

OFFICIAL COUNCIL PROCEEDINGS

February 21, 2012
7:00 p.m.

ROLL CALL

Present: Mayor Pro Tem Knickerbocker, Council Members Dobson, Barta, Mayor Hark, Council Members Louderman, Hark and Draper – 7

Absent: -0-

CALL TO ORDER

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

INVOCATION

Council Member Draper gave the invocation.

PLEDGE OF ALLEGIANCE

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

At this time, Mayor Hark entertained a motion to add Al Pabst, Instructor of the Hannibal Robo Pirates Club, Team #3519 for Council seal and signature of the FYC robot. Motion was made by Mayor Pro Tem Knickerbocker to approve the request. Motion was seconded by Council Member Hark.

Motion carried.

AL PABST – INSTRUCTOR, HANNIBAL ROBO PIRATES CLUB Re: Council Seal and Signature of the FYC Robot

Mr. Al Pabst introduced Team #3519 of the Hannibal Robo Pirates Club, specifically Tim Wisdom who was asked to speak.

Wisdom explained that the Team would be traveling to the St. Louis Regional Competition to enter their FYC Robot. He said that the competition game this year is to be basketball and the Robot is designed to pick up 8” foam balls and shoot at two, four and six foot goals. Pabst added that this would be a “three on three” basketball competition and the Hannibal Robot would be partnered with two more robots, competing against another three in two

minute rounds. Teams will receive points, accumulating their scores on the first day of the competition. The eighteen highest-scoring teams at the end of the day will be allowed to choose whoever they wish, as partners, for the finals. The top three teams that finish will be permitted to compete in the International Robot Competition. In addition to shooting baskets, the robots will be required to climb over obstacles on the court.

The primary purpose for their appearance before Council was for aid in sealing and tagging the robot, as required by the Regional Competition. This guarantees that no additional work will be completed prior to the competition, since a specific period of time and amount of money is allowed for construction. After the sealing, the project was signed by Mayor Hark, Council Member Draper and Roger McGregor, the school official.

In conclusion, Pabst commended the young men for their efforts, recognizing the complexity of this project. Council wished them luck in the upcoming competition and they were sent off with a round of applause.

APPROVAL OF MINUTES
Regularly Scheduled Council Meeting – February 7, 2012

Motion was made by Council Member Hark to approve the minutes of the last regular Council meeting that was held on February 7, 2012. Motion was seconded by Council Member Draper.

Motion carried.

APPROVAL OF PAYROLL AND CLAIMS
First Half – February, 2012

Motion was made by Council Member Dobson to approve the payroll and claims for the first half of February, 2012. Motion was seconded by Council Member Barta.

Motion carried.

ANGELICA N. VANCE – CITY CLERK
Re: Proclamation

City Clerk Vance came forward to read a proclamation honoring Michael Gaines, at this time. She requested that Mr. Gaines join her at the podium. She read:

**THE CITY OF HANNIBAL HAS DECLARED A PROCLAMATION FOR
MICHAEL GAINES DAY.**

**WHEREAS, Michael Gaines has been honored by the Missouri State Arts
Council as the 2012 recipient of the Leadership and Art Award for developing the**

**Hannibal City Arts Council into a model for arts organizations throughout the state;
and**

WHEREAS, he has been instrumental in promoting the development, growth, visibility and appreciation of fine arts in our community, as well as other communities across the state; and,

WHEREAS, he has tirelessly provided leadership guidance and inspiration for hundreds of aspiring artists, musicians, performers and writers of all ages and all walks of life; and,

WHEREAS, he is a true mentor for the arts, and one of our community's most valuable assets.

IN ORDER TO SHOW OUR APPRECIATION FOR ALL HE HAS DONE FOR THE CITY OF HANNIBAL

ROY G. HARK, Mayor of the City of Hannibal, declares that February 29, 2012 will be designated as, *Michael Gaines Day*.

Mayor Hark congratulated Gaines and thanked him for all he has done.

Gaines thanked those responsible, adding that Hannibal has been his home for eighteen years and has been very supportive of the arts. He said that if Hannibal wasn't a good community to live in, raise families in and have the leadership that it does, he would not be here. Even though he has had many opportunities, Gaines declared that he has chosen this place because there is something about it, wherever he goes there are good supportive people who have assisted in the growth of their organization. He concluded by saying that he was proud to be here so long. "For someone who came here and planned to stay a year, just as a career ladder...well, I found my career, and it's right here!"

**TOM BLEIGH – BLEIGH CONSTRUCTION
LOUIS C. VANNATTA - BLEIGH CONSTRUCTION
Re: Stardust Drive Extension, Bid Award**

Louis Vannatta and David Bleigh, representing Bleigh Construction, appeared regarding the bid award of the Stardust Drive Extension project. Vannatta began by thanking Mayor Hark and Council for the opportunity to make their case. He expressed a hope that the discussion could remain civil and added that it was only his desire to make their thoughts known. Vannatta said that Bleigh appreciated the time and effort expended by the Mayor, Council and the City staff.

During his presentation, Vannatta addressed several of the City's concerns of which he had been made aware. These were:

- **By not awarding the contract to the apparent low bidder, it will affect bid participation in the future and prohibit bidders from submitting bids.**

Vannatta's response to this concern was that today's economic situation is driving the number, the distance traveled, opportunities in the marketplace, and the quantity of bidders. He voiced concerns regarding the 26% decrease in Bleigh's workforce since 2007, adding that construction employers, as a whole, are trying to run as "lean" as possible, based upon an uncertain future for the industry. Companies, such as Bleigh Construction, are doing their best to keep their doors open and to maintain their workforce in hopes of a change in the economy. They, too, have had to increase the geographical area in which they are doing business, adding that currently, they have a total of 43 employees who are traveling to Muscatine, IA (a distance of 160 miles) to work.

➤ **Illinois Contractors are not allowed to submit bids.**

Vannatta's response was that Missouri's "Excessive Unemployment and Restrictive States" Statute that does not allow bids to be submitted by Illinois contractors was enacted in response to the Illinois Preference Act Advisory that mandates 90% of the workforce must be Illinois residents. He added that Illinois previous statute was found to be unconstitutional by the court system; however, Quincy has a provision that requires at least 50% of personnel who are performing contracted work on City funded projects to be residents of Adams County.

➤ **Bleigh Construction was not the low bidder by dollar amount.**

Vannatta responded that the City of Hannibal has previously set the precedence by awarding contracts to bidders who had not submitted the lowest bid. He gave the example of the Palmyra Road Mill/Overlay Project in which the bid was awarded to Magruder Construction instead of Bross Construction, the lowest bidder.

➤ **Bleigh Construction Company doesn't always use local subcontractors on their projects.**

Vannatta explained that, in looking at records from 01/01/2001 through 12/31/2011, Bleigh Construction has utilized Hannibal subcontractors to perform \$7,768,000 of goods and services on their projects. He added that when local subcontractors submit bids Bleigh reviews their performance on past projects. According to Vannatta, Bleigh does review the dollar amount and local contractors who have been used were not always the low bidder.

➤ **Why is it in our best interest to use Bleigh Construction Company?**

Vannatta responded that Bleigh Construction has been a successful contractor since 1950 and employs area residents. Bleigh has a vested interest in the success of the community. He added that, during the period of 1/1/2001 and 12/31/2011, Bleigh Construction has provided payments in the amount of approximately \$61,748,000 to Hannibal businesses for goods and services. This does not include the surrounding area or the employees' contributions to the local economy. Bleigh's average total contribution to the local economy is conservatively \$12,000,000 per year.

Vannatta continued by highlighting six large projects that Bleigh had completed for the City of Hannibal, these included:

- Grand Avenue Street and Storm Water Replacement Project in 2006
- Stardust Drive Reconstruction Project in 2008
- Spruce Street/Minnow Creek Erosion Control Project in 2009
- Munger Lane Culvert Replacement in 2009
- West Ely Road Improvement Project in 2009
- Comanche Avenue Storm Drain Improvement in 2010

He detailed the total monetary benefit of these six projects to the City of Hannibal; emphasizing that the Hannibal community had a 91% retention rate of the money expended by Bleigh Construction for these projects.

Mr. Vannatta pointed out Hannibal's impact in accepting the low bidder for the Stardust Drive Extension Project. He began by saying that, it would be necessary to expend only about \$247,000, the cost of ready-mix concrete, because of its short shelf-life in transit. He added that approximately \$193,000 would be spent for specialties not available, locally; leaving a balance of \$528,586.47 that would possibly remain in the local economy.

In contrast, Vannatta projected that the entire amount of the bid, less the \$193,101 for specialties not locally available would remain in the local economy, or \$786,661.12.

Vannatta continued to list many benefits the local economy would realize by utilizing a local contractor for the Stardust Drive Extension Project. He concluded by saying that if the bid is awarded with a difference of \$10,866.65 to an out-of-town business, he believed that it would be a loss for the local businesses and economy whose growth is vital to maintaining a viable economic base for city revenue. In a Tampa Bay Times article written by columnist Charlie Reese, he quoted, "In a free market economy we are free to spend our money anywhere we wish. But remember this: For every dollar you spend outside your community, not one cent goes to pay for your local police, firefighters, teachers, neighborhood schools, local road projects, local transportation, parks and recreation, local water supply and utility improvements". Following Mr. Vannatta's presentation, David Bleigh came forward to speak.

Mr. David Bleigh introduced himself and began his presentation by stating that he had recently been informed that Mark Twain Redi-Mix had purchased no cement from Continental Cement Company's Hannibal plant during the past year. He indicated that, with regard to this particular job, totals \$40,000. Bleigh added that his employees were all local and would return to spend their money in the local economy.

Bleigh stated that his concern was not only for Bleigh Construction, but for the community, as a whole. Bleigh Construction, according to Bleigh, also pays several hundred thousand dollars of interest to local banking establishments each year. He believes that the savings to the City of Hannibal will be much more than the additional \$10,000 in the bid amount.

Next, a representative of Gold Star Paving, who is a subcontractor for Cannon, spoke. He stated that if the bid was not awarded to the lowest bidder, the City would be damage the bidding process that was in place. He continued by saying that bidders would not be inclined to travel in order to bid on projects if they knew that they would not be awarded the bid. He explained that Vannatta, during his presentation, mentioned the Bleigh crews that were not working locally; however, they do not want other contractors seeking work in Hannibal. The Gold Star representative explained that his employees would be staying in local motels, eating in local restaurants three times a day and purchasing fuel at local stations. All cement and Redi-mix will be purchased from this City, according to the Gold Star representative who continued by saying that the rock would not come from Hannibal since there was no quarry located here. He added that the steel used would come from Iowa, the same as steel used by any other contractor.

Vannatta addressed a comment made by the Gold Star rep, regarding the Muscatine, Iowa project by stating that this was a nationwide bid, through the Corps of Engineers and was based upon performance specs. Bleigh did not bid against any local contractors in Muscatine, since none in that area could handle that contract. Bleigh Construction did not move into the Muscatine area and take work from the Muscatine contractors.

Council Member Dobson questioned the representative of Gold Star, regarding his intention to buy “local”. The rep responded that this would be done whenever possible.

Mayor Hark asked about subcontracting, specifically, whether or not their company would undertake their own dirt work. The response was that this company did their own dirt work, including sub-street work. Mayor Hark then inquired about the number of change orders their company normally had per project. The representative responded that it would depend on how many times the City changed the project. If the City makes no changes the contract would remain the same. Hark commented that the reason he was asking so many questions was because he did not know this firm; however, he did know Bleigh, who had done much work in the past for the City. The representative for the out-of-town firm responded that he believed the City had asked for ample qualifications from his company, especially since their company had been doing this type of work for 30+ years. He added that his company had done much larger contracts than this and had poured miles of concrete streets.

The Gold Star representative concluded by saying that when a bid is let for a project such as this, if it is not the City’s intention to accept the low bid but to award to a local firm, then out-of-town firms should not be invited to bid. Mayor Hark agreed, pointing out that the bid specs indicate that the City has the option to accept the lowest or best bid for the City. The representative commented that some communities have a 5% margin that they allow for local contractors; however, Mayor Hark indicated that the City of Hannibal had no such allowance.

The Gold Star representative reminded Council that the City had a mandatory pre-bid that was attended. Other trips were made to the area, one in particular to “walk” the project, not to mention the many hours and dollars spent developing this bid. Mayor Hark countered that the same questions would be posed to any out-of-town contractor that came to their City of Troy to work.

Council Member Dobson commented that, prior to the meeting, he had spoken with David Bleigh who has done a super job on local projects that he has completed. In this case, they did not win the bid; and, shame on [the City] for not having that 5% margin. But he does not believe the City can change mid-course. Mayor Hark asked City Attorney Lemon to expand on Dobson's comment.

City Attorney Lemon explained that the only time the City is required to accept the low bid under the City Code is if they are purchasing goods or services from someone who is an officer or employee of the City of Hannibal. In that case, according to ordinance, the City must go with the low bid. The ordinance further states that *the City may reject any and all bids and must reject all bids if all of them are in excess of the engineer's estimate*. That is the only requirement, which means Council does have the ability to accept "other" than the low bid. Lemon pointed out that since the Bleigh bid is only 1% larger than the low bid, from a legal standpoint, Council would not be opening a door to lawsuit if they chose to accept that bid. He made it clear that he was not advising them regarding which bid to accept.

Mayor Hark asked Cochran about the low bidder. Cochran responded that they were a good company, adding that this company followed them around and bid on their jobs. Mayor Hark asked the representative if that were true. The representative affirmed this statement.

Mayor Pro Tem Knickerbocker pointed out that in a statement Mr. Vannatta made, that regarded setting precedence and using the example of the Palmyra Road Mill/Overlay project, he did not agree that this was a comparable standard.

George Walley commented that he believed Bleigh's bid, at merely 1% higher, should be accepted because he is a local contractor. He added that 10-15 years ago he had stood before Council with outside bids and Council opted to go with local bids that were not the lowest.

Council Member Draper questioned whether it is the City's responsibility to inform potential bidders about the possibility of accepting local bids that are not necessarily the lowest bid. City Attorney Lemon commented that if the City had an ordinance in place required a 5% margin, he believed there would be some responsibility to inform bidders; however, since legally, the City's only requirement is to use best judgment and do what is best for the City they have no responsibility to inform potential bidders of their intentions to do this.

Mayor Hark asked Mr. Daniels of Cochran if page 2 or 3 of the bid specs mentioned that the "lowest or best" bid could be accepted. He agreed that it was included.

JAMES LEMON – CITY ATTORNEY
Re: Code Amendment, Chapter 17, Article 1C – Automated Enforcement
of Traffic Regulations
(Bill No. 12-008, to follow)

City Attorney James Lemon presented a code amendment to Chapter 17, Article 1C of the City Code, regarding automated enforcement of traffic regulations. Lemon explained that he had advised Council previously the City had received notification from the Department of Revenue indicating that they believe the City's red light ordinance is a moving violation;

therefore, even though Lemon believes the original ordinance adequately states enforcement was a non-moving, non-points violation, he has submitted this amended bill. Bill No. 12-008 which will receive a first reading later, during the meeting, with Council approval, has revised the original ordinance clarifying the non-moving, non-points stance.

**Re: Code Amendment, Chapter 15, Division 2, Section 15-56 – Itinerant
or Temporary Vendors**

(Bill No. 12-009, to follow)

Lemon explained that the referenced Bill No. 12-009, to follow, was designed to clarify the issue of itinerant vendors in the City Code, and also to avoid any unintended loopholes that would allow vendors to operate without first obtaining a license. Lemon stated that recently changes were made to the business license ordinance that would prevent employees from being liable if their employer had not obtained a proper business license. He said that Chief Davis pointed out to him that the ordinance that was changed was the ordinance which the Police Department had utilized for itinerant vendors. The fear was that these itinerant vendors could come into town, posing as employees with a company, refuse to follow the requirements for this type of vendor and operate without a license.

For this reason, modifications have been completed to set up specific procedures for itinerant vendors whereas they are required to obtain a business license, whether they are an employee or employer of a business. This bill would be given a first reading later, during the meeting, with Council approval.

JEFF LAGARCE - CITY MANAGER

Re: Mark Twain Boyhood Home – Sidewalk Assessment

City Manager LaGarce reminded Council that, during the last regular Council meeting, Cindy Lovell, of the Mark Twain Boyhood Home, had requested the City's assistance regarding their sidewalk assessment. At that meeting, a 'motion to table' was made pending research on the removal/replacement costs of the dedication stones outside the museum.

Answers were found, so LaGarce was revisiting this issue for Council resolution, LaGarce presented the following facts:

- Mark Twain Boyhood Home sidewalk assessment is \$13,000 (+/-)
- Mark Twain Boyhood Home additional assessment of \$10,996 for removal/replacement of dedication stones

Lovell's specific request was for Council approval to waive the \$13,000(+/-) assessment fee; however, City Attorney Lemon explained that Council cannot legally waive an assessment fee. Mayor Pro Tem asked that, since the pavers would have to be removed/replaced, could this be done by City workforce at a substantial cost savings. The assessment could still be in place.

Street Superintendent Leon Wallace was asked to address this request. He commented that his employees had no idea how they could be removed. In the event that pavers are broken, Wallace questioned who would be responsible for replacement.

Lovell stated that Mark Twain Boyhood Home employees removed approximately 20 pavers because of a maintenance project. All were removed with no incident and no breakage, according to Lovell, by their maintenance man; however, she added that since he already has the responsibility of property up-keep (maintenance, cleaning, etc.), she did not want to place this responsibility on him, as well.

Henry Sweets, Curator of the Mark Twain Home/Museum, explained that, at the beginning of the sidewalk project, he had approached the company who had originally installed the pavers for an estimate to removal/replacement; they quoted \$13,600. Sweets clarified that during removal of the 20 pavers by their employee, three pavers were chipped. Sweets stated that there are 1,172 dedication pavers that would need removal/replacement, adding that the estimated time for this phase would be enormous. He said that they could demonstrate for Wallace and his department if the City was interested in undertaking this phase of the project.

Knickerbocker commented that the assessment was there to be paid by everyone but helping out with the removal/replacement would be a less costly direction and Council Member Barta agreed, adding that the City was financing the demolition of the other sidewalks, so this would go hand-in-hand.

City Attorney Lemon said that, although the City could not legally waive assessments, it could pay for moving the pavers or a portion of the pavers if they chose to do it in an appropriate way. Mayor Hark commented that he opposed to City workforce taking on the task of moving the pavers. In his opinion, the City doesn't have the time it would take for such a tedious job. He was also concerned with breakage and replacement costs. Sweets said that the cost was \$50-\$55/brick for replacement.

Lovell reminded Council that the company who originally provided and installed the pavers had quoted \$13,600 which included replacement of any broken pavers. This would be for removal and replacement of the dedication pavers.

Lemon responded to a question posed by stating that this project, removal and replacement of the dedication pavers would be done under a separate contract, and would have to be done by sealed bid as another project if it was above bid limits. He added that if this is the only company that is competent to complete this task, they will probably be the only bidder. The statute on bid waivers states that Council can waive the bid in the event of an emergency or as Council deems appropriate, according to Lemon.

City Manager LaGarce explained that the sidewalk plans are at Missouri Department of Transportation in Jefferson City at this time. He expected MoDOT to turn them around very soon, adding that he hoped to bid them out before the end of the February. He detailed a timetable for commencement of this project.

Council Member Draper commented that, for simplicity and clarity, the removal and replacement of the pavers should be treated as a separate issue. Knickerbocker added that Council would need a bid proposal for the removal and replacement of the bricks.

Council Member Hark asked how the dedication bricks came to be; and, Lovell responded that individuals donate money for a memorial brick for a loved one. A percentage of the money collected is used for operation of the Home/Museum. Motion was made by Council Member Draper to table the issue for one more meeting. Motion was seconded by Mayor Hark. However, after a period of discussion, Council Member Draper withdrew his motion. Motion was made by Council Member Dobson to deny the waiver of assessment. Mayor Hark seconded this motion.

Motion carried. Council Member Dobson made a motion to instruct the City Manager to draft a bid specification to remove and replace the dedication pavers at the City's cost. Motion was seconded by Council Member Louderman.

Roll Call

Yes: Mayor Pro Tem Knickerbocker, Council Members Dobson, Barta and Louderman – 4

No: Mayor Hark, Council Members Hark and Draper – 3

Motion carried.

Re: Flood Buyout Residential Property Appraisals – Contract Addendum

*Missouri Property Appraisal
(Resolution No. 1794-12, to follow)*

LaGarce also presented the next item on the evening's agenda, the approval of an addendum to the contract with Missouri Property Appraisal, regarding residential property appraisals for flood buyout properties. He explained that three of the original properties needed to be re-appraised, according to SEMA, because these properties had changed hands since the flood of 2008. Subsequently, one property owner has withdrawn; however, Resolution No. 1794-12, to follow, if approved by Council, would authorize the contract addendum in the amount of \$425 for re-appraisal of the remaining two properties located at 2007 Irwin and 813 Vermont Street.

Re: Residential Flood Buyout, 913 Vermont – Real Estate Purchase

*Richard & Cindy Gillum
(Resolution No. 1797-12, to follow)*

Next, LaGarce asked Council approval of Resolution No. 1797-12, to follow, that would authorize a real estate purchase of residential flood buyout property, now owned by Richard and Cindy Gillum. He explained that earlier in the year, an offer had been made; however, the offer was declined by the property owner because of her claim that she had taken flood premium money, from her flood insurance that had been deducted from the offer, and had reinvested it into improvements to the property. Since she was able to provide receipts to

prove this claim, FEMA sent her a new offer adding the flood insurance benefits back into the offer.

LaGarce stated that staff recommends approval of this resolution authorizing the Mayor to execute a real estate purchase agreement in the amount of \$17,135.28, instead of the original offer of \$12,432.00, with Richard and Cindy Gillum for the acquisition of 913 Vermont Street.

Re: 2012 National Tom Sawyer Days Firework Display – Service Agreement
Hannibal Community Promotions Committee
(Resolution No. 1799-12, to follow)

LaGarce's final item on the agenda was a request for approval of Resolution No. 1799-12, regarding a service contract with Hannibal Community Promotions Group in the amount of \$7,500 to provide the 2012 National Tom Sawyer Days fireworks for the community. LaGarce reminded Council of their agreement to contribute these funds at the last regular Council meeting. Resolution No. 1799-12 and the related contract, if approved, will provide for this contribution.

DOUG WARREN – FINANCE DIRECTOR
Re: GASB 45 Actuarial Study – Contract
Lewis & Ellis, Inc.
(Resolution No. 1795-12, to follow)

Finance Director Doug Warren explained that recently a request for bids was made regarding a GASB 45 actuarial study. This is a requirement according to an entity called the Government Accounting Standards Board (GASB), who has made a new ruling that says a government body must record the liability on their books, of any promises that has been given to employees after they terminate, at the point of pension/retirement, and prior to Medicare eligibility. Warren said that this amount does not have to be funded, only acknowledged and placed on the books. He added that the ruling is not really a "Hannibal issue" but more of a big city issue, giving the example of San Francisco, who has billions of dollars worth of promises outstanding. The Government Accounting Standards Board wants to examine the amount of real dollars are promised, regarding big cities.

As a result to the RFP (request for proposals), three responses were submitted, from Overland Park KS, Omaha NE and Chicago IL. The cost of all three proposals fell within a \$500 range and for that amount, the Overland Park KS firm, Lewis & Ellis, Inc. submitted the best proposal, whose cost will be split between the City and the Board of Public Works. Warren requested Council approval of Resolution No. 1795-12, to follow, that would accept the proposal of Lewis & Ellis, Inc. to complete this actuarial study and approve the related contract.

Re: Budget Amendment – 2011-12 Fiscal Year
General Fund, Capital Equipment, Sales Tax Capital Fund and Parks & Recreation
(Resolution No. 1800-12, to follow)

Warren presented his second item on the agenda, a housekeeping issue, regarding an amendment to the FY2011-12 Budget. These amendments are necessary since a few expenditure lines have exceeded their expected budget due to unforeseen events. Some of these expenses have been offset by increased grant revenue, insurance reimbursements and, in one case, by a donation to the Fire Department from Swiss Colony. All were previously approved by Council; however, the money was never literally moved within the budget, according to Warren. With Council approval of Resolution No. 1800-12, these figures will be amended, as needed.

Re: Annual Bid Limit Increase
(Bill No. 12-007, to follow)

Finance Director Warren's final item on the agenda regarded the annual bid limit increase. He explained that each year around this time, he asks Council approval to increase these amounts, pursuant to Section 9.13 (b) of the Charter of the City of Hannibal, which states that the Council shall amend the bid limits annually.

Using the December to December comparison, the index increased 3.2% from December 2010 to December 2011. Thus, Warren's recommendation was to increase bid limits by that factor. With approval of Council, four categories are to be adjusted by the CPI, as follows:

- Purchases of personal property – from \$4,145 to \$4,280
- Payment for repairs on buildings and light equipment – from \$11,200 to \$11,560
- Payment for repairs on heavy equipment or construction – from \$24,640 to \$25,430
- Service contracts - \$5,045 to \$5,210

Finance Director Warren's recommendation was that Bill No. 12-007, regarding the increase of bid limits, will receive a first reading later, during the meeting, with approval from Council.

MARK REES – CITY ENGINEER
Re: Purchase Approval – Paving Operation Equipment
Danny Sawyer

City Engineer Mark Rees explained that the Department of Public Works had intended to upgrade equipment for the Street Department paving operation in the next fiscal year. Rees said that recently there have been quite a few bargains on used equipment of this sort; therefore, upon the advice of the City Manager, DPW solicited sealed bids for paving operation equipment.

As a result, two bidders responded; however, one of these did not quite meet the City's need. The remaining bidder offered a very good deal on a paver, trailer and roller that would allow DPW to save a significant amount of money. Rees came before Council, at this time, seeking approval to accept the bid submitted by Danny Sawyer and to purchase paving operation equipment in the amount of \$26,000. Rees added that Council approval of this purchase would ready the Street Department for spring paving.

City Manager LaGarce interjected that, since the in-house paving program was so successful, it was their decision to complete the upgrade earlier than originally planned. Rees added that the cost savings would be considerable, since this equipment, if purchased new, would cost approximately \$70,000. He said that Street Superintendent Wallace and Brian Chaplin, the Assistant to the Engineer, checked out the equipment and gave their seal of approval.

In response to a question regarding the age and the life span of these pieces of equipment, Rees stated that the life span of the trailer was a long time. As for the paving equipment, Rees commented that the equipment, now approximately 5-7 years old, was expected to last an additional ten years, at least. Motion was made by Council Member Louderman to approve Rees' request. Motion was seconded by Council Member Hark.

Motion carried.

Re: Stardust Extension Road Construction Project – Agreement

*Cannon Excavation Company
(Resolution No. 1798-12, to follow)*

City Engineer Rees spoke in favor of the agreement with Cannon Excavation Company for completion of the Stardust Extension Road Construction Project. Rees explained that, despite the earlier conversation, this is a very “good news” story for the City, because it is so far under their engineer's estimate of \$1,100,000 that he was thrilled. Rees addressed David Bleigh, stating that despite his recommendation he had the highest praise for the workmanship of his employees and the tasks that they do. Examples he gave were:

- He had never known of a contractor to carry in groceries for a resident, but their crews do this.
- He believes that Bleigh is making a group of people happy that could be kind of hard, speaking of Main Street residents.

As City Engineer, Rees admitted that he had no way of taking this economic benefit into account, but he did not wish to alienate any out-of-town bidders because he had worked hard for three years to encourage their bidding. He commented that if the City wished to put a ‘local benefit’ option on this bid, he believed that a policy needed to be put into place before the bidding process is completed.

With that being said, Rees reported that seven bids were received for this project, with five being within \$100,000 of each other. Those bids were approximately \$300,000 less than the budgeted amount and approximately \$100,000 less than the engineer's estimate. Rees recommended awarding this project to the low bidder, Cannon Excavation Company with a bid amount of \$968,565.47 to be approved by Council with the approval of Resolution No. 1798-12, to follow. Rees added that in the past two or three business days, Cannon has provided numerous references and project examples. He concluded by saying that he would be pleased with whatever firm that is selected.

Mayor Pro Tem Knickerbocker addressed Rees' concerns by saying that it is not the City Engineer's job to do Council's job and to be concerned with the issues that Council needs to

address. He added that Rees' job is to present the information and make sure the information is factual. Then let the officials make the tough decisions. Rees responded that he appreciated that but there was a large crowd present who he did not wish to alienate because they have done an excellent job in the past.

ANDY DORIAN, DIRECTOR – PARKS & RECREATION
Re: Flood Buyout Park Development, Phase I – Engineering Service Agreement
Klingner & Associates
(Resolution No. 1796-12, to follow)

The final item on the agenda was presented by Andy Dorian, Director of Parks and Recreation, an engineering service agreement for the Flood Buyout Park Development Project, Phase I with Klingner & Associates. Dorian explained that the Parks and Recreation Department had acquired several properties through the Commercial Flood Buyout Project, and it is the job of the Parks Department to find recreational uses for these pieces of property.

Since this is such a large project and because of the many deed restrictions placed on the properties by FEMA, Corp of Engineers, Missouri DNR and Brownfield Environmental, Dorian stated that he had recently requested RFQ's in order to select an engineering firm help out with the design and planning phases of the project.

Because of the many restrictions, Dorian explained that the Parks Department wants to make sure that everything is done properly so that problems do not arise at a later date. He added that he had been working with Klingner to develop the scope of the project. The decision was made, instead of scoping the entire project at once, to first complete a sight analysis to discover what can and can not be done. This will be Phase I of the project and be detailed in the engineering service agreement with Klingner & Associates. Dorian asked for adoption and approval of Resolution No. 1796-12, to follow, that would approve this agreement for a lump sum, not to exceed \$34,900. He concluded by stating that approximately \$125,000 had been budgeted in the current FY2011-12 Budget for this project.

RESOLUTION NO. 1794-12

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT
ADDENDUM WITH MISSOURI PROPERTY APPRAISAL, INC. IN THE AMOUNT
OF \$425 FOR RESIDENTIAL PROPERTY APPRAISALS RELATIVE TO THE
FLOOD BUYOUT PROGRAM**

Motion was made by Council Member Barta to have the City Clerk read Resolution No. 1794-12, and call the roll for adoption. Motion was seconded by Council Member Louderman.

Motion carried.

Roll Call

Yes: Mayor Pro Tem Knickerbocker, Council Members Dobson, Barta, Mayor Hark, Council Members Louderman, Hark and Draper – 7

No: -0-

Absent: -0-

Mayor Hark declared Resolution No. 1794-12, duly approved and adopted on this date.

RESOLUTION NO. 1795-12

A RESOLUTION AUTHORIZING AND APPROVING A CONTRACT WITH LEWIS & ELLIS, INC. IN THE AMOUNT OF \$10,500 FOR ACTUARIAL SERVICES FOR THE CITY OF HANNIBAL INCLUDING THE CITY, LIBRARY, PARKS, TOURISM AND BOARD OF PUBLIC WORKS

Motion was made by Council Member Louderman to have the City Clerk read Resolution No. 1795-12, and call the roll for adoption. Motion was seconded by Council Member Dobson.

Motion carried.

Roll Call

Yes: Mayor Pro Tem Knickerbocker, Council Members Dobson, Barta, Mayor Hark, Council Members Louderman, Hark and Draper – 7

No: -0-

Absent: -0-

Mayor Hark declared Resolution No. 1795-12, duly approved and adopted on this date.

RESOLUTION NO. 1796-12

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN ENGINEERING SERVICE AGREEMENT BETWEEN THE CITY OF HANNIBAL AND KLINGNER & ASSOCIATES IN THE AMOUNT OF \$34,900 FOR PHASE I ENGINEERING SERVICES RELATIVE TO THE FLOOD BUYOUT PARK DEVELOPMENT

Motion was made by Council Member Draper to have the City Clerk read Resolution No. 1796-12, and call the roll for adoption. Motion was seconded by Council Member Barta.

Motion carried.

Roll Call

Yes: Mayor Pro Tem Knickerbocker, Council Members Dobson, Barta, Mayor Hark, Council Members Louderman, Hark and Draper – 7

No: -0-

Absent: -0-

Mayor Hark declared Resolution No. 1796-12, duly approved and adopted on this date.

RESOLUTION NO. 1797-12

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A REAL ESTATE PURCHASE AGREEMENT WITH RICHARD AND CINDY GILLUM IN THE AMOUNT OF \$17,135.28 FOR THE ACQUISITION OF 913 VERMONT PERSUANT TO THE RESIDENTIAL FLOOD BUYOUT PROGRAM

Motion was made by Council Member Barta to have the City Clerk read Resolution No. 1797-12, and call the roll for adoption. Motion was seconded by Council Member Dobson.

Motion carried.

Roll Call

Yes: Mayor Pro Tem Knickerbocker, Council Members Dobson, Barta, Mayor Hark, Council Members Louderman, Hark and Draper – 7

No: -0-

Absent: -0-

Mayor Hark declared Resolution No. 1797-12, duly approved and adopted on this date.

RESOLUTION NO. 1798-12

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE CONTRACT BETWEEN THE CITY OF HANNIBAL AND CANNON EXCAVATION COMPANY IN THE AMOUNT OF \$968,565.47 FOR THE STARDUST EXTENSION ROAD CONSTRUCTION PROJECT

Motion was made by Council Member Barta to have the City Clerk read Resolution No. 1798-12, and call the roll for adoption. Motion was seconded by Council Member Dobson.

Motion carried. Mayor Pro Tem Knickerbocker commented that he had been given much information, as he was sure all of Council had, as well. He explained that there was much to consider and that the decision was not an easy one to make. He stated that:

- Bleigh's do much for the community and do very good work, providing a quality product.
- Cannon is also a good quality company and provides good quality work and product, as well.
- Cannon commits to spend money locally with local contractors – Concrete purchased from Mark Twain Redi-Mix (owned by Bross), a local company.
- Cannon commits to purchase a number of other things within the City of Hannibal – Hotel rooms, food and beverage, etc.
- If Cannon is not awarded the bid, they will be unhappy; and, likewise, if Bleigh does not get the bid and end up going to other jobs because they are not assigned to this one, they will be unhappy.

Obviously, something different should be done with the bidding procedure, according to Knickerbocker, by establishing a formal way to give preference, and acknowledge that we're going to give preference, to local bidders. The bidding procedure needs to be re-addressed after this meeting and determine whether or not the City will give a local preference and the amount of the local preference will be.

Knickerbocker said that, according to the current bid process, all things being equal, Cannon came in as the low bidder. Now Council is in the position to decide whether to accept the low bid or choose the more beneficial bid. He commented that he was unsure whether the figures presented by Mr. Vannatta were accurate and added that, to get accurate figures, the City would probably have to have an actuarial study performed.

In conclusion, Knickerbocker believes that, with the current process in place, Council must approve the low bid for the project. He admitted that he was a big fan of the Bleigh's; however, the rules were set out and this company was put through a lot and now the rules are being changed in mid-stride. He doesn't feel comfortable or right doing that, even though he has friends and neighbors who work for Bleigh's and will be unhappy with his position.

Mayor Hark agreed with Knickerbocker, regarding the fact that Council must do what is right even though some will be unhappy with the outcome; but, he took the opposing side. The Mayor went on to explain that it is in the current bid documents that the City reserves the right to choose the bidder who will be most beneficial to the City, that being Bleigh Construction.

Hark said that he had heard from citizens, business owners and others in the community and he was speaking for them, as well as for himself. He referenced the washout of the Munger Street Bridge, reminding Council that Bleigh was called at the spur of the moment and they completed this job in 92 days.

Kevin agreed, saying there was no argument that Bleigh was a great company, great people, it's just the process and he doesn't believe he can justify or give a reason for not accepting the low bid.

Council Member Draper commented that one thing he brought with him when he ran for Council was his experience in Six Sigma, a business process by which you can make the best decisions. He added that he had heard much talk regarding how this decision would affect people, which it will; however, according to Draper, this is not about people, it's about process. There is a process that has been put into place – the bidding process. If the City had not told anyone or made it available to anyone that the low bid may not be accepted, then we would have an obligation to award the lowest bidder; but in this case, they knew that there may be an exception if there it benefited the City. The City Attorney has advised Council that they would be within their rights to consider the most beneficial bid, even though it is not be the lowest bid.

According to Draper, this is about process, not about people. Who will the decision benefit more, Hannibal or Troy? You don't change process in the middle of a project. You stick with what is established and you follow through.

Since there was a motion and a second to read Resolution No.1798-12, the Clerk called the roll.

Roll Call

Yes: Mayor Pro Tem Knickerbocker, Council Members Dobson and Barta - 3

No: Mayor Hark, Council Members Louderman, Hark and Draper – 4

Absent: -0-

Motion to read failed.

RESOLUTION NO. 1798-12

(As amended)

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE CONTRACT BETWEEN THE CITY OF HANNIBAL AND BLEIGH CONSTRUCTION COMPANY IN THE AMOUNT OF \$979,432.12 FOR THE STARDUST EXTENSION ROAD CONSTRUCTION PROJECT

City Attorney Lemon advised that the next step would be to request a motion that the bid from Cannon be rejected and the bid from Bleigh be accepted, if that is the preference. Motion was made by Council Member Draper to reject Cannon's bid and to accept Bleigh's bid, and to read the amended Resolution No. 1798-12. Motion was seconded by Council Member Hark.

Roll Call

Yes: Mayor Hark, Council Members Louderman, Hark and Draper – 4

No: Mayor Pro Tem Knickerbocker, Council Members Dobson and Barta - 3

Absent: -0-

Motion to reject Canon bid and accept Bleigh bid (and to read amended resolution) carried.

Roll Call

Yes: Mayor Pro Tem Knickerbocker, Council Members Dobson, Barta, Mayor Hark, Council Members Louderman, Hark and Draper – 7

No: -0-

Absent: -0-

Mayor Hark declared Resolution No. 1798-12, amended, duly approved and adopted on this date.

RESOLUTION NO. 1799-12

(As amended)

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A SERVICE AGREEMENT WITH THE HANNIBAL COMMUNITY PROMOTIONS GROUP IN THE AMOUNT OF \$7,500 TO FACILITATE THE COMMUNITY FIREWORKS DISPLAY FOR THE 2012 NATIONAL TOM SAWYER DAYS EVENT

Motion was made by Council Member Dobson to have the City Clerk read Resolution No. 1799-12, as amended, and call the roll for adoption. Motion was seconded by Council Member Draper.

Motion carried.

Roll Call

Yes: Mayor Pro Tem Knickerbocker, Council Members Dobson, Barta, Mayor Hark, Council Members Louderman, Hark and Draper – 7

No: -0-

Absent: -0-

Mayor Hark declared Resolution No. 1799-12, as amended, duly approved and adopted on this date.

RESOLUTION NO. 1800-12

A RESOLUTION AMENDING THE FISCAL YEAR 2011-2012 BUDGET RELATIVE TO THE GENERAL FUND IN THE AMOUNT OF \$121,284.21 (NET), CAPITAL EQUIPMENT FUND IN THE AMOUNT OF \$17,704.73 (NET), SALES TAX CAPITAL FUND IN THE AMOUNT OF \$125,000.00 (NET ZERO), & PARKS AND RECREATION \$31,281.00 (NET ZERO)

Motion was made by Council Member Draper to have the City Clerk read Resolution No. 1800-12, and call the roll for adoption. Motion was seconded by Council Member Louderman.

Motion carried.

Roll Call

Yes: Mayor Pro Tem Knickerbocker, Council Members Dobson, Barta, Mayor Hark, Council Members Louderman, Hark and Draper – 7

No: -0-

Absent: -0-

Mayor Hark declared Resolution No. 1800-12, duly approved and adopted on this date.

BILL NO. 12-005

AN ORDINANCE AMENDING CHAPTER 12, ARTICLE II, DIVISION 1, BY REMOVING SECTIONS 12-26 and 12-29 OF THE CODE OF THE CITY OF HANNIBAL RELATIVE TO SICK LEAVE AND PERSONAL DAYS FOR FIRE DEPARTMENT PERSONNEL

SECOND AND FINAL READING

Motion was made by Council Member Draper to give Bill No. 12-005 a second and final reading and call the roll for adoption. Motion was seconded by Council Member Hark.

Roll Call

Yes: Mayor Pro Tem Knickerbocker, Council Members Dobson, Barta, Mayor Hark, Council Members Louderman, Hark and Draper – 7

No: -0-

Absent: -0-

Mayor Hark declared Bill No. 12-005 duly approved and adopted on this date.

BILL NO. 12-006

AN ORDINANCE AMENDING CHAPTER 12, ARTICLE III, OF THE CODE OF THE CITY OF HANNIBAL, REGARDING THE FIRE CODE FOR THE CITY OF HANNIBAL RELATIVE TO OPEN BURNING

SECOND AND FINAL READING

Motion was made by Council Member Dobson to give Bill No. 12-006 a second and final reading and call the roll for adoption. Motion was seconded by Council Member Louderman.

Roll Call

Yes: Mayor Pro Tem Knickerbocker, Council Members Dobson, Barta, Mayor Hark, Council Members Louderman, Hark and Draper – 7

No: -0-

Absent: -0-

Mayor Hark declared Bill No. 12-006 duly approved and adopted on this date.

BILL NO. 12-007

AN ORDINANCE AMENDING THE BID LIMITS IN ACCORDANCE TO SECTION 9.13 (b) OF THE CITY OF HANNIBAL CHARTER

FIRST READING

Motion was made by Council Member Barta to give Bill No. 12-007 a first reading. Motion was seconded by Council Member Draper.

Motion carried.

BILL NO. 12-008

AN ORDINANCE AMENDING CHAPTER 17, ARTICLE IX. – AUTOMATED ENFORCEMENT OF TRAFFIC REGULATIONS

FIRST READING

Motion was made by Council Member Dobson to give Bill No. 12-008 a first reading. Motion was seconded by Council Member Hark.

Motion carried.

BILL NO. 12-009

AN ORDINANCE AMENDING CHAPTER 15, DIVISION 2, BY ADDING SECTION 15-56, ITINERANT OR TEMPORARY VENDORS

FIRST READING

Motion was made by Council Member Barta to give Bill No. 12-009 a first reading. Motion was seconded by Council Member Louderman.

Motion carried. At this time, Mayor Pro Tem Knickerbocker requested that a discussion regarding the creation of a committee to evaluate and possibly make changes to the current bidding process be placed on the next Council agenda.

CLOSED SESSION

In Accordance with RSMo. 610-021 (1)

At this time, Mayor Hark entertained a motion to go into closed session in accordance with RSMo 610-021, sub-paragraph one (1), admitting himself, rest of Council, City Manager LaGarce, City Attorney James Lemon, City Clerk Vance and Parks and Recreation Director Andy Dorian. Motion was made by Council Member Louderman to go into Closed Session, as directed by Mayor Hark. Motion was seconded by Council Member Hark.

Roll Call

Yes: Mayor Pro Tem Knickerbocker, Council Members Dobson, Barta, Mayor Hark, Council Members Louderman, Hark and Draper – 7

No: -0-

Absent: -0-

Motion carried.

OPEN SESSION

Motion was made by Council Member Louderman to return to open session at this time. Motion was seconded by Mayor Hark.

Motion carried.

ADJOURNMENT

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

Motion carried.