

CAPITAL IMPROVEMENTS PROGRAM COMMITTEE MINUTES
City of Rapid City, South Dakota

C/SAC -- 3rd Floor, West Conference Room
December 19, 2008

Finance Officer Jim Preston called the meeting to order at 10:00 A.M. with the following Committee members present: Aldermen Patti Martinson, Deb Hadcock, and Aaron Costello; and City staff: Parks and Recreation Director, Jerry Cole and Public Works Director, Robert Ellis. Others present included Engineering Project Manager Dan Coon, City Engineer Dale Tech, Chief Accountant Tracy Davis, Administrative Coordinator Amber Sitts, and Randy Lyons (Parks & Recreation). The following arrived after the meeting was called to order: Alderman Karen Olson, Growth Management Director Marcia Elkins and Mayor Alan Hanks.

Costello asked and Preston confirmed that he is voting member, and Hadcock asked which council members are on CIP. Preston listed council members assigned and explained CIP in general.

Hadcock moved, second by Ellis and carried to approve the **minutes for November 21, 2008**.

Davis gave a brief review of the **Financial Reports for November 2008**, outlining the current month expenditures for Meade Street; East Mall Drive; and Anamosa Street Phase I from Milwaukee to LaCrosse.

Preston asked Costello if he was familiar with MIP, and Preston and Ellis explained MIP (Miscellaneous Improvement Projects) in general. Preston also explained Interdepartmental Charges and Government Buildings. In regards to IDPF, Ellis asked if the amount not used for Disc Drive Geld is anticipated to be used. Preston stated that he does not know, and Davis offered to find out. Olson questioned the acronym OSBI referenced on the Park and Recreation spreadsheet, and Cole stated that it stands for Old Storybook Island.

Coon reviewed the **Capital Plan for Streets, Drainage, and MIP Projects** for December 2008. He explained that this differs from the accounting documents previously discussed in that it is a plan. It is projections and estimates, and the complete project should reflect the final dollar amount spent from these funds. He said he tracks changes over the past month and noted that a change order adjustment was done to close the East St. Joseph Street Turn Lane Widening. He also noted that bids for the Universal Drive Reconstruction were about \$26,000 less than estimated. He stated that the North Glen Place Drainage Improvements project was removed from the active list since they were not able to obtain easements, but he kept it in the CIP system in case the project is revived. Preston pointed out that this was acted on at the December 15, 2008 Council meeting. Costello asked where the money for change orders comes from. Coon stated that he manages the bottom line rather than each project individually and said the three funds represented are Streets, Drainage and Miscellaneous projects. He pointed out an adjustment to the Rand Road Drainage Channel project and the West Boulevard Area Sewer project, and he stated that the Cross Street Railroad Crossing is listed as the final cost. Coon stated that 2008 available funds have increased due to changes. He said there are no changes to the plan, but they are in process of looking at a new five year plan. Overall, \$223,284.00 is available in the fund. Preston acknowledged that Coon does a great job of tracking these projects. Hadcock moved, second by Olson and carried to approve the Capital Plan for Streets, Drainage, and MIP Projects for November 2008.

Preston addressed the **guidelines for the utilization of the funds dedicated to affordable housing**. He said there was \$100,000.00 in 2008 and 2009 to help with affordable housing in Rapid City. He stated that there were issues in relation to what the funds could be used for legally and the intention of the funds. Preston said he, Malcom Chapman, Barb Garcia, Jason Green, and Pauline Sumption met and decided on two areas of use. One area of use would be for land purchases for areas such as a neighborhood park, and another area of use would be for public improvements such as streets, drainage,

water and sewer. Olson asked why a park would be considered part of affordable housing as she did not believe a park has a direct correlation with affordable housing. Preston said the guidelines state that they cannot use city funds to pay for private property, so the funds can only be used for something that can be used by the public, such as sidewalks. Olson said it seems like a stretch as a good use of the funds. She asked if they discussed putting money into the Dakota Land Trust, and Preston confirmed that the Dakota Land Trust was discussed. Hadcock said she believes it makes sense to put the funds toward parks in affordable housing areas as many times the developers do not help those areas by putting in a park. Olson stated that she feels that the funds should go toward the house or something directly related to a house. Hadcock said that Malcom Chapman is working on getting more sources of cash flow and said she would not rule the idea out. Olson said that the hospital, Regional West and the rest home are on public land, and that land is leased. She said when that happened it was a privately owned hospital, so she wonders if there is a way to acquire land with the funds. Preston stated that they just identified things that could be. He added that since so many entities were getting into affordable housing the city wanted to do what they could to participate. Olson said that she does not disagree. She explained that the banks have a large investment in affordable housing and said that the city needed to demonstrate their concern to show that they are at the table in the appropriate way. Martinson asked if the affordable housing is based on location or individuals. Preston said it could be both depending on needs and where the funds could be spent legally. He stated the tracking would probably be administered under Barb Garcia. Olson moved, seconded by Ellis and carried to acknowledge the report.

Cole addressed the **Parks and Recreation Five Year Plan Reallocation of Funds** and requested to transfer the left over funds from the Golf Course Bridge and Pro Shop Carpet Project into the Contingency Fund and to transfer from the Contingency Fund to the Parkland Acquisition line to provide funding for the purchase of the Knecht Property. Olson moved, seconded by Costello to approve the request. Costello asked about the Knecht Property, and Cole explained that it is four acres west of the dog park on the west side of town. Hadcock asked how it is paid for. Cole stated the total is \$250,000 where \$50,000 came from Parks and Recreation and \$200,000 came from the CIP fund. Olson stated that the city did not want houses built on this property. A moratorium was put up for a period of time and it needs to come to an end. She stated that this was an opportunity not to end up in court. Hadcock said the public caused him not to build, and she does not believe that he would have built there. Motion carried with a 6 to 1 vote with one NO from Hadcock.

Cole addressed the **recommendation to carry forward the funds in the Parks and Recreation CIP Fund** and to approve the carry forward amount of \$1,460,903.62. Elkins asked if the projects are to be completed in the next year. Cole clarified that the projects would not be completed in the next year, but the funds are determined for projects that need to be carried forward as they are working on them now. Elkins rephrased her question confirming that he would not be taking funds away from any projects and they would continue into the next year. Cole confirmed that is correct. Elkins moved, seconded by Hadcock to approve the request to carry forward the funds. Preston stated that Finance has not been able to look at the figure and suggested we continue this item to January. Cole stated that he usually does this after the first of the year. Olson moved, seconded by Ellis to continue this item to the January 16, 2008 CIP Committee Meeting. Hadcock asked how much is in the Parks and Recreation contingency fund, and Preston stated the total is \$39,728. Hadcock asked why we took \$200,000 out of CIP instead of from Parks and Recreation. Cole said their contingency fund would not have covered the amount. Davis stated that the amount came out of the balance of the fund, not the contingency fund. Hadcock asked that Preston bring the amount remaining in the contingency fund to the next meeting. Motion carried.

Ellis discussed the **South Creek Drainage** project and gave a brief history of the area. He said the water in the detention pond is retained longer that it was originally designed for, and there is no person who is to be held liable. He said no life or property is in danger, but there are concerns from residents about smells and West Nile Virus. The estimates for this project are about \$200,000 and he recommends it is added to the 2014 plan. Olson said that five years seems like a long time for possible complaints. Ellis

said he, personally, has only had one complaint. Olson asked if this area is in Robbinsdale, and Ellis described where the pond is located. Hadcock stated that this is important to council members Sam Kooiker and Ron Weifenbach as well as herself and said five years is a long time for it to get taken care of. Ellis said that a project would have to be bumped from the current five year plan to move this one in. Since this project does not involve property damage issues, the other projects must take priority. Cole stated that this detention pond is treated. Preston clarified that Ellis is advising the committee of his intention to add this issue to the five year plan when approved in March. Olson stated that based on the information heard she supports the issue. Elkins moved, seconded by Olson and carried to ask Public Works to bring this item forward in their five year plan.

Preston asked that the committee to **approve a carry forward of \$100,000 for affordable housing.** Hadcock moved, seconded by Olson and carried to approve the request.

Preston said that he will update the committee in February to give an idea of where we stand at the end of the year. He also will ask Parks and Recreation and Streets and Drainage to bring forward their five year plan for review and approval. He said we will have to build an updated Government Building five year plan and said there are several requests including some for the CSAC building.

Martinson asked about LEED standards for buildings and how that can be incorporated into new and existing buildings. She will bring more information on LEED Certification to the January 16, 2009 CIP Committee Meeting.

There being no further business, the meeting adjourned at 10:46 A.M., and it was noted the next scheduled meeting is January 16, 2009 at 10:00 A.M. in the C/SAC, 3rd Floor West Conference Room.