

## OFFICIAL PROCEEDINGS OF THE PUBLIC HEARING

June 5, 2012  
6:00 p.m.

### CALL TO ORDER

At the appointed hour, Mayor Hark called the public hearing to order.

#### **JEFF LAGARCE – CITY MANAGER** **Re: City of Hannibal Budget, Fiscal Year Ending June 30, 2013**

City Manager Jeff LaGarce presented the City of Hannibal Budget for the fiscal year ending June 30, 2013. He reminded Council of the recent budget work session, adding that all recommended changes had been made. Total revenues, according to LaGarce were \$25,065,410.00, with total expenditures being \$24,379,122.00, resulting in a difference of approximately \$651,000.00. The reserve margin was 19.66%, a good number when emerging from a recession. The General Fund budget is \$10,600,000.00.

LaGarce noted some specific highlights, including:

- A 3% pay increase for employees (1% was awarded last fiscal year, no increase in FY 2010-11 and 1.5% in FY 2009-10). The budget also reflected the pay grade changes that were recommended; however, the payroll ordinance did not, according to the City Manager. *(For the record, the payroll ordinance was complete and included all recommended changes, at the time of the Council meeting.)*
- New sound system for Council Chambers
- Flood demolitions totaling \$570,000.00 (\$424,000 being commercial and the remainder being residential)
- Demolition expenses are now budgeted at \$70,000 (increased from \$40,000 in the previous budget)
- City-wide signage (4-5 signs) at \$11,000 (There will be a request to waive bids at a later time, in order to utilize a customized design.)
- I-Pads for Council Members (specs will be completed in the near future)
- City-wide Cleanup (\$75,000 in budget to cover costs – which will include tire removal, Freon removal and costs for printing posters and publication)
- Emergency Notification System
- Airport runway extension – 1<sup>st</sup> stage (90% grant-funded)
- Internal street overlays totaling \$600,000.00 (amount includes Stardust Drive extension)
- Main Street sidewalk project – (Work on this will not proceed until after Tom Sawyer Days, Folklife Festival is a concern) LaGarce hopes to have a good bid response even though this is not the most favorable time to let bids)
- Downtown parking lot paving, (the two selected for paving is the lot behind Edwards ATA Black Belt Academy and the parking lot across 3<sup>rd</sup> Street from the Academy) He added that Council Member Louderman had recommended that one or two parking lots be included in each FY budget for overlay or paving; thus, slowly raising the bar for the City's parking lots.

- *Welcome to Hannibal* signage for the lots (LaGarce would like included, even though this expense has not been budgeted.)
- Palmyra Road sidewalk project (Extending from Hannibal Middle School to Riverview Park at a total cost of \$267,000.00)
- Equipment purchases, including a track hoe for the Street Department and vehicles for the Building Inspector's Office
- Miscellaneous enhancements and updates for Parks properties, including Armory improvements, restroom repair/construction and tennis courts lighting

LaGarce commented that last year's budget was the toughest he had ever balanced. This one was tough, but much easier than prior years. Revenues have improved and expenses were curtailed. Overall, LaGarce believed this was a very good budget.

Sealed bids will be sought for services related to the City-wide cleanup. According to LaGarce, the City seeks competitive bids, even though each time bids have been sought for these services, only one bidder has responded, since this is such a large undertaking. He added that he had contacted Allied Waste who discouraged the idea of a 12-month City-wide cleanup, because items like paint, and related spills, could be a disaster. They were not as concerned about residents' placing household waste as they were afraid of contractor waste. In some cities this option works well, but their fear in Hannibal was that contractors would not have to pay disposal costs anymore. They indicated, however, that they did have an available date of Saturday, October 13<sup>th</sup>, the only date available this calendar year. Otherwise, the City could opt for a spring cleanup. Either date is workable so LaGarce sought Council preference.

Mayor Hark and several Council Members indicated that they wished this to be scheduled sooner, instead of later, but Council Member Louderman believed that if the cleanup were not scheduled until next April (2013), there may be a larger participation. A date will be discussed and cleanup will be scheduled.

Council Member Dobson questioned a comment by LaGarce regarding the "added cost was bringing in refrigerators, freezers, etc. and paying to have Freon removed". Most recycling places don't take them unless they are tagged and evacuated from a licensed dealer, according to Dobson, who added that this could also be incorporated into the City-wide cleanup regulations, in order to save that cost. LaGarce indicated that past procedure was to accept them with Freon, stockpiling them and then enlisting the Parks Department to remove the Freon and certify for disposal.

The largest cost involved is disposal of tires. In the past, a charge of \$1.00 per tire was assessed and there was talk of increasing this charge to \$5.00 per tire. After some discussion, it was suggested that area tire dealers be contacted regarding the "market rate" for tire disposal before setting the City's fee.

Mayor Pro Tem Knickerbocker commented that the Department of Corrections had a tire-recycling program, in the past, where only transport was required. Council agreed that option should be researched.

## **PUBLIC COMMENTS**

The public was given a chance to respond, at this time; however, no one wished to speak for or in opposition to the proposed budget.

## **ADJOURNMENT**

Since there were no additional comments, Mayor Hark called the Public Hearing to a close.

## NOTICE OF PUBLIC HEARING

June 5, 2012  
6:30 p.m.

### CALL TO ORDER

At the appointed time, Mayor Hark called this public hearing to order.

#### **JEFF LAGARCE – CITY MANAGER**

#### **Re: Stardust-Munger-Diamond Redevelopment Plan & Project Termination**

At this time, City Manager Jeff LaGarce introduced Mr. Robert Klahr, of Armstrong Teasdale, who had acted as Counsel for the Stardust-Munger-Diamond TDD and the Highway 36 TDD. He invited Mr. Klahr to the podium.

Klahr began by saying that Armstrong Teasdale was actually Counsel to the City in September, 2000, when the redevelopment plan for this area was put into place. At that time the City adopted the initial ordinance to create the Tax Increment Funding for this area, approximately 200 acres of land bound on the north by Route W and the Country Lane Estates, on the west by an all new subdivision, on the south by Willow Care Center and the east by US61. The original redevelopment plan included several infrastructure improvements for the area, primarily the sub-area known as the Wal-Mart/ Riverbend Center, focusing on street and utility improvements, land acquisition for right-of-way and various relocation costs associated with some existing tenants within the Huck Finn Center. Klahr added that just under \$6,000,000.00 in costs were estimated in this plan to be paid by tax increment financing (TIF).

In November, 2000, the City entered into a redevelopment agreement with THF Marion County Development who agreed to undertake various redevelopment activities, this was done in conjunction with development of the Riverbend Center. Pursuant to that, the THF was authorized to create a transportation development district (TDD) for the specific area that they were developing in Riverbend and not the entire TIF redevelopment area. An additional \$1,700,000 was generated through this endeavor for transportation infrastructure. Costs were to be paid by additional TDD sales tax, levied at the rate of ¼ %.

In March, 2002, the City and THF amended that redevelopment agreement to increase the total cost of \$6,650,000 to be financed, by \$1,000,000.00 to provide for some additional City-related transportation expenses, such as extension of Diamond Blvd., as well as the upgrade of City intersection of Stardust Drive and US61. Total cost was now \$7,650,000.00. At that time, the City required that THF increase the rate of the TDD sales tax from ¼ % to 5/8 %.

In the Spring, 2002, the Center was developed and opened and shortly thereafter, pursuant to the redevelopment amendment, the City authorized the Industrial Development Authority (IDA) to issue tax-incremented transportation development revenue bonds to finance the \$7,750,000.00 in costs, as well as pay some costs additionally related to the bonds and provide for a debt service reserve, etc.

Then in 2006, the City authorized the IDA to refinance those bonds because they were able to get a better interest rate and also to shorten the time frame for repayment of the bonds. (Under the original TIF statute, the final maturity date of the all issued bonds was 2023; however, after the refinancing in 2006, the estimated payoff date was October, 2014.) Despite the recent recession, the Center has continued to perform extremely well; therefore, causing the bonds to be paid off two years ahead of schedule and eleven years ahead of the original pay-off date. By any objective measure, this has turned out to be a very successful redevelopment project for the City of Hannibal, according to Mr. Klahr.

Currently, there are funds, slightly in excess of \$200,000.00 held, exceeding the final payment. Klahr explained that, after the City pays any final expenses, any additional monies (approximately \$175,000.00 surplus) will be distributed to sales tax entities.

He said that there is a bill on the evening's agenda, authorizing the City to:

- Transfer excess funds to the various taxing districts
- Dissolve the special allocation fund that the City established for the TIF area
- Terminate the redevelopment area
- Terminate the Tax Increment Financing (TIF)

The City Clerk was directed to provide notice, regarding this public hearing, to all taxing entities. He told Council that preliminary conversations had been held with the Marion County Assessor and the County Collector of the City's intention to terminate the TIF.

What this means from a budget standpoint is that there will be a significant increase to all taxing entities because of the incremental increase in property taxes that will go to all the districts. The School District will see a \$400,000.00+ increase in property taxes, based on the 2011 tax levy and the FSS valuation in place, as of 2011. The County General Fund will have an \$80,000 increase; and other, smaller funds will have increases totaling \$15,000.00 to \$20,000.00. Sales tax revenues will increase significantly as a result, as well.

Council Member Dobson asked, on behalf of the public, how much the sales tax would decrease in that district as the result of this TIF termination. Mr. Klahr responded that, by the end of June, sales tax will decrease by 5/8% making the total sales tax 8.6%.

## **PUBLIC COMMENTS**

The public was given a chance to respond, at this time; however, no one wished to speak for or in opposition to the proposed budget.

## **ADJOURNMENT**

Since there were no additional comments, Mayor Hark called the Public Hearing to a close.

**NOTICE OF PUBLIC MEETING  
COUNCIL AGENDA**

**June 5, 2012  
7:00 p.m.**

**ROLL CALL**

**Present:** Mayor Pro Tem Knickerbocker, Council Members Dobson, Lionberger, 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.

**APPROVAL OF MINUTES  
Regularly Scheduled Council Meeting – May 15, 2012**

Motion was made by Council Member Louderman to approve the minutes of the regularly scheduled Council meeting that was held on May 15, 2012. Motion was seconded by Council Member Hark.

Motion carried.

**APPROVAL OF PAYROLL AND CLAIMS  
Second Half – May, 2012**

Motion was made by Council Member Draper to approve the payroll and claims for the second half of May, 2012. Motion was seconded by Council Member Louderman.

Motion carried.

**JOHN LYNG - CITIZEN**  
**Re: Hannibal Board of Public Works Reform Support**

Mr. John Lyng, a Hannibal citizen, came before Council to speak in support of Hannibal Board of Public (BPW) Works reform. He complimented those in charge of renovations for the Council Chambers and then continued by explaining that an issue he believed should be a priority of the City was to find an avenue in which to gain some type of accountability for the Hannibal BPW to the Hannibal citizens, or those who “own” it. He said that this has been brought into focus by the fact that another electric rate increase is now forthcoming, even though wholesale rates of electric power for the City are decreasing by 33%.

Because of past issues, involving problems related to the Calloway County nuclear power plant going on-line, a change was put in place requiring the BPW to hold a public hearing allowing the “owners” of the utilities to comment, before an increase could be put into place. This has now become merely a formality, since the response to concerns has become, “there isn’t really anything we can do”.

The reasons that have been given for the current increase were:

1. Cost of Prairie State Energy Project
2. Want more money in reserve

Lyng said that with the decrease in wholesale power, the BPW should have enough to pay the huge amount owed (due to the Prairie State “debacle”), place more in reserve, pay off some of the additional indebtedness and still give the citizens some relief from the bills that they have. What Lyng believed to be even worse was that “only residents (only the owners) have to pay the increased electric rate”.

Another problem that needed to be addressed, according to Mr. Lyng, was that the system the Board uses to assess rates, not only on electricity, but on water and sewer, includes a customer charge of \$12.50 for electric and over \$5.00 for water before any of these utilities are even used. That makes the rate, per unit, greater for those who are least able to pay and less for those who are most able to pay. Lyng added that residential use totaled about 34% of total electricity used and paid over 2/3 of the total customer charge of \$1,800,000.00. The demand customers (or industrial) used 51.8% of the electricity and paid 8.55% of the customer charge. Lyng concluded from these figures that a much greater burden is placed upon those who struggle. He gave an example: The citizen who works at Pizza Hut and struggles to make ends meet will have an increase in his electric rate; however, the owner of Pizza Hut will not.

He recommended that Council add a mechanism to the City Charter requiring “owner” approval for major investments, such as the Prairie State power project in Southern Illinois. Lyng added that Prairie State is not a nuclear plant, which is 20<sup>th</sup> century technology, but a cold-fire plant, which is 19<sup>th</sup> century technology. He added that, if the BPW were going to take a venture on this, since not one watt of power has been seen, but is already being paid for, then the “owners’ should be consulted. According to Lyng, whether or not the power gotten from Prairie State will even be less than the wholesale price of power currently being purchased is questionable. With all the high-tech that has been put into Prairie State it will still dump approximately 10,000,000 tons of carbon dioxide into the atmosphere each year.

The Board of Public Works, according to Mr. Lyng, has spent \$10,000,000.00 for a redundant connection to Ameren UE and an additional \$8,000,000.00 for new meters; and all these investments have been made with deteriorating water and sewer systems.

Secondly, he suggested that some system be included in the Charter that would require “owner” approval for borrowing. In the past 10 years, BPW went from having \$15,000,000.00 in the bank to owing \$15,000,000.00 (approximate figures, according to Lyng). The Missouri Constitution used to require that, if a City borrows money, it must have voter approval. He added that he was unaware of the mechanism BPW used to avoid that requirement; but, in Lyng’s opinion, this requirement should be re-instituted into the City Charter.

Third, there should be some second-level approval for rate increases, and should not be left to the discretion of four, appointed Board members, regarding whether or not an increase is reasonable and fair.

Lyng suggested that Council consider these points and examine whether BPW should be placed under the supervision of the City Manager. Possibly the committee that researched this a few years ago, determined this was not a good idea, since the City Manager already has much to do and this supervision requires a different type of expertise; however, common sense and rationality says that some exploration should be implemented, regarding the BPW’s actions.

Mayor Pro Tem Knickerbocker requested and Mr. Lyng agreed to provide a written summary of the bullet points that he had made for Council review.

Council Member Louderman thanked Mr. Lyng for being concerned enough to come before Council in regard to the Board’s activities.

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

Mayor Hark reminded Council of candidates presented at the last regular Council meeting for the various boards/commissions. These were:

**BOARD OF ADJUSTMENT**

- **Sharon Colbert – reappointment for a term to expire May, 2017**

**HANNIBAL LIBRARY BOARD**

- **Annie Dixon – appointment for a term to expire June, 2015**

He asked Council for their approval of these nominations. He explained that Annie Dixon would actually need to be appointed to fill Becky Steffa’s unexpired term, beginning June 6<sup>th</sup> and ending June 30<sup>th</sup>, 2012; then, be re-appointed for a full term to expire June, 2015.

Motion was made by Council Member Draper to approve these nominations. Motion was seconded by Mayor Pro Tem Knickerbocker.

Motion carried.



## **Re: Recommendation of Appointments**

Mayor Hark made the following recommendations:

### **HANNIBAL LIBRARY BOARD**

- **Amber Baxter – reappointment for a term to expire June, 2015**
- **Pam Ginsberg – reappointment for a term to expire June, 2015**

These nominations will be considered for approval at the next regular Council meeting.

### **MIKE DOBSON – 2<sup>ND</sup> WARD COUNCIL MEMBER**

#### **Re: Code Amendment, Chapter 2, Article I – Purchasing Provisions for Local Businesses**

*(Bill No. 12-020, to follow)*

Second Ward Council Member Mike Dobson reminded Council of a recent bid award regarding local vs. non-local contractors. Dobson explained that, at that time, there was no provision in place allowing Council to give preference to local businesses. Following that time, three Council Members were given the task to develop a plan to present to Council for approval. He presented the purchasing provision for local businesses.

This new provision, as set forth in Bill No. 12-020, to follow, if approved for a first reading, would allow for:

- A 5% preference for any bid with a total up to, but not including \$50,000.00
- A 4% preference for any bid, totaling \$50,000 to, but not including \$100,000.00
- A 3% preference for any bid, totaling \$100,000.00 to, but not including \$500,000.00
- A 2% preference for any bid, totaling \$500,000.00 to, but not including \$1,000,000.00
- A 1% preference for any bid totaling \$1,000,000.00 or more

These bids would be capped at \$10,000.00, according to Dobson. In the proposed bill, the City would accept the higher bid from a local business; however, that business must match the low bid to obtain the award.

City Manager LaGarce added that local businesses are defined as any business, who:

- Maintains a physical office for at least one year, prior to bid date in the 63401 area,
- Has at least 30% of its full time employees with primary residence in the 63401 area
- or
- Whose owners or principals of the business maintain their primary residence in the 63401 area and whose workers may primarily live outside the 63401 area

### **BARRY LOUDERMAN – 4<sup>TH</sup> WARD COUNCIL MEMBER**

#### **Re: Storm Water Committee Formation**

Forth Ward Council Member Barry Louderman presented the next item on the agenda, request for formation of a storm water committee. Louderman explained that the purpose of the proposed committee would be to explore storm water problems and their solutions. He added that the Department of Natural Resources and Environmental protection Agency are moving toward

requiring cities to correct problem areas within their storm water systems. He agreed to be a member and suggested that the following individuals also be included, as committee members:

- Council Member Richard Draper
- Council Member James Hark
- City Manager Jeffrey LaGarce
- City Engineer Mark Rees
- Street Superintendent Leon Wallace

This committee would work, in conjunction with the Board of Public Works to seek solutions for these problems. Motion was made by Council Member Louderman to approve the formation of this committee with the members previously suggested. Motion was seconded by Council Member Draper.

Motion carried. City Manager distributed storm water information to educate Council and perspective committee members.

**JEFF LAGARCE – CITY MANAGER**  
**Re: Farmer’s Market Zoning Issue**

City Manager Jeff LaGarce presented information, regarding a zoning change, to be initiated by the City. He explained that this change, in the H-1 District would allow for Farmers’ Market as a permitted use, even though the clause in the existing zoning requirement, *“The requirements therein... shall not apply to the authorized use of public streets and other city property nor to the fundraising activities of nonprofit corporations during public events lasting no longer than seven consecutive days”* may be interpreted to allow this activity.

Mayor Pro Tem Knickerbocker interrupted, advising that this is clearly a matter of interpretation, adding that staff may interpret this one way, Council another, the City Attorney and City Manager, yet another. He added that his opinions are more “black & white” in nature, and in discussion, he voiced that his preference would be to actually change the zoning requirements, actually adding this to the H-1 District section of the code, as a permitted use.

He wanted to clarify Council’s intentions to make it possible that the Farmers’ Market could continue, since he had received many calls and had stirred up Farmers’ Market participants who thought Council intended to reverse their decision to allow them in the H-1 District. Mayor Pro Tem Knickerbocker put these intentions into a motion, to allow the Farmers’ Market as a permissible use in the H-1 District. Motion was seconded by Council Member Louderman.

Motion carried.

**Re: Recommendation of Appointment**

City Manager LaGarce made the following recommendation:

**HANNIBAL BOARD OF PUBLIC WORKS**

- **Bud Janes – reappointment for a term to expire July, 2016**

He commended Janes for his past service with the BPW, adding that he had served as Chairman during most of his BPW service; and, enhanced communications between BPW and City officials

during that time. This nomination will be considered for approval at the next regular Council meeting.

**Re: Support of House Bill 1329 – Restoration of Sales Taxes for Out-of-State Motor Vehicle and Boat Purchases**

*(Resolution No. 1822-12, to follow)*

LaGarce sought approval of Resolution No. 1822-12, to follow, which would support House Bill 1329. This House Bill, if passed would restore sales taxes for out-of-state motor vehicle and boat purchases. LaGarce explained that the Greene County decision - Street vs. the Department of Revenue determined that out-of-state purchases of boats, motor vehicles, trailers and boat motors were not subject to Missouri sales tax. Although it is a problem for the City, it is a much bigger problem for boat and auto dealers who would lose a large percentage of their revenue with this passage. LaGarce added that Governor Jay Nixon is not inclined to sign the bill, but this resolution, if approved and adopted, will be sent to him, encouraging his support and signature.

**Re: Missouri Department of Natural Resources Brownsfields/Voluntary Cleanup Program & Leaking Underground Storage Tank Program – Supplement to Agreement for Services**

*Terracon Consultants, Inc.*

*(Resolution No. 1823-12, to follow)*

City Manager LaGarce introduced the next item on the agenda, request for approval of a supplemental agreement with Terracon Consultants, Inc. for services regarding the MoDNR Brownsfields/Voluntary Cleanup Program and Leaking Underground Storage Tank Program. This process is being completed in order to comply with CDBG Flood Buyout requirements for contaminated properties. He explained that the supplement would be approved with the adoption and approval of Resolution No. 1823-12, to follow.

LaGarce reminded Council that ground water monitoring was currently being done by Terracon Consultants on five properties, purchased through the flood buyout program. He explained that the results of this monitoring at 929 Warren Barrett Drive, former location of the Display Center, concluded that concentrations of certain contaminants exceed State default target levels; therefore, two additional quarters of groundwater monitoring are required. LaGarce commented that, because of similar results in November 2011, an additional two quarters had previously been required and a contract amendment was brought before Council in January 2012. Results of that testing have necessitated yet another two testing quarters. He added that, both DNR and the consultant corroborate this as a necessary course of action.

For that reason, LaGarce advised Council that staff recommends approval of this resolution, authorizing the Mayor to execute the supplement to the April 5, 2011 agreement with Terracon Consultants, Inc. in an amount not-to-exceed \$6,300 for additional groundwater monitoring/testing services.

**Re: Demolition, 101 Church Street – Temporary Use Agreement**

*Riverfront Progress Association, Inc.*

*(Resolution No. 1824-12, to follow)*

LaGarce explained that, soon, the City would be demolishing the structure known as Bubba's Restaurant, located at 101 Church Street. The back of this structure, built on the property line is without any setback to the south. According to three separate contractors that have been consulted regarding this issue, there is no way to demolish without this access of the adjacent site on the

property's south that is owned by the Riverfront Progress Association. They are willing to cooperate and to allow the City's demolition contractor access to that property.

Mr. John Lyng, representative of the Riverfront Progress Association, during negotiations with the City Manager, has tentatively agreed to the City's use of this property, provided his organization is provided with a temporary use agreement stipulating that the City will repair any surface damage created by the demolition contractor, provide insurance and hold harmless agreements and pay an amount of \$1,500 upon completion of this demolition. The CDBG office has approved this agreement. There is no time limit on the use of this property and payment will be made following final release to the demolition contractor.

LaGarce added that staff recommends approval of Resolution No. 1824-12, to follow, authorizing the Mayor to execute a temporary use agreement with the Riverfront Progress Association, Inc. in the amount of \$1,500 for temporary use of property immediately south and east of Bubba's Restaurant at 101 Church Street for purposes of demolishing the 101 Church Street side.

**Re: Federal Public Health Service Act (340B) – Health Care Services Agreement**  
*Hannibal Regional Hospital*  
*(Resolution No. 1825-12, to follow)*

The next item on the agenda was a request for approval of a health care services agreement with Hannibal Regional Hospital, regarding a federal program, known as 340B. This program (enacted by the Federal Public Health Service Act), according to City Manager LaGarce, enables qualifying hospitals to purchase pharmaceuticals at substantial discounts and was established to help hospitals who treat a disproportionate percentage of uninsured/under-insured patients to reduce their losses or make it more affordable for such institutions to continue treating such patients. According to a recent report, 8% of all HRH patients are uninsured or under-insured, which is not cost-effective for the hospital.

As a prerequisite, the program requires the hospital to enter into a Health Care Services Agreement with the local government. This agreement will place no responsibility on the City, according to LaGarce, but is the federal government's way of ascertaining local support. Staff recommends approval of Resolution No. 1825-12, to follow, authorizing the Mayor to execute this agreement with Hannibal Regional Hospital, allowing participation in the Federal 340B Program for pharmaceutical discounts.

**Re: Stardust-Munger-Diamond Redevelopment Plan & Project Termination**  
*(Bill No. 12-022, to follow)*

LaGarce's next agenda item was a recap of the presentation made by Mr. Robert Klahr of Armstrong Teasdale, regarding the termination of the Stardust-Munger-Diamond Redevelopment Project. The City Manager explained that all obligations of the district have been satisfied, financially, and now it is time to liquidate these districts. He gave a brief recap of this procedure; and then, asked for Council approval in giving a first reading to the related Bill No. 12-022, to follow.

**Re: Fiscal Year 2012/13 Payroll**  
*(Bill No. 12-023, to follow)*

LaGarce explained that, before the beginning of each fiscal year, a payroll ordinance must be adopted, listing every position in the City and the base compensation that position will earn during

that year. In the event of a promotion, it becomes necessary to amend this payroll ordinance from time-to-time, throughout the year. Four issues make this year's ordinance unlike those of the past:

1. Reclassification of a Property Maintenance Inspector to Assistant Building Inspector  
- Not a new position but vacant since the resignation of Connie Quinn
2. Reclassification of Position "Assistant Tourism Director" who works in unison with the Director (This position has evolved to this level of responsibility.) and will be increased from a Grade 7 to a Grade 14
3. Reclassification of Position "Deputy City Clerk" who works in unison with the Clerk, much the same as the Tourism Director & Assistant Director and will also be increased from a Grade 12 to a Grade 14
4. One-time, lump sum payment at level of 3% increase for three employees who have reached the top of their pay/grade level (these employees will not receive a pay increase, and the payroll ordinance reflects this; however, each will receive the 3% for which they are eligible, as a lump-sum payment.) This lump sum is not built into their base pay and does not factor into their retirement calculations for pensions

He advised that staff recommended a first reading to Bill No. 12-023, to follow.

**Re: Fiscal Year 2012/13 Appropriations**  
*(Bill No. 12-024, to follow)*

Mr. LaGarce's final item on the evening's agenda was regarding the FY 2012-13 Appropriations Ordinance, Bill No. 12-024, to follow. LaGarce explained that this would approve the FY2012-13 Budget totaling \$25,000,000 and reminded Council of the recent workshop and public hearing that were held with regard to the budget. During the public hearing, earlier in the meeting, LaGarce had highlighted specific points, included in this year's budget; and, now expressed his satisfaction with the end result.

Before concluding his presentation, the City Manager shared an email, received from the P&R Director Andy Dorian. This email, from Mary Griffith of WTAD/Star Radio, was commending Mary Lynn Richards for a job, well done and stated that Ms. Richards was, "absolutely the best public-relations person working for any company, anywhere in the tri-states". It went on to say that, "It is so great to get just what we need, when we need it. [Mary Lynn does] a super job of promoting programs and letting the public know about everything good, going on in the Parks and Recreation".

City Manager said that these things do not happen every day, and when they do, it's important to point them out.

**DOUG WARREN – FINANCE DIRECTOR**  
**Re: City of Hannibal & BPW Audit Services – Professional Services Contract**  
*Sikich, P.C.*  
*(Resolution No. 1821-12, to follow)*

Finance Director Doug Warren presented the next item on the agenda, a request for approval of a professional services contract with Sikich, P.C. for the City of Hannibal and BPW audit services.

Warren explained that recently, advertisements were made and bid packets were distributed for these services. As a result, sealed bids were received from two respondents, Sikich, P.C. of Springfield, IL and Baker, Tilly P.C. of Milwaukee, WI. Warren added that there were no bids submitted from local companies.

After reviewing each bid, Sikich, P.C. was chosen as the most qualified and lowest priced firm, at a cost of \$46,000.00 total (compared to \$41,846 for FY2011) to be shared by both entities as follows:

- City of Hannibal - \$25,000 (compared to \$26,400 for FY2011)
- BPW - \$21,000 (compared to \$15,446 for FY2011)

The recommendation of the evaluation team is that the City enter into a contract for audit services for the Fiscal Year ending 06/30/2012 with Sikich, P.C., splitting the total cost of \$46,000, \$25,000 paid by the City and \$21,000 paid by BPW, to be adopted and approved by Resolution No. 1821-12, to follow.

In response to a question regarding price, Warren explained that the total price was an increase of approximately \$4,000 from last year's cost. Council Member Louderman made a motion to reject all submitted bids. Motion was seconded by Mayor Hark. When asked, Warren explained that the audit is set up on three 1-year contracts and he suspected that the City/BPW could go for an additional year with the same firm; however, he referred this question to the City Attorney for direction.

City Attorney was unsure whether or not we could extend contract, but added that Council does have the power to reject the bids received.

Motion carried.

**ANDY DORIAN – DIRECTOR, PARKS & RECREATION**  
**Re: Admiral Coontz Armory Interior Renovations – Standard Form of Agreement**  
*Durst Construction*  
*(Resolution No. 1818-12, to follow)*

Parks and Recreation Director Andy Dorian introduced Resolution No. 1818-12, to follow that, if adopted and approved, would approve a standard form of agreement with Durst Construction for the interior renovations at the Admiral Coontz Armory. Dorian explained that, recently, three bids were opened for this project, with Durst Construction being the low bidder, submitting a bid in the amount of \$83,333.00.

He detailed the renovations to be done, which included the replacement of all the lights in the main gymnasium, renovations to the lighting, electric and walls in the kitchen, demolition of the old shower room upstairs (in order to expand the boxing club) and upgrades to the upstairs electrical system. Dorian added that \$150,000 was budgeted for this project and he recommended the low bid of \$83,333.00 from Durst Construction be approved by resolution.

**Re: Annual Refuse Collection – Refuse Collection Contract**

*Sutton Enterprises*

*(Resolution No. 1819-12, to follow)*

P&R Director Dorian explained that as a result of the bidding process for the annual refuse collection, three bids were received and opened on May 17<sup>th</sup>. According to Dorian, Sutton Enterprises submitted the low bid of \$4,650 for all three years, including FY2012-13, FY2013-14 and FY2014-15. He recommended Council approval of Resolution No. 1819-12, to follow, that would approve a contract with Sutton Enterprises for the refuse collection and authorize Mayor Hark to execute the contract for a yearly amount totaling \$4,650 for the following three fiscal years, beginning July 1 and ending June 30, each year.

**PHYLLIS NELSON – CITY COLLECTOR**

**Re: Approval, 2008 Delinquent Personal Property Tax Write-Off**

City Collector Phyllis Nelson presented her first of three items on the evening's agenda, approval to write-off the 2008 delinquent personal property taxes totaling \$28,601.77, since State Statutes prohibit taking legal action against delinquent personal property taxes that are more than three years past due. Nelson explained that one reason the write-off amount was particularly high this year was because three major businesses did not pay. Steve & Barry's and Goody's each closed, filed bankruptcy and the taxes cannot be pursued for that reason. She added that Curry Ice & Coal moved their offices to Illinois and failed to pay the taxes that were due. Combined taxes of these three entities were \$9,422.59, bringing the remaining delinquent taxes of all other properties to \$19,179.18, an amount consistent to the write-off amount in previous years. She commented that this amount may decrease prior to actual write-off date of June 30, 2012. Motion was made by Council Member Dobson approve the request of the City Collector. Motion was seconded by Council Member Louderman.

Motion carried.

**Re: Approval, Fiscal Year 2011-2012 End of Year Budget Adjustments**

City Collector Nelson presented the next request, to make adjustments to the 2011-2012 City Budget. She explained that this is a normal process that is approved by Council at the close of each fiscal year. Money will only be moved across expenditure lines and not be moved between funds without prior Council approval. Motion was made by Council Member Louderman to approve Nelson's request. Motion was seconded by Mayor Hark.

Motion carried.

**Re: Real and Personal Property Tax Collection – Contract**

*Ralls County Commission*

*(Resolution No. 1820-12, to follow)*

Lastly, Nelson introduced Resolution No. 1820-12, to follow, and asked Council for its approval and the related contract with Ralls County Commission for real and property tax collection. She explained that the contract was similar to the one entered into with Marion County, with the exception of vehicle registration fees, which Ralls County has not agreed to do at this time.

**MARK REES – CITY ENGINEER**  
**Re: Approval, Stardust Drive Extension – Change Order No. 1**  
*Bleigh Construction*

City Engineer Mark Rees came before Council at this time to request their approval of Change Order No. 1 to the contract with Bleigh Construction for the construction of the new Stardust Drive extension. Rees explained that, as work was progressing, it was discovered that the configuration of the creek immediately downstream was not ideal, being silted in and overgrown with trees (up to 18”) in the creek. This change order would cover the cost of \$3,800.00 to clear the necessary trees and align the channel. He noted that although the project could be completed without this additional work, the finished project would be significantly better with the addition of these creek improvements. Rees also informed Council that he had been negotiating with the new cable company, who has now agreed to move their own facilities, saving Bleigh Construction \$10,000.00, which they have agreed to pass on to the City. Council Member Dobson asked what harm the trees would do in the future, if Council decided not to have them removed. Rees said that there was a possibility these trees would need to be removed in two or three years, adding that they are quite large and the BPW had been very helpful in the past, taking down unwanted trees, but Bleigh’s equipment will be right there and can complete this in short order. Motion was made by Mayor Hark to approve Change Order No. 1 of the Stardust Drive Extension contract, as requested by the City Engineer. Motion was seconded by Council Member Hark.

Motion carried.

**Re: Paris Avenue Street Improvement Design – Standard Form of Agreement**  
*Poepping, Stone, Bach and Associates, Inc.*  
*(Resolution No. 1826-12, to follow)*

City Engineer Rees requested approval of a standard form of agreement with Poepping, Stone, Bach and Associates to provide the design work for Paris Avenue street improvements. Rees explained that design work would include the area from Olive to Grand. He proposed constructing a concrete widening section, new curb and gutter and, finally, an overlay for a smooth riding surface. The existing structure would be left, according to Rees, then covering it with asphalt. Mayor Pro Tem Knickerbocker reminded Council that a section was improved in the past; the substructure was found to be bad, by a much higher percentage than had been estimated. As a result, the City had to contend with many change orders. He suggested that the structure be removed and replaced even though this would initially be more expensive. Rees stated that this option would make Paris Avenue consistent with what has already been constructed. Resolution No. 1826-12, to follow, would approve the contract with Poepping, Stone, Bach and Associates, Inc. for this design work.

City Manager LaGarce commented that it would be necessary to remove a couple of “grand, old trees”, so to compensate, the idea had been discussed to replace these with a “tree canopy” down the whole new corridor with 25-50 foot centers. In 5-6 years, it might resemble Palmyra Road. This would compensate for some of the tree loss and give citizens a nice visual amenity, as well.

**Re: Alley Vacation – A.S. Robards Subdivision**  
*(Bill No. 12-021, to follow)*

Rees explained that his final item was a request that was recently heard by the Planning and Zoning Commission and regarded vacation of an alley between Mark Twain Avenue and Prospect Street. The request was made by the Hannibal Visitors & Convention Bureau, who acquired a



parcel near the Molly Brown House and next to Mark Twain Avenue from MoDOT. This left a small slip of an old alley between the two. Planning and Zoning Commission have now recommended this vacation. This alley, which was platted in the 1800's, but never developed, was surveyed recently. The vacation of this alley will be done by ordinance and Bill No. 12-021 will be given a first reading later, during the meeting, with Council approval.

**LEON WALLACE – STREET SUPERINTENDENT**  
**Re: Bid Award Approval, Fiscal Year 2012/13 Street Department Materials**

The final item on the evening's agenda was a request for approval of the FY 2012-12 Street Department Materials bids, presented by Street Superintendent Leon Wallace. At this time he also presented his recommendations for each bid. These were as follows:

<u>Bids</u>	<u>Item</u>	<u>Supplier</u>
SD-2012/13-1	Gasoline & Premier Diesel	Big River Oil
SD-2012/13-2	Aggregates	Central Stone Co.
SD-2012/13-3	Snow Removal Salt	North American Salt Co.
SD-2012/13-4	Liquid Calcium Chloride	Sicalco, Ltd.
SD-2012/13-5	Concrete	Bleigh Ready Mix & Mark Twain Redi-Mix
SD-2012/13-6	CLSM (Flowable Fill)	Bleigh Ready Mix & Mark Twain Redi-Mix
SD-2012/13-7	Asphalt	C.B. Asphalt, Inc.
SD-2012/13-8	Cold Patch	C.B. Asphalt, Inc.

Motion was made by Council Member Hark to approve the bid recommendations of the Street Superintendent Wallace. Motion was seconded by Council Member Louderman.

Motion carried.

**RESOLUTION NO. 1818-12**

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A STANDARD FORM OF AGREEMENT BETWEEN THE CITY OF HANNIBAL AND DURST CONSTRUCTION IN THE AMOUNT OF \$83,333 FOR THE INTERIOR RENOVATIONS OF THE ADMIRAL COONTZ ARMORY**

Motion was made by Council Member Louderman to have the City Clerk read Resolution No. 1818-12, and call the roll for adoption. Motion was seconded by Mayor Hark.

Motion carried.

**Roll Call**

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

**No:** -0-

**Absent:** -0-

Mayor Hark declared Resolution No. 1818-12, duly approved and adopted on this date.

**RESOLUTION NO. 1819-12**

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A REFUSE COLLECTION CONTRACT BETWEEN THE CITY OF HANNIBAL AND SUTTON ENTERPRISE IN THE AMOUNT OF \$4,650 FOR THE FISCAL YEARS 2012/13; 2013/14 AND 2014/15**

Motion was made by Council Member Draper to have the City Clerk read Resolution No. 1819-12, and call the roll for adoption. Motion was seconded by Mayor Hark.

Motion carried.

**Roll Call**

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

**No:** -0-

**Absent:** -0-

Mayor Hark declared Resolution No. 1819-12, duly approved and adopted on this date.

**RESOLUTION NO. 1820-12**

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT BETWEEN THE CITY OF HANNIBAL AND THE RALLS COUNTY COMMISSION FOR THE PURPOSE OF COLLECTION OF CITY TAXES TO INLCUDE START UP FEES OF \$500 AND WITH HOLDING OF 1.5% OF CURRENT TAXES AND 1% OF DELINQUENT TAXES COLLECTED**

Motion was made by Council Member Louderman to have the City Clerk read Resolution No. 1820-12, and call the roll for adoption. Motion was seconded by Council Member Hark.

Motion carried.

**Roll Call**

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

**No:** -0-

**Absent:** -0-

Mayor Hark declared Resolution No. 1820-12, duly approved and adopted on this date.

**RESOLUTION NO. 1821-12**

**A RESOLUTION AUTHORIZING AND APPROVING A CONTRACT WITH SIKICH P.C. FOR AUDIT SERVICES FOR THE CITY OF HANNIBAL INCLUDING LIBRARY AND BOARD OF PUBLIC WORKS IN THE COMBINED AMOUNT OF \$46,000**

Motion was made by Mayor Pro Tem Knickerbocker to remove Resolution No. 1821-12 from the agenda and reject all bids. Motion was seconded by Mayor Hark.

Motion carried.

**RESOLUTION NO. 1822-12**

**A RESOLUTION OF THE HANNIBAL CITY COUNCIL URGING GOVERNOR JAY NIXON TO SIGN HOUSE BILL 1329 RESTORING SALES TAXES FOR OUT-OF-STATE MOTOR VEHICLE AND BOAT PURCHASES, AND PRESERVING MISSOURI INDUSTRIES AND JOBS**

Motion was made by Council Member Dobson to have the City Clerk read Resolution No. 1822-12, 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, Lionberger, Mayor Hark, Council Members Louderman, Hark and Draper – 7

**No:** -0-

**Absent:** -0-

Mayor Hark declared Resolution No. 1822-12, duly approved and adopted on this date.

**RESOLUTION NO. 1823-12**

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT AMENDMENT WITH TERRACON CONSULTANTS, INC. IN AN AMOUNT NOT-TO-EXCEED \$6,300 FOR ENVIRONMENTAL CONSULTING SERVICES RELATIVE TO THE MISSOURI DEPARTMENT OF NATURAL RESOURCES' BROWNFIELDS/VOLUNTARY CLEANUP PROGRAM AND LEAKING UNDERGROUND STORAGE TANK PROGRAMS**

Motion was made by Council Member Louderman to have the City Clerk read Resolution No. 1823-12, and call the roll for adoption. Motion was seconded by Mayor Hark.

Motion carried.

**Roll Call**

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

**No:** -0-

**Absent:** -0-

Mayor Hark declared Resolution No. 1823-12, duly approved and adopted on this date.

**RESOLUTION NO. 1824-12**

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A TEMPORARY USE AGREEMENT WITH THE RIVERFRONT PROGRESS ASSOCIATION, INC. IN THE AMOUNT OF \$1,500 FOR TEMPORARY USE OF PROPERTY LOCATED ADJACENT TO 101 CHURCH STREET TO ACCOMODIATE DEMOLITION OF AN ADJACENT COMMERCIAL FLOOD BUYOUT PROPERTY**

Motion was made by Council Member Draper to have the City Clerk read Resolution No. 1824-12, and call the roll for adoption. Motion was seconded by Mayor Hark.

Motion carried.

**Roll Call**

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

**No:** -0-

**Absent:** -0-

Mayor Hark declared Resolution No. 1824-12, duly approved and adopted on this date.

**RESOLUTION NO. 1825-12**

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A HEALTH CARE SERVICES AGREEMENT WITH HANNIBAL REGIONAL HOSPITAL RELATIVE TO SECTION 340B OF THE PUBLIC HEALTH CARE SERVICE ACT**

Motion was made by Council Member Louderman to have the City Clerk read Resolution No. 1825-12, and call the roll for adoption. Motion was seconded by Mayor Hark.

Motion carried.

**Roll Call**

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

**No:** -0-

**Absent:** -0-

Mayor Hark declared Resolution No. 1825-12, duly approved and adopted on this date.

**RESOLUTION NO. 1826-12**

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT BETWEEN THE CITY OF HANNIBAL AND POEPPING, STONE, BACH AND ASSOCIATES, INC IN THE AMOUNT OF \$63,000.00 FOR THE DESIGN OF PARIS AVENUE STREET IMPROVEMENTS**

Motion was made by Council Member Dobson to have the City Clerk read Resolution No. 1826-12, and call the roll for adoption. Motion was seconded by Mayor Pro Tem Knickerbocker.

Motion carried.

**Roll Call**

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

**No:** -0-

**Absent:** -0-

Mayor Hark declared Resolution No. 1826-12, duly approved and adopted on this date.

**BILL NO. 12-019**

**AN ORDINANCE AMENDING THE CITY OF HANNIBAL'S PERSONNEL MANUAL KNOWN AS THE *EMPLOYEE GUIDE TO SUCCESS* AND ENACTING PROVISIONS FOR FUTURE AMENDMENT**

**SECOND AND FINAL READING**

Motion was made by Mayor Pro Tem Knickerbocker to give Bill No. 12-019 a second and final reading and call the roll for adoption. Motion was seconded by Council Member Hark.

Motion carried.

**Roll Call**

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

**No:** -0-

**Absent:** -0-

Mayor Hark declared Bill No. 12-019 duly approved and adopted on this date.

**BILL NO. 12-020**

**AN ORDINANCE AMENDING CHAPTER 2, ARTICLE I, OF THE CODE OF THE CITY OF HANNIBAL BY ENACTING A NEW SECTION 6 RELATIVE TO PURCHASING PROVISIONS FOR LOCAL BUSINESSES**

**FIRST READING**

Motion was made by Council Member Dobson to give Bill No. 12-020 a first reading. Motion was seconded by Mayor Hark.

Motion carried.

**BILL NO. 12-021**

**AN ORDINANCE VACATING AN ALLEY LYING BETWEEN LOTS 6, 7, 8, 9 AND 14 IN A.S. ROBARDS SUBDIVISION OF OUTLOTS 87 AND 88 IN THE CITY OF HANNIBAL, MARION COUNTY, MISSOURI**

**FIRST READING**

Motion was made by Council Member Draper to give Bill No. 12-021 a first reading. Motion was seconded by Council Member Louderman.

Motion carried.

**BILL NO. 12-022**

**AN ORDINANCE OF THE CITY OF HANNIBAL, MISSOURI, AUTHORIZING THE CITY'S FINANCE DIRECTOR TO TRANSFER ALL SURPLUS FUNDS REMAINING IN**

**THE SPECIAL ALLOCATION FUND FOR THE STARDUST-MUNGER-DIAMOND REDEVELOPMENT AREA TO THE APPLICABLE LOCAL POLITICAL SUBDIVISION COLLECTING OFFICER OR THE MARION COUNTY COLLECTOR IN ACCORDANCE WITH THE REAL PROPERTY TAX INCREMENT ALLOCATION REDEVELOPMENT ACT; DISSOLVING THE SPECIAL ALLOCATION FUND FOR THE STARDUST-MUNGER-DIAMOND REDEVELOPMENT AREA; TERMINATING THE DESIGNATION OF THE REDEVELOPMENT AREA AND TERMINATING THE TAX INCREMENT FINANCING ASSOCIATED THEREWITH; AND AUTHORIZING FURTHER ACTIONS IN CONNECTION THEREWITH**

**FIRST READING**

Motion was made by Council Member Louderman to give Bill No. 12-022 a first reading. Motion was seconded by Council Member Dobson.

Motion carried.

**BILL NO. 12-023**

**AN ORDINANCE TO PAY OFFICERS AND EMPLOYEES OF THE CITY OF HANNIBAL, MISSOURI FOR THE FISCAL YEAR 2012/2013**

**FIRST READING**

Motion was made by Council Member Hark to give Bill No. 12-023 a first reading. Motion was seconded by Mayor Hark.

Motion carried.

**BILL NO. 12-024**

**AN ORDINANCE APPROPRIATING TO THE VARIOUS DEPARTMENTS, BOARDS, COMMISSIONS AND AGENCIES OF THE CITY GOVERNMENT OF THE CITY OF HANNIBAL, MISSOURI FOR THE FISCAL YEAR ENDING JUNE 30, 2013**

**FIRST READING**

Motion was made by Council Member Louderman to give Bill No. 12-024 a first reading. Motion was seconded by Council Member Dobson.

Motion carried.

**CLOSED SESSION**  
**In Accordance with RSMo 610-021 (1) & (2)**

At this time, Mayor Hark entertained a motion to go into closed session in accordance with RSMo 610-021, sub-paragraph one (1) and two (2), 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 Dobson 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, Lionberger, 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.