

## Legislation Details (With Text)

<b>File #:</b>	RES. NO. 18-17	<b>Name:</b>	
<b>Type:</b>	Resolution	<b>Status:</b>	Passed
<b>File created:</b>	10/2/2018	<b>In control:</b>	City Council - Regular Session
<b>On agenda:</b>	10/16/2018	<b>Final action:</b>	10/16/2018
<b>Title:</b>	A Resolution authorizing the City Manager to allocate and fund up to \$3,000 for remaining project costs for the North Gateway Welcome Monument and Lee's Summit Municipal Building Authority administrative and close out costs. (F&BC 10-1-18)		

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Resolution, 2. Construction Agreement, 3. 10-1-18 Finance & Budget Committee information, 4. Cooperative Agreement, 5. Change Order 1, 6. Change Order 2, 7. Change Order 3

Date	Ver.	Action By	Action	Result
10/16/2018	1	City Council - Regular Session	adopted	Pass

A Resolution authorizing the City Manager to allocate and fund up to \$3,000 for remaining project costs for the North Gateway Welcome Monument and Lee's Summit Municipal Building Authority administrative and close out costs. (F&BC 10-1-18)

**Issue/Request:**

A Resolution authorizing the City Manager to allocate and fund up to \$3,000 for remaining project costs for the North Gateway Welcome Monument and Lee's Summit Municipal Building Authority administrative and close out costs.

**Key Issues:**

In an effort to close out the North Gateway Welcome Monument project and to ensure the Lee's Summit Municipal Building Authority (LSMMBA) does not have any outstanding financial liabilities, the LSMMBA and staff are requesting that the City Council authorize that the City Manager allocate and fund up to \$3,000 for remaining project costs for the North Gateway Welcome Monument as well as LSMMBA administrative costs. The \$3,000 overage is a result of North Gateway Welcome Monument project change orders and ongoing administrative costs that the LSMMBA, as a 501(c)3 entity is required to maintain. These administrative costs primarily relate to legal and financial reporting that is required of 501(c)3 entities.

**Proposed City Council Motion:**

I move for adoption of A Resolution authorizing the City Manager to allocate and fund up to \$3,000 for remaining project costs for the North Gateway Welcome Monument and Lee's Summit Municipal Building Authority administrative and close out costs.

**Background:**

In June of 2017 the Lee's Summit Municipal Building Authority (LSMMBA) entered into a construction agreement with MEGA Industries to construct the North Gateway Welcome Monument at the I-470 and

Lakewood Boulevard interchange. A Cooperative Agreement was approved to fund and construct the gateway monument with funding provided through the LSM MBA, Industrial Development Authority (IDA) and the City. A breakdown of the funding sources for the project is outlined in the first attachment to this packet.

In constructing the Northern Gateway Welcome Monument, three change orders were processed and approved by the LSM MBA as the contracting entity. Two change orders entailed revisions to the drawings and changes to construction due to site conditions in an effort to maximize the visual impact that the monument has on the site. The third change order involved paying for a portion of sales tax for materials as the sales tax exemption certificate for the LSM MBA was being processed while construction commenced. At this time, the LSM MBA has expended all of its available funding toward the project, including funds that were in place that were intended to cover administrative costs to maintain the entity in good standing.

Once the project is paid in full and closed out, the LSM MBA per the cooperative agreement is to dedicate the monument to the City for long term ownership and maintenance. Prior to the LSM MBA dedicating the project to the City, the LSM MBA is seeking to take care of all outstanding financial responsibilities for the project as well as their administrative costs associated with maintaining the 501(c)3 entity.

Other Information/Unique Characteristics:

The construction of the North Gateway Welcome Monument is completed. Staff is discussing on-going maintenance responsibilities for the monument as it is understood that mowing and other routine maintenance of the area is necessary to maintain the monument in an acceptable condition once the monument is dedicated to the City.

Conrad Lamb, Finance Director

Recommendation:

Staff recommends approval

Committee Recommendation:

Motion by Councilmember Edson, seconded by Councilmember Carlyle, to recommended approval of the resolution to the City Council. The vote was unanimous. (F&BC 1-10-18)