

Public Works / Finance Committee



Regular Meeting ~Minutes~

Laurie M. Hopkins
City Clerk

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**Monday
March 14, 2022**

3:00 PM

**Council Chambers
206 E. Third St.**

The meeting was called to order at 3:00 p.m.

PRESENT: Maureen Laflin, Anne Zabala, Gina Taruscio

OTHERS: Council Member Sandra Kelly, Council Member Julia Parker, Mayor Art Bettge, Christina Randall, Peter Robichaud, Tony Bean

STAFF: Jen Pfiffner, Mia Bautista, Scott Bontrager, Cody Riddle, Sarah Banks, Demetre Makratzakis, Laurie M. Hopkins

REGULAR AGENDA

1. Approval of Public Works/Finance Committee February 28, 2022 Minutes (ACTION ITEM) - Taylor Riedner

The minutes were approved as presented.

2. Disbursement Report February 2022 (ACTION ITEM) - Sarah Banks

Staff will present the Accounts Payable Report for the month ending February 2022.

ACTION: Approve and authorize the use of digital signatures to sign the Disbursements Report for the month of February 2022.

Banks introduced the item by going over the major expenditures including payroll, annual payments of airport maintenance, HRA VEBA trust, and BS&A software renewal. The Committee approved the disbursements and authorized the use of digital signatures to sign the Disbursements Report for the month of February 2022.

3. Fourth Quarter Financial Report July 1, 2021 to September 30, 2021 for FY2021 (ACTION ITEM) - Sarah Banks

Staff will present the financial report for the fourth quarter of Fiscal Year 2021 (July 1, 2021 to September 30, 2021)

PROPOSED ACTIONS: Approve the FY2021 Fourth Quarter Report, or provide staff further direction

Banks said that fiscal year expenses are normally at 75-100% but this year had quite a few anomalies. General Fund transfers were 143% due to CARES funds received. CARES funds also allowed for Information Systems to have greater revenues. The City received more revenue from the Road and Bridget tax which allowed a \$115,000 transfer to capital projects. Expenditures for Recreation and Culture had a larger unanticipated fund balance which was moved to Capital Projects. Transit Center had an adjustment in the contract so expenditures were higher than anticipated. The Committee approved the FY2021 Fourth Quarter Report.

4. Consideration of the Milton Arthur Park Playground Equipment Purchase (ACTION ITEM) - David Schott

The Parks and Recreation Department is requesting authorization to purchase Miracle playground equipment and rubber tile safety surfacing at the cost of \$100,000 from Garrett and Company, Inc., DBA Garrett Parks and Play, for Milton Arthur Park. In addition, the Parks and Recreation Department

is requesting an additional \$3,000 for materials and supplies for parks staff to install the playground equipment and rubber tile safety surfacing. If approved, the safety tiles and playground equipment will be installed in-house by parks crew certified installers. The playground equipment is intended for 2 to 12 year-old children. This project was approved in the FY2022 budget with the use of Hamilton Funds as required by Resolution 2017-07 which notes, "the City wishes to direct the remaining Hamilton Fund balance to be used in City Parkland Development for the purchase and installation of playground equipment and attendant pathways and access to such playgrounds in City Parks."

PROPOSED ACTIONS: Recommend approval of the purchase of Miracle playground equipment and rubber tile safety surfacing at the cost of \$100,000 from Garrett and Company, Inc., DBA Garrett Parks and Play, for Milton Arthur Park and an additional \$3,000 for materials and supplies for parks staff to install the playground equipment and rubber tile safety surfacing with funding from the Hamilton Fund; or provide staff further direction.

Schott introduced the item as written above. Nine proposals were received and two were non-responsive. Staff anticipates installation in October. A total of 574 votes were submitted on the equipment which is the higher ever received. By having staff install the safety tiles and equipment, \$15,000 is saved. The Committee recommended approval and that it be placed on the Council consent agenda.

5. FAA & State terminal and apron grant award reauthorization (ACTION ITEM) – Tony Bean

The Pullman Regional Airport regularly applies for grants from the U.S. Federal Government and State of Idaho for the purpose of Terminal, Site and Apron Design and Construction at the Airport. The primary grant programs that are available include FAA Grants, Bipartisan Infrastructure Law (BIL) Grants and State of Idaho Department of Transportation Aeronautics Division Grants. Competitive BIL Terminal Grants have a 5% local match requirement, and the FAA and BIL Entitlement Grants have an 8.12% local match requirement. The City Council previously authorized up to \$21,000,000 through Resolution 2020-14 and the acceptance of additional CARES Act funding through Resolution 2020-10. The current request is to authorize acceptance of up to \$21,000,000 with an estimated local match of \$1,050,482.00 from the Airport's CARES operations grant. This request is to finalize the grant acceptance actions already taken by both councils by resolution in 2020 and 2021 totaling \$33 Million in FAA Grants and the remainder of the CARES Grant awarded. To facilitate the grants, it is necessary to preauthorize its acceptance due to the short time allowed between award and acceptance. The draft resolution has been prepared for that purpose. The resolution also authorizes the execution of related assurances and certifications. Also included in the packet is a spreadsheet depicting the current funding program with potential BIL and State Grant awards as well.

PROPOSED ACTIONS: Recommend approval of the proposed Resolution preauthorizing the acceptance of up to \$21 million in grant funding from the FAA Airport Improvement Program, or provide staff further direction.

Heard as item 8.

Bean explained the bipartisan infrastructure law is allowing for additional funds. The engineering estimate was \$14,500,000 and the bid came in at \$20,500,000. Wenatchee and Tri-Cities both have a bid opening this week. FAA and Bean want to wait until those two bids have been opened to make a recommendation to the board. The apron project does not have a cap like the terminal project. The apron includes the underground tank for required collection of stormwater and deicing fluid. After discussions with FAA, he would like to request \$32,000,000 instead of \$21,000,000 in grant funding. The match will still be covered by airport CARES funding. The Committee recommended approval and that it be placed on the Council regular agenda.

6. Lilly Street Reconstruction 'A' St to Third St - Bid Results (ACTION ITEM) - Scott Bontrager

The Lilly Street Reconstruction project includes the reconstruction of Lilly Street ('A' St to Third St) and First Street (Lieullen St to Lilly St). The base bid consists of the full replacement of Lilly Street underground utilities, curb and sidewalk, and full-depth roadway replacement. Also included in

the base bid is the realignment and daylighting of Hogg Creek and an extension of the existing pathway along First Street. The Add Alternate bid consists of the reconstruction of First Street pavement, curb, sidewalk, and the installation of a new water main. The City published an advertisement for bids on February 5, 2022 and the Engineer's Estimate for construction is \$1,577,822.40 for Base Bid and \$211,587.00 for the Add Alternate.

Bid opening for the project took place on March 1, 2022, at which one (1) bid was received. The responsive bid received was submitted by Razz Construction with a Base Bid of \$2,128,771.75 and an Add Alternate bid of \$241,987.00. A bid analysis is included in the Committee packet.

PROPOSED ACTIONS: Recommend rejection of the low bid from Razz Construction, Inc; or provide staff with further direction.

Item heard as item 5.

Bontrager introduced the item as written above and said staff anticipates better prices on a bid next spring. Staff can handle any spot repairs if necessary. The Committee recommended rejection of the low bid from Razz Construction, Inc and that it be placed on the Council consent agenda.

7. Paul Mann Building Restoration Project - Bid Results and Contract Award (ACTION ITEM) - Scott Bontrager

In November of 2011, a professional structural evaluation of the Paul Mann Building revealed minor structural deficiencies with the concrete masonry (CMU) and provided recommendations to repair the cracking and replace the roof to improve drainage and limit water accumulation above the CMU. In 2021, Castellaw Kom Architects (CKA) were hired by the City for professional design services with the scope of replacing the existing membrane roof with insulation and a new 20-year membrane roof, repairing the CMU walls, and the installation of a new weather barrier and metal cladding system on the south and west sides of the building, which will limit water damage to the CMU as well as improve the appearance of the building. Add alternates were also added to the project for:

- Add/Alt #1 - Additional metal cladding on the north and east faces of the building
- Add/Alt #2 - Increase the thickness of the proposed new roof to meet a 30-year warranty

The City published an advertisement for bids on February 5, 2022 and the Architect's Estimate for construction is \$149,221 for Base Bid, \$26,826 for Add Alternate #1, and \$45,103 for Add Alternate #2.

Bid opening for the project took place on March 8, 2022, at which one (1) bid was received. The responsive bid received was from Dardan Enterprises, Inc with a Base Bid of \$139,486, an Add Alternate #1 bid of \$24,120, and Add Alternate #2 bid of \$9,250. A full bid tabulation is included in the Committee packet.

PROPOSED ACTIONS: Recommend acceptance of the low bid from Dardan Enterprises, Inc., award the contract for the base bid and both additive alternates for the total sum of \$172,856, and authorize staff approval of construction change orders in an amount not to exceed 10% of the contract amount, or provide staff further direction.

Item heard as item 6.

Makratzakis introduced the item as written above. The cracking in the masonry would be repaired using structural epoxy and a fluid weather barrier membrane would be applied to the entire exterior. Metal wall panels would be installed on all four sides of the building and would add service life to the building. The thermal plastic membrane roof will also be replaced. Replacement of the windows would cost approximately \$175,000 so are not included in this project. The Committee recommended approval and that it be placed on the Council consent agenda.

8. Request from Palouse Ice Rink for Hamilton Funds (ACTION ITEM) – Mia Bautista / PIR Representative

By adoption of Resolution 2017-13, and its successors, Resolution 2019-16, and Resolution 2021-02, the Moscow City Council approved a commitment of \$1 million dollars of Hamilton Funds to the Rotary Veterans Memorial Pavilion, Inc., an Idaho nonprofit corporation d/b/a Palouse Ice Rink nonprofit association, for construction of an ice rink facility.

Subsequent to the passage and approval of Resolution 2021-02 and the Memorandum of Understanding entered between the City and PIR on March 3, 2021, PIR was unable to secure a loan through Zion's bank, but thereafter secured funding through Idaho Central Credit Union (ICCU) and the estimated cost to construct the ice rink facility increased, which required PIR to secure other funding sources to cover the increased costs for construction of the ice rink. On July 9, 2021, PIR purchased the property at 2009/2013 S. Main Street and at 325 West Palouse River Drive for the amount of \$2,585,000 from NRS Properties, LLC to construct the new ice rink facility. PIR paid \$500,000 at closing and entered into an agreement to pay an interest-only promissory note for the remaining \$2,085,000 with a balloon payment due on or before October 1, 2031. The note bears an annual interest rate of four and a half percent (4.5%) and is to be paid in quarterly installments on January 1, April 1, July 1 and October 1 each year until completion. PIR converted the property at 2009/2013 South Main Street into two condominium units, sold Unit 1 of the condominiums for \$600,000, said funds are being utilized for the construction of the ice rink facility. On November 24, 2021, PIR sold the property located at 325 West Palouse River Drive for \$343,500. PIR obtained an appraisal report that excludes Unit 1 and excludes the 325 West Palouse River Drive properties that were sold, and received an appraisal that concluded the ice rink facility would be valued at approximately \$4,700,000 after completion of construction. PIR secured Ginno Construction to act as general contractor for the construction of the new ice rink, who has estimated cost projections as of March 8, 2022, to complete Phase I is \$4,391,210. PIR has the following funding sources to pay for the construction of Phase I of the new ice rink facility:

\$1,468,679	PIR Cash available
\$1,500,000	ICCU Loan
\$1,000,000	City of Moscow
\$61,000	Pledges to be paid this year when the City of Moscow releases funds
\$341,056	Construction costs already paid to date

As a result of the increased cost of construction, the revised purchase and sale of the properties, the new lender and revised agreements associated with the funding sources, PIR is requesting the City Council to renew its commitment of Hamilton Funds to be used in the new location, with revisions to the terms limiting the commitment of said funds and revisions to the draw process that comports with both ICCU's and the City of Moscow's fiduciary responsibilities through the attached revised Resolution which will replace Resolution 2021-02 and the Amended MOU to replace the MOU executed on March 3, 2021. The 2020 PIR Business Plan and additional materials relating to the Council's previous commitment of Hamilton Funds are within the Council packet.

PROPOSED ACTIONS: Review Amended Memorandum of Understanding and Resolution stating conditions of approval of Palouse Ice Rink's Request for City participation of \$1 million of Hamilton Funds to assist in construction of the ice rink, and approve, or deny, or modify the Amended MOU and Resolution, or take other action deemed appropriate.

Item heard as item 7.

Christina Randall explained the cost of construction has gone up by approximately \$1,000,000. ICCU required more money to be raised for phase one which was done with the sale of property and a reduction of the budget in a couple places. Bautista said she included some of the history in the MOU and the resolution. After a meeting between ICCU, City and PIR, the MOU includes everything that will work for all entities. The Committee recommended approval and that it be placed on the Council regular agenda.

REPORTS

Staff Report (if needed)

No report.

ADJOURN

The meeting closed at 3:42 p.m.

