

City of Leon Valley 2012 Bond Program Oversight Committee Meeting October 30, 2013

Chairman Pedro Esquivel called the 2012 Bond Program Oversight Committee Meeting to order at 5:30 pm. Vice Chairman Yarnell and Committee members Al Uvietta, Frank Zavala, John Cervantes, and Mike Davis Jr were present. Kathy Hill was absent.

Councilman Jack Dean, Councilman Abraham Diaz, City Manager Manuel Longoria Jr., Fire Chief Luiz Valdez, Police Chief Wallace, and Special Projects Manager/Public Works Director Melinda Smith were also present.

A quorum was present.

Approval of Minutes

Chairman Esquivel asked for approval of the minutes from the September 26, 2013 meeting. Committee Member Uvietta made a motion to approve the minutes and Committee Member Cervantes seconded the motion.

Chairman Esquivel asked for a vote and this motion passed unanimously.

Project Update

Chairman Esquivel introduced the City Manager who gave status reports on the following items.

Architecture Design

City Manager Longoria Jr advised the Committee that the week prior there was a meeting with the City design team and OCO Architects. During this meeting the floor plans were looked at along with preliminary discussion on security systems for the three facilities (Fire/Police/Admin).

Another meeting was held on October 29, 2013 with staff who reviewed the plans. The schedule has the documents being completed around Thanksgiving. When asked, City Manager Longoria did tell the Committee that the staff was heavily engaged in the process.

The City Manager asked if the Committee wanted to review the renderings and designs on November 15th so the Bond Oversight Committee could look at the documents prior to when they would be presented to City Council, which will occur during a work session on November 18th.

Chairman Esquivel led the discussion by advising that there was a fine line between design and approval and that, in his opinion, the Committee should not get involved in design but should be involved when expenditures are made.

City Manager Longoria agreed but advised that he wanted the Committee to review the documents to help with his comfort level and that it would not hurt to have other eyes look at the design and point out any discomforts.

Chairman Esquivel gave the City Manager a word of caution and stated that inviting the Committee to comment would be a change of the focus.

Councilman Dean stated the Committee needed to remember their job, which is to make sure the monies are there and expended appropriately.

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Committee Member Davis Jr. stated he agreed with the Chairman but questioned how the Committee could say the money is well spent because the needs were determined earlier and that it was up to staff to insure the spaces are used properly. Committee Member Davis Jr. also questioned who would make the final decision on the project. City Manager Longoria and Councilman Dean both stated the City Council would have the final decision authority.

Committee Member Zavala asked if the Committee would be able to look at the final design and ask questions if they saw something obviously missing.

Chairman Esquivel stated that the questions could be asked by there may be no answers given. He again stated the mandate of the Committee is the expenditure of the monies. The only questions about the design that may be brought forth by the Committee are any that involve an expenditure of monies that may be wasted.

In reference to the question by Committee Member Zavala, the City Manager advised that the final review of the design documents would be the Construction Manager and the City of Leon Valley's Building Inspector, Bruce Bealor, who has a Master in Construction Management.

Committee Member Zavala asked if he could look at the documents and perform a functional review. Councilman Dean advised that City Council would make that decision.

Chairman Esquivel again advised Committee Member Zavala that he could ask questions, but is not entitled to an answer.

City Manager Longoria stated that the process was planned so that the documents would be reviewed by several layers of persons, which will include Bruce Bealor, our Construction Manager, etc.

Vice Chairman Yarnell asked if something is seen on the plan we cannot ask questions. Chairman Esquivel stated the Charter does not allow this.

Committee Member Cervantes suggested that the Committee not review the plans.

City Manager Longoria then stated the item would be presented to City Council on November 18th.

Vice Chairman Yarnell asked about the Bond Oversight Committee meeting on November 14th.

Committee Member Uvietta stated that from the beginning the Committee was put together so they could help with the viability of the bond election, to insuring the needs for the Police, Fire, and Support staff, to assist in reviewing the selection of the Architect. From this the Committee changed functions and the Charter reflects that the Committees job is to make sure funds are spent according to Citizens wishes. He further stated the design team consists of the City Manager, and the Police and Fire Chiefs. This design team does not include anyone on the Committee and cautioned the other Committee Members to stay within the boundaries of the Charter.

City Manager Longoria reminded the Committee that the Charter stated that approval of the design and approval of construction plans or schedules were among the 15 items the Committee was not responsible for.

Chairman Esquivel clarified that he was not inclined to rule anyone out of order for asking questions

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but did state that the question may not get answered if it is not within the scope of the Charter. The Chairman stated that he did not want to discourage discussion, as long as the discussion was in reference to items within the scope of the Charter.

Committee Member Davis Jr asked if the Committee and City Council could have a joint meeting with the Chairman of the Committee available to answer any questions. Committee Member Davis also said that with the 15 items they can't do, the meeting on November 14th would be a waste of time.

Chairman Esquivel advised that a joint meeting would not be viable, but that the presence of the two Council Members on this Committee was so that these two could provide guidance to the remainder of the Council in regards to actions taken by the Committee.

Councilman Dean advised that the Managers job was to manage the project. The Committee is responsible for the overseeing the expenditures and that staff is responsible to have a design within budget.

City Manager Longoria reminded the Committee Members that while their presence was welcome at Council meetings, they must be cognizant of the rules as it pertains to a meeting involving a quorum.

Vice Chairman Yarnell asked if approve and review meant the same and then asked if he could ask questions about reviews.

Chairman Esquivel stated that review does not mean approve.

Vice Chairman Yarnell asked why the Committee is not part of the review process.

Chairman Esquivel advised that the Committee is not expected to review.

Vice Chairman Yarnell stated that the Committee cannot provide oversight without reviewing the documents.

Committee Member Uvietta asked what was the intent of the question from Vice Chairman Yarnell. If the Committee saw the plans and saw a huge swimming pool, this is something the Committee should speak out about because that would be an illegal expenditure.

Vice Chairman Yarnell again asked why the Committee cannot review the documents and ask questions, what was there to be afraid of?

Chairman Esquivel then stated that if the Committee was having these types of discussion in public he could only imagine what the discussions would entail if they involved reviewing.

Vice Chairman Yarnell asked where in the Charter this was prohibited.

Chairman Esquivel stated that the City Manager has already addressed the issue.

Councilman Dean stated that since the Committee has not power to change the design, why perform a review.

Vice Chairman Yarnell asked why the Committee was part of the visits to other facilities and was

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involved in asking what worked and did not work for these facilities if they could not see if the same processes were followed here.

City Manager Longoria reminded Olen Yarnell that staff was also part of those visits and have taken those items into account. City Manager Longoria further advised that and stressed that the Architects were the ones who designed the facilities- after speaking with staff members.

Status of Lots from Bexar County

City Manager Longoria advised that a final offer and purchase agreement have been sent to Bexar County. These items would be reviewed by Commissioners Court on November 12th and our City Council on November 18th. Unless there were any changes, the documents could be complete and filed by the end of November with the deeds in place. If any changes were necessary, Commissioners Court meets once a week and the City of Leon Valley could call a special Council meeting at any time to complete the transaction.

Committee Member Zavala asked who the owner of the lot that will be utilized for drainage was. City Manager Longoria advised that Bexar County owned it now, but the City of Leon Valley would be the ultimate owner when the project is complete.

Vice Chairman Yarnell asked if the County was going to reimburse the City for any expenses in regards to the lot we were moved from. City Manager Longoria advised no. Vice Chairman Yarnell then inquired about the size of the drainage ditch when it crossed the lot on the north side of El Verde, to which was advised it would be at least 60 feet wide. Vice Chairman Yarnell then asked if the lot on the north side could be used for overflow parking. City Manager Longoria advised the lot was a good distance from City Hall so may not be a feasible idea.

Budget and Financial Report

City Manager Longoria presented the Committee a Financial Report that consisted of expenditures and revenues.

The report showed that the total expenditures for the project, with the construction costs, data/security/comm., and value options comes to \$6,754,839. Current expenditures for the architect, legal, the lots, the geo tech study, and the data consultants raise the expenditures to \$7,378,715. With the initial bond amount being \$7,000,000 the gap is \$378,715.

The City Manager has projected revenues for the project at \$7,205,820 with a gap of \$172,895. The City Manager has proposed that the CEID fund make this shortfall up.

The City Manager reminded the Committee that the City would be part of the bid process and that the ~~was~~ process would be open book. The City Manager also stated that the City would receive a maximum price guarantee from Bartlett Cocke.

Chairman Esquivel advised that he had a problem with the project going over the \$7,000,000 the voters approved. He advised that we have to live within our means and that we need to be more prudent and should not borrow taxpayer money.

Councilman Dean advised that most of the money above the \$7,000,000 were for enhancements and that the funds that will be used have been sitting for awhile.

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Chairman Esquivel again asked that the City not use the additional monies, but needed to scale back the project.

City Manager Longoria reminded the Committee that the budget is just a plan. At the time the numbers for the bond election were determined, there was a decent construction market. With the change in the construction market within the last 18 months, this has affected our project, with projections being that it is going to get worse.

Chairman Esquivel stated that if the City should cut the value options and that they needed to stay within the budget.

Committee Member Davis said that the City needed to keep the value options.

Committee Member Yarnell asked if the increase of \$378,715 was caused by the construction market increase, and stated that the City Manager should not scale the project down because the budget as presented deals with the needs.

Committee Member Zavala inquired as to how the City Manager came up with the contingency amount of \$204,245. The City Manager explained that originally the amount was 10% of the project but was whittled down during the design phase to \$204,245.

Committee Member Davis had a question about the contract with the data consultant and inquired if the City was getting the best deal for its money. He advised that with technology, the City needed to have someone who is well versed and has an understanding of the future of the technology industry.

Project Schedule

City Manager Longoria gave the Committee the proposed schedule. It was noted that the construction documents phase would be completed by Thanksgiving, instead of during the first week of December. City Manager Longoria advised this will help by having the documents available for bid prior to the Christmas break the construction industry usually takes

BOC Scheduled Meetings

Chairman Esquivel and the City Manager led the discussion about the need for any meetings during the months of November and December. The agreement was that there was no need for the meeting in November and that the meeting in December would be held on December 19th.

The Committee then asked the Chairman about the Charters language about reports to the City Council and when would this take place. It was discussed with the Chairman agreeing that the Charter does say that the Mayor could ask for a report from the Committee or the Chairman of the Committee could ask the Mayor to have an item placed on the agenda.

Chairman Esquivel asked if the City Council and Mayor received copies of the signed minutes from the Committee. He was told yes and then stated that these are the reports to the Mayor and Council the Charter specifies.

Adjourn

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Hearing no further business a motion was made by Mike Davis Jr. and seconded by Frank Zavala to adjourn the meeting. The meeting was adjourned at 7:12 p.m.


Pedro Esquivel, Committee Chairman