



**MEETING MINUTES**  
**FINANCE & ADMINISTRATION SUB-COMMITTEE**  
**Wednesday, May 6, 2020 - 7:30 AM**  
**Held via Microsoft Teams**

Present: Councilmember Russ Trimble, Councilmember Greg Hudson, City Manager Tom Hadden, Deputy City Manager Jamie Letzring, Finance Director Tim Stiles, Budget Analyst Chris Hamlett, Community and Economic Director Clyde Evans, Business Development Coordinator Katie Hernandez, Business Development Coordinator Rachel Wacker, Communication Specialist Lucinda Stephenson, Human Resources Director Jane Dodge, and Secretary Katie Johnson

Guest: Mr. Matt Brown, President, Formation Group (Item #1)

Meeting was called to order at 7:30 AM

**1. Infrastructure Support and Urban Renewal Amendment (Mills URA Subdistrict #9) for Galloway Mixed Use Development**

Ms. Wacker stated that a developer has recognized parcels to the east of DMACC for development. The development would include 3-4 buildings for commercial office and retail use on the west side of the property and a planned convenience store on the east side. Initial plans call for approximately 90,000 square feet for the office/retail component which will carry an estimated assessed valuation of \$9 million.

The City anticipates a combined \$15 million of assessed valuation associated with the project between the convenience store, office, and retail components of the project. A development agreement will be created with a job component and minimum assessment agreement to ensure payments of city-issued General Obligation Urban Renewal Bonds. The project site is within the Mills #9 Urban Renewal Area and will need to be amended to include these TIF funded projects and slightly adjust the land area.

Mr. Brown, representing the developer, explained that they are asking for assistance in constructing infrastructure in return for their created/retained jobs and added taxable valuation. The projects listed below are consistent with City's overall development plan and appear financially viable, so staff is recommending they be included in a development agreement in return for the jobs and property development obligations of the developer (and their tenants):

- An extension of Booneville Road from its east end to the developer's west property line
- Reconstruction of the south access road to the Glen Oaks property
- A new north-south road connection between Grand Avenue on the south and Booneville Road / Glen Oaks on the north
- A temporary traffic signal at Grand Avenue and Raccoon River Drive. A permanent signal can be delayed until Grand Ave is widened.

Mr. Brown and Ms. Wacker noted that there have been numerous conversations with representatives of the Glen Oaks development and those individuals are looking favorably at the project and the changes to the Glen Oaks south access road. Most significant to them is the inclusion of a signalized intersection at Grand Avenue.

The cost of the infrastructure projects listed above has been estimated at \$3.1 million. Bonds would be sold and then repaid with increment generated solely from the developed parcels. Mr. Stiles explained that the city would endeavor to complete Booneville Road further to the west of the development (over to 60<sup>th</sup> Street) if financially possible.

Councilmembers supported the staff recommendation which is to negotiate terms of a development agreement. A request to negotiate a development agreement and amend the Mills #9 Urban Renewal Plan will be placed on the May 18<sup>th</sup> City Council Agenda.

## **2. FY 2020 Budget Amendment #3**

Mr. Hamlett presented budget amendment #3. Among the most notable items are:

- Increase revenue \$66,348 for EMS Covid 19 Stimulus Award
- Increase revenue \$192,295 for CDBG Covid 19 Stimulus Award
- Increase expenses \$100,000 for post-malware incident security consulting
- Increase expenses \$8,000 for new City Hall HVAC software required after malware attack
- Increase expenses by \$225,000 for purchase of laptops and other equipment due in part to allow employees to work remotely during Covid 19.
- Increase expenses by \$350,000 for the encrypted badge reader system at all city facilities – purchase approved by Council 4/6/20
- Increase expenses by \$60,000 for building maintenance costs, including replacement of cooling system for IT server room and other unforeseen repairs
- Increase expenses by \$15,000 for vehicle maintenance costs

The Councilmembers supported approval of FY 19-20 Budget Amendment #3. It will be published in the Des Moines Register and placed on the May 18<sup>th</sup> Council agenda.

## **3. Updated Payroll Fund Transfer Process**

Mr. Stiles stated that the city's payroll processing system is being transferred from Highline to Kronos in the upcoming months and it requires an updated flow of funds with West Bank. Part of the Kronos service involves them now processing vendor payments related to payroll, but the changes will have no effect on employees or paychecks. The bank will initiate payments with a software vendor through a process called a reverse wire process.

No action is needed – information only. The Finance Director will be executing documents with West Bank to confirm the changes prior to going live with the Kronos payroll system.

#### 4. Staff Updates

- Councilmember Trimble discussed the City Manager performance review process. He indicated that other councilmembers have wanted to be involved in the process in previous years. Councilmember Trimble will discuss with the City Attorney on how to handle an executive session through Microsoft Teams so that all Council would be able to participate in the review.
- Ms. Letzring stated that she is still working on the Economic Development prospect that was previously discussed.
- Mr. Stiles mentioned that we are still waiting for the Notice of Publication from the Des Moines Register for the budget. It will be filed with Polk County once received.

#### 5. Other Matters

None

Meeting was adjourned at 8:38 AM.

Respectfully Submitted,

*Katie Johnson*

Katie Johnson  
Recording Secretary