

FINAL
LEGAL AND FINANCE COMMITTEE MINUTES
Rapid City, South Dakota

May 1, 2024, 2024

A Legal and Finance Committee meeting was held at the City Administration Center in Rapid City, South Dakota, on Wednesday, May 1, 2024, 2024, at 12:30pm.

A quorum was determined with the following members answering the roll call: Josh Biberdorf, Bill Evans, Kevin Maher, 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

None.

CONSENT ITEMS – Items 1-24

Public Comment opened – Items 1-24

None.

Public Comment closed

- 1) Evans moved to Approve Minutes for [April 10, 2024](#). Second by Biberdorf. Motion carried unanimously.

MAYOR'S OFFICE

Seachris noted that the citizen interest applications were not included in the attachments on item numbers 2 and 3. She requested that in the future, these applications be included in similar agenda items. Citizen interest applications were added to agenda items 2 and 3 before the publication of the May 6th City Council agenda.

Evans moved to approve items 2-3. Second by Seachris. Motion carried unanimously.

- 2) [LF050124-02](#) – Confirm the Reappointments of Laura Jones, Garth Wadsworth, and David Zehntner to the Public Parking Advisory Board
- 3) [LF050124-09](#) – Confirm the New Appointment of John Pierce to the Rapid City Regional Airport Board of Directors

ATTORNEY'S OFFICE

- 4) Assistant City Attorney Kinsley Groote summarized that this proposed resolution is to continue with the 6th year of this archery program, but with one notable change: there will be an option of a buck tag once an antlerless deer tag has been filled.

Biberdorf moved to approve item 4, second by Seachris, and carried unanimously.

[LF050124-05](#) – Approve Resolution No. 2024-029, a Resolution Establishing the City of Rapid City Archery Deer License Program

FINANCE DEPARTMENT

Seachris requested that items 8 and 12 be removed from consent.

Biberdorf moved to approve items 5-15, except for 8 and 12, second by Seachris, and carried unanimously.

- 5) Director Ainslie provided the summary on item 5. The City is actually negative \$3.5 million in undesignated cash in March, mostly because the City received its final payment of sales tax in April. This occurs sometimes. Approximately half of the property tax will be received in May. After this, sales tax will experience an uptick with the start of the tourist season. Approximately 72% percent of the general fund is invested.
[LF050124-03](#) – Acknowledge March 2024 Treasury and General Fund Update
- 6) Director Ainslie provided the summary on item 6. Though January and February were the lowest months for tax, the trend is at a positive 4.2%.
[LF050124-04](#) – Acknowledge February 2024 Sales Tax Report
- 7) Director Ainslie provided the summary for item 7, saying that the annual financial report is now available and presented for the Council's consideration. Once the Council approves it, it does get forwarded on to the State. Ainslie acknowledged David Yuhas' effort in getting this report prepared and presented accurately.
[LF050124-19](#) – Acknowledge FY 2023 Annual Financial Report
- 8) Presentation given by Interim HR Director Leah Braun gave presentation on AFSCME Wage Ranges. The goal of the attached proposed scale is for the City is to be competitive and fair, and thus to move away from the step-increase system and into a merit-increase system. There are some "pain points" in this study in that there will be some shortened runways for some positions, off-step positions, the way raises may be obtained (wage scale adjustment and-or merit-based), and also the employees' reactions. This is a big cultural shift, although there has been a lot of positive reception as well. An appeal process has been presented and were due yesterday. There were 58 appeals that were received and will be given to an appeal review team. Director Ainslie said that AFSCME Membership voted in favor of this scale. If approved by Council, there will be retroactive supplement to January 1st of this year, which is because the original contract expired this year, and because the Wage Scale Adjustment is equal to 7 months of CPI to July 1st (data given by Gallagher was current to November of 2023). Key takeaways are that this was a strategic, collaborative, and transparent process where the aim is to correct the current scale by creating a data-driven scale, no one will get a pay decrease, and employees will have opportunities to get a pay raise every year. The negotiations for such opportunities are pending as to something more defined for employees to aim for. The goal is to continue to stay competitive. This is as much for the retention of current employees as it is for recruiting purposes. Seachris asked what the physical impacts of the wage increases would be. Ainslie said that if approved, there would be a request for supplemental appropriation due to additional expenditure. Evans commented that he will support the process and change to merit and performance-based assessments. He believes that it is possible that merit raises could be problematic, but overall, he does support merit raises. Biberdorf moved to approve item 8, second by Evans, and carried unanimously.
[LF050124-12](#) – Approve 2024 AFSCME Wage Ranges
- 9) [LF050124-13](#) – Approve Resolution No. 2024-025, a Resolution Declaring Miscellaneous Property Surplus to be Sold at City Auction
- 10) [LF050124-14](#) – Approve Resolution No. 2024-027, a Resolution Declaring Property Surplus
- 11) [LF050124-15](#) – Approve Resolution No. 2024-034, a Resolution Declaring Property Surplus
- 12) This Is a \$100k grant for the Star Village Neighborhood. It will enable the City to work cooperatively with AmeriCorps, as well as provide several smaller more-focused grants. There will also be several in-kind donations by the City as well. Seachris noticed that the LYB Grant called for hiring of a fellow. After the two year and funds run out, does the City plan to absorb the cost of paying the

fellow's wages? Ainslie said that no, this would not be absorbed by the City. Jaimie Toennies, grants division manager, confirmed that the two-year fellow would not be absorbed by the City. Seachris moved to approve item 12, second by Evans, and carried unanimously.

[LF050124-16](#) – Authorize the City to Accept and the Mayor to Sign the Love Your Block Grant in the amount of \$100,000

- 13) Ainslie summarized that this is also another exciting grant for the City, which would fund the recruiting and training of Fire and EMS providers in our area.

[LF050124-17](#) – Authorize the City to Accept and the Mayor to Sign the Regional Service Designation Grant Contract from the South Dakota Department of Health in the Amount of \$203,772.85

- 14) [LF050124-18](#) – Approve Resolution No. 2024-026, a Resolution Declaring Property Surplus

- 15) Ainslie summarized that this resolution is simply for amendments for minor fee changes four different departments. It should be noted that this resolution is to include only the fees that are changing, and not for every fee that the City charges. The reason for this is because it costs several thousand dollars to publish all the pages in the paper.

[LF050124-20](#) – Approve Resolution No. 2024-35, a Resolution Amending Certain Fees to be Charged in July 2024 for Various Licenses, Permits and Applications

AIRPORT

Seachris moved to approve item 16. Second by Maher. Motion carried unanimously.

- 16) Toni Broom with the airport summarized that this is just an amendment to a previous grant that was already approved. This is for the marketing portion only. There is no new money here.

[LF050124-11](#) – Authorize the Mayor and Finance Director to Sign Amended Agreement RAP-SB162-3 between the City of Rapid City and the Governor's Office of Economic Development to Adjust Marketing Dates for Air Service to LAX

FIRE DEPARTMENT

Seachris moved to approve item 17. Second by Biberdorf. Motion carried unanimously.

- 17) Chief Culbertson summarized that the City took over the tower this last year through resolution, MDU has used this tower since its building.

[LF050124-01](#) – Approve Resolution No. 2024-030, a Resolution of Intent to Enter into Lease with Montana-Dakota Utilities Co., Pursuant to SDCL 9-12-5.2

PARKS AND RECREATION

Seachris requested that item 21 be removed from consent.

Seachris moved to approve items 18-20, except for item 21, which was removed from consent, second by Biberdorf, and carried unanimously.

- 18) [LF050124-08](#) – Authorize Mayor and Finance Director to Sign Resolution No. 2024-022, a Resolution to enter into a Lease Agreement with Black Hills Lacrosse Association

- 19) [LF050124-22](#) – Authorize Mayor and Finance Director to Sign Resolution No. 2024-017, a Resolution to enter into a Lease Agreement with Rapid City Midget Football Association, Inc.

- 20) [LF050124-23](#) – Authorize Mayor and Finance Director to Sign Resolution No. 2024-024, a Resolution to enter into a Lease Agreement with Rapid City Softball Association

- 21) Director Jeff Biegler summarized that this item is to sign a professional services agreement (PSA) for a consultant to look into various option for a project to enclose the 50-meter pool at Roosevelt swim center. If the Council recalls, this project received \$1.15 million Vision Funds in the 2021 round of funding. In November the Council authorized for Parks & Rec to seek proposals for the

feasibility study. This would be for the feasibility study only. The funds needed for the consultant fee of \$52,000 would come out of the Vision Fund award. Seachris feels that the up-front, one-time cost that weren't part of the original Vision Fund award, she recommends that this item be denied at this time and revisited in the fall of 2024. Maher asked if the study would look at the feasibility of replacing the dome with a permanent roof. Biegler said that yes, all options will be considered in the study. What was approved in November was the RFP, but not the dome itself. Evans commented that he would support it because when the next round of funding becomes available, people will have a more realistic picture of what the project will actually cost.

Seachris moved to send to Council without recommendation. No second. Motion dropped.

Maher supports the study because it is needed, and even though it's \$52k dollars, the study may lead the City to the right answer for a cover for the pool, and perhaps even a permanent one.

Evans moved to approve item 21, second by Biberdorf, and carried 4-1, with Seachris voting no.

[LF050124-24](#) – Authorize Mayor and Finance Director to Sign Professional Services Agreement (Feasibility Study) with TSP, Inc. for Project PR24-6194 Roosevelt Pool Enclosure in the Amount of \$52,000.00

POLICE DEPARTMENT

Chief Hedrick provided the summary for items 22-23. These resolutions are for the surplus and transfer of radios that cannot be used by the Police Department anymore, but would be valuable to the Humane Society of the Black Hills as well as to the Pennington County Highway Department.

Seachris moved to approve items 22-23. Second by Evans. Motion carried unanimously.

22) [LF050124-06](#) – Approve Resolution No. 2024-036, a Resolution Declaring Miscellaneous Personal Property Surplus and Authorizing Staff to Donate Property to the Humane Society of the Black Hills

23) [LF050124-21](#) – Approve Resolution No. 2024-037, a Resolution Declaring Miscellaneous Personal Property Surplus and Authorizing Staff to Donate Property to Pennington County Highway Department

RAPID CITY YOUTH CITY COUNCIL

Seachris moved to approve item 24. Second by Evans. Motion carried unanimously.

24) Councilwoman Seachris is the liaison for the RCYCC, and she said this item is to allocate funding for travel for Euana Matute.

[LF050124-07](#) – Authorize expenditure in the amount of \$1509.11, City portion of Youth City Council Training and Travel Budget, for Vice Chairperson Euana Matute to travel for the National League of Cities City Summit Conference, in her role as national delegate to the National League of Cities Council for Youth, Education and Families for this event, and representing the City of Rapid City Youth City Council.

END OF CONSENT CALENDAR

NON-CONSENT ITEMS – Items 25-30

Public Comment opened – Items 25-30

None.

Public Comment closed

ATTORNEY'S OFFICE

City Attorney Joel Landeen summarized that this was a continued first reading from the last Legal and Finance Committee on April 10th. The proposed ordinance would remove several specific procedures requirements. It gives the Council the flexibility to establish specific procedures for each round of funding. Approving this ordinance does not approve the Mayor's proposal; however, it does lay the groundwork for the Council to consider his proposal, or even, frankly, to do something else. The Vision Fund process would be up to the City Council. The changes in this ordinance are procedural ones, and Landeen notes

that this would be the 3rd significant amendment to. The original ordinance in 1993 didn't have any established procedures. There were no citizens committees, and the public input to the Council directly through constituents. A citizens committee was introduced in 2004, and at the time there were 3 committees. There were also three categories and percentages on how monies could be spent at that time. In 2014 the citizens committees were reduced to only one committee. It also exempted all of the City projects from the citizens committee process, and this has been the procedure used since, except for how it relates to the Summit Arena. This ordinance is really just impacting procedure, but not any specific plan at this point.

Seachris commented that because this amends only the procedure but not the project plan. She feels like this is a good move. Evans is opposed to the ordinance. He says that the Vision Fund works and he doesn't believe that the Council should vote on something that intends to "fix something that ain't broken."

Seachris moved to approve item 25. Second by Maher. Motion carried 4-1, with Evans voting no.

- 25) [LF041024-13](#) – First Reading and Acknowledgement of Ordinance No. 6617, an Ordinance Updating the Process for Approving Expenditures from the City's Capital Improvement and Vision Fund by Amending Section 3.16.090 of the Rapid City Municipal Code (*continued from the April 10, 2024 Legal and Finance Committee meeting*)
Item 25 to be heard at the May 6, 2024 City Council Meeting.

FINANCE DEPARTMENT

Ainslie summarized that while this is a very large supplemental appropriation, it is almost entirely for items that have carried over.

- 26) Biberdorf moved to approve item 26. Second by Seachris. Motion carried unanimously.
[LF050124-10](#) – Introduction and First Reading of Ordinance No. 6618, an Ordinance Regarding Supplemental Appropriation #3 for 2024
Item 26 to be heard at the May 6, 2024 City Council Meeting.

COMMUNITY DEVELOPMENT

- 27) Director Fisher summarized that this item is simply to amend spelling errors in these sections of code.

Evans moved to approve item 27. Second by Biberdorf. Motion carried unanimously.

- [24OA001](#) – Second Reading and Recommendation of Ordinance 6612, an Ordinance Amending Clerical Errors in Sections 17.60.120, 17.62.120 and 17.64.120 of the Rapid City Municipal Code
Item 27 to be heard at the May 6, 2024 City Council Meeting.

- 28) Evans moved to approve items 28. Second by Biberdorf. Motion carried unanimously.
[24OA002](#) – Second Reading and Recommendation of Ordinance 6613, an Ordinance Amending Clerical Errors and Fencing Requirements in Sections 17.16.030, 17.18.030, 17.18.080, 17.20.080, 17.22.020, 17.36.080, 17.40.070, 17.50.150, and 17.66.070 of the Rapid City Municipal Code
Item 28 to be heard at the May 6, 2024 City Council Meeting.

- 29) Evans moved and was seconded to approve item 29. Motion carried unanimously.
[24OA003](#) – Introduction and First Reading of Ordinance 6616, a Request by City of Rapid City to Consider an Application for an Ordinance Amending Area Regulations in Sections 17.10.050, 17.12.050, 17.38.040, 17.44.050, 17.60.030, 17.62.030 and 17.64.030 of Rapid City Municipal Code
Item 29 to be heard at the May 6, 2024 City Council Meeting.

[Evans left the meeting at approximately 1:30pm]

PUBLIC WORKS

Lysann Zeller gave a presentation of the final projects list and budgets proposed with the EPA grant application. She gave an overview on what funding amounts were available, the dates of plan, application,

awards, and implementation, the criteria that needed to be met, as well as the CPRG final Projects & Budgets list. Presentation attached to agenda item

- 30) Biberdorf moved to acknowledge item 30. Second by Seachris. Motion carried 4-0.
[PW040924-07](#) – Final Projects List and Budget Presentation of EPA Pollution Reduction Grant Application (*continued from the April 10, 2024 Legal and Finance Committee meeting*)
Item 30 will NOT be heard at the May 6, 2024 City Council meeting, as it was presented to both Public Works and Legal and Finance committees and was for informational purposes only.

ALDERMAN ITEMS

None.

ADJOURN

There being no further business to come before the Committee at this time, motion was made by Biberdorf, second by Seachris and carried 4-0 to adjourn the meeting at 1:38pm.