

CITY COUNCIL STUDY SESSION

TO: Mayor and City Council
FROM: Mari E. Macomber, City Manager ^{MEM}
SESSION DATE: December 7, 2009
TIME: 5:00 p.m.
PLACE: Second Floor Conference Room

We should be able to meet in the Second Floor Conference Room on Monday for the Study Session and will need to adjourn by 5:50 p.m. We are in the process of replacing carpet upstairs and hope to have access to the Conference Room.

AGENDA:

- **BUDGET FOLLOW-UP**
- **MEET WITH MUNICIPAL JUDGE PHOEBE POWELL-HERRIN**
- **STORM SEWER DISCUSSION**
- **REVIEW NEWSLETTER – December 4, 2009**

BUDGET FOLLOW-UP

The Council discussed many issues during the budget review process. Though the majority of capital projects will be brought back to the City Council after bid processes are completed, there were a couple that will be discussed with the City Council in more detail before any Council action is requested. The first is the new computer equipment. The budget reflects the purchase of new computers at an additional cost of \$18,000 versus refurbishing many of the machines. Based upon our experience with downtime, troubleshooting and investment in older equipment, the additional cost seemed to meet the Council goal of efficiency in government. More information will be presented to the City Council in the near future. The second capital project was a telephone system for City Hall. The biggest issue here is coordination with the E911 telephone system. City staff will be working on this project over the next few months. A report will be presented to the City Council before proposals are solicited.

The timing of purchases of protective safety equipment for emergency service personnel was discussed at considerable length. The City provides turn-out gear, personal alert safety systems (PASS devices), concealable vests, tactical vests and ballistic shields. The City is gradually working on replacement plans for equipment and furnishings. Efforts have been made to replace turn-out gear and standard concealable vests, purchasing so many of each of these each budget cycle. We received grant funds to assist us with the replacement of the vests. Both the PASS devices and tactical vests were first purchased in 1999. We started replacing PASS devices through our insurance provider MIRMA in the last few years. After visiting with the Council on this matter, additional information was gathered. Based on that information, a change was made to

the budget to provide \$10,000 for tactical vests (5 or 50%) and \$2,000 for one protective shield. In addition to this, we learned that we can use about \$4,000 of our concealable grant funds to purchase tactical vests, leaving only 3 of the 10 vests to be replaced. We will develop a replacement plan for these items to keep them current and to better management the number of items to be purchased each year.

<u>Protective Equipment</u>	<u>Current Total</u>	<u>Life Expectancy*</u>	<u># Exceeding Life Expectancy</u>	<u># in Current 2010 Budget</u>
Turn out Gear	23	5 years	16	4
PASS Devices	25	5 years	13	5**
Standard Vests	26	3 to 5 years	5	6**
SRT Vests	10	5 years	10	7**
Protective Shield	1	-----	-----	1

*depends on use and wear

**grant dollars matched

The Council also discussed wages for employees. The budget that was presented for public viewing did not reflect the wage increase and noted this for anyone who reviewed it. The public was informed that the Council was interested in providing a 2% increase. Since the Council could not vote on this in Study Session, you will need to approve that change at the December 21st Council meeting, as noted in the Council Report.

Recommended Action – It is important that the budget reflect the direction of the Council. The budget amendment for the protective equipment provides a balance and staff has a direction to move toward.

MEET WITH MUNICIPAL JUDGE PHOEBE POWELL-HERRIN

Phoebe Powel Herrin has been the City’s Municipal Court Judge since 1995. Prior to Judge Herrin, the City was served by Associate Judge Joyce Otten. Due to demands on the Associate Circuit Court Judge, the City began to solicit for a possible Municipal Court Judge. After completing the process, the City selected Judge Herrin to serve. At the time of her appointment, Judge Herrin had served as the Municipal Court Judge for the City of Macon. She had previously served as the City Attorney for the City of Macon and has provided legal services to the cities of Bevier, Callao and Atlanta.

The agreement between the City and Judge Herrin is a three-year agreement and was renewed in February of this year. A copy of the current agreement is attached to this cover memorandum.

During the budget meetings, there were a few questions regarding the revenues generated through Municipal Court, and the philosophy of Judge Herrin when she is presiding over Municipal Court.

The Council is encouraged to learn more about the separation of powers and the authority that Judge Herrin has as the municipal court judge. It will be an opportunity for the Council to ask any questions that you might have regarding the municipal court operations.

Though it is not the intention of the meeting on Monday, the Council needs to be aware that there are different factors that affect the court operations. There are the laws themselves; individual philosophies of the judge, city administration, prosecutor; processes and procedures; manpower restrictions; and the behavior of the citizens and visitors. It is impossible for us to say that a city of our size should issue X number of tickets and have X number of fines. But by looking at other municipal information we can at least compare and determine if there are things that we should look at or consider. The City of Maryville recently made contact with us to obtain information about our court system. In the course of that contact, information regarding their system was shared.

The following is information comparing some factors of Kirksville and Maryville, both college communities located one in northeast Missouri and one in northwest Missouri.

<u>City</u>	<u>Population</u>	<u>Court Revenues*</u>	<u>Court Expenditures</u>	<u>Court Staffing</u>
Kirksville	17,304	\$ 79,300	\$151,306	2 full-time and 2 part-time
Maryville	10,581	\$380,000	\$161,390	1 full-time and 3 part-time

*according to Maryville's budget total fines and costs was \$426,500 while to total for Kirksville for the same 2009 budget was \$97,716

The following chart is based upon information submitted by both Courts to State Office of Court Administrators for a 12 month period.

	Alcohol Related Traffic			Traffic Related			Non-Traffic Related		
	<u>Filed</u>	<u>Disposed</u>	<u>Pending</u>	<u>Filed</u>	<u>Disposed</u>	<u>Pending</u>	<u>Filed</u>	<u>Disposed</u>	<u>Pending</u>
Kirksville	36	43	21	767	713	154	424	407	124
Maryville	116	126	60	839	896	93	1,101	1,121	213

It is obvious that not only are our revenues significantly less than Maryville's, but the number of cases we have filed are less in the area of alcohol related traffic and non-traffic related. This information does not tell us the disposition of these cases.

Whether or not to issue a ticket for a violation hoping for a deterrence of a behavior, or taking into account assumed social and economic realities before determining a sentence when someone is found to be in violation are just two of the many sides to this complicated issue. We should never balance our budget based on court fines. And it does not seem that we would want a philosophy of "no tolerance" – all violators punished at the maximum fine, but we should strike a balance.

Aside from the costs of court, there are other expenses incurred by the City, violations are cited by both Police and Codes Department personnel. There are also the costs to the citizens, as a whole. The bottom line question is - What is in the best interest of the community, as a whole? Over the next six months, staff will be evaluating our approach to this operation of the City to determine if we currently have the right balance, are sound procedures in place, are policy or ordinance changes needed, etc.

Recommended Action – It is recommended that the Council develop an understanding of the roll and responsibilities of the judge. Visit with Judge Herrin to discuss her philosophy as a municipal judge, and determine if there are any areas of improvements that she sees are needed.

STORM SEWER DISCUSSION

The City has experienced several years of excessive rain falls, resulting in a Presidential Disaster Declaration in 2008. For the past two year our rainfall has exceeded our normal value.

WEATHER ITEM	Observed Value (2009)	Normal Value	Departure From Normal	Last Year (2008)	Departure From Normal
PRECIPITATION (IN) SINCE JAN 1	48.01	35.83	12.18	61.51	25.68

Source: National Weather Service

As a result of this, we have been forced to place a greater level of importance on storm drainage. Minimal funds were allocated for storm drainage through our general fund street maintenance budget, and from the Transportation Sales Tax when part of a street improvement project. It wasn't until the renewal of the Capital Improvement Sales Tax that the City actually began to identify a specific source for stormwater improvements. The annual amount has been \$50,000 and in not a sufficient amount to allow for any real improvements.

On Monday, we want to discuss our overall storm waster system, drainage areas that need to be addressed, and financing options. The 2010 budget includes the addition of a stormwater utility. The issue that the City Council will need to decide is whether or not the fee for service is consistent with other utilities or whether it is a tax. The creation of a utility would require that that a fee be imposed on each and every single family residential property and non single family residential property. Fees are calculated on the amount of impervious surface of a property.

The Council may want to develop a public process to educate the public on the need for a comprehensive stormwater management plan. It is suggested that if this were of interest that one possibly two members of the Council should be active participants in the process.

Recommended Action:

We want to discuss this in more detail with the City Council and determine the approach that the Council wishes to take.

NEWSLETTER REVIEW – December 4, 2009

Attachments

- Stormwater Utility Staff Report
- Stormwater Utility Financing Staff Report

KIRKSVILLE CITY COUNCIL STUDY SESSION ATTACHMENT

SUBJECT: Stormwater Utility

STUDY SESSION MEETING DATE: December 7, 2009

CITY DEPARTMENT: Public Works

PREPARED BY: John R. Buckwalter, Public Works Director

DRAINAGE INFORMATION

The City of Kirksville is situated on the divide between two major drainage basins. The eastern portion of the City is in the Upper Mississippi-Salt River Basin. The western part of the City is in the Lower Missouri-Grand-Chariton River Basin. The City faces stormwater management challenges on two fronts. First, and most immediate, is dealing with the quantity of runoff generated by a City which has developed far beyond the limits anticipated when many stormwater structures and channels were constructed prior to 1970. The second is the quality of the water being discharged from the City's Municipal Separate Stormwater System (MS4) operating under Missouri DNR permit. The past three years have proven especially damaging to the City's stormwater system. Rainfall has far exceeded the annual average, and on numerous occasions rainfall intensity has exceeded the design storms used in planning structures and open channels in older subdivisions.

CURRENT CONDITIONS

The rainfall during the past two years has resulted in repeated flooding in a number of developed areas. Infiltration and inflow of stormwater into the sanitary sewer system resulted in an unacceptable number of back-ups into residences and businesses, as well as discharge from overflow basins at lift stations and from manholes. The City has spent over \$3 million on sanitary sewer improvements to eliminate or limit infiltration and inflow since 1998, but the last two years have called into question the success of this work, and have highlighted areas where additional sanitary sewer improvements need to be made. The City experienced damage to a number of street crossings and culverts, and although repairs have been completed, the capacity of these crossings should be increased to minimize future damage and to reduce damage to private property from backwater behind the restrictions. These areas include culverts at Elson and Illinois, Harrison and Cottage Grove, Leisure Drive, two locations on Lincoln, Suburban and Monte Carlo, Wabash and Ann, LaHarpe just east of Baltimore, Shepherd Avenue, and Benton Way. A cooperative effort with MoDOT must be undertaken to resolve the stormwater issues on Baltimore, especially at the Fillmore, Normal, and Washington intersections.

STORMWATER REQUIREMENTS

The City is permitted to discharge stormwater under Missouri State Operating Permit MO-R040078 as a Regulated Small Municipal Separate Storm Sewer System (MS4). The City has been required to follow the standards and limits established by this permit since 2003. The permit requires an annual review of the City's stormwater management plan and now requires the submission of an annual report.

The permit covers allowed discharge at 7 outfalls: Three to Bear Creek, one to the N. Fork of the Salt River, two to Floyd Creek, and one to Forest Lake (Big Creek). This permit authorizes only the discharge of stormwater. Separate permits under the NPDES are required for discharge of non-stormwater; stormwater from industrial activities, and discharges from construction activities.

Under our permit, the City's stormwater management plan must address six minimum control measures: National Pollution Discharge Elimination System

1. Public Education and Outreach on Stormwater Impacts
2. Public Involvement /Participation
3. Illicit Discharge Detection and Elimination
4. Construction Site Stormwater Runoff Control
5. Post-Construction Stormwater Management in New Development and Redevelopment
6. Pollution Prevention/Good Housekeeping for Municipal Operations

This permit is governed by EPA rules, and focuses almost entirely on stormwater quality – contaminants – illicit discharge. Quantity is only an issue when increased flow or velocity causes erosion, which in turn results in pollution by silt and sedimentation.

FLOOD PLAIN AND ZONING

The issue of quantity is addressed by Flood plain management, and building/zoning code. Flood plains are established by the US Army Corp Engineers and FEMA, and are delineated on the Flood Plain Rate Insurance Maps (FIRM). Construction within flood zones is regulated. The City's subdivision ordinance and building codes establish design guidelines for stormwater management on development within the City. Construction projects and developments disturbing over one-acre of land must obtain a NPDES permit as well.

HISTORICAL APPROACH

The City had a comprehensive evaluation of the storm drainage system drafted by R.W. Booker & Associates in 1974. That study identified over \$1,784,500 of required improvements, many of which were never completed. In 1997 the City contracted with George Butler and Associates to complete a full map of the City's storm sewers, as part of a larger project to reduce infiltration and inflow into the City's Sanitary Sewer System. The City has carefully reviewed plans for development and construction submitted since 1996, however there is a huge backlog of drainage issues from past development exacerbated by changing rainfall patterns and ever increasing storm intensity.

Stormwater management has not been a financial priority of the City in the past. Work has been limited almost exclusively to public right of way and property, or areas where the City has a specified obligation by easement to maintain a drainage way. Most open channels, such as Steer Creek, Bear Creek, and their tributaries, are on private property and not accessible to City crews without permission for property owners. Maintenance of storm drains, culverts, ditches, and channels is the responsibility of the Street Division of Public Works. There is not a separate budget for stormwater system maintenance, and it has traditionally been included as a subset of the street

maintenance program. Materials required for routine maintenance are included in budget line 10-52-511, Street Maintenance Materials. Capital expenditures for stormwater improvement were traditionally included in the Transportation Sales Tax program. Some storm drainage projects, such as the extension of the Green Street Culvert, were managed as separate projects. Starting in the late 90's a budget line for Curb, Gutter and Storm Drainage was added to the Transportation Sales Tax fund. This money was used along with the funds for the annual street improvement program to add curb and gutter to concrete and asphalt streets, to repair damaged curb on concrete streets, to replace storm drains and grates, and to up-size culverts on streets being improved. Storm drainage has been made a point of emphasis on new street construction (Cable Street) and reconstruction (Osteopathy) projects, but there has not been a significant source of revenue for stand alone storm drainage projects nor for storm drainage issues not on public right of way. After passage of the most recent Capital Improvement Sales Tax, \$50,000 from that fund has been available for storm drainage improvements. These funds have been incorporated with other programs, such as the Jefferson Street Improvements, rather than funding stand alone projects.

During the development of the Stormwater Management Plan, staff began looking at other sources of revenue to support the stormwater management program. Funds are needed both for capital improvements and for operation and maintenance expenses. Other communities, such as Columbia, have established separate Stormwater Utilities, funded by user fees. Others have established a user fee system but use existing staff structure to manage the program and revenues. An alternative used by many communities is a public-private partnership where property owners or developers pay a significant portion of the capital cost for stormwater improvements, especially when work must be done outside public right of way. Grants are always a possible source, but their availability, and eligibility for a community which is not absolutely impoverished is limited. Issuance of bonds to fund a stormwater improvement program has been used by a number of agencies/communities.

Following the June 2009 flooding staff began looking at additional revenue sources to fund stormwater improvements, including bonds made available by FEMA/SEMA. Work discussed included a comprehensive review of the existing storm drainage system, along with construction projects to replace structures damaged during the past three year's storms and to improve channels connecting those structures. Proposed project locations include work to correct major capacity deficiencies in the Town and Country Subdivision where dozens of homes have been subjected to flooding and stormwater back up. This area is part of the Floyd Creek watershed within the Salt River Basin. A second project area is the Steer Creek basin. Steer Creek is a major drainage channel and natural stream traversing much of the City. Its tributary arms have been subject to damaging flooding and currently have flows far in excess of the capacity of drainage structures crossing it, resulting in street flooding, roadway damage, and damage to residences and businesses. The storm sewer system in the original town and in additions completed through the early 1950's has many damaged and deteriorated sections, and is under-designed for today's development situation, and rainfall patterns.

KIRKSVILLE CITY COUNCIL STUDY SESSION ATTACHMENT

SUBJECT: Stormwater Utility Financing

STUDY SESSION MEETING DATE: December 7, 2009

CITY DEPARTMENT: Finance

PREPARED BY: Laura Guy, Finance Director

Missouri enacted the omnibus economic development bill that included programs funded under the federal American Recovery and Reinvestment Act of 2009 (ARRA). ARRA created new bond program opportunities available for cities and counties. The County of Adair was an allocation designee for these bonds. City staff made a presentation to the County requesting their share of the allocation be designated to the City for stormwater drainage improvements. The County of Adair reallocated their \$2.274 million of Recovery Zone Economic Development Bonds to the City of Kirksville for implementation of such a project. Incurring this debt will require the City to seek voter approval in April 2010.

The following are alternative methods of acquiring revenues to repay debt service on these bonds and to fund ongoing stormwater control.

- ✓ Section 644.032 of the Missouri Revised Statutes allows municipalities to seek voter approval to impose a stormwater/parks sales tax of up to ½-cent. This tax is available for stormwater control, parks or both. The City attempted to impose a ¼-cent parks sales tax in April 2006 but was defeated.
- ✓ Establishment of a stormwater utility that is self-funded. This would provide a dedicated revenue source for stormwater management. Commercial and residential properties would be billed a fixed stormwater fee on a monthly basis, as with water and sewer. There are different methods of calculating this monthly fee: flat rate on all residential and commercial properties; calculated fee based on the runoff surface of each parcel of land; or a mixture, e.g., flat rate on all residential while other properties are based on the amount of imperviousness on each property. It is preferable to implement an equitable solution that does not require unique calculation for each property. The following is the current fee structure for the City of Columbia, Missouri.

Category of land use	Monthly Charge
Multiple-family buildings having more than four units; single-family residences having a main floor area less than 750 sq. ft....	\$0.65 per unit
Multiple-family buildings having four or less units; mobile homes; single-family residences having a main floor area of from 750 sq. ft. to 1,250 sq. ft....	\$0.85 per unit
Single-family residences having a main floor area of from 1,251 sq. ft. to 2,000 sq. ft....	\$1.15 per unit
Single-family residence having a main floor area more than 2,000 sq. ft....	\$1.35 per unit
All non-residential uses of developed land....	\$4.00 per \$0.04 per 100 square feet impervious area, whichever is greater.

- ✓ Establishment of stormwater development fees on new construction. These fees would recoup some of the costs that are incurred from the City's construction of new stormwater infrastructure to accommodate any new development. This fee would be calculated based on the building permit specifications and collected along with the building permit fee. The following is the current fee structure of the City of Columbia, Missouri.

Category	Rate per Square Foot of Total Floor Area of New Construction
Single-family residences; duplexes....	9 cents
Multiple-family buildings; offices; schools; churches....	16 cents
Commercial; industrial; use categories not listed above....	19.5 cents