

OFFICIAL PROCEEDINGS OF THE CITY COUNCIL  
Rapid City, South Dakota

August 30, 2004

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, August 30, 2004 at 5:30 P.M.

Mayor Jim Shaw and the following Alderpersons were present: Ray Hadley, Malcom Chapman, Tom Murphy, Jean French, Ron Kroeger, Karen Olson, Tom Johnson and Bill Waugh. The following Alderpersons arrived during the course of the meeting Jeff Partridge; and the following were absent: Sam Kooiker.

City Finance Officer Preston reminded the Council of their requests for additional information relative to the City's computer system, additional personnel for Growth Management, subsidies for the Recreation Department, streaming video; and additional personnel for the Police Department. He also indicated he had added a request for funding repairs to the Dahl Fine Arts Center roof and stairs.

Computer Center Director Aldrich reported Hewlett-Packard announced in 2002 they would be ending their product support on December 31, 2006 for the City's main computer, which has been in operation since 1978. He remarked that this has been a long and successful run. He explained this hardware and software combination supports the City's human resources, payroll, financial, utility billing, and parking ticket systems; and the law enforcement system. He indicated that during the 2003 budget hearings, Council was advised a request would be forthcoming in 2005 that there would be a need for money to migrate the hardware and software to new platforms. The request in the 2005 budget will address the move of the finance and human resource systems. In response to a question raised by Alderman French, Finance Officer Preston explained the \$58,000 included in the 2005 budget will start the migration from Unix to new platforms; and the police are looking for grants to fund their portion of the conversion.

Finance Officer Preston reminded the Council they had received information on the request for six new positions for the Growth Management Department. In response to a question from Alderman French, Preston commented the Growth Management Department could continue to operate with its current FTE count, but the positions identified were needed to carry out the programs this department is responsible for and to do the quality job the Council expects from this department. He indicated the positions were prioritized should funding be available for any one of the positions.

Parks and Recreation Director Cole explained the goal to establish a scholarship program that would be available to low income families for passes or recreation programs. He suggested City funding at \$3,000 with an additional \$3,000 being solicited from community service clubs. He commented that these community service clubs wanted assurance that the funds raised would not be placed in the General Fund, but placed in a separate revolving account and once depleted the City would again approach to the community to raise funds. He indicated the soliciting process was a lot harder than it sounds, because most of the community service clubs are already involved with fund raising for other activities they believe are worthwhile.

Finance Officer Preston presented a request from the Dahl Fine Arts Center for funds in the amount of \$23,958 to repair the roof and stairs. He indicated this request was not currently in the budget.

Finance Officer Preston reminded Council of previous discussions relative to streaming video. The intent was to record the proceedings of the Public Works and Legal and Finance Committees to air them as a streaming video. The major advantage is these meetings can be accessed 24/7 anywhere there is a high speed internet connection. He explained the one-time

cost was approximately \$6,000 and \$4,500 to continue the operation. He indicated the problem with taping these meetings and airing them on the public channel was the fact there is limited airtime because of other meetings being played.

Police Chief Tieszen provided the Council with a handout on law enforcement statistics and the request for additional police officers.

Mayor Shaw pointed out first reading of the appropriation budget for 2005 is set for September 7, 2004 and second reading is September 20, 2004.

Alderman Murphy addressed the feasibility of disposing of land currently owned by the City to fund the one-time expenditures not included in the budget. Mayor Shaw responded the City, with Council approval, is currently in the process of appraising and platting City owned land in order to dispose of the property. He also pointed out the City currently owns property adjacent to the Hwy 16 Fire Station, along Hwy 44 known as the Wally Byum site, adjacent to the Visitor Information Center along Interstate 90, and the Tyler property in Rapid Valley that was purchased for the water rights. He suggested the City should not own property that is not needed for its operation. City Finance Officer Preston explained the City can dispose of real estate property in three manners: land auction, advertise as available for sale and take bids, or hire a real estate agent to market the land.

Alderman Johnson spoke out against selling all the property, specifically the Wally Byum property. He pointed out there is a property owner with land in south Rapid City that has expressed interest in the property. He believed it was important to consider a park development in south Rapid City for residents. He was also of the opinion the City should not base its budget on the possibility of selling land.

In response to a question from Alderman Johnson relative to sales tax projections, City Finance Officer Preston explained sale tax projections for 2005 is an estimate of a 6% increase over actual sales tax in 2003.

In response to a question from Alderman French about attorney fees, it was explained these fees were paid from the General Fund and the liability insurance. French was of the opinion the City needed to hire another attorney to reduce out-of-pocket expenses. City Attorney Green commented that hiring another attorney may reduce, but not eliminate this expense. French also suggested the raise for alderman could be sacrificed in order to add City personnel. Because the Airport Authority is in question, French was of the opinion that \$75,000 be used for the CVB to market Rapid City and suggested the Regional Airport would reap those benefit. French suggested she could not support the 2.2 CPI on property taxes and suggested 2012 funds be used in the budget.

Alderman Partridge expressed frustration over the Street Department budget and asked if there items in the budget that departments did not need that could possibly be used to fund items on the "do not include" list. Partridge expressed concern relative to overtime expenses and suggested reducing this expense and using those funds for street repairs. He pointed out funds used to keep Horace Mann Swimming Pool operational could be used for streets considering a new pool was recently built. He suggested looking at an overall budget reduction and pointed out another avenue to fund street repairs and that was to limit the Council contingency.

In response to a question from Alderman Kroeger about the use of reserve funds, it was explained that five percent is returned by the departments at the end of the year.

Alderman Partridge commented on the moratorium and budget cuts of 2004 and asked if it would be feasible to request department heads to develop similar lists to allow the Council some latitude to consider funding some of the items on the "do not include" list. City Finance Officer

Preston pointed out there were \$2.2 million in capital assets and suggested few could qualify for the moratorium list.

Partridge moved, seconded by Johnson and carried to request departments heads to prioritize items in the proposed budget, as well as balancing those against the "do not include" items to see if there is a way to gain \$1.8 million in items that could go on a moratorium for later in the year in 2005.

In response to a concern from Alderman Olson on the Dahl Fine Arts Center repairs to stairs and roof, Alderman French suggested funding these repairs from Council Contingency.

As there was no further business to come before the Council at this time, the meeting adjourned at 6:46 P.M.

CITY OF RAPID CITY

ATTEST:

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Mayor

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Finance Officer

(SEAL)