City of Columbia, Missouri

Meeting Minutes

City Council

Monday, May 7, 2018 7:00 PM	Regular	Council Chamber Columbia City Hall 701 E. Broadway

I. INTRODUCTORY ITEMS

The City Council of the City of Columbia, Missouri met for a regular meeting at 7:00 p.m. on Monday, May 7, 2018, in the Council Chamber of the City of Columbia, Missouri. The Pledge of Allegiance was recited, and the roll was taken with the following results: Council Members TREECE, RUFFIN, TRAPP, SKALA, THOMAS, PITZER, and PETERS were present. The City Manager, City Counselor, City Clerk, and various Department Heads and staff members were also present.

The minutes of the regular meeting of April 16, 2018 were approved unanimously by voice vote on a motion by Mr. Skala and a second by Mr. Trapp.

Mr. Thomas asked that B83-18 and B89-18 be moved from the consent agenda to old business.
The agenda, including the consent agenda with B83-18 and B89-18 being moved to old business, was approved unanimously by voice vote on a motion by Mr. Thomas and a second by Mr. Trapp.

II. SPECIAL ITEMS

None.

III. APPOINTMENTS TO BOARDS AND COMMISSIONS

None.

IV. SCHEDULED PUBLIC COMMENT

SPC16-18 Tara Warne-Griggs - Discuss the change processes needed to implement community oriented policing.

Mayor Treece explained Ms. Warne-Griggs was unable to attend tonight.

SPC17-18 Lynn Maloney - A summary of specific recommendations for policing.

Ms. Maloney stated sufficient data was available for Sergeant Fox and Mr. Matthes to create a plan for community policing. She understood Sergeant Fox felt the meeting with Race Matters, Friends had been a waste of his time, but that he would meet with them again if they had any useful suggestions. She noted the bulk of the recommendations by Race Matters, Friends were in the documents published by the City and available on the website, and were in addition to the records they had shared at several meetings with the Police Department over the last three years. She commented that they would use these recommendations in the creation of their own plan for implementing department-wide community oriented policing since Sergeant Fox and Mr. Matthes appeared to be unaware of the many recommendations they had already made and felt should be considered in developing a plan. Since 2015, they had encouraged the Council to

implement the recommendations of the Mayor's Task Force on Community Violence as many of those recommendations involved community policing. Throughout 2016, they had focused their comments on the details of the pillars of community policing as had been laid out in the President's Task Force on Policing in the 21st Century. She noted the Columbia Police Department (CPD) had written its own response to that report in December of 2016, and Race Matters, Friends encouraged them to transform current practices so they were aligned with the gold standard illustrated in the President's report. She understood the vehicles stops report data had been reported by the CPD in conformance with State Law since 2000, and that the law had also encouraged police departments to provide an analysis if there were racial disparities. She pointed out racial disparities had continuously increased since 2000, and suggested an analysis be done. She stated the City's own 600-page report based upon the City Manager's Listening Tour was filled with input from the community, and encouraged the creation of policies in response to that input. In January, she had asked the Council what it would do in response to claims by both the City Manager and the CPD leadership that they lacked the expertise and time to implement the resolution. It was now May, and she asked again what the Council would do to see the resolution was acted upon in good faith. She noted Sergeant Fox had indicated Race Matters, Friends had made no useful contribution, but the Council knew what they had contributed. She commented that Race Matters, Friends was now committed to creating a plan in response to the resolution with June 30 as the completion date in order to present the plan to Council two months prior to the due date of the City Manager's report to allow time for him to see what they believed was involved in creating a satisfactory report.

SPC18-18 Steve Callis - International Compost Awareness Week.

Mr. Callis commented that International Compost Awareness Week was an annual multimedia publicity and education campaign that showcased composting and compost products from backyards to largescale composting facilities. Environmental and recycling businesses, organizations, and community groups around the United States were celebrating the 15th Annual International Compost Awareness Week from May 6 through May 12. He noted this year's poster had been designed by a high school student in Rockville, Maryland, and it had highlighted the 2018 theme of *Compost! Building a Better Future*. He displayed the poster and explained the design represented a globe shaped as a flower growing out of a compost pile because compost took what many people considered trash and turned it into something beautiful and useful for the planet. This year's events would start on Tuesday, May 8 with a food scrap drop off from 8 a.m. to 8 p.m. at the Capen Park mulch site and would provide an opportunity to drop off residential food waste to be composted instead of sending it to the landfill. It was a one-time event to gauge the possibility of establishing options for residential food scrap drop offs in the future. That same evening, there would be a composting workshop from 6-7 p.m. at the compost demonstration site at Capen Park, and Mr. Thomas would present a proclamation on behalf of the City in conjunction with the workshop. On Thursday, May 10, a proclamation from the Boone County Commission would be presented at the 1:30 p.m. Commission Meeting in the Commission Chambers, and finally, on Saturday, May 12, there would be a compost operations tour of the City's facility at the landfill. He commented that he hoped all residents, to include the Council, would participate in the 2018 International Compost Awareness Week events and would help build a better future with composting.

V. PUBLIC HEARINGS

PH12-18 Proposed installation of a suspended ceiling system in office areas at the Columbia/Boone County Public Health and Human Services facility.

PH12-18 was read by the Clerk.
Ms. Browning and Mr. Clardy provided a staff report.
Mayor Treece asked if there were any surplus capital improvement dollars that could be used instead of surplus health dollars so the surplus health dollars could be utilized for a direct patient/consumer health-related function. Ms. Browning replied she was not aware of any. Mr. Matthes stated he did not believe so, but noted they could come back with various other options, such as the public improvement fund, if that was the will of Council. Mayor Treece noted he did not want to slow down this project for that, but felt they could do a lot with $191,000 in terms of health-related activities. He thought it was honorable that they wanted to use those retained earnings for a capital improvement, but that capital improvement would likely have a longer life than the investment.
Mr. Pitzer asked how much was from the general fund versus department savings. Ms. Browning replied it was all department savings. Mr. Clardy pointed out the money used to pay Simon and Associates, the architectural firm, was from an infrastructure grant received from the Missouri Foundation for Health. The actual installation would be from department savings.
Mayor Treece commented that the privacy aspect in terms of HIPPA requirements was not lost on him. He just knew other things could be done from a public health perspective with that money. He stated he had been to the Health Department facility and liked the way they had balanced the architectural interest of the open ceilings with the privacy needed.
Mr. Skala understood they were after sound attenuation and asked if there would be any ancillary benefits in terms of energy savings. Ms. Browning replied yes, and noted that was something they were really hoping to achieve with this. She explained one could be ice cold in one area and burning up in another and believed uniform temperature control would be achieved by the improvement, which would result in savings.
Mayor Treece opened the public hearing.
There being no comment, Mayor Treece closed the public hearing.
Mayor Treece asked how improvements to the Police Department had been funded. He wondered if it had come out of department savings or if it was a capital improvement project. Mr. Matthes replied it had been funded by both sources. There had not been enough in savings so both sources had been used.
Mr. Skala commented that this point he was not comfortable with designating a fund and would prefer to rely on staff to make that determination.

Mr. Trapp made a motion directing staff to proceed with final plans and specifications for the installation of a new suspended ceiling system at the Columbia/Boone County Public Health and Human Services facility. The motion was seconded by Mayor Treece and approved unanimously by voice vote.

PH13-18 Voluntary annexation of property located generally southeast of the intersection of I-70 Drive SW and Strawn Road (840 N. Strawn Road) (Case No. 18-47).

PH13-18 was read by the Clerk.
Mr. Teddy provided a staff report.
Mr. Skala understood this annexation was independent of the Henderson Branch sewer extension even though the property had been donated. Mr. Teddy stated this was independent of that process.

Ms. Peters asked how staff had decided to split the property into two lots. Mr. Teddy replied he thought Mr. Glascock had provided a report in October asking for direction, and in that report staff had suggested two large parcels with the preservation of the right-of-way down the middle. He believed the Council had agreed with that suggestion. He pointed out large parcels could be further divided, so instead of trying to guess the market, they would create two large legal lots at this time. He noted Council could negotiate with other parties as those parties might have interest in resubdivision.

Mr. Thomas understood Mr. Teddy had indicated public right-of-way had been identified through the lot. Mr. Teddy stated that was correct. The City's Major Roadway Plan had planned for the Scott Boulevard North extension, which would go from Broadway to I-70, partially along the Strawn Road alignment, in the very long term. An access justification study had looked at whether or not an interchange could be supported considering the distance to the Stadium Boulevard interchange from a transportation standpoint. It would be important to preserve that right-of-way in the event that became a reality. They were not proposing a road project at this time, and were only preserving the right-of-way. Mr. Thomas asked for the estimated cost of construction for that extension and interchange. Mr. Teddy replied it was $60 million inclusive of the interchange.

Mr. Thomas understood they were only holding a public hearing tonight, and the actual annexation vote would occur at the next meeting. Mr. Teddy stated that was correct. Mr. Thomas asked if the platting would occur at the next meeting as well. Mr. Teddy replied yes, and explained the zoning would occur then as well.

Mayor Treece understood the recommendation was for residential zoning. Mr. Teddy stated that was correct. He explained the lot was currently zoned residential, so it was a lateral move in terms of zoning. He noted the site could support other development, and this was not the final statement. It would accompany the annexation since they could not annex property without zoning it to something. He stated Council could have further discussions as to what they would expect or desire there, and staff could then craft appropriate zoning. Mayor Treece commented that commercial would be a more appropriate zoning given the road and proposed intersection. Mr. Teddy stated he agreed for the long term, and noted infrastructure would be needed in the area. There were only two-lane roadways in the area, there was not any sidewalk infrastructure, a water main upgrade would be needed, and the bridge at Sorrell's overpass would need to be rehabilitated at some point. It was likely a matter of how much commercial it could support with the current infrastructure. Mayor Treece stated he did not want to presuppose the Council discussion on proposed uses, but he, personally, did not see any scenario involving the City paying for that infrastructure. He preferred to sell the property and thought they would yield the highest benefit for taxpayers if they brought it into the City as commercial.

Ms. Peters asked if it would be a problem to rezone the property to commercial in the future. Mayor Treece replied they would have to restart the 90-day process that had gotten them to this point. Mr. Pitzer commented that he thought it would be a lot easier to go from commercial to residential that vice versa in the future.

Mayor Treece asked Mr. Pitzer if he would support bringing it in as commercial. Mr. Pitzer replied yes. He noted that would also represent future intentions to everyone else in the area more appropriately.

Mr. Skala stated his only concern was that they had not really discussed the future, and thought it might be a bit premature to zone it commercial since the road improvement was a long way out. The property was currently residential in the County, and this was the equivalent of that in the City. He noted he would be amenable to rezoning should they decide in the future. He did not feel a 90-day delay would create an issue. He commented that he felt it was unusual to bring property into the City with County residential at a more intensive zoning classification, especially since they had not had a discussion with regard to the intentions for the property. Mayor Treece pointed out a difference would be that the City was the owner of this property. Mr. Skala noted at the

last meeting they had agreed to upzone a piece of property in which they had an interest and felt that would likely cost the taxpayers a few more dollars if an agreement was made to purchase some of it for a fire station. He stated it made him nervous to upzone property without a discussion to really decide what they wanted from the disposition of the property.

Mr. Thomas commented that he was not sure from a planning perspective that he wanted to signal to a future buyer that this land would be a sprawling commercial area by a massive highway intersection as he did not believe the highway was needed. He felt more conversation was needed, and thought a west area planning process should be conducted to address what would happen there before they started thinking about selling it for a large highway oriented commercial district.

Ms. Peters stated the discussion about moving Scott Boulevard or Broadway out to the interstate was unfunded and 40-50 years out. She understood it was a part of the CATSO Plan and was a plan as the City grew, but noted it was not anything they would see in the next significant number of years.

Mayor Treece opened the public hearing.

John Clark, 403 N. Ninth Street, commented that he thought Mr. Thomas had the right idea in that they should not do much with this property until a west area planning process and a west area transportation planning process was completed. He stated the City rarely had 47 acres to plan for and should take this opportunity to ask the community what it might want. He noted there were people in the Planning Division that were perfectly capable of structuring and leading citizens through that kind of citizen participation process. He commented that he was not totally opposed to the annexation of the property, but did not think they should get into any kind of detailed rezoning as a part of this. He stated the large area planning processes that had been successful had included both city property and nearby county property that was likely to be affected or involved in annexation over the next ten years. He reiterated he would not object to annexation, but would not get to the platting level until they had gone through a planning process.

There being no further comment, Mayor Treece closed the public hearing.

VI. OLD BUSINESS

R29-18 Authorizing an agreement with Columbia STEM Alliance, Inc. to provide financial support to build a collaborative network of educators, business partners and organizations to inspire interest in Science, Technology, Engineering and Mathematics (STEM) careers and generate a robust workforce for the community in support of the City of Columbia's Strategic Plan.

The resolution was read by the Clerk.

Mayor Treece understood the desire of staff was to withdraw the item and issue an RFP, and suggested they vote no on the resolution instead of taking it off of the agenda and allow staff to come back with the results of the RFP.

Mr. Nichols provided a staff report.

Mr. Skala understood they would reject the resolution and go forward with the RFP process. The only question remaining was whether to allow the team to proceed or to bring it back to Council. Mr. Nichols stated that was correct, and it was up to the Council. He explained the team that had been put together had the ability to meet the goal of the RFP, make a recommendation, and bring back a contract to Council with those recommendations.

Mayor Treece stated he believed this was the preferred way to do business with not-for-profits. He liked the RFP process as it provided everyone with a fair playing field. In addition, the City would likely receive a better response and deliverables for the investment.

The vote on R29-18 was recorded as follows: VOTING YES: NO ONE. VOTING NO: TREECE, RUFFIN, TRAPP, SKALA, THOMAS, PITZER, PETERS. Resolution declared defeated.

Mayor Treece understood staff would come back with the results of the RFP.

B87-18 Approving a redevelopment agreement in connection with the Broadway Hotel Phase Two TIF Redevelopment Plan and Project.

The bill was given second reading by the Clerk.
Mr. St. Romaine provided a staff report.
Mayor Treece asked Mr. St. Romaine to walk them through the interest rate, and asked what prime was today. Mr. St. Romaine replied 4.75. Mayor Treece understood that would involve the 50 basis points and .65, which would result in a higher than the 6.65 percent number that had been recommended as part of the agreement. Mr. St. Romaine stated that was correct.
Mayor Treece asked for the other major sticking points in the negotiation with the applicant. Mr. St. Romaine replied there had been a lot of discussion with regard to the jobs requirement as that had not been anticipated when the TIF application was submitted. He thought Mr. Parmley had expected this agreement to be similar to the TIF agreement he had for the original Broadway Hotel. As a result, there was some uncertainty as to what the banks might or might not grant. The jobs requirement was another risk factor so there had been a lot of discussion in that regard and they had ended up with the agreement that was in front of the Council tonight, which was essentially a one-time certification at the end of the construction project, just before operation. The City would calculate the average number of jobs six months prior to the start of the new hotel to establish a baseline and the applicant had three quarters following the operation of Broadway Tower Two to comply with the requirement for 37 jobs. Mayor Treece understood that if Mr. Parmley had three quarters to comply, he really did not need to create those in the first year. He only needed to create them in the last quarter of the first year for three months. Mr. St. Romaine stated that was correct.
Mayor Treece asked Mr. St. Romaine if he recalled what the representation had been to Council during the public hearing on December 4, 2017 in terms of the number of jobs. Mr. St. Romaine replied 37 FTEs, which had been defined as 30 hours on average per week. Mayor Treece asked if there had been any other sticking points. Mr. St. Romaine replied he thought those were the two main issues, and everything else that had been asked for had been incorporated.
Mr. Skala asked for the perspective of Gillmore and Bell as they had been involved in the other TIF agreements. He wondered if the negotiations had started from the perspective that this agreement would be similar in structure to past agreements, and if there had been changes later for particular reasons. He thought they were trying to protect from the gaming of the system in terms of the length of the TIF process. He asked for the reasons for the change between how the first two TIFs were structured with a variable rate and this one.
Mark Spykerman, a representative of Gillmore and Bell, asked Mr. Skala if he wanted clarification with regard to this rate of 6.65 percent fixed and the variable rates in the past. Mr. Skala replied yes. Mr. Spykerman explained the variable rates had reset from time to time as interest rates went up and down. If they were to measure them today, based on the current prime rate, they would be higher than 6.65 percent. If they were to measure them in 2011 or 2012 when the prime rate was very low, the rate would have been lower. He stated they expected it to go back and forth over 23 years, and explained the argument in favor of a fixed rate was simplicity and the guarding against future rate increases.
Mr. Thomas understood, in December, the Council had agreed to allow about $2 million in

future incremental taxes to be used to pay back the initial debt to construct the project. Mr. St. Romaine stated that was correct, and Mr. Spykerman agreed subject to entering into a redevelopment agreement. Mr. Thomas asked where the idea of interest came into this. Mr. Spykerman replied the $2 million was a present value number and would be paid back over time, and the interest in this case was the time value of money. Mr. Thomas understood if it took 10 years to pay the $2 million, in five years, the same purchasing power would require more money. Mr. St. Romaine commented that Mr. Parmley would not receive a check for $2 million at the signing of this redevelopment agreement. It would be spread out over 23 years, and the dollar would not be what it was worth now in 23 years.

Mr. Thomas asked what the statute said with regard to the interest rate that should be paid. Mr. Spykerman replied the maximum permitted by the statute was 10 percent. Mr. Thomas asked for the minimum. Mr. Spykerman replied zero percent. He commented that notes had been issued in the 6-7 percent range for most of the TIF deals he had seen.

Mr. Thomas asked for an explanation of the formula involving the prime rate divided by .65, etc. Mr. Spykerman replied prime rate was a base rate used by banks, and was similar to what the developer's lender might require. The .65 came from whether the interest would be taxable or tax-exempt. Tax-exempt interest meant one would not have to pay the IRS income tax on the interest paid, and that usually resulted in a lower rate. The formula roughly worked out to being divided by .65 if one had to pay taxes on it. Mr. Thomas understood the prime rate was currently 4.75 percent, and they would divide it by .65 for a rate of about 6-6.5 percent. He also understood it was up to the City with regard to the number. They had only committed to the $2 million. They now needed to decide how much interest the City should pay versus the developer. Mr. Spykerman stated it was a negotiated business term.

Mayor Treece understood the developer needed the $2 million up front during this construction cycle to complete the project, and there were three ways he could get that money. The City could issue bonds and give the developer the money up front, which meant the City would have to pay the bonds back through the 50 percent abatement of the value of the new appraised value, the developer could go to a private institution, borrow the money, and pay the bank back that amount plus interest with the tax increment, or if the developer had it, he could loan the money to himself and pay himself back the money plus interest over the next 23 years. He asked if that was a fair statement. Mr. Spykerman replied yes. Mayor Treece asked which of the three options were contemplated under the current environment. Mr. Spykerman replied he imagined the developer would get a loan and secure it with the TIF notes. Mayor Treece asked for the interest rate for that loan. Mr. Spykerman replied he did not know as there were a lot of factors and it was only payable to the extent TIF revenues were actually generated. He suspected one could get something in the neighborhood of 6-7 percent on a construction loan.

Ms. Peters understood one could not get a fixed rate on a commercial loan for 20 years and asked if they could expect the percentage to vacillate over the years. Mr. Spykerman replied the way the agreement had been drafted was that it would be fixed for the term, but understood the developer preferred it be a variable rate, which was reset from time to time based on current lending rates.

Mr. Pitzer asked Mr. Spykerman how common it was to have a fixed versus variable rate. Mr. Spykerman replied he thought it was slightly more common to have a fixed rate, but it was not uncommon to have a variable rate.

Mr. Pitzer noted the council memo referred to a variable rate equal to prime minus 150 from the prior redevelopment agreement. Mr. St. Romaine stated he had meant to point that out as it was a typographical error. It should have been prime rate plus 50 basis points. The agreement was correct, but the memo was incorrect.

Mr. Pitzer stated he had been told that in the period between when the agreement was

reached and now, the prime rate had changed. Mr. St. Romaine explained he thought it had changed in March from 4.5 percent to 4.75 percent.

Mr. Pitzer asked at what point in the process the initial rate was set if there was a variable rate in the agreement. Mr. Spykerman replied it depended on how the agreement was drafted. He commented that interest was usually paid semi-annually, and most often, he saw the interest rate reset on those semi-annual payment dates. Mr. Pitzer asked if the initial rate would be set if this redevelopment agreement was approved tonight. Mr. Spykerman replied as drafted, it would be a fixed rate set at 6.65 percent for the duration of the TIF. Mr. Pitzer asked when the initial rate would be set if it was a variable rate as he understood some requirements had to be met before the notes could be issued. Mr. St. Romaine replied he assumed it would be set upon the issuance of the TIF notes. Mr. Pitzer asked if that involved a week, a month, six months, etc. Ms. Cannon replied it depended on when they actually completed the construction costs, i.e., the out of pocket requirements. She explained the developer would have to show the actual out of pocket cost per the requirements set in the agreement, and the notes would be issued once that number was hit and verified by the City. Mr. Pitzer asked if that was completion of construction. Ms. Cannon replied it would not be completion of construction. It would be completion based on whatever they determined was the outlay requirement. Mr. Spykerman explained the requirement for the initial note issued was $250,000 in hard costs. If the first note issuance was for $250,000, they would endorse the note for up to $250,000, and as the developer incurred additional costs, they would endorse the associated note. Mr. Pitzer understood this would be done all of the way through to completion. Mr. Spykerman stated that was correct. Mr. Pitzer understood a series of notes would be issued. Mr. Spykerman stated that was correct. Mr. Pitzer understood they could be issuing notes over the next two years. Mr. Spykerman explained it was more of an endorsement to the existing note as the note would have a principal amount of not to exceed $2 million. There would be a schedule on the back of the note, and the first line item would be date of the first issuance for maybe $250,000. The developer could come back later for maybe another $500,000, and they would then endorse it for up to that amount.

Mr. Pitzer stated his concern was that the interest rates had already changed and they were talking about changing the endorsement amount over a potentially two-year period. Since interest rates could continue to change, he wondered how reasonable it was to fix the rate now, not knowing what the market rate would be in two years. Mr. Matthes commented that he believed that was the reason variable rates had been allowed in the past.

Mr. Thomas asked for the reason for the fixed rate this time. Mr. Matthes replied it potentially minimized the amount of money going into the project over time. Ms. Thompson explained the feeling was that it would provide more certainty and was less risky to the City. They knew what they would get. It provided more security to both the City and the developer. It might not maximize the developer's return if the interest rate increased, but it would provide certainty from a lower dip. Mr. Pitzer asked how it changed the risk to the City as there was not a risk to the City in terms of being out the dollars. Ms. Thompson replied the City could be out more tax dollars over time. It would provide more certainty in terms of the amounts paid from the TIF. She explained the interest, as calculated, was paid out from TIF revenues so the higher the interest rate, the longer it would take to pay it out and the longer it would be before the public would see a return on its investment.

Mr. Pitzer understood the .65 did not reflect the new tax law. Mr. St. Romaine stated it did not. The two prior agreements had used a denominator of .65, which had been based on the corporate tax rate of 35 percent, which had recently been reduced to 21 percent. In order to calculate the 6.65 percent, he thought they had taken the prime rate plus 50 basis points, and had then divided it by .79. Mr. Spykerman commented that if they were to divide it by a higher number due to the reduction in corporate taxes, they would

actually end up with a lower interest rate.

Mr. Pitzer asked about the 8 percent mentioned earlier. Mr. St. Romaine replied that if they used the same language they had in the existing previous TIF agreements of the 4.75 prime rate plus 50 basis points divided .65, it would result in 8 percent. Mr. Pitzer understood they would use the .79 instead so it would not be 8 percent.

Robert Hollis, 1103 E. Broadway, explained he was the attorney for the developer and commented that they agreed with every provision in the redevelopment agreement before the Council tonight except for the interest rate. The interest rate had been variable in the prior to two TIF agreements because it was fair. A fixed rate did not make sense on either side because the prime rate fluctuated and it could potentially result in an interest rate of less than 6.65 percent. He explained they were asking for fairness, and felt fairness would be for the rate in the TIF agreement to float with the prime rate because everything else did. He commented that Mr. Parmley would use the TIF notes for security for a loan. Mr. Spykerman had indicated a rate of 6-7 percent for a commercial loan, which was not true for this income stream as it was not guaranteed, and it would not be anywhere near 6-7 percent. He stated the holder of the notes would be Mr. Parmley and 6.65 percent for 23 years was unrealistic. He thought it should be greater than 10 percent and closer to a credit card interest rate considering the risk involved, which was a stream of income based on projections over a 23-year period. He noted they understood it was capped by statute at 10 percent, and thought for fairness purposes, it should be floating with the prime rate. He did not believe the .65 or .79 mattered as they would be held by Mr. Parmley so they would not be tax-exempt. He explained they had approached lenders based on the terms of the existing TIF agreements, and had come up with a loan commitment from a combination of lenders, but now the terms would potentially not be the same so it was a real problem.

Mr. Pitzer asked if the notes for the first tower had been self-financed or if Mr. Parmley had gone to a bank for financing. Mr. Hollis replied Mr. Parmley had received a loan, but it had been a two-part loan. The loan for the initial tower was in two parts. One involved a regular commercial loan, and second was secured by the TIF. He pointed out it was all personally guaranteed. Even though it had been personally guaranteed and secured by the TIF, Mr. Parmley had only been loaned 70 percent of the TIF value at a higher interest rate. Mr. Pitzer understood the first TIF had been $3.2 million. Mr. Hollis replied it was $3.3 million or something close to it. Mr. Pitzer understood the cash received was 70 percent of that amount. Mr. Hollis stated Mr. Parmley had been loaned 70 percent of that amount.

Mayor Treece asked how the developer had been able to afford to do the first tower with only 70 percent of the TIF financing. He understood they had represented that “but for” the financing, the project could not be completed, and asked how the project had been completed. Mr. Hollis replied he assumed there had been additional equity, such that the commercial financing had been increased on the other side, but did not recall the details. Mayor Treece asked how the project could have met the “but for” test if extra money had been available through non-TIF proceeds. Mr. Hollis replied he did not believe that had anything to do with the “but for” test, and asked for clarification as he did not see the correlation.

Mr. Skala commented that he was struggling with comparing this to the dichotomy of buying a house for $2 million in terms of a fixed or variable rate over 23 years, and which was the way to proceed. Mr. Hollis stated it made sense to the extent that over that period of time, the amount that would be required to be paid back would vary. In 2008, it would have been a bad bet for the next seven years, but since then, it would have been a good bet, depending on which side one was on. He explained they did not want to bet. They wanted to float with the market so it was fair. He felt that was less risk to both parties, the taxing districts and the developer.

Mayor Treece understood Mr. Hollis had indicated the project would create 37 full time employees, i.e., permanent jobs, with a $19 million payroll at the December 4, 2017

Council Meeting, and that was one of the ancillary benefits he felt had been compelling to several members of the Council in approving the project. He asked what the reluctance was to commit to those jobs but for the first year. Mr. Hollis replied there was not any reluctance to commit to the jobs. Mayor Treece understood Mr. Hollis would support his amendment to require 37 jobs every year through the life of the TIF. Mr. Hollis stated absolutely not. He explained there was a requirement for 37 jobs to be created when this project opened, and if not, then over the next couple of quarters. Mayor Treece commented that the representation that had been made to the Council was that they were permanent jobs, and permanent suggested more than the first year. Mr. Hollis noted his reaction to the suggestion that there should be a jobs requirement in a TIF redevelopment agreement was not positive as he did not feel it belonged there. He understood they had indicated 37 jobs would be their expectation and hope, and it would be a good thing for the community for those jobs to be created. He explained the problem was that this was not like IBM bringing in a facility like they had in Des Moines, Iowa, where they had the ability to move jobs from one facility to another. That situation was nothing like running a hotel. To the extent there were not 37 jobs needed, due to a recession in five years, would mean the hotel was having financial difficulties. The maintenance of those 37 jobs would then be a penalty as they would have to keep people employed that did not have anything to do in order to meet a TIF requirement that should not be there in the first place. If they were to let someone go as the market dictated due to a recession, they would lose a percentage of the TIF based on the penalties incorporated in the agreement. They could not move someone from Des Moines to this hotel. He did not believe it made sense. A lender might feel the security on the loan was zero with that requirement if things did not go well with the hotel. Mayor Treece thought that model likely worked in the private sector, but they had forfeited that model when they had agreed to take public financing, and there had been an economic development representation. He commented that he had not pulled the 37 FTEs out of thin air as they had indicated they were creating 37 permanent jobs with a $19 million annual payroll, and it was one of the benefits of this Council approving the application. He expected Mr. Hollis to keep the representations made to Council. Mr. Hollis stated they expected to keep those representations. Mayor Treece did not feel they would then have any problem signing the agreement. Mr. Hollis reiterated it would decrease the value of the TIF notes to zero as they would have to prove that requirement was met. Lenders would give zero credit for the existence of the potential TIF notes until they met that requirement of showing there were 37 employees. The funds would not be disbursable until they had met that requirement. Mayor Treece stated it was not worth zero to the 37 entry level employees Mr. Hollis had represented would benefit from the project. He thought that had been one of the attributes that had won a couple of the council members over. Mr. Hollis understood and noted that was why they had agreed to include it in the redevelopment agreement. Mayor Treece stated it would only be required to be met for three months in the first year. Mr. Hollis agreed, and pointed out it was the only practical way it would work. Mayor Treece commented that it had worked in their other economic development agreements, such as the ones with IBM and Aurora Dairy. Mr. Hollis explained those were not TIF projects. Mayor Treece thought they should still have the same clawbacks to protect taxpayers. Mr. Hollis stated they would be fine with it if he could explain how that would work to him, Mr. Parmley, and the lenders.

Mr. Skala understood Mr. Hollis was stating they were risking the success of the TIF because of economic volatility in terms of this clawback. Mr. Hollis stated that was correct. Mr. Skala understood they would have the initial 37 positions, and there was a likelihood of increasing that number and not decreasing it unless they were facing a recession when it would become absolutely necessary to shed that burden if the TIF was to be successful. Mr. Hollis stated that was correct.

David Parmley stated he was the developer of the Broadway Hotel Phase Two TIF project, and explained that when the Broadway Hotel Phase One TIF project had been approved,

he had gone to several banks with the TIF notes, and they had laughed at him because the TIF notes would not guarantee the loan. He noted he had been dismayed at how illiquid they had been, and thought the point Mr. Hollis was making about the jobs requirement was that if it was an annual condition, the banks would continue to discount the possibilities of TIF revenues. He stated that requirement might make it difficult or impossible for financing the TIF notes. He commented that he was not sure they had said the jobs were permanent, and explained that had not been a key point. It had been included to show the jobs they would create, but it was not a requirement by statute. Mayor Treece agreed it was not a requirement per statute, but noted it was sweetener to say a $19 million payroll for 37 FTEs in addition to the 68 jobs in Ward 1, the 31 jobs in Ward 2, the 36 jobs in Ward 3, the 14 jobs in Ward 4, the 12 jobs in Ward 5, and the 46 jobs in Ward 6. Mr. Parmley asked if he had said permanent. Mayor Treece replied yes. Mr. Parmley understood IBM had been brought up, and it was located in a warehouse. Anyone could go in a warehouse. A hotel, on the other hand, was a single-use building and would not operate without employees. He commented that in 2008 and 2009, during the recession, they had to shed employees, and had barely hung on. This requirement would provide a further punch when they might be down due to a recession. He explained he had expected to see something along the lines of the previous agreements when they had initiated this process. He was not sure why a change was being made now. He did not think anyone could get a commercial loan over 23 years so having a fixed rate made no sense to him. He thought a variable rate made more sense.

John Clark, 403 N. Ninth Street, commented that he was the Vice Chair of the TIF Commission that had considered this proposal, and explained he had sent the Council a proposal, which had been vetted by asking Mr. Grimm of Gilmore and Bell about the interest rate and the funds that could be used to go into the special allocation fund. He believed Mr. Grimm was the expert, and stated the revenues contemplated would massively disadvantage the other taxing entities, so massively that they were beginning to feel animosity and hostility. He did not believe that was something the Council wanted to continue. He explained his suggestion and his proposal was to use a three percent interest rate for a payback. Separate financing was another issue. He thought the way to be fair to the other taxing entities, which he felt was a fiduciary responsibility of the Council, was to hold a work session to meet with Mr. Grimm and to go through his proposal of a three percent interest rate with hotel tax receipts in order to reduce the payoff period to seven years. He encouraged the Council to think about the benefit to the other taxing entities along with the City in terms of how they might reasonably address dramatically reducing the payoff period. He believed the minutia of the rates was beside the point, and noted the Council had the discretion to set the interest rates under state, federal, and local law and to pick sources other than real estate property taxes to fund the special allocation fund. He reiterated he thought his proposal had a better balance of benefits to the taxing entities and would set the stage for getting the project done and building better relationships among those taxing entities.

Eugene Elkin, 3406 Range Line Street, stated he had misspoke at the meeting in December when he had indicated a former homeless person had been working at the hotel as that person had been laid off. As a result, he did not believe there was any job security.

Mayor Treece made a motion to amend Attachment A associated with B87-18 by changing Section 6.6 in the proposed redevelopment agreement so that the 37 additional jobs would be assessed on an annual basis instead of by the end of the first full calendar quarter.

Mayor Treece noted this would be similar to the way they had handled other economic development agreements. He understood the rationale of the applicant, and asked if staff had any more insight to the negotiations they wanted to offer. He commented that he, and hopefully the rest of the Council, wanted to maintain the representation that had been made by the applicant of 37 permanent jobs. Mr. St. Romaine stated there had been a

lot of discussion about that provision, and thought that one year certification had been a reasonable compromise. He commented that he viewed a TIF as a public/private partnership, and the City wanted the project to succeed. He noted they had looked at a lot of numbers when the application had been submitted and those numbers were estimates. The applicant had estimated that over the life of the TIF, all of the taxing entities would receive about $9 million more than if the project was not built. He reiterated it was an estimate, and it had been reviewed based on the existing hotel, other experiences, and the expertise of a financial advisor. He stated they wanted the project to succeed because they wanted those revenues for all of the taxing entities and the City. He believed they would see a time in the next 5-10 years when a recession would occur and questioned penalizing the developer five percent per job due to financial hardships occurring in the economy as a whole as that would be a detriment to the project. He noted the developer had indicated he would hire 37 FTEs at the start of the operation of that particular project and thought they had to believe he would not let 37 employees go at the start of the second year. He commented that there would be a need for employees to staff the new eight story tower, and it could not be done with the existing staff from the first tower.

Mr. Ruffin asked what would happen in an ideal year when there were more than 37 jobs. Mr. St. Romaine replied the developer would not get any benefit from that, but the community would. He commented that Mr. Parmley had exceeded the number of jobs he had indicated would be generated with the first tower.

Mr. Thomas asked if the number of jobs had been written into the agreement for the first TIF project. Mr. St. Romaine replied no. He explained Mr. Parmley had only indicated how many employees would be employed after the first tower was operational, and had exceeded that number. There had not been any commitment though.

Mayor Treece withdrew his motion to amend Attachment A associated with B87-18 by changing Section 6.6 in the proposed redevelopment agreement so that the 37 additional jobs would be assessed on an annual basis instead of by the end of the first full calendar quarter due to the lack of a second.

Mr. Thomas commented that while he would not support that amendment, he believed there had been kind of a bait and switch situation in that some of them had been very impressed by the jobs claim. It was not very meaningful if that had been part of the evidence that had led some of them to support the project. He thought they should try to learn from that if the situation were to come up again.

Mr. Skala thought they were in a much better position in terms of employment, particularly entry level jobs in the hotel industry, which was vital to the downtown, as it was not the kind of promise or agreement that had been forthcoming with IBM. In addition, the City had not had much control over that as it had been a state-mandated clawback provision that was exceptionally weak. It had never been achieved, not even after the first year. He understood it could be risky to include what could be considered onerous demands for a yearly review of employees as it could put the success of the TIF at risk. The benefit of the project was the $9 million in revenues that would be shared with taxing entities with the success of this TIF. He thought this provided flexibility with regard to any economic volatility they could not control. If they got into a position in an economic down turn like the last down turn and were unable to deal with it, they might not be able to recover, and that would result in failure. He did not believe that was a reasonable way to proceed.

Mr. Pitzer commented that unlike some of the other arrangements there was not any public money upfront that was at risk here. All of the taxing entities were receiving virtually zero dollars in tax revenues now. They were talking about hypothetical future tax revenues that might or might not ever exist.

Mr. Pitzer handed out an amendment sheet and stated he would amend it as well based upon some of the discussion tonight. He commented that the fixed rate had struck him as very unusual as it was unusual to have a fixed rate in a financing document or

financing arrangement such as this. He pointed out the prime rate had already changed in a couple of months, and amounts would be added to the TIF notes as construction occurred over the next 18-24 months. As a result, it did not make sense to him to fix the rate today. He thought the best alternative was the arrangement from the prior agreement. He explained the amendment sheet would need to be change to state prime rate plus 50 basis points in subparagraph 5.1.1(a) instead of less 50 basis points. In addition, the .65 should be changed to .79 due to the tax rate.

Mayor Treece asked for the practical effect of going to .79 instead of .65. Mr. Spykerman replied it made it lower. Mr. Thomas understood it brought it down from 8 percent to 6.7 or something similar. Mr. Pitzer pointed out it would fluctuate from there.

Mr. Pitzer noted the amendment would also introduce a floor and cap on the rate and included verbiage for Exhibit F that would also need a change from .65 to .79.

Mr. Pitzer made a motion to amend Attachment A associated with B87-18 per the amendment sheet with changes to the amendment sheet so subparagraph 5.1.1(a) stated "…to the prime rate plus 50 basis points…divided by 0.65 if the interest…" and so paragraph 4 of exhibit F stated "…divided by 0.65 if the interest…." The motion was seconded by Mr. Trapp.

Mr. Skala understood the discussion to suggest there was no reason to include a tax-exempt rate under these circumstances and wondered if that should be removed from the amendment. Ms. Thompson stated it was left in there for the purposes of consistency throughout the document. If they got too far into the amendments, they would have to send it to bond counsel so they could go through the entire document. She agreed it was meaningless since it would not be issued.

Mr. Skala stated he had been struck by the information Mr. Spykerman had offered indicating slightly more than half of the TIF projects within the State of Missouri had been granted with a fixed rate, and asked about the rationale. Mr. Spykerman clarified he was not sure about the entire State, and explained he had worked on about 30 TIFs in the last seven years, and of those 30 TIFs, slightly more than half had involved a fixed rate. He noted the reasons included a level of simplicity and transparency in knowing what they would get.

Mr. Trapp stated the Broadway TIF Tower One and the Tiger TIF had been successful projects. He believed those past successes along with the financing that had been pursued and expected in Columbia were in keeping with a variable rate. He felt it would protect both parties better than a fixed rate. He commented that since the majority of them had voted to support the TIF project, they wanted to ensure it was successful. He thought the variable rate made sense.

Mr. Skala commented that from the point of view of fairness, the business model, and interest of the City, he was inclined to support this amendment because it made more sense in ensuring the eventual success of the TIF. He noted communities tended to get into trouble with TIFs because they had too many or because they overextended themselves. He did not believe they wanted to put a TIF at risk as they were obligated to the constituents to ensure the TIF worked to the extent they had pledged their support for it. He stated he would vote in favor of the amendment.

The motion made by Mr. Pitzer and seconded by Mr. Trapp to amend Attachment A associated with B87-18 per the amendment sheet with changes to the amendment sheet so subparagraph 5.1.1(a) stated "…to the prime rate plus 50 basis points…divided by 0.65 if the interest…" and so paragraph 4 of exhibit F stated "…divided by 0.65 if the interest…" was approved by roll call vote with Mr. Ruffin, Mr. Trapp, Mr. Skala, Mr. Thomas, Mr. Pitzer, and Ms. Peters voting yes, and Mayor Treece voting no.

Mr. Thomas asked about the proposal for the hotel tax to help pay off the notes. Ms. Thompson replied she was not sure of the proposal, i.e., whether they were looking to try

to use the hotel tax for this particular tower, and noted they would need to look to see what costs would be covered by the hotel tax, whether it met the sources of funds, and if contractually, they could obligate those funds to something other than the hotel tax. Mr. St. Romaine commented that he thought Mr. Thomas was referring to the use of the hotel lodging tax to pay the TIF off sooner. Ms. Thompson understood it was the gross receipts tax on the hotel rooms.

Mayor Treece stated he was personally opposed to the use of the gross receipts tax on hotel rooms based on equity and fairness. He noted other hotel owners' guests paid that tax and he did not feel those guests should have to pay for a competitor's project.

Mr. Skala pointed out they were using the hotel tax for airport and other purposes.

Mr. Matthes commented that this was a complex concept and suggested analyzing it, but not incorporating it into this agreement at this time. He assumed Mr. Thomas was suggesting they only use the taxes generated from this project. Mr. Thomas stated that was correct, and noted it would be similar to the property and sales taxes generated by the TIF. Mr. Matthes thought there were a lot of legal issues to address.

Ms. Thompson stated the consensus was that the hotel tax was not something that could be used because it was a dedicated source fund for tourism, the airport, and economic development. The sales tax that was generated from the sleeping rooms could be allocated pursuant to agreement and the finding of a public purpose for use of those sales tax dollars. Mr. Thomas asked for the percentage of the general tax paid on the room. Ms. Thompson replied she thought it was one percent. She pointed out the capital improvement sales taxes, transportation sales taxes, and parks sales taxes were not subject to capture for economic development purposes. Mr. Thomas understood it would only be the one percent general sales taxes. Ms. Thompson stated they would have to enter into a separate agreement in order to rebate those taxes back to the developer. It was not an amendment they could craft tonight. Mr. Thomas understood if that was done, it would shorten the time to pay off the $2 million and greatly reduce the amount of interest paid. Ms. Thompson stated that was correct. Mr. Matthes pointed out the negative was that they would be giving up sales tax to do it. He suggested allowing staff time to research it and to report back on its effects. Mr. Thomas understood it could be a later amendment to this agreement. Ms. Thompson stated that was correct.

B87-18, as amended, was given third reading with the vote recorded as follows: VOTING YES: RUFFIN, TRAPP, SKALA, THOMAS, PITZER, PETERS. VOTING NO: TREECE. Bill declared enacted, reading as follows:

B92-18 Amending Chapter 2 of the City Code relating to the duties of the Columbia Vision Commission.

The bill was given second reading by the Clerk.

Ms. Messina provided a staff report.

Mr. Skala commented that he liked the alignment perspective of all of the plans.

Mr. Trapp stated he thought it would be a great data point to add to the strategic planning process. He believed it was good that they did a strategic plan and felt it would be better by integrating more voices, and thought the Vision Commission was a great way to obtain the citizen voice.

B92-18 was given third reading with the vote recorded as follows: VOTING YES: TREECE, RUFFIN, TRAPP, SKALA, THOMAS, PITZER, PETERS. VOTING NO: NO ONE. Bill declared enacted, reading as follows:

B83-18 Amending Chapter 29 of the City Code to clarify land features that are considered sensitive and restricted from development.

The bill was given second reading by the Clerk.
Mr. Teddy provided a staff report.
Mr. Skala commented that he had been surprised to see this on the consent agenda with a 5-2 vote from the Planning and Zoning Commission (PZC). Mr. Teddy stated he thought the normal practice involved three-quarters present voting and that this should have been designated for old business from the start. Mr. Skala understood there was a provision for a unanimous vote when there was less than a full contingent of the PZC. Mr. Teddy stated the ordinance stated less than 25 percent of members present. It was close, but had not made the threshold so the Council was right to remove it from the consent agenda.
Mr. Thomas asked if he was correct in understanding the motivation for developing this ordinance was to harmonize different parts of the Unified Development Code (UDC), and that it had come from the Community Development Department staff. Mr. Teddy replied they were demanding all of the floodplain, which included the floodway and the flood fringe, to be set aside and that the subdivision be designed to avoid it. Mr. Thomas understood there had not been a major content change, and this only had to do with consistency. Mr. Teddy stated that was correct. He explained the floodplain provisions, which were in another part of the Code of Ordinances, were not being changed.
Mr. Thomas asked if the changes to the steep slopes also involved harmonizing the different parts of the Code to make it consistent. He wondered about the history of how that had gotten inserted into the ordinance. Mr. Teddy replied that change did not involve resolving a contradiction. There was not any other portion of the ordinance that contradicted this. Steep slopes had come up in the course of review of the sensitive lands section. It had been carried over from the general hearings on the UDC and had been somewhat controversial. He noted a number of development consultant professionals had indicated they felt it was onerous to isolate all 25 percent slope areas on subdivision plats. Mr. Thomas understood this had come up during the review, and asked who had reviewed it. Mr. Teddy replied the PZC had looked at it during a couple of work sessions in January and February, and in late February, the staff had solicited feedback. Testimony had been received. Mr. Thomas asked if the change in steep slopes had been inserted at the recommendation of the PZC. Mr. Teddy replied it had been discussed and had been included in the draft with which they had agreed to move forward.
Mr. Skala commented that when appropriate, he intended to make an amendment to keep the 25 percent instead of changing it to 33 percent.
Ms. Peters asked why the suggested change was 33 percent. She wondered if that was more standard than 25 percent. It appeared to be a big change. Mr. Teddy replied that was about the limit for what was considered stable for a finished slope that was a part of a development in terms of mowing and maintenance. He commented that the lesser amount did not necessarily mean there was a desire to flatten more land in Columbia. If any portion of the 25 percent was on a lot, it could not be altered with the way the language was written, and there might be a desire to create walkout elevations on buildings that disturbed portions of slopes of that classification. He stated they did not view this as leading to more of Columbia becoming flattened because they had other environmental provisions that often coincided with steep slopes, so they saw a lot of preservation. An example was the stream buffer ordinance as it required extension of the stream buffer when it was adjacent to a slope of even 15 percent. It increased for slopes that were over 25 percent. He noted that would not be altered. He commented that tree

cover was another example. If a slope was tree covered, there might be a desire to preserve trees in that location to meet that requirement of the ordinance. He stated ravines tended to naturally be preserved as well as part of the subdivision design. He explained there could be examples of more intensive or more central development to create accessibility or improve access to the site whereby a little less restriction on disturbance could be warranted. He commented that the general thought was that the unique topography was pleasing. There was an aesthetic purpose to preserving steep slopes, but often alterations needed to be made on part of those surfaces. Ms. Peters understood Mr. Teddy thought they had enough other protections in the UDC that this would not be detrimental. Mr. Teddy stated that was correct. He pointed out this would involve new subdivisions. It was not a general standard for wherever they found construction activity, including lots that had already been created. He explained they were looking for more care to go into the design of the subdivision with regard to topography as designers were balancing a lot of criteria, and slope was only one aspect.

Michael MacMann, 115 Hubbell Street, commented that he had trepidation about this, and agreed with Mr. Teddy's presentation. He explained this would be enforcement dependent. If everything worked out the way it was supposed to, they would not impact the environment or increase runoff or stormwater problems. He noted they, however, were not as good about enforcement as they could be, and asked the Council to take that into consideration.

Mayor Treece asked Mr. MacMann for his sense of how this had ended up on the consent agenda instead of old business. Mr. MacMann replied he did not know. Mayor Treece asked if there had been a lot of public comment at the PZC meeting. Mr. MacMann replied not as much as he had expected, and explained they had received some thoughtful public comment. Mayor Treece understood this was not without controversy. Mr. MacMann stated that was correct. This had been an issue since the UDC had initially come forward. He commented that they had been assured by the engineering community that they could address the issues, which he agreed with as civil engineers could do a lot of amazing things. He only wondered if they wanted to do this going forward as they had stormwater issues and a system that was under pressure. He thought enforcement, maintenance, and review were key issues going forward.

Eugene Elkin, 3406 Range Line Street, commented that he had an individual approach him indicating he did not want the change from 25 percent to 33 percent. He wondered if the developers were pushing this very subject for more development with a 33 percent slope. He suggested it remain at 25 percent.

Dee Dokken, 804 Again Street, explained she was speaking on behalf of the Osage Group of the Sierra Club, which represented approximately 5,700 members and supporters in Columbia, Missouri. She stated they were requesting the steep slopes remain at 25 percent at the very least. Previously, the Sierra Club had requested 15 percent, which had been recommended in the Natural Resource Inventory and the Comprehensive Plan. She explained they were open to discussing the problems to determine if there was a way to provide the engineers what they wanted while preserving the environment. She commented that the report had indicated stakeholders had been asked for comments, and the Sierra Club had not been asked. She felt that was one reason there had not been a lot of comment. She pointed out she had happened to be at the meeting for what she had thought was a non-controversial issue, and had been surprised by the fact steep slopes had been included in the amendment. She explained she had commented on this issue during the previous year when they had been discussing the UDC. She suggested input be solicited from a whole range of stakeholders. She stated she believed the issue should be addressed in a more thorough and transparent process with the Environment and Energy Commission (EEC) and the PZC if they were willing to address it. It might be accepted by engineers that a stable building could be constructed on slopes of 33 percent, but that was different from what was good or a best practice. She suggested it be looked into further. She

understood a report to the PZC had indicated the revision for the slope to be regulated had been reviewed by staff and found to be a reasonable revision given that the 33 percent was consistent with the regulatory provisions that were applied with building permits and other land disturbance activities. She stated this was troubling to her, and questioned the relationship between the UDC and land disturbance as they should be in alignment. She commented that she visited the CityView mapping program, and near the Perche Creek, Missouri River, and the end of the Hinkson Creek, which was where development was moving, there were a lot of steep slopes and beautiful bluffs that were not on the stream corridor, but were a part of the past meanderings, which would not be protected by stream buffers. In addition, the stream buffers for a lot of these slopes were only half way or a third of the way.

Mr. Skala commented that the concern with steep slopes had come during the aftermath of the Crosscreek development, which had involved a large tract of land at the end of Stadium Boulevard that had essentially been cleared to maximize the amount of buildable space. They had also filled some of the side of the creek with the topsoil that had been removed. There had been tremendous outcry from the public as a result of this, and that had been the beginning of the real discussion involving steep slopes. He commented that he would submit that retaining walls would be needed any time they went beyond 25 percent to 33 percent, which meant fighting a losing battle because the water would always flow downhill. He stated he felt strongly that it was a deal breaker to increase this to 33 percent. He noted there were many examples that had been harvested by the EEC and PZC with regard to this issue, and 25 percent should probably be the maximum limit considered. He pointed out Ms. Dokken was correct in that the Sierra Club had advocated for 15 percent. He felt 25 percent was the sweet spot, and understood only 1-2 percent of the land in Columbia would be impacted by this. He reiterated he believed they should maintain the 25 percent figure and reject the 33 percent figure. He explained he could understand the rest of the amendments and felt those were needed to reconcile the UDC with where they had been previously.

Mr. Skala made a motion to amend B83-18 by retaining the twenty-five (25) percent in Section 29-5.1(b)(1)(ii)(B) for the average vertical slope, and not changing it to thirty-three (33) percent. The motion was seconded by Mr. Trapp and approved unanimously by voice vote.

Mayor Treece stated he had received a request from the Chair of the EEC to refer this issue to the EEC and noted he was inclined to do that since this had been noticed for the consent agenda. He was not sure if there was a desire to move this to the EEC or if Mr. Skala's amendment mitigated the concerns. Mr. Skala commented that the EEC had been considering some of these things, such as steep slopes, for many years now. He did not feel it would hurt to review some of the issues related to the floodplain, but did not believe it would accomplish anything to send the steeps slope issue back to the EEC.

Mayor Treece commented that he would suggest referring this issue to the EEC for additional comment and review. Mr. Trapp asked if they would refer it instead of passing it tonight. Mayor Treece replied no. He suggested they submit the bill as amended to the EEC for review. Mr. Thomas asked if they would vote on it tonight. He noted he would be happy to vote on the administrative change in order to harmonize the language. He thought they would just be asking for more input on the steep slopes idea in isolation. Mr. Skala stated he thought that was reasonable.

B83-18, as amended, was given third reading with the vote recorded as follows: VOTING YES: TREECE, RUFFIN, TRAPP, SKALA, THOMAS, PITZER, PETERS. VOTING NO: NO ONE. Bill declared enacted, reading as follows:

Mayor Treece asked if there was a balance of issues the EEC needed to address and

provide an opinion. Mr. Skala replied he thought they could comment on what they thought this change meant and provide advice on the floodway and flood fringe items. Mayor Treece stated he did not believe they needed a formal motion, and noted they were expressing as a Council that they welcomed the input of the EEC.

B89-18 Authorizing a right of use permit with Missouri Network Alliance, LLC dba Bluebird Network for installation and maintenance of fiber optic cable within the City rights-of-way.

The bill was given second reading by the Clerk.

Mr. Thomas understood the Water and Light Department would bring forward a proposal in June to set up some sort of working group to look at using the City-owned fiber optic network for broadband service, and wondered if there was any interaction between this bill and the City starting to move forward with a municipal broadband service. Mr. Matthes replied they were separate issues. This would actually be owned by Bluebird. They would put fiber in the ground and were simply paying the City a right-of-way fee to use eleven feet. Mr. Nichols stated there was an existing box in the right-of-way, and Bluebird only wanted to connect to it.

Mr. Thomas asked if there were multiple citywide networks of fiber optic cable in the ground now. Mr. Matthes replied there were a number of privately owned fiber optic networks.

Mr. Thomas stated he was happy to support this bill. He just wanted to be aware of any interaction.

B89-18 was given third reading with the vote recorded as follows: VOTING YES: TREECE, RUFFIN, TRAPP, SKALA, THOMAS, PITZER, PETERS. VOTING NO: NO ONE. Bill declared enacted, reading as follows:

VII. CONSENT AGENDA

The following bills were given second reading and the resolutions were read by the Clerk.

B84-18 Changing the uses allowed within The Colonies Lot 101 & 102 O-P Plan located on the east side of Colony Drive and approximately 400 feet north of the Forum Boulevard and Katy Lane intersection; approving the statement of intent (Case No. 18-68).

B85-18 Approving the Final Plat of CPS Waugh - Locust Subdivision located on the southeast corner of the intersection of Waugh Street and Locust Street; granting design adjustments relating to street rights-of-way; granting a design adjustment relating to corner truncation (Case No. 18-59).

B86-18 Authorizing a contract for sale of real estate with Paul A. Hinshaw and Michelle Hinshaw for the acquisition of property located at 1101 N. Eighth Street and 1103 N. Eighth Street.

B88-18 Authorizing a relinquishment of outer roadway agreement with Missouri Highways and Transportation Commission for conveyance of a portion of Jacobs Place.

B90-18 Authorizing an internship program agreement with the Society of Municipal Arborists to sponsor an urban/community forestry intern in the Parks and Recreation Department; appropriating funds.

B91-18 Appropriating funds for a new temporary employee.

R62-18 Setting a public hearing: proposed installation of traffic calming devices on Rollins Road between Stadium Boulevard and Sunset Drive.

R63-18 Setting a public hearing: proposed construction of repairs to portions of Runway 2-20 at the Columbia Regional Airport.

R64-18 Setting a public hearing: proposed construction of the Hirth Avenue storm water improvement project.

R65-18 Setting a public hearing: consider the Water and Light 2018 Renewable Energy Plan and Report.

R66-18 Authorizing an artist's commission agreement with Amanda Harms relating to the Traffic Signal Cabinet Art Program.

R67-18 Authorizing an agreement for professional engineering services with Allstate Consultants, LLC for geotechnical and subsurface exploration services for capital improvement projects.

R68-18 Authorizing an agreement for professional engineering services with Engineering Surveys & Services, LLC for construction material testing services relating to capital improvement projects.

R69-18 Granting a temporary waiver from the requirements of Section 16-265 of the City Code to allow AOD-MO Holdings, LLC to extend the workday hours of building construction on its property located on the northeast corner of Paris Road and Waco Road.

R70-18 Authorizing the temporary closure of the vehicular lanes and eighteen (18) parking spaces on Seventh Street between Locust Street and Elm Street, and the sidewalk on the south side of Elm Street between Sixth Street and

Seventh Street, to facilitate the installation of utilities and the rehabilitation of steam chases and manholes.

R71-18 Transferring funds for the Columbia Police Department (CPD) facility improvement project.

R72-18 Authorizing an agreement with Brentwood Services Administrators, Inc. for third party claims administrator services for automobile and property damage, automobile liability, public officials' liability, general liability, and workers' compensation claims.

The bills were given third reading and the resolutions were read with the vote recorded as follows: VOTING YES: TREECE, RUFFIN, TRAPP, SKALA, THOMAS, PITZER, PETERS. VOTING NO: NO ONE. Bills declared enacted and resolutions declared adopted, reading as follows:

VIII. NEW BUSINESS

None.

IX. INTRODUCTION AND FIRST READING

The following bills were introduced by the Mayor unless otherwise indicated, and all were given first reading.

B93-18 Calling a special election on Tuesday, August 7, 2018 relating to the issuance of Water and Electric System Revenue Bonds.

B94-18 Voluntary annexation of property located generally southeast of the intersection of I-70 Drive SW and Strawn Road (840 N. Strawn Road); establishing permanent R-1 (One-Family Dwelling District) zoning (Case No. 18-47).

B95-18 Approving the Final Plat of Strawn Road Subdivision located generally southeast of the intersection of I-70 Drive SW and Strawn Road (840 N. Strawn Road) (Case No. 18-48).

B96-18 Approving the Auburn Hills Plat 16 PD Plan for property located on the south side of International Drive and approximately 300 feet east of Rangeline Street (Case No. 18-81).

B97-18 Approving the Final Plat of Riddick Subdivision Plat 1, a Replat of all of Lot 3 and East Half (E ½) and the South Half (S ½) of the West Half (W ½) of Lot 4, of Garth's Addition to Columbia, located on the north side of Broadway and approximately 250 feet west of Garth Avenue (201 W. Broadway); granting a design adjustment relating to street right-of-way

(Case No. 18-79).

B98-18 Approving the Final Plat of The Villas at Old Hawthorne Plat 9C, a Replat of a Portion of Lot 5 of Old Hawthorne Plat 1, located southeast of the Old Hawthorne Drive West and Screaming Eagle Lane intersection; authorizing a performance contract (Case No. 18-70).

B99-18 Approving the Final Plat for Craig Point Plat No. 1 for property located on the east side of College Avenue and south of Hospital Drive (1022 S. College Avenue) (Case No. 18-94).

B100-18 Authorizing construction of sanitary sewers to serve the Henderson Branch Watershed; calling for bids through the Purchasing Division.

B101-18 Authorizing the acquisition of easements for construction of sanitary sewers to serve the Henderson Branch Watershed.

B102-18 Authorizing an annexation agreement with Bechtold Properties LLC for properties located on West Highway 40.

B103-18 Authorizing an annexation agreement with VH Properties LLC for properties located on Highway UU and West Van Horn Tavern Road.

B104-18 Authorizing a municipal agreement with the Missouri Highways and Transportation Commission for sidewalk repairs and enhanced pedestrian facilities along Providence Road from Vandiver Drive to Stadium Boulevard.

B105-18 Authorizing the City Manager to execute permanent and temporary easements to the Missouri Highways and Transportation Commission relating to proposed sidewalk repairs and enhanced pedestrian facilities along Providence Road, between Vandiver Drive and Stadium Boulevard.

B106-18 Authorizing the City Manager to execute an agreement for temporary construction easement to Red Oak Marketplace, LLC relating to a storm water improvement project along Grindstone Parkway.

B107-18 Accepting conveyances for utility, sidewalk and street purposes.

B108-18 Authorizing an amendment to the agreement with Tyler Technologies, Inc. for the Columbia Financial Enterprise Resource System (COFERS) project to extend the go-live date for the EnerGov module relating to software for Business License operations.

B109-18 Authorizing a Memorandum of Understanding with the Missouri Department of Health and Senior Services for STD testing and treatment services.

B110-18 Authorizing an inspections participation agreement with the Missouri Department of Health and Senior Services for a summer food service program for children.

B111-18 Appropriating funds received from the Missouri Department of Health and Senior Services for current and future building projects at the Sanford-Kimpton Building and replacement of the electronic medical records system used by the City's Department of Public Health and Human Services.

B112-18 Authorizing an airport aid agreement with the Missouri Highways and Transportation Commission for the reconstruction of Runway 13-31 and Taxiway C projects at the Columbia Regional Airport; appropriating funds.

B113-18 Appropriating funds for the Clary-Shy Community Park - Agriculture Park improvement project.

B114-18 Appropriating architectural salvage sale revenue to the New Century Fund.

B115-18 Amending the FY 2018 Annual Budget by adding and deleting positions in the Community Development Department; amending the FY 2018 Classification and Pay Plan by reassigning a classification; appropriating funds.

X. REPORTS

REP35-18 Short-Term Rental Public Information Meetings.

Mayor Treece asked if Council wanted staff to come back with an ordinance. Mr. Skala stated he would, and explained he had received lots of input on this issue from his constituents. He understood some people were doing short-term rentals as an organized

business with lot of rooms being made available. It was not just situations where people were going out of town and renting out their home during that time. As a result, it was becoming a nuisance in some neighborhoods. He did not believe anyone wanted to prevent someone from generating a little additional income, but he did not feel it should become institutionalized to the extent it became a nuisance problem. He noted this report detailed some approaches, such as a limitation on time, space, etc. He asked for something to be provided in the form of an ordinance so they could review it.

Mr. Pitzer asked if there was any enforcement mechanism currently for situations described by Mr. Skala whereby a home was operated purely as a commercial enterprise. Mr. Teddy replied they did not have a means to know about it other than people reporting the obnoxious activity to them. They would investigate if they were contacted. He noted there was not a mechanism now for people to register their homes or request a certificate of occupancy. Some had requested rental licenses on a voluntary basis. He stated there was some ambiguity in the ordinance as to whether the rental conservation law applied to short-term rentals, and thought that was probably something they should try to fix. They could then provide general notice indicating that if one intended to operate a short-term rental, they would be treated the same way as a long-term rental. He commented that they would have to have a mechanism to keep track of where this kind of activity was occurring. Mr. Pitzer noted that was a mechanism to permit it, but he wondered about a mechanism to enforce what Mr. Skala had described as he had received similar complaints. Mr. Teddy replied he was not sure he viewed a single-family house being used as a business for short-term rentals any differently than someone that was a full-time landlord, as that person was running a business as well. He explained they had to have a way to know that activity was occurring. They could research addresses online, but there was not a reporting mechanism whereby someone applied for a special license or registered a property. They had to hear about the activity people were objecting to in order to know to send an inspector out to investigate. If the issue was a related activity, such as the selling of experiences like cooking classes or music lessons, it could arguably be considered a business in a residentially zoned area. Mr. Pitzer commented that he had heard some were advertising properties for 20 people or would shop for alcohol for the renter, which could be an alcohol violation. He thought they needed a mechanism to deal with those types of issues while diffusing the tension discussed in the report as there were a variety of interests.

Mr. Pitzer asked Mr. Teddy if he saw something more in line with a bed and breakfast as that was a conditional use in certain zoning districts. He wondered what had been envisioned. Mr. Teddy replied that was a possibility. He was not sure that was what he had envisioned. He explained he envisioned something that was relatively simple and would allow a streamlining of the process. A conditional use permit involved a three-month hearing process as the issue went before the Planning and Zoning Commission and the City Council. He understood some cities classified them as conditional uses. He noted that would be a time consuming process for each and every short-term rental. He thought they could have a registration process with defined standards on the limits, such as occupancy and an ancillary business activity. They could check on the property if an address was registered. Otherwise it was the whole universe of apartments and houses, and they would have to guess or do online research. Ms. Schneider pointed out some were not online as there were some word of mouth rental properties as well.

Mr. Pitzer stated this was an interesting problem, and noted many of them had visited places through that experience, which was completely different than a hotel experience. It was something that could be desirable. On the other hand, businesses were essentially starting up in residential neighborhoods, and it would not be permitted for any other type of enterprise. Mr. Teddy pointed out some cities had prohibited short-term rentals.

Mr. Skala commented that he had read an article about this issue with regard to New

Orleans, and indigenous residents of New Orleans were worried because large conglomerates were purchasing so many properties for short-term rentals resulting in the destruction of neighborhoods. He noted they did not have anything against people renting their house if they were leaving or for the home to be used as a bed and breakfast. It was the larger scale use that was a concern. He pointed out short-term rentals were creating some controversy in Columbia as well because it was complaint driven. He thought it would be helpful to put some of the suggestions together in draft ordinance form for review and discussion.

Mr. Trapp understood staff had suggested moving forward with an ordinance to redefine a hotel or motel to lower the number to include these types of businesses while continuing to solicit more feedback doing the more difficult and nuanced work of zoning and how it would be managed. He noted he would be supportive of that two-step process.

Mr. Matthes stated he was sensing consensus to come back with an ordinance. Mayor Treece asked if there was any objection. No one objected.

REP36-18 Request to reduce the number of members on the Mayor's Council on Physical Fitness and Health

Mayor Treece suggested disbanding this group. He understood the group had been around for 20 years, and at one time, it had been a part of a national effort to get people moving along with some other initiatives. He was not sure there were not already other organizations in Columbia that were doing this work. He commented that he was not opposed to just reducing the number of members, but understood they had not met for a couple of years and vacancies often had to be readvertised. He wondered if some of the enthusiasm had atrophied over the years.

Ms. Peters agreed and noted there were a lot of activities to get everyone to move. She thought there was a lot of physical activity available in Columbia, and it was well advertised. She was not sure they needed to continue this group.

Mr. Thomas agreed it was good 20 years ago, and the environment around physical activity had changed a lot in those 20 years. It was no longer a new thing to publically promote it and organize special events and awards. He commented that he would hesitate to disband it right now. He thought they should obtain input from Mr. Griggs and the current members. They might suggest disbandment or a transition similar to what had been done with the Vision Commission.

Mr. Griggs commented that there had been discussion about disbanding when they had not met for a two-year period, and if they had been able to meet a quorum, they might have voted to disband.

Mr. Thomas asked if they had really gone a full two years without meeting. Mr. Griggs replied they had gone that long without a quorum. They would informally meet to try to help with some of the events like Bike Walk Wheel Week since they staffed a breakfast station. The number of volunteers had decreased. He explained they now had a pretty good group and had been able to meet with a quorum this year, and had voted to ask the Council to reduce the membership to 13 through resignations and forfeitures.

Mr. Thomas asked how many active members there were now. Mr. Griggs replied two vacancies had recently been advertised. Mr. Thomas understood that meant 15 members, but some of those had not been attending meetings.

Mr. Skala thought this created an opportunity for the group to repurpose itself.

Jerry Dowell, 1505 Canton Drive, explained he served on the Mayor’s Council on Physical Fitness and Health (MCPFH), and they had met twice. He commented that he was trying to help get them organized enough to be able to meet so they could discuss what they wanted to do. He understood there were no longer governor’s awards and president’s awards, which had been one of the purposes of the group. He believed it was worth the opportunity to allow them to determine how they might want to repurpose what they did.

Mr. Thomas understood the Council could assist with that process if they lowered the

membership numbers so they would be able to meet quorum more easily. Mr. Dowell agreed, and noted he suggested it be done through attrition.

Mayor Treece suggested they ask for an ordinance to come back to Council to reduce the number through attrition, and asked Mr. Dowell to deliver the desire of Council for the MCPFH to review their purpose to the other members. If they wanted to disband, it would not hurt the feelings of Council.

Mr. Matthes pointed out it took resources to staff boards and commissions in terms of ensuring the meetings followed the Sunshine Law, and there were 40 other boards and commissions on which people could serve.

Mr. Skala noted there had been an attempt a few years ago to reduce the number of boards and commissions, and it had concerned some people. Mr. Dowell commented that he thought there might be a slight revolt by some of the members if that were to happen.

Ms. Amin understood she would no longer advertise vacancies for the MCPFH until they reached the target number of 13. Mayor Treece stated that was correct.

Mr. Pitzer asked if anyone had applied. Ms. Amin replied one person had applied, and it was up to the Council as to whether to appoint that person.

Mayor Treece suggested they place hard sunsets on any new boards and commissions created.

REP37-18 Source Water Protection Plan Task Force.

Mayor Treece understood the Source Water Protection Plan Task Force had completed its work and wanted to be disbanded.

Ms. Peters asked if they could just do that or if they needed legislation. Mayor Treece stated a resolution would be needed.

Ms. Thompson commented that it was a Task Force so it would have been created by resolution. The question was whether the work had been completed sufficiently for Council and there was no further work that could be done as at that point they could be dissolved. It did not necessarily require a resolution.

Mayor Treece suggested they do a resolution to dissolve the Task Force, and asked if there was any objection.

Mr. Thomas asked if this was connected with the Integrated Water Resource Planning Committee. Mr. Skala replied no. He thought they had completed their work, and it could always be reconstituted if necessary in the future. Mr. Thomas asked if there had been a report from this Task Force. Mr. Skala replied yes. Ms. Amin thought it had been completed years ago, and noted they had not met for a while. Mr. Johnsen agreed, and stated most of the work had been done by the Chair, who had recently provided his notification that he was leaving. If they wanted this group to do ongoing work, it needed to be reconstituted as a standing committee. Otherwise the ongoing work could continue to be handled by staff.

Mayor Treece asked if there was any objection to moving forward. No one objected.

REP38-18 Commission on Human Rights: Paid family leave for City of Columbia employees.

Mayor Treece commented that he was proud of the City's paid leave policy as he believed it was very family friendly in that it was not just limited to the birth of a child. It also applied to an adoption or life change in terms of helping with a senior parent, and applied to both men and women. He was curious as to what more they would want. He recalled discussion during the last budget cycle as to whether additional paid leave was a benefit the City employees wanted, and asked Mr. Matthes if he had a response. Mr. Matthes replied the City surveyed employees on an every other year basis about which benefits were more valuable than others, and this was not one that received much interest. He explained the City provided six more days per year than most governments for sick time, and they included a lot for sick time that was not really related to a person being sick.

He read the ordinance, which indicated the birth or adoption of a child by an employee, an employee's spouse, or an employee's domestic partner was an allowable use of sick leave balance, and up to 240 hours, which was six weeks, could be used for that purpose. It had been included as part of sick leave in part because they had many employees without children, who felt others were being provided a benefit they could not have. This allowed them to equalize the impact of the benefit. He pointed out it took time to build sick leave up to that amount, but they did not have a maximum accrual amount, so sick time could grow to what was needed. He noted FMLA came into play as well. It happened simultaneously with other leave depending on whether that leave was FMLA eligible. He explained there was a cost to additional benefits, and he believed, from a staff perspective, they were covered. He stated they could explain to the Commission on Human Rights what they were doing as it might serve the purpose. Mayor Treece thought that would be great as they were asking for six weeks of paid leave, which the City was already providing.

Mayor Treece understood there was state legislation that would allow employees who might want to tax themselves a certain amount per paycheck to go into a fund to provide for 11 weeks of paid family leave, and thought that could be considered if structured in a way everyone could benefit for life changes involving a spouse, parent, or child.

Mayor Treece asked Mr. Matthes if staff could communicate to the Commission on Human Resources the City's policy. Mr. Matthes replied yes, and explained he would ask Ms. Buckner to attend a meeting.

REP39-18 Downtown Columbia Leadership Council: Downtown parking garages.

Mayor Treece understood the Downtown Columbia Leadership Council was suggesting they free up some of the lower levels of garages for customers, shoppers, and visitors of downtown, and place some of the leased spots in the upper levels. He thought that had already been suggested by Council. Mr. Thomas stated he had suggested it several times.

Mr. Trapp noted it had also been suggested by the Parking and Traffic Management Task Force. Mr. Skala agreed.

Mr. Trapp thought the suggestion made sense as there was often parking downtown in the garages, and it would be more user-friendly if on the lower levels. He understood the perspective of staff was to favor permit holders, but public parking was an amenity that allowed other transactions to happen. He noted he was supportive of that suggestion. Mayor Treece stated he was supportive as well.

Mr. Skala understood they had a commitment to supply more parking spaces in the Short Street garage due to the TIF, and asked where that would occur. He wondered if it was at the higher levels.

Mr. Matthes explained the historic thinking was that permit holders used the spot everyday so preference had been given to their convenience over the less frequent hourly users. He thought Mr. Trapp's point was a good one, and it was typical in other cities for short-term parking to be more accessible because they were not there all day. He stated they were happy to think that through, and believed the recently established Parking Advisory Commission would be equipped to deal with the question. He suggested it be referred to them for their input.

Mr. Thomas noted this change would reduce a lot of driving because people were moving in and out of the metered spaces all of the time. The permit spaces tended to have a vehicle parked in the space all day. He asked why they had to fence off certain spaces for permits. He asked why they could not have a meter or method of payment at every space, and the permit holders would have already paid for the month. He did not feel they needed to disbar the public from parking in certain spaces as he believed it led to tremendous inefficiency. In his assessment, particularly with the Fifth and Walnut garage, there were vast acres of permit parking not being used while people were also complaining they could not find anywhere to park. He suggested doing away with protected spaces.

Mayor Treece asked if the City oversold permits or if it was one-to-one. Mr. Nichols replied they were oversold at about 25 percent.

Mr. Nichols understood Mr. Thomas had referred to the reserved spots. Mr. Thomas asked who had purchased reserved parking permits. Mr. Nichols replied long-time downtown parkers. Mr. Matthes explained it was those that worked downtown. Mr. Thomas asked if they owned that piece of real estate. Mr. Matthes replied they were renting it. Mr. Nichols agreed they were renting the spot at a higher rate. Mr. Skala understood part of the rental fee was the privilege to ensure one had a place to park. Mr. Nichols stated that was correct due to the 25 percent overselling of permits.

Mayor Treece asked about a mechanism to prioritize some short-term uses on the lower level. He wondered if it was a policy. Mr. Nichols suggested the Parking Advisory Commission review the issue and make a recommendation to Council as it had been an item recommended by the Parking and Traffic Management Task Force. Mr. Thomas asked if it would take Council action or if it was an internal administrative policy. Mr. Nichols replied he thought it was an internal policy. He explained it had been initially set up that way to alleviate confusion from when there had been permitted spots mixed in with the hourly spots because many people had received tickets. To simplify it, they made the top levels hourly. He stated they would follow the recommendation of the Parking Advisory Commission with approval from the Council. He noted he felt that group deserved the chance to review it and provide input.

Mr. Thomas asked Mr. Nichols if he could ask them to review the whole concept of having only permit spaces versus allowing both permit holders and hourly parkers to use any spaces. Mr. Nichols replied yes. He pointed out they would have a lot more data with the gate arms in terms of the type of parkers. Based on the data, they might develop a different policy in terms of nesters, i.e., those that parked and did not move regularly, such as placing them in a garage with slower turnover. The data would allow them to make more informed decisions. Mr. Thomas asked if the gate arms managed payment as well. Mr. Nichols replied yes. Mr. Thomas understood meters would not be required at every spot, and believed they could get rid of the differentiation allowing everyone to park wherever they wanted. Mr. Nichols stated they would need to obtain feedback from those that had reserved spots for years.

Mr. Skala commented that a problem he saw was the ability to find a space on any level if there was an event downtown. Mr. Nichols noted the spaces were free in the garages in the evenings.

Mayor Treece asked Mr. Nichols if he had the direction he needed. Mr. Nichols asked if it was okay to refer the issue to the Parking Advisory Commission. Mr. Skala and Mr. Thomas replied yes, and no one objected.

REP40-18 Government Finance Officers Association Distinguished Budget Presentation Award.

Mr. Matthes provided a staff report.

REP41-18 How other cities address politically charged, personal attacks during public comment periods.

Mr. Pitzer explained he wanted to get a sense of what could be done about some of the personal politically charged attacks as he felt a line had been crossed earlier this year. He stated it was a tricky issue because they wanted to preserve the public input they received and the criticism they sometimes deserved for certain policies and decisions. In reviewing what other cities did, there were themes associated with prohibiting personal, impertinent, or slanderous remarks, and there were enforcement mechanisms by the presiding officer or the person was banned from making comments for a certain period of time. He commented that he was not sure how or where to draw the line to protect everything that was so vital to an open democracy. One of the great things about the political system was that they had the opportunity for vigorous debates through political

campaigns, but he did not believe they wanted that political debate to occur at a council meeting. The City's structure, however, allowed for really charged attacks on one side with no recourse or response available to the aggrieved party. He asked if there was any interest from anyone else in trying to figure out a way to draw a line. He pointed out some other cities also dealt with the issue of harassment or attacks on city employees, and understood that was another issue that had been mentioned by some council members. He thought a couple different issues could be addressed at the same time.

Mr. Skala commented that the expectation was for everyone to be honorable, which did not always happen. Although it had been rare, there had been occasions when it was necessary to involve the police during council meetings in Columbia, and most of the power was vested in the presiding officer. He did not feel it would hurt to put some of this in a written rule form when it came to political speech for campaigns. He agreed it was not fair to not be able to respond, but pointed out some of them were now immune to those types of comments. He thought it was useful to take a look at what other cities were doing.

Mayor Treece stated he was reluctant to do anything that would in any way discriminate on the basis of the content anyone's remarks. He thought all of them had run knowing they could be criticized for their actions or votes. He stated he would be happy to do a better job of maintaining decorum, if needed, but felt he created a pretty welcoming environment for civil discourse. If they were going to address the issue further, he would suggest they also change the policy requiring a person to state their name and address prior to speaking as some people did not like stating their address. If they decided to look at the entire way they interacted with constituents, he was happy to do so, but did not feel this single incident should dictate it. He also did not feel it had been that bad, but noted he had not been on the receiving end.

Mr. Skala wondered if one could provide some contact information directly to the City Clerk if he or she did not provide an address publically. Mayor Treece commented that he felt it was a dated policy. Ms. Amin pointed out that if she had it and someone requested it, she would have to provide that information. She explained she used the address to assist with finding the correct spelling of names through assessor's records and voter registration information. Mayor Treece understood it would be difficult in terms of accurate minutes. Ms. Amin agreed. Mr. Skala suggested they not provide an address verbally, but still provide it to the City Clerk, but understood it would still have to be released if requested. Ms. Amin pointed out she did not think the Council pushed the issue in instances in which an address was not provided, but agreed some people were uncomfortable with providing it. Mr. Thomas noted some people had provided fictitious addresses in the past. Ms. Amin stated that was correct. Ms. Peters commented that they could provide their name and just spell it as opposed to providing an address. Ms. Amin pointed out some communities required people to sign up to speak ahead of time.

Ms. Peters understood why this issue had come up, but thought people were generally respectful when they spoke. In addition, there had not been many personal attacks except during this last campaign. She did not believe adding more ordinances or requirements would change behavior.

Mr. Thomas stated he thought they could have an understanding among themselves that personal attacks were not acceptable and that the Mayor had the full support of the Council to cut someone off if a personal attack was occurring as that would send a strong message.

Mayor Treece asked Ms. Thompson if she had additional context on free speech and First Amendment aspect of this. Ms. Thompson replied they always had to be concerned about regulating speech based upon content as that was the basis of the First Amendment. She noted she had discussed this issue with a counterpart in Boulder, Colorado as they had a fairly recently updated rules of decorum that had been vetted by the ACLU. She stated she would be happy to provide a copy to the Council. It was a part of their overall rules of procedure, but within it were some rules of decorum that also

provided due process protections for appeals if someone was restricted from attending a future meeting. She thought something similar should be used if they chose to add a policy on decorum that would involve the potential of requesting people to no longer attend a council meeting based upon violations of the rules in terms of appeal rights and due process.

Mr. Pitzer asked if they had rules of procedure other than what was in the Code. Mayor Treece replied yes. Ms. Amin stated there was a policy resolution that included the piece about people stating their name and address. Mr. Pitzer asked if that was published anywhere. Ms. Amin replied she did not believe it was.

Mr. Skala understood some boards and commissions, like the Planning and Zoning Commission, had bylaws, which referred to Robert's Rules of Order. The Council did not even have that. Ms. Thompson stated the Council loosely followed Robert's Rules of Order whenever the rules of order were not spelled out in the City Code. Mr. Pitzer noted that might be a place to start.

Ms. Thompson commented that with regard to the name and address issue, there was some relevancy as to where someone was located for the Council. If the person did not live within the city limits of Columbia, the comments would carry a certain weight. If it was a planning issue and the person lived within the neighborhood, the Council could give those comments the probative value that was necessary. It was not totally meaningless information when someone was asked to provide their name and address to the City Council when they came before them to speak.

Mr. Skala stated he did not view this as a high priority issue given the workload, but believed it should be revisited and formalized at some point. He thought the suggestions from Boulder might be helpful as an overall way of thinking about how they might improve the system. Ms. Thompson stated she would provide the information from Boulder to the Council.

REP42-18 Intra-Departmental Transfer of Funds Request.

Mayor Treece understood this report had been provided for informational purposes.

XI. GENERAL COMMENTS BY PUBLIC, COUNCIL AND STAFF

Wayne Hawks, 3212 Westcreek Circle, stated he was concerned about the direction the City was headed with regard to drinking water and the bond issue to rehabilitate the water treatment plant. He explained the Columbia drinking water supply was contaminated as evidenced by an analysis he handed out to the Council. He referred to the analysis conducted at his dental office and noted he worried about the levels of some of the agents in the water. He stated they wanted fluoride in the water, but only one part per million. The analysis indicated there was 6.82 parts per million in the water, which he felt was too much. He commented that chloroform caused all kinds of defects, and when bromide showed up, it meant the water system was not functioning properly. He noted the bromodichloromethane could cause some serious problems. He explained an analysis was also done at a private residence in southwest Columbia, and both the chloride and chloroform levels were high. The chloroform was at 16.5 and 16.3, and should not have been over 2.5 parts per million. He stated there was a serious problem with the drinking water as that analysis had been done in a new subdivision in southwest Columbia. He commented that he believed the Columbia drinking water supply was contaminated, and the proposed fix was headed toward granulated activated carbon as that was the way things were done now. He provided another handout involving antibiotic resistance genes (ARGs) and explained the ARGs accumulated in granulated activated carbon. As a result, no one knew what to do. He commented that he was fortunate to be able to travel to water municipal plants, and two days ago, he was at a plant in Washington. He stated he was willing to help find a good solution for the McBaine system because it would bankrupt the City if there was not a good concrete plan to deal with ARGs. Whoever provided the water purification system for the City of Columbia had to be able to respond

to the issues raised with regard to dealing with ARGs when using granulated activated carbon. He believed it was imperative for the City to not agree to a quick fix at a cost of millions of dollars, and instead employed a systematic approach to determine the extent and nature of the water problems they had. The present proposal, which was the use of granulated activated carbon, was nothing but a band-aid. The City needed to do studies on the water feed source so a system could be built to handle the pollutants that existed in the water feed source. The granulated active carbon procedure would not solve the problems. He suggested a city sampling protocol be performed that would produce a sufficient study pool to constitute a valid study, and from there, they could build a water system facility that would successfully handle the pollutants in the water. He felt this should be done before the commitment of hundreds of millions of dollars to remediate a program that would not work as they did not want to make a mistake that would bankrupt the City. He commented that a $42.8 million bond with an 11 point bond fee would result in $4.78 million, and the City would receive about $25 million per year. He believed the $42.8 million would actually be $121 million, and a system at McBaine would cost about $300 million. He reiterated he would assist in trying to help solve the problem as no one in the country knew what to do at this time, and he felt Columbia had people that were smart enough to figure it out.

Mr. Skala commented that as a scientist in his former life, he had become quite a skeptic. He noted he was not discrediting any of the information provided, but was skeptical with regard to the number of samples. Generally speaking, what he looked for in statistics was power. These were small samples, and he wanted to digest more of the samples along with comparisons. He suggested City staff provide information on what was being done currently to protect the water supply and any potential problems, such as the issue Mr. Hawks had mentioned. He stated he would like to have the discussion with enough views to build the sample so there was statistical power to make reasonable decisions.

Mr. Hawks explained he was present as a private concerned citizen, and his company dealt with water, stormwater, etc. He felt the last thing they wanted was a multi-million dollar situation when in a year or so they would be provided with a better or correct way to handle the problem. He stated he was happy to talk with any of them.

Mayor Treece asked staff for a response and noted he would like it prior to the bond issue discussion at the next meeting. He understood the City conducted tests on a daily or weekly basis, and wanted to obtain some sense of where they were at in terms of drinking water. He pointed out safe, clean drinking water was an essential responsibility and core function of the City.

Mr. Skala commented that one of the beauties was how the City would schedule the bond issue as there would be multiple bond issues. The first bond issue would primarily take care of capacity issues and to start down some road with regard to water quality. He agreed a report back with more information was needed before they made decisions, but did not feel it was as critical as it might appear because the first bond issue would deal with increasing capacity to levels that could accommodate the community. They would then start the process of what they were considering for water quality improvements, which would involve the comments of Mr. Hawks.

Mr. Hawks explained the report had been submitted this afternoon and noted they would conduct more tests at their office. He stated they had tested three different spots for the two locations mentioned this evening. He reiterated he would help in any way he could.

Julie Ryan, 5301 Regal Way, stated she was speaking on behalf of the COMO Safe Water Coalition. Since they had started their work and research in September of 2016, they had the opportunity to review all of the reports and studies available pertaining to source water, the condition of the treatment plant, and water quality reports. She explained they had applied due diligence in widening their sources of information and pointed out their initial intent had been to remove chloramine. They had since broadened

their scope in hopes to help achieve more in water quality. She commented that their recent experiences with staff's developed outcome from the Drinking Water Planning Work Group (DWPWG) recommendations based on the review of the Carollo report brought them much concern. It was evident that the City needed to invest considerably and they fully supported the request for a bond to restore the water treatment plant, but the time line and strategy suggested was not an accurate reflection of recent work of the DWPWG. During the recent work session regarding this bond, the final slide had only reflected two of the DWPWG's recommendations, which were the ones that most fit the agenda of staff's plan, while omitting the unanimous decision taken by the DWPWG to move forward and apply an option that allowed the removal of chloramine, planned for needed increased supply, and restored the treatment plant capacity safely. She referred to an article in the Missourian from 2012, which indicated the City would not be able to treat as much water at the plant while it was being worked on so the construction needed to start sooner rather than later, and if the City waited too long, the treatment plant could hit capacity during construction. In terms of funding, the history of rate increases in the last few years showed in part why the water utility was underfunded. The last voter approved increase had ended in 2014, and while there were small operational increases in 2017 and 2018, there had not been an operational increase prior to then since 2012. The water utility had spent years preparing for future ratepayers in terms of expansion and supply, and there had not been sufficient attention to current ratepayers who were receiving water from a treatment plant with 43 percent of its assets at zero to ten-plus years past their useful life. She stated they prided themselves on a continued professional approach versus causing alarm, and urged the Council to review the evidence of the warnings in the consultant's reports with regard to the plan suggested by City staff. While repairs to restore the treatment plant to its original capacity were necessary, agreeing to the plan as presented could put the residents of Columbia at risk and offer no improvement on water quality for additional years beyond what had already been recommended. She urged oversight on these details to ensure they could regain trust in the utility's intention to prioritize the best interest of citizens.

Ms. Ryan explained the EPA how-to manual on updating and enhancing local source water protection assessment discussed the benefits of periodic assessments of the source water environment due to changes in contaminants, land practices, and geological changes. In addition, the EPA indicated a more comprehensive and current source water protection plan could provide a basis for greater regulatory flexibility under current or planned rules. Also, broad support for protecting the drinking water source could be built if a wide cross-section of source water protection partners were engaged in the assessment and protection process. Having read the full report produced in February of 2013, she felt it would be responsible to update the components in the report and identify if tasks outlined had been accomplished, and while staff was certainly capable, she believed it would be beneficial for community stakeholders to have input and assist in the process. The issue should have been addressed if the Task Force had not provided adequate reports over the past five years. She understood the American Water Works Association had a yearly drinking water week, which began yesterday for 2018, and the theme was *Protect the Source*. She believed it was unfortunate they were dissolving Columbia's Source Water Protection Plan Task Force tonight, and noted the COMO Safe Water Coalition believed maintaining the Task Force was a benefit to the community and should be upheld.

Mr. Skala stated he had served on the DWPWG and had purposely not voted on some of the final recommendations. He recalled the decision with respect to chloramines or chlorine had not been unanimous as there had been differences of opinion, and the three tracks in terms of cost had all started with capacity primarily. One had started initially with the continuation of chloramines and had developed later into potentially going to a chlorine system. The other two had started with the chlorine disinfection system and proceeded from there.

Ms. Ryan commented that the highlight of the first two recommendations were that they wanted to treat water without the use of chloramine, and one of the further recommendations was to take the appropriate steps to return to free-chlorine disinfection as soon as possible until they could get to a point where everything was finalized.

Mr. Skala stated he believed there were differences in opinion as to how that had been interpreted as that had not been his interpretation in terms of the final recommendations. Ms. Ryan noted there had been a lot of discussion, but those had been in the recommendations that had been voted on unanimously. Mr. Skala thought a closer look at the report was needed since that had not been his experience. He agreed Ms. Ryan had been very dedicated in getting rid of the chloramine system to convert to chlorine, and noted there had been a lot of discussion from the Carollo people suggesting that both St. Louis and Kansas City used the chloramine system. He understood one of the reasons to use chlorine to convert quickly was for very high temperature applications, like Florida or Phoenix, Arizona, and other areas did not necessarily have that requirement. He commented that he was not saying they should not eventually get there, but it had not been his recollection of how the final report had been generated. Ms. Ryan stated getting to chlorine was in there. She pointed out chloramine was used when there were too many organics in the water so they could not use free-chlorine disinfection. As a result, ammonia and chloramine was used to achieve compliance. She reiterated the principle of returning to free-chlorine disinfection was in the recommendations of the DWPWG, which had been supported unanimously. Mr. Skala stated he would look at the report as that was not his recollection.

Eugene Elkin, 3406 Range Line Street, commented that it had been 60 years of chemicals from farms traveling to the Missouri River where they had the McBaine Bottoms along with wells and aquifers. He wondered if the Missouri River was getting into the aquifers. He explained he was having some health issues, and if water-related, he would be upset.

XII. ADJOURNMENT

Mayor Treece adjourned the meeting without objection at 10:37 p.m.