FINANCE AND ADMINISTRATION COMMITTEE

November 21, 2024
2:00 p.m.
Councilman Denny Whayne Conference Room (Busch Building, 4th Floor)

MEMBERS PRESENT: Matthew Simpson, Chair; Heather Hardinger; Monica Horton; and Brandon Jenson.

MEMBERS ABSENT: None.

STAFF PRESENT: Jason Gage, City Manager; Collin Quigley, Deputy City Manager; David Holtmann, Director of Finance; David Pennington, Fire Chief; Dan Smith, Director of Public Works; Katie Towns, Director of Public Health and Welfare; Tammy Beeman, Financial Analyst; Kristen Milam, Communications Coordinator; Bob Jones, Grants Administrator; Scott Bachman, Transportation Planner; Anita Cotter, City Clerk; and Michelle Kaasa, Senior City Clerk Administrative Specialist.

GUESTS: Megan Herzog, Springfield Contractors Association; Darline Mabins, Community Partnership of the Ozarks; Isabelle Walker, Housing Collaborative; H. Wes Pratt, Multicultural Business Association; Colleen Appel, Springfield Tenants Unite; Merna Eppilk, Recovery Coalition of the Ozarks; and Alon Fisch, Recovery Coalition of the Ozarks.

Mayor Pro Tem Matthew Simpson, Chair, called the meeting to order at approximately 2:06 p.m., and roll call was conducted. Present: Heather Hardinger, Monica Horton, Brandon Jenson, and Matthew Simpson. Absent: None.

Councilmember Jenson moved to approve the September 26, 2024, meeting minutes as presented. Councilmember Horton seconded the motion, and it was approved by the following vote: Ayes: Horton, Jenson, Hardinger, and Simpson. Nays: None. Absent: None. Abstain: None.

Mayor Pro Tem Simpson noted Councilmember Jenson requested Item 4, Consideration of Allocation of the Adult Use Marijuana 3-Percent Sales Tax, be moved to be the first item. Mayor Pro Tem Simpson further noted the item would be taken out of order if there was no objection. There was no objection.

Mayor Pro Tem Simpson introduced Alon Fisch and Merna Eppilk from Recovery Coalition of the Ozarks who would provide a brief presentation. Ms. Eppilk noted the Recovery Coalition of the Ozarks noted the organization was one of five coalitions in the State. She further noted they had polled their members regarding things that would be helpful in Greene County. Ms. Eppilk noted the coalition had several partners within the community.

Mr. Fisch noted the State started a project called Respite House, which was intended for those on their recovery journey as an alternative to homelessness. Mr. Fisch added the State funded six respite houses, but there were none of these houses in Springfield. Mr. Fisch expressed his belief Springfield had a great need for respite care. He further expressed his belief respite care would be one of the most useful projects for the City. Ms. Eppilk noted respite care lasted from 7 to 29 days, and this could allow individuals to become stable before transitioning into a housing environment.

Mr. Fisch noted four areas identified as important by the coalition were respite care, transportation, childcare, and a recovery hub. He further noted these needs could be combined and expressed his belief a larger hub where they could partner with community organizations would be beneficial. Mr. Fisch noted the Robberson Elementary site was viewed as a possible location for the larger hub.

Councilmember Horton asked if there was a current location for respite housing. Mr. Fisch responded there was not. He added to provide a respite location, the organization must be National Recovery Alliance certified. Missouri Coalition of Recovery Support provided the certification, and there was no location in the city that was currently certified. Councilmember Horton noted the marijuana sales tax funding would focus on Springfield and asked how funds could be used. Mr. Fisch noted the location would be in Springfield as well as the service provided.

Councilmember Jenson recognized the outcomes of the Branson location. He asked why funding was discontinued for the previous location. Mr. Fisch responded the State did not have the funding for that location. He added there were currently three detox beds.

Councilmember Jenson asked if there was a proposal or estimated cost. Mr. Fisch responded they wanted to present the idea only because the exact budget amount of the needed funding was not known. He noted the cost was approximately $173,000 for every four beds annually. Councilmember Jenson asked if the City had any opioid settlement funding that could be used. Katie Towns, Director of Public Health and Welfare, responded they were in the process of determining recommendations to bring forward to City Council regarding opioid funds.

Mayor Pro Tem Simpson thanked Ms. Eppilk and Mr. Fisch for the presentation.

David Holtmann, Director of Finance, provided a staff report. Mr. Holtmann noted marijuana sales tax proceeds could be used for public safety, mental health services, housing, and substance abuse services. Mr. Holtmann further noted the first half-year of collections was just under $800,000. He added for the July 1, 2024, through June 30, 2025, period, $1.8 million had been budgeted. Mr. Holtmann noted the tax collection was on track to meet this estimate.

Mayor Pro Tem Simpson noted there had been some logistical issues with collections with the State and asked if this had been resolved. Mr. Holtmann responded they were all in process and reporting was being received from all. He added some businesses had changed ownership, and the Department of Revenue was working on these issues.

Mr. Holtmann further noted there was approximately $767,000 remaining from the previous year. He added the estimated $1.8 million budget included the full year of the Jail Diversion Program, $94,000 for Community Partnership of the Ozarks (CPO) Gun Safety, $150,000 for the Police Department Virtual Crime Lab, and $461,000 for Police pay improvements. Mr. Holtmann noted after these allocations, $731,000 of the budgeted amount remained. He further noted this left approximately $1.5 million total remaining. Mr. Holtmann suggested leaving approximately 20 percent as a target remaining balance. He added this would leave approximately $1.1 million remaining for allocation.

Mr. Holtmann noted remaining needs included an update of the Fire Station Alerting System in the amount of approximately $1.4 million, CPO Shelter Diversion Program, unmet Community Development Block Grant Program (CDBG) items, housing referrals, and mental health services.

Mayor Pro Tem Simpson asked for the Committee to receive a copy of the above funding needs and a copy of any proposals. Mr. Holtmann responded affirmatively.

Councilmember Horton expressed her appreciation for having two Committee members that were also on the Council America Rescue Plan Act (ARPA) Review Committee. Councilmember Horton noted City Council recently adopted Housing as a priority. She expressed her belief it would be beneficial to review the detailed information.

Mayor Pro Tem Simpson noted the Council ARPA Review Committee was able to allocate as one-time funding. He added the marijuana tax funds, although not at the same scale as ARPA funds, would be ongoing. Councilmember Horton noted this would allow for a systematic approach. Mr. Holtmann noted the funds from 2024 would be one-time funding.

Councilmember Jenson asked the process to shift Police pay improvements out of the marijuana sales tax funds and into the 3/4-cent sales tax. Mr. Holtmann responded the total cost of the pay plan improvements would have to be reviewed as well as the pension commitment for the next year. Jason Gage, City Manager, noted the timing of that review would fit well in the typical budgeting discussions.

Dan Smith, Director of Public Works, provided a brief overview of the Public Works bidding process for the continued discussion of the process. Mr. Smith noted the previous review of the bidding process included how the bid process went through the City and how the department had worked to improve communications with the contracting community. Mr. Smith further noted the average number of bidders had been reviewed. He added the department was asked to do outreach with the contracting community to gather their input regarding what would make doing business with the City more attractive. Mr. Smith noted the input gathered included making projects more attractive for bidders, minimizing rebid without a significant scope change, increased participation at contractor events, response to concerns and feedback, and shortening the contracting process.

Mr. Smith noted ongoing improvements included continuing to work with City Utilities to clarify responsibilities and minimize uncertainty, continuing dialogue with industry partners, and continuing efforts to incorporate flexibility into projects and look for opportunities.

Mr. Smith noted opportunities for improvement included consistency and re-evaluating various approaches to projects. He added various approaches to projects included alternate project delivery methods, alternatives to re-bidding, minimizing risk by clarifying expectations, consideration of street closures, timing of responses when plan modifications were necessary, and streamlining the award timeline.

Mayor Pro Tem Simpson provided an opportunity for guests to comment.

Wes Pratt, Multicultural Business Association (MBA), expressed his concerns regarding the bidding process. He noted the MBA had expressed concerns previously and expressed his belief no significant increase in participation by underrepresented businesses had occurred. Mr. Pratt further expressed his belief the City did not have percentage goals regarding these underrepresented businesses.

Mr. Pratt noted the MBA respectfully recommended the following: development and implementation of a Business Inclusive Engagement Annual Report, an economic impact study of underrepresented, underserved, and under-resourced communities, and development and establishment of a policy to encourage greater availability and contract participation by small local business enterprises.

Megan Herzog, Springfield Contractors Association, noted they appreciated the collaborative effort. She noted the communication had been good and expressed her appreciation for the focus on improved consistency.

Councilmember Horton left the meeting at 3:00 p.m.

Councilmember Jenson moved to adjourn. Councilmember Hardinger seconded the motion, and it was approved by the following vote: Ayes: Jenson, Hardinger, and Simpson. Nays: None. Absent: Horton. Abstain: None.

The meeting adjourned at approximately 3:03 p.m.

Approved by the Finance and Administration
Committee on 03-27-25