

Meeting of the Common Council

September 5, 1989

WHEREAS the adopted Tax Increment District Number Six Project Plan may e amended pursuant to SDCL 11-9-18; and

WHEREAS the feasibility and conformity of the plan, as amended, has not been altered in substance or intent; and

WHEREAS no change in the amount of tax increment to be expended on project costs is being considered, and therefore no base valuation re-determination of Tax Increment District Number Six will be required by amending the project plan as proposed;

NOW, THEREFORE, BE IT RESOLVED by the City of Rapid City that the Tax Increment District Number Six Project Plan be amended by:

- 1) adding the amount of \$144,000 which was granted by the South Dakota Department of Transportation Industrial Park Road Grant Program; and
- 2) changing all references to the total length of improvements from 600' (six hundred feet) to 1200' (one thousand two hundred feet); and
- 3) changing estimated capital costs and total costs to reflect all improvements payable with money available from Tax Increment Fund Number Six and South Dakota Department of Transportation Industrial Park Road Grant for a total of \$248,000, (two hundred forty eight thousand dollars); and
- 4) changing the maps of proposed improvements to reflect the twelve hundred foot total length of the project.

Dated this 5th day of September, 1989.

ATTEST:  
s/ Kent Brugger  
Finance Officer  
(SEAL)

THE COMMON COUNCIL  
s/ Keith T. Carlyle  
Mayor

The motion for the adoption of the foregoing Resolution was seconded by Hillard. Upon vote being taken thereon, the following voted AYE: Coffing, Weiland, Albrecht, Hillard, Bailey, McLaughlin, Holbrook, Pappel and Kellar; NO: None, whereupon said Resolution was declared duly passed and adopted.

Motion was made by Weiland, seconded by McLaughlin and carried to authorize the Mayor and Finance Officer to sign an Agreement with the State of South Dakota, DOT, for the construction of IP-0906 South Creek Drive Industrial Park Road.

The following Resolution was introduced, read and Holbrook moved its adoption:

**A RESOLUTION CREATING TAX INCREMENT DISTRICT NUMBER SEVENTEEN, CITY OF RAPID CITY**

WHEREAS the property within the district meets the qualifications and criteria set forth in SDCL 11-9; and

WHEREAS the Common Council finds that the aggregate assessed value of the taxable property in this district, plus the assessed values of Tax Increment Districts 2, 3, 6, 7, 8, 10, 12, and 15 does not exceed five percent (5%) of the total assessed value of taxable property in the City of Rapid City; and

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WHEREAS the Common Council finds that:

- (1) No less than twenty-five percent (25%), by area, of the real property within the district is a blighted area as defined in SDCL 11-9-9 through 11-9-11;
- (2) The improvement of the area is likely to enhance significantly 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 all lands described as follows:

Lot O and Lot U of Schlottman Addition and adjacent public right-of-way located in the SE1/4 SE1/4 of Section 5, T1N, R8E, BHM, Rapid City, Pennington County, South Dakota.

shall be and is hereby designated as Tax Incremental District Number Seventeen, City of Rapid City.

Dated this 5th day of September, 1989.

ATTEST:  
s/ Kent Brugger \_\_\_\_\_  
Finance Officer  
(SEAL)

THE COMMON COUNCIL  
s/ Keith T. Carlyle \_\_\_\_\_  
Mayor

The motion for the adoption of the foregoing Resolution was seconded by Hillard. Upon vote being taken thereon, the following voted AYE: Coffing, Weiland, Albrecht, Hillard, Bailey, McLaughlin, Holbrook, Pappel and Kellar; NO: None, whereupon said Resolution was declared duly passed and adopted.

CRASH/FIRE/RESCUE SERVICES AT THE AIRPORT

Motion was made by Holbrook and seconded by Hillard to direct legal staff to draft an ordinance that would require the Airport Board to utilize the Rapid City Fire Department for CFR services at the Airport, and include in the ordinance whatever it takes to make it work.

Coffing read the following prepared statement.

"We have constantly been told it will save \$50,000 for the Airport (hiring private CFR services). Nothing has been stated about true costs. To absorb the long-term, experienced fire fighters into the City will cost anywhere from \$50,000-\$60,000, whether it be by bumping to last hired first fired senario, or whether it be by taking current fire fighters in the inner City, who have been there 20-30 years and are several years from retirement, and pressuring them into early retirement by a buy-out of their retirement, accumulated sick leave, vacation, insurance program and so forth. In the Airport budget, the supplies and materials last year was \$65,000. This year it is \$95,000. This, we were told, is because the \$30,000 was for buying a phone, etc. The original cost through the Rapid City Fire Department was \$2,800 and that was also to service the airport. They have hot-fire training capability at EAFB and, as I understand it, the Airport will be providing that foam. They also have \$5,000 in the budget for communication systems which would be to service a private contractor. So now we have \$90,000 (in the budget) to save \$55,000 and a grossly

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inferior safety capability. We listen to our other professional department heads and heed their advice...why aren't we listening to our Fire Department professional. These people, along with the police, are charged with the health and safety of the public who live here and the public who travel through here, our tourist industry. There is no greater government responsibility than public safety, and those of us who were involved with the Flood of 1972 know how fast a catastrophe can descend and the importance of having knowledgeable, capable people on hand."

"Thursday afternoon, when I met with the Airport Board, 3 of the 5 members were there. I asked them to reconsider their position on the private CFR, at least for awhile. I explained again about the so-called savings. I also asked what would happen at the end of the three-year contract with the private company and their option to negotiate a three-year renewal, if that proposal comes in higher than the savings. Board member Baumgartner stated, we'll just advertise for another one. I have a problem with public safety being so cavalierly addressed. This morning, I spoke on the phone with Bob Hamilton, Fire Chief at Sioux City...Prior to 1982, the Sioux City Airport was under the direction of the City Council and the Airport CFR was under the City Fire Department. They had 9 men on duty, 3 per shift. A board was formed, a consultant hired, the recommendation to 'save money' was to privatize the CFR units. JJ (Security) got the bid and they used the City-owned equipment, however, they would not provide structure coverage. They had 6 people. Services were very limited. They hired off the street and gave minimal training. Their Fire Chief was trained, but had no experience, as was the case with the rest of the crew. When the time for rebidding the contract came up, JJ Security was outbid by another service...who trained on-site mechanics to do CFR. Chief Hamilton said this was not satisfactory for many of the same reasons. Additionally, the inner-City crews were not cross-trained with the contracting CFR, didn't know how they would react, or what they knew. Even a minimal call, the City had to take over as incident commander. They did not know what the capabilities of the privatized CFR people were. Basically, they took over the equipment with their own men and did their job for them. They are now back under Sioux City Fire Department. The Iowa Air National Guard and the Sioux City Airport share the same complex. Through an FAA grant and the cooperative efforts of Sioux City and the Air National Guard, the complex now has City fire fighters and are backed up by the National Guard, and vice versa. They cross train, train together, they are all a team. When Flight 232 came in, the loss of life, even though devastating, would most certainly have been dozens more, if not for this capability. I mentioned that the opinion had been voiced on Council that a plane in trouble could use EAFB which has far superior capabilities than our CFR. I also told him I had concerns relying on EAFB because they can be militarily out of action. He stated that in the case of planes in trouble such as Flight 232, they couldn't have gotten to where they wanted to go, the aircraft was not controllable to that extent. Chief Hamilton also said that most problems occur on landings or take off, not in flight, and Ellsworth would be of no immediate service in these events. His final statements to me were, a City with an airport, especially a multi-million dollar complex has a great deal of investment to protect and an image to project. That image should be one of progress and responsibility. If he were making a recommendation, he would recommend not to privatize. You never know when a Flight 232 can come to your airport. The current concept of the Airport Board in Rapid City was initiated by the Council action in May of 1981. Part of the rationale of Boards such as the Airport Board, Civic Center Board, etc. is to free them from political changes and vagaries. Generally, the policy prevents administration changes via the election process, from handing out board appointments as political plums. I do not believe the purpose was to endow board

appointees with such absolute power that their decisions override the power of the people....The chain of command lies in elected people, and those elected people accept the responsibility to act on and in behalf of those people and no elected official should abrogate that responsibility. The power should always remain with the people, through their elective process. In this case, we have five appointed people, four of whom have served less than 2 years and one of these four, only 3 months. My calls indicate that the people, who own the Airport, want the City fire fighters to stay...(Two point philosophy) Take care of good men, because without the men, your equipment is no good, and #2, take care of your equipment, because without the equipment, your men are no good...This is the philosophy we should employ. We take care of our people through public safety, we take care of the people who give us that public safety. We don't say you did a good job, but you're too expensive now and we're telling you to pack up and move on. I wonder why some people are so good they deserve multiple raises, and others cost too much so we get rid of them. Those of us at this table must look at the faces of the people responsible who risk their lives to save ours who are in this audience, or whose counterparts are on duty, and tell them we don't need you anymore. I refuse to do that. City employees morale is down. They don't know who is next to be slated for the axe, just for doing a good job."

Albrecht concurred with Coffing's statements. He added that the Council hears time and again, "we have to keep our key employees, our key head men". Now we hear the other side of the story and we are trying to get rid of the key personnel and "I cannot go along with it".

Hillard stated that Coffing and Albrecht have outlined the concerns that many of the council people have. ~~There is concern that there is actually not the savings that have been proposed and the figures the Council has been given have changed several times.~~ If the savings do exist, who will benefit from the savings, the City or the Airlines. Council members are also concerned about the loss of training and valuable expertise the fire fighters bring to their jobs, as well as the lack of training and qualifications with a private company. We feel that these fire fighters have served the City well and I do not support any issue except a motion to keep the fire fighters.

Pappel stated that the figures of savings have not been addressed "in black and white". If an ordinance is drafted, Pappel asked that the actual costs for CFR at the Airport last year and the proposed 1990 budget be included. Then we will see the actual costs for these employees.

Kellar stated that the 1989 budget for CFR services at the Airport was \$242,658. The proposed budget for 1990 for CFR services is \$216,650. This is a difference of less than \$26,000. In the past, the Council has been told there would be savings anywhere from \$35,000-80,000. He agreed that the correct figures should be submitted to the Council.

Weiland stated that he did not support this action at the last meeting because part of the motion agreed to subsidize the airport by \$55,000. Since that time, Weiland has found that the actual personnel at the Airport would not be laid off, but the most recently hired, which would change the costs to the City. Also, Weiland noted that the airlines would be realizing a savings from this action, not the City. Pappel stated that it is not definite at this point that seniority will determine who is fired at the Airport.

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McLaughlin asked about the status of the contract between the City and JJ Security. Carlyle indicated that the contract has been signed by the City. Albrecht stated that one problem with this process is that the Council never gets the same answers from one time to another. Carlyle stated that it depends on if you are talking to City representatives or Union representatives. If the contract has been signed, McLaughlin asked about the legal ramifications of this action. Diedrich stated that the Airport Board would have a binding

contract with JJ Security and they would be entitled to damages if the City did not honor the contract. In essence, the City would have to "buy-out" the contract. Also, since the City Attorneys Office was involved in the process of preparing the agreement, outside Council would probably have to be hired to avoid conflicts, if this matter were to go to litigation. Coffing asked about the damages JJ Security would be entitled to. Diedrich explained they would most likely be calculated on lost profits. Coffing added that they would have had to declare what their profits would have been, and prove them.

Coffing reiterated that an elected body, representing the the people of Rapid City, are put in a position of being dominated by five appointed people. "This is not right."

Duane Holzworth questioned the amount of money being spent at the Airport for supervision. It has increased drastically since 1978, but the amount of people doing CFR services has not.

Tom Jaros, Fire Chief for the Veterans Administration at Fort Meade explained that cost comparison studies are when studies have been done and actual costs are compared. It seems that the City is operating with many different cost estimates rather than cost comparisons. It is not fair to the citizens of Rapid City or the dedicated men of the Fire Department to award this contract to the low bidder without first doing accurate cost comparisons.

Jim Henderson stated that he has been involved at the Airport in some capacity for the last ten years. He has brought allegations to the Council before about illegal activities of the Airport Board and he stated that if something isn't done about the corruption at the airport, someone should go to the State or Federal government for action.

Mark Weber, representing the Fire Department Union, distributed a handout with facts and figures concerning the fire fighters at the Airport and went through it with the Council. After all the costs have been included and compared, Weber stated that there will be no cost savings by hiring a private company for CFR services at the Airport. This is based on the assumption that the most recently hired fire fighters will be fired, not those individuals currently stationed at the Airport.

Carlyle stated that the Council should give the Airport Board a chance to respond to the comments that have been made. Coffing stated that the Board was aware that this item was going to be addressed by the Council at this meeting. Upon vote being taken thereon, the motion carried with Pappel, McLaughlin and Bailey voting no.

PLATS

Motion was made by McLaughlin, seconded by Coffing and carried to approve the Layout Plat of Tract 1 of Stromer's Subdivision (formerly unplatted SE1/4 of

NE1/4 of Section 35, T2N, R6E, BHM) located in SE1/4 of NE1/4 of Section 13, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota (located east of 5th Street, west of Parkview, south of Nebraska).

The following Resolution was introduced, read McLaughlin moved its adoption:

**RESOLUTION APPROVING PLAT**

WHEREAS a Survey Plat of a portion of Robbinsdale Addition No. 10 including Lot 4, Block 4; Lots 11 and 12, Block 21; Lots 19, 20, and 21, Block 23; and Lots 1 and 2 Block 24 (formerly unplatted), all located in SE1/4 of NE1/4 and NE1/4 of SE1/4 of Section 13, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota, was filed with the Finance Officer for the purpose of examination and approval by the Governing Body, and

WHEREAS it appears that the system of streets set forth therein conforms with the system of streets of the existing plats of the City, that all provisions of subdivision regulations have been complied with, that all taxes and special assessments upon the property have been fully paid, and that such plat and the survey thereof have been executed according to law

NOW, THEREFORE, BE IT RESOLVED, that the Survey Plat of a portion of Robbinsdale Addition No. 10 including Lot 4, Block 4; Lots 11 and 12, Block 21; Lots 19, 20, and 21, Block 23; and Lots 1 and 2 Block 24 (formerly unplatted), all located in SE1/4 of NE1/4 and NE1/4 of SE1/4 of Section 13, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota, be, and the same is hereby approved and the City Finance Officer of Rapid City is hereby authorized to endorse on such plat a copy of this Resolution and certify to its correctness.

Dated at Rapid City, South Dakota this 5th day of September, 1989.

ATTEST:

THE COMMON COUNCIL  
s/ Keith T. Carlyle  
Mayor

s/ Kent Brugger  
Finance Officer

(SEAL)

The motion for the adoption of the foregoing Resolution was seconded by Hillard. Huey noted that surety has been provided. He also went through the location of this property with respect to drainage areas. Upon vote being taken thereon, the following voted AYE: Coffing, Weiland, Albrecht, Hillard, Bailey, McLaughlin, Holbrook, Pappel and Kellar; NO: None, whereupon said Resolution was declared duly passed and adopted.

The following Resolution was introduced, read and McLaughlin moved its adoption:

**RESOLUTION APPROVING PLAT**

WHEREAS a Plat of Lot "1" Revised formerly Lot "1" and a portion of Mountain View Cemetery located in the SE1/4 NE1/4 of Section 10, T1N, R7E, BHM, Rapid City, Pennington County, South Dakota, was filed with the Finance Officer for the purpose of examination and approval by the Governing Body, and