

**CITY OF UNIVERSITY PARK, TEXAS
CAPITAL PROJECTS REVIEW COMMITTEE
MONDAY, JULY 28, 2014, AT 4:00 P.M.
UNIVERSITY PARK CITY HALL
SECOND FLOOR CITY COUNCIL OVERFLOW ROOM
M I N U T E S**

Attending:

Brunz, Roy
DeLorenzo, Dave
Holmes, James
Lane, Olin -Mayor
Metzger, Steve
Peek, Harold - Chair
Strodel, Dan

Absent:

Cooke, Steve
Davis, Dick
Houseman, Lon
Walker, Kelly

Guest:

City staff:

Bradley, Gerry
Corder, Robbie
Criswell, Jim
Ertle, George
Howell, Randy
Ledat, Jodie
Smallwood, Bud
Speer, Jacob
Spradlin, Greg
Tvardzik, Tom
Whaling, Bob

1. Call to order.

Chairman Peek called the meeting to order at 4:03 pm. He said he looks forward to serving as chairman of the committee in the coming years, and he turned the meeting over to Tom Tvardzik.

2. Review and approve minutes from April 21, 2014 meeting.

Tvardzik called for approval of the minutes of the April 21, 2014 meeting. Steve Metzger moved to approve the minutes. Dan Strodel seconded, and the motion passed unanimously.

3. Review spending versus budget on a year-to-date and life-to-date basis as of 6/30/2014.

Tom Tvardzik directed the committee's attention to the spreadsheet displaying year-to-date and life-to-date figures for FY14 projects and noted approximately 40% of the FY14 budget had been expended to date with IT spending at 58% of budget, Parks at 43%, and Public Works at 43%. He noted the Unplanned Projects amount included cleanup of prior year projects and the RACES antennae approved by the committee for Project 43741, Peek Center EOC.

Tvardzik asked the department directors to provide commentary on their FY14 projects beginning with Jim Criswell. Tvardzik then informed the committee Jim was retiring July 31st and this would be his last presentation to them.

Jim Criswell said it was great working with the CPRC over the years. He continued by providing updates that essentially mirrored the project status report provided to the committee in the agenda packet. He noted the RFPs for Project 13700, Time and Attendance System Replacement, and for Project 14400, Telephone System Upgrade, will be ready in the coming months, and Project 14100 will start toward the end of FY14.

Gerry Bradley reviewed and provided updates for FY14 projects which mirrored the status comments in the agenda packet.

Bud Smallwood provided the committee with a review and update of Public Works projects. He noted Project 48910, Miracle Mile Pavement and Drainage, will be reviewed by the City Council in August in an executive session

4. *Review changes to FY2014 Capital Projects Budget*

Tom Tvardzik drew the committee's attention to page of 8 of the agenda packet which displays FY14 project expenditures - including estimated fourth quarter spending. He indicated the estimates were provided by the department heads in an effort to better budget for the upcoming 5 year period.

5. *Review baseline FY2015 Capital Projects Budget.*

Tvardzik directed the committee to page 9, noting the spreadsheet displays the FY15 budget. He commented that while the budget is considered on a yearly basis, projects often span multiple years. He explained that in order to properly account for the project over its life, staff will bring the committee a budget amendment after year end, requesting any unspent funds be transferred to the next fiscal year on a project by project basis. He noted the proposed budget resumes the practice of increasing the transfers to the capital budget by 3% in FY15 and that the budget contains a placeholder for the hiring of a civil engineer.

Discussion ensued.

6. *Review five-year Capital Improvements Program, including changes to beginning and working capital, interfund transfers, and July funds transfer.*

Tvardzik then directed the committee to the Five-year Capital Improvements Program Summary (page 10 of the agenda packet) which displays actual and estimated FY14 results, as well as the (anticipated) FY15 - 19 budgets. He noted the original FY14 budget projection ends with a negative working capital balance of -\$1,396.388 due to a mid-year revision of the beginning working capital balance. Tvardzik said the revision is a result of a "true up" to the audited financial statements. He explained that in previous years, the beginning working capital balance was very likely a "rolling" spreadsheet calculation that was not adjusted upon issuance of the audited financials. Beginning in FY15 staff will revise the working capital calculation at mid-year, based on the audited financial statements. While noting the flaw in prior methodology, he stated that having the working capital balance go "negative" is highly unlikely as no department will spend their entire budgeted amount during the year.

Tvardzik went on to explain that in July, the City Council approved a \$2 million transfer to the capital budget funded by sales of right-of-way to SMU.

Jim Criswell provided information regarding FY15 projects. Project sheets containing the project description, summary and budget impact were distributed to the committee.

Gerry Bradley then addressed the committee and utilized a PowerPoint presentation to discuss FY15 projects for the Parks department. He noted Project 26900, Tollway Wall Landscape, is currently unfunded and additional funds will need to be budgeted in order to complete the project. Steve Metzger suggested waiting to receive Council direction on the proposed Miracle Mile project (somewhat adjacent to the Tollway Wall Landscape project) to avoid installing landscape that might need to be subsequently removed. There was discussion about the location of the enclosed restroom structure for Goar Park, Project 26100.

Fire Chief Randy Howell discussed Project 33900, Radio Replacement. He explained the need for the replacement of all mobile, console, and portable radios is based not only on upcoming obsolescence of the current system used by UP but also to address interoperability with the City of Dallas, SMU, and the Town of Highland Park, all entities the City's emergency responders work with on a daily basis. He indicated the replacement is projected to cost \$2 million but will not be implemented until FY18. He is bringing the project to the committee's attention in the event the committee feels it would be best to budget \$500,00 per year for the next four (4) budget years to "build up" funds for the project. Chairman Peek indicated the escrow option, rather than budgeting \$2 million in FY18, is a wise decision. Tom Tvardzik indicated the other Public Safety project, Project 33800, NextGen 911, is only a FY18 placeholder at this time because requirements and details are still being debated in the legislature.

Bud Smallwood reviewed upcoming FY15 projects. Tvardzik noted the Project 44400 budget number increased by \$200,000 since the printing of the agenda packet bringing the total project budget to \$900,000.

Mayor Lane indicated there were discussions regarding a potential project that would likely be funded through the Unplanned Projects budget, and that he would like to see it increased by \$1 million for a total FY15 budget of \$3 million.

Dan Strodel moved to approve the proposed FY15 Capital Budget inclusive of the additional \$200,000 for Project 44400, a placeholder of \$40,000 for Project 26900, and an additional \$1 million to the Unplanned Projects budget. Steve Metzger seconded, and the motion passed unanimously.

7. New Business

There was no new business.

8. *Schedule next meeting date: October 14, 2014.*

Tom Tvardzik noted the proposed date in the agenda of 10/14/14 was a mistake as the 14th of October is a Tuesday. It was determined that October 20th was better for the committee, and it was suggested the committee meet in the Peek Center EOC and tour the building at 4419 Worcola after the October meeting.

9. *Adjourn*

Chairman Peek adjourned meeting at 5:42pm.

Harold Peek, Chair

Tom Tvardzik, Director of Finance