ACEC/KCMO Liaison Committee – June 20, 2018

Hosted by: Garver USA
7410 NW Tiffany Springs Parkway, Suite 200
Kansas City, MO 64153

- Sign-In Sheet – See Attached

- Attendance:
  David Ford – Walter P Moore
  Kristen Leathers – Affinis Corp
  Joe Johnson – BMCD
  Sherri McIntyre – KCMO Public Works
  Ralph Davis – KCMO Public Works
  Chad Thompson – KCMO Public Works
  Jeff Martin – KCMO Public Works
  Travis Kiefer – KCMO Water Services
  James Wang – KCMO Water Services
  Matt Bond – KCMO Water Services
  Steve Hileman – HW Lochner
  Mark Griffin – KCMO Water Services
  Bob Miller – TranSystems
  Rick Kingery – Garver USA
  Steve Stuempfig - BMCD
  Cody Porter – Wilson & Company
  Charles Loughman – Wilson & Company
  Bob Orr – Wilson & Company

- Introductions

- Approval of Minutes from February 21, 2018.

- Org Changes: Travis Kiefer – New Water Services Permitting & Development Head
  Office located on 5th Floor in City Hall
  Jade Liska – Newly appointed to Deputy Director for Aviation
  ACEC will have some turnover in the next meeting

- Old Business:
  o Unsolicited Proposals
     ▪ Discussed that written unsolicited proposals fall under open record law
     ▪ Ensure department staff & consultants understand law & City process
     ▪ If the solicitation is to remain confidential, it is recommended to have a verbal discussion with the City staff.
• Legislative update by Steve Hileman – See attached
  o State
    ▪ MO gas tax proposal to increase to 10 cents by 2022.
      • New governor in support of gas tax increase and the effort has
        passed through both the house and senate
      • Vote in November
      • If approved, additional $430M annually for transportation
  o National
    ▪ President’s budget request for 2019 is mixed bag for engineering
      • Fully Fund the FAST Act highway programs ($46B) & transit
        formula grants out of the Highway Trust Fund ($9.9B)
      • Maintains Airport Improvement Program funding
      • Cuts transit capital grants (-$1.4B)
      • TIGER multimodal grants eliminated
      • Substantial cuts to EPA
      • Recent bipartisan budget agreement increases Clean Water and
        Drinking Water SRF programs
    ▪ Water Infrastructure Finance and Innovation Act (WIFIA) is budget at
      $20M
      • WIFIA provides low interest loan financing for communities to
        apply for - https://www.epa.gov/wifia
      • 2017 was the 1st year of competition
      • Competition Drivers – Diversity, Sustainability, Green
        Infrastructure, Need, & Importance
      • July 26 letters of interest due followed by a competitive selection
        process.
      • Matt Bond indicated KCMO will be pursuing funds for a $90M
        project.
    o ASCE Infrastructure Report Cards – https://www.infrastructurereportcard.org/
      ▪ MO Overall C-
      ▪ KS Overall C
  • Public Works:
    o Streetscape Projects – No $ for Construction
      ▪ Bannister Road
      ▪ Blue Ridge
    o Out for RFP/Q
      ▪ Sidewalks project – Due End of Week
      ▪ 112th Street – Currently Due July 27
        • Addendum coming out to add scope to project
        • Likely extend due date by 2 weeks
      ▪ Byrams Ford bridge over Round Grove Creek
    o Upcoming RFP/Q
31st & Van Brunt
- Blue River Road within 2-4 weeks
  - USACE is designing a separate slope failure project under road
  - City will design the road separate from the USACE project
  - Possibly could combine construction projects
- Gregory Bridge over Blue River – 1-2 weeks
  - Waiting on goals from HRD
- Streetscape Design-Builds - Funding available May 1
  - North Oak - 2018
  - Wornall (Gregory to 75th)
  - 63rd Street (Prospect to Troost)
    - Cut short at Woodard due to OCP
  - Waiting on goals from HRD
- Gregory Bridge over Blue River – 1-2 weeks
  - Waiting on goals from HRD
- Streetscape Design-Builds - Funding available May 1
  - North Oak - 2018
  - Wornall (Gregory to 75th)
  - 63rd Street (Prospect to Troost)
    - Cut short at Woodard due to OCP

- Utilizing on-call contracts for emergency and inspection projects
- Go Bond
  - Current projects are ready for construction
  - Working on next years recommended list for PIAC
  - Swope Industrial Funded – Constructing flyover bridge at rail
  - Looming Animal Shelter Costs
  - $45M year 1 > $60M year 2 – Trying to get back in line with $40M/yr
  - Sidewalk Funding - $7.5M/yr
    - Originally = $6M for Sidewalk & $1.5M for ADA
    - Current & Future = $5M for sidewalks & $2.5M for ADA
- Smart City Program Manager RFP out
  - Smart City approach is different than past approach and will affect all departments due to joint team effort
  - Potential to setup the City for autonomous vehicles & 5G network
  - Bob Bennett leading but joint effort at the City
- Broadway/Buck O’Neil Bridge
  - MoDOT is partner with City and will pay 50/50 up to $200M
  - EA is proceeding and will be completed within the year
  - Design project to follow
  - INFRA grant funding removed at presidential level with no explanation
- MARC – Planning Sustainable Places grant for planning projects
  - Move 5-yr Plan project out the door
  - 8 – 10 construction projects this year
- Updating Bike Route Plan
  - May get approved prior to next meeting
  - Will include protected (barriers) bike lanes of some form
  - Will have to see how it affects current projects underway

- Water Services:
  - Swope Park Industrial Ring Levee Funded
  - Go Bond
- $7.5M per year for flood control
- First couple of years used for Swope Industry Park, Dodson, and Turkey Creek levees
- Brookside storm improvements in coming years at $25M
  - Hydraulic Design from Brush Creek to 56th Street
  - Get ahead of street car improvements at end of project
- Lower Brush Creek Sediment Removal
  - Sediment deposition 2-3 feet at Shiner’s Park Dam
  - Working with Parks
  - PIAC funded $500k to move along
  - Trying to get USACE to fund it as habitat restoration project
  - $20M Project
  - Potential for Valve installation at dam to clean sediment & allow for future upstream trash removal & downstream dredging
- MBE/WBE goals are changing – Passed committee and heading to-council
  - Goals changed for City – 14% for both MBE & WBE
  - Some concern over WBE goal since current WBE capacity is estimate at around 6% to 7%
  - M & W can specify which category they are on project basis
  - M/WBE Prime can account for 25%
- City Purchasing/Procurement Changes – See attached
- New Water Permitting and Development Review Approach with Travis’ Position
  - Attempting to get more water resources input in the front end of development projects and streamline compliance and understanding
  - Current review goals are set at 20 days, but reviews are getting stretched for months
  - Permitting/Development coordinating with Land Development Department
  - Development Project Flow chart – See attached
  - The goal is to streamline the existing process.
- Specifications Update
  - Trying to get consistency of specifications between departments
  - Will be soliciting input from select consultants/contractors soon
- Codes Update
  - Making notes of codes to be updated for consistency with next update
- Water Main Replacement
  - Concern for new 6” mains not meeting fire code flow requirements
  - Moving forward, mains will need to be 8” min (Some may be 6” in special cases)
  - Blighted areas may have mains that are not up to standards
  - Redevelopment of areas should require investigation into mains meeting fire protection requirements
  - Will be requiring more analysis from engineers moving forward to support pipe sizing.
- City will run flow tests at the requests of the designers and the City will be requiring calcs to support decisions.
- High density development projects will be required to upgrade systems with the project at their cost – Meet with City early on in process
- There may be ancillary areas that will need funding thru KC water
  - Smart Sewer
    - Sewer Separation:
      - 31st and Broadway selected TetraTech
      - 40th and Monroe – Sanitary, Storm, and Water Project – Coming in July
    - I/I Reduction:
      - Birmingham/Shoal Creek Project 1 and Project 3 – Coming in Fall
  - Relief Sewers:
    - Round Grove Basin – Modeling being completed – Coming in Fall
- Parks Department
  - Working on 2018-19 PIAC funded projects – SLBE projects
    - Large bond Animal Shelter
    - Future bond projects
  - Bond Rating form
    - Long range plan – Mid-July scoring
    - Matches groupings of GO bond
  - Gillham Fountain – Fountain being removed and replaced with “Skate Plaza”
- Aviation Department – No representative
  - Jade Liska is the new Deputy Director
  - Regular runway and bridge maintenance programs still active
  - KCI project
    - Procurement website for construction and design
      - https://www.cwcjv.com/construction-procurement/
    - Water main replacement project at Mexico City Ave & Brasilia Ave
      - Fast tracking relocations to meet airport schedule
      - Potentially upgrading 12” to 16” depending on airport needs
  - Other regular maintenance projects
- KCATA – No representative
  - Bid Packages 2 & 4 for Prospect Max on the Street (Prospect from 12th to 75th)
    - Possibly looking to make this a smart corridor
  - Getting ready for Independence Ave BRT
  - East Transit Center at 12th and Charlotte – Approved
  - Looking at smart infrastructure approach changes
  - Water relocations
    - Grand and 12th
Charlotte and Petticoat
Prospect and 75th

- Streetcar – No representative
  - TDD vote passed, Local funding locked in
  - S. Main Street Extension
    - Studies for stops, lane, ward parkway, etc.
    - NEPA process
    - Pursuing $100M federal funding
      - Application and rating to President end of August
      - Find out in January
  - N. Extension
    - NEPA process
    - Moving to preliminary design soon
    - City may have separate potential project for bike/pedestrian
      - Cantilevered on bridge to River Front Park
  - Total increase of 7 miles one way (14 total)
  - 2 more cars on order now with potential for 8-9 more cars with extension
  - After 2 years, it has been viewed as a success with 4M+ riders

- Consultant Performance
  - Discussion about performance quality and timeliness issues
  - Issues in both private and capital projects.
  - Being looked at ACEC level and member firms
  - City open to discuss
  - Will have discussions with consultants and City staff to develop a plan
  - Clearer standards, easier to find standard locations, & workshops could help

Action Items:
- Consultant Performance: Bob will facilitate meetings with ACECMO consultant representatives and KCMO department representatives to better understand City concerns, improve communications and develop an approach to provide long-term resolution.
- Mark Griffin is going to solicit some input from current water main relocation consultants about future water main design options and specifications

Next Meeting: August 15th at Burns & McDonnell (9450 Ward Parkway)
<table>
<thead>
<tr>
<th>Name</th>
<th>E-Mail</th>
<th>Phone</th>
<th>Initial</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jeff Martin</td>
<td><a href="mailto:jeff.martin@kcmo.org">jeff.martin@kcmo.org</a></td>
<td>816-513-2585</td>
<td>J</td>
</tr>
<tr>
<td>Dick Jarrod</td>
<td><a href="mailto:DJarrod@kcata.org">DJarrod@kcata.org</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jade Liska</td>
<td><a href="mailto:Jade.Liska@kcmo.org">Jade.Liska@kcmo.org</a></td>
<td>816-243-3045</td>
<td>J</td>
</tr>
<tr>
<td>Steve Hileman</td>
<td><a href="mailto:shileman@hwlochner.com">shileman@hwlochner.com</a></td>
<td>816-686-7218</td>
<td>S</td>
</tr>
<tr>
<td>Joe Johnson</td>
<td><a href="mailto:jcjohnson@burnsmdc.com">jcjohnson@burnsmdc.com</a></td>
<td></td>
<td>J</td>
</tr>
<tr>
<td>Mark Williams</td>
<td><a href="mailto:MEWilliams@GarverUSA.com">MEWilliams@GarverUSA.com</a></td>
<td>913-312-1182</td>
<td></td>
</tr>
<tr>
<td>Matt Bond</td>
<td><a href="mailto:Matt.Bond@kcmo.org">Matt.Bond@kcmo.org</a></td>
<td>816-513-0136</td>
<td>DMB</td>
</tr>
<tr>
<td>Justin Klaudt</td>
<td><a href="mailto:Justin.Klaudt@wilsonco.com">Justin.Klaudt@wilsonco.com</a></td>
<td>816-701-3178</td>
<td></td>
</tr>
<tr>
<td>Tom Gerend</td>
<td><a href="mailto:tgerend@kcstreetcar.org">tgerend@kcstreetcar.org</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Robert Orr</td>
<td><a href="mailto:Robert.Orr@wilsonco.com">Robert.Orr@wilsonco.com</a></td>
<td>816-701-3103</td>
<td>LMD</td>
</tr>
<tr>
<td>Russ Johnson</td>
<td><a href="mailto:Russell.Johnson@kcmo.org">Russell.Johnson@kcmo.org</a></td>
<td>816-513-1360</td>
<td></td>
</tr>
<tr>
<td>Mark Griffin</td>
<td><a href="mailto:Mark.Griffin@kcmo.org">Mark.Griffin@kcmo.org</a></td>
<td>816-513-0182</td>
<td>M</td>
</tr>
<tr>
<td>Bob Miller</td>
<td><a href="mailto:RJMiller@tranSystems.com">RJMiller@tranSystems.com</a></td>
<td>816-329-8754</td>
<td></td>
</tr>
<tr>
<td>Frank Blakemore</td>
<td><a href="mailto:FPPBlakemore@GarverUSA.com">FPPBlakemore@GarverUSA.com</a></td>
<td>816-296-6465</td>
<td>F</td>
</tr>
<tr>
<td>Cody Porter</td>
<td><a href="mailto:Cody.Porter@wilsonco.com">Cody.Porter@wilsonco.com</a></td>
<td>816-701-3155</td>
<td>CDP</td>
</tr>
<tr>
<td>Charles Loughman</td>
<td><a href="mailto:Charles.Loughman@wilsonco.com">Charles.Loughman@wilsonco.com</a></td>
<td>816-701-3117</td>
<td>CDL</td>
</tr>
<tr>
<td>Steve Steampfig</td>
<td><a href="mailto:SSteampfig@burnsmdc.com">SSteampfig@burnsmdc.com</a></td>
<td>816-823-6146</td>
<td>S65</td>
</tr>
</tbody>
</table>
ACEC MISSOURI REPORT
WEEKLY OVERVIEW

For the second week in a row, the issue of electric ratemaking reform dominated the Missouri Senate. Senate decorum and civility was virtually non-existent last week as yet another filibuster by opponents of a bill that is being pushed by the three electric company monopolies. The bill (SB 564) proposes numerous changes to the ratemaking process administered by the Public Service Commission. As several senators exchanged insults and raised voices, Senator Gary Romine (R-Farmington), the leader of the opposition, announced that a pathway for additional changes to the bill had been cleared with House and Senate leadership. The announcement immediately halted further debate and paved the way for the Senate to Third Read and pass SB 564 and send it to the House for consideration. Once the logjam on that measure broke, the Senate proceeded to Third Read several other Senate bills that had been awaiting action for the past couple of weeks.

IN THE NEWS...

- Newspapers reported that investigators associated with St. Louis Circuit Attorney Kim Gardner's investigation into allegations against Governor Eric Greitens have visited at least two legislative offices in the state capitol last week. Reports are that investigators stopped by Senator Maria Chappelle-Nadal's office (D-St. Louis) but that she was out of the office. They also talked with State Representative Nate Walker (R-Kirkville) who told the press that the interrogation went beyond discussions of the Governor's infidelity. The investigation launched last month surrounded a claim that Greitens had taken a non-consensual picture of the woman involved in the affair and threatened to release the picture if she talked about the affair.

- The Missouri Municipal League held its annual legislative conference in Jefferson City. Among the top priorities of the League is an effort to increase fuel taxes to fund Missouri's transportation needs. Rep. Kevin Corlew (R-Kansas City) told the audience that he believes there are enough votes in the House to send a gas and diesel tax increase measure to the Senate for consideration. Rep. Corlew was Chairman of the 21st Century Transportation Task Force that held numerous meetings over the interim months and recommended that the General Assembly pass a measure to allow voters to vote on a ten-cent gasoline tax and a twelve-cent diesel fuel tax increase. Such a measure, if approved by voters would result in an additional $430 million annually to meet transportation needs.

- The Springfield News Leader ran a story about Spence Jackson, the communications director and right-hand man of former Missouri State Auditor Tom Schweich. Spence committed suicide one month after his boss and friend Auditor Schweich took his own life. The story focused on how Schweich's campaign treasurer dispersed funds from the campaign account. Refunds were made to various campaign contributors totaling hundreds of thousands of dollars. Mid 2016, the paperwork was filed with the Missouri Ethics Commission to dissolve the campaign fund. The final financial activity recorded a charitable donation of $34,551.50 made payable to the Missouri State University Spence Jackson Memorial Scholarship.

- St. Charles lawmaker Phil Christofanelli sponsored HB 1858 which would require the Missouri Department of Revenue to create an interactive map that will show the boundaries of the state's more than 2,200 special taxing districts. Christofanelli stated that the least shoppers should know where the taxes are being levied. Special taxing districts are generally created by local governments or neighborhood groups to fund specific services and improvements, such as additional security patrols and fire protection. TIF districts can divert a portion of sales and property taxes to pay for development costs. The special taxing
districts can push up sales taxes considerably. The East-West Gateway Council of Governments reported in 2016 that there were 158 Community Improvement Districts in the city of St. Louis and in Franklin, Jefferson, St. Charles and St. Louis counties in Missouri.

SENATE FLOOR ACTION

_RATE CASE MODERNIZATION ACT:_ The Senate Third Read and Passed **SS#4 SB 564**, sponsored by Sen. Ed Emery (R-Lamar). This act modifies provisions relating to public utilities. Its main provisions include:

- Rate Adjustments Outside of General Rate Proceedings
- Complaint Procedure
- Property Tax and Certain O&M Expense Deferral
- Plant-In-Service Accounting
- 5-Year Capital Investment Plan
- Discounted Electric Rates
- Contractor Pre-Qualification Process
- Rate Base Increase Regulatory Liability and Limitations

This bill was Third Read and Passed by a vote of 25 yeas and 6 noes. This bill has been reported to the House and First Read.

HOUSE FLOOR ACTION

_PSC APPEALS PROCESS:_ The House Third Read and Passed with 140 ayes and 2 noes **HB 1691**, sponsored by Rep. Rocky Miller (R-Lake Ozark). This bill requires appellants of Public Service Commission rules or orders to file their appeals with the appellate court with competent jurisdiction, and then provides that notices of appeal must then be served upon the commission and all interested parties pursuant to Section 386.515, RSMo. Currently, appeals are filed with the commission and later forwarded to the proper appellate court.

The bill has been reported to the Senate and First Read.

COMMITTEE ACTION LAST WEEK

_TAX REFORM:_ The Senate Ways and Means Committee met in Executive Session and voted **SCS SB 617, 611 & 667** sponsored by Senator Bill Eigel (R-St. Charles) Do Pass by a vote of 5 yeas and 2 noes.

The SCS modifies several provisions relating to taxation including:

- **Lowers the income tax** rate to 5.25% for all taxable income over $8,000. In each subsequent calendar year, the rates of tax for each remaining income bracket shall be reduced by 0.1% if net general revenue collections in the fiscal year exceed the net general revenue collections from any of the three previous fiscal years by $150M.
Establishes the Earned Income Tax Credit, a tax credit to be applied to a taxpayer's Missouri income tax liability after all reductions for other credits for which the taxpayer is eligible have been applied.

- **Reduces the corporate tax rate** from 6.25% to 4.25% and removes the deductibility of federal taxes paid.
- Maintains the allocable share corporate income tax provisions that were in **SB 939**.
- Increases the State's motor fuel tax by 2 cents a gallon for three years for a total of a 6-cent increase.
- Implements the streamlined sales and use tax agreement.

This bill is currently on the Senate Calendar - Senate Bills for Perfection.

**EMERGENCY BRIDGE REPAIR AND REPLACEMENT FUND**: The House Transportation Committee conducted a hearing on **HB 2153**, sponsored by Rep. Bart Korman (R-High Hill). This bill creates the "Emergency Bridge Repair and Replacement Fund," which consists of $100 million per year appropriated from General Revenue to the Department of Transportation for accelerated bridge replacements or immediate repairs to bridges in critical disrepair.

Rep. Korman told the committee that this bill is unique because the general revenue funding may only be used for emergency bridge repair. Speaking in favor of the bill were Mark Rhoads on behalf of ACEC/MO, Lisa LeMaster on behalf of MODOT, and a representative of the Missouri Limestone Association. Mr. Rhoads told the committee that this bill does not solve Missouri's transportation funding problem, but that represents progress in addressing a critical need. Ms. LeMaster said that there are currently over 400 bridges in endangered conditions with around 80 in critical need of repair. There was no opposition and the committee took no action on the measure.

**PREVAILING WAGE**: The House Committee on Economic Development met in executive session to vote "do pass" **HB 1729**, sponsored by Rep. Jeff Justus (R-Branson). This bill repeals Missouri's prevailing wage law. Currently, contractors and subcontractors working on public works projects are required to pay employees the prevailing wage for the particular locality in which the project is being completed. This bill changes the law to require contractors and subcontractors to pay employees state or federal minimum wage, whichever is higher.

A substitute was adopted which combined HBs 1729, 1436, and 1621.

**ELECTRIC UTILITY RATEMAKING**: The House Utilities Committee conducted a three-hour hearing on **HB 2265**, sponsored by Rep. T.J. Berry (R-Kearney). Key provisions of the bill include:

- Provisions relating to decoupling (pertains to Empire District);
- Surveillance monitoring;
- Public Service Commission complaint process;
- Provisions relating to the federal tax reform impact on investor-owned utilities;
- Provisions relating to plant-in-service accounting relating to depreciation on equipment and plants;
- PSC authority to authorize pilot projects involving new technologies;
- Provisions relating new business economic development rates;
- Rate caps for Ameren, KCP&L and Empire District;
- Requirements relating to large scale solar investment and solar rebates for consumers;
- A 5-year sunset with the ability for the PSC to extend the sunset another 5 years.

Speaking in favor of the bill were representatives of the Missouri Energy Development Association, Ameren, KCP&L, Empire District, Jefferson City Chamber of Commerce, Missouri Chamber of
Commerce, Missouri for Balanced Energy Future, and Empire Liberty Utilities. Supporters contend that the bill will result in lower and more stable electric rates for consumers, enhance the reliability of service, improve and make more resilient the electric grid, and allow for deployment of rapidly developing technologies. They emphasized that the bill will result in lower rates and that the federal tax benefits would be returned to consumers. David Woodsmall, Midwest Energy Consumers Group, led the opposition to the bill telling the committee that the bill does not benefit consumers and is one-sided in favor of IOU’s. He told the committee that:

- The bill removes discretion of the PSC by mandating that they approve filings by utilities;
- The bill creates a number of deferral mechanisms (increases in property taxes, increases in cyber-security costs, deferral of carrying costs and depreciation associated with increased investment) for utility companies and provides no incentive for the companies to manage costs and permits costs to be passed on to consumers;
- The bill does not return federal tax breaks to consumers.
- The three-year moratorium on new rate cases is meaningless because of certain timetables;
- The rate caps in the bill are compounded annually. If a utility files a rate case in the fifth year, it can get a 16% rate increase in that rate case in year five.

Others testifying in opposition included representatives of Missouri Industrial Energy Consumers, AARP, Consumer Council of Missouri and Praxair. The consumer groups testified that residential customers would bear the brunt of increased rates. The committee took no action on the bill. **Note: Leadership and key members of the Senate and House are in negotiations on this bill.**

**CLEAN WATER LAW:** The House Committee on Conservation and Natural Resources met in executive session to vote “do pass” 9-0 **HB 1973**, sponsored by Rep. John Wiemann (R-O’Fallon). For purposes of the Missouri Clean Water Law, this bill changes the definitions of “discharge,” “water contaminant,” “water contaminant source,” and “waters of the state.” Currently, it is unlawful for any person to place, cause, or permit to be placed any water contaminant in a location where it is reasonably certain to cause pollution of any waters of the state. This bill makes it is unlawful for any person to place, cause, or permit to be placed any water contaminant in a location where it causes such pollution.

A substitute was adopted which changed the requirement regarding point source pollution location from having to be “reasonably” likely as the source to “demonstrably” likely as the source. The sponsor stated he is continuing to work with DNR to find compromise language regarding permitting authority and will likely offer another amendment on the floor.

**PETROLEUM STORAGE TANK INSURANCE:** The Senate Committee on Commerce, Consumer Protection, Energy, and Environment conducted a public hearing on **SB 961**, sponsored by Sen. Mike Cunningham (R-Marshfield). Currently, the Petroleum Storage Tank Insurance Fund is set to expire on December 31, 2020, after which claims made prior to such date may continue to be paid. This act extends such expiration to December 31, 2030.

Testifying in support was Missouri Petroleum Marketers and Convenience Store Association, two of the Petroleum Storage Insurance Tank Fund board members, and the Missouri Petroleum Council. There was no testimony in opposition and the committee took no further action on the measure.
White House 2019 Budget Proposal a Mixed Bag for Engineering Firms

The President’s budget request for 2019 is a mixed bag for the engineering industry, boosting some accounts while proposing deep cuts in others. It is not the last word, as ACEC will now work with Congress on key provisions.

For transportation, the request fully funds FAST Act highway programs at $45 billion and transit formula grants out of the Highway Trust Fund at $9.9 billion. The budget also maintains Airport Improvement Program (AIP) funding at $3.35 billion.

However, the President proposes to cut transit capital grants by $1.4 billion, and limit funding to existing commitments. TIGER multimodal grants are eliminated, and Amtrak funding is cut by $750 million.

Substantial cuts are proposed for the Environmental Protection Agency (EPA), although the recent bipartisan budget agreement includes proposed increases to the Superfund program and the Clean Water and Drinking Water State Revolving Fund (SRF) programs. The Water Infrastructure Finance and Innovation Act (WIFIA) program is budgeted at $20 million, which EPA claims could leverage as much as $2 billion in credit assistance.

The Corps of Engineers civil works program would be cut by 22 percent compared to FY16, reflecting a continued shift towards non-federal entities managing traditional Corps projects.

The State Department’s Overseas Building Office (OBO) would be reduced by $900 million, consistent with a 23 percent drop in funding in foreign assistance programs.

The Veteran’s Administration (VA) budget for construction would be increased by $615 million, to $1.8 billion for FY’18. Building programs managed by the General Services Administration (GSA) are also slated for increases, with the Federal Buildings Fund increased by $1.29 billion over the 2017 budget. Included in the increase is $900 million increase in construction and acquisition and $233 million for repair work. Additional funding is provided for courthouse construction, Land Port of Entry projects, and unfunded major repairs and alterations projects.

The budget submission a received a cool reception from both parties on Capitol Hill. ACEC will be working with congressional leaders in the coming months to protect key priorities. For more information on the President’s budget proposal, click here.

White House Unveils Infrastructure Proposal; ACEC Working With Congress to Craft Legislation

The White House released its $1.5 trillion infrastructure proposal Monday, with $200 billion in direct federal funding over 10 years to supplement existing programs and incentivize state, local and private investment.

The plan would allocate half of the federal funds—$100 billion or $10 billion/year—to incentivize grants for a wide range of eligible projects, including surface transportation, airports, maritime and inland waterways and ports, flood control, water supply, hydropower, water resources, drinking water, storm water facilities, brownfields and Superfund sites. Funding would be limited to a 20
percent federal cost share, and the selection criteria would include a “look back” period for state and local revenue measures in recent years.

Over 10 years, the plan would direct $50 billion to a rural investment program, $20 billion to high-risk “transformative projects,” $20 billion for increases to federal credit programs such as TIFIA and WIFIA, and $10 billion for federal property acquisition. The plan lays out recommendations for expanded eligibility for Private Activity Bonds, additional tolling authority on interstates, and other financing measures, as well as aggressive reforms to environmental review requirements to speed up project delivery.

The proposal does not address the long-term solvency of the Highway Trust Fund or additional funding through existing federal infrastructure accounts, both ACEC priorities. “We’re eager to get to work with leaders in the House and Senate to advance meaningful, bipartisan investment that will modernize our infrastructure,” said ACEC President Dave Raymond.
To All Department Liaisons,

As an aid for understanding the recent adoption of Ordinance 170963, the attached "Major Changes in City Contracting" document summarizes the key changes impacting the procurement process. In addition, we are working with IT to add this document to Contract Central as a reference tool going forward.

If you have any questions, please do not hesitate to contact me directly.

Cedric Rowan, C.P.M.
Manager of Procurement Services
City of Kansas City, MO 64106
816-513-0814
cedric.rowan@kcmo.org

Wanda J. Murry
Administrative Assistant
GS-Procurement Services Division
414 E. 12th Street, City Hall, 1st Floor, 102W
Kansas City, Missouri 64106
Main Line: 816.513.0851  ~  Direct Line: 816.513.0819  ~  Fax: 816.513.1066

This transmittal is intended only for the use of the individual or entity to which it is addressed, and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If the reader of this transmittal is not the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please contact the sender immediately. Thank You.
MAJOR CHANGES IN CITY CONTRACTING

- Contract Dollar Thresholds Requiring Council Authorization

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>New Council Dollar Thresholds</td>
<td>$1,000,000</td>
<td>$400,000</td>
<td>$50,000*</td>
<td>$1,000,000</td>
<td>$400,000</td>
<td>$1,000,000</td>
<td>$400,000</td>
</tr>
</tbody>
</table>

*Sole Source Professional Service Contracts over $50,000 require Council authorization* either by: (1) ordinance, or (2) passage of 5 business days after City Manager provides written notice to Council, and 4 or more Councilmembers do not object.

If I do a solicitation for a professional services contract, do I need an ordinance?

Yes, if the contract will exceed $400,000. The $50,000 threshold only applies to professional service contracts that are not solicited and certain types of professional services.

What types of professional services are covered by the sole source professional service exception?

Licensed professional services or non-licensed professional services when the services are primarily for an outside expert opinion or advice, on business decision(s), processes, or project(s). Non-municipal agency contracts, design professional contracts, construction contracts and information technology contracts that include services are excluded from the definition.

What is the maximum contract term without an ordinance?

6 years (increased from 5 years).

When do I send a non-construction contract to HRD for MBE/WBE goals?

The MBE/WBE goal threshold for non-construction contracts has increased to $160,000 (from $117,000) to match the formal solicitation threshold. MBE/WBE goal thresholds for construction remains at $300,000.

When is the SLBE program applicable for non-construction contracts?

The SLBE program applies to non-construction contracts between $5,000 and $160,000. Construction remains unchanged.
MAJOR CHANGES IN CITY CONTRACTING

What is the small contract/procurement card exception?

Contracts and purchases below $5,000 are not required to be solicited but you may elect to solicit. Previously, the limit was $3,000.

Who can authorize a sole source purchase?

The City Manager or Manager of Procurement Services (not the Director) must approve the sole source justification and the justification must be for one of the following reasons:

1. there is only one unique source or one specialized source or no competition exists; or
2. the business or person to be utilized has unique or specialized experience suited to a specific project such that it is in the City’s best interests to utilize such business or person; or
3. the City is collaborating on a project or common interest with a public or private entity.

When can Departments waive solicitation without the City Manager’s or Manager of Procurement’s approval?

Emergency construction contracts up to $1,000,000. For all other Department solicitation waivers, the amount cannot exceed $160,000, and must be for one of the following reasons:

1. potential major emergencies or disasters, or
2. potential imminent threats to life, health, property, or essential operations of the city; or
3. solicitation would result in substantial increased cost.

When can the City Manager and Manager of Procurement Services waive solicitation?

1. potential major emergencies or disasters; or
2. potential imminent threats to public health, welfare, safety, substantial economic liability or essential operations or policies of the City; or
3. public solicitation would result in substantial increased cost for the City; or
4. it is necessary to provide or continue to provide essential services or meet City contractual requirements.

Can the City Manager waive solicitation when it is in the best interest of the City?

The City Manager (not Directors) can waive solicitation when it is “in the best interest of the City” only upon the recommendation of the Manager of Procurement Services.

Are sole brand products and the service required to maintain sole brand products exempt from solicitation?

The purchase of sole brands and the required serving of sole brand are exempt from solicitation requirements. As with everything else, if you can obtain competition for a sole brand product or
services, you should obtain competition (for example: a Ford vehicle under warranty has multiple Ford dealers).

**What is the City’s new Quality Services Assurance Act?**

If a Contract is estimated to cost at least $160,000 (formal solicitation) and services are over half the estimated contract cost, the City requires all Contractors to pay all of their employees who work on a City service contract that perform services in Kansas City, Missouri, at least $10.00 per hour or submit information with their bid or proposal that demonstrates their employees can provide quality services to the City and its citizens. This applies to all formal solicitations that exceed $160,000 when the service component of the contract exceeds 50%.

**What Contracts are excluded from the Quality Services Assurance Act?**

The Quality Services Assurance Act does not apply to non-municipal agency contracts; contracts for goods, supplies, materials, equipment, software as a service contracts, sole brand contracts, cooperative agreements, piggyback contracts, purchasing pools and cooperatives.
Development Review Flowchart

May 2017

Note: The Development Review Flowchart is intended to graphically illustrate the basic steps in the overall development review approval and permitting processes. The Flowchart does anticipate all the conditions that may arise on a given development project, as such, should only be used as a reference. The City Planning and Development Department is the final authority. In the event of a conflict between this Flowchart and adopted codes and ordinances, adopted codes and ordinances govern.

City of Kansas City, MO (KCMO)
City Planning and Development
414 E. 12th St.
City Hall, 15th floor
Kansas City, MO 64106
816-513-1300
planning@kcmo.org