



**City of Mexico, Missouri
City Council Meeting Agenda**

**City Hall – 300 N. Coal Street
3rd Floor Council Chambers
Mexico, Missouri 65265**

February 12, 2018 ▪ 7:00 p.m.

1. Call to Order

2. Roll Call

3. Approval of Minutes

A. January 22, 2018 – Regular Session

4. Public Hearing

A. Annexation of Property Located at 2977 S. Clark

5. New Business – Resolutions (Reading and Passage)

A. Bill No. 2018 – 06. A Resolution Adopting Residential Refuse Rates Covering Anticipated Cost of Sanitation Services Beginning April 1, 2018. Reading and Passage.

B. Bill No. 2018 – 07. A Resolution Authorizing the City Manager to Execute a Contract of Obligation with the Missouri Department of Natural Resources Regarding Estimated Post-Closure Expenditures for the City of Mexico Sanitary Landfill (Permit No. 0100703). Reading and Passage.

C. Bill No. 2018 – 08. A Resolution of Official Intent of the City of Mexico, Missouri, Toward the Issuance of Industrial Revenue Bonds to Finance a Project for Spartan Light Metal Products, L.L.C., and Authorizing Certain Actions Relating Thereto. Reading and Passage.

D. Bill No. 2018 – 09. A Resolution of the City of Mexico, Missouri Stating Intent To Seek Funding Through the Federal Recreational Trails Program and Authorizing the City Manager to Pursue Activities In an Attempt to Secure Funding. Reading and Passage.

E. Bill No. 2018 – 10. A Resolution Accepting the Conveyance of Right-of-Ways and Temporary Construction Easements for the Holt Street Sidewalk Improvement Project (MoDOT TIDP 4400 (310) Project). Reading and Passage.

6. New Business – Ordinance (Two Readings By Title Only and Passage)

A. Bill No. 2018 – 11. An Ordinance Adopting and Enacting a New Code for the City of Mexico, Missouri; Providing for the Repeal of Certain Ordinances Not Included Therein; Providing a Penalty for the Violation Thereof; Providing for the Manner of Amending Such Code; and Providing When Such Code and this Ordinance Shall Become Effective. Two Readings By Title Only and Passage.

7. Other Business

A. Staff Report – Approval of Depository/Banking Services

B. Claims

8. Comments

A. Council

B. Public (*Please state name and address for the record and keep comments to a maximum of three minutes*).

9. Adjournment into Executive Session pursuant to the Revised Statutes of Missouri § 610.021 (1) litigation

10. Adjournment

**CITY OF MEXICO, MISSOURI
CITY COUNCIL MEETING MINUTES
JANUARY 22, 2018**

The Council of the City of Mexico, Missouri met in regular session on January 22, 2018 at 7:00 p.m. in the Council Chambers of City Hall, with the following members present: Mayor Chris Miller; Council Member Steve Nichols; Council Member Ron Loesch; Council Member Dr. Ayanna Shivers. Also present were Bruce Slagle, City Manager; Roger Haynes, Deputy City Manager; Russell Runge, Assistant City Manager/Economic Development; Kensey Russell, Public Works Director; Chad Shoemaker, Parks & Recreation Director; Rita Jackson, Community Development Director; Chief Susan Rockett, Public Safety Department; Louis Leonatti, City Attorney; Financial Analyst/Accountant Vicki Duenke; Drew Williford, City Civil Engineer; Patrick Shaw, IT Specialist; Council Candidate Vicki Briggs; Marcy LeCount, City Clerk; as well as members of the media and interested citizens. Absent, Chairman Pro Tem Chris Williams.

The Meeting was called to order with Mayor Miller presiding.

PRESENTATION – WILLIAMS – KEEPERS LLC – 2017 AUDIT AND FINANCIAL REPORT
Heidi Chick, C.P.A. with Williams Keepers L.L.C. presented an overview of the 2017 Comprehensive Annual Financial Report and Audit.

APPROVAL OF MINUTES – DECEMBER 11, 2017 – WORK SESSION MEETING
Council Member Loesch moved for approval of the December 11, 2017 work session minutes as presented. Council Member Nichols seconded the motion. On a call by the Chair for ayes and nays, the motion carried, with the vote on passage as follows: Ayes, Nichols, Loesch, Miller. Nays, none. Abstain, Shivers. Absent, Williams. The Minutes were approved as presented.

APPROVAL OF MINUTES – JANUARY 8, 2018 – REGULAR SESSION MEETING
Council Member Loesch moved for approval of the January 8, 2018 regular session minutes as presented. Council Member Shivers seconded the motion. On a call by the Chair for ayes and nays, the motion carried, with the vote on passage as follows: Ayes, Nichols, Loesch, Shivers, Miller. Nays, none. Absent, Williams. The Minutes were approved as presented.

NEW BUSINESS – RESOLUTIONS (READING AND PASSAGE)
Bill No. 2018 – 04. A Resolution Authorizing the City Manager to Enter Into a Contract with Insituform Technologies, LLC for the 2018 CIPP Project
City Manager Slagle called upon Director Russell to provide the report.

The 2017 – 2018 budget allows \$280,000 for the 2018 CIPP (Cured In Place Pipe) Project. The work includes pipe lining and manhole rehabilitation work, as well as work to continue cleaning and TV inspection of the city's larger diameter pipes. The 2018 Cast in Place Pipe (CIPP) project was advertised December 16, 2017 with bids received on January 16, 2018. Three bids were received with Insituform Technologies, LLC of Chesterfield, Missouri submitting the lowest bid. Insituform completed the 2017 CIPP work satisfactorily and has completed previous work for the city. Bids received were: Insituform Technologies, LLC of Chesterfield, Missouri –\$184,899.00; SAK Construction, LLC of O'Fallon, Missouri –\$269,354.50; and Visu-Sewer of Missouri, LLC of East St. Louis, Illinois – \$206,183.40. Director Russell recommended Council proceed with reading and passage of Bill No. 2018 – 04 awarding the bid to Insituform Technologies LLC of Chesterfield, Missouri.

Council Member Loesch moved for reading of Bill No. 2018 – 04. Council Member Shivers seconded the motion. On a call by the Chair for ayes and nays, the motion carried, with the vote on passage as follows: Ayes, Nichols, Loesch, Shivers, Miller. Nays, none. Absent, Williams. Bill No. 2018 – 04 was read in its entirety by Council Member Loesch.

Council Member Loesch moved for passage of Bill No. 2018 – 04. Council Member Nichols seconded the motion. On a call by the Chair for ayes and nays, the motion carried, with the vote on passage as follows: Ayes, Nichols, Loesch, Shivers, Miller. Nays, none. Absent, Williams. Bill No. 2018 – 04 was passed as Resolution No. 3850.

Bill No. 2018 – 05. A Resolution Authorizing the City Manager to Execute an Extension to the City’s On-Call Maintenance Services Agreement with Plan B Development

City Manager Slagle called upon Director Russell to provide the report.

Council Members approved a contract for on-call maintenance services with Plan B Development on January 10, 2017. Plan B Development’s 2016 submitted bid was: Backhoe – N/A; Tracked Excavator 88 HP – \$125; 40HP – \$95; Tandem Dump – N/A; Single Axle Dump – \$90; Lo Boy In/Out – \$110; Skid Steer – \$90; General Labor –\$55; Working Foreman – \$75. The original contract provided for a 1 year renewal option. Both parties are satisfied with the terms of the existing Agreement and would like to renew the contract for an additional year. Director Russell recommended Council proceed with reading and passage of Bill No. 2018 - 05.

Council Member Nichols moved for reading of Bill No. 2018 – 05. Council Member Shivers seconded the motion. On a call by the Chair for ayes and nays, the motion carried, with the vote on passage as follows: Ayes, Nichols, Loesch, Shivers, Miller. Nays, none. Absent, Williams. Bill No. 2018 – 05 was read in its entirety by Council Member Nichols.

Council Member Nichols moved for passage of Bill No. 2018 – 05. Council Member Shivers seconded the motion. On a call by the Chair for ayes and nays, the motion carried, with the vote on passage as follows: Ayes, Nichols, Loesch, Shivers, Miller. Nays, none. Absent, Williams. Bill No. 2018 – 05 was passed as Resolution No. 3851.

OTHER BUSINESS

Staff Report – Task Order to Replace Spillway Pipe at Kiwanis Lake

City Manager Slagle called upon Director Russell to provide the report.

The Parks Department commissioned an inspection of various dams in the park system. Klingner & Associates, one of the City’s on-call engineering firms, found a failure of the corrugated metal spillway pipe for Kiwanis Lake which crosses under Hendricks Street. This is a critical failure under a roadway and is deemed necessary to replace the spillway as soon as possible.

The City has a contract with Plan B Development for on-call contracting services on a material, labor and equipment basis. The City’s Engineering Department has determined that a suitable replacement for long term life would be a concrete box culvert. Plan B Development has provided an estimated cost for the replacement of the corrugated metal spillway pipe at \$48,297.50, which is under the engineering estimate of \$55,000. The 2017 – 2018 budget allows \$79,000 for this project. Director Russell recommended approval of the task order with Plan B Development.

Council Member Shivers moved for approval of the task order with Plan B Development for the replacement of the Kiwanis Lake spillway pipe. Council Member Loesch seconded the motion. On a call by the Chair for ayes and nays, the motion carried, with the vote on passage as follows: Ayes, Nichols, Loesch, Shivers, Miller. Nays, none. Absent, Williams.

Staff Report – Purchase of Two (2) Patrol Vehicles for the Department of Public Safety
City Manager Slagle called upon Chief Rockett to provide the report.

The 2017 – 2018 Budget allows \$55,000 for the purchase of two (2) patrol vehicles for the Public Safety Department. The purchase of the patrol vehicles includes the trade-in of 2 vehicles, a 2010 Chevrolet Impala, Car #108, approximate 80,000 miles and a 2011 Chevrolet Caprice, Car #109, approximate 92,000 miles. Both vehicles are considered to be high mileage patrol vehicles and are unreliable, given the continual driving time that the vehicles receive. Purchasing newer vehicles, will provide reliability and the ability to safely get to calls without breakdowns. Requests for bids were sent to seven (7) vendors and also placed in the *Mexico Ledger*. Three bid proposals were received with Carthage Chrysler of Carthage, Missouri submitting the best bid. Chief Rockett recommended Council approve the purchase of two (2) patrol vehicles from Carthage Chrysler of Carthage, Missouri for the bid price of \$42,010, subject to the bidder's ability to deliver the vehicles in an acceptable length of time and their ability to meet all the bid specifications.

Council Member Loesch moved for approval to purchase two patrol vehicles from Carthage Chrysler of Carthage, Missouri for the bid price of \$42,010. Council Member Shivers seconded the motion. On a call by the Chair for ayes and nays, the motion carried, with the vote on passage as follows: Ayes, Nichols, Loesch, Shivers, Miller. Nays, none. Absent, Williams.

Parks & Recreation Department – Aquatics Facilities Site Possibilities
City Manager Slagle called upon Director Shoemaker to present.

Director Shoemaker presented Council Members with potential site locations for the city's proposed aquatics facility. Location maps and specifications were presented to Council Members for consideration. Council Members and City Staff held discussion regarding the future of an aquatics facilities.

Claims

The list of claims was presented for approval.

Council Member Nichols moved for approval of the list of claims as presented. Council Member Loesch seconded the motion. On a call by the Chair for ayes and nays, the motion carried, with the vote on passage as follows: Ayes, Nichols, Loesch, Shivers, Miller. Nays, none. Absent, Williams.

The list of claims was approved.

COUNCIL COMMENTS

Council Member Loesch made comments regarding the clean audit report and thanked City Staff for their work. Council Member Loesch also expressed appreciation to Assistant City Manager Runge and City Manager Slagle on the recent Spartan Light Metal Products announcement. Council Member Loesch expressed concerns regarding the cleanliness of the city and what can be done to improve the appearance. City Manager Slagle and Director Jackson provided information on code enforcement.

Council Member Nichols commented on the budget and thanked Staff for their work. Council Member Nichols also commented on the Spartan Light Metal Products announcement.

Council Member Shivers commented on the audit, Spartan Light Metal Products, Martin Luther King Day and attending the Central Missouri Municipal League Regional Meeting in Booneville.

Council Member Nichols inquired on pick-up Mexico. Director Jackson did not have any information at this time to report.

Mayor Miller commented on the audit, Progress Mexico, Audrain County and City of Mexico on the Spartan Light Metal Products announcement. Mayor Miller also commented on the Martin Luther King Day celebration.

PUBLIC COMMENTS

Louis J. Leonatti, 1423 Briarwood, expressed appreciation to Council Members regarding the courtesy of City Staff during a recent funeral by stopping work as a tribute to the family.

Iris Shoemaker, 5 Branchwood, commented on the proposed aquatics facility location, against the location of the facility being located in the Green Estate Park, location near Teal Lake Park and health concerns.

ADJOURNMENT

Mayor Miller moved to adjourn the meeting. The motion was seconded by Council Member Nichols. The Chair called for a vote and motion carried with the vote as follows: Ayes, Nichols, Loesch, Shivers, Miller. Nays, none. Absent, Williams. The City Council Regular Session Meeting was adjourned.

MAYOR

CITY CLERK

APPROVED BY COUNCIL FEBRUARY 12, 2018

CITY OF MEXICO, MISSOURI
DEPARTMENT OF COMMUNITY DEVELOPMENT

Agenda: February 12, 2018

Members of City Council
City of Mexico, Missouri

RE: Public Hearing – Annexation of Property Located at
2977 S. Clark

Dear City Council Members:

The City of Mexico received a petition from La Jolla, LLC of Palmyra, Missouri requesting annexation of their property located at 2977 S. Clark, aka Kelley Property, into the city limits.

At this public hearing any interested person, corporation, or political subdivision may present evidence regarding the proposed annexation. After a 14 day waiting period, if no objection is filed, City Council will be presented with an Ordinance for annexation.

This property is located on the west side of South Clark between Hamilton Parkway to the north and Kelley Parkway to the south. All surrounding land is in the city limits.

La Jolla, LLC's plan is to utilize the site for commercial office space.

On January 19, 2018 notices were sent to surrounding property owners and tenants within 185' of the requested annexation. City Staff received no telephone calls or written correspondence regarding the annexation.

Section 11.1 (d) of the Code of the City of Mexico states, "*However, no general city plan, nor zoning ordinance, nor any modification, amendment or revision thereof shall be considered by the city council unless it shall have been first submitted to the city planning and zoning commission for its examination and recommendation*".

The Planning and Zoning Commission, at their February 6, 2018 meeting, made recommendation to City Council to grant approval of the requested annexation.

This annexation request is reasonable and necessary for proper development of the City. The City of Mexico has the ability to furnish normal municipal services to the area annexed.

Respectfully submitted,

Rita Jackson
Community Development Director

RJ

Reviewed by: Bruce R. Slagle, City Manager

CITY OF MEXICO, MISSOURI
OFFICE OF DEPUTY CITY MANAGER

Agenda: February 12, 2018

Members of City Council
City of Mexico, Missouri

RE: A Resolution Adopting Residential Refuse Rates Covering Anticipated
Cost of Sanitation Services Beginning April 1, 2018

Dear City Council Members:

In April of 2014 the City of Mexico began a ten-year residential sanitation services contract with Dayne's Waste Disposal, Inc. The contract includes annual pricing adjustments that are set to take place April 1st of each year.

Staff has taken into consideration residential unit pricing with the services contract along with other operating expenses related to sanitation services provided by the City that are to be properly funded through user fees.

Provided below is a summary of anticipated expenses for the Sanitation Department for the next twelve months beginning April 1, 2018 followed by a fee adjustment calculation. Please note that anticipated costs associated with the Household Hazardous Waste Collection Center and part of Brush Yard Operations are included within the user fee analysis.

<u>Description</u>	<u>Residential</u>	<u>Household</u>	
		<u>Hazardous Waste</u>	
Personnel Services	\$ 95,131	\$	1,679
Supplies – Billing, Expendable Tools	2,800		50
Computer Hardware & Software Mtc.	2,168		
Audit	6,900		
Postage	11,000		
Administrative Charges	24,071		
Misc./Notices/Base Data	1,500		820
Contract Collection (w/o fuel adjustment)	395,992		
Special Pickups	3,100		
Brush Chipping	9,000		
Recycling	18,000		
Debris Removal/HHW Disposal	0		14,500
HHW Program Training			800
Equipment Reserve	10,000		
Allowance – A/R (Bad Debt)	4,000		
Electricity / Misc.			656
<i>Total Expenses</i>	<u>\$ 583,662</u>		<u>\$ 18,505</u>
Less Special Pick Up Fees	\$3,100		
<i>Net Expenses to be recovered by fee:</i>	<u>\$ 580,562</u>	<i>plus</i>	<u>\$ 18,505</u> <u>\$ 599,067</u>

Calculation of monthly fees: *Estimated Annual Operation \$599,067*

\$599,067 divided by 4,308 residential accounts equals \$139.06 per year/account

\$139.06 divided by twelve-month cycle equals approximately \$11.59 per month

\$11.59 per month will represent the base rate for sanitation services. Last year's base rate was \$11.42; equating to a base rate adjustment of approximately one point four nine percent (1.49%) between the two twelve month cycles.

In addition to a base rate for services, a fuel cost adjustment is made part of the monthly service cost in result to the terms of our contract with Dayne's Waste Disposal Inc.

Staff recommends that Council proceed with reading and passage of the attached Resolution setting the monthly base rate for sanitation services in the amount of \$11.59 with a "fuel cost adjusted" rate cap of \$12.36 for the twelve-month period beginning April 1, 2018 through March 31, 2019.

Respectfully submitted,

Roger D. Haynes
Deputy City Manager

Attachments

Reviewed by: Bruce R. Slagle, City Manager

**A RESOLUTION ADOPTING RESIDENTIAL REFUSE RATES
COVERING SANITATION SERVICES BEGINNING APRIL 1, 2018**

WHEREAS, the City of Mexico contracted with Dayne’s Waste Disposal, Inc. to provide residential sanitation services; and

WHEREAS, the contract includes annual pricing adjustments that are set to take place April 1st of each year; and

WHEREAS, in addition to the sanitation services contract, other operating expenses related to sanitation services provided by the City must be properly funded through user fees.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MEXICO, MISSOURI, AS FOLLOWS:

- Section 1. The base rate for sanitation services will be \$11.59 per month per household.
- Section 2. That City Council set the monthly base rate for sanitation services in the amount of \$11.59 with a fuel cost adjusted rate cap of \$12.36 for the twelve month period beginning April 1, 2018 through March 31, 2019.
- Section 3. This Resolution shall be in full force and effect from and after the time of its passage.

PASSED THIS 12TH DAY OF FEBRUARY 2018

MAYOR

ATTEST:

CITY CLERK

CITY OF MEXICO, MISSOURI
OFFICE OF DEPUTY CITY MANAGER

Agenda: February 12, 2018

Members of City Council
City of Mexico, Missouri

RE: A Resolution Authorizing the City Manager to Execute a Contract of Obligation with the Missouri Department of Natural Resources Regarding Estimated Post-Closure Expenditures for the City of Mexico Sanitary Landfill (Permit No. 0100703)

Dear City Council Members:

In 1998 the City closed its sanitary landfill and began a thirty-year post-closure process as required and regulated by the Missouri Department of Natural Resources (MDNR). As part of the post-closure process, the City of Mexico prepares an estimate of annual and cumulative costs related to post-closure activities and submits the report to MDNR for approval. This year staff will submit the executed Contract for Obligation along with an updated Financial Assurance Instrument (FAI) to MDNR noting a potential post-closure cost estimate of \$130,929.

As of September 30, 2017, the City has \$154,188 in the post-closure fund and projects receipting into the fund annually \$1,540 for the remaining term of post-closure, which is anticipated to cover estimated expenses for post-closure.

Based on the City's Financial Assurance Instrument to be submitted, the City's Standard & Poor's credit rating of AA- (Stable), and the success of our post-closure funding mechanism, the City will be able to enter into a "Contract of Obligation" without being directed to expend funds to purchase an insurance policy naming MDNR as an additional insured for estimated post-closure expenditures.

Staff recommends Council proceed with reading and passage of the Resolution authorizing the City Manager to sign the Contract of Obligation with the Missouri Department of Natural Resources.

Respectfully submitted,

Roger D. Haynes
Deputy City Manager

Reviewed by: Bruce R. Slagle, City Manager

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT OF OBLIGATION WITH THE MISSOURI DEPARTMENT OF NATURAL RESOURCES REGARDING ESTIMATED POST-CLOSURE EXPENDITURES FOR THE CITY OF MEXICO SANITARY LANDFILL (PERMIT NO. 0100703)

WHEREAS, the City of Mexico closed its sanitary landfill in 1998 and began a thirty year post-closure process as required and regulated by the Missouri Department of Natural Resources; and

WHEREAS, the City of Mexico prepares an estimate of annual and cumulative costs related to post-closure activities and submits the report to the Missouri Department of Natural Resources for approval; and

WHEREAS, because of the success of the City’s post-closure funding mechanism, the City has the opportunity to enter into a “Contract of Obligation” with the Missouri Department of Natural Resources for post-closure funding purposes rather than expend resources to purchase insurance un-necessarily; and

WHEREAS, it is necessary for the City Manager to sign a Contract of Obligation with the Missouri Department of Natural Resources for post-closure funding purposes.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MEXICO, MISSOURI, AS FOLLOWS:

- Section 1. The City Manager is hereby authorized to sign a Contract of Obligation with the Missouri Department of Natural Resources. A copy is attached hereto marked Exhibit “A”.
- Section 2. This Resolution shall be in full force and effect from and after the time of its passage.

PASSED THIS 12TH DAY OF FEBRUARY 2018

MAYOR

ATTEST:

CITY CLERK

CITY OF MEXICO, MISSOURI
OFFICE OF ASSISTANT CITY MANAGER/ECONOMIC DEVELOPMENT

Agenda: February 12, 2018

Members of City Council
City of Mexico, Missouri

RE: Resolution of Official Intent of the City of Mexico, Missouri, Toward the Issuance of Industrial Revenue Bonds to Finance a Project for Spartan Light Metal Products, L.L.C., and Authorizing Certain Actions Relating Thereto

Dear City Council Members:

As Council is aware, the City of Mexico, Missouri intends to issue taxable industrial revenue bonds in a principal amount not to exceed \$110,000,000 to finance the costs of a proposed industrial development project for the benefit of Spartan Light Metal Products, L.L.C. The Bonds will be issued pursuant to the provisions of Sections 100.010 to 100.200 of the Revised Statutes of Missouri, as amended, and Article VI, Section 27(b) of the Missouri Constitution.

Gilmore & Bell, P.C. has prepared the Plan for an Industrial Development Project and Cost/Benefit Analysis to satisfy requirements of the Act and to analyze the potential costs and benefits, including the related tax impact on all affected taxing jurisdictions, of using industrial development bonds to finance the Project and to facilitate abatement of ad valorem taxes on the bond-financed property.

The Act authorizes cities, counties, towns and villages to issue industrial development bonds to finance the purchase, construction, extension and improvement of warehouses, distribution facilities, research and development facilities, office industries, agricultural processing industries, service facilities that provide interstate commerce, industrial plants and other commercial facilities.

Revenue bonds issued pursuant to the Act do not require voter approval and are payable solely from revenues received from a lease of the project. The municipality issues its bonds and in exchange, the benefited company promises to make lease payments that are sufficient to pay the principal of and interest on the bonds as they become due. Thus, the municipality merely acts as a conduit for the financing.

Concurrently with the closing of the bonds, the company will convey title to the site on which the industrial development project will be located and the equipment included in the project. At the same time, the municipality will lease the project site, the improvements thereon and the project equipment back to the benefited company pursuant to a lease agreement. The lease agreement will require the company, acting on behalf of the municipality, to use the bond proceeds to purchase, construct and equip the project.

Under the lease agreement, the company typically: (1) unconditionally agrees to make payments sufficient to pay the principal of and interest on the bonds as they become due; (2) agrees, at its own expense, to maintain the project, to pay all taxes and assessments with respect to the project, and to maintain adequate insurance; (3) may, at its own expense, make certain additions, modifications or improvements to the project; (4) may assign its interests under the lease agreement or sublease the project while remaining responsible for payments under the lease agreement; (5) covenants to maintain its corporate existence

during the term of the bond issue; and (6) agrees to indemnify the municipality for any liability the municipality might incur as a result of its participation in the transaction.

Spartan Light Metal Products intends to construct an approximately 75,000 square foot die cast manufacturing facility located adjacent to the Company's existing manufacturing facility at 2510 Lakeview Road in the City by September 2019. The Company intends to install die cast machines and related equipment within the Project Improvements and the Company's existing manufacturing facility between 2018 and 2022. The portion of the real estate located upon which the Project Improvements will be located is referred to as the "Project Site." The Project Improvements and the Project Equipment are collectively referred to as the "Project." The tax abatement described herein applies solely to the Project.

The construction of the Project Improvements is expected to cost approximately \$20,000,000. The acquisition of the Project Equipment is expected to cost approximately \$90,000,000, excluding freight and installation.

The Company will convey title to the Project Site and the Project Equipment to the City. The City will lease the Project Site, the Project Improvements to be constructed thereon, and the Project Equipment to the Company. The lease payments will equal the principal and interest on the Bonds. Under the terms of the lease agreement with the City, the Company will have the option to purchase the Project at the termination of the lease. The lease between the City and the Company will terminate in 2033, unless terminated sooner pursuant to the terms thereof. The Bonds will be payable solely from the revenues derived by the City from the lease or other disposition of the Project.

Staff has determined that it is necessary to declare the official intent of the City to finance the costs of the Project from the proceeds of the Bonds, subject to certain terms and conditions set forth in this Resolution.

Staff recommends Council proceed with reading and passage of the attached Resolution.

Respectfully submitted,

Russell Runge
Assistant City Manager/Economic Development

Reviewed by: Bruce Slagle, City Manager

RESOLUTION OF OFFICIAL INTENT OF THE CITY OF MEXICO, MISSOURI, TOWARD THE ISSUANCE OF INDUSTRIAL REVENUE BONDS TO FINANCE A PROJECT FOR SPARTAN LIGHT METAL PRODUCTS, L.L.C., AND AUTHORIZING CERTAIN ACTIONS RELATING THERETO

WHEREAS, the City of Mexico, Missouri (the “City”) is authorized and empowered under the provisions of Article VI, Section 27(b) of the Missouri Constitution, as amended, and Sections 100.010 to 100.200, inclusive, of the Revised Statutes of Missouri, as amended (collectively, the “Act”), to purchase, construct, extend and improve certain projects (as defined in the Act) for the purposes set forth in the Act and to issue industrial development revenue bonds for the purpose of providing funds to pay the costs of such projects and to lease or otherwise dispose of such projects to private persons or corporations for manufacturing, commercial, warehousing and industrial development purposes upon such terms and conditions as the City shall deem advisable; and

WHEREAS, Spartan Light Metal Products, L.L.C. (the “Company”) has requested that the City issue its industrial development revenue bonds (the “Bonds”) in a principal amount of approximately \$110,000,000 to provide funds to pay the costs of (1) constructing an approximately 122,000 square-foot die cast manufacturing facility (the “Project Improvements”) on an approximately .17-acre site (the “Project Site”) located adjacent to the Company’s existing manufacturing facility at 2510 Lakeview Road in the City and (2) acquiring and installing certain personal property (the “Project Equipment” and, together with the Project Improvements, the Project Site and the Project Improvements, the “Project”); and

WHEREAS, the Bonds will be payable solely out of payments, revenues and receipts derived from the lease of the Project by the City to the Company; and

WHEREAS, the City has determined that it is necessary and desirable to declare the official intent of the City to finance the costs of the Project from the proceeds of the Bonds, subject to certain terms and conditions set forth in this Resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MEXICO, MISSOURI, AS FOLLOWS:

Section 1. Finding of Public Benefit. The City Council hereby finds and determines that the Project will promote the economic well-being and industrial development of the City and the taxing districts encompassing the area of the Project, and that the issuance of the Bonds to pay the costs of the Project will be in furtherance of the public purposes set forth in the Act.

Section 2. Declaration of Intent. The City Council hereby declares the intent of the City to issue the Bonds to provide funds to finance the costs of the Project, subject to the conditions set forth in this Resolution.

Section 3. Limited Obligations. The Bonds shall be limited, special revenue obligations payable solely out of payments, revenues and receipts derived from the lease of the Project by the City to the Company. The Bonds and the interest thereon shall not be a debt of the City or the State of Missouri, and neither the City nor the State shall be liable thereon, and the Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

Section 4. Conditions to Issuance of Bonds. This Resolution constitutes a statement of intent of the City Council. The issuance of the Bonds and the execution and delivery of any documents related to financing the Project are subject, in the sole discretion of the City, to the following conditions:

- (a) approval by the City Council of a plan for industrial development in accordance with Section 100.050 of the Act;
- (b) authorization by ordinance of the City Council;
- (c) obtaining any other necessary governmental approvals for the Project;
- (d) agreement by the City, the Company and the purchaser of the Bonds on (1) mutually acceptable terms for the Bonds and for the sale and delivery thereof and (2) mutually acceptable terms and conditions of any documents related to the issuance of the Bonds and the Project, the sale of which Bonds is the sole responsibility of the Company; and
- (e) receipt by the City of satisfactory indemnification for all matters relating to the Project.

Section 5. Reimbursement for Project Costs. The Company is hereby authorized to proceed with the purchase and installation of the Project, including the entering of contracts and purchase orders in connection therewith, and to advance such funds as may be necessary to accomplish such purposes. If the Bonds are issued, the Company may be reimbursed solely out of the proceeds thereof for expenditures paid or incurred in connection with the Project.

Section 6. Sales Tax Relief. The City will provide a sales tax certificate (the "Certificate") for the purpose of enabling the Company to obtain sales tax exemption on all construction materials for the Project, upon the Company's agreement to fully indemnify and protect the City from any judgments or actions arising from the use of the Certificate should the City not issue the Bonds for any reason.

Section 7. Notice to Taxing Districts. The City Clerk, on behalf of the City Council, shall send such notices as are required by the Act in connection with the issuance of the Bonds.

Section 8. Preparation of Documents. The City Attorney and Gilmore & Bell, P.C., as Bond Counsel, and the officers, employees and representatives of the City, are hereby authorized to work with the Company, its counsel and others, to prepare for submission to and final action by the City Council all documents necessary to effect the authorization, issuance and sale of the Bonds and other actions contemplated hereunder in connection with the financing of the Project.

Section 9. Further Authority. The City hereby authorizes and empowers the officers and representatives of the City to do all such acts and things and to execute, acknowledge and deliver all such documents as may in their discretion be deemed necessary or desirable in order to carry out or comply with the terms and provisions of this Resolution in connection with the structure and sale of the Bonds. All of the acts and undertakings of such officers and representatives which are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done shall be and the same are hereby in all respects, ratified, confirmed and approved.

Section 10. Cancellation. If for any reason the Bonds are not issued within one year after the date of adoption of this Resolution, this Resolution shall be deemed canceled, and neither party will thereafter have any rights under this Resolution against the other, except that the Company will reimburse the City for all fees and out-of-pocket expenses incurred by the City, its counsel and Bond Counsel in connection with the Project.

Section 11. Effective Date. This Resolution shall be in full force and effect from and after the date of its passage.

PASSED by the City Council of the City of Mexico, Missouri this 12th day of February, 2018.

Mayor

ATTEST:

City Clerk

CITY OF MEXICO, MISSOURI
OFFICE OF PARKS & RECREATION DIRECTOR

Agenda: February 12, 2018

Members of City Council
City of Mexico, Missouri

RE: A Resolution of the City of Mexico, Missouri Stating Intent To Seek Funding Through the Federal Recreational Trails Program and Authorizing the City Manager to Pursue Activities In an Attempt to Secure Funding

Dear City Council Members:

The “Fixing Americas Surface Transportation Act” has authorized funds for federal fiscal years 2016 through 2020 as a set aside of funds from the Transportation Alternatives set aside under the Surface Transportation Block Grant Program. The goal of these budgeted funds is to develop and maintain recreational trails and trail related facilities for both motorized and non-motorized recreational trail uses.

The Missouri Department of Natural resources is designated to award Federal Recreational Trails Program surface transportation Block Grant funding under the direction of the Missouri State Recreational Trail Advisory Committee and the City of Mexico has an existing trail maintenance need that may be addressed through this grant program. The grant offers communities an opportunity for monetary assistance to accomplish these improvements.

Improvements included in the grant application consist of site lighting at Lakeview Park, Green Estate Park and Dorcas Trail at Plunkett Park. The City’s 2017 – 2018 budget allows \$30,000 for local cash funds match, in-kind materials and labor, to be used for the project to meet the commitment for the minimum 20% matching share.

Staff recommends Council proceed with reading and passage of the attached Resolution authorizing the City Manager to sign documents to seek funding through the Federal Recreational Trails Program.

Respectfully submitted,

Chad Shoemaker
Parks & Recreation Director

Reviewed by: Bruce Slagle, City Manager

A RESOLUTION OF THE CITY OF MEXICO, MISSOURI STATING INTENT TO SEEK FUNDING THROUGH THE FEDERAL RECREATIONAL TRAILS PROGRAM AND AUTHORIZING THE CITY MANAGER TO PURSUE ACTIVITIES IN AN ATTEMPT TO SECURE FUNDING

Whereas, the “Fixing Americas Surface Transportation Act” has authorized funds for federal fiscal years 2016 through 2020 as a set aside of funds from the Transportation Alternatives set aside under the Surface Transportation Block Grant Program; and

Whereas, the goal of the budgeted funds is to provide funds to the states to develop and maintain recreational trails and trail related facilities for both motorized and non-motorized recreational trail uses; and

Whereas, the Missouri Department of Natural resources is designated to award Federal Recreational Trails Program Surface Transportation Block Grant funding under the direction of the Missouri State Recreational Trail Advisory Committee; and

Whereas, the City of Mexico does have existing trail maintenance needs that may be addressed through the Federal Recreation Trails Program CFDA; and

Whereas, the Surface Transportation Block Grant funds offer communities an opportunity for monetary assistance in accomplishing stated primary objectives; and

Whereas, the City of Mexico is applying for federal assistance from the Recreational Trails Program for the purpose of trail improvements and new site lighting at Lakeview Park, Green Estate Park and Dorcas Trail at Plunkett Park.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MEXICO, MISSOURI AS FOLLOWS:

- Section 1. The City of Mexico, Missouri desires to participate with the Missouri Department of Natural Resources with the Recreational Trails Program.
- Section 2. The City Manager or his designee is hereby authorized to execute, on behalf of the City of Mexico documents necessary in applying for funding and establishing an administrative organization to implement activities.
- Section 3. The City of Mexico will dedicate \$30,000 of local cash funds and in-kind materials or labor to be used for this project to meet the commitment for the minimum 20% matching share and will allocate the necessary funds to complete the project.
- Section 4. In the event the grant is awarded the City of Mexico is prepared to complete the project within the time period identified on the signed project agreement.

Section 5. In the event a grant is awarded, the City of Mexico will comply with all rules and regulations of the Recreational Trails Program, applicable Executive Orders and all State laws that govern the grant applicant during the performance of the project.

Section 7. This Resolution shall be in full force and effect from and after the time of its passage.

PASSED THIS 12TH DAY OF FEBRUARY 2018

MAYOR

ATTEST:

CITY CLERK

CITY OF MEXICO, MISSOURI
OFFICE OF CITY ENGINEER/ PUBLIC WORKS DIRECTOR

Agenda: February 12, 2018

Members of City Council
City of Mexico, Missouri

RE: A Resolution Accepting the Conveyance of Right-of-Ways and
Temporary Construction Easements for the Holt Street
Reconstruction Project (MoDOT TIDP 4400 (310) Project)

Dear City Council Members:

The City of Mexico applied through MoDOT to the Federal Highway Administration, for Accelerating Innovative Development (AID) funding in September 2016, to reconstruct Holt Street pavement and sidewalks. Staff was notified that the City has received the requested funding in November 2017. Design of the sidewalks requires some additional right of way and construction easements to avoid existing utility poles.

An informational meeting was held for Holt Street property owners on January 23rd to provide information on the project and obtain signatures for Conveyance of Right-of-Ways and Temporary Construction Easements for sidewalk improvements. The City has obtained right-of-ways and temporary easements from nine (9) property owners.

Staff recommends Council proceed with reading and passage of the attached Resolution accepting the conveyance of right-of-way and temporary construction easements for the Holt Street Reconstruction Project.

Respectfully submitted,

J. Kensey Russell, PE, LS
City Engineer/Public Works Director

JKR
Attachments

Reviewed by: Bruce R. Slagle, City Manager

A RESOLUTION ACCEPTING THE CONVEYANCE OF RIGHT-OF-WAYS AND TEMPORARY CONSTRUCTION EASEMENTS FOR THE HOLT STREET RECONSTRUCTION PROJECT (MoDOT TIDP 4400 (310) PROJECT)

WHEREAS, the City of Mexico applied through MoDOT to the Federal Highway Administration, for Accelerating Innovative Development (AID) funding September 2016 and was notified that the requested funding was approved in November 2017; and

WHEREAS, an informational meeting was held for Holt Street property owners provide information on the project and obtain signatures for Conveyance of Right-of-Ways and Temporary Construction Easements for sidewalk improvements; and

WHEREAS, nine (9) right-of-ways and temporary easements have been obtained from property owners and the City of Mexico needs to accept the right-of-ways and easements to proceed with the project.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MEXICO, MISSOURI, AS FOLLOWS:

Section 1. The City of Mexico, Missouri accepts the Conveyance of Right-of-Ways and Temporary Construction Easements from Herbert F. Jackson and Jessie M. Jackson; Nathaniel Williams and Mary L. Williams; Handi-Shop, Inc. (2); Leah Mays; John Hopkins for the Church of God in Christ; Lawrence McKamey, Jr., Richard Herndon Jr. and Jetup, LLC.

Section 2. This Resolution shall be in full force and effect from and after the time of its passage.

PASSED THIS 12TH DAY OF FEBRUARY 2018

MAYOR

ATTEST:

CITY CLERK

CITY OF MEXICO, MISSOURI
OFFICE OF CITY MANAGER

Agenda: February 12, 2018

Members of City Council
City of Mexico, Missouri

RE: An Ordinance Adopting and Enacting a New Code for the City of Mexico, Missouri; Providing for the Repeal of Certain Ordinances Not Included Therein; Providing a Penalty for the Violation Thereof; Providing for the Manner of Amending Such Code; and Providing When Such Code and this Ordinance Shall Become Effective

Dear City Council Members:

Council held a Work Session on September 25, 2017 and a public hearing was held on November 13, 2017 to gather citizen input into the proposed recodification of the Mexico City Code.

As Council is aware, the Mexico City Code had not been update since 1988. Ordinances will be incorporated, and provisions are being brought into line with changes to Missouri State Statues. Council engaged Municipal Code Corporation in November of 2015 to conduct a major update and reorganization of the Mexico City Code.

Council proposed minor changes to the Code which included clerical errors and providing a more defined residential requirement for the City Manager. These changes are included in a supplement and is included in the proposed adopted code.

Staff recommends that Council proceed with two readings by title only and passage adopting and enacting a new code for the City of Mexico, Missouri.

Respectfully submitted,

Bruce Slagle
City Manager

AN ORDINANCE ADOPTING AND ENACTING A NEW CODE FOR THE CITY OF MEXICO, MISSOURI; PROVIDING FOR THE REPEAL OF CERTAIN ORDINANCES NOT INCLUDED THEREIN; PROVIDING A PENALTY FOR THE VIOLATION THEREOF; PROVIDING FOR THE MANNER OF AMENDING SUCH CODE; AND PROVIDING WHEN SUCH CODE AND THIS ORDINANCE SHALL BECOME EFFECTIVE

BE IT ORDAINED BY THE CITY COUNCIL:

- Section 1. The Code entitled "The Code of Ordinances of the City of Mexico, Missouri," published by Municipal Code Corporation, consisting of chapters 1 through 42, each inclusive, is adopted.
- Section 2. All ordinances of a general and permanent nature enacted on or before January 9, 2017, and not included in the Code or recognized and continued in force by reference therein, are repealed.
- Section 3. The repeal provided for in section 2 hereof shall not be construed to revive any ordinance or part thereof that has been repealed by a subsequent ordinance that is repealed by this ordinance.
- Section 4. Unless another penalty is expressly provided, every person convicted of a violation of any provision of the Code or any ordinance, rule or regulation adopted or issued in pursuance thereof shall be punished by a fine in the maximum amount permitted or required by state law. Each act of violation and each day upon which any such violation shall continue or occur shall constitute a separate offense. The penalty provided by this section, unless another penalty is expressly provided, shall apply to the amendment of any Code section, whether or not such penalty is reenacted in the amendatory ordinance. In addition to the penalty prescribed above, the city may pursue other remedies such as abatement of nuisances, injunctive relief and revocation of licenses or permits.
- Section 5. Additions or amendments to the Code when passed in such form as to indicate the intention of the city to make the same a part of the Code shall be deemed to be incorporated in the Code, so that reference to the Code includes the additions and amendments.
- Section 6. Ordinances adopted after January 9, 2017 that amend or refer to ordinances that have been codified in the Code shall be construed as if they amend or refer to like provisions of the Code.
- Section 7. This ordinance shall become effective from and after the time of its passage.

PASSED AND ADOPTED THIS 12TH DAY OF FEBRUARY 2018

Mayor

ATTEST:

City Clerk

**CITY OF MEXICO, MISSOURI
OFFICE OF DEPUTY CITY MANAGER**

Agenda: February 12, 2018

City Council Members
Mexico, Missouri

RE: Staff Report – Approval of Depository/Banking Services

Dear City Council Members:

On December 6, 2017, request for proposals were sent to Mexico area banks and advertised in the *Mexico Ledger* for Depository/Banking Services for a four-year period starting April 1, 2018 and running through March 31, 2022. Proposals were received from Commerce Bank, Central Bank of Audrain County, First State Community Bank and Martinsburg Bank & Trust (Bank of Missouri).

The proposals consisted of three parts, services provided, fee for services and the interest rate to be paid on the collective balances on all City accounts established. Proposals for cost of services have been annualized and incremented to the extent necessary to make a fair comparison from bank to bank. Proposals for calculating an interest rate varied in method from bank to bank and in some cases by the type of accounts established at each financial institution.

A number of investment balances and interest rate scenarios were utilized to make comparisons of interest that would be earned from each financial institution based on their respective method of calculation.

Since the financial institutions utilized differing basis for calculating investment earnings, staff believed it important to spread the investment analysis over a similar period of time as the bid entails rather than taking a one-month snap shot. Staff selected historical and applicable investment rates that would have been used by the financial institutions to calculate investment earnings rates during the months of June and December from years 2012 through 2017, plus January of 2018. Staff also prepared an investment earnings analysis based various short term rate movement scenarios involving an upward rate trend using 91-Day T-Bill and Federal Reserve Fed Funds rates based off of the first week of January, 2018 (please refer to spreadsheets attached).

Based on analysis of investment rate proposals received, services provided, associated fees, and financial strength, staff determined the bid package from Martinsburg Bank & Trust (Bank of Missouri) to be the overall best bid for the City.

Mexico City Council
February 12, 2018
Page 2

Martinsburg Bank & Trust's (Bank of Missouri) offer includes a fixed rate of return of 2.25% on all funds with no minimum balance requirement.

Under their proposal, the City will not incur any bank fees, check order fees or deposit slip supply fees.

All deposits will be insured or backed through the combination of FDIC, U.S. Treasuries, and/or U.S. Agencies acceptable to the Federal Reserve System.

Staff recommends that Council award depository/banking services for the period of April 1, 2018 through March 31, 2022 to Martinsburg Bank & Trust (Bank of Missouri) for Depository services will include the following accounts.

City of Mexico Operating Account
City of Mexico – CDBG
City of Mexico – ACCIS
City of Mexico Municipal Court/Bond
WWTP 2010B Series Debt Service Reserve Account
WWTP 2010A Series Debt Service Reserve Account
M.A.B. NID 2010A Series Debt Service Reserve Account
M.A.B. NID 2010B Series Debt Service Reserve Account
M.A.B. NID Maintenance Escrow Account
City of Mexico – Telecommunications Tax Protest Account
City of Mexico – Electric Tax Protest Account
Land Clearance Redevelopment Authority

Respectfully submitted,

Roger D. Haynes
Deputy City Manager

RDH

Attachments

Reviewed by: Bruce Slagle, City Manager