

FINAL
AMENDED LEGAL AND FINANCE COMMITTEE MINUTES
Rapid City, South Dakota

January 31, 2024

A Legal and Finance Committee meeting was held at the City Administration Center in Rapid City, South Dakota, on Wednesday, January 31, 2024, at 12:30pm.

A quorum was determined with the following members answering the roll call: Bill Evans, Kevin Maher, John Roberts (sitting in for Biberdorf), Lindsey Seachris, and Greg Strommen. 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

Evans moved to adopt Agenda. Second by Seachris. Motion carried unanimously.

GENERAL PUBLIC COMMENT

Donald Stover of Rapid City asked for an item to be added to the February 20th City Council agenda. He is member of the board of directors for Veterans Honor Banner Project. Their project began in 2017 with 18 WWII veteran banners to be hung. In 2018, the project had already grown to over 60 banners. Because of the project's popularity, by 2023, they had 325 banners and have out of places to hang the banners. His organization had asked to expand the project to include poles along 5th Street. This would allow for his organization to hang another 50-60 banners, but the word his organization has gotten from the City is that the poles that they are looking at including are not made for the kind of stress these banners would impose. To his knowledge, the existing banners have not caused any damage thus far, and moreover, they have a \$5 million dollar liability policy taken out on them. He requests to be on February 20th Council agenda.

CONSENT ITEMS – Items 1-14

Public Comment opened – Items 1-14

None.

Public Comment closed

1) Maher moved to Approve [Minutes for January 10, 2024](#). Second by Roberts. Motion carried unanimously.

MAYOR'S OFFICE

Roberts moved to approve item 2. Second by Seachris. Motion carried unanimously.

2) [LF013124-16](#) – Confirm the Appointment of Becky Drury to the Community Relations Commission, Formerly HRC/MOA Commission

FINANCE DEPARTMENT

Ainslie provided the summaries for items 3-9

Roberts moved to approve items 3-9. Second by Evans. Motion carried unanimously.

3) Acknowledge the Following Volunteers for Worker's Compensation Purposes: Derek Habib (Parks & Recreation), and Cathy Knight, Bernard Kopp, Rick Little, and Pat Urbaniak (RSVP+)

4) Compared to last year, the 2% general tax is up was up 1.63%. Final numbers for 2023 will hopefully be available in about 4 weeks. The tourism tax was up 8.9% and is a high point in these numbers for our local economy.

[LF013124-03](#) – Acknowledge November 2023 Sales Tax Report

- 5) As of the end of 2023 year was \$225 Million, 73% of which is invested in fixed-rate securities and regional and federal investment funds. End-of-year undesignated cash fund ended at \$1.6 million, which Ainslie says is not very high, but it is over and above what the actual reserve is. Ainslie noted that the City was using more than that to balance the 2024 budget, however the City does anticipate that some of what was designated in 2023 will be released since not all the money budgeted for was spent. Final numbers will be given in 4-6 weeks. Maher asked about fluctuation. Ainslie said that this fluctuation is due to the receiving of end-of-year property taxes. Just the same, there will be an uptick in January from increased sales tax received in December. Cash flow is not consistent, because the fund is heavily depended on sales tax and property tax, it does fluctuate.
[LF013124-08](#) – Acknowledge December 2023 Treasury and General Fund Update
- 6) The City hopes to trade in a backhoe and a trailer for some new equipment.
[LF013124-02](#) – Approve Resolution No. 2024-004, a Resolution Declaring Property as Surplus
- 7) Abatements requested equaled \$78,475 for a variety of properties and demolitions that occurred.
[LF013124-04](#) – Approve Abatements from the Director of Equalization
- 8) This is for the engagement letter form Ketel Thorstenson, as they are the City’s auditors. Total cost is \$80,000 plus \$4,000 for any major programs, which Ainslie adds is a very reasonable price for a quarter-million dollar enterprise.
[LF013124-10](#) – Authorize Mayor and Finance Director to Sign Engagement Letter with Ketel Thorstenson LLP for the FY 2023 Financial and Compliance Audit
- 9) There has been a significant collaborative effort in order to get this grant to go forward. This should save time and money for builders, developers, and staff as a whole for processes on the 2nd floor and the Fire Department. Seachris asked why fire codes have not been updated since 2003. Fire Chief Premus responded, saying that things in the 2003, his predecessor had great foresight in creating and amending the code in order to keep up with the changing amendments. New 2024 chapters deal with energy storage, backup generators, and solar panels that weren’t covered in the previous code. Whether or not the grant is awarded, the plan is to go to the 2024 code, as it is more digital-friendly and easier to work with and will thus improve efficiency.
[LF013124-15](#) – Authorize Staff to Submit an Application and Approve if Awarded the City of Rapid City’s Application to the South Dakota Office of Emergency Management for the Building Resilient Infrastructure and Community (BRIC) Grant – Building Codes Plus Up

POLICE DEPARTMENT

Chief Hedrick summarized that this is just a continuation of a program that has been in place since 1997. Historically the Police Department has used these funds for unexpected K9 expenses and high-level equipment for the evidence lab.

Roberts moved to approve item 10. Second by Seachris. Motion carried unanimously.

- 10) [LF013124-06](#) – Authorize Mayor and Chief of Police to sign the 2024 Federal Equitable Sharing Agreement

FIRE DEPARTMENT

Chief Culbertson summarized that the Fire Department is looking to replace a few vehicles that are showing their age. Maintenance costs are continuing to increase on them. Item no. 14 is a grant that the Fire Department has been fortunate enough to receive for the last few years. This is usually used for their specialty stations, i.e., light rescue, heavy rescue, and hazmat. This year, the Fire Department is putting in for new lift bags, chemical and radiological detectors, and trench rescue panels.

Seachris moved to approve items 11-14. Second by Evans. Motion carried unanimously.

- 11) [LF013124-12](#) – Authorize Staff to Purchase a New Model Year Ford F150 from Lamb Motors Using State Bid Contract #17619 in the Amount of \$52,700

- 12) [LF013124-13](#) – Authorize Staff to Purchase a New Model Year Ford Expedition Max from Lamb Motors Using State Bid Contract #17619 in the Amount of \$59,286
- 13) [LF013124-14](#) – Authorize Staff to Purchase a New Model Year Ford Explorer from Lamb Motors Using State Bid Contract #17619 in the Amount of \$40,490
- 14) [LF013124-07](#) – Authorize to Apply and Accept if Awarded the HLS (Homeland Security) Grant in the Amount of \$121,559.76

END OF CONSENT CALENDAR

NON-CONSENT ITEMS – Items 15-18

Public Comment opened – Items 15-18

None.

Public Comment closed

PUBLIC WORKS

- 15) Director Tech said that this is simply to adjust dates to match the State of South Dakota dates. Roberts by Roberts, second by Evans.
[LF013124-01](#) – Roberts moved to acknowledge Introduction and First Reading of Ordinance No. 6599, an Ordinance to Revise the Renewal Date of Sewer-Water and Trenching Licenses by Amending Section 13.24.040.B of the Rapid City Municipal Code. Second by Evans. Motion carried unanimously [Item no. 15 to be heard at City Council Meeting on February 5, 2024]

FINANCE DEPARTMENT

- 16) Jamie Teonnes, Grand Division Manager, gave a presentation on what has been accomplished in the past year by the Grants Division team. Her team applied for 18 grants, and of those grants have been awarded 6. These numbers are strictly focused on what the Grants Division did. One of the biggest things that the Grants Division does is save time for other staff, as well as foster collaboration. More and more grants require collaboration, so this is an important piece. Only about 5% of grants that the Grants Division team reviews actually get written. This is a very strategic process, and it should be noted as such. Timing has been one of the biggest challenges to overcome. Seachris asked if on the Housing Infrastructure State Grant, because this is one that requires approval from the Council by resolution, if special stipulations like this are going to be noted for future applications. There was some discussion on the status of the EPA Coordinator position. Jamie, says yes, special stipulations are going to be noted moving forward. Also, the EPA Coordinator position, because of some special challenges, was renamed and “tweaked” a little bit to align with what was needed in sustainability. This new hire is in charge of the EPA grant in Public Works. Maher asked if monies were awarded to developers and builders for affordable housing in the Sheridan Lake Road area. Teonnes confirmed that yes, a couple have been awarded already, and a couple more are pending. Rapid City was awarded a little bit less than Sioux Falls because Sioux Falls was able to get another application or two in their application. Maher also asked about “strings-attached” grants. He wonders what guidelines are used to avoid costs falling on the City after the grant period has passed. Teonnes said, yes, this is always part of the conversation when meeting with staff and a plan is built based on these “strings.” Evans commented saying that the return for the work her division has put in is great, and asked if there will be a future need for bigger staff. Teonnes responded that yes, this may be in the works to add a staff member or two, though there is a finite amount of growth for the department because there are only so many grants to be awarded.
[LF013124-11](#) – Seachris moved to Acknowledge Presentation by Jamie Toennies and Approve Recommended Changes to the City’s Uniform Grant Guidance Policies/Procedures. Second by

Evans. Motion carried unanimously [Item no. 15 to be heard at City Council Meeting on February 5, 2024]

AIRPORT

17) Director Dame introduced History has been presented and on numerous times. Spencer from Steven Baldwin and Associates presented the Airport Governance Review. The Committee was made up of 9 members from different organizations, and used to connect with promo and stakeholders. Legal, financial, and comparative analysis. Legal findings are that in the State of South Dakota, there is a broad governance on how to address airport authority. In summary, the airport is operating very efficiently. The recommendation is to adopt a regional airport model of governance found in SDCL. Maher asked if there is a possibility of doing a name change or becoming an international airport has been discussed. Baldwin said that yes, this is always a possibility, but there are several different requirements that would need to be met in order to do so as far as becoming an international airport is concerned. Dame elaborated on what exact requirements would need to be met in order to become international, and he also said a name change and becoming an international airport has been discussed, but has not been moved on further at this time.

[PW013024-24](#) – Seachris moved to Acknowledge Presentation of Airport Governance Review Final Report by Steven Baldwin Associates. Second by Roberts. Motion carried unanimously [Item no. 15 to be heard at City Council Meeting on February 5, 2024]

ALDERMAN ITEMS

None.

ADJOURN

There being no further business to come before the Committee at this time, motion was made by Roberts, second by Seachris and carried to adjourn the meeting at 11:36pm.