



Finance Committee Meeting
July 25, 2016 – 8:00 a.m.
Executive Chambers – Board Room

Minutes

1. CALL TO ORDER

Chair Sportsman called the meeting to order at 8:00 a.m. A quorum was present.

- **Members Present:** Chair Marc Sportsman, Vice Chair Dave Rittman, Mayor Nan Johnston (*arrived at 8:02 a.m.*), Diane Driver and Robert Lock
- **City Staff Present:** City Administrator Lauren Palmer, Public Works Director Alysen Abel, Community Development Director Stephen Lachky, Finance/Human Resources Director Matthew Chapman, City Treasurer Steve Berg, Assistant to the City Administrator Tim Blakeslee and City Clerk Melissa McChesney
- **Others Present:** Bob Charlesworth, Charlesworth Benefits, LC

2. FINANCIAL UPDATES

3. CONSENT ITEMS

- A. **Approve the minutes from the July 11, 2016, meeting**
- B. **Approve the Fewson Fund Annual Financial Statement and report**
- C. **Approve the purchase of materials with PMSI for the 2016 Crack Sealing Program**

Diane Driver moved to approve the consent agenda as presented. Dave Rittman seconded; motion passed 4-0.

4. ACTION ITEMS

Mayor Johnston joined the meeting at 8:02 a.m.

- A. **Approve revisions to the Purchasing Policy related to smaller equipment, construction, and professional services purchases**

City Administrator Lauren Palmer explained that in the past staff had difficulty receiving competitive bids for smaller purchases less than \$10,000, so staff recommended raising the threshold for competitive bidding at \$10,000 for vehicles, equipment, new construction and professional services. She added that the two policy changes included adjusting the threshold and putting in general language to authorize the Board of Aldermen the authority to deviate from the policy as needed.

Driver moved to recommend that the Board of Aldermen amend the purchasing policy to (1) increase the threshold for competitive bidding to \$10,000 for all purchases and (2) clarify that the Board of Aldermen may deviate from the policy to address situations in which application of the provisions is infeasible. Rittman seconded; motion passed 5-0.

- B. **Approve the park signage project and associated agreements from Fossil Graphics, Acme Sign and Vireo**

Assistant to the City Administrator Tim Blakeslee stated that the 5k/10k course in English Landing Park and Platte Landing Park were certified in 2015 and later in the year the City received a \$4,405 grant from Platte County to market and map the trail. Concepts were shown to the Community Land and Recreation Board (CLARB) in April and a proposal was approved in July. The park signage project included new maps in three areas of the park to be completed by Fossil Graphics; 13 trail markers along the course to be completed by Acme sign who presented

the lowest quote that met the recommendation of CLARB; and graphic design for a new park map to be completed by Vireo.

The Committee discussed the trail markers and whether they should include miles or kilometers or both and Blakeslee responded that he would contact various organizations to determine the best option.

Driver moved to recommend that the Board of Aldermen approve the park signage project and associated agreements subject to staff review as described from Fossil Graphics, Acme Sign and Vireo as described in an amount totaling \$10,694. Rittman seconded; motion passed 5-0.

C. Approve a professional services agreement with Bukaty Companies for employee benefit consulting services

Finance/Human Resources Director Matthew Chapman said that a broker acts as an intermediary between the benefit providers and the City had contracted with CBIZ. Because staff was dissatisfied with their service, the Board of Aldermen approved an agreement with Charlesworth Benefits LC to develop a request for proposals for a new broker. Five responses were received and three finalists were chosen for an interview. The selection committee, composed of City Administrator Lauren Palmer, Finance/Human Resources Director Matthew Chapman, Alderman Dave Rittman and Bob Charlesworth, selected Bukaty Companies because they offered the most competitive packet of services and specialized in working with smaller entities. The City would engage with the broker for one year as staff continued to evaluate the services provided by Midwest Public Risk (MPR) while considering bidding for health insurance benefit providers.

Bob Charlesworth, Charlesworth Benefits, said that CBIZ was not recommended for an interview but staff reserved the right to visit with them if there was not another alternative. He added that staff wanted to evaluate the relationship with MPR over the next year because they were a trust and the termination provisions could be challenging. If an agreement with MPR was terminated, the City would be responsible for paying any open claims for up to three months after the termination. To assess the risk it was important to know how to get out of an agreement. Charlesworth also noted that if the City decided to approve an agreement with MPR it would only be able to use the healthcare providers chosen by MPR. Bukaty Companies would help staff evaluate the process.

Driver moved to recommend that the Board of Aldermen engage Bukaty Companies for employee benefits consulting services. Rittman seconded; motion passed 5-0.

D. Authorize staff to obtain three quotes for each of the trades required for the English Landing Park Restroom Rehabilitation Project

Public Works Director Alysen Abel stated that the bid package for the project was separated into four major construction categories: plumbing, electrical, carpentry and site construction while staff planned to work as the general contractor. A bid opening was held on July 14 and three responses were received, but one bid was for cleaning services which was not a valid bid, one bid was for electrical services only and the third bid was for general contracting services including overhead and profit. Abel noted that other contractors declined to bid since the City planned to be the general contractor. Staff felt it was unfair to accept the general contractor bid because the services were not included in the bid package. Abel recommended moving forward with the electrical work which was within staff's approval authority. Staff sought direction from the Finance Committee to confirm the direction of the project before moving forward. In order to meet the November 1 deadline for the Platte County Outreach Grant funds, staff recommended approval of the electrical contract with Merrill Industrial Electrical. Staff also requested approval to obtain three quotes from the remaining trade categories in lieu of requesting sealed bids and estimated the project would total approximately \$65,000 for the basic services package. She added that Platte County said the City could request an extension with an explanation of the reasons why it was not able to meet the deadline. Staff would confirm if extensions were approved by the Platte County Park and Recreation Board in writing.

Driver moved to authorize staff to execute an electrical construction agreement with Merrill Industrial Electric in the amount of \$1,954 and to recommend that the Board of Aldermen authorize staff to obtain three quotes from each of the other trades included in the bid request. Rittman seconded; motion passed 5-0.

E. Approve a work authorization with FTC Equipment to repair the blower at the Wastewater Treatment Facility

Public Works Director Alysén Abel explained that the wastewater treatment facility had two aeration basins that ran off of blowers that introduced air into the process, but one had stopped working and needed to be repaired. She noted that the facility could operate for a short time on a single blower. Mid-America Pump and FTC Equipment were contacted for quotes and both submitted quotes for repair and replacement of the blower. Abel said that the repair estimates were based on a cursory review but the extent of the damage was unknown until the blower was removed. FTC Equipment provided the lowest quotes for repair and replacement and freight and installation were not included, but were estimated at less than \$500. FTC Equipment provided a 12-month warranty for replacement but no warranty for the repair.

Discussion focused on repairing or replacing the blower and to cover the additional cost of the replacement funds might need to come from the Emergency Reserve Fund. She added that she would contact the vendor to find out the delivery time for a replacement blower.

Driver moved to approve the work authorization with FTC Equipment for the blower replacement, providing delivery time is acceptable by Public Works staff, in the amount of \$7,832. Rittman seconded; motion passed 5-0.

F. Authorize the City Administrator to approve Change Order No. 1 with Gunter Construction for the improvements to the Route 9 downtown markers

Public Works Director Alysén Abel stated that in October 2015 the Board of Aldermen approved a construction agreement with Gunter Construction but the downtown markers were removed from the project due to cost constraints. Donors raised enough funds to cover the cost of the markers and a supplemental agreement was approved with Gunter Construction in December 2015. Due to value engineering of the project, the blue metal background was removed from the downtown markers project.

Abel explained that the original aluminum letters that were installed were not visible in front of the stone so staff contacted Gunter Construction to determine what options were available. Options included removing the aluminum letters and painting them black; installing a one-eighth inch thick blue metal background on top of the stone and reinstalling the aluminum letters; or installing a one-eighth inch thick blue metal background with the contractor cutting out a portion of the masonry and installing it flush on the markers with a picture frame around it. Abel said there were no additional funds available but approximately \$2,200 from interest in the Fewson Fund could cover the first two options. The overage in option three could be covered by savings in the General Fund or requesting additional funds from the donors. Staff recommended the second option due to budget constraints and it met the design's original intent.

Driver moved to authorize the City Administrator to approve Change Order No. 1 with Gunter Construction for the improvements to the Route 9 downtown markers in the amount of \$1,466. Sportsman seconded; motion failed 2-3 (Rittman, Johnston and Lock opposed).

Further discussion focused on covering the additional cost for Option 3. Public Works Director Alysén Abel said that the Fewson Fund interest, the General Fund or additional funds from the donors could help to cover the additional costs. City Administrator Lauren Palmer noted staff was seeking direction from the Committee and said that the second issue was that any vote not approved by a four-fifths majority of the Finance Committee would require approval by the Board of Aldermen.

Driver moved to authorize the City Administrator to approve Change Order No. 1 with Gunter Construction for the improvements to the Route 9 downtown markers in the amount of \$1,713.50. Sportsman seconded; motion failed 1-4 (Rittman, Johnston, Driver and Lock opposed).

Driver moved to authorize the City Administrator to approve Change Order No. 1 with Gunter Construction for the improvements to the Route 9 downtown markers in the amount of \$5,521.50, contingent upon private fundraising for the balance of the cost. Rittman seconded; motion passed 4-1 (Driver opposed).

5. NON-ACTION ITEMS

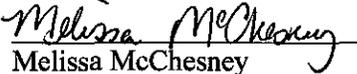
6. OTHER BUSINESS

Public Works Director Alysen Abel introduced a bear crafted by chainsaw artist TJ Jenkins, who also carved the eagle in English Landing Park. She added that staff planned to give the bear as the winning prize for a future picture contest.

7. ADJOURNMENT

Chair Sportsman declared the meeting adjourned at 9:16 a.m.

Submitted by:


Melissa McChesney
City Clerk

August 8, 2016
Approval Date