

PROCEEDINGS OF THE CITY COUNCIL
Rapid City, South Dakota

June 5, 2017

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Rapid City was held at the City/School Administration Center in Rapid City, South Dakota on Monday, June 5, 2017 at 6:30 P.M.

The following members were present: Mayor Steve Allender and the following Alderpersons: Ritchie Nordstrom, Darla Drew, Jason Salamun, Charity Doyle, Brad Estes, Amanda Scott, Jerry Wright, Lisa Modrick, and John Roberts and the following Alderpersons arrived during the course of the meeting: NONE; and the following were absent: Steve Laurenti

Staff members present included: Finance Officer Pauline Sumption, City Attorney Joel Landeen, Public Works Director Dale Tech, Interim Fire Chief Rod Seals, Parks & Recreation Director Jeffrey Biegler, Police Chief Karl Jegeris, Community Development Manager Barb Garcia, Solid Waste Superintendent Karl Merbach, Current Planning Manager Vicki Fisher, Long Range Planning Manager Patsy Horton and Administrative Coordinator Heidi Weaver-Norris.

ADOPTION OF AGENDA

Mayor asked that Executive Session be moved after the bill list and that Item 66 be removed from the agenda since it was tabled at committee. Motion was made by Estes, second by Modrick to move Executive Session to follow the bill list and remove Item 66 from the agenda. Motion carried to adopt the agenda as amended.

AWARDS AND RECOGNITIONS

Mayor Allender and Police Chief Jegeris recognized Joleen Ollerich for her employment with the Rapid City Police Department for the past 20 years. They thanked her for service and dedication to the City of Rapid City.

Mayor Allender and Interim Fire Chief Seals recognized William Potter for his 25 years of service with the Rapid City Fire Department. He was thanked for his service and dedication to the City of Rapid City.

NON-PUBLIC HEARING ITEMS -- Items 3 – 66

CONSENT ITEMS – Items 3 – 56

The following items were removed from the Consent Items:

26. PW053017-16 – Authorize Staff to Purchase Terex CBI 6800 wood debris grinder system using the National Joint Powers Alliance through Theco, Inc. St. Michael, MN. Estimated Cost: \$816,186.67.
36. LF053117-02 – Authorize Mayor to Sign the Emergency Solutions Grants Program – Local Government Certification for Pennington County Health & Human Services Approval Form.
39. LF053117-10 – Acknowledge Summary Presentation of Landfill Gas Production and Future Beneficial Reuse.
54. No. CC060517-02.5 – Approve award of total bid for Ready Mix Concrete opened on May 30, 2017 to the lowest responsible bidder, Pete Lien & Sons, Inc., in the amount of \$79,756.25.

Approve Minutes

3. Approve Minutes for the May 15, 2017 Regular Council meeting.

Alcoholic Beverage License Applications Set for Hearing (June 19, 2017)

4. Rapid City Chamber of Commerce for a SPECIAL EVENT On-Sale Malt Beverage and Wine license for an Event scheduled for July 11, 2017 at First Interstate Bank, 333 W Blvd Ste. 100
5. Rapid City Chamber of Commerce for a SPECIAL EVENT On-Sale Malt Beverage and Wine license for an Event scheduled for September 12, 2017 at LifeScape, 7110 Jordan Drive
6. Rapid City Chamber of Commerce for a SPECIAL EVENT On-Sale Malt Beverage and Wine license for an Event scheduled for October 10, 2017 at Rapid City Public Library, 610 Quincy St.
7. American Legion Post 22 for a SPECIAL EVENT On-Sale Malt Beverage license for an Event scheduled for June 28, 2017 to July 4, 2017 at Post 22 Baseball Field Parking Lot, 2900 Jackson Blvd
8. Naja Shrine Temple for a SPECIAL EVENT On-Sale Dealer license for an Event scheduled for July 1, 2017 at Rapid City Shrine Center, 4091 Sturgis Rd
9. Naja Shrine Temple for a SPECIAL EVENT On-Sale Malt Beverage and On-Sale Wine license for an Event scheduled for July 7, 2017 at Rapid City Shrine Center, 4091 Sturgis Rd
10. Stephen Field DBA Stop & Sip, 2200 N Maple Ave Suite C26 for a Retail (on-off sale) Malt Beverage & SD Farm Wine license
11. Sheree Schriver DBA Jambon Deux(2), 516 7th Street for a Retail (on-off sale) Malt Beverage License and a Retail (on-off sale) Wine License

Public Works Committee Consent Items

12. PW053017-01 – Confirm the Appointment of Brenna Moloney to the Historic Preservation Commission.
13. PW053017-02 – Confirm the Appointment of Brenna Moloney to the Historic Sign Review Committee.
14. PW053017-03 – Approve Change Order #3F to Simon Contractors DBA Hills Materials for Saint Andrew St. & Saint Charles St. Sanitary Sewer and Water Reconstruction, Project No. 14-2168 / CIP No. 50959 for a decrease of \$5,411.44.
15. PW053017-04 – Approve Change Order #1F to Lind-Exco for South Truck Route DBDP Element 203, Project No. 14-2207 / CIP No. 51031 for a decrease of \$11,129.10.
16. PW053017-05 – Approve Change Order #1F to Tru-Form Construction for Drainage Improvements Alley in Block 18 - North Rapid Subdivision & Block 3 - Mallridge Subdivision 2, Project No. 16-2328 / CIP No. 51116 for an increase of \$136.76.
17. PW053017-06 – Authorize Staff to Advertise for Bids for East Rapid City Water Expansion Anderson Road Water Main Extension, Project No. 14-2194 / CIP No. 50964.B. Estimated Cost: \$850,000.00.
18. PW053017-07 – Authorize Mayor and Finance Officer to Sign Construction Professional Services agreement between City of Rapid City and American Engineering and Environmental Services, Inc.(AE2S) for Meade/Hawthorne DBDP - Element 48, Project No. 15-2306 / CIP 50758, in the amount of \$56,668.00.
19. PW053017-09 – Authorize Mayor and Finance Officer to Sign Agreement between the City of Rapid City and FMG Inc. for Construction Testing Services for Fire Station #5 Improvements, Project No. 2073 / CIP No. 51158, in the amount of \$3,968.00.
20. PW053017-10 – Authorize Mayor and Finance Officer to Sign Covenant Agreement between the City and DOECK, LLC for future Construction of Improvements to Chalkstone Drive.
21. PW053017-11 – Authorize Mayor and Finance Officer to Sign Covenant Agreement Between the City of Rapid City, Hagg Brothers, LLC, and Orthopedic Land Company, LLC Regarding Ownership and Maintenance of Storm Water Detention Pond.
22. PW053017-12 – Authorize Mayor and Finance Officer to Sign Agreement between the City of Rapid City and HDR Engineering, Inc. for La Crosse Street Interchange Utility Improvements, Project No. 16-2318 / CIP No. 51108, in the amount of \$101,741.00.
23. PW053017-13 – Authorize Lowering the Percentage of Work that the General Contractor Must Perform from 50% to 35% for the WRF Process Reliability Improvements, Project No. 16-2342 / CIP No. 51141.

- 24. PW053017-14 – Authorize the Green Valley Sanitary District to connect to the Rapid City wastewater system contingent upon a formal Sanitary Sewer Service Agreement.
- 25. PW053017-15 – Authorize Mayor and Finance Officer to Sign an amended agreement between the Rapid City Solid Waste Division and FMG Inc. changes in scope to the Cell 17 Landfill Cap project, in the amount of \$15,540.00.
- 27. PW053017-17 – Authorize staff to solicit proposals for Cold and Hot Drink Services for the Ice Arena, Swimming Pools and Executive Golf Course.
- 28. PW053017-08 – Approve the Agreement Allowing the City of Rapid City to Provide Water Service to Certain Property Within Rapid Valley Sanitary District.
- 29. PW053017-18 – Approve Request from Black Hills Home Builders Association for a Variance to Waive the Requirement to Install Sidewalk per City Ordinance 12.08.060 Along West Chicago Street and to install sidewalks along Vale Street for the property located at 3121 West Chicago Street.

Legal & Finance Committee Consent Items

- 30. LF053117-04 – Approve Change Order for Purchase of Fire Apparatus
- 31. Acknowledge the Following Volunteers for Worker’s Compensation Purposes: Austin Helgert, Edward Thomas
- 32. LF053117-01 – Approve Resolution No. 2017-037A a Resolution Fixing Time and Place for Hearing on Assessment Roll for a Business Improvement District 2017

RESOLUTION No. 2017-037A
 RESOLUTION FIXING TIME AND PLACE FOR HEARING ON ASSESSMENT ROLL
 FOR A BUSINESS IMPROVEMENT DISTRICT 2017

BE IT RESOLVED by the City Council of the City of Rapid City, South Dakota, as follows:

- 1. The Assessment Roll for a Business Improvement District 2017 was filed in the Finance Office on the 5th day of June 2017. The City Council shall meet at the City / School Administration Center in Rapid City, South Dakota, on the 3rd day of July 2017 at 6:30 P.M., this said date being not less than twenty (20) days from the filing of said assessment roll for hearing thereon.
- 2. The Finance Officer is authorized and directed to prepare a Notice stating the date of filing the assessment roll, the time, and place of hearing thereon; that the assessment roll will be open for public inspection at the Office of the Finance Officer, and referring to the assessment roll for further particulars.
- 3. The Finance Officer is further authorized and directed to publish notice in the official newspaper one week prior to the date set for hearing and to mail copy thereof, by first class mail, addressed to the owner or owners of any property to be assessed at his, her, or their last mailing address as shown by the records of the Director of Equalization, at least one week prior to the date set for hearing.

Dated this 5th day of June, 2017.

CITY OF RAPID CITY
s/ Steve Allender
 Mayor

ATTEST:
s/ Pauline Sumption
 Finance Officer

(SEAL)

- 33. LF053117-03 – Acknowledge April 2017 General Fund Cash Balance Report.
- 34. LF053117-05 – Approve Resolution No. 2017-041 a Resolution Declaring Miscellaneous Personal Property Surplus

Resolution # 2017-041
RESOLUTION DECLARING MISCELLANEOUS PERSONAL PROPERTY SURPLUS

WHEREAS the below-described property is no longer necessary, useful or suitable for municipal purposes

NOW, THEREFORE, BE IT RESOLVED that the following property be declared surplus and disposed of according to state statutes, including disposal, sale or trade-in on new equipment:

From: Police Department (201)

For Donation to The Black Hills Humane Society:
2005 Chevrolet Suburban, VIN 3GNGK26U45G237681
2007 Chevrolet Suburban, VIN 3GNGK26K87G306339

From: Fire Department (202)

For Donation to Vale Fire Department:
5 Self-Contained Breathing Apparatus, 10 SCBA bottles, 1 sm mask, 2 med masks, 2 large masks

For Donation to Pine Ridge Reservation:

35 Self-Contained Breathing Apparatus, 70 SCBA bottles, 85 masks

BE IT FURTHER RESOLVED that the Mayor and Finance Officer may do all acts necessary to dispose of this property according to state law.

Dated this 5th day of June, 2017.

CITY OF RAPID CITY
s/ Steve Allender
Mayor

ATTEST:

s/ Pauline Sumption
Finance Officer

(SEAL)

- 35. LF053117-06 – Approve Resolution No. 2017-040 a Resolution to Update Change Funds

RESOLUTION 2017-040
A RESOLUTION TO UPDATE CHANGE FUNDS

WHEREAS, the City Council previously adopted Resolution 2014-003 Establishing and Re-Establishing Petty Cash Funds, Change Funds and Travel Funds; and

WHEREAS, the City Council previously adopted Resolution 2014-096 A Resolution to Update Petty Cash Funds, Change Funds and Travel Funds; and

WHEREAS, the City Council previously adopted Resolution 2015-013 A Resolution to Update Change Funds; and

WHEREAS, the City Council previously adopted Resolution 2015-075 A Resolution to Update Change Funds; and

WHEREAS, the City Council previously adopted Resolution 2016-017 A Resolution to Update Change Funds; and

WHEREAS, the Cash Handling Audits I and II prepared by Compass have made the recommendation that the Finance Office create and maintain a complete and accurate list of all petty cash funds, change funds and travel funds; and

WHEREAS, such list should properly be supported by City Council resolutions; and

WHEREAS, the following increase to the existing change fund and following new change fund are to be made:

Public Works	Transit Change Fund	increase to \$100.00
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NOW, THEREFORE, BE IT RESOLVED, that the Public Works Transit Change Fund be increased by \$50.

Dated this 5th day of June, 2017.

CITY OF RAPID CITY
s/ Steve Allender
Mayor

ATTEST:
s/ Pauline Sumption
Finance Officer

(SEAL)

- 37. LF053117-11 – Approve Renewal of Midco Service Agreements
- 38. LF053117-07 – Approve Resolution No. 2017-042 a Resolution Revising the Order of Business for City Council Meetings

RESOLUTION NO. 2017-042
A RESOLUTION REVISING THE ORDER OF BUSINESS FOR
CITY COUNCIL MEETINGS

WHEREAS, the City Council has adopted Resolutions 2012-136 and 2015-077, which established the order of business for the agenda of City Council meetings; and

WHEREAS, the Council finds it to be in the best interest of the efficient conduct of business to revise the agenda order to reflect changes in committees and practices of the Council.

NOW THEREFORE, BE IT RESOLVED, by the Common Council of the City of Rapid City that the normal order of business shall be as follows:

- ROLL CALL AND DETERMINATION OF QUORUM**
- INVOCATION**
- PLEDGE OF ALLEGIANCE**
- ADOPTION OF AGENDA**
- AWARDS AND RECOGNITIONS**

EXECUTIVE SESSION

STAFF DIRECTION

GENERAL PUBLIC COMMENT

A time for the members of the public to discuss or express concerns to the council on any issue not on the agenda. Action will not be taken at the meeting on any issue not on the agenda, except by placement on the agenda by unanimous vote of the council members present.

NON-PUBLIC HEARING ITEMS

Public Comment opened
Public Comment closed

CONSENT ITEMS

Remove Items from the "Consent Items" and Vote on Remaining Consent Items
Approve Minutes
Vacations of Right-Of-Way Set for Hearing
Alcoholic Beverage License Applications Set for Hearing
Public Works Committee Consent Items
Legal & Finance Committee Consent Items
CIP Committee Consent Items
Compass Committee Consent Items
Community Planning & Development Services Department Consent Items
Bid Award Consent Items
Continued Consent Items

END OF CONSENT CALENDAR

NON-CONSENT ITEMS

Public Comment opened
Public Comment closed
Ordinances
Public Works Committee Items
Legal & Finance Committee Items
CIP Committee Items
Compass Committee Items
Community Planning & Development Services Department Items
Other Board, Commission & Committee Items
Bid Awards
Alcoholic Beverage License Applications
 Reissuance
 Special Event
Mayor's Items
Council Items & Liaison Reports
 Reconsideration Notices
 Motion for Delivery of Items from Committee
Staff Items
Appeals
 Planning Commission Appeals
 License Appeals
 Sign Code Appeals
 Other Appeals Heard by the Council

PUBLIC HEARING ITEMS

Open Public Hearing (comment) [Public Hearing Remains Open]

CONTINUED PUBLIC HEARING CONSENT ITEMS

END OF CONTINUED PUBLIC HEARINGS CONSENT ITEMS

Close Public Hearing (comment)

CONSENT PUBLIC HEARING ITEMS

***Community Planning & Development Services Department Items
Alcohol Licenses
Assessment Rolls
Other Items Requiring Public Hearings***

END OF CONSENT PUBLIC HEARING CALENDAR

NON-CONSENT PUBLIC HEARING ITEMS

EXECUTIVE SESSION

STAFF DIRECTION

BILLS

ADJOURN

Dated this 5th day of June, 2017.

CITY OF RAPID CITY
s/ Steve Allender
Mayor

ATTEST:

s/ Pauline Sumption
Finance Officer

(SEAL)

CIP Committee Consent Items

- 40. No. CIP051917-00 – Acknowledge Capital Improvement Programs Committee Monthly Update for April 2017
- 41. No. CIP051917-03 – Approve Capital Plans for Government Facilities – (Fire & Emergency Services, Parks & Recreation, CSAC)
- 42. No. CIP051917-04 – Approve Capital Plan for Fire Vehicles
- 43. No. CIP051917-05 – Approve Capital Plan for Parks & Recreation
- 44. No. CIP051917-06 – Approve Capital Plan for Information Technology
- 45. No. CIP051917-01 – Approve Financial Reports (Contingency, DCA Charges, Matching Grants, Penn Co Loan)
- 46. No. CIP051917-02 – Approve Capital Plan for Streets, Drainage, MIP Projects
- 47. No. CIP051917-07 – Approve reallocation of \$65,000 in CIP - Government Buildings from Swim Center Improvements to Ice Arena Rooftop HVAC unit replacement
- 48. No. CIP051917-08 – Approve Updated 5-year CIP Plan
- 49. No. CIP051917-09 – Approve Updated 5-year Government Facilities Plan

Bid Award Consent Items

- 50. No. CC060517-02.1 – Approve award of total bid for East Madison Street and Racine Street – Pavement Rehabilitation Project, Project No. 17-2362 / CIP No. 50844 opened on May 30, 2017 to the lowest responsible bidder, J&J Asphalt in the amount of \$209,322.50
- 51. No. CC060517-02.2 – Approve award of total bid for Big Sky Subdivision Street Rehabilitation, Project No. 17-2380 / CIP No. 51160 opened on May 30, 2017 to the lowest responsible bidder Hills Materials Company, in the amount of \$674,448.75.
- 52. No. CC060517-02.3 – Approve award of Total Bid, contingent on South Dakota State DENR concurrence and approval, for East Rapid City Water Expansion Valley View and Radar Hill Road North Extensions Project, Project No. 14-2197 / CIP No. 50964.E opened on May 30, 2017 to the lowest responsible bidder, Mainline Contracting, Inc. in the amount of \$1,033,623.20

53. No. CC060517-02.4 – Approve award of total bid for Limestone Gravel opened on May 30, 2017 to the lowest responsible bidder, Hills Materials Company, in the amount of \$52,105.00.
55. No. CC060517-02.6 – Approve award of total bid for Hot Mixed Asphaltic Concrete opened on May 30, 2017 to the lowest responsible bidder, Hills Materials Company, in the amount of \$133,600.00.
56. No. CC060517-02.7 – Approve award of total bid for Utility Cut Portland Concrete Replacement opened on May 30, 2017 to the lowest responsible bidder, Brewer Construction, in the amount of \$110,725.00.

END OF CONSENT ITEMS

Mayor read in item (PW053017-16) Authorize Staff to Purchase Terex CBI 6800 wood debris grinder system using the National Joint Powers Alliance through Theco, Inc. St. Michael, MN. Estimated Cost: \$816,186.67. Motion was made by Drew, second by Scott to approve. In response to a question from Drew, Merbach said the current machine is over 20 years old. They have spent over \$400,000 on upkeep and repairs. The new machine will be onsite and is more efficient than the old machine. The materials that go into this machine can't go into the general landfill. The material is broken down into compost. Motion carried 9-0.

Mayor read in item (LF053117-02) Authorize Mayor to Sign the Emergency Solutions Grants Program – Local Government Certification for Pennington County Health & Human Services Approval Form. Scott asked the Mayor if this request was only for support to apply for the grant and clarified there was no funding request. The Mayor said yes. Motion was made by Salamun, second by Modrick and carried to approve 9-0.

Mayor read in item (LF053117-10) Acknowledge Summary Presentation of Landfill Gas Production and Future Beneficial Reuse. Wright asked Merbach to give the presentation. Merbach said they are currently in the third phase of expansion. He explained that landfill gas is made up of methane and other gases generated from the decomposition of garbage organics. Landfill gas is approximately is 45-50% methane; 45-50% carbon dioxide; 1% nitrogen, oxygen, and sulfides. Some LFG beneficial reuse options include; electrical generation; pipeline to local industry; conversion LFG to CNG for vehicle fuel. Currently Rapid City is in compliance with Federal Greenhouse Gas Regulations. Next beneficial reuse review should be done in the summer 2018. Wright stated in 1998 the EPA required landfills to test. The testing requirements were met until 2008, and for some reason it didn't pass in 2008 so they were required to install a gas and flaring system. Wright feels the best use would be to run a generator. If we are going to be burning gas, let's contribute to our economy and our benefit while taking care of the environment. In response to a question from Nordstrom, Merbach said they burn the gas that is coming in and they get a 99% destruction which is meeting the compliance. Methane gas is a 20 times stronger greenhouse gas than CO2. They are not quite getting the beneficial reuse that they'd like to see from a waste product. Nordstrom likes the thought of a generator but is concerned about emissions after it's gone through the generator and the air quality after that. Motion was made by Scott, second by Estes to acknowledge. Wright wanted to clarify information about the generators. He said they have to meet air quality standards before they can put them online so that is taken care of by the manufacturer. Motion carried 9-0.

Mayor read in item (No. CC060517-02.5) Approve award of total bid for Ready Mix Concrete opened on May 30, 2017 to the lowest responsible bidder, Pete Lien & Sons, Inc., in the amount of \$79,756.25. Scott asked to abstain. Motion was made by Estes, second by Drew and carried to approve 8-0 with Scott abstaining.

NON-CONSENT ITEMS – Items 57 – 66

Peggy Roberts-Titze, resident of Catron Crossing, spoke on item 63. She is concerned with construction of more than twin homes in her neighborhood. She wants to make sure covenants are followed. Mike

Golliher spoke on items 57, 63, and 85. He drafted a petition outlining his concerns about constructing 11 townhomes on land that is less than one acre in size. If rezoning is approved, he'd like the low density one or two guidelines to be followed and to follow the single-family or 2-family attached unit, not a 3 or 4 family unit as proposed. He said if the overlay is approved it would be a disservice to the residents in the area.

Ordinances

Ordinance 6175 (No. 17RZ015) An Ordinance Amending Section 17.06 of Chapter 17 of the Rapid City Municipal Code, a request by KTM Design Solutions, Inc for Yanni Georgas for a Rezoning from General Agricultural District to Low Density Residential District II for property generally described as being located southeast of the intersection of Overview Lane and Nugget Gulch Drive. (This item was continued from the May 15, 2017 City Council meeting.) Motion was made by Doyle, second by Estes and carried to approve the rezone only without the planned development overlay. Ordinance 6175 was placed on its first reading and the title was fully and distinctly read.

Ordinance 6181 (LF051017-03) Approve Second Reading and Recommendation of Ordinance No. 6181 Regarding Supplemental Appropriation #2 for 2017. Motion was made by Scott, second by Wright that the title be read the second time. Scott asked Sumption if there were any changes from the first reading and Sumption said there were no changes. Upon vote being taken the following voted AYE: Nordstrom, Drew, Salamun, Doyle, Estes, Scott, Wright, Modrick and Roberts. NO: None: whereupon the Mayor declared the motion passed an Ordinance 6181 was declared duly passed upon its second reading.

Ordinance 6180 (LF053117-09) An Ordinance to Update the Life Safety Loan Program Funding and Process by Amending Chapter 3.28 of the Rapid City Municipal Code. Motion was made by Scott, second by Salamun and carried that Ordinance 6180 be placed on its first reading and the title was fully and distinctly read.

Ordinance 6182 (No. 17RZ018) An Ordinance Amending Section 17.06 of Chapter 17 of the Rapid City Municipal Code, a request by Mike Van Loan for a Rezoning from Flood Hazard to Low Density Residential District for property generally described as being located west of West South Dakota Highway 44. Motion was made by Estes, second by Roberts that Ordinance 6182 be placed on its first reading and the title was fully and distinctly read. Motion carried 8-1 with Drew voting no.

Ordinance 6183 (No. 17RZ019) An Ordinance Amending Section 17.06 of Chapter 17 of the Rapid City Municipal Code, a request by City of Rapid City for a Rezoning from No Use District to Low Density Residential District for property generally described as being located east of Elk Vale Road, north of Twilight Drive, west of Reservoir Road, south of Homestead Street. Motion was made by Scott, second by Roberts that Ordinance 6183 be placed on its first reading and the title was fully and distinctly read.

Ordinance 6184 (No. 17RZ020) An Ordinance Amending Section 17.06 of Chapter 17 of the Rapid City Municipal Code, a request by KTM Design Solutions, Inc for Selador Ranches, Inc. for a Rezoning from General Agricultural District to Low Density Residential District for property generally described as being located west of Prestwick Road. Motion was made by Modrick, second by Drew that Ordinance 6184 be placed on its first reading and the title was fully and distinctly read.

Community Planning & Development Services Department Items

Doyle read in item (No. 17PL037) A request by KTM Design Solutions, Inc. for Yanni Georgas for a Preliminary Subdivision Plan for proposed Lot A, B, C and D of Stoney Creek South No. 2 Subdivision, generally described as being located southeast of the intersection of Overview Lane and Nugget Gulch Road. (This item was continued from the May 15, 2017 City Council Meeting.) In response to a question from Doyle, Vicki Fisher said this item should be heard after item 85. Motion was made by Salamun, second by Scott and carried that this item follow item 85.

Legal & Finance Committee Items

Roberts read in item (LF053117-12) Approve Final Community Development Block Grant (CDBG) FY2016 Reallocation of Contingency Funds and FY2017 Allocations. Motion was made by Roberts, second by Modrick to approve. Doyle said she would be voting no. She is in favor of the grant but not how the request came through. She said the original proposal was vetted through the committee and they did not recommend funding this project. So she said she would be voting against it. In response to a question from Modrick, Garcia clarified that the grant request had gone through a committee for recommendation and Council approved it with two changes. Garcia explained this is being brought back because there is a 30-day comment period where the public can respond and she said she did not receive any comments. Garcia said if this is denied it would not go back to committee since they already made their recommendation. She said it's up to Council if they want to approve the allocation. If council denies the request, they can decide how they want the money handled. Substitute motion was made by Scott, second by Doyle to approve the community development block grant but to remove the \$75,000 allocation to Freeland Ranch from line item 461 and reallocate the money back into item 464 which is the City of Rapid City Community Development demo and land acquisition for small affordable housing. In response to a question from Scott, Garcia said the money they are talking about is 2017 funds that are coming from the federal government. They are required by HUD to make an estimate. In the initial approval the wording said if the amount comes back 25% higher or lower than recommended it would come back to council for review, otherwise the committee would make the adjustments. Scott said if the city is going to help with more affordable housing then they city could probably use those funds. Doyle said she has a concern that this project is contingent upon the city granting a TIF and that might not happen. Estes said he is the liaison for this committee and they did a good job of allocating funds where they are needed in the community. He will support the amended motion but not the original motion. Substitute motion failed 5-4 with Wright, Modrick, Roberts, Nordstrom and Drew voting no. Original motion to approve carried 5-4 with Doyle, Estes, Scott and Salamun voting no.

Alcoholic Beverage License Applications Reissuance – Item 65**2017-2018 Retail (on-off sale) Malt Beverage License Renewals NO Video Lottery**

65. City of Rapid City dba Executive Golf Course, 1136 Executive Drive for a Retail (on off sale) Malt Beverage License

Mayor read in item 65. Motion was made by Roberts, second by Wright and carried to approve Item 65.

Council Items & Liaison Reports

66. LF053117-08 – John Roberts - Proposed Ordinance Dedicating a Percentage of the Vision Fund to Infrastructure Improvements by Amending Section 3.16.090 of the Rapid City Municipal Code.

Item 66 was removed from the agenda since it was tabled at committee and should not have been on this agenda.

PUBLIC HEARING ITEMS – Items 67 – 85

Kathryn Johnson, representing DTH LLC, the developer of TID 54, spoke on Item 78. She said there are two steps involved with approving item 78. She said she would comply with those steps. None of the public improvements that were funded through TID 54 were required for the plats of that subdivision. She said all of the costs for professional services will be scrutinized by Patsy Horton and the Planning Department during step two. She is asking that step one be approved, to allow the revised project plan. It will allow them to move to step two which is justifying the eligible costs. Johnson said that in the last 10 years the Council has approved reallocation in 18 of the project plans. She could not find any requests that were denied. She is asking that the revised project plan for TID 54 be approved.

Hani Shafai addressed the Council regarding item 78. As far as the design fees, those will be reviewed with city staff at the certification stage. The design included a booster station, a water main to a reservoir and a 12" water main along Bunker Drive and a road along the water main to a new tank. They worked

with city staff to do an alignment that was done late in 2008. That alignment was almost complete and there was a change in staff, in which they were asked to change alignment and minimize the grade further. The road width was 12 feet and after the design was complete, it was requested to be changed to 20 feet. He asked that item 78 be approved.

Scott Sumner, attorney for DTH, spoke on item 78. He said the developer has completed all of the improvements in the original project plan. There was one change to remove the water well and replace with water reservoir. There was a cost certification in 2012 that was not represented by the applicant as being a final cost certification. The developer did not receive the final invoice from the city until 2014. He said there is no financial harm to anyone from any perceived delay in the request for reallocation. There are no extra interest costs and no extra capital costs. Per Sumner, this is simply a matter of trying to avoid putting form over substance and bring the paperwork into alignment with reality. They want to get step one approved to seek a reallocation of the project plan, to put the budget items in line with actual costs. To request a reallocation of interest expense to cover other project costs is not asking anything out of the ordinary. He said they are simply requesting that paperwork be allowed to proceed to bring the actual cost / project plan into conformance with reality.

Joy McCracken addressed the Council regarding item 79. She thanked everyone for their support in getting the Village on Monroe to almost its final stage. If the TIF is awarded they will use proceeds from the project to provide each homeowner with a \$12,000 down payment loan. The loan will have 0% interest, no payments and will be due on sale. The buyer can use this as a sufficient down payment, which will allow the homeowner to get a lower interest rate and lower mortgage interest premiums. This is all so they can keep their mortgage payment at 30% or less of their total income. When property is sold, the loan is repaid and available to the next buyer. She has learned the cost for a basic electrical panel, soil testing, and delivery charges for materials are the same for small homes as well as large homes. She has learned there are more than 10,000 families in Rapid City with incomes of \$35,000 or less. They are ready to build these five homes and putting families into home ownership.

Ken Coleman, addressed the Council regarding item 85. He lives on Nugget Gulch Drive. He said his concern is that his house is on the edge of where 3-plex and 4-plex family homes are being proposed. He is concerned about his property value going down if 4-plexes are developed. He is also concerned with parking. He would prefer townhomes be built versus tri-plexes or 4-plexes.

CONSENT PUBLIC HEARING ITEMS – Item 67 – 77

Motion was made by Scott, second by Drew and carried to approve Items 67-77.

Community Planning & Development Services Department Items

67. No. 17VR001 – Approve a request by Renner Associates, LLC for Presbyterian Retirement Village of Rapid City, Inc. for a Vacation of Right of Way for property generally described as being located 225 Texas Street.

Per direction from the City Attorney's Office, the following corrective resolution is being requested as the original resolution and exhibit was returned from the Register of Deeds due to a difference in the legal description. The submitted application and associated Exhibit were correct, however the property was replatted during the time the Vacation of Right-of-Way was being processed. The resolution and exhibit have been revised to show the replatted legal. The initial Vacation of Right-of-Way (Resolution 2017-013) was approved at the March 20, 2017 City Council meeting and signed by the Mayor and Finance Officer and this corrective resolution will replace those documents for recording at the Register of Deeds office.

Resolution 2017-034
Corrective Resolution of Vacation of Right-of-Way

WHEREAS, on March 20, 2017, Council approved Resolution No. 2017-013 A Resolution of Vacation of Right-of-Way to vacate a portion of Wisconsin Avenue lying south of 225 Texas Street; and

WHEREAS, the legal description on Resolution No. 2017-013 stated that the vacated Wisconsin Avenue right-of-way lay between Lot 7 of Block 23 and Block 24A of Robbinsdale Addition #7 in Rapid City; and

WHEREAS, subsequent to the submission of the petition to vacate the right-of-way, a plat was approved to merge Lot 7 of Block 23 into Block 24A Revised of Robbinsdale Addition #7, changing the legal description for the portion of Wisconsin Avenue to be vacated; and

WHEREAS, consequently, because it relied upon an outdated and nonexistent legal description, Resolution 2017-013 was ineffective to vacate the right-of-way; and

WHEREAS, this Resolution incorporates the proper and current legal description to effectuate the intended vacation of the Wisconsin Avenue right-of-way; and

WHEREAS, it appears that the right-of-way located in that portion of Wisconsin Avenue lying adjacent to Block 24A Revised of Robbinsdale Addition #7, located in Section 13, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota, more generally described as being the Wisconsin Avenue right-of-way lying south of 225 Texas Street, is not needed for public purposes; and

WHEREAS, the owner(s) of property adjacent to the above-described right-of-way desires said public right-of-way to be vacated and released.

NOW THEREFORE, BE IT RESOLVED by the City of Rapid City that the public right-of-way heretofore described, and as shown on Exhibit "A", attached hereto, and incorporated herein, is hereby vacated.

BE IT FURTHER RESOLVED, that the Mayor and Finance Officer are hereby authorized to execute a release of public right-of-way in regard thereto.

Dated this 5th day of June, 2017.

CITY OF RAPID CITY
s/ Steve Allender
Mayor

ATTEST:
s/ Pauline Sumption
Finance Officer

(SEAL)

Alcohol Licenses

- 68. Naja Shrine Temple for a SPECIAL EVENT On-Sale Dealer License for an Event Scheduled for June 16, 2017 at Rapid City Shrine Center, 4091 Sturgis Road
- 69. Deano's Casino Inc. DBA Deano's Casino Inc., 903 E North Street Ste. A for a Retail (on-off sale) Malt Beverage TRANSFER from MG Oil Company DBA Haines Ave Casino, 1735 Haines Ave
- 70. Stephen P Feild DBA Stop and Sip, 2200 N Maple Ave C26 for a Retail (on-off sale) Wine License TRANSFER and a Package (off sale) Malt Beverage & SD Farm Wine License TRANSFER from Dakota T&R, DBA Dakota Best Wine and Gifts, 2200 N Maple Ave Ste. 242
- 71. Rapid City Chamber of Commerce for a SPECIAL EVENT On-Sale Malt Beverage and Wine License for an Event Scheduled for June 13, 2017 at The Village at Skyline Pines, 1050 Fairmont Blvd

72. Rapid City Chamber of Commerce for a SPECIAL EVENT On-Sale Malt Beverage and Wine License for an Event Scheduled for June 20, 2017 at Black Hills State University – Rapid City, 4300 Cheyenne Blvd
73. City of Rapid City for a SPECIAL EVENT On-Sale Malt Beverage License for an Event Scheduled for June 17, 2017 at Executive Golf Course, 200 Founders Park

2017-2018 Alcohol Beverage License Renewals

74. Shooters Inc. dba Shooters, 2424 W Main Street for a Retail (on off sale) Malt Beverage License
75. Shooters Inc. dba Shooters Wood Fire Grill (Inactive) 2424 W Main Street for a Retail (on off sale) Malt Beverage License
76. Moyle Petroleum Co. dba Common Cents – Sheridan Lake Rd #105, 2808 Sheridan Lake Rd for a Package (off sale) Malt Beverage License
77. Piesanos Pacchia Inc. dba Piesano’s Pacchia, 3618 Canyon Lake Drive #121 for a Retail (on off sale) Malt Beverage License

END OF CONSENT PUBLIC HEARING CALENDAR

NON-CONSENT PUBLIC HEARING ITEMS – Items 78 – 85

Mayor read in item (No. 17TI001) Approve a request by Doyle Estes and Kathy Johnson for DTH, LLC for Resolution 2017-019 approving Revision #2 Project Plan Reallocating Project Costs for Tax Increment District No. 54 for property generally described as being located north of Mall Drive and west of Haines Avenue. (This item was continued from the May 15, 2017 City Council meeting.) Motion was made by Scott, to allocate as intended the \$675,000 underneath financing cost section contingency cost water reservoir and move that up to the water reservoir line. Motion died due to lack of a second. Scott said the reason she could support her motion is that a previous council made the recommendation to allocate those funds to the water reservoir. The issue she has is that \$575,494.62 that is being taken out of finance interest and being requested to be reallocated to professional costs. There are three taxing jurisdictions giving up those finance dollars and those are the City, County, and the School. She said in her mind, to take financing interest costs, that should be going back to those three taxing entities, isn’t right. The interest costs are put into the plan in order to safeguard and make sure the developer, in case they incur those financing interests, get reimbursed for that. She said when they are looking at revising the TIDs they need to look at what was originally approved, what the dollars were originally intended for and then make the best decision and hold developer accountable. She won’t support reallocation as it shows today. Estes said he would be abstaining from discussion and voting. Landeen said that no one is disputing the \$675,000 for the water tower. He was more focused on the \$84,000. Motion was made by Wright, second by Roberts to approve the reallocation of project costs and continuation to step two. He trusts staff and Kathryn to come up with a good, honorable solution to fix the problem. He said this is a very complex matter. The things that are being paid for in this are all public improvements. In response to a question from Nordstrom, Sumption said in 2012 the developer came in with cost allocations for all of the project line items that had been outstanding. During the first certification in 2008, they certified the parks, “something else” they certified plus an interest cost. That left about four line items within the project line items left to be certified. In 2012 some emails went back and forth between Sumption and Doyle Estes on how much money the city had because the bank was looking for money and Sumption said she had a minimal amount. She told Estes that she needed a certification before she could start paying. There was acknowledgement in another email that she told him that he needed to reallocate the costs at that time. Instead, he came in and certified the four remaining project line items. So in her mind, it was done because there were no more project line items to be certified. Landeen said there is a provision in the developer’s agreement regarding certification. He said specifically for this one, they had gone back and forth on certification. If you look at the amendments, a lot of them had to do with extending the date for the improvements. The city worked with the developer and made an amendment to separate the two phases. Landeen said there was never a formal agreement saying the developer was certifying the final costs. It was the City’s understanding that Estes was waiting for the final costs on the water line. The question was asked why the costs in 2014 were not certified in 2012. In response to a

question from Salamun, Sumption said there is not a history of reallocation after all of the project line items have been certified. Salamun said he wanted to be fair and get the actual costs right. Salamun verified with Landeen that the \$84,660.00 for the booster station was something they could justify reallocating costs. Modrick said if this is approved, it allows staff and the developer to move forward and do a review and audit of TID 54. Modrick said it's bothersome that there is an assumption of certification but no actual document saying that. Also, in 2014 the city found \$84,660.00 that remained. In response to a question from Doyle, Horton read part of the agreement stating that phase two will include the balance of the improvements which are required to be completed by December 31, 2008, upon completion of the phase, the developer will certify. Doyle said phase one was to be certified by December 31, 2007 and phase two was supposed to be certified by December 31, 2008. Horton said in their current agreements the city attorney specifically identifies that certification has to be done within 180 of costs being identified. Horton said whether this is approved or not, their department will go through every invoice and they will identify eligible costs. They will likely just do another revised developers agreement and it would come before Council. Doyle asked if they are locked into a certain dollar amount, Horton said the approval is for the maximum allowed amounts for each item. Wright said it's very difficult for Council to go through all of the costs and encourages Council to approve the item and let staff proceed with the numbers. He said valuable lessons have been learned through this process. Motion to approve carried 7-1 with Scott voting no and Estes abstaining.

Resolution 2017-019
RESOLUTION APPROVING REVISION #2 PROJECT PLAN FOR
RAINBOW RIDGE TAX INCREMENT DISTRICT NUMBER FIFTY-FOUR
AS SUBMITTED BY THE RAPID CITY PLANNING COMMISSION

WHEREAS, the Council of the City of Rapid City has determined that it is in the best interest of the City to implement plans which promote economic development and growth in the City; and

WHEREAS, the Council embraces the concept of Tax Increment Financing as a tool to encourage this desirable growth and redevelopment; and

WHEREAS, the Rainbow Ridge Tax Increment District Number Fifty-Four was established on October 3, 2005; and

WHEREAS this Revision #2 Project Plan will replace the Project Plan approved by the City Council on October 3, 2005 and the revision approved by the City Council on April 7, 2008; and

WHEREAS, the Council deems it desirable to promote economic development and create jobs in the corporate limits of the City of Rapid City; and

WHEREAS, the use of Tax Increment Funding to promote this development is in keeping with the statutes adopted by the South Dakota State Legislature; and

WHEREAS, the 2005 base valuation of the District as determined by the South Dakota Department of Revenue was \$547,190 and the 2016 year end valuation of the District is \$28,648,300, evidence that the District has stimulated the general economic welfare and prosperity of the state through the promotion and advancement of industrial and commercial development as required in South Dakota Codified Law 11-9-8; and

WHEREAS, Revision #2 Project Plan reallocates costs to accurately reflect actual expenditures for the booster station, water main in Bunker Drive, water main to the water reservoir, water reservoir construction, grading, the park improvements, associated engineering and construction administration, and financing costs; and

WHEREAS, the Council considered Revision #2 Project Plan submitted by the Planning Commission and determined that Revision #2 Project Plan for Rainbow Ridge Tax Increment District Number Fifty-Four is economically feasible; and

WHEREAS, the Council further determined that the Revision #2 Project Plan is in conformity with the adopted Comprehensive Plan.

NOW, THEREFORE, BE IT RESOLVED by the City of Rapid City that Revision #2 Project Plan for Rainbow Ridge Tax Increment District Number Fifty-Four be and hereby is approved as attached and submitted by the Rapid City Planning Commission.

Dated this 5th day of June, 2017.

CITY OF RAPID CITY
s/ Steve Allender
Mayor

ATTEST:
s/ Pauline Sumption
Finance Officer

(SEAL)

Mayor read in item (No. 17TI002) Approve Resolution No. 2017-030 a Resolution Creating the Village on Monroe Tax Increment District and a Resolution Approving the Project Plan for Property Generally Described as 612 Dilger Avenue. Motion was made by Drew, second by Wright to approve. In response to a question from Doyle, McCracken said the \$12,000 was set up as a loan in order to help multiple families purchase affordable homes. When the existing family moves out, the loan is paid back and the next buyer gets the advantage of the same loan. The \$12,000 is paid back in a lump sum when the owner sells the home, they do not make payments on the loan. In response to a question from Estes, Horton said the only items covered with this TIF is the cost of the land plus the required appraisal. There are no line items being paid. In response to a question from Roberts, Horton said one lot is being split into five lots. Roberts said he would have liked to see the TID boundaries extended to cover more of north Rapid. Roberts explained that the State tried to change the TIF guidelines within the last year. The State was looking at municipalities that are abusing TIFs. He thinks when the City puts a TIF on one piece of property for one project, the City is pushing those boundaries. Horton clarified that with economic TIF's the entire state pays for the school district portion, this particular TIF is only the residents of the Rapid City School District. Motion carried 8-1 with Roberts voting no.

RESOLUTION NO. 2017-030
RESOLUTION CREATING THE VILLAGE ON MONROE
TAX INCREMENT DISTRICT NUMBER SEVENTY-NINE
AS SUBMITTED BY THE RAPID CITY PLANNING COMMISSION

WHEREAS, the property within the following described District meets the qualifications and criteria set forth in SDCL 11-9; and

WHEREAS, the Council of the City of Rapid City finds that the aggregated assessed value of taxable property in this District, plus the assessed values of all other districts currently in effect, does not exceed ten percent (10%) of the total assessed value of taxable property in the City of Rapid City; and

WHEREAS, the Council finds that:

- (1) Not less than twenty-five percent (25%), by area, of the real property within the district is a blighted area or not less than fifty percent (50%), by area, of the real property within the district

will stimulate and develop the general economic welfare and prosperity of the state through the promotion and advancement of industrial, commercial, manufacturing, agricultural, or natural resources as defined in SDCL 11-9-8; and

(2) The improvement of the area is likely to significantly enhance the value of substantially all of the other real property in the district.

NOW, THEREFORE, BE IT RESOLVED, by the City of Rapid City that the real property legally described as:

Lots 14 thru 16 of Block 37 of North Rapid, located in Section 36, T2N, R7E, BHM, Rapid City, Pennington County, South Dakota

is hereby designated as the Village on Monroe Tax Increment District Number Seventy-Nine.

IT IS FURTHER RESOLVED that Village on Monroe Tax Increment District Number Seventy-Nine is hereby created on the date this resolution is effective, pursuant to SDCL 9-19-13.

Dated this 5th day of June, 2017.

CITY OF RAPID CITY
s/ Steve Allender
Mayor

ATTEST:
s/ Pauline Sumption
Finance Officer

(SEAL)

RESOLUTION NO. 2017-031
RESOLUTION APPROVING THE PROJECT PLAN FOR THE VILLAGE ON MONROE
TAX INCREMENT DISTRICT NUMBER SEVENTY-NINE
AS SUBMITTED BY THE RAPID CITY PLANNING COMMISSION

WHEREAS, the Council of the City of Rapid City has determined that it is in the best interest of the City to implement plans which promote economic development and growth in the City; and

WHEREAS, the Council embraces the concept of Tax Increment Financing as a tool to encourage this desirable growth and redevelopment; and

WHEREAS, there has been established the Village on Monroe Tax Increment District Number Seventy-Nine; and

WHEREAS, the Council deems it desirable to promote affordable workforce housing in the corporate limits of the City of Rapid City; and

WHEREAS, this Tax Increment District forms a residential housing Tax Increment District; and

WHEREAS, the Project Plan submitted helps make this development feasible by assisting with the land acquisition costs to establish an interest free down payment program, thus reducing the mortgage required in conjunction with the newly constructed workforce housing; and

WHEREAS, the use of Tax Increment Funding to promote this development is in keeping with the statutes adopted by the South Dakota State Legislature; and

WHEREAS, the Project Plan submitted for this Tax Increment District proposes these improvements; and

WHEREAS, the Council has considered the Project Plan submitted by the Planning Commission and determined that the Project Plan for the Village on Monroe Tax Increment District Number Seventy-Nine is economically feasible; and

WHEREAS, the Council has further determined that this Project Plan is in conformity with the adopted Comprehensive Plan.

NOW, THEREFORE, BE IT RESOLVED, by the City of Rapid City that the Village on Monroe Tax Increment District Project Plan for Tax Increment District Number Seventy-Nine be and hereby is approved as submitted by the Rapid City Planning Commission.

Dated this 5th day of June, 2017.

CITY OF RAPID CITY
s/ Steve Allender
Mayor

ATTEST:
s/ Pauline Sumption
Finance Officer

(SEAL)

Mayor read in item (No. 17RZ013) Second Reading, Ordinance 6173, An Ordinance Amending Section 17.06 of Chapter 17 of the Rapid City Municipal Code, a request by Mandi Schmierer for Penny Lind for a Rezoning from Office Commercial District to General Commercial District for property generally described as being located southwest of the intersection of Neal Street and Bernice Street. Motion was made by Scott, second by Modrick that the title be read the second time to approve in conjunction with Planned Development Designation File #17PD016. Upon vote being taken the following voted AYE: Nordstrom, Drew, Salamun, Doyle, Estes, Scott, Wright, Modrick and Roberts. NO: None: whereupon the Mayor declared the motion passed and Ordinance 6173 was declared duly passed upon its second reading.

Mayor read in item (No. 17RZ014) Second Reading, Ordinance 6174, An Ordinance Amending Section 17.06 of Chapter 17 of the Rapid City Municipal Code, a request by KTM Design Solutions, Inc for DKEA, LLC for a Rezoning from General Agricultural District to Low Density Residential District I for property generally described as being located north of the intersection of Bethpage Drive and Prestwick Road. Motion was made by Modrick, second by Drew that the title be read the second time. Upon vote being taken the following voted AYE: Nordstrom, Drew, Salamun, Doyle, Estes, Scott, Wright, Modrick and Roberts. NO: None: whereupon the Mayor declared the motion passed and Ordinance 6174 was declared duly passed upon its second reading.

Mayor read in item (No. 17RZ016) Second Reading, Ordinance 6176, An Ordinance Amending Section 17.06 of Chapter 17 of the Rapid City Municipal Code, a request by KTM Design Solutions, Inc for Citcra LLC for a Rezoning from No Use District to Low Density Residential District II for property generally described as being located north of the current terminus of Kyle Street. In response to a question from Modrick, Tech said the property was considered "no use district" because it was outside city limits and since it's being annexed, it needs to be classified now. Motion was made by Salamun, second by Drew that the title be read the second time to approve in conjunction with Annexation File #17AN004. Upon vote being taken the following voted AYE: Nordstrom, Drew, Salamun, Doyle, Estes, Scott, Wright, Modrick and Roberts. NO: None: whereupon the Mayor declared the motion passed and Ordinance 6176 was declared duly passed upon its second reading.

Mayor read in item (No. 17RZ017) Second Reading, Ordinance 6177, An Ordinance Amending Section 17.06 of Chapter 17 of the Rapid City Municipal Code, a request by KTM Design Solutions, Inc. for Selador Ranches, Inc. for a Rezoning from No Use District to Low Density Residential District for property generally described as being located west of the northern most section of Prestwick Road. Motion was made by Salamun, second by Modrick that the title be read the second time to approve in conjunction with Annexation File #17AN003. Upon vote being taken the following voted AYE: Nordstrom, Drew, Salamun, Doyle, Estes, Scott, Wright, Modrick and Roberts. NO: None: whereupon the Mayor declared the motion passed and Ordinance 6177 was declared duly passed upon its second reading.

Mayor read in item (No. 17OA001) Second Reading, Ordinance No. 6112, An Ordinance to Amend Provisions Concerning Zoning Applications by the City by Amending Section 17.54.040 of the Rapid City Municipal Code. Motion was made by Scott, second by Estes that the title be read the second time. Upon vote being taken the following voted AYE: Nordstrom, Drew, Salamun, Doyle, Estes, Scott, Wright, Modrick and Roberts. NO: None: whereupon the Mayor declared the motion passed and Ordinance 6112 was declared duly passed upon its second reading.

Mayor read in item (No. 17PD015) Appeal of Planning Commission's decision on a request by KTM Design Solutions, Inc. for Yanni Georgas for an Initial Planned Development Overlay to allow a townhome development for property generally described as being located southeast of the intersection of Overview Lane and Nugget Gulch Drive. Modrick said residents have voiced their opinions on this development. She said it is an awkward area but a valuable area. She appreciates the neighbors voicing their concerns. In response to a question from Doyle, Kyle Treloar, KTM Designs, said that the developer would like to request 3-triplexes and 1-duplex. In response to a question from Doyle, Fisher said the approaches would be limited to 10 with townhomes versus 11 with triplexes and each lot would be required to have 2 spaces of off street parking per residence. The biggest "pro" to having townhomes is the multi-family element of two homes versus four. She said when you start going into 3 and 4 unit complexes it starts to feel like an apartment complex. In response to a question from Salamun, Treloar said their original request was for (2) 4-unit plexes and (1) triplex but they changed it to (3) triplexes and (1) duplex, so they were always asking for 11 units total. In response to a question from Doyle, the three Nugget Gulch residents said they were more comfortable with five townhomes verses any triplexes or fourplexes. Motion was made by Modrick, second by Doyle to deny the planned development overlay. Motion carried 8-1 with Roberts voting no.

Mayor read in item (No. 17PL037) A request by KTM Design Solutions, Inc. for Yanni Georgas for a Preliminary Subdivision Plan for proposed Lot A, B, C and D of Stoney Creek South No. 2 Subdivision, generally described as being located southeast of the intersection of Overview Lane and Nugget Gulch Road. (This item was continued from the May 15, 2017 City Council Meeting.) In response to a question from Modrick, Fisher said since the planned development overlay went away, the developer can develop 10 lots. Fisher suggested the motion be to approve as written in the staff report with the addition of item 13 to read that the plat shall be revised to include a maximum of 10 lots. The lots shall be designed to comply with Chapter 17.50.030 of the Rapid City Municipal Code. Motion was made by Doyle, second by Nordstrom to add item 13 to the plat as suggested by Vicki Fisher and to approve with the following stipulations: 1. Upon submittal of a Development Engineering Plan application, construction plans for Nugget Gulch Road shall be submitted for review and approval showing the construction of street light conduit and additional pavement for a minimum width of 34 feet to allow parking on both sides of the street or provide no parking signs on the east side of the street or an Exception shall be obtained. If an Exception is obtained, a copy of the approved Exception shall be submitted with the Development Engineering Plan application; 2. Upon submittal of a Development Engineering Plan application, the applicant shall confirm that the Nugget Gulch Road right-of-way is graded to accommodate the installation of a 5 foot wide property line sidewalk. If not, grading plans shall be submitted for review and approval to accommodate the sidewalk installation; 3. Upon submittal of a Development Engineering Plan application, construction plans shall be submitted for review and approval providing water and

sewer services to all of the proposed lots in conformance with the Rapid City Infrastructure Design Manual and Standard Specifications; 4. Upon submittal of a Development Engineering Plan application, construction plans shall be submitted for review and approval addressing the non-conforming sewer main that fronts the proposed plat in Nugget Gulch Road ending in a termination cleanout instead of the required manhole; 5. Upon submittal of a Development Engineering Plan application, a drainage plan and report prepared by a Registered Professional Engineer as per the Infrastructure Design Criteria Manual and the Rapid City Municipal Code shall be submitted for review and approval for any required subdivision improvements. The drainage plan shall address storm water quantity control, storm water quality treatment and slope stability; 6. Prior to approval of the Development Engineering Plan application, submitted engineering reports required for construction approval shall be accepted and agreements required for construction approval shall be executed. In addition, permits required for construction shall be approved and issued and construction plans shall be accepted in accordance with the Infrastructure Design Criteria Manual. All final engineering reports shall be signed and sealed by a Professional Engineer and contain a Certification Statement of Conformance with City Standards as required by the Infrastructure Design Criteria Manual; 7. Prior to approval of the Development Engineering Plan application, a Development Agreement shall be entered into with the City for all public improvements, if applicable; 8. Upon submittal of a Development Engineering Plan application, a cost estimate of the required subdivision improvements shall be submitted for review and approval; 9. Upon submittal of a Final Plat application, the plat document shall show the dedication of all easements necessary, including drainage easements and utility easements. In addition, a note shall be placed on the plat securing a 6 foot wide exterior maintenance easement on either side of a common lot line to provide adequate room for maintenance, repair and alterations for the townhome lots; 10. Upon submittal of a Final Plat application, surety for any required subdivision improvements that have not been completed shall be posted and the subdivision inspection fees shall be paid; and, 11. Upon submittal of a Final Plat application, the plat title shall read "Lots 2A, 2B, 2C, 2D, 2E, 2F, 2G, 2H, 2J, 2K, 2L and Lot A of Stoney Creek South No. 2 as per the Register of Deed's Office; 12. Prior to the City's acceptance of the public improvements, a warranty surety shall be submitted for review and approval as require; and 13. The plat shall be revised to include a maximum of 10 lots. The lots shall be designed to comply with Chapter 17.50.030 of the Rapid City Municipal Code. Motion carried 9-0.

BILLS

The following bills have been audited.

BILLIST - JUNE 05, 2017

P/ROLL PERIOD END 05/13/17, PD 05/19/17	1,039,687.37
CDEV P/ROLL PERIOD END 05/13/17, PD 05/19/17	3,275.58
PIONEER BANK & TRUST, 05/12/17 P/ROLL TAXES, PD 05/12/17	1,810.47
PIONEER BANK & TRUST, 05/13/17 P/ROLL TAXES, PD 05/19/17	258,167.71
CDEV PIONEER BANK & TRUST, 05/13/17 P/ROLL TAXES, PD 05/19/17	874.05
SOUTH DAKOTA DEPARTMENT OF REVENUE, APR17 SALES TAX PAYABLE PD 05/22/17	37,389.58
SOUTH DAKOTA DEPARTMENT OF REVENUE, APR17 EXCISE TAX PAYABLE PD 05/22/17	24.99
SOUTH DAKOTA DEPARTMENT OF REVENUE, APR17 CCTR SALES TAX PAYABLE PD 05/22/17	24,634.05
WELLMARK INC, HEALTH CLAIMS THROUGH 05/05/17, PD 05/11/17	175,205.20
WELLMARK INC, HEALTH CLAIMS THROUGH 05/12/17, PD 05/18/17	133,004.70
WELLMARK INC, HEALTH CLAIMS THROUGH 05/19/17, PD 05/25/17	75,780.44
WELLMARK INC, HEALTH CLAIMS THROUGH 05/26/17, PD 06/01/17	110,037.91
WAGE WORKS, SECTION 125 CLAIMS THROUGH 05/15/17, PD 05/16/17	5,425.99
WAGE WORKS, SECTION 125 CLAIMS THROUGH 05/22/17, PD 05/23/17	5,494.47
WAGE WORKS, SECTION 125 CLAIMS THROUGH 05/30/17, PD 05/31/17	5,873.74

BANK WEST, TID47 TOWER RD, PD 05/23/17	138,281.37
BANK WEST, TID54 RAINBOW RIDGE, PD 05/23/17	173,274.59
BANK WEST, TID56 RUSHMORE CROSSING, PD 05/23/17	473,845.18
BANK WEST, TID65 MINNESOTA ST, PD 05/23/17	246,375.63
BANK WEST, TID69 NORTH FIRE STATION, PD 05/23/17	468,969.91
CITY OF RAPID CITY, TID39 ANAMOSA/AR GROUP LLC, PD 05/23/17	15,081.03
CITY OF RAPID CITY, TID42 ELK VALE/TIMMONS, PD 05/23/17	296,682.39
CITY OF RAPID CITY, TID56 RUSHMORE CROSSING, PD 05/23/17	90,256.23
CITY OF RAPID CITY, TID64 CABELA'S, PD 05/23/17	514,301.43
DACOTAH BANK, TID40 GANDOLF, PD 05/23/17	31,902.66
FIRST INTERSTATE BANK, TID39 ANAMOSA/AR GROUP LLC, PD 05/23/17	15,081.03
FIRST INTERSTATE BANK, TID50 FEDERAL BEEF/FOUNDERS PARK DEV PD 05/23/17	244,430.43
GREAT WESTERN BANK, TID72 E ST JOSEPH ST, PD 05/23/17	24,146.30
SODAK DEVELOPMENT, TID68 HOMESTEAD, PD 05/23/17	54,212.36
THF STONERIDGE DEVELOPMENT, TID71 S ROBBINSDALE, PD 05/23/17	51,966.06
US BANK, CREDIT CARD CHARGES, PD 06/01/17	63,263.75
1ST NATIONAL BANK IN SIOUX FALLS, 2015 PARKING REVENUE BOND PYMT PD 05/23/17	15,418.12
1ST NATIONAL BANK IN SIOUX FALLS, 2010 CFC BOND PYMT, PD 05/23/17	32,541.67
1ST NATIONAL BANK IN SIOUX FALLS, 2011B WASTEWATER BOND PYMT PD 05/23/17	86,298.54
1ST NATIONAL BANK IN SIOUX FALLS, 2009 WTR REV BOND PYMT, PD 05/23/17	203,309.38
1ST NATIONAL BANK IN SIOUX FALLS, 2011A AIRPORT BOND PYMT, PD 05/26/17	80,553.75
WEST RIVER ELECTRIC ASSOCIATION, ELECTRICITY, PD 05/17/17	29,268.61
BLACK HILLS ENERGY, ELECTRICITY, PD 05/24/17	66,494.45
MONTANA DAKOTA UTILITIES, NATURAL GAS, PD 05/24/17	23,476.79
MONTANA DAKOTA UTILITIES, NATURAL GAS, PD 05/30/17	3,750.95
COMPUTER BILL LIST	2,736,672.68
CDEV COMPUTER BILL LIST	1,116.60
SUBTOTAL	8,057,658.14
RSVP, P/ROLL PERIOD END 05/13/17, PD 05/19/17	3,330.59
RSVP, PIONEER BANK & TRUST, 05/13/17 P/ROLL TAXES, PD 05/19/17	990.48
RSVP, COMPUTER BILL LIST	44.56
TOTAL	8,062,023.77

Sumption presented the bill list total of \$8,062,023.77. Motion was made by Doyle, second by Scott and carried to authorize (No. CC060517-01) the Finance Officer to issue warrants or treasurers checks drawn on proper funds, in payment thereof.

EXECUTIVE SESSION - To consult with legal counsel regarding pending litigation pursuant to SDCL 1-25-2(3). Motion was made by Scott, second by Doyle to go into Executive Session at 8:37 p.m. Motion was made by Doyle, second by Scott to come out of Executive Session at 9:08 p.m.

ADJOURN

There being no further business to come before the Council at this time, motion was made by Doyle, second by Scott and carried to adjourn the meeting at 9:09 p.m.

Dated this 5th day of June, 2017.

CITY OF RAPID CITY

ATTEST:

Finance Officer

(SEAL)

Mayor