

# CITY OF FAIRVIEW

## BOARD OF COMMISSIONERS WORKSESSION MINUTES

OCTOBER 21, 2021

Debby Rainey, Mayor  
Lisa Anderson, Vice Mayor  
Brandon Butler, Commissioner  
Rod Dawson, Commissioner  
Scott Lucas, Commissioner  
Scott Collins, City Manager  
Tim Potter, City Attorney  
Brandy Johnson, City Recorder

**BOC Present:** Anderson, Butler, Dawson, Lucas, Rainey

**Staff Present:** Collins, Johnson, Potter, Ross, Paisley

**1. Call to Order by Mayor Rainey at 5:00 p.m.**

**2. Bond Issue Discussion**

- John Werner of Cumberland Securities is present
- As we discuss, keep in mind that we are spending today's dollars for tomorrow and are committing no future funds for debt payments
- Recently refunded the 2014 bond issue with series 2021A that will save approx. \$88k on interest
- Motorola lease payment is \$132k per year (for the next two years) and once paid off that amount becomes a "safety net". That amount is already going to pay for debt service in the current budget and will still be applied to debt service. The annual maintenance fee for the radio system still applies to future budgets.
- Our current budget includes \$500,000 for the 2021B bond issue payment, however, the actual payment due is \$286,400. This is a difference of \$213,600 to the good so we will pay off the Motorola lease early using \$132k and the remaining \$80,600 will be added to resurfacing projects for the budget year. These will be reflected in the amended budget in January.
- Current debt service on the 2014 bond issue is \$250,700 (\$107,200 operating, \$104,500 facilities, and \$39,000 State Street Aid) is rolling into the series 2021A bond issue (total \$2,025,000 total with payments ranging from \$223k to \$242k).
- Debt on the house/property next door at 7062 City Center Way is rolling into the series 2021B bond issue.
- 2021A debt service payments will all be taken out of general fund. The amounts previously taken from facilities fund (\$104k) and state street aid (\$39k) will remain in those funds to be utilized for other projects but if the \$104k from the facilities fund is added to our reserve that would be a 10% increase in the reserve fund. Any revenue above \$600k increase in property taxes from the 2020 amount is to be allocated for additional road projects. 2020 property tax amount is used as the benchmark amount as it pre-dates the most recent re-assessment.
- No sales tax revenue increases over the 2020 year are being considered. Our current budget level funded sales tax revenue as actual from 2020 and any additional revenue received from sales tax is set aside for the compensation plan. Any increased amounts of revenue will be reflected in the amended budget.
- If we pay off the Motorola lease this budget year and add the \$132k payment amount to our existing debt service payment for the series 2021A bond issue to increase that payment and pay off the bond issue three years early in 2028 (and with a smaller payment of \$41k for the final payment). We simply re-purpose the amount being paid for debt service on the Motorola lease/purchase to additional series 2021A bond issue payments.

- Future need for an additional police station and fire station is looming. If we accelerate the debt payments on the 2014 bond issue then we can retain an architect to begin work in 2028 for a new police and fire station. We would be looking at a series 2027A bond issue with an estimation of \$7.5 million additional debt we would have a \$375k annual payment requiring no additional dollars be committed by redirecting the amount currently being paid for the 2014 debt service.
- Projects for the 2021B bond issue include:
  - Road projects on Chester, Horn Tavern, Northwest (realignment and adding a signal) and other miscellaneous road projects
  - Early payoff/financing of 7062 City Center Way property
  - Public safety firearms training facility at the Dice Lampley outparcel
  - Treehouse Playground at Bowie Nature Park funding
- \$2.5 million in recovery dollars is still coming our way to be utilized for stormwater
- It has taken several years to get into the financial position we are today with several issues popping up along the way: school facilities tax changes, ½ cent sales tax change (loss of \$330k in revenue annually), and the Motorola radio lease (\$133k for 4 years).
- Our current 2014 debt service pays for police vehicles (we now budget for at least three replacements per year), city center roadway and some other items rolled in.

### **3. Treehouse Playground at Bowie Nature Park Discussion**

- Nathan Chance with Great Southern Recreation is present
- The board has the quote and amended layout to include the zip line moved into the playground footprint. Total cost as presented is \$738,629.73. The group is part of the Omnia Purchasing Co-op so no bid is necessary.
- The item is on tonight's agenda for approval and would need to be ordered by November 4 due to a price increase that takes effect on November 5.
- Invoice for the playground will be due upon receipt. There is a resolution in tonight's meeting packet authorizing transfer of funds from the reserve account if needed before bond funds are available. Currently there is more than enough in the operating account to cover the invoice, but should an unexpected expense arise, this is to ensure timely payment of the invoice. The resolution states funds shall be returned to the reserve fund within 10 days of receipt of bond funds.
- Purchase resolution on tonight's agenda for approval to purchase the playground parts.
- After purchase and lead time confirmation, we will schedule delivery, storage and installation time frames. We are on track for completion by the end of May and will have a soft opening with our Grand Opening scheduled for July 2.
- Not included in the purchase agreement: fence, sidewalk, ADA accessible entrance, bricks, or pavilion, all of which would be separate funding sources from the main playground.
- All fundraising dollars are to be remitted to the city by December 29 as previously agreed upon.
- Decisions still need to be made about fencing and the use of new and old memorial bricks. Collins has reached out for an estimate on a few types of fencing (engineered wood, vinyl chain-link and decorative metal) and will forward those when received.
- Playground parts have an 18-to-20-week lead-time and we anticipate the build to begin soon after the parts arrive. Build should take 6-8 weeks, depending on weather.
- Security during installation will be addressed later but they don't typically run into issues.
- There does need to be a rear gate for playground access but will be utilized for maintenance only.
- .....Grayson presented an option for a fence with personalized, engraved pickets, made of 100% recycled materials, mostly milk bottles. The exterior and interior of the board are different colors so the engraving really shows up as a contrast. The fence does not require any maintenance and there are lots of color choices available. Based on calculations, the playground group could charge \$48.75 for each picket and it would pay for the entire fence, not including installation.
- Benches with memorial plaques still need final approval from the Board.
- Brick pavers are a separate initiative and still to be determined.

### **13. Adjournment** by Mayor Rainey at 7:05 p.m.

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**Brandy Johnson, City Recorder**