

LEGAL AND FINANCE COMMITTEE MINUTES
Rapid City, South Dakota

December 15, 2021

A Legal and Finance Committee meeting was held at the City Administration Center in Rapid City, South Dakota, on Wednesday, December 15, 2021, at 12:34 p.m.

A quorum was determined with the following members answering the roll call: Lance Lehmann, Darla Drew, Ritchie Nordstrom and Jason Salamun Absent: Ron Weifenbach

(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 Nordstrom second by Salamun and carried to adopt the agenda.

GENERAL PUBLIC COMMENT

Pamela Shorter of 1301 N. 7th Street spoke regarding her abatement notice for cleanup from the City. She explained that she has rental property and has a lot of inventory for her rentals on her property. The City came none days after the day she thought they were coming and they took many items such as dining room table, closet doors, etc. and other inventory which she has to replace. She argues that they did not communicate with her that they were coming back. She is requesting her abatement be waived.

CONSENT ITEMS

Motion was made by Lehmann second by Nordstrom and carried to approve Items 1- 14 as they appear on the Consent Items with the exception of Item Nos. 3, 4, and 6.

CONSENT ITEMS -- Items 1 – 14

Public Comment opened – Items 1 – 14

Public Comment closed

Remove Items from the “Consent Items” and Vote on Remaining Consent Items

MAYOR’S ITEMS

- 1) LF121521-08 – Confirm the Reappointment of Mary Garrigan to the Rapid City Public Library Board of Trustees
- 2) LF121521-09 – Confirm the Reappointment of Wade Lampert and the New Appointments of Gavin Fawbush, Davis Dathe, and Katie Houk to the Hotel BID Board

POLICE DEPARTMENT

- 3) LF121521-10 – Salamun asked Police Chief Don Hedrick to summarize this shared service and how effective it has been. Hedrick said this joint agreement allows the Rapid City Police Department to have a shared on staff psychologist in the building to assist law enforcement and has proven to be extremely beneficial especially this past year with the amount of violence happening in the community. The Rapid City Fire Department also utilizes this service. Hedrick pointed out that it would be difficult for the Police Department to hire a psychologist on its own but having three agencies together sharing the expense makes it possible and believes many careers have been saved by doing so. Drew asked about the availability of the psychologist. Hedrick said the psychologist is onsite Monday through Friday 8-5 but is also available on call outside of the normal workday and he has also been an important part of assisting the negotiation (swat) team. Salamun moved to Approve the Joint Powers Agreement Between the State of South Dakota, Office of Attorney General Division of Criminal Investigation, the Pennington County Sheriff’s Office and the City of Rapid City for Shared Psychologist Services. Second by Lehmann. Motion carried.

- 4) LF121521-11 – Salamun asked Police Chief Hedrick to provide an overview of this agreement. Hedrick explained that this agreement allows the RCPD to work together with the South Dakota Division of Criminal Investigation as well as the Pennington County Sherriff’s Office to collaborate on Internet Crimes Against Children Task Force, specifically helping with the needs of forensic examination. He explained that when seizing a computer with child pornography, these individuals have the ability to take that information off of the computer. It is a very specialized type of training and it creates an efficiency for taxpayers to be able to partner with others to carry this expense. People within this unit see some pretty ugly things and they also meet with the psychologist mentioned in the previous agenda item to make sure they are okay and make sure they have appropriate resources. Salamun moved to Approve Joint Powers Agreement between the State of South Dakota, Office of Attorney General Division of Criminal Investigation, the Pennington County Sheriff’s Office and the City of Rapid City for Shared Services of the Internet Crimes Against Children Task Force. Second by Lehmann. Motion carried.

FIRE DEPARTMENT

- 5) LF121521-12 – Authorize Staff to Purchase an HME Ahrens-Fox Type 34 Fire Apparatus for the Amount of \$362,748.00 through Houston-Galveston Area Council (HGAC)

AIRPORT

- 6) LF121521-07 – Salamun asked Airport Director Patrick Dame if there is a charge for dropping people off and picking them up at the airport. Dame explained that there is no charge for those being dropped off or picked up unless they are doing business at the airport. He gave examples such as a shuttle service from a hotel to the airport, or a transportation company like Uber or Lyft that are doing business based on that service. Right now Rapid City does not have a ground transportation charge as other airports have throughout the industry. They do however, have an agreement with one private business “Airport Shuttle” that does pay a ground transportation fee which has caused some inequities amongst other businesses who are wanting to do business at the airport within the ground transportation arena. The airport has been working for the better part of the last five years to get this policy updated to rectify this problem. The reason for the delay in the policy is because there has not been a huge need for it because Airport Shuttle has done a very good job of meeting the needs that are there. As the airport is seeing more and more competition, it is causing more and more issues bringing a need to get everyone on a level playing field so people doing business at the airport are treated equally. The airport is working on three million dollars in road investments right now and have another two million dollars in shoulder investments that need to be made. These fees will help pay for the upkeep and improvements of the roadway. Salamun asked what the expected revenue will be from these fees and Dame said right now the airport makes approximately \$22,000.00 a year on ground transportation and are looking at making around double that amount. The airport is going to put in a private sewer line that will cost roughly three and a half million dollars. The monies collected today will not make a dent into that project but will help in paying for changes that need to be made in the future and they have to start somewhere. Dame believes the fees will start driving competition at the airport when it comes to the transportation aspect. Nordstrom asked Dame what is included in the miscellaneous fees. Dame went over the list of miscellaneous fees. Nordstrom moved to Approve 2022 Airport Rates and Charges. Second by Lehmann. Motion carried.

FINANCE DEPARTMENT

- 7) Acknowledge the Following Volunteers for Worker’s Compensation Purposes: Miranda Monger (Police Department), Jason Olson (Police Department), Teresa Olson (Police Department), Seth Keene (Police Department), Susan Berry (RSVP+), Jane Buxton (RSVP+), John Buxton (RSVP+), Eileen Johnson (RSVP+), Warren Johnson (RSVP+), Barbara Kenton (RSVP+), Kevin Kreulen (RSVP+), Kathy Lower (RSVP+), Francie Ruebel-Alberts (RSVP+)

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- 8) LF121521-01 – Finance Director Pauline Sumption pointed out that this is a yearly lease and the payments will be going down. Authorize Mayor and Finance Director to sign Amended Sublease Agreement with Pennington County
- 9) LF121521-03 – Acknowledge October 2021 General Fund Cash Balance Report
- 10) LF121521-04 – Approve Request for Property Tax Abatements as follows: Doeck LLC (Tax ID 56619) 2020, \$73.48; Doeck LLC (Tax ID 55923) 2020, \$44.40; DKEA LLC (Tax ID 65740) 2020, \$51.24; Doeck LLC (Tax ID 62865) 2020, \$34.18; Doeck LLC (Tax ID 62762) 2020, \$100.78. [Total for City of Rapid City: \$304.08]
- 11) LF121521-05 – Approve Resolution No. 2021-104 a Resolution Declaring Miscellaneous Personal Property Surplus from the Fire Dept. be Surplus as Disposed; and from the Cemetery be Surplus as Traded
- 12) LF121521-06 – Approve Resolution No. 2021-105 a Resolution Levying Assessment for Abatement of Nuisances

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- 13) LF121521-15 – Approve Resolution No. 2021-106 A Resolution of Intent to Enter into Lease Agreement from City to Downtown Business Improvement District Board for Main Street Square Pursuant to SDCL 9-12-5.2
- 14) LF121521-20 – Authorize Mayor and City Staff to Register for and Execute any Documents Necessary to Join in on the National Opioid Settlement

END OF CONSENT CALENDAR

NON-CONSENT ITEMS – Items 15 – 21

Public Comment opened – Items 15 – 21

Public Comment closed

MAYOR'S OFFICE

- 15) LF121521-16 – Nordstrom asked Human Resources Director Nick Stroot to give a brief explanation of his item. Stroot said when Human Resources came to City Council in July 2021, the plan was to do everything in house with HR and the Mayor's Office working through this. Stroot said they had access to good industry data that they received from various departments and also partnered with Elevate Rapid City to use their data mining tool to create a wage scale. He went on to say that although they are good tools and they helped, they could not shake the feeling as they were presenting this to the directors, that it was not a true compensation study. Stroot added that this was a bunch of non-compensation experts giving it their best to try and they were afraid if they cut corners like they did with the last wage study and the AFSCME implementation, it would go over about the same way. Stroot said the Mayor took it upon himself earlier in December to switch gears and try to actually do a true wage study which Stroot said has not been done since he has been here. It is his understanding that the last wage study was in 2010. Stroot said the idea would be to give the employees a cost of living increase in January and then do an rfp (request for proposal) for a full suite compensation study where consultants come in and interview everyone and then present a finished product to City Council. Stroot is working on sample rfp's right now. The proposed non-union wage scale that is attached has been in the works for quite a while and the current scale moves away from "grades." He explained why grades are not ideal and the advantages of just having steps with a major advantage being a cascading percentage between steps. He shared an example of uniform steps showing that someone making \$33,000.00 receiving a 1.5% increase, is

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significantly less than someone making \$100,000.00 receiving a 1.5% increase, which means higher paid employees are being rewarded more than lower paid employees. This wage scale shows the lowest wages have a 4% increase and then it drops down to 2% and then 1% at the higher end advancing the wages of the lower end workers who are in the beginning of their careers. Salamun asked if performance plays a part of any of this. Stroot said this current wage scale is only placing people on the scale from where they are now but future placement will be tied to performance. Salamun would like to see a reorg study done by a third party to ensure that departments are structured the right way to determine if there are positions that should be eliminated, added or modified; then perform a wage study (to make sure we are competitive with the market) based on what those positions are and from there go to performance based pay increases. He would like to see it start with non-union employees because it rewards high performers and incentivizes those who may not be. Lehmann moved to send Approve 2022 Non-Union COLA and Wage Scales to council without recommendation. Second by Salamun. Motion carried.

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- 16) LF121521-17 – Drew asked City Attorney Joel Landeen if the City settled issue for \$85,000.00. Landeen said the City has agreed to do some work which obviously has some costs that are not insignificant but the Public Works Director was involved in the discussions and negotiations and believes it is not an issue and there is sufficient money that will not cause any other projects to be reallocated. Salamun asked Landeen what happens if this item is not approved. Landeen said there will then be a regional detention pond on land that the City does not own nor have an easement on that would need to be resolved and if it cannot be resolved amicably at this point, it would only be resolved through litigation. Lehmann moved to Authorize Mayor and Finance Director to Sign an Agreement Between the City of Rapid City and Lazy P6 Land Co., Inc. to Resolve All Disputes Regarding the Construction of a Regional Detention Pond on Lazy P6 Property. Second by Salamun. Motion carried.
- 17) LF121521-18 – Salamun moved to Authorize Mayor and Finance Director to Sign Agreement Between the City of Rapid City and FMG Engineering for South Truck Rout DBDP – Element 16 Culvert Crossing, Project No. 21-2668 / CIP No. 51331 in the amount of \$195,842.00 (This item is in conjunction with item 16). Second by Lehmann. Motion carried.
- 18) LF121521-19 – Lehmann moved to continue Authorize Mayor and Finance Director to Sign a Memorandum of Understanding Between the City of Rapid City and Local 1031, Council 65, American Federation of State, county, and Municipal employees AFL-CIO Regarding Salary Adjustments for Bargaining Unit Employees in 2022 to the December 29, 2021 Legal and Finance Meeting. Second by Salamun. Motion carried.

FINANCE DEPARTMENT

- 19) LF121521-02 – Salamun moved to approve the Introduction and First Reading of Ordinance No. 6520 Regarding Supplemental Appropriation #8 for 2021. Second by Lehmann. Motion carried.

ITEMS FROM THE PUBLIC

- 20) LF121521-13 – Lehmann moved to waive \$530.00 in abatement fees due to a miscommunication between Code Enforcement and the appellant. Maria Holy Eagle Request to Waive Clean Up Assessment Fees at 150 Patton Street. Second by Salamun. Motion carried. Community Development Director Vicki Fisher wanted to make note that Community Development brought this recommendation forward because this was the first offense on this property and when the property owners received that citation, they reached out to staff within the 10 days that are given and tried to make arrangements. Code Enforcement acknowledges that there could have been some communication issues that the property owners were confused by, but there was effort made by the owners.

- 21) LF121521-14 – Community Development Director Vicki Fisher relayed to the committee that this is the 9th citation the City has had to issue on this property under the same ownership and in six of those instances the owners did clean up the property but on the other two prior to this citation today, the City did have to abate those for similar dollar amounts as today's citation. There have been numerous complaints from the neighborhood regarding this property and continue to. Fisher said staff did go out and issue the citation and property owners were given ten days in which they could either submit a written notice of appeal to Community Development, or call to make arrangements. No communication was received within that time. The City then made arrangements to go out and inspect the property, then hired a company to clean up the property. The City has no idea when the company is going to get out to the property. She explained the process of how the company goes about cleaning up a property and if there are concerns regarding items that might not be considered debris. Fisher said there was a lot of debris that included trash, furniture, appliances, rotting food, feces, bicycle/ bicycle parts, and other miscellaneous debris. The City used North 40 Landscaping to do the work (one the City uses frequently) who provided numerous photos of the property to show the state that it was in. Fisher also called the property owner after the owner came to the last City Council meeting and left a message and did not receive a return call. Fisher asks the committee to uphold the abatement. Property owner said she is disabled and declares that the City has only been there one other time to clean up. She also claims that the City did not completely clean up the property the last time they were there. Salamun moved to deny Pamela Maslack's Request to Waive Clean-Up Assessment Fees at 1301 N. 7th Street. Second by Lehmann. Motion carried. Drew informed the property owner that she can come to the City Council meeting on Monday, December 20th if she would like.

ADJOURN

There being no further business to come before the Committee at this time, Drew adjourned the meeting at 1:36 p.m.