

CIP MEETING  
CSAC/Third Floor West Conference Room  
August 15, 2003

Finance Officer Jim Preston called the meeting to order at 10:00 a.m. with the following members present: Alan Hanks, Marcia Elkins, Ted Vore, Jeff Partridge, Jeff Hoffman, Tom Murphy and Ethan Schmidt.

Also present were Acting City Attorney Jason Green and Administrative Assistant Jeri Lynn.

Motion was made by Elkins and seconded by Partridge to **approve the minutes** of July 18, 2003. Partridge stated that he attended the meeting and should be listed with those present. Upon vote being taken, the motion carried with the noted change.

The Committee went through the **financial reports** as of July 31, 2003. Elkins asked for a report on the demonstration garden project. The report shows money spent, but no funding for 2003. Also, the Committee requested a status report on the fiber optic re-route project. No changes were made.

The first item discussed by the Committee was the **Knollwood Detention Dam Improvements Project**. Staff has done a preliminary design and the total estimated cost for the improvements is \$95,073. No funding has been identified. Murphy asked about the priority of this project compared to others on the plan, and if there is a problem with this detention facility, other than water on the ground. The committee needs to decide which projects should be done first. Acting Public Works Director Ted Vore explained that they have been getting calls about the mosquitoes this ditch has generated. He explained that Warren Chemical will spray and fog the Knollwood Dam area today which will take care of the adult mosquitoes. They will also put briquettes in the water which should take care of the larva. This application will last approximately 21 days. Warren Chemical has assured the City that this application is environmentally safe. He added that this detention dam was designed to operate the way it is working right now. Hanks stated that there are drainage facilities all over town that will have mosquito problems similar to this area. Hoffman asked how many detention facilities there are in the community. Vore stated that he doesn't know the exact number, but there are many. Ethan Schmidt commented that no one seems to be in favor of this project, so maybe it should be tabled. Preston explained that this project was referred to the CIP Committee from the Council. They directed that staff design a project to drain the pond. The pipes in the detention facility were also cleaned out and the pond drained. Elkins asked if there were other problems in this area which are the result of this issue. Vore noted that there are problems with the silt building up in the cul-de-sac but they can be taken care of much cheaper than the proposed project. Murphy added that even with the proposed fix, there will be puddles of standing water that will generate mosquito problems. Discussion continued on whether we should ask for bids on this project. Hanks stated that if we are not serious about doing the project and allocating funding, we should not solicit bids. It would not be fair to ask the bidders to put together a bid if we are not serious about doing the project. Motion was made by Partridge and seconded by Murphy that the CIP Committee take this information back to the council with a recommendation that the project not proceed because of the cost and potential settling of the pipes in the future. The mosquitoes are the biggest problem and for \$1,000 a month, we can take care of that issue. Upon vote being taken, the motion carried unanimously. This item will go the Legal & Finance Committee meeting on August 27, 2003.

The next item discussed by the Committee was funding for the **East Anamosa Street Construction Project**. Staff noted that the city's portion of the oversize costs for this project are \$200,000 for right-of-way, and \$600,000 for street construction costs. No funding has been identified. Elkins explained that, according to city ordinance, the city must participate in the oversize costs for this project. It is anticipated that the right-of-way costs will be incurred in 2003 and the street costs in 2004. Green explained that the Developers Agreement is on the City Council agenda for approval on August 18<sup>th</sup>, however, if funding is not identified, it should be continued to a later meeting. Partridge stated that he doesn't want to do anything on Anamosa Street until everything is in line for the extension of 5<sup>th</sup> Street. Elkins explained that this section of East Anamosa Street is developer driven. The city has asked for more than 100 feet of right-of-way to accommodate the street and we need to pay for that extra right-of-way now, because the developer is ready to proceed with platting. Relative to the street costs, we can require him to build a three lane facility and the city can construct the additional roadway in the future. The developer did not want to do that because of the negative impact that it would have on his development in the future. He has requested that the city construct this oversize road now. The city has two options on the \$600,000 for the street: 1) build three lanes and deal with the oversize in the future, or 2) build the entire project and find a funding source for the \$600,000. Elkins added that this project will go from Menard's to the west approximately 800 feet and then dead end. Hanks noted that the city is looking at spending \$600,000 for this project when we have no idea when the remainder of the road will be done. He added that the city needs to look at the cost of money and when the road network will be finished in this area. Elkins added that the city will need to upfront these costs, but they will be repaid with TIF revenues in the future. The committee reviewed the Streets & Drainage Five Year Plan to see which projects could be delayed and moved. It was noted that Randy Nelson should be involved with these decisions. Motion was made by Elkins and seconded by Murphy to continue this item to the next meeting and request that Randy Nelson identify a funding source for the project. Hanks suggested that someone contact the developer to see what impact this delay will have on the project. Acting City Attorney Jason Green explained that the TIF and Project Plan have been approved. The item that will be presented to the City Council is the Developers Agreement which is typically used as security for a loan on the project. Hoffman stated that if the additional time is an issue, we could have a special CIP Committee meeting on this item. Schmidt stated that it seems to be more economical to do the entire road now rather than adding it in the future. Preston stated he doesn't feel the City can do any more projects until some decisions are made on 5<sup>th</sup> Street. Every funding source has been tapped for various projects. Murphy concurred. He added that the Anamosa Street project has a better chance of generating revenue for the city with businesses wanting to locate in this area. Hanks noted that if the 5<sup>th</sup> Street project is delayed and all that funding allocated to different projects, the City will have the same problem in a few years. Unless the city changes how we do business, this will be an on-going problem. Hanks concurred that East Anamosa has more of a chance to be a revenue producer for the city. However, Mall Drive will also bring in a tremendous amount of businesses to the community. Elkins noted that the City has a legal obligation to pay for \$200,000 in oversize right-of-way costs for this project. Elkins & Murphy withdrew the motion. Motion was made by Hoffman and seconded by Partridge to continue this item to the next CIP Committee meeting with the understanding that, if necessary, we can have a special committee meeting; and request that engineering staff bring back a recommendation on re-prioritizing projects in order to find funding for the East Anamosa project. Upon vote being taken, the motion carried unanimously.

Motion was made by Hanks, seconded by Partridge and carried to continue the discussion on **Changes to CIP Operating Procedures** to September 17, 2003 because the City Council has not yet approved the titles for various positions.

The next item discussed was a proposal to include an **inflationary figure** in the Five-Year Plans for CIP projects. Hanks noted that the discussion was to get better numbers so that we have better information when we make decisions on funding for these projects. The problem is, until a project is designed, it is an educated guess. Including an inflationary figure would be futile as well as a bookkeeping nightmare. Partridge stated that the proposed funding for a project should be as accurate as possible. Then we should use the future value on that amount in order to properly budget for it. There is merit to applying an inflationary figure at the time the project is put into the plan. Vore stated that the biggest problem when estimating costs for a project is identifying the scope. We need to do more work on the preliminary numbers for projects. Motion was made by Elkins and seconded by Partridge that beginning with the next budget, we use the industry standard and include an inflationary figure. Hanks stated that he does not want to try and include an inflationary figure on the spreadsheet that is used for these funds. Partridge stated that his intention is that the future value of the estimated cost will be used the first time the project is put into the plan. It would not be adjusted each year. Elkins also requested that the Public Works Departments continue to try to determine a better scope for projects. This will take more effort from this committee as well as the Council on deciding the projects as well as staff. Hanks added that if a project is added to the plan four years out and is moved up, we will need to take into account that the costs showing on the plan include an inflationary figure. Preston cautioned the Committee to not tighten everything down so that there is no flexibility when priorities or projects change in the future. Upon vote being taken, the motion carried unanimously.

A letter was received from the Air Quality Board which contained a request to increase **Out of the Dust Paving Program Funding** to \$100,000. Motion was made by Elkins, seconded by Hanks and carried to consider this item at the next budget cycle.

The next meeting of the CIP Committee will be on September 19, 2003 at 10:00 A.M.

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