

**CITY OF HAZELWOOD
SPECIAL COUNCIL MEETING
MAY 13, 2020**

CALL TO ORDER

A special meeting of the Hazelwood City Council was called to order by Mayor Matthew G. Robinson at 6:05 p.m. on Wednesday, May 13, 2020.

In response to the coronavirus (COVID-19) public health emergency and pursuant to the St. Louis County Stay-at-Home Order, some members of the City Council attended in-person in the Council Chambers at Hazelwood City Hall and others attended and participated by video conference in accord with Section 610.015, RSMo (“All votes taken by roll call in meetings of a public governmental body consisting of members who are all elected ... shall be cast by members ... who are physically present ... or who are participating via videoconferencing.”) It was impossible and impractical to hold the meeting in a manner physically accessible by the public. Section 610.020.2, RSMo (“Each meeting shall be held at a place reasonably accessible to the public ... unless for good cause such a place ... is impossible or impractical.”) Public access to the meeting was accommodated via access to video conference pursuant to notice provided in accord with Section 610.020, RSMo.

The following members of the Council were present:

Matthew G. Robinson
Warren H. Taylor
Rosalie Hendon
Mary G. Singleton
Carol A. Stroker
Robert M. Aubuchon
Don W. Ryan*

*Mr. Ryan joined the meeting at 6:40 p.m.

Council Members Russell Todd and Tyler Wilson were not present. City Clerk Christine Thomas declared a quorum was present. Also present were City Manager Matt Zimmerman and City Attorney Kevin O'Keefe.

AGENDA

Mrs. Hendon moved, seconded by Mrs. Stroker, to amend the agenda by the addition of a coronavirus update and discussion regarding reopening City buildings and resuming services. The motion passed unanimously.

Mr. Taylor moved, seconded by Mrs. Hendon, to adopt the agenda as amended. The motion passed unanimously.

CONSENT AGENDA

Mrs. Stroker moved, seconded by Mrs. Singleton, to add a closed session as a consent item to consult with the City Attorney and discuss litigation. The motion passed unanimously.

Mrs. Stroker moved, seconded by Mrs. Singleton, to adopt the consent agenda as amended. The following vote was recorded on the motion:

<u>AYE - 6</u>	<u>NAY - 0</u>
Mayor Robinson	
Mr. Taylor	
Mrs. Hendon	
Mrs. Singleton	
Mrs. Stroker	
Mr. Aubuchon	

The motion passed unanimously and the consent agenda, including a closed meeting to consult with the City Attorney and discuss litigation in accordance with the provisions of RSMo 610.021(1), was adopted.

SPECIAL ORDER OF BUSINESS

FY 2020/2021 BUDGET The proposed fiscal year 2020/2021 budget was reviewed.

Mr. Zimmerman stated a budget “pop-up” meeting will be held via Zoom on May 18 to solicit public input and assist in determining priorities. He stated a \$3.1 million General Fund deficit was initially projected for the current fiscal year which ends June 30, 2020. However, by eliminating 10 positions through attrition, the estimate was reduced to \$700,000. Due to the impact of the coronavirus, staff now estimates a \$1.5 million loss in General Fund revenue and a \$2.2 million deficit for the current fiscal year and a \$3.6 million loss in General Fund revenue and an \$8 million deficit for next fiscal year. The litigation mediator’s independent accountants have determined the City’s General Fund will run out of cash by early November 2020. Expense reductions and/or an increase in revenue(s) could delay the City’s insolvency until about next May since approximately 30% of City revenues are received in the months of January and March. Mr. Zimmerman emphasized it is illegal to adopt a budget with a negative cash balance. Therefore, General Fund revenues must be increased and/or expenses reduced by at least \$2 million which would leave a cash balance of approximately \$150,000.

Mrs. Hendon asked about the State of Missouri withholding \$523,000 in use taxes.

Mr. Tuberty responded a local business conducted an audit and determined that, over a period of three years, use taxes totaling \$700,000 were paid to Hazelwood and belonged to another jurisdiction. Subsequently, the state withheld payments to the City until the overpayment was satisfied. However, the company performed another audit for the previous five years and identified an additional \$500,000 in overpayments to the City.

Mrs. Hendon asked if White Birch Bay Aquatic Center would open this year.

Parks and Recreation Superintendent Doug Littlefield responded St. Louis County's pandemic guidelines prohibit public pools from opening at this time, but it is being readied for opening.

Mr. Zimmerman noted Economic Development Fund revenues have also been impacted by the pandemic, but the fund is still in good shape.

With respect to the proposed Capital Improvement budget, Mrs. Hendon asked if engineering for the Phantom Road project and the entrance monuments at I-270 and McDonnell Boulevard should be kept in the budget.

Mr. Zimmerman replied the monument project was left in the Capital Improvement budget because a fair amount of money was already spent on design and engineering costs.

Mr. Zimmerman stated, with a significant decrease in revenues from the half cent capital improvement sales tax anticipated, the ending balance for the Capital Improvement Fund is now estimated at negative \$759,000. Therefore, adjustments must be made prior to adoption of the budget. He added all available money in this fund should typically be utilized.

In response to the Mayor's request, Mr. Zimmerman explained recent and proposed staffing changes at City Hall. The Administrative Assistant to the City Manager position has been eliminated and a new position has been created that will report to the Finance Director and will serve as receptionist and provide clerical support to all departments. The Finance and City Manager's Departments would be consolidated. The Finance Director would become the Assistant City Manager of Finance and would take responsibility for Human Resources. The Community and Economic Development Coordinator would become the Assistant City Manager of Economic Development and would assist with projects other than economic development.

Mr. Aubuchon asked why the 2021 budget for Fire Districts increased so dramatically.

Mr. Tuberty replied, due to uncertainties, Robertson Fire Protection District payments were moved into the Fire Department budget last year. They've been moved back to the Fire District budget and there's a corresponding reduction in the Fire Department budget.

Mrs. Hendon asked for an update on negotiations with the Florissant Valley Fire Protection District.

Mr. O'Keefe stated discussions continue and an actuary has been hired to complete a pension analysis.

Mrs. Stoker expressed concerns with eliminating the domestic abuse and crime victims advocate position when there has been a significant increase in domestic violence cases.

After discussion, Mr. Zimmerman stated staff could contact NorthPoint to see if they would be willing to fund the position.

The public hearing on the proposed fiscal year 2020/2021 budget will be held June 3.

REVENUE OPTIONS The revenue options presented May 6 were reviewed and given additional consideration.

The options include propositions for the August 4, 2020 ballot as follows: creation of a Neighborhood Improvement District (NID), a \$.24 property tax increase, an increase in the fire sales tax from \$.25 to \$.50, restoration of the 6% residential utility tax, and/or an increase in the non-residential utility tax rate.

Mr. Aubuchon expressed support for placing the NID and fire sales tax increase propositions on the ballot.

Mr. Zimmerman stated it's estimated the fire tax increase would generate an additional \$780,000 annually. However, next year's estimate is \$600,000 due to the impact of the pandemic.

Mr. Aubuchon asked if Missouri legislators are considering taxing internet sales.

Mr. Zimmerman replied legislators are trying to tie the video tax legislation to the Wayfair legislation and the Wayfair bill is still alive.

Mayor Robinson stated the fire sales tax is based on sales and would fluctuate, while property tax is more stable. An increase in sales tax would put Hazelwood at the highest in St. Louis County.

CORONAVIRUS UPDATE Mr. Zimmerman reported on St. Louis County's small business loan program that is being offered as a result of funds received from the Coronavirus, Aid, Relief, and Economic Security (CARES) Act.

Mr. Zimmerman stated St. Louis County received \$173.5 million through the CARES Act and will use \$2.5 million for a small business loan program. The County is trying to get the money out into the community quickly.

Mrs. Hendon asked how businesses will know about this program.

Mr. Zimmerman replied information has been posted on the City's website, Facebook page and Twitter. He stated the Council should talk to their constituents to spread the word.

**REOPENING
CITY BUILDINGS**

Mr. Zimmerman reported on plans to reopen City Hall and resume services.

Mr. Zimmerman stated St. Louis County will ease the social distancing restrictions starting May 18 and preparations are being made to reopen City Hall on June 1. Employees and anyone who enters City Hall will be required to wear a facemask and to maintain six feet social distancing. Employees will be provided with personal protective equipment and the building will be cleaned at least twice a day. A temporary meeting space will be set up in the lobby to avoid having people in small office areas. The receptionist will be taking the temperature of anyone who enters the building and those not wearing facemasks will not be allowed inside.

Mr. Zimmerman noted Courts will not reopen until July 1. He added if we are allowed to open the pools we may not have enough lifeguards and a cost versus revenue analysis must be performed.

Mrs. Singleton asked about having meetings in a larger space to allow the Council to meet in person and to accommodate more public attendance.

Mayor Robinson stated the City is following St. Louis County guidelines. He suggested meeting methods and location can be revisited after the June 3 meeting.

ADJOURNMENT

The meeting was adjourned at 7:14 p.m.

ATTEST:

Matthew G. Robinson - Mayor
City of Hazelwood, Missouri

Christine Thomas, CMC - City Clerk
City of Hazelwood, Missouri