

MINUTES
CAPITAL IMPROVEMENTS PROGRAM COMMITTEE AGENDA
10:00 A.M., May 19, 2017

A Capital Improvements Program Committee meeting was held at the City/School Administration Center in Rapid City South Dakota, on Friday, May 19, 2017 at 10:00 a.m.

The following members were present: Ritchie Nordstrom, Brad Estes, Jerry Wright and John Roberts; the following members arrived during the course of the meeting: NONE; and the following were absent: Charity Doyle

Others present included: Finance Officer Pauline Sumption, Deputy Finance Officer Tracy Davis, Public Works Director Dale Tech, Interim Fire Chief Rod Seals, IT Director Jim Gilbert, Parks and Recreation Landscape Architect Alex DeSmidt, Compliance Specialist Cassie Furchner, Operations Management Engineer Rod Johnson, Budget Analyst Sean Kurbanov and Administrative Coordinator Heidi Weaver-Norris.

ADOPTION OF AGENDA

Motion was made by Wright, second by Roberts and carried to adopt the agenda.

CONSENT ITEMS -- Items 3 – 8

Motion was made by Wright, second by Roberts and carried to approve items 3-8 as they appear on the Consent Items.

3. Approve Minutes for April 21, 2017
4. Next Meeting: Friday, June 16, 2017 @ 10:00 a.m./3rd Floor WEST Conference Room
5. No. CIP051917-03 – Approve Capital Plans for Government Facilities – (Fire & Emergency Services, Parks & Recreation, CSAC)
6. No. CIP051917-04 – Approve Capital Plan for Fire Vehicles
7. No. CIP051917-05 – Approve Capital Plan for Parks & Recreation
8. No. CIP051917-06 – Approve Capital Plan for Information Technology

NON-CONSENT ITEMS – Items 9 – 13

Nordstrom read in item (No. CIP051917-01) Acknowledge Financial Reports (Contingency, DCA Charges, Matching Grants, Penn Co Loan) Davis stated there are some changes ear-marked for future years. Parks and recreation had a change and it will be shown on next month's report. She also said there were changes to fire vehicles as well. Motion was made by Wright, second by Roberts and carried to acknowledge.

Nordstrom read in item (No. CIP051917-02) Approve Capital Plan for Streets, Drainage, MIP Projects. Furchner said the only updates they had were to some bid openings. In response to a question from Estes, Tech said the roads the Mayor named as needing improvements are not necessarily the roads that are on the priority list for CIP. He said road reconstruction is a balance between road condition and utility condition. Some roads that have failed still have utilities that are in decent shape. They have to take a balance of utility needs and road needs. Estes said this would be a big discussion at the Council retreat on May 20th. In response to a question from Wright, Tech said there is about \$13 million budgeted for street repair. Sumption said the budget numbers were based on the 3% expenditures that was the original 5-year plan before she was asked to go back to the 2%. Motion was made by Roberts, second by Wright and carried to approve.

Nordstrom read in item (No. CIP051917-07) Approve reallocation of \$65,000 in CIP - Government Buildings from Swim Center Improvements to Ice Arena Rooftop HVAC unit replacement. Alex DeSmidt said the Ice Arena HVAC system needs replaced so they are going to move money from swim center improvements to get this done. They want to take care of this while they have some extra money. In response to a question from Nordstrom, DeSmidt said that Cliff Zechiel was hired as the Recreation Facility Maintenance Supervisor and it's been a priority for him to get the facilities updated. He will put the HVAC system out for bid. DeSmidt said it would not affect the 5-year plan. In response to a question from Wright on how the City is doing on estimating the costs to maintain buildings adequately, Sumption said each department is talking about it within their budgets. There are also budget constraints within the general fund. There is still a mix on where the funding will come from. Wright said we are budgeting based on the money we have versus what we maybe should be doing, and that's the discussion that needs to happen. He said one of these days there won't be money there to borrow. Rod Johnson said we don't have facility management on a city-wide basis, without that position it's hard to get a handle on the big picture. Public Works has tried to handle the roof replacement part of it, but it's a big job. Motion was made by Roberts, second by Estes and carried to approve.

Nordstrom read in item (No. CIP051917-08) Approve Updated 5-year CIP Plan. Sumption made changes to the expenditures from a 3% increase to a 2% increase. She said it doesn't hurt to make these changes and be proactive, not knowing for sure where the sales tax will end up. Streets, specifically, at the end of 2022 based on all the numbers, it's about a \$900,000 total difference. They see the most revenue, but they would also see the biggest decrease in funding. She stated they have made a little bit of ground back on the sales tax. It's not to the level they want it to be but it's better. There is room to do a lump sum increase in some of these line items to offset that as well, and get the funding where they need it to be. Sumption said she originally presented the plan with a 2% increase in sales tax over the course of the years and a 3% increase in expenditures over the course of the years. This report shows a 2% increase for each. Sumption recommended they approve it as is at 2% at this time and possibly adjust it again in 2018 when they know better where the sales tax is at. In response to a question from Nordstrom, Sumption said she has not been made aware of any changes coming in the STP funds. Tech agreed and thinks that has been locked in. Motion was made by Estes, second by Roberts and carried to approve with 2% on both sides.

Nordstrom read in item (No. CIP051917-09) Approve Updated 5-year Government Facilities Plan. Sumption adjusted this plan based on the master sheet and changes at 2% as well. There was not a big impact. We start in 2019. Instead of \$30,000 being spent out of contingency it would be shy of \$40,000. In 2020, it would increase the contingency needed to do the projects from \$16,000 to \$36,000. In 2021 and 2022, she adjusted the amount in the parking lot improvement line items. They were over \$200,000 apiece a reduced them to the \$178,000 and the \$183,000 to offset the 1% change in budget authority. All of the projects are still there that were approved at the last meeting. In response to a question from Wright, Seals said fire station one is on hold. Motion was made by Estes, second by Wright and carried to approve at 2%.

DISCUSSION ITEMS (NONE)

ADJOURN

There being no further business to come before the committee, motion was made by Roberts, second by Estes and carried to adjourn the meeting at 10:24 a.m.