

CAPITAL IMPROVEMENTS PROGRAM MINUTES
C / SAC 3RD FLOOR, WEST CONFERENCE ROOM

MARCH 16, 2007

Finance Officer Jim Preston called the meeting to order at 10:00 A.M. with the following Committee members presented: Aldermen Deb Hadcock, Karen Olson, Ron Kroeger, and Malcom Chapman; Planning Commission member Gary Brown, Parks & Recreation Director Jerry Cole, and Engineering Project Manager Dan Coon (proxy). Others presented included: Fire Chief Gary Shepherd, Police Chief Craig Tieszen, Parks Superintendent Lon Van Deusen, Terri Davis of the Library, Accounting Coordinator Tracy Davis and Administrative Coordinator Jackie Gerry. Guest Pennington County Sheriff Don Holloway.

Kroeger moved, second by Hadcock and carried to approve the **minutes of February 23, 2007**.

Preston presented the **Financial Reports** for February 2007 noting little activity for this period.

Coon reported that work continues on the Five-Year **Capital Plan for Streets, Drainage, MIP Projects** and indicated that April 1st he would e-mail the report to the Committee members for review.

Preston introduced the next item on the agenda as the **Visitor Information Center Pavement Repair and Drainage Improvements**, and indicated there is nothing to report. Hadcock moved to table this item. The Chair declared the motion died for lack of a second. Kroeger moved, second by Coon to continue this item to the May 18, 2007 Capital Improvements Committee meeting. Motion carried.

Preston introduced the next item as the land sale for the Wally Byum site discussion. Kroeger moved, second by Olson and carried to continue this item to later in the meeting.

Sheriff Holloway addressed the **Parking Lot and Alley Paving request for the Friendship House**. He reminded the members that the Friendship House is City-owned property, and with help of CIP funds a roof shingling project was completed. He indicated that he uses no property tax dollars to operate this program; but through fees collected, the program is operational. He indicated that these fees have helped him fund the boiler replacement in the building; water heater replacement; and the installation of a fire sprinkler system that is currently being undertaken. Holloway report that the parking lot that serves this facility is gravel and creates a dust problem, as does the alley that is used to circulate the vehicles from the parking lot. He explained that he visited with City staff about the use of Out-Of-The-Dust Program funds to pave the parking lot and alley; and requested use of these funds for an estimated \$39,700 to pave the parking lot and \$35,845 to pave the alley. Alderman Chapman raised the question about the long term condition of the building and how much money is needed to keep an old building in good condition. Chapman also question whether there are adjacent property owners that will share in the cost of paving the alley. Coon explained that the parking lot will not qualify for the funds; and suggested that any adjacent property may be owned by the City and asked for time to research property ownership in the area. Alderman Olson indicated concern about the

neighborhood, suggesting there may be changes because of a new development. Holloway suggested that the building and property improvements will be an investment. Responding to a question from Alderman Hadcock, Coon indicated that a parking lot paving project could be programmed into the streets projects. Alderman Olson raised the question of whether the property is included in the boundaries of the Tax Increment District; and if so, could the TID Project Plan be modified to include the paving improvements. Kroeger moved, second by Brown to continue this item to the April 20, 2007 Capital Improvements Committee meeting to permit time for staff to research the use of the Out-Of-The-Dust Program funds and to determine whether the project is TIF qualified. Motion carried.

Cole addressed the **Vickie Powers Park** reporting that the park plan is complete. Cole explained that the Vickie Powers Park and its elements benefit from two Tax Increment Districts. He explained that one TID developer will upfront \$500,000 that will be used in the first phase of the park project; but that \$350,000 from the second TID will need to be paid by the City and the TID will reimburse that amount. Cole indicated that the Parks Advisory Board has an interest in using \$350,000 in CIP funds and allowing the TID to reimburse the CIP program. He indicated that the Board also has an interest in using SAB 28 funds. Responding to a question from Alderman Chapman, Cole indicated that the 2012 funds are allocated for the replacement of play ground equipment throughout the parks system. Chapman suggested the option of approaching the TID developer with a request to amend the TID Project Plan to allow the developer to upfront the \$350,000. Alderman Kroeger indicated his concern that the \$500,000 in phase one of the park project will be used for park amenities and not infrastructure. Chapman moved, second by Hadcock to continue this item to the April 20, 2007 Capital Improvements Committee meeting; and bring this item before the Tax Increment Finance Committee. Motion carried.

Cole addressed the concept plans for the **Parks / Golf Maintenance Facilities**, distributing the cost element for the buildings. He indicated that the estimated cost of Parks maintenance building is \$903,271 and the estimated cost of the golf maintenance facility is \$951,150. If Park staff does some of the interior work, he explained that the estimated costs are lowered. Believing the City could save on construction costs, Alderman Kroeger asked staff to tour existing manufactured buildings in the community to determine whether they would be just as suitable for the maintenance facilities. Cole explained that the maintenance facilities would include office space, restroom facilities with showers and lockers, industrial storage and work areas that require ventilation. Cole agreed he could present the floor plans to Morton to determine a probable cost for these facilities. Chapman moved, second by Hadcock to continue this item to the June 15, 2007 Capital Improvements Committee meeting to allow staff to contact vendors to determine probable construction costs. Motion carried.

Preston brought forward for view the **Five-Year Plan for Government Buildings**. Tieszen asked that the land purchase for the Evidence Building expansion remain on the list. He indicated that the land value of the two properties, adjacent to the Evidence Building, is estimated at \$40,000 - \$50,000. Shepherd reiterated the intent to relocate Fire Station #7 (Maple Avenue/Anamosa Street) northeast of Interstate 90, but retain this existing building to house the ambulance service for this area of town. He also indicated that in the very near future a new fire station will be needed on the east-side of Rapid City, on Elk Vale Road. He explained that this new station is spurred by the annexation and

continual development to the east of the City. Shepherd indicated there is a need to look at all existing fire stations and assess the structures because they are wearing out. There is a need to do an analysis to allow for future planning. Because of a low budget construction, Shepherd indicated Station #4 (Fairmont Boulevard) needs new shingles, siding, and flooring. He noted Station #5 (Park Drive) is not large enough to house its equipment; and it needs a new roof, siding, and the driveway needs to be replaced. The Department needs to look at a new station rather than expanding the existing structure. He explained Station #7 needs to be replaced and relocated. Tieszen indicated that with the assistance of the Public Works staff, the retaining wall replacement is on track and the irrigation issue is being addressed. Tieszen reported that the 911 phone system needs to be replaced. He explained that the phone system was installed in 1993 and the technical support for the system will be terminated at year's end. He indicated that \$450,000 is needed to purchase a new phone system; and explained that the 911 Fund is identified as an available funding source. Tieszen explained that the 911 Fund may be depleted in 2008 if legislation is not undertaken to increase the 911 tax from Seventy-five Cents to One Dollar. He indicated that if this tax is not increased, local governments will need to use General Fund dollars to support 911 Centers. He indicated that a Homeland Security grant was sought for the phone system replacement. Cole indicated the cemetery fencing project is complete. He explained that a recreation center between the centers for swim and ice is included in the master plan. Cole outlined future improvements as pool heater replacements, improvements at Parkview and Sioux Park pools, a new pool, new shade structures at Parkview and Sioux Park pools, a new satellite shop for Parks Department, renovation of the Dinosaur Park concession building, and a new office for the Parks Department to replace the building that was salvaged from the 1972 flood. Coon indicated the need for cold storage for the Street Department. Terri Davis indicated the need to improve the acoustics in the City's public library. Preston noted that office space is becoming limited in the C/SAC building. He also questioned whether more funding is needed for the Government Buildings line item; explaining that \$400,000 is appropriated for Government Buildings, annually. Preston suggested that there are projects on the list that should be considered for 2012 funding.

Olson moved, second by Brown to direct staff to consider an appropriate amount to increase the Government Buildings; and prioritize the projects and funding by years. Responding to a concern from Alderman Kroeger, Preston briefly reviewed the CIP cash flow analysis spreadsheet noting the fund balance in 2008 and 2009. Cole believed that Government Buildings should not be for new structures, but for renovations and repairs. Motion carried.

Preston brought forward the **land sale for the Wally Byum site** and asked that Aldermen Chapman and Kroeger, City Attorney Green, Growth Management Director Elkins join him as a Task Force to review and evaluate the appraisal for the Wally Byum site; whereupon Coon moved, second by Cole to approve the Task Force and the appointments. Motion carried.

There being no further business, the meeting adjourned at 11:33 A.M.; and it was noted the next scheduled meeting is set for April 20, 2007 at 10:00 A.M. in the C/SAC, 3rd Floor, West Conference Room.