

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

December 6, 2012

The Board of Aldermen of the City of Osage Beach, Missouri, met to conduct a regular meeting on Thursday, December 6, 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. The City Clerk, Diann Warner was present and performed the duties of that office.

Mayor's Communications.

Mayor Lyons thanked staff, the Osage Beach Special Road District and the Lake of the Ozarks State Parks for working on the connecting road from the expressway to the State Park. She said it took several years but it will enhance access to the boat ramps and the many other visitors to the Park.

Mayor Lyons reported that Lawrie Samuelson, a former alderman, passed away last month. Before his retirement, he was a businessman and he was very active early on in working with the police department, the ambulance department and fire district. He used to store the ambulance in his garage. Mr. Samuelson said that at times in the winter, aldermen helped clear some intersections using shovels. A celebration of life will be held Saturday at 2:00 p.m. at Harper Chapel.

Citizens Communications.

Annica Russo of Summit Natural Gas said gas lines are being installed on KK and on Osage Beach Parkway. She asked those who have questions or concerns to contact her.

Emily Durgan of Missouri Solar Applications was present and distributed information about solar energy which included a sample ordinance that provides for clean energy and clean energy resources that she requested be passed.

Don Neuharth of Econo Lodge commended the City for taking action to connect the Old State Park Road once again.

Consent Agenda.

Alderman Olivarri moved to approve the consent agenda which includes minutes of the regular meeting held on held on November 15, 2012, the minutes of the special meetings held on November 6 and November 7 and the bill list as submitted. Alderman Schmitt seconded the motion which was voted on and passed.

Unfinished Business.

None.

New Business.

Public Hearing.

City Planner Cary Patterson explained that John and Connie Shaw are requesting annexation of a single lot, located on Runabout Road adjacent to the Dogwood Animal Shelter property, into the City of Osage Beach. The subject property is currently the location of a single family dwelling. The City must resolve that incorporating the requested annexation property is "reasonable and

necessary” for the proper growth of the community, as explained in the MML Technical Bulletin on Missouri Annexation Law.

Annexation positives for the City:

1. Provides the City the opportunity to be contiguous with properties further down the Runabout Road Corridor. This will allow the City to annex more properties down that road if the desire exists.

Annexation negatives for the City:

1. The Annexation of this property will not provide the City with any sales tax income or additional area for development.
2. The City will be capable of serving this property with water and sewer in the near future, if desired it will cost the City and its Citizens money to extend the mains to this property.
3. The Annexation will allow the property to pay the lower “In-City” rates for sewer and water services rather than the out of city rates which would be charged if such service was provided to the property without annexation.

Policy Concerns:

It is important to assure that the City benefit from the annexation of any property. It is important that the City does not get into the practice of annexing property primarily for the immediate and direct benefit of the property itself. This is especially the case when the current use of the property does not provide the City with any tax revenue or potential for other income through development.

Another issue is whether the City or the property owner pays the costs for the extension of our water and sewer mains to the subject property. Today the property owner would be responsible for that payment. If the extension happens after annexation the City is required to pay that cost.

No action is required at this time. Comments will be taken until fourteen days following the public hearing.

There being no one present to speak in favor of or in opposition to the proposed annexation, Mayor Lyons closed the public hearing at 6:35 p.m.

Results of Risk Management and Insurance Consulting Services Performed by Charlesworth & Associates.

James Charlesworth of Charlesworth & Associates presented the results through a spreadsheet that was previously distributed.

Alderman Kahrs expressed concern for the aggregate \$20 million that MPR has for between 60 and 80 members. He said if an entity has a large judgment against them, the City and the taxpayers end up paying because \$20 million would not be enough. Mr. Charlesworth said any judgment would be subject to Missouri Sovereign Immunity.

Alderman Rucker questioned the value placed on the cost to the City for staff members to be involved in meetings at MPR. Mr. Charlesworth believed the additional time would be minimal.

Alderman Rucker said that there is not a rating on self insurance and he expressed his concern that with bonding capabilities there would not be a rating to show underwriters the strength of the insurance company. Mr. Charlesworth responded that underwriters could require the City to have an AM Best rated insurance company. Mr. Charlesworth said that neither MPR nor MOPERM have that designation.

It was noted that only one company bid on insurance coverage for the airports. Mr. Charlesworth said airport liability is a unique risk and there are only two or three markets available.

Alderman Rucker questioned how the financial status of both companies was rated. Mr. Charlesworth recommended that someone review the financial reports. Alderman Rucker said that MPR is not under a guaranteed fund but the City would be a part of a pool. The deductibles were discussed and Mr. Charlesworth said the specifications were designed around the current policies. He added that it is very difficult to compare the bid submitted by Naught Naught Agency with MPR because they are both very different.

Alderman Rucker questioned the reason Mr. Charlesworth does not make a recommendation in his report. Mr. Charlesworth responded that the focus is on a transparent process and he tried to put the information in a format that is understandable. He said it is the City's decision on how much it means to have local representation and continuity in the organization however Mr. Charlesworth said based on his knowledge he could not recommend that the City award the bid to the company with the higher premium.

Alderman Rucker said that Naught Naught speaks for the City but with MPR, the City would deal directly with the insurance company. Alderman Olivarri said the issue is whether there is a benefit to awarding the bid that is \$37,000 more. He asked Mr. Charlesworth what his recommendation would be. Mr. Charlesworth said he would prefer to have local representation but with the difference in the amount of money, he would go with MPR.

Alderman Kahrs said the bids cannot be compared apples to apples and he said he felt strongly about local representation, the defense pool concerns him, and the \$20 million aggregate concerns him. He added that MPR requires that they be notified 90 days in advance of cancelling. City Administrator Viselli said that the City could give notice but not leave the program if a decision is made to remain with MPR.

City Administrator Viselli said the City has had numerous years with MPR and they are very reactive and provide a great deal of training. She added that \$37,000 difference in the bids is a considerable amount of money. Alderman Rucker said that the City already has health insurance and workers' compensation with MPR and he is concerned that the risk would be too great to place all insurance coverage with them. Mr. Charlesworth said that the funds are kept separately.

Alderman Rucker said that members of MPR would have access to a lot of information and requires members to be involved. City Administrator Viselli said that the HR Generalist is a Board member at MPR which is made up of active members. Alderman Olivarri said he does not have some of the concerns that others have and Mr. Charlesworth cannot justify to him the advantage of staying with Naught Naught Agency. He added that MPR has a 3% risk management safety fund that they use to reimburse members for certain programs.

Alderman Rucker questioned the amount of staff time used to participate in MPR. HR Generalist Cindy Leigh said the MPR Board meets four times per year.

Alderman Olivarri moved to award the bid for comprehensive and liability insurance to MPR, further that MPR place the airport liability insurance. Alderman Schmitt seconded the motion. The motion was voted on and passed to award the bid to MPR as follows: "Ayes": Alderman Catcott, Alderman Farmer, Alderman Olivarri, Alderman Schmitt. "Nays": Alderman Kahrs, Alderman Rucker. The motion to award the bid to MPR passed.

Certified Utility Canine. Officer Sam Ford introduced Axle; the trained canine that was acquired last week. He said Axle is certified in narcotics, tracking, apprehension, article searches and has the designation of a Certified Utility Dog. Officer Ford expressed his appreciation to the elected officials and Chief Davis for their support. He announced that AJ has been adopted by Airport Manager Budd Hyde.

Preliminary Plat. The Gates of Osage Beach Subdivision.

City Planner Patterson presented the following report:

Subdivision Name: The Gates of Osage Beach Preliminary and Final Plats

Location: Off of Sycamore Valley Drive on Live Oak Lane.

Section/Township/Range: 11/39/16

Applicant: Bill Baker

Professional Services: Allen Surveying and Midwest Engineering

Tract Size: 4.87 acres (7 residential lots)

Zoning: R-2 (Two Family Residential)

Surrounding Land Use:

North: Lake of the Ozarks

South: 54 Expressway

East: Vacant Commercial

West: Residential

Department Comments

Preliminary:

- 1) The plat was reviewed for code compliance and was found to be consistent with the preliminary plat requirements
- 2) The City Engineer reviewed and approved the improvement and infrastructure plans for the development. There are public improvements involved with this subdivision causing the requirement for a Letter of Credit or Performance Bond. The Performance Letter of Credit has been submitted.

Final:

- 1) The plat was reviewed for code compliance and was found to be consistent with the final plat requirements.

Because the subject plats are consistent with the regulations for subdividing property established by the City of Osage Beach Subdivision Code and the subject residential lot subdivision is being requested in the appropriate land use zone, the Planning Department recommends approval of the requested preliminary and final plats.

The Planning Commission concurs with Staff's recommendation for approval.

Alderman Catcott moved to approve the preliminary plat of The Gates of Osage Beach Subdivision. Alderman Farmer seconded the motion which was voted on and unanimously passed.

Bill No. 12-38. AN ORDINANCE OF THE CITY OF OSAGE BEACH, MISSOURI, APPROVING THE PLAT OF THE GATES OF OSAGE BEACH SUBDIVISION, A SUBDIVISION IN OSAGE BEACH, MISSOURI.

Mayor Lyons presented the first reading of Bill No. 12-38 by title only. It was noted that Bill No. 12-38 has been available for public review.

Alderman Olivarri moved to approve the first reading of Bill No. 12-38 as presented. Alderman Rucker seconded the motion which was voted on and unanimously passed.

There being no objections, Mayor Lyons presented the second and final reading of Bill No. 12-38 by title only. Alderman Olivarri moved to approve the second and final reading of Bill No. 12-38. Alderman Schmitt seconded the motion. The following roll call vote was taken to approve the second reading of Bill No. 12-38 and to pass same into Ordinance: "Ayes": Alderman Farmer, Alderman Catcott, Alderman Rucker, Alderman Schmitt, Alderman Olivarri, Alderman Kahrs. "Nays": None. Bill No. 12-38 was passed and approved as Ordinance No. 12.38.

Bill No. 12-39. AN ORDINANCE OF THE CITY OF OSAGE BEACH, MISSOURI ADOPTING AN ANNUAL BUDGET FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2013 AND ENDING DECEMBER 31, 2013, AND APPROPRIATING FUNDS PURSUANT THERETO.

City Administrator Nancy Viselli explained that Bill No. 12-39 reflects the Board's decisions during the budget work sessions.

Mayor Lyons presented the first reading of Bill No. 12-39 by title only. It was noted that Bill No. 12-39 has been available for public review.

Alderman Olivarri moved to approve the first reading of Bill No. 12-39 as presented. Alderman Farmer seconded the motion which was voted on and unanimously passed.

Bill No. 12-40. AN ORDINANCE OF THE CITY OF OSAGE BEACH, MISSOURI, ESTABLISHING THE LOCATION OF A NO LEFT TURN SIGN FROM KEY LARGO ONTO U.S. HIGHWAY 54 IN A WESTERLY AND SOUTHERLY DIRECTION AS INDICATED HEREIN

Mayor Lyons presented the first reading of Bill No. 12-40 by title only. It was noted that Bill No. 12-40 has been available for public review.

Alderman Olivarri moved to approve the first reading of Bill No. 12-40 as presented. Alderman Schmitt seconded the motion which was voted on and unanimously passed.

Mayor Lyons presented the second and final reading of Bill No. 12-40 by title only. Alderman Schmitt moved to approve the second and final reading of Bill No. 12-40. Alderman Catcott seconded the motion. The following roll call vote was taken to approve the second reading of Bill No. 12-40 and to pass same into Ordinance: "Ayes": Alderman Catcott, Alderman Rucker, Alderman Schmitt, Alderman Olivarri, Alderman Kahrs, Alderman Farmer. "Nays": None. Bill No. 12-40 was passed and approved as Ordinance No. 12.40.

Proposed Contract Modification. Progress Road Reconstruction

City Engineer Nick Edelman explained this contract modification is for the subgrade failures on Progress Road near the Industrial Drive cul-de-sac that were in the original scope of work but were not included in the measurements for Bid Form quantities. The original intention was to have them paid under their own bid item and measured by the square yard, but before the Contract Documents were put out to bid, this was not done. Darren Woods of APAC brought the asphalt overage to the attention of the Engineering Department after APAC had finished the base layer of asphalt and started the top layer of asphalt on Wednesday, November 21, 2012.

This project is budgeted in multiple accounts. The sidewalk repairs were done under account 10-09-774256. The road repairs were done under account 20-00-773155. A budget amendment will need to be done if this is approved for account 20-00-773155.

The Engineering Department recommended approving the contract modification as submitted in the amount of \$8,535.29.

Alderman Olivarri moved to approve the contract modification for Progress Road Reconstruction in the amount of \$8,525.29 as recommended. Alderman Rucker seconded the motion which was voted on and unanimously passed.

Bill No. 12-41. AN ORDINANCE OF THE CITY OF OSAGE BEACH, MISSOURI, AMENDING ORDINANCE NO. 11.70 ADOPTING THE 2012 ANNUAL BUDGET, TRANSFER OF FUNDS FOR NECESSARY EXPENSES.

Mayor Lyons presented the first reading of Bill No. 12-41 by title only. It was noted that Bill No. 12-41 has been available for public review.

Alderman Olivarri moved to approve the first reading of Bill No. 12-41 as presented. Alderman Schmitt seconded the motion which was voted on and unanimously passed.

Mayor Lyons presented the second and final reading of Bill No. 12-41 by title only. Alderman Catcott moved to approve the second and final reading of Bill No. 12-41. Alderman Rucker seconded the motion. The following roll call vote was taken to approve the second reading of Bill No. 12-41 and to pass same into Ordinance: "Ayes": Alderman Rucker, Alderman Schmitt, Alderman Olivarri, Alderman Kahrs, Alderman Farmer, Alderman Catcott. "Nays": None. Bill No. 12-41 was passed and approved as Ordinance No. 12.41.

Request to Reduce Accounts Receivable for Enterprise Funds.

City Treasurer Karri Bell explained that although some accounts will be written off the City's books, the department will continue to pursue collections through liens and collection services with the exception of bankruptcies. She said that the collection agency collected \$5,000 in 2012.

History of Ambulance Write-offs for last five years:

2011	\$ 58,521
2010	\$ 82,562
2009	\$ 52,367
2008	\$ 60,506
2007	\$ 82,984

City Treasurer Bell recommended approval of the requested write-offs.

Alderman Schmitt moved to reduce the accounts receivable for Enterprise Funds as recommended in the amount of \$58,323.94 in the Ambulance fund and \$5,566.08 in the Water and Sewer fund. Alderman Olivarri seconded the motion which was voted on and unanimously passed.

Authorize Expenditure for Mobile Patrol AVL and Mapping.

Police Chief Todd Davis explained that this officer safety item was budgeted for the 911Center as a 2012 capital purchase (line item 10-15-774267). This item has not been ordered prior to this date because a CAD System upgrade needed to be completed. The upgrade has been completed and installed and the AVL is ready to be purchased. Information Technologies, Inc. (ITI) is a sole source vendor for AVL that works with the current CAD system. Chief Davis recommended approval.

Alderman Olivarri moved to authorize the expenditure for the software as recommended in the amount of \$57,349 from Information Technologies, Inc. Alderman Farmer seconded the motion which was voted on and unanimously passed.

Bid Award. Employee Appreciation Dinner

Assistant City Administrator Jeana Woods explained that bids were solicited from three area hotels for availability on Friday, January 18, 2013. Staff recommended award to the low bidder, Inn at Grand Glaize.

Inn at Grand Glaize	Per Person Buffet:	\$22.00 Inclusive
Tan-Tar-A Resort	Per Person Buffet:	\$30.00 Inclusive
Resort at Port Arrowhead	Per Person Buffet:	\$36.00 Inclusive

Alderman Olivarri moved to award the bid for the Employee Appreciation Dinner to the low bidder, Inn at Grand Glaize, in the amount of \$22.00 per person. Alderman Farmer seconded the motion which was voted on and unanimously passed.

Kahrs Family Offer to Sell property Along Nichols Road.

City Attorney Ed Rucker said the Kahrs family has offered to sell to the City a parcel of 2.05 acres of land bordering on Nichols Road behind Lake Regional Hospital which will be useful for the redevelopment, expansion and realignment of Nichols Road from the new Highway 54 Expressway to Osage Beach Parkway. Terms of this transaction are not final at this time and should be discussed in closed session.

Communications from Board Members.

Alderman Catcott. Fred Catcott thanked City Engineer Nick Edelman for getting the lights between Lazy Days and KK working.

Alderman Rucker. Kevin Rucker asked staff to review the information presented by Emily Durgan. City Administrator Nancy Viselli said she and City Attorney Rucker would review the information and contact Branson who has adopted the plan. Alderman Rucker asked if the mobile patrol could be expanded to include the public works vehicles. Superintendent of Public Works Rick King said there are other safety measures in place for public works.

Executive Session.

Alderman Rucker moved to close the meeting pursuant to RSMo. Section 610.021(1) Legal actions, causes of action or litigation involving a public governmental body and any confidential or privileged communications between a public governmental body or its representatives and its attorneys, and RSMo. Section 610.021(2) Leasing, purchase, or sale of real estate by a public governmental body where public knowledge of the transaction might adversely affect the legal consideration therefore. Alderman Olivarri seconded the motion.

The following roll call vote was taken to close the meeting: "Ayes": Alderman Rucker, Alderman Schmitt, Alderman Farmer, Alderman Catcott, Alderman Olivarri. "Nays": None. "Abstain": Alderman Kahrs. The meeting was therefore closed.

Alderman Kahrs excused himself and did not participate in the discussion of this transaction nor was he present in the closed session.

Closed Session

Alderman Rucker moved to open the meeting. Alderman Olivarri seconded the motion. The following roll call vote was taken to open the meeting: "Ayes": Alderman Rucker, Alderman Schmitt, Alderman Olivarri, Alderman Farmer, Alderman Catcott. "Nays": None. "Absent:" Alderman Kahrs. The meeting was therefore opened.

Resolution 2012-13.

Mayor Lyons presented Resolution 2012-13. City Attorney Rucker explained that Resolution 2012-13 authorizes Mayor Lyons to execute a contract with Osage Golf LLC to purchase real estate along Nichols Road identified as Tracts A & B, at a price of \$220,000 of which \$175,000 is a charitable contribution and \$45,000 will be paid in cash with a closing date of December 31, 2012.

Alderman Catcott moved to approve Resolution 2102-13 as presented. Alderman Farmer seconded

the motion which was voted on and passed with Alderman Kahrs abstaining.

(Alderman Kahrs was present in the audience and abstained from voting.)

There being no further business to come before the Board, the meeting adjourned at 8:30 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 December 6, 2012.


Diann Warner, City Clerk


Penny Lyons, Mayor

APPROVED
12/20/12
Dev