

**CITY OF HAZELWOOD
REGULAR COUNCIL MEETING
JUNE 3, 2020**

CALL TO ORDER

A regular meeting of the Hazelwood City Council was called to order by Mayor Matthew G. Robinson at 7:33 p.m. on Wednesday, June 3, 2020, in the Council Chambers of Hazelwood City Hall, 415 Elm Grove Lane.

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 in person and via access to video conference pursuant to notice provided in accord with Section 610.020, RSMo.

On roll call the following members of the Council were present:

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

Tyler Wilson was not present. Deputy City Clerk Julie Lowery declared a quorum was present.

Also present were City Manager Matt Zimmerman and City Attorney Kevin O'Keefe.

AGENDA

There being no amendments proposed, Mrs. Hendon moved, seconded by Mr. Taylor, the adoption of the agenda as printed. The motion passed unanimously.

CONSENT AGENDA

Mr. Taylor moved, seconded by Mr. Ryan, the adoption of the consent agenda as printed. The following vote was recorded on the motion:

AYE - 8

NAY - 0

Mr. Todd
Mr. Taylor
Mrs. Hendon
Mrs. Singleton
Mrs. Stroker
Mr. Aubuchon
Mr. Ryan
Mayor Robinson

The motion passed unanimously and the consent agenda, including a closed meeting immediately following the regular meeting to discuss litigation and consult with the City Attorney in accordance with the provisions of RSMo 610.021(1) and to discuss a personnel matter in accordance with the provisions of RSMo 610.021(3), was adopted.

APPROVAL OF MINUTES

Mr. Taylor moved, seconded by Mr. Ryan, to approve the minutes of the May 13 special and closed Council meetings and the May 20 regular and closed Council meetings as submitted. The motion passed unanimously.

SPECIAL ORDER OF BUSINESS - None

PROCLAMATIONS AND RESOLUTIONS

SILGAN PLASTICS
CHAPTER 100
INDUCEMENT
RESOLUTION

Mayor Robinson called for the reading of a resolution authorizing City staff and consultants to take certain actions with respect to a proposed project for Silgan Plastics Corporation.

Community and Economic Development Coordinator Becky Ahlvin reported in 2015 the City approved an Economic Development and New Employment Training and Opportunities Forgivable Loan Agreement with Silgan Plastics and a Chapter 100 project. The agreement and project were later amended and Silgan has meet all the job and payroll thresholds associated with that project. Silgan now plans to expand their facility in Aviator Business Park. The expansion would add a minimum of 50 jobs, of which 30 would be management or research and development positions, resulting in a total payroll of \$7.3 million for the existing 120 jobs and the 50 new jobs. The resolution under consideration allows for the creation of a new Chapter 100 project that would provide 100% tax abatement on \$15 million in personal property for five years, provided specific job and payroll thresholds are met. Subject to approval of this resolution, staff will bring the documents to finalize the bond project and a proposal to amend Silgan's economic development loan will be brought before the Council in two to four weeks.

Wes Willbrand, regional controller for Silgan, stated the expansion includes the addition of four production lines and a capital investment of approximately \$18 million.

There were no objections and Resolution 2004 was read by title only:

RESOLUTION AUTHORIZING CITY STAFF AND CONSULTANTS TO TAKE CERTAIN ACTIONS WITH RESPECT TO A PROPOSED PROJECT FOR SILGAN PLASTICS CORPORATION.

Mr. Aubuchon moved, seconded by Mrs. Hendon, the adoption of Resolution 2004. The following vote was recorded on the motion:

<u>AYE - 8</u>	<u>NAY - 0</u>
Mr. Todd	
Mr. Taylor	
Mrs. Hendon	
Mrs. Singleton	
Mrs. Stroker	
Mr. Aubuchon	
Mr. Ryan	
Mayor Robinson	

Resolution 2004 was unanimously adopted.

CITIZENS HEARINGS AND PRESENTATION OF PETITIONS

Mayor Robinson explained the procedures to be followed during a hearing. He invited anyone desiring to make a comment to come forward at this time.

No one came forward to address the Council.

Mayor Robinson stated written comments may be submitted to: Hazelwood City Council, 415 Elm Grove Lane, Hazelwood, MO 63042 or CityClerk@hazelwoodmo.org with "Citizen Comment" in the subject line.

Mayor Robinson asked Mrs. Lowery if any written comments had been received for this evening's meeting.

Mrs. Lowery replied none were received.

SLUP EXTENSION 7766 N. LINDBERGH	A request for an extension of the Special Land Use Permit (SLUP) deadline to commence operation of V3 MO Vending 2, LLC, d/b/a Level, at 7766 North Lindbergh Boulevard was received.
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City Planner Earl Bradfield stated the SLUP, granted on December 18, 2019, specifies the business must be in operation within one year or the permit will lapse.

Nick Liaromatis, representative for Level, stated there have been unforeseen delays as a result of the COVID-19 pandemic and an extension to January 23, 2021 is requested. He explained the date corresponds with the state license deadline for being operational. He stated they expect to submit building plans to the City in four to six weeks.

Mr. Todd moved, seconded by Mr. Ryan, to extend the Special Land Use Permit deadline to commence operation of V3 MO Vending 2, LLC d/b/a Level, at 7766 North Lindbergh Boulevard to January 23, 2021 and to place the draft bill on the agenda for introduction. The motion passed unanimously and the bill was added to the agenda as item 17.a.

PUBLIC HEARINGS

F.Y. 2020-2021 Mayor Robinson called to order the public hearing to
BUDGET consider the proposed budget for fiscal year 2020-2021.

Finance Director Dave Tuberty stated City management staff has been working on the proposed budget, for the fiscal year that begins July 1, 2020 and ends June 30, 2021, since last December. During the May 13 special Council meeting, the Council evaluated the proposed budget. In addition, on May 18 and May 27 virtual budget “pop-up” meetings were held online to present the City’s financial situation to the public and solicit their input. Mr. Tuberty summarized the proposed budget by fund while sharing a PowerPoint presentation.

The General Fund revenue/expenditure trend of the last several years continues. Revenues are decreasing dramatically while expenses are increasing dramatically. For fiscal year 2020-2021, revenues are estimated at \$20.5 million and expenses are estimated at \$28.5 million. Fiscal year 2019-2020 started with a General Fund reserve balance of \$8.4 million and is expected to end with a balance of \$6.1 million. Although the proposed fiscal year 2020-2021 budget reflects revenue losses resulting from the impact of the COVID-19 pandemic, adjustments have not been made to proposed expenditures. Revenue assumptions include 19% decreases in “B City” (annexed areas subject to St. Louis County pool) sales tax and Capital Improvement sales tax, a 22% decrease in “A City” (original City) sales tax, a 10% decrease in Park and Stormwater sales tax, a 9% decrease in Fire Department sales tax, and a 40% decrease in use tax which is subject to allocation correction by the state, a 5% decrease in property tax, a 10% decrease in utility tax, and a 29% decrease in recreation revenue. General Fund expenses by department are 29% Police Department, 22% fire district payments, and 19% Hazelwood Fire and Ambulance Departments, followed by administration, recreation, and maintenance. Personnel expense assumptions include no cost of living adjustment (COLA), an increase of \$9,000 in the pension contribution, a 20% increase in health insurance cost, a 7% increase in dental insurance cost, a 5% increase in vision insurance and a 15% increase in the workmen’s comp rate. Another significant increase in General Fund expenses is the payment for Robertson Fire Protection District services. While fiscal year 2017-2018 saw a \$2.3 million drop in the expense due to termination of the contract, the 2019 expense increased when payments were resumed

in January and the 2020 expense will increase by \$2 million with a full year of payments budgeted. Mr. Tuberty stated the projected deficit for fiscal year 2020-2021 is approximately \$8 million which would leave a cash balance of -\$1.8 million. Therefore, changes must be made because state statute does not permit adoption of a budget with a negative cash balance.

Economic Development Fund expenditure assumptions include \$1.8 million for local incentive programs, \$35,000 for message boards, \$67,000 for City entrance signs, \$280,000 for enhancements at I-270 and McDonnell Boulevard, and \$270,000 for street maintenance to supplement street projects in the Capital Improvement Fund. With a beginning fund balance of approximately \$4.38 million and revenues of \$5.26 million anticipated, fiscal year 2020-2021 is projected to end with a fund balance of \$1.66 million.

Capital Improvement Fund projects include street and sidewalk improvements at \$575,000, vehicle replacements for \$367,000, Queen Ann Park improvements for \$265,000 and Police Station renovations for \$250,000. With a beginning fund balance of \$176,091 and revenues from the \$.005 Capital Improvement sales tax plus grant revenue, fiscal year 2020-2021 is projected to end with a fund balance of -\$759,000. This budget was also prepared pre-COVID-19 and requires adjustment.

Sewer Lateral Fund revenues are expected to remain the same as last fiscal year and expenses are expected to increase by \$100,000. Therefore, with a beginning fund balance of approximately \$232,000, fiscal year 2020-2021 is projected to end with a fund balance of approximately \$334,000.

The Debt Service Fund includes the following debt: Lambert Point Neighborhood Improvement District which will be paid off this year, 2015/2017 General Obligation Street Bonds, Cabela's museum, aquatic center, energy efficiency project and fire truck. Principal and interest payments for fiscal year 2020-2021 will be \$2.25 million and the outstanding balance will be \$10.09 million.

Community and Economic Development Coordinator Becky Ahlvin reported on the results of the budget survey conducted during the virtual budget "pop-up" meetings, by online website survey and by paper copy. Responses were received from 314 people. When asked about revenue options, 28% of respondents preferred a non-residential utility tax increase, 27% preferred an increase in the Fire Department sales tax, 20% preferred a residential utility tax, and 17% preferred a property tax increase. When asked what City services they would like to continue funding, Police Department was first at 29%, fire services were second at 25% and Civic Center East was third at 11%. When asked what City services should be eliminated or reduced, non-revenue-generating programs such as Halloween Happening were first at 25%, Civic Center East was second at 17% and limb collection was third at 16%. Approximately 57% of respondents supported a combination of cutting/reducing services and increasing revenue.

Mr. Zimmerman stated the Council has been provided with a proposal to reduce the budget by \$750,000 due to the potential new revenue options. He emphasized the issue may need to be revisited in the future. He thanked the fire districts for working with the City on solutions to the City's financial situation. The proposed reduction in expenses permits the public an opportunity to provide funding for fire services in the coming months with no reduction in police or fire services at this critical time. The reductions include less money for training, tuition reimbursement and employee benefits; closing Civic Center East and moving as many programs as possible to the Community Center; eliminating the spring limb collection and fall leaf collection; reducing maintenance in the parks including mowing; slower turf maintenance and snow plowing times; eliminating non-revenue-generating programs such as the Easter egg hunts, Halloween Happenings, food truck nights and fireworks display; and eliminating Hazelnuts funding. These changes are in addition to the changes already incorporated in the 2020-2021 proposed budget that include reducing administrative costs by 15%, eliminating 11 vacant positions, and no raises or COLA for employees. Staff will continue to strive to provide high-quality service and programs and to look for opportunities to improve efficiencies and lower costs with no additional impact on City services. The Council and residents will be asked to consider new funding opportunities and models for fire services in the coming months.

Mayor Robinson asked if anyone present wished to speak in favor of or in opposition to the proposed budget.

No one spoke in favor of or in opposition to the proposal and Mayor Robinson declared the hearing closed.

Mrs. Singleton asked if all services and programs could be restored in the future.

Mr. Zimmerman replied services and programs could be restored dependent upon the extent of change in fire service expenses and how much revenue rebounds post-COVID-19. Any restoration of services or programs would not be immediate.

Mrs. Hendon asked if additional cuts could be made at a later date, if necessary.

Mr. Zimmerman responded affirmatively. He explained if there isn't a significant change in revenue or the means for providing fire services, substantial changes to every department would be brought back to the Council in the fall.

Mrs. Hendon moved, seconded by Mrs. Singleton, to approve the fiscal year 2020-2021 budget with the additional \$750,000 cuts and to place the draft bill on this agenda for introduction. The motion passed unanimously and the bill was added to the agenda as item 17.b.

COMMUNICATIONS

EWGCG BRIEFINGS	The May 14 issue of Briefings was received from the East-West Gateway Council of Governments.
CHARTER COMMUNICATIONS	A notice of the following programming additions, deletions and rebrandings was received from Charter Communications: launch of Hallmark Drama and UP TV; deletion of ESPN Goal Line; addition of Latino View services including HOLA TV, INGLES PARA TODOS and Kids Central; and rebranding of Showtime Beyond to Showtime Showcase and Showtime Showcase to Showtime BET.
HCC CID FY 2020/2021 BUDGET	The Hazelwood Commerce Center Community Improvement District proposed budget for fiscal year 2020/2021 was received from Development Dynamics.
CHARTER GRANTS	Information on Spectrum Digital Education Grants for nonprofit organizations was received from Charter.
EWGCG BRIEFINGS	The May 21 issue of Briefings was received from the East-West Gateway Council of Governments.
MML REVIEW	The Missouri Municipal League's June/July 2020 Review was received.

Mr. Taylor moved, seconded by Mr. Ryan, to receive and file all communications. The motion passed unanimously.

UNFINISHED BUSINESS - None

MAYOR AND COUNCIL REPORTS

WORK SESSION AGENDA ITEMS	No items were added to the July 8 Council work session agenda.
BOARD/COMMISSION APPOINTMENTS	No appointments or reappointments were made to the City's boards and commissions.

CITY MANAGER'S REPORT

CONTRACT PHANTOM DRIVE PROJECT	Public Works Director David Stewart reported staff recommends authorizing a contract with Crawford, Murphy & Tilly, Inc., for engineering services for the Phantom Drive project, Phase 1 and 2, at a cost not to exceed \$731,565.
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Mr. Stewart stated the Council approved the grant agreement with the Missouri Department of Transportation (MoDOT) for the project, which will fully reconstruct Phantom Drive from Missouri Bottom Road to McDonnell Boulevard, and the grant will reimburse the City 50% of the \$4.2 million total project cost. The engineering selection committee requested statements of qualifications and eleven firms submitted of which five were interviewed. The committee selected Crawford, Murphy, and Tilly, Inc., as the most qualified firm for the project. The contract has fixed fees not to exceed \$350,451.38 for design, \$30,675 for right-of-way services, and \$350,438.87 for construction inspection services. Mr. Stewart stated construction is slated for 2022 and staff recommends approval subject to MoDOT comments.

Mr. Aubuchon moved, seconded by Mr. Taylor, to concur with the staff recommendation to authorize a contract with Crawford, Murphy & Tilly, Inc., for engineering services for the Phantom Drive project, Phase 1 and 2, and to place the draft bill on this agenda for introduction. The motion passed unanimously and the bill was added to the agenda as item 17.c.

AMEND DEVELOPMENT AGREEMENT
ST. LOUIS OUTLET MALL
Mr. Zimmerman reported staff recommends approving a Second Amendment to the Master Development Agreement and authorizing certain actions in connection with the redevelopment of the St. Louis Outlet Mall.

Mr. Zimmerman stated the Master Development Agreement with Big Sports Properties (BSP) for the proposed POWERplex project established a deadline of June 30, 2020 for BSP to close on financing. Due to the COVID-19 pandemic and associated disruptions in the finance industry, it will likely not be possible to meet the June 30 deadline. Mr. Zimmerman stated BSP has requested the deadline be extended to August 31, 2020 which corresponds with the date in Bridgeton's preliminary development agreement.

Dan Buck of BSP stated he heard from the bond brokers today and BSP has been approved to close in approximately four weeks.

Mrs. Hendon asked when sports will start.

Mr. Buck replied baseball, softball, volleyball and dance/cheerleading spaces are already operating. Once COVID-19 restrictions are lifted, the ice arena will open and they will host camps and clinics.

Mrs. Hendon moved, seconded by Mrs. Singleton, to concur with staff's recommendation to approve the Second Amendment to the Master Development Agreement and authorize certain actions in connection with the redevelopment of the St. Louis Outlet Mall and to place the draft bill on this agenda for introduction. The motion passed unanimously and the bill was added to the agenda as item 17.d.

CITY ATTORNEY'S REPORT - None

CITY CLERK'S REPORT - None

COMMISSION AND BOARD REPORTS Mr. Taylor moved, seconded by Mr. Ryan, to receive and file the minutes of the May 11 Board of Adjustment meeting. The motion passed unanimously.

NEW BUSINESS - None

INTRODUCTION AND FIRST READING OF BILLS

SLUP EXTENSION 7766 N. LINDBERGH Mayor Robinson called for the first reading of a bill to extend the Special Land Use Permit deadline for the operation of a medical marijuana dispensary facility at 7766 North Lindbergh Boulevard.

There were no objections and Bill 4872 was read by title only:

AN ORDINANCE AMENDING ORDINANCE 4729-19 BY EXTENDING THE SPECIAL LAND USE PERMIT DEADLINE TO COMMENCE OPERATION OF V3 MO VENDING 2, LLC, D/B/A LEVEL, AT 7766 NORTH LINDBERGH BOULEVARD TO JANUARY 23, 2021.

Bill 4872 will be on the agenda for second reading on June 17.

FY 2020-2021 BUDGET Mayor Robinson called for the first reading of a bill to approve the fiscal year 2020-2021 budget.

There were no objections and Bill 4873 was read by title only:

AN ORDINANCE APPROVING THE BUDGET OF THE CITY OF HAZELWOOD, MISSOURI, FOR FISCAL YEAR 2020-2021 AND APPROPRIATING THE SUMS CONTAINED THEREIN FOR THE PURPOSES AND OBJECTS THEREIN.

Bill 4873 will be on the agenda for second reading on June 17.

CONTRACT PHANTOM DRIVE IMPROVEMENTS Mayor Robinson called for the first reading of a bill to authorize a contract for engineering services for improvements to Phantom Drive.

There were no objections and Bill 4874 was read by title only:

AN ORDINANCE AUTHORIZING A CONTRACT WITH CRAWFORD, MURPHY & TILLY, INC., FOR ENGINEERING SERVICES FOR THE PHANTOM DRIVE PROJECT, PHASE 1 AND 2, AT A COST NOT TO EXCEED SEVEN HUNDRED THIRTY-ONE THOUSAND FIVE HUNDRED SIXTY-FIVE DOLLARS (\$731,565).

Bill 4874 will be on the agenda for second reading on June 17.

AMEND DEVELOPMENT Mayor Robinson called for the first reading of a bill to
AGREEMENT WITH approve a Second Amendment to the Master Development
BIG SPORTS Agreement with Big Sports Properties for redevelopment of
PROPERTIES the St. Louis Outlet Mall.

There were no objections and Bill 4875 was read by title only:

AN ORDINANCE APPROVING A SECOND AMENDMENT TO MASTER DEVELOPMENT AGREEMENT AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE REDEVELOPMENT OF THE ST. LOUIS OUTLET MALL.

Bill 4875 will be on the agenda for second reading on June 17.

SECOND READING OF BILLS AND ACTION ON BILLS

BILL 4846 Mayor Robinson called for the second reading of Bill 4846 to
BOND ISSUANCE authorize the issuance of taxable industrial revenue bonds
TRADEPORT, LOT 1 for development of TradePort Lot 1, Building IV.

Mr. Zimmerman reported the bond documents need to be revised to address a change in state law regarding construction bonds. NorthPoint has requested the Council pass out Bill 4846.

Mrs. Hendon moved, seconded by Mr. Todd, to withdraw from consideration and pass out Bill 4846. The motion passed unanimously.

BILL 4871 Mayor Robinson called for the second reading of Bill 4871 to
CONTRACT authorize a contract for internet and phone services.

There were no objections and Bill 4871 was read by title only:

AN ORDINANCE AUTHORIZING A FIVE YEAR CONTRACT WITH CHARTER COMMUNICATIONS OPERATING, LLC FOR TELEPHONE AND FIBER INTERNET SERVICES FOR ALL CITY FACILITIES AT AN ANNUAL COST NOT TO EXCEED TWENTY-FOUR THOUSAND ONE HUNDRED EIGHTY DOLLARS (\$24,180).

Mr. Aubuchon moved, seconded by Mrs. Singleton, the adoption of Bill 4871 as an ordinance. The following vote was recorded on the motion:

<u>AYE - 8</u>	<u>NAY - 0</u>
Mr. Todd	
Mr. Taylor	
Mrs. Hendon	
Mrs. Singleton	
Mrs. Stroker	

Mr. Aubuchon
Mr. Ryan
Mayor Robinson

Bill 4871 was unanimously adopted as Ordinance 4756-20.

MISCELLANEOUS BUSINESS AND ANNOUNCEMENTS

COUNCIL MEETING Mayor Robinson announced the next regular Council meeting will be held Wednesday, June 17, at 7:30 p.m.

ADJOURNMENT There being no further business to come before the Council, the meeting was adjourned at 8:39 p.m.

Matthew G. Robinson - Mayor
City of Hazelwood, Missouri

ATTEST:

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