



City of Benton Finance Committee

Monday, March 11, 2024

Council Chambers

Beginning at 5:00 p.m.

Chair – Steve Brown

Vice-Chair - Jeff Morrow

Staff Liaison – Mandy Spicer

Anne Spencer Cole

Evelyn Reed

Shane Knight

Brian Black

Tom Farmer

Bill Donnor

Steve Lee

Judd Hart

I. Alderman Brown called the meeting to order, recognized attendees and established a quorum. Alderman Brown relayed the information that Brian Black from Black Corly Owens and Hughes requested that the City Hall build to be moved on the agenda but because he isn't here yet we will proceed until he shows up. Alderman Brown asked if anyone had reviewed the minutes from February meeting, Alderman Morrow made the motion to approve and Alderman Reed seconded it. All those present were in favor and motion carried.

II. First on the agenda was the Benton Utilities update. Jimmy Garrett and Todd Peterson came to present the January 2024 financials. Jimmy briefly highlighted Benton Utilities' January 2024 financials reporting that the ended the month -\$180,234.

Alderman Hart asked for an update on Benton Utilities spending of the ARPA funds. Todd Peterson reported the Sludge Basin project is complete and paid for. The Clearwell project is restarting after a pause during the winter. Replacement of the water main to Downtown Benton is going forward with RFP for contractors. This project should be finished by year end with all ARPA money used by this time.

Jimmy Garrett gave an update on upgrading customer service software. May 6 is the go live date. Flyers will be included with April's bill outlining to customers their steps to take to create a new account on the new system. This includes emails to customers who have gone paperless already. They also mentioned that no late fees will be charged in the month of May while this transition takes place.

III. Next on the agenda was the HVAC maintenance contract renewal. Alderman Brown told the Council that the City of Benton's current vendor for HVAC maintenance services is Jones Heating and Air. Before you, is the agreement to continue those services for 1 more year, each department's buildings are billed separately. He continued that a resolution is required. Alderman Donnor made the motion to sign a 1-year agreement with Jones Heating and Air for HVAC maintenance contract, and Alderman Lee seconded. A vote was taken, and all were in favor.

IV. Next on the agenda was approval of the Janitorial contract. Alderman Brown illustrated that the City went out to formal bid for a Janitorial Services contract in February. A committee was assembled and reviewed the submitted bids. After careful review of references, previous experience, and price – OJ's Service Two, Inc was selected. The agreement will be for 1 year with the opportunity to renew for 3 additional one years at a price of \$79,516.56 per year. A copy of OJ's response was included in each Alderperson's packet. Resolution will be required. Alderman Knight asked if this would be for 1 year initially and then a 3 year afterwards? Chief Financial Officer Spicer responded that no, it will be for a 1-year contract with the option of 3 additional 1-year contracts. Alderman Lee asked for additional verbiage to be added. CFO Spicer said she would add that verbiage to the proposed legislation. Alderman Brown asked Alderman Lee if he was making that motion and he said yes. Alderman Hamm seconded the motion, and a vote was taken. All alderpersons present were in favor.

V. During the last discussion Brian Black entered the chambers so the next topic to be discussed was the New City Hall contract approval. Mayor Farmer explained that the City sent an invitation to construction managers for submission of qualifications to construct a remodel of the River Street Complex for the new City Hall. 8 responses were opened February 12th and last week all 8 were interviewed. A handout was provided summing the responses from each company. Brian Black then laid out in detail the process of the interviews and details from those meetings. He recommended Moser as the construction manager due to low cost of contingency.

Mayor Farmer asked about Moser's past project and how they compared to this. Mr. Black reviewed from Moser's RFQ their previous projects.

Alderman Lee asked for an explanation of the term "Sacrifices" next to the price in the RFQ. Mayor Farmer and Alderman Knight explained we could sacrifice some expenditures, for example replacing granite countertops for a lesser material to save money in that line item.

Alderman Morrow asked what the proposal did not include. Mr. Black explained that it did not include items such as site work, work to the exterior other than painting and replacement of some windows, parking, or landscaping. Discussion then turned to how much of the building is being remodeled. The entire complex is approximately 52,000 square feet. Only 20,400 of it will be remodeled. The area has already been completely gutted for the remodel.

Alderman Morrow asked what the new Council Chambers would look like. Mr. Black advised the layout would be virtually the same, with the ability to double the seating in the future. Mayor Farmer pointed out the chairs would not be fixed, but stackable tables and chairs would be used so the space could be utilized better for other meetings and events that can take place in the chambers.

Alderman Hart asked what the price per square foot would be for the Moser bid? Brian Black responded with \$108 per square foot. Alderman Hart asked if that was doable, and would they guarantee that price? Brian Black responded that we asked them some very difficult questions and had them guarantee it with a contract.

Alderman Hamm responded that he has some concern. Firstly, the exterior of the building looks older than the current building we are in. Then followed it up that he isn't happy with the overall finished product. Brian Black responded that early in this process he brought a design that included interior and exterior plans. With the budget we have the wants had to be scaled back. It will be a work in progress. Alderman Hamm responded that it's like putting lipstick on a pig. At one time it was a modern building, now it doesn't look modern or even as good as the current building. He doesn't want to paint a picture to John Q Public that we are putting \$2.2M in now and then add another \$2M to make it look better at a later date.

Alderman Knight spoke briefly about his experience in the interview process and detailed the story of the current courthouse renovation. At one point, the current courthouse was voted to demolish instead of being renovated, and it passed to renovate by just one vote. Same thing with the Palace Theater. He continued saying that the renovations already completed provides a clean slate for the contractors. He asked the council members to have faith and look into the future several years and what we might have.

Mayor Farmer advised that he has spoken with some citizens and advised there is support for this project.

Alderman Brown reiterated that the cosmetic features we are discussing can be completed in phases. Brian Black said, yes, you are correct. Brian Black then spoke on the price of the building that we initially paid for was \$8 per square foot.

Alderman Donnor asked, so the newer part of the building will be renovated but the older part won't be touched? Brian Black said yes. Then Alderman Donnor added that in the 18 years of him being on the Council no building has ever come in on budget, everything has been overbudget. He followed up with a question asking did Brian Black think this would come in over budget. Brian tried to respond and got interrupted. Alderman Knight explained the scenario of a performance bond that would protect us as a City if the company we choose goes over budget. He then continued that Moser explained that he would sign the contract for the agreed upon dollar amount and didn't falter. Alderman Baptist agreed, he said he felt really comfortable with Moser and their confidence in completing the project on budget. Alderman Knight added that whatever choice is decided on this project it also affects the Police Department. Right now, the Police Department doesn't have space for the level of staff they have now much less for future growth. Alderman Lee replied that that was why we bought the land next door.

Alderman Brown advised that this project may require a couple of resolutions. (1) Mayor and City Attorney to negotiate the contract (2) appropriate the funds. Alderman Knight advised the ARPA guidelines would allow with the right wording all of this can be in 1 resolution but in different sections. Budget amendments to follow to appropriate the funds.

Alderman Lee asked since we have a City Attorney, he really hopes he makes sure we are doing this correctly. Alderman Knight made the motion to approve resolution and move forward with Moser as the contractor, and Alderwoman Cole seconded. The only dissenting vote was from Alderman Hamm.

- VI. West Cross Street low bid was next on the list. The City went out to formal bid for the West Cross Street Drainage Improvement Phase 1 project. After careful review Township Builders, Inc was selected as the lowest acceptable bid in the amount of \$904,170. Alderman Donnor made the motion to approve, Alderman Knight seconded the motion for a resolution. All those present were in favor, the motion carried.

- VII. Lastly on the agenda is a Police Equipment Grant Fund purchase. Last year the Police Department auctioned a Polaris for \$7800, the funds were deposited into the Police Equipment Grant Funds. Chief Hodges spoke on how the funds would be utilized to purchase of new computers out of line item 8004.03 Computer Equipment Capital Outlay.

Alderman Lee made a motion for a resolution to make the purchase with the fund from the Police Equipment Grant Fund. Alderman Hamm seconded it. All those present were in favor, the motion carried.

- VIII. Under other business, Alderman Donnor brought up the issue of the City of Benton streets condition due the I-30 construction taking longer than projected which has caused additional traffic to the city's streets. Alderman Donner asked if we could ask for restitution for repairs made. Several Alderman agreed. Alderman Knight made a motion for the City Attorney to explore placing a lean on Liquefied Damages or Retainage for recouping repair costs. Alderman Donner seconded the motion. All Alderpersons present were in favor, the motion carried.

Chief Financial Officer Spicer briefly reviewed the January 2024 Financials. She noted that for January the city is in the black \$202,113.65. The Financial Stability Fund balance is \$1,095,759.31. She offered the Alderpersons to take the financials home for review and call her for any questions.