

Okrepkie moved, second by Hadcock to (No. LF011007-08), request staff to meet with the property owners of the commercial-retail businesses along South Dakota Highway 44 to see if they would be willing to consider voluntary annexation; and bring a report back to the Legal and Finance Committee. Alderman Kooiker believed there is a need to have a long-range plan and comprehensive discussion with Rapid Valley community members, Rapid Valley leaders, the Rapid Valley Sanitary District, and the Volunteer Fire Department. He believed the City has a responsibility to provide service to those that annexed into the City. Of particular concern to Alderman Kooiker were the rates for water and sewer. Kooiker asked the Council to defeat the motion. Mayor Shaw believed that at some time in the future, Rapid Valley will be a part of the City; and indicated that he did not favor involuntary annexation. Mayor Shaw explained that if the businesses along Hwy 44 are annexed, but residential areas are not annexed, it means the residents of that area who do business with those Rapid Valley businesses will pay two or three percent additional sales tax. The issue is more about the service. He explained that normally you pay City sales tax and receive a service, but the Rapid Valley residents would not receive a service because they have not been annexed into the City. Mayor Shaw pointed out that Rapid Valley is a community of 7,000 to 10,000 people that is not a part of any municipality, and rely upon Pennington County for their services. He also pointed out that Pennington County is geared toward rural services, and is attempting to provide services to one of the top ten cities in South Dakota. As part of the overall discussions, Mayor Shaw believed the Pennington County Commissioners or County representative should be included and asked whether or not the County intends to provide services. Alderman Hadcock indicated that she favored voluntary annexation, not to increase the tax base, but because City services can be extended to the annexed area. Responding to a question from Alderman Hadcock about rates, Green indicated that it is not within the authority of the City Council to use enterprise fund dollars to rebate a portion of certain customers' water bills; or use of enterprise funds to rebate portions of a water bill paid by non-customers. Alderman Okrepkie reminded the members that the motion is requesting staff to meet with the property owners along Hwy 44 to determine if there is interest in annexing to Rapid City. He indicated that he was not interested in annexing, unless it is voluntary; and indicated that he viewed annexation from an economic development standpoint. Alderman Kroeger indicated that he is interested in a comprehensive annexation plan, not only in Rapid Valley, but areas surrounding the City. Alderman Chapman indicated that he is interested in voluntary annexation, but the entire Rapid Valley area, not just along Hwy 44.

LaCroix moved to call the questions, second by Hurlbut. Upon a roll call vote, the following voted AYE: Olson, LaCroix, and Hurlbut; NO: Kroeger, Kooiker, Chapman, Okrepkie, Hadcock, and Schumacher. Motion failed.

Growth Management Director Elkins reminded the members that the City has a comprehensive annexation policy that has been adopted by the Council.

Upon a roll call vote on the motion to approve, the following voted AYE: Okrepkie, Hurlbut, and Hadcock; NO: Kroeger, Kooiker, Chapman, LaCroix, Schumacher, and Olson. Motion failed.