

CITY OF UNION CITY
WORKSESSION MINUTES
TUESDAY, FEBRUARY 20, 2018
6:15 P.M.

Present: Mayor Vince Williams, Councilmembers Angelette Mealing, Brian Jones, Shayla Nealy, and Christina Hobbs; Dennis Davenport – City Attorney, Sonja Fillingame – City Manager, and Shandrella Jewett – City Clerk

Staff Present: Lonnie Ferguson – Public Services Director, Lee Blich – Parks and Recreation Director, Ellis Still – Community Development Director, Rhonda Galloway – Human Resources Manager, Cassandra Jones – Police Chief, and Joe Maddox – Fire Chief

Absent: Tarsha Calloway – Assistant City Manager and Trey Bennings – Information Technology Manager

The meeting was called to order at 6:15 p.m.

All matters listed on the Consent Agenda are considered routine by the Council and will be approved by one motion. No separate discussion will take place on these items. If discussion of any Consent Agenda item is desired, the item will be moved to the Regular Agenda for separate consideration.

I. CITY MANAGER’S REPORT:

Mr. Kingsbury shared that the original targeted budget was \$5 million. However, as the design progressed, the City increased the budget to \$5,200,000 to accommodate the addition of a concession stand, generator capacity, and needed improvements at the intersection of Bryant Street and Longino.

He noted that Hogan Construction Group subsequently advised the City of a new project completion cost of \$5.9 million. To address the new cost, a value engineering approach was used and included the utilization of an EFIS system.

Subsequent to explaining the value engineering process, Mr. Kingsbury noted that the budget could potentially be reduced from \$5.9 million to \$5.6 million. However, additional unanticipated costs of an underground storm drainage system, asbestos removal, lead paint removal, and contractor escalation costs would bring the budget to approximately \$5.7 million. This amount did not include the separate audio visual costs the City had agreed to provide for items through its own designated vendors.

Councilmember Hobbs asked whether contingency was a part of the planning process. Mike Tomlin, Hogan Construction Group, responded that 5% was factored in for contingency. However, the cost was over-run due to site issues and unforeseen lead and asbestos abatement.

David Corbin, SMC Terminus, spoke regarding the bond and advised Council that at the beginning stages of the bond, an additional \$460,000 was included for any unanticipated costs arising outside of the original budget. City Manager Fillingame advised that the amount was not anticipated to completely address the new community center budget. She posed an option of utilizing remaining funds from the Highway 29 Ball Field renovation project in combination with the residual bond funds as a consideration for Council. Ms. Fillingame mentioned that funding for the renovation

project was allocated for a restroom as well as the design and paving of the parking lot area. After the restrooms are installed, there would be approximate \$1 million dollars available. The remainder of the renovation project could be deferred in order to complete the community center.

Councilmember Nealy thanked staff for exploring additional funding options. She also inquired about staff completing a portion of the earth work. Director Ferguson responded that Union City forces would complete the connection work necessary for a water line to move the fire hydrant closer to the building.

City Manager Fillingame noted that Hogan provided two cost estimates. One with the City procuring the loose furniture and the other option with Hogan procuring the loose furniture. Director Ferguson stated that the funding necessary to procure the heavy I.T. and A/V work were separate from the options.

Mayor Williams asked whether the City would be prepared to include the cost of the I.T. and A/V work. City Manager Fillingame stated that the City would be prepared to proceed with the caveat of not having any additional major change orders.

Mayor Williams asked the Hogan Team to confirm whether the budget was conducive. Mike Tomlin confirmed that he felt that Hogan could guarantee the cost of the work based on the costs that were identified at present. He further mentioned that there were no dollars available for contingency and suggested that the City carry contingency for any future unanticipated costs.

Councilmember Mealing inquired about the previous completion date of May 18, 2018 not being met. Mr. Tomlin provided a rough estimate that would put the new project completion date around October 2018.

Councilmember Jones asked about the amount the City would need to put into the project. He mentioned the \$350,000 for I.T. and audio visual work as well as \$100,000 for contingency. Councilmember Jones inquired if there were any other expenditures. City Manager Fillingame noted the \$200,000 for Bryant Street, generator capacity and the concession stand. She followed by stating that staff's estimate of the project cost was \$6.3 million.

City Manager Fillingame asked the Council for approval to use residual funds from the bond in combination with residual funds from the Highway 29 Ball Field renovation initiative to support project costs. She asked that contingency requests be approved by Director Ferguson as opposed to being rolled into the \$5,788,066 for Hogan Construction.

On motion of Councilmember Hobbs, seconded by Councilmember Nealy and carried, Council approved \$5,788,066 as the budget for Hogan Construction Group. The new total project cost for the community center was approved for \$6,300,000. Utilization of residual funds from the Community Center bond in combination with remaining funds from the Highway 29 Ballfield renovation project would fund the project. Director Ferguson was also authorized to approve contingency costs.

II. ADJOURNMENT:

The meeting was adjourned at 6:59 p.m