

**SAVANNAH CITY COUNCIL
PROCEEDINGS
REGULAR SESSION
MONDAY, DECEMBER 3, 2012
CLASBEY CENTER – COUNCIL CHAMBERS**

Mayor Dave Ingersoll presiding.

Pledge of Allegiance was recited.

Council Members present: Vernon Townsend, Joy Thompson and John Parker. Don Dillman was absent. Mayor Dave Ingersoll, City Administrator Jill Cornett, City Attorney Ron Holliday, Chief of Police David Vincent and City Clerk Beth Kar were present. The meeting was audio recorded. The meeting notice was posted at City Hall on November 30, 2102.

Approve Agenda

Mayor Ingersoll asked to add to the agenda Bill 2012-47 for the first and second reading. The bill adds the Collector position to the other positions on the April election. Vernon Townsend asked to discuss the Collector position and possibly doing away with it. The County collects the City taxes. Ingersoll commented that the Collector position is part of the City Code. The job duty is mainly to carry the taxes “book” from the County Courthouse to City Hall. Pam Hoyt was the last Collector and the position was not filled after she left. John Parker motioned to amend the agenda and add Bill 2012-47. Vern Townsend seconded. Motion carried on 3 yes votes.

Minutes – November 19, 2012

Vernon Townsend motioned to approve the minutes of November 19, 2012. Joy Thompson seconded. Motion carried on 3 yes votes.

Jeff Arp – Presentation MIRMA Risk Award Safety Grant

Jeff Arp, the City’s insurance representative from MIRMA, was present. The City joined MIRMA (Missouri Intergovernmental Risk Management) in 2003. MIRMA is proactive in loss prevention and provides services for the City departments such as police and human resources, to help keep losses down. One of the ways MIRMA does this is by helping members purchase safety equipment through its risk management awards/grants. Lt Bruce Lundy submitted three applications for the police department: a dashboard camera for \$1,683, a less-lethal gun and rounds for \$157.05, and a tire deflation device for \$480.70. All three items were approved for a total of \$2,320.75.

Public Testimony

Jerry Williams, 407 S Catalpa, received a ticket for parking in his yard. He wanted to know more about the no parking in yard ordinance and felt it was not equally enforced for everyone. Chief of Police David Vincent responded that it was not a ticket but a warning because he had not spoken with Williams before about the violation. Williams asked for the purpose of no parking in yards. Mayor Ingersoll responded if everyone did that a lot of yards would be destroyed. Williams commented on a vehicle on Beech Street that parked in the yard. Chief

Vincent explained that the vehicle on Beech has handicap plates and those are exempt from the no parking in yards. Williams said he probably could get a handicap sticker.

Ed Vaughn is a landlord and has four rental properties. He was unable to attend the previous meetings on landlords and renters' water bills. Vaughn was concerned that landlords will be responsible for unpaid renters' bills. City Administrator Jill Cornett explained the proposed changes which do not hold the landlords responsible for unpaid tenants' bills and provided Vaughn with a handout. Cornett described that payment plans are being eliminated. Vaughn understood the City is not in the lending business but he thought as long as the person was making an effort, the City should allow in a hardship case for the renter to make some sort of payment arrangement.

Mayor's report

Mayor Dave Ingersoll reported:

Resignation – Dwyane Williams submitted his resignation from the Park Board. Vernon Townsend motioned to approve the resignation of Dwyane Williams from the Park Board and to send a letter of appreciation. John Parker seconded. Motion carried on 3 yes votes.

Appointment – Mayor Ingersoll received a call from Mike Yuille, Park Board, recommending Aimee Kennedy to fill the vacancy on the Park Board. Mayor Ingersoll appointed Aimee Kennedy to the Park Board. Vernon Townsend motioned to approve the appointment of Aimee Kennedy to the Park Board. Joy Thompson seconded. Motion carried on 3 yes votes.

Information Item -- For the April 2, 2013 election, the first day for filing is December 11 and the final day is January 15.

City Administrator's Report

City Administrator Jill Cornett reported:

Purchasing Policy Revisions - Staff has drafted revision to City Purchasing Policy with two major changes:

1. Per Missouri State Statutes, the City will create a pre-qualified list of architects/engineers/land surveyors through a request for the Statement of Qualifications from several firms. Once the list is established, the City may contract with the most appropriate firm for services for a given project or special projects. The City will want an Engineer on contract very soon to oversee the East Main construction project. Therefore, Staff recommends passage of the ordinance to revise the City's Purchasing Policy through two readings tonight.

2. Staff recommends raising the limits for purchasing to address the higher costs of day-to-day maintenance and operation items (tires, auto repairs, pump and motor parts, supplies). The current spending limits are outdated and slow down progress in repairing equipment or moving forward with Public Works projects.

Delinquent Utility Bill Processes and Charges -- Based on the input from the Public Meeting held November 19, Staff has made changes to the processes and charges associated with delinquent water bills. Major changes are listed on the handout provided to Council, include:

1. Registration and tracking of rental properties
2. Increased utility deposits for renters
3. Elimination of “payment arrangements”
4. New deadline for bill payments is 12:01 a.m. on the 16th day of the month.
5. Same day reconnect fee shall be \$100; second day shall be \$50

United Electric Rate (Revenue) Increase -- United Electric announced a 13.8% revenue increase, including an increase in the flat monthly service fee, or “service availability charge.” Staff estimates the City’s cost of United Electric’s service will increase by an approximate average of \$750 per month. The City’s largest consumer of United’s services is the City’s Water Plant.

Missouri Gas Energy Rate Increase -- Missouri Gas Energy’s November bill included a notice of a rate increase from 52.7 cents per 100 cubic feet (CCF) of gas to 60.5 cents per CCF. This represents a 14.6% increase applicable to all customers. As the City reviews its budget and plan for the next fiscal year, these increases in electricity and gas costs should be considered for each department and fund. Cornett alerts Council to these rising utility costs to remind everyone why it is necessary for the City to raise its utility charges from time-to-time to meet the rising cost of providing services.

State Audit Planning & Budget Review – The City received official notice of a state audit. Council and Staff should determine where cost of the state audit would come from. Staff recommends the cost be allocated from all funds, since all funds shall be scrutinized. Staff recommends a budget review at mid-January to reallocate funds for expenditures that were not anticipated during August/September budget work sessions. Cost for the state audit is estimated to be \$35,000 to \$50,000. Vernon Townsend asked what fund or funds the money would be taken out of. Cornett thought it would be divided between departments by the percentages used to allocate the annual MIRMA invoice. Several key times will be reviewed and/or amended in the budget review including personnel changes, contract with Midland GIS, NID Payoff, and planning for State Audit expenses (approximately \$50,000).

Payment of Bills -- When the City Council approves the budget, and the City Purchasing Policy authorizes expenditure limits, in essence the Council has already approved the purchase of items. If the City waited until the Council approved the payment of bills, there would be delinquent charges on the City accounts. Approving the payment of bills is a redundant activity that does not serve to protect the finances of the City, because the bills have already been paid by the time this activity is scheduled for the Council. Invoices and charges are approved by City Administrator and Mayor Ingersoll signs checks for payment. Staff recommends that “Payment of Bills” be included in Treasurer’s Report, and accepted as part of the Treasurer’s Report. Regarding the paid bills in November, John Parker asked about the golf membership reimbursement. The membership was pro-rated for a member that repeatedly broke the course rules. It is not a common occurrence. Vern Townsend motioned to pay the bills. Joy Thompson seconded. Motion carried on 3 yes votes.

Joy Thompson motioned to make the monthly payment of bills part of the Treasurer’s report. Vern Townsend seconded. Motion carried on 3 yes votes.

Financial Assurance Instrument for M-DNR -- The Sanitation Fund has an approximate total of \$173,443 as of the end of November. City is now required to “reserve” approximately \$69,000 as a Financial Assurance Instrument (“FAI”) to cover the possibility of a failure to maintain the

closed landfill. The \$69,000 can be invested in a CD so the City may earn interest on the FAI. The rest of the Sanitation Fund balance (approximately \$104,000) may also be invested in whole or in part. The City can use some of that money for sanitation activities such as a City-wide spring trash pickup. Or the City can invest part of that money, along with the other \$69,000. Staff recommends investing at least \$100,000 in a three-year certificate of deposit, leaving \$73,443 available for operations. Revenues continue to come in through collections, and we continue to pay Deffenbaugh a monthly fee for collections. When the City reviews the budget, Cornett would like to revisit this subject. She requested a motion to move forward and invest \$100,000 for a three-year period. City Clerk Beth Kar mentioned that for the City to obtain the best rates, it would probably have to invest for a 5 years CD. Rates are low. When last checked, the best rate was 1.5% for 60 months/5 years. Mayor Ingersoll suggested talking to Jack Dillingham about any other investment options. Vernon Townsend motioned to put \$105,000 in a 5-year CD. Joy Thompson seconded. Motion carried on 3 yes votes.

Vernon Townsend motioned to approve the City Administrator's report. John Parker seconded. Motion carried on 3 yes votes.

BILLS FOR CONSIDERATION:

Bill 2012-47 Collector on April Election was read for first and second readings.

ORDINANCE 2585

This ordinance amends ordinance no. 2584 by adding Collector to the rest of the City positions (Mayor/Aldermen) on the April election ballot. Joy Thompson motioned to adopt ordinance no. 2585. Vernon Townsend seconded. Vote: Townsend: aye; Parker: aye; Thompson: aye; Dillman: absent. Motion carried.

Bill 2012-45 Amend Chapter 25 Purchasing Policy – Bill 2012-45 was read for the second reading, Council discussed the proposed ordinance. Joy Thompson did not have a problem with having a list of engineers but thought the spending limits for City staff were too high. She did not want to get back into the financial problems the City had before. Council reviewed the limit amounts. Vernon Townsend was bothered by the errors that were published in it. City Administrator Jill Cornett suggested setting aside the policy and going out for an engineer for the East Main project. Mayor Ingersoll called for a motion to approve Bill 2012-45. Bill 2012-45 died for lack of a motion. Ingersoll asked Council to make a motion to direct the City Administrator to go out and get bids for an engineer for the East Main work. John Parker thought Council had already given approval to get an engineer. The motion on 11/6/12 had been to create a retainer procedure for engineers and specialty positions. John Parker motioned to bid for an engineer for the East Main street project. Vernon Townsend seconded. Motion carried on 3 yes votes. Mayor Ingersoll suggested holding the current City Code to the proposed policy. John Parker was concerned that some of the phrasing and paragraphs were dropped from the original Code. Cornett suggested either a work session to review the purchase policy or go over it with the budget review in January/February.

Bill 2012-46 Amend Chapter 66 & 67 Delinquent Bills & Water was read for the first reading.

Second Public Testimony: No public testimony.

COUNCIL DISCUSSION

Vernon Townsend thanked the City for taking care of the trees cut down especially on the north side of West Market Street. He would like to see the stumps ground up. The stumps were ground this week. He would like to see the City plant trees where the trees were removed. He saw the street sweeper was out on Main Street and thought it did a good job around the storm drains. He attended the Zoning Board meeting where they talked about the trailers in town. It has come to his attention that one of the trailer issues is on City owned land by the Cemetery. The current fee is \$25.

Joy Thompson reported that in the Council packets there was a rough draft provided at the last Park Board meeting on the pool house design. The pool renovations will be in two bids: one for the pool repair and one for the pool house. The next Park Board meeting will be December 12 and the engineers will be there discussing the pool renovation. She suggested it would be good for anyone who could come to that meeting, to be there. The pool will need two handicap lifts because of the size of pool: one permanent and one portable. Vernon Townsend hoped the lifts would not be electric since they will be right next to water in the pool. Jeff Arp, MIRMA, reported the lifts he had seen were crank.

John Parker motioned to go into Executive Session for personnel 610.021(3). Joy Thompson seconded. Vote: Thompson: aye; Parker: aye; Townsend: aye; Dillman: absent. Motion carried.

EXECUTIVE SESSION -- 610.021 (3) RSMo.

Vern Townsend motioned to go back into open session. John Parker seconded. Motion carried on 3 ayes (Townsend, Parker, Thompson).

Vern Townsend motioned to empower the City Administrator and City Clerk to formulate guidelines to hire a part time employee to work downstairs and bring Deputy Clerk Brooke Bell upstairs for the audit period. John Parker seconded. Motion carried on 3 yes votes.

ADJOURNMENT

No further business to discuss. Meeting adjourned at 8:28 p.m. on a motion by John Parker and seconded by Vernon Townsend. Motion carried on 3 yes votes.

Dave Ingersoll, Mayor

ATTEST: _____
Beth Kar, City Clerk