

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

C/SAC -- 3rd Floor, West Conference Room  
10:00 A.M., Friday, February 19, 2010

Finance Officer Jim Preston called the meeting to order at 10:00 A.M. with the following Committee members present: Aldermen Ron Kroeger, Karen Gundersen Olson and Malcom Chapman; and City staff: Growth Management Director Marcia Elkins, Public Works Director Robert Ellis, Parks and Recreation Director Jerry Cole. Others present included City Engineer Dale Tech, Compliance Specialist Toni Broom, Assistant Finance Officer Pauline Sumption, Chief Accountant Tracy Davis and Administrative Coordinator Amber Sitts.

Motion was made by Olson, second by Ellis and carried to **approve the minutes for January 15, 2010.**

Davis explained that there are not any **Financial Reports** this month as the carry forward has not been finalized.

Broom said that the **Capital Plan for Streets, Drainage, and MIP Projects** report is also being finalized.

Preston suggested that the committee **Change or Cancel the June meeting** as the Finance Officer's school is on June 18, 2010 the same day. Elkins recommended leaving the meeting on the calendar as is and cancel it on a later date if needed. Motion was made by Olson, second by Elkins and carried to keep the CIP meeting scheduled on June 18, 2010.

Preston explained that we need to move budgeted funds forward. Motion was made by Olson, second by Ellis and carried to approve the **carry forward of the following funds from 2009 to 2010: \$580,690.00 for Fire Station – New (East Area); \$1,346,674.82 for Fire Station – Station 7 (Seger Street); \$49,720.75 for Fire Station 4 Replace Siding; \$19,818.75 for Fire Station 5 Replace Siding.**

Tech reported that the school said funding will be approved this year for the **ADA Improvements to the CSAC Restroom**. He said the city has \$21,000 set aside, and we will need to hire a consultant to get the design done. We can move forward when the school has funds available, but it was indicated we may need more funds as we do not know exact amount until the design is done. The improvements will be for restrooms on the west side of 1<sup>st</sup> floor. Motion was made by Olson, second by Kroeger and carried to acknowledge the report.

Preston **Reviewed the CIP Spreadsheet** and explained that they used 1% for sales tax to be conservative due to the current economic times. He further explained they used interest earnings at 3%, which is a little aggressive, but it would not affect this as interest is transferred into the general fund. He pointed out the \$700,000 reserve and reminded the group that in 1992 this committee and the Council went out for a \$14 million bond issue with the understanding that every year \$700,000 of those funds would fund CIP projects. Preston briefly discussed the Debt Service funds and pointed out the 4% increase to Streets, Drainage and MIP as well as Parks. Cole questioned the DCA for Parks and expressed concern that they are getting less money each year. Sumption explained that a salary is being charged from there, which is a DCA charge to Parks and Rec. Admin. Preston explained additional changes to the spreadsheet and recommended approval. It was confirmed that the spreadsheet can be adjusted after sales tax comes in. When asked if 1% through 2015 is too conservative, Preston stated that it is okay for now as he does not anticipate a large jump next year but did confirm that it could be changed next year if needed. Elkins expressed concern with sharing the loss of growth with sales tax revenue and suggested looking at the city owned buildings line item as well. Preston indicated they used a flat figure but reducing that figure is an option. Preston mentioned concerns with buildings, such as the fire station on the east side. Olson pointed out that public safety is an essential service and said it is

important to provide a high level of safety. Cole mentioned the golf maintenance building and pointed out the importance of getting it built as well. Chapman stated that it is also important to follow the guidelines for the committee. Responding to Chapman, Preston explained that they are looking at 2012 funds for the purchase of the CSAC building if the school moves out. The new fire station was briefly discussed, and it was indicated construction is about 3 to 5 years out. Motion was made by Elkins, second by Cole, to recommend approval of the revisions as per the Finance CIP spreadsheet with change in 2014 to return Streets, Drainage and MIP and Parks to 4% growth in year 5. Elkins explained that she feels it is unrealistic that sales tax will be at 1% and said it will retain the credibility of the vote in 1989. It was indicated that Preston can make an adjustment to sales tax receipt if needed. Chapman asked if it is realistic to think that we can keep a fund balance of \$1 million and said there should be some thought to changing that number. Preston then briefly explained the logic behind that particular number. Motion carried.

Marcia addressed the **Additional Access to Star of the West Complex**. She explained three options and recommended option C to change the use of the fields upon renewal of the contracts, which has no direct city cost. It was indicated that if the soccer complex does not move forward the issue might need to be revisited. Cole explained the parking was set up for 6 soccer fields, not 24, and said that City Council could dictate that soccer can only run a certain number of games at one time. Cole explained that Tuesday and Thursday are the worst due to football and soccer, but he said if softball and football were not running at the same time the problem would still exist. It was indicated that they will start renegotiating contracts in 2011. Cole said that he met with the soccer league and discussed using other empty fields in the fall. They did not want to move games because it would be less convenient for families. Motion was made by Olson, second by Ellis, to recommend option C for additional access for the Star of the West complex. Cole indicated he will continue discussions with the soccer leagues to try to reduce or disperse some of the games. Motion carried.

Chapman spoke of the affordable housing funds and asked if public funds can be used to acquire land. Preston explained that the land can be acquired but it cannot be transferred to a private entity. Elkins addressed the TIF and said it is allowable under state statute. She offered to meet with Chapman to discuss the issue.

There being no further business, the meeting adjourned at 11:03 A.M., and it was noted the next scheduled meeting is March 26, 2010 at 10:00 A.M. in the C/SAC, 3<sup>rd</sup> Floor West Conference Room.