

**SAVANNAH CITY COUNCIL
PROCEEDINGS
REGULAR SESSION
MARCH 21, 2016
CLASBEY CENTER – COUNCIL CHAMBERS
7:00 P.M.**

Mayor Connie George presiding.

Pledge of Allegiance was recited.

Council Members present: Kenny Maxwell, Don Dillman, John Parker, and Joy Thompson. Mayor Connie George, City Administrator Bruce Lundy, City Attorney Emily Bauman, City Clerk Beth Kar and Chief of Police David Vincent were also present. The meeting notice was posted at City Hall March 17, 2016. The meeting was audio recorded.

Approval of Agenda – Joy Thompson motioned to approve the agenda as posted. Don Dillman seconded. Motion carried on 4 yes votes.

Public Hearing: Proposed TIF Project – Nancy Blake, attorney for the developer, was present. She provided a general status update on where the project is at in the Tax Increment Financing (TIF) timeline. The developer started the process through the Planning & Zoning Commission procedures and will present the preliminary plat at the next Zoning meeting. It will take a couple of meetings of the Commission before coming back to Council. The second reading on the proposed TIF ordinance will be after the project completes its part with the Planning & Zoning process.

Ralph Stanton expressed his concerns over how the proposed development qualified under the definition of a blighted area for a TIF. He had not reviewed the TIF ordinance for any changes. He thought it was supposed to be in the bill how the project met the blighted definition. Stanton talked about how it seemed other entities like Country Club would end up having to pay for the proposed TIF project.

Nancy Blake read the definition of a blighted area as defined by statute which contained among other items, adequate streets, and a combination of any factors that inhibited a development. Andrew County Collector Phil Rogers stated that was not the same definition he understood at the TIF Commission meeting, where the property was blighted because it did not bring in enough taxes. John Parker questioned if that was Blake's definition of blighted. No, she read the definition from the statute.

Greg Gabler spoke in opposition of the TIF project as presented. His concern was he felt that East Price Street was currently being a bypass to everything. During the building phase of the development, big trucks would likely be using Price to get to the project. Gabler thought it would mean deterioration and needed repairs on the road after the project was complete. In front of his street is barely 21 feet. He mentioned speeders and more traffic on Price than on Main Street. He would like to see a traffic study to show how much traffic goes up and down Price Street. He commented that adding several more houses there would be a problem because the street is not made for that kind of traffic. He asked if there had been any study on sewage treatment and capacity for that area. He read a 2009 study related to bonds that mentioned capacity and volume. In 2009, Savannah was $\frac{3}{4}$ the way to total capacity. Will the City have to expand? He is for bringing in more residents if the City benefits from it.

Marty Lyle spoke in favor of the TIF project. He stated that people had made good points but the development will bring in more people and more taxes. The tax revenues are necessary to help maintain a better city. If Savannah has more people, there is the potential to bring in more industry. He thought it was the right thing to do.

John Parker motioned and Kenny Maxwell seconded to close the public hearing. Motion carried on 3 yes votes; 1 abstention: Dillman. Dillman asked why the hearing had to be closed if there was no motion to open it. City Attorney Emily Bauman responded that a motion was not necessary but it did not hurt to have it in the minutes.

Minutes – March 1, 2016 – John Parker motioned to approve the March 1, 2016 minutes. Don Dillman seconded. Motion carried on 4 yes votes.

Public – **Public Testimony:** None.

FY 2015 Audit – Harold Ray, Director, and Gary Frazier, Principal, with the firm of Clifton Larson, presented the audit for Fiscal Year 2015. Harold Ray summarized the financial analysis. Expenses were less than the previous year. Fiscal Year 2014 included senior center grant, state audit, solar rebates, and other non-typical expenses. Overall, Fiscal Year 2015 was more of a normal year. FY2015 audit also provides a more detailed look on golf course processes. Inventory could be barcoded to scan for purchases. Ray recommended the City establish fund balance policies including minimum fund balances and stabilization processes. He provided samples. Ray described the audit adjustments which convert the activity from cash to accrual basis and is expected in small cities. Don Dillman asked about Golf expenses hitting sooner than revenues. The auditors true up revenues and expenses at the end of September; inventory is not a true expense. City Administrator Bruce Lundy explained the finding related to the approval of expenditures. He signs off on everything. Of the sample 25 purchases the auditors selected which amounted to over \$31,000, only four, totaling \$1600 total did not have his initials. Frazier explained the auditors look over control processes. Once they identify the control processes, the auditors look at transactions. Did the control process get utilized? Lundy addressed the finding on bids. City's limit is \$2500 for formal bids. Frazier suggested that \$2500 was a low amount and the City can amend the policy to look at the expenditures in the normal course of operations. Set the limit above routine expenditures. Joy Thompson had people ask her about the golf course pro shop. She asked if the auditors saw any red flags or anything out of the ordinary besides what was brought to Council. Frazier responded: No. If they had found anything inappropriate they would have brought it up long before now so that the City could make a decision in a timely manner on what to do about it. The auditors did not see **any issues as much as processes** that could be more efficient. Don Dillman motioned to approve the Audit. John Parker seconded. Motion carried on 4 yes votes.

Police Chief's Report -- Chief of Police David Vincent reported that Officer Gary Cook officially resigned as a full-time officer. Cook would like to stay on as a part-time officer. There is a part-time officer who has not been able to work as much who lives outside the City. Cook lives inside the City. Vincent would like to keep both officers until the department gets back to full staff. John Parker motioned to keep Gary Cook as a reserve officer and Joy Thompson seconded. Motion carried on 4 yes votes. Chief Vincent described the annual youth seatbelt enforcement campaign. Officers are paid overtime 20 hours approximately to get youth to buckle seat belts from March 15 to the end of month. Yesterday the police were involved in a vehicle pursuit that started in St. Joseph. Savannah's Sgt. Smith was part of the pursuit. There were no injuries or damages and the suspects were taken into custody. John Parker asked about the new police vehicles. Vincent replied he went to the office to get one for the pursuit and it was

excellent. John Parker motioned to approve the Police Chief's report. Joy Thompson seconded. Motion carried on 4 yes votes.

City Administrator's Report – City Administrator Bruce Lundy reported:

Clerk Certification -- City Clerk Beth Kar has received notification that she has received her second level MRCC Clerk Certification from the state. It requires a motion to approve the \$1,000 pay increase that comes with that new Certification. Joy Thompson motioned to approve the \$1,000 pay increase to City Clerk Beth Kar for earning her certification. Kenny Maxwell seconded. Motion carried on 4 yes votes.

Police Car Auction-- The West Central Online Auction of the City police cars has closed. The sale ran for about two weeks and closed on March 16th. The four used Police Vehicles sold for a total of \$11,400. The Maroon 2006 Ford Crown Victoria sold for \$1700. The 2001 Ford Expedition sold for \$3100. The 2010 Chevrolet Impala sold for \$3100 and the 2008 Chevrolet Impala Sold for \$3500. The Auction Company received a 10% fee of \$1140 and the City paid \$200 for the advertisements. After expenses, the profit was \$10,060 which is a lot compared to past sealed bids that normally bring \$700 or \$800 at the most.

Cemetery Seasonal Help – Herb Holloway has applied to work as seasonal help at the Cemetery again. Ed Dunbar also applied. Dunbar worked for the Cemetery previously and did a good job. Lundy would like to hire both. Dunbar wants to work part-time, weed eating 20 hours a week. John Parker asked about hourly rates. Holloway was \$11/hour. For weed eating, Dunbar would be similar. The Cemetery fund is tight and it is difficult paying for mowers but necessary for maintenance. John Parker thought there should be a pay difference between the two employees. John Parker motioned to increase Herb Holloway to \$12/hour and Ed Dunbar as part-time at \$11/hour. Don Dillman added Dunbar as a maximum of 20 hours a week. Don Dillman seconded. Motion carried on 3 yes; 1 no: Thompson.

Cemetery Mower Bids -- Eight companies bid 12 different mowers for the Cemetery. Three different mowers were within about \$800. City Administrator Bruce Lundy summarized the bids. When comparing the three mowers side by side: the John Deere is made of heavier gauge steel, the motors are bigger, the fuel tanks are bigger, the overall weight of the machine is heavier and they offer the longest hour warranty of 1200 hours. Low bidder was Midwest Central. The second lowest bid was Northwest Implement. Jana Hughes, Midwest Central was present. Don Dillman asked the difference between the SDX and S1 models; the transmission is combined. Don Dillman motioned to approve the Midwest Central bid. Joy Thompson seconded. Motion carried on 4 yes votes.

Brownfield Training -- Building Inspector Mike Malhiwsky and Lundy attended a Brownfield Property training. There is CDBG (community development block grant) money available to tear down blighted homes and businesses. It would cost \$1000 per property and looks worth pursuing. The application process ends April 1 so it is too late to apply this year. However, Lundy checked with Tom Bliss of Mo-Kan and Bliss would help to apply for next year's process. Lundy spoke to Andrew County Commissioner Bob Caldwell. There is a requirement to do a minimum of 15 houses. If the City and County pursue this together the blighted properties combined might reach at least the 15 minimum. The \$1000 per property co-pay can be paid by or assessed to the property owner.

Region D – Electronics Collection is Saturday May 7th at the City Yard at 3rd and Price Streets from 8 – 12 Noon. There is a tire drop off in Clinton County but only for Clinton County

residents. Joy Thompson asked if the City could do a collection. The problem would be what to do with them.

March 25 -- The City's technology maintenance provider will be updating the City's Incode server. During that time the City will not have access to Incode to look up and process payments. The estimate is anywhere from 2 to 6 hours. March 25 is Good Friday and we had discussed closing for the day. However March 23rd is water shut off day for customers who did not pay their bills and there could be people who need to pay. Otherwise, this time of the month is normally pretty quiet.

Sidewalks on the Square -- Since his last report he was contacted by a business owner that believes the sidewalks around the Square were not poured to code because he can poke a screwdriver through the damaged portion. He did not think he should have to pay to have it repaired. Lundy researched the NID (Neighborhood Improvement District) that paid to have the sidewalks updated around the Square. The sidewalk was inspected as part of that process. The question was raised whether or not the construction company came back and sealed the sidewalk. The amount of concrete is minimal. It may be \$100 worth, and City staff may be able to take care of it.

Animal Tags -- After the last meeting where Lundy's report mentioned the City Code on dogs and cats, the issue arose of renewal date on tags. The new Code says the pet license renewal is April but it has always been January 1. City Attorney Emily Bauman is preparing an ordinance to update the Code on this section.

Officer Cook Resignation -- Officer Gary Cook has turned in his resignation as he has accepted a position elsewhere.

Improve Savannah -- The Chamber of Commerce has held meetings with several business owners and a few City Officials. The meetings discuss what needs to be done as a community to grow and flourish. One of the items identified is cleaning up properties in an attempt to draw in new customers, residents, and businesses. As a result of those meetings Lundy drafted letters to most all the business owners asking them to look at their properties as if they were going by for the first time and see if there is anything they need to do to spruce things up a bit. A copy of the letter was in the Council packet. After the letters go out, Lundy will work on the Nuisance Properties more aggressively since the weather is more conducive to working outside.

From the City Code, Lundy shared Section 215.030 Maintenance of Premises. In summary, it requires owners to maintain the premises so as not to detract from the health, safety and welfare of the public. Lundy reminded everyone about Electronics Collection as well as haulers including Deffenbaugh who will remove items such as older furniture for a fee.

Don Dillman motioned to approve the City Administrator's report. John Parker seconded. Motion carried on 4 yes votes.

City Attorney's Report -- City Attorney Emily Bauman is working on updates to the City's policies and procedures. She updated the TIF ordinance. The first reading will be tonight with the requested changes on sections 3 and 4 to include zoning approval. She reviewed the rezoning request with Greg Chevrolet. She is working on updating the sidewalk requirements. She updated the due date on the animal tag ordinance which will be at the next meeting. She asked about funeral leave policy update. It can be reviewed to possibly add for a close friend. She is updating the solid waste section including due date, removing the business recycling charges and clarifying the definition of Residential customers. She can work on the policy on minimum

amount for formal bids. Joy Thompson thought the amount was when the City did not have money. Emergency purchases are still allowed. The City needs to talk to department heads to decide on an amount above normal expenditures. Municipal court has been busy. Don Dillman motioned to approve the City Attorney's report. Joy Thompson seconded. Motion carried on 4 yes votes.

RESOLUTIONS FOR CONSIDERATION:

Resolution 2016-1 Lot Split Williams – City Administrator Bruce Lundy described Carey and Tammy Williams request for a lot split. They are selling the property but there is an adjoining property they want to split. The Planning and Zoning Commission reviewed the request and recommended it be approved. Don Dillman motioned to approve Resolution 2016-1 Lot Split. Kenny Maxwell seconded. Motion carried on 4 yes votes.

BILLS FOR CONSIDERATION:

John Parker would like to table the ordinance until the proposed development has completed all the procedures through the Planning and Zoning process. He felt it was asking Council to make an opinion on what may occur. Don Dillman responded that reading the ordinance did not decide anything; it was required to have a first reading for the timeline. City Attorney Emily Bauman confirmed that the first reading was not approving anything. The statutes require the TIF Commission has to make the recommendation within so many days and then the TIF has to go before Council for a first reading within so many days. However the second reading is not defined. The City can wait to do a second reading after the development goes through the entire Planning and Zoning process.

Bill 2016-7 – TIF Project was read for the first reading.

Second Public Testimony: Lois Ross urged for support in getting an inventory control system at the golf course. The system may not pay for itself initially but she thought it certainly would over time. Don Dillman described that there is not much inventory at the golf pro shop. Ross felt even little items add up and a system would eliminate questions she felt did not get answers.

ELECTED OFFICIALS DISCUSSION

Mayor's Report – Mayor Connie George reported that the annual Special Olympics track meet will be held at Savannah Middle School on April 9th. She will be presenting the proclamation.

Council Members Discussion

Don Dillman commented regarding the golf course questions. He is the Council representative to the Golf Committee. He saw the anonymous letter that was full of accusations without merit. Everyone is welcome to come to a Golf Committee meetings. Whatever the golf course does with inventory tracking, it needs to go through the Golf Committee. The Golf Course is self-sustaining and a tremendous asset to the Community. The auditors reported that the golf course finances match up. If someone has proof of theft, they should have come forward. John Parker mentioned that even the newspaper will not print a letter to editor if it is not signed. How can the allegations be addressed if the letter is not signed with a person to contact?

Joy Thompson received a complaint on the alley next to 1401 W. William. There is a green Dodge Neon, unlicensed, inoperable and is blocking the path to the alley for traffic. Chief David Vincent will check it out. There were 131 high school students for AG Day in Thompson's

group. Thompson reported that Marilyn Abarr, on 5th Street, has had trash problem for her tanning salon business. She wanted to pay the City for trash or put it in City dumpsters. Businesses are required to hire their own trash service and to provide their own dumpster. City Administrator Bruce Lundy will follow up.

Ralph Stanton offered to donate his QuickBooks software if would help the golf course. City Administrator Bruce Lundy thanked him but the course will evaluate the need for a cash register system with barcodes for inventory items.

Adjournment

No further business to discuss. Council adjourned at 8:40 p.m. on a motion by Joy Thompson and seconded by Kenny Maxwell. Motion carried on 4 yes votes.

Connie George, Mayor

ATTEST: _____
Beth Kar, City Clerk