

PROCEEDINGS OF THE CITY COUNCIL
Rapid City, South Dakota

April 24, 2006

Pursuant to due call and notice thereof, a special 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, April 24, 2006 at 7:00 P.M.

The following members were present: Mayor Jim Shaw and the following Alderpersons: Mike Schumacher, Ray Hadley, Bill Okrepkie, Tom Johnson, Ron Kroeger, Deb Hadcock, Bob Hurlbut, Malcom Chapman and Sam Kooiker. The following Alderperson arrived during the course of the meeting: Karen Olson; and the following were absent: None.

Staff members present included Finance Officer Jim Preston, City Attorney Jason Green, Growth Management Director Marcia Elkins, and Administrative Assistant Jackie Gerry.

Mayor Shaw indicated that the special meeting is an information work session to discuss the Economic Development and Civic Improvements Fund (2012 5-year plan) process and 2012 logo; and no formal action is expected. Shaw explained that the 2012 program began in the early 1990's; and the initial concept was an optional tax that Rapid City would collect. He indicated that over the course of the next five years Rapid City expects to complete approximately forty projects with this funding.

Alderman Johnson, as 2012 Committee Chair pointed out that the Council could not bind future Councils, and that it is important to review the process and make recommendations for the future, on how the 2012 process should move forward. Alderman Chapman suggested the Council needed to talk about the ordinance, citizens committee, the roll of the Council, the projects and recommendations, on how to strengthen the program for the future.

Ruth Brennen, Rapid City reported serving on the Civic Improvement Committee and being frustrated because there were so many projects; and a number of those projects were submitted late resulting in little discussion by the Civic Improvement Committee. She also indicated being frustrated with the fact that information was not share or discussed from the community meetings. She indicated that the overall process is good, but suggested fine-tuning the process. Bob Knecht mentioned that his group did not look favorably upon the Civic Center request because they believed the Civic center needed to consider parking.

Johnson questioned whether it made sense to have only a five-year plan or a continuous plan. He noted that the Capital Improvements Program is a continuous five-year plan. Chapman suggested a continuous five-year plan would involve future Councils, and they would have ownership over the program. Chapman reminded the members that the ordinance dictates that the plan will be reviewed annually. Chapman indicated that he did not support the percentages; and that initially when 2012 was first discussed he did not think that it was thought that the program would fund streets repairs. Alderman Kooiker commented that the make up of the 2012 program was an effort to recover lost time and lost project funds; and the City can move on with the possible presumption that 2012 can be use for what 2012 was intended to be used for and that Capital Improvements monies will not be robbed to be used for other projects. Alderman Hadley indicated that the use of 2012 monies for streets, are new streets being added to the infrastructure. Hadley explained that Capital Improvements money was being used for this

purpose. Hadley indicated that he was not opposed to some percentage; suggested there is a fault in the 2012 process, indicating that individuals serving on the committees believed their recommendations should have been approved and funded; and that the Council should not have made the final recommendations for approval. Hadley believed the committees did a great service in researching the projects, making the decisions, and narrowing down the choices. He pointed out that the Council must look at all three categories, determine the needs of the community as a whole, and then decide which projects to fund. Hadley believed the committees should not have allocated all the funds. Alderman Hadcock was of the opinion that the City needs to give the public far more advanced notice of a new program, to allow them the opportunity to better prepare their submittals. Alderman Kroeger believed the problem was when the Council did not attend any of the committee meetings; and suggested that if the committee process remains, three Council members be assigned as liaisons to the committees. Alderman Hurlbut pointed out that the process works and there is a good slate of projects; suggested there is a need to have the percentage breakdowns for an initial guideline; expressed an interest in having the projects that were not selected by the committees; supported appointing Council members and assigning them to the 2012 committees; suggested there is a need to factor in inflationary factors for unexpected needs or cost overruns, noting that this made reduce the number of projects, but the costs would be covered. Hurlbut supported the four member Council committee to make the recommendations, and supported a continuous program rather than a static five-year program to avoid the rush of submittals and presentations. Alderman Schumacher offered support for Council liaisons to the committees; and suggested the process should not straddle Councils. As a new council member, Schumacher indicated that he was not up to speed on the process and where in the process the program was. He suggested that is a need to have cohesiveness in the process. Johnson was of the opinion that the percentages should be set in resolution rather than in ordinance form; and that they should be goals. He suggested that when the City hands the program off to the twenty-seven member committees, that they should be given a 80 percent level so that when the council gets this back and they do additional research on true costs the Council will not have to start cutting projects. He believed that a continuous five-year plan made more sense, with an annual review. He suggested limiting participation of industries on each committee. He suggested the Municipal Infrastructure Committee in part, or in whole, should be a committee of Council members and staff.

In response to a question from Alderman Hadley, City Attorney Green explained that the item that was presented was an initiative to repeal the section of the law that authorizes the collection of the sales tax and defines how it is used; and until the ordinance is repealed, the program will continue.

At 7:55 P.M. Alderman Olson entered the meeting.

Chapman indicated concern about the Council dominating or steering the committees; and suggested the Council remain as a liaison. He suggested there also be an education process that must be done for the citizens to inform them of other funding sources. Chapman recommended that the three citizen committees be eliminated, reduce the number of citizens involved, eliminate the percentages, and there be recordings of the committee meetings. Johnson outlined three elements that are possible changes in the ordinance: the percentages, the committee structure, and the five-year plan. He suggested the Council begin the process earlier; before the end of the five-year plan. Alderman Kroeger indicated his opposition to eliminating the committees or a continuous five-year plan. He pointed out that there are projects on the CIP five-year plan that have been on the plan for a number of years, and not yet funded.

Kooiker supported the three committees and the process by keeping minutes for each committee. He suggested a secondary committee of two or three people from each of the three original committees to review the recommendations, and as part of the secondary committee could have the Council involvement. Hurlbut supported one citizen committee and Council as the Municipal Infrastructure Committee. Regarding the rolling verses the static five-year plan, Hurlbut believed there are benefits to both approaches. He suggested looking at a five-year perspective, but convene every three years believing there would be some flexibility while preserving the special ness of the program.

Mayor Shaw reminded the members that the City has a five-year plan that is bonded against seven years of revenue. He explained that in the initial discussion of 2012, it was thought that the City would do a five-year plan with up to seven years of revenue, and when the five-year plan is done the City would take a year or so to develop a new plan and allow the funding to catch up with the plan. Finance Officer Preston explained that the City has two and half years left to pay on the previous five-year plan and the bonds are structured so that the payments are the same every year.

Chapman suggested that the City needs to think about the title of the plan for the future, because it will be 2011 when next considered. Kroeger reminded the members that the annual meeting is in the spring and the Council should be deciding on a date for the annual meeting. Johnson declared that the logo will be discussed at a later time.

Olson moved, second by Kooiker and carried to go into Executive Session at 8:30 P.M. to discuss contractual, personnel, and pending litigation matters. The Council came out of Executive Session with all members present. No action was taken.

ADJOURN

As there was no further business to come before the Council at this time, the meeting adjourned at 8:30 P.M.

CITY OF RAPID CITY

ATTEST:

Finance Office

Mayor

(SEAL)