

MINUTES
FOR THE CITY COUNCIL BUDGET MEETING OF AUGUST 2, 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, Rick Danielson, Skelly Kreller, Rebecca Bush
Also present: Elizabeth Sconzert, City Attorney, Mayor Madden, Kathleen Sides, Finance Director, Keith LaGrange, Public Works Director

Mr. Danielson explained this is our 3rd budget meeting. Mrs. McGuire is not feeling well so she is watching via Facebook. We will start with capital and will go no longer than 2 hours with our next meeting being Wednesday August 10th. At the last meeting Police items were reviewed, and chief is here to give an overview and answer any questions.

Police Department Building: \$400,000

Mr. Danielson asked if this was a design for renovation or a new building. The mayor explained it is probably going to be a teardown and rebuild. Mr. Lagrange stated it was originally 3 buildings merged. The mayor at first wanted to have Greenleaf explore the option of connecting it to city hall but that is not an option. Mr. Zuckerman is trying to understand the 400k. This has kind of surprised him because had never been told about the possibility of a new police station; he knew only about City Hall. . Basically this means the project is around \$3.5 - \$4 million. The mayor stated there may be grant opportunities out there for police stations, they will investigate. Mr. Danielson is aware the city has received a grant from the state legislature for \$122k, what is this being used for? Chief explained this will be used for other police items

High Water Emergency Vehicle: \$120,000

Mr. Burguires commented he has found these vehicles to be around \$500k, what is the expected cost of maintenance? Chief IS LOOKING AT A SMALLER VEHICLE AND ONCE THAT IS FOUND, HE WILL HAVE AN IDEA ON THE ESTIMATED COST OF MAINTENANCE AND IF HE WOULD NEED ADDITIONAL MONIES.

Hwy 190/22 Interchange improvements construction: \$200,000

Mr. Danielson explained the current budget carryover is \$800K so this is an additional \$200K which brings the project to \$1 million for the city's cost on top of the DOTD expenses.

Striping: \$100,000

Mr. Danielson asked if this would be the annual budgeted amount for striping in the city. Mr. LaGrange explained this is his estimate however, the multi-modal study might see this number increase. Mr. Danielson asked how the city determines what needs to be replaced. Mr. LaGrange stated you can usually see the wear and tear on certain streets. Some streets need deflectors and then you need to maintain the crosswalks by the schools

Hach sl10000 hand water sampling: \$7,000

Mr. Lagrange explained this machine will be more efficient for the city. The goal is to send only 1 sample away per month to be tested. Once they become a certified lab, costs will decrease, and response time will naturally increase.

F450 truck with tool body – water department: \$130,000k

Mr. Lagrange explained this is a replacement vehicle like several other vehicle requests for his department. Many needs replacement and lead time is around 60 weeks. Once the vehicles are replaced, they will then go to auction.

Lift stations:

Mr. Danielson stated this year there are budgeted 12 lift station upgrades, is this the normal amount per year? Mr. Lagrange explained the goal is usually 4-8 per year, however this year is much higher due to carryovers.

Mr. Danielson wanted to go back to general capital projects for additional comments/questions.

Mr. Zuckerman would like to propose adding \$200k for design for the drainage in old golden shores. There is a drainage issue on the south side, and it needs to be addressed. Mr., LaGrange recommends asking digital engineering to assign this under one of their miscellaneous task orders. He feels it could be done for under \$20k. Mr. Zuckerman is not opposed to do modeling under the task order but would like some money added in the budget. Mr. Zuckerman spoke with digital engineering about the problem and that is how he arrived at the \$200k request. The mayor wants to know exactly what he is looking for. He explained the surveyors had trouble with maps determining what is owned by the city and what is parish property. He wants to figure this out before allocating any money to a project. Mr. Zuckerman would like to put money aside to determine the owners since this has been going on for several years and it needs to be resolved. Dr. Kreller agrees because there is a drainage issue on the south side.

City Hall Renovations and Addition: \$2,250,000

Mr. Zuckerman would like to partially fund the city hall project. He feels this upcoming fiscal year would be the design and procurement and construction would be in the following budget cycle. This would be shown in the 5yr capital project plan. Dr. Kreller's problem is the budget does not show the real numbers. The project is estimated to be \$6.5 million and the budget shows \$2.25 million. He agrees with Mr. Zuckerman about funding the design now but the full amount, not \$2.25million, of the project should be shown in the 5 yr. plan. The mayor stated Greenleaf is doing two designs for city hall: \$4million which would be new council chambers and minor renovations to city hall and then \$6 million design. Once the designs are complete, he wants to have at least two open houses after Labor Day to let the citizens decide if they want design "a" or design "b". He wants to wait until after the bulk of hurricane season to budget the rest of the money. Dr. Kreller stated you do not do a budget based upon anticipating storms or receipts of FEMA monies. A budget is the entire cost of the project not in pieces. Mrs. Sides proposed to have the budget at \$600,776 for design fees and the actual construction in the 5 yr. plan. Dr. Kreller asked how she comes up with the \$600,00 for design, is that using the proposed increase for Greenleaf. Mrs. Sides explained she is using this as a percentage of the total cost of the project at \$6.5 million. Mr. Danielson asked what we currently have in the budget. Mr. Lagrange stated what we design and what we bid are two different things. We need to design the options, then decide what to build, and then go out to bid. Currently, for design, we have \$356,000 in carryover so we should have at least \$500,000 total for design since it should be a percentage of the project. Using CMAR will hopefully reduce the cost of the project. Next year under the 5yr plan would then be the construction of the entire project. The mayor wants to verify if the city can use CMAR before moving forward. Mr. Danielson stated CMAR is approved by state law, so he does not see it as a problem. Mr.

Danielson proposed changing the line item to read city hall design and adding \$200,000 for a total including carryover of \$556,000.

Mr. Danielson explained the proposed budget for capital is \$21,351,938. This current year we budgeted around \$22 million of which we are going to spend around 40-50%. We will never spend 100% of capital this year and many projects will carry over for several years. Mr. Burguires stated there is not enough information present to make these decisions. There is no 5yr capital plan it would help along with having carryover information. There is not enough information presented and things are not clear, and we are waiting time and cannot make an informed decision. If the project is \$6.5 million, show it and then you can explain the budgeting along with the 5 yr. forecasting. Mrs. Sides stated the council has the carryover information. Mr. Burguires stated the citizens do not have this information. Mrs. Sides will place this on the website. Everyone knows the numbers for the options. Mr. Burguires stated there are no 5 yr. projections on anything and that is needed. It is making the process much more difficult.

Mrs. Bush asked if the city typically has a 5yr plan. Mrs. Sides explained typically there has been a 5 yr. capital plan not an operating, she is working on a plan with Keith. It is required in the charter but not by the local government budget act. She personally can take today's numbers and put a percentage on it, but she is not in the financial forecasting market. Mr. Zuckerman does feel a 5 yr. plan would be helpful. The issue right now is the budgeting for city hall.

Mr. Burguires asked how we can move forward with the budget when last year's audit has not been done. The auditors come in November and December and collect information then they ask the city questions. This is the stage we are still in. What questions are not resolved? The city does not know where they have been to determine the future. Mrs. Sides explained from the auditor there is no requirement that prior year's audit needs to be complete before a final audit. The LLA has approved the city's extensions and we will likely not have any findings against us for the delay. The reasons why the audit is late is: not fully staffed for a month after Ida; we have increased work load related to Ida; from 8/2020 – 12/2021, 16 months she was physically doing the top 2 ½ jobs in the finance department; there has been 3 key personnel turnover, new hires and training takes time; they are currently not up to speed because she is working on the audit and budget; it is also her first time with the audit along with Postlewaite and the new employees so there is a learning curve. The LLA accepts their reasons, and they are valid unforeseeable situations. She went to HR and asked what happened during those 16 months- they hired over 20 ppl. These are mainly balance sheet adjustments. The focus for a govt. Audit is you are following your policies and procedures.

Harbor field upgrades: \$1,100,000

Mrs. Sue McGuire discussed her feeling about the harbor field project. She thought it should be more than just a baseball field. She was interested in seeing this as more of a multipurpose use for all ages. She would like to see it more accessible to the public. Dr. Kreller explained he still has a few issues with the project: lighting and amount of time available for citizen use. Why are we spending \$1 million for travel teams to use the park? How much do we charge them? It limits the amount of time for citizen use and what it can be used for. Mr. Zuckerman explained there are very few places for travel ball teams to play and he would like to keep money local instead of having them travel to other destinations. The mayor explained his plan is to keep it as a baseball/softball/kickball field but open to the public. There is no charge for the field, but it must be scheduled, you cannot just show up. If you are scheduling a fundraiser, then there is a fee schedule. He has honored the contract with the travel ball teams and reservations will go through Alia's

department. Most of this \$1 million is for the bathroom facility for everyone's use along the lakefront. Mrs. McGuire suggested other uses for the baseball field and the mayor is open to compromise by possibly adding somethings behind the field. He also suggested there may be some ideas from the Recreational Master Plan. If the professional consultant says there should be a dog park behind the field, then they will consider the option. Harbor Field needed some work after Ida, so this project is to do upgrades and add a bathroom that complies with FEMA regulations.

Mr. Jeff Lyons wanted to ask what will be done at the Parks and specifically Tyler Thomas Park. The mayor state they will stripe a soccer field, add more basketball goals and a canopy. Mr. Lyons feels there is not enough parking around the park and that could be a safety hazard. The park is not designed for a larger attendance.

Mrs. Rohrbough is very concerned about the Lakefront Berm especially the proposed 14-16" wide pathway. Her biggest concern is the amount of concrete around the trees on the Lakefront. She stated the existing green space will be reduce by 21-26% and replaced with concrete. She also stated the 14 proposed lights are not proportionated with that is currently installed. The assumption is this will reduce the flooding in Hermitage. The study does not say it will reduce the flood insurance, it said it may. Also, the fema flood zones have changed. The cost of the project is extreme and not what she envisioned. Mr. Zuckerman agrees he has concerns with the lights and the size of the pedestrian path. He would like to discuss this before the council allocates funding.

Dr. Kreller has received an email from Glen Runyon and would like to know if his questions will be answered and copied to the council. Mrs. Sides will provide for the council the following: 5 yr. capital plan, end of year projections. She will post on the website: maintenance cost projections, carryover information and fund balances.

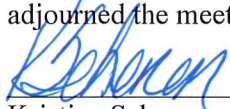
The mayor stated Mrs. Sides has been working very hard. The first year as mayor they have experienced: the most catastrophic storm, worse than Katrina; new directors, new mayor. He does not want to make excuses but Mrs. Sides at one point was doing 3 jobs. IF the audit requests were unfounded the extensions would not have been granted.

Dr. Kreller stated but we had to hire a CPA to help her, and he still does not even know this cost. The mayor does not find this odd that this has never happened before. The mayor explained the prior finance director, Frank Oliveri, had a Kathleen. Mrs. Sides does not have a Kathleen to assist her. Hiring the CPA to assist is to help right the ship and go in the correct direction. This will not happen again. Mrs. Sides stated she has had problems with the schedules (net pension liabilities). The auditors use to do this and now it is up to the client, and this is out of her realm.

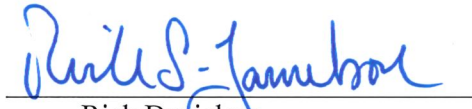
Mr. Danielson reminded everyone of the next budget meeting Wednesday, August 10, 2022.

ADJOURNMENT:

Mrs. Bush made a motion to adjourn the meeting, seconded by Mr. Zuckerman. Mr. Danielson adjourned the meeting at 8:15 p.m.



Kristine Scherer
Council Clerk



Rick Danielson
Council Chairman