

CITY OF TONGANOXIE  
321 S. DELAWARE 913-845-2620  
April 17, 2017  
7:00 Regular Meeting



Honorable Jason K. Ward, Mayor  
Council Members  
Chris Donnelly                      James Truesdell  
Curtis Oroke                      Andy Gilner                      Kara Reed

**Open Regular Meeting – 7:00 p.m.**

**I. Pledge of Allegiance**

**II. Approval of Minutes –** Regular Meeting dated April 17, 2017

**III. Consent Agenda**

- a) Review Bill Payments

**IV. Open Agenda**

“Members of the public are welcome to use this time to comment about any matter relating to City business. The comments that are discussed under Open Agenda may or may not be acted upon by the Council during this meeting. Please wait to be recognized by the Mayor, then **state your name and address** and all comments are to be directed to the chair.”

**V. Old Business**

**VI. New Business**

- a) Recognition of Promotion of Nick Ontiveros from officer to sergeant
- b) Second Reading: Ordinance 1422: Amending the City Code Relating to Contractor’s Licensing Requirements
- c) Consider approval of grant agreement with Leavenworth County for development of industrial park
- d) Ordinance 1423: Authorizing the issuance of temporary notes to fund costs of development of industrial park
- e) Consider approval of health insurance agreement with Blue Cross Blue Shield of Kansas for 2017-2018 benefit year
- f) City Manager Agenda
  - 1. Rural Housing Incentive District Update
  - 2. March 2017 Building Permits Report
- g) City Attorney Agenda
- h) Mayor Agenda
  - 1. Annual appointment of city officials
    - i. City Attorney
    - ii. Municipal Judge
    - iii. City Clerk
    - iv. Deputy City Clerk

v. City Treasurer

2. Designation of official city newspaper

i) Mayor Pro Tem Agenda

j) City Council Agenda

**VII. Information & Communications (No Action Required)**

**VIII. Adjourn**

**City Council Meeting**  
April 17, 2017  
7:00 p.m. Regular Meeting



Mayor Pro Tem Reed opened the meeting at 7:00 p.m. with the pledge of allegiance. Council members present were Jim Truesdell, Curtis Oroke, Chris Donnelly, and Andy Gilner. Mayor Ward was absent. Also in attendance were City Manager George Brajkovic and Assistant City Manager Jamie Shockley.

**Approval of Minutes and Consent Agenda**

- Mr. Gilner moved to approve the minutes from April 3, 2017. Mr. Donnelly seconded. All ayes. Motion carried.

**Open Agenda-**

- Zach Provost addressed the council during open agenda and asked Mr. Brajkovic to give the Council an overview of their discussions on solutions to the drainage issue in the Greystone subdivision. Mr. Brajkovic gave the council an overview. Mr. Provost stated that the solutions that have been presented to them are not acceptable and he doesn't believe they address his neighbor's issue. He stated that he believes the City should be doing more. Mr. Brajkovic requested to take the conversation offline and continue to work towards a solution since he was not requesting any city council action.
- Monica Gee, 612 E. 4<sup>th</sup> Street, addressed the Council and updated them on the plans for Bike Across Kansas, which will be in Tonganoxie on June 16.
- Shawn Linenberger, 635 Northstar Court, reminded the council that a community engagement speaker will be at the Chieftain Room at the High School on Wednesday, April 19 from 5:30 to 7:30, and he requested that they be present. The speaker is sponsored by Souther Leavenworth County Leadership Development.

**Old Business - None**

**New Business**

**First Reading: Ordinance 1422: Amending the City Code Relating to Contractor's Licensing Requirements**

- Mr. Brajkovic explained the proposed change to the contractor's licensing requirements. Mr. Donnelly inquired if this just applied to work done outside the house. Mr. Brajkovic indicated that this did just apply to work done outside the house and that any work done inside would still require a Johnson County Contractor's License. No action taken as this was the first reading.

**Consider approval of agreement with Tongie Tidal Waves for 2017 Pool Season**

- Ms. Janet Falk addressed the council and thanked them for their continued support of the Tongie Tidal Waves swim team.
- Mr. Donnelly moved to authorize the city manager to execute the agreement. Mr. Truesdell seconded. All ayes. Motion carried.

**Consider approval of accounts payable policy**

- Ms. Shockley explained the policy, which would enable city staff to begin paying bills once per week rather than twice per month.
- Mr. Donnelly moved to approve the accounts payable policy as presented. Mr. Gilner seconded. All ayes. Motion carried.

**City Manager Agenda**

**March Financial Report and Quarterly Treasurer's Report**

- Ms. Shockley explained the financial reports for March and informed the council that cities of the second class are required to publish a treasurer's report quarterly in the newspaper, and that report was included in the council packet for their review.

With no further business, Mr. Gilner made a motion to adjourn the meeting. Mr. Truesdell seconded.. All Ayes. Motion carried. Meeting adjourned at 7:46 p.m.



City of Tonganoxie, KS

# Check Report

By Check Number

Date Range: 04/03/2017 - 04/26/2017

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
<b>Bank Code: AP Bank-AP Bank</b>						
**Void**		04/13/2017	Regular	0.00	0.00	41281
**Void**		04/13/2017	Regular	0.00	0.00	41282
**Void**		04/13/2017	Regular	0.00	0.00	41283
**Void**		04/13/2017	Regular	0.00	0.00	41284
**Void**		04/13/2017	Regular	0.00	0.00	41285
**Void**		04/13/2017	Regular	0.00	0.00	41286
**Void**		04/13/2017	Regular	0.00	0.00	41287
**Void**		04/13/2017	Regular	0.00	0.00	41288
**Void**		04/13/2017	Regular	0.00	0.00	41289
**Void**		04/13/2017	Regular	0.00	0.00	41290
**Void**		04/13/2017	Regular	0.00	0.00	41291
**Void**		04/13/2017	Regular	0.00	0.00	41292
**Void**		04/13/2017	Regular	0.00	0.00	41293
**Void**		04/13/2017	Regular	0.00	0.00	41294
**Void**		04/13/2017	Regular	0.00	0.00	41295
**Void**		04/13/2017	Regular	0.00	0.00	41296
**Void**		04/13/2017	Regular	0.00	0.00	41297
**Void**		04/13/2017	Regular	0.00	0.00	41298
**Void**		04/13/2017	Regular	0.00	0.00	41299
**Void**		04/13/2017	Regular	0.00	0.00	41300
**Void**		04/13/2017	Regular	0.00	0.00	41301
**Void**		04/13/2017	Regular	0.00	0.00	41302
**Void**		04/13/2017	Regular	0.00	0.00	41303
**Void**		04/13/2017	Regular	0.00	0.00	41304
**Void**		04/13/2017	Regular	0.00	0.00	41305
**Void**		04/13/2017	Regular	0.00	0.00	41306
**Void**		04/13/2017	Regular	0.00	0.00	41307
**Void**		04/13/2017	Regular	0.00	0.00	41308
**Void**		04/13/2017	Regular	0.00	0.00	41309
**Void**		04/13/2017	Regular	0.00	0.00	41310
**Void**		04/13/2017	Regular	0.00	0.00	41311
**Void**		04/13/2017	Regular	0.00	0.00	41312
**Void**		04/13/2017	Regular	0.00	0.00	41313
**Void**		04/13/2017	Regular	0.00	0.00	41314
**Void**		04/13/2017	Regular	0.00	0.00	41315
**Void**		04/13/2017	Regular	0.00	0.00	41316
**Void**		04/13/2017	Regular	0.00	0.00	41317
**Void**		04/13/2017	Regular	0.00	0.00	41318
**Void**		04/13/2017	Regular	0.00	0.00	41319
**Void**		04/13/2017	Regular	0.00	0.00	41320
**Void**		04/13/2017	Regular	0.00	0.00	41321
**Void**		04/13/2017	Regular	0.00	0.00	41322
**Void**		04/13/2017	Regular	0.00	0.00	41323
**Void**		04/13/2017	Regular	0.00	0.00	41324
**Void**		04/13/2017	Regular	0.00	0.00	41325
**Void**		04/13/2017	Regular	0.00	0.00	41326
0006	ACE PIPE CLEANING INC	04/13/2017	Regular	0.00	2,013.75	41327
0029	ARROWHEAD SCIENTIFIC, INC.	04/13/2017	Regular	0.00	41.00	41328
0034	AT&T ACCESS TRANSPORT SERVICES	04/13/2017	Regular	0.00	74.49	41329
0057	BLUE TARP FINANCIAL, INC.	04/13/2017	Regular	0.00	169.99	41330
0749	BROADVOICE	04/13/2017	Regular	0.00	139.55	41331
0070	BROTHER' S MARKET	04/13/2017	Regular	0.00	47.15	41332
0094	CHIP'S GUNWORKS	04/13/2017	Regular	0.00	800.00	41333
0111	COLEMAN EQUIPMENT INC	04/13/2017	Regular	0.00	155.00	41334

## Check Report

Date Range: 04/03/2017 - 04/26/2017

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
0115	CONRAD FIRE EQUIPMENT, INC.	04/13/2017	Regular	0.00	156.28	41335
0166	EMERGENCY REPORTING	04/13/2017	Regular	0.00	139.00	41336
0182	FEDEX	04/13/2017	Regular	0.00	23.51	41337
0185	FERRELLGAS	04/13/2017	Regular	0.00	2,529.08	41338
0192	FOLEY INDUSTRIES	04/13/2017	Regular	0.00	277.21	41339
0205	GALL'S LLC	04/13/2017	Regular	0.00	73.12	41340
0596	GEOFF SONNTAG	04/13/2017	Regular	0.00	400.00	41341
0225	HAMM INC	04/13/2017	Regular	0.00	986.40	41342
0250	HONEYCREEK DISPOSAL SERVICE	04/13/2017	Regular	0.00	24,936.60	41343
0251	HOUSE OF APPAREL	04/13/2017	Regular	0.00	92.84	41344
0822	JRW ELECTRIC LLC	04/13/2017	Regular	0.00	868.00	41345
0308	KANSAS STATE TREASURER	04/13/2017	Regular	0.00	983.00	41346
0321	KANSAS DEPARTMENT OF REVENUE	04/13/2017	Regular	0.00	1,560.73	41347
0330	KANSAS GAS SERVICE	04/13/2017	Regular	0.00	715.93	41348
0757	KC CLEAN	04/13/2017	Regular	0.00	240.00	41349
0351	KDHE- BUREAU OF WATER	04/13/2017	Regular	0.00	185.00	41350
0367	KNOLOGY, INC.	04/13/2017	Regular	0.00	336.87	41351
0381	LADD SERVICE COMPANY	04/13/2017	Regular	0.00	30.43	41352
0391	LAWRENCE JOURNAL WORLD	04/13/2017	Regular	0.00	39.93	41353
0772	LV CO PORT AUTHORITY	04/13/2017	Regular	0.00	10.00	41354
0426	LV COUNTY SHERIFF OFFICE	04/13/2017	Regular	0.00	632.50	41355
0469	MR. TIRE	04/13/2017	Regular	0.00	221.61	41356
0496	ONE CALL CONCEPTS	04/13/2017	Regular	0.00	134.00	41357
0500	OREILLY AUTO PARTS	04/13/2017	Regular	0.00	146.08	41358
0503	PACE ANALYTICAL SERVICES INC	04/13/2017	Regular	0.00	454.00	41359
0542	QUILL	04/13/2017	Regular	0.00	217.44	41360
0579	SECURITY BENEFIT - 457	04/13/2017	Regular	0.00	2,369.23	41361
0589	SMITH & LOVELESS INC	04/13/2017	Regular	0.00	331.64	41362
0594	SMITHEREEN PEST CONTROL	04/13/2017	Regular	0.00	198.00	41363
0617	TBS ELECTRONICS, INC.	04/13/2017	Regular	0.00	116.00	41364
0628	TODD'S TIRE LLC	04/13/2017	Regular	0.00	30.00	41365
0629	TONGANOXIE FIREMANS RELIEF ASC	04/13/2017	Regular	0.00	557.85	41366
0823	TOPEKA POLICE DEPARTMENT	04/13/2017	Regular	0.00	100.00	41367
0642	U S POSTAL SERVICE	04/13/2017	Regular	0.00	1,239.70	41368
0648	UNIVERSAL, INC.	04/13/2017	Regular	0.00	119.09	41369
0668	WEIS FIRE & SAFETY EQUIPMENT	04/13/2017	Regular	0.00	528.60	41370
0671	WESTAR ENERGY	04/13/2017	Regular	0.00	10,455.77	41371
0692	ZEP MANUFACTURING COMPANY	04/13/2017	Regular	0.00	1,128.99	41372
0046	BAY BRIDGE ADMINISTRATORS, LLC	04/18/2017	Regular	0.00	268.56	41373
0056	BLUE CROSS AND BLUE SHIELD	04/18/2017	Regular	0.00	28,521.06	41374
0059	BOARD OF PUBLIC UTIL.-WATER	04/18/2017	Regular	0.00	14,832.13	41375
0099	CITY OF LEAVENWORTH	04/18/2017	Regular	0.00	7,544.93	41376
0111	COLEMAN EQUIPMENT INC	04/18/2017	Regular	0.00	63.60	41377
0157	EDWARDS CHEMICALS	04/18/2017	Regular	0.00	2,564.85	41378
0813	FREESTATE ELECTRIC COOPERATIVE	04/18/2017	Regular	0.00	1,523.00	41379
0824	IBT INC	04/18/2017	Regular	0.00	11,638.90	41380
0284	JAYS UNIFORMS	04/18/2017	Regular	0.00	29.91	41381
0811	KAIZEN	04/18/2017	Regular	0.00	1,200.00	41382
0367	KNOLOGY, INC.	04/18/2017	Regular	0.00	920.07	41383
0802	LED DIRECT	04/18/2017	Regular	0.00	74.50	41384
0548	RECORDNEWS	04/18/2017	Regular	0.00	1,775.40	41385
0549	REEVES-WIEDEMAN COMPANY	04/18/2017	Regular	0.00	569.60	41386
0555	RICOH USA, INC.	04/18/2017	Regular	0.00	497.97	41387
0578	SECURITY BENEFIT	04/18/2017	Regular	0.00	821.33	41388
0579	SECURITY BENEFIT - 457	04/18/2017	Regular	0.00	2,369.23	41389
0825	SHRED-IT	04/18/2017	Regular	0.00	497.73	41390
0600	SPECTRUM PAINT	04/18/2017	Regular	0.00	67.40	41391
0614	T-MOBILE	04/18/2017	Regular	0.00	581.49	41392
0649	UNIVERSITY OF KANSAS	04/18/2017	Regular	0.00	150.00	41393
0671	WESTAR ENERGY	04/18/2017	Regular	0.00	109.65	41394

Check Report

Date Range: 04/03/2017 - 04/26/2017

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
0692	ZEP MANUFACTURING COMPANY	04/18/2017	Regular	0.00	201.99	41395

Bank Code AP Bank Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	101	69	0.00	133,828.66
Manual Checks	0	0	0.00	0.00
Voided Checks	0	46	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	<b>101</b>	<b>115</b>	<b>0.00</b>	<b>133,828.66</b>

### Fund Summary

<b>Fund</b>	<b>Name</b>	<b>Period</b>	<b>Amount</b>
998	Gen Fund-Pooled Cash	4/2017	133,828.66
			<hr/>
			<b>133,828.66</b>



Office of the City Manager  
**AGENDA STATEMENT**

**DATE:** May 1, 2017  
**To:** Honorable Mayor Jason K. Ward and Members of the City Council  
**FROM:** Jamie Shockley, Assistant City Manager  
**SUBJECT:** Promotion of Officer Ontiveros to Sergeant Position

**DISCUSSION:**

Officer Nick Ontiveros has been selected out of a pool of 5 internal and external candidates to fill the vacant Sergeant position in the Police Department. We would like to take the opportunity to recognize this accomplishment during the City Council meeting. Officer Ontiveros will assume this new role on April 30.

**Budget Impact:**

No additional budget impact.

**Action Needed:**

No action needed.



Office of the City Manager  
**AGENDA STATEMENT**

**DATE:** May 1, 2017  
**To:** Honorable Mayor Jason K. Ward and Members of the City Council  
**FROM:** George Brajkovic, City Manager  
**SUBJECT:** Amending City Code Relating to Contractor's Licensing requirements for outdoor plumbing repairs

**DISCUSSION:**

Chapter IV, Article 12, section 4-1202 of the City Code relates to licensing requirements for mechanical, electrical, and plumbing contractors working within the City of Tonganoxie. As it currently reads, to obtain a license of the municipality, a contractor must present a current, active contractor license from Johnson County. To be eligible for the Johnson County license, contractors must fulfill one of the following:

- A) Pass a nationally recognized test of master level in at least one of the following:
  - 1. Mechanical code;
  - 2. Electrical code;
  - 3. Plumbing code; or
- B) Possess a Bachelor of Science degree in architecture of the relevant code, engineering of the relevant code, construction science, or construction management from an accredited college or University.

While Staff recognizes the necessity for these standards for the work done inside our resident's homes, it has presented some issue for work done exclusively outside of the home. To be precise:

- 1) Increased cost of contractors meeting the requirements above for excavation type of work, and
- 2) Lost opportunity for local contractors to engage in excavation type work outside of the home.

Thus, staff is asking to amend the existing code to exclude the licensing requirement for only exterior plumbing work.

**Budget Impact:**

No additional budget impact.

**Action Needed:**

Make a motion to approve Ordinance 1422.

cc: Kent Heskett, Public Works Director

ORDINANCE NO. 1422

**AMENDING CHAPTER IV, ARTICLE 12, SECTION 4-1202 OF THE CITY CODE AND RELATING TO THE LICENSING REQUIREMENTS FOR CONTRACTORS WORKING WITHIN THE CITY OF TONGANOXIE**

Section 1. That Chapter IV, Article 12, Section 4-1202 of the City Code, is hereby amended to read:

The municipality requires a contractor that performs mechanical, electrical, and interior plumbing work in the city limits that requires a permit and inspection must be licensed by the municipality. Exterior plumbing does not require a license.

To obtain a license of the municipality, a contractor must present a current, active contractor license from Johnson County, Kansas. To be eligible to obtain a license through Johnson County, the applicants must fulfill one of the following:

- (a) Pass a nationally-recognized test of the master level in at least one of the following:
  - (1) Mechanical code;
  - (2) Electrical code;
  - (3) Plumbing code; or
- (b) Possess a bachelor of science degree in architecture of the relevant code, engineering of the relevant code, construction science, or construction management from an accredited college or university.

Section 2. REPEAL. To the extent any other Ordinance of the City of Tonganoxie is inconsistent herewith, the same is repealed.

Section 3. Effective Date. That this ordinance shall take effect and be in force from and after its passage, approval, and publication in the Tonganoxie Mirror, the official newspaper of the City of Tonganoxie, Kansas.

PASSED AND APPROVED BY THE GOVERNING BODY OF THE CITY OF TONGANOXIE, KANSAS, ON THIS 1<sup>st</sup> DAY OF MAY, 2017

(Seal)

\_\_\_\_\_  
Jason K Ward, MAYOR

ATTEST:

\_\_\_\_\_  
Patty Hagg, CITY CLERK



Office of the City Manager  
**AGENDA STATEMENT**

**DATE:** May 1, 2017  
**To:** Honorable Mayor Jason K. Ward and Members of the City Council  
**FROM:** Jamie Shockley, Assistant City Manager  
**SUBJECT:** Consider approval of agreement with Leavenworth County for development of industrial park and Ordinance 1423, Authorizing the Issuance of Temp Notes

**DISCUSSION:**

City Manager Brajkovic is in the process of finalizing an agreement with Leavenworth County for a grant of \$5 million to be used for the development of the City's industrial park. It is the City's hope that the Board of County Commissioners will approve this agreement at their meeting on Thursday, April 27. If so, the agreement will come before the Council during the May 1 meeting. At the time the council packet was sent out, the finalized agreement was not available. The agreement will be sent to the Council for review as soon as it is finalized.

If the agreement is approved by the Council, Ordinance 1423 will need to be approved to authorize the issuance of temporary notes to pay for the improvements in order stay on track with the bid schedule and satisfy Kansas cash basis laws.

**Budget Impact:**

No additional budget impact.

**Action Needed:**

If agreement is made available, make a motion to approve the grant agreement with Leavenworth County.

Make a motion to approve Ordinance 1423, authorizing the issuance of temporary notes to pay for the industrial park improvements.

(Published in the *Tonganoxie Mirror*, on May 10, 2017)

**ORDINANCE NO. 1423**

**AN ORDINANCE OF THE CITY OF TONGANOXIE, KANSAS, AUTHORIZING AND PROVIDING FOR THE CONSTRUCTION OF STORMWATER DRAINAGE IMPROVEMENTS IN THE CITY; AND AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE CITY TO PAY THE COSTS THEREOF.**

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**WHEREAS**, K.S.A. 12-631r *et seq.* (the “Act”) provides, in part, that whenever the governing body of any city determines it is necessary to construct storm sewers, channels, retention basins or drains for the purpose of managing the storm drainage areas of all or any portion of such city and in the unincorporated areas outside of but within three miles of the corporate limits of such city, the governing body may authorize the construction of such storm sewers, channels, retention basins or drains, such construction shall be authorized by ordinance; such ordinance shall designate where such storm sewers, channels, retention basins or drains shall be located; and construction of such improvements located outside the corporate limits of a city shall not commence unless such construction is approved by a resolution adopted by the board of county commissioners of the county in which such improvements are to be located; and

**WHEREAS**, the governing body of the City of Tonganoxie, Kansas (the “City”) hereby finds and determines that it is necessary to construct storm sewer, channel, retention basin or drain improvements within the corporate limits of the City, including site clearing and grubbing, compaction of earthworks, excavation, erosion control, turf reinforcement, storm sewer curb inlets, storm sewer pipe, flared end-sections, stone rip rap, detention outflow/spillway/Weir structure, permanent seeding, and all related improvements, all to manage the storm drainage at the Tonganoxie Business/Industrial Park, located at 222<sup>nd</sup> Street and Kansas Avenue (the “Project”); and

**WHEREAS**, the governing body of the City hereby further finds and determines that general obligation bonds of the City should be issued under the authority of the Act to pay the costs of the Project and related financing costs.

**THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF TONGANOXIE, KANSAS:**

**Section 1. Findings.** It is hereby found and determined that the Project be constructed in accordance with the plans and specifications therefor which are to be prepared by or approved by the City Engineer, and which will be placed on file for public inspection. The estimated construction, engineering and finance costs of the Project are \$3,755,000.

**Section 2. Financing.** The costs of the Project, interest on interim financing and associated financing costs shall be payable from the proceeds of general obligation bonds of the City issued under authority of the Act (the “Bonds”).

**Section 3. Reimbursement.** Any Bonds issued under the authority of this Ordinance may be used to reimburse expenditures made on or after the date that is 60 days before the date of passage of this Ordinance pursuant to U.S. Treasury Regulation §1.150-2.

**Section 4. Effective Date.** This Ordinance shall be in force and take effect from and after its passage and approval, and publication of the Ordinance or a summary thereof once in the official City newspaper.

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**PASSED** by the governing body of the City on May 1, 2017 and **APPROVED AND SIGNED** by the Mayor.

(SEAL)

\_\_\_\_\_

Mayor

ATTEST:

\_\_\_\_\_

Clerk

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Office of the City Manager  
**AGENDA STATEMENT**

**DATE:** May 1, 2017  
**To:** Honorable Mayor Jason K. Ward and Members of the City Council  
**FROM:** Jamie Shockley, Assistant City Manager  
**SUBJECT:** Health Insurance Renewal Agreement for 2017-2018 Plan Year

**DISCUSSION:**

The City recently received our health insurance renewal rates from Blue Cross Blue Shield of Kansas for our 2017-2018 plan year, which goes from July 1, 2017 to June 30, 2018. The City’s plan offerings and rate structure are changing significantly this year due to new requirements of the Affordable Care Act, which requires groups under 50 full-time equivalents to pay premiums based on employee and dependent ages. As such, the City no longer can have set rates that are the same for every employee, and, instead, each employee’s rates are different for each plan that is available based on their age and the age of every spouse and dependent on their plan.

City staff conducted an in-depth analysis of the new rates and determined that the most equitable way to determine the employer-paid portion of the premium was to keep the rate calculation the same that it has been in the past. The city currently offers four plans, and the new plan will also have four plans available. The employer-paid portion of the premium is calculated as follows:

High-Deductible Plan		Option 3 - \$1,500 Deductible Plan	
Plan Type	% of Premium Paid by City	Plan Type	% of Premium Paid by City
Employee Only	100%	Employee Only	95%
Employee/Child	90%	Employee/Child	85%
Employee/Spouse	90%	Employee/Spouse	85%
Family	85%	Family	75%

If an employee wants to enroll in a plan with a lower deductible, such as Option 2 or 1, the City will still only pay a percentage of their Option 3 premium, and they will be responsible for covering any cost difference, or “buying up.” Based on this rate calculation, the City can expect to pay an additional \$12,000 per year more than what we are currently paying, for a total increase of about 5%. The other major change besides rates is that the out-of-pocket maximum has gone down significantly for all plans. So, while rates are increasing, the plans offered to employees are much better than before.

Additional information regarding plan changes and how the rates have changed for each individual employee is attached to this memo.

**Budget Impact:**

The City budgeted a total of \$277,805 for health insurance in 2017. The new plan rates, assuming nobody changes their plan selections, will cost the City approximately \$260,000, which is a 5% increase from our current rates and can be paid with existing budget authority.

**Action Needed:**

Make a motion to approve new agreement with Blue Cross Blue Shield of Kansas for employee health insurance coverage for plan year 2017-2018.

# Group Application/Certification



NonGrandfathered  
**CITY OF TONGANOXIE**  
33787

New Group     Benefit Change     Rate Change     Split     Merger

## Group Details

Requested Effective Date: **07/01/2017**    Group No: **27865**  
Tax ID: **486035159**    Type Group: **001**  
Master Policy No: **MPN25895**    NAICS: **921140 - EXECUTIVE & LEGISLATIVE OFFICES, COMBINED**  
Rep No: **551**    Rep Name: **PATEESE HARDEN**  
Total Enrolled:    ID Card Name:

## Address Information

Physical | **321 S DELAWARE**  
**TONGANOXIE, KS 66086-0326**  
County: **007 - LEAVENWORTH**

Billing | **PO BOX 326**  
**TONGANOXIE, KS 66086-0326**  
County: **007 - LEAVENWORTH**

## Contact Information

Phone (913) 845-2620    Fax (913) 845-9760  
Plan Sponsor **City Of Tonganoxie**    E-mail **NMCCOMMON@TONGANOXIE.ORG**    Phone **913-845-2620**  
Plan Administrator **City Of Tonganoxie**    E-mail **JSHOCKLEY@TONGANOXIE.ORG**    Phone **913-845-2620**  
Group Leader **JAMIE SHOCKLEY**    E-mail **JSHOCKLEY@TONGANOXIE.ORG**    Phone **913-845-2620**

## Additional Information

Enrolling Through Association:  Yes     No    Association Name \_\_\_\_\_  
Physical Locations Outside the Kansas Plan Area:  Yes     No  
Benefit Period:  Anniversary Year  
Other Group Insurance Benefits:  Yes     No  
If Yes, name of commercial coverage replaced: \_\_\_\_\_  
Company-Imposed Waiting Period by Commercial Carrier: \_\_\_\_\_ days  
Collective Bargaining:  Yes     No  
Group Segment:  Yes     No  
Application Submission: **Paper**

## Billing Options

Monthly     Automatic Payment Option  
 Quarterly     Premiums Attached \_\_\_\_\_

**ERISA**

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Employee Retirement Income Security Act of 1974 (ERISA) is a federal law that addresses and establishes certain rights and protections to participants of most employer welfare (e.g., health, dental, life) and pension retirement benefit plans (e.g., 401(k)).

Is your group ERISA eligible?  Yes  No

*For more information on ERISA, refer to [www.dol.gov/ebsa](http://www.dol.gov/ebsa) or call the Department of Labor or contact your accountant.*

**Select Account Administering Plan:**  Yes  No

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**Blue By Design**

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- HRA / Health Reimbursement Account
- FSA / Flexible Spending Account
- HSA / Health Savings Account

**TPA Administering COBRA**  Yes  No

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**Employer Contribution**

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Employee	_____ %	\$ _____ amount
Employee with children	_____ %	\$ _____ amount
Employee with spouse	_____ %	\$ _____ amount
Employee with dependents	_____ %	\$ _____ amount

Other: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Company-Imposed Waiting Period**  Yes  No

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Employees become eligible first of the month following the company-imposed waiting period.

Employees (and owners) are required to work 30 or more hours to be eligible for health and/or dental coverage for small group rate reform.

## Health Coverage

Package: QUAD1

Benefits include but are not limited to :

		ClassicSGChoice1	ClassicSGChoice2	ClassicSGChoice3	SimpleSilverSGChoice
<b>Deductible</b>	In-Network	\$500/\$1,000	\$1,000/\$2,000	\$1,500/\$3,000	\$4,000/\$8,000
	Out-of-Network	\$3,000/\$8,000	\$4,000/\$8,000	\$5,000/\$10,000	\$10,000/\$20,000
<b>Coinsurance</b>	In-Network	20%	20%	20%	0%
	Out-of-Network	50%	50%	50%	0%
<b>Office Visits</b>	In-Network	\$25 copay	\$35 copay	\$35 copay	Subject to deductible
	Out-of-Network	Subject to deductible/coinsurance	Subject to deductible/coinsurance	Subject to deductible/coinsurance	Subject to deductible
<b>Annual Out-of-Pocket Maximum</b>	In-Network	\$1,500/\$3,000	\$4,000/\$8,000	\$4,000/\$8,000	\$4,000/\$8,000
	Out-of-Network	\$6,000/\$12,000	\$8,000/\$16,000	\$8,000/\$16,000	\$10,000/\$20,000
<b>Outpatient Prescription Drug Coverage</b>	In-Network	\$15/\$50/\$75/\$150/20% coinsurance not to exceed \$250	\$15/\$50/\$75/\$150/20% coinsurance not to exceed \$250	\$15/\$50/\$75/\$150/20% coinsurance not to exceed \$250	Subject to deductible
	Out-of-Network	Subject to deductible/coinsurance	Subject to deductible/coinsurance	Subject to deductible/coinsurance	Subject to deductible
<b>Outpatient Radiology &amp; Laboratory Coverage</b>	In-Network	First \$300 at 100% then subject to deductible/coinsurance	First \$300 at 100% then subject to deductible/coinsurance	First \$300 at 100% then subject to deductible/coinsurance	Subject to deductible
	Out-of-Network	Subject to deductible/coinsurance	Subject to deductible/coinsurance	Subject to deductible/coinsurance	Subject to deductible
<b>Emergency Room</b>	In-Network	Subject to deductible/coinsurance	Subject to deductible/coinsurance	Subject to deductible/coinsurance	Subject to deductible
	Out-of-Network	Subject to in-network ER benefits	Subject to in-network ER benefits	Subject to in-network ER benefits	Subject to in-network ER benefits
<b>Accidental Injuries</b>	In-Network	Subject to payment provision of plan	Subject to payment provision of plan	Subject to payment provision of plan	Subject to payment provision of plan
	Out-of-Network	Subject to payment provision of plan	Subject to payment provision of plan	Subject to payment provision of plan	Subject to payment provision of plan
<b>Preventive Care Services</b>	In-Network	100% coverage	100% coverage	100% coverage	100% coverage
	Out-of-Network	Subject to deductible/coinsurance	Subject to deductible/coinsurance	Subject to deductible/coinsurance	Subject to deductible
<b>Outpatient Immunizations and Injections</b>	In-Network	Subject to deductible/coinsurance	Subject to deductible/coinsurance	Subject to deductible/coinsurance	Subject to deductible
	Out-of-Network	Subject to deductible/coinsurance	Subject to deductible/coinsurance	Subject to deductible/coinsurance	Subject to deductible
<b>Home Health Care/Hospice</b>	In-Network	Subject to deductible/coinsurance	Subject to deductible/coinsurance	Subject to deductible/coinsurance	Subject to deductible
	Out-of-Network	Subject to deductible/coinsurance	Subject to deductible/coinsurance	Subject to deductible/coinsurance	Subject to deductible
<b>Mental Illness and Substance Use Disorders</b>	In-Network	Covered	Covered	Covered	Covered
	Out-of-Network	Covered	Covered	Covered	Covered
<b>Lifetime maximum</b>	In-Network	Unlimited for each covered person	Unlimited for each covered person	Unlimited for each covered person	Unlimited for each covered person
	Out-of-Network	Unlimited for each covered person	Unlimited for each covered person	Unlimited for each covered person	Unlimited for each covered person
<b>Eligible dependents</b>	In-Network	Covered to age 26	Covered to age 26	Covered to age 26	Covered to age 26
	Out-of-Network	Covered to age 26	Covered to age 26	Covered to age 26	Covered to age 26

As part of the Affordable Care Act, preventive services are paid at 100% of the allowable charge (i.e., without copays, deductibles, or coinsurance) for non-grandfathered groups.

**I represent my understanding of the following:**

1. This Group Application/Certification (GAC) and the Payroll Census form(s) constitute an application for group insurance with Blue Cross and Blue Shield of Kansas (BCBSKS). The business sponsoring this group health plan is an active business operating on a full-time basis in the BCBSKS service area. I acknowledge that BCBSKS has the right to request and receive any information necessary to validate my representations about my business and any intentional misrepresentation of material fact related to this application for group insurance may result in termination or rescission of coverage.
2. I understand that if my group replaces BCBSKS with another health insurer, any coverage provided pursuant to this application will be cancelled for both the group and the individuals it includes.
3. All information provided on this GAC and the Payroll Census is true and complete to the best of my knowledge. I acknowledge that BCBSKS will rely on this information in accepting this group for coverage and will promptly notify BCBSKS of any changes. I also acknowledge that any intentional misrepresentation of material fact in this application may result in termination or rescission of coverage.
4. I understand it is the responsibility of the Contract Holder/employer group's Plan Administrator to submit to the Company for enrollment only those employees and dependents who meet the eligibility criteria of the Contract Holder and the Company, and to ensure and verify the continued eligibility status of covered employees and dependents.
5. The Company has the right to recover from Insureds and/or providers any benefit payments paid on behalf of ineligible persons.
6. Should the actual enrollment of my group increase or decrease, I understand BCBSKS reserves the right to re-evaluate and adjust premiums accordingly.

Plan Administrator Name: Jamie Shockley (City of Tonganoxie)  
(please print)

Signature: \_\_\_\_\_

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

Representative: Pateese Harden

Representative Signature: \_\_\_\_\_

Broker Name/Agency: \_\_\_\_\_

Date Materials Completed (NSD): \_\_\_\_\_

Comments/Special Instructions: Effective 07/01/2017 Group is changing their health benefits

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

For Office Use ONLY	
Typed	Proofed

**Health Insurance Premium Comparison by Employee 2017 to 2018**  
**2016/2017**

<b>2016/2017 Plan Choice</b>	<b>2016/17 Monthly Premium</b>	<b>Employer Premium</b>	<b>2016/2017 Employee Premium</b>	<b>2017/2018 Monthly Premium</b>	<b>% Increase</b>	<b>2017/2018 Employer Premium</b>	<b>2017/2018 Employee Premium</b>
None	\$ -	\$ -	\$ -	\$ -	0%	\$ -	\$ -
High Deductible - Family	\$ 1,098.01	\$ 933.31	\$ 164.70	\$ 1,419.78	23%	\$ 1,206.81	\$ 212.97
Option 3 - Single	\$ 390.78	\$ 371.24	\$ 19.54	\$ 309.11	-17%	\$ 293.65	\$ 15.46
None	\$ -	\$ -	\$ -	\$ -	0%	\$ -	\$ -
High Deductible - Single	\$ 337.40	\$ 337.40	\$ -	\$ 675.74	50%	\$ 675.74	\$ -
High Deductible - Employee + Spouse	\$ 724.26	\$ 651.83	\$ 72.43	\$ 1,055.45	31%	\$ 949.91	\$ 105.55
Option 1 - Family	\$ 1,359.62	\$ 954.05	\$ 405.58	\$ 1,994.00	32%	\$ 1,304.18	\$ 689.82
Option 3 - Family	\$ 1,272.06	\$ 954.05	\$ 318.02	\$ 1,027.13	-19%	\$ 770.35	\$ 256.78
Option 3 - Family	\$ 1,272.06	\$ 954.05	\$ 318.02	\$ 1,259.17	-1%	\$ 944.38	\$ 314.79
Option 1 - Single	\$ 417.63	\$ 371.24	\$ 46.39	\$ 354.45	-15%	\$ 293.65	\$ 60.80
Option 2 - Family	\$ 1,311.51	\$ 954.05	\$ 357.47	\$ 1,077.70	-18%	\$ 792.11	\$ 285.59
Option 1 - Family	\$ 1,359.62	\$ 954.05	\$ 405.58	\$ 1,216.28	-11%	\$ 795.52	\$ 420.76
Option 1 - Single	\$ 417.63	\$ 371.24	\$ 46.39	\$ 936.84	55%	\$ 776.14	\$ 160.70
Option 3 - Single	\$ 390.78	\$ 371.24	\$ 19.54	\$ 285.51	-27%	\$ 271.23	\$ 14.28
High Deductible - Family	\$ 1,098.01	\$ 933.31	\$ 164.70	\$ 742.59	-32%	\$ 631.20	\$ 111.39
Option 1 - Employee + Spouse	\$ 896.75	\$ 713.17	\$ 183.58	\$ 1,066.30	16%	\$ 790.40	\$ 275.90
Option 1 - Family	\$ 1,359.62	\$ 954.05	\$ 405.58	\$ 1,935.96	30%	\$ 1,266.23	\$ 669.73
Option 1 - Family	\$ 1,359.62	\$ 954.05	\$ 405.58	\$ 988.69	-27%	\$ 646.65	\$ 342.04
Option 1 - Single	\$ 417.63	\$ 371.24	\$ 46.39	\$ 327.39	-22%	\$ 271.23	\$ 56.16
Option 1 - Employee + Spouse	\$ 896.75	\$ 713.17	\$ 183.58	\$ 1,521.84	41%	\$ 1,128.08	\$ 393.76
Option 1 - Family	\$ 1,359.62	\$ 954.05	\$ 405.58	\$ 1,412.92	4%	\$ 924.11	\$ 488.81
Option 1 - Single	\$ 417.63	\$ 371.24	\$ 46.39	\$ 582.39	28%	\$ 482.49	\$ 99.90
Option 1 - Single	\$ 417.63	\$ 371.24	\$ 46.39	\$ 582.39	28%	\$ 482.49	\$ 99.90
Option 3 - Employee + Children	\$ 823.83	\$ 700.26	\$ 123.57	\$ 697.55	-18%	\$ 592.92	\$ 104.63
Option 2 - Single	\$ 402.88	\$ 371.24	\$ 31.64	\$ 324.70	-24%	\$ 302.30	\$ 22.40
Option 1 - Family	\$ 1,359.62	\$ 954.05	\$ 405.58	\$ 913.69	-49%	\$ 597.60	\$ 316.09
Option 1 - Single	\$ 417.63	\$ 371.24	\$ 46.39	\$ 326.08	-28%	\$ 270.15	\$ 55.93
Option 2 - Single	\$ 402.88	\$ 371.24	\$ 31.64	\$ 315.42	-28%	\$ 293.65	\$ 21.77
High Deductible - Single	\$ 337.40	\$ 337.40	\$ -	\$ 240.48	-40%	\$ 240.48	\$ -
Option 1 - Family	\$ 1,359.62	\$ 954.05	\$ 405.58	\$ 1,449.44	6%	\$ 948.00	\$ 501.44
Option 3 - Family	\$ 1,272.06	\$ 954.05	\$ 318.02	\$ 1,288.75	1%	\$ 966.56	\$ 322.19
Option 1 - Employee + Children	\$ 880.50	\$ 700.26	\$ 180.24	\$ 1,537.15	43%	\$ 1,139.44	\$ 397.71
Option 2 - Single	\$ 402.88	\$ 371.24	\$ 31.64	\$ 676.97	40%	\$ 630.26	\$ 46.71
<b>Total</b>	<b>\$ 26,233.92</b>	<b>\$ 20,598.31</b>	<b>\$ 5,635.73</b>	<b>\$ 28,541.86</b>	<b>8%</b>	<b>\$ 21,677.91</b>	<b>\$ 6,863.95</b>

**Annual Budget for Health Insurance - Employer Portion - \$277,805**

**Total Employer Cost for Scenario 1 - \$260,135**

\*Total employer cost assumes no employee turnover. If an employee quits and a new employee is hired and selects different coverage, the cost could be more or less. This cost also assumes all employees stay on the plan in which they are currently enrolled.

Health Insurance Comparison 2016/17 and 2017/18								
Coverage Type	2016-2017 Option 1	2017-2018 Option 1	2016-2017 Option 2	2017-2018 Option 2	2016-2017 Option 3	2017-2018 Option 3	2016-2017 High-Deductible	2017-2018 High-Deductible
Deductible	\$500/\$1,000	\$500/\$1,000	\$1,000/\$2,000	\$1,000/\$2,000	\$1,500/\$3,000	\$1,500/\$3,000	\$3,000/\$6,000	\$4,000/\$8,000
Coinsurance (% paid by member)	20%	20%	20%	20%	20%	20%	0%	0%
Annual Out-Of-Pocket Max	\$6,350/\$12,700	\$1,500/\$3000	\$6,350/\$12,700	\$4,000/\$8,000	\$6,350/\$12,700	\$4,000/\$8,000	\$6,350/\$12,700	\$4,000/\$8,000
Home and Office Visits - Primary	\$ 25.00	\$ 25.00	\$ 25.00	\$ 35.00	\$ 25.00	\$ 35.00	Deductible	Deductible
Home and Office Visits - Specialists	\$ 25.00	\$ 50.00	\$ 25.00	\$ 70.00	\$ 25.00	\$ 70.00	Deductible	Deductible
Emergency Room	\$100 copay then deductible/coinsurance	Deductible/Co-insurance	\$100 copay then deductible/coinsurance	Deductible/Co-Insurance	\$100 copay then deductible/coinsurance	Deductible/Co-Insurance	Deductible	Deductible
Inpatient Hospital Services	Deductible/co-insurance	Deductible/co-insurance	Deductible/co-insurance	Deductible/co-insurance	Deductible/co-insurance	Deductible/co-insurance	Deductible	Deductible
Preventive Care	100%	100%	100%	100%	100%	100%	100%	100%
Immunizations	Deductible/co-insurance	Deductible/co-insurance	Deductible/co-insurance	Deductible/co-insurance	Deductible/co-insurance	Deductible/co-insurance	Deductible	Deductible
Outpatient lab and radiology	\$300 paid at 100%, then deductible/co-insurance	Deductible	Deductible					
Prescription Drugs	\$15/\$30/\$45	\$15/\$50/\$75/\$150	\$15/\$30/\$45	\$15/\$50/\$75/\$150	\$15/\$30/\$45	\$15/\$50/\$75/\$150	Deductible	Deductible
Outpatient surgery	Deductible/co-insurance	Deductible/co-insurance	Deductible/co-insurance	Deductible/co-insurance	Deductible/co-insurance	Deductible/co-insurance	Deductible	Deductible



**MARCH 2017**

	Single Family Units <sup>A</sup>	Multi-Family Units <sup>%</sup>	Total Units	S-F Units YTD	M-F Units YTD	Total Units YTD		Single Family Units <sup>A</sup>	Multi-Family Units <sup>%</sup>	Total Units	S-F Units YTD	M-F Units YTD	Total Units YTD								
<b>CASS COUNTY</b>							<b>LEAVENWORTH COUNTY</b>														
Archie	0	0	0	0	0	0	Basehor	10	0	10	18	0	18								
Belton	2	0	2	12	0	12	Lansing	0	0	0	5	0	5								
Cass County	0	0	0	0	0	0	Leav. County	4	0	4	17	0	17								
Cleveland	0	0	0	1	0	1	Leavenworth	4	0	4	5	0	5								
Drexel	0	0	0	0	0	0	Tonganoxie	8	0	8	22	0	22								
Garden City	0	0	0	0	0	0	<b>26</b>	<b>0</b>	<b>26</b>	<b>67</b>	<b>0</b>	<b>67</b>									
Harrisonville	0	0	0	0	0	0	<b>WYANDOTTE COUNTY</b>														
Lake Winnebago	1	0	1	5	0	5	Bonner Springs	0	0	0	2	0	2								
Lee's Summit	7	0	7	11	0	11	Edwardsville	0	0	0	0	0	0								
Peculiar	10	0	10	13	0	13	KCK/Wyandotte Co	34	0	34	135	0	135								
Pleasant Hill	9	0	9	15	0	15	<b>34</b>	<b>0</b>	<b>34</b>	<b>137</b>	<b>0</b>	<b>137</b>									
Raymore	22	0	22	60	0	60	<b>MIAMI COUNTY</b>														
Village of Loch Lloyd	1	0	1	5	0	5	Louisburg	5	0	5	11	0	11								
<b>52</b>	<b>0</b>	<b>52</b>	<b>122</b>	<b>0</b>	<b>122</b>	Miami County	0	0	0	2	0	2									
<b>CLAY COUNTY</b>							Osawatomie	0	0	0	0	0	0								
Clay County	10	0	10	19	0	19	Paola	0	0	0	0	0	0								
Excelsior Springs	2	0	2	3	0	3	Spring Hill	5	0	5	5	0	5								
Gladstone	1	0	1	2	0	2	<b>10</b>	<b>0</b>	<b>10</b>	<b>18</b>	<b>0</b>	<b>18</b>									
Kansas City	114	0	114	228	0	228	<b>Totals</b>	<b>561</b>	<b>80</b>	<b>641</b>	<b>1478</b>	<b>416</b>	<b>1894</b>								
Kearney	11	0	11	27	0	27	<b>Comparison of Single Family Building Units for Greater Kansas City</b>														
Lawson	0	0	0	0	0	0	(Cass, Clay, Jackson, Platte, Johnson, Leavenworth, Miami, Wyandotte Counties)														
Liberty	13	0	13	15	0	15	<b>Month/Year</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>						
North Kansas City	0	0	0	0	0	0	January	137	90	188	273	287	240	274	448						
Pleasant Valley	0	0	0	0	0	0	February	145	121	182	224	216	260	408	469						
Smithville	12	0	12	29	0	29	March	252	180	270	335	362	393	542	561						
<b>163</b>	<b>0</b>	<b>163</b>	<b>323</b>	<b>0</b>	<b>323</b>	April	228	210	277	444	439	437	523								
<b>JACKSON COUNTY</b>							May	213	230	294	337	385	395	503							
Blue Springs	19	0	19	46	0	46	June	239	262	268	333	364	438	578							
Buckner	0	0	0	0	0	0	July	180	204	288	409	375	399	494							
Grain Valley#	2	0	2	24	0	24	August	243	205	260	354	352	425	530							
Grandview	0	0	0	0	0	0	September	173	202	379	384	383	462	418							
Greenwood	0	0	0	2	0	2	October	279	205	331	369	468	459	462							
Independence	4	0	4	24	0	24	November	173	185	283	340	312	360	412							
Jackson County	5	0	5	16	0	16	December	209	207	279	288	328	432	345							
Kansas City	4	0	4	15	0	15	<b>Annual Total</b>	<b>2,471</b>	<b>2,301</b>	<b>3,299</b>	<b>4,090</b>	<b>4,271</b>	<b>4,700</b>	<b>5,489</b>	<b>1,478</b>						
Lake Lotawana	0	0	0	0	0	0	<b>Comparison of Permits By Units Issued Year to Date</b>														
Lee's Summit	50	0	50	148	89	237	<b>2010 - 2017</b>														
Oak Grove	4	0	4	14	0	14		<u>S-F Units</u>	<u>M-F Units</u>	<u>Total Units</u>											
Raytown	0	0	0	0	0	0	2010	534	55	589											
Sugar Creek	0	0	0	0	0	0	2011	391	0	391											
<b>88</b>	<b>0</b>	<b>88</b>	<b>289</b>	<b>89</b>	<b>378</b>	2012	640	73	713												
<b>PLATTE COUNTY</b>							2013	832	129	961											
Edgerton	0	0	0	0	0	0	2014	865	832	1697											
Kansas City	25	0	25	52	0	52	2015	893	794	1687											
Parkville	3	0	3	11	0	11	2016	1224	987	2211											
Platte City	0	0	0	0	0	0	2017	1478	416	1894											
Platte County	11	0	11	55	0	55	<sup>A</sup> The Single Family number is units and includes both attached and detached units. <sup>%</sup> Multi-Family units are in buildings with 5 or more units. <sup>#</sup> Not available at time of report														
Riverside	6	0	6	9	0	9	Permit information reflects the most recent data at time of publication. In order to ensure accurate recording of residential building permit statistics, the HBA may revise monthly and year-to-date figures when updated data is made available. Copyright 2017 Home Builders Assoc of Greater Kansas City. All rights reserved.														
Weatherby Lake	0	0	0	5	0	5															
Weston	0	0	0	0	0	0															
<b>45</b>	<b>0</b>	<b>45</b>	<b>132</b>	<b>0</b>	<b>132</b>																
<b>JOHNSON COUNTY</b>																					
De Soto	0	0	0	2	0	2															
Edgerton	0	0	0	0	0	0															
Fairway	0	0	0	2	0	2															
Gardner	0	0	0	5	0	5															
Johnson County	5	0	5	14	0	14															
Leawood	6	0	6	11	0	11															
Lenexa	31	30	61	66	30	96															
Merriam	0	0	0	0	0	0															
Mission Hills	0	0	0	1	0	1															
Olathe	35	0	35	118	10	128															
Overland Park	50	50	100	113	287	400															
Prairie Village	2	0	2	8	0	8															
Shawnee	6	0	6	27	0	27															
Spring Hill	8	0	8	23	0	23															
Westwood	0	0	0	0	0	0															
<b>143</b>	<b>80</b>	<b>223</b>	<b>390</b>	<b>327</b>	<b>717</b>																



Office of the City Manager  
**AGENDA STATEMENT**

**DATE:** May 1, 2017  
**To:** Honorable Mayor Jason K. Ward and Members of the City Council  
**FROM:** Jamie Shockley, Assistant City Manager  
**SUBJECT:** Annual Mayoral Appointments and Designation of Official City Newspaper

**DISCUSSION:**

Under city code, the Mayor, with approval from the Council, must annually appoint the following positions:

- Municipal Judge
- City Clerk
- Deputy City Clerk
- City Treasurer
- City Attorney

Charter Ordinance 6 states that the city clerk must be a qualified elector of Leavenworth County and the City Attorney must be a qualified elector of Leavenworth County or an adjacent county. Adjacent counties to Leavenworth include the following: Wyandotte, Johnson, Douglas, Jefferson, and Atchison. The municipal judge does not have to be a resident of Leavenworth County or an adjoining county.

The City Council directed staff to issue a RFP for city attorney services, which was sent out on April 5, 2017. Responses were due April 20, 2017. We received three responses for the role of city attorney. City Manager George Brajkovic and Assistant City Manager Jamie Shockley interviewed the respondents on April 25, 2017 and evaluated the respondents using the following criteria:

- 1) Satisfied all submittal requirements
- 2) Experience and expertise in local government laws and regulations
- 3) Comments from references and clients
- 4) Fee structure and value
- 5) Ability to be responsive and timely in performance of duties
- 6) Local company and/or resident

A copy of the RFP that was issued is attached for the Council's review, along with the three responses that were received. Based on the above criteria, city staff believes the most qualified respondent and the best fit for the City of Tonganoxie is Shannon Marcano with Bushyhead, LLC.

**Budget Impact:**

The City currently has an agreement with Municipal Judge William Pray to pay \$600 per month for services rendered. The City's former city attorney fee was \$600 per month plus an hourly rate of \$150 for any work done outside of meetings. The City Clerk and Deputy City Clerk do not have an additional fee, as these roles are assigned to current city employees. The City Treasurer position is an unpaid position. Bushyhead, LLC is proposing a negotiated rate of \$2,750 per month, which would include 25 hours of work per month. If the city utilizes additional time over 25 hours, we would be charged an hourly rate of \$200 for a partner, \$150 for an associate, and \$75 for a paralegal. It is not

likely the city would exceed 25 hours per month. The City's current legal services budget for 2017 is \$56,250. This budget includes all costs for city attorney, city prosecutor, municipal judge, and court-appointed attorney. So far this year, the City has spent only 19% of this budget through the end of April. For city attorney costs alone, the City spent \$34,275 in 2016. The new proposal for city attorney with Bushyhead, LLC would cost the City \$33,000 per year. This cost can be paid from existing budget authority and will likely be less than what was paid in the past.

**Recommendation:**

Make a motion to authorize the Mayor to make the following appointments:

William Pray as Municipal Judge  
Patty Hagg as City Clerk  
Teresa Bastron as Deputy City Clerk  
Jo Ann Ferguson as City Treasurer  
Shannon Marcano as City Attorney

Make a motion to designate the *Tonganoxie Mirror* as the official city newspaper for city notices and the *Leavenworth Times* as the official back-up newspaper for city notices.

City of Tonganoxie  
April 5, 2017



# Request for Proposals City Attorney



Questions should be directed to:  
George Brajkovic  
City Manager  
City of Tonganoxie  
PO Box 326  
Tonganoxie, KS 66086  
(913) 845-2620 ext. 1050

## **Purpose**

The City of Tonganoxie is seeking proposals from qualified firms and individuals to provide legal services and serve in the position of City Attorney. This is a contractual position that is appointed by the Mayor annually with the consent of the City Council. Tonganoxie is a council-manager form of government. The City Attorney serves at the will of the Governing Body. The individual or firm selected will be appointed in May of 2017.

## **Community Context**

With a council-manager form of government, the community is served by a city council of five members and a separately elected mayor.

The community of Tonganoxie has 5,195 residents. The community is also ideally situated for quick, easy transportation access on US 24-40 Highway and just three miles north of Interstate 70. Commercial and freight air transportation is conveniently available at Kansas City International Airport about 30 minutes away. Moreover, Tonganoxie is 25 minutes from downtown Kansas City, 15 minutes from Lawrence, and 40 minutes from Topeka, the capital of Kansas.

## **Scope of Work**

The general services provided by the City Attorney are as follows:

- Provide legal advice to the governing body and designated City staff
- Prepare and/or review agreements, contracts, ordinances, resolutions, deeds, and other legal documents as needed.
- Provide legal consultation to the city manager and department directors on personnel matters, such as employee grievances, terminations, reprimands, unemployment hearings, and other personnel issues that may arise.
- Attend all regular Council meetings plus occasional special meetings and work sessions. City Council meetings are at 7:00 p.m. on the 1<sup>st</sup> and 3<sup>rd</sup> Mondays of each month.
- Attend Planning Commission and Board of Zoning Appeals meetings when requested. These meetings are held the first Thursday of every month at 7:00 p.m.

## **Selection Criteria**

Interested applicants will be evaluated on their ability to meet the following requirements:

- Experience and expertise in municipal law
- Licensed to practice law in the State of Kansas
- Ability to be timely, responsive, and follow-through on tasks
- Availability for required meetings and to field questions and tasks outside of meetings, as requested by the governing body and city manager
- Must be a resident of Leavenworth County or adjoining county, per state statute

**References**

All applicants must submit a list of municipal references from cities for which they have previously provided legal services.

**Proposal Submittal Requirements**

All proposals should include the following information:

**1. Cover Letter**

A letter signed by an authorized representative of the firm committing to provide the legal services described above. The letter should also provide an explanation as to why you should be selected and how you will bring added value to the City of Tonganoxie.

**2. Resumes**

A complete resume for each person of the legal team proposed to provide services to the City of Tonganoxie. These should include the person identified to serve as City Attorney, associate counsel, special council, and legal assistants.

**3. Qualifications**

Provide a list of professional experiences and qualifications of the legal team. Please provide the client name and contact information for any similar local agencies that members of the legal team and firm now represent as City Attorney.

**4. Compensation and Billing Practices**

Provide a description of the proposed compensation schedule (could be a flat monthly or annual fee, hourly rate, or combination of both). If proposing hourly rates, please provide hourly rates for every legal team member, as well as an explanation of the firm's billing practices. If proposing to bill at an hourly rate, the City will require monthly invoices describing the services rendered in detail, hours billed, and the name of the attorney who provided the services.

**5. Insurance**

Please provide proof of professional liability insurance and worker's compensation insurance coverage.

**Timeline**

April 5, 2017	RFP released on City of Tonganoxie website
April 14, 2017	Deadline for submitting questions pertaining to the RFP
April 17, 2017	Responses to questions posted on Tonganoxie.org
April 20, 2017	Deadline for submitting proposals – 11:00 a.m.
April 25 and 26	Interviews with Semi-Finalists
May 1, 2017	Consideration of approval of selected candidate at City Council meeting

**Consideration of Proposal**

The City reserves the right to accept or reject any or all proposals, to waive any and all informalities and technicalities, and to accept the offer considered to be in the best interest of the City of Tonganoxie. Preference will be given to local businesses within Leavenworth County if all other qualifications and experiences are equal.

**Selection Criteria**

The submitted document will be primarily evaluated on its timely responsiveness, statements of availability and commitment, the commentary of references, and demonstrated competence.

**Submissions**

Responses are due by 11:00 A.M. on April 20, 2017. All submissions must be submitted electronically. They can be emailed to [jshockley@tonganoxie.org](mailto:jshockley@tonganoxie.org). If you do not receive an email within 24 hours of submitting your proposal, please follow up to ensure it was received.

**Questions**

All questions should be submitted to George Brajkovic, City Manager, at [gbrajkovic@tonganoxie.org](mailto:gbrajkovic@tonganoxie.org) or 913-845-2620 ext. 1050. No questions will be accepted after April 14, 2017.

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**Shannon M. Marcano**  
Cell: (913) 219-9585  
Shannon@bushyheadlaw.com



Office: (816) 207-6032  
www.bushyheadlaw.com

April 19, 2017

George Brajkovic  
City Manager  
City of Tonganoxie  
PO BOX 326  
Tonganoxie, KS 66086

**RE: Request for Proposal: City Attorney**

Dear Mr. Brajkovic:

Thank you for the opportunity to submit the following response to the City of Tonganoxie, Kansas (the "City") Request for Proposals ("RFP") for City Attorney. We believe the Bushyhead LLC law firm (the "Bushyhead Law Firm") has the experienced personnel in all aspects of public sector law to provide excellent legal advice and service to the City as City Attorney, and would be pleased to serve as the City's City Attorney. We look forward to your consideration of this response and would appreciate an opportunity to discuss it with you.

**Firm History**

The Bushyhead Law Firm, formed in May 2015, provides legal services to local, regional and national clients in the areas of land use, economic development incentives, real estate development, construction law and public entity representation. Our firm philosophy is to provide excellent legal services while controlling cost. The law firm attorneys have held positions in public office and local governments and have served as in house city attorneys.

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**BUILDING COMMUNITY**

315 SE Main Street  
Lee's Summit, MO 64063

4436 State Line Road  
Kansas City, KS 66103

## **Firm Experience**

The Bushyhead Law Firm is a small firm of four attorneys with offices located at 315 SE Main Street, Lee's Summit, Missouri, 64063. It also occupies space at Village Square, located at 4436 State Line Road, Kansas City, Kansas 66103. Most importantly, our attorneys are mobile and are able to travel as client needs require. Critical to this proposal is the experience our attorneys have in the administrative and contractual requirements of the public sector clients and practical, day to day activities as general and special counsel for public entities. Our existing municipal clients include the City of Basehor and the City of Lake Lotawana (both as City Attorney). We serve as special counsel as needed to many communities across the metropolitan region, including Prairie Village, Kansas. In addition, the Bushyhead Law Firm also provides administrative services to numerous Transportation Development Districts (TDD) and Community Improvement Districts (CID), which under Missouri law are political subdivisions.

Having been elected and appointed to public office and served as in-house counsel and developer's counsel, the attorneys at the Bushyhead Law Firm are uniquely positioned and experienced to deliver legal services to meet the needs of government clients on a wide variety of topics. Set forth below are examples of the variety of municipal issues on which we have provided service and counsel.

### Land Use

- Drafting of Zoning and Subdivision Ordinances
- Provide counsel to Basehor regarding codification and revisions to the City Code
- Provide counsel to Basehor in Annexation actions
- Drafting of ordinances and resolutions for city council agendas
- Economic Development Incentives process, including plans, resolutions and ordinances
- Development Agreements

### Zoning

- Representation for cities at Planning Commission and Board of Adjustment and Board of Zoning Appeals meetings
- Draft Rezoning and Special Use Permit ordinances
- Draft Adult Entertainment Ordinances and Group Home Ordinances

### Growth Management

- Provide counsel in the development of Road Infrastructure Excise Tax/Impact Fee programs
- Draft Right of Way Management ordinance
- Assist in development of Future Annexation Plan

### Environmental Law

- Draft mandatory park land dedication ordinance
- Provide counsel on development of municipal golf course
- Provide counsel on acquisition/dedication of park land

### Interlocal Agreements

- Review and/or draft mutual aid agreements for public safety services
- Draft cooperative agreements between city and other governmental entities
- Participate in negotiations of Cooperative Agreements/Cost Share Agreements with MODOT and KDOT, including preparation of related funding applications.

### Public Works

- Draft and/or review public works construction and professional services contracts, including on-call contract engineering services
- Developed and drafted erosion control ordinance
- Draft condemnation ordinances for public works projects, participate in negotiations and initiate condemnation, if required

### Personnel

- Provide advice and counsel on draft personnel code
- Provide advice and counsel on hiring and disciplinary action, including termination
- Provide sexual harassment and other non-discrimination training
- Provide advice and counsel for fire and police department specific issues and standard operating procedures (SOP's)

### Other

- Provide counsel on nuisance abatement, including demolition of dangerous buildings
- Currently providing legal services for Lake Lotawana City Code Recodification and revision of Zoning Code
- Currently providing legal services for revision of Basehor Zoning Code
- Currently providing planning services for Lake Lotawana
- Draft Smoking Ordinance
- Negotiate franchise agreements with utilities and telecommunications companies
- Open Meetings Act Compliance and Training for city councils, planning commissions and boards of zoning appeals
- Municipal finance advice and counsel

- Representation of Nursing Home District
- Representation of Rural Cooperatives
- Participate as member of City Management Team, as requested

### **Proposed Attorney Team**

Shannon Marcano will be the lead City Attorney. Shannon obtained her Juris Doctor and Master of Urban Planning from the University of Kansas. Shannon has practiced law for fourteen years and is licensed to practice in both Kansas and Missouri. As an in-house Assistant City Attorney in Leawood, Kansas, she worked primarily with the city's Planning Department, Planning Commission and Board of Zoning Appeals. She also advised city staff on public works issues, code enforcement and telecommunications issues. Shannon has been the City Attorney for the City of Basehor since 2011, and has developed experience in the broad variety of municipal issues listed above. Shannon is a member of the League of Kansas Municipalities, Missouri Municipal League, Kansas City Metropolitan Bar Association, Kansas Bar Association, and Johnson County Bar Association.

Assisting Shannon will be Lucas Scott. Lucas has practiced law for four years and is licensed in both Kansas and Missouri. He handles various matters and issues for the Law Firm, focusing on municipal law. He has been heavily involved in the Lake Lotawana codification and drafting ordinances and resolutions for municipal clients, along with researching and preparing responses to various questions that arise on a daily basis.

Also assisting Shannon will be Christine Bushyhead. Christine is a long-time fixture in municipal law in the Kansas City metro region. She has served as the in-house City Attorney for the City of Gladstone, Missouri and the City of Lee's Summit, Missouri. Christine went into private practice in 2000, where she continued her municipal law practice in addition to developing a real estate development practice. Christine has served as City Attorney on a contract basis to the City of Belton, Missouri for a period of seven years, and is currently the City Attorney for Lake Lotawana, Missouri. She is involved in numerous civic and professional activities, including serving on the Lee's Summit City Council from 2002 to 2006, and currently serving as Chairman of the Lee's Summit Economic Development Council.

### **Accessibility, Responsiveness and Value**

The Bushyhead Law Firm Attorney Team has the ability to be very responsive. Depending on when an inquiry is made, a response acknowledging the request may be immediate. In all cases, an immediate response acknowledging a request will be given no later than 24 hours after the request is received. A

collaborative evaluation will follow, with the City, identifying the level of priority and time sensitivity, as well as the nature of the inquiry will be performed in order to best meet the City's needs.

The collective experience of the Bushyhead Law Firm's attorneys reflects the wide variety of exposure to municipal issues, which we can evaluate with a 365° perspective of public and private sector experience. The size of the Bushyhead Law Firm allows this breadth of experience to benefit the City at a lower cost than many of the other equally qualified law firms in the area. The Bushyhead Law Firm believes that quality legal services should be available to local government at a reasonable cost.

## References

Gary Anderson  
Gilmore and Bell  
2405 Grand Blvd, Ste 1100  
Kansas City, MO 64108

Leslee Rivarola, former City Administrator  
City of Lake Lotawana  
100 Lake Lotawana Road  
Lake Lotawana, MO 64086

Patricia Bennet, City Attorney  
City of Leawood, Kansas  
4800 Town Center Drive  
Leawood, Kansas 66211

Lloyd Martley, City Administrator  
City of Basehor  
2620 N 155<sup>th</sup> Street  
PO BOX 406  
Basehor, KS 66007

## Proposed Fee Structure

The Law Firm will bill its services at a Flat Fee Rate of \$3,000 per month. The monthly fee will be for the following services: representation at regular City Council meetings, as needed, and any other Board or Commission meetings, as needed, as well as drafting documents, and participating in meetings and conference calls related to policy and ordinance development, negotiations, and ongoing advice and counsel provided to the Mayor and City Council, City Manager, and City Staff. These services do not include city prosecutor work, or economic development work.

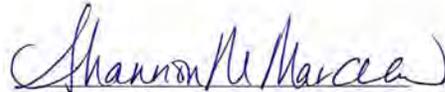
The Law Firm will track hours worked throughout each calendar month, and in the event Bushyhead, LLC is required to spend more than 25 hours during any calendar month for the performance of legal services needed by the City, then such additional hours shall be billed by applying the discounted flat hourly rates for Shannon M. Marcano and Christine T. Bushyhead of \$200, for Lucas K. Scott at \$150 and Bushyhead, LLC paralegals at \$75. Invoices will be transmitted monthly, describing the services in detail, showing hours and identifying the lawyer providing the services.

**Closing**

We are excited to be able to introduce you to the talent, experience and services available from the Bushyhead Law Firm, and look forward to speaking with you further in person. If you have any questions, or would like to discuss our proposal, please feel free to call.

Sincerely,

BUSHYHEAD, LLC



Shannon M. Marcano

SMM/jst

Enclosures

# SHANNON M. MARCANO

BUSHYHEAD, LLC  
315 SE Main Street  
Lee's Summit, MO 64063  
816-207-6032

## EDUCATION

Bachelor of Arts in Environmental Science University of Kansas	May, 1996
Juris Doctor University of Kansas	December, 2002
Master of Urban Planning University of Kansas	December, 2002

## PRACTICE

Assistant City Attorney, City of Leawood (in-house)	04/2003 - 02/2007
White Goss, Shareholder, municipal law/development law	02/2007 - 10/2015
Bushyhead, LLC, Partner, municipal law/development law	10/2015 - Current

## PROJECTS EXPERIENCE

### *PUBLIC AND PRIVATE*

Land Use- Rezoning, Platting, Special Use Permits, Variances, Easements

Administrative Process Assistance

Public Process Assistance

Community Improvement Districts (Formation and Administration)

Zoning Codes and Regulations

Municipal Contracts

Open Meetings Act/Open Records Act

Economic Development Incentives

Planning Administration and Process

# CHRISTINE TREAT BUSHYHEAD

## EDUCATION

Bachelor of Arts with Honors in Political Science	
University of Missouri – Kansas City	May 1983
Juris Doctor	University of Missouri – Kansas City
	May 1986

## PRACTICE/SERVICE

Private Practice Attorney - primarily insurance defense	10/1986 – 11/1988
City Counselor, City of Gladstone (in-house)	11/1988 – 07/1993
City Attorney, City of Lee's Summit (in-house)	07/1993 – 12/1999
Private Practice Attorney, municipal law/development law	01/2000 – Present
City Attorney, City of Belton (outside)	08/2004 – 03/2011
Lee's Summit City Council District 1 (elected official)	04/2002 – 04/2006
Lee's Summit Charter Review Commission, Chairman	09/2006 – 11/2007
Lee's Summit 360 Strategic Plan Stakeholder Committee	08/2008 – 06/2009
Downtown Lee's Summit Main Street (DLSMS) Design Committee	08/2002 – Present
Downtown Lee's Summit Main Street Board Member	02/2010 – 06/2015
DLSMS Organization Committee, Chairman	12/2010 – 06/2014
Lee's Summit Economic Development Council, Executive Committee	06/2012 – Present
Lee's Summit Economic Development Council, Chairman	07/2016 – Present
Lee's Summit Cultural Arts Task Force, Chairman	02/2012 – 09/2012
City Attorney, Lake Lotawana (outside)	05/2014 – Present
John Knox Village Board of Directors	05/2015 – Present
PremierLife Board of Directors	05/2016 – Present

## PROJECTS EXPERIENCE

### PUBLIC and PRIVATE

#### Community Planning

- Downtown Master Plan (Lee's Summit, Missouri)
- Avenue of the Columns (Columbia, Missouri)
- Lee's Summit 360 Strategic Community Plan (Lees' Summit, Missouri)
- Charter Development and Review

- Road Infrastructure Excise Tax (Impact Fee Methodology), Project Team, Lee's Summit
- Road, Water and Sanitary Sewer System Impact Fees for Belton, Missouri
- Industrial Development Projects and Municipal Bond Financing
- Tax Increment Financing (TIF) Projects and Chapter 353 Property Tax Abatement Projects
- Transportation Development District (TDD) Formation and in Missouri TDD Administration
- Community Improvement District (CID) Formation and in Missouri CID Administration
- Economic Development, including comprehensive planning and incentives
- Special Economic Development Counsel to Cities (Gladstone and Liberty, Missouri)
- Land Use Processes such as Platting, Variances, Easements, Rezoning, Special Use Permits

## AWARDS

Lou Czech Award 2008, presented by the Missouri Municipal Attorneys Association, recognizing the public service of an individual who displays the same high standards of accomplishment, professionalism, public service, and ethical conduct, as legal counsel to cities, towns, and villages in Missouri displayed by Lou Czech.

Truman Heartland Foundation 2013 Citizen of the Year, Lee's Summit and City of Lee's Summit Missouri Municipal League 2013 Civic Leadership Award Recipient

# Lucas K. Scott

315 SE Main Street  
Lee's Summit, MO 64063

816-207-6032  
lucas@bushyheadlaw.com

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## Bar Admission

- Missouri, July 2013
- Kansas, April 2017

## Education

- **University of Missouri Kansas City, School of Law**
  - May 2013 Graduate J.D.
- **University of Missouri**
  - Graduated May 2010
  - Major: Political Science
  - Minor: History

## Work Experience

- Bushyhead LLC April 2016 – Present
  - Associate Attorney
  - Associate attorney practicing in matters regarding municipal law, real estate development and land use.
- Andereck, Evans, Widger, Johnson & Lewis, LLC March 2014 – April 2016
  - Associate Attorney
  - Practicing attorney in a wide variety of fields, including municipal and administrative law, civil litigation, minor criminal defense matters, real estate law, estate planning and probate law, among other fields. Municipal and administrative law experience includes representing the City of Princeton, MO, the Grundy County Nursing Home District and assisting with the representation of the city of Trenton, MO, and various rural electric cooperatives.
- Missouri Gaming Commission June 2013 – March 2014
  - Legal Department Intern
  - Conduct multi-jurisdictional research regarding gaming laws for pending legislation changes, work closely with MGC General Counsel regarding disciplinary measures against casino's and casino employees.
- Slagle, Bernard & Gorman, P.C. May 2010 – June 2013
  - Law Clerk
  - Conducted legal research on various issues, primarily assisting with representation of homeowners associations, focused on collection actions. Prepared briefs, pleadings, and client correspondence.

## Summary of skills

- Experienced in Westlaw Research
- Experienced Municipal law attorney
- Experienced in drafting legal opinions regarding municipal law matters
- Computer Proficient
- Strong interpersonal skills

## Activities and Accomplishments

- Passed the February 2017 Kansas Bar Exam
- Passed the July 2013 Missouri Bar Exam
- Graduate of UMKC School of Law J.D May 2013
- Graduate of University of Missouri May 2010
- Achieved the rank of Eagle Scout in 2003 at age 14

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**Shannon M. Marcano**  
Cell: (913) 219-9585  
Shannon@bushyheadlaw.com



Office: (816) 207-6032  
www.bushyheadlaw.com

April 26, 2017

George Brajkovic  
City Manager  
City of Tonganoxie  
PO BOX 326  
Tonganoxie, KS 66086

**RE: Request for Proposal: City Attorney - FEE REVISION**

Dear Mr. Brajkovic:

I would like to take the opportunity to adjust our fee proposal for the Bushyhead, LLC, response to Request for Proposals (“RFP”) for City Attorney.

**Proposed Fee Structure**

The Law Firm will bill its services at a Flat Fee Rate of \$2,750 per month. The monthly fee will be for the following services: representation at regular City Council meetings, as needed, and any other Board or Commission meetings, as needed, as well as drafting documents, and participating in meetings and conference calls related to policy and ordinance development, negotiations, and ongoing advice and counsel provided to the Mayor and City Council, City Manager, and City Staff. These services do not include city prosecutor work, or economic development work.

The Law Firm will trace hours worked throughout each calendar month, and in the event Bushyhead, LLC is required to spend more than 25 hours during any calendar month for the performance of legal services

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**BUILDING COMMUNITY**

315 SE Main Street  
Lee's Summit, MO 64063

4436 State Line Road  
Kansas City, KS 66103

City of Tonganoxie, KS

April 26, 2017

Page: 2

needed by the City, then such additional hours shall be billed by applying the discounted flat hourly rates for Shannon M. Marcano and Christine T. Bushyhead of \$200, for Lucas K. Scott at \$150 and Bushyhead, LLC paralegals at \$75. Invoices will be transmitted monthly, describing the services in detail, showing hours and identifying the lawyer providing the services.

I have attached a draft engagement letter for your review as well. Thank you for your consideration, and if you have any questions, or would like to discuss our proposal, please feel free to call.

Sincerely,

BUSHYHEAD, LLC



Shannon M. Marcano

SMM/jst

Enclosures

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**BUILDING COMMUNITY**

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**Shannon M. Marcano**  
Cell: (913) 219-9585  
Shannon@bushyheadlaw.com



Office: (816) 207-6032  
www.bushyheadlaw.com

April 26, 2017

Jason Ward  
Mayor  
City of Tonganoxie  
P.O. Box 326  
Tonganoxie, Kansas 66086

Re: Engagement Letter for City Attorney Services

Dear Mayor Ward:

Thank you for the opportunity to present to you this Engagement Letter to provide city attorney services to the City of Tonganoxie, Kansas ("City") to assist the City in its legal matters as general counsel to the municipal corporation of Tonganoxie. These duties will not include city prosecution services, nor economic development services. In establishing the attorney-client relationship, we believe that it is good practice to set forth in some detail, for future reference from time to time, our mutual understanding as to the scope of our representation and the terms of our employment. While, perhaps, most of the matters covered in this letter will never be relevant or of concern between us, we want to try to make communication clear and complete from the inception of this engagement, and to anticipate and resolve questions before they arise. Also, we believe that since performance of our services may require your joint effort and cooperation, the better our mutual understanding of our respective roles, responsibilities and contributions, the more efficient, effective and economical our work for you can be.

### **Scope of Services**

We understand that the City of Tonganoxie, Kansas is our client for this matter. We expect that most of our primary contact during this representation will be through you, City Manager, George Brajkovic, and Assistant City Manager Jamie Shockley. We will keep you informed about the advice and other legal services we provide. Unless you advise us otherwise, we will send all bills to the attention of Mr. Brajkovic.

## **Communication by E-Mail**

Many communications in business occur by e mail. This is not as secure a form of communication as letters through the U.S. mail. If you would like to use e-mails, your signature on this engagement letter acts as consent to communication between us by e mail. As appropriate in relation to a specific matter or action communication will occur via U.S. mail as well.

## **Termination of Representation / Additional Services**

It is agreed that the attorney-client relationship with respect to these services will be considered terminated upon our completion of the services that you have retained us to perform under this engagement. If you retain us to perform further or additional services, related to any filed litigation, or filed applications for economic development incentives, our attorney-client relationship may be revived subject to our additional discussions with you on that matter and subject to the terms of a new engagement letter or the supplementation of this letter with separate financial arrangements.

## **Your Legal File**

You are entitled, upon written request, to any files in our possession relating to the legal services performed by us for you in this matter (excluding our internal accounting records and other documents not reasonably necessary to your representation), subject to our right to make copies of any files withdrawn by you. Under our document retention policy, we normally destroy our legal files seven years after the matter is closed; however, we understand that the political subdivision files may require a longer document retention.

## **Supervision and Delegation**

I will be the attorney who will coordinate and oversee the services we perform on your behalf and be the designated City Attorney. We routinely delegate selected responsibilities to other persons in our firm when, because of special experience, time availability or other reasons, they are in a better position to carry them out. In addition, we will try, where feasible, to delegate tasks to persons who can properly perform them at the least cost to you, including the use of paralegals where appropriate.

## **Financial Arrangements**

I am enclosing a Terms of Representation memorandum which outlines the terms of our engagement. Please read the memorandum carefully so that you will fully understand the financial commitments you are making. Bushyhead, LLC, will send to the City of Basehor at the end of each calendar month a flat fee invoice for the previous month's city attorney services rendered in the amount of \$2,750. This monthly fee will be for the following services: representation at regular City Council meetings, and any other Board or Commission meetings as needed, as well as drafting documents, and participating in

meetings and conference calls related to policy and ordinance development, negotiations and ongoing advice and counsel provided to the Mayor and City Council, City Manager and city staff. Monthly services will not include prosecutorial services, nor economic development services. Bushyhead, LLC, will track hours worked throughout each calendar month, and in the event Bushyhead, LLC, is required to spend more than 25 hours during any calendar month for the performance of legal services needed by the City, then such additional hours shall be billed by applying the discounted flat hourly rates for Ms. Marcano, and her partners of \$200, for Bushyhead, LLC, associates of \$150.00 and Bushyhead, LLC paralegals of \$75.00. If anything in the financial arrangements presents a problem to you or is unclear, please advise me promptly so that we may discuss it and reach a full understanding. The terms of this engagement and financial obligations thereto are subject to annual appointment.

Periodically, our firm prepares marketing materials in which we include the names of selected clients and sometimes a brief description of a significant project on which we worked. If we include our representation of you in these materials, we will not include information about any specific transaction that is not otherwise publically available without your prior approval. We acknowledge, understand and respect the confidential nature of the banking privacy requirements.

We are pleased to serve as your City Attorney and to have you as a client, and we look forward to a mutually satisfactory and beneficial relationship. Our effectiveness and your best interests are enhanced by an atmosphere of candor and confidence between us, not only as to the facts and circumstances of the legal issues on which we are working, but also as to the client-attorney relationship itself. Please feel free to discuss with us any question or concern you might have about either.

We are hopeful that this letter and the accompanying memo adequately explain the scope and terms of our services and representation. If it does and you are in agreement with it, then please indicate your affirmation of this by signing the enclosed copy of this letter and returning it to me for our files.

We appreciate the opportunity to handle this matter and look forward to a mutually beneficial relationship.

If you have any questions, please give me a call.

Very truly yours,

Shannon M. Marcano

APPROVED: City of Tonganoxie, Kansas

Approved: \_\_\_\_\_

Mayor Jason Ward

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

### **TERMS OF REPRESENTATION**

**Confirmation of Services.** Bushyhead, LLC, is pleased to have this opportunity to serve you. Our goal is to provide you with quality and efficient legal services. We have found from past experience that our relationship will be stronger and more effective when at the beginning there is a clear understanding of the services we will perform, the fees we intend to charge for such services, and the terms for payment. If what is set forth in the accompanying letter or in these Terms of Representation does not accurately describe your understanding of the services we are to perform or the terms for billing fees and expenses, please advise the attorney sending you the letter.

**Attorneys and Others to Assist in Providing Services.** When it is appropriate for your particular project, we intend to assign parts of your work to other lawyers, paralegals, law clerks and document clerks. Often these individuals specialize in certain areas, and we have found that allocating work to them allows us to produce higher quality work in a more efficient manner. In such an event, however, one attorney will be designated as your primary contact within the firm. This attorney will supervise the work and will be responsible to you for the entire assignment. The attorney who signed the accompanying letter will serve in that capacity for the work indicated.

**Billing and Hourly Rates.** Our fees and expenses will be billed as stated here unless otherwise agreed in the attached letter. We generally bill for professional services on an hourly basis and record time in units of .1 of an hour.

Hourly time charges reflect the time spent on the matter, including legal research, meetings, telephone conferences, document drafting, court appearances, transactions closings, and travel in connection with your affairs. We do not charge for attorney administrative time or for time spent in maintaining a general, current knowledge of the law. In addition, we bill on a per-item basis for computerized research (Westlaw services, Dun & Bradstreet, etc.), filing fees and related court or county expenses, conference call and telephone charges, delivery and FAX charges, special database storage when established at your request, photocopying, and travel expenses.

**Fees Not Contingent and Due Within Thirty Days.** Payment is due within 30 days of the receipt of the invoice. If the firm has not received any comment about the invoice within 30 days of its receipt, we will assume that you find it acceptable. Payment is to be made by check or draft payable to Bushyhead, LLC.

If any of our invoices remain unpaid for more than 60 days, we may, consistent with our ethical and court imposed obligations, cease to perform services until satisfactory arrangements have been made for the payment of the unpaid invoices and future fees. In fairness to our many clients who promptly pay their invoices each month, we reserve the right to take appropriate action with respect to such delinquent accounts.

**Conflicts.** Any known actual or potential conflicts are discussed in the accompanying letter. In addition, you are no doubt aware that our firm represents many companies and individuals. It is possible that during the time we are representing you or your company, that some of our present or future clients will have disputes or transactions with you or your company. We ask you to agree that we may continue to represent, or may undertake in the future to represent, existing or new clients in any matter that is not substantially related to our work for you even if the interests of such clients and your interests in those other matters are directly adverse. We agree, however, that your prospective consent to conflicting representation contained in the preceding sentence shall not apply in any instance where, as a result of our representation of you, we have obtained proprietary or other confidential information of a nonpublic nature that, if known to the other client, could be used by the other client to your material disadvantage.

**Attorney-Client Communication.** Our invoices generally contain information protected by the attorney client privilege. The privilege could be deemed waived if someone other than the client sees the privileged material. Therefore, we recommend that you keep all of our invoices in a segregated file marked "Attorney-Client Privileged Material" and keep the file in a secure place.

**Payment of Third-Party Expenses.** The firm prefers that you pay directly any significant outside expense items related to your file and, when possible, we will direct such expenses to you for payment. Therefore, we often ask our vendors to bill our clients directly rather than having us incur the expense and then including the amount on our invoice.

**Termination of Services and Representation.** You may terminate our services at any time. Termination of our representation does not, however, relieve you from the responsibility of paying those fees and expenses incurred through the date we were notified of such termination. Similarly, we may withdraw from this representation for a number of reasons, including failure to promptly pay the amounts indicated in our invoices; failure to disclose all facts material to our representation; failure to act in accordance with our advice; or development of one or more circumstances which, in our judgment, impair our ability to continue an effective attorney client relationship. In the event we terminate the engagement, we will take such steps as are reasonably practicable to protect your interests in the matters in which we are representing you.

Following termination, any nonpublic materials you have supplied to us which are retained by us will be kept confidential in accordance with applicable rules of professional conduct. At your request, our papers or property will be returned to you promptly. Our own files, including lawyers' work product, pertaining to the matter will be retained by the firm for seven years except as otherwise provided in the Engagement Letter.

**Completion of Matter.** After a particular matter is completed, we do not (unless you specifically request in writing that we do so) undertake to continue to review that matter and update you concerning legal developments, such as changes in applicable laws or regulations. If you do ask us to review a specific matter on which we have previously worked, we will consider that to be a new representation. Thus, while we may, from time

to time, call to your attention issues or legal developments that might be relevant to your operations, we are not undertaking to do that as a part of this representation.

**Client Confidences.** Our clients are engaged in a wide variety of businesses throughout the country. From time to time we represent clients who are industry competitors. In order to ensure confidentiality, we will not (unless you specifically grant us the authority to do so) discuss or otherwise make available to anyone, including other clients, any information about you, your business, or our work on your behalf.

**No Guarantee of Success.** We will perform our professional services on your behalf to the best of our ability, but we cannot make, and have not made, any guarantees regarding the outcome of our work on your project. Any expressions by us about the outcome of your project are our best professional views only and are limited by our factual knowledge at the time they are expressed.

**Acceptance of Terms.** The accompanying letter should correctly and completely set forth our mutual understanding of the terms of our engagement. Please sign a copy of it and return it to our offices for our files. Please let us know in writing immediately of provisions that are not agreeable, if any. Otherwise, our work will proceed in accordance with these terms.