



PRE-CAPITAL IMPROVEMENT PLAN AND BUDGET WORK SESSION MEETING MINUTES OF JANUARY 14, 2016

The Pre-Capital Improvement Plan and Budget Work Session meeting was called to order at approximately 5:00 p.m. at the St. Peters Justice Center, 1020 Grand Teton Drive. The following were present: Mayor Len Pagano; Board President Hollingsworth; Alderman Bateman; Alderman Barclay; Alderman Reitmeyer; Alderman Thomas; Alderman Violet; Alderman Shea; Alderman Aytes; Bill Charnisky, City Administrator; Tim Wilkinson, Assistant City Administrator; Beth French, Director of Finance; Erin Gardner, Budget Analyst; Russ Batzel, Public Works Services Manager; Jeff Hutsler, Parks and Recreation Services Manager; Dan Emrick, Superintendent of Golf Course Operations; Dave Kuppler, Health and Environmental Services Manager; Bill Malach, Water Environment Services Manager; Jeff Finkelstein, Chief of Police; and Patty Smith, City Clerk.

Mr. Wilkinson handed out the slideshow presentation for this evening's discussion, which is attached and made a part of these minutes.

CIP/BUDGET CALENDAR AND OVERVIEW AND UPDATE - WILKINSON

Mr. Wilkinson reviewed the CIP/Budget Calendar and shared some good news and major opportunities regarding 2008 Bond refinancing and taxes. He provided a history of the City's tax rate from prior to 1984 to present, and discussed the impact of lowering taxes or keeping the same rate. After some discussion on whether to reduce or keep the same tax rate, the Board of Aldermen was not in favor of a reduction of the City's real and tangible personal property tax rate.

Mr. Wilkinson spoke of FY'15 strong operating results and additional opportunities and available revenue. Mr. Hutsler discussed the new challenges regarding the flood impact on the golf course and the economics of the golf course operation. A handout of the immediate and future needs for the golf course to be operational was provided which includes future CIP items. This information is attached and made a part of these minutes.

With \$899K existing capital reserve in the Local Parks & Storm Water Fund (LPSW); \$2.7ML surplus in General Fund; and \$8.25ML from the Bond Issue, the Board of Aldermen agreed to move forward with the following: an estimated \$9.75ML Bond Project for the Golf Course new banquet center/clubhouse, outdoor pool/water park at City Centre Complex, and City Centre rear entrance project; reserve from the surplus in the General Fund, \$850K City Hall complex future maintenance needs involving tuck pointing/exterior work, interior maintenance, City Hall building front entrance, and parking lot resurfacing.

Mr. Wilkinson stated that with \$12ML in the Retiree Health Insurance Trust, the City could also add \$500K into the Retiree Health Insurance Trust Fund, on top of the approximately \$600K which the City usually contributes each year.

After discussion regarding the Golf Course/Rec-Plex funding solutions, Alderman Thomas moved and Alderman Hollingsworth seconded the motion to earmark \$600K from the LPSW fund existing capital reserve for the immediate needs of the St. Peters Golf Course in order to

be operational in 2016, with the remaining \$299K for Dardenne Creek stormwater projects to protect the golf course. All in favor, the motion was approved.

Mr. Wilkinson presented the long term financial needs of the Rec-Plex and St. Peters Golf Course. These items will be added and/or reserved in the Capital Improvement Plan for the Local Parks & Stormwater Fund.

MAYOR AND BOA PROJECTS

Alderman Barclay requested permission for staff to look into leasing or purchasing the old MERS/Goodwill building to potentially turn that location into a new Senior Community Center and Mr. Charnisky suggested staff check with the Mid East Area Agency on Aging. After brief discussion, Alderman Barclay moved and Alderman Hollingsworth seconded the motion for staff to move forward with looking into leasing or purchasing the old MERS/Goodwill building for a potential Senior Community Center. All in favor, the motion was approved. Alderman Barclay also discussed residents concerns regarding low water pressure and Mr. Malach explained that there is a computerized water distribution study performed to show where to make improvements which he is including in this year's Capital Improvement Plan at a cost of \$150K. The Board agreed to have Mr. Malach move forward to look into this study.

Brief discussion by Alderman Thomas was held regarding the Sandford Creek Levee where the new trail is located at 370 Lakeside Park, and the possibility of it being raised to make it completely level and entirely the same height. Staff advised that permits would be needed as well as US Army Corps of Engineers approval.

Alderman Reitmeyer requested portable risers, a new PA system, speakers and portable lighting for the 370 Lakeside Park to improve the visibility and sound at the Sunset Friday events. Mr. Hutsler will look at options for these items and coordinate with Lisa Bedian as well. A possible permanent stage was also mentioned.

Alderman Violet provided a plan to convert the administrative library/ Aldermen cubicles at City Hall into office space for two employees, Scott Baumgartner and Lisa Schroeder in SSS/Administration; and move the Aldermen space into the office which the employees currently occupy. After brief discussion and a change to Alderman Violet's proposal, Alderman Hollingsworth moved and Alderman Violet seconded the motion to move the Aldermen's office/mail box area into the Human Resources testing room, and convert the employees' office into the HR testing room, so the library can be converted into employee office space. All in favor, the motion was approved.

Alderman Aytes suggested enhancement improvements to the Caulks Hill and Route 94 intersection in the Harvester area of the City for curb appeal and street beautification. The Board was in favor of this enhancement. Mr. Batzel explained the yearly street enhancement budget of \$100K. He also provided an update on the Pitman Hill Road City entrance sign and ROW agreement with MoDOT and final design; the City entrance sign at Page and Highway 364; and entrance sign at Heritage Crossing.

The Board agreed that they would like to proceed with the City Hall rear entrance project whether it is a part of the potential \$9.75ML bond issue that was discussed earlier in the meeting or not.

Alderman Shea had no requests to share but only commented about how busy the Police Department staff is, and perhaps increasing the number of employees. He also shared employee's comments about how we are outgrowing City Hall.

Alderman Bateman recalled her past requests to allow City resident youths to attend the annual National League of Cities conference and what it would take to move forward with this. Discussion was held on liability, parents attend along with the youths, selection process and criteria, cost, and doing a trial on a smaller scale. After further discussion, it resulted in Alderman Bateman offering to look into this possibility.

Alderman Hollingsworth expressed his desire to focus on the City's infrastructure needs and had no CIP project requests he wanted to discuss.

MISCELLANEOUS UPDATES

Mr. Wilkinson asked the Board of Aldermen to decide on a date for the No Tax Increase Bond Election for the new clubhouse/banquet facility at the golf course and pool at City Centre complex. The Mayor and Board of Aldermen agreed that this item should be placed on the August 2, 2016 election ballot.

Brief discussion was held concerning "Active Shooter" training for the elected officials and when this would take place.

Mr. Dave Kuppler provided an update on the City and St. Charles County Kennel agreement. The current agreement expires December 2016. Mr. Charnisky recommended putting a placeholder in the budget for \$750ML - \$1ML, as part of the CIP, in the event the agreement with the County does not transpire.

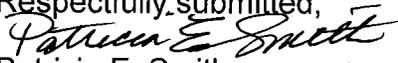
EXECUTIVE SESSION RE: LITIGATION, REAL ESTATE AND PERSONNEL, PURSUANT TO SECTION 610.021 (1)(2)(3)(9)(12)(13)(14) & 610.022 (1-6)

No Executive Session was called at this time.

ADJOURNMENT

Alderman Thomas moved and Alderman Violet seconded the motion to adjourn the Pre-CIP and Budget Work Session meeting. The motion carried and the meeting adjourned at approximately 6:50 p.m.

Respectfully submitted,


Patricia E. Smith

City Clerk



Pre-CIP and Budget Meeting

January 14, 2016



CIP and Budget Calendar

January 14	Pre CIP and Budget Meeting
March 7 - 18	Departmental meetings with Group Managers
April 29	Send FY16 CIP document and draft budget to Board of Aldermen
May 3, 5, & 10 (if needed)	Board of Aldermen work session
May 26	Adopt FY16 CIP at BOA meeting



Pre CIP and Budget Meeting Overview

- ★ Good news
- ★ Opportunities
- ★ New Challenges
 - Solutions
- ★ Board of Aldermen project requests



**Good News #1
Major Opportunities**

- ★ 2008 Bond refinancing
 - Cuts debt service obligations by \$800,000/year
- ★ Major opportunity #1
 - Cut taxes
 - "No tax increase" bond issues



**Property
Tax Rate History**

1984 & Prior	1.00
1985 - 1987	0.95
1988 - 1999	0.93
2000 - 2002	0.90
2003 - 2004	0.85
2005 - 2006	0.80
2007 - 2015	0.77



**Good News #1
Major Opportunities**

- ★ Cut taxes 2 cents to \$.75 rate
 - 25% reduction over 30 years
- ★ "No tax increase" bond issues
 - \$8.25 million bond capacity



Bond Project Estimates

Potential Projects	Preliminary Estimates
New Club House	\$5,500,000
Pool	\$3,500,000
City Hall Rear Entrance	<u>\$ 750,000</u>
ESTIMATED TOTAL	\$9,750,000



**Good News #2
Additional Opportunities**

- ★ FY '15 strong operating results
- ★ General Fund \$2.7 million better than budget
- ★ One time surplus allocation



**Good News #2
Additional Needs**

- ★ Board of Aldermen project requests
 - Your wish list
- ★ City Hall complex (25 years old) future maintenance needs

Tuck pointing/exterior work	\$250,000
Interior maintenance	\$100,000
City Hall building front entrance	\$250,000
Parking lot resurfacing	\$250,000
- ★ Retiree Health Insurance Trust



New Challenges

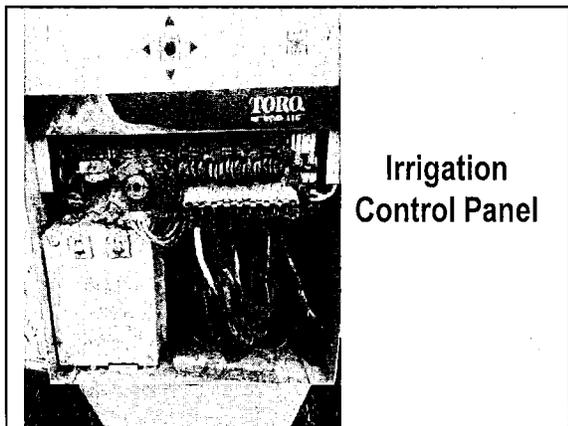
- ★ Flood impact on Golf Course
- ★ Economics of Golf Course operation
- ★ Long-term Rec-Plex maintenance needs

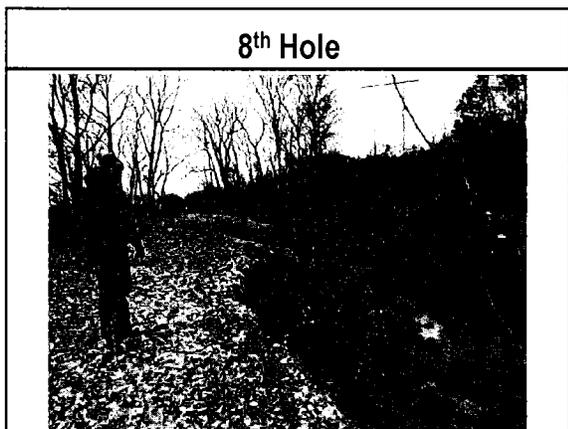
Golf Course Flood Damage

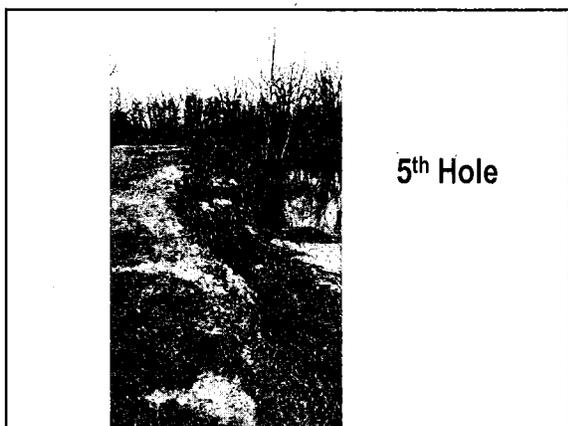


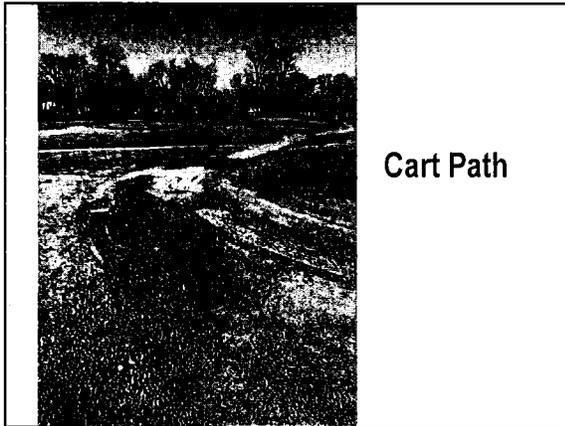
Maintenance and Office Facilities



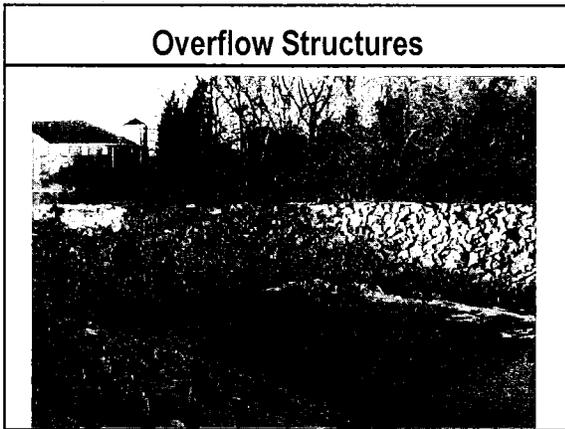








Cart Path



Overflow Structures

		 Golf Course 5-Year Financial Summary				
	FY'11	FY'12	FY'13	FY'14	FY'15	
Revenue	\$711,579	\$909,571	\$844,730	\$751,201	\$719,076	
Operating Expenses	749,597	756,288	771,251	748,804	793,589	
Capital Expenses	(3,842)	3,863	89,015	41,959	51,071	
Surplus/ (Deficit)	(\$34,176)	\$149,420	(\$15,536)	(\$39,562)	(\$125,584)	



Golf Course

Immediate Needs to be Operational in 2016

Grounds Restoration	\$ 251,000
Creek Bank Stabilization	\$ 100,000
Green Relocation	\$ 50,000
Equipment Replacement	\$ 169,000
Trailer Replacement	\$ 30,000
Total	\$ 600,000*

*\$450,000 Related to Flood Event



Golf Course

Long Term Financial Needs

Creek Bank Stabilization	\$500,000
Lake Bank Stabilization	\$ 50,000
Irrigation Well	\$150,000
Maintenance Shed	\$300,000
Total	\$ 1,000,000*



Rec-Plex Long Term Financial Needs

Exterior Building Maintenance (2016-2020)	\$750,000
Interior Maintenance (2016-2020)	\$200,000
Mechanical Systems (2021-2025)	\$200,000
Rec-Plex South (2016-2020)	\$100,000
Natorium Foundation Projects (2020-2030)	\$1,300,000



**Golf Course/Rec-Plex
Funding Solutions**

- ★ Local Parks Storm Water Fund (LPSW)
 - Existing capital reserve = \$899,000
 - Fund immediate Golf Course needs (\$600,000)
 - Projected capital reserves through (2017-2020) = \$1,700,000
 - Designate for long term Golf Course and Rec-Plex needs



Summary

- ★ Set our compass
- ★ CIP process takes several months
- ★ Mayor and Board of Aldermen will set direction





**Pre-CIP and Budget
Meeting**

January 14, 2016

IMMEDIATE AND FUTURE NEEDS FOR THE GOLF COURSE

IMMEDIATE NEED TO BE OPERATIONAL

Flood Related Damage		Non Flood Related		Future CIP Items	
Description	Estimated Cost	Description	Estimated Cost	Description	Estimated Cost
Course Amenities Replacement	\$9,000	Re-Grading/Drainage Basin Repairs on #4	\$25,000	Interior Lake Stabilization #1 Fairway	\$50,000
Bunker Sand Replacement	\$5,000	Fairway Mower	\$55,000	Additional Dardenne Creek Bank Stabilization	\$500,000
Turbine Debris Blower Replacement	\$7,000	Tee Mower	\$35,000	Maintenance Facility Upgrade	\$300,000
Maintenance Office / Trailer (Used)	\$30,000	Greens Mower	\$35,000	Irrigation Replenishing Well	\$150,000
Utility Vehicle Replacements (3) (Golf Cart w/dump beds)	\$21,000				
Overflow Pipe Repair	\$27,000				
Irrigation Control System	\$85,000				
Sod - Turf Loss (#4, #6, #15, #16)	\$50,000				
Dardenne Creek Armoring @ Hole #8 Green	\$100,000				
Relocate #8 Green	\$50,000				
Utility Vehicle	\$12,000				
Walk Behind Mower	\$4,000				
Cart Path Repair	\$50,000				
Total of Flood Related Damage	\$450,000	Total Non-Flood Related Request	\$150,000		
Total Amount Needed to be Operational in 2016 \$600,000				Future CIP Items \$1,000,000	

Golf Course Clubhouse

Demolition (Pool, Clubhouse, and Tennis Courts)	\$ 222,300
New Construction	\$ 3,712,400
Site Improvements (Parking Lot, Roadway, Lighting)	\$ 395,000
Soft Cost (Architectural/Engineering Fees)	\$ 460,000
Contingency	\$ 649,455
Total	\$ 5,439,155