

**CITY OF HAZELWOOD
REGULAR COUNCIL MEETING
APRIL 5, 2017**

CALL TO ORDER

A regular meeting of the Hazelwood City Council was called to order by Mayor Matthew G. Robinson at 7:30 p.m. on Wednesday, April 5, 2017, in the Council Chambers of Hazelwood City Hall, 415 Elm Grove Lane.

Mayor Robinson asked those present to join in a moment of silent meditation followed by the Pledge of Allegiance.

On roll call the following members of the Council were present:

Robert Parkin II
Matthew G. Robinson
Russell Todd
Warren H. Taylor
Rosalie Hendon
Mary G. Singleton
Carol A. Stroker
Robert M. Aubuchon
Don W. Ryan

Mrs. Thomas declared a quorum was present. Also present were City Manager Matt Zimmerman, City Attorney Kevin O'Keefe, and City Clerk Christine Thomas.

AGENDA

Mr. Todd moved, seconded by Mrs. Hendon, to amend the agenda by tabling items 10.a and 18.b, relative to short-term rentals, until the April 19 meeting. The motion passed unanimously.

Mr. Todd moved, seconded by Mr. Taylor, the adoption of the agenda as amended. The motion passed unanimously.

CONSENT AGENDA

Mr. Taylor moved, seconded by Mrs. Singleton, to amend the consent agenda by adding a personnel matter to the closed meeting. The motion passed unanimously.

Mr. Taylor moved, seconded by Mrs. Singleton, the adoption of the consent agenda as amended. The following vote was recorded on the motion:

AYE - 9
Mr. Parkin
Mayor Robinson

NAY - 0

Mr. Todd
Mr. Taylor
Mrs. Hendon
Mrs. Singleton
Mrs. Stroker
Mr. Aubuchon
Mr. Ryan

The motion passed unanimously and the consent agenda, including a closed meeting immediately following the regular meeting to discuss a personnel matter in accordance with the provisions of RSMo 610.021(3) and to discuss a proprietary matter in accordance with the provisions of RSMo 610.021(15), was adopted.

APPROVAL OF MINUTES

Mr. Taylor moved, seconded by Mrs. Singleton, to approve the minutes of the March 15 regular and closed Council meetings as submitted. The motion passed unanimously.

SPECIAL ORDER OF BUSINESS

WHAT'S NEW

Communications Coordinator Tim Davidson provided the What's New in Hazelwood report.

EMPLOYEE RECOGNITION

Police Officers Danial Kenner and Crista Huff were presented with the Life Saving Award and Police Officer Makil Walker was presented with the Chief's Certificate of Appreciation.

In January Officers Kenner, Huff and Walker responded to a call in the parking lot of Walgreens where an individual was unresponsive due to a drug overdose. The officers were able to assess the crisis situation and administer CPR until the EMT/paramedics arrived on the scene and took over care of the individual.

PROCLAMATIONS AND RESOLUTIONS

EXTENDING DEADLINE ISSUANCE OF BONDS RESOLUTION

Mayor Robinson called for the reading of a resolution extending the deadline for issuance of industrial revenue bonds for Buildings 3 and 4 of Hazelwood Logistics Center.

Mr. Zimmerman reported NorthPoint Development is seeking to extend the deadline for issuance of the bonds from March 31 to June 30 because the buildings are not complete. The bonds would facilitate a sales tax exemption for construction materials. NorthPoint is also seeking a new sales tax exemption through October 31 on Buildings 5 and 6. One of these buildings is currently under construction and the land disturbance study is being completed for the other.

Brent Miles, NorthPoint Development, gave an update on progress at Hazelwood Logistics Center. Mr. Miles stated, in the original plans, the goal was to build one building a year over seven years. However, with Building 5 and 6 underway, it has only taken two years.

There were no objections and Resolution 1703 was read by title only:

A RESOLUTION EXTENDING THE TIME FOR ISSUING INDUSTRIAL REVENUE BONDS ASSOCIATED WITH THE THIRD AND FOURTH HAZELWOOD LOGISTICS CENTER BUILDINGS.

Mr. Aubuchon moved, seconded by Mr. Ryan, the adoption of Resolution 1703. The following vote was recorded on the motion:

<u>AYE - 9</u>	<u>NAY - 0</u>
Mr. Parkin	
Mayor Robinson	
Mr. Todd	
Mr. Taylor	
Mrs. Hendon	
Mrs. Singleton	
Mrs. Stroker	
Mr. Aubuchon	
Mr. Ryan	

Resolution 1703 was unanimously adopted.

SALES TAX EXEMPTION RESOLUTION	Mayor Robinson called for the reading of a resolution authorizing sales tax exemption certificates for Buildings 5 and 6 of Hazelwood Logistics Center.
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There were no objections and Resolution 1704 was read by title only:

A RESOLUTION AUTHORIZING THE PROVISION OF SALES TAX EXEMPTION CERTIFICATES FOR AN INDUSTRIAL DEVELOPMENT PROJECT IN THE HAZELWOOD LOGISTICS CENTER.

Mr. Aubuchon moved, seconded by Mrs. Hendon, the adoption of Resolution 1704. The following vote was recorded on the motion:

<u>AYE - 9</u>	<u>NAY - 0</u>
Mr. Parkin	
Mayor Robinson	
Mr. Todd	
Mr. Taylor	
Mrs. Hendon	

Mrs. Singleton
Mrs. Stroker
Mr. Aubuchon
Mr. Ryan

Resolution 1704 was unanimously adopted.

CITIZEN HEARINGS AND PRESENTATION OF PETITIONS

Mayor Robinson explained the procedures to be followed during a hearing. He invited anyone desiring to make a comment to come forward at this time.

RECAST PROGRAM Michelle Mitchell, St. Louis County Department of Public Health, stated there is a program called Resiliency in Communities After Stress and Trauma (ReCAST) that was granted \$4.7 million from the Department of Health and Human Services Substance Abuse and Mental Health Services Administration to assist high-risk youth and families in communities that have recently faced civil unrest.

Ms. Mitchell explained the program is for residents from the age of 11 and above. The first meeting will be on April 22 at the O'Fallon Recreation Center.

PROPOSTION P Brandon Flinn, Business Manager for Laborers Local 42, representing Hazelwood Police Officers, stated any taxes collected as a result of Proposition P are to be utilized to supplement police budgets for additional manpower, equipment and other needed police services and not to offset shortfalls elsewhere or cover deficits within the City's budget.

PUBLIC HEARINGS

SLUP Mayor Robinson called to order the public hearing to 310 MCDONNELL BLVD. consider the petition received from MiTek USA, Inc., for a Special Land Use Permit for manufacturing of metal products at 310 James S. McDonnell Boulevard.

Mr. Zimmerman stated the business has requested an economic development agreement that will be considered at the April 13 Economic Development Sales Tax Board meeting. He suggested the Council take any public comment and continue the hearing to April 19 so that the entire project can be presented at one time.

Mayor Robinson invited anyone desiring to make a comment to come forward at this time.

No one came forward to address the Council.

Mr. Todd moved, seconded by Mrs. Hendon, to continue the public hearing to the meeting of April 19. The motion passed unanimously.

COMMUNICATIONS

MML NEWSLETTER The Missouri Municipal League's March newsletter was received.

PICNIC LICENSE
ST. MARTIN
DE PORRES An application for a Picnic License for May 19, 20, and 21 and a request for a waiver of the \$37.50 license fee was received from St. Martin de Porres Catholic Church, 615 Dunn Road.

PROPOSITION P
INFORMATION A letter from City of Chesterfield Mayor Bob Nation, with information on Proposition P, was received.

EWGCG
LOCAL BRIEFINGS The March 16 issue of Local Government Briefings was received from East-West Gateway Council of Governments.

SLUP
7025 F HOWDERSHELL
ROAD A petition for a Special Land Use Permit for a fast food restaurant at 7025 F Howdershell Road was received from 5 Star Liquor & More, Inc.

APPOINTMENT TO
E.D. SALES TAX
BOARD A letter appointing Steve Chodes to serve as the Hazelwood School District's representative on the Economic Development Sales Tax Board was received.

RESIGNATION A letter of resignation from the Historic Preservation Commission was received from Yonghe Bae.

A letter thanking Ms. Bae for her service to the City was sent.

EWGCG
LOCAL BRIEFINGS The March 30 issue of Local Government Briefings was received from East-West Gateway Council of Governments.

Mr. Taylor moved, seconded by Mrs. Singleton, to approve the liquor license request and waive the fee and to receive and file the communications. The motion passed unanimously.

UNFINISHED BUSINESS

SHORT-TERM
RENTALS Consideration of the short-term rental use and regulations was tabled until April 19.

MAYOR AND COUNCIL REPORTS

REAPPOINTMENT OF MUNICIPAL JUDGE City Clerk Christine Thomas had provided the Council with notice that Judge Kevin Kelly's term as municipal judge will expire this month.

Mayor Robinson reappointed Kevin Kelly to a three year term as municipal judge.

Mr. Ryan moved, seconded by Mrs. Hendon, to approve the appointment of Kevin Kelly to an additional three year term as municipal judge. The motion passed unanimously.

Judge Kelly will be invited to the April 19 Council meeting to receive his oath of office.

APRIL 26 BUDGET WORK SESSION The Council agreed to meet at 5 p.m. on Wednesday, April 26, for a budget work session.

APPOINTMENTS Mayor Robinson nominated Linda Royal and Alexis Robinson for reappointment to the Community Enrichment Commission.

Mr. Taylor moved, seconded by Mrs. Singleton, to approve the reappointment of Ms. Royal and Ms. Robinson to the Community Enrichment Commission. The motion passed unanimously.

Ms. Royal and Ms. Robinson will be invited to attend the April 19 meeting to receive their oaths of office and commission certificates.

CITY MANAGER'S REPORT

LOAN AGREEMENT WITH BUNZL Economic Developer David Cox reported staff recommends approval of an economic development loan agreement with Bunzl Distribution Midcentral, Inc.

Mr. Cox stated Bunzl Distribution, located in Maryland Heights, is a distributor of grocery supplies proposing to expand into Hazelwood Logistics Center. Bunzl is planning to invest \$8.7 million, of which \$1 million would be in building improvements, equipment, machinery and fixtures. Bunzl is planning to create 73 new jobs in Hazelwood which will be maintained for the first seven years. Their average wages are \$60,000, with a total payroll of \$4.3 million a year, which is 60 percent higher than the City's normal minimum threshold. Bunzl would like to set the loan forgiveness period over five years instead of seven for tax reasons. If the 73 jobs and \$4.3 million payroll are not maintained in years five and six, Bunzl must repay 15 percent of the original loan or \$112,500. Staff estimates this project will provide approximately \$15,000 in General Fund revenue including utility taxes and business license. The City would be providing a \$750,000 loan to offset some costs to move to Hazelwood. Bunzl is also seeking approval to provide a corporate guarantee from their national parent company, Bunzl USA Holding,

giving staff confidence that the loan would be repaid if necessary. Bunzl anticipates relocation to the Hazelwood Logistics Center before the end of this calendar year.

Jeff Jones, general manager of Bunzl Distribution, gave a brief explanation of Bunzl Distribution's operations and employer statistics. Mr. Jones stated the operations being discussed with Council are the Central Regional headquarters and the St. Louis distribution operation. The Central Regional headquarters are comprised of locations in Chicago, Cincinnati, Detroit, Kansas City, Minneapolis and St. Louis. The operation in St. Louis is responsible for \$100 million in revenue for 2017. Bunzl has a wide variety of local customers including Schnucks, Dierbergs, Walmart, Straubs, Hy-Vee, Kona Food Distribution, US Foods, Southwest Airlines and Macy's Department Stores. Mr. Jones stated Bunzl operates on a global platform and manages all of their business through local operations which fosters an entrepreneurial culture in their organization. Bunzl generates strong local revenue growth, maintains local business partners in the St. Louis area and has an extensive presence throughout the Midwest.

Mr. Aubuchon moved, seconded by Mr. Todd, to authorize the economic development loan agreement with Bunzl Distribution Midcentral, Inc., and place the draft bill on this agenda for introduction. The motion passed unanimously and the bill was added to the agenda as item 17.a.

LOAN AGREEMENT WITH QUIET LOGISTICS Economic Developer David Cox reported staff recommends approval of an economic development loan agreement with Quiet Logistics, Inc.

Mr. Cox reported Quiet Logistics is headquartered out of Massachusetts and is looking to expand into the Midwest. They have selected Hazelwood over Milwaukee for their Center of Excellence Distribution Center. Quiet Logistics is planning to invest at least \$6.6 million in improvements, equipment and moving costs over a seven year period. They would provide 116 new jobs in Hazelwood the first year of operation and a total of 209 jobs by the end of year five. The agreement requires a minimum payroll of over \$3.1 million the first year and just under \$8 million in year five. In addition, Quiet Logistics has agreed to place the call center in Hazelwood. Therefore, any sales to residents in Missouri will include the City use tax. Staff is estimating this project will provide at least \$100,000 per year in General Fund revenue including sales and utility taxes and business license fee plus an additional \$35,000 in Capital Improvement Funds sales tax revenue. The City would provide a \$450,000 loan. The loan forgiveness period is five years, although the lease term is seven years. Quiet Logistics has agreed to provide a letter of credit from their bank to guarantee the loan.

Brian Lemerise, president of Quiet Logistics, gave an overview of the company. Mr. Lemerise stated the business operates 24 hours a day, seven days a week, and ships to over 130 countries. Quiet Logistics will employ over 250 full-time employees and during peak seasons over 850 seasonal employees at the Hazelwood location.

Mr. Aubuchon moved, seconded by Mr. Taylor, to authorize the economic development loan agreement with Quiet Logistics, Inc., and place the draft bill on this agenda for introduction. The motion passed unanimously and the bill was added to the agenda as item 17.b.

TAXABLE INDUSTRIAL REVENUE BONDS HLC, BUILDING 5 Mark Spykerman of Gilmore and Bell, the City's bond counsel, reported the agreement with NorthPoint for development of Hazelwood Logistics Center includes the issuance of Chapter 100 bonds.

Mr. Spykerman explained the purpose of the bonds is to facilitate an exemption on sales taxes that would be paid on materials used to construct the buildings. Mr. Spykerman stated bonds on Buildings 1 and 2 have been issued and the bonds for Buildings 3 and 4 will be issued in a couple of months. A bill has been prepared to authorize the issuance of \$10 million in taxable industrial revenue bonds for Building 5, on Lot 7.

Mr. Aubuchon moved, seconded by Mrs. Stroker, to concur with the staff recommendation to authorize the issuance of \$10 million in taxable industrial revenue bonds for Hazelwood Logistics Center, Building 5, and to place the draft bill on this agenda for introduction. The motion passed unanimously and the bill was added to the agenda as item 17.c.

TAXABLE INDUSTRIAL REVENUE BONDS HLC, BUILDING 6 Mark Spykerman of Gilmore and Bell, the City's bond counsel, reported the agreement with NorthPoint for development of Hazelwood Logistics Center includes the issuance of Chapter 100 bonds.

A bill has been prepared to authorize the issuance of \$15 million in taxable industrial revenue bonds for Building 6, on Lot 5(c).

Mr. Aubuchon moved, seconded by Mr. Ryan, to concur with the staff recommendation to authorize the issuance of \$15 million in taxable industrial revenue bonds for Hazelwood Logistics Center, Building 6, and to place the draft bill on this agenda for introduction. The motion passed unanimously and the bill was added to the agenda as item 17.d.

PURCHASE PICKUP TRUCKS David Stewart Public Works Director reported staff recommends the purchase of three medium duty pickup trucks from Bommarito Ford of Hazelwood.

Mr. Stewart reported the current fiscal year Capital Improvement Fund budget includes funds to replace three medium duty pickups in the Public Works Maintenance Division. Public Works proposes to purchase two ¾-ton pickup trucks and one 1-ton pickup truck. Mr. Stewart explained under the state bid the low bidders were Blue Springs Ford for the ¾-ton pickup and Shawnee Mission Ford from the Kansas City area for the 1-ton

pickup. Bommarito Ford from Hazelwood was an active bidder this year on the state bid with a bid as follows: \$23,944 for each of the two ¾-ton pickups and \$29,713 for the one 1-ton pickup plus a plow for the 1-ton pickup at \$5,500 (the low bid). The bid from Bommarito was 1.3% higher than the total state bid for the three pickups. Bommarito would provide a \$4,300 trade-in value for four vehicles, for a net cost of \$78,801. In light of Bommarito's proximity and the logistical benefits realized by both the acquisition and disposal of vehicles locally, staff recommends purchase of the trucks from Bommarito Ford of Hazelwood.

Mr. Todd moved, seconded by Mrs. Hendon, to purchase two 2017 Ford F250 ¾-ton pickup trucks, one 2017 Ford F350 1-ton pickup truck and a plow from Bommarito Ford of Hazelwood at a net cost of \$78,801 with trade-in. The motion passed unanimously.

LEASE CITY PROPERTY Assistant City Manager Robert Frank reported staff FOR COMMUNICATION recommends approval to lease City property for a TOWER communications tower.

Mr. Frank stated Eco-Site, Inc, has been in negotiations with the City for the purpose of locating a cell tower on the City owned property at 7029 Howdershell Road, formerly the Beldt property. The lease provides for a ten year initial term and is subject to four successive additional periods of five years each. Monthly lease payments would be \$2,000 with an annual two percent increase. Additionally, Eco-Site, Inc. will provide a one-time payment of \$20,000 for future co-location of any and all additional antennas which will be paid at the time the tenant initiates the initial term of the agreement.

Mrs. Hendon moved, seconded by Mr. Taylor, to concur with the staff recommendation to approve the lease agreement between the City of Hazelwood and Eco-Site, Inc. for City property at 7029 Howdershell Road and to place the draft bill on this agenda for introduction. The motion passed unanimously and the bill was added to the agenda as item 17.e.

OBSTACLE COURSE Parks and Recreation Superintendent Doug Littlefield HOWDERSHELL PARK reported staff recommends approval of a contract for the purchase and installation of a custom obstacle course at Howdershell Park.

Mr. Littlefield explained 95 percent of the improvements to Howdershell Park will be funded by the Municipal Park Grant awarded this year. This is Phase 1 of the project which consists of 11 custom pieces as well as sidewalks and a large artificial grass surface. The purchase would be made through the Cooperative Purchasing Network co-op. The vendor is Landscape Structures, Inc. of Delano, Minnesota. The total cost for equipment and installation is \$228,291. After grant funding, the City's cost will be \$11,415.

Mrs. Stroker asked when the project would be completed. Mr. Littlefield replied in July.

Mrs. Singleton asked if there would be basketball courts in the park. Mr. Littlefield responded the intent is to put basketball courts in the park. The location is still under discussion.

Mrs. Hendon moved, seconded by Mrs. Stroker, to concur with the staff recommendation to authorize the contract for the purchase and installation of a custom obstacle course and to place the draft bill on this agenda for introduction. The motion passed unanimously and the bill was added to the agenda as item 17.f.

CITY ATTORNEY'S REPORT - None

CITY CLERK'S REPORT - None

COMMISSION AND BOARD REPORTS

Mr. Taylor moved, seconded by Mrs. Singleton, to receive and file the minutes of the September 12, November 14, December 12, January 9, February 13 and March 13 Neighborhood Watch Commission meetings; the February 9 City Plan Commission meeting; the February 14 Community Enrichment Commission meeting; and the February 23 Economic Development Sales Tax Board meeting. The motion passed unanimously.

NEW BUSINESS - None

INTRODUCTION AND FIRST READING OF BILLS

LOAN AGREEMENT WITH BUNZL

Mayor Robinson called for the first reading of a bill to authorize an economic development loan agreement with Bunzl Distribution Midcentral, Inc.

There were no objections and Bill 4647 was read by title only:

AN ORDINANCE APPROVING AN ECONOMIC DEVELOPMENT AND NEW EMPLOYMENT TRAINING AND OPPORTUNITIES FORGIVABLE LOAN AGREEMENT WITH BUNZL DISTRIBUTION MIDCENTRAL, INC., AND AUTHORIZING EXECUTION OF DOCUMENTS RELATING THERETO.

Bill 4647 will be on the agenda for second reading on April 19.

LOAN AGREEMENT WITH QUIET LOGISTICS, INC.

Mayor Robinson called for the first reading of a bill to authorize an economic development loan agreement with Quiet Logistics, Inc.

There were no objections and Bill 4648 was read by title only:

AN ORDINANCE APPROVING AN ECONOMIC DEVELOPMENT AND NEW EMPLOYMENT TRAINING AND OPPORTUNITIES FORGIVABLE LOAN AGREEMENT WITH QUIET LOGISTICS, INC., AND AUTHORIZING EXECUTION OF DOCUMENTS RELATING THERETO.

Bill 4648 will be on the agenda for second reading on April 19.

BOND ISSUANCE Mayor Robinson called for the first reading of a bill to authorize the issuance of \$10 million in taxable industrial revenue bonds for Hazelwood Logistics Center, Building 5.

There were no objections and Bill 4649 was read by title only:

AN ORDINANCE AUTHORIZING THE CITY OF HAZELWOOD, MISSOURI TO ISSUE ITS TAXABLE INDUSTRIAL REVENUE BONDS (NP HAZELWOOD V, LLC PROJECT), SERIES 2017, IN A PRINCIPAL AMOUNT NOT TO EXCEED \$10,000,000, FOR THE PURPOSE OF PROVIDING FUNDS TO PAY THE COSTS OF ACQUIRING, CONSTRUCTING AND IMPROVING A FACILITY FOR AN INDUSTRIAL DEVELOPMENT PROJECT IN THE CITY; AND AUTHORIZING THE CITY TO ENTER INTO CERTAIN AGREEMENTS AND TAKE CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF THE BONDS.

Bill 4649 will be on the agenda for second reading on April 19.

BOND ISSUANCE Mayor Robinson called for the first reading of a bill to authorize the issuance of \$15 million in taxable industrial revenue bonds for Hazelwood Logistics Center, Building 6.

There were no objections and Bill 4650 was read by title only:

AN ORDINANCE AUTHORIZING THE CITY OF HAZELWOOD, MISSOURI TO ISSUE ITS TAXABLE INDUSTRIAL REVENUE BONDS (NP HAZELWOOD VI, LLC PROJECT), SERIES 2017, IN A PRINCIPAL AMOUNT NOT TO EXCEED \$15,000,000, FOR THE PURPOSE OF PROVIDING FUNDS TO PAY THE COSTS OF ACQUIRING, CONSTRUCTING AND IMPROVING A FACILITY FOR AN INDUSTRIAL DEVELOPMENT PROJECT IN THE CITY; AND AUTHORIZING THE CITY TO ENTER INTO CERTAIN AGREEMENTS AND TAKE CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF THE BONDS.

Bill 4650 will be on the agenda for second reading on April 19.

CELL TOWER Mayor Robinson called for the first reading of a bill to authorize a lease agreement between the City of Hazelwood and Eco-Site, Inc. for City property at 7029 Howdershell Road.
7029 HOWDERSHELL

Mrs. Hendon
Mrs. Singleton
Mrs. Stroker
Mr. Aubuchon
Mr. Ryan

Bill 4646 was unanimously adopted as ordinance 4534-17.

MISCELLANEOUS BUSINESS AND ANNOUNCEMENTS

COUNCIL MEETING Mayor Robinson announced the next regular Council meeting will be held Wednesday, April 19, at 7:30 p.m. in the Council Chambers.

ADJOURNMENT There being no further business to come before the Council, the meeting was adjourned at 8:37 p.m.

ATTEST:

Christine Thomas, MRCC - City Clerk
City of Hazelwood, Missouri

Matthew G. Robinson - Mayor
City of Hazelwood, Missouri