

FINAL
LEGAL AND FINANCE COMMITTEE MINUTES
Rapid City, South Dakota

October 2, 2024

A Legal and Finance Committee meeting was held at the City Administration Center in Rapid City, South Dakota, on Wednesday, October 2, 2024, at 12:30pm.

A quorum was determined with the following members answering the roll call: Bill Evans, Kevin Maher, Pat Roseland, and Greg Strommen. Absent: Josh Biberdorf.

(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 Maher. Motion carried unanimously.

GENERAL PUBLIC COMMENT

None.

CONSENT ITEMS – Items 1-15

Public Comment

Thomas Odeen – Item No. 2 – Spoke in support of Resolution No. 2024-076, and gave a brief history on the Sister City Program that stemmed from 1956 speech from President Eisenhower.

- 1) Evans moved to Approve Minutes for [September 11, 2024](#). Second by Roseland. Motion carried unanimously.

MAYOR'S OFFICE – *Jason Salamun, Mayor*

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

- 2) [LF100224-06](#) – Approve Resolution No. 2024-076, a Resolution Honoring the Renewal of the Rapid City-Apolda Germany Sister City Relationship
- 3) [LF100224-08](#) – Confirm the Appointment of Lila Mehlhaff and Reappointment of Tifanie Petro to the Community Relations Commission

FINANCE DEPARTMENT – *Daniel Ainslie, Director*

Roseland moved to approve items 4-9. Second by Maher. Motion carried unanimously.

- 4) Acknowledge the Following Volunteers for Worker's Compensation Purposes: Monica Albrecht, Janelle Austin, Susan Beeman, Marilyn Engle Huston, Kurt Lange, Linda Lueders, Wayne Lueders, Debbie Myers, Janice Nequette, Cynthia Rankin, Pamela Somervold, Brian Muir, Rhonda Berger, Patty Kennedy, and Cindy Voyles (RSVP+)
- 5) The City had \$207.7M as of the end of August, and of that 79.9% of which is invested into various fixed-rate securities. As the Council will notice, the general undesignated cash fund did dip into a negative \$407k. This will probably continue to go negative as the City waits for revenue come in through property taxes in November.
[LF100224-02](#) – Acknowledge the August 2024 Treasury and General Fund Update
- 6) Sales tax was up 3.86% for the month of July, and up 3.11% for the year, and was almost at the target budget. The BBB was down 4.8%, however, for the first 7 months it was up compared to 2023.
[LF100224-03](#) – Acknowledge the July 2024 Sales Tax Report

- 7) Item is for a fiberglass waterslide to be traded in by Parks & Recreation.
[LF100224-05](#) – Approve Resolution No. 2024-074, a Resolution Declaring Property Surplus
- 8) This item is part of the CDBG program, which will authorize \$39k to be allocated to the West River Mental Health’s program, a program to assist low-income individuals in affording their prescriptions.
[LF100224-12](#) – Authorize the Mayor and Finance Director to Sign Two (2) Copies of the FY24 Community Development Block Grant (CDBG) Subrecipient Contract with West River Mental Health
- 9) This is an innovative and approach by the Grants Division, CDBG, Community Development, and Public Works to try and leverage \$30M that has already been committed by the Council in CIP to gain about \$7M funds from the federal government, which will in turn be used for various different things, i.e., employee salaries, rehab loans, affordable housing subdivision, and for a study of the best practices to assist in the creation and retention of affordable housing in Rapid City.
[LF100224-13](#) – Approve Resolution No. 2024-078, a Resolution in Support of the City of Rapid City’s Application to the HUD “Pathways to Removing Obstacles Housing” Grant and Commitment to Providing City Infrastructure Funding to Support the Project

ATTORNEY’S OFFICE – *Joel Landeen, City Attorney*

Evans moved to approve item 10. Second by Roseland. Motion carried unanimously.

- 10) This is for the FOP contract that has been negotiated for 2025, 2026, and 2027. Police chief sent out items to be changed. Chief Hedrick highlighted several language changes, such as annual leave accruals, slight increase in police training officers, adjustment to their education loan, and it does include a wage package that would help the City remain a competitive employer. Evans asked about the retirement/medical pay that has been reduced to 50% and wanted to know how many years this is good for. Is it the rule of 75, which could amount to 20 years of pay by the City, which is a substantial, or is there fade-out after 10, and if it doesn’t fade out, is there a projection of what this might cost the city? Hedrick responded that right now when someone retires, the contribution for the employee is 100%, but starting in 2025, the employee would be getting 50% instead of 100% which will set the benchmark for employees hired after January 2025. Landeen stated that the City recognizes that this is a very generous benefit. One thing to keep in mind is that in negotiating with unions, once something is negotiated, it’s difficult to get it back, and though Alderman Evans’ points are valid, the City shouldn’t discount and not appreciate the reduction in some of the benefit in order to keep the insurance fund healthy. Requirements of the union need to be considered You don’t want to make the benefit so great that people retire too early, but on the other hand, you do need to bridge the gap. Ainslie clarified that that is not a new benefit, and though it is a substantial liability to the City, it is necessary and stated that he’d be happy to get these projections to the Council.
[LF100224-04](#) – Authorize the Mayor and Finance Director to Sign Agreement between the Fraternal Order of Police, South Dakota Lodge #2A, and the City of Rapid City, for the Period of January 1, 2025 through December 31, 2027

POLICE DEPARTMENT – *Don Hedrick, Police Chief*

Evans moved to approve items 11-12. Second by Roseland. Motion carried unanimously.

- 11) Jamie Kirsch of the Police Department shared about services available through this program and the work that the programs. The hope is that once the grant is over, that Journey On can apply for grants themselves to continue to be a partner with the Police Department.
[LF100224-01](#) – Authorize Mayor and Finance Director to Sign a Revised Agreement with Innovative Nonprofit (INP), Reallocating \$35,000 of Community Violence Intervention and Prevention Initiative (CVIPI) Grant Dollars to Provide an Additional 233 Hours of Capacity-Building Support to City Co-Response Partner, Journey On and the RCPD Community Engagement Division

- 12) This is a yearly grant that the City applies for every year with the Sherriff’s Department. There is no match required.
[LF100224-09](#) – Authorize Application and Acceptance of the 2024 JAG Grant Award for Equipment and Software for the Digital Forensic Unit

FIRE DEPARTMENT– *Jason Culbertson, Fire Chief*

Roseland moved to approve item 13. Second by Evans. Motion carried unanimously.

- 13) This grant has already been applied for and awarded. The Fire Department is now requesting permission to accept the grant.
[LF100224-10](#) – Authorize Staff to Accept the Hazardous Materials Emergency Preparedness (HMEP) Grant in the Amount of \$37,761.25

COMMUNITY DEVELOPMENT– *Vicki Fisher, Director*

Evans moved to approve items 14-15. Second by Maher. Motion carried unanimously.

- 14) This is part of the Rapid City Area Metropolitan Planning Organization. This report is in its draft stage for activities, planning studies, and products to be developed by the MPO for 2025
[24TP033](#) – Approve the 2025 Unified Planning Work Program – Draft Report
- 15) This is a contract that Community Development has been talking about for 3 years. Evans believes that great planning and design saves money in the long run.
[LF100224-11](#) – Authorize the Mayor and Finance Director to Sign Professional Services Agreement with Urban3, LLC for a Rapid City Economic Analysis in an Amount Not to Exceed \$226,227

END OF CONSENT CALENDAR

NON-CONSENT ITEMS – Items 16-21

Public Comment

- Greg Blanc – Item 21 – supportive of moratorium to limit licenses.
- Colleen-Marie Boling – Item 21 – supportive of moratorium.
- Rob Crumb – Item 21 – supportive of the moratorium.
- Kitt Jeffries – Item 21 – not supportive of moratorium.
- Jake Johnson – Item 21 – not supportive of moratorium.
- James Moore – Item 21 – supportive of the moratorium.
- Dennis Phillips – Item 21 – supportive of moratorium.
- Emmet Reistroffer – Item 21 – not supportive of moratorium.
- Kieth Rhudy – Item 21 – supportive of moratorium.
- Tonchi Weaver – Item 21 – supportive of moratorium.

PUBLIC WORKS PRESENTATIONS

Evans moved to acknowledge items 16-17. Second by Maher. Motion carried unanimously.

- 16) Announced that Rapid City was awarded the best water in the state. There were no state or federal violations this year, and the water department intends to enter for national competitions.
 Announcement of Award Granted to Rapid City Water Division by South Dakota Water and Wastewater Association, by Eric Boyda, Water Superintendent
- 17) This is a federally-required rule regarding service lines (from water main to home). February of 1980 the City banned lead, but there are other metals that are problematic. First release for public notice is on October 7, 2024, which will include directions and protocol for residents to identify their service line material. Boyda shared the City’s plan on how to replace service lines throughout the City. Work with homeowners of service lines and develop and plan based upon pending Lead and Copper Rule Improvement.

Strommen asked about the 750 service lines will need to be replaced and if the City is planning on implementing a way to help homeowners replace their service lines. Boyda confirmed that it is.
Update on Lead/Copper Service Line Inventory, by Eric Boyda, Water Superintendent

FINANCE DEPARTMENT – *Daniel Ainslie, Director*

- 18) Roseland moved to approve item 18. Second by Evans. Motion carried unanimously.
No changes since first reading.
[LF091124-10](#) – Second Reading and Recommendation of Ordinance No. 6635, an Ordinance Regarding Supplemental Appropriation #5 for 2024

COMMUNITY DEVELOPMENT– *Vicki Fisher, Director*

- 19) Evans moved to acknowledge the withdrawal of item 19. Second by Maher. Motion carried unanimously.
Data center is currently not identified in current ordinance. This is just to add language to make it the same across the code.
[24OA005](#) – Introduction and First Reading of Ordinance No. 6626, an Ordinance Amending Title 17 to Add the Definition of a Data Center and Permit Data Centers in Light Industrial Districts and Heavy Industrial Districts

- 20) Roseland moved to approve item 20. Second by Maher. Motion carried unanimously.
This is an ordinance to clean up the code for clerical errors.
[24OA007](#) – Introduction and First Reading of Ordinance No. 6636, an Ordinance Amending Clerical Errors and Redundancy in Chapters 17.28.040, 17.50.020, and 17.50.250 of the Rapid City Municipal Code

ATTORNEY’S OFFICE– *Joel Landeen, City Attorney*

- 21) Roseland moved to send item 21 to Council without recommendation. Second by Maher. Motion carried unanimously.
[LF100224-07](#) – Resolution No. 2024-079, a Resolution Initiating a Moratorium on Accepting Applications for New Cannabis Dispensary Licenses

ALDERMAN ITEMS

SUMMARY.

ADJOURN

There being no further business to come before the Committee at this time, motion made by Maher, second by Roseland and carried to adjourn the meeting at 2:06pm.