

LEGAL AND FINANCE COMMITTEE MINUTES
Rapid City, South Dakota

July 11, 2018

A Legal and Finance Committee meeting was held at the City/School Administration Center in Rapid City, South Dakota, on Wednesday, July 11, 2018, at 12:30 p.m.

A quorum was determined with the following members answering the roll call: Laura Armstrong, Steve Laurenti, Jason Salamun and Becky Drury. Absent: Chad Lewis

(NOTE: For sake of continuity, the following minutes are not necessarily in chronological order. Also, all referenced documents are on file with the Master Agenda.)

ADOPTION OF AGENDA

Motion was made by Laurenti, second by Salamun and carried to adopt the agenda.

GENERAL PUBLIC COMMENT

None.

CONSENT ITEMS

Motion was made by Salamun second by Drury and carried to approve Items 1-8 as they appear on the Consent Items with the exception of Item No. 5.

- 1) Approve Minutes for June 27, 2018

FINANCE DEPARTMENT

- 2) Acknowledge the Following Volunteers for Worker's Compensation Purposes: Charlie Flying Horse (Library), Jessie Scheitler (Parks & Recreation), Jamie Kennedy (Parks & Recreation), Kirsten Kennedy (Parks & Recreation), Jessica Linqvist (Parks & Recreation), Seth Keen (Parks & Recreation), Mike Heitland (Parks & Recreation), Paul Olson (Parks & Recreation), Cody Thorson (Parks & Recreation), Kip Harrington (Parks & Recreation), Kari Harrington (Parks & Recreation), Chris Seeley (Parks & Recreation), Lucas Haan (Parks & Recreation), Kimberly Osberg (Parks & Recreation), Jeremy Dueter (Parks & Recreation), Robert Brown (Parks & Recreation), Marge Marken (Parks & Recreation), Erika Winchester (Parks & Recreation), Kay Baker (Parks & Recreation), Gary Miller (Parks & Recreation), Renee Kahler (Parks & Recreation), Bonnie Wheaton (Parks & Recreation), Julie Schad (Parks & Recreation), Tiffany Riske (Parks & Recreation), Leslie Silbverman (Parks & Recreation), Dani Hersrud (Parks & Recreation), Marin Maciver (Parks & Recreation), Bethany Garrison (Parks & Recreation), Margo Allen (Parks & Recreation), Ron Yahne (Parks & Recreation), Mark Rafferty (Parks & Recreation), Chloe Rudd (RSVP+)
- 3) LF071118-01 – Acknowledge Annual Reports to Council per Rapid City Municipal Code 2.40.080
- 4) LF071118-02 – Acknowledge May 2018 General Fund Cash Balance Report
- 5) LF071118-03 – Salamun asked Finance Officer Pauline Sumption to give her thoughts on the City's financial status. Sumption stated we are not where we projected ourselves to be, we projected a 2% increase over the entire year. At this juncture she is not overly excited since this is only five months and a lot can change during the rest of the year. The unknown for 2018 is the new ruling through the Supreme Court regarding internet sales tax. She is working with the Department of Revenue to figure out what impact this will have as well as when we will see something coming through for us. The State injunction still has to be lifted in order to require vendors to collect taxes for internet sales. It is unclear when this will become effective and when we will see any kind of a

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return. In Sumption's memo regarding the condition of the City, sales tax is down and if we continue to spend what we have budgeted and we continue to bring in only what we have projected for revenue, the reserves will be down \$2 million dollars of what is needed. She has discussed this with the Mayor, Council President Amanda Scott and Department Directors about not spending money if you do not have to, delay purchase and delay hires if possible to help save. Salamun moved to acknowledge May 2018 Sales Tax Report. Second by Drury. Motion carried.

- 6) LF071118-04 – Approve Resolution No. 2018-044B a Resolution Levying Assessment for Downtown Business Improvement District 2018
- 7) LF071118-05 – Acknowledge Report on Retail (on-off sale) Malt Beverage Licenses Eligible for Video Lottery

COMMUNITY DEVELOPMENT

- 8) LF071118-06 – Acknowledge Public Comments Received on Consolidated Annual Plan Performance Evaluation Report (CAPER), Approve the FY2017 CAPER and Authorize Mayor and Finance Officer to Sign the SF 424 and Certifications

END OF CONSENT CALENDAR

NON-CONSENT ITEMS – Items 9 – 11

Public Comment opened – Items 9 – 11
Public Comment closed

FINANCE DEPARTMENT

- 9) LF062718-04 – Drury moved to approve Second Reading and Recommendation of Ordinance No. 6263 Regarding Supplemental Appropriation #4 for 2018. Second by Laurenti. Motion carried.

COMMUNITY DEVELOPMENT

- 10) 18OA013 – Drury has reconsidered her vote from previous readings, she does not believe we should be changing our ordinance because of a pending lawsuit. Laurenti moved to approve Second Reading and Recommendation of Ordinance No. 6262 an Ordinance Amendment to Amend Certain Provisions within the Sign Code by Amending Section 17.50.090 of the Rapid City Municipal Code (*Planning Commission Forwarded Without Recommendation (7-2), First Reading Approved by Council (8-2)*). Second by Salamun. A vote was taken with, Armstrong, Laurenti and Salamun voting “yes” and Drury voting “no”. Motion carried 3-1. Motion carried.

ADDENDUM NO. 1

ATTORNEY'S OFFICE

- 11) LF071118-07 – Laurenti asked City Attorney Joel Landeen what level are we approving all of the separate parts of this project. He thought this would fall under the project manager's umbrella. Landeen stated there are different levels of responsibility you can give the project manager. Because of the size and complexity of the City and the staff we have we decided to hire a project manager. Ultimately the big decisions will all be made by the staff and Council. The owner's rep is there to help us negotiate and give us advice. Tegra makes it very clear that they are not the City's agent and does not have the authority to bind us to contracts. The City is benefitting by this occurring because they bring the expertise in projects of this size. We are making the most use of Tegra and their expertise, we are ultimately the customer and the client and they are making sure they are doing what we want. We are still negotiating the construction manager contract and the general conditions of construction, you will see those next. Salamun moved to Authorize Mayor and Finance

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Officer to sign the Standard Form Agreement Between Owner and Architect with Perkins + Will, Inc. for the Civic Center Arena Project. Second by Laurenti. Motion carried.

ADJOURN

There being no further business to come before the Committee at this time, motion was made by Salamun second by Drury and carried to adjourn the meeting at 12:46 p.m.