

## Committee of Thirteen Report

November 09, 2010

The Committee of Thirteen of the Benton County Quorum Court met Tuesday, November 9, 2010 at 6:00 p.m. in the Quorum Court Room, Third Floor, County Administration Building, 215 East Central, Bentonville, Arkansas.

13 Present: Wozniak, Millager, Sandlin, Brown, Lewis, Hubbard, Moore, Allen, Douglas, Blaty, Winscott, Harrison, Stephenson

Others Present: County Judge David Bisbee, Circuit Judge Jay Finch, Comptroller Richard McComas,

Media: Tom Sissom – Daily Record

JP Stephenson called the meeting to order at 6:00 p.m.

### **PUBLIC COMMENTS**

Dawn Harpell of Bella Vista commented on McMillan road in Bella Vista.

**1. Resolution Request:** Benton County Water District Refunding Bonds; Sponsor: JP Dan Douglas  
JP Douglas stated that this is to pay off existing bonds and refinance at a lower interest rate with no cost to the county.

JP Douglas made motion to approve and forward the resolution request to the November 18, 2010 Quorum Court agenda, seconded by JP Sandlin

Motion passed by unanimous voice vote.

**2. Appropriation Ordinance Request:** To appropriate a \$50,000 grant from GIF-2 Grant Program GIF-2 Beaver Lake Fire Department, Fund 484; Sponsor: JP Kurt Moore  
JP Moore stated this appropriation is a pass-through grant for the completion of a training center for the Beaver Lake Fire Department.

JP Moore made motion to approve and forward the appropriation ordinance request to the November 18, 2010 Quorum Court agenda, seconded by JP Lewis.

Motion passed by unanimous voice vote.

**3. Appropriation Ordinance Request:** To appropriate an additional \$8,120 from Department 05, Sheriff's Boating & Safety Enforcement, Fund 160 to replace a boat motor; Sponsor JP Kurt Moore

JP Moore stated that this appropriation is necessary to appropriate \$8,120 for the purchase of a replacement boat motor for the Sheriff's Boating and Safety Department.

JP Moore made motion to approve and forward the appropriation ordinance request to the November 18, 2010 Quorum Court agenda, seconded by JP Lewis.

Motion passed by unanimous voice vote.

**4. Appropriation Ordinance Request:** To transfer \$600,000 from Jail Maintenance Fine Fund, Fund 931 to Capital Projects, Fund 440 to reimburse Capital Projects for money borrowed to build Jail Barracks; Sponsor JP Kurt Moore

JP Moore stated that this transfer is necessary to reflect the reimbursement of \$600,000 to Capital Projects Fund 440, for the money borrowed to build the Jail Barracks.

JP Moore made motion to approve and forward the appropriation ordinance request to the November 18, 2010 Quorum Court agenda, seconded by JP Winscott

Motion passed by unanimous voice vote.

**5. Appropriation Ordinance Request:** To appropriate \$35,000 to cover Utility and Common Area Maintenance fees for the Center For Nonprofits through the end of 2010;

Sponsor: JP Kurt Moore

JP Moore stated this appropriation is to appropriate \$35,000 for covering utility and common area maintenance for the Center For Nonprofits through the end of 2010.

JP Moore made motion to approve and forward the appropriation ordinance request to the November 18, 2010 Quorum Court agenda, seconded by JP Harrison

Motion passed by unanimous voice vote.

**6. Discussion:** Review of bids for Juvenile Justice Center building costs; Sponsor: JP Frank Winscott

JP Winscott reported that bids were opened November 4, 2010 for the Juvenile Justice Center, and that three companies had submitted bids on the project. He stated that a Flintco Inc., a local company was the low bidder. JP Winscott recognized Chris Schnurbusch, Division Manager with Crossland Construction, and stated that Crossland Construction would be acting as Construction Manager for the project.

Chris Schnurbusch stated that Crossland Construction has worked with Johnson Troillett Architect with the design of the new Juvenile Justice Center. He stated that the low bid came in at \$5,016,000, and with the addition of design and construction fees, that the total would be \$5,366,000. He stated that for the building to be move-in ready, that the county will need to add the costs for phone, data, and cable costs, and might possibly have to pay an impact fee of \$126,000 to the City of Bentonville for a total project cost of \$5,492,000, and he would recommend adding a contingency to that total. He stated that Crossland, acting as Construction Manager, is in the process now of working with Flintco Inc. of Springdale with value engineering ideas. He added that a number of ideas have been discussed that would allow a substantial savings.

JP Allen asked what the recommendation for a contingency would be. Chris Schnurbusch stated that they have spent two years analyzing this project, so the only area of concern would be the earthwork, which is the case with any project of this size. He stated that they do have some unit prices for the earthwork have been locked in to help deal with that, so he would recommend a contingency in the \$100,000 to \$150,000 range, and noted that even after the money is appropriated, they do not spend it without the court's approval.

JP Stephenson asked for an explanation of how value engineering could result in possible savings. Chris Schnurbusch stated that throughout the process, Crossland works with the architect with material selection and what is the most cost effective. He added that now that the bids have come in, Crossland can look at the different products and make suggestions for alternatives. He stated that some of the examples of value engineering would be; changing the manufactures and the types of light fixtures; the type of exterior metal panels; and an alternative manufacture for the exterior siding, all of which could save the county \$100,000 to \$150,000.

Further discussion was held on value engineering and the savings that would benefit the county without changing the functions, layout, quality of materials, looks, or the warranty.

JP Moore asked what the estimated completion date would be if completed in a timely manner. Chris Schnurbusch stated 14 to 15 months have been allowed to build this facility. JP Moore stated that there would not be a tremendous amount of expenditure in 2011. Chris Schnurbusch stated that the county will be billed 30 days in arrears of the work completed throughout the project.

JP Moore asked if the county Road Department had been figured in as doing part of the initial dirt work. Chris Schnurbusch stated that it was in the numbers, and that the earthwork had been estimated at \$180,000.

JP Allen said that the operating budget is as critical as the capital budget, and asked if there was any savings in the lighting system, or in using a well as opposed to tapping into the city water system. Chris Schnurbusch stated that what we are in discussions about now is if the money that is saved in the initial project is worth the long-term expenditure for energy costs. He added that the lighting system would not be a fully automated system, and that the HVAC system will not be controlled by room occupancy, but the systems to be used will be better than standard.

JP Winscott stated that the operating costs have been figured at \$1.25 per square foot for heating, air conditioning and lighting with an approximate annual cost of \$40,000. He added that the Director of the Juvenile Justice Center has asked to add one full time and one part time position to his staff, and that this would be the only additional staff requested for the whole facility. He said that the Juvenile Justice Center and the Circuit Clerk had both submitted requests which would be a one-time expenditure of \$75,000 – \$54,000 for the Circuit Clerk and the remainder for the Juvenile Justice Center. JP Winscott stated that there would be approximately \$100,000 of additional annual expenses for the county which are not included in the building costs of the project. He stated that the \$5,492,000 is to build the building and get it ready for occupancy. He added that this does not include the moving costs, and that they will be asking the Sheriff to provide inmates to help with the move.

JP Douglas asked if the cost of \$5,492,000 included furniture, fixtures, equipment, etc. and is this all-inclusive. JP Winscott stated that there is no additional furniture needed for the judge's office, or the Juvenile Justice Center. JP Winscott at that time recognized Tim Sorey of Sand Creek Engineering and stated that the City of Bentonville has placed a few requests on this facility. He stated that annexation to the City of Bentonville will have to be done, because there will be a courts facility included in the building which has to be located in the county seat, but

there will be no direct costs for the annexation. He stated that also the city has requested a re-platting of the property, to clean up the property lines because there are several parcels involved. He said that the cost to do the re-plat is at maximum \$8,000, and that also cleans up utilities for the City of Bentonville for water and sewer. He stated that the City of Bentonville has requested a sidewalk along Melissa Drive which was not a part of the large-scale development plan. He added that it is a standard request, but because there is a security issue, Sand Creek Engineering does not recommend building a sidewalk on the grounds of the Juvenile Justice Center. He stated that the City of Bentonville has requested that a shorter section of sidewalk be built across Mellissa on the north side to connect up to the existing sidewalks, and that the city is receptive to a fee of \$8,000 in lieu of building the sidewalk. He said there are still ongoing discussions regarding the sidewalk issue, but that is one item that should be budgeted.

JP Douglas asked, with regards to annexation into the City of Bentonville, would the county be forfeiting any rights or would there be any implications down the road on what the County can do with that property and how it could be used. Tim Sorey answered that the County would not have to worry about that type of issue. He stated that when the property is annexed into the City of Bentonville, it will be classified as A-1, and under the A-1 designation for that property pretty much any building would be acceptable. He added that the A-1 classification includes government buildings and uses, and do not require conditional use permits. He said as long as long as any of the facilities are used for government purposes, the county would have free reign to build whatever that would come up.

JP Douglas questioned why the County has to go through this process on this building project and did not have to when the new jail barracks was built. Tim Sorey stated that ultimately the City of Bentonville wanted the County to go through the regular large-scale process for building, and that the main reason is that we are dealing with new water and sewer connections. He stated that the process for the annexation or the re-plat will not have to be done prior to starting the Juvenile Justice Center.

JP Stephenson expressed his concerns of the County paying the City of Bentonville a fee in lieu of constructing the sidewalks. Tim Sorey stated that the City of Bentonville requires sidewalks across the frontage of all large-scale developments, but if you have reasons not to build a sidewalk, then the city will grant a waiver to that requirement and charge a fee in lieu of the sidewalk. He said the fee will then be used for a sidewalk somewhere else in the city. JP Stephenson stated it did not make sense for the County to have to pay the City of Bentonville.

JP Moore asked Richard McComas how the \$5.5 million amount worked with the budget.

Richard McComas stated that with the bid coming in at \$5.5 million that the County will have to use about \$2 million of the unrestricted reserves in addition to the \$3.5 million that is in Capital Projects.

JP Wozniak made motion to approve and forward the request to build the Juvenile Justice Center facility to the November 18, 2010 Quorum Court agenda, seconded by JP Sandlin.

JP Allen stated he wanted to confirm that \$5.5 million will be coming out of unrestricted reserves, with an additional \$100,000 in operating expenses. JP Winscott stated that it would be \$5.5 million, with an additional \$100,000 in annual operating expenses, and the one time expense of \$75,000 for equipment for the Circuit Clerk's office and Juvenile Justice Center.

JP Douglas expressed his concerns for the County's finances and continuing with the building of the Juvenile Justice Center at this time. He stated that three years ago the previous court did not approve this because they wanted to wait to see what the economy was going to do. He added that we do not know what the county's future budget is going to be, the final number on what the

sales tax percentage is going to be, and that we do not have census numbers back. He added that we do not have any numbers on what the re-appraisal is going to be, or how much the property tax revenue may go down. He stated that in eight months the county will know better what the county's future holds, and we will know more about sales tax revenue and property tax revenue projections for the next few years. He stated that we are budgeting for a reduced sales tax, and a reduced property tax. He added that we do not know how much that is going to be, and that we will not know until any figures until July. He asked if this is the right thing to do or would we better off to wait to see what our future is going to be.

Further discussion held on the costs involved with building the Juvenile Justice Center and moving forward with the Juvenile Justice Center project.

County Judge David Bisbee stated that installation of a new phone system will have to be done regardless of whether a new Juvenile Justice Center is built. He added that those costs would be \$35,000 to \$40,000 for the installation of a new phone system, and that the computer system would also need to be updated, and that \$150,000 cost has been included in the figures. He added that this is something that the county would be facing regardless.

JP Hubbard expressed his support for going forward with the building the Juvenile Justice Center.

Motion passed by voice vote.

For: Wozniak, Millager, Sandlin, Brown, Lewis, Hubbard, Moore, Allen, Blaty, Winscott,  
Harrison, Stephenson

Against: Douglas

#### **OTHER BUSINESS**

None

#### **ANNOUNCEMENTS**

JP Moore announced the next Finance/Budget Committee meeting will be Tuesday, November 16, 2010 at 5:00 p.m.

JP Winscott announced that the Quorum Court meeting will be held on Thursday, November 18, 2010 at 6:00 p.m.

Circuit Judge Jay Finch thanked the court members for their attention, efforts, and diligence in the work involved with the Juvenile Justice Center.

#### **PUBLIC COMMENTS**

None

#### **ADJOURNMENT**

Upon motion and second the meeting adjourned at 7:07 p.m.