

MINUTES OF THE REGULAR MEETING OF THE BOARD OF ALDERMEN
OF THE CITY OF OSAGE BEACH, MISSOURI

March 15, 2012

The Board of Aldermen of the City of Osage Beach, Missouri, met to conduct a regular meeting on Thursday, March 15, 2012, at 6:30 p.m. at City Hall. The following were present: Mayor Penny Lyons, Alderman Fred Catcott, Alderman Lois Farmer, Alderman Steve Kahrs, Alderman John Olivarri, Alderman Kevin Rucker and Alderman Ron Schmitt. City Clerk Diann Warner was present and performed the duties of that office.

Mayor's Communications.

Mayor Lyons declared that it is officially summer.

Citizens Communications.

Jim and Carolyn Morris were present and invited City officials to the Sixth Annual State Aviation Day on March 27, 2012 in Jefferson City. Mr. Morris is the president of the Missouri Pilot's Association and Carolyn has been the chairman of the event in the past. Mrs. Morris reported that Governor Nixon has declared the month of March to be Aviation Month.

Mrs. Morris spoke about the economic impact that airports have in the state. She said the Aviation Trust Fund Act expires in 2013 and they would like to have it extended. She added that the event is a time to meet with state legislators and representatives to inform them of the issues important to airports across the state.

Mayor Lyons questioned whether the Aviation Trust Fund Act is funded by the tax on aviation fuel. Mrs. Morris responded in the affirmative and said that no funds come from Missouri's general fund. Mayor Lyons commented that she would like to issue a proclamation to support extending the Act. Mr. Morris said they would like to get the Act extended to 2023. Aviation brings in approximately \$9.2 billion to Missouri annually.

Consent Agenda.

Alderman Schmitt moved to approve the consent agenda which includes minutes of the regular meeting held on March 1, 2012 and the bill list as submitted. Alderman Olivarri seconded the motion which was voted on and unanimously passed.

Unfinished Business.

None

New Business.

Resolution 2012-02. Local Vendor Preference.

Mayor Lyons presented Resolution 2012-02. City Attorney Ed Rucker explained that this resolution was drafted at the request of Alderman Kevin Rucker to express the interest of the Board of Aldermen in promoting City purchasing from local vendors and enabling local vendors to do business with the City in a manner consistent with purchasing from the lowest responsible bidder. Alderman Olivarri questioned the reason for this resolution when Assistant City Administrator Jeana Albertson is developing a procurement ordinance. Alderman Rucker said he would like to express to local businesses that there are bidding opportunities. He added that there are many who

do not understand the process and he wanted them to be able to register so they would be advised when the City solicits bids. Alderman Rucker said that a lot of work is being done by staff however this resolution is something that could be put in place now.

Alderman Olivarri said he agrees with the concepts *shown in the whereas statements*, but it does not translate to the five action items listed in the resolution. Upon a question from Alderman Olivarri, Assistant City Administrator Albertson explained the process for being placed on a vendor list. Alderman Olivarri did not understand the reason for the resolution since the action items are already being done. Ms. Albertson explained that notices are placed on the website and she explained how to access that information.

Alderman Olivarri asked for the definition of a local business. Alderman Rucker responded that local would mean the Lake area however the first preference would be the City. Alderman Olivarri said that a bidders list already exists that includes local businesses and others who want to bid. Alderman Kahrs agreed with the resolution stating that it shows local businesses that they have an opportunity to bid and that the City supports them. Alderman Olivarri said that the resolution makes it appear the City does not support local businesses however, what the resolution says is already being done and the resolution is unnecessary.

Alderman Schmitt said the resolution is not an ordinance but it is a reminder to those who do not know that opportunities are available to compete for the City's business. Alderman Olivarri said the resolution is nonbinding, the City does not currently train, and he said the requirement for an introductory package is so generic that it makes no sense.

Alderman Kahrs said his company submits bids and they are confusing and some vendors may need help. Mayor Lyons said that some bids require bonding and the payment of prevailing wage and staff does help them; however there is a problem on how local is defined. Alderman Rucker explained that the resolution was crafted with the best interests of the City in mind and with the advice of the City Attorney. City Administrator Nancy Viselli explained that the City Engineer has prebid meetings for anyone interested in bidding on a project.

Mayor Lyons said she did not realize how much work is already being done. Alderman Catcott agreed that local should be defined as the whole general area and seminars and advertising in the newspaper is positive. He added that the resolution verifies that the City wants to help local vendors. Alderman Olivarri said the resolution seems to say the City does not currently help local businesses. Alderman Schmitt said the resolution reminds new businesses that there are opportunities for competing for City business.

Alderman Rucker moved to approve Resolution 2012-02 as presented. Alderman Kahrs seconded the motion. The following roll call vote was taken to approve Resolution 2012-02: "Ayes": Alderman Catcott, Alderman Farmer, Alderman Kahrs, Alderman Rucker, Alderman Schmitt. "Nays": Alderman Olivarri. Resolution 2012-02 was approved.

Resolution 2012-04. Resolution Appointing Members to the Dierbergs Osage Beach Transportation Development District.

Mayor Lyons presented Resolution 2012-04.

City Attorney Ed Rucker explained that the Dierbergs Osage Beach Transportation Development Agreement requires the City to appoint two members of the Board of Directors to the Dierbergs Osage Beach Transportation Development District. Pursuant to Section 4.3 of the TDD Agreement,

one of the appointees should be the Mayor and the other should be the City Administrator: "Prior to the initial meeting of the District's property owners pursuant to Section 238.220 of the TDD Act, the Mayor shall nominate, subject to review and approval of the board of aldermen of the City, two public officials, one of whom shall have been the Mayor at the time of formation of the District and one of whom shall be the City Administrator or a member of the City's board of aldermen at the time of formation of the District, to the District's board of directors."

The Dierbergs Osage Beach Transportation Development District will fund various transportation improvements specifically: (a) improvements along a portion of Osage Beach Parkway to provide for a deceleration lane, acceleration lane, and right-in, right-out ingress and egress to the District; (b) a new intersection at Osage Beach Parkway and Links Road; (c) traffic channeling islands; (d) retaining walls and guard rails; (e) improvements for a signalized intersection along a portion of Osage Beach Parkway and the main driveway; (f) improvements of Links and Zebra Roads for right-in, right-out ingress and egress; (g) construction of main driveway, perimeter roads, drive aisles and service drives; (h) various curb cuts, road and landscape improvements.

City Attorney Rucker said that the terms will be three year staggered terms and the first meeting will be on March 30th.

Alderman Olivarri moved to approve Resolution 2012-04 as presented. Alderman Schmitt seconded the motion which was voted on and unanimously passed.

Resolution 2012-05. Authorizing Mayor to Execute Agreement with the Lake Area Chamber of Commerce.

Mayor Lyons presented Resolution 2012-05. City Attorney Rucker said that Resolution 2012-05 authorizes the Mayor to execute a contract with the Lake Area Chamber of Commerce to support the Lake of the Ozarks welcome sign with a contribution of \$5,000 upon completion of the sign however if construction is not completed within two years, the City is not obligated to contribute the funds.

Alderman Olivarri questioned where the funds are coming from and City Attorney Rucker said it is not known if funds will be needed in 2012 or 2013 but Mr. Roeger is hoping to get it constructed this year.

Alderman Kahrs moved to approve Resolution 2012-05 as presented. Alderman Catcott seconded the motion. Alderman Olivarri asked that the Chamber of Commerce provide a list of contributors when the project is complete.

Alderman Kahrs withdrew the motion to approve Resolution 2012-05 and Alderman Catcott withdrew the second.

Alderman Kahrs moved to approve Resolution 2012-05 and to ask the Chamber of Commerce to provide a list of contributors upon completion of the project. Alderman Catcott seconded the motion. The following roll call vote was taken to approve Resolution 2012-05: "Ayes": Alderman Catcott, Alderman Kahrs, Alderman Rucker, Alderman Schmitt. "Nays": Alderman Farmer, Alderman Olivarri. Resolution 2012-05 was approved.

Bill No. 12-06. AN ORDINANCE OF THE CITY OF OSAGE BEACH, MISSOURI, AMENDING ORDINANCE NO. 11.70 ADOPTING THE 2012 ANNUAL BUDGET, ALLOCATION OF ADDITIONAL FUNDS FOR NECESSARY EXPENSES.

Lee Schuman was present in the absence of the City Engineer and explained that Bill No. 12-06 is to cover the additional costs of the recently awarded project for the Sewer Improvements along Osage Beach Parkway, which the Board approved at the March 1st meeting. This entire project is 100% reimbursable by MoDOT to the City. Bill No. 12-06 amends the 2012 budget in the amount of \$94,832. According to Assistant City Administrator Jeana Albertson, the funds will come from unrestricted funds until the City is reimbursed.

Mayor Lyons presented the first reading of Bill No. 12-06 by title only. It was noted that Bill No. 12-06 has been available for public review. Alderman Olivarri moved to approve the first reading of Bill No. 12-06 by title only. Alderman Schmitt seconded the motion which was voted on and unanimously passed.

Mayor Lyons presented the second and final reading of Bill No. 12-06 by title only. It was noted that Bill No. 12-06 has been available for public review.

Alderman Rucker moved to approve the second and final reading of Bill No. 12-06. Alderman Kahrs seconded the motion. The following roll call vote was taken to approve the second and final reading of Bill No. 12-06 and to pass same into ordinance: "Ayes": Alderman Kahrs, Alderman Catcott, Alderman Rucker, Alderman Schmitt, Alderman Farmer, Alderman Olivarri "Nays": None. Bill No. 12-06 was passed and approved as Ordinance No. 12.06.

Alderman Rucker questioned whether the budget is adjusted when there are revenue changes. Assistant City Administrator Jeana Albertson responded that there are quarterly updates on the revenue side that will be distributed at the First Quarterly Budget meeting in April.

Bill No. 12-07. Amendment to the Human Resources (Personnel) System Rules and Regulations.

Alderman Schmitt moved to postpone Bill No. 12-07 until the next meeting to give elected officials an opportunity to obtain answers to any questions they have. Alderman Catcott seconded the motion.

Alderman Olivarri encouraged elected officials who have questions to e-mail City Administrator Viselli. City Attorney Rucker said a list of questions and answers would be prepared.

The motion to postpone Bill No. 12-07 was voted on and passed.

Bid Award. Sands Lift Station Repair.

The following bids were received:

| | |
|------------------|-------------|
| Hutchins Telecom | \$84,976.00 |
| J. C. Industries | \$97,000.00 |

This project includes the repairs needed to the Sands Lift Station. This project was initially addressed on August 18, 2011 and the extent of repairs was anticipated to be approximately \$30,000 to \$40,000.00. However, it has been determined that additional repairs are needed. The Engineering Department recommends award to the low bidder, Hutchins Telecom, LLC in the amount of \$84,976.00.

A budget amendment will be required to allocate additional funds to 35-00-743300 Repair of System to cover the necessary repairs to the Sands Lift Station. Upon a question about where the

funds were available, Assistant City Administrator Jeana Albertson explained that no funds were expected to be spent for this project in 2012; however funds are available in the Repair and Replacement line item. City Administrator Nancy Viselli said a list of items that make up the \$76,000 in Repair and Replacement would be created for the Board's review.

Alderman Rucker moved to award the bid for the repairs to the Sands Lift Station to the low bidder, Hutchins Telecom LLC in the amount of \$84,976.00 as recommended. Alderman Schmitt seconded the motion which was voted on and unanimously passed.

Bid Award. Slurry Seal

Bids were opened on February 28, 2012. One bid was submitted by Vance Brothers Inc. in the amount of \$231,678.60.

This project was budgeted under Item No. 20-00-764206, Seal in the amount of \$230,000 and Item No. 10-10-774274 Parking Lot in the amount of \$9,200.

Slurry Seal will be applied to the following streets and all streets leading off them: Lazy Days, Three Seasons Road, Malibu Road, Murphy Road, Winn Road, Jeffries Road, Palisades Boulevard, and Peanick Park.

The Engineering Department has reviewed the bidding documents and found them to be in order. The Engineering Department recommends that the bid for Construction Contract OB12-004, for the 2012 Slurry Seal Project be awarded to Vance Brothers Inc. in the amount of \$231,678.60.

Alderman Kahrs moved to award the bid to Vance Brothers Inc. in the amount of \$231,678.60. Alderman Catcott seconded the motion which was voted on and unanimously passed.

Alderman Catcott asked that in the future, the names of the streets where slurry seal will be applied be included on the blue sheet.

Bid Award. City Park Improvements

The following two bidders responded:

| | Base Bid | Base Bid/#1 | Base Bid/#2 | Base Bid/#1, 2, 3 |
|----------------------|-------------|--------------|--------------|-------------------|
| Engineer's Estimate | \$50,366.25 | \$110,400.50 | \$112,240.50 | \$127,845.50 |
| APAC Missouri | \$67,242.25 | \$136,983.39 | \$139,770.99 | \$160,648.02 |
| Kyle Berendzen Const | \$67,203.40 | \$135,831.34 | \$137,786.34 | \$160,821.47 |

This project includes the parking lots at the Osage Beach City Park and the walking trail at Peanick Park. The amount budgeted for this project was \$135,500.

Bids were taken to allow options in the award because it was anticipated that the project would come in over budget due to the rising oil prices. The options for awarding the project are as follows:

1. Walking Trail at Peanick Park – Parking lot #3 (near the playground). The low bidder for this portion of the project is Kyle Berendzen Construction in the amount of \$67,203.40.

2. Walking Trail at Peanick Park – Parking lot #2 and #3. The low bidder for this portion is Kyle Berendzen Construction in the amount of \$135,831.34.
3. Walking Trail at Peanick Park – Parking Lot #2, #3 and drive approach up the hillside to the fishing pond. The low bidder for this work is Kyle Berendzen in the amount of \$137,686.34.
4. Walking Trail at Peanick Park – Parking Lot #1, #2, #3 and driveway approach. The low bidder for the entire project is APAC-Missouri in the amount of \$160,648.02.

All references were favorable on Kyle Berendzen Construction and the City has worked with APAC-Missouri in the past with good results.

The bids came in over budget. APAC's bid contained asphalt prices that were \$25,347 over the engineer's estimate and their entire bid is \$32,802 over the engineer's estimate.

The Engineering Department recommends awarding the contract to either contractor depending upon whether the Board desires to complete the entire project in 2012 or appropriate funds in the 2013 budget which will cost more due to oil prices and mobilization.

Discussion followed on the options and the cost. Alderman Rucker moved to award the bid to Kyle Berendzen for Option 3 in the amount of \$137,686.34. Alderman Kahrs seconded the motion.

Alderman Olivarri said he would be agreeable to Option 3, however he prefers Option 4. City Planner Patterson said that his department is required to enforce the parking lot regulations and he would prefer that all parking lots be paved to comply with City Ordinances. He added that many individuals use the park that are in wheelchairs and the entire parking lot should be completed.

City Administrator Nancy Viselli said that choosing Option 4 would complete the project.

Alderman Kahrs withdrew the second to the motion to award the bid for Option 3 and Alderman Rucker withdrew his motion.

Alderman Kahrs moved to award the bid for Option 4 to the low bidder, APAC-Missouri, Inc. in the amount of \$160,648.02. Alderman Olivarri seconded the motion which was voted on and passed.

Communications from Board Members.

Alderman Catcott. Fred Catcott reported on the Magic Dragon Street Meet which includes Gen X cars which will be held in the Target parking lot. He said the City could contribute \$50 for a trophy and he believed it would be worthwhile since the event would bring many visitors to fill our hotels and restaurants.

Alderman Kahrs. Steve Kahrs offered to contribute the \$50 on behalf of the City. He asked Police Chief Todd Davis if he had a contingency plan to save fuel. Chief Davis responded that he has instructed officers to turn off their engines when stopped.

Staff Communications.

Police Chief. Todd Davis reported that Rick Santorum, one of the presidential candidates, will

appear at Main Street Music Hall tomorrow. Mayor Lyons added that he will fly into Lee C. Fine Airport.

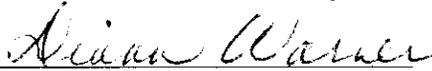
Engineering Department. Lee Schuman reported that Passover Road is progressing and the completion date is five weeks from today. He said there is a \$500 penalty per day if not completed on time.

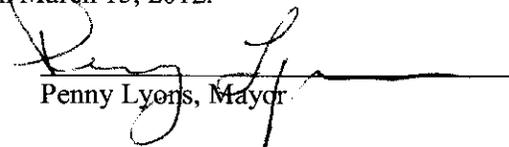
Parks Department. Brian Willey reported on activity at the Parks. He said interested persons could access the City's website to view the schedule.

Airport Manager. Budd Hyde reported on Jim Houston's condition and stated he is expected to go home Saturday or Sunday.

There being no further business to come before the Board, the meeting adjourned at 7:55 p.m.

I, Diann Warner, City Clerk of the City of Osage Beach, Missouri, do hereby certify that the above foregoing is a true and complete journal of proceedings of the regular meeting of the Board of Aldermen of the City of Osage Beach, Missouri, held on March 15, 2012.


Diann Warner, City Clerk


Penny Lyons, Mayor

APPROVED
A 4/5/12 D