RAPID CITY FIRE DEPARTMENT

Prepare, Prevent, Protect

To: Mayor Kooiker and City Council

From: Mike Maltaverne, Fire Chief

Subject: Ordinance #6046: Splitting of Vision Fund/CIP

Date: April 24, 2015

Dear Mayor and members of City Council,

As Rapid City grows and evolves, so do the needs for public safety. The Fire Department has a long range facilities plan that takes into account forecasted growth, emergency response needs and condition of existing facilities. This facilities plan was incorporated and subsequently adopted in the April 2014, Comprehensive Plan.

As the Fire Department has replaced existing facilities with new ones, added facilities to match the community's growth and completed renovations and additions, identifying a funding source has been the single most difficult part of the process. Historically, the Fire Department has funded large projects, as described, from either the Capital Improvement Program (CIP) or the Vision Fund. This made the process difficult. The Fire Department would have to go before two separate committees to determine which fund would pay for a new facility. This created uncertainty and a lack in confidence to secure funding for needed facility upgrades.

The actions taken last Fall to combine the two accounts under one fund keeps the funding capacity the same while allowing for a larger coverage ratio which allows for a higher bond rating and potentially a lower interest rate. This has the potential to save money for taxpayers. In the end, this could result in allowing more or larger projects. Also, instead of possibly going before two committees, consideration for funding fire stations may only takes place once. It is for these reasons, that I encourage you to leave the Vision Fund and CIP combined as one fund with two accounts, which still enables the funds in the CIP account to be used for other infrastructure needs.

Thank you,

Mike Maltaverne, Fire Chief

Rapid City Fire Department