

REVISED PROJECT PLAN TID #32

The developer has requested that funds be allocated for reconstruction of drainage improvements within the existing approved project costs. A current drainage structure located north of the Muirfield detention pond is designed as an open channel. It is not functioning adequately and is resulting in significant erosion problems. The applicant is proposing the expenditure of \$96,270 for Muirfield drainage improvements to replace the open channel with an underground pipe. The applicant is requesting that \$96,270 of the \$463,000 contingency costs be allocated for drainage improvements. All other costs remain the same. The total costs will not change, so this tax increment base will not be re-established.

REVISED PROJECT COSTS

Capital Costs – The original capital costs for the Project Plan included the construction of a storage facility and a water main extension from the Carriage Hills area, to eliminate a pressure pump, so that the area could maintain water pressure when the power goes off. The first phase of the booster station was scheduled to be built in 2001/2002. The balance of the booster station and the construction of the storage facility were scheduled for construction in 2004. A storm water detention facility was also included in this district to improve the drainage in the area. This project was to be included in the 2002 construction season. On February 20, 2006, the City Council approved the relocation of three detention ponds in lieu of the original location of one detention pond.

Financing Costs – The financing costs for this Project Plan are dependent on the interest rate obtained. The anticipated interest rate used for these projections is 6%. It is estimated that the financing costs will total \$2,226,132.85. If a lower interest rate is obtained, the project costs will be repaid more quickly and the property will be returned to the tax roles sooner.

Professional Service Costs – Professional service costs, including design, are included in this Project Plan.

Relocation Costs – No relocation costs are anticipated in this Project Plan, as land is currently vacant.

Organizational Costs – No organizational costs are anticipated in the Project Plan.

Necessary and Convenient Payments – Drainage improvement costs of \$96,270 are being allocated in the Project Plan revision. Contingency costs of \$366,730 are included in the Project Plan.

Imputed Administrative Costs – All Tax Increment District actions require municipal staff time to prepare and enact. The City shall be reimbursed on July 15, 2006, for its administrative costs in the amount of \$2050. However, in no case shall the City be reimbursed less than \$1 on July 15, 2006.

TOTAL PROJECT COSTS:

Capital Costs:		
Ground reservoir water storage facility		\$ 2,430,000.00
Water booster station, including design		\$ 337,000.00
Detention facility		\$ 375,000.00
Professional Service and Engineering Design:		
Ground reservoir water storage facility design		\$ 180,000.00
Detention facility design		\$ 40,000.00
Financing Costs:		
Financing interest		\$ 2,226,132.85
Professional Fees		\$ 0
Relocation Costs:		\$ 0
Organizational Costs		\$ 0
Necessary and Convenient Costs:		
Contingency		
Drainage improvements	\$ 96,270.00	
Contingency	\$366,730.00	\$ 463,000.00
Other		\$ 10,000.00
TOTAL		\$ 6,061,132.85
Imputed Administrative Costs*		
City of Rapid City		\$ 2,040

ESTIMATED PROJECT COSTS TO BE PAID BY THE TAX INCREMENT DISTRICT

Capital Costs:		
Ground reservoir water storage facility		\$ 2,430,000.00
Water booster station, including design		\$ 87,000.00
Detention facility		\$ 375,000.00
Professional Service and Engineering Design:		
Ground reservoir water storage facility design		\$ 180,000.00
Detention facility design		\$ 40,000.00
Financing Costs:		
Financing interest		\$ 2,226,132.85
Professional Fees		\$ 0
Relocation Costs:		\$ 0
Organizational Costs:		\$ 0

Necessary and Convenient Costs:

Contingency:			
Drainage improvements	\$ 96,270.00		
Contingency	\$366,730.00	\$	463,000.00
Other		\$	10,000.00
TOTAL		\$	5,811,132.85
Imputed Administrative Costs*			
City of Rapid City		\$	2,050

*The imputed administrative costs are interest-free, are not included in the total project costs, and are to be paid from the balance remaining in the TID #32 fund available to the City Finance Officer on July 15, 2006.

TAX INCREMENT DISTRICT NO. 32
RED ROCK ESTATES SUBDIVISION
PROPOSED STORM WATER DETENTION FACILITY LOCATIONS (SECOND REVISED)

