



## City Council Study Session Minutes

March 10, 2025 6:00 PM

Council Chambers - 111 E. Maple Ave.

### PRESENTATIONS

#### 1. AFS Presentation

Bruce Lowry gave an update on the AFS program. He encouraged others to participate in the AFS program by opening their home to host students from other countries. Steve Graffio talked about the benefits of hosting one of these students for both the student and his family. Area Chair, Kathy Holberg also spoke about her great experiences with AFS.

#### 2. Presentation on Liability Insurance Renewal.

Bob Charlesworth of Charlesworth Consulting gave a presentation on this topic.

#### General Liability

##### Risk Areas Include:

- Premises Liability
- Operations Liability
- Bodily Injury
- Property Damage

##### Common Claims Include:

- Sewer Backups
- Damage Caused by Roadways
- Damage Caused by Mobile Equipment
- Sips/Falls on Public Premises
- Playground Injuries

## Key Points:

Defenses under Missouri Sovereign Immunity

Gross negligence must be proven on the part of the City

## EMPLOYMENT PRACTICES LIABILITY

- Currently Part the of the Public Official Liability Terminology of Wrongful Act
- Covered Allegations Can Include:
  - o Wrongful Discharge, Dismissal or Termination of Employment
  - o Breach of any Written or Implied Employment Contract
  - o Employment Discrimination (Including Sexual Harassment)
  - o Wrongful Failure to Promote or Employ
  - o Wrongful Demotion
  - o Wrongful Discipline
  - o Wrongful Deprivation of Career
  - o Negligent Evaluation
  - o Wrongful Retaliation
  - o Wrongful Denial of Training or Evaluation

## LAW ENFORCEMENT LIABILITY

- Bodily Injury and/or Property Damage could be a “Tort” eligible for Sovereign Immunity in Some Cases
- Many Allegations Fall Under Federal Issues
  - o False Arrest, Wrongful Use of Force, etc. PUBLIC OFFICIAL LIABILITY
- Typically Filed in Federal Court
  - o Limited possible Mo. Immunity
- Common Allegations Include
  - o Discrimination, Due Process, Breach of Duty, & Other Errors and Omissions

## AUTO LIABILITY

- Falls Under Missouri Sovereign Immunity Statute for In-State Accidents
  - o There are Liability Financial Limitations available
- Risk & Exposure of Bodily Injury & Property Damage caused by an Accident
- Due to the Ownership, Maintenance or Use of a Vehicle Licensed for Use on Public Roadway
- Employee Use of their Own Vehicle and risk this brings to the City

## CURRENT LIABILITY COVERAGE

- INSURER/CARRIER: STATES RISK RETENTION GROUP
- POLICY LIMIT: \$5,000,000
  - o Most in Any One Year – For All Liability Losses
  - o Limit down from \$10,000,000 prior years
- SELF-INSURED RETENTION (SIR)/DEDUCTIBLE: \$1,000,000
  - o City Pays Per Incident
  - o Up from \$250,000 in prior years
- POLICY COVERS MOST CITY LIABILITY RISKS, INCLUDING:
  - o General Liability
  - o Employment Practices (Part of Public Official Program)
  - o Law Enforcement Liability
  - o Public Official Liability

- o Auto Liability

#### 2025-2026 Policy Recommendation

Casualty (Liability) Insurance Program with Obsidian Insurance Specialty (Rated A-:VII by AM Best)

- o Option B Policy Limit to \$10 million from current \$5 million
- o SIR remains at \$1 million
- o 0% Co-Insurance Above Retention
- o 5% Premium increase over current with higher liability limits than current

#### Goals Moving Forward

Monitor possible Self-Funding Law Enforcement & Public Official Liability Risk

- Maintain the possibility of an IPL Stand-Alone Insurer to meet contractual requirements should City need to self-fund all risk transfer programs.
- City is Taking the Following Steps to Mitigate Risk
  - ☐ Implementing Pro-Active Human Resource Policies & Practices
  - ☐ Aggressive defense of allegations
  - ☐ Standard Operating Procedures
  - ☐ Progressive Discipline for Individuals Not Following Standard Practice

\$1M is per occurrence

\$10M aggregate

### 3. Rental Ready Inspections

Tom Scannell, Community Development Director, gave a presentation on this topic.

Purpose - Seek direction on whether the rental ready inspections should be performed by the City (In House Inspections) or by Qualified Housing Inspector (current process)

#### Current Inspectors

Landlords can choose from 6 companies

- A total of 11 employees – some are part-time or as needed
- Qualifications include master electrician, home builder, general contractor, ASHI home inspector, and certified home inspectors

#### Inspection hours and days

- One firm only inspects Monday-Friday with limited hours – This firm performed the least number of inspections
- The rest of the firms inspect 6-7 days a week with expanded hours into evening

#### Current Number of Rental Units

Total Number of Rental Units

21,216

|                                                              |        |
|--------------------------------------------------------------|--------|
| Approximate # of Rental Units Per Year                       | 10,608 |
| # of Rental Units Exempt from Inspections per year           | 1,834  |
| Total # of units to be inspected per year                    | 8,774  |
| Average # of Units to Pass Inspection Each Month             | 731    |
| Average # of Units per Inspector to pass inspection each day | 5.1    |

#### In House Inspections Proposal

- Staffing needed:
  - 8 inspectors,
  - 1 supervisor and
  - 1 administrative assistant
- Estimated total cost: \$977,000
  - Salary and benefits
  - Vehicles, computers, phones, etc.

#### Challenges of In-House Inspections

- Staffing
  - Attracting and retaining employees
- Hours and days of operation
  - Monday – Friday; 8 am – 5 pm
  - Holidays, sick and vacation time off
- If we can't complete the inspections on time, a landlord can't renew business license.

#### Recommendation

- Staff recommends using Qualified Housing Inspector.
  - Staffing – hiring and retaining inspectors
  - Scheduling inspections
  - Completing the inspections on a timely basis
  - Cost of the program

#### Next Steps

- If Council provides direction to continue using Qualified Housing Inspectors:
  - Staff would select and train Inspectors in accordance with the adopted ordinance
- If Council provides direction to perform inspections in house.
  - Continue to utilize Inspectors • Probably through the end of this year
  - Work with City Manager to budget cost in FY 2025-26 for staffing, vehicles, computers, etc.
  - Hire and train staff with the goal to start inspections January 1, 2026

#### 4. GO Bond Question 2 Overview: Bridges & Culverts

Lisa Reynolds, Deputy City Manager and Director of Municipal Services, gave the presentation for this topic.

This is a review of question 2 that will be on the General Obligation Bond on the April ballot.

There are 68 bridges within Independence  
5.5 bridges currently closed  
3 or more bridges face closure within the next 3-5 years

There is not current grand funding for these projects.

#### Challenges

Conditions can change quickly  
Emergency shutdowns due to failures  
New issues constantly emerging

Lack of bidders for small, individual projects  
No dedicated funding source

#### Transportation Sales Tax

Allowable Uses: "...transportation purposes including but no limited to the construction, maintenance, and repair of city streets, sidewalks, curbs, bridges, culverts, and traffic signals...."

Sales tax budget estimates  
\$4.75M pavement maintenance operations  
\$1.75M annual debt service  
\$5M matching grant funds

#### Bridges - the list

Heidelberg  
Kentucky Ave over Rock Creek  
Kentucky Ave over Mill Creek  
Lexington  
Overton  
Crysler  
Valley View  
Lee's Summit over UPRR  
Main St over UPRR  
Noland Road over KCS  
Lake City  
RD Mize  
Wilson Ave  
Southside Blvd.

## INFORMATION ONLY

1. ***Please Note:*** *In accordance with RSMo. 610.021, the City Council may convene in an Executive Session during or after the meeting, in the Council Chambers and move to Conference Room D for the closed meeting, on matters of litigation, legal action, and/or attorney client communications, as permitted by Sec. 610.021(1), on matters of personnel, as permitted by Sec. 610.021(3) and personnel records, as permitted by 610.021(13), on matters of contracts, as permitted by 610.021(12), on matters of real estate, as permitted by 610.021(2) and/or matters of labor negotiations, as permitted by 610.021(9).*