

REGULAR MEETING DE SMET COMMON COUNCIL
December 11, 2019

The De Smet Common Council met in regular session on December 11, 2019, at 5:00 p.m., with the following present: Bret Jensen, Lowell Hansen, Alex Botkin, George Cavanaugh, Norman Whitaker, Jay Slater, Mayor Gary Wolkow, and FO Tracey Larson. Absent: none.

Mayor Wolkow called the meeting to order at 5:00 PM.

ANNOUNCEMENTS: Mayor Wolkow announced that Street Assistant Curt Bau would be retiring after 13 years of service to the City of De Smet. Wolkow thanked Bau for his awesome years of service to De Smet.

MINUTES: Motion was made by Botkin, seconded by Hansen, to approve the minutes of the November 13, 2019 Regular Meeting, all voting aye, motion carried.

CLAIMS: Motion by Botkin, seconded by Whitaker, to approve payment of the claims as presented, all voting aye, motion carried. The claims are as follows: PAYROLL \$29,113.03; OASI Benefit 2,227.11, Aflac, ins. premium 280.95; Dearborn National, life insurance 123.20; Delta Dental of South Dakota 368.40; VSP 180.58; Health Pool of SD, health insurance premium 6860.71; SDRS, retirement benefit 3,437.34; Kingsbury County Register of Deeds, warranty deed \$60.00; Mediacom, utilities 70.81; American Bank & Trust, TIF Wilder Pass debt service 29,527.26; Avera Occupation Medicine, supplies 212.55; Avid Hawk LLC, web site fee 35.00; Center Point Large Print, library supplies 29.21; Century Link, utilities 503.95; City of De Smet, utilities 8.92; City of De Smet, utilities, 97.96; City of De Smet, utilities 323.17; City of De Smet, petty cash, 24.95; Connecting Point, library equipment 1,749.00; Connecting Point, repairs & maintenance 35.00; Cook's Wastepaper & Recycling, repairs & maintenance 6,279.02; Dakota Pump, repairs & maintenance 2,240.82; De Smet Bucks, supplies 1,050.00; De Smet Cemetery, interest on CD 18.50; De Smet Flowers & Gifts, supplies 110.00; De Smet Trustworthy Hardware, supplies, maintenance & repairs 614.01; De Smet Welding & Machine, repairs & maintenance 182.98; Delton Wiebe, event center deposit refund, 525.00; Dept of Health repairs & maintenance 28.00; The De Smet News, publishing 506.96; The De Smet News, library publishing 105.00; Express Embroidery & Screen Print, supplies 52.45; Grainger, supplies 74.88; Hawkins, Inc., water chemicals 15.00; Health, library supplies 19.97; Hydro Klean, repairs & maintenance 3,479.60; Janelle Miller, water meter deposit refund, 116.08; Janet Carroll, event center deposit refund 10.00; Jason Springer, supplies 35.00; Karen Hansen, travel & conference 95.50; Kingsbury Electric Cooperative, repairs & maintenance 131.46; Kingsbury Electric Cooperative, repairs & maintenance 220.00; Kingsbury County Auditor, law enforcement contract 6,283.33; Kingsbury County Ducks Unlimited, event center deposit refund 275.00; Kingsbury Electric Cooperative, utilities 330.02; Kolten Janssen, event center

deposit refund 10.00; Lawrence & Schiller, marketing 3,500.00; LIW PTO, supplies 302.00; Maynard's De Smet, supplies 62.80; Mc Cune Electric, LLC, museum repairs & maintenance 81.86; McKenna Smith, water meter deposit refund 27.04; Michael Todd & Company, Inc., supplies 67.72; Micro Marketing LLC, library supplies 546.84; Northwestern, utilities 770.44; O'Keefe Implement, Inc., supplies, repairs & maintenance, 680.02; Office Peeps, Inc., library supplies 39.90; Office Peeps, Inc., supplies 200.89; Oldham Ramona School District, event center deposit refund, 330.00; Ottetail, utilities 5,727.81; Postmaster, library supplies 55.00; Postmaster, supplies 175.00; Reader Service, library supplies, 18.33; Reed Inc., debt service principal 1,448.41; Reed Inc., debt service principal 690.58; Reed Inc., debt service principal, 2,500.00; Rich's Gas & Service, fuel, repairs & maintenance 781.97; Schubloom Construction, rentals, repairs & maintenance 1,234.77; SD Association of Rural Water, supplies 550.00; SD Dept. of Revenue, sanitation sales tax 428.74; SDWWA, travel & conference 20.00; Share Corp, chemicals & supplies 3,895.84; Smith's Lumber, supplies, 132.11; Spencer Quarries/Commercial Asphalt, repairs & maintenance 894.60; State of South Dakota, utilities 10.87; The Main Stop, fuel 469.95; Troy Crook, event center deposit refund 50.00; Warne's Appliance, supplies, repairs & maintenance 237.26; Wilkinson & Schumacher Law, services & fees 4,275.00; WW Tire Service, repairs & maintenance 334.25; Zell Manufacturing, repairs & maintenance 48.10; Avera De Smet Memorial Hospital, improvements 500,000.00; Aaron Swan & Associates, Inc., airport taxilane project 4,365.00; Helms & Associates, airport turnarounds project 4,957.02; Helms & Associates, airport taxilane project 5,599.85; Midland Contracting, Inc., airport taxilane project 22,300.51; Dollie Montross Estate, water meter deposit refund 25.00.

PUBLIC HEARING: This being the date and time advertised, a public hearing was held to discuss submitting an application for Drinking Water Facilities Funding for a water looping project. The project would include the construction of approximately 2,040 LF of 6-inch water mains, installation of fire hydrants, installation of valves, and street repairs. The proposed project will complete three line areas of line looping in the system to improve water quality and line pressures. The three project areas are Lyle Avenue from Front Street to First Street, 4th Street between Industrial Avenue to O'Keefe Avenue, and 4th Street between Joliet Avenue and Olivet Avenue. Don Weigel, Engineer for Clark Engineering and Greg Maag, with First District were present to discuss the project construction details, application process, projected timeline, and to answer questions from the council and public. The total project cost is estimated to be \$564,860.00. The City is applying for a 30 year loan fund with an interest rate of 2.25% from the Drinking Water State Revolving Fund program, and any possibly loan forgiveness or grant funds. With the current water rates, grant and loan forgiveness will not be as likely as other communities with higher water rates. The loan payment would be paid with a water surcharge fee. Motion was made by Hansen,

seconded by Cavanaugh, to approve Resolution No. 2019-6, authorizing an application for financial assistance, authorizing the execution and submittal of the application, and designating the mayor as authorized representative to certify and sign pay request for the water looping project, upon roll call voted, voting aye were: Jensen, Botkin, Hansen, Cavanaugh, Whitaker, and Slater. Voting nay: none. Motion carried.

RESOLUTION NO. 2019-6

RESOLUTION AUTHORIZING AN APPLICATION FOR FINANCIAL ASSISTANCE, AUTHORIZING THE EXECUTION AND SUBMITTAL OF THE APPLICATION, AND DESIGNATING AN AUTHORIZED REPRESENTATIVE TO CERTIFY AND SIGN PAYMENT REQUESTS.

WHEREAS, the City of De Smet (the “City”) has determined it is necessary to proceed with improvements to its Water System, including but not limited to constructing water line/looping improvements (the “Project”); and

WHEREAS, the City has determined that financial assistance will be necessary to undertake the Project and an application for financial assistance to the South Dakota Board of Water and Natural Resources (the “Board”) will be prepared; and

WHEREAS, it is necessary to designate an authorized representative to execute and submit the Application on behalf of the City and to certify and sign payment requests in the event financial assistance is awarded for the Project,

NOW THEREFORE BE IT RESOLVED by the City as follows:

1. The City hereby approves the submission of an Application for financial assistance in an amount not to exceed \$1,000,000 to the South Dakota Board of Water and Natural Resources for the Project.
2. The Mayor is hereby authorized to execute the Application and submit it to the South Dakota Board of Water and Natural Resources, and to execute and deliver such other documents and perform all acts necessary to effectuate the Application for financial assistance.
3. The Mayor is hereby designated as the authorized representative of the City to do all things on its behalf to certify and sign payment requests in the event financial assistance is awarded for the Project.

Adopted at De Smet, South Dakota, this 11th day of December 2019.

APPROVED:

Mayor
City of De Smet

(Seal)

Attest: _____
City Finance Officer

MULTI-COMMUNITY CHIP SEALING: Scott Mohror, Engineer for Banner Associates, Inc., met with the council to discuss the idea of multi-community chip sealing. SD Local Transportation Assistance Program (LTAP) has held two meetings to discuss multiple communities bidding simultaneously for chip sealing services during the same season. The goal would be to have chip sealing services completed at a more cost-efficient rate due to the larger quantity of work being bid in the multiply communities within the area. Project work would be completed in the communities within the same time frame, saving the road companies from relocating several times over the summer season. LTAP and Mohror would like to meet with the Street committee and department to discuss this option further.

COMMUNITY DAYCARE: Michelle Orton & Jackie Griffith met with the council to inform the council that a small committee has been meeting to discuss the need for a community day care and asked the city for any support possible. There will be a meeting to discuss the community daycare on January 12, 2020 at 3:00 PM at the Event Center.

SPECIAL LIQUOR LICENSE: The De Smet Volunteer Fire Department has requested a special liquor license for an event to be held at the De Smet Event Center on January 3, 2020 from 5:00 PM to 11:00 PM. Motion was made by Cavanaugh, seconded by Whitaker, to approve the special liquor licenses for an event to be held at the De Smet Event Center on January 3, 2020 from 5:00 PM to 11:00 PM, all voting aye, motion carried.

PUBLIC COMMENTS: none.

MIDCO: The council was presented a request from Midco to attach equipment antennas to the water tower. Midco would be able to provide wireless internet services to the area and would pay an annual fee for the equipment to be attached to the water tower. Representatives from Midco have been to De Smet to look at various locations for installing equipment.

FIRST READING TO AMEND WATER/WASTEWATER RATES: Finance Officer Larson presented the council information proposing a 1.97% increase of the water and wastewater rates. An increase of 1.97% would increase the flat rate by \$0.74 total for both the water and wastewater services. The proposed usage rate would increase by \$0.12 per every 1,000 gallons used total for both the water and wastewater. Based on De Smet customer usages, an average household uses approximately 2,000 gallons of water, and the total combined increase for both the water and wastewater services would be \$0.98. Motion was made by Slater, to table the first reading amending the water and wastewater rates until the January 2020 regular meeting. Motion died due to lack of second. Motion was made Cavanaugh, seconded by Whitaker, to approve the first reading to amend Ordinance No. II-2Q, Section II-2-6. Water Services Hookups and Rates and Ordinance No. II-4N, Section II-4-3. Sewer

Service Rates/Metered Services, to increase the water and wastewater rates by 1.97%, upon roll call voted, voting aye was: Jensen, Botkin, Cavanaugh, and Whitaker. Voting nay was: Hansen and Slater. Motion carried.

HOSPITAL: Motion was made by Cavanaugh, seconded by Slater, to approve paying the previously agreed amount of \$500,000.00 to the De Smet Avera Memorial Hospital for the hospital renovation project, all voting aye, motion carried. The council was also informed that Avera would like to amend the current lease agreement to extend the length of the lease. The lease will be revised and presented at a later time.

LAW ENFORCEMENT CONTRACT: A one-year contract with Kingsbury County for law enforcement coverage that includes 50 hours per week of coverage and an hourly rate of \$29.00 per hour, was reviewed by the council. Motion was made by Cavanaugh, seconded by Whitaker, to renew the contract with Kingsbury County for law enforcement coverage for 50 hours per week at a cost of \$29 per hour, for a period of one year, all voting aye, motion carried.

NATIONAL GUARD COMPLEX: Motion was made by Botkin, seconded by Cavanaugh, to approve the Termination of Lease Agreement for the De Smet Motor Vehicle Storage Compound with the National Guard, all voting aye, motion carried.

STREETS/RUS/AIRPORT: Street Supt. Ryan Petersen updated the council on the progress of the airport project, loads that could be hauled to the Restricted Use Site, snow removal, and converting the street lights to LED lights. More information will be presented regarding the street lights at a later date.

AIRPORT CHANGE ORDER: Motion was made by Cavanaugh, seconded by Jensen, to approve Change Order #2, in the amount of \$2,922.42 for adding in RCP Undercut and Rock Bedding due to saturated and unstable conditions, and extending the completion date to May 16, 2020 due to delays caused by the weather conditions, all voting aye, motion carried.

AIRPORT PAYMENTS: Motion was made by Hansen, seconded by Cavanaugh, to approve pay request #20 in the amount of \$5,599.85 to Helms & Associates for the Hardstand & taxilane project, pay request #9 in the amount of \$4,957.02 to Helms & Associates for the turnarounds, pay request #5 to Midland Contracting, Inc. in the amount of \$22,300.51 for the Hardstand & taxilane project, and Aaron Swan & Associates in the amount of \$4,365.00 for soil and asphalt testing, all voting aye, motion carried. These airport project expenses will be reimbursed by 95% from grant funding.

EVENT CENTER: The Event Center Advisory Board has reviewed other rental rates and made a recommendation to the Council to increase the rent on the Event Hall by \$50.00, charge a separate fee for table and chair rental in the amount of \$100.00, and a rental charge of \$100.00 for four hours to come back on Sunday after an event. Event Center Director Kristy Hubbard, stated she would prefer to keep the rental of the Event Hall simple and include the tables and chairs with the rental fee and adjust the rent with that in consideration. Motion was

made by Cavanaugh, seconded by Jensen, to increase the Event Hall rent to \$600.00 and implement a Sunday rental fee of \$50.00 for four hours after an event, to be effective January 1, 2020, all voting aye, motion carried. The Council also recommended putting a donation jar out for usage of the walking track to help offset the maintenance costs of the track.

KINGSBURY COUNTY PRE-DISASTER MITIGATION PLAN 2019-2024: Motion was made by Slater, seconded by Jensen, to approve Resolution 2019-7, adopting the Kingsbury County Pre-disaster Mitigation Plan 2019-2024, all voting aye, motion carried.

RESOLUTION NO. 2019-7

City Council of De Smet

Resolution Adopting the Kingsbury County Pre-Disaster Mitigation Plan 2019-2024

WHEREAS, Kingsbury County received assistance in the preparation of the Kingsbury County Pre-Disaster Mitigation Plan 2019-2024 from representatives of the City of De Smet and received funding from the South Dakota Office of Emergency Management/FEMA; and

WHEREAS, several public planning meetings were held between September 2018 and March of 2019 regarding the development and review of the Kingsbury County Pre-Disaster Mitigation Plan 2019-2024; and

WHEREAS, the Kingsbury County Pre-Disaster Mitigation Plan 2019-2024 contains several potential future projects to mitigate hazard damage in the City of De Smet and

WHEREAS, the Federal Emergency Management Agency (FEMA) has rendered its approval of the Kingsbury County Pre-Disaster Mitigation Plan on November 7th, 2019; and

WHEREAS, a duly-noticed public hearing was held by the Kingsbury County Pre-Disaster Mitigation Team on March 20th, 2019 to solicit public comment on the Kingsbury County Pre-Disaster Mitigation Plan 2019-2024; and

WHEREAS, A DULY-NOTICE PUBLIC MEETING WAS HELD BY THE De Smet City Council on December 11, 2019 to formally approve and adopt the final Kingsbury County Pre-Disaster Mitigation Plan 2019-2024.

NOW, THEREFORE BE IT RESOLVED that the De Smet City Council adopts the Kingsbury County Pre-Disaster Mitigation Plan 2019-2024.

ADOPTED AND SIGNED this 11th day of December, 2019.

Mayor

ATTEST: Finance Officer

SPECIAL MEETING: The Special Meeting for year end will be held on Monday, December 30, 2019 at 5:30 at City Hall.

DE SMET DEVELOPMENT COORDINATORS REPORT: Rita Anderson, De Smet Development Coordinator presented the 2019 Annual Recap Report; reported that the Development Corporation has implemented a relocation incentive program offering \$1,000.00 to anyone who works in De Smet and relocates to De Smet; a new manufacturing company, Freedom Manufacturing, will be moving into the spec building and relocating their home office to De Smet in January; the ROCS transit service is progressing and has had a 12 x 2 van donated to the De Smet Area Transit; and a housing assessment is being completed.

2019 CONTINGENCY TRANSFER AND FIRST READING TO SUPPLEMENT THE 2019

EXPENDITURE BUDGET: Finance Officer Larson gave a report on funds that will need to be supplemented in the 2019 expenditure budget after contingency transfers. Motion was made by Cavanaugh, seconded by Whitaker to approve transferring a total of \$45,318.00 from the Contingency Fund to the Attorney for professional services - \$2,000.00, Fire Department for equipment - \$17,000.00, Airport for the airport project - \$14,318.00.00, Pool for repairs - \$12,000.00, all voting aye motion carried. Funds to be supplemented are funds that have added improvements, marketing, or maintenance projects. Funds that will need supplementing include the Airport, Bed, Board, Booze, Hospital, and Sewer. The airport project will have grant funding to cover 95% of the project expenses. Motion was made by Cavanaugh, seconded by Whitaker to approve the first reading to approve Ordinance No. IV-218 to supplement the 2019 budget, all voting aye, motion carried.

FINANCIAL REPORTS: Motion was made by Slater, seconded Whitaker, to approve the November 2019 Cash Balances Report as presented by the Finance Officer, all voting aye, motion carried. Finance Officer Larson recommended to the council that a request be made to DENR to make an additional lump sum payment in 2020 in the amount of \$30,000.00 on the water SRF loan from water surcharges collected for debt service.

OVERTIME: Motion by Botkin, seconded by Whitaker, to approve the overtime hours for the month of November as presented, all voting aye, motion carried.

OTHER: Other non-action items of discussion were as follows: 1) November law enforcement report; 2) concerns from the Library Board regarding the lending library; 3) Municipal Government Day held in Pierre for council members; and 4) property cleanups.

ADJOURN: There being no further business the meeting was adjourned on motion by Slater, seconded by Jensen.

Gary Wolkow, Mayor

ATTEST:

Tracey Larson, Finance Officer

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