

Joint City-County Planning Task Force

April 9, 2014 9:30 a.m.

Busch Building, 4th Floor Conference Rm., 840 Boonville Ave.

Meeting #15

Task Force Members present:

Greg Burris, Springfield City Manager
Tim Smith, Greene County Administrator
Collin Quigley, Springfield Assistant City Manager
Cindy Stein, Greene County Auditor
Mary Mannix Decker, City of Springfield Financial Director
Martha Mundt, Greene County Budget Director
Jerry Moyer, Greene County Court Administrator

The meeting began at 9:30 a.m. with a welcome from Tim Smith, Greene County Administrator, and Greg Burris, Springfield City Manager. Mr. Burris asked the members to review the notes from the March 26, 2014 meeting, and asked for a motion of approval. Cindy Stein, Greene County Auditor, made a motion to approve the notes. Mary Mannix Decker, Springfield Financial Director, seconded the motion and the notes were approved.

Mr. Burris introduced the topics for the meeting, stating most of the information would be related to large scale capital needs. Mr. Smith began by presenting the County's topics: unfunded capital needs, life cycle replacement costs, and fuel costs. For the purpose of the presentation, the County's capital improvements consist of: buildings, road/bridge and other transportation improvements, and storm drainage infrastructure.

In regard to buildings, Mr. Smith explained that in order to provide more space for the existing judicial building, juvenile building, and the jail it would be necessary to relocate the Sheriff's Administrative Division, Patrol, Criminal Investigations Division, Records Division, and evidence storage. The critical needs are comprised of minimum security housing areas for the jail and courtrooms for new judges. The immediate costs to cover are estimated to be \$2 to \$2.5 million for courtrooms, including relocation, and \$1.5 million for minimum security in the jail. Currently, if another judge were to be appointed there is no space available for a courtroom. Mr. Burris asked what lead time was involved when a new judge becomes appointed. Mr. Smith stated it is normally a very short lead time. Jerry Moyer, Greene County Court Administrator, explained that the legislature has included funding for a new judge in the proposed FY15 budget, however funding won't be certain until the Governor signs the budget.

Mr. Smith continued with the County campus master plan and goals from 2009, including a new court facility and five additional judges. Jail population has increased by 25% since 2010, with an average of over 650 inmates per day in 2014, and a daily average of 59 inmates housed out of County. Estimated construction costs are \$40 to \$50 million, not including annual operating costs which are \$9 to \$10 million.

Dan Smith, Greene County Highway Administrator, explained that the Highway Department's 10-year priority projects will cost approximately \$160 million. These include various expansions along Republic Road, the future expansion of the east/west arterial with Kansas Expressway, smaller projects and routine bridge replacements. Despite the projects, taking care of the system that is in place remains the top priority. This comprises approximately \$18 to \$19 million of the \$23 million annual road and bridge budget.

Mr. Dan Smith continued by stating that an average of \$3.3 million is budgeted annually for new projects, and remarked how cost-share projects with the City help both entities to leverage funds and stretch their budget further.

Tim Smith explained that the unfunded County stormwater improvement projects totaled \$61 million. He stated the Highway Department has often assisted with the street portion of these projects and some grants have assisted with others, however \$61 million is for projects that have never had a funding source. Mr. Smith will verify the combined City and County needs estimated by the 2012 Stormwater Task Force.

Mr. Smith continued the presentation with the Life Cycle Replacement Costs. These costs include: vehicle and motorized equipment, storm drainage systems, information technology equipment and software, and major building maintenance. It should be noted that budgets for the Road and Bridge Fund and LEST II include life cycle replacement costs for vehicles and equipment, while General Fund and LEST I do not include replacement costs for these items. The Highway Department has the largest number of vehicles and equipment at 176, followed by the Sheriff's Department at 126, and then the Sheriff's LEST II at 24. Mr. Burris asked the replacement life cycle for a dump truck. Mr. Dan Smith answered that it was ten years. Ms. Stein noted the units accounted for in the life cycle costs are only those that utilize fuel.

Ms. Stein continued to explain that while the Sheriff's Department is using a five-year life cycle for replacement, other vehicle needs are not budgeted. Some departments use "hand-me downs" from the Highway Department or the Environmental Section. Chris Coulter, Greene County Director of Resource Management, stated that Resource Management has ten vehicles, of which the two newest were purchased through the Compressed Natural Gas (CNG) Grant. Ms. Stein explained that the Sheriff's vehicles are on a five-year life cycle replacement and the cost for a fully outfitted new vehicle is \$25,000. Mr. Burris asked to clarify that LEST II is budgeted and the other is not. Ms. Stein confirmed this to be correct. Mr. Smith asked the details of the Highway vehicles be shared with Public Works.

Mr. Smith stated the total value of storm drainage infrastructure for unincorporated Greene County is \$108 million with an estimated annual cost for 200-year replacement cycle of \$0.55 million (however, 100-year replacement cycle is the national standard).

Jess Kerr, Greene County Director of Information Systems, explained the system equipment replacement costs for his department. A total cost, excluding the Microsoft conversion, is \$1,085,000 (\$180,000 annually), with a replacement cycle of three to eight years based upon specific equipment. The Microsoft conversion cost range between \$76,000 to \$86,000.

Mr. Smith stated the cameras and security system in place at the judicial building are on a five-plus year replacement cycle with an annual replacement cost of \$20,000. The annual budget for telephone equipment is \$75,000. Unfunded replacement cost for all Information Technology items is estimated at \$597,000. Mr. Burris asked Mr. Kerr about using "cloud storage". Mr. Kerr responded that he didn't like the security aspects of this type of storage. When asked about an alternative to Microsoft Office, Mr. Kerr stated they couldn't afford the upfront cost; and in regard to "open source" security concerns, he responded that it would be acceptable if the operating system worked accordingly.

Ms. Mannix Decker asked to clarify that the jail security is funded through the Sheriff's budget and is \$50,000 each for the Sheriff and jail for the cameras and security system. Mr. Smith confirmed this was correct.

Mr. Smith continued the presentation regarding the County's buildings. Non-routine replacement items, such as roofs, carpet, heating units/boilers, air conditioning units, and building exteriors/masonry tuck-

pointing are categorized under major maintenance and replacement cost. The current annual budget for these items is \$4,000, leaving an unfunded annual total of \$316,000. Mr. Coulter explained that carpet needing to be replaced is not done all at once. Due to its durability and ease of replacement, carpet tile is now being used. Ms. Mannix Decker asked about a maintenance budget. Mr. Coulter stated that each County building has a small cleaning budget, although all special projects have been removed from the budget.

Ms. Stein explained the fuel costs graph, which depicts the cost per gallon based on type of fuel. The question arose as to future fuel prices and what would occur if they continued to increase. Mr. Smith believes they have leveled off for the short term. Mr. Burris's opinion is that in the long term it will continue to increase. Ms. Stein stated CNG was less expensive compared to diesel when looking at non-highway units, although CNG subsidies have now ended. Mr. Dan Smith stated the Highway Department had budgeted \$450,000 for diesel last winter, but had spent \$550,000.

Mr. Smith summarized the unfunded capital needs of the County as \$237 million, with an annual unfunded life cycle replacement costs of \$2,063,000. Ms. Mannix Decker asked whether it would be an advantage to use cooperative purchasing. The City has used this method with the school district. Mr. Burris stated it would be worthwhile to look at this option.

Collin Quigley, Springfield Assistant City Manager, discussed the City's new facility construction plan. The prioritized facilities and their costs are:

1. New Fire Station #13 - \$3,370,200
2. New Municipal Court Facility - \$14,721,100
3. Fire Department Practical Training Facility - \$2,348,416
4. New Police Outdoor Firing Range - phase 1: \$1,243,397; phase 2: \$924,672
5. New Police/Fire Driving Track and Facilities - \$2,204,880
6. New Animal Control Facility - estimated \$2,500,000

In regard to the new fire station, Mr. Burris explained how a "service diamond" method was used to determine the areas within the city where services are absent. As for the new court facility, Mr. Quigley stated that two of the three courtrooms will be used for full-time judges, with the possibility of leasing the third courtroom to the County. The estimated amount for the animal control facility is based upon information gathered from other cities and facilities. Mr. Smith asked if operating costs had been included in the total. Mr. Quigley stated it was only construction costs and required staff, no operating costs.

Mr. Quigley discussed the City's 2014 priorities for facility maintenance, repair and minor improvements. These priorities include: those required by law, life safety and security, protection of facility exterior envelope, mission essential and mission enhancements. The total costs of these priorities are nearly \$24.6 million.

Ms. Mannix Decker explained the handout summarizing the City's capital replacement schedule and costs. Broken down by category and fiscal year, the amounts include any item over \$10,000, but did not include specific revenue and enterprise funds such as airport, Clean Water Services, landfill, or stormwater. Police vehicles are on a five-, seven-, and eight-year rotation, and fire apparatus is replaced on the expiration dates specified on the equipment. The average annual replacement cost is estimated to be approximately \$3 million.

The City has implemented a funding strategy to budget for leased items, (i.e., computer desktops are on a three-year lease schedule), but are budgeted annually. Competitive, low-interest loans have been obtained from local banks to assist purchases in their Information Technology and Springfield-Greene County Parks departments. Year-end surplus funds are used for one-time expenses. Although this is not a reliable

funding source, when available, it has helped to purchase specific items. In reference to the handout, Mr. Burris stated he is in favor of using the life cycle capital replacement schedule. Mr. Moyer commented that it appears the overall costs are decreasing. Ms. Mannix Decker explained that while assuming vehicles are being replaced as scheduled, overall replacement has started to level out. Mr. Burris stated not as many police vehicles and fire apparatus are being purchased/replaced as was ten years ago.

Ms. Mannix Decker explained the City's Level Property Tax. This tax uses \$0.27 per \$100 assessed valuation for capital needs within the City. Funded projects have included: stormwater needs, fire stations – new and relocation, and building facilities. The tax is in place until bonds for each project are paid off. In 2016-2017, the anticipated excess is \$1-\$1.5 million, and \$2.5 million in 2018.

Ms. Mannix Decker continued by explaining the fuel expense handout. The City's fuel expense has declined by 14% over the past two years. Although some departments had an increase, Public Works had the most significant decrease. Mr. Burris questioned the tipping point in regard to driving patterns versus the rising cost of fuel. Mr. Quigley stated that three years ago the fire department had narrowed down the type of calls they responded to due to the increased cost of fuel.

Ms. Mannix Decker noted that some employees are paid mileage for using their personal vehicles versus using a City vehicle. Mr. Coulter asked the advantages to using this method. She explained that in many cases it is less expensive to pay the IRS mileage rate for personal vehicle use. Mr. Coulter asked if the City has a fleet of vehicles that can be used for out of town trips and meetings. Mr. Smith asked whether there had been issues with employees using unmarked vehicles. In response, vehicles are available for such meetings and trips, and so far there have not been any issues in using non-city vehicles.

Mr. Dan Smith asked about the decline in Public Works fuel usage. Ms. Mannix Decker suspects the savings has come from Environmental Services. Mr. Quigley stated that they are no longer hauling sludge to the landfill.

Mr. Burris noted the action items for the members to complete:

1. Compare life-cycle lengths
2. Include the City's stormwater and transportation cost estimates
3. Investigate cooperative purchasing contracts – possibly for fuel
4. Detail the City's maintenance – salt use, etc.

Mr. Smith stated that he will work on a common chapter format for the information to be included in the Task Force's final report.

Mr. Quigley concluded the meeting with the CNG usage for the first calendar year. The CNG station sold 12,169 gallon-gasoline-equivalents (GGE) of CNG. The price ranged from \$1.64 to \$1.69 per GGE, being very stable and predictable. Gasoline prices were less stable, with a statewide average range of \$3.02 one year ago up to \$3.78 last summer and back to \$3.01 this month. The station generated a net income of \$3,139 for calendar year on sales of \$20,566, with sales to the public represented 48%.

The next Task Force meeting is scheduled for Wednesday, April 30, 2014 at 10:00 a.m., at the Busch Building.

With no additional discussion, the meeting dismissed at approximately 11:05 a.m.

m:\data\wp51\storm2\vbrandon\joint city-county planning task force 072613\mtg. #15\joint planning task force, mtg. #15 040914.doc