

Minutes
Rapid City Infrastructure Development Partnership Review Committee

October 2, 2000

9:00 a.m.

Third Floor West Conference Room

Members Present: Mel Dreyer, Alan Hanks, Ron Kroeger, Jerry Munson, Tom Murphy, Dan Bjerke, Marcia Elkins, Jim Preston

Others Present: Harold Bies, Jerry Foster, Scott Nash, Hani Shafai, Stuart Swanson, Sharlene Mitchell, Randy Nelson

Call to Order

Preston called the meeting to order at 9:08 a.m.

Approval of September 12, 2000 Meeting Minutes

Hanks moved, Murphy seconded and carried unanimously to approve the September 12, 2000 Minutes.

Elm Street Extension Request

Elkins briefly reviewed the projected project costs for the extension of Elm Avenue to Catron Boulevard. Elkins requested that the applicants verify the accuracy of the legal descriptions and encouraged Bies to complete the outstanding land transfer prior to execution of the Infrastructure Development agreement. Elkins reviewed the proposed loan repayment structure and Council approval process.

Hanks moved to recommend approval of the Elm Avenue Extension Loan Agreement with the following stipulations:

- 1. Landowners will borrow \$1,073,424 from the IDPF;**
- 2. Loan will be completely repaid in ten years;**
- 3. No interest for the first five years beginning from the date of substantial completion;**
- 4. Interest rate from the beginning of year six through year ten at 1% above the prime rate as of the first day of year six;**
- 5. Payments to be made prior to final plat approval;**
- 6. Landowners will provide easements or rights-of-ways at no cost to the City of Rapid City;**
- 7. All improvements are public improvements;**
- 8. City construction in accordance with City standards;**
- 9. Landowners shall provide a surety bond to guarantee loan repayment;**
- 10. City selects engineering firm;**
- 11. Landowners cost based on percentage of frontage;**
- 12. Sidewalks not included in estimate, developer installs sidewalks at platting;**
- 13. City will pay oversize costs on 16" water line extension (price will be based on bid); and,**
- 14. City Water Fund will pay for the oversize costs.**

Dreyer seconded the motion.

Discussion followed regarding the street classification and surface material for Elm Avenue. Elkins expressed concern with the traffic impact on the residential neighborhood with the

extension of Elm Avenue to Catron Boulevard. She encouraged the completion of 5th Street as soon as possible if the Elm Avenue extension project is approved. Discussion followed regarding the status of the 5th Street extension project.

Munson commented on the difference between the proposed interest rate structure and the interest rate structure outlined by the program guidelines. Discussion followed on the provisions of the program guidelines and the project criteria that have impacted the approved interest rate structure.

Preston commented on the current fund level given the approved and proposed projects. Discussion followed regarding the possible utilization of Tax Increment Financing to fund infrastructure projects in the North Deadwood Avenue, Anamosa Street and Elk Vale Road areas. Discussion followed on the utilization of Tax Increment Districts to fund infrastructure improvements.

Nash encouraged establishment of the Elm Avenue drainage district in conjunction with the infrastructure installation to insure that area drainage issues are addressed as development occurs. Discussion followed on the status of the Elm Avenue Drainage Basin.

Nelson briefly reviewed the utilization of Assessment Districts to fund infrastructure projects.

Kroeger expressed concern with the utilization of tax funds to build new infrastructure while existing infrastructure improvements are postponed due to lack of funding. Discussion followed regarding the prioritization of Capital Improvement Program funding for infrastructure projects. [Bjerke left the meeting at this time.]

Munson moved a substitute motion to review the drainage issues prior to Committee action on the Elm Avenue Extension project. Kroeger seconded the motion. Discussion followed regarding the timetable for completion of the Elm Avenue Drainage Basin Study and fee implementation. **Munson withdrew the substitute motion, Kroeger concurred.**

Discussion followed regarding the Elm Avenue drainage issues, 5th Street development, inclusion of drainage improvements in the Infrastructure Development loan approval and structuring of the drainage basin fees.

Elkins moved to continue the Elm Avenue Extension request for two weeks to allow for the identification, review and prioritization of the proposed projects by Infrastructure Development Partnership Fund Committee and identification of available funding sources. Munson seconded the motion.

Discussion followed regarding the Infrastructure Development program criteria allowing prioritization of projects based on specific evaluation criteria. [Munson left the meeting at this time.]

The motion to continue the Elm Avenue Extension request for two weeks to allow the Infrastructure Development Partnership Fund Committee to identify, review and prioritize the proposed projects and identify available funding sources failed.

Murphy spoke in support of the Elm Avenue extension project noting the positive impact completion of this road would have on emergency response services.

The motion to recommend approval of the Elm Avenue Extension Loan Agreement with the following stipulations:

1. Landowners will borrow \$1,073,424 from the IDPF;
2. Loan will be completely repaid in ten years;
3. No interest for the first five years beginning from the date of substantial completion;
4. Interest rate from the beginning of year six through year ten at 1% above the prime rate as of the first day of year six;
5. Payments to be made prior to final plat approval;
6. Landowners will provide easements or rights-of-ways at no cost to the City of Rapid City;
7. All improvements are public improvements;
8. City construction in accordance with City standards;
9. Landowners shall provide a surety bond to guarantee loan repayment;
10. City selects engineering firm;
11. Landowners cost based on percentage of frontage;
12. Sidewalks not included in estimate, developer installs sidewalks at platting;
13. City will pay oversize costs on 16" water line extension (price will be based on bid); and,
14. City Water Fund will pay for the oversize costs.

carried unanimously.

Sewer Extension Request: Hwy 79 to 5th Street

Elkins briefly reviewed the projected project costs and loan repayment requirements. Discussion followed on the loan repayment structure.

Dreyer moved to recommend approval of the 15 foot Sanitary Sewer Service Extension from Highway 79 to Fifth Street with the following stipulations:

1. Landowners will borrow \$244,140 from the IDPF;
2. Loan will be completely repaid in ten years;
3. No interest for the first five years beginning from date of substantial completion;
4. Interest rate from the beginning of year six through year ten – 1% above the prime rate as of the first day of year six;
5. Payments made prior to final plat approval;
6. Landowners will provide easements or rights-of-ways at no cost to the City of Rapid City;
7. All improvements are public improvements;
8. City construction in accordance with City standards;
9. Landowners shall provide a surety bond to guarantee loan repayment;
10. Landowners cost based on percentage of frontage; and,
11. City will select engineering firm.

Elkins seconded the motion.

In response to a question from Foster, Elkins provided clarification of the specific areas that will be assessed for loan repayment.

The motion to recommend approval of the 15 foot Sanitary Sewer Service Extension from Highway 79 to Fifth Street with the following stipulations:

- 1. Landowners will borrow \$244,140 from the IDPF;**
- 2. Loan will be completely repaid in ten years;**
- 3. No interest for the first five years beginning from date of substantial completion;**
- 4. Interest rate from the beginning of year six through year ten – 1% above the prime rate as of the first day of year six;**
- 5. Payments made prior to final plat approval;**
- 6. Landowners will provide easements or rights-of-ways at no cost to the City of Rapid City;**
- 7. All improvements are public improvements;**
- 8. City construction in accordance with City standards;**
- 9. Landowners shall provide a surety bond to guarantee loan repayment;**
- 10. Landowners cost based on percentage of frontage; and,**
- 11. City will select engineering firm.**

carried unanimously.

The Committee requested that Bjerke clarify if hookup fees will be utilized to recover the projected \$90,000 oversize costs identified in the sewer extension project.

Other Business

Preston recommended that the Committee address project prioritization and funding source identification be addressed at the next meeting scheduled for October 16, 2000 at 9:00 a.m.

Adjourn

There being no further business the meeting was adjourned at 10:13 a.m.