

MINUTES
CAPITAL IMPROVEMENTS PROGRAM COMMITTEE AGENDA
10:00 A.M., August 18, 2017

A Capital Improvements Program Committee meeting was held at the City/School Administration Center in Rapid City South Dakota, on Friday, August 18, 2017 at 10:00 a.m.

The following members were present: Ritchie Nordstrom, Becky Drury, and Darla Drew; the following members arrived during the course of the meeting: NONE; and the following were absent: Chad Lewis and John Roberts

Others present included: Finance Officer Pauline Sumption, IT Director Jim Gilbert, Interim Fire Chief Rod Seals, Parks and Recreation Director Jeff Biegler, Operation Management Engineer Rod Johnson, Compliance Specialist Cassie Furchner, Journey Museum Executive Director Troy Kilpatrick, Interim Administrative Coordinator Sharlene Mitchell and Michael Kerver, Nalco Water.

Motion was made by Drew, second by Drury and carried unanimously to adopt the agenda.

CONSENT ITEMS

Motion was made by Drew second by Drury and carried to approve Items 3-8 as they appear on the Consent Items

3. Approve Minutes for July 21, 2017
4. Next Meeting: Friday, September 15, 2017 @ 10:00 a.m./3rd Floor WEST Conference Room
5. No. CIP081817-03 – Approve Capital Plans for Government Facilities – (Fire & Emergency Services, Parks & Recreation, CSAC, Summary)
6. No. CIP081817-04 – Approve Capital Plan for Fire Vehicles
7. No. CIP081817-05 – Approve Capital Plan for Parks & Recreation
8. No. CIP081817-06 – Approve Capital Plan for Information Technology

NON-CONSENT ITEMS

Sumption presented (No. CIP081817-01) Financial Reports (Contingency, DCA Charges, Matching Grants, Penn Co Loan) calling attention to the expenditures for the current projects. Motion was made by Drury, second by Drew and carried unanimously to Acknowledge the Financial Reports (Contingency, DCA Charges, Matching Grants, Penn Co Loan).

Furchner presented (No. CIP081817-02) Capital Plan for Streets, Drainage, MIP Projects and provided a brief update on the status of various current projects. Discussion followed regarding the Streets, Drainage and MIP projects. In response to a question from Drew, Nordstrom recommended that questions regarding the citizen complaint be direct to Tech due to the numerous issues associated with the property. Motion was made by Drew, second by Drury and carried unanimously to Approve the Capital Plan for Streets, Drainage, MIP Projects.

DISCUSSION ITEMS

Nordstrom introduced (No. CIP 081817-07) Journey Museum – Request for funding for HVAC System, in an amount not to exceed \$41,000. Kilpatrick introduced Michael Kerver with Nalco Water who has been assisting the HVAC issues. Kerver outlined the damages needing to be addressed to the HVAC system. Kilpatrick addressed the ongoing efforts to maintain the HVAC system, the failure of the primary humidification unit and the importance of the HVAC system in protecting and conserving the artifacts and art housed at the museum. Kerver outlined the recommendation to install an automatic Glycol Feeder to eliminate reliance on the current manual feeding of the HVAC system. Kerver indicated that the Glycol treatments address the bacteria and corrosive activities within the HVAC system. Discussion followed regarding the damage to the HVAC system, the extent to which the cleaning efforts have improved the system and the resulting impact on the efficiency and electrical costs of the system. Kerver advised that replacement of the air coils would be the most efficient and economical action noting the

inability of the cleaning efforts to fully flush the sludge accumulations from the coils. Sumption outlined the parameters of the City's agreement with the museum noting that this type of project should be addressed through the CIP 5 Year Plan. Sumption indicated that the museum is a city facility and therefore falls under the government facilities portion of the CIP plan. Sumption stated that the coil cleaning is a maintenance issue and is not an eligible CIP expenditure. Sumption addressed the CIP funding limits noting that the total of the proposed upgrades, with the exception of the coils, would meet the CIP funding requirements. Discussion followed regarding the requested funding and the need for these types of projects to be addressed through the 5 Year Plan. In response to Sumption's concerns regarding the change in project scope, Kilpatrick addressed the on-going efforts to manage the HVAC system. In response to a question from Kerver, Seals indicated that the repairs are funded from the department's operational budget until the project can be scheduled into the 5 Year Plan. Drew addressed the value of the Journey collection and the need to insure that the HVAC system is functioning properly for the protection the irreplaceable artifacts housed at the facility. Drew encouraged the committee to address the issue within the next year. In response to a question from Drury, Sumption advised that the project can be added to the 5 Year Plan noting that it would be added to the fifth year of that program. Sumption acknowledged that building maintenance is a city wide issue noting the need for maintenance plans for all city facilities to insure that maintenance items are addressed on a regular basis. Sumption addressed the proposed changes to the CIP program and the impact they would have on the contingency fund. In response to a question from Drury, Kilpatrick advised that the museum has funded the maintenance costs for the past year and acknowledged his lack of understanding of the CIP funding process. Sumption proposed utilizing the museum parking lot repair funds and contingency funds for the HVAC project. Johnson addressed the crack seal project scheduled for the facility parking lot. Sumption advised that a typical crack seal project would not qualify for CIP funding. Sumption clarified the current balance of the contingency line item noting her understanding that some current projects may be coming in over budget. In response to a question from Drury, Sumption advised that the CIP Committee funding recommendation would go forward to the Council for final approval. In response to a question from Drury, Kilpatrick indicated that exhibits could be relocated to another facility should the collection owners feel the exhibits are at risk. Kilpatrick indicated that the funding provided by the collection owners is not for facility maintenance. Kilpatrick addressed the agreements facilitating the move of the various collections to the Journey Museum. In response to a question from Drury, Sumption advised that coil cleaning does not qualify for CIP funding. Kilpatrick addressed the cost of replacing the coils; Sumption advised that the cost would exceed the \$50,000 threshold requiring the project to be bid out. Discussion followed regarding the cost of the crack seal project. Motion was made by Drew, second by Drury to approve funding for Journey Museum HVAC system in the amount of \$41,000 to be funded by reallocating \$21,000 from the Journey Museum Parking Lot repair line item and \$20,000 from CIP Contingency. Sumption clarified that the motion does not provide funding for cleaning of the coils.

ADJOURN

There being no further business to come before the committee motion was made by Drury, second by Drew and carried to adjourn at 10:44 a.m.