

REGULAR MEETING DE SMET COMMON COUNCIL
November 10, 2020

The De Smet Common Council met in regular session on November 10, 2020, at 5:00 p.m., with the following present: Council members Pam Spader, Bret Jensen, Lowell Hansen, George Cavanaugh, Shon Asleson, Jay Slater, Mayor Gary Wolkow, Finance Officer Tracey Larson, and City Attorney Todd Wilkinson (via video conference). Absent: none.

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

PLEDGE OF ALLEGIANCE: The meeting was started with the council and those from the public reciting the Pledge of Allegiance.

ANNOUNCEMENTS: Mayor Wolkow welcomed those attending to the council meeting held at the Event Center to allow better social distancing. Mayor Wolkow asked anyone attending the meeting by phone or video conference to please mute their devices. Mayor Wolkow announced that the City of De Smet received the platinum level and gold level 2020 Loss Control/Safety Awards on behalf of the SDML Workers' Compensation and thanked Safety Coordinator Karen Hansen for the job well done.

MINUTES: Motion was made by Cavanaugh, seconded by Spader, to approve the minutes of the October 21, 2020 Regular Meeting, all voting aye, motion carried.

CLAIMS: Motion by Cavanaugh, seconded by Asleson, to approve payment of the claims as presented, all voting aye, motion carried. The claims are as follows: PAYROLL \$35,909.70; OASI Benefit 2,747.08; Aflac, ins. premium 280.95; Dearborn National, life insurance 140.80; Delta Dental of South Dakota 360.44; VSP 190.96; The Health Pool of SD, health insurance premium 6,413.12; SDRS, retirement benefit 3,958.16; Mediacom, utilities 111.99; Johnson Bros Of SD, liquor bill 2,622.38; Avera Occupational Medicine, supplies 68.55; Avid Hawk LLC, supplies 35.00; Brady & Melissa Weispfenning, water meter deposit refund 125.00; Castlerock, Inc., repairs & maintenance 240.49; Center Point Large Print, library supplies 29.21; Century Link, utilities 579.99; Charlie Stoddard, travel & conference 68.41; City of De Smet, utilities 359.62; City of De Smet, supplies 62.95; Connecting Point, software, supplies, repairs & maintenance 55.00; Cook's Wastepaper & Recycling, repairs & maintenance 255.25; Cook's Wastepaper & Recycling, repairs & maintenance 6,626.38; Country Living, library supplies 27.97; Cowboy Country Store, fuel 505.72; De Smet Flowers & Gifts, supplies 40.00; De Smet Trustworthy Hardware, supplies, repairs & maintenance 127.01; Demco, library supplies 312.20; Department of Health, repairs & maintenance 255.00; Eric Olsem, water meter deposit refund 125.00; Hawkins, Inc., water chemicals 2,505.45; Jeff Symens, event center deposit refund 30.00; Joy Carroll Estate, event center deposit refund 275.00; Judith Carlson, event center deposit refund 455.00; Kathy Kaufman, event center deposit refund 50.00; Kay Park

Recreation, machinery & equipment 9,818.76; Kent Sckerl's Tree Service, repairs & maintenance 310.00; Kibble Equipment, LLC, supplies 30.92; Kingsbury Electric Cooperative, repairs & maintenance 360.50; Kingsbury Electric Cooperative, repairs & maintenance 220.00; Kingsbury County Auditor, law enforcement contract 6,283.33; Kingsbury Electric Cooperative, utilities 157.32; Kingsbury Journal, publishing & supplies 423.82; Larry Jensen, water meter deposit refund 25.00; LIW PTO, supplies 261.00; Mack Landscaping, repairs & maintenance 235.00; Macqueen Emergency, repairs & maintenance 120.45; Maynard's, supplies 77.77; Micro Marketing LLC, library supplies 83.23; Midstate Agronomy, supplies 1,037.70; Northwestern, utilities 330.60; O'Keefe Implement, Inc., supplies, repairs & maintenance 833.52; O'Keefe Implement, Inc., fire dept. repairs & maintenance 70.83, Office Peeps, Inc., fire dept. supplies 94.93; Office Peeps, Inc., library supplies 75.99; Office Peeps, Inc., supplies 327.82; Ottertail Power Company, utilities 4,469.82; Postmaster, supplies 175.00; Ralene Coughlin, event center deposit refund 30.00; Rapid City, Pierre & Eastern RR, rentals 100.00; Reed, debt service principal 690.58; Reed, debt service principal 2,500.00; Rich's Gas & Service, fuel & supplies 348.07; SD Dept. of Revenue, sales tax 188.29; SD Dept. of Revenue, sanitation sales tax 451.79; Share Corp, supplies & chemicals 4,151.15; Smith's Lumber, supplies 6.25; Southeast SD Tourism, marketing 1,419.00; Stacie Gruenhagen, event center deposit refund 30.00; State of SD, utilities 6.89; Zell Manufacturing, Inc. repairs & maintenance 55.25; Mediacom, utilities 460.60; Mediacom, office internet 75.67.

2021 LIQUOR & WINE LICENSE & OPERATING AGREEMENT RENEWALS: This being the date and time advertised motion was made by Slater, seconded by Cavanaugh, to reissue liquor licenses to the Main Stop (off-sale), Grumpy's (on-sale), Wendy Lu Lounge (on-sale), Wheaties (on-sale), Kingsbury Club House (on-sale), Oxbow Restaurant (on-sale wine & cider), Dollar General (on/off-sale wine & cider), and Maynard's (off-sale liquor and on/off-sale wine & cider) for the year 2021, all voting aye, motion carried.

AMBULANCE: Jim Girard & Rod Combs, members of the De Smet Rescue board met with the city council to discuss the lease agreement and request that the lease be amended back to the original lease agreement when the ambulance was in the old fire hall.

COVID PREVENTION: Kathy Hawkins and Katlin Johnson met with the council to ask the council to do something to prevent the spread of the coronavirus. Hawkins reported Covid statistic numbers from October 21, 2020 to November 10, 2020. Johnson reported on the costs incurred by the nursing home to do COVID testing and the preventive measures that are taken in the event of a positive COVID test. The City informed Hawkins and Johnson that the City has free fabric masks, disposable masks, and mask required signs that were donated available to businesses and residents in the three public city buildings. The council agreed to continue running the ad in the Kingsbury Journal supporting people wearing masks. The council commended the De Smet

Good Samaritan Nursing Home and The Village Assisted Living Center for doing a fantastic job keeping the nursing home and assisted living center free from the coronavirus.

RESOLUTION 2020-1: At the June 10, 2020 Regular Council meeting, the council approved amending Resolution 2020-1 to allow establishments to open to 50% of building capacity at a time for on-premise consumption of food/beverage excluding employees, with six (6) feet social distancing between people, businesses being responsible to monitor their establishment, to be effective June 11, 2020, with no additional special meetings to be held unless drastic changes happen with the number of COVID-19 cases. Motion was made by Cavanaugh, seconded by Slater, to approve extending the current Resolution 2020-1 until December 9, 2020, all voting aye, motion carried.

PUBLIC COMMENTS: None.

WATER LOOPING PROJECT: Shane Waterman, Engineer with Clark Engineering/IMEG met with the council to give an update on the water looping project. Waterman reported that advertising for bids has been completed and posted on their website for the water project. The water project bid opening will be held on Wednesday, November 18, 2020 at 2:00 at City Hall. Bids will be presented to the city council at the December regular meeting.

2ND READING OF ORDINANCE No. VIII-11: Motion was made by Slater, seconded by Jensen, to approve the second reading approving Ordinance No. VIII-11 Economic Development Incentive For Housing, with the addition of including the owner occupancy requirement, all voting aye, motion carried.

Ordinance No. VIII-11

AN ORDINANCE ESTABLISHING AN ECONOMIC DEVELOPMENT INCENTIVE PROGRAM FOR HOUSING.

BE IT ORDAINED by the City Commission of the City of De Smet, South Dakota desires to establish a program for housing development be created by the City of De Smet to be known as:

ECONOMIC DEVELOPMENT INCENTIVE FOR HOUSING

DEFINITIONS. Whenever used or referred to in this chapter, unless a different meaning is clearly indicated by the context, the following definitions apply:

DWELLING or **HOUSING.** A building or structure, or portion thereof, designed or used for residential occupancy. The terms "dwelling" or "housing" shall not be construed to mean motels, hotels, or mobile homes.

VACANT. A building or lot that has been abandoned, unoccupied or empty for a minimum of two years.

MUNICIPAL REAL PROPERTY TAX REBATE

To encourage new construction in the City of De Smet, a rebate of increased City of De Smet municipal real property tax, attributable to the increase in assessed value of the property due to any new construction of residential dwellings, is hereby established. The program for the rebate is subject to the following provisions:

- (A) The rebate will apply 1) to any vacant single-family or two-family, dwellings that are newly constructed to the standards of the City of De Smet ordinances, and 2) for which is granted a Certificate of Occupancy after January 1, 2021.
- (B) A City of De Smet building permit will be required prior to any work commencing on any qualifying property per this ordinance.
- (C) To be granted a Certificate of Occupancy the newly constructed dwelling will be required to meet the housing requirements as established by the City of De Smet, which housing requirement shall include but not be limited to a requirement of owner occupancy.
- (D) Payment for the inspection required to issue a Certificate of Occupancy will be the responsibility of the property owner of the dwelling.
- (E) The rebate shall be for five (5) years, commencing the year following the issuance of the occupancy certificate.
- (F) Any property receiving this property tax rebate may not be eligible for any other property tax incentives within the City of De Smet.
- (G) This rebate is transferable to any subsequent property owner, but the five (5) year term of the rebate will not change nor will the rebate be prorated.
- (H) To qualify for the rebate the new residential dwelling shall be required to have a true and full valuation of fifty thousand dollars or more added to the real property and shall be required to have a permanent foundation.

PROPERTY TAX REBATE SCHEDULE AND CRITERIA.

The rebate shall only apply to the City of De Smet municipal real property taxes. The rebate of the City of De Smet municipal real property taxes shall be paid to the owner of the real property by December 1st of each year after it has been received by the City of De Smet, without interest, and shall not act as a credit toward any State or Federal taxes. The City of De Smet shall have the right to withhold any or the entire rebate to offset any unpaid assessments on the real property, or any fines, judgments or other debts owed to the City of De Smet by the property owner.

PROPERTY TAX REBATE CALCULATION.

For the purposes of calculation, the property tax of the lot, before construction of the new dwelling will remain in effect and be called the base. Only the increased property tax, due to new dwelling construction above the base shall be rebated. This base shall remain in effect for the five (5) years of the tax rebate.

PROPERTY TAX REBATE AMOUNT

Providing the new construction dwelling or housing complies with all requirements as set forth herein the rebate amount will be 100% of the increased property tax due to new constructions the First Year, 80% the Second Year, 60% the Third Year, 40% the Fourth Year, and 20% the Fifth Year.

This ordinance shall take effect twenty (20) days after the date of publication pursuant to SDCL-9-19-13.

Dated at De Smet, South Dakota this 11th day of November, 2020.

Mayor - Gary Wolkow

ATTEST:

Finance Officer - Tracey Larson

First Reading: September 9, 2020
Second Reading: November 10, 2020
Published: November 25, 2020

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 Slater, 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.

HEALTH INSURANCE RENEWAL: A contract from The Health Pool of South Dakota for employee health insurance with a renewal premium of \$6,624.73/month was reviewed. The new premium would be an increase of \$211.61 per month to keep the current policy. Motion was made by Spader, seconded by Cavanaugh, to renew the Plan B health insurance

policy for the full-time city employees, to be effective January 1, 2021, all voting aye, motion carried.

FIRST READING TO AMEND WATER/WASTEWATER RATES: Finance Officer Larson presented the council information proposing an increase of \$4.35 surcharge to the water rates for the water project loan repayment. The proposed surcharge rate would be applied to the water service only and there would be no change to the wastewater rate. The water surcharge can only be used toward repayment of the water project SRF loan. There would be no change to the water usage rate/1,000 gallons or to the flat rate charge. Motion was made by Hansen, seconded by Asleson, to approve the first reading to amend Ordinance No. II-2Q, Section II-2-6. Water Services Hookups and Rates, all voting aye, motion carried.

STREETS: Ryan Petersen, Street/Airport Supt. met with the council to inform them that three street lights along Highway 14 are not lit due to an electric wire being cut during other project construction and he is working on having that fixed. The state engineer that is assigned to the street sign project has been in contact with him and the review of signs that need to be corrected has been completed and the new signage will be installed in approximately two weeks. The old city shop building had some water getting into the building where the Kingsbury Area Transit Office is located. Kingsbury Area Transit will have gutters put on the west side of the building to see if that corrects the water issue. Supt. Petersen also reported that the sander truck is having mechanical issues. The council discussed possibly needing to replace the sander truck.

DE SMET DEVELOPMENT CORPORATION: Rita Anderson, De Smet Development Coordinator, reported to the council that the Maggie Sprang is working for the Kingsbury Area Transit and is keeping busy with providing rides; De Smet was named the Innovative Community of the Year from Dakota Resources for the development of the Kingsbury Journal; the day care project continues to progress forward; the annual Development Corporation meeting held at the Oxbow will be held by video conferencing due to the coronavirus and will not include the various business and organization reports; Ann Lesch completed a grant application for funding to promote De Smet and De Smet activities that will need to be spent before the end of 2020; Anderson participated in a First Impressions Tour with many positive comments and suggestions about De Smet and presented the council with a printed report of the full tour comments. Anderson was congratulated for the award for the Innovative Community of the Year.

FINANCIAL REPORTS: Motion was made by Cavanaugh, seconded Asleson, to approve the October 2020 Cash Balances Report as presented by the Finance Officer, all voted aye, motion carried. Finance Officer Larson also suggested other uses that the BBB tax money could be used for to help with other expenses.

OVERTIME: Motion by Asleson, seconded by Spader, to approve the overtime hours for the month of October as presented, all voted aye, motion carried.

OTHER: Other non-action items of discussion were as follows: 1) the October law enforcement report; 2) tickets that have been issued for unlicensed/inoperable vehicles or vehicles/trailers left on the streets; 3) complaints about how yards have been left from the fiberoptic project; 4) reminder of the water project bid opening on November 18, 2020 at 2:00 at City Hall; and 5) the December 9, 2020 council meeting will be held at the Event Center.

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

Gary Wolkow, Mayor

ATTEST:

Tracey Larson, Finance Officer

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