

CAPITAL IMPROVEMENTS PROGRAM MINUTES
C / SAC 3RD FLOOR, WEST CONFERENCE ROOM

JANUARY 19, 2007

Finance Officer Jim Preston called the meeting to order at 10:00 A.M. with the following Committee members present: Aldermen Bill Okrepkie, Ron Kroeger, Malcom Chapman, Karen Olson, and Deb Hadcock; Growth Management Director Marcia Elkins, Public Works Director Dirk Jablonski; and Parks Superintendent Lon Van Deusen (proxy). The following staff members included: Assistant Finance Officer Coleen Schmidt, Engineering Project Manager Dan Coon, Engineering Project Manager Rod Johnson, Library Director Greta Chapman, Accounting Coordinator Tracy Davis, and Administrative Coordinator Jackie Gerry.

Olson moved, second by Hadcock and carried to **approve the minutes for December 15, 2006.**

Finance Officer Preston gave a brief overview of the **Financial Reports for December, 2006** noting few changes and an available balance of \$31,713 in the CIP Contingency and indicated there will be some carryover. Preston noted the project costs for the Downtown Banner Poles will exceed the total allocation of \$91,690 as Council awarded a contract for the project October 16, 2006 for a total contract amount of \$105,000 and a project Change Order is expected. Responding to a question from Alderman Hadcock, Preston indicated the project overrun is estimated at \$19,000.

Engineering Project Manager Coon reviewed the **Capital Plan for Streets, Drainage, MIP Projects for January, 2007** noting an increase in the project cost for Creek Drive Bridge Replacement for land appraisal, and an increase for the Canyon Lake Dam Maintenance project for construction. Coon indicated that he will work with Finance on the development of the Five-Year Plan, and that final project costs and carryover projects will be reported in February. Okrepkie moved, second by Hadcock and carried to approve the Capital Plan for Streets, Drainage, MIP Projects for January, 2007 as reported.

Elkins moved, second by Jablonski and carried to continue **Visitor Information Center Pavement Repair and Drainage Improvements** to the February 16, 2007 CIP Committee meeting. *(Secretary's Note: The CIP Committee meeting for February is rescheduled for February 23, 2007 at 10:00 A.M., C / SAC, 3rd Floor, West Conference Room.)*

Elkins moved, second by Olson and carried to continue the discussion of the **land sale for the Wally Byum site** to the February 16, 2007 CIP Committee meeting. *(Secretary's Note: The CIP Committee meeting for February is rescheduled for February 23, 2007 at 10:00 A.M., C / SAC, 3rd Floor, West Conference Room.)*

Finance Officer Preston outlined the **CIP Budget Schedule** explaining that on February 16th the Committee will review the spreadsheet and allocate funds to Streets and Drainage, Parks, Government Buildings and Contingency fund; March 16th the Committee will review the 5-Year Plan and proposed FY2008 budget for Streets and Drainage, Parks

and Government Buildings. April 20th the Committee will approve the 5-Year Plan and FY2008 budget and submit it to the Mayor. July 19th the 5-Year Plan and FY2008 budget will be submitted to the Planning Commission, and July 2007 the City Council will review the plan and budget.

Responding to a request for a discussion of **standards and criteria for using CIP Contingency funds**, Finance Officer Preston distributed an ordinance that identifies the membership of the CIP Committee, meeting schedule, deadline for Capital Improvements requests, procedure for expenditure of CIP funds, and reporting procedures. Alderman Chapman is of the opinion that all requests come forward at one time and in a timely manner for the Committee to consider the requests. Chapman suggested that requests for Contingency funds should come forward only one or two time per year. He also indicated that the Committee is not in a position to decide whether a project is an emergency. Responding to a question from Alderman Chapman about what qualifies for CIP funding, it was explained that it is capital assets that have a life expectancy of one year. Preston explained that the CIP Committee will not consider such things as vehicles, water and sewer improvements. Elkins indicated her concern about limiting the time for requests to be considered; suggested the Contingency is for emergency expenditures; and pointed out that it is important to review the procedures and criteria. Alderman Okrepkie indicated that he did not favor limiting the time when projects can be considered by the CIP Committee. Jablonski suggested that it is important to define "emergency". Library Director Chapman suggested an emergency should be about safety. Project Manager Johnson indicated that the Contingency has been used to supplement funded projects and identified projects that are unfunded. Alderman Kroeger suggested developing a list of projects and when projects come forward they can be compared with the list of projects already under consideration. Preston suggested attaching the 5-Year Government Buildings Plan to the monthly financial reports. Alderman Olson believed the list should be prioritized and requests considered on a monthly basis. Elkins moved, second by Hadcock to resolve, as a group, to be critical of looking at expending Contingency funds; and provide that going forward, when projects are not funded, they are placed on a list of projects to be considered during the time when the 5-Year Plans are being considered. Alderman Chapman indicated there may be a need to review the funding allocation process if there are projects on the 5-Year Plan that have been waiting. Upon a vote being taken on the motion, motion carried.

Finance Officer Preston outlined the **2006 Carryover Projects from the Government Buildings** line item as follows: Omaha Street Widening, \$4,171.00; Public Safety Building Expansion, \$32,056.50; Roof Replacement Projects, \$183,264.08; Equipment Maintenance Shop, \$513,981.00; VIC Sidewalk & Patio Replacement, \$15,000.00; Retaining Wall Project - E Blvd/New York St., \$5,000.00, and Fiber Optic Cable Replacement, Civic Center, \$5,000.00. Jablonski explained that the retaining wall project is still in progress and quotes received 2-3 weeks earlier are more than anticipated; and indicated that they are looking at an in-house project. Okrepkie moved, second by Chapman and carried to approve the Government Buildings 2006 Carryover Projects.

Finance Officer Preston brought forward for discussion the **Downtown Banner Poles** explaining the budget for the project is \$91,690; the contract awarded for the project is

\$105,000; and a \$5,500 Construction Change Order is anticipated, leaving a \$19,000 shortfall. Alderman Hadcock explained that the original request for funding was \$80,000; and the Legal & Finance Committee committed funding from CIP and any funds remaining from the purchase of the lights. Hadcock estimated that \$4,500 has not been paid from the private donations. Hadcock also disputed some of the costs expected to be included in the change order, because she believed errors were made by the City. Kroeger moved, second by Okrepkie to approve an expenditure of up to \$19,000 from 2007 CIP Contingency. Hadcock questioned whether banner pole rental monies would be appropriated towards the cost of the project. Responding to a question from Alderman Chapman, Assistant Finance Officer Schmidt explained that \$50,000 from Council Contingency is for the Christmas lights and any remaining funds will be applied to the banner poles. In the interest of determining the correct project costs and approving additional funding, a substitute motion was made by Elkins, second by Hadcock to continue the Downtown Banner Poles to the February 16, 2007 CIP Committee meeting. Motion carried. *(Secretary's Note: The CIP Committee meeting for February is rescheduled for February 23, 2007 at 10:00 A.M., C / SAC, 3rd Floor, West Conference Room.)*

Preston reported his unavailability for the **February 16th CIP Committee meeting**; whereupon Okrepkie moved, second by Elkins to set the CIP Committee meeting for February 23, 2007 at 10:00 A.M.

There being no further business, the meeting adjourned at 11:12 A.M.; and it was noted the next scheduled meeting is set for February 23, 2007 at 10:00 A.M. in the C/SAC, 3rd Floor, West Conference Room.