

LEGAL AND FINANCE COMMITTEE MINUTES
Rapid City, South Dakota

June 29, 2016

A Legal and Finance Committee meeting was held at the City/School Administration Center in Rapid City, South Dakota, on Wednesday, June 29, 2016, at 12:30 p.m.

A quorum was determined with the following members answering the roll call: Ritchie Nordstrom, Amanda Scott, Darla Drew, Chad Lewis and Steve Laurenti. Absent: None.

(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 Laurenti and carried to adopt the agenda.

GENERAL PUBLIC COMMENT

None.

CONSENT ITEMS

Motion was made by Nordstrom, second by Drew and carried to approve Items 1-12 as they appear on the Consent Items with the exception of Item No. 9.

- 1) Approve Minutes for June 15, 2016

POLICE DEPARTMENT

- 2) LF062916-09 – Approve JAG Grant Application and Accept Grant If Awarded

FIRE DEPARTMENT

- 3) No. LF062916-12 – Re-Authorize Staff to Purchase One (1) Chevrolet Tahoe in the Revised Amount of \$36,698 Using State Bid Contract #16868

FINANCE DEPARTMENT

- 4) Acknowledge the Following Volunteers for Worker’s Compensation Purposes: Brent Moe, Megan Pataski, Stephen Muller, Trae Hood, Daniel Allard, Anthony Picketpin, Ashley Anderson, Melissa Martin, Christopher Barger, Nicholas Glass, Wesley Folsom, Ridrey Jendry, Tyler Cameron
- 5) LF062916-03 – Approve Request for 2015 Property Tax Abatement for Rapid City in the amount of \$198.00
- 6) LF062916-06 – Acknowledge May 2016 General Fund Cash Balance Report
- 7) LF062916-07 – Resolution No. 2016-048 Declaring Miscellaneous Personal Property Surplus
- 8) LF062916-08 – Authorize Mayor and Finance Officer to Sign the Agreement for Tyler Systems Management (“TSM”) with Tyler Technologies for \$28,909.00

COMMUNITY RESOURCES

- 9) LF062916-01 – Lewis moved to approve Resolution No. 2016-046 to Create Position of Assistant Street Superintendent. Second by Drew. Motion carried. Laurenti asked if this position is included in the 2016 budget and when it will become effective. Community Resources Director Jeff Barbier,

June 29, 2016

stated this position does not require any change in the 2016 budget and does not add an additional full time employee. Therefore, no supplemental will be necessary. Nordstrom asked Street Superintendent, Don Brumbaugh to explain the differences in the duties of Street Supervisor and Assistant Street Superintendent. Don Brumbaugh explained the position Street Supervisor over the years has taken on a lot more duties and responsibilities which is well above a supervisory role. They felt the position is better suited on a slightly higher pay scale and given the title of Assistant Street Superintendent. The Streets Department intends to keep the position of Streets Supervisor open for future use if needed.

- 10) LF062916-04 – Authorize Mayor and Finance Officer to Sign the Environmental Assessment for the Black Hills Area Habitat for Humanity
- 11) LF062916-05 – Approve Amendment to the Neighborhood Restoration Loan Program to Add the Safe and Secure Grant Program

ITEMS FROM THE CITY ATTORNEY’S OFFICE

- 12) LF062916-02 – Authorize Mayor and Finance Officer to Sign Memorandum of Understanding Between the City of Rapid City and The Performing Arts Center of Rapid City, Inc. Relating to Corporate Structure and Operations

END OF CONSENT CALENDAR

NON-CONSENT ITEMS – **Items 13 - 15**

Public Comment opened – **Items 13 - 15**
Public Comment closed

ITEMS FROM THE PUBLIC

- 13) No. LF062916-10 – Laurenti moved to take the Human Relations Commission – Semi-Annual Update to the July 5, 2016 City Council meeting without recommendation. Second by Drew. Motion carried. Human Relations Commission Chair Susan Timmons, was in attendance and was asked to make her presentation to the full city council on July 5, 2016.
- 14) No. LF062916-11 – Black Hills Area Habitat for Humanity Request for Removal or Reduction of Special Assessment on 140 Doolittle Street Property
Volunteer Attorney Todd Schweiger appeared to discuss the request made by Black Hills Habitat for Humanity regarding a property located at 140 Doolittle Street. This is an unusual request from Habitat. This property came with fair amounts of assessments from both the City and County. The County has already agreed to waive the property tax amount and Habitat is now asking the City to remove or reduce the amount owed in order to keep the property more affordable for the family. The total assessment amount on this property is \$17,180.97. Nordstrom moved to remove all special assessments and administrative fees on 140 Doolittle Street. Second by Laurenti. Nordstrom stated he has a hard time saying no to Habitat for Humanity but he has an issue with the system that is in place. He does not like the way we are doing property management. Laurenti feels that if we can allow multi-billion dollar corporations to use 6.8 million dollars of their own taxes to fund the construction of their own building we can find a way to help Habitat for Humanity. Scott asked Finance Officer Pauline Sumption for the actual cost the City has paid on this property. Sumption stated the actual total on this property that has been paid to contractors is \$7,466.77 the rest of the total is interest and penalties. She stressed the need find a way to replenish the funding so we can help other properties in the future. Scott cannot support a complete removal but possibly a reduction. Lewis expressed his thanks to Black Hills Area Habitat for Humanity. He supports affordable housing and will support the removal of the assessments. Laurenti would like to include in his motion to ask staff to recommend funding sources for the entire removal of the assessments

June 29, 2016

for Tuesday night. He agrees we need to replenish those funds. Finance Officer Pauline Sumption suggested using funds from Council Contingency in the General Fund for the principal amount only. In the past we have removed interest and penalties from assessments when properties have been purchased in similar situations. She does not believe any of the funds in the Council Contingency Fund have been used in 2016 and she believes the amount is \$50,000.

After further discussion, a substitute motion was made by Laurenti to waive the full amount of the special assessment and administration fees of 140 Doolittle Street. The administration fees would be totally waived and the \$7,466.77 would be paid out of the City Council Contingency Fund. Second by Nordstrom. Motion carried. Drew will vote in favor of this but she feels we cannot always rely on the contingency fund and maybe we should explore budgeting some money for next year. Laurenti asked Habitat for Humanity to maybe look into potential properties similar to this one so the Council take a look at this for next year's budget.

ITEMS FROM THE MAYOR

- 15) No. LF062916-13 – Lewis moved to take Request for Half of the 2017 Annual Vision Funds to Be Made Available for Community Projects to the July 5, 2016 City Council meeting without recommendation in order to allow the two incoming council members to address this item. Second by Laurenti. Motion carried. Council President Brad Estes stated there are two components to be approved on this item: 1) for the Mayor begin assembling the citizen committee per the ordinance and 2) authorize the Mayor and staff to work together to change the ordinance. The current ordinance states when the citizen committee meets it is to create a five year plan. The change would be to allow Council to set the timeframe whether it be one or three years. For example, considering the uncertainty of pricing and construction costs we have seen funds for projects that are in 3, 4 or 5 are sometimes used to fund year 2. The Mayor will also touch on this item in his State of the City address tomorrow. Scott suggested splitting this item into two parts for Monday night 1) Authorize the Mayor to create citizen's committee and 2) Authorize the Mayor to direct staff to bring back modification to the Vision Fund ordinance that would open up language to allow the City Council to determine the project period that the committee is working on. Lewis feels the two incoming council members should be in on deciding this item. Assistant City Attorney Wade Nyberg believes this item can be split and decided on separately or you can decide it as one item. The purpose of discussing the two parts separately was to make the public aware of the potential ordinance change.

ADJOURN

There being no further business to come before the Council at this time, motion was made by Lewis, second by Drew and carried to adjourn the meeting at 1:05 p.m.