

MINUTES OF A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF RICHMOND, MISSOURI, MAY 12, 2015

PRAYER: Led by Jane Bartlett

PLEDGE OF ALLEGIANCE: Led by Fire Chief Lonnie Quick

Mayor Wright called to order the regular meeting of the City Council of the City of Richmond, Missouri on May 15, 2015 at 06:28 p.m.

ROLL CALL - COUNCIL PRESENT: Mayor Mike Wright, Dave Powell, Deanna Guy, Mike Persell, Jim Dunwoodie, Ron Peterson and Tom Williams

COUNCIL ABSENT: Sam Coleman and Rob Kinnard.

ROLL CALL - PRESENT: City Administrator-Ron Brohammer, City Clerk, Tonya Willim, Police Chief-Chad Burnine, Fire Chief-Lonnie Quick, Finance Director-Rebecca Hoeflicker, Collector-Marilyn O'Dell, Human Resources-Sandra Williams, Wastewater Superintendent-Dale Shipp, Recreation Assistant-Lyndsay Swafford and City Attorney-Chris Williams.

ABSENT: Recreation Director-Haley Williams, Street Superintendent-Joe Jackson Community Development-Lisa Hastings

WELCOMING REMARKS – Mayor Wright welcomed everyone to the meeting.

ACCEPTANCE OF MINUTES: April 28, 2015 minutes of the regular meeting approved as printed.

COMMENTS FROM AUDIENCE: None.

ADOPTION OF AGENDA: A motion to adopt the agenda by Councilor Williams, second by Councilor Persell. AYES: Persell, Guy, Williams, Dunwoodie, Peterson and Powell. NAYS: None. Motion approved 6-0.

REPORT OF STANDING COMMITTEES:

FINANCE COMMITTEE: Rob Kinnard (absent) – no report.

ORDINANCE COMMITTEE: Deanna Guy – committee has not met since the last council meeting and therefore has nothing to report.

PUBLIC WORKS: Ron Peterson –committee has not met since the last council meeting and therefore has nothing to report. C/A asked for a meeting. Committee agreed on May 19, 2015 at 4:00 p.m.

PUBLIC SAFETY: Dave Powell – committee has not met since the last council meeting and therefore has nothing to report.

MAYOR'S REPORT – Mike Wright.

A. Reappointments

- a. Cole Oliphant, Building Code Board of Appeals (5/2020)
- b. Bret Bowman, Building Code Board of Appeals (5/2019)
- c. Ernie Jones, Board of Zoning Adjustments (Term to expire 5/2018)

- d. Jerry Cole, Board of Zoning Adjustments (5/2018)
- e. Mark Guy, Board of Zoning Adjustments (5/2018)

Mayor advised Council of his recommendation for reappointments and council decided to approve group in roll call. Roll called: AYES: Williams, Powell, Guy, Persell, Dunwoodie and Peterson. NAYS: None. Reappointments approved 6-0.

B. Appointments

- a. Mayor advised Council of his recommendation for **appointment of Everett Thompson to Planning & Zoning Board** with term expiration of 5/2019. Roll called. AYES: Williams, Powell, Guy, Persell, Dunwoodie and Peterson. NAYS: None. Approved 6-0.
- b. Mayor advised Council of his recommendation for **appointment of Diane Bowman, resident to Richmond Housing Authority Board** with term expiration of 5/2019. Roll called. AYES: Williams, Powell, Guy, Persell, Dunwoodie and Peterson. NAYS: None. Approved 6-0.

Mayor commented the Mushroom Festival went very well, no major issues. The first of the month, I attended as a guest of State Rep. McGaugh the Clay County Lincoln Days, and the Missouri House Speaker was the guest speaker. Very informative.

CITY ADMINISTRATOR – Ron Brohammer – report included in the packet. C/A agreed with the Mayor about the Mushroom Festival. The police did a great job. Terry Dickey from Parks was in charge of maintenance and clean up and he was superb. Tonya was keeping track of all their money. In my opinion, was one of the best. I attended the City Managers/Administrators Association conference last week, Wed, Thurs., Fri at the Lake of the Ozarks, it was very successful. Had some great discussions and speakers. Troy Nash and Chris Williams will present a Work session on different incentives for Economic Development on May 26 from 4-6, just prior to the Council Meeting. We have invited the Steering Committee and others. Open House May 30, 9-1 for the WWTP. As you see we lost a people office and will replace with a reserve officer. We will be receiving a NOV from MDNR for silk fencing not being maintained.

UNFINISHED BUSINESS:

Wastewater Rates – C/A stated he is still unsure where the Council wants to go with adjusting the base rate. At the last council meeting three options were offered. Staff has done some calculations and we think that our basic plan is what we would like to move forward with essentially what we talked about the last council meeting. We would recommend considering raising that base rate to \$16.00 vs. the \$15.25 that we talked about. Raising it to \$16.00 will generate an additional roughly \$60,000 a year. Now, you can't adjust any of the bonds until 2022 about seven years away. We could pay off the USDA bonds anytime but at interest rate of 2.75% I would touch those. We could create a sinking fund and in seven years pay down then continue however council at time chose to do that. I just need guidance to move forward. What we are proposing to move forward is a public hearing at the last council meeting in June and I can't hold a public hearing if I don't know what you want.

Councilman Powell said we voted on Plan A at the last council meeting. C/A state you did but added an adjustable rate at a different rate level. Councilwoman Guy stated the motion was, but, added to make it would be what we were making now. I am quite willing to withdraw that and you can go back to \$15.25 if you want to. Back to the original motion. Do you and Rebecca feel that the \$16.00 is, are you doing that to make extra to pay off the bonds?

C/A stated, I think that is reasonable and would give every one of the current rate payers a \$4.00 savings and of course, if we pick up the extra rate payers, that we have talked about, that would pick them up. This all centers around picking up rate payers that are not paying a base rate. Not to pick on, the multiplex right off of Royle and Camden. It has eight gas meters on it, 8 electric meters and one water meter. Now, that's my whole point.

Councilman Dunwoodie asked, does it use 5000 gallons a month? Marilyn said it uses about 10,000 – 15,000 gallons a month. C/A stated the point is to get a base rate that is equable for everybody that is a user. Not necessarily a volume consumption although that does play into it, as we have talked about, as base equivalent units for larger users. Dunwoodie further stated a larger user is going to pay a larger impact fee when they hook on, they will pay more for sewer because what goes through the water meter and multiplier to come up with what their sewer rate is. C/A is yes. Marilyn said \$7.98 a 1000 gallons. C/A said that is the usage fee when is different from the base fee. The base fee we have tried to establish the fee for the bonds to make the “mortgage payment” for the plant and a larger user causes you to create a larger plant. Individual users cause you to create a bigger plant because you have to be able to process it. This is all this is about; there is no magic or mirrors here. If you don't want to do it, we can leave it at \$20.09 and go on down the road. Dunwoodie stated we have gone to the people twice on bonds and told them this is what is going to be. C/A state true, but, now we have the opportunity to give back.

Dunwoodie stated, you (C/A) told us we had to have \$20.09 to pay the bonds. C/A stated that is correct, but, if you don't want to collect from all that are not paying a base charge, then don't. But, you have the opportunity to lower the base rate for everyone by collecting from those that do not pay the base charge. The base rate pays the mortgage and the usage fee pays the utilities, salaries, equipment, etc. Dunwoodie stated, one of these days, if we keep changing everything, they won't vote for nothing. C/A said even though you told them they would pay \$20, but, would only have to pay \$16 now, don't you think they would appreciate that.

Mayor stated after \$15.25 to \$16.00 at seven years there should be a big chunk of money to pay down on the bonds. Then after that first seven years you can also pay more if you have money.

Council Powell stated, I am confused by the \$16.85 per month. C/A stated, Deanna made a motion at the last meeting that we establish the rate at an amount that would generate the same amount of dollars as the \$20.09 does and incorporating the other users. That is what this is all about incorporating the other users. Councilor Powell said, “I like that \$15.25 figure, but .75 doesn't make a difference, I guess.” C/A said I was trying to reach a comprise that was agreeable to everyone that would generate a little extra money that you could develop a sinking fund and in seven years and generating the interest which will be small because we get a very small amount in interest, but would have \$375,000 that you could apply to the front of the loan, but, you do anything to commercial bonds until 2022, when their first call date comes up.

Further discussion on how fast loan could be paid off, this change is not set in stone the rate is always up to the council with a public hearing. C/A state I am only looking for direction on what number (rate) you want to use for the public hearing or if you want to do this or not. I need one direction and two a number.

Councilor Peterson said he received many calls regarding from his constituents regarding not to make the change. I tried to explain the benefits. Councilor Williams, stated he thought it was the right thing to do, and I don't know, it will cost landlords more money, but I would like to give back to the citizens. Councilor Powell will this make new multiplex have all the meters; I think we should give back to the citizens.

Mayor asked Chris Williams what we should do now. Chris stated we are just looking for direction on the amount for the public hearing and for the ordinance. We just need to know how to do the ordinance.

You can do it by consensus. Mayor said we will go with the rate of \$15.25 and prepare for the public hearing.

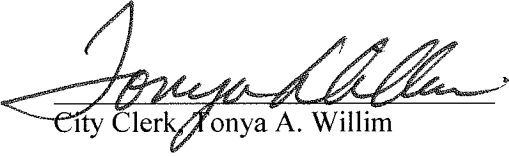
C/A when we get to the public hearing, June 23, that the council has proposed \$15.25 incorporating mutli users, you all know what we are proposing. That is not the time for the council to disagree with what you said now. It's a public hearing and for the public. I want direction of the council. Mayor said the consensus is \$15.25 and work on the public hearing.

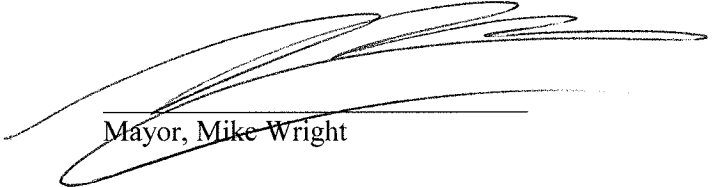
NEW BUSINESS: None.

ADJOURN OPEN/ENTER CLOSED SESSION: Motion to adjourn open/enter closed pursuant to 610.021 (1) Legal, (2) Real Estate and (12) Contract at 7:03 p.m. by Guy, second by Peterson. AYES: Powell, Dunwoodie, Peterson, Guy, Persell and Williams. NAYS: None. Motion carried 6-0.

ADJOURN CLOSE SESSION/ENTER OPEN SESSION: Motion to adjourn close/enter open at 7:21 p.m. by Guy, second by Dunwoodie. AYES: Powell, Dunwoodie, Peterson, Guy, Persell and Williams. NAYS: None. Motion carried 6-0.

ADJOURN: Motion to adjourn at 7:21 p.m. by Dunwoodie, second by Guy. AYES: Powell, Dunwoodie, Peterson, Guy, Persell and Williams. NAYS: None. Motion carried 6-0.


City Clerk, Tonya A. Willim


Mayor, Mike Wright