

MINUTES
FOR THE CITY COUNCIL BUDGET MEETING OF JULY 18, 2022

The budget meeting of the Mandeville City Council was called to order by the Council Chairman
at 6:00 p.m. followed by roll call.

ROLL CALL - present: Jason Zuckerman, Jill McGuire, Rick Danielson, Skelly Kreller, Rebecca Bush

Also present: Elizabeth Sconzert, City Attorney, Mayor Madden, Kathleen Sides, Finance Director, Keith LaGrange, Public Works Director, David LeBreton, City Engineer

Mr. Danielson explained this is our 2nd budget meeting, our first one was an overview. We will start with capital and will go no longer than 2 hours with our next meeting being Tuesday August 2nd.

Mr. Danielson sent some questions to Mrs. Sides. He thought she could give a broader overview of where we are starting and how it compares to last year – overall revenue, overall expenses. a macro level, easy to understand overview would be helpful before we peel back the layers in detail.

Mrs. Sides explained she is working on overall changes comparing this years to prior.

Dr. Kreller asked if the entire council can be copied on these questions. Mrs. Sides will forward questions and responses to everyone, so we are all on the same page.

Question #2: on the governmental fund's spreadsheet, what is the "Prior Years Appropriations?" That is FY 22 carry forwards projects that were budgeted that are not complete. She has gone through all prior year and will get a spreadsheet for this. She is working on how to get that to show up in the capital. IN older versions we have this, and she will send over what is not done. Last year was the first year we put prior year appropriations in. The number is higher this year than last year because of Ida projects. What they have for carryforward, and they have estimated where they will be in the end of August. FY 22 actuals are through May 31st. Total carryover is at the bottom of the fund summary page (\$26 million total).

Maintenance expenses are on the original capital spreadsheet she will put together. She will also work with David and Keith to get the 5 yr. projections.

Questions #8. Do we have a 5-year forecast? Mrs. Sides personally feels she need to get the audit finished before she does this which she does not believe has ever been done. Dr. Kreller asked about the audit and knew it has been delayed twice. Mrs. Sides has asked for another extension. She spoke with Diane Allison. Legislative Auditor, and she suggested we may not even have a finding because all our circumstances for delay are one-offs. We have never been late before, we had key financial department turnover and then Hurricane Ida. We may be granted an emergency exception. Mrs. Sides also explained she spoke with our auditors, P&N about a month ago regarding some old spreadsheets she is having a hard time finding her way through with rollovers and depreciation. They cannot help her decipher these into a format she can understand because they are conducting our audit. They suggested Richard's CPA in Metairie (Todd) and therefore, the city has hired him to help assist with these last items. Dr. Kreller asked how much this will cost? Mrs. Sides has had two meetings and does not think it will be a lot of time. This will help her moving forward so it won't happen again.

Question #11: For the proposed City Hall project, should we not budget for the full amount now vs waiting to see what the reimbursement is going to be from FEMA? Aren't we including the FEMA reimbursement of \$8m on the revenue side? The mayor explained this was part of his statement that he does not want to budget the entire cost when we still have not received the

FEMA reimbursement and we are still in hurricane season. If we have another Ida, and still have not received FEMA monies, then he will wait to bid the project out. This week the project will go to design review and then the next council meeting will have an amendment to the Greenleaf contract. He will ask for a budget adjustment to move forward. Dr. Kreller feels the budget is not dependent upon hurricane season and it should be including all projects for next year in the full amount. Putting this at \$2.25 instead of \$6.5 is almost misleading and lowering the budgeted amount so the residents can see the whole amount and decide. The mayor disagrees and feels the public is aware of his thought process and this is an administrative decision. How he bids this out is his decision. Dr. Kreller thinks the public should know the City Hall project is not \$2.25 million. Mrs. Sides thinks putting together the 5yr capital plan will help make this aware. Mr. Danielson's question is that either option is more than the \$2.25 million but we are budgeting on the revenue side all the FEMA money we have not received yet so why only budget half of the total expense of the project. Should it not be one for one. Mrs. Sides does not look at FEMA money as payment of City Hall. Mr. Danielson explained while that may be true it is still a revenue source you are fully budgeting and there is an expense, we are only partially funding. Mr. Zuckerman feels it is easier to remove FEMA from the picture. The other side is partially funding projects anticipating reimbursement. He is not sure it is the right thing to do. The mayor feels City Hall is a big project but if we have another Ida we may need to delay. Mr. Zuckerman stated this might be a little premature to set aside money for construction. But engaging the architecture the plans are good for years – it's really a decision that can be made in Mid-October. Mrs. Sides stated the money in the capital budget, once adopted, is committed funds. By only funding part of the project, the city is not making that big of a commitment. Dr. Kreller asked the mayor why City Hall is the number one project on his list when he denied the funding when he was a prior councilman. The mayor stated it is not his number one project and he felt in the past the city had other projects that were more important. City Hall has spent its useful life. He has had one on ones with everyone that works in the building, and it needs work to function properly. Mr. Danielson asked if they were to move forward with the project, he would like to investigate CMAR (construction manager at risk). It could provide better preconstruction services and cost savings. In a typical process you have a design goes out and go to low bid, then you move forward and sometimes cost goes up. With CMAR you are bringing in the contractor before the design phase is done. So, before the 30% mark, you are bringing in a contractor through the RFQ process and now the architect is working with the owner and contractor. It could be cost savings for the project. There is always an out if things change and go to a low bid process. Mr. Zuckerman agrees, and it is really popular in other states. He thinks it is a good idea. Mr. LeBreton explained we are at the stage where this is totally an option. Mrs. Rohrbough agrees with Dr. Kreller regarding the listing of the budgeted amount of City Hall. She believes citizens just looking at the budget will think the total cost is \$2.25 million and is confusing. She does not think this looks good and she would want it made clear to the residents the full amount of the project and let them decide if they want it or not. There are so many unanswered questions with the project why not just budget for the fees for the architect and not budget for the building until more details are finalized. Mr. Zuckerman agrees and feels we should get the building designed and then decide to fund all or part of the project based upon the cost. The mayor does not feel the public is confused but he plans on having 2 public meetings/open houses before there would be a vote on the final design and budget adjustment. Mrs. Rohrbough feels the interior's new floor plan will be more customer service oriented. Dr. Kreller stated they are proposing 120+ seats for the council chamber and we have one person attending tonight. He understands it will be used for all commissions, HOA's and court, but he still feels 120+ is too large. He has never seen a crowd that large. Mrs. Rohrbough stated they were large for Port Marigny. Dr. Kreller agrees those meetings were very large but, in those cases, you can use the community center or even the Castine Center. Mrs. Rohrbough feels a

larger chamber needs to be planned for the future. Mr. Zuckerman is inclined to fund the design for the project and wait to take the next steps whether that would be this year or the next fiscal year. Mr. LeBreton stated in the upcoming council meeting the administration is proposing to add about \$300K to the architecture contract to finish the design. The project was originally budgeted around \$4 million and now estimated at \$6.5 so you must fund the cost of the entire design. Using CMAR could help with these costs. Mr. Zuckerman explained they are still in the design phase however they use a lot of graphics so the images we see make you feel like they are further along. Mr. Danielson explained the city budgeted \$200K in the prior fiscal year and then this past year another \$200K so we are currently at \$400K for design of the plans for City Hall. How much have we spent to date? Mrs. Sides explained we have spent so far \$45K of the \$400K to date. Mr. Zuckerman would like to fund the design. We have about another year for the finished design product so maybe in the next budget cycle we would have concrete figures and decide on the construction. He does not want to guess and partially fund the project. We must come back anyway so why not do it at one time. Mr. LeBreton thinks we have about 6 more months with no other issues and that gives us time to investigate the CMAR project.

City Parks & Playground Equipment: \$450,000

Mr. LaGrange stated this will include the tennis courts in Golden Glen however new surfacing may have to be phased in. He anticipates having to start making cuts because of the rising costs. Playground will be replacing mulch with rubber. This total does not include maintenance however some are maintenance related.

Lakefront Restoration: \$1,600,000

This does include the GOESA money so our actual cost is around \$600K

Dew Drop: \$30,000

This is to extend the parking surface near the restrooms and relocate the sidewalk to accommodate parallel parking.

Harbor Field: \$1,100,000

Dr. Kreller and Mrs. McGuire are concerned about the lighting. They want to make sure they will be LED, facing downward and will abide by the dark skies law. Mr. Danielson reminded the administration about the CLECO grant funding. Mrs. Sides stated Mia is looking into this with an estimate of \$100K. Mr. LeBreton explained he expects the design to be finished in August-September and bid the project in the fall.

Harbor Gazebo Improvements: \$388,500

Mr. Zuckerman has been working with Mr. LaGrange and Mr. LeBreton on improvements at the Gazebo. These are mainly finishing touches for the area. Mr. Danielson asked if we could investigate charging stations for vehicles since there are electrical outlets already at the boats. He does not know how it works but might be something to consider in the future.

Land Acquisition: \$200,000

Mr. Danielson explained last year this was at \$3 million and they have since purchased land by the cemetery. The mayor stated one focus area was the trailhead and now the seller is aggressively trying to pursue the sale. The westside park has newer options and the resiliency plan will be completed in the fall. In this plan he is hoping they will give some focus areas for the city to analyze. He does not want to add too much because they have so much left over. Mrs. McGuire said the money leftover will be transferred to this budget? Mrs. Sides stated there is currently \$1.9 million that could be transferred over in addition to the \$200k for a total of \$2.1

million. Mrs. McGuire would like the city to look at a parcel of land that is 13 acres between Florida and Montgomery, Sault and Colbert. There was a developer who wanted to add 69 condos but discovered it was not zoned for that development. It is listed at \$1.2 million and believes it would benefit the city due to drainage concerns. All the drainage from St. Tammany goes through this area and it could cause problems for us in the future. She would like to make a contingency in the budget to use some of this money to purchase the property. Mr. Zuckerman agrees this may reduce some drainage issues in the future. Maintaining the natural watershed areas is key, if we let this get developed, the city will be spending more money on drainage issues. Dr. Kreller would like the parcel to be looked at by the resiliency study group.

Recreational Master Plan: \$82,000

The mayor explained the city owns land north of Saia's, Cordes Park, Neighborwoods, and in Golden Shores. This would allow a review to determine the future planning of new facilities. Mr. LaGrange stated by having a master plan this will open doors for possible federal funding. Mr. Danielson stated Pelican Parks is looking at a study of the demographics of the entire recreation district and that information could be helpful for funding.

Safety Study: \$110,000

Mr. LaGrange explained by having this study it will help with federal funding for traffic calming measures. Dr. Kreller would like to see a focus on Monroe St. and the Lakefront. Mrs. McGuire inquired the start update for the striping on Carrol St. Mr. LaGrange feels it will start in a few months.

Seawall repair: \$250,000

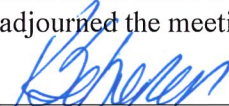
Mr. Lagrange explained there are now 8 failures at the seawall. He would like an inspection to be done this winter. Once the inspection is completed, we may need to add more money. Mr. Zuckerman asked if the \$250k will cover all the repairs. Mrs. Sides explained we have about \$250k in carryover. Mr. Lagrange explained some repairs will be done in house while most will be contracted out.

Police items were reviewed, and chief will be at the next budget meeting to answer any questions.


Mr. Danielson reminded everyone of the next budget meeting Tuesday, August 2, 2022.

ADJOURNMENT:

Mrs. Bush made a motion to adjourn the meeting, seconded by Mr. Zuckerman. Mr. Danielson adjourned the meeting at 7:55 p.m.



Kristine Scherer
Council Clerk



Rick Danielson
Council Chairman