

LEGAL AND FINANCE COMMITTEE MINUTES
Rapid City, South Dakota

March 2, 2022

A Legal and Finance Committee meeting was held at the City Administration Center in Rapid City, South Dakota, on Wednesday, March 2, 2022, at 12:30 p.m.

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

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

GENERAL PUBLIC COMMENT

None

CONSENT ITEMS -- Items 1 – 16

Public Comment opened – Items 1 – 16

Public Comment closed

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

- 1) Salamun moved to Approve Minutes for February 16, 2022. Second by Nordstrom. Motion carried unanimously.

MAYOR’S ITEMS

- 2) LF030222-08 – Community Development Director Vicki Fisher informed the committee that both Laura Jones and Garth Wadsworth are associated with Elevate Rapid City, are very involved in the development of the City and also sit on other boards in the downtown area. Weifenbach moved to Confirm the Appointments of Laura Jones and Garth Wadsworth to the Parking Advisory Board. Second by Nordstrom. Motion carried unanimously.

HUMAN RESOURCES

- 3) LF011222-13 – Human Resources Director Nick Stroot provided an overview of the proposed changes to the non-union guide and some formalization work that was done to the employee handbook. Stroot said it seems the reason this item keeps being continued is because of the retirement benefit changes. He would like to ask the committee to approve all of the changes to the non-union guide and employee handbook except for the retirement insurance benefits and leave those as is because there needs to be a larger discussion regarding the retiree health insurance in the next weeks and months. Stroot believes the rest of the changes are really well received by City employees. He explained that the work in regard to the employee handbook was simply taking a bunch of mish mash resolutions and mayoral declarations and putting them into a policy form, so no changes were actually made, just simply put into an easier format to read. He shared a couple of examples. Weifenbach moved to approve this item with two insertions: 1) change the healthcare retirement to grandfather in for the rest of the duration anyone who has 15 years in service to receive what they were promised and 2) Council approval is needed/required in order to fire any non-union employee. Motion died for lack of second. City Attorney Joel Landeen pointed out that there seems to be a perception that this changes the current retiree healthcare and wanted to be clear that there is no change to the current retiree healthcare benefits. He said there are discussions that will need to be had with the healthcare committee, the unions and everyone else. Landeen

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made note that the motion just made is not consistent with what has been negotiated with AFSCME. He then mentioned that the second issue brought in the motion regarding the firing of non-union employees is the first time he is hearing of it and believes there may be some issues in regards to infringing upon the Mayor's ability to remove people and also some attorney general opinions and case law that might be inconsistent. He would ask for some time to research that further before any inclusion of that. Salamun conveyed that he would like to keep this item off of the consent calendar and put it on non-consent to make sure that council and the public as well as the employees have an opportunity to review it and provide any feedback. Weifenbach voiced that he is trying to bring solutions to the table and does not want to see this keep getting kicked down the road. Nordstrom added that the retiree health insurance premium is on the agenda for the Healthcare committee meeting that will meet in March as well, in which he is liaison. Salamun moved to send the Adoption of the Updated Non-union Guide and Employee Handbook (continued from 1/12/2022, 2/02/2022 and 2/16/2022 Legal and Finance meetings) to council without recommendation. Second by Weifenbach. Motion carried unanimously.

FIRE DEPARTMENT

- 4) LF030222-04 – Fire Chief Jason Culberson explained the use of the grant which will be for heat limiting cooktops in the Pennington County Housing and redevelopment buildings. These cooktops will replace the current ones in an effort to protect the most vulnerable population and help reduce call volume. RCFD is applying for the grant because they have jurisdiction in this area with the buildings being within the confines of Rapid City. There is a 5% in kind match, no cash needed. Nordstrom moved to Authorize Staff to Apply for and Accept if Awarded the Fire Prevention and Safety Grant in the amount of \$97,123.56. Second by Weifenbach. Motion carried unanimously.
- 5) LF030222-07 – Culberson informed the committee this grant will bring an instructor into the department to teach up to 25 people on peer support. This will give some of those folks the training and tools to be able to help their fellow co-workers through immediate mental health issues. Nordstrom asked Culberson to provide him with a one page short brief with bullet points on the mental health part of it to share with the congressional delegation in Washington D.C. next week. Nordstrom moved to Authorize Staff to Apply for and Accept if Awarded the South Dakota Heroes Wellness Grant in the Amount of \$17,792.00. Second by Weifenbach. Motion carried unanimously.

FINANCE DEPARTMENT

- 6) Weifenbach moved to Acknowledge the Following Volunteers for Worker's Compensation Purposes: Patricia Casteel (RSVP+), Patrick Flanigan (Police Department). Second by Nordstrom. Motion carried unanimously.

PARKS AND RECREATION

- 7) LF030222-01 – Parks and Recreation Director Jeff Biegler explained that this is an amendment to the current agreement with Marco's Pizza that will shift the beverage cart services to City staff rather than Marco's. Weifenbach moved to Authorize the Mayor and Finance Director to Sign the 2022 Amendment to Golf Course Food and Beverage Concession Agreement between the City of Rapid City and Platinum Restaurant Group, Inc. Second by Nordstrom. Motion carried unanimously.
- 8) LF030222-05 – Weifenbach moved to Authorize Mayor and Finance Director to Sign Resolution No. 2022-021, a Resolution to Enter into a Use Agreement with Harney League Sports. Second by Salamun. Motion carried unanimously.
- 9) LF030222-06 – Salamun moved to Approve Resolution No. 2022-023 a Resolution of Intent to Enter into a Lease with Rapid City Youth Baseball. Second by Weifenbach. Motion carried unanimously.

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COMMUNITY DEVELOPMENT

Salamun asked Community Enrichment Program Manager Michelle Schuelke to provide a summary of the funding recommendations on item 10. Schuelke said number 10 is the approval of preliminary funding recommendations for fiscal year 2022. There was final approval for the amount of \$55,337.00 for BMS and final approval for \$51,250.00 to WAVI, as well as \$100,000 for planning and administrative. There was deferred action for funding related to Common Bond Communities and Pennington County Housing and Redevelopment Commission. This particular agenda item is for preliminary recommendation of \$200,000 to Common Bond Communities and 0 dollars to Pennington County Housing for reasons of an incomplete application. Schuelke explained that Common Bond Communities is an entity that either builds or renovates for affordable housing projects. This particular project would be located on the corner of Lacrosse and Omaha and is a 42 unit structure, but more importantly it is affordable housing paired with services. This is their first project in Rapid City and they do intend to vet other project sites. This is a non-profit organization that you will probably be more and more familiar with as time goes on. The council did approve \$347,000 dollars in mid-year cycle of FY21 money, so this is a significant investment in affordable housing.

Schuelke also shared that the CDBG Division was previously called Community Development Block Grant Program Division. The division is now the "Community Enrichment Division" in which Schuelke is the Manager. The reason for the name change is to be able to encompass other programs and other projects beyond the CDBG program in the future.

- 10) LF030222-09 – Approve the FY22 CDBG Preliminary Funding Recommendations
- 11) LF030222-10 – Approve the Preliminary FY22 CDBG Annual Action Plan
- 12) LF030222-11 – Approve the CDBG Program Section 3 Plan
- 13) LF030222-12 – Approve Resolution No. 2022-022 a Resolution Acknowledging Corrections to the February 7, 2022 Council Minutes
- 14) 22TI001 – Approve Resolution No. 2022-009 – A Resolution Creating the Block Five Project Tax Increment Financing District Number Eighty-Five and Approve Resolution No. 2022-010 – A Resolution Approving the Project Plan for the Block Five Project Tax Increment Financing District Number Eighty-Five. (Staff recommends to continue to March 30, 2022 Legal and Finance meeting at applicant's request).

Salamun moved to approve items 10 through 14. Second by Nordstrom. Motion carried unanimously.

CITY ATTORNEY'S OFFICE

- 15) LF030222-02 – Parks and Recreation Director Jeff Biegler described the property location of this item to be up on the north side of Signal Hill which can be seen from downtown. It is just shy of 15 acres and sits just below where all of the residential areas are on top. This property would be adjacent to an additional 12 ½ acres that the City already owns up where the water reservoir is located. The intent for this gifted property would be to have pedestrian and perhaps bicycle trails and would all be passive use of the site. Biegler noted that there are spectacular views to the downtown area from this property. Nordstrom moved to Accept Property (Tax ID 42257) Donated by Philip Weger and Yvonne Weger and Authorize the Mayor and Finance Director to Sign All Documentation Related to the Donation. Second by Salamun. Motion carried unanimously.
- 16) LF021622-11 – City Attorney Landeen shared the reason for the continuation was due to some questions surrounding the coordination of the timeline. The City will hold the title and lease it back to Security First Bank until the project is complete. Salamun moved to Approve Resolution No. 2022-013 a Resolution to enter into a Lease Agreement from City to Security First Bank for 5430

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Sheridan Lake Road (continued from 2/16/2022 Legal and Finance meeting). Second by Weifenbach. Motion carried unanimously.

END OF CONSENT CALENDAR

NON-CONSENT ITEMS – Items 17 – 19

Public Comment opened – Items 17 – 19

Public Comment closed

FINANCE DEPARTMENT

- 17) LF030222-03 – Finance Director Pauline Sumption went over Supplemental Appropriation No. 1 for the committee. Nordstrom moved to approve the Introduction and First Reading of Ordinance No. 6533 Regarding Supplemental Appropriation #1 for 2022. Second by Weifenbach. Motion carried unanimously.

COMMUNITY DEVELOPMENT

- 18) LF030222-13 – Community Development Director Vicki Fisher explained that this is a historic review for the block 5 project in association with item number 14 on this agenda with the applicant requesting it to be continued to the March 30, 2022 Legal and Finance Committee meeting and that is also the recommendation of staff. Nordstrom moved to continue the Request by C.R. Lloyd Associates, Inc. for a determination by the City Council that there are no feasible and prudent alternatives to the proposed project in a historic district located at 525 Saint Joseph Street, and that the proposal contains all possible planning to minimize harm to the historic property pursuant to SDCL1-19A-11.1 and RCMC 17.54.080. (Staff recommends to continue to March 30, 2022 Legal and Finance meeting at applicant's request) to the March 30, 2022 Legal and Finance meeting. Second by Salamun. Motion carried unanimously.

ADDENDUM NO. 1

FINANCE DEPARTMENT

- 19) LF030222-14 – Finance Director Sumption pointed out that the report shows a 19.01% increase over 2020 numbers which equates to approximately 5.7 million dollars in the general fund alone. Salamun stated as a public reminder that even though it was a good income year to keep in mind that the expenses due to inflation and everything else also impact the City as well. Salamun moved to Acknowledge December 2021 Sales Tax Report. Second by Weifenbach. Motion carried unanimously.

ADJOURN

There being no further business to come before the Committee at this time, motion was made by Weifenbach second by Nordstrom and carried to adjourn the meeting at 1:18 p.m.