WORK SESSION MEETING
AGENDA
CITY OF CREVE COEUR
CITY COUNCIL
300 NORTH NEW BALLAS RD
AUGUST 25, 2025
6:00 PM

CALL TO ORDER

ROLL CALL

DISCUSSION ITEMS

1. **Proposition 1 Educational Materials**
   Summary: Discussion with staff and the City Attorney to review educational materials related to Proposition 1.
2. **Dielmann Recreation Center Solar Panels**
   Summary: Discussion regarding the installation of solar panels on the ice arena roof after the shingle replacement project.

ADJOURNMENT

Pursuant to Section 610.022 RSMo., the City Council could, at any time during the meeting, vote to close the public meeting and move to closed session to discuss matters relating to litigation, legal actions and/or communications from the City Attorney as provided under Section 610.021(1) RSMo. and/or personnel matters under Section 610.021(13) RSMo. And/or employee matters under Section 610.021(3) RSMo. and/or real estate matters under Section 610.021(2) or other matters as permitted by Chapter 610.

Posted by: ______________________

Date/Time posted: ______________________

If you need special accommodations to attend a meeting, services may be arranged by contacting the Office of the City Administrator in advance.

MEMORANDUM

DATE: 8/20/2025

TO: Sharon Stott, Interim City Administrator

FROM: Melissa Bradford, Public Information Officer & Management Analyst

SUBJECT: Proposition 1 Education Materials

RECOMMENDATION:

I have prepared initial educational materials on Proposition 1 (Creve Coeur's local use tax) for City Council review. We will be using these materials to inform the public about Proposition 1 and to serve as the foundation for any future communications developed under the communications plan.

BACKGROUND INFORMATION:

When preparing these materials, I reviewed resources developed by neighboring municipalities that have recently adopted use taxes, including Maryland Heights, Brentwood, and Webster Groves. Their outreach primarily focused on FAQs and "Top Five Facts" sheets to present information in a concise, easy-to-read format. They also included examples of purchases subject to the use tax, helping residents better understand when it applies.

I had a conference call with the City Administrator and Communications Manager of Maryland Heights to discuss their educational campaign conducted this past spring, which resulted in the passing of the use tax. While many of our communication strategies overlap, below are a few additional actions that Maryland Heights took:

- **Task Force** – Residents were appointed to a task force that independently raised funds, which were used to purchase yard signs and t-shirts supporting the proposition. Members of this task force also attended and spoke at community events, such as town halls.
- **Town Halls** – Council members held town halls within their ward, like at local schools and coffee shops, to bring the meeting closer to residents. City staff attended these town halls to provide information about the proposition.
- **Educational Materials** – Their outreach included data and graphs that illustrated the increase in city expenditures, such as the increase in trash contract costs. They also provided information on how much a household would have to spend on out-of-state purchases per month in order for the use tax to equal the cost of trash services per month. Using data in their educational materials helped illustrate the city's finances and the financial impact of a possible use tax.

These are additional actions the City may wish to consider alongside those already outlined in the communications plan.

ATTACHMENTS:

- Communication Plan
- Flyer
- Presentation Slides

USE TAX COMMUNICATION PLAN

JUNE 2025

✓ **July Newsletter:** “City Council to Consider Ballot Measure on Use Tax”

✓ **Website:** Develop website materials (ongoing)

JULY 2025

✓ **Coffee with the Mayor:** Thursday, July 3, at 7:30 a.m.

✓ **August Newsletter:** “City Council Considers Use Tax Ballot Measure for November Election” + FAQs

AUGUST 2025

✓ **Coffee with the Mayor:** Thursday, August 7, at 7:30 a.m.

✓ **September Newsletter:** “Creve Coeur City Council Approves Use Tax Ballot Measure” and “Five Facts About Proposition 1”

☐ **Email to Trustees:** Mayor emails subdivision trustees to offer open invitation for staff to attend a subdivision meeting to educate on ballot measure

☐ **Social Media:** Post educational content on social media (ongoing)

SEPTEMBER 2025

☐ **Coffee with the Mayor:** Thursday, September 4, at 7:30 a.m.

☐ **October Newsletter:** Two-page educational spread

☐ **Poster Boards:** Print educational poster boards for Gov. Center/Dielmann lobbies

☐ **Social Media:** Post educational content on social media (ongoing)

OCTOBER 2025

☐ **Coffee with the Mayor:** Thursday, October 2, at 7:30 a.m.

☐ **Evening Coffee with the Mayor:** To be scheduled

☐ **November Newsletter:** “Voting on Proposition 1 to Take Place November 4”

☐ **Town Hall:** Each Ward to host a town hall prior to November

☐ **Video:** Develop an educational video on use tax, e.g., video of the Mayor

☐ **Postcard:** Mail a postcard to residents the last week of October (est. cost $3,500)

☐ **Social Media:** Post educational content on social media (ongoing)

NOVEMBER 2025

☐ **Press Release if Approved:** “Creve Coeur Residents Approve Proposition 1”

Five Facts About Proposition 1

1 Proposition 1 asks if the city should adopt a local use tax.

A use tax is a tax on goods purchased by Missouri residents from out-of-state or online vendors who do not collect Missouri sales tax.

2 A use tax would help support city services.

The cost of providing city services has increased substantially over recent years, while revenue has remained flat. Revenue would support city services, such as **trash and recycling collection, leaf and limb pickup, and police services.**

3 It is **not** a double tax.

The purchaser pays either a use tax OR a sales tax, **never both.**

- **Use tax applies** when buying goods from an out-of-state business that doesn't charge Missouri sales tax.
- **Sales tax applies** when buying goods from a Missouri business.

4 Proposition 1 could generate up to $1.2 million per year.

Revenue from a use tax would help cover rising costs, such as the 23% increase in trash service expenses under the new trash contract. A majority of that revenue is expected to come from large commercial businesses making out-of-state purchases.

5 The use tax would ensure fair taxation between purchases from Missouri vendors and purchases from online or out-of-state vendors.

There's a growing trend of people shopping online instead of in stores. The use tax helps create a level playing field for local businesses, ensuring that purchases from out-of-state or online vendors are taxed at the same rate as purchases from Missouri vendors.

1.25%
Proposed Local Use Tax Rate (Equal to Local Sales Tax Rate)

54/81
St. Louis County municipalities have a local use tax in place.

$626,000-$1.2 Million
Estimated Annual Revenue

ELECTION DAY: NOVEMBER 4, 2025

For more information, visit:
www.crevecoeurmo.gov/Prop1

Shall the City of Creve Coeur impose a local use tax at the same rate as the total local sales tax rate to support services such as trash, police, leaf/limb, provided that if the local sales tax rate is repealed, or reduced or raised by voter approval, the local use tax rate shall also be repealed, reduced, or raised by the same action?

Yes ____ No ____

This information was prepared and paid for by the City of Creve Coeur, Sharon Stott Interim City Administrator, 300 N. New Ballas Road, Creve Coeur MO 63141. This information is intended solely to educate and inform residents about a matter on the November 4, 2025, ballot. It is not intended to advocate, support or oppose the passage or defeat of the measure. Each voter should vote for or against the question based on their own judgment.

DRAFT

Proposition 1

Creve Coeur Local Use Tax

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Creve Coeur citizens will vote on **Proposition 1** on Tuesday, November 4, 2025.

Proposition 1

Shall the City of Creve Coeur impose a local use tax at the same rate as the total local sales tax rate to support services such as trash, police, leaf/limb, provided that if the local sales tax rate is repealed, or reduced or raised by voter approval, the local use tax rate shall also be repealed, reduced, or raised by the same action?

Yes ___ No ___

A use tax would:

- Help fund city services, such as trash and recycling collection, leaf and limb collection, and police services.
- Generate an estimated $626,000–$1.2 million annually in new city revenues.
- Ensure fair taxation between purchases from Missouri vendors and purchases from online or out-of-state vendors.

What is a use tax?

A use tax is a tax on goods purchased by Missouri residents from out-of-state or online vendors who do not collect Missouri sales tax.

Use Tax ≠ Double Tax

A use tax is **not** a double tax.

The purchaser pays either a sales tax or a use tax, **never both**. The use tax only applies when sales tax is not being collected.

When does use tax apply?

Use tax only applies to out-of-state purchases where sales tax is not collected at checkout.

- **Use tax applies:**
  When buying goods from an out-of-state business that doesn't charge Missouri sales tax.

- **Sales tax applies:**
  When buying goods from a Missouri business.

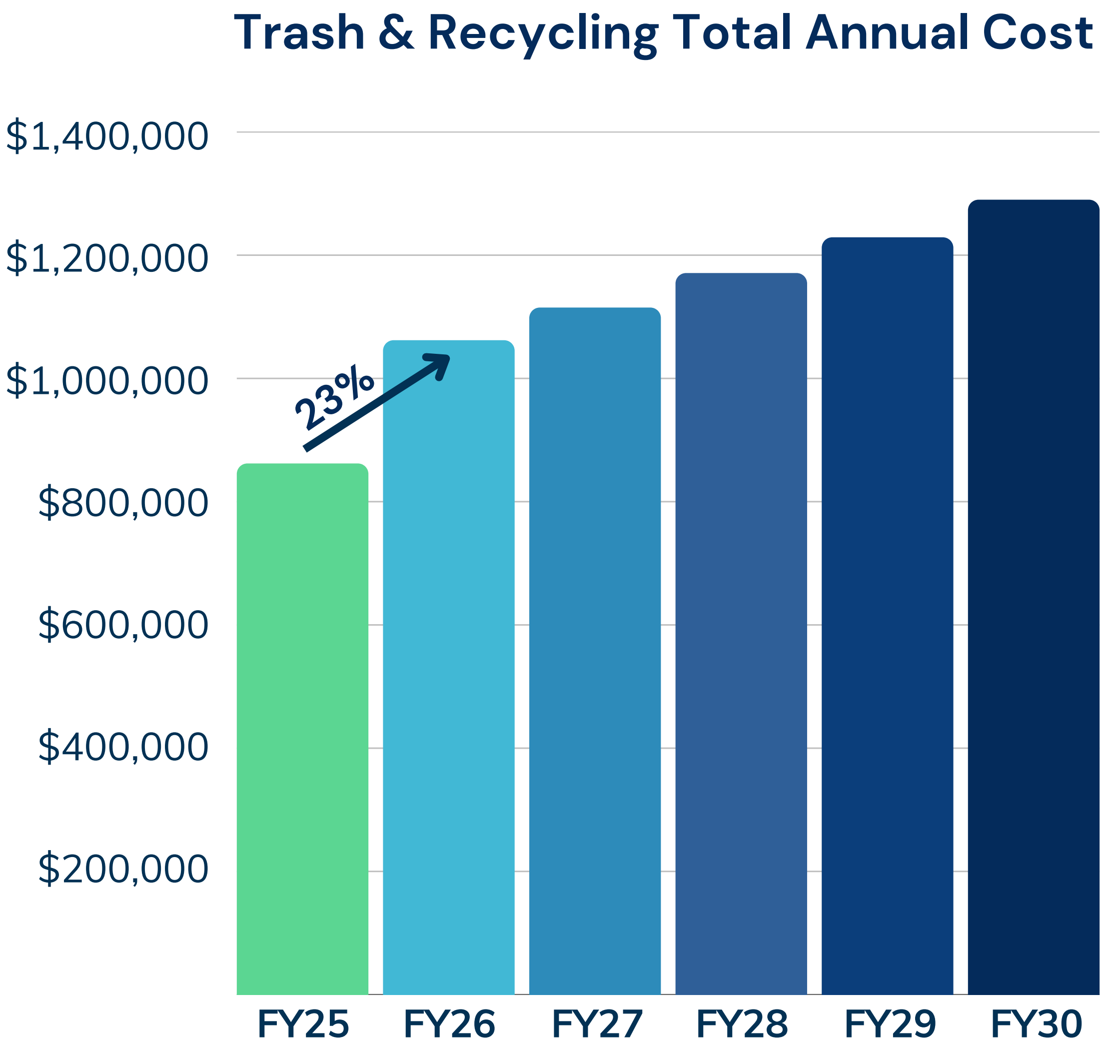
Would I pay local use tax on this purchase?	Yes	No
Groceries, clothing, or goods from local retailers		●
Clothing from Target.com or dog food from Chewy.com		●
Dinner from a local restaurant ordered online		●
Bulk cleaning supplies from an out-of-state wholesale company that did not charge sales tax	●	
A couch ordered from an out-of-state online store like Wayfair.com that did not charge sales tax	●	
Mechanical equipment from an out-of-state business that did not charge sales tax	●	

Why did the City Council put a use tax on the November ballot?

1 Rising Costs

- The cost of providing city services has **increased substantially** over recent years.
- Revenue from a use tax would help cover rising costs, such as the 23% increase in trash service expenses under the new trash contract.

1 Rising Costs



Previous Contract

FY25 = $862,401

New 5-Year Contract

FY26 = $1,062,156

FY27 = $1,115,414

FY28 = $1,171,094

FY29 = $1,229,800

FY30 = $1,290,928

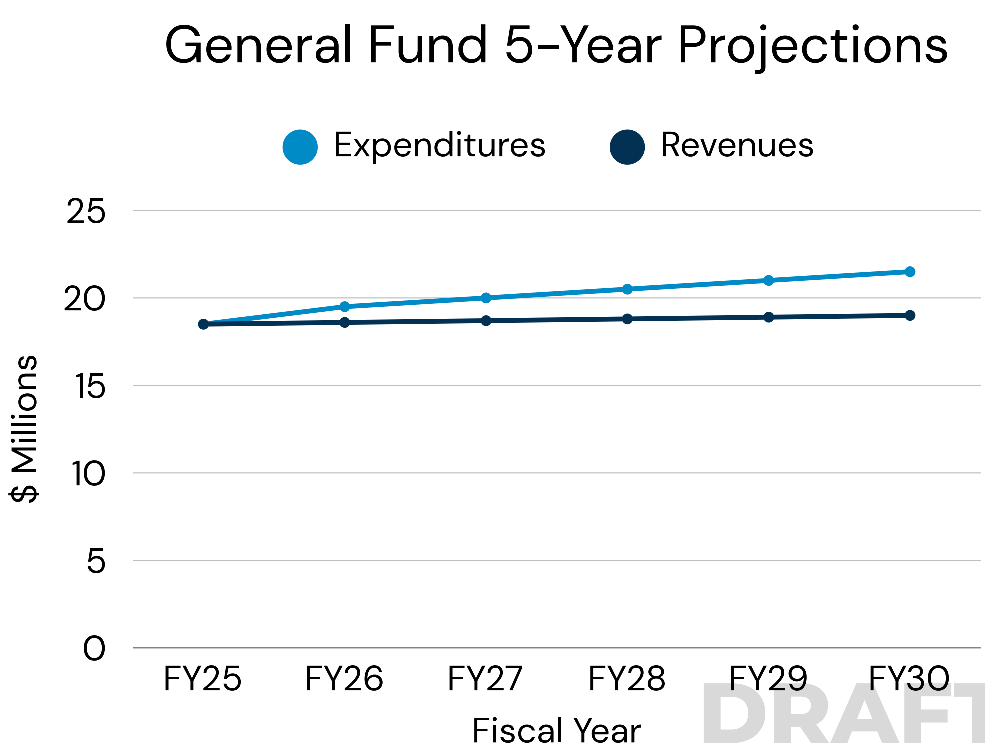
DRAFT

Why did the City Council put a use tax on the November ballot?

2 Flat Revenues

- **City revenue growth has remained flat,** while costs have increased.

- Proposition 1 could generate up to **$1.2 million** per year.



Why did the City Council put a use tax on the November ballot?

3 Fair Taxation

- There's a growing trend of people shopping online instead of in stores, reducing sales tax revenues available to fund city services.

- **The use tax helps create a level playing field for local businesses,** ensuring that purchases from out-of-state or online vendors are taxed at the same rate as purchases from Missouri vendors.

Use Tax Numbers to Know

1.25%
Use Tax Rate

If approved, the City's local use tax rate would be **1.25%**, equal to Creve Coeur's local sales tax rate.

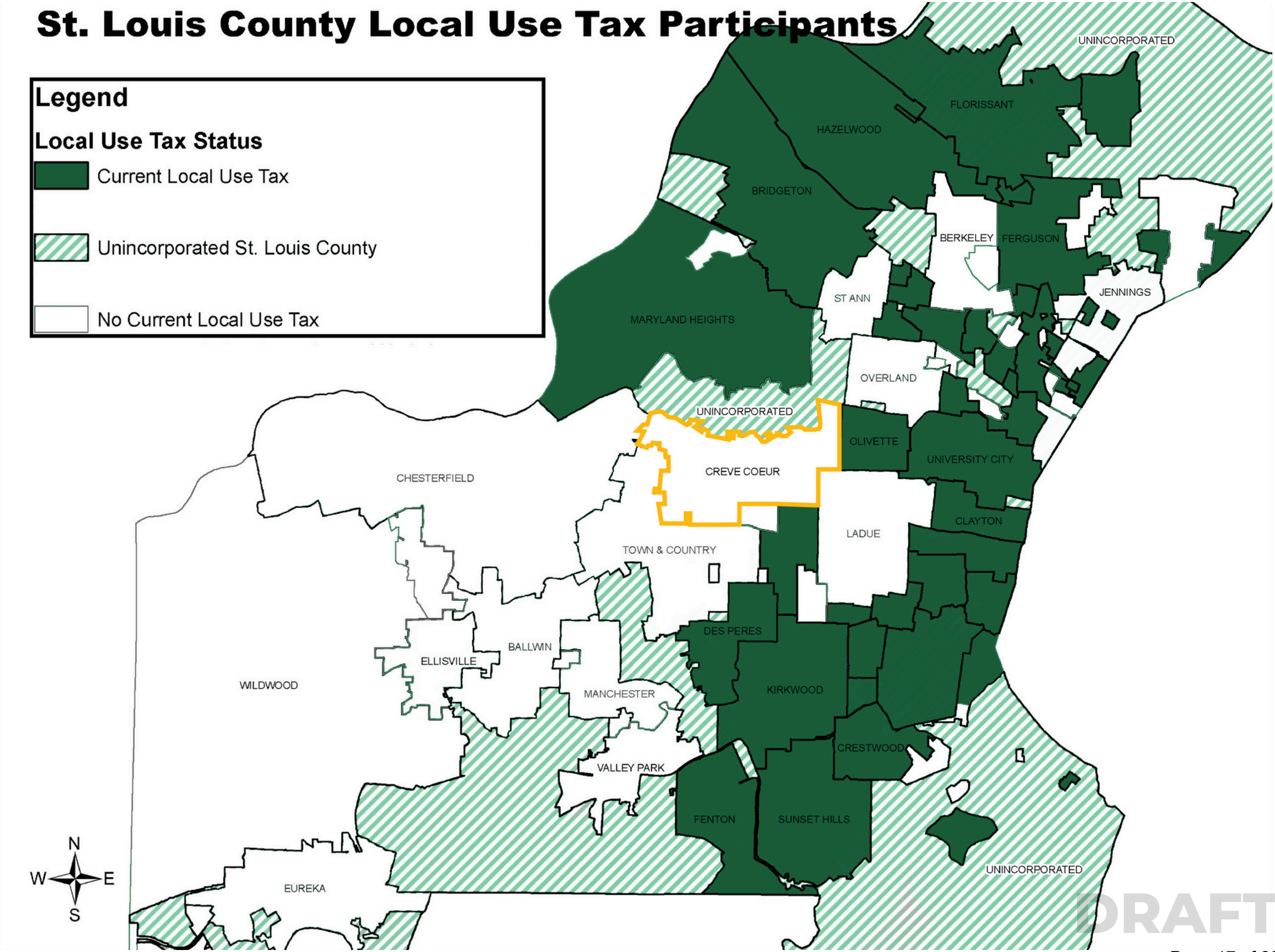
$626K –$1.2M
Estimated Revenue

The City estimates annual revenue from the use tax could range from **$626,000 to $1.2 million**. A majority of that revenue is expected to come from large commercial businesses making out-of-state purchases.

54/81
Local Municipalities

54 out of 81 municipalities in St. Louis County have a local use tax in place.

St. Louis County Local Use Tax Participants



Proposition 1

Creve Coeur Local Use Tax

VOTE NOVEMBER 4

MEMORANDUM

Date:	August 20, 2025
To:	Mayor and City Council; Interim City Administrator Sharon Stott
From:	Energy & Environment Committee
Subject:	Recommendation Regarding the Dielmann Recreation Complex Solar Panel System

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At the July 14, 2025 council meeting, city staff sought direction from the City Council regarding the future of the existing solar panel system on the Dielmann Recreation Complex and whether to pursue an expansion that would further offset the facility's monthly electric costs. The agenda item was discussed at subsequent City Council meetings on July 28, 2025 and August 11, 2025.

The Energy & Environment Committee has reviewed staff memos and completed independent research on the financial and environmental benefits and risks of a municipally-owned solar system. The research is presented below along with a committee recommendation.

Solar Panel System Alternatives
The city currently has a 25 kW system which will be removed when the roof of the recreation complex is replaced. The options in front of the City Council are as follows

- Alternative 1: Remove and recycle the existing solar system without replacement
- Alternative 2: Reuse and reinstall the existing 25kW solar system at a cost of $32,000
- Alternative 3: Install a new 25kW or 50kW solar system (no cost estimate from Veregy)
- Alternative 4: Install a new 100kW solar system at a cost of $275,000

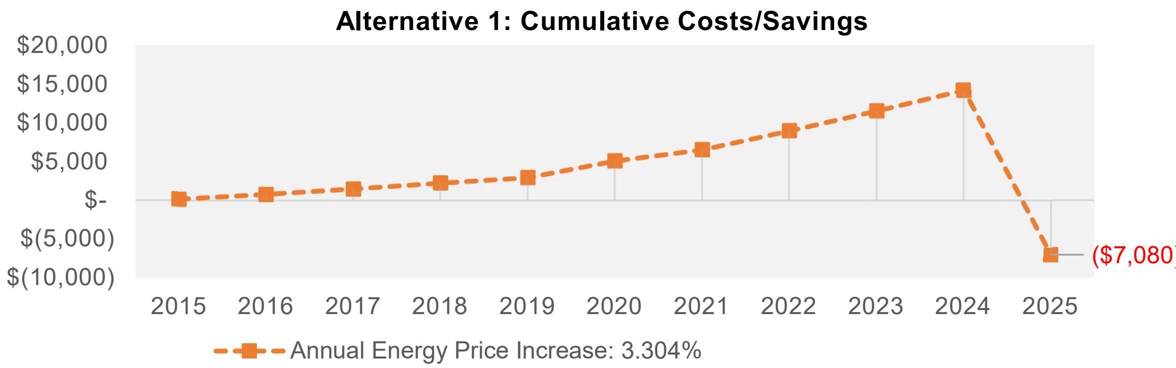
Energy Prices
From late 2014 to late 2024, the city has been paying an average energy price of $0.088 per kWh. The average annual energy price increase has been approximately 3.304% per year. On July 4, 2025, the "One Big Beautiful Bill Act (OBBBA)", was signed into law. The act contained policies that will drive energy prices up rapidly and will make it harder for utilities to meet growing electricity demand. Energy Innovation, a non-partisan energy and climate policy think tank, estimated that nationally, power generation capacity will fall by 340 gigawatts by 2035, reducing energy supply without addressing growing demand, which would increase energy prices. Out of the fifty states analyzed, Missouri was cited as likely to experience the greatest increase in electricity prices due to the OBBBA. A low end estimate puts average annual energy price increases at 7.155% per year and a high end estimate at 9.058% per year in Missouri. Additionally, Ameren, on June 1, 2025, approved a 12% rate increase. Energy prices typically change as multi-year steps, rather than annual increases, thus the Ameren increase was only indirectly factored into this analysis, making these estimates conservative.

Solar Panel Cost and Payback Period

Based on energy price estimates from Ameren and Energy Innovation, solar panel production and degradation estimates from the National Renewable Energy Laboratory, and costing information from city staff and Veregy, alternatives 1,2, and 4 were analyzed to determine the most cost effective alternative using three sub scenarios (average annual energy price increases of 3.304%, 7.155%, 9.058%). The scenarios with higher price increases only assume the higher rate for a 10-year period. All alternatives assume an annual maintenance cost.

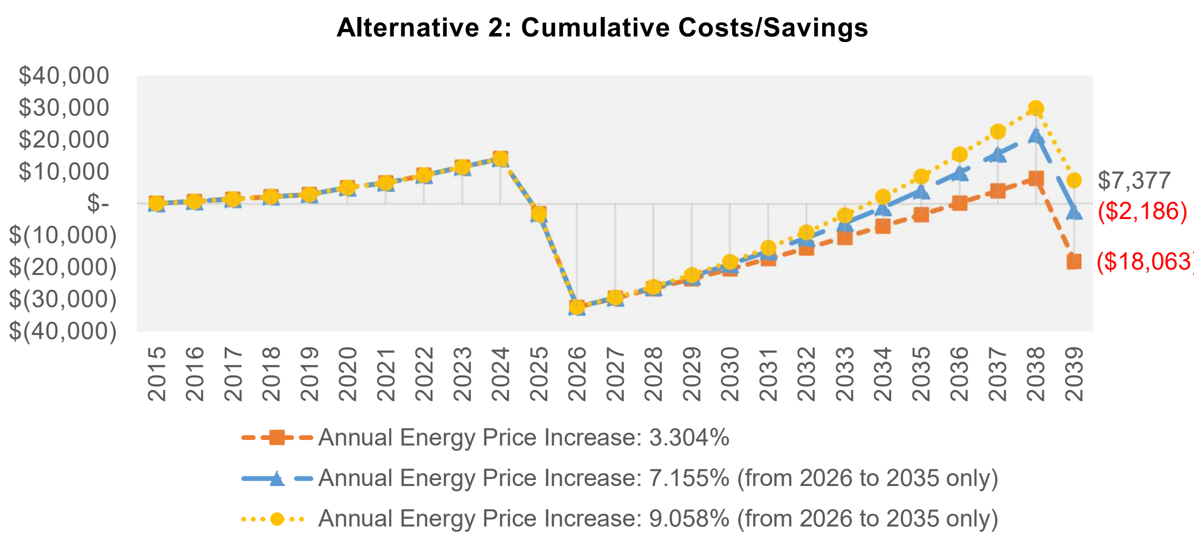
Alternative 1: Remove and recycle the existing solar system without replacement

This alternative analyzes the full lifecycle cost of the existing solar system if it is removed and recycled in 2025. The city received very favorable terms on the lease of the system, which resulted in cost savings almost immediately. However, due to removing the system just 11 years after installation (due to a roof issue), the cost of removal negates the early savings and the system will end up having a net cost to the city of approximately $7,080.



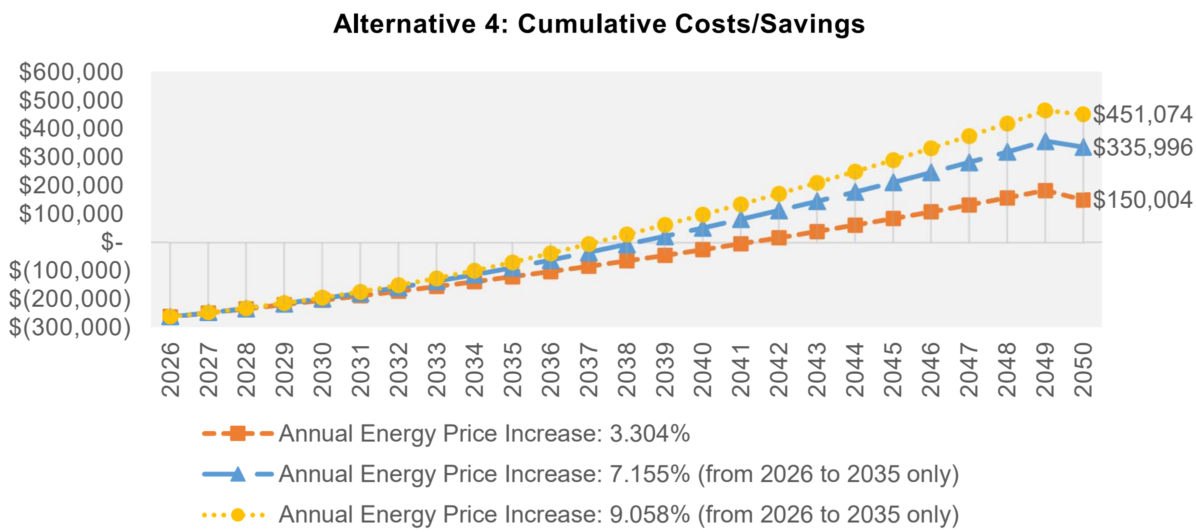
Alternative 2: Reuse and reinstall the existing 25kW solar system at a cost of $32,000

This alternative analyzes the full lifecycle cost of the existing solar system if it is reinstalled in 2025 and then removed and recycled at an estimated cost of $30,000 in 2039 (25 total years). This analysis shows that there is questionable value in reinstalling the system which could cost the city up to $18,063 or could save up to $7,377.



Alternative 4: Install a new 100kW solar system at a cost of $275,000

This alternative analyzes the full lifecycle cost of a new 100kW solar system which would be removed and recycled at an estimated cost of $60,000 in 2050 (25 total years). This analysis shows that there is the potential for significant savings ranging from $150,004 up to $451,074. It should be noted that the panels have a 30-year lifespan, however the panels were only evaluated for 25 years, which is the lifespan of an asphalt roof.



The payback period for the solar system falls in the 12- to 15-year range based on energy prices. This is about typical for solar panels in the state of Missouri. Many states have lower payback periods due to factors such as higher average energy prices (Missouri has low prices), the availability of state incentives (Ameren and the State of Missouri do not provide any solar incentives), and sunlight availability (Missouri ranks 22nd out of 50 states)

Benefit and Risk Analysis

There are several benefits to solar panels beyond financial considerations. Two benefits are discussed here.

- Energy Price Volatility – Solar panels can serve as a hedge against rising energy costs by allowing owners to generate their own electricity, thus reducing reliance on the utility grid and avoiding fluctuating prices. By locking in a fixed cost for energy over the lifespan of the solar system, owners protect themselves from future increases in electricity rates.
- Greenhouse Gas Emissions – Since 2008, the city of Creve Coeur has had a stated goal of reducing greenhouse gas emissions community-wide. Alternative 4 would result in a total of 3152 MWh of energy derived from 100% clean energy. In Missouri, this results in preventing 2,065 metric tons of carbon dioxide from being released into the atmosphere. This is equivalent to greenhouse gas emissions from 482 gas vehicles driven for one year or is also equivalent to carbon sequestered by 2071 acres of forest for one year.

There are several risks to maintaining a solar system, however, these risks can be mitigated. Two risks are discussed here.

- Roof Damage – Modern solar panels are designed to withstand various environmental stressors, including severe hailstorms. Insurance will typically provide protection for hail damage to the panels. However, if a roof is damaged due to hail, insurance will typically not cover the removal and reinstallation of the panels, which could result in an unexpectedly large cost. The best way to mitigate this risk is to install a roof that is resistant to hail damage. The best roof for solar panels is a standing seam metal roof which allows for easy mounting without penetrating the roof surface (which also lowers panel installation costs). These roofs have a lifespan of over 50 years. If a metal roof is not an option, a class 4 impact-resistant asphalt roof should be selected.
- Inverter Lifespan - The inverter is a critical component of a solar panel system as it converts the direct current (DC) produced by the panels into alternating current (AC). Their lifespan is about 10 to 15 years. The lifespan of an inverter can be maximized by ensuring proper installation and maintenance and also by keeping the inverter in a cool, well-ventilated area to prevent overheating.

Energy & Environment Committee Recommendation for City Council Consideration

The Energy & Environment Committee recommends the Mayor and City Council move forward with alternative 4 to install a new 100kW solar system. With the upcoming roof replacement and removal of the 30% federal tax incentive in 2026, now is the right time to install solar. While there are risks, they can be mitigated with careful planning. Installing the 100kW system is a financially prudent decision even before factoring in new federal energy policies. With the forecasted electricity price increases, the solar system will serve as a hedge against rising electricity costs by locking in a fixed cost for electricity over the lifespan of the system.

MEMORANDUM

DATE: August 20, 2025

TO: Sharon Stott, Interim City Administrator

FROM: Jim Heines, Interim Director of Public Works

CC:

SUBJECT: Recommendation to Upgrade Asphalt Shingles at the Dielmann Recreation Center

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Public Works staff has reviewed the memo from the Energy and Environment Committee.

Although Ameren was approved for a 12% increase this year, they normally don't receive increases that high. Typically, Ameren will request rate increases every 2-3 years and past requests have resulted in a 6-8% increase. This being said, annual increases of 3.3% are more in line with the increases we have experienced in the past.