

City of Troy, Missouri
Public Hearing and Regular Board of Aldermen Meeting
Monday, August 20, 2018
6:30 P.M.

Present for the Public Hearing and Regular Board of Aldermen Meeting were Aldermen Walker, Norman, Anderson, Sconce, Detert, Curt and Mayor Cross. Also present were Public Works Superintendent Cunningham, Building Official Lindsey, Police Chief Taylor, Parks Director Howell, Wastewater Superintendent Peasel, Treasurer Flinn, City Attorney Granneman and City Clerk Schneider.

Mayor Cross opened the Public Hearings and asked for citizen comments on:

- (a) Setting proposed 2018 property tax rate by the City of Troy, a political subdivision. The tax rates are set to produce the revenues, which the budget for the fiscal year beginning July 1, 2018, shows to be required by the property tax; and
- (b) Voluntary Annexation of 1692 W. Highway 47, Troy, Missouri 63379 by applicant, Barry Patton. This address is contiguous with the existing city limits and will be zoned "R-1;" and
- (c) James Needy, applicant and property owner, is requesting approval of rezoning from "R-2" Single-Family Residential District to "C-3" Highway Commercial District for the location of 101 Front Street.

Mr. Needy was present and relayed that the rezoning request was intended for office space. Mr. Needy did not have any drawings nor potential tenants. Building Official Lindsey reported that Planning & Zoning Commission did not approve the request because of lot size and not having a site plan. Mr. Needy said that he did not know about the hearing and missed it altogether. Alderman Detert reported that the Commission was concerned with parking on Front Street and vehicles having to back-out on a busy intersection. Mr. Needy was advised to meet with Building Official Lindsey.

City Clerk Schneider relayed to the Board that a seven-day notice was required by State statute on the property tax public hearing notice. Schneider stated that the notice was published in the newspaper and additionally posted at the Lincoln County Courthouse, Justice Center and Troy City Hall to fulfill that requirement.

There were no other citizen comments.

Mayor Cross called the Regular Board of Aldermen Meeting to Order at 6:40 p.m., announced a Quorum present and led in the Pledge of Allegiance.

Alderman Anderson made a motion, seconded by Alderman Sconce to Approve the Consent Agenda upon the removal of Items 7(A) and 7(B). Vote: Anderson aye, Sconce aye, Detert aye, Curt aye, Norman aye, Walker aye.

*Approved the Minutes of Public Hearing and Regular Board of Aldermen Meeting dated July 16, 2018, and Regular Board of Aldermen Meeting dated August 6, 2018

Kenny Wilke was not present.

Vicky Smith explained that she just moved to Troy and wanted to report vehicles traveling at high rates of speed in front of her home at 1095 Main Street. She discovered that a bus stopped for school children at Main and Pershing and was concerned for their safety. She commented that emergency personnel speed when not on a call and recently, a pizza delivery driver was speeding and hit her neighbor's dog. Chief Taylor spoke with Lt. Tienter last week and there had not been any excessive-speed calls in that area. Chief Taylor will assign patrols to the area. Ms. Smith said neighbors call repeatedly about speeding to no avail. She asked if a stop sign may be placed at that intersection and Chief Taylor responded that patrols will radar to obtain average speed of drivers.

*Approved Reports of Park, Planning & Zoning/Board of Adjustment, Historic Preservation Commission, Troy Convention and Visitors Bureau

*Approved Reports of Police, Public Works, Wastewater, Finance, Building Inspection, Parks and Administration Departments

*Approved Payment of Regular Monthly Bills

Alderman Sconce made a motion, seconded by Alderman Walker to Approve Service Line Warranty Program utilizing Utility Service Partners (presented on July 16, 2018). Vote: Sconce nay, Walker nay, Deter nay, Norman nay, Curt nay, Anderson nay.

Alderman Sconce made a motion, seconded by Alderman Anderson to Adopt 2018 Property Tax Rate of \$0.1753 (includes a Voluntary Reduction of \$0.15) Per \$100 of Assessed Valuation. Vote: Sconce aye, Anderson aye, Curt aye, Detert aye, Norman aye, Walker aye.

City Attorney Granneman stated that the voluntary annexation needs to be approved by ordinance at the next Board meeting. Item 7(B) was removed.

* Approved Bad Debt Utility Write-off from September 1, 2016 to August 31, 2017 of \$7,118.90

*Approved Disclosure Compliance Services Proposal by Gilmore & Bell in the amount of \$1,500.00 per year (for an aggregate amount of \$7,500.00 for the five-year contract term)

*Approved Personnel Policy Guideline – Whistleblower Protection, page 200-25

Mr. James Needy withdrew his Rezoning Request from “R-2” Single-Family Residential District to “C-3” Highway Commercial District for the location of 101 Front Street.

Alderman Sconce asked for an explanation of the Cochran Engineering’s recommendation not to pay the change order submitted by Cannon Contractors. Kurt Daniels of Cochran Engineering was present, offered pictures to the Board and explained that a survey on the site was performed in 2016 after utility lines were marked by DigRite. The first picture was of the manhole in question and Daniels pointed out that there were no green markings reflecting no lines coming in and out of it. He stated that their survey crew luckily found it in the first place. The second picture shows green lines of a marked manhole showing where the next manhole would be located. Their survey crews usually pop the lid to see inside but could not gain access. The crew bent a crowbar trying to access. Daniels commented that sometimes manhole lids seal shut due to hydrogen sulfide gases. The surveyor called the City and the City sent two employees to the site to help gain access to the manhole. The two employees could not gain access. The employees saw a break in the fence and assumed that was the location of the force main going out and they did not see anything coming in. Daniels said it appeared to be a locked lid, no flow line and three attempts to gain access were tried. There is a comment period given the City upon receipt of the plans but none were made.

At the 2018 bid opening, it was fortunate that Ryan Peasel looked at the plans and notified Eric Kirchner of Cochran Engineering that the depth was wrong and it needed to be lowered. Daniels said the discovery was two years too late. A quantifiable amount was given to contractor of three feet lower and no quantity on risers of pipe that were needed. The contractor submitted a change order with a \$25,000.00 crane rental and \$15,000.00 additional labor. Daniels explained that in his 27 years of experience, he had never seen a crane rental needed for this type of pipe. Cochran checked with other contractors to discuss, went on site and saw track hoe/excavator dig three feet down. Daniels did not see the justification.

The contractor’s explanation for additional labor was (a) to buy the lot for \$25,000 from property owner (which appeared to match the cost of renting the crane); and (b) tell the City that it should be happy because contractor was still cheaper than the second bid. Daniels said that he could not deliver this message to the City.

Alderman Sconce stated as a result of Cochran’s recommendation, the City had to rebid, City crews received and unloaded the pipe delivery, and the initial low bidder came in second highest bidder indicating that the initial bid price was probably way too low.

Daniels said if the lowered footage had been discovered in 2016 during the design phase, it would have been part of the cost of the of the project from the beginning. The contractor did rebid and their price did go up.

Mayor Cross asked why Cochran did not come to him when unable to gain access to the manhole. Daniels said there was a cut in the fence and this indicated the line coming in and there was no reason to believe there was another line. There were also three attempts to access the manhole.

Mayor Cross was still concerned that the manhole did not get opened. The City discovers manholes buried in the ground all the time and it is normal and customary to take lid off for a surveying crew. Daniels replied that the crew made three attempts. This is where the line was and saw the cut in the fence. Mayor Cross said the manhole wouldn't open and you spoke with two City employees. Daniels said the crew called a supervisor to get the two workers, someone sent them out, and Eric Kirchner does not remember the name of the supervisor. City employee, Richard Rahmier, removed the lid with a large hammer. Daniels said the surveyor could not forcibly extract and had no equipment to remove the manhole lid and had tried to access the manhole three times. Daniels continued that the survey crew saw no evidence that there was a line going out from the manhole.

Alderman Sconce believed that the hole had already been dug at the lift station based upon Cochran's recommendation not to pay the change order. It appears that the costs are more rather than if the change order had been approved taking into account costs to unload with track hoe and moving the pipe twice rather than moved once had a crane been rented. Daniels replied that their firm went back to the contractor to discuss the change order but based on comments made in that discussion, the firm was unable to recommend approval. The comments included that even with the change order, the contractor was still below the next lowest bidder, and the purchase of the property/lot for access to the site would cost \$25,000.00. Alderman Sconce pointed out that the contractor did not have a sales contract with the property owner and had access point in the contract.

Alderman Anderson did not like Mr. Daniels' implication of shady comments made by contractor. Mr. Daniels replied that he did not mean to insult but that he could not bring contractor's comments to the Board.

Alderman Sconce said the additional costs were \$63,000.00 difference between low bid and cost of pipe and \$13,327 to rent track hoe and overtime labor to unload pipe.

Alderman Norman questioned if the new contractor will lay the pipe with a track hoe.

Daniels answered in the affirmative and stated the new contractor does not have a crane.

Daniels continued that in his twenty-seven-year career, he has never seen a crane used on

the job and stated that the specifications on the track hoe would set this pipe. Alderman Curt pointed out that the original contractor on this project was \$7,000 higher than the current low bid. Daniels said that Cochran Engineering has already discussed with the low bidder, Karrenbrock, of doing things differently in order to possibly reduce costs by \$23,000 on the project. City Attorney Granneman alerted the Board not to award bid for an amount other than the bid submitted of \$230,355.00 since Karrenbrock does not have to submit a reduction.

Daniels said take six feet off to begin with using a track hoe, they have the equipment to do it, dirt work will go back in the hole, 2,300 yards of excess dirt to haul off, finding a direct haul distance closer would reduce costs. Mayor Cross said there were no guaranties. Daniels responded that was correct but he had a call to clients who are accepting soil.

Alderman Sconce said it cost the City \$75,278 more to set pipe at that depth and believed the crane was the safest and easiest way to lay the pipe. Daniels said his experience was 96" pipe laid in Wentzville Bluffs with track hoe whereas this project required 84" pipe. Alderman Curt said that Cannon did not feel safe to do job without using a crane. Alderman Sconce said the City did not know it would cost \$12,000-\$15,000 to unload the pipe. Daniels said they will work with Karrenbrock to solidify possible reductions and come back to the Board. Alderman Sconce said the City has spent \$75,000 additional funds in three weeks on this project. Daniels believed a reduction in cost was possible and will solidify the closer-haul working with contractor. Daniels asked if the City had a dumping site of dirt from the back slope on the detention basin. Wastewater Superintendent Peasel offered the possibility of space by the MBR plant. Alderman Anderson worried about the time delay and wanted the project completed. Daniels worked and talked with original contractor but did not believe their justification if change order approved that they would do that. Mayor Cross said we have seen credits in amounts similar to that change order too from the original contractor for the record. Alderman Sconce resents any bad comment that shows them in a bad light. Daniels said that was not my intention but those were the comments made to him to show the Board where his head was in making that recommendation.

Alderman Sconce made a motion, seconded by Alderman Anderson to Award Whitetail Crossing Lift Station Improvement Project #M16-7299 to Karrenbrock Excavating, LLC in the amount of \$230,355.00 recommended by Cochran Engineering as the lowest and best bid. Vote: Sconce aye, Anderson aye, Curt aye, Norman aye, Walker nay, Detert aye. Motion carried 5-1.

Wastewater Superintendent Peasel stated in 2016 plans looked good based on the information provided. Alderman Sconce do not hold you responsible at all.

Discussion ensued on support for ballot measure entitled "Proposition D" for the November 6, 2018 ballot increasing the state motor fuel tax by ten cents per gallon incrementally over the next four years totaling twenty-seven cents. A portion of the tax funds would divert back to the City and would enable the current seventeen cents to fund roads-transportation and ten cents to the highway patrol. Alderman Curt made a motion, seconded by Alderman Sconce to Adopt Resolution 2018-3 Supporting Missouri General Assembly Ballot Measure Proposition D Increasing the State Motor Fuel Tax. Vote: Curt aye, Sconce aye, Anderson aye, Walker aye, Norman aye, Detert aye.

Building Official Lindsey obtained three initial bids for asbestos abatement in commercial flooring tile in hallway at City Hall with the lowest and best bid received by Midwest Service Group. A discovery of black mold occurred in the kitchen area next to the hallway construction, and in an emergency situation, the City requested Midwest Service Group to immediately remove the black mold as an addendum for a total of \$16,350.00. The City's property insurance company has been notified. Alderman Sconce made a motion, seconded by Alderman Detert to Approve Asbestos and Black Mold Abatement as Emergency Purchase to Midwest Service Group in the amount of \$16,350.00. Vote: Sconce aye, Detert aye, Curt aye, Anderson aye, Norman aye, Walker aye.

Mayor Cross recommended the Board delete the Sick Leave Incentive Plan, page 400-23, in the Personnel Policy Guideline or at least exclude salaried personnel from participating in the plan. He continued that it encourages employees to come to work sick, the same five or six employees receive it every year and believed that a paid-time-off bank ("PTO") would work better. Alderman Sconce did not want to take incentives away since the Board was currently reviewing ways to give benefits in lieu of salaries.

Several department suggestions were offered by employees in lieu of raises to increase benefits. City Attorney Granneman suggested that since these suggestions may impact the Personnel Policy Guidelines that a list be compiled through Tonya Hawks, HR Generalist. The Board asked that a list be compiled and ranked according to importance anonymously with employees' knowledge that there are no guaranties that any of the suggestions will be implemented.

Alderman Detert brought a Union Health Insurance proposal to the Board due to an increase every year in the cost of insurance as much as 30%. Detert brought District 9 Machinists Union health insurance contract dated 2017-2019. The cost does not increase until December 2020. There is a \$750 deduction versus \$1,000 in the City's current plan. All City employees would have to join the Union and pay \$65 dues (current cost) per month. Detert believes this plan will save the City money and employees money. City Attorney Granneman said Board discussion in Closed Session needs to occur on how this would affect the City in other ways than just health insurance. City Clerk Schneider

pointed out that the Union health plan has a 15% co-insurance after deductible whereas the City's health plan is 0% co-insurance after deductible. In other words, once deductible is met, the insurance company pays 100% of any remaining costs.

The Board's consensus was to hold a First Monday of the Month Regular Board of Aldermen Meeting on Tuesday, September 4, 2018 due to Labor Day Holiday for Update on Wastewater Treatment Plan Project by Woodard & Curran.

Alderman Walker made a motion, seconded by Alderman Anderson to Postpone the Third Monday of the Month Regular Board of Alderman Meeting to Thursday, September 20, 2018 due to conflict with the Missouri Municipal League Conference. Vote: Walker aye, Anderson aye, Kurt aye, Detert aye, Norman aye, Sconce aye.

Alderman Curt made a motion, seconded by Alderman Norman to Approve Professional Engineering Services Agreement by George Butler Associates, Inc. in the amount of \$9,000.00 for 2018 Concrete Slab Replacement Project. Vote: Curt aye, Norman aye, Walker aye, Sconce aye, Detert aye, Anderson aye.

Alderman Anderson made a motion, seconded by Alderman Sconce to Go Into Closed Session in compliance with 610.021 of RSMo. For the purposes of discussing Legal and Real Estate. Vote: Anderson aye, Sconce aye, Walker aye, Norman aye, Curt aye, Detert aye.

Alderman Walker made a motion, seconded by Alderman Curt to Authorize City Clerk Schneider to File Proof of Claim in United States District Court for the Southern District of New York, a class-action lawsuit for Class Members who purchased U.S. Dollar LIBOR-based instruments in the United States. Vote: Walker aye, Curt aye, Detert aye, Norman aye, Sconce aye, Anderson aye.

City Attorney Granneman relayed to the Board in Jimmy Lee Kerley vs. Lincoln County Circuit Court, Case No. 18L6-CC00069 of a continuance in the case until November. At that time, City Attorney would present a Consent Order to the Judge for expungement of record.

City Attorney Granneman advised the Board on Legal and Real Estate matters. Alderman Curt left the meeting. Further discussion on Legal matters.

Alderman Sconce made a motion, seconded by Alderman Anderson to Go Out of Closed Session. Vote: Sconce aye, Anderson aye, Detert aye, Walker aye, Norman aye.

Alderman Sconce made a motion, seconded by Alderman Walker to Adjourn the Meeting. Vote: Sconce aye, Walker aye, Detert aye, Anderson aye, Norman aye. Meeting adjourned at 9:13 p.m.

ATTEST:

City Clerk

Mayor Mark Cross

*Approved on Consent Agenda