

**CITY OF BOONVILLE
COUNCIL MEETING
AGENDA
July 5, 2016
7:00 p.m.**

I. Call to Order – Pledge and Prayer (Whitney Venable)

II. Roll Call

III. Hearing of Citizens' Comments

IV. Approval of the Minutes of the June 20, 2016 Council Meeting

V. Consent Items

- a. None.

VI. Presentation of Accounts and Claims

VII. Unfinished Business

- A) First Reading of Bill No. 2016-023 Approving the purchase of Hail Ridge Golf Course
- B) Second Reading of Bill No. 2016-021 Approving Local Agency Funding Contracts for FY 2016-17
- C) Second Reading of Bill No. 2016-022 Approving Final Plat Subdividing Tract of Land Fronting Rocheport Road Owned by Industrial Development Authority
- D) Review and Act on IDA's request for appropriation—Final copy will be available at the meeting

VIII. New Business

- A) None.

IX. Reports of Standing Committees

- A) Parks and Recreation Board—June 21, 2016 (Whitney Venable)
- B) Street, Alley, and Sanitation Board—June 29, 2016 (Susan Meadows)
- C) Industrial Development Authority—June 16, 2016 (Becky Ehlers)
- D) Municipal Facilities Authority—June 16, 2016 (Becky Ehlers)

X. Reports of City Officials

City Administrator

Mayor

City Counselor

City Clerk

XI. Miscellaneous

XII. Adjourn

NOTICE: The City of Boonville will comply with the Americans with Disabilities Act (ADA). Individuals who require an accommodation due to disability to attend this meeting should contact our office at 660-882-2332 or Relay Missouri, 1-800-735-2966 TTY at least 48 hours in advance.

DRAFT COPY PENDING REVIEW AND APPROVAL OF CITY COUNCIL

City of Boonville
City Council Meeting
Minutes
June 20, 2016

The Boonville City Council met in Regular Session on June 20, 2016 at 7:00 p.m. in the Council Chambers. The following officers were present: Julie Thacher, Mayor; Irl Tessendorf, City Administrator; Charissa Mayes, City Counselor; and Teresa Studley, City Clerk.

CALL TO ORDER – PLEDGE AND PRAYER

The meeting was called to order at 7:00 p.m. and Mr. Michael Stock led the prayer after the pledge of allegiance.

ROLL CALL

The following Council Representatives were present: Michael Stock, Whitney Venable, Susan Meadows, Ned Beach, Henry Hurt, Morris Carter, and Becky Ehlers. Councilperson Vanessa Dorman was absent.

HEARING OF CITIZENS' COMMENTS

Tom Baslee, Ward 4, expressed his opposition to changing the speed limit on Bingham Road from Main Street to 11th Street. Mr. Baslee believes the speed limit should remain at 30 mph along that stretch of roadway. His concern was for the school children crossing at the pedestrian crosswalk at 6th and Bingham Roads for nine months out of the year and then for the children crossing at 11th and Bingham Roads to go to the City Pool during the summer time. He feels that the higher speeds are not safe for the pedestrians. Mr. Baslee also stated that with the Fire Department making two to three emergency calls throughout the day, the 40 mph speed limit increase would be unsafe as well. Mr. Baslee stated that if the Council chose to change the speed limit from 11th Street out towards Interstate 70 that would probably not be a safety issue.

Jerry Quinlan, Ward 2, expressed his agreement with Mr. Baslee. Mr. Quinlan further noted that the speed limit of 45 mph on Ashley Road is entirely too fast with all the traffic going to the Isle of Capri, Davis Funeral Home, Excel Fitness Center, and with the loads of concrete brought in from Boonville Ready Mix. Mr. Quinlan stated that the 2.4-mile stretch of roadway on Ashley Road from Interstate 70 to Schlotzhauer Auto, the roadway consists of only 10 streetlights. Mr. Quinlan felt that the City needs to install extra street lighting for this area. Mr. Quinlan stated that it would be a nice to have the same amount of lighting of the 1.2-mile stretch of Logan's Lake Road, which has 19 streetlights. Mr. Quinlan believes that the stretch of roadway on Ashley Road is too dark.

Garrett Fuller, Ward 4, expressed his agreement with Mr. Quinlan. Mr. Fuller also stated that he felt that Bingham Road from 11th Street was too dark for pedestrians. He feels that it is a public safety issue that needs to be addressed. Mayor Thacher questioned Mr. Fuller specifically where he was describing. Mr. Fuller responded that it was on Bingham Road from 11th Street to Jefferson Road.

APPROVAL OF THE MINUTES OF THE JUNE 6, 2016 COUNCIL MEETING

The minutes were approved as presented.

CONSENT ITEMS

None.

PRESENTATION OF ACCOUNTS AND CLAIMS

Ms. Studley stated that handed out to each Council seat, they will find a REVISED edition of accounts and claims. Ms. Studley read the ordinance in its entirety and a second time by title only, since a copy of the ordinance had been made available prior to the meeting. Ms. Ehlers moved and Mr. Beach seconded the motion for approval of the REVISED ordinance. Mr. Beach noted and corrected Ms. Studley on the date that was read in the ordinance. Ms. Studley quoted January 20, however, the ordinance was written correctly with June 20, 2016. Roll call was taken. Ayes: Stock, Venable, Meadows, Beach, Hurt, Carter, and Ehlers, Total (7); Opposed: None, Total (0); Absent: Dorman, Total (1). Motion Carried.

UNFINISHED BUSINESS

SECOND READING OF BILL NO. 2016-020 MODIFYING LENGTHS AND SPEED LIMITS OF CERTAIN ZONES ALONG BINGHAM ROAD

Ms. Studley read, by title only, a copy of the bill. The bill died due to a lack of a motion.

NEW BUSINESS

FIRST READING OF BILL NO. 2016-021 APPROVING LOCAL AGENCY FUNDING CONTRACTS FOR FY 2016-2017

Ms. Studley read, by title only, a copy of the bill.

CONSIDER APPROVAL TO AWARD BID FOR ONE TON CAB AND CHASSIS TRUCK PARKS AND RECREATION DEPARTMENT

Mayor Thacher stated that there was a memo in the Council packet from Director of Parks, Gary Nauman, in reference to the one-ton cab and chassis truck bid that took

place on June 13. Mr. Nauman reminded the Council of the previous bid that was approved by the Council on April 18. The bid had to be rejected due to some problems getting the truck from the awarded dealership. The second bid packet was resubmitted to seven dealerships; however, only one dealership responded for this second bid. The bid from Putnam Chevrolet of \$34,879.00 with a trade in offer of \$400.00, for a bid price of \$34,479.00. The bid is within the budget. Mr. Nauman is recommending that the City approve the bid from Putnam Chevrolet. Mr. Carter moved and Ms. Meadows seconded the motion to approve the bid for the one-ton cab and chassis truck for the parks and recreation department. Roll call was taken on Mr. Carter's motion. Ayes: Stock, Venable, Meadows, Beach, Hurt, Carter, and Ehlers, Total (7); Opposed: None, Total (0); Absent: Dorman, Total (1). Motion Carried.

FIRST READ OF BILL NO. 2016-022 APPROVING FINAL PLAT SUBDIVIDING TRACT OF LAND FRONTING ROCHEPORT ROAD OWNED BY INDUSTRIAL DEVELOPMENT AUTHORITY

Ms. Studley read, by title only, a copy of the bill.

CONSIDER RESOLUTION R2016-08 APPROVING AN AGREEMENT WITH VANCE BROTHERS, INC FOR ASPHALT PAVEMENT SEALS 2016

Ms. Studley read the resolution in its entirety. Mr. Beach moved and Mr. Stock seconded the motion for approval. Mayor Thacher commented that there was only one bid that was received; however, the one company is very reputable and has done work for the City of Boonville previously. Roll call was taken on Mr. Beach's motion. Ayes: Stock, Venable, Meadows, Beach, Hurt, Carter, and Ehlers, Total (7); Opposed: None, Total (0); Absent: Dorman, Total (1). Motion Carried.

CONSIDER PURCHASE OF MATERIAL AND LABOR FOR WATER TANK MIXING EQUIPMENT

Mayor Thacher invited Mr. M.L. Cauthon III, Director of Public Works, to address the Council in reference to the request. Mr. Cauthon explained to the Council that this purchase is related to the removal of Total Trihalomethanes (hereinafter TTHM'S) that the City of Boonville has received a notice of violation from the Missouri Department of Natural Resources for and this is for the purchase of the equipment for the removal of the TTHM's. Mr. Cauthon explained to the Council how the equipment removed the TTHM's. Mr. Carter moved and Ms. Meadows seconded the motion to approve the TTHM's Removal Equipment Purchase and Installation for \$128,974.00. Roll call was taken on Mr. Carter's motion. Ayes: Stock, Venable, Meadows, Beach, Hurt, Carter, and Ehlers, Total (7); Opposed: None, Total (0); Absent: Dorman, Total (1). Motion Carried.

REPORTS OF STANDING COMMITTEES

TOURISM COMMISSION – JUNE 7, 2016

Mr. Beach reported that the meeting was cancelled due to lack of agenda.

HOUSING AUTHORITY – JUNE 8, 2016

Mr. Beach reported that it was a great meeting and he thanked Ms. Mayes for her assistance on a reporting issue.

PLANNING AND ZONING – MAY 10, 2016

Mr. Venable reported the commission reviewed the subdividing tract of land on Rocheport Road owned by the IDA.

POLICE BOARD – JUNE 13, 2016

Mr. Hurt reported that Ms. Marlene Hohensee is retiring after 26 years of service. Mr. Hurt stated that the Police Department has received their new weapons, in which the officers are yet to be trained on.

INDUSTRIAL DEVELOPMENT AUTHORITY – MAY 19, 2016

Ms. Ehlers reported that the minutes are in the packet and Dr. Gann is present at the meeting if there are any questions.

MUNICIPAL FACILITIES AUTHORITY – MAY 19, 2016

Ms. Ehlers reported that the minutes are in the packet and Dr. Gann is present at the meeting if there are any questions.

REPORTS OF CITY OFFICIALS

CITY ADMINISTRATOR

No report was provided.

MAYOR

No Report was provided.

CITY COUNSELOR

No report was provided.

ECONOMIC DEVELOPMENT REPORT

Dr. Gann reviewed his June 16, 2016 report with the council with particular note to several items.

2) Missouri Partnership Sourced Attraction Activities—Please note that the Nordyne plant is active in three different projects.

2e) Project Bavarian Barn—Dr. Gann reported that he believes this project will be dropped due to lack of activity.

6) Community Engagement Initiatives—Dr. Gann reported that the City is now served by a Women's Business Center. The Small Business Administration, which Central Missouri Community Action Center (CMCA) applied for and received the grant, funds this program. There are no income guidelines for this program. This program focuses on Women Owned Businesses.

9c) Dean Barber Article of the Future of Work—Dr. Gann included in the packet an article called The Future of Work in the Next Economy. Dr. Gann gave a brief summary of the article to the Council.

3b) Locally Sourced-Project Soda—Dr. Gann briefed the Council of some general information on the Project, yet the Project is still confidential at this time. Dr. Gann gave a history timeline of the Project, which started in March 2016. The needs of the project were fully filled by the Indeeco Building. Dr. Gann commented that since this project is a relocation from inside the State of Missouri, there are no types of grants that the company can use as an incentive to move to Boonville. Therefore, Dr. Gann proposed a \$200,000 forgivable Economic Development Loan; however, City Staff will be working on the incentive proposal to insure this is exactly what the City wants to do. Dr. Gann stated that there has been money set aside to do so, if this proposal is chosen. Dr. Gann advised the Council that by his thorough analysis, the company is very well run. Dr. Gann advised that the company is more than ten years old and has a record of continued growth. Dr. Gann advised that the intent for proposing the funds was to show the City's genuine interest in their company and that the company feels that there are record sales ahead, therefore, the funds will be able to assist them in retaining cash and building inventory. Dr. Gann informed the Council that in their building purchase contract, there is a contingency clause based on the City's proposal. Dr. Gann stated that the company would like to have a decision or a "pathway" for a decision by July 5. Dr. Gann would just need a general consensus of the Council on July 5, if a deal can come together. Dr. Gann advised that the company is on a time constraint due to their sales and timing the possible move appropriately.

CITY CLERK

No report was provided.

BUILDING INSPECTOR

Mayor Thacher stated that the May 2016 report was submitted in the council packet.

MISCELLANEOUS

Mr. Carter reminded the citizens that there would be fireworks for the 4th of July at Kemper Park.

CLOSED SESSION RSMO 610.021 (2) REAL ESTATE

Ms. Meadows moved and Mr. Venable seconded the motion to adjourn to Closed Session RSMo 610.021 (2) Real Estate. Ayes: Stock, Venable, Meadows, Beach, Hurt, Carter, and Ehlers, Total (7); Opposed: None, Total (0); Absent: Dorman, Total (1). Motion Carried.

ADJOURN

Following a return to Open Session, Mr. Carter moved and Mr. Venable seconded the motion to adjourn at 8:35 p.m. and the voice vote was unanimous.

Respectfully Submitted,

Teresa Studley, City Clerk

Approved:

Julie Thacher, Mayor

ORDINANCE APPROPRIATING MONEY

Be it Ordained by the Council of the City of Boonville, as follows:

Section 1: For the purpose of paying salaries and various accounts against the City of Boonville, which have been allowed by the Council, at the regular meeting thereof on July 5, 2016 the sum of **\$220,832.54**

General Fund	\$61,981.23
Sanitation	\$27,186.88
CIP Tax	\$2,892.97
Water Works	\$73,755.25
Capital Projects	\$0.00
Waste Water	\$6,115.21
Tourism	\$4,453.18
Gaming	\$32,585.35
Parks/Water	\$11,862.47

Section 2: The Accountant is hereby authorized and instructed to draw checks on the respective City bank accounts, in favor of the persons whose salaries and accounts have been allowed as above, amounting to \$220,832.54 being the total amount of money above appropriated.

Section 3: This ordinance shall take effect and be in force from and after its passage. First reading on July 5, 2016 read for the second time this 5th day of July, 2016 since a copy was made available prior to the meeting.

Approved July 5, 2016 _____
Mayor

Endorsed July 5, 2016: I hereby certify that a sufficient sum of money stands to the credit of the City, unappropriated, in the various funds to meet the requirements of this ordinance.

Accountant

AN ORDINANCE OF THE CITY OF BOONVILLE, MISSOURI APPROVING THE PURCHASE OF THE HAIL RIDGE GOLF COURSE

WHEREAS, the City of Boonville has been presented with a variety of options for the use and development of the Hail Ridge Golf Course and surrounding property over an extended period of time and has given the options due consideration, knowing that it was the owner's intention to sell and dispose of the property as soon as practicable; and

WHEREAS, by the end of May, 2016, all reasonable options for the City to facilitate the development of a residential subdivision at Hail Ridge were exhausted; and

WHEREAS, the Council desired to ensure the future beneficial use of the Hail Ridge Golf Course to serve the best interests of the citizens by preserving the green space in the city along the Highway 87 corridor; by maintaining leisure and student-athletic opportunities in the community; and by keeping a local 18-hole course in the city to attract and entertain visitors; and

WHEREAS, pursuant to the Missouri Sunshine Law provision 610.021(2), the City Council met in closed session to develop an offer to purchase the Hail Ridge Golf Course and to continue negotiations therefor, which have resulted in a deal; and

WHEREAS, Arthur Henry Properties, LLC, has agreed to sell the golf course to the City of Boonville; and

WHEREAS, the Council and Arthur Henry Properties, LLC have come to terms and wish to proceed with a contract for sale.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BOONVILLE, MISSOURI AS FOLLOWS:

SECTION 1: That the purchase of the Hail Ridge Golf Course is hereby approved by the City Council of Boonville, as described in the contract for sale of real estate which is attached hereto and marked as Exhibit A. Exhibit A is incorporated herein by reference as if set forth fully in this ordinance.

SECTION 2: The Mayor is hereby authorized to take such additional actions as are necessary and proper for the City to complete the purchase of real estate, as the parcel is described and depicted in the contract at Exhibit A, and in accordance with its terms, so that the City may take title to the property upon and from the date of closing.

SECTION 3: This ordinance shall take effect and be in full force from and after its passage and approval.

FIRST READING: July 5, 2016

**READ FOR THE SECOND TIME AND PASSED ON THIS 18th DAY OF JULY 2016,
AFTER A COPY OF THIS ORDINANCE AND CONTRACT HAVE BEEN MADE
AVAILABLE FOR PUBLIC INSPECTION PRIOR TO THE SECOND READING.**

PRESIDENT OF THE COUNCIL

APPROVED THIS 18th DAY OF JULY, 2016

JULIE THACHER, MAYOR

ATTEST:

TERESA STUDLEY, CITY CLERK

June 30, 2016
Boonville, MO 65233

To the Mayor and City Council;

As the economic development relationship with the University of Missouri has evolved over the last two years, we have now reached a point organizationally to serve you and the community through taking a more active role in the delivery of economic development programs and services. In general, the Industrial Development Authority of the City of Boonville, Missouri (IDA) would like to transition from acting solely in an advisory role to you to one where it is active in deal-making for economic development purposes. Please know that the IDA fully intends to remain accountable to you and the citizenry at large, but would like to advance this role to be more agile and responsive to projects that come forward.

Accordingly, the IDA is correctly organized under Missouri Statute 349.010 to "...promote and solicit industrial and economic development projects and ... to execute leases contract releases, compromises and other instruments necessary or convenient for the exercise of its powers or to carry out its purposes.¹" Additionally, The IDA is authorized "to receive and accept appropriations, gifts or grants and to utilize or dispose of the same to carry out its purposes²."

Therefore, the IDA board respectfully request the following:

That an appropriation from the Boonville City Council to the IDA in the amount of not less than \$500,000 for use in Boonville economic development projects. The IDA pledges that these funds will be used to facilitate the attraction, expansion or retention of specific identifiable projects within the city and will not be used for operational expenses of the IDA itself. We request these funds come from the economic development set aside funds placed in reserve by the City during the 2009 strategic planning sessions.

We look forward to your favorable consideration on this matter, and furthering the economic vitality of the City and surrounding area.

Sincerely,

Wilbert Meyer, President
City of Boonville IDA

Tom Halford, Vice President
City of Boonville IDA

Kenneth Hirlinger, Secretary
City of Boonville IDA

¹ RSMo 349.050 (4)

² RSMo 349.050 (13)

MEMORANDUM

TO: Park Board

FROM: Gary W. Nauman, Director of Parks 

DATE: June 17, 2016

SUBJECT: June Board Meeting

The June 21, 2016 Park Board meeting is canceled due to a lack of agenda items. The next Board meeting is scheduled for July 19, 2016.

CITY OF BOONVILLE
STREET, ALLEY AND SANITATION BOARD
MEETING

June 29, 2016

The Street, Alley and Sanitation Board met at the City Services Building at 1200 Locust Street, 6:30 p.m., Wednesday, June 29, 2016.

Members present: Lewis Miller, Wayne Jones, and Brad Spears. Also present; Susan Meadows, Council Representative and M. L. Cauthon, Public Works Director.

Members absent or excused: Bill Sullivan and David Smith

MINUTES: Lewis Miller made a motion, seconded by Wayne Jones to approve the minutes of the May 25, 2016. The motion passed unanimously.

PUBLIC COMMENTS: None

OLD BUSINESS: None

NEW BUSINESS:

1. Consider Recommending a One-Way traffic restriction on Walnut between Main and 4th Streets – Board members reported investigating the area at various days of the week and times of the day. They reported that they observed varying conditions with cars parked along the street. There was much discussion among members as to whether a One- Way restriction would really solve the perceived problem. Mr. Spears suggested that establishing longer No Parking Here to Corner restrictions might better solve the problem. Board members choose to continue discussion of this request at the next meeting. That would give them time to further investigate the area with Mr. Spear's suggestion in mind.
2. Consider Recommending a Handicap Parking Space at the NW corner of 4th and Morgan Streets – The Mayor, Mrs. Thacher, had forwarded to the Board a request from Vicky Zoeller of Intensive Hair a request for a handicap parking space in the vicinity of her salon. The intention of the request was to better provide for elderly patrons of Intensive Hair. Lewis Miller made the motion, seconded by Mr. Jones to recommend establishing a Handicap Parking restriction at the NW corner of 4th and Morgan Streets. Mr. Cauthon to liaise with Mrs. Zoeller to locate the space. The motion passed unanimously.

MISCELLANEOUS: Mr. Cauthon briefed the Board on the outcome of their recommended speed limit changes on Bingham Road and Hwy 87. He also briefed them on the 8th Street rebuild project.

ADJOURN: With no further business, the meeting was adjourned at 7:12 PM with a motion by Brad Spears seconded by Wayne Jones. The motion passed unanimously.

Respectfully submitted,

M. L. Cauthon III

THE INDUSTRIAL AUTHORITY OF THE CITY OF BOONVILLE
MINUTES
June 16, 2016

The Directors of the Industrial Authority of the City of Boonville met at the City Council Chambers on June 16, 2016. President Wilbert Meyer called the meeting to order at 5:30 PM.

Members present were Tabitha Greis, Harry Enderle, Wilbert Meyer, Tom Halford, Bob Irish, Wendy Wooldridge, Lindi Overton and Ken Hirlinger. Also present were Jim Gann; Economic Development Director, Julie Thacher; Mayor, Kate Fjell; Assistant to the City Administrator, and Becky Ehlers; City Council Representative.

Minutes of the May 19, 2016 meeting were presented and approved after a motion by Bob Irish and a second by Harry Enderle.

The Treasurer's Report was presented by Harry Enderle and approved on a motion by Tom Halford and a second by Tabitha Greis.

Economic Developer's Report

Economic Development Director, Jim Gann, presented his report, speaking on items outlined in his prepared handout. Highlights of his report included:

Project 20: This is a new project and Jim distributed a handout outlining the project. He added that the Nordyne building meets their requirements.

Project Bed: Jim has met with the principal and updated the board on developments.

Project Soda: Jim gave a progress report on this project to the board. A confidentiality agreement has been signed for the project.

Kemper

Kate Fjell reported to the board that bids will be opened on June 28th for the demolition of the Administration Building on the Kemper Campus. The City is hoping to take the building down during State Fair Community College's break.

President's Report

Wilbert reported that an Attraction Committee has been appointed. Wendy Wooldridge, Ken Hirlinger and Becky Ehlers have been appointed to the committee. The Attraction Committee has been actively working with Jim Gann on Project Soda since the appointment of the committee. With the continued interest by the Project Soda company, Jim presented the draft of a Memorandum outlining the project and proposals he would like to present to the City Council. Following review, Wendy Wooldridge made a motion that the IDA Board go on record as supporting the Memorandum to the City Council as presented by Jim Gann. Following a second by Tom Halford, the motion unanimously passed.

Continued

The Industrial Authority of the City of Boonville
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Other Business

Kate reported that the minor subdivision at Charles Persinger Industrial Park has been approved by the Planning and Zoning Committee and will be presented to the City Council for its first reading next Monday. It is expected to be approved at the Council's July 5th meeting.

Our next meeting is scheduled for Thursday, July 21, 2016.

There being no further business, the meeting was adjourned following approval of a motion by Wendy Wooldridge, seconded by Tom Halford to adjourn.

Respectfully submitted,

Ken Hirlinger

Ken Hirlinger
Secretary

THE MUNICIPAL FACILITIES AUTHORITY OF THE CITY OF BOONVILLE
MINUTES
June 16, 2016

The Directors of the Municipal Facilities Authority of the City of Boonville met at the City Council Chambers on June 16, 2016. President Wilbert Meyer called the meeting to order at 6:20 PM.

Members present were Tabitha Greis, Harry Enderle, Wilbert Meyer, Tom Halford, Bob Irish, Wendy Wooldridge, Lindi Overton and Ken Hirlinger. Also present were Jim Gann; Economic Development Director, Julie Thacher; Mayor, Kate Fjell; Assistant to the City Administrator, and Becky Ehlers; City Council Representative.

Minutes of the May 19, 2016 meeting were presented and approved after a motion by Wendy Wooldridge and a second by Tom Halford.

The Treasurer's Report was presented by Harry Enderle and approved on a motion by Ken Hirlinger and a second by Tabitha Greis.

President's Report

Wilbert asked Harry for an update on the tax exempt status that Harry has been looking into. Harry reported that he feels the MFA is covered as tax exempt by our 63-20 organizational status but he has not been able to find the documentation for that. Kate has been searching through some old files but without success so far. Board members discussed whether or not additional searching is needed without stating a board consensus.

Other Business

Our next meeting is scheduled for Thursday, July 21, 2016.

There being no further business, the meeting was adjourned following approval of a motion by Bob Irish, seconded by Wendy Wooldridge to adjourn.

Respectfully submitted,

Ken Hirlinger

Ken Hirlinger
Secretary

MEMORANDUM

TO: Irl Tessendorf, City Administrator

FROM: Gary W. Nauman, Director of Parks 

DATE: June 30, 2016

SUBJECT: June 2016 Activity Report

We opened the Aquatic Center on May 28th and so far, have had a very good season. We do have one pump motor for the open flume slide that locked up on us but the new motor is in and we are waiting on 2 new gaskets before we can put it back together and in service. I had hoped to have the pump operational by June 23rd but the gaskets did not ship until June 29th. We are using a different type of slide wax this year. It was highly recommended by Lori Godsey with Marshall Parks and Recreation. In years past, we had to wax our slides at least monthly if not more. Lori says that with the new wax we should only have to apply it twice during the season. Hope it works.

Attendance and revenue have been very good. Even though we basically opened a week later this year because of the Memorial Day weekend, we are well ahead in attendance and revenue. For the period of May 21 thru June 27, 2015, our attendance was 7925, Admissions were \$35,010.00 and Concessions were \$9353.50. For 2016, May 28 thru June 25, attendance is 11,688, Admissions is \$40,717.25 and Concessions \$12,675.00. As you can see, we are ahead of 2015 in every area despite 2015 being 8 days longer than 2016.

The first session of swim lessons went very well and the staff are gearing up for the July session. Three years ago when we first offered morning swim lessons, we had to cancel because we could not get enough registrations to justify doing them. This year we maxed out the morning sessions.

The new truck has been ordered from Putnam Chevrolet. I have talked to Knapheide Equipment Co. and it looks like they are going to coordinate installation of the bed onto the truck before delivery. If that happens, when Putnam delivers the truck it will be complete and ready to put into service.

Heritage Days 2016 is in the record books. Once again, the Park Dept is playing a key role in preparation for the event. The guys will be busy all week moving picnic tables, bleachers,

stages and trash barrels around downtown for the event. The Street Dept put up the tent in the Wine Garden and moved the stage to the Hain House. The carnival set up at Kemper Park on the West Parade Field as usual. The Mutt Strut was in front of D Barracks on June 23rd. On Saturday, June 25th, were pony rides and a pollinator display by the MO Dept of Conservation.

The Gardeners were also busy cleaning flower beds and swellings downtown in preparation for Heritage Days.

Every year Missouri State Parks hosts a Katy Trail Ride which starts either in Clinton or St. Charles on an alternating basis. We host the riders who stop over and camp at Kemper Park when the ride starts in Clinton. The riders stopped in Boonville in 2015 and are stopping in Boonville again this year. They were here on June 22nd and departed the morning of the 23rd even though they started in St. Charles County this year. When I asked, I was told the riders like to stop in Boonville and it is easier to feed them in the evening. This year there were 349 riders from 34 states and three Canadian Provinces.

We have been having trouble off and on at Lion's Park with lighting on the restroom building. Hopefully we have solved that problem. Pat Ziegelbein and Kerry Shipman installed new vandal resistant lights and placed them in the eaves of the building. They installed the lights right under the peak of the roof. The area flood lights that are on the skatepark and playground have bad ballasts. When I priced out the replacement ballasts, I found out I could order replacement LED conversion kits for \$40.00 more. I have ordered the conversion kits and they have arrived. Now we are trying to find time to install them. I am also in the process of replacing the lights at Morgan St. Park with LED lights as the existing ones go bad.

Baseball and softball seasons are almost to an end. Cal Ripken, Midget League and Babe Ruth Softball ended by June 18th. Jr. Babe Ruth and Rookie League will be done by July 8th. We then go into Tournament Season with back to back tournaments at Rolling Hills Park beginning July 7th. We will host the Cal Ripken 12U State tournament July 7 thru 10. The Babe Ruth Girls 14U Midwest Plains Regional July 14 thru 17 and Babe Ruth Girls 10U Midwest Plains Regional July 21 thru 24. There will be a 9U Cal Ripken State tournament at the Little League Field, Harley Park July 14 thru 17. In between tournaments, we are trying to get the Boonslick Heartland YMCA Co-ed softball season in at Bill Simmons Field in Rolling Hills Park.

With the recent hot weather, the majority of the crew is coming in early to try and get work done before the heat of the day. The ball crew are the only ones still on the 7:30-4:30 schedule.

Memorandum

To: Julie Thacher, *Mayor*
Don Baragary, *Presiding Commissioner*
From: Jim Gann, Economic Developer
RE: Project Soda Attraction Package
Date 6/21/2016

This memo refers to "Project Soda". Now that the Indeeco Building is under contract, it may be publically known that the company involved is CMMG, Inc. of Fayette. CMMG is a rifle and shooting accessories manufacturer. (6/29/16 – JG)

Mayor, Commissioner,

On March 16, 2016 I was contacted by a company considering Boonville as a site for a relocation and expansion of their operations. As you are aware, there were some questions to be resolved regarding zoning, etc., which were addressed. On April 15th, in response to the company's inquiry, I issued a preliminary economic development proposal to the company which was later unanimously endorsed by the Industrial development authority (IDA). A copy of this proposal is attached.

As of this writing, the company has negotiated successfully on the former Indeeco building at 2301 Boonslick Drive and is now seeking a commitment from the City/County based upon the terms of the preliminary offer. In concordance with the plan presented to the Council in general terms, a committee of the IDA (Attraction Committee) was formed. The committee consists of Becky Ehlers, council rep, Wendy Wooldridge, Ken Hirlinger and myself of the IDA. This committee has performed due diligence on the company and been granted access to confidential company files under a non-disclosure agreement. The Attraction Committee personally interviewed the Company's CEO, Production Manager, Sales Manager and external CPA. Financial analyses of the company have been performed by me and external review has been performed by Donna Hamilton of Enterprise Development Corporation – an entity with experience in these types of transactions.

The company is requesting a commitment from the City no later than July 5, 2016.

Company Findings:

- The company's historical financial statements and future projections were examined three different ways:
 - Industry comparisons. Using a database of industry financial statements, a comparison was made between the company and 53 industry comparables. This examination indicates that the company operates in the top 15 percent of companies in sales growth and production per employee. Additionally, the company operates in the top 10 percent in the metrics of profitability and return on assets. The company's only shortcoming through comparison is liquidity, which the company proposes to fix through the anticipated commercial loan and the proposed incentive package.
 - NDC Business Credit. I also did a review of the company's historical financial records using an approach authored by the National Development Council (NDC) for use in economic development deal structuring. A copy of the resulting "Quality Indicator Checklist" is attached for your review. Using NDC specific terminology, the company is not a dog.
 - External Review. To confirm my findings, I contracted with Donna Hamilton at Enterprise Development Corporation in Columbia for a review. EDC has significant experience working with companies of this size and underwrites loans involving the Small Business Administration. Donna's conclusions mirror my conclusions on creditworthiness. Donna's write-up is attached.
- The company is creditworthy, and has sufficient cash flows to support debt service should it be needed. Projections account for cash flow commitments for the new commercial financing as well as ED loan repayment should it be needed.
- The company has secured long term commercial financing for the project from a Columbia bank.

- The company currently employs 52 individuals, with an average salary of \$26.87. This rate is 181% of our average county wage. The lowest employment classification averages \$16.27 per hour, which is 9% above the county average wage.
- The company maintains an unusually rich benefit plan for the benefit of its employees, including health insurance and a defined benefits retirement plan.
- The company's initial capital investment will be greater than \$2.5 million.
- The company's strategic plan calls for additional manufacturing of product components, which will cause additional capital investment in equipment, added employment and an increase in wage rates as more machinists and engineers are hired for manufacturing.
- The company is 14 years old and has a track record of continued growth. The owners live locally and are native to the area.
- The company maintains a national distribution network of more than 3,500 dealers, including well-recognized national retailers.
- Dun and Bradstreet and Avention One-Stop reports on the company were reviewed by the committee.
- The company has already hired some displaced workers for Nordyne and will seek more as they expand. The Nordyne workers are much sought-after due to their metal fabrication expertise.
- The industry experiences great change in sales volumes in a cycle tied to the presidential election cycle. This causes the company's revenues and employment levels to fluctuate year to year based upon the cycle. The company has shown the ability to successfully manage this cycle.
- Given the current election cycle, the company expects significant sales growth 2017 and will use the funds provided by the City/County proposal to preserve their cash for expenditures on inventory build-up. It is believed that the space/location of the building, Boonville's workforce and inventory build-up will enable the company to have a record year in sales.
- The company has a contingency clause in its building purchase contract regarding the City/County ED proposal.

Community View:

- The committee believes that the infrastructure and location of the building will greatly accentuate company growth.
- The Indeeco facility will become the company's "world headquarters", which mitigates plant closing risk.
- Due to its size, the Indeeco building is not attractive to those doing national searches.
- As of this writing, there are 122 properties of this general size listed in Location One economic development property database are available in the State of Missouri. Some are available at rents of less than \$1 per square foot.
- An economic impact analysis (EMSI Input-Output model) indicates a direct, indirect and induced job impact of the project to be \$5,000,000 per year in total salaries, yielding 81 total jobs – 52 direct, 29 indirect and induced.
- The added equipment and rehabilitation of the property should add to the community tax base pending a reassessment.
- No other incentives are contemplated.

The request:

This memo and the attached proposal were reviewed by the Industrial Development Authority at its meeting on June 16, 2016. The IDA unanimously supported the plan. Therefore, it is requested that the Council and Commission proceed to the creation of a contract to fulfill the terms presented in the Economic Development Proposal attached. City staff is evaluating the instrument to be used as well as which entity associated with the City will issue the contract.



Economic Development Proposal

April 15, 2016

Preamble

Please consider this proposal an outline of incentives from the City of Boonville, Missouri to the company associated with "Project Soda". We base this proposal on the following company-provided parameters:

- The company intends to operate a manufacturing concern in the industrial property located at 2301 Boonslick Drive (former Indeeco Plant) in Boonville, Missouri.
- The company intends the new Boonville facility to be the primary production facility for the company.
- The company intends capital investments in building, building improvements and equipment to be approximately \$2 million.
- The company intends to transfer approximately 40 full-time equivalent (FTE) jobs from their current facility to the Boonville facility. The company intends to grow this employment base from 40 FTE to 50 FTE during the 5 years following commencement of Boonville operations.
- The workers will have an average hourly salary of \$13.00 and have "enhanced" benefit packages to include health insurance, 401(k), defined benefit plans etc.
- If market conditions warrant, the company may wish to expand the facility and employ more workers as future needs dictate. The site selection was made – in part – to allow for expansion.

Background

On March 22, 2016, the company's site selection team visited Boonville and toured the plant. During the visit and in the time that has passed since the visit (through the exchange of documents) several themes have emerged of importance to the company. These themes include workforce availability (existing and emerging), rehabilitation/remodeling of the plant to company needs and building energy efficiency for lighting, heating and cooling. Subsequent to the site visit, the company and the City have exchanged information regarding the company's strategic direction and plan for growth. This information has been taken into consideration in the formulation of this proposal.

Part One – Forgivable Economic Development Loan

Boonville proposes to offer the company a **forgivable economic development loan** in the principal amount of \$200,000. Boonville proposes the term of the loan be for 5 years and carried at the rate of 0% interest during the term. It is proposed that the Company and City define a mutually-agreeable set of milestones for Company performance, with forgiveness of the loan to occur as the company "vests" by reaching said milestones. It is envisioned that the loan would forgive at the rate of 20% per year assuming milestones are achieved. Should the company fail to meet agreed milestones, the loan would become fully amortizing at a commercial interest rate for a time period to be determined. This loan



would be collateralized, but the City is willing to subordinate its position on this loan to a commercial bank or other funder carrying the note on the real estate.

Part Two - Other Typical Operating Costs

Boonville proposes to waive any "normal" fees associated with required municipal permits. The City agrees to waive other permit fees usually required for development (i.e. wastewater discharge permits, building permits, demolition permits, etc.).

Boonville will facilitate access to utility programs for energy efficiency upgrades. The City agrees to work with the company to facilitate the maximization of Ameren Missouri's energy efficiency programs to lower building rehabilitation costs.

Boonville will provide the company with contacts for the wholesale purchase of natural gas. While not specifically an incentive, industrial users in Boonville do make use of a program for bulk purchase of the commodity and paying a toll fee to the local utility, Ameren. **Local industrial users of this program report a 10-15% savings from Ameren industrial prices.**

Boonville will facilitate the necessary meetings with Ameren Missouri to assure the company is receiving the lowest electric rate possible under Ameren's tiered (regulated) pricing structure.

Closing Thoughts

Please consider this proposal as preliminary in nature, and that a mutually-agreeable definitive agreement is subject to formal approval by the City Council. (However, this plan is one I believe strongly in – and will be a staunch advocate for.) I look forward to taking the next steps with you bring this project to fruition. We believe the company values stated during the site visit are in perfect alignment with the values we hold within the community. We believe we have put forth a plan designed to relatively simple in operation and favorably impactful to your costs of moving and plant start up. If you have any questions regarding this information, please do not hesitate to contact me. I remain available to you to help any way I can.

Sincerely,

Dr. Jim Gann, Director of Economic Development
City of Boonville, MO