

# **NOTICE OF PUBLIC MEETING COUNCIL AGENDA**

**April 21, 2009  
7:00 p.m.  
Council Chambers**

## **ROLL CALL**

**Present:** Council Member Janes, Mayor Pro Tem Wilson, Mayor Hark,  
and Council Members Louderman, Behymer and Lyng – 6

**Absent:** Council Member Knickerbocker - 1

## **CALL TO ORDER**

There being a quorum present, Mayor Hark called the meeting to order.

## **INVOCATION**

At this time, Council Member Louderman gave the invocation.

## **PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance to the Flag was led by Mayor Pro Tem Wilson. Motion was made by Council Member Louderman to excuse Council Member Knickerbocker from the proceeding. Motion was seconded by Council Member Behymer.

Motion carried.

## **APPROVAL OF MINUTES Regular Council Meeting – April 7, 2009 Closed Session Minutes – April 7, 2009**

Motion was made by Council Member Behymer to approve the Council minutes of the regular Council Meeting held on April 7, 2009 and the Closed Session minutes of the same date. Motion was seconded by Mayor Pro Tem Wilson.

Motion carried.

## **APPROVAL OF PAYROLL AND CLAIMS**

**First Half – April, 2009**

Motion was made by Mayor Pro Tem Wilson to approve the payroll and claims for the first half of April, 2009. Motion was seconded by Council Member Behymer.

### **KAREN RUBLE – HANNIBAL ARTS COUNCIL**

**Re: Approval, Street Closures**

*(33<sup>rd</sup> Annual, Autumn Historic Folklife Festival – October 17–18, 2009)*

Ms. Karen Ruble appeared before Council on behalf of the Hannibal Arts Council regarding the upcoming 33<sup>rd</sup> Annual Autumn Historic Folklife Festival. Ruble explained that the event is scheduled for October 17-18, 2009 and the purpose for coming before Council is to secure their approval to use the following streets for the event:

- North Main – from Broadway to North Street
- Center Street – from Main Street to Alleys, both east & west of Main Street
- Bird Street – from Main Street to Alleys, both east & west of Main Street
- Hill Street – from Main Street to Alleys, both east & west of Main Street
- Main & Bird Street Parking Lot
- Ole Planters Parking Lot

Motion was made by Council Member Behymer to approve the request made in the letter by Hannibal Arts Council and presented by Ruble. Motion was seconded by Council Member Louderman.

Motion carried.

### **MARK TWAIN CORVETTE CLUB**

**Re: Approval, Street Closures**

*(Annual Corvette Show – July 31 & August 1, 2009)*

Mr. O.C. Latta, representing the Mark Twain Corvette Club, came to Council with a similar request, Council permission for street closure during the annual Corvette Show to be held on July 31<sup>st</sup> and August 1<sup>st</sup>, 2009. His specific request was to have Council approval to close Main Street from Center to Hill Street. Latta added that the Club is expecting to host at least 150 corvettes for the event. Motion was made by Council Member Janes to approve Latta's request. Motion was seconded by Council Member Lyng.

Motion carried.

### **PEGGI PRESCOTTI – AMERICAN FILM FESTIVAL**

**Re: Informational Presentation, Film Festival**

Mr. Larry Owens, with Hannibal Sports & Entertainment came before Council to represent Peggi Prescotti of the American Film Festival. Ms. Prescotti, the Director of Marketing for the American Artists' Film Festival, came to the podium and explained that it their intention to bring the Film Festival, an international, family-oriented, independent film festival to Hannibal. She stated that, since the National Tom Sawyer Days Festival already draws an international crowd, the organization thinks this is a good match.

As Prescottti stated, the reason Hannibal is being chosen is because the American Film Festival organizers are looking for a small community that will stand behind their endeavor and grow with it. The organization wishes to promote Hannibal, as well, and she presented a type of agenda for events that would take place during the festival. She added that they are looking for a 'permanent root' and not just a one-time event. It is her hope that, eventually, the organization could create a production company and, possibly, an arts academy in 'Middle-America'.

Mayor Hark pointed out that they are working with the local theatre to use their facilities for film viewing. He also questioned Beau Hicks, the Director of the Convention and Visitors Bureau, regarding his thoughts on the subject.

Hicks explained that he had recently met with the organizers, along with representatives from the Star Theatre, and although this weekend will be extremely busy, has given his support behind the creation of this event.

Ms. Prescottti concluded by saying that nothing was needed, at this time, from the City except their 'blessing' and community support.

**JOHN YANCEY – NORTHEAST MISSOURI SHELTERED WORKSHOP**  
**Re: Ascertain Status, Recycling Program**

Mr. John Yancey, representing the Northeast Missouri Sheltered Workshop, presented the next item on the agenda regarding the City's recycling program. Mr. Yancey began by posing a number of questions before Council, adding that although the vote failed, the City still needs a recycling program.

Yancey stated that, until now, the Sheltered Workshop has paid for the program, but is currently unable to continue supporting it since the recyclable market has gone down tremendously. Now, because of the lack of funds, the program will have to be discontinued in a short time. He added that the workshop is not interested in quitting and before that time will be exploring every avenue possible to keep the program operational.

He suggested that the Mayor and the City Manager form a committee to discuss the recycling issue, exclusively. Yancey added that, if recycling were done correctly and completely, in his opinion, the City would no longer need the city wide cleanup program. He concluded by assuring Council that the Sheltered Workshop would not 'quit' until they had to and they would notify the public in advance when it becomes necessary to discontinue the program.

**ROY G. HARK – MAYOR**  
**Re: Approval of Appointment**

Mayor Hark reminded Council of a candidate presented at the last regular Council meeting for the Hannibal Library Board. This was:

**HANNIBAL INDUSTRIAL DEVELOPMENT AUTHORITY**

- Kurt Ebers – Appointment for term to expire January, 2015

He asked Council for their approval of this nomination. Motion was made by Mayor Pro Tem Wilson to approve the nomination of Kurt Ebers for an appointment to the Hannibal Industrial Development Authority. Motion was seconded by Council Member Louderman.

Motion carried

**JEFF LAGARCE – CITY MANAGER**  
**Re: Approval of Appointments**

Next, City Manager Jeff LaGarce reminded Council of six (6) candidates that had been presented at the last regular Council meeting. These were:

HANNIBAL EMPLOYEE BENEFIT TRUST BOARD

- John Hayes – Re-appointment for a term to expire May, 2012
- Ryan Rapp – Re-appointment for a term to expire May, 2012

HANNIBAL LIBRARY BOARD

- Pam Warfield – Appointment for an unexpired term to expire June, 2010

MARK TWAIN HOME BOARD

- Dian Volkmer – Appointment for an unexpired term to expire November, 2011
- Mary Lou Callicatt – Re-appointment for a term to expire November, 2015

HISTORIC DISTRICT DEVELOPMENT COMMISSION

- Dian Volkmer – Appointment for an unexpired term to expire November, 2011

He asked Council for their approval of these nominations. Motion was made by Council Member Behymer to approve all nominations as presented by the City Manager. Motion was seconded by Mayor Pro Tem Wilson.

Motion carried

**Re: Request, 2009-10 Fiscal Year Budget Workshops**  
*(May 27 & May 28, 2009 – 5:30 p.m.)*

City Manager LaGarce requested Council approval to set two 2009-10 Fiscal Year Budget Workshops on May 27<sup>th</sup> & 28<sup>th</sup>, 2009. But, because of some scheduling problems was requesting a change of these dates to May 20<sup>th</sup> and May 21<sup>st</sup>, 2009 at 5:30 p.m. He estimated that these meetings would last approximately ninety minutes each. Motion was made by Council Member Louderman to approve LaGarce's request. Motion was seconded by Mayor Hark.

Motion carried. LaGarce added that Council would receive the proposed budget, would be asked to set the public hearing and would receive a listing of departments that would be discussed each night of the workshops.

**Re: Public Announcement, City Wide Cleanup**

LaGarce's final agenda item was a public announcement. The city-wide cleanup would be held on Saturday, April 25<sup>th</sup>, from 7:00 a.m. until 5:00 p.m. at the Street Department Facility on Orchard Avenue. During that time, personnel will be available to help with unloading. He added that this service is free-of-charge to residents, with the exception of tires, which will have a fee of \$1.00 per tire.

There are some items that will not be accepted, such as: microwaves, TVs, electronic equipment; however, old furniture and appliances, such as washers will be taken.

On the same day, Continental Cement, who is partnering with the City, will take old paint, varnishes, lacquers, stains, dyes and old oil at their site from 7:00 a.m. until 12:00 p.m. in conjunction with the Green America Recycling Program.

**JAMES LEMON – CITY ATTORNEY**

**Re: Municipal Judge Salary, 2009-10; 2010-11; and 2011-12**

*(Bill No. 09-008, to follow)*

City Attorney James Lemon presented the next two agenda items, the first being introduction of Bill No. 09-008, to follow that would be given a first reading, with Council approval. This bill regarded the Municipal Judge's salary for the next three fiscal years: 2009-10, 2010-11 and 2011-12. Lemon added that he had drafted this ordinance per their instruction, using the guidelines they had discussed.

**Re: Revoke, CHAPTER 8 CEMETERIES\* Sec. 8-2. Burial permits**

*(Bill No. 09-009, to follow)*

Also, per Council's pleasure, pursuant to City Engineer Mark Rees request, this bill, Bill No. 09-009, to follow, had been drafted to remove the 'Burial Permit' ordinance from the City Code.

**MARK REES – CITY ENGINEER**

**Re: Budget Amendment, Airport Fuel**

*(Resolution No. 1549-09, to follow)*

City Engineer Mark Rees presented the next item on the agenda, Resolution No. 1549-09, to follow, regarding a budget amendment for airport fuel. He requested Council approval to increase the budget expenditures for fuel (purchases), as well as increasing the related revenue account. He added that this increase should take them to the end of the current fiscal year.

**Re: Approval, Airport Fuel Vendor List**

*Ayers Oil Company, Arrow Energy, Naegler Oil Company*

*(Resolution No. 1550-09, to follow)*

Rees explained that the department had advertised and received bids from three vendors to supply fuel for the remainder of the current fiscal year and the upcoming fiscal year, as well.

He recommended approval of Resolution No. 1550-09, to follow, that would also approve the proposed vendor list for airport fuel. Rees explained that this list, if approved, would streamline the fuel purchases at the airport from this time forward.

**DON WILLIS – BPW GENERAL MANAGER**  
**Re: Transfer Fee/Free Service/Collector's Office Expense/Budget**

Don Willis, the Board of Public Works General Manager, presented the final item on the evening's agenda. Willis stated that he was aware of the questions that the Mayor, the City Manager and City Council had been fielding from their constituents, with regard to utility rates within the City of Hannibal. He added that, for this reason, he was present to answer some of these questions.

Willis gave a brief history, for the benefit of the new Council Members. He explained that the Board of Public Works and Union Electric entered into an eleven (11) year contract that began in 1998 and had an 'all-in' cost of \$35/mWh. That contract was to expire at the end of 2008. About mid-2005, the BPW started searching for a new contract. When this search began, it seemed that the new price for electricity would be approximately \$50/mWh; so the Board started increasing electric rates for customers every six months. This process began with a 5% increase in July, 2006.

In Mid 2007, the price of energy (oil, natural gas, electricity) started spiraling upward and it was discovered that the price of electricity was not going to be \$50, but approximately \$70/mWh, according to Willis. As a result, a series of 7.5% increases was made effective every six months. This was designed to raise rates gradually so it would not be necessary to raise rates by 100% at once; so in January and July of 2007 and continuing through January and July of 2008 7.5% increase to their electrical bills was realized by BPW customers.

In January, 2009 when the old contract expired and the new one became effective, the cost for electricity was \$69/mWh, almost double the cost that citizens have been paying for the past 19 years. To cover the additional costs, electric rates were increased by 38% at that time.

Willis explained that he had conducted a survey of the cities in this area with regard to electrical rates. He pointed out that the City of Hannibal is the second lowest on the chart, adding that all cities in the area have higher electric charges than Hannibal.

He stated that the Board of Public Works proposed budget for the 2009-10 fiscal year is \$38,211,000, with a surplus of \$20,000. Within this budget, according to Willis, is a proposed \$0.00 increase in electric rates, a proposed 5% increase in water rates, and a proposed 15% increase in sewer rates. (He clarified that, with the water and sewer rate increases, the average household would realize an increase in its billing of approximately \$4.50 to \$5.00 per month.) Included in that budget is \$1,900,000 in transfer fees that the City will collect, which is about \$550,000 more than they will receive in the current fiscal year (The large increase is because of the increased in electric rates).

The City will receive \$170,000 to \$180,000 in free utilities in the upcoming fiscal year; the Collector's Office will be paid \$32,800 for processing of Board utility bills. Because of the current economic situation, BPW is asking the City to help in reducing the proposed rate increases.

To offset some of the increased expense within the department during the upcoming fiscal year:

- BPW is not replacing five employees that retired during the last budget year
- \$880,000 of capital investments that were approved in the five-year plan have been postponed
- Board employees will receive no wage increases in the upcoming budget

In order to offer some relief, Willis proposed that the City:

- pay for their utilities, as was the procedure prior to 1987
- pay for a portion of their utilities
- Pay for utilities at a reduced rate.
- Collections could be a free service for the BPW

All would be done simply to keep rates as low as possible for City residents. At this time, Willis opened the floor for questions.

Council Member Janes questioned why there was such a large increase in the purchase power, from \$35/mWh to, in excess of, \$60/mWh? He wanted to know if there was some sort of 'de-regulation'? Willis responded that the current amount IS de-regulated price from Ameren Energy Marketing, a de-regulated company. He added that de-regulation was designed to bring the prices down; however, it did not work.

Janes asked about the chart that Willis had built, inquiring about the cost of living for the various cities that were included. He stated that, in his opinion, the chart was misleading, showing that the City of Hannibal is the second lowest utility with regard to charge-out rates. Willis responded that the chart was not misleading, but was true and factual with regard to charge-out rates only. Janes said that cost of living was a factor here, when considering that vs. wages. He added that in his opinion, Hannibal's wages are slightly lower than other cities on the chart; however, Willis argued that Hannibal's wages were not lower than Palmyra, Monroe City, New London or Center.

Janes continued that the 10-12 cities on the chart was not representative of all the towns/cities in the State of Missouri and added that he would be interested in seeing more data. Willis offered to gather that information.

Next, Mayor Hark spoke, explaining that the 'split' between sewers and stormwater occurred in 1952. Prior to that, the Board of Public Works was responsible for sewers and the stormwater that ran into them. Willis agreed that, at that time, the EPA and the DNR advised a separation of these two responsibilities; therefore, in the 1970's stormwater became the City's responsibility; sanitary sewers were made a utility and given to the Board of Public Works. Stormwater was never given to the BPW as a utility. According to Willis, the Charter states that the BPW is to handle underground stormwater, which they currently do, and the City handles all above-ground stormwater. That is presently the way each is handled.

The Mayor continued by saying that he understood that the Board's franchise fee had increased and that the City was currently getting more money but reminded Willis that on the years when franchise fees were low the City received less and had less funding with which to operate. He also noted that citizens pay franchise fees, not the Board of Public Works. The

Mayor continued by saying that the City was attempting to return these funds to the citizens by creating projects, such as the stormwater one. Mayor Hark suggested that the current problems may be a result of poor planning by the BPW.

Mayor Hark remembered that in 1987, Council voted that the City would not pay for utilities in *any* municipal building; however, the HCVB and the Parks & Recreation Departments is charged and pays their utilities (A procedure that is in direct conflict with the City Code). Willis recognized that each entity, the Board and the City offices, are 'part of the City' and need to do whatever is possible to help the residents. He stated that, at the present time, they were complaining about the increase in utility bills. Mayor Hark responded that they were also unhappy with the stormwater situation, and the City was trying to alleviate some of those concerns.

Willis explained that he was aware of the problems with the stormwater, and said that the Board never said that they would not do their part in taking care of storm sewers; however, until above-ground stormwater is made a utility by a vote of the citizens, it is the City's responsibility, according to the City Code.

Tom Lemon, BPW Director, was recognized and spoke regarding the 2009-10 budget. He stated that when the budget was reviewed, the two items that were most evident were 'transfer fees' and 'money the City was receiving'. Because of that, the Board has come to Council to take a look at the current situation and decide if there is a better way to bring the City on-board and make it work. He added that energy efficiency within the City should be looked into, as well.

Council Member Behymer stated that citizens were asked to reduce their utility consumption by changing light bulbs, adding more insulation, installing new storm doors, etc., which they did. Now utilities continue to increase and it seems residents are being penalized. Utility rates, according to Behymer, have reached such a high point that people, especially those on a fixed income, have to cut-back on other necessities. He continued that, it was hard for him to phantom because utility transfer fees are \$1.5 million on this budget and \$1.9 million projected on the 2009-10 fiscal year budget, the largest revenue for the City.

Willis agreed that people were asked to conserve, and they did, adding that the conservation efforts did not hurt the citizens; however, the revenues in residential, where most of the conservation efforts occurred, decreased by 4.5%. At the same time, three factories closed, decreasing the industrial revenues by 11.5%. He added that the industrial revenues are 55% of total revenues. Behymer suggested that utility payments be processed strictly by the Board and Willis agreed that, as long as the Board could cut their costs, they were in favor of this.

City Collector Phyllis Nelson stated that Board payments were received in the Collector's Office as a service to citizens. And discontinuing that service is not an option, according to the contract, only the fee negotiation.

Council Member Janes questioned that, if revenues have decreased due to the closing of factories, haven't expenditures in purchasing that power decrease, as well? Willis responded that, although Janes' statement was correct, and the cost of energy that the Board pays for versus the cost of energy that the Board sells is approximately 80%; the remaining 20% is used by the Board to operate.

Council Member Louderman questioned the upcoming fiscal year's proposed budget total. Willis restated that total budget as \$38,211,000 with a \$20,000 surplus. Louderman stated that, in his opinion, these issues should not be 'tried' in public, suggesting that he would like to have

Council and the Board sit down and review their issues and priorities. Willis agreed adding that he had only intended to make Council aware of the problem. He continued that priorities are set where the City's problems are concerned and if the City's problems have a higher priority, that's alright.

Mayor Hark stated that these issues have already been 'tried' in the public eye, because of the recent Quincy Herald Whig article. Willis explained that the reported quotes were accurate; however, the remainder of the article was not.

Council Member Janes questioned the Board's cuts and union concessions that have been made in order to deal with the current crisis. As previously stated, only a certain amount of cuts can be made in staffing, etc. while still maintaining the current quality of services. He asked Willis what the staff total was at this time and the minimum cuts could be performed while this quality of service. Willis responded that, at the beginning of the fiscal year, the total number of employees was 72; however, currently the Board is operating with 67 employees. The minimum number of staff is about 71; therefore, the Board, according to Willis, has already cut services.

Next, Janes questioned whether or not the City or the Board was utilizing more personnel to complete a job than is necessary. Willis' response was that, even though it is not unusual for citizens to see a City or BPW crew/ with personnel standing, most usually there is a reason for this. Personnel may be waiting to obtain dig rights or some approval of that type. Willis added that, in his opinion, this was a common problem in government. The Board of Public Works has invested in a power plant, owning 20 megawatts in Prairie State which is a new power plant in Southern Illinois that will come 'on-line' in 2011. That energy will come to the City at less than \$50/mWh, less than what we are currently paying. Willis said that he could not predict the price of energy in the future; but, hopefully, it will be less than what the Board is currently paying.

Council Member Janes questioned whether or not we could get out of the current contract for purchase power, in the event that the price declines to \$50.00 or even \$40.00/mWh. Willis answered that we could not get out of the current contract if this should occur. Janes questioned the possibility of a lawsuit, if this were to happen, to which Willis responded that this would depend on the amount of the decrease. A decrease to \$40.00 or \$50.00/mWh would make a lawsuit worthwhile; whereas, a decrease to \$60.00/mWh would not.

Mayor Hark concluded by clarifying that no one was questioning the job that is being done by the Board of Public Works. The City has been very fortunate that the Board has offered such good service in the past and, in his opinion, the citizens have had good service. But the City and the Board need to figure a solution that is workable for both and for the citizens.

Willis agreed and stated that, ultimately, it was up to the City to set the priorities, along with the Board and to do what is right for the citizens.

This would be a topic for a committee at a later time, according to the Mayor and Willis. Mayor Hark asked for volunteers to serve on this committee. Mayor Pro Tem Wilson and Council Members Louderman and Lyng volunteered to serve.

## **RESOLUTION NO. 1549-09**

**A RESOLUTION AMENDING THE FISCAL YEAR 2008-2009  
BUDGET RELATIVE TO THE HANNIBAL AIRPORT**

Motion was made by Council Member Louderman to have the City Clerk read Resolution No.1549-09 and call the roll for adoption. Motion was seconded by Mayor Hark.

Motion carried.

**Roll Call**

**Yes:** Council Member Janes, Mayor Pro Tem Wilson, Mayor Hark, and Council Members Louderman, Behymer and Lyng – 6

**No:** -0-

**Absent:** Council Member Knickerbocker - 1

Mayor Hark declared Resolution No. 1549-09 duly approved and adopted on this date.

**RESOLUTION NO. 1550-09**

**A RESOLUTION OF THE CITY OF HANNIBAL APPROVING THE  
ACCEPTANCE OF, *AYERS OIL COMPANY, ARROW ENERGY AND  
NAEGLER OIL COMPANY AS AIRPORT FUEL VENDORS***

Motion was made by Council Member Louderman to have the City Clerk read Resolution No.1550-09 and call the roll for adoption. Motion was seconded by Mayor Hark.

Motion carried.

**Roll Call**

**Yes:** Council Member Janes, Mayor Pro Tem Wilson, Mayor Hark, and Council Members Louderman, Behymer and Lyng – 6

**No:** -0-

**Absent:** Council Member Knickerbocker - 1

Mayor Hark declared Resolution No. 1550-09 duly approved and adopted on this date.

**BILL NO. 09-008**

**AN ORDINANCE AMENDING THE PAYROLL ORDINANCE OF  
THE CITY OF HANNIBAL ESTABLISHING THE SALARY FOR**

**THE MUNICIPAL JUDGE FOR FISCAL YEARS 2009-10: 2010-11;  
AND 2011-12**

**FIRST READING**

Motion was made by Council Member Louderman to give Bill No. 09-008 a first reading.  
Motion was seconded by Council Member Behymer.

**Roll Call**

**Yes:** Council Member Janes, Mayor Pro Tem Wilson, Mayor Hark,  
and Council Members Louderman and Behymer – 5

**No:** Council Member Lyng - 1

**Absent:** Council Member Knickerbocker - 1

Motion to read carried.

**BILL NO. 09-009**

**AN ORDINANCE OF THE CITY OF HANNIBAL AMENDING  
CHAPTER 8, AND REVOKING SECTION 8-2 OF THE CODE OF  
THE CITY OF HANNIBAL, RELATIVE TO THE ISSUANCE OF  
BURIAL PERMITS**

**FIRST READING**

Motion was made by Mayor Pro Tem Wilson to give Bill No. 09-009 a first reading. Motion  
was seconded by Council Member Behymer.

Motion carried.

**ADJOURNMENT**

Motion was made by Council Member Behymer to adjourn. Motion was seconded by Council  
Member Louderman.

Motion carried.