However, in some cases, such other services may not be specifically addressed by a separate arrangement letter. In the event that AGH provides other services not encompassed by this arrangement letter, or another arrangement letter, engagement letter, or contract, it is understood and agreed that any such services will be expressly subject to then current *"Allen, Gibbs & Houlik, L.C. Other Services Conditions and Limitations"*, in effect when the services is provided, which are located at www.aghlc.com/otherservices/terms. You may contact AGH to request a printed copy. It is further agreed that any services provided by AGH prior to the date of this letter, and not subject to a written arrangement letter, engagement letter, or similar contractual arrangement, shall be subject to this "Other Services" provision, in this arrangement letter, and the referenced Other Services Conditions and Limitations as of that date.

Addendum to Engagement Letter Dated September 20, 2016 between Allen, Gibbs and Houlik, L.C. and the City of Merriam, Kansas for services for the year ended December 31, 2016 and December 31, 2017:

Compliance with Laws. We shall keep fully informed of, and shall comply with, all local, state and federal ordinances, statutes, laws, codes, rules, resolutions and regulations affecting our performance of the obligations contained herein (regardless of whether such requirements are specifically referred to in this letter of understanding). We shall protect and indemnify the City and its officers and agents against any claims or liability arising from or based on any violations of the same.

Indemnification. We agree to defend, indemnify and hold the City, its officers, agents and employees, harmless from and against all liability for damages, costs and expenses, including attorney fees, arising out of any claim, suit, judgment or demand arising from our negligent and/or intentional acts or omissions, or that of our agents or employees in the performance of the services confirmed in this letter of understanding. We shall give the City immediate written notice of any claim, suit or demand which may be subject to this provision.

Amendments. This letter of understanding may not be amended unless such amendment is in writing and signed by both parties hereto.

Assignment. Neither this letter of understanding nor any rights or obligations hereunder shall be assigned or otherwise transferred by us without the prior written consent of the City. This letter of understanding is binding upon and fully enforceable against our successors and assigns, whether consented to or not.

Applicable Law. This letter of understanding shall be governed by, interpreted and construed in accordance with the laws of the State of Kansas.

Insurance. We shall, at our sole cost and expense, throughout the term of this letter of understanding and during all phases of the services described herein, maintain in effect all insurance coverages required herein.

A. General Requirements.

1. All insurance coverages shall be provided by insurance companies with a Best's rating of no less than "A" and/or that is acceptable to the City.

2. We shall provide to the City properly completed insurance certificates prior to beginning services under this letter of understanding for not less than the limits and terms set forth herein.

3. All certificates of insurance shall provide that the insurer will give thirty (30) days written notice to the City before cancellation of any policy. Upon the expiration, cancellation or renewal of any policy, we shall supply to the City a new certificate of insurance that complies with the requirements of this letter of understanding.

4. The City shall be named as an Additional Insured and Loss Payee for all coverages required herein except Workers' Compensation coverage.

B. Specific Coverage Requirements.

1. Commercial General Liability. We shall maintain General Liability coverage including Premises-Operations Liability, Independent Contractors Liability, Products and Completed Operations, and Broad Form Property Damage with these minimum limits:

Bodily injury & Property Damage	$1,000,000 combined single limit per occurrence: $2,000,000 annual aggregate
Fire Damage Liability	$ 50,000
Medical Payments	$ 5,000

The property damage liability coverage shall contain no exclusion relative to blasting, explosion, collapse of buildings, or damage to underground property.

2. Comprehensive Automobile Liability. We shall maintain Automobile Liability coverage including coverage for Owned, Hired and Non-owned Liability providing for all injuries to members of the public and damage to property of others arising from the use of motor vehicles on and off the Work site with these minimum limits:

Bodily Injury & Property Damage	$1,000,000 combined single limit per occurrence

3. Workers' Compensation and Employer's Liability. We shall maintain Workers' Compensation coverage for all claims made under applicable state workers' compensation laws. Contractor shall also maintain Employer's Liability coverage for claims made for injury, disease or death of an employee which, for any reason, may not fall within the provisions of a worker's compensation law. The following minimum limits shall apply:

Workers' Compensation	Statutory limits
Employer's Liability	$100,000 each accident $500,000 disease – policy limit $100,000 disease – each employee

4. Professional Liability Insurance. We shall maintain Professional Liability Insurance in an amount of no less than $1,000,000 and provide City with certification thereof upon request.

Equal Opportunity.

A. *Discrimination Prohibited*. In carrying out the services to provided pursuant to this letter of understanding, we shall not discriminate against any person on the basis of race, religion, color, sex, disability, national origin, ancestry or age and shall comport its performances with all pertinent provisions of the Kansas Acts Against Discrimination (K.S.A. §44-1001 *et seq.)* and the Kansas Discrimination in Employment Act (K.S.A. §44-1110 *et seq.* (including the Kansas Age Discrimination in Employment Act, K.S.A. §44-1111 *et seq.).*

B. *Soliciting Employees*. In all solicitations or advertisements for employees, we shall include the phrase "equal opportunity employer" or a similar phrase approved by the Kansas Human Rights Commission.

C. Non-Compliance. If we:

1. fail to comply with the reporting requirements of K.S.A. §44-1031 or K.S.A. §44-1116 and amendments thereto;

2. are found guilty of a violation of the Kansas Act Against Discrimination or the Age Discrimination in Employment Act under a decision or order of the Kansas Human Rights Commission which has become final;

We shall be deemed to be in default of this letter of understanding and it may be immediately canceled, terminated or suspended, in whole or in part, by City.

D. *Flow Through of Requirements*. We shall include the provisions of Sections A - D in all of our subcontracts and purchase orders in order to ensure such provisions are binding upon our subcontractors and vendors.

E. *Exempt Contractors*. The provisions of this section are recommended but not enforceable against us if:

1. we employ fewer than four (4) employees at all times during the term of this letter of understanding; or

2. all of our contracts with the City cumulatively total Five Thousand Dollars ($5,000.00) or less during the fiscal year of the City pursuant to K.S.A. §44-1030(c).

Survivorship. Notwithstanding the termination of this letter of understanding, our obligations with respect to Indemnification, Insurance, and any other terms and conditions which by their nature should survive termination, shall survive the termination of this letter of understanding.

Incorporation of Exhibits. Exhibit *A* (City's Request for Proposal) and Exhibit B (our Proposal) are incorporated herein by reference are a part of this letter of understanding to the same extent as if fully set forth herein.

Benjamin O. Hart
Vice President, Assurance Services

Allen, Gibbs & Houlik, L.C.

By: _____

Title: _____

Attest: _____

Date: _____

City of Merriam, Kansas

arnett
foster
toothman pllc
CPAs & Advisors

SYSTEM REVIEW REPORT

October 31, 2013

To the Shareholders and Officers of
Allen, Gibbs & Houlik, L.C.
and the Peer Review Committee of the Kansas Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Allen, Gibbs & Houlik, L.C. (the firm) in effect for the year ended May 31, 2013. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*; audits of employee benefit plans, audits performed under FDICIA, and examinations of service organizations [Service Organizations Control (SOC) 1 engagements].

In our opinion, the system of quality control for the accounting and auditing practice of Allen, Gibbs & Houlik, L.C., in effect for the year ended May 31, 2013, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Allen, Gibbs & Houlik, L.C. has received a peer review rating of *pass*.

ARNETT FOSTER TOOTHMAN PLLC

Arnett Foster Toothman PLLC

101 Washington Street East | P.O. Box 2629
Charleston, WV 25329
304.346.0441 | 800.642.3601

Holidays to be Observed by City Offices and Employees during the Year 2017

Holiday	Observance Date
New Year's Day	January 2, 2017 - Monday
Martin Luther King Day	January 16, 2017 – Monday
Memorial Day	May 29, 2017 - Monday
Independence Day	July 4, 2017 - Tuesday
Labor Day	September 4, 2017 - Monday
Thanksgiving	November 23, 2017 - Thursday November 24, 2017 - Friday
**Christmas Day	December 25, 2017 – Monday
Three Personal Days	The employee's choosing with approval of department head

**This holiday falls on a scheduled council meeting, therefore, a resolution will need to be passed authorizing rescheduling or cancelling of this meeting.

Regular full and part time employees hired during 2017 will receive personal days in 2017 based upon their hire date.

The employee shall request usage of personal days according to applicable City and departmental policies for paid time off, and the personal days will be forfeited if not used by the **end of the payroll year (December 17, 2017).**

The above holidays will be observed by City employees in 2017, as recommended by the Mayor and approved by the Council on _____, 2016.

_____
Ken Sissom
Mayor

AGENDA ITEM INFORMATION FORM

Agenda Item: Consider approval of a resolution cancelling the December 25, 2017 City Council meeting.

Department: Administration

Background/Description of Item:

Section 2-23 of the Code of Ordinances provides that *the city council shall hold regular meetings on the second and fourth Monday of each month at 7:00 p.m.; provided, however, that when the day fixed for any regular meeting shall fall upon a day designated by law as a legal or national holiday, or when otherwise deemed necessary or appropriate by the city council, such meeting may be canceled or rescheduled following the passage of a resolution so indicating. Furthermore, a regular meeting of the city council may be canceled or rescheduled whenever the mayor deems it appropriate due to special circumstances including, but not limited to, a lack of agenda items or inclement weather, or upon the written request of three councilmembers with approval of the mayor. Notice of such cancelation shall be conspicuously posted at city hall at the scheduled time of the canceled meeting and, if feasible, notice of the cancelation should be given to those individuals who have requested notice of city council meetings pursuant to the Kansas Open Meetings Act. In no event shall there be less than one regular meeting of the city council per month.*

The regularly scheduled second meeting in December 2017 falls on the City's Observed Holiday. It is recommended that council approve a resolution cancelling the December 25, 2017 City Council meeting in accordance with Section 2-23 of the Merriam Code of Ordinances.

The City will meet its obligation to hold at least one meeting per month on December 11, 2017.

If this Resolution is approved, staff will ensure that proper noticing of the cancellation.

Recommendation: Staff recommends approval of a resolution cancelling the December 25, 2017 City Council Meeting.

Prepared by: Juli Pinnick, City Clerk Date: September 14, 2015

RESOLUTION NO. _____

A RESOLUTION RELATING TO THE CANCELATION OF THE DECEMBER 25, 2017 REGULAR MEETING OF THE GOVERNING BODY.

WHEREAS, Section 2-23 of the Code of Ordinances provides that the Governing Body shall hold regular meetings on the second and fourth Monday of each month at 7:00 p.m.; provided, however, that when the day fixed for any regular meeting shall fall upon a day designated by law as a legal or national holiday, or when otherwise deemed necessary or appropriate by the Governing Body, such meeting shall be canceled or rescheduled, following the passage of a resolution so indicating. There shall be at least one meeting of the Governing Body per month. All regular meetings shall be held in the Council Chambers at the Merriam City Hall, 9001 W. 62nd Street, Merriam, Kansas unless otherwise designated by resolution or conspicuously posted at City Hall at the scheduled time of said meeting.

WHEREAS, the Governing Body deems it appropriate to cancel the December 25th regular meeting in calendar year 2017,

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF MERRIAM, KANSAS:

Section 1. Cancelation of the December 25, 2017 regular meeting of the Governing Body. That the December 25, 2017 meeting of the Governing Body of the City of Merriam, Kansas will be canceled.

Section 2. Take Effect. This resolution shall be in full force and effect from and after its passage, approval. This resolution shall be effective only for the December 25, 2017 regular meeting of the Governing Body.

PASSED BY THE City Council this ____ day of _____, 2016.

APPROVED BY THE Mayor this ____ day of _____, 2016.

_____
Ken Sissom, Mayor

(SEAL)

ATTEST:

_____
Juliana Pinnick, City Clerk

CITY OF MERRIAM
INTEROFFICE MEMORANDUM

TO: MAYOR AND THE CITY COUNCIL

FROM: KEVIN BRUEMMER, PUBLIC WORKS DIRECTOR

SUBJECT: OCTOBER CIP UPDATE

DATE: OCTOBER 10, 2016

Highlights:

- **Farley Avenue –** Pyramid Contractors has completed placing the north retaining wall, curb & gutters, driveway approaches. The plan is to place of base asphalt of the north phase by 10/8/16. Pyramid has begun clearing trees and grubbing in the south phase, removal of existing asphalt roadway road, placement of the south retaining wall along the sidewalk on the west side of Farley Ave. Pyramid plans on placement of new roadway late October or early November, weather permitting.

- **Antioch Road from 67th Street to Johnson Drive –**J.M. Fahey Construction has completed placement of curb & gutters, sidewalks, and driveway approaches along Antioch Rd, and has begun milling of existing roadway. Fahey plans to have Antioch Rd surfaced and pavement marking completed by October 18th. The street lighting sub-contractor continues with the placement of street lights and pedestrian crossing near 61st Street. Fahey estimates the completion of street lights to be completed early November.

- **SMP Bridge over BNSF Railroad –** Design is complete and will be in KDOT's October, 2016 letting, with an early start date in March 2017.

- **Residential Streets Group V –** The City hosted a Public Meeting with the Affinis Project Engineer, on September 27th, and has completed field check/review of 51st Street. Affinis plans to have plans ready for City review by December 2016, and plans on going to bid early 2017.

- **Sidewalk In-Fill –** GBA, project designer, continues to design sidewalk plans/specifications. GBA's plan is to have plans ready for review December 2016, and out to bids early 2017.

Capital Improvement Active Project List

Last Updated 10/6/2016

PROJECT NAME	FUNDING SOURCES	BUDGETED PROJECT COST	ACTUAL PROJECT COST	STATUS	DESIGN CONSULTANT	PUBLIC MEETING #1	PUBLIC MEETING #2	PUBLIC MEETING #3	ENGINEER'S ESTIMATE	BID OPENING	AWARD AT COUNCIL	CONTRACTOR	CONTRACT AMOUNT	NOTICE TO PROCEED	PROJECTED SUBSTANT COMPLETION DATE
2015															
Residential Streets Group IV (54 St, 55 Ter/56 St, Garner, Hayes, Carter and Grant)	Special sales tax-Street/stormwater	$2,705,000	$2,540,561	Accepted 11/09/2015	Affinis	7/10/13	11/20/13	6/25/14	$2,462,306.60	6/3/14	6/9/14	Kansas Heavy	$2,161,517.55	7/7/14	10/30/15
Meyer Creek Improvement (Sherwood and Connell Dr.)	SMAC/Special Sales Tax	$3,348,700		Substantially Complete	Affinis	11/12/13	4/15/14	2/24/15	$3,408,621.00	2/3/15	2/9/15	VF Anderson	$2,755,019.50	2/25/15	4/30/15
Antioch Street Overlay 67th to 75th Street	CARS/Special Sales Tax	$280,000		Accepted 12/01/2015	Overland Park	N/A	N/A	N/A				O'Donnel & Sons		5/11/15	11/30/15
2016															
Farley Ave - 67th to 69th St	Special sales tax-Street/stormwater	$1,872,500		Construction	BHC-Rhodes	6/17/15	11/19/15	6/9/16	$1,899,097.00	5/10/16	5/23/16	Pyramid Contractors Inc.	$1,553,547.50	8/1/16	12/24/16
SMP Bridge over BNSF Rail Road & Mill/Overlay West	Special sales tax-Street/stormwater	$2,843,599		Design	GBA										
Antioch Road Improvement W. 67th Street to Johnson Drive	CARS/Special Sales Tax	$1,095,487		Design	BHC-Rhodes	4/5/2016				6/21/2016	6/27/2016	J.M. Fahey Construction	$1,789,770.68	8/15/2016	10/14/2016
Corrigated Metal Pipe Replacement 47th/Eby/Antioch	General CIP	$1,100,000		Design	BHC-Rhodes										
Residential Infill: 51st St., Merriam Lane, Campbell Lane	Special sales tax-Street/stormwater	$2,326,500		Design	Affinis	6/29/16	9/27/16								
West Frontage Road Improvements	I-35 Redevelopment	$1,220,000		Delayed	TBD										
2017															
Sidewalk Infill	General CIP	$1,815,000		Design	GBA										
Turkey Creek	General CIP/SMAC	$5,740,750		TBD-Federal Funding	USACE	7/25/01	10/19/11	8/14/13							
Police Facility	General CIP	$2,100,000		Design	Hoefer Wysocki	N/A	N/A	N/A							

CITY COUNCIL SUGGESTED MOTIONS FOR YOUR CONSIDERATION

CONSENT AGENDA

MAYOR'S REPORT

COUNCIL ITEMS

1. **Move that the council approve the minutes of the City Council Meeting held September 26, 2016.**

FINANCE AND ADMINISTRATION

1. **Move that the council approve an engagement letter with Allen, Gibbs & Houlik, L.C. (AGH) for audit of the 2016 financial statements.**

2. **Move that the council approve the 2017 Holiday Schedule.**

3. **Move that the council approve a resolution cancelling the December 25, 2017 City Council meeting.**

4. **No motion.**

COMMUNITY DEVELOPMENT/PUBLIC WORKS

1. **No motion.**

2. **No motion.**

3. **No motion.**

STAFF ITEMS

EXECUTIVE SESSION