A Capital Improvements Program Committee meeting was held at the City/School Administration Center in Rapid City, South Dakota, on Friday, October 18, 2019 at 8:30 a.m.

The following members were present: Ritchie Nordstrom, Laura Armstrong, and Lance Lehmann; the following members arrived during the course of the meeting: NONE; and the following were absent: Darla Drew, John Roberts, Becky Drury and Greg Strommen.

Others present included: Finance Officer Pauline Sumption, IT Director Jim Gilbert, Public Works Director Dale Tech, Compliance Specialist Cassie Furchner, Assistant Fire Chief Jason Culberson, Parks and Recreation Director Jeff Biegler, City Engineer Ted Johnson and Administrative Coordinator Heidi Weaver-Norris.

ADOPTION OF THE AGENDA
Motion was made by Armstrong, second by Lehmann and carried to adopt the agenda.

CONSENT ITEMS -- Items 3 – 7
The following items were removed from the Consent Items:

6. No. CIP101819-05 – Approve Capital Plan for Parks & Recreation
7. No. CIP101819-06 – Approve Capital Plan for Information Technology

Motion was made by Armstrong, second by Lehmann and carried to approve items 3-7 as they appear on the Consent Items with the exception of items 6 and 7.

3. Approve Minutes for July 19, 2019
4. No. CIP101819-03 – Approve Capital Plans for Government Facilities – (Fire & Emergency Services, Parks & Recreation, CSAC, Summary)
5. No. CIP101819-04 – Approve Capital Plan for Fire Vehicles

END OF CONSENT ITEMS

Nordstrom read in item (No. CIP101819-05) Approve Capital Plan for Parks & Recreation. In response to a question from Armstrong, Biegler said the spreadsheet shows most projects are underway but not paid out. Nordstrom stated that each department usually gives a close out at the end of the year. Motion was made by Lehmann, second by Armstrong and carried to approve.

Nordstrom read in item (No. CIP101819-06) Approve Capital Plan for Information Technology. Gilbert said he has been in discussion with the mayor regarding the IT budget. They have most recently been using funds for software upgrades. Their biggest project will be the exchange upgrade. They will need to hire a consultant about active directory work. Gilbert stated they are less experienced with voicemail and will go to new version when they absolutely have to. Motion was made by Armstrong, second by Lehmann and carried to approve.

NON-CONSENT ITEMS – Items 8 – 9
Nordstrom read in item (No. CIP101819-01) Acknowledge Financial Report (Summary, DCA Charges and Debt Service). Sumption stated the fire department ordered a vehicle and it will be showing as committed. There was nothing else to report. Motion was made by Armstrong, second by Lehmann and carried to acknowledge.

Nordstrom read in item (No. CIP101819-02) Approve Capital Plan for PW Infrastructure. Furchner went over the changes and updates that have occurred since their last meeting in July. Motion was made by Armstrong, second by Lehmann and carried to approve.
DISCUSSION ITEMS – Items 10 - 12

Nordstrom read in item (No. CIP101819-07) Acknowledge Discussion on 5-year CIP Plan 2020-2024. Sumption explained the mothersheet, which is a 5-year projection of cash flow. Each year in March-April, she asks for upcoming projects or funds needed from CIP. Each department has needs for the funds. Then discussion takes place on which is priority and which can wait. She explained at the end of 2017 council adopted a new policy for CIP and 2020 will be the last year funds will be used from the previous utility support fund, which was called the .16 fund. As projects are paid off, extra money goes to Public Works for infrastructure. The finance office tried to keep a balance of $1 million dollars. Revenue is based on projections and sometimes they need to be recalibrated to maintain the million dollars. An equal amount of general fund sales tax goes to Vision and CIP. Motion was made by Lehmann, second by Armstrong and carried to acknowledge.

Nordstrom read in item (No. CIP101819-08) Acknowledge Discussion on 5-year CIP Plan for PW Infrastructure 2020-2024. Furchner explained that multiple funds are typically included in each project. Examples of funding sources are streets, drainage, sewer, water and storm water. The project manager determines which year each project should be done. Furchner tracks all project costs on a monthly basis and determines what is being spent versus what is being allocated. Street projects aren’t typically finished in one year so those expenses get carried forward. In response to a question from Nordstrom, Tech said projects can change priority if critical needs come up. There are hundreds of projects identified beyond five years. He stated it’s a big process to make sure everything stays in budget. Sometimes lack of funding determines what gets done. Motion was made by Armstrong, second by Lehmann and carried to acknowledge.

Nordstrom reminded the committee that the next meeting will be held on Friday, November 15, 2019 @ 8:30 a.m. / 2nd Floor Council Chambers.

ADJOURN
There being no further business to come before the committee, motion was made by Armstrong, second by Lehmann and carried to adjourn the meeting at 9:00 a.m.