

**SAVANNAH CITY COUNCIL
PROCEEDINGS
REGULAR SESSION
MONDAY, APRIL 15, 2013
7 P.M.
CLASBEY CENTER – COUNCIL CHAMBERS**

Mayor Dave Ingersoll presiding.

Pledge of Allegiance was recited.

Council Members present: Don Dillman, Vernon Townsend, John Parker and Joy Thompson. Mayor Dave Ingersoll, City Administrator Jill Cornett, City Attorney Ron Holliday, Chief of Police David Vincent and City Clerk Beth Kar were also present. The meeting notice was posted at City Hall on April 11, 2013. The meeting was audio recorded.

Approve Agenda

John Parker motioned to amend the agenda with a list of changes: 1) add to the new Council section a Mayor's report after the 6 month statement; 2) add Council discussion after the second testimony; 3) move planning and zoning under the Mayor's appointments; 4) move the resignation of Ron Holliday under the first Mayor's report; and 5) move the fiscal year audit presentation to May 6th. He felt Council had not had enough time to study the audit. Mayor Ingersoll added that Council did not receive part 2 of the audit management communications. Michael Keenan, Cochran Head Vick, was at the Council meeting and said he thought he would be available on the 6th. Joy Thompson seconded. Votes: 3 yes; 1 no: Townsend. Motion carried.

Minutes – April 2, 2013

Joy Thompson motioned to approve the minutes of April 2, 2013 as submitted. Don Dillman seconded. Motion carried on 4 yes votes.

Public Testimony

Tom Farrell is a new resident of Savannah. He complained that the sidewalk in front of his house, 403 N. 2nd, is a hazard. He provided pictures. Can he remove the sidewalk and grass it over? City Administrator Jill Cornett provided the history about updating sidewalks including the grant and sidewalk reimbursement program.

Frank Reece, 401 S. 2nd, complained that Savannah City Council meetings only allowing five minutes for public testimony just boggled his mind. He said that after each section of the City of St. Joseph Council meetings, the public were allowed to comment. Reece asked for the latest on East Main Street project. Cornett explained the project is on hold, while waiting for the land to dry out enough to continue. Reece asked questions about the project including costs, how it would be paid for, and are Rippe and Bennett in charge of the project. The project is paid in part by a CDBG grant. Cornett described the history of East Main Street extension and volunteered to put together the rest of the information.

Fiscal Year 2012 Audit – Michael Keenan, Cochran Head Vick

The audit was rescheduled to take place at the next regular Council meeting.

Mayor's report

Mayor Dave Ingersoll provided a handout summarizing activity and accomplishments of this Council working with City employees. He asked City Attorney Ron Holliday if he had comments which he wanted to make.

Ron Holliday described his history with the City of Savannah beginning as a young attorney over 25 years ago. For the large part, Holliday said, working for Savannah had been a good thing. He tried to repay the City by not increasing his fees or retainer for last several years. He had the great pleasure of working with some tremendous people. Holliday was proudest of the fact that in his recollection there has not been any successful litigation against the City. The story is not so great in other cities. He did want to say that of all the councils he has worked under, he could not be prouder than working with this group. A couple of years ago the City was in bad shape. It is a really hard thing to raise rates and it was absolutely imperative to do that. He couldn't be prouder of the job that Mayor Dave Ingersoll and City Administrator Jill Cornett have done. He has greatly enjoyed working with Police Chief David Vincent and the municipal court. He will always remember the great times and characters. All in all, it's been a great experience and it's time for him to move on, Holliday stated. He left with one respectfully offered piece of advice: in the past there have been board members that had different opinions but they always presented their opinions in a professional manner without hard feelings. America is what this is about-- local government. He hoped it would get back where everyone can respectfully listen to everyone else's opinions.

Resignation – Ron Holliday, City Attorney

Don Dillman motioned to approve the resignation of Ron Holliday, City Attorney. Vernon Townsend seconded. Motion carried on 4 yes votes.

RESOLUTION FOR CONSIDERATION:

Resolution 2013-7 Approval of Audit – postponed until the next regular Council meeting.

BILLS FOR CONSIDERATION:

Bill 2013-9 Approving Election Results – First and second readings.

ORDINANCE NO. 2596

This ordinance approves the results of the April 2, 2013 election. Don Dillman motioned to adopt ordinance no. 2596. Joy Thompson seconded. Vote: Dillman: aye; Townsend: aye; Parker: aye; Thompson: aye. Motion carried.

Second Public Testimony – No Testimony.

COUNCIL DISCUSSION

Vernon Townsend reported he walked around town, getting in touch with people. Townsend stated it had been a pleasure working two years as Alderman. He felt that he tried to make decisions that were best for the City.

Joy Thompson attended the Park Board meeting. The pool construction is coming along. Last Saturday, Walton Motors donated an amount of money to the local high school band for each person who test-drove a vehicle. There were 321 people who did this.

John Parker will wait to speak during the second Council discussion at the end of the meeting.

ADJOURNMENT

Vernon Townsend motioned and John Parker seconded to adjourn. Motion carried on 4 yes votes.

Adjourn Sine Die

Dave Ingersoll, Mayor

ATTEST: _____
Beth Kar, City Clerk

Dave Ingersoll, Ron Holliday, and Vernon Townsend left the meeting.

NEW SESSION

City Clerk Beth Kar provided the Oath of Office to the newly elected officials:

Connie George – Mayor
John Parker – East Ward Alderman
Greg Wilson – West Ward Alderman

Mayor Connie George called the meeting to order.

RESOLUTIONS:

Mayor Connie George read the resolution thanking Ingersoll, Townsend and Holliday for their service to the City of Savannah.

Resolution 2013-8 Commending Vernon Townsend for Services as Alderman, Resolution 2013-9 Commending Dave Ingersoll for Services as Mayor, and Resolution 2013-10 Commending Ron Holliday for Services as City Attorney. John Parker motioned to approve Resolutions 8, 9, and 10. Joy Thompson seconded. Motion carried on 4 yes votes. Joy

Thompson asked for a round of applause thanking the three gentlemen for their service. The audience applauded. Ingersoll, Townsend and Holliday were not present so their certificates were not awarded.

ELECTIONS AND APPOINTMENTS:

Elect Council President -- Joy Thompson motioned to nominate John Parker as Council President. Greg Wilson seconded. Votes: 2 yes (Thompson, Wilson): 1 no: Dillman; 1 abstention: Parker. Motion carried.

Mayor's Appointments -- For Council's representative to the Planning & Zoning Commission, Mayor Connie George appointed John Parker. She said Parker may not always be able to attend the meetings so she also appointed Greg Wilson to Zoning.

Other Mayor Appointments:

Andrew County Extension Council – Joy Thompson

Golf Committee – Greg Wilson

Park Board – Joy Thompson

Tree Board, MPO – Don Dillman

Mo-Kan – City Administrator Jill Cornett

Region D – John Parker

Nuisance Committee – Mayor Connie George felt all of them would be on the committee and make reports.

Joy Thompson motioned to approve the appointments. John Parker seconded. Vote: 3 yes; 1 no: Dillman. Motion carried.

City Administrator Report

City Administrator Jill Cornett reported:

UPDATE ON POOL CONSTRUCTION – The pump room footing was poured. There was an unexpected need to find/change out the water supply line and valves. City Administrator authorized City crews to assist; otherwise, a change order and price increase would have been necessary. There is a meeting tomorrow with Ron Auxier to choose the colors for the interior of the bathhouse.

UPDATE ON EAST MAIN CONSTRUCTION -- Weather and wet soil have kept Andrew County's excavating crew away. Once the earth is dry and firm enough to move, the crews will be back on the site.

UPDATE ON IRONWOOD BID PROCESS -- Request for bids will be publicized in the Savannah Reporter for three consecutive weeks, beginning with the April 17 issue. Bid opening date is scheduled for May 7. John Parker asked if the City could change deadlines and open bids at the Council meetings. One of the reasons why bid openings are during the day is that for projects, contractors are sometimes present at the openings. Discussion on bid openings could be put on the next agenda. No decision was made to change the bid deadline for Ironwood.

ARBOR DAY CELEBRATION – The Tree Board has chosen Tuesday, April 30, 12:30 p.m. for the annual Arbor Day celebration in Messick Park. The Fourth grade students from Minnie Cline

will be planting six trees this year, instead of the usual three. Mayor George will read the Arbor Day proclamation at that time.

REQUEST FOR SALES TAX REFUND ON WATER SALES TO LAVERNA VILLAGE -- Beginning in January 2013, MTS Consulting representatives requested a refund of sales tax paid to the City for the sale of water to LaVerna Village. State Statutes exempt domestic water sales from taxation. LaVerna Village had been coded a “business” in the City’s Incode utility billing system. However, because they provide housing to residents, the majority of the water sales to LaVerna Village are domicile-based, not business. MTS Consulting has contacted the State of Missouri for clarification and intervention. Staff has now spoken with the MO Dept. of Revenue and believes the claim for exemption is legitimate and accurate. The total amount of the claim is \$4644.36. However, January and February 2010 would be subtracted as those dates are beyond the statute of limitations. There is a statute of limitations of 3 years. Additionally, the tax rate would be reduced to the 2% that is collected on the City’s behalf (the rest is State and County). This reduces the refund to \$1015.00 which Cornett said would come out of the General Fund. MTS Consulting has notified the City that another claim is coming for the LaVerna Apartments, which is operated as a separate entity. Staff has not yet received the official claim for that refund. Moving forward the City will need to re-code LaVerna’s billing and remove the sales tax so there will be no more reimbursements. Don Dillman added that when he was at United Electric, they had the same issue with nursing homes. United Electric would not pay the nursing homes until they received a reimbursement from the state. He thought the City ought to apply for the sales tax credit and then reimburse LaVerna what the City received from the state. John Parker pointed out that LaVerna has water for residents but the physical therapy department uses a pool. Cornett responded there is a small portion of LaVerna that would be billed commercial. LaVerna worked with the state to figure out the portion that will be taxed. What if the City found out the tax formula from the state and charged LaVerna that amount? Cornett will research options.

CITY ATTORNEY RECRUITMENT -- Ron Holliday has resigned, effective June 1, 2013. Tonight is his last council meeting. He will serve as municipal prosecutor through June 1. Cornett had a sample Request for Qualifications in the Council packet. The City will begin the recruitment process by advertising with the Savannah Reporter, Missouri Municipal League, and Missouri Bar Association. John Parker asked if there were any provision to hire someone as temporary interim to serve as City prosecutor in municipal court. He thought Council needed time to select a permanent City Attorney. Cornett will pursue options and report at the next meeting.

SUMMER MOWING AT CEMETERY -- Grass and weeds are growing in the Cemetery. Davey Poland is the only full-time Cemetery employee. The City needs to hire seasonal employee(s) to assist with maintenance. Staff will advertise for help. These will be minimum wage positions.

SPECIAL BUDGET MEETING -- Following up on the previous audit recommendations that our budget be amended whenever there are large amounts of unbudgeted revenue or expenditures recorded, Council needs to review the current budget and amend as necessary. This will not involve going through line-by-line of the budget which is done as part of the budget planning process. Cornett would like to go over only items that will amend the budget including the pool bonds. Council agreed to a special meeting on April 20th, 6 to 8 p.m., City Hall.

LOCAL GOV’T WEENIE ROAST – The past two years City and County have celebrated “Local Government Week” with a lunchtime gathering in the City Hall parking lot. Andrew

County staff are available Monday, April 29, Noon. In past, the City Administrator and Council members have provided meats to grill (burgers, brats and dogs). Will anybody volunteer to make that contribution? The rest is potluck. Joy Thompson suggested prepared food from Goochy Goo. It was decided to borrow grills from the golf course and keep it simple. Everyone will bring a side dish.

Don Dillman motioned to approve City Administrator's report. Joy Thompson seconded. Motion carried on 4 yes votes.

Treasurer's Report including the 6 month statement – City Administrator Jill Cornett provided an overview of the financial statements. She explained restricted versus unrestricted cash. She covered the different sales taxes. The 3% water rate increase approved last year will take effect on the bills due in May. Next year's budget will need to address (I & I) Inflow and Infiltration and sewer rate increase. Greg Wilson asked about the new fee at the golf course. It was \$50 per member and \$1 for green fees. The 6 month statement will be published in this week's Savannah Reporter. State law requires cities to publish a financial statement every 6 months. Thompson said the cash balances could be misinterpreted since part of the money is set aside to make the debt payments in May. Restricted cash balances could be looked at to be added to the next financial statement. Council reviewed the paid bills. John Parker asked why departments paid different amounts on the codification. City Administrator Jill Cornett explained how MIRMA breaks out costs based on payroll for each dept. The City has used the MIRMA percentage formula for other purchases. John Parker motioned to approve the Treasurer's report. Don Dillman seconded. Motion carried on 4 yes votes. Greg Wilson motioned to approve the 6 month statement. Don Dillman seconded. Motion carried on 4 yes votes.

Mayor's Report

April 27 will be the Special Olympics meet at the Middle School. Opening ceremonies starts at 9 a.m. Don Dillman said they could still use volunteers for the meet.

Third Public Testimony

Lynn Grabill asked for help understanding the East Main Street project. In his understanding the City is building the street because the development owner did not meet his commitment and follow through building the street extension. Now the City is allowing a group to split the lot. He understood the reasoning but did not agree with it. Cornett stated that the City looked at what would benefit Savannah. The situation galled Grabill. Don Dillman said it galled him too but nothing was put in writing. Joy Thompson looked at it two ways. She was not happy with the street but glad the Dollar Store found a place in Savannah for a new bigger store.

Frank Reece agreed with Grabill. He described the history of land when developers held Turnbough hostage so he could not rent his property. Reece had a list of items. He thought the City charged too much penalty for late bill payments. Reece stated that down the road, when Savannah gets better financially, the City needs to think about a big street bond proposal. There hasn't been a big street bond in awhile. The City needs asphalt streets with curbing and to move the waterlines out of the street. He remembered reading in the last audit where many funds were consolidated in the General Fund. Cornett described how the City consolidated 37 funds into 16. Reece asked if it was legal. Can the City consolidate the Gas Tax fund into the General Fund? Cornett detailed how the tax is put as a line item and kept separate. Reece described different

street projects like Banyon and Ironwood that were proposed to be finished and were not done. He suggested checking out what Maryville was doing. He thought the only reason Savannah is better financially was because the City refinance bonds. Cornett corrected him that it was stormwater bonds, not water bonds that were refinanced. The City has not refinanced water bonds. Reece asked for a copy of the audit.

COUNCIL DISCUSSION

John Parker had three or four things. Summer school for Savannah starts May 28 to June 28 if the state has the funds available. The school band has a 5K Run/Walk fundraiser on May 11th. Superheroes blood drive will be Friday 26 from 2 to 6 p.m. at the Middle School. Mayor Connie George will open the Special Olympics games.

Adjournment

No further business to discuss. Joy Thompson motioned to adjourn. Greg Wilson seconded. Motion carried on 4 yes votes. Council adjourned at 8:39 p.m.

Connie George, Mayor

ATTEST: _____
Beth Kar, City Clerk