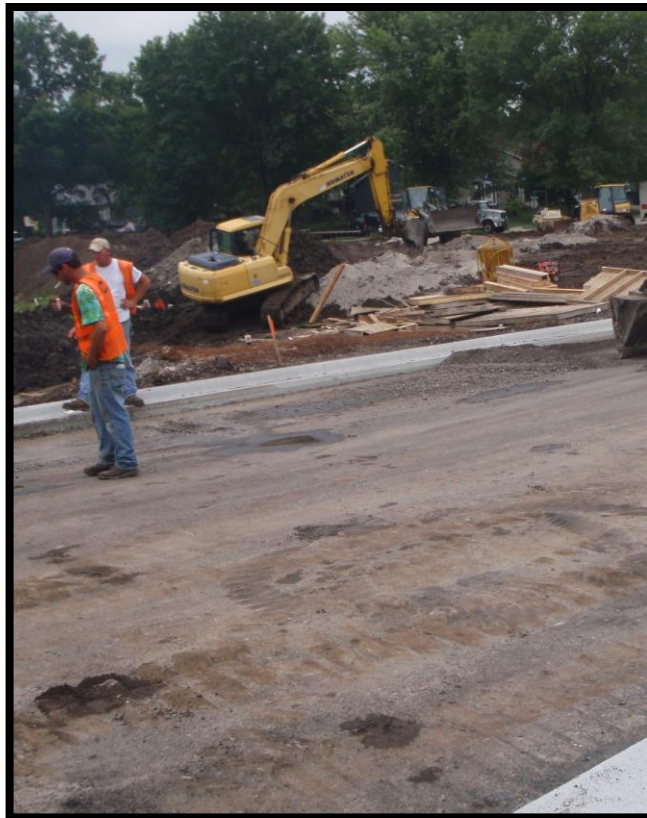




Street Maintenance Sales Tax Finance Oversight Committee 2014 Annual Report





City of Olathe



2014 Annual Report

Street Maintenance Sales Tax Finance Oversight Committee

Background

On November 12, 2013, the citizens of Olathe approved a 10-year, 3/8 cent Street Maintenance Sales Tax, which the City began collecting on April 1, 2014. The purpose of the sales tax revenue is to finance the cost of repairing, rebuilding, rehabilitating, upgrading, and improving streets in the City of Olathe.

Introduction

On February 18, 2014 the City Council enacted Resolution No. 14-1020 that adopted the charter creating the Street Maintenance Sales Tax Finance Oversight Committee. The Street Maintenance Sales Tax (SMST) Finance Oversight Committee is an advisory body tasked with the annual review of the 3/8 cent sales tax-related revenues and expenditures during its term. The Committee shall consist of seven members, all residents of the City of Olathe, appointed by the City Council. Generally, terms will be limited to four, consecutive two-year terms for a total of eight consecutive years. The Committee's specific duties are as follows:

- Annually review SMST income and expenditures to ensure the SMST revenues were expended consistently with the voter-approved street maintenance sales tax referendum.
- Annually, prepare an independent report to the City Council regarding the revenue and expenditures of the Street Maintenance Sales Tax.

The Committee's function is strictly that of oversight. It should be noted that it is not within the purview of the Committee to make decisions or recommendations on the use of SMST funds, direct staff, or define the scope of a project. These responsibilities remain under the authority of the City Council, City Manager, and professional staff.

Summary of 2014 SMST Revenues and Expenditures

In presenting this annual SMST report on the revenues and expenditures, the Committee undertook a review of documentation provided by the Director of Resource Management, City Engineer, and Project Coordinator. As a result of the new revenue stream of SMST, the 2014 Street Preservation Program increased 54% from the 2013 Street Preservation Program.

**2014 Street Preservation Program
Revenues & Expenditures Detail**

SOURCES OF FUNDS	CIP CASH	SMST	Bonds	Grants	OTHER	TOTAL
Capital Improvement Cash	1,800,000.00					1,800,000.00
Street Maintenance Sales Tax		4,850,000.00				4,850,000.00
CARS Grant				812,097.40		812,097.40
Other Funds					772,647.00	772,647.00
Utility relocate					29,854.66	29,854.66
General Obligation Bonds			2,040,000.00			2,040,000.00
Total Sources	1,800,000.00	4,850,000.00	2,040,000.00	812,097.40	802,501.66	10,304,599.06
Expenditures						
Kansas Avenue	252,000.00	459,988.22		440,595.69	417,670.78	1,570,254.69
Parker Street & Quivira Rd	334,415.16	454,000.00		371,501.71	379,854.66	1,539,771.53
Local/Collector Mill & Overlay	595,497.43	1,351,061.51	2,040,000.00			3,986,558.94
Local/Collector Micro Surface	111,000.00	955,591.28				1,066,591.28
Ultrathin Bonded Asphalt	49,011.85	850,000.00				899,011.85
Curb Replacement	709.10	189,347.21				190,056.31
Street Preservation	457,366.46					457,366.46
Kansas Avenue Phase II carryover to 2015		590,011.78			4,976.22	594,988.00
Total Expenditures	1,800,000.00	4,850,000.00	2,040,000.00	812,097.40	802,501.66	10,304,599.06

**2014 SMST Fund Balance Summary
2014***

2015 Budget

Beginning Fund Balance	\$0	\$2,563,642
Revenue:		
Sales Tax	\$6,736,937	\$8,744,143
Interest Income	\$ 7,160	
Transfer Revenue/Use Tax	\$ 669,545	
Total Revenue	<u>\$7,413,642</u>	<u>\$ 8,744,143</u>
Funds Available	\$7,413,642	\$11,307,785
Expenditures:		
Transfer to Projects	<u>\$4,850,000</u>	<u>\$ 9,460,000</u>
Ending Fund Balance	<u>\$2,563,642</u>	<u>\$ 1,847,785</u>

*Unaudited

Conclusion

The Committee has concluded that:

- The revenue from SMST is being appropriately sequestered and routinely tracked, reported, and monitored.
- The expenditures of SMST funds were utilized in a manner consistent with the referendum passed by the Olathe voters.
- The City's funding of the Street Preservation Program is proceeding in a manner consistent with the commitments made to the voters of Olathe.

Further detailed information about the SMST Finance Oversight Committee's proceedings and the projects in the 2014 Street Preservation Program may be found in the appendix of this report. This report has been researched, assembled and presented in a manner the committee believes is consistent with the stated objectives of Resolution 14-1020.

In accordance with the directives of Resolution 14-1020, the 2014 Annual Report of the Street Maintenance Sales Tax Finance Oversight Committee is respectfully submitted.

Mr John Andrade, Chairperson

The Members of the SMST Finance Oversight Committee

Mr Joe Forlenza, Vice Chair

Mr Tom Grady

Mr Steve Smith

Mr Doug Svatos

Ms Anne Oswald

Mr Wayne Montgomery



City of Olathe
2014 Annual Report
Street Maintenance Sales Tax Finance Oversight Committee

Appendix

- I. SMST Finance Oversight Committee Activities

- II. Project Information
 - a. Kansas Avenue Arterial Mill and Overlay
 - b. Parker Street & Quivira Road
 - c. Local and Collector Mill and Overlay
 - d. MAQS Micro Surface Project
 - e. Ultrathin Asphalt Surface Project
 - f. Curb Replacement Project
 - g. Map identifying location of projects

STREET MAINTENANCE SALES TAX

FINANCE OVERSIGHT COMMITTEE

ACTIVITIES

2014:

- ✓ March 27, 2014. Held the initial organizational meeting. Committee members received an overview of the street preservation program, the 2014 preservation plan, and financial information regarding sales tax revenue.
- ✓ July 2014. Received electronic update on projects and revenues.



- ✓ September 30, 2014. Toured projects that utilized SMST Funds. Viewed mill and overlay projects, micro surface projects, ultrathin & micro surface projects and curb replacement.

2015:

- ✓ January 26, 2015. Committee met to receive an update on the Street Preservation projects and an update on SMST revenue. The Committee also discussed the year-end review process.
- ✓ March 23, 2015. Committee reviewed the final 2014 revenue and expenditures for the SMST and discussed the preparation of the 2014 Annual Report.
- ✓ April 21, 2015. Committee Chair John Andrade presented the annual report to the City Council.

“Kansas Avenue Arterial Mill and Overlay”

Project Number: 3-P-001-14	
Project: 2014 Kansas Avenue Arterial Mill and Overlay, Phase 1	Project Description: Kansas Avenue Arterial Mill and Overlay Project, from Dennis Avenue to Harold Street. Phase 1 included four lanes between Santa Fe and Harold Street. Construction began May and was completed on in November. Phase 1 work included curb replacements, sidewalk replacement and ADA ramp installation, full depth asphalt base repair, 2” depth asphalt milling and resurfacing. Small water and sewer rehab projects constructed with the projects fully funded from the water and sewer rehab accounts. Phase 2 from Santa Fe to Dennis is in final design stage, with construction scheduled to begin spring 2015. Phase 2 construction includes all of the street work listed for phase 1 plus a large amount of stormwater construction. Approximately \$250,000 of additional funding will come from the 2015 Stormwater Rehabilitation Program to fund the additional work.
Contractor: O’Donnell & Sons Construction, Inc.	
Lane Miles: 4.1	
Project Status: Phase 1 Contract Completed, Phase 2 Construction 2015	

Revenue Source(s)	Amount	% of Project	Expenditures	Amount	% of Project
CIP Cash	\$252,000	11.6%	Design/Engineering	\$353,751.04	22.5%
General Obligation Bonds	\$0		Acquisition	\$0	
CARS Program	\$440,595.69	20.4%	Construction	\$1,174,325.52	74.8%
Street Maintenance Sales Tax	\$1,050,000	48.5%	Project Management – Inspection(\$23,662)	\$37,552.04	2.4%
Storm Water Funds	\$0		Utilities	\$0	
Other Revenue – Water, Sewer & Stormwater	\$422,647	19.5%	Other – Publications, Testing, Communications	\$4,626.09	0.3%
Total Revenues	\$2,165,242.69		Total Expenditures	\$1,570,254.69	

Kansas Avenue Before



Kansas Avenue After



“Parker Street & Quivira Road”

Project Number: 3-P-002-14	
Project: Parker Street and Quivira Road Arterial Mill and Overlay Project	Project Description: Parker Street included full depth base repair and 2” depth mill and overlay. Parker Street also included removal of an old wooden bridge with a Reinforced Concrete Box Culvert built to allow for future road improvements.
Contractor: Miles Excavating, LLC	
Lane Miles: 4	Quivira Road included full depth base repair and 2” depth mill and overlay.
Project Status: Complete	All arterial mill and overlay projects include replacement of pavement markings.

Revenue Source(s)	Amount	% of Project		Expenditures	Amount	% of Project
CIP Cash	\$334,415.16	21.7%		Design/Engineering	\$104,696.00	6.8%
General Obligation Bonds	0			Acquisition	0	
CARS Program	\$371,501.71	24.1%		Construction	\$1,186,545.00	77.1%
Street Maintenance Sales Tax	\$454,000	29.5%		Project Management - Inspection	\$78,595.01	5.1%
Storm Water Funds	\$350,000	22.7%		Utilities	\$165,618.82	10.8%
Other Revenue: Utility Relocate	\$29,854.66	2.0%		Other: Testing & Pub	\$4316.70	0.2%
Total Revenues	\$1,539,771.53			Total Expenditures	\$1,539,771.53	

Quivira Road Before



Quivira Road After



II-b

“2014 Local and Collector Mill and Overlay”

Project Number: 3-P-003-14	
Project: 2014 Local and Collector Mill & Overlay	Project Description: The project included full depth asphalt base repair, concrete curb replacement, sidewalk replacement and ADA sidewalk ramp installation on 82 Local and Collector Street locations in 4 separate residential areas.
Contractor: O’Donnell & Sons Construction Inc.	
Lane Miles: 30	
Project Status: Complete	

Revenue Source(s)	Amount	% of Project	Expenditures	Amount	% of Project
CIP Cash	\$595,497.43	14.9%	Design/Engineering	City Staff	
General Obligation Bonds	\$2,040,000.00	51.2%	Acquisition	0	
CARS Program	0		Construction	\$3,890,788.23	97.6%
Street Maintenance Sales Tax	\$1,351,061.51	33.9%	Project Management - Inspection	\$87,903.30	2.2%
Storm Water Funds	0		Utilities	0	
Other Revenue	0		Other: Testing & Publications	\$7,867.41	0.2%
Total Revenues	\$3,986,558.94		Total Expenditures	\$3,986,558.94	

Summertree Lane Before



Summertree Lane After



II-c

“2014 MAQS Micro Surface Project”

Project Number: 3-P-004-14	
Project: 2014 MAQS Micro Surface Project	Project Description: Micro Surface Treatment completed on 107 street segment locations in 3 residential areas.
Contractor: Donelson Construction, Co. LLC	
Lane Miles: 33	
Project Status: Complete	

Revenue Source(s)	Amount	% of Project		Expenditures	Amount	% of Project
CIP Cash	\$111,000.00	10.4%		Design/Engineering	City Staff	
General Obligation Bonds				Acquisition		
CARS Program				Construction	\$1,046,041.08	98.1%
Street Maintenance Sales Tax	\$955,591.28	89.6%		Project Management - Inspection	\$13,549.18	1.3%
Storm Water Funds				Utilities		
Other Revenue				Other: Testing & Publications	\$7,001.02	0.6%
Total Revenues	\$1,066,591.28			Total Expenditures	\$1,066,591.28	

West 156th Street Before



West 156th Street After



“Ultrathin Asphalt Surface Project”

Project Number: 3-P-005-14	
Project: Ultrathin Asphalt Surface Project	Project Description: The project completed ¾ inch asphalt resurfacing on 101 Street Segment locations in 4 residential areas.
Contractor: O’Donnell & Sons Construction, Inc.	
Lane Miles: 29.3	
Project Status: Complete	

Revenue Source(s)	Amount	% of Project		Expenditures	Amount	% of Project
CIP Cash	\$49,011.85	5.5%		Design/Engineering	City Staff	
General Obligation Bonds				Acquisition		
CARS Program				Construction	\$879,723.41	97.8%
Street Maintenance Sales Tax	\$850,000.00	94.5%		Project Management - Inspection	\$17,583.72	2.0%
Storm Water Funds				Utilities		
Other Revenue				Other: Testing & Publications	\$1704.72	0.2%
Total Revenues	\$899,011.85			Total Expenditures	\$899,011.85	

West 117th Terrace Before



West 117th Terrace After



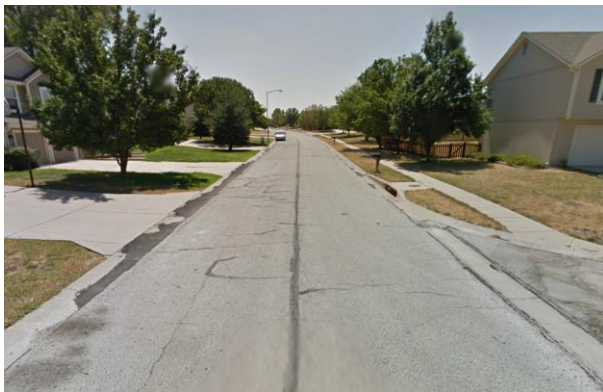
II-e

“2014 Street Maintenance Curb Replacement”

Project Number: 3-P-006-14	
Project: 2014 Street Maintenance Curb Replacement Project	Project Description: Street Maintenance Crews completed removal, replacement and restoration of concrete curb and gutter on Local and Collector Streets in three residential areas.
Contractor: Olathe Public Works, Street Maintenance Division	The SMST funding is utilized to fund the materials for the project. All labor and equipment costs are part of the Street Maintenance Division’s General Fund Budget.
Linear Feet: 20,022	
Project Status: Completed	

Revenue Source(s)	Amount	% of Project		Expenditures	Amount	% of Project
CIP Cash	\$709.10	0.4%		Design/Engineering		
General Obligation Bonds				Acquisition		
CARS Program				Construction	\$190,056.31	100%
<i>Street Maintenance Sales Tax</i>	\$189,347.21	99.6%		Project Management - Inspection		
Storm Water Funds				Utilities		
Other Revenue				Other: Testing & Publications		
Total Revenues	\$190,056.31			Total Expenditures	\$190,056.31	

Sunset Street Before



Sunset Street After



Projects Funded by 2014 Street Preservation Program

