

**CITY OF SHREWSBURY
WORK SESSION OF THE BOARD OF ALDERMEN**

August 27, 2019

A Work Session of the Board of Aldermen of the City of Shrewsbury, Missouri was held at 6:00 p.m. on the 27th day of August 2019 in the Aldermanic Conference Room of City Hall for the transaction of such business that came before the Board.

Present:

Mayor	Sam Scherer
Alderman	John Odenwald
Alderman	Keith Peters
Alderman	Elisa Reeves
Alderman	Chris Gorman
Alderman	Greg Lauter

Not Present:

Alderman	Mike Travaglini
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Also Present:

Director of Administration	Jonathan Greever
Director of Parks and Recreation	Chris Buck
Director of Finance	Danielle Oettle
Fire Chief	Chris Amenn
Chief of Police	Lisa Vargas
Director of Public Works	Tony Wagner
City Attorney	Mike Daming
City Clerk	Justin Klocke

Roll Call

Mayor Scherer called the meeting to order, and City Clerk Klocke commenced with the roll call. A quorum was present for the transaction of city business.

Public Hearing – Medical Marijuana Land Use

Mayor Scherer opened a public hearing for the Medical Marijuana Land Use Ordinance. Director Greever reported to the Board the recommendations for the land use ordinance made by the Plan Commission. Mayor Scherer opened the hearing to public comment. There being no public comment, Mayor Scherer closed the public hearing.

Approval of Minutes

Mayor Scherer introduced the minutes from the August 13, 2019 Regular Session and opened the floor for discussion. There being no discussion, Alderman Peters made a motion to approve the minutes; Alderman Lauter seconded the motion. The motion passed unanimously by voice vote.

MSD Update

Mayor Scherer introduced Mr. Rich Unverferth, Director of Engineering – MSD, and asked him to discuss OMCI Taxing Sub-Districts in the City. Mr. Unverferth explained that the City was within three Operation, Maintenance, and Construction Improvements (OMCI) subdistricts. Mr.

Unverferth said that each OMCI subdistrict is authorized to levy a tax up to \$.10 per \$100 of assessed property value; however, with voter approval of Proposition S in 2016, the tax rates in these subdistricts were set to zero. Mr. Unverferth said that despite the rate being set at zero, the subdistricts and their taxing authority remain; moreover, the subdistricts could generate revenue for construction of stormwater capital projects. Mr. Unverferth said that reestablishing OMCI taxes would require a recommendation from MSD staff based on feedback from the municipalities in each subdistrict, and a positive vote by the MSD Board of Trustees. Mr. Unverferth explained two funding options if the OMCI subdistricts were reactivated. Mr. Unverferth said revenue generated from the taxes could either be managed by MSD or split 50/50 between MSD and the municipality. Mr. Unverferth further explained that if the 50/50 funding option was utilized, the municipality could use its funds to address its priority stormwater issues, and MSD would use the remaining 50% of the funds to plan, design, and construct projects within each area based on established priorities to address flooding and erosion. Mr. Unverferth overviewed priority projects in each subdistrict within the City of Shrewsbury. Alderman Reeves asked if the subdistrict was activated, and a ballot measure was passed to fund MSD stormwater capital projects, would the OMCI subdistrict be deactivated. Mr. Unverferth said the OMCI subdistrict would be deactivated if revenue was generated for stormwater capital projects. Alderman Odenwald asked if opportunities to activate the OMCI subdistricts if a tax failed in future elections. Mr. Unverferth said there would be opportunities in the future. Mr. Unverferth also provided a brief update on Project Clear. Mayor Scherer thanked Mr. Unverferth for his presentation and disseminated his contact information to the Board.

Discussion – E-Cigarette Use in Public Spaces

Mayor Scherer invited staff to report on the use of e-cigarettes in public spaces. City Clerk Klocke reported on individual business policies in the City. City Clerk Klocke said all but two businesses screened by the City prohibit the use of e-cigarettes or vaping in their building via a policy implemented by the company. City Clerk Klocke said business representatives explained that issues or concerns with vaping have not been reported to management by customers, and no representative reported to City staff that they were experiencing issues with residents vaping in the buildings. Alderman Odenwald stated that it should remain the City's policy of permitting property owners the ability to decide if vaping is prohibited or not in a public space. Alderman Reeves said the City should pursue a prohibition in public places due to public health concerns.

Discussion – Use Tax Legislation

Mayor Scherer invited Director Oettle to discuss the enactment of a use tax in the City. Director Oettle explained what a use tax is and overviewed which cities in the surrounding area have passed use taxes. Director Oettle said the use tax, if approved by the voters of the City, would not exceed the amount of the City sales tax. Mayor Scherer asked if the average resident would be affected by the use tax. Director Oettle said the average resident would not be affected by the use tax because a use tax return would not be required to be filed by individuals whose purchases from out-of-state vendors do not total \$2,000. Mayor Scherer asked how the revenue would be collected. Director Oettle said the revenue would be collected by the state and remitted to the municipality. Alderman Odenwald asked why the public was being charged a tax by Amazon already. Director Oettle explained that Amazon began collecting sales tax in Missouri in 2017, but Amazon does not collect for vendors that sell on its online marketplace.

Discussion – Six Month Financial Review

Director Oettle provided a review of the six-month financials for FY 2019. Director Oettle said revenue for the first half of FY 2019 was less than the previous year at the same time, and expenses totaled more than the previous year. Director Oettle explained the decrease in revenue was due to the timing of receipts for business licenses and property taxes. Director Oettle said the City would recognize a large portion of receipts from business licenses by the end of July. Director Oettle reported that expenses increased in FY 2019 due to increase in salary and benefits; however, expenses were on trend to be within original budget projections based on the first half of 2019. Director Oettle said overall sales tax revenue increased 3.6% in the first six months compared to FY 2018. Mayor Scherer said that reports on quarterly financials are useful for the Board and urged members to be involved with the budget process.

Discussion – Annual Health Insurance Renewal Discussion and Selection

Director Oettle reported that the City's current health insurance plan would expire on September 30, 2019. Director Oettle said City staff researched and requested quotes on the renewal for the 2019/2020 policy year. The City received quotes from United Health Care, Cigna, Anthem, and Aetna. Director Oettle recommended the Board accept the quote from Aetna for the renewal plan. Director Oettle discussed practices City staff could implement to reduce the price of health insurance as the City confronts more renewal periods in the future. There being no further discussion, Alderman Gorman made a motion to accept the recommendation from Director Oettle; Alderman Lauter seconded the motion. The motion passed unanimously by voice vote.

Discussion – Forfeiture Collection Program – Azavar

Director Oettle discussed entering into an agreement with Azavar Government Solutions for collection of delayed taxes owed to the city. Director Oettle explained that the service would be free of charge; however, Azavar would claim a contingency fee from the monies they collect. Director Oettle said several other municipalities entered into an agreement with Azavar and reported a positive experience with the company. Director Oettle said she would attend meetings to discuss a potential agreement between the City of Shrewsbury and Azavar and would update the Board following the discussions.

Ordinance

Bill No. 2981 – An Ordinance Regulating Medical Marijuana Land Use

Mayor Scherer introduced Bill No. 2981, an ordinance amending certain provisions of Title IV: Land Use – to establish and regulate medical marijuana land use within the City of Shrewsbury, Missouri. Mayor Scherer noted there would be a first reading, second reading, and motion for passage. Mayor Scherer called for a first reading by title only in accordance with Section 79.130 as approved by the General Assembly of the State of Missouri, to read the bill by title only. Alderman Lauter made a motion for the first reading by title only; Alderman Peters seconded the motion. The motion passed unanimously by voice vote. City Attorney Mike Daming conducted the first reading. Mayor Scherer called for a second reading by title only in accordance with Section 79.130 as approved by the General Assembly of the State of Missouri, to read the bill by title only. Alderman Lauter made a motion for the second reading by title only; Alderman Peters seconded the motion. The motion passed unanimously by voice vote. City Attorney Daming conducted the second reading. Mayor Scherer called for a motion for passage. Alderman Lauter made a motion for

passage; Alderman Peters seconded the motion. The motion passed unanimously with a roll call vote recorded as follows: Alderman Odenwald, "aye," Alderman Lauter, "aye," Alderman Peters "aye," Alderman Gorman, "aye," Alderman Reeves, "aye." With unanimous approval for passage, the City Clerk noted that Bill No. 2981 became Ordinance No. 2968.

Purchase Request – Parks and Recreation

Director Buck reported on the RFP for fireworks at the annual Fall Festival. Director Buck explained that the City received four bids from three vendors. The RFP requested vendors not to exceed \$5,000 which would allow the Parks Department the ability to determine the quantity and quality of shots in the display. Director Buck recommended the Board accept the bid from Premier Pyrotechnics. Alderman Odenwald made a motion to accept the recommendation from the Department of Parks and Recreation; Alderman Gorman seconded the motion. The motion passed unanimously by voice vote.

Old Business

None

New Business

Alderman Odenwald said that a resident approached him to discuss Municipal Code Section 400.030: Home Occupation and its application for massage establishments as a home occupation. Alderman Odenwald said he urged the resident to address the Board with their recommendations.

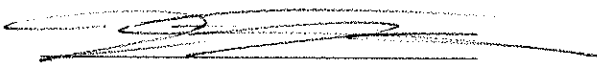
Hear Citizens

Ms. Beki Burley, 7525 Suffolk Avenue, addressed the Board about Municipal Code Section 400.030: Home Occupation and its application for massage establishments as a home occupation. Ms. Burley requested the Board review the Municipal Code and amend it to permit small business home occupations. Mayor Scherer said the Board would review the ordinances and discuss the request further.

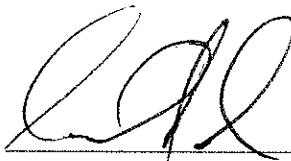
Adjourn

There being no further business, Alderman Lauter made a motion to adjourn the meeting; Alderman Peters seconded the motion. The motion passed unanimously by voice vote.

Respectfully submitted,


Justin Klocke
City Clerk

ATTEST:



Sam Scherer
Mayor