

6/6/05

THE MINNEHAHA COUNTY COMMISSION CONVENED IN SPECIAL JOINT SESSION WITH THE SIOUX FALLS CITY COUNCIL AT 5:00 P.M., June 6, 2005, pursuant to adjournment on May 31, 2005. Commissioners present were: Twedt, Pekas, Hajek, Kolbe, and Zweep. Sandy Kinder, Deputy Auditor, was also present.

City Council Members present: Benninga, Brown, Howes, Jamison, Kavanaugh, Knudson, Smith, Staggers, and Mayor Munson.

Chairman Twedt called the meeting to order.

#### AGREEMENT

Ken McFarland, Administrative Assistant, presented the Joint Cooperative Agreement for the County Human Services/City Health Center, and gave a brief background on the proposed project. TSP representatives Larry Crane, Project Architect, and Elizabeth Obaka, Architect Graduate, presented an overview of the project, architectural cost estimates, and timeline. Mr. Crane reported that the estimated project cost is \$8.1 million, which does not include the \$1 million estimate for the City of Sioux Falls to acquire and develop land for parking. He also reported that if the project is delayed, the cost will again increase due to anticipated inflation. If the County elects to proceed with preparing the structure for the 3<sup>rd</sup> and 4<sup>th</sup> floor expansion for future use, an additional \$615,000 would be needed to cover the expense. Commissioner Twedt questioned the \$843,207 increase in cost over initial estimates presented in April, 2004. Mr. Crane explained that the increase was due to changes in the scope of the project and inflation. Judy Buseman, City Public Health Director, detailed the services that are provided by the Community Health Center. Jamie Phelps, Human Services Caseworker, discussed the services provided by his office and supported the joint project. Sue Roust, Auditor, explained that the debt service cost was split based on space usage. According to the calculations, the County would be responsible for 28.3% of the building cost and 21.1% of the annual operating costs for a per year total of \$258,458 which includes the cost to prepare the 3<sup>rd</sup> and 4<sup>th</sup> floors. Due to the inability to cut back on mandated services, she recommended opting out for the total yearly cost which would raise taxes on a \$100,000 property by approximately \$3 per year for 20 years. Under the terms of the agreement, the County would take the lead role in securing financing for the project and for construction management and will maintain ownership of the Center. Upon the bonds being retired, the County will lease use of the facility to the City and the City will lease parking to the County. Chairman Twedt noted that the Commission will further discuss opting out and will do so if it will best serve the needs of the community. Ms. Roust noted that Minnehaha County's tax levy is the 2<sup>nd</sup> lowest in the State. Qadir Aware, Multicultural Center Director, and Dr. Jerry Walton, Multicultural Center Board President, spoke in support of the project noting the centralized location to serve the needs of the community. MOTION by Hajek, seconded by Zweep to authorize the Chairman to sign the Joint Cooperative Agreement for County Human Services/City Health Center. 4 ayes. Commissioner Pekas left prior to the vote. City Concurred.

MOTION by Kolbe, seconded by Hajek to adjourn until 9:00 a.m. on Tuesday, June 7, 2005. 4 ayes.

#### APPROVED BY THE COMMISSION:

Carol Twedt, Chairman

#### ATTEST:

Sandy Kinder, Deputy Auditor