

PROCEEDINGS OF THE CITY COUNCIL
Rapid City, South Dakota

February 18, 2014

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 Tuesday, February 18, 2014 at 6:30 P.M.

The following members were present: Mayor Sam Kooiker and the following Alderpersons: Brad Estes, Chad Lewis, Jerry Wright, Amanda Scott, John B. Roberts, Bill Clayton and Steve Laurenti; and the following Alderpersons arrived during the course of the meeting: None; and the following were absent: Bonny Petersen, Charity Doyle and Ritchie Nordstrom.

Staff members present included: Finance Officer Pauline Sumption, City Attorney Joel Landeen, Assistant City Attorney Wade Nyberg, Public Works Director Terry Wolterstorff, Community Planning and Development Services Director Brett Limbaugh, Assistant Police Chief Karl Jegeris, Assistant Chief EMS Operations Jason Culberson, Parks and Recreation Director Jeff Biegler, Community Resources Director Jeff Barbier and Administrative Coordinator Sharlene Mitchell

ADOPTION OF AGENDA

The agenda was amended as follows:

- Canine Recognition - Magnum

Motion was made by Estes, second by Scott and carried to adopt the agenda as amended.

AWARDS AND RECOGNITIONS

Mayor Kooiker, Assistant Police Chief Karl Jegeris and Senior Police Officer Sean Doyle recognized Magnum with the K-9 Unit who is retiring after 7 1/2 years of service with the Police Department.

Mayor Kooiker and Alderpersons Scott and Roberts presented the Citizen of the Month for February 2014 to Ron and LaVonne Masters in recognition of their outstanding citizenship principals and their significant efforts to improve the quality of life in the community.

Mayor Kooiker and Alderpersons Scott and Roberts presented the Veteran of the Month for February 2014 to Frederick (Fred) R. Milliken and recognized his efforts and dedication to the service of his country and community.

Mayor Kooiker and Assistant Police Chief Karl Jegeris presented a Certificate of Recognition to Vicki Jaco, Police Department, 25 years and acknowledged her dedicated service to the Rapid City community

Mayor Kooiker and Sustainability Committee members Ken Steinken and Eirik Heikes presented the Sustainability Award to Production Manager Clark Wismer and Environmental Engineer Jim Anderson of GCC Dakota for their contributions to the Winter Storm Atlas Debris Management.

GENERAL PUBLIC COMMENT

Brita Craven provided an update on the public education efforts of the Rapid City Hens project. Francis Dicesare, Dakota Rural Action, voiced support for the urban hens program noting that he was looking forward to the pilot program. Julie Mueller voiced her support for the urban hens program. Michael Glanda thanked the community and the state for their support of equal rights.

CONSENT ITEMS

The following Items were removed from the Consent Items:

17. No. PW021114-12 – Authorize Mayor and Finance Officer to Sign Right-of-Way Vacation Application to vacate a portion of Gold Street and Nowlin Street adjacent to City owned Property.
50. No. LF021214-08 – Resolution No. 2014-019 Declaring Miscellaneous Personal Property Surplus
53. No. LF021214-11 – Authorize Mayor and Finance Officer to Sign Local Governing Body Approval Form (Exhibit 3) for Fortino’s Rapid Creek II Project

Motion was made by Clayton, second by Laurenti and carried to unanimously approve Items 5 – 59 as they appear on the Consent Items with the exception of items 17, 50 and 53.

Approve Minutes

5. Approve Minutes for the February 3, 2014 Regular Council meeting and the February 10, 2014 Special Council meeting.

Alcoholic Beverage License Applications Set for Hearing (March 3, 2014)

6. People for Weiland for Senate for a SPECIAL EVENT Liquor License for an Event Scheduled for March 7, 2014 at Prairie Edge, 606 Main Street
- 6a. Rapid City Chamber of Commerce for a SPECIAL EVENT Wine and Malt Beverage License for an Event Scheduled for March 11, 2014 at The Shops at Main Street Square, 512 Main Street

Public Works Committee Consent Items

7. No. PW021114-02 – Approve Change Order #1 to RCS Construction for South Berry Pine Road Sanitary Sewer Extension, Project No. 11-1957 / CIP No. 50895, for a decrease in the amount of \$40,011.94.
8. No. PW021114-03 – Authorize Staff to Advertise for Bids for 2014 4” Water Main Replacement and Looping Project, Project No. 14-2128 / CIP No. 51013. Estimated Cost: \$475,000.00.
9. No. PW021114-04 – Authorize Staff to Advertise for Bids for Mount Rushmore Road Utilities Reconstruction, Project No. 11-1926 / CIP No.50840. Estimated Cost: \$1,400,000.00.
10. No. PW021114-05 – Authorize Staff to Advertise for Bids for Current Model Year Single Axle Sander with Plow. Estimated Cost: \$105,000.00.
11. No. PW021114-06 – Authorize Staff to Advertise for Bids for Current Model Year Motor Grader. Estimated Cost: \$270,000.00.
12. No. PW021114-07 – Authorize Staff to Advertise for Bids for Three (3) Current Model Year ½ Ton Crew Cab, Short Box Pickups. Estimated Cost: \$69,000.00.
13. No. PW021114-08 – Authorize Staff to Advertise for Bids for Current Model Year Street Sweeper. Estimated Cost: \$225,000.00.
14. No. PW021114-09 – Authorize Staff to Advertise for Bids for 2014 Out of the Dust Project, Project No. 14-2172 / CIP No. 50297. Estimated Cost: \$60,000.00.
15. No. PW021114-10 – Authorize Mayor and Finance Officer to Sign Construction Manager Agreement with M. A. Mortenson Company for the Rushmore Plaza Civic Center Arena Expansion, Project No. 13-2132 / CIP 51018, for an amount not to exceed \$115,000.

16. No. PW021114-11 – Authorize Mayor and Finance Officer to Sign Professional Consultant Agreement with ARC International, Inc. for the Rushmore Plaza Civic Center Arena Expansion, Project No. 13-2132 / CIP 51018, for an amount not to exceed \$385,000.
18. No. PW021114-13 – Authorize Mayor and Finance Officer to Sign Right-of-Way Agreement for a Permanent Utility Easement for the Mount Rushmore Road Reconstruction Project.
19. No. PW021114-14 – Authorize Mayor and Finance Officer to Sign Permanent Utility Easement to Black Hills Power Inc. for an area along Jackson Boulevard.
20. No. PW021114-16 – Authorize Mayor and Finance Officer to Sign Agreement between the City of Rapid City and TSP for Construction Professional Services for Aspen Avenue Bridge Repairs Project, Project No. 13-2119 / CIP No. 50445, in the amount of \$15,300.00.
21. No. PW021114-17 – Authorize Mayor and Finance Officer to Sign Agreement between the City of Rapid City and Sperlich Consulting Inc. for Construction Professional Services for Robbinsdale Area Utility and Street Reconstruction, Project No. 12-2063 / CIP No. 50421.3-3, in the amount of \$110,157.50.
22. No. PW021114-19 – Authorize Mayor and Finance Officer to Sign Agreement between the City of Rapid City and Geo-Logic Associates Inc. for Design and Bidding Professional Services for Cells 13, 14 and 17 Final Cover System in the amount of \$96,940.00.
23. No. PW012814-11 – Acknowledge Applicant’s request to Withdraw Authorizing a Public Pressure Sewer System for properties located along Calle Baja Street located in Section 9, 1N, R7E, BHM, Rapid City, Pennington County, South Dakota. *(Continued from the January 28, 2014, Public Works Committee Meeting)*
24. No. PW021114-21 – Renew Contract with Old Dominion for Sweeper Broom Refills for One Year.
25. No. PW021114-22 – Acknowledge 44th Annual City Wide Clean Up Week – April 21 through April 26, 2014.
26. No. PW021114-23 – Authorize Temporary Price Reduction for Yard Waste Compost.
27. No. PW021114-24 – Renew Contract with Hawkins, Inc. for Fluoride for one year.
28. No. PW021114-25 – Renew Contract with Hawkins, Inc. for Chlorine Gas for one year.
29. No. PW021114-26 – Renew Contract with Hawkins, Inc. for Sodium Hypochlorite for one year.
30. No. PW021114-27 – Renew Contract with Hawkins, Inc. for Citric Acid for one year.
31. No. PW021114-28 – Renew Contract with Hawkins, Inc. for Sodium Bisulfite for one year.
32. No. PW021114-29 – Renew Contract with Hawkins, Inc. for Sodium Hydroxide for one year.
33. No. PW021114-30 – Authorize staff to submit, and accept if awarded, a grant application to the Federal Transit Administration (FTA) requesting operating/capital assistance in the amount of \$1,616,967 for the Rapid Transit System.
34. No. PW021114-31 – Approve the Procedures for Design-Build Procurement of Public Improvement Projects (Best Value Process).

35. No. PW021114-33 – Authorize Mayor and Finance Officer to sign Agreement with Stone Orchard Software, Inc. for Cemetery Software, Project No. PR14-6113, in the amount of \$29,390.
36. No. PW021114-34 – Authorize staff to advertise for bids for Meadowbrook Golf Course Bunker Improvements Project PR12-6101.
37. No. PW021114-35 – Authorize staff to advertise for bids for one Wide Area Rotary Mower for the Parks Division, in the approximate amount of \$60,000.
38. No. PW021114-36 – Authorize staff to purchase one 2014 Grand Caravan from State Bid Contract No. 16547 (Wegner Auto, Pierre, SD) in the amount of \$20,434.
39. No. PW021114-37 – Authorize staff to purchase one 2014 Explorer Utility Vehicle from McKie Ford in the amount of \$26,138.
40. No. PW021114-38 – Authorize staff to purchase one 2014 (1) Ton Truck 4x4 F350 Truck for the Recreation Division from McKie Ford in the amount of \$24,077.
41. No. 14TP002 – 2013 Traffic Count Book.
42. No. PW021114-18 – Authorize Mayor and Finance Officer to Sign an Agreement between the City of Rapid City and Geo-Logic Associates Inc. for Design and Bidding Professional Services for 2014 Solid Waste Permit Amendment in the amount of \$229,115.00.
43. No. PW021114-32 – Authorize Staff to Seek Proposals for Professional Services for Design Build of Natural Surface Trails in the Skyline Wilderness Park – Phase II, Project No. PR13-6109 (CIP No. 51002).

Legal & Finance Committee Consent Items

44. No. LF021214-02 - Approve the Purchase of Four New SUV Police Interceptors from McKie Ford in the Approximate Amount of \$113,524
45. No. LF021214-03 – Request Permission to Advertise for Bids for One New Type III Ambulance and One New Type II Sprinter Ambulance
46. No. LF021214-04 – Request Permission to Advertise for Bids for Remounting Four Ambulances on New Type III Ambulance Chassis
47. No. LF021214-05 - Approve Request for Property Tax Abatement as Follows: Brent Goehring, 2012, \$102.42; John Witherspoon College, 2012, \$552.00
48. No. LF021214-06 – Resolution No. 2014-017A Fixing Time and Place for Hearing on Assessment Roll for Cleanup of Miscellaneous Property

RESOLUTION No. 2014-017A
RESOLUTION FIXING TIME AND PLACE FOR HEARING ON ASSESSMENT ROLL FOR
CLEANUP OF MISCELLANEOUS PROPERTY

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

1. The Assessment Roll for Cleanup of Miscellaneous Property was filed in the Finance Office on the 18th day of February, 2014. The City Council shall meet at the City / School Administration Center in

Rapid City, South Dakota, on the 17th day of March, 2014 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 18th day of February, 2014.

CITY OF RAPID CITY
s/ Sam Kooiker
Mayor

ATTEST:
s/ Pauline Sumption
Finance Officer

(SEAL)

49. No. LF021214-07 – Resolution No. 2014-020 Amending Resolution No. 2013-060 Authorizing the Issuance of Its Gross Receipts Tax Revenue Refunding Bonds for the Purpose of Refunding the City’s Gross Receipts Tax Revenue Bonds, Series 2008

RESOLUTION NO. 2014-020
RESOLUTION AMENDING RESOLUTION NO. 2013-060

WHEREAS, the City of Rapid City, South Dakota (the “City”) has previously, by Resolution No. 2013-060 (the “Original Resolution”; together with this Amending Resolution, the “Resolution”), authorized the issuance of its Gross Receipts Tax Revenue Refunding Bonds (the “Bonds”) for the purpose of refunding the City’s Gross Receipts Tax Revenue Bonds, Series 2008, dated, as originally issued, as of August 1, 2008, maturing in the years 2016 through 2028 (the “Refunded Bonds”);

WHEREAS, pursuant to Chapter 10-52A, South Dakota Codified Laws (the “Act”) and Chapter 3.16 of the City’s Municipal Code (the “Ordinance”), the City has imposed a Gross Receipts Tax (as hereinafter defined), the revenues of which are pledged hereunder to secure the Bonds and any Additional Bonds hereafter issued hereunder on a parity with the Bonds (together, the “Parity Bonds”).

WHEREAS, the City Council desires to amend the Resolution administratively for the purpose of providing for the private placement of the Bonds with one or more purchasers (the “Purchaser”) selected by the City in consultation with Dougherty & Company LLC, acting as financial advisor (the “Financial Advisor”), without the use of an indenture of trust or any offering document and upon the terms described herein;

WHEREAS, all terms defined in the Resolution and used herein shall have the meanings given in the Original Resolution, and the Original Resolution shall continue in full force and effect except as otherwise provided herein;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City, as follows:

SECTION 1. SALE OF BONDS.

1.01. Approval and Execution of Documents. The Mayor, Finance Officer and City Attorney are hereby authorized and directed to execute and deliver (a) a term sheet or bond purchase agreement with the Purchaser (any such agreement or agreement, the "Purchase Agreement") in substantially the form made available to the City Council for review prior to this meeting, (b) the documents required thereunder, (c) the Bonds and (d) any other documents required to complete the financing contemplated hereby. The Mayor or Finance Officer is also authorized to execute and deliver an agreement with the Financial Advisor. Execution and delivery of such documents by the Mayor, Finance Officer and City Attorney shall constitute evidence that such items are consistent with the terms of the Resolution and have been duly authorized, executed and delivered by the City and are enforceable against the City in accordance with their terms, subject to customary exceptions relating to bankruptcy, reorganization, insolvency and other laws affecting creditors' rights.

SECTION 2. TERMS, EXECUTION AND DELIVERY.

2.1. Date, Maturities and Interest Rates. Notwithstanding anything in the Original Resolution to the contrary, the Bonds shall bear interest as provided in this Section. The Bonds are to be issued in a principal amount not to exceed \$4,415,000 and bear interest at a rate of 3.10% per annum ("Original Rate"). The Bonds will mature on June 1, 2028. The Bonds shall be originally dated as of the date of delivery, shall bear interest from the date of original issue until paid or duly called for redemption on June 1 and December 1, commencing June 1, 2014 (each an "Interest Payment Date"). The Bonds shall be issuable only in fully registered form and initially not in book-entry only form and without a CUSIP. The interest thereon and, the principal amount thereof, shall be payable by the Registrar by wire transfer in immediately available funds to the registered owner of the Bonds. The final installment of principal of each Bond shall be made only upon surrender of each Bond at the office of the Registrar. If any installment of principal of or interest of the Bond shall not be paid when due, such installment shall bear interest at rate of 5% per annum (the "Default Rate") until such principal or interest, as the case may be, is paid in full.

2.2. Dates and Interest Payment Dates. Upon the initial delivery of the Bonds pursuant to Section 2.6 and upon any subsequent transfer or exchange pursuant to Section 2.6, the date of authentication shall be noted on each Bond so delivered, exchanged or transferred.

2.3. Redemption. The Bonds are subject to optional redemption by the City prior to maturity on any date on or after June 1, 2021, in whole, at a redemption price equal to 100% of their principal amount, plus accrued interest to the redemption date. The Bonds are further subject to optional redemption in part by the City no more than once each calendar year on any Interest Payment Date (a) prior to June 1, 2021, in an amount not to exceed \$500,000 annually and (b) on June 1, 2021 and each Interest Payment Date thereafter, in any amount.

The Bonds are term bonds and shall be subject to mandatory sinking fund redemption prior to maturity as set forth in the Purchase Agreement, subject to reamortization in the event of any partial redemption.

The Finance Officer shall cause notice of the call for redemption of any Bonds to be published as and if required by law, and, at least thirty days prior to the designated redemption date, shall cause notice of the call thereof for redemption to be mailed, by first class mail (or, if applicable, by the bond depository in accordance with its customary procedures), to the registered owners of any Bonds to be redeemed at their addresses as they appear on the bond register described in Section 2.5 hereof, but no defect in or failure to give such mailed notice shall affect the validity of proceedings for the redemption of any Bond not affected by such defect or failure. The notice of redemption shall specify the redemption date, redemption price, the numbers and interest rates of the Bonds to be redeemed and the place at

which the Bonds are to be surrendered for payment, which is the principal office of the Registrar. Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of the Bonds shall cease to bear interest. Upon partial redemption of any Bond, a new Bond or Bonds will be delivered to the registered owner without charge, representing the remaining principal amount outstanding.

2.4. Appointment of Initial Registrar. The City Finance Officer will act as bond registrar, transfer agent and paying agent (the Registrar) for the Bonds. The City reserves the right to appoint a successor Registrar, in which event the predecessor Registrar shall deliver all cash and Bonds in its possession to the successor Registrar and shall deliver the bond register to the successor Registrar. On or before each principal or interest due date, without further order of the City Council, the Finance Officer shall transmit to the Registrar moneys sufficient for the payment of all principal and interest then due. No resignation or removal of the Registrar shall become effective until a successor Registrar has been appointed and has accepted such appointment.

2.5. Registration. The effect of registration and the rights and duties of the City and the Registrar with respect thereto shall be as follows:

(a) Register. The Registrar shall keep a bond register in which the Registrar shall provide for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged.

(b) Transfer of Bonds. Upon surrender for transfer of any Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until such interest payment date.

(c) Exchange of Bonds. Whenever any Bonds are surrendered by the registered owner for exchange, the Registrar shall authenticate and deliver one or more new Bonds of a like aggregate principal amount, interest rate and maturity, as requested by the registered owner or the owner's attorney duly authorized in writing.

(d) Cancellation. All Bonds surrendered upon any transfer or exchange shall be promptly canceled by the Registrar and thereafter disposed of as directed by the City.

(e) Improper or Unauthorized Transfer. When any Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The City and the Registrar may treat the person in whose name any Bond is at any time registered in the bond register as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond and for all other purposes, and all such payments so made to any such registered owner or upon the owner's order shall be valid

and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. For every transfer or exchange of Bonds, the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Registrar shall deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any such destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that such Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to it, in which both the City and the Registrar shall be named as obligees. All Bonds so surrendered to the Registrar shall be canceled by it and evidence of such cancellation shall be given to the City. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it shall not be necessary to issue a new Bond prior to payment.

2.6. Execution, Authentication and Delivery. The Bonds shall be prepared under the direction of the Finance Officer and shall be executed on behalf of the City by the signatures of the Mayor and the Finance Officer and countersigned by an attorney actually residing in the State of South Dakota and duly licensed to practice therein, provided that all signatures may be printed, engraved or lithographed facsimiles of the originals. In case any officer whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of any Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until delivery. Notwithstanding such execution, no Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on such Bond has been duly executed by the Registrar by the manual signature of its authorized representative. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on each Bond shall be conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been so prepared, executed and authenticated, the Finance Officer shall deliver the same to the Purchaser thereof upon payment of the purchase price in accordance with the provisions of the Resolution. Upon delivery of the Bonds to the Finance Officer shall file, or cause to be filed, with the Secretary of State, on the form provided by the Secretary of State, the information required by SDCL, Section 6-8B-19.

2.7. Form of Bonds. The Bonds shall be prepared in substantially the form presented to and approved by the Council and on file in the office of the Finance Officer.

2.8. Securities Depository. Solely at the direction of the the owners of 100% of the principal amount of the Bonds outstanding in their sole and absolute discretion, the Bond may be issued in book-entry only form, in which case the following provisions shall apply.

For purposes of this section the following terms shall have the following meanings:

“Beneficial Owner” shall mean, whenever used with respect to a Bond, the person in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant, or such person’s subrogee.

“Cede & Co.” shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

“DTC” shall mean The Depository Trust Company of New York, New York.

“Participant” shall mean any broker-dealer, bank or other financial institution for which DTC holds Bonds as securities depository.

“Representation Letter” shall mean the Representation Letter pursuant to which the sender agrees to comply with DTC’s Operational Arrangements.

The Bonds shall be initially issued as separately authenticated fully registered bonds, and one Bond shall be issued in the principal amount of each stated maturity of the Bonds. Upon initial issuance, the ownership of such Bonds shall be registered in the bond register in the name of the Purchaser. If the Bonds are in book-entry only form, the Registrar and the City may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, if any, giving any notice permitted or required to be given to registered owners of Bonds under this Resolution, registering the transfer of Bonds, and for all other purposes whatsoever; and neither the Registrar nor the City shall be affected by any notice to the contrary. Neither the Registrar nor the City shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the bond register as being a registered owner of any Bonds, with respect to the accuracy of any records maintained by DTC or any Participant, with respect to the payment by DTC or any Participant of any amount with respect to the principal of or interest on the Bonds, with respect to any notice which is permitted or required to be given to owners of Bonds under this Resolution, with respect to the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Bonds, or with respect to any consent given or other action taken by DTC as registered owner of the Bonds. So long as any Bond is registered in the name of Cede & Co., as nominee of DTC, the Registrar shall pay all principal of and interest on such Bond, and shall give all notices with respect to such Bond, only to Cede & Co. in accordance with DTC’s Operational Arrangements, and all such payments shall be valid and effective to fully satisfy and discharge the City’s obligations with respect to the principal of and interest on the Bonds to the extent of the sum or sums so paid. If the Bonds are in book-entry only form, no person other than DTC shall receive an authenticated Bond for each separate stated maturity evidencing the obligation of the City to make payments of principal and interest. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the Bonds will be transferable to such new nominee in accordance with paragraph (e) hereof.

In the event the City determines that it is in the best interest of the Beneficial Owners that they be able to obtain Bonds in the form of bond certificates, the City may notify DTC and the Registrar, whereupon DTC shall notify the Participants of the availability through DTC of Bonds in the form of certificates. In such event, the Bonds will be transferable in accordance with paragraph (e) hereof. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and the Registrar and discharging its responsibilities with respect thereto under applicable law. In such event the Bonds will be transferable in accordance with paragraph (e) hereof.

The execution and delivery of the Representation Letter to DTC by the Mayor or Finance Officer is hereby authorized and directed.

In the event that any transfer or exchange of Bonds is permitted under paragraph (b) or (c) hereof, such transfer or exchange shall be accomplished upon receipt by the Registrar of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee in accordance with the provisions of this Resolution. In the event Bonds in the form of certificates are issued to owners other than Cede & Co., its successor as nominee for DTC as owner of all the Bonds,

or another securities depository as owner of all the Bonds, the provisions of this Resolution shall also apply to all matters relating thereto, including, without limitation, the printing of such Bonds in the form of bond certificates and the method of payment of principal of and interest on such Bonds in the form of bond certificates.

SECTION 3. USE OF PROCEEDS; REDEMPTION OF REFUNDED BONDS.

3.1. Use of Proceeds. Upon payment for the Bonds by the Purchaser, a portion of the proceeds of the Bonds are irrevocably appropriated in the amount necessary for the payment of all principal and interest to become due on the Refunded Bonds to and including June 1, 2015 (the "Redemption Date"). The Finance Officer is authorized to deposit such proceeds in escrow with The First National Bank in Sioux Falls, Sioux Falls South Dakota, as escrow agent (the "Escrow Agent"), such funds so deposited to be invested in securities authorized for such purpose by Chapter 6-8B, South Dakota Codified Laws. The Mayor and Finance Officer may enter into an escrow agreement with the Escrow Agent establishing the terms and conditions for such escrow account (the "Escrow Account") in accordance with Chapter 6-8B, South Dakota Codified Laws. Any proceeds of the Bonds remaining after payment of costs of issuance of the Bonds shall be deposited in the Bond Account created in Section 4.2 hereof.

3.2. Redemption of Refunded Bonds. The Finance Officer is directed to call the Refunded Bonds for redemption and prepayment on the Redemption Date and to give, or cause to be given, notice of redemption in accordance with the provisions of the Indenture of Trust authorizing the issuance of the Refunded Bonds.

SECTION 4. FUND AND ACCOUNTS.

4.1. Gross Receipts Tax Revenue Fund. The Finance Officer shall establish and will maintain a Gross Receipts Tax Revenue Fund (the "Revenue Fund") as a separate and special fund in the financial records of the City until all Bonds issued and made payable therefrom, and interest due thereon, have been duly paid or discharged. All collections of the hereinafter defined Gross Receipts Tax shall be credited, as received, to the Revenue Fund. All collections of the Gross Receipts Tax for a fiscal year of the City shall be certified annually by a firm of nationally recognized independent certified public accountants. Within the Revenue Fund are various separate accounts to be maintained by the City. "Gross Receipts Tax" means a "non-ad valorem tax" (as defined by Chapter 10-52A, South Dakota Codified Laws) of one percent upon the gross receipts of all leases or rentals of hotel, motel, campsites or other lodging accommodations within the City for periods of less than 28 consecutive days, or sales of alcoholic beverages as defined in Section 35-1-1, South Dakota Codified Laws, or establishments where the public is invited to eat, dine or purchase and carry out prepared food for immediate consumption, or ticket sales or admissions to places of amusement, athletic and cultural events, or any combination thereof.

4.2. Bond Account. So long as any of the Bonds and Additional Bonds are outstanding and any principal of or interest thereon unpaid, a separate debt service fund shall be maintained within the Revenue Fund to be known as the Gross Receipts Tax Revenue Bond Account (the "Bond Account") and the principal and interest on the Bonds and any Additional Bonds shall be payable from the Bond Account. The City shall deposit in the Bond Account amounts sufficient to pay the principal of, premium, if any, and interest on the Bonds when due (on each Interest Payment Date and whether at maturity or call for redemption). The moneys on hand in the Bond Account from time to time shall be used solely to pay the principal of and interest on the Bonds and any Additional Bonds. So long as the Bonds shall be outstanding, either as to principal or interest, or both, the Gross Receipts Tax revenues shall be set aside and deposited:

(A) into a separate subaccount hereby created and to be known as the Interest Account (the "Interest Account"), monthly, commencing on the first day of the first month following the delivery of the

Bonds, an amount in equal monthly installments necessary, together with any moneys therein and available therefor, to pay the next maturing installment of interest on the Bonds then outstanding and monthly thereafter on the first day of each month commencing on said interest payment date, one-sixth (1/6th) of the amount necessary to pay the next maturing installment of interest on the outstanding Bonds; and

(B) into a separate subaccount hereby created and to be known as the Principal Account (the "Principal Account"), monthly, commencing on the first day of the first month following delivery of the Bonds, an amount in equal monthly installments necessary, together with any moneys therein and available therefor, to pay the next maturing installment of principal on the outstanding Bonds and monthly thereafter on the first day of each month commencing on said principal payment date, one-twelfth (1/12th) of the amount necessary to pay the next maturing installment of principal on the Bonds.

(C) After and subordinate to the payments required by subparagraphs (A) and (B) hereof, any balance in the Revenue Fund shall be used to pay principal of, interest on and any reserve fund for Subordinate Bonds (provided that such payments may be made at any intervals as may be provided in the ordinance or resolution authorizing such Subordinate Bonds, but in no event more frequently than payments are made pursuant to subparagraphs (A) and (B) hereof).

Nothing herein shall prevent the City, in its discretion, from making any of the foregoing deposits from other legally available funds. If prior to any interest payment date or principal payment date, there has been accumulated in the Bond Account the entire amount necessary to pay the next maturing installment of interest or principal, or both, the payment required in subparagraph (A) or (B) (whichever is applicable) of this Section 4.2, may be appropriately reduced and the required annual or semiannual amounts again shall be so credited to such subaccount commencing on such interest payment date or principal payment date (whichever is applicable). The moneys in the Bond Account are irrevocably and exclusively pledged to the payment of principal of and interest on the Bonds. This Resolution creates a lien on the Bond Account in favor of the Bonds.

4.3. Deposit and Investment of Funds. The Finance Officer shall cause all moneys in the Revenue Fund to be deposited as received with one or more banks which are duly qualified public depositories under the provisions of Chapter 4-6A, SDCL, in a deposit account or accounts, which shall be maintained separate and apart from all other account of the City, so long as any of the Bonds and the interest thereon shall remain unpaid. Any of such moneys not necessary for immediate use may be deposited with such depository banks in savings or time deposits. No moneys shall at any time be withdrawn from such deposit accounts except for the purposes of the respective funds as authorized in this Resolution, except that moneys from time to time on hand in the respective funds may at any time, in the discretion of the City Council, be invested in securities permitted by the provisions of Section 4-5-6, SDCL. Income received from the deposit or investment of moneys shall be credited to the account from whose moneys and deposit was made or the investment was purchased, and handled and accounted for in the same manner as other moneys in that account. The investment of the moneys on deposit in the Bond Account is further restricted by the provisions of Section 8 hereof.

4.4. Gross Receipts Tax; Other Uses. At the end of each fiscal year, after all amounts remaining in the Revenue Fund after all annual obligations of principal or interest on and expenses relating to the Parity Bonds and Subordinate Bonds and all other obligations if any payable on the Parity Bonds and Subordinate Bonds have been fully met and all rebate amounts relating to the Parity Bonds and Subordinate Bonds have been paid, the remaining Gross Receipts Tax proceeds may be (i) used for paying other costs which the City is legally authorized to undertake and/or the payment of debt service on other bonds of the City, and contractual obligations of the City incurred for the purpose of paying legally authorized costs of or (ii) transferred to the general fund of the City, to the extent then permitted by South Dakota law.

SECTION 5. PRIORITIES AND ADDITIONAL BONDS.

5.1. Priority of Bond Payments. Each and all of the Bonds and Additional Bonds shall be equally and ratably secured by and payable out of Gross Receipts Tax revenues without preference or priority of any one Bond over any other by reason of serial number or otherwise, provided that if at any time the collections of Gross Receipts Tax are insufficient to pay principal and interest then due on all Bonds, any and all moneys then on hand shall be first used to pay the interest accrued on all outstanding Bonds, and the balance shall be applied toward payment of the maturing principal of Bonds in order of their maturities, the earliest maturing Bonds to be paid first, and pro-rata in payment of Bonds maturing on the same date.

5.2. Refunding Revenue Bonds. The City reserves the right and privilege of refunding any or all of the Bonds or Additional Bonds, but only subject to the following terms and conditions:

(a) Any matured Bonds may be refunded if moneys available for the payment thereof at maturity, within the limitation prescribed in Section 5.1 hereof, should at any time be insufficient to make such payment in full.

(b) Any Bonds may be refunded prior to maturity, as and when they become prepayable according to their terms.

(c) Provision may be made for the payment and refunding of any unmatured Bonds by the deposit with a duly qualified depository bank, as escrow agent, of a sufficient amount of cash, or of Bonds or other general obligations of the United States, or of securities whose principal and interest payments are guaranteed by the United States, to pay the principal amount of such outstanding Bonds with interest to the earliest subsequent date, if any, upon which the same may be called for redemption and prepayment, and with interest to the maturity of any such Bonds which are not subsequently prepayable.

(d) Any refunding revenue bonds issued for the above purposes may be made payable from the collections of Gross Receipts Tax on a parity as to interest with all then outstanding Bonds, provided that (1) the maturity of each refunding revenue bond shall be subsequent to the last maturity of any then outstanding Bonds which are not refunded or to be refunded out of moneys on deposit with such escrow agent, and (2) no bondholder shall be required to accept a refunding revenue bond in exchange for any Bond owned by such holder.

(e) So long as (i) the final maturity of the refunding bonds does not exceed the final maturity of the bonds being refunded, (ii) maximum annual debt service on the refunding bonds is not more than 125% of the maximum annual debt service on the bonds being refunded and (iii) the refunding bonds do not increase any aggregate annual principal and interest requirements evidenced by such refunding bonds and by the outstanding Parity Bonds and Subordinate Bonds not refunded on and prior to the last maturity date of such unrefunded Parity Bonds and Subordinate Bonds, the refunding bonds need not meet the test for Additional Bonds set forth in Section 5.3.

5.3. Other Parity Bonds. The City reserves the right to issue Additional Bonds, payable from the Bond Account, on a parity as to both principal and interest with the Bonds, if (i) no default has occurred and is continuing under this Resolution, and (ii) the collections of the Gross Receipts Tax for each of the two full fiscal years of the City immediately preceding the date of issue of the Additional Bonds (as certified by a firm of nationally recognized independent certified public accountants who may also render other services to the City) were at least 125% of the maximum Annual Debt Service in any future fiscal year, on all then outstanding Bonds and Parity Bonds and on the Additional Bonds proposed to be issued. For the purposes of this subsection, the phrase "any future fiscal year" shall be the period ending in the fiscal year the last maturity date scheduled for any Bond issued hereunder, assuming no earlier

prepayment or redemption. If no Gross Receipt Tax revenues are collected for prior two fiscal years, no Additional Bonds can be issued.

In no event shall any Additional Bonds be issued and made payable from the Bond Account if the City is then in default in any payment of principal or interest deficiency in the balances required by this Resolution to be maintained in any of the funds created under this Resolution.

“Annual Debt Service” shall mean the amount required to pay the principal of and interest on all outstanding Bonds and Additional Bonds during a fiscal year, calculated as follows:

(a) The amount payable for principal in any fiscal year shall include the principal of any Bonds required to be redeemed in such fiscal year from a sinking fund or other analogous fund for the retirement of Bonds; subject to the foregoing, the amount payable for principal in any fiscal year shall be the principal of Bonds having a stated maturity in such fiscal year.

(b) There shall be excluded from Annual Debt Service the principal of and interest on any Bonds which are no longer outstanding under this Resolution.

(c) There shall be excluded from Annual Debt Service amounts that are on deposit in an irrevocable escrow (including, where appropriate, the earnings or other increment to accrue thereon) required to be applied to pay principal and interest on Parity Bonds.

5.4. Subordinate Lien Bonds; No Senior Bonds. Notwithstanding the above provisions of this Section 5, nothing contained in this Resolution or in the Bonds shall be construed to preclude the City from issuing bonds or other obligations (“Subordinate Bonds”) secured by a pledge of Gross Receipts Tax if (a) their lien on the Gross Receipts Tax is made expressly subordinate to the pledge thereof to all Bonds issued hereunder, (b) no default has occurred and is continuing under this Resolution and (c) the collections of the Gross Receipts Tax for each of the two full fiscal years of the City immediately preceding the date of issue of the Subordinate Bonds (as certified by a firm of nationally recognized independent certified public accountants who may also render other services to the City) were at least 125% of the maximum Annual Debt Service in any future fiscal year, on all then outstanding Parity Bonds and on the Subordinate Bonds proposed to be issued. Nothing in this Resolution shall be construed so as to permit the City to issue bonds payable from the Gross Receipts Tax revenues having a lien thereon prior and superior to the Parity Bonds herein authorized to be issued.

SECTION 6. COVENANTS OF THE CITY. The City hereby covenants with each and every Owner of the Bonds that so long as any Bonds remain Outstanding and unpaid:

(a) The City will administer, enforce and collect, or cause to be administered, enforced and collected, the Gross Receipts Tax and shall take all reasonable action necessary to collect delinquent payments or to cause delinquent payments to be collected in accordance with law.

(b) The City will keep or cause to be kept books and records showing the proceeds of the Gross Receipts Tax, in which complete entries shall be made in accordance with standard principles of accounting, and any owner of any of the Bonds shall have the right at all reasonable times to inspect such books and records.

(c) The City shall continue to impose and collect the Gross Receipts Tax on the value of goods and services subject to such tax, and the City shall not exempt any item or transaction from the Gross Receipts Tax which is subject to the Gross Receipts Tax on the date of adoption of this amending Resolution.

(d) The City shall, to the extent permitted by law, defend the validity and legality of the Gross Receipts Tax and the Resolution, and all amendments thereto, against all claims, suits and proceedings which would diminish or impair the Gross Receipts Tax as security for the Bonds.

(e) The City, acting by and through its officers, or otherwise, shall faithfully and punctually perform, or cause to be performed, all duties with respect to the Gross Receipts Tax required by the Constitution and laws of the State and the various ordinances, resolutions and contracts of the City, including, without limitation, the proper segregation of the proceeds of the Bonds and the Gross Receipts Tax and their application from time to time to the respective funds and subaccounts provided therefor.

(f) At any and all times the City shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge, deliver and file or record all and every such further instruments, acts, deeds, conveyances, assignments, transfers, other documents and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights, the Gross Receipts Tax and other funds and accounts hereby pledged or assigned, or intended so to be, or which the City may hereafter become bound to pledge or to assign, or as may be reasonable and required to carry out the purposes of this Indenture. The City, acting by and through its officers, or otherwise, shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Gross Receipts Tax and other funds and accounts pledged hereunder and all the rights and every owner of any of the Bonds against all claims and demands of all persons whomsoever.

(g) The City, its officers, agents and employees, shall not take any action in such manner or to such extent as might prejudice the security for the payment of the Bonds according to the terms thereof. No contract shall be entered into nor any other action taken by which the rights of any Registered Owner of any Bond or other security payable from Gross Receipts Tax might be prejudicially and materially impaired or diminished.

(h) Each City officer or employee having custody of any Gross Receipts Tax, or responsible for their handling, shall be bonded at all times, which bond shall be conditioned upon the proper application of said moneys.

SECTION 7. DEFEASANCE.

7.1. General. When the liability of the City on all Bonds issued under and secured by this Resolution and all interest thereon has been discharged as provided in this section, all pledges, covenants and other rights granted by this Resolution to the registered owners of such Bonds shall cease.

7.2. Payment. The City may discharge its liability with reference to any Bonds which are due on any date by depositing with the Registrar for such Bonds on or before the date a sum sufficient for the payment thereof in full; or if any Bond shall not be paid when due, the City may nevertheless discharge its liability with reference thereto by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit.

7.3. Redemption. The City may also discharge its liability with reference to any Bonds which are called for redemption on any date in accordance with their terms, by depositing with the Registrar on or before that date an amount equal to the principal, interest and redemption premium, if any, which are then due thereon, provided that notice of such redemption has been duly given as provided in this Resolution.

7.4. Escrow. The City may also at any time discharge its liability in its entirety with reference to any Bonds, subject to the provisions of law now or hereafter authorizing and regulating such action, by calling such Bonds for redemption on the next date when they may be prepaid in accordance with their terms, by giving the notice required for such redemption or giving irrevocable instructions to the escrow agent described below to give such notice, and by depositing irrevocably in escrow, with a bank qualified by law as an escrow agent for this purpose, cash or securities which are direct non-callable obligations of the United States and are authorized by law to be so deposited, bearing interest payable at such times and at such rates and maturing on such dates as shall be required, without reinvestment, to provide funds sufficient to pay all principal, interest and redemption premiums, if any, to become due on such Bonds on or before said redemption date. No defeasance shall be made pursuant to this section unless there has first been presented to the escrow agent (i) a verification report as to the adequacy of the escrow prepared by an independent nationally-recognized certified public accountant and (ii) a written opinion of nationally-recognized bond counsel that such defeasance shall not cause the interest on any outstanding Bonds to be included in the gross income of the registered owners thereof for federal income tax purposes.

SECTION 8. TAX MATTERS.

8.1. General Covenant. The City covenants and agrees with the registered owners from time to time of the Bonds that it will not take or permit to be taken by any of its officers, employees or agents any action which would cause the interest on the Bonds to become includable in gross income for federal income tax purposes under the Code and applicable Treasury Regulations (the "Regulations"), and covenants to take any and all actions within its powers to ensure that the interest on the Bonds will not become includable in gross income for federal income tax purposes under the Code and the Regulations. The City shall not enter into any lease, management contract, operating agreement, use agreement or any other contract relating to the use or operation of the facilities refinanced with the Bonds, or any portion thereof, or security for the payment of the Bonds which might cause the Bonds to be considered "private activity bonds" or "private loan bonds" within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the "Code").

8.2. Certification. The Mayor and the Finance Officer, being the officers of the City charged with the responsibility for issuing the Bonds pursuant to this Resolution are hereby authorized and directed to execute and deliver to the Purchaser thereof a certificate in accordance with the provisions of Section 148 of the Code, and Section 1.148-2(b) of the Regulations, stating that on the basis of facts, estimates and circumstances in existence on the date of issue and delivery of the Bonds, it is reasonably expected that the proceeds of the Bonds will be used in a manner that would not cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations.

8.3. Arbitrage Rebate. The City acknowledges that the Bonds are subject to the rebate requirements of Section 148(f) of the Code. The City covenants and agrees to retain such records, make such determinations, file such reports and documents and pay such amounts at such times as are required under said Section 148(f) and applicable Regulations unless the Bonds qualify for an exception from the rebate requirement pursuant to one of the spending exceptions set forth in Section 1.148-7 of the Regulations and no "gross proceeds" of the Bonds (other than amounts constituting a "bona fide debt service fund") arise during or after the expenditure of the original proceeds thereof.

SECTION 9. EFFECTIVE DATE; REPEALS. This Resolution shall become effective twenty days following publication and all provisions of ordinances, resolutions and other actions and proceedings of the City which are in any way inconsistent with the terms and provisions of this Resolution are repealed, amended and rescinded to the full extent necessary to give full force and effect to the provisions of this Resolution.

Dated this 18th day of February, 2014.

CITY OF RAPID CITY
s/ Sam Kooiker
Mayor

ATTEST:
s/ Pauline Sumption
Finance Officer

(SEAL)

- 51. No. LF021214-09 – Acknowledge Request for 30 Day Extension for the 2013 Annual Report (Granted)
- 52. No. LF021214-10 – Acknowledge December 2013 Sales Tax Report
- 54. No. LF021214-12 – Acknowledge Dan Senftner’s explanation of \$2,000,000 for additional parking for Downtown Rapid City.
- 55. No. CC021814-04.1 - Acknowledge Human Relations Commission’s Semi Annual Update.
- 56. No. LF021214-14 – Deny Request for Property Tax Abatement as follows: Stephanie Seljeskog, 2013, \$657.75.
- 57. No. LF021214-15 – Authorize Mayor and Finance Officer to sign Contract with Berry Dunn McNeil & Parker, LLC for ERP Software Project Management Services.
- 58. No. LF021214-16 – Authorize Mayor and Finance Officer to sign Contract with Tyler Technology for ERP Software.
- 59. No. LF031313-15 – Acknowledge the update on the Regional Rail Authority.

END OF CONSENT ITEMS

Motion was made by Estes, second by Laurenti and carried with Scott abstaining to (No. PW021114-12) Authorize Mayor and Finance Officer to Sign Right-of-Way Vacation Application to vacate a portion of Gold Street and Nowlin Street adjacent to City owned Property.

Motion was made by Lewis, second by Wright to Approve (No. LF021214-08) Resolution No. 2014-019 Declaring Miscellaneous Personal Property Surplus. In response to a question from Scott, Barbier advised that the Hope Center is taking over the Re-Entry Program noting that the surplus request is for materials purchased with grant funds for that program. Barbier advised that the surplus materials would be donated to the Hope Center. Motion carried.

Resolution # 2014-019
RESOLUTION DECLARING MISCELLANEOUS PERSONAL PROPERTY SURPLUS

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

WHEREAS, SDCL 6-5-2 authorizes the City of Rapid City to give any personal property it owns to a non-profit organization upon such terms and conditions as provided by a resolution of the governing body; and

WHEREAS, the HOPE Center intends to use the donated items for public purposes.

NOW, THEREFORE, BE IT RESOLVED that the following property be declared surplus; and that the City of Rapid City shall donate to the HOPE Center the following list of items currently in possession of the Reentry Program.

Reentry Office Inventory Purchased with SCA funds

Office Equipment & Furniture

File Cabinet - 4 drawer, HDN 314 PC
Desk, HON38856RNS
Desk Return, 107166
HP Compaq PC Mini Tower, BN016US#ABA
Monitor 21.5"
Computer speakers (s)
Keyboard & Mouse
Microsoft Office Professional 2007 (no media Windows) 79P-01207
Stapler
2 hole punch
Trays - Letter (2)
Wall File
1 box file folders
Client Files - SCA
Client Files - Non-SCA
Misc. Desk supplies
Personal Planner binder
Wall Planning Calendar (1)

Client Flex Funds Supplies

Bus Passes - effective 01/29/14 - 5 passes (10 rides @)
Alarm clocks (2)
Bike Lock (1)
Bike Helmet (1)
Bike light, locking (1)
Wallet, man's (1)
Bike tires (3)
Bike Pump (1)
Misc. Personal Care Products
 Deodorant
 Soap

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 18th day of February, 2014.

CITY OF RAPID CITY
s/ Sam Kooiker
Mayor

ATTEST:
s/ Pauline Sumption
Finance Officer

(SEAL)

Motion was made by Lewis, second by Scott to (No. LF021214-11) Authorize Mayor and Finance Officer to Sign Local Governing Body Approval Form (Exhibit 3) for Fortino's Rapid Creek II Project. In response to a question from Scott, Barbier indicated that the project will terminate in the Anamosa/Silver Street area noting that Community Development supports the project. Motion carried.

NON-CONSENT ITEMS

Lisa Modrick (14OA001) addressed the efforts of the ad hoc sign committee to develop the current sign ordinance and encouraged council to read and understand the language of all amendments to the ordinance to insure that the integrity of the ordinance is not diminished. Modrick indicated that the ad hoc committee felt the ordinance adequately addressed the maintenance issue noting that the community does not support video on the electronic billboards. Debra Jensen (14OA001) addressed the request by Lamar to amend the sign ordinance to allow certain technology modifications without a permit noting that routine maintenance is allowed, without permit, under the current ordinance. Jensen indicated that the ad hoc committee understood the nuances of digital billboard technology noting that the permitting process allows the changing technology to be monitored. Jensen urged support of the current ordinance noting that amending the ordinance could allow for future changes and loosening of the controls on billboards against the wishes of the citizens.

The following comments were received on (LF021214-01): Anthony DeMaro, Dublin Square and Murphys, presented graphical documentation of the financial benefit that the businesses realize from the Summer Nights event. DeMaro urged retention of the event in the downtown area noting that he would welcome its relocation in front of his business. Frank Morrison, Thirsty's, voiced his support for the Summer Nights event noting the positive comments received from visitors on the event. Morrison encouraged retention of the event in the downtown area noting the efforts to enhance the appeal of the downtown area with historic street lighting. Morrison indicated that Thirsty's would also welcome the event being located in their block. Dennis Halterman, The Factory, agreed that while the dining and alcohol establishments benefit from the event there is a negative impact on the downtown retail businesses noting that blocking off downtown traffic is not an option. Halterman urged all interested parties to work together to resolve the issue to everyone's benefit. Chelly Halterman, The Factory, requested clarification of the use of the revenues generated by the event noting that the revenues are not returned to the downtown community. Halterman expressed concern that the business owners are not allowed input on the event. Halterman questioned the status of the proposal to move the event to Memorial Park. Brett Mathern, Sole Mate Shoes, stated that he does support Summer Nights just not in the downtown area as it cripples the retail businesses. Mathern addressed the decline in their invoices on the event nights noting that the majority of the retail businesses are experiencing the same decline in revenues. Sandy Schwan, Summer Nights, stated that the Downtown Association asked the 2007 Leadership Class to adopt their festival project for the purpose of attracting locals and tourist to the downtown area. Schwan stated funds raised by the all-volunteer event are donated to the charitable organizations that help with the event. Schwan indicated that the City requested the Roger Brooks review. Schwan requested that the item be continued to the next council meeting to allow the recommendations to be reviewed by the Board. Schwan clarified that the Board did research the Memorial Park location noting that the Roger Brooks research supports the decision that the venue was not acceptable financially or logistically. Dan Senftner, Destination Rapid City, addressed the need for give and take from all interested parties. Senftner addressed the importance of the downtown retail to the future and growth of the downtown area and encouraged negotiations to make all of this work and move forward.

Ordinances

Ordinance No. 5984 (No. LF021214-13) An Ordinance to Authorize the Chief of Police or Designee to Issue Special Event and Parade Permits by Amending Section 12.12.020 of the Rapid City Municipal Code. Motion was made by Lewis, second by Laurenti that Ordinance No. 5984 be placed upon its first reading and the title was fully and distinctly read. Wright suggested that the ordinance be amended to

classify administrative approval based on the size of the event and that the events be routed to the affected City departments for their review prior to approval. Scott voiced her concern that the administrative approval process will remove the opportunity for public discussion on the events and recommended that public notification be required on the larger events. Discussion followed regarding staff's ability to address council's concerns prior to second reading. Motion carried with Scott voting No.

Ordinance No. 5985 (No. LF021214-17) An Ordinance to Eliminate the Common Council Permission Requirement for Parades Incorporating Seventy or More Units by Repealing Section 12.20.050 of the Rapid City Municipal Code. Motion was made by Lewis, second by Laurenti and carried with Scott voting No that Ordinance No. 5985 be placed upon its first reading and the title was fully and distinctly read.

Ordinance No. 5982 (No. 14OA001) An Ordinance Amending the Definition of Structural Alteration Within the Sign Code to Permit Maintenance of Existing Signs by Amending Section 17.50.080 of the Rapid City Municipal Code. Motion was made by Lewis, second by Roberts that Ordinance No. 5982 be placed upon its first reading and the title was fully and distinctly read and second reading set for Monday, March 3, 2014. Scott indicated that the proposed changes address only the maintenance of the electronics and does not alter the regulations on the operation of the board. In response to a question from Mayor Kooiker, Landeen indicated that the amendment does not allow a conversion to video display. Landeen clarified that the current code does not provide for the conversion of a static billboard to a digital billboard. Motion carried.

Ordinance No. 5981 (No. 14OA003) An Ordinance Amending Certain Provisions in Rapid City Municipal Code Chapter 15.48 Concerning Licenses for Manufactured Home Parks. Motion was made by Lewis, second by Laurenti and carried that Ordinance No. 5981 be placed upon its first reading and the title was fully and distinctly read.

Public Works Committee Items

Motion was made by Estes, second by Laurenti to (No. PW070913-07) Authorize Mayor and Finance Officer to Sign Resolution No. 2013-074 A Resolution of Necessity for the Acquisition of Public Right-of-Way Over Private Property for the Purpose of Constructing a Street and Other Public Infrastructure Through the Exercise of Eminent Domain. In response to a question from Scott, Wolterstorff requested that the item be continued to allow for negotiations with the property owner. A substitute motion was made by Roberts, second by Scott and carried to Continue Authorize Mayor and Finance Officer to Sign Resolution No. 2013-074 A Resolution of Necessity for the Acquisition of Public Right-of-Way Over Private Property for the Purpose of Constructing a Street and Other Public Infrastructure Through the Exercise of Eminent Domain to the March 11, 2014 Public Works Committee meeting.

Motion was made by Estes, second by Roberts to Acknowledge (No. PW021114-39) Information item from the City Comprehensive Plan Consultant, Economic & Planning Systems, Inc. titled "Cost of Growth Analysis and Public Financing Toolbox". Limbaugh advised that the purpose of the study was to identify alternative financing methods for public infrastructure. In response to a question from Mayor Kooiker, Limbaugh advised that staff has approached the Municipal League for assistance noting that new legislation may be required to implement the recommendations. Limbaugh advised that an alternative approach would be for the City to transition to Home Rule. In response to a question from Scott, Limbaugh addressed the manner in which the recommendations would be incorporated into the Comprehensive Plan. In response to a question from Roberts, Limbaugh advised that implementation of some recommendations would require the cooperation of Pennington County. Roberts expressed support for the recommendations noting that this would expand the City's limited financing options. Motion carried.

Motion was made by Estes, second by Roberts to Acknowledge (No. 14TP003) 2012 – 2014 Pedestrian & Bicyclist Crash Report. Transportation Planner Kip Harrington advised that the bike path pedestrian signalization project and the rails to trails extension project had been submitted under the Transportation

Alternatives Program. Harrington advised that the bike path project was not awarded. Harrington advised that the request for match funding for the rails to trails project will be presented at the February 21, 2014 CIP meeting. Harrington advised that staff would continue to apply for funding under the SDDOT program as needs are identified. Motion carried.

Legal & Finance Committee Items

Motion was made by Lewis, second by Estes to Continue (No. LF021214-01) Special Event Application for Rapid City Summer Nights to the February 26, 2014 Legal & Finance Committee meeting. Wright advised that work is proceeding on a proposal to address the event location issue. In response to a request from Mayor Kooiker, Wright briefly outlined the proposed event location on 7th Street that would negate the need to block traffic on Main Street and St. Joseph Street. Motion carried.

CONSENT PUBLIC HEARING ITEMS

Motion was made by Scott, second by Laurenti and carried unanimously to approve Items 68 – 72 as they appear on the Consent Public Hearing Items.

Alcohol Licenses

68. Black Hills Beau Jo's LLC DBA Beau Jo's Pizza, 830 Main Street for a Retail (on-off sale) wine License
69. Eaglecav, LLC DBA Sooper Dooper Liquors, 913 East St Patrick Street for a Package (off-sale) Liquor License TRANSFER from DakotaMart, Inc. DBA Sooper Dooper Liquors, 913 East St Patrick St
70. Museum of the American Bison for a SPECIAL EVENT Wine and Malt Beverage License for an Event Scheduled for February 27, 2014 at the Museum of the American Bison, 607 St Joseph St
71. Joaquin Martinez Martinez DBA El Mariachi, 1012 E North Street, Suite A for a Retail (on-off sale) Wine License
72. Joaquin Martinez Martinez DBA El Mariachi, 1012 E North Street, Suite A for a Retail (on-off sale) Malt Beverage License

END OF CONSENT PUBLIC HEARING CALENDAR

BILLS

The following bills have been audited:

BILL LIST - FEBRUARY18, 2014

P/ROLL PERIOD END 01/25/14, PD 01/31/14	1,007,109.29
P/ROLL PERIOD END 01/31/14, PD 01/31/14	1,349,040.46
P/ROLL PERIOD END 01/31/14, PD 01/31/14	12,449.37
PIONEER BANK & TRUST, 01/25/14 P/ROLL TAXES, PD 01/31/14	244,785.86
PIONEER BANK & TRUST, 01/31/14 P/ROLL TAXES, PD 01/31/14	335,976.45
SOUTH DAKOTA RETIREMENT SYSTEM, JAN RETIREMENT, PD 02/04/14	512,228.96
WELLMARK INC, HEALTH CLAIMS THROUGH 02/07/14, PD 02/13/14	195,232.09
FIRST ADMINISTRATORS, HEALTH CLAIMS THROUGH 02/03/14, PD 02/05/14	2,776.25
FIRST ADMINISTRATORS, HEALTH CLAIMS THROUGH 02/10/14, PD 02/12/14	1,189.86
WAGE WORKS, SECTION 125 CLAIMS THROUGH 01/31/14, PD 02/04/14	4,164.51
WAGE WORKS, SECTION 125 CLAIMS THROUGH 02/07/14, PD 02/11/14	2,570.33
SD RETIREMENT SYSTEM SPECIAL PAY PLAN	
SPECIAL PAY PLAN FEE-JOHNSON S, PD 1/31/14	45.00
US BANK, CREDIT CARD CHARGES, PD 01/30/14	33,461.25
WEST RIVER ELECTRIC ASSOCIATION, ELECTRICITY, PD 02/11/14	47,658.15
BLACK HILLS POWER, ELECTRICITY, PD 02/11/14	52,869.47
BLACK HILLS POWER, ELECTRICITY, PD 02/11/14	6,629.22

COMPUTER BILL LIST		2,932,803.01
	SUBTOTAL	6,740,989.53
RSVP, P/ROLL PERIOD END 01/25/14, PD 01/31/14		2,892.87
RSVP, PIONEER BANK & TRUST, 01/25/14 P/ROLL TAXES, PD 01/31/14		221.29
RSVP, SD RETIREMENT SYSTEM, JAN RETIREMENT, PD 02/04/14		518.61
RSVP, CITY-HEALTH INSURANCE TRUST, JAN14 HEALTH		1,010.00
RSVP, METROPOLITAN LIFE INSURANCE, FEB14 LIFE		7.34
RSVP, WOW!, 394-2508 JAN14 PHONE,LD		13.49
	TOTAL	6,745,653.13

Mayor Kooiker stated that there were no additions to the bill list and presented the bill list total of \$6,745,653.13. Motion was made by Lewis, second by Roberts and carried to authorize (No. CC021814-01) the Finance Officer to issue warrants or treasurers checks, drawn on proper funds, in payment thereof.

ADJOURN

There being no further business to come before the Council at this time, motion was made by Scott, second by Roberts and carried to adjourn the meeting at 8:14 p.m.

CITY OF RAPID CITY

ATTEST:

Finance Officer

Mayor

(SEAL)