

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF
ALDERMEN OF THE CITY OF OSAGE BEACH, MISSOURI**

January 3, 2024

The Board of Aldermen of the City of Osage Beach, Missouri, conducted a Regular Meeting on Wednesday, January 3, 2024, at 5:30 PM. The following were present in person: Mayor Michael Harmison, Alderman Phyllis Marose, Alderman Justin Hoffman, Alderman Richard Ross, and Alderman Kevin Rucker. Absent Alderman Kellie Schuman and Alderman Bob O'Steen. City Clerk Tara Berreth was present and performed the duties for the City Clerk's office.

Appointed and Management staff present City Administrator Jeana Woods, Assistant City Administrator Mike Welty, Police Chief Todd Davis, Building Official Ron White, Airport Manager Ty Dinsdale, City Treasurer Karri Bell, and City Planner Cary Patterson.

CITIZEN'S COMMUNICATIONS

None

APPROVAL OF CONSENT AGENDA

Alderman Rucker made a motion to approve the Consent Agenda with changes. This motion was seconded by Alderman Marose. Motion passes with voice vote. Absent Alderman O'Steen and Alderman Schuman.

UNFINISHED BUSINESS

Bill 23-92 - An ordinance of the City of Osage Beach, Missouri, authorizing the Mayor to sign a contract with Four Seasons Plumbing to complete the Lift Station Rehab 2023 project for an amount not to exceed \$224,080. *Second Reading*

Alderman Ross made a motion to approve the second reading of Bill 23-92. This motion was seconded by Alderman Rucker. A roll call was taken to approve the second and final reading of Bill 23-92 and to pass same into ordinance: "Ayes", Alderman Marose, Alderman Hoffman, Alderman Ross, Alderman Rucker. Bill 23-92 was passed and approved as Ordinance 23.92. Absent Alderman O'Steen and Alderman Schuman.

NEW BUSINESS

Bill 24-01 - An ordinance of the City of Osage Beach, Missouri, authorizing the City Administrator to execute a Renewal-PDMP User Agreement with St. Louis County, Missouri for the purpose of effectuating the transfer of PDMP data to the State PDMP. *First and Second Reading*

Meeting recesses due to lack of quorum 5:35pm. Alderman Marose excused the dais.
Alderman Marose rejoined the dais at 5:37pm. Meeting back in session.

Alderman Ross made a motion to approve the first reading of Bill 24-01. This motion was seconded by Alderman Marose. Motion passes with voice vote. Absent Alderman O'Steen and Alderman Schuman.

Alderman Marose made a motion to approve the second reading of Bill 24-01. This motion was seconded by Alderman Hoffman. A roll call was taken to approve the second and final reading of Bill 24-01 and to pass same into ordinance: "Ayes", Alderman Marose, Alderman Hoffman, Alderman Ross, Alderman Rucker. Bill 24-01 was passed and approved as Ordinance 24-01. Absent Alderman O'Steen and Alderman Schuman.

Motion to approve the purchase of three (3) 2024 Ford Interceptor Utility vehicles at a cost not to exceed \$135,000.00 from Joe Machens Ford Lincoln off of the State of Missouri Contract # CC240138008.

Alderman Ross made a motion to approve the purchase of three (3) 2024 Ford Interceptor Utility vehicles at a cost not to exceed \$135,000.00 from Joe Machens Ford Lincoln off of the State of Missouri Contract # CC240138008. This motion was seconded by Alderman Rucker. Motion passes with voice vote. Absent Alderman O'Steen and Alderman Schuman.

Discussion - Local Use Tax for Osage Beach

- What is a Local Use Tax - The local Use Tax is applied to purchases made online from an out-of-state vendor and shipped to a location in Osage Beach at the same rate as Sales Tax, which is collected and remitted in the same fashion as Sales Tax. Use Tax mirrors Sales Tax and is NOT a double tax. If you pay Sales Tax on a purchase, you do NOT pay a Use Tax on the same purchase. For example, the online catalog vendor will collect the local Use Tax and remit to the Missouri Department of Revenue (MoDOR); MoDOR will remit to cities as Sales Taxes are remitted. Over one-half of Missouri municipalities with a population of 2,000 or more have enacted a local Use Tax. This includes many of our surrounding cities as well as Camden County.
- Levels the Playing Field - A purchase made on an item at a retail store in Osage Beach, City sales tax is paid. WITH an enacted local Use Tax, a purchase made via the internet or by catalog from an out-of-state vendor and shipped to Osage Beach, City local Use Tax would be paid; without a local Use Tax it would NOT be paid. Osage Beach businesses are at a competitive disadvantage to out-of-state vendors who don't charge our Sales Tax on the purchases shipped to individuals in Osage Beach. By having a Use Tax for Osage Beach, this levels the playing field between the local retailers and the out-of-state vendors.
- Generates Local Revenue - WITHOUT approved Use Tax by the voters, as internet purchases increase, local revenues decrease which are used to pay for vital municipal services. Q2-2023, e-commerce sales reached the highest level in history, second only to Q2-2020. E-commerce penetration continues to increase, surpassing 15% share of total sales in the past two quarters (source-*US Census Bureau, Forrester Analysis*). Online store sales are expected to reach 22% of global retail sales in 2023, compared to 2019, and Amazon accounted for nearly 40% of all US retail e-commerce sales in 2022 (source *eMarketer, 2022*).
- How much revenue would the Use Tax generate for Osage Beach? - This is difficult to estimate without historical data specific to our City. Based on past estimates with the assistance of MML, annual minimum estimate is in the vicinity of \$325,000.
- Ballot considerations - Ballot deadline for the April 2024 Osage Beach General Municipal Election is January 23, 2024. It will be feasible for the Board of Aldermen to consider an ordinance at the second meeting in January to meet said deadline. Giving the Osage Beach voters an opportunity to consider a local Use Tax, the voters have the opportunity to vote on a local Use Tax that would ensure purchases placed online from vendors located outside the state are subject to the same local tax rates as those purchases made from Osage Beach vendors. The enclosed sample ordinance is for guidance purposes from MML. Revenue generated by a local Use Tax would go to the City's General Fund which supports general government services including police, parks, and ambulance service subsidy. It is strongly recommended for the Board of Aldermen to consider stating what use the tax revenues would be used for, similar to how other tax revenues have been directed through Board legislative action.

Discussion - Modification of Chapter 390 of the Osage Beach Municipal Code to allow operation of Utility Vehicles on certain roadways.

Alderman Ross and Alderman Hoffman asked to allow UTV's on certain roadways. Staff will bring back more details at a future meeting.

STAFF COMMUNICATIONS

City Administrator Jeana Woods – Next Thursday January 11, 2024, at 5:30pm. Lagers workshop. FY2024 will have it out in the next few weeks. Contact Jeana or Jan if you would like a hard copy.

Asst. City Administrator Mike Welty – Leaf Program is down about 85%. But will get caught up soon. Vapex is being installed and will be up and running in a few weeks.

Building Official Ron White - Topped over \$100 million in Building projects in 2023.

Department Update List - January 3, 2024

- Camden County Road Property Tax Questions (*City Treasurer, K Bell/City Attorney, Cole Bradbury*)
 - Pending county audit report update.

Capital Replacement Plan – LO/OB Joint Sewer Plant (*City Administrator, J Woods*)

- Pending inventory reconciliation; in process, completion November.

- Guideline Evaluation
 - o Design Guideline Revisions - Street Lights (*Asst. City Administrator, M Welty*)
 - Mayor/Board discussion/draft review December.
 - o Incentive Guideline Revisions (*City Administrator, J Woods*)
 - Draft completion estimated December/January.
- Personnel (*HR Generalist, M Raye*)
 - o Employee Benefits – re: LAGERS
 - Workshop schedule for January 11, 2023, 6 PM.
 - o Employee Survey Results
 - Estimated completion November.
 - o Employee 360 Feedback Process
 - To be included in the Employee Eval process 1st Quarter annually.
- Project Updates / Related Budgeted Items Update
 - o Park Master Plan (*Parks & Recreation Mgr, E Gregory*)
 - FY2024 Budget partial inclusion; Project and cost estimate list to be completed in November.
 - o Sidewalk Master Plan (*Asst. City Administrator, M Welty*)
 - Updated plan for Mayor/Board discussion December.
 - o Swiss Village Treatment Plan (*Public Works Department*)
 - Evaluation study to be completed soon, update on conclusions in December.
 - o Tan Tar A Master Plan re: Infrastructure (*Asst. City Administrator, M Welty*)
 - FY2024 Budget partial inclusion as required by other factors; Project list to be discussed during budget workshops in October/pending contract details reconciliation.
 - o Tan Tar A Estates Utilities Current Contract Explanation / Rate / Funding Review (*City Attorney, C Bradbury / City Administrator, J Woods*)
 - Remains in process/reconciling contract details; completion TBD.

City Staff contact noted in parenthesis.

- Notes estimated delivery/status.

MAYOR AND MEMBERS OF THE BOARD OF ALDERMEN COMMUNICATIONS

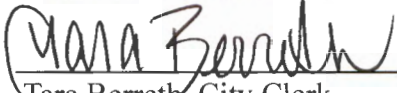
Alderman Hoffman - Would like to change and improve the dog kennel behind the City Offices. Asked about the 2 positions.

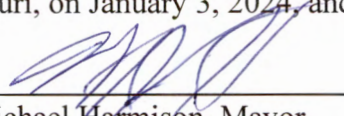
Mayor Harmison –The city needs to do better with the dog kennel out back of city offices.

Alderman Hoffman made a motion to adjourn at 6:21 pm. This motion was seconded by Alderman Marose.

ADJOURN

The meeting adjourned at 6:21pm. I, Tara Berreth City Clerk of the City of Osage Beach, Missouri, do hereby certify that the above foregoing is a true and complete journal of proceedings of the regular meeting of the Board of Aldermen of the City of Osage Beach, Missouri, on January 3, 2024, and approved January 18, 2024


Tara Berreth, City Clerk


Michael Harmison, Mayor

** All meetings may be viewed on Facebook and YouTube for further details and clarification.