

**City of Garretson
Oct 2, 2017**

The City Council of the City of Garretson, Minnehaha County, South Dakota met in regular session on Monday , Oct 2, 2017, at 6:30 p.m. at City Hall, with President Dave Bonte presiding.

6:30 P.M. President Bonte called the regular meeting to order with the Pledge of Allegiance.

ROLL CALL: Tim Mullin – Mayor -- Absent
Gloria Sanders – Ward I
William Hoskins – Ward I
Dave Bonte – Ward II
Dwayne Jacobson – Ward II
Greg Beaner – Ward III
Richelle Hofer -- Ward III

OTHERS IN ATTENDANCE: Anna Uhl, Carrie Morritz, Kris Frerk, Terry & Connie Johnson, and Nick Fosheim (NOTE: All attendees hereinafter to be referred to by last name and first initials when necessary)

CONSENT AGENDA APPROVAL:

- A: Agenda – 10-2-2017 Regular Meeting
- B: Claims Approved Dated 10-2-2017
- C: Minutes 09-11-2017 Regular Meeting Council

Council member Beaner made a motion to approve the Consent Calendar Agenda, Hoskins 2nd, 6 Ayes, 0 Nays. Motion passed.

**MONTHLY REPORT OF VOUCHERS PROCESSED
FOR THE OCTOBER 2, 2017 REGULAR MEETING**

Payroll-Mayor & Council	Gross Amount	0
Payroll-Finance Office	Gross Amount	3588.49
Payroll-Water	Gross Amount	1754.89
Payroll-Sewer	Gross Amount	1754.89
Payroll-Natural Gas	Gross Amount	2045.41
Payroll-Streets	Gross Amount	1173.81
Payroll-Branch Pile	Gross Amount	0
Payroll-Pool	Gross Amount	0
Payroll-Parks	Gross Amount	2241.32
Payroll-SRP Info Ctr	Gross Amount	0
Payroll-SRP Camping	Gross Amount	0
Payroll-DG Info Ctr	Gross Amount	0
Payroll-Gvmnt. Buildings	Gross Amount	581.08
Payroll-Snow Removal	Gross Amount	0
TOTAL	Gross Amount	13,139.89

A&B Business	Maintenance	529.59
APGA	membership dues	451.08
Aramark	Rug Service	276.48
Avesis	insurance	18.30
Border States	NG Supplies	1,014.66
Crete Pro's	Concrete	2,826.05
Danielson, Linda	cleaning	120.00
Dept of Revenue - Lab Tests	Lab tests	422.00
Eastern Farmer	herbicide	251.40
First Bank & Trust	Monthly Collections	100.00
Gas Products Sales	NG Meter	448.98
Intellipro Security	surveillance system	1,211.51
Johnson, Tait	mowing	75.00
Kibble Equipment	repairs	364.01
KorManagement	drug testing and training	275.06
Lacey's	restrooms	216.00
Mas Media	website maintenance	300.00

Pheasantland Industries	park signs	409.71
Principal Financial Group	insurance	335.66
Riteway Business Forms	checks	127.14
Sanders Printing	window envelopes	407.55
Sayre Associates	engineering	35,550.12
SDML	conference	100.00
SDRS	retirement	1,329.50
Steve's Electric	flashing light repair	649.54
Vandersnick Excavating	tree stumps, gas line, haul concrete	993.87
Verizon Wireless	Cell Phones	165.89
Wellmark Blue Cross & Blue Shield	Premium	2,805.80
XCEL Energy	Street Lighting	
TOTAL VOUCHERS		51,920.02
TOTAL VOUCHERS & PAYROLL		65,059.91

Committee Reports:

Minnehaha County Sheriff – No representative present. .

Garretson Fire Department – No. representative present.

Garretson Ambulance – No representative present.

Natural Gas

- **Natural Gas Prices** - Uhl presented. Council member Hofer made a motion to accept natural gas prices as recommended, Beaner 2nd, 6 Ayes, 0 Nays. Motion passed.

Water, Sewer and Streets – Nussbaum presented information. Bonte asked about the Jake Brake Signage. Nussbaum has not heard back from the company to order them. Uhl stated that we are on track for the large street project. As soon as the loan closes with the state, we can put the project out to bid. Uhl will request that the engineer come to the council meeting to present information concerning the project. Nussbaum recommended painting STOP AHEAD on the streets for the intersections of Main & Dows and Railroad & Essex. He thought installing rumble strips would cause damage to the streets.

Parks & Cultural Recreation

- Split rock Park – Discussed the damage in the center of the dam. Nussbaum stated that he would pursue estimates for repair.
- Devil's Gulch - Information center is closed. Frerk volunteered to train next year's employees to encourage tourism within our community.
- JC Complex – no report.
- Pool -- no representative present.
- Park Board - Moritz presented information. The park board is hoping to have a community park workday in the spring. Frerk stated that the website had 11,970 hits in June and continues to rise. She wanted to remind everyone that the Valley Springs Rest Area will be shut down next year for re-construction and they point a lot of visitors to Garretson.

Garretson Industrial Development –Bonte presented.

Finance – Uhl presented information about water project, SDML conference is this week.

Grow Garretson - Hofer presented.

MCEDA--Fosheim presented information on the strategic planning process and invited the council to the meeting on Nov2 for panel discussions. He stated that although 2016 had slow growth, 2017 has doubled in the quantity of projects and many companies have been re-investing in their communities. Fosheim presented information on their upgrading of their website which will include a community profile.

Old Business:

- Daycare Update: Frerk provided information on the new daycare. They are still moving forward and fundraising. She is estimating the cost of the 5500 sq. ft. building to be approximately \$725,000. Currently they have 24 employees, however she is expecting an increase since they will be licensed to accept 101 children on site. Currently, the site formally known as Dragonland is licensed for 20 children, and the site formally known as Lil' Dreamers is licensed for 60 children. The new daycare will be able to have an additional 21 children. There have been many parties that have donated to the new daycare. Those include Alliance, 1st Bank & Trust, Dept. of Ag, Sioux Valley Southwestern, Blue Cross Blue Shield, Garry Insurance, and others as well as raising \$10,000 fundraising dollars. They do need to raise an additional \$163,000 before they can break ground.

New Business:

- NG Equipment: Nussbaum requested to purchase a plow/trencher/back hoe combo machine for installing NG services. Currently it costs approximately \$11,000 to install 3 services and we have 10 to do this fall. The equipment and trailer would be approximately \$17,500. Uhl stated that there is

\$20,000 available in the NG Capital Outlay fund. Hoskins made a motion to approve the purchase of NG Equipment for installations, Jacobson 2nd, 6 Ayes, 0 Nays. Motion passed.

- Wine and Malt Beverage License for The Treasure Chest: C. Johnson stated that with The Treasure Chest specializing in the sale of many South Dakota products, they would also like to be able to sell SD Wine and Beer off-sale. Beaner made a motion to approve the wine and malt beverage license for The Treasure Chest, Hofer 2nd, 6 Ayes, 0 Nays. Motion passed.

Other Business Brought Before the Council:

- None

Ordinances & Resolutions:

- Res. 2017-16 SRF Loan Surcharge - Clean Water - Hofer made a motion to authorize the mayor to sign the SRF Resolution 2017-16 as presented, Beaner 2nd, 6 Ayes, 0 Nays, motion passed.

RESOLUTION NO 2017-16

A RESOLUTION PROVIDING FOR A SURCHARGE FOR IMPROVEMENTS TO THE CITY OF GARRETSON SEWER SYSTEM, FOR PAYMENT OF A BORROWER BOND AND YEARLY REVIEW OF THE SURCHARGE.

1. **Surcharge for Bond Issue.** There shall be charged a monthly surcharge for the services provided by the improvement financed by the CWSRF-03Conservancy District loan. The surcharge for the loan shall be segregated from other revenues of the utility and shall be used for the payment of the Borrower Bond CWSRF-03(the "Borrower Bond"). Provided that such surcharge shall create net income, remaining from time to time after first paying all reasonable and current expenses of maintenance, repairs, replacements and operation, sufficient to fund interest, reserve and debt service fund annual requirements.
2. **Rates and collection.** The City does hereby establish the special charge or surcharge payable by each customer of its system who receives or benefits from the services of the project financed with the Borrower Bond. Such charge or surcharge shall be set at a level which, assuming a 10% delinquency rate, will produce income at the times and in amounts sufficient to pay when due the principal of and interest on the Borrower Bond and the administrative expense surcharges and all other payments as may be required under the loan agreement and Borrower Bond. The collection of the surcharge will start on the 1st day of January, 2018.
3. **Borrower Bond Surcharge.** The following water debt service surcharge shall be applicable to all customers served whether in or out of the city or whether retail or sales or resale:

Borrower Bond CWSRF-03Surcharge: \$10.50 per user.

The surcharge shall remain in effect until such time as the Borrower Bond is paid in full. The surcharge shall be collected at the same time as other charges of the Sewer System. The surcharge is found to be equitable for the services provided by the improvement.

4. **Segregation.** The debt service surcharge shall be segregated from other income of the sewer system in a separate bookkeeping account and is pledged to the South Dakota Conservancy District for the payment of the loan payments on the Borrower Bond.
5. **Yearly review.** The amount of the surcharge shall be reviewed from year to year and may be modified in order to provide such funds as are set forth herein. The charges shall be reviewed yearly by city personnel and administratively adjusted, upwards or downwards, pursuant to SDCL § 9-40-15 to such amounts as may be necessary to pay principal, interest, administrative surcharge and other charges as may become due and owing under the loan agreement or the Borrower Bond.
6. **Billing and Accounting.** The surcharge shall be included in the monthly user water bill. Nothing contained herein requires the surcharge be indicated on the billing, however, the surcharge segregation shall be indicated on the books of the City.
7. **Surcharge not to create constitutional indebtedness.** The charges provided herein are for the purpose of paying the Borrower Bond of the City which do not constitute indebtedness within the meaning of South Dakota Constitutional Chapter XIII Section 4.
8. **Automatic Repeal.** The surcharge for the Borrower Bond shall be automatically repealed when the Borrower Bond is paid in full.
9. **Partial Invalidity.** If any one or more of the provisions of this Resolution shall be held invalid, illegal, or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision hereof.

Tim Mullin, Mayor

ATTEST:

Anna N. Uhl, Finance Officer

Passed: 10/02/2017

Published: 10/11/2017

Effective: 01/01/2018

- Res. 2017-17 SRF Loan Surcharge - Drinking Water - Hofer made a motion to authorize the mayor to sign the SRF Resolution 2017-17 as presented, Hoskins 2nd, 6 Ayes, 0 Nays, motion passed.

RESOLUTION NO 2017-17

A RESOLUTION PROVIDING FOR A SURCHARGE FOR IMPROVEMENTS TO THE CITY OF GARRETSON WATER SYSTEM, FOR PAYMENT OF A BORROWER BOND AND YEARLY REVIEW OF THE SURCHARGE.

10. **Surcharge for Bond Issue.** There shall be charged a monthly surcharge for the services provided by the improvement financed by the DWSRF-02 Conservancy District loan. The surcharge for the loan shall be segregated from other revenues of the City and shall be used for the payment of the Borrower Bond DWSRF-02 (the "Borrower Bond"). Provided that such surcharge shall create net income, remaining from time to time after first paying all reasonable and current expenses of maintenance, repairs, replacements and operation, sufficient to fund interest, reserve and debt service fund annual requirements.
11. **Rates and collection.** The City does hereby establish the special charge or surcharge payable by each customer of its system who receives or benefits from the services of the project financed with the Borrower Bond. Such charge or surcharge shall be set at a level which, assuming a 10% delinquency rate, will produce income at the times and in amounts sufficient to pay when due the principal of and interest on the Borrower Bond and the administrative expense surcharges and all other payments as may be required under the loan agreement and Borrower Bond. The collection of the Surcharge will start on the 1st day of January, 2018.
12. **Borrower Bond.** The following initial surcharge shall be applicable to all customers served whether in or out of the City or whether retail or sales or resale:

Borrower Bond DWSRF-02 Surcharge: \$ 5.45 per user.

The surcharge shall remain in effect until such time as the Borrower Bond is paid in full. The surcharge shall be collected at the same time as other charges of the water system. The surcharge is found to be equitable for the services provided by the improvements.

13. **Segregation.** The debt service surcharge shall be segregated from other income of the water system in a separate bookkeeping account and is pledged to the South Dakota Conservancy District for the payment of the loan payments on the Borrower Bond.
14. **Yearly review.** The amount of the surcharge shall be reviewed from year to year and may be modified in order to provide such funds as are set forth herein. The charges shall be reviewed yearly by City personnel and administratively adjusted, upwards or downwards, pursuant to SDCL § 9-40-15 to such amounts as may be necessary to pay principal, interest, administrative surcharge and other charges as may become due and owing under the loan agreement or Borrower Bond.
15. **Billing and Accounting.** The surcharge shall be included in the monthly user water bill. Nothing contained herein requires the surcharge be indicated on the billing, however, the surcharge segregation shall be indicated on the books of the City.
16. **Surcharge not to create constitutional indebtedness.** The charges provided herein are for the purpose of paying the Borrower Bond of the City which do not constitute indebtedness within the meaning of South Dakota Constitutional Chapter XIII Section 4.
17. **Automatic Repeal.** The surcharge for the Borrower Bond shall be automatically repealed when the Borrower Bond is paid in full.
18. **Partial Invalidity.** If any one or more of the provisions of this Resolution shall be held invalid, illegal, or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other provision hereof.

Tim Mullin, Mayor

ATTEST:

Anna N. Uhl, Finance Officer

Passed: 10-02-2017

Published: 10-11-2017

Effective: 01-01-2018

Executive Session: None

7:36 Hofer made a motion to adjourn the meeting, Hoskins 2nd, 6 Ayes, 0 Nays. Meeting adjourned.

ATTEST

Anna N. Uhl
Finance Officer

(Unapproved)

Published once at the approximate cost of _____.