

**CIP MEETING
3rd Floor West Conference Room
March 19, 2004**

Finance Officer Jim Preston called the meeting to order with the following committee members present: Jeff Hoffman, Ron Kroeger, Alan Hanks, Bill Waugh, Jerry Cole Tom Murphy, Planning Commissioner Kathryn Henning and Growth Management representative Patsy Horton.

Also present were City Attorney Jason Green, Fire Department Chief Gary Shepherd, Engineering Division Manager Dan Coon, Engineering Project Manager Randy Nelson, Public Works Project Manager Rod Johnson, Beautification Committee representative Jim White, Parks Director Lon VanDeusen, Mayor Jim Shaw, and Administrative Secretary Karen Jones.

Motion was made by Kroeger, seconded by Hanks and carried to **approve the minutes** of February 20, 2004 as presented.

Finance Officer Jim Preston identified and explained the various pages of the Financial Report. He identified reimbursements from recreation of \$79,795, and he pointed out the footnote indicating that funds received offset expenses. Preston noted the adjustment to Streets and Drainage of \$240,000. Preston explained that there is a new sheet on the Omaha Reconstruction project to give the Committee a better idea of the money spent on this project. Preston indicated that page 6 of the IDPF spreadsheet identifies projects that are currently active, and he noted that not all projects are included at this time. In response to a question from Hoffman, Preston said that these figures are Year-to-Date. Mayor Shaw questioned the discrepancy in the approved Streets and Drainage amount on the Summary Sheet and the Total on the Streets and Drainage spreadsheet. Preston noted that he would look into it.

Preston introduced Jim White who was representing the Beautification Committee. White told the committee that the Beautification Committee had received several complaints from citizens about the landscaping along Sheridan Lake Road between Canyon Lake Drive and Jackson Boulevard. He said that the beautification committee is asking for funding to be allocated for irrigation and landscaping along Sheridan Lake Road, specifically by the Jimmy Hilton Municipal Pool. In response to a question from the committee, Rod Johnson noted that the east side of Sheridan Lake Road is irrigated, but the west side of Sheridan Lake Road is not. Johnson stated that he had attended the Beautification meeting and had suggested that since the irrigation project for 44th Street and West Chicago Street was being pushed back to 2005, the \$35,000 allocated for that project could possibly be used. In response to a question from Shaw regarding Post 22's involvement, White indicated that he had spoken with Post 22 but not with Post 320. White also noted that in 2005 when the World Series is in Rapid City, the yard waste containers would need to be relocated. In regard to beautification in general, Shaw expressed concern about the I-190 corridor.

Fire Department Chief Gary Shepherd identified the need for a new roof at the Main Fire Station, he noted the locations of the leaks in the roof, and he told the committee that the roof had been replaced 12 years ago. He reported that Black Hills Roofing submitted a preliminary estimate of \$72,000 (approximately \$4.50 per square foot) to replace the entire roof with PVC high quality roofing. They indicated that the replacement could be done in two phases; one being the bay area and the other being the office area. Shepherd further indicated that for the time being, patching could be done. In response to a question from Hanks, Shepherd verified the square footage of

the two areas. Hanks stated that he feels that \$4.50 per square foot is a little expensive. Shepherd said that the cost also included replacement of some insulation and membrane. Shepherd noted that this is an estimate only, and that if it went out for bid, the price may be reduced. Hanks asked how bad the leaks were, and Shepherd said that water is dripping in the kitchen and in the apparatus bay. Hanks suggested patching the roof at this time and programming the replacement in the next 2 to 3 years. Shaw asked if the Fire Department budget had money for repairs. Shepherd said there should be money in the budget, but that he may come back to ask for assistance if the price goes over what he has available.

Chief Shepherd indicated that the Fairmont Fire Station was also in need of a new roof. He said that he is seeing failure around the HVAC system and the flashing. He indicated that a steel roof or industrial 100 mph shingles would be best. He said that the cost for a steel roof would be approximately \$17,595, and an approximate cost for shingles would be \$21,875. Discussion followed regarding the length of time shingles should last. Johnson indicated that when this building was constructed in 1994 it was done so on a fairly tight budget. It was noted by Shepherd that patching usually voids a warranty.

Preston asked that Items 5 and 6 be discussed together. Preston distributed a Cash Flow Analysis spreadsheet. Preston indicated that the corrections previously noted by Hanks have been made. Preston asked for approval to carry forward unspent funds for the skateboard park and fiber optics projects. In response to Hanks, Green clarified the Fifth Street repayment schedule. Hanks stated that he feels that this projected date is optimistic, and should be more conservative. Preston made a note to spread the repayment schedule out to four years instead of two years. Shaw asked for clarification of balance forward, and Preston explained that the money is committed. Kroeger moved, **Hanks seconded and motion carried to carry forward \$4,700 for the skateboard park and \$11,049 for fiber optics projects.** In response to a question from Hoffman, Preston explained the fiber optics reroute project.

Preston summarized the Five Year Plan for FY2004-2008 spreadsheets, noting that a large portion of the 2005 funding was allocated to the Public Safety Building. Preston said this budget had been approved previously without the inclusion of \$450,000 allocated in 2008. He noted that the roof repairs budget identified in 2004 have been transferred to the Library. Shaw asked if the Fire Station roof repair would need to be moved to 2005. After a brief discussion on roof repairs, it was determined that Bonnie Hughes had previously monitored government building roof repair schedules. Johnson suggested conducting roof inspections of the government buildings this summer. The committee asked Johnson to take on this task. Shaw suggested speaking to Bonnie when she returns. **Kroeger moved, Waugh seconded and motion carried to include roof replacements for both the Main Street Fire Station and the Fairmont Fire Station in years 2005 and 2006 of the Five Year Plan.** Hoffman suggested allocating \$72,000 in 2005 and \$20,000 in 2006. **Kroeger amended his motion to allocate \$72,000 in 2005 and \$20,000 in 2006 for the fire station roof replacements. Waugh agreed to the amendment.** In response to a question from Hanks, Preston said that the \$92,000 would come from the bottom balance. Preston asked if there were any other changes at this time. Preston indicated that the five year plan would be reviewed again in April and then it will go before the Council. Discussion followed regarding carryover when money is not spent as allocated.

Public Works Project Manager Rod Johnson briefly reviewed the Parks and Recreation Funding Reallocation Request. Johnson identified the two projects added to the 2004 budget by the Parks and Recreation Committee as College Park Irrigation and Rushmore Little League Irrigation. Johnson indicated that the reason these projects

were being added is that the committee had applied for a CDBG grant and had been turned down. Johnson referred to the memo dated March 17. Johnson explained the reallocation, and he said that his recommendation is to approve this change so that irrigation improvements can be made. In response to a question from Kroeger, Johnson identified the location of College Park and explained that the existing hydraulic irrigation system at College Park is outdated. Kroeger said that in his opinion, \$60,000 for the two irrigation projects is too high. Discussion followed regarding commercial and residential line size and appropriate costs. Hanks said that he thought the various associations that leased the fields were responsible for maintenance and improvements. He also expressed concern that the associations were not pulling their weight. In response to a question from the committee, Kroeger explained how CDBG funds are applied for. Johnson clarified that Wyss Associates had not charged for the irrigation design. The committee discussed how the money should be spent at College Park. Johnson explained the provisions of the lease between the associations and the City. **Kroeger moved, Waugh seconded to approve the college park reallocation, and for the Parks and Recreation Committee to bring more information to this committee in regard to the Rushmore Little League reallocation. Motion carried with Hanks and Hoffman voting No.**

Johnson reviewed the Parks & Recreation Five Year Plan and the project shifting. He indicated that this included funding through 2009 and that the Parks and Recreation Committee was presenting this to the CIP Committee for review. Hoffman indicated that he would like to review a copy of the plan before and after inflationary factors. Preston said that he will include the before and after numbers in the next CIP agenda packet. Hanks noted improvements in 2006, 2007, and 2008 for ball fields and he expressed concern for the dollar amount in the land acquisition line item. Johnson said that the Parks and Recreation committee feels that the existing ball fields are in need of repair, and he indicated that with a budget of \$500,000 per year it is difficult to keep up with those needs. Kroeger said that if \$500,000 is not adequate for maintenance and acquisitions, the amount of funding might need to be addressed. Hanks expressed concern about the City's financial involvement in ball fields and soccer fields. In summary, the CIP Committee would like to see more money for acquisition and less for ball field improvements. In response to a question from Murphy, Johnson said that the inflation factor is compounded. **This item was continued to the April meeting.**

Engineering Division Manager Dan Coon distributed copies of the Draft CIP for Streets and Drainage projects, and explained the various line items. He noted that the only change is \$143,000 approved for the Lange Road relocation. He pointed out that this sheet is only tracking 2004 projects, and that projects programmed for 2005 through 2008 will be discussed at a later date. He indicated that this is an informational document only, and that his goal is to have a complete spreadsheet for 2004 through 2008 projects available at the April meeting. In response to a question from Kroeger regarding the Sewer Enterprise Fund, Coon indicated that this document projected historic cash flows back into the fund. He also indicated that in order to make this fund balance, some projects would have to be pushed out to 2009 and 2010. Preston clarified that Dan is asking this committee for suggestions on particular projects.

Preston announced that the next CIP meeting is scheduled for April 16th at 10:00 a.m.

There being no further business Waugh moved, Hoffman seconded and motion carried to adjourn the meeting at 11:40