

City of Leon Valley 2012 Bond Program Oversight Committee Meeting, March 27, 2015

Chairman Pedro Esquivel called the meeting of the 2012 Bond Program Oversight committee to order at 6:00 P.M.

Committee members present included; Pedro Esquivel, Al Uvietta, Frank Zavala, Kathy Hill, Mike Davis, Olen Yarnell, and Jack Dean. A quorum was present.

Councilwoman Carmen Sanchez, City Manager Manuel Longoria Jr., Special Projects Manager John Krause, and Fire Chief Luis Valdez were present.

Approval of Minutes

Chairman Esquivel welcomed everyone and asked for an approval of the minutes. Committee member Kathy Hill stated that she was not listed as present in the last minutes and was in fact, present. Olen Yarnell pointed out the word "food" in the 3rd paragraph of the section under Financial Report, and Luis Valdez explained that it should read "front". Pedro Esquivel stated that the record should reflect these corrections.

Al Uvietta made a motion to accept the minutes as corrected and Francisco Zavala seconded the motion, all members voted for approval of the minutes.

Financial Report

City Manager Longoria introduced Special Projects Manager John Krause. Mr. Longoria stated that he had been saying for awhile that we needed to bring in an extra set of eyes and expertise to oversee the project, particularly in phase II and phase III. Mr. Longoria explained that in phase I the fire department worked hard to keep things on track but he felt it was appropriate to bring in a specialist for the remainder of the project. He stated that originally Melinda Moritz was the Special Projects Manager but was later moved to Director of Public Works. Mr. Longoria stated that we were able to recruit Mr. Krause who brings a lot of experience to the City. He stated that he is a Registered Architect and has been a practicing Project Manager for USAA for 18 years and has also had his own project management firm. Longoria stated that in the 2 weeks he has been here, it has been an eye-opener to work with him during meetings on both sides of issues, to clarify or correct both sides and step in and help clarify the situation to the City, or quickly correct the Contractor or Architect when they are wrong, and brings a good balance. Mr. Longoria said that it has been a pleasure bringing him on board and that he expects everyone to be happy with his work and the value he brings not only to this project, but additional projects the City is working on in the future.

Chairman Esquivel asked John Krause if in the short time he has been here he sees a problem with us meeting any of the target dates for construction and completion. John Krause replied that he has not had time to evaluate them fully, but that he has discussed with the Contractor that the expected completion date is June 4th, but that the contractor wants to improve on that date. The Police Chief stated recently that he does not want to move into that building until the entire punch list items are completed because he does not want Contractors to be working around secure areas. Mr. Krause

stated that when this condition was expressed to the Contractor, it was explained that this would result in a delay to the completion date to most likely the 24th of June. He said that Bartlett Cocke is going to work very hard to beat that time frame during the next several weeks because that eats into their general conditions. Mr. Krause stated that Phase II was expected to be completed in June.

Mr. Krause added that he has been involved with numerous projects including USAA's Phoenix campus, and work in Sacramento and Norfolk, with experience ranging from clinics and childcare, to highway construction.

Olen Yarnell asked if we had any responsibility obligation to the Contractor because of requiring a fully completed project before acceptance as a condition that may cost the Contractor or the City money. Mr. Krause stated that the answer was "No" and that the Contractor should build it right the first time, and that any corrections needed would be on their end to repair. Mr. Krause stated that they have been told to make sure their sub-contractors get it right the first time and have tight controls and inspections so that there is less of a delay in the end.

Mr. Zavala asked if he has been on the site and if he has been working with Melinda. Krause stated that he has in fact worked with Melinda. Zavala stated that he had seen Melinda walking out of the project without her hard hat, which is a liability for the City. Mr. Krause stated that he agreed and was not aware of that issue and will make sure to speak to Melinda about his concern.

Mr. Zavala asked if he knows what has been paid for the fire station. Krause stated that he has not looked at the fire station invoices. Mr. Zavala stated that the reason he asked was because there is fencing missing from the fire station and wants to know if the fire station has been paid for 100% or not and if there was any credits for missing fence and if so, where is that money? Mr. Longoria stated that there was a savings to the project when the fire department decided they didn't need the fence. Mr. Zavala asked where that detail was in the financial report. Mr. Longoria explained that the financial report was an overview and did not have all of the detail that goes along with the project. Mr. Longoria asked Chief Valdez how much the rear fence cost for the fire station to which he replied 10-13 thousand dollars but was unsure. Mr. Zavala explained that he has project management experience and that generally the Owner and Contractor meet to review a monthly statement. Mr. Longoria explained that the fence in the front has not been paid for because it has not been built. Mr. Krause stated that he would look into the status of the fence.

Olen Yarnell stated that during the grand opening he noticed that the canopy cover on the side of the fire station was not there and when he asked where it was he was told that it was "scrapped". Yarnell explained that he does not remember cancelling this item on the project and wanted to know why and who made those decisions. Mr. Longoria stated that those items were deleted a long time ago to stay within budget. The idea was that these items would be funded by priority of importance as any savings was identified. Mr. Longoria said that there was maybe 10 items, and the highest priority was for example the monument sign up front. Mr. Yarnell stated that he was not pleased to find out that the committee was not included in any discussion about this change. Mr.

Dean stated that he didn't know why he thought he should be included on that decision. Chief Valdez stated that it was his recommendation early on to return the County equipment to Bexar County and to focus our training and responses for our citizens here in Leon Valley. Chief Valdez stated that the best way we can help Bexar County was to build a strong team here, and that it was his recommendation to eliminate the trailers. Chief Valdez further explained that the new fire station was built so that the covered parking area can be added at any time. He further explained that the only trailers we have are meant to be stored outside and he did not feel it necessary to spend money to cover these trailers before we made sure other higher priorities were met such as covering the patrol cars, or monument signage, before providing covers for trailers that were meant to be stored outside in the first place. Kathy Hill stated that she remembered eliminating the covers. Mr. Dean stated he recalled the discussions of eliminating the County equipment that he felt was redundant and overkill. Mr. Longoria explained that the fire department had a lot of morale issues related to the county equipment that was caused by the firefighters having to spend several hours inspecting and testing on equipment that was not ours. He stated that when Luis became Fire Chief he had a strategic plan and the county equipment was one of the items that he recommended needed to go. Mr. Longoria stated that the team didn't feel it was good to spend bond money to take care of equipment for Bexar County and that he agreed. Mr. Esquivel stated that the committee's job was not to oversee the management of the Chiefs, but to stay focused only on the oversight of the bond for this project. Mr. Davis stated that he would like to see some sort of priority list of the items left out of the project. Mr. Esquivel stated that if there is a savings than he wants to see where it's going to make sure it is being used for this project. Mr. Longoria stated that it is our goal to stay within the budget, and hoping that we are below in the end and experience a savings that will help us address any of these issues.

Mr. Longoria stated that we work every day to make sure we do all we can to stay under the maximum price guarantee. Mr. Longoria stated that he would do some checking with Vickie Wallace but that he believes any savings experienced on this project has to be used on this project.

Mr. Zavala asked about the sloping floor in the new police station and wants to know how it will be repaired. He stated that it was his opinion that it was poor design and construction initially and that he wanted to know how the repair would be repaired. Mr. Longoria stated that the committee decided that the sloping floor was not noticeable to the fire department previously; it's not affecting performance, it's cosmetic, and costly to repair. Mr. Longoria stated that the recommendation from the bond oversight committee and staff last week was that it was not worth spending the money for what turns out to be only cosmetic repair that may not work long term and may not even be noticeable. John Krause stated that he is familiar with sloping floor issues on other projects and that he believes it is unlikely that this floor will continue to fail. Mr. Krause stated that the Structural Engineers evaluated and made their recommendation and that he would concur with their findings. Mr. Zavala stated that he heard that clay was being used and wanted to know why it was going to be used in this instance. Mr. Krause stated that clay was being used to prevent water from seeping through and that its standard practice. Mr. Dean stated that the repair would be "floating" the floor. Mr. Longoria stated that after talking to the Superintendent Contractor his recommendation was that there was

not a good solution to this problem and he would not recommend spending the money to repair it.

Mr. Yarnell asked to define what a project is and how any savings would be funded. Mr. Longoria stated there is one project and any savings experienced in the end will be used to fund any additional needs based on staff recommendation on priorities.

Mr. Longoria provided the financial report and stated that it hasn't really changed much and is on target. He stated that we are less than a year from being complete with the entire project. Mr. Davis asked if we can use any savings leftover to retire the bond after all "wish list" items are addressed. Mr. Longoria stated that he believes that you have to spend any money left over on the project but that he will check with Vickie Wallace and find out. Mr. Longoria stated that he needed to research if we can use any money left over from the project to retire the debt and will follow up at a later time. Mr. Esquivel stated he thinks you can use the interest on the debt and not the principal. Mr. Longoria stated he is familiar with other cities using savings to pay for other capital projects but we didn't have any other projects. Mrs. Hill stated that having any savings left over would be a great problem to have.

Mr. Longoria stated that he would be glad to meet with anyone to discuss any of these issues in more detail if needed.

City Hall Transition to Temporary space

Mr. Longoria stated the team has researched several different areas of the city for a transition for temporary City Hall. He stated that after our research, we are zeroing in on the Leon Valley Executive Center at Seneca and Bandera. He stated that because of the lack of parking, the city would have to move court to the Conference Center. Additionally, there is not a lot of parking so we worked with the neighboring property Owner at 6504 Bandera Rd to allow the use of their parking lot at no cost, however we would barter parking lot striping in exchange for the use of that lot for an estimated 6-7 month period. Olen Yarnell asked why we did not move into the Conference Center. He stated that early on we had planned to use the Conference Center and why that didn't happen. Mr. Longoria explained that after review, it was discussed that staff is hard on space, there would be a loss of revenue for use of the conference center, and that the space just didn't meet the needs of city hall. Mr. Longoria stated that the decision was made to move to temporary office space and presented and supported by council on a previous meeting. Mr. Krause added that what we would have to do to the conference center is so intrusive that it would be much more appropriate to move to ready to use office space. Mr. Krause stated that the bottom line is that it is not suitable for that use.

Project Update

Mr. Longoria reported that phase II of the project is on track for substantial completion in June. He stated that some of the problems we have experienced recently have been in the dispatch center. Mr. Longoria stated that John Krause has been working with Bexar Metro 911 to identify our equipment needs. Mr. Longoria stated that he had heard of a rumor that we are moving our dispatch center to Shavano Park. He explained that

Bexar Metro 911 is in Shavano Park, but they are not the City of Shavano Park. They are a regional emergency communication system that supports and backs up all emergency services in the Bexar County metropolitan area. Mr. Longoria stated that our Dispatchers will be moving over there for an approximate two weeks and answer all of our emergency calls seamlessly, and then move back into the new facility. Mr. Krause explained that the facility and capabilities are state-of-the-art and the fact is that our employees will simply operate out of that location and answer our calls for an estimated time period of two weeks. Mr. Longoria explained that in fact they are our backup already and more than capable of handling our emergency calls. Mr. Longoria explained that our new Communications Director expressed that he was looking forward to the opportunity to use the time to improve our training of our Dispatchers. Mr. Krause explained that they are currently our backup and are building another backup between Tradesman and Lockhill Selma. Mr. Longoria explained that if anyone wants to take a tour of that facility to contact Angela Trejo and will be put in contact with Director Green.

Mr. Longoria explained that we may be getting close to committee sunset near this time next year.

Chairman Esquivel asked if anyone had any questions, had no responses, and thanked Mr. Longoria for his report.

Mr. Davis made a motion to adjourn meeting, Kathy Hill seconded the motion and all committee members in favor with no objections. Meeting adjourned at 7:04 PM.



Pedro Esquivel, Committee Chairman