

MEMORANDUM

DATE: August 12, 1996

TO: Michael G. Herring, City Administrator

FROM: Michael O. Geisel, <sup>mor</sup> Director of Public Works/City Engineer

RE: Minutes - Public Works/Parks Committee Meeting, August 8, 1996

A meeting of the Public Works/Parks Committee began at 7:30 a.m. on Thursday, August 8, 1996. Those in attendance included Councilmember Alan Politte (Ward III), Chairperson, Councilmember Larry Grosser (Ward II), Mayor Jack Leonard, City Administrator Mike Herring, Director of Public Works/City Engineer Mike Geisel. Also in attendance was Mr. Jim Mello, legal counsel for the TIF Commission. The following items were discussed:

1) Mr. Geisel discussed his memorandum dated July 30, 1996, recommending a change order to the Architectural and Interior Finishes contract with Niehaus Construction in the amount of \$44,570. Mr. Geisel reminded the Committee that scope reductions had previously been made to reduce the estimated costs of construction approximately \$150,000 below budget to allow for anticipated change orders and for the additional work that was to be required by the Fire District. Mr. Geisel further advised the Committee that this change order still allows for the facility to be built within the budget allocation. Councilmember Grosser moved to recommend approval of the change order as described in Mr. Geisel's memorandum dated July 30, 1996. Councilmember Politte seconded the motion which passed unanimously.

2) City Administrator Herring discussed the draft Intergovernmental Agreement with the Levee District. Mr. Herring reminded the Committee that Staff had been working for an extended period regarding stormwater pump stations within Chesterfield Valley. The City had previously been awarded an EDA grant in the amount of \$909,000, However, since expected costs of construction are approximately \$3.53 million, the City has sought to finance the differential with the debt to be repaid directly from the Special Allocation Fund which captures revenues from the Valley TIF District. In addition, the Levee District desired to improve the west portion of the levee to 500 year protection. The proposed agreement provides for the Levee District to issue debt for both improvements and to fund repayment of the debt through a commitment of funds through the Special Allocation fund. There is no obligation to the City to fund the debt from any source other than the Valley TIF District's Special Allocation Fund. Once constructed, the City will turn the pump stations over to the Levee District for their ongoing operation and maintenance. The advantages associated with having the Levee District issue the debt are that the Levee District can finance over a longer amortization period at a rate that is equivalent to that available to the City from Commercial institutions. As a result, the annual allocation

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of TIF dollars can be reduced and the funds saved can be made available for other projects such as the west end improvements. Mr. Mello discussed the draft agreement, which he has reviewed with City Attorney Doug Beach. Mr. Mello noted again that the agreement contains assurances that the City's interests are protected, that the current assessment levels within the Valley would be maintained and that the City would not be subsidizing the Levee District's operations. Councilmember Grosser motioned, and Councilmember Politte seconded, to endorse the concept of the Intergovernmental agreement, urged Staff to finalize the agreement and forward to Council for approval at their next meeting to be held on August 19, 1996. The motion passed unanimously. The Committee requested that Mr. Mello and Mr. David Human be in attendance at the work session prior to the Council meeting.

The meeting was adjourned at 8:05 a.m.

cc: Mayor Jack Leonard  
Dept. Heads/Exec. Staff