

OFFICIAL COUNCIL PROCEEDINGS

January 19, 2010
7:00 p.m.

ROLL CALL

Present: Mayor Pro Tem Behymer, Council Members Lyng, Knickerbocker, Janes, Barta, Mayor Hark and Council Member Louderman – 7

Absent: -0-

CALL TO ORDER

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

INVOCATION

Council Member Janes gave the invocation.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member Barta.

APPROVAL OF MINUTES

Closed Session – July 1, 2008

Closed Session – January 5, 2010

Regular Council Meeting – January 5, 2010

Motion was made by Mayor Pro Tem Behymer to approve the minutes of the regular Council meeting that was held on January 5, 2010 and the Closed Session meetings that were held on July 1, 2008 and January 5, 2010. Motion was seconded by Council Member Louderman.

Motion carried.

APPROVAL OF PAYROLL AND CLAIMS

First Half – January, 2010

Motion was made by Council Member Louderman to approve the payroll and claims for the first half of January, 2010. Motion was seconded by Mayor Pro Tem Behymer.

Motion carried.

ROY HARK – MAYOR

PRESENTATION TO DALE DELAPORTE IN APPRECIATION OF HIS 20 YEARS OF DEDICATED SERVICE AND COMMITMENT TO THE CITY OF HANNIBAL FIRE DEPARTMENT

Mayor Hark asked Dale DeLaPorte to come forward to be honored for his twenty years of dedicated service and commitment to the City of Hannibal Fire Department. Council Member Knickerbocker made the presentation of a plaque in recognition to his many years of service, adding that the Firemen are sometimes unsung heroes. During his tenure with the Hannibal Fire Department, DeLaPorte achieved the rank of Captain

Re: Appointment, Building Commission
➤ **Lou Barta**

Mayor Hark stated that it was his desire to place Council Member Lou Barta on the Building Commission. Motion was made by Mayor Pro Tem Behymer to approve the Mayor's request. Motion was seconded by Council Member Louderman.

Motion carried.

DARRELL MCCOY – HANNIBAL JAYCEES
Re: Request, Alley Closure and Alcohol Consumption
(Wing Ding – January 23 & 24, 2010)

Darrell McCoy, 2nd Vice President and Jennifer Foster, President of the Hannibal Jaycees came to Council, on the Jaycees' behalf, seeking approval to block the alleyway running parallel to 3rd Street, under the viaduct in the vicinity of the Admiral Coontz Armory during the 6th Annual Wing Ding, scheduled for January 23 & 24, 2010. They also requested Council permission to serve alcohol during this event. McCoy explained their plan to have an outside cooking area cordoned off and to allow the cooks to consume beer while they are cooking the wings. He added that security will be in place inside, as well as outside, during the event.

Council Member Barta asked if they had an alternate plan in case of inclement weather. McCoy responded that the viaduct would be used as a natural cover and said that they did have some tents. He assured Council that a fire lane would remain open.

After a brief discussion concerning street closure and the procedures that are required to hold the event, Mayor Pro Tem Behymer made a motion to approve McCoy's request. Motion was seconded by Council Member Knickerbocker.

Roll Call

Yes: Mayor Pro Tem Behymer, Council Members Lyng, Knickerbocker, Barta, Mayor Hark and Council Member Louderman – 6

No: Council Member Janes

Absent: -0-

Motion carried.

ANITA FAILOR, AUDIT MANAGER – WADE STABLES
Re: 2008/2009 Audit Report Overview

Ms. Anita Failor, Audit Manager of Wade Stables came before Council at this time and gave a brief overview of the financial audit. She called special attention to the Government Wide Statement of Net Assets on page 14, stating that this area of the audit shows an over-all picture of the City, including the Board of Public Works and the airport. This statement lists all assets and liabilities, with \$46 million of assets for the City and \$67 million of assets for the Board, resulting in total assets for the City as-a-whole of \$114 million.

Next, Failor called attention to the income statement on page 15, which detailed the income/loss for the year. She explained that the City, without the BPW, increased its net assets by \$1,352,000.00 and the BPW increased by almost \$2,400,000.00. For the entire city, the net increase in assets was \$3,700,000.00 during the fiscal year, ending June 30, 2009.

Ms. Failor skipped to page 46, the beginning of the Budget-Cash Basis, showing only the General Fund. She pointed out a decrease in cash of \$715,000 on page 47; but noted that the only thing funding the Capital Projects Fund, detailed on page 48, is the General Fund. These need to be looked at together, because, also on page 48, the actual Budget Basis Change shows an increase in cash of \$3,500,000.00, the majority being the bond proceeds.

There being no questions, Failor concluded her presentation by saying that she welcomed phone calls anytime there was a question regarding the budget.

JAMES LEMON – CITY ATTORNEY
Re: Follow-up, Waiver of Special Taxes – Lester & Kathy Parrish
(Item tabled during 1/05/2010 meeting)

City Attorney James Lemon spoke in reference to the agenda item that was tabled during the last regular Council meeting, regarding a request made by Lester and Kathy Parrish to waive the special tax assessment on property located at 425 Edwards Street. Mr. Parrish had an interest in purchasing the real estate in question and renovating it for rental property.

At the direction of Council, Lemon conducted further research on the appropriateness of waiver for these special assessments. He reviewed case law as well as the Charter and Codes for the City of Hannibal and presented his findings.

Lemon advised that, in his opinion, the assessment of the costs as a “special assessment” appears mandatory and, as a result, it would not be appropriate to adjust these ordinances to eliminate the special assessment provision.

He added that it appears *‘the charter clearly bars us (Council/the City) from forgiving any type of tax, special tax or special assessment unless an error was made in the assessment. The only way to adjust this would be a charter change’*.

Lemon explained that the City Charter gives little direction concerning exactly what a special assessment or a special tax is. It only leaves this to the ordinances, so there is an argument that the ordinance could be adjusted in order to change such charges to something which is not a special tax or special assessment.

It was, however, Mr. Lemon’s advise not to allow this, since the power to clean up a problem area is an area which is for the most part governed by state statute. The state statutes clearly set out the procedure for obtaining reimbursement. In his opinion, if the City cleans the problem area at its expense, the only way to obtain reimbursement is by special tax or special assessment.

JEFF LAGARCE – CITY MANAGER
Re: Recommendation of Appointment

City Manager Jeff LaGarce made the following recommendation:

EMPLOYEE BENEFIT TRUST BOARD

- John Baker – Appointment of an unexpired term to expire, May, 2011

City Manager LaGarce explained that this board includes both employees and private citizens. Since an employee opening exists, it was LaGarce’s wish to appoint John Baker. He added that Baker is an officer in the Hannibal Fire Department. This recommendation will be considered for approval at the next Council meeting, to be held on February 2, 2010.

Re: Commercial Food Buyout Property Appraisal Review – Contract Addendum
B & B Appraisal Services
(Resolution No. 1619-10, to follow)

City Manager LaGarce explained that, on January 5th a modification had been approved by Council to amend the City’s appraisal contract and to allow separate appraisals of two buildings located at 613 Munger Lane, relative to the Commercial Flood Buyout Program. The initial request was generated by the property owner.

LaGarce continued by stating that this request, for Council approval of Resolution No. 1619-10 would to amend the appraisal review agreement with B&B Appraisal Services for these two additional appraisal reviews. He noted that appraisal reviews are a requirement of the CDBG. If this resolution is approved, B&B Appraisal has agreed to extend their unit price of \$300 per review to this addendum, costing the City an additional \$600.

Re: HCVB Budget Amendment: Revenues and Expenditures
(Resolution No. 1620-10, to follow)

The City Manager requested that the agenda item be tabled until a later date. This item is in regard to a request for approval of an HCVB budget amendment and related Resolution No. 1620-10.

He explained that the Hannibal Convention and Visitors Bureau sponsored a store in the Quincy Mall during the Christmas Season. According to LaGarce, the goal was to assist Hannibal retailers have exposure in the Quincy market, as well as penetrating that market. It was set up with the HCVB receiving all the money from sales. Now it is time for distribution of the proceeds from all sales.

Since Beau Hicks is currently out of town, it was the City Manager's desire to table this item until he could be in attendance to present the requested budget amendment that would be necessary to pay the retailers who participated.

DOUG WARREN – DIRECTOR OF FINANCE
Re: Approval, Downtown Floodwall TIF Reimbursements

Doug Warren, Director of Finance, introduced the next item on the agenda, which was a request for approval of the downtown floodwall TIF reimbursements. As stated in the memorandum that was included in the Council packet, Warren explained that the request is for direction regarding preliminary closure of the downtown floodwall tax increment financing (TIF) district program, a 23-year issue that originated in 1988, now nearing its end.

In 1988, the City embarked on the downtown flood program in conjunction with the Army Corps of Engineers. The initial cost of the project was estimated at approximately \$6.5 million with the City contributing 25% and the Corps carrying the remaining 75%. Funds to complete the match were planned with \$500,000 of the amount being raised through the development of a real estate-based tax increment finance bond by Gilmore and Bell PC of Kansas City, a firm that was hired by the City as bond counsel. The City was allowed 23 years to repay this money. For the first seven years, according to Warren, the tax increments did not pay well at all; therefore, the General Fund paid almost all of the principal and interest. In the nearly 23-years of the program, the General Fund has now been repaid all the funds that were invested.

Approximately \$500,000 of the initial pledge was funded by the Mark Twain Home Foundation, the HCVB and the Board of Public Works. Each entity was of the understanding that if the TIF District paid in excess of the amount needed to repay the bond, they would be reimbursed their pledged funding.

The Bonds and the General Fund have now been repaid and excess dollars are now being accrued. The project will end in 2011 with roughly \$300,000 in-hand. Warren asked the Council's guidance and direction for handling the matter of repayment. It was his recommendation that the entities involved be reimbursed in proportion to the initial amount expended.

After some research, implicit instructions were found in the 1988 Council Minutes, acknowledging the 'seed money' and directing such to be repaid in the event excess dollars were collected. Warren suggested that the payment made by the County in March, with

Council approval, would be divided proportionately between these three entities and this process would be continued with the payment next year, repaying the investments in full. Any excess would be handled as directed by Council.

Mayor Hark asked City Attorney Lemon his opinion, regarding interpretation of the terms. Lemon responded that, in his opinion, this is a fair interpretation and added that the language implies the other entities could be reimbursed.

Council Member Knickerbocker clarified the motion that was to be made, to advise the method of repayment be proportionate to their contribution, specifically the Mark Twain Home Foundation, the HCVB and the Board of Public Works. Council Member Knickerbocker then made a motion to direct Warren to repay proportionately to their contribution, specifically the Mark Twain Home Foundation, the HCVB and the Board of Public Works. Motion was seconded by Mayor Pro Tem Behymer.

Motion carried.

BRIAN CHAPLIN – ASSISTANT TO CITY ENGINEER
Re: Traffic Committee Recommendations

Brian Chaplin, Assistant to the City Engineer, explained that the Traffic Committee had made a recommendation during their meeting on December 10, 2009. This was to:

Eliminate parking on the east side of the street in the 500 block of North Hawkins Street, from Hill Street to Hubbard Street. “No Parking” signs will be installed.

Due to the narrowness of the street, it is difficult for emergency vehicles to get through, and the Street Department to plow in the winter. Safety is a top priority.

It was noted that Joyce Allen, the Street Department Secretary, sent out eight letters, receiving responses from six of those letters. All respondents preferred the east side of Hawkins Street to be designated “No Parking”.

Since no action was taken by Council, this recommendation became effective on this date.

RESOLUTION NO. 1619-10

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE CONTRACT
ADDENDUM WITH B&B APPRAISAL SERVICES IN THE AMOUNT OF \$600 FOR
APPRAISAL REVIEW SERVICES RELATIVE TO THE FLOOD BUYOUT
PROGRAM**

Motion was made by Mayor Pro Tem Behymer to have the City Clerk read Resolution No. 1619-10 and call the roll for adoption. Motion was seconded by Council Member Louderman.

Roll Call

Yes: Mayor Pro Tem Behymer, Council Members Lyng, Knickerbocker, Janes, Barta, Mayor Hark and Council Member Louderman – 7

No: -0-

Absent: -0-

Mayor Hark declared Resolution No. 1619-10 duly approved and adopted on this date.

RESOLUTION NO. 1620-10

A RESOLUTION AMENDING THE FISCAL YEAR 2009-2010 BUDGET RELATIVE TO HANNIBAL CONVENTION AND VISITOR'S BUREAU REVENUES AND EXPENDITURES WITH THE HOLIDAY STORE

Motion was made by Mayor Pro Tem Behymer to table Resolution No. 1620-10 until it could be presented by Beau Hicks, the Director of Tourism, as requested by City Manager LaGarce. Motion was seconded by Council Member Louderman.

Motion to table carried.

BILL NO. 10-001

AN ORDINANCE VACATING A TRACT OF LAND LYING IN PART OF LOT 4 OF ORCHARD POINT SUBDIVISION IN THE CITY OF HANNIBA, MARION COUNTY, MISSOURI

SECOND AND FINAL READING

Motion was made by Council Member Knickerbocker to give Bill No. 10-001 a second and final reading and call the roll for adoption. Motion was seconded by Mayor Hark.

Motion carried.

Roll Call

Yes: Mayor Pro Tem Behymer, Council Members Lyng, Knickerbocker, Janes, Barta, Mayor Hark and Council Member Louderman – 7

No: -0-

Absent: -0-

Mayor Hark declared Bill No. 10-001 duly approved and adopted on this date.

ADJOURNMENT

Motion was made by Mayor Pro Tem Behymer to adjourn. Motion was seconded by Mayor Hark.

Motion carried.