

FINAL
LEGAL AND FINANCE COMMITTEE MINUTES
Rapid City, South Dakota

July 10, 2024

A Legal and Finance Committee meeting was held at the City Administration Center in Rapid City, South Dakota, on Wednesday, July 10, 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

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

GENERAL PUBLIC COMMENT

None.

CONSENT ITEMS

Public Comment – Consent Items 1-10

None.

- 1) Maher moved to Approve [Minutes for June 26, 2024](#). Second by Seachris. Motion carried unanimously.

FINANCE DEPARTMENT – *Director Daniel Ainslie, Director*

Seachris moved to approve items 2-7, with the exception of item 4 (which was requested by Ainslie to be tabled at this time). Second by Evans. Motion carried unanimously.

- 2) Acknowledge the Following Volunteer for Worker's Compensation Purposes: Diane Grant (Library)
- 3) Of note, there are 16 active TIFs as of December 31, 2023, though 9 are still in the early stages and are not yet certified, and 4 of them were dissolved last year. The total assessed value increase of \$425 million from the TIFs, so this is a tremendous increase in valuation of these districts to the Rapid City community, a point which can't be overstated enough, said Ainslie. The total assessed base valuation of the TIFs is 1.44%. Why this is number is important is because State Statute limits the total TIFs at 10%, so there is a lot of opportunity for growth.
[LF071024-08](#) – Acknowledge 2023 Annual Tax Increment Finance District (TIF) Report
- 4) Staff asks that the Committee would table this item. Staff is looking at changing some of the surplussed items. Biberdorf moved to table item 4. Second by Evans. Motion carried unanimously.
[LF071024-01](#) – Approve Resolution No. 2024-055, a Resolution Declaring Property Surplus
- 5) [LF071024-03](#) – Approve Resolution No. 2024-042B, a Resolution Levying Assessment for Downtown Business Improvement District 2024
- 6) Jamie Toennies' Grants Division team has successfully secured a grant for energy-efficient enhancements at the Streets Division.
[LF071024-07](#) – Authorize City Staff to Accept the Energy Efficiency Conservation Block Grant (EECBG) in the Amount of \$135,960 from the U.S. Department of Energy
- 7) These abatements were for 3 separate properties that were cleaned up.
[LF071024-10](#) – Approve Resolution 2024-041, a Resolution Levying Assessment for Abatement of Nuisances

AIRPORT – *Airport Director Patrick Dame*

Biberdorf moved to approve item 8. Second by Seachris. Motion carried unanimously.

- 8) This is a resolution to reduce airport landing fees for both signatory and non-signatory per thousand pounds. The airfield is a cost center that runs in whole, and is divided up amongst landed weight. The aircraft types have changed considerably from fewer regional jets to more mainline aircraft, which means there is more landed weight on the runway. While this doesn't necessarily reduce the expenses, the landed weight per thousand pounds goes down. This is good news, but with any fee change, whether it be an increase or reduction, the Council must approve the change.
[LF071024-02](#) – Approve Resolution No. 2024-056, a Resolution to Reduce Airport Signatory Landing Fee for September through December, 2024

FIRE DEPARTMENT – *Chief Jason Culbertson*

Biberdorf moved to approve item 9. Second by Seachris. Motion carried unanimously.

- 9) This item is another request to write off ambulance fees. Staff continues to go through the old software system and remove all bad debt from the books. This request is the 4th or 5th request, and Culbertson says the FD has kept these debts on the books far too long. With the addition of a new 3rd party biller to the FD's 2 fulltime staff billers, this new process of write-off is starting to work quite well. Statute in the state of South Dakota for time allowed to collect on debt is 6 years. The FD is getting closer to completing this project of removing the bad debt, but it is a lengthy process, and there was some bad debt along the way that was old as 2003. Culbertson explained that that ambulance billing is a very difficult business for many reasons, including Federal and State transport laws, insurance companies' determination of medical necessity for transports, as well as how long balances are able to be on the books before being sent to collections. All of the patient accounts requested in this resolution have already been through the collections process, and lot more money would be spent by trying to collect on these debts that the FD won't ever receive. Many private providers have gotten out of the 911 service because of the difficulties mentioned above, which is why these costs go back into communities. There is little money to be had in the ambulance business. To put this in perspective, there has been little increase in revenue from ambulance billing in the past 20 years, and this is largely due to private payers making it more difficult for the FD to recoup the costs of services provided. Culbertson conceded that this is a lot of money that the FD is asking to be written off, but assured the Council that if they had the ability to collect on these accounts, they would. Maher asked if credit agencies report patient debt to creditors. Culbertson confirmed that yes credit agencies follow all rules applicable to medical debt and reporting. Maher also asked if fire apparatus services are being billed along with ambulance, since both are often sent together. Culbertson said that no, ambulance apparatus and fire apparatus costs are wholly separate sides of the business. Determination of which apparatuses are sent on any call is determined by what is said in the call for service.
[LF071024-05](#) – Approve Resolution No. 2024-057, a Resolution Writing Off Uncollectable Ambulance Patient Accounts

ATTORNEY'S OFFICE – *City Attorney Joel Landeen*

Seachris moved to approve item 9. Second by Biberdorf. Motion carried unanimously.

- 10) This is an item per the direction of the Council at its last meeting. Modifications were done to the current Council policies and procedures and clarifies that in years where there is no municipal election, the election of Council president and vice president will be determined at its first regularly-scheduled meeting in July. Of note, there are wider changes that are needed overall in Council policies and procedures, but this would have been a much larger and longer process, so revisions were the minimum necessary at this time, which is what were requested at the last meeting.
[LF071024-06](#) – Approve Resolution No. 2024-058, a Resolution amending Chapter 1 of the City Council Policies and Procedures to Clarify the Process for the Election of Officers

END OF CONSENT CALENDAR

NON-CONSENT ITEMS

Public Comment – Non-Consent Items 11-13
None.

FINANCE DEPARTMENT – *Daniel Ainslie, Director*

- 11) This item is for a few small items, i.e., final payments for RCPL bookmobile, some PD requests for vehicle repair, as well as some water department requests.
[LF071024-09](#) – Biberdorf moved to approve Introduction and First Reading of Ordinance No. 6627 Regarding Supplemental Appropriation No. 4 for 2024. Second by Evans. Motion carried unanimously.
[Item no. 11 to be heard at City Council Meeting on 7/15/24]

COMMUNITY DEVELOPMENT - *Community Development Director Vicki Fisher*

- 12) This resolution is for TID for a 252-unit apartment building known as Camden Heights. Fisher noted that the location of this proposed affordable housing project is hopefully in a good location as such for occupants to have more employment opportunities as well. The planning commission vetted this project on May 9th, and what is presented to the Council today is from them. TIF Planner Mike Dugan gave a slide presentation on the TID boundaries and size, number of buildings and units (including 51 units designated to senior living), a solar field to offset the cost of utilities, size of units, as well as projected pricing for the units. The City is proposing financing this project, so those financing costs of just over \$5 million will be recaptured back to the City. Seachris commented on several elements of this project, particularly with the inclusion of senior 3 and 4-bedroom units. Maher asked for clarification on the City financing piece. Maher asked for clarification on the City financing piece of the TID. Dugan responded that the City would be acting as the lender in a partnership with the applicants, so instead of interest and fees being paid to an outside institution, those monies will be paid to the City the lender for the TID.
[24TI001](#) – Seachris moved to Approve Resolution No. 2024-032, a Resolution to Create Tax Increment Financing District and Approve Resolution No. 2024-033, a Resolution to Adopt a Project Plan Property Generally Described as Being Located West of E. North Street and North of East Anamosa Street. Second by Biberdorf. Motion carried unanimously.
[Item no. 12 to be heard at City Council Meeting on 7/15/24]

- 13) Sarah Hanzel informed the Council that Community Development is in the midst of an 18-month project of updating the 2014 City Comprehensive Plan. Hanzel introduced consultant team members from the Logan Simpson Group, Kelly Naumann and Megan Moore, who presented the Comprehensive Plan Progress Report and Update, complete with a project schedule. The Council was updated on Logan Simpson’s methods for gaining public feedback, which include arts showcases, 43 listening sessions, and several study advisory team meetings so far. There is a dedicated project website, which is [RapidCityComprehensivePlan.com](#). This information is used for behind-the-scenes data analysis. The purpose is to see what rises to the top as key priorities for the City. As of July 1st, there have been 146 responses to questionnaires, and over 10,000 views on the website. Activities will be open through the end of July. These comments are being heard, in addition to what people like most, and what people would like to see in the community. The biggest opportunities for elements to change are: improved infrastructure, housing and neighborhood character, education, and land use and growth patterns, such as planned and proactive growth. Next steps are to share the Existing Conditions Report, plan an audit exercise, present a community mosaic showcase, and to summarize public feedback in August.
[LF071024-04](#) – Evans moved to acknowledge Logan Simpson Presentation: Comprehensive Plan Progress Report and Update. Second by Seachris. Motion carried unanimously.
[Item no. 13 to be heard at City Council Meeting on 7/15/24]

ADJOURN

There being no further business to come before the Committee at this time, motion was made by Seachris, second by Biberdorf and carried to adjourn the meeting at 1:17pm.