

PROCEEDINGS OF THE SPECIAL CITY COUNCIL MEETING  
Rapid City, South Dakota  
August 31, 2021

Pursuant to due call and notice thereof, a Special meeting of the City Council of the City of Rapid City was held at City Hall at 300 Sixth Street, in Rapid City, South Dakota on Tuesday, August 31, 2021 and began at 5:34 P.M.

The following members were present: Alderpersons: Greg Strommen, Lance Lehmann, Jason Salamun, Ritchie Nordstrom, Darla Drew, John Roberts, Ron Weifenbach, Bill Evans, and Pat Jones; Laura Armstrong was present by telephone: the following Alderpersons arrived during the course of the meeting: None; and the following were absent: None

Staff members present included: Finance Officer Pauline Sumption, Deputy Finance Officer Tracy Davis, City Attorney Joel Landeen, Public Works Director Dale Tech, Interim Planning Director Vicki Fisher, Police Chief Don Hedrick, Fire Chief Jason Culberson, Civic Center GM Craig Baltzer, Engineering Operations Manager Rod Johnson, IT Director Jim Gilbert and Administrative Coordinator Heidi Weaver

**ADOPTION OF THE AGENDA**

There was no adoption of the agenda since there is no action being taken at this meeting.

**GENERAL PUBLIC COMMENT**

No speaker request forms were submitted.

**NON-PUBLIC HEARING ITEMS** - Items 1-4

Council President Lance Lehmann opened the floor to the City Council Discussion of the Mayor's 2022 Budget. Sumption presented spreadsheets by department. Salamun asked the council to consider using undesignated cash toward CIP infrastructure projects. Sumption said they wouldn't know the exact amount that could be used until December 31, and the budget needs to be approved by October 1. She said there is currently \$800,000, that could be used now from the CIP fund for infrastructure. They would have to look again in March to see what amount is available.

Tech said a few extra projects could be considered if there is extra money to use. Drew does not want to put extra money into roads. She stated the city needs an alternative to sales tax and asked the council for any suggestions. Sumption said they were looking into developing a policy regarding the fee structure. There needs to be a balance between the cost for swimming, the assessed projects and building permits. Drew said a road tax would be worth looking into. A street maintenance assessment could be considered just like the current storm water assessment. We need to look toward growth by bringing in other companies and not rely solely on tourism.

Beigler indicated the recreation departments are using national averages for rates of recovery. They are trying to match that kind of national standard of rate recovery. Fisher stated that the transportation numbers are included in the overall budget for community development. She said there is not much of a change in overall expenditures from previous years. Tech explained that stormwater drainage utility is the primary source of funding for drainage improvements. Sumption said usually the supplementals use the undesignated cash to offset the additional expenses unless it's a grant funded program. City ordinance requires \$9 million in reserves. She said the ordinance should be updated to establish a better policy.

Jones agreed with Mayor Allender about user fees. These need close attention if the city is going to find other ways to pay for things. Funding through user fees should be looked at for the landfill, the swimming pools and recreation, and the library. It is a good idea that money is set aside for the Journey Museum and the 50<sup>th</sup> anniversary of the Rapid City flood. He would like to keep the community involved with that as much as possible. Weifenbach feels more reporting on the budget during the year would help the council see where the problems are. There is currently \$43 million in the CIP fund. The CIP budget for 2022 is \$20 million based on sales tax projections. They keep \$1 million in reserves. Sumption stated the reserves for the general fund are 15% of estimated expenses less the capital expenditures. It's a little over \$9 million dollars right now. She said 75% of the BBB tax goes to the civic center and 25% goes to Visit Rapid City.

Nordstrom said he would be in favor of another meeting to talk about the PILT process and to have Mayor Allender bring in his budget presentation from a few years ago in regards to user fees and how the public had input in the desired priorities of the budget. Weifenbach asked that the flood project be moved out of the Journey's budget. He also wants to move the homeless intervention program out of the Mayor's budget. Sumption said they can make those items work with a different source, they just need to be in the budget. The issue of rates is for future conversations. She would like there to be a rate study done for the general fund at some point. Drew asked that the council look at the budget for the Journey, the Performing Arts Center and the Dahl so they can operate at the way we need these assets to operating.

There was discussion of intent to take the statutory authorized increase in property tax revenue as part of the annual appropriation ordinance for the 2022 fiscal year. The amount is \$234,501. Sumption said TID 40, 54, 69 have been dissolved. Drew and Strommen stated they were in favor of taking the CPI. There was a consensus to also approve the FY2022 Appropriation Ordinance.

**ADJOURN**

There being no further business to come before the Council at this time, Lehmann adjourned the meeting at 6:47 p.m.

ATTEST:  
s/Pauline Sumption  
Finance Director  
(SEAL)

CITY OF RAPID CITY  
s/Steve Allender  
Mayor

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