

OFFICIAL PROCEEDINGS OF CITY COUNCIL

Tuesday, July 5, 2011
7:00 p.m.

ROLL CALL

Present: Council Member Draper, Mayor Pro Tem Knickerbocker, Council Members Dobson, Barta, Louderman and Hark - 6

Absent: Mayor Hark - 1

CALL TO ORDER

There being a quorum present, Mayor Pro Tem Knickerbocker called the meeting to order. Motion was made by Council Member Dobson to excuse Mayor Hark. Motion was seconded by Council Member Barta.

Motion carried.

INVOCATION

Council Member Draper gave the invocation.

PLEDGE OF ALLEGIANCE

Council Member Hark led the Pledge of Allegiance to the Flag.

APPROVAL OF MINUTES

Regularly Scheduled Council Meeting – June 21, 2011

Motion was made by Council Member Dobson to approve the minutes of the last regular Council meeting that was held on June 21, 2011. Motion was seconded by Council Member Hark.

Motion carried.

APPROVAL OF PAYROLL AND CLAIMS
Second Half – June, 2011

Motion was made by Council Member Louderman to approve the payroll and claims for the second half of June, 2011. Motion was seconded by Mayor Pro Tem Knickerbocker.

Motion carried.

JOHN LYNG - CITIZEN
Re: Hannibal Municipal Airport, Competitive Proposals

Mr. John Lyng came before Council regarding an action that they had taken during the previous Council meeting. He explained that, according to what he had gleaned from the news media, Council implied that their sole consideration for FBO during the upcoming three year contract period would be the current contractor.

In Lyng's opinion, this is not good business, since the City is not negotiating or seeking the best course of action for the taxpayer when only one party is considered for this position. Essentially, what is being said to the Manager is, "What must we do to get you to sign a new contract?" He continued by saying that alternatives are the best resources

In the three year history of the City's current airport manager, it appears that no one is looking out for the best interest of the taxpayer. Lyng noted that Council should consider that only a small fraction of the population even use the airport. As such, the airport, as much as possible, should be a "pay as you go" operation, according to Mr. Lyng, with the major portion of the cost for operation being borne by those who use it. He added that, until 2008, practically the entire cost of the airport was paid in this manner, including the business of the FBO (fixed base operator) or manager, the fuel sales, charter, inspection and all other services. Essentially, the FBO was given the use of the airport as part of the deal, as long as he took care of the City requirements for maintaining an airport.

In 2008, the City decided that the airport business and FBO could not survive without the City's General Fund subsidy. In selecting the current airport manager, the City elected to renew the contract to the applicant proposing the highest subsidy. The \$50,000 annual cost of this subsidy was to be partially recovered through the sale of aviation fuel, at a profit to the City. He believed that the mark-up of aviation fuel was to be 10%; however, after the first year the taxpayers had not only paid the \$50,000 subsidy, but also had incurred a loss of aviation fuel sales in excess of \$23,000.

Lyng said that there are very few places in which a person could work as an employee or contract employee whereby a \$23,000 loss of the employer's money would not result in termination. The taxpayer was given no accounting of what had happened to incur this loss, and in addition, the second year an additional \$14,000 loss in fuel sales was incurred.

Lyng stated that he was at a loss to know how fuel could be bought, and then sold with a 10% mark-up, and not result in a profit to the City, but there could be an explanation; and taxpayers had a right to know why this is the result for retaining the highest bidder. He continued by saying that the actual expense to the City of operating the airport, which remained \$0.00 in prior years, was \$86,757 in FY 2008/09, \$70,018 in FY 2009/10 and perhaps \$45,308 in FY 2010/11 that just ended. He added that, since the \$45,308 figure was less than \$50,000, it appeared that the fuel sales were bringing in a small amount of revenue to the City and the expense at the airport was continuing on a downward trend.

He explained, however, that this year's budget (FY 2011/12) calls for \$66,000 of expense, and residual fuel sales amounts and rental amounts that are incorrect. Revenues from hanger rental and fuel sales should be able to stand on their own, financially, according to Lyng. In conclusion, Mr. Lyng stated that the City had options. The first option that the City should consider is, in fairness, to allow others the ability to offer proposals for the airport management position. City contracts, including the FBO contract, should not last a lifetime. Even members of Council are exposed to competition every three years for the seat that they hold. This is motivating and healthy for our government.

Lyng also suggested that the airport manager, who receives a subsidy from the City of Hannibal, cannot look after the City's financial interests and those of his own business at the same time. In the same token, the current airport manager, not only sells the aviation fuel, but is also the City's biggest customer. Lyng suggested that the airport manager be made a City employee under the direction of the City Manager, which would maximize budget control and continue the consolidation of City functions under the City Manager. In this way, accountability would be enhanced. He said that he hoped Council would place the taxpayer's interest foremost in their considerations.

Mayor Pro Tem Knickerbocker stated that the Airport Commission had been in negotiations for this contract renewal and asked Mr. Lyng if he had been in contact with them. Lyng responded that he had attended recent airport meetings but had not voiced his concerns at that time.

Mr. George Walley, of the Airport Commission, stated that there were no other bids received under the previous airport management. After some discussion, it was suggested that Mr. Lyng contact the Airport Commission to voice his concerns and offer his suggestions.

KEVIN KNICKERBOCKER – MAYOR PRO TEM

Re: Approval of Appointment

Mayor Pro Tem Knickerbocker, on behalf of Mayor Hark, reminded Council of a candidate presented at the last regular Council meeting for the Historic Development District Commission. This was:

HISTORIC DEVELOPMENT DISTRICT COMMISSION

- Mike Kettelkamp – Re-appointment for a term to expire May, 2016

He asked Council for their approval of this nomination. Motion was made by Council Member Dobson to approve this nomination. Motion was seconded by Council Member Hark.

Motion carried

JAMES LEMON – CITY ATTORNEY
Re: Code Amendment, Chapter 19, Article II, Section 19-38
Keeping or Parking Certain Commercial Vehicles and Construction or Commercial Grade
Equipment at or Upon Residential Property
(Bill No. 11-015, to follow)

Mayor Pro Tem Knickerbocker explained that the next agenda item, under City Attorney James Lemon, was a code amendment to the Hannibal City Code, Chapter 19, Article II, Section 19-38. *Keeping or Parking Certain Commercial Vehicles and Construction or Commercial Grade Equipment at or upon Residential Property*. He added that Mayor Hark had requested that discussion and voting on this item be tabled until he could be present. Motion was made by Mayor Pro Tem Knickerbocker to approve the Mayor's request. Motion was seconded by Council Member Barta.

Motion carried.

JEFF LAGARCE – CITY MANAGER
Re: Recommendation of Appointments

City Manager Jeff LaGarce made the following recommendations:

HANNIBAL PARK BOARD

- James O'Donnell – Reappointment for a term to expire July, 2014
- Debbie Catlett – Reappointment for a term to expire July, 2014
- Marlene Rodenbaugh – Appointment for a term to expire July, 2014

He explained that these appointments would be considered for approval at the next regular Council meeting.

At this time, City Manager LaGarce introduced Gail Bryant, the new Director of Tourism and Conventions, who began work on Friday, July 1st, and explained that a reception was planned for Thursday to welcome her to the HCVB.

MARK REES – CITY ENGINEER
Re: Airport Terminal – Change Order No. 2 & Supplemental Agreement No. 1
Bleigh Construction
(Resolution No. 1736-11, to follow)

City Engineer Rees began by explaining that he had a bit of good news, regarding the Paris Gravel Road Project. He added that work was progressing and paving would begin early the next week (July 11 – July 15).

His only item on the evening's agenda was request for approval of Resolution No. 1736-11, regarding Change Order No. 2 and Supplemental Agreement No. 1 of the Hannibal Airport Terminal Project. Rees commented that, early on, there had been problems that prevented this project from progressing. One of the first deterrents, beside the utilities that were in the way, was unsuitable sub grade beneath the access roadway. For these reasons, Crawford, Murphy & Tilley, as well as, Architechnics were hired to perform construction observation and together, they have worked out these kinks.

Rees reported that the additional work necessary due to the poor sub grade, totaled \$9,234.00; however, combined with the cost savings in value engineering for the utility relocation of \$3,138.00, the net cost was \$6,096.00. He added that the Department of Public Works was recommending approval of Resolution No. 1736-11, to follow, which would implement these changes.

BILL MADORE – FIRE CHIEF
JEFF MOORE – LOCAL 1211 REPRESENTATIVE
Re: International Association of Firefighters Local 1211 - Collective Bargaining Agreement
(Resolution No. 1734-11, to follow)

Council recognized Fire Chief Bill Madore who, together with Local 1211 Representative Jeff Moore, brought the labor agreement between the International Association of Firefighters Local 1211 and the City of Hannibal, which was the result of the labor negotiations between these two parties that began last February. This agreement would be approved and enacted with the approval of Resolution No. 1734-11. Madore detailed some of the more notable modifications, many of which returned much of the decisions regarding the Department to the hands of the Chief and the rest of the management team. He noted that staff recommends passage of this labor agreement between IAFF Local 1211 and the City.

Council Member (and former Fireboard Chairman) Barry Louderman added that the negotiations began early this year and continued by working through every article in the agreement. He explained that, even though this was a three-year contract, some economic items, such as insurance premiums, wages, overtime, etc. would be discussed on a yearly basis. He also pointed out that Article 45 states, “*If a future agreement cannot be reached, a*

mediator will be employed”, adding that, currently, nothing exists to break a possible deadlock.

Madore restated that the financial issues that deal with compensation and insurance, having a dollar value will be revisited annually. At that time, those can be renewed or modified; however, the remainder of the contract will be the same for the entire three-year period.

BOB STEVENSON – BPW GENERAL MANAGER
Re: State of Missouri Department of Natural Resources – Abatement Order on Consent

(Resolution No. 1735-11, to follow)

Bob Stevenson, BPW General Manager presented the final item on the evening’s agenda, a request for approval of Resolution No. 1735-11, regarding the Abatement Order on Consent with the Missouri Department of Natural Resources, the result of considerable negotiations between these two entities.

Stevenson explained that the Abatement Order on Consent stems from a series of sewer system overflows that occurred in 2010. As a result, a fine was incurred along with a requirement to produce a satisfactory maintenance plan for the BPW collection system. The required plan is to be completed within 180 days of the AOC effective date and would include development of a maintenance and/or procedure manual. Additional requirements, according to Stevenson, would include more vacuum cleaning and TV surveillance and also entail much long-term rehabilitation of piping systems. This will be the beginning of a higher level of maintenance and will be very costly.

General Manager Stevenson said that this has been avoided in the past, simply because the rules had not previously been enforced. He added that a specialist attorney was secured to assist in the negotiations since the original fine totaled almost \$16,000. As a result of these negotiations, the fine was reduced to \$8,000, not including the attorney fees.

A question was posed whether or not the City/BPW has any choice in this matter. Mr. Stevenson responded that there was no choice besides jail time, if there is a lack of compliance. He assured Council that Hannibal was not the only City receiving these directives and added that every city within the state, and state in the US are being contacted since the EPA has told all State Departments of Natural Resources to clean up the water.

He explained that a dry weather overflow is an indication that there is something wrong with the piping system; therefore, enforcement is coming down and reports now come with fines. In the past, according to Stevenson, the Board has not been in compliance with the maintenance plan, but has been reactive dealing with these problems. MoDNR expects, and the regulations require that BPW is to be proactive, using preventative maintenance with rehabilitation work on a schedule, which is currently not being done. Overflows are no longer being permitted, but are violations to the law.

Stevenson continued by saying that it is not permissible for sewage water to get out onto the ground, such as overflow from a man hole. When this occurs, it is an indication that water has risen inside the manhole to the point that it is pushing the lid off and running into a ditch or gutter. He added that the piping and gasket materials are ancient so when ground water rises, due to rainstorms or river heights, water from outside of the pipe, finds its way inside, as well, thus the term “inflow & infiltration” or “I&I”. The flow is heavy enough that it can be measured, during some of these events. The normal flow in a sewer treatment plant may triple or quadruple from a regular dry day. These are accountable issues, regarding sewer.

Council Member Draper questioned the instances that were labeled “acts of God”, adding that he was confused in reconciling the difference. Stevenson responded that when this water overflows into a residential basement, by EPA definition, this is not an SSO (sanitary sewer overflow), because it is still contained and eventually ends up in the sewer anyway. The SSO, by definition, is when sewage water enters a public waterway, like a creek or gully, and makes its way to the river. He assured Council that, when sewage backs up into a residential basement, there are things to be done and the BPW assists in these instances, such as:

- Show up at the site
- Conduct an inspection of that area
- Give advice to homeowner
- Send them to an appropriate contractor
- Submit the incident to BPW insurance, if appropriate (Failure in the main)
- Determination by adjuster, regarding responsibility

Stevenson advised that the Board of Public Works approved the AOC at their last regular meeting and is recommending approval of the related Resolution No. 1735-11, to follow.

RESOLUTION NO. 1734-11

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A THREE-YEAR COLLECTIVE BARGAINING AGREEMENT WITH THE INTERNATIONAL ASSOCIATION OF FIREFIGHTERS LOCAL 1211

Motion was made by Council Member Louderman to have the City Clerk read Resolution No. 1734-11, and call the roll for adoption. Motion was seconded by Council Member Barta.

Motion carried.

Roll Call

Yes: Council Member Draper, Mayor Pro Tem Knickerbocker, Council Members Dobson, Barta, Louderman and Hark - 6

No: -0-

Absent: Mayor Hark – 1

Mayor Pro Tem Knickerbocker declared Resolution No. 1734-11, duly approved and adopted on this date.

RESOLUTION NO. 1735-11

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN ABATEMENT ORDER OF CONSENT BETWEEN THE CITY OF HANNIBAL, BOARD OF PUBLIC WORKS AND THE STATE OF MISSOURI, DEPARTMENT OF NATURAL RESOURCES IN THE AMOUNT OF \$9,492.64

Motion was made by Council Member Louderman to have the City Clerk read Resolution No. 1735-11, and call the roll for adoption. Motion was seconded by Council Member Hark.

Motion carried.

Roll Call

Yes: Council Member Draper, Mayor Pro Tem Knickerbocker, Council Members Dobson, Barta, Louderman and Hark - 6

No: -0-

Absent: Mayor Hark – 1

Mayor Pro Tem Knickerbocker declared Resolution No. 1735-11, duly approved and adopted on this date.

RESOLUTION NO. 1736-11

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE CHANGE ORDER NO. 2 & SUPPLEMENTAL AGREEMENT NO. 1 BETWEEN THE CITY OF HANNIBAL AND BLEIGH CONSTRUCTION FOR THE CONSTRUCTION OF THE AIRPORT TERMINAL IN A NET AMOUNT OF \$6,096

Motion was made by Council Member Barta to have the City Clerk read Resolution No. 1736-11, and call the roll for adoption. Motion was seconded by Council Member Dobson.

Motion carried.

Roll Call

Yes: Council Member Draper, Mayor Pro Tem Knickerbocker, Council Members Dobson, Barta, Louderman and Hark - 6

No: -0-

Absent: Mayor Hark – 1

Mayor Pro Tem Knickerbocker declared Resolution No. 1736-11, duly approved and adopted on this date.

BILL NO. 11-015

AN ORDINANCE AMENDING CHAPTER 19, ARTICLE II, SECTION 19-38 OF THE HANNIBAL CITY CODE RELATIVE TO KEEPING OR PARKING CERTAIN COMMERCIAL VEHICLES AND CONSTRUCTION OR COMMERCIAL-GRADE EQUIPMENT AT OR UPON RESIDENTIAL PROPERTY

FIRST READING

Motion was made by Mayor Pro Tem Knickerbocker to table Bill No. 11-015, at Mayor Hark's request until the next regularly scheduled Council meeting to be held on July 19, 2011. Motion was seconded by Council Member Barta.

Motion carried.

ADJOURNMENT

Motion was made by Council Member Louderman to adjourn the meeting. Motion was seconded by Council Member Hark.

Motion carried.