Memo

To: Mayor and City Council

From: David Watson, City Manager

Date: July 30, 2010

Re: Ordinance to Set a Special Election ** ***Second and Third Readings***

ISSUE UPDATE:
Attached you will find the original City Managers Report No. 2 that covered this item. Additionally, Council has acted to approve the nonprofit corporation that will build and manage the Community Center if the ½% additional sales tax is approved. The Cameron, Missouri Public Building Corporation has held their first meeting and has made application to the USDA for a low interest direct loan. The remaining original memo follows.

City Council has a unique opportunity to create funding for storm water and parks by calling for the elections of a ½% additional sales tax. The ballot language divides the revenue in half so that ¼% goes to storm water and a ¼% goes to parks. The estimated revenue is $625,000 for the entire 1/2% sales tax. Staff's recommendation on the use of the revenue is described in the City Managers report No. 2 and included in the supplemental council packet.

If this bill is approved and the Cameron, Missouri Public Builders Corporation (PBC) is approved the PBC will submit an application to the United States Department of Agriculture (USDA) for a loan and later a Build America bond (BAB). The Build America bond will buy down the interest rate of the USDA loan to approximately 2.6% for the 30 year USDA note. The BAB application will not be submitted until the passage of the ½% sales tax in November, but must be approved before December 31, 2010 as the funding expires on that date.

The PBC will own the community center. The City, through a lease, will use the ¼% parks sales tax to pay the debt. Because the land is being pursued as a donation the land will be owned by the City.

RECOMMENDATION
A community survey supports the call for elections to see if sufficient people support storm water improvements and a community center. City Staff recommend that the City Council approve.

UPDATE:
Council has read and approved the first reading of this Ordinance. Staff asks that Council read and approve this Ordinance on second and third readings on Monday

City Manager's Report No. 2

TO: Mayor and Council

FROM: David Watson, City Manager

DATE: July 29, 2010 **REPRINTED August 12, 2010**

RE: Agenda Item for August 2, 2010 with Major Programs

On Monday's agenda are two Bills that start a commitment to place before the voters a ½% sales tax. The sales tax is estimated to generate $625,000 annually and is to be split evenly between storm water and parks. The State of Missouri statutes allow local governments to add up to an additional ½% sales tax for storm water and parks. This would put the total local sales tax at 2.0% and leaves the city an additional ½ %, as the maximum allowed is 2.5%. The proposed division of the tax is ¼% storm water with ¼% parks. The new tax is proposed to have a 30 year sunset to cover a 30 year note with the United States Department of Agriculture – Rural Development (USDA). The tax is proposed to be used as follows:

Storm water:
UPDATE:
Staff will be meeting with an independent Civil Engineer who has experience in advance engineering planning in storm water and sewer (I and I) work next Thursday. We are engaging him to help us plot a successful approach to storm water management. We expect to have clearer direction on process and costs soon. Again the following is from the original memo.

At this point, staff has identified over 25 projects or areas of storm water concern. Currently, we have resolved four of the projects and we have estimated the remaining may cost as much as $10,000,000. Because we do not fully know the scope of the projects, these estimates could be high or low. Staff proposes to use the first six months of ¼% of new revenue for small projects that may include streetscape projects and engage an engineer to plan/design and prepare bid documents for the larger projects. We would then approach USDA for a low interest loan and or pursue any available grants. We are currently working on defining our water sheds as a first step and will use that data to scope our larger projects.

Parks:

The proposed ¼% for parks would be used to pay the debt service on a proposed community center. A community group has been working to create an approximately 30,000 to 40,000 square foot community center. The center may include a gym, elevated walking track, weight training and aquatic area. The size and uses of the building have

not been determined, but the amount of funds available for debt service is defined. The facility would be owned by a nonprofit corporation which you are being asked to support the creation on Monday. The City would enter into a lease and use the sales tax to pay the debt.

The non-profit corporation is further described in that cover memo in this week's packet.

In summary, Council is being asked to support the creation of a nonprofit corporation and approve a ballot issue for November 2, 2010 to add ½% sales tax for storm water and parks.

Major Programs

Roads:
UPDATE:
Since the time of this report our bonding counsel is not sure we can have $1,000,000 toward roads by refinancing the City Hall debt. We will continue to work on options as we develop the 2010-2011 budget. The following is from the original memo.

The Street Committee reviewed the Road Maintenance and Improvement Plan on Monday, July 26th. The committee reviewed current information and data on Cameron roads. In summary, the City has limited traffic count data. The State is planning to resurface Walnut Street in 2013 and the plan is not prioritized. The Road plan is being reworked to divide into multiple years so that annual appropriations could be used to do smaller projects. The Road plan will also show what can be undertaken by a one-time bond or refinancing of existing debt to create up to $1,000,000 in improvements. The amount of work contemplated in the Road plan can be enhanced if the new sales tax for storm water is approved.

Staff is currently reworking the plan to include the following data: traffic counts, condition of road and road use (does it support access to school or hospitals). Once the data is acquired and input, the Street committee will prioritize the plan and forward to Council for adoption. Staff had expected to have the plan ready for Council on the August 16th meeting. However, in order to meet that timeline the Street Committee would need to meet prior. We do not have a date yet and may have some difficulty getting everyone there.

Inflow and Infiltration:
UPDATE:
See above where the City staff is meeting with an independent City Engineer to help map our course.

Staff continues to work on the required study and plan needed by DNR. We are working to identify an independent engineer to help us evaluate the direction and focus needed to resolve our I & I concerns.

BILL 2010-41 **ORDINANCE**

AN ORDINANCE CALLING A SPECIAL ELECTION NOVEMBER 2, 2010 TO IMPOSE A ONE HALF OF ONE PERCENT SALES TAX FOR PARK AND STORM WATER IMPROVEMENTS IN THE CITY OF CAMERON, CLINTON AND DeKALB COUNTIES, MISSOURI AND PROVIDING THE ISSUE BE SUBMITTED TO THE QUALIFIED VOTERS OF THE CITY OF CAMERON

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CAMERON, MISSOURI, AS FOLLOWS:

Section 1. A special election is hereby ordered to be held in the City of Cameron, Missouri, on November 2, 2010, on the following question:

QUESTION

> **Shall the City of Cameron, Missouri, be authorized to impose a park and storm water sales tax of 1/2 of one percent until June 30, 2041, with the City to use one half of the sales taxes collected for the purpose of providing funds to acquire, construct, improve, furnish, operate, maintain and equip local park facilities (including without limitation a community center) and the other one half of the sales taxes collected for the purpose of providing funds to acquire, construct, operate, maintain and improve storm water control facilities?**

Section 2. The form of the Notice of Special Election for said special election, a copy of which is attached hereto and made a part hereof, is hereby approved.

Section 3. The City Clerk is hereby authorized and directed to notify the County Clerks of Clinton County, Missouri and Dekalb County, Missouri, of the adoption of this Ordinance no later than 4:00 P.M. on August 24, 2010, and to include in said notification all of the terms and provisions required by the Comprehensive Election Act, Chapter 115 of the Revised Statutes of Missouri, as amended.

Section 4. This Ordinance shall be in full force and effect from and after its passage and approval.

Read and passed on first reading only this 2nd day of August 2010.
Read and passed on second reading this __ day of August 2010.
Read and passed on third reading by roll call this __ day of August 2010.

[SEAL]

_____
Mayor Dennis M. Clark

ATTEST:

_____
City Clerk

NOTICE OF SPECIAL ELECTION

CITY OF CAMERON, MISSOURI

Notice is hereby given to the qualified voters of the City of Cameron, Missouri, that the City Council of the City has called a special election to be held in the City on November 2, 2010, commencing at 6:00 A.M. and closing at 7:00 P.M., on the question contained in the following sample ballot:

OFFICIAL BALLOT

SPECIAL ELECTION

CITY OF CAMERON, MISSOURI
NOVEMBER 2, 2010

QUESTION

Shall the City of Cameron, Missouri, be authorized to impose a park and storm water sales tax of 1/2 of one percent until June 30, 2041, with the City to use one half of the sales taxes collected for the purpose of providing funds to acquire, construct, improve, furnish, operate, maintain and equip local park facilities (including without limitation a recreation center) and the other one half of the sales taxes collected for the purpose of providing funds to acquire, construct, operate, maintain and improve storm water control facilities?

YES ☐
NO ☐

INSTRUCTIONS TO VOTERS: If you are in favor of the question, place an X in the box opposite "YES." If you are opposed to the question, place an X in the box opposite "NO."

The election will be held at the following polling places in the City:

PRECINCT	**POLLING PLACE**
_____	_____
_____	_____

DATED: _____, 2010.

_____
County Clerk of _____County, Missouri