

CIP MEETING
CSAC/Third Floor West Conference Room
September 19, 2003

Planning Director Marcia Elkins called the meeting to order at 10:00 a.m. with the following members present: Asst. Finance Officer Coleen Schmidt, Tom Murphy, Ted Vore, Bill Waugh, Ron Kroeger and Alan Hanks. Sam Kooiker arrived during the course of the meeting.

Also present were Library Director Greta Chapman, Fire Chief Gary Shepherd, Mayor Jim Shaw, Project Administrator Rod Johnson, Asst. City Attorney Jason Green and Administrative Assistant Jeri Lynn.

Motion was made by Kroeger, seconded by Waugh and carried to **approve the minutes** of August 15, 2003.

The Committee went through the **financial reports** as of August 31, 2003 and no changes were made. Asst. Finance Officer Schmidt reported that beginning next month, a line will be added on the summary page that will show the amount of reimbursements the city has received on various projects.

Library Director Greta Chapman submitted an update to the Committee on the Rapid City Public Library **Air Handling and AC Unit Project**. Chapman explained that the design work has been done so that the City can request bids on this project early in 2004. This will allow the project to be completed before the hot weather next summer. A letter was submitted from West Plains Engineering outlining the scope of the work to be done and the estimated costs for the project, which total \$116,250. Current funding available is \$27,000 from the Library Building Expansion Fund and \$10,000 which has been allocated from the 2003 CIP Contingency Fund. That leaves a balance of \$79,250. Chapman noted that the CIP Committee previously agreed (March 14, 2003) to provide funding to replace the library roof in 2003 (\$60,000) and 2004 (\$40,000). The AC and air handling are a higher priority and she requested that this funding be reallocated to that project. Chapman requested that the Committee consider Phases 1 and 2 now with the understanding that Phase 3 (roof replacement) would be discussed in the coming months. There was discussion about the need to spend \$7,500 for design on this project. Chapman stated that this project was beyond her expertise and as she understood it, beyond the expertise of the engineering division. She added that those costs have already been incurred and the work has been done.

Kooiker entered the meeting at this time.

Kroeger asked why the city didn't just put a larger cooling unit in the old portion of the library. Chapman explained that when the old unit was operating, it did not cool effectively or evenly. Johnson added that if you just put a bigger unit in, it could create other problems with the rest of the system. Chapman requested that \$60,000 in roof replacement funds from 2003 be re-allocated to the HVAC project at the library. She added that they will be able to go out for bids in January or February of 2004. Motion was made by Kroeger and seconded by Waugh to allocate \$60,000 from 2003 Roof Replacement line item and \$19,250 from the CIP Contingency fund to the library air handling/AC project. Kooiker suggested that Chapman review the library budget to see if any funding is available there for this project. He is not comfortable taking this amount from the CIP fund. Chapman stated that based on the cuts requested by the City Council, no funding for this project is available in the library budget unless services are reduced. Upon vote being taken, the motion carried with Kooiker voting no.

Hanks suggested that funding for the library roof project should be identified during the next Five Year Plan Review.

Fire Chief Gary Shepherd stated that he must find office space for the Fire Department's Inspection Division prior to the first of the year. Currently this division is housed in the old ambulance building located on West Rapid Street. The lease for that space expires on December 31, 2003.

Shepherd stated that it has always been contemplated that offices would be constructed in the lower level of **Fire Station No. 6** on Highway 16. The firefighters have agreed to do a lot of the work in-house. However, someone will need to be hired to do any HVAC and plumbing work that is needed. Shepherd contemplates constructing six offices and a multi-purpose meeting room in this station. The estimated cost is \$25,000. Shepherd added that the HVAC system from Station 3 was saved when that building was demolished. The only costs involved will be hiring someone to do what is necessary to install it in the basement of Station No. 6. It was noted that this space is needed as a result of taking over the ambulance service for the community. Kroeger suggested that these funds be loaned to the enterprise fund with the understanding that they will be repaid. Elkins asked if there is enough revenue in the EMS Fund to accomplish this remodeling project. Shepherd explained that they have encountered problems with the billing procedures and reimbursements from Medicare. It has been difficult to project the revenue stream because collections lag. The issues with Medicare have been resolved, so they anticipate that the revenue stream will improve. Hanks asked what the revenue projections were for the EMS service. Schmidt stated that she did not bring that information, however, she thinks the City is slightly below the projected amount. It was noted that the fund is still getting payments from the beginning of the year, however, that should improve as time goes on and the procedures are worked out. Schmidt suggested that the Council be briefed on the EMS Service at one of the information meetings. Motion was made by Kroeger, seconded by Hanks and carried to recommend that the City Council allocate \$25,000 from the general fund to be used for construction of offices and meeting rooms in the lower level of Fire Station No. 6, with the understanding that these funds will be repaid from the EMS Enterprise Fund.

The committee asked if the **surplus property** near Fire Station No. 6 could be sold. Kroeger felt this would be the right time to sell the property because interest rates are low. Also, once Fifth Street is extended, it will make more property available for development. Elkins explained that the lot fronting Highway 16 is available for sale now. The portion of the property to the south and west will require platting and subdivision improvements before it is ready to be sold. Motion was made by Hanks, seconded by Kroeger and carried to recommend to the City Council that staff be directed to move forward with the platting and selling of the surplus land located adjacent to the Highway 16 Fire Station (the property that does not require the City to spend additional money for infrastructure improvements); and have the property declared surplus.

The next item on the agenda was funding for the **East Anamosa Street** Construction Project. It was noted that funding for this project was approved by the City Council on September 2, 2003. Motion was made by Kroeger, seconded by Waugh and carried to table this item.

The next item discussed by the Committee was funding for **East Mall Drive from East North Street to Dyess Avenue**. Elkins explained that \$95,000 is needed now for design of the project. The estimated construction cost is \$2.1 million for the road, plus costs for water and sewer lines. SD DOT has requested that the city move forward with design of this project so that it can be fit into the State's plans for reconstruction of the

interchange which could take place in 2005. Motion was made by Hanks, seconded by Murphy and carried to allocate \$95,000 from the CIP Contingency Fund for design of the East Mall Drive Project, from East North Street to Dyess Avenue.

Preston submitted a copy of the **CIP Operating Procedures** for review by the Committee. One of the areas that should be addressed is the membership. The position of Community Development Director has been abolished and should be deleted. It was noted that the position of Parks & Recreation Director has been established and perhaps this person should be on the Committee. Motion was made by Hanks and seconded by Waugh to delete the "Community Development Director" from the Committee and add the "Parks & Recreation Director" to the Committee; and change the title of the Planning Director to City Growth Management Director. Kooiker suggested that the Vice Chairman of the Planning Commission be replaced with the chairman of the Beautification Committee. Hanks opposed the idea because the City has several committees that are on the same level as the Beautification Committee. Kooiker stated that his idea was to get other bright minds involved with this process. Upon vote being taken, the motion carried unanimously.

Regarding the reporting procedures outlined in the **CIP Operating Procedures**, Preston suggested that the last sentence on Page 2 be amended to read "...shall provide an update to the Legal & Finance Committee monthly." Elkins noted that this change was directed by the City Council. Kroeger stated that four of the five members of the Legal & Finance Committee also sit on the CIP Committee. It would be redundant to report the actions of the CIP Committee to the Legal & Finance Committee. Hanks stated that typically, the recommendations of the CIP Committee are based on the needs of the community. Staff prioritizes the projects and submits a list for consideration to the CIP Committee. The CIP Committee then makes a recommendation to the Legal & Finance Committee which is forwarded to the City Council. Kooiker questioned the legal requirements. Asst. City Attorney Jason Green explained that there are two different procedural requirements at this time. First is the ordinance, which requires a ten-day notice to amend the Plan, and the other is the procedure outlined in the Operating Procedures document. He recommended that the Committee determine which is best and they will prepare the necessary ordinances to implement that procedure. Lengthy discussion continued on the reporting process from the CIP Committee to Legal & Finance and the City Council. Elkins stated that she has a problem with the requirement for a ten-day notice to make changes in the CIP Plan. This requirement could negatively impact the Committee's ability to react quickly to issues that come up. Kroeger noted that this is a publicized meeting. Any Council members can attend these meetings and speak on any issue. Motion was made by Hanks and seconded by Vore to adopt an ordinance to implement the process in the CIP Operating Procedures document, as amended earlier in this meeting (membership and title changes). Roll call vote was taken: AYE: Hanks, Murphy, Schmidt, Elkins and Waugh; NO: Kroeger and Kooiker. Motion carried, 5-2.

Motion was made by Vore and seconded by Murphy to approve the following change in the reporting procedures contained in the **CIP Operating Procedures**: "...shall provide an update to the Legal & Finance Committee monthly." Upon vote being taken, the motion carried with Kroeger voting no.

The next item on the agenda was Discussion of City Code No. 3.16.090 requiring a public hearing and a ten-day notice for amendments to the CIP Plan. (Secretary's Note: This item was discussed in conjunction with changes to the CIP Operating Procedures. No other action was taken.)

Asst. Finance Officer Coleen Schmidt submitted a sample Funding Source Spreadsheet for the Committee's consideration. The Spreadsheet shows all current projects, their funding source, and the proposed year. All Committee members were in favor of having this type of document available for information. Schmidt noted that the master copy would be the one on file in the Finance Office. Motion was made by Hanks and seconded by Kooiker to direct the Finance Office to develop this spreadsheet. Johnson asked if this was going to be another set of documents that staff would have to review and update. Perhaps this spreadsheet could be developed using one of the current systems. Vore stated that he would review this with Randy Nelson to see if the "Plan-It" Program could develop this report. Upon vote being taken, the motion carried unanimously.

The next CIP Committee meeting will be held on October 17, 2003 at 10:00 A.M.

As there was no further business, the meeting adjourned at 11:30 A.M.