

MINUTES
CAPITAL IMPROVEMENTS COMMITTEE
AUGUST 10, 2009

Members present Mayor Raeanne Presley, City Administrator Dean Kruithof, Alderman Stan Barker, Bob McDowell and Michael Pinkley. Also present were City Engineer, David Miller and Public Works Director, Larry VanGilder,

Mayor Presley called the meeting to order at 10:33 a.m.

Item No. 3: FY2010 Capital Budget Discussion and Update. Mayor Presley stated that the intent of this meeting today is to discuss the capital budget items proposed from the FY2010 Capital Project Departmental Requests. Bob McDowell stated that the city needs to prioritize capital budget items yearly. Alderman Stan Barker inquired if the capital budget is to be set up on a 15 month budget. Mr. Kruithof explained that there is a three month budget and then the calendar year budget for FY2010. Mayor Presley inquired about what input staff would like from this committee. Mr. Kruithof replies that we are trying to see where the budget stands on “have to” items and giving this committee an idea by defining the priorities. David Miller stated that the non-negotiable items or the obligated items are the upgrade to the Cooper Creek Wastewater Treatment Plant, Lift Station 30 Upgrade, the improvements to the Compton WWTP, the Fall Creek Road condemnation settlement, Hwy. 76 sidewalks, improvements to the intersection at Hwy. 248 and Hwy. 65 and the Taneycomo Bridge improvements.

Mr. Kruithof explained that an RFP for energy efficiency performance contract is in process. Consultants come in such as Burns & McDonnell or Siemens evaluate our current systems and look at cost saving features that will save the city money. He stated that other southwest cities are also looking at the program and process.

Larry VanGilder stated that the street repairs and improvements have been increased to \$500,000 for the next fiscal year. Bob McDowell suggested that the finance committee put together a subcommittee to look at revenues. Mr. Kruithof stated that there is also signage for the RecPlex included in the budget. He explained that the Parks Department is working with Skaggs to add this sign. Mr. Kruithof also stated that pedestrian improvements are included in the budget. He stated that the police/court expansion may need to be set up in phases. Mayor Presley inquired about the \$500,000 listed for the convention center parking lot expansion. David Miller explained that the engineer’s estimate is approximately \$475,000 with a contingency of \$45,000. Mayor Presley stated that there should be some justification for the cost of constructing this lot and look at possible revenue from the expansion. Mr. Kruithof stated that there has been discussion concerning the boat storage. The problem is discerning the fair market value of the lot and then paying proportionate share.

Mayor Presley inquired about the SRF financing for the sewer projects and what this entails. David Miller explained that SRF are low interest loans from the Department of Natural Resources for wastewater and water projects. The city would use existing authority and a possible bond election. Michael Pinkley stated that these upgrades would be great but can we hold off on some of them. Mr. Kruithof replied that the capital budget will be pared down prior

to next meeting. Mr. Pinkley inquired if we do push some items off, what costs will the city incur further down the road. Mr. Kruithof stated that another concern is the bond issue because the long term projects will tie up the yearly budget. Bob McDowell stated that the city needs to figure out a way to get caught up now and not incur any more debt.

Mayor Presley inquired about the downtown issue and the Cliff Drive issue and improvements. Alderman Barker stated that these are "must haves". The spreadsheet is broken down through the next 20 years, but figuring out the project costs now compared to later down the road is an issue. Bob McDowell stated that the city has a window of opportunity now because the bids will be more competitive. Mr. Kruithof stated that a more detailed budget request will be presented at the next committee meeting.

Item No. 4: Change Order Policy Discussion. David Miller presented the proposed change order policy and explained that there are typically three (3) types of changes: changes in unit prices, extra work, or discretionary changes. He explained that changes in unit prices are not foreseeable and that the extra work is outside the scope of the original contract. If a change order is needed on a project and staff is forced to take these minor changes through the 6 week Board of Aldermen approval process, the city will be paying large delay claims to contractors. In the many years that the policy has been used to effectively manage all capital projects, staff has not exceeded the 10% level and frequently has zero change orders. Administrator Kruithof explained that the policy approved by council Resolution allows up to 10% change. The purchasing ordinance allows \$15,000 administrator approvals. Any purchase over that has to be presented to the city council for approval and so the ordinance is in conflict with the existing Resolution. Alderman Barker stated that he relies on staff and is in total support for making these needed changes to the purchasing ordinance and give staff the ability to make decisions to construct a quality project. Mayor Presley inquired if the 10% is the same for most cities. Administrator Kruithof replied that the 10% is typical and is basically a contingency fund.

Miscellaneous Discussion: Mayor Presley asked if there were any comments concerning the upcoming Cliff Drive neighborhood meeting. Administrator Kruithof replied that some of the improvement items would be considered street maintenance. Mayor Presley stated that the city needs to protect every neighbor by not straightening the road. Alderman Barker stated that the issue is the acceleration of vehicles between stop signs or increased traffic in this neighborhood. He stated that he has seen traffic calming devices in other cities that make the traffic slow down and that they are completely portable and can be moved.

Mayor Presley reminded the committee members of the upcoming Cliff Drive neighborhood meeting to be held at the First Baptist Church of Branson on Thursday, August 13, 2009 and invited any committee members to attend.

The Capital Improvements Committee then left city hall for a tour of the Fall Creek Road project and future capital projects.

There being no further business, the meeting was adjourned at 11:37 p.m. The next regularly scheduled meeting is Monday, September 14, 2009 at 10:30 a.m.