REGULAR MEETING OF THE CITY COUNCIL
COUNCIL CHAMBERS, CITY HALL
MITCHELL, SOUTH DAKOTA

May 20, 2019
6:00 P.M.

PRESENT: Dan Allen, Marty Barington, John Doescher, Kevin McCardle, Steve Rice, Dan Sabers, Jeffrey Smith, Susan Tjarks,

ABSENT:

PRESIDING: Mayor Bob Everson

AGENDA:

Moved by Rice, seconded by Allen, to remove and table Item #g Approve a special event application for the Palace City Pre-Sturgis Party from the consent agenda to a future meeting.

Members present voting aye: Allen, Barington, Doescher, McCardle, Rice, Sabers, Smith, Tjarks. Members present voting nay: none. Motion carried.

Moved by Rice, seconded by McCardle, to approve the following items on the consent agenda.

a. City Council Minutes

b. Committee Meeting Minutes
   1. Planning Commission April 22, 2019,
   2. Public Health & Safety May 6, 2019, and

c. Department Reports
   1. Finance (April),
   2. Sales Tax Collections (April),
   3. Building Permits (April),
   4. Police (April),
   5. Fire & EMS (April),
   6. Community Services (May),
   7. Palace Transit Ridership (April),
   8. Airport (April), and

d. Raffle Permits
   1. Mitchell Regional Habitat for Humanity with the drawing to be held on June 7, 2019,
   2. OutKasts Car Club with the drawing to be held on September 22, 2019, and
   3. Dakota Wesleyan University with the drawing to be held on October 5, 2019.

e. Set date of 06-03-19 for hearings
On the application of the Palace City Lions Club for a Special Event Liquor License located at the Horseman's Sports Arena for July 18, 19, 20, 21, 2019 for the Corn Palace Stampede Rodeo,
On the application of the Palace City Lions Club for a Special Event Liquor License located at the Horseman's Sports Arena for August 21, 2019 for the Mustang Seeds Xtreme Bulls,
On the application of the Palace City Lions Club for a Special Event Liquor License located at the Horseman's Sports Arena for July 6, 2019 for the Corn Stalk Music Jam,
On the application to transfer Retail (Off Sale) Package Liquor License PL-4691 from Bates Enterprises LLC, DBA Big Dummy's/Longhorn Bar, 108-112 North Main, Mitchell, South Dakota to Bates Enterprises LLC, DBA Big Dummy's, 110-112 North Main, Mitchell, South Dakota due to configuration of liquor license,
On the application to transfer Retail (On Sale) Liquor License RL-5761 from Bates Enterprises LLC, DBA Big Dummy's/Longhorn Bar, 108-112 North Main, Mitchell, South Dakota to Bates Enterprises LLC, DBA Big Dummy's, 110-112 North Main, Mitchell, South Dakota due to configuration of liquor license, and
On the application to transfer Retail (On Sale) Liquor License RL-5764 from Bates Enterprises LLC, DBA Brew Parlor, 108 North Main, Mitchell, South Dakota to Bates Enterprises LLC, DBA Brew Parlor, 610 East Hanson, Mitchell, South Dakota (Liquor License will be inactive).

f. Approve a special event license for the Corn Stalk Music Jam.

h. Approve a special event application for Edgewood Senior Living for the Longest Day on Main Street by closing North Main between 5th and 7th Avenues on Friday, June 21, 2019 from 2:00 p.m. to 9:00 p.m.

i. Approve a special event application for the OutKasts Car Club for a Parade Permit on Main Street from the Shopko parking lot in the 1900 Block of North Main to 7th Avenue, and to close Main Street from Railroad to 7th Avenue and the 1/2 Block of all side streets excluding Railroad, 1st, 5th, and 7th for the Outkasts Cruise In and Car Show on 09-21-2019. The street closures will begin at 4:30 a.m. on 09-21-19 and remain closed until 4:00 p.m. on 09-21-19, except the 500, 600, and 700 Block of North Main. Those streets will remain closed until the end of the dance.

j. Approve an additional street closure of 1st Street from Rowley to Main for the Imagine Guild on May 25, 2019 for the Memorial Weekend in Mitchell and Barbecue Cook-Off.

k. Approve an additional parking lot closure of 5th & Main Street, City Parking Lot for Mitchell Main Street & Beyond for 1st Fridays On Main.

l. Approve application for West Nile Prevention grant funds.

m. Fuel Quotes

<table>
<thead>
<tr>
<th>Howes Oil Company</th>
<th>Requested Gallons</th>
<th>Bid Gallons</th>
<th>Price per Product</th>
<th>Total Bid</th>
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<tbody>
<tr>
<td>On Road Diesel-#2</td>
<td>1,400</td>
<td>1,400</td>
<td>$2.465</td>
<td>$3,451.00*</td>
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<tr>
<td>Off Road Diesel #2</td>
<td>6,100</td>
<td>6,100</td>
<td>$2.190</td>
<td>$13,359.00*</td>
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</tbody>
</table>
Total Bid: $16,810.00*

Howes Oil was the only bidder for items marked with an asterisk.

n. Pay Estimates May 20, 2019
Pay Estimate #1 in the amount of $7,056.00 for South Side Water Tower #2018-1R contracted to Maguire Iron Inc.,
Pay Estimate #8 in the amount of $360.00 for Sanborn Bridge Repair Design #2018-22B contracted to Brosz Engineering,
Pay Estimate #9 in the amount of $1,800.00 for Sanborn Bridge Repair Construction #2018-22B contracted to Brosz Engineering,
Pay Estimate #2 in the amount of $10,753.56 for Sanborn Bridge Repair Rehab. #2018-22B contracted to H&W Contracting, LLC,
Pay Estimate #2 in the amount of $20,707.70 for Water Supply Needs Study #2018-38 contracted to Infrastructure Design Group,
Pay Estimate #1 in the amount of $8,081.62 for Rock Chips #2019-10 contracted to Spencer Quarries, and
Pay Estimate #1 in the amount of $89,749.60 for Paving & Overlay #2019-15 contracted to Commercial Asphalt.

o. Approve Bills, Payroll, Salary Adjustments and New Employee Hires and Authorize Payment of Recurring and other expenses in advance as approved by the Finance Officer


**PAYROLL APRIL 21, 2019 – MAY 4, 2019:** City Council $3,106.48, Mayor $1,292.65, City Administrator $4,858.15, Attorney $4,037.15, Finance $14,078.67, Human Resources $3,527.96, Municipal Building $3,860.16, Information Technology $2,465.28, Police $70,148.64, Traffic $4,499.82, Fire $49,403.96, Street $30,689.15, Public Works $21,175.16, Cemetery $6,629.21, Animal Control $1,521.22, Emergency Medical Services $8,464.66, Library $15,109.18, Recreation & Aquatics $5,898.57, Recreation Center $16,411.59, Sports Complexes $11,800.19, Parks $11,919.30, Supervision $5,475.01, E911 $23,912.33, RSVP $5,672.00, Palace Transit $19,983.06, JVCC $1,358.13, Nutrition $1,065.90, Water Distribution $10,591.14, Sewer $12,814.51, Airport $2,579.55, Waste Collection $9,034.27, Landfill $11,759.77, Corn Palace $20,743.48, Golf Course $8,396.12, Campground $605.15.

05-20-19
NEW HIRES:


SALARY ADJUSTMENTS:

E-911: Debbie Vaughn-$23.791.

FIRE: Chad Cody-$21.063, Dan Pollreisz-$22.956.


WASTE COLLECTION: David Schulte-$22.637.


WARRANTS: A-OX Welding Supply, Supplies-$263.73; AAA Collections, Contract Services-$20.00; Advance Auto Parts, Supplies-$140.00; AFLAC, AFLAC Withholding-$10,899.50; AFLAC Group, Critical Care-$1,057.72;
AFSCME Council 65, Union Dues-$590.00; AI's Engraving, Supplies-$13.50; Altec Industries, Repairs-$12,322.48; AM Distributing, Supplies-$97.92; American Fence, Repairs-$3,842.00; American Garage Door, Repairs-$826.45; Ameripride Services, Supplies-$359.36; Andrew Becker, Travel-$31.46; Apple Books, Books-$151.45; Aqua-Pure, Supplies-$1,562.50; AT&T Mobility, Utilities-$1,247.38; ATR Lighting Enterprises, Supplies-$290.15; Auto Body Specialties, Supplies-$149.66; Avera Occupational Medicine, Contract Service-$848.10; Axon Enterprise, Supplies-$4,866.00; B & B Upholstery, Repairs-$190.00; B-Y Water District, April Usage-$39,164.16; Bailey Metal Fabricators, Supplies-$50.56; Baker & Taylor, Books-$1,039.20; Baker Bros Electric, Repairs-$146.94; Beacon Athletics, Supplies-$206.48; Big Daddy D's, Contract Services-$4,320.75; Big Sioux Nursery, Supplies-$418.14; Blackstone Publishing, Supplies-$114.24; Bound Tree Medical, Supplies-$319.52; Boyer Trucks Sioux Falls, Supplies-$118.52; Brian Daughters, Travel-$15.00; Brian Larson, Travel-$104.00; Brosz Engineering, 2018-22B P.E. #8-$2,160.00; Bryan Rock Products, Supplies-$2,938.16; Builders Firstsource, Supplies-$25.06; Butler Machinery, Supplies-$20,768.65; C & B Operations, Supplies-$34,702.20; Campbell Supply, Supplies-$1,269.25; CDW Government, Supplies-$2,383.48; Centennial Carpet, Supplies-$1,591.04; Center Point Large Print, Books-$89.28; Central Electric, Utilities-$12,824.67; Century Link, Utilities-$60.91; Christian Luke, CDL Fee-$3.50; Coborns, Contract Services-$705.00; Coca Cola Bottling, Supplies-$637.90; Commercial Asphalt, 2019-15 P.E. #1-$89,749.60; Core & Main, Supplies-$4,828.61; Core-Mark Midcontinent, Supplies-$4,001.98; Corn Palace Shrine Club, Corn Palace Games-$19,227.88; Corporate Translation Service, Translation Service-$1.80; County Fair, Supplies-$52.74; County Fair, Contract Services-$560.00; Crystal Schlimmen, Travel-$328.60; Cummins Sales and Service, Supplies-$4,439.89; Dakota Data Shred, Service-$260.75; Dakota Fluid Power, Supplies-$275.94; Dakota Gun Collectors, Sports Authority Promotion-$700.00; Dakota Pump, Repair-$11,568.21; Dakota Supply Group, Supplies-$286.49; Dance Expressions, Corn Palace Games-$3,929.09; Danko Emergency Equipment, Supplies-$80.18; Darrington Water Conditioning, Rental-$73.05; Davison County Register of Deeds, Copies-$94.00; Davison Rural Water Systems May Fees-$77.00; Del Fougner, Tree Program-$135.76; Delta Dental Plan of South Dakota, Dental Premiums-$14,795.18; Demco, Supplies-$77.78; Department of Environment and Natural Resources, April Fees-$6,920.21; Department of Social Services, Child Support-$1,153.89; Dick's Body Shop, Repair-$75.00; Diesel Machinery, Supplies-$747.16; Don Everson, Supplies-$43.90; Dug Out, Contract Services-$654.50; Emergency Education, Training-$40.00; Environmental Toxicity, Lab Fees-$375.00; Evident, Supplies-$34.40; Farmers Alliance, Supplies-$3,365.32; Fastenal, Supplies-$726.13; Ferguson Waterworks #2516, Supplies-$496.32; First Dakota National Bank, Sales Tax Revenue Refunding-$7,262.50; Foreman, Fundraising, Mileage Lease bus Trip-$800.00; Forum Communications, Advertising-$2,843.54; Fox Paint & Blinds, Supplies-$145.32; Future IQ Partners, Professional Service-$13,300.00; Gale, Books-$644.74; Galls, Supplies-$83.65; Governor's Inn, Travel-$426.00; Grainger, Supplies-$20.76; Greenwood Cleaning, Maintenance-$425.00;
Gumdrop Books/Central Programs, Books-$340.95; H & W Contracting, 2018-22B P.E. #2-$10,753.56; Henry Schein, Supplies-$215.44; Hillyard/Sioux Falls, Supplies-$82.50; Honda of Mitchell, Supplies-$12.38; I-State Truck Center, Supplies-$15.45; ICAN, Contract Parks & Recreation-$2,375.00; Info USA Marketing, Books-$455.00; Infrastructure Design Group, 2018-38 P.E. #2-$20,707.70; Ingram Library Services, Book-$591.79; Innovative Office Solution, Supplies-$429.75; Integrity Transcription, Transcribing Service-$1,308.35; Interstate Office Products, Supplies-$98.92; James Adams, Repairs-$34.25; James Valley Landscape Solutions, Supplies-$279.99; Janet Fritzmeier, Refund-$50.00; JCL Solutions, Supplies-$1,335.38; John Hegg, Travel-$87.50; Johnson Controls, Repairs-$1,248.01; Jon Vermeulen, Travel-$15.00; Jones Supplies, Supplies-$694.97; Kathy Kaye Foods, Supplies-$2,160.00; Katrina Willoughby, Books-$40.00; KDLT-TV, Advertising-$1,000.00; Kim Burg, Reimbursement-$332.99; Kimball-Midwest, Supplies-$379.42; KJRV FM, Advertising-$700.00; Kyle McLaughlin, Travel-$44.00; Lakeview Veterinary Clinic, Service Dog-$1,138.14; Lodge at Deadwood, Travel-$61.00; Loren Skinner, Travel-$15.00; Maguire Iron, 2018-1R P.E. #1-$7,056.00; Marie C Roth, Refund-$79.44; Marilyn Jansen, Reimbursement-$46.69; Master Blaster Cleaning, Supplies-$44.80; Matthew Bender & Company, Book-$55.44; McLeod's Printing-Supplies-$2,595.53; Menard's, Supplies-$1,779.53; Mettler Implement, Repairs-$735.76; Meyers Oil, Supplies-$1,720.16; Midamerica Books, Books-$137.65; Midcontinent Communication, Advertising-$2,838.83; Midwest Alarm, Maintenance-$78.00; Midwest Laboratories, Testing-$189.60; Midwest Turf & Irrigation, Supplies-$479.14; Mitchell Area Convention Visitors Bureau, 2019 Funding-May-$22,750.00; Mitchell High School Boost, Local Event-$2,000.00; Mitchell Iron & Supply, Supplies-$129.05; Mitchell Plumbing & Heating, Repairs-$75.00; Mitchell Power Equipment, Supplies-$558.32; Mitchell Telecom, Utilities-$2,688.90; Mitchell United Way, United Way Deductions-$188.11; Modern Marketing, Supplies-$161.08; Mount Vernon School District, Contract Services-$59.40; Mueller Lumber, Supplies-$189.99; Muth Electric, Repairs-$1,387.53; Napa Auto Parts, Supplies-$876.47; Nathan Powell, Travel-$84.00; Nebraska Salt and Grain, Supplies-$1,685.16; Nedved Media, Advertising-$1,060.88; Newman Signs, Supplies-$438.00; North Central Seed, Supplies-$1,055.00; Northern Truck Equipment, Repairs-$490.90; Northwestern Energy & Communications, Utilities-$33,738.84; Online Computer Library Center, Cataloging-$683.62; Omaha World-Herald, Supplies-$389.48; One Source, Professional Service-$139.00; Overdrive, Supplies-$4,569.36; Parkston Boom's Restaurant, Contract Services-$2,672.50; Penguin Random House, Supplies-$273.75; Pepsi Cola, Supplies-$1,394.18; Pfeifer Implement, Repair-$28.54; Pivotal Health Solutions, Capital Improvements-$4,952.00; Playpower LT Farmington, Capital Improvements-$21,824.75; Porta Pros. Rental-$150.00; Potential Press, Books-$15.57; Powerphone, Maintenance-$5,077.00; Premier Pest Control, Contract Services-$75.00; Pro-Tec Roofing & Sheet Metal, Repairs-$168.37; Qualified Presort, Mailing Service-$573.97; R & R Products, Supplies-$157.20; Ramkota Hotel-Pierre, Travel-$96.00; Reader's Den, Books-$55.92; Recorded Books, Supplies-$3,208.28; Riverside Technologies, Supplies-$5,598.00; Rob's Short...
Stop, Supplies-$68.26; Roger Hazuka, Contract Services-$150.00; Ron's Bicycle and Locksmith, Supplies-$262.25; Ryan Erickson, Travel-$62.00; S & M Printing, Supplies-$34.95; Saga Communications, Advertising-$48.00; Saga Communications of South Dakota, Advertising-$1,684.00; Sanitation Products, Supplies-$951.25; Santel Communications, Utilities-$1,649.16; Satcom Global, Utilities-$42.75; Sawyer Gibson, Travel-$44.00; Scholastic Library Publish, Books-$41.56; Scott Supply, Supplies-$387.22; South Dakota Department of Revenue, Supplies-$21.20; South Dakota Federal Property Agency, Supplies-$17.00; South Dakota Governmental Finance Officer, Registration-$150.00; South Dakota Newspaper Services, Advertising-$229.44; South Dakota Retirement System, Retirement Contributions-$50,593.40; South Dakota Sheriffs' Association, Registration-$170.00; South Dakota-Supplemental Retirement, Retirement Contributions-$2,241.33; South Dakota-Supplemental Roth 457, Roth 457 Contributions-$425.00; South Dakota Department of Environment and Natural Resources, 2004-RLA-303-1; $13,621.85; South Dakota Department of Environment and Natural Resources, 2004-RLA-303-2-$14,317.43; Seland Livestock, Maintenance-$1,450.00; Sherwin-Williams, Supplies-$3,075.31; SHI International, License-$390.00; Sioux Equipment, Supplies-$11.90; Smart Apple Media, Books-$242.80; Spectrum Weather and Specialty Insurance, Insurance-$3,311.27; Spencer Quarries, 2019-10 P.E. #1-$10,404.18; Stan Houston Equipment, Supplies-$95.05; Standard Insurance, Life Insurance-$2,228.06; Staples Advantage, Supplies-$624.52; Stichtogether, Supplies-$30.00; Streicher's Minneapolis, Supplies-$3,220.00; Sturdevant's Auto Parts, Supplies-$1,250.29; Subway, Meals-$32.45; Sun Gold Sports, Supplies-$2,365.75; Tactical Solutions, Professional Service-$357.00; Tessier's, Repairs-$1,057.02; Thomson Reuters-West, April Charges-$670.21; Thune True Value Hardware, Supplies-$278.54; TK Electric, Repairs-$364.86; Tractor Supply Credit Plan, Supplies-$63.98; Trizetto Provider Solution, Service Contract-$278.17; True Dakotan, Advertising-$40.50; Two Way Solutions, Supplies-$1,674.99; United Parcel Service Store #4227, Shipping-$782.71; Vallen Distribution, Supplies-$256.96; Vander Haag's, Supplies-$274.00; Verizon Wireless, Utilities-$1,906.08; Walmart, Supplies-$242.82; Watertown Wholesale, Supplies-$117.75; Wheelco Brake & Supply, Maintenance-$324.19; Wholesale Electronics, Supplies-$190.57; WNAH-HD2, Advertising-$530.00; Wright Brothers Aviation, Maintenance Contract-$500.00; US Bank Loan, Loan Payment-$128,351.49; South Dakota State Treasurer, Sales Tax Payment-$15,471.65; Corn Palace, Deposit Books-$102.82; Eellwein Brothers, Supplies-$699.95; Library, Fines-$1,797.10.

Members present voting aye: Allen, Barington, Doescher, McCardle, Rice, Sabers, Smith, Tjarks. Members present voting nay: none. Motion carried.

**CITIZENS INPUT:**

Chief of Public Safety Lyndon Overweg reported that the Garden Club has volunteered to donate flowers for the Veteran's Park for Memorial Day.
Mayor Bob Everson stated that Planning and Zoning Commissioner Harlan Quenzer passed away on Friday and to keep his family in thought and prayer.

**COMMITTEE REPORT:**

**Traffic**

The Traffic Commission met on May 20, 2019 at 6:00 p.m. The Traffic Commission approved the following requests:

- Street closure for the Heart & Sole Cancer Walk/Run for June 14, 2019,
- Parade permit for the Neil Epp Memorial Poker Run for June 29, 2019,
- Parade permit for the Dakota Wesleyan University Homecoming parade for October 5, 2019,
- Parade permit for the Corn Palace Stampede Rodeo parade for July 20, 2019,
- Parking lot closure for the plastic pop bottle rocket launch event for May 31, 2019, and
- Street closure for the Hometown Hero Event for June 7, 2019.

Moved by Smith, seconded by Rice, to approve the Traffic Commission report. Motion carried.

**BOARD OF ADJUSTMENT:**

Moved by Allen, seconded by McCardle, for the City Council to recess and sit as the Board of Adjustment. Motion carried.

**SET DATE:**

Moved by Rice, seconded by Barington, to set date for June 3, 2019 on the application of Kimberly Kluth for a conditional use permit (home occupation) to operate a massage business located at 1106 W 6th Ave, legally described as W 1/2 of Lot 6, Block 3, Bracy's Addition, City of Mitchell, Davison County, South Dakota. The property is zoned R2 Single Family Residential District. Motion carried.

**HEARINGS:**

It was advised that this is the date and time set for hearing on the application of Terrance and Michelle Lynde for a front yard variance of 13 feet vs 25 feet as required to construct a covered porch and placement of an accessory building located at 324 E 14th Ave, legally described as Lot 4, Block 1, Fullerton Terrace Addition, City of Mitchell, Davison County, South Dakota. The property is zoned R2 Single Family Residential District. Notice of hearing has been given according to statute and affidavit of publication is on file. The Planning Commission recommended approval of said application with the condition that the shed be aligned with the overhang of the east side of the house. Moved by McCardle, seconded by Rice, to approve said application as per homeowners plan submitted to City Council. Motion carried.

05-20-19
Moved by Rice, seconded by Barington, to table the hearing on the application of Carlos & Alayna Reyes for a conditional use permit to operate a family residential child care center located at 412 E 12th Ave, legally described as Lot 11, Block 1, Frosts Addition, City of Mitchell, Davison County, South Dakota. The property is zoned R2 Single Family Residential District. Motion carried.

Moved by Rice, seconded by Allen, for the Board of Adjustment to adjourn and the City Council to reconvene in regular session. Motion carried.

CONSIDER APPROVAL:

Moved by McCardle, seconded by Sabers, to approve the applications for renewal of (On-Off Sale) Malt Beverage Licenses. Motion carried with Barington abstaining.

Moved by Allen, seconded by Barington, to approve and authorize the Mayor to sign Agreement #A2019-21, Wildland Fire Agreement. Motion carried.

AWARD BID:

Bids were opened and read on Curb & Gutter Project #2019-14 on the 14th day of May, 2019 in the Council Chambers of City Hall. Moved by Allen, seconded by McCardle, to award as follows:

CURB & GUTTER
PROJECT #2019-14

Rexwinkel Concrete, P.O. Box 43, Corsica, South Dakota 57328.

Total Bid for Schedule “A” $ 90,410.45

Total Bid for Schedule “B” $117,386.50

Motion carried.

HEARING:

It was advised that this is the date and time set for hearing on the proposed special assessments for the Alley project in the 201 Block of North Main Alley Between 2nd and 3rd on West side of Main Street. Terry Johnson, Engineering Project Supervisor, reviewed the area for the special assessments. Discussion took place with no opposition from property owners in the proposed project area. Terry Sabers owner of Sabers Properties spoke regarding the property on 3rd and Main asking the City Council to work on getting the street opened and the property cleaned up. City Council Member Doescher asked if burying the power lines were included in the cost of the proposed special assessments. Johnson said no that it was not included and to bury the power lines would be expensive.
RESOLUTIONS:

Moved by Tjarks, seconded by Rice, to approve Resolution #R2019-31, Declaring the Necessity for the Construction of Alley in the 201 Block of North Main Street Between 2nd and 3rd on the West side of Main Street. Motion carried and resolution declared duly adopted. This resolution will be published separately from these proceedings.

Moved by Rice, seconded by Sabers, to approve Resolution #R2019-40, A Plat of Lot 7, Block 9 of Westwood First Addition, A Subdivision of Block 4 of Westwood First Addition in the NW ¼ of Section 16, T 103 N, R 60 W of the 5th p.m., City of Mitchell, Davison County, South Dakota, as follows:

RESOLUTION #R2019-40

WHEREAS, It appears that the City Planning Commission of the City of Mitchell, South Dakota, did duly consider and did recommend the approval and adoption of the hereinafter described plat, at its meeting held on the 13th day of May, 2019; and

WHEREAS, it appears from an examination of the plat of LOT 7, BLOCK 9 OF WESTWOOD FIRST ADDITION, A SUBDIVISION OF BLOCK 4 OF WESTWOOD FIRST ADDITION IN THE NW ¼ OF SECTION 16, T 103 N, R 60 W OF THE 5TH P.M., CITY OF MITCHELL, DAIVSON COUNTY, SOUTH DAKOTA as prepared by Paul J. Reiland, a duly licensed Land Surveyor in and for the State of South Dakota, that said plat is in accordance with the system of streets and alleys set forth in the master plan adopted by the City Planning Commission of the City of Mitchell, South Dakota, and that such plat has been prepared according to law.

THEREFORE, be it resolved by the City Council of Mitchell, South Dakota that the plat of LOT 7, BLOCK 9 OF WESTWOOD FIRST ADDITION, A SUBDIVISION OF BLOCK 4 OF WESTWOOD FIRST ADDITION IN THE NW ¼ OF SECTION 16, T 103 N, R 60 W OF THE 5TH P.M., CITY OF MITCHELL, DAIVSON COUNTY, SOUTH DAKOTA, prepared by Paul J. Reiland, be and the same is hereby approved and the description set forth therein and the accompanying surveyor’s certificate shall prevail.

Motion carried and resolution declared duly adopted.

Moved by Smith, seconded by Allen, to approve Resolution #R2019-41, A Resolution Clarifying and Segregating the Surcharge for Improvements to the City of Mitchell Wastewater system, for payment of a Revenue Bond and Yearly Review of rate, as follows:

RESOLUTION #R2019-41

A RESOLUTION CLARIFYING AND SEGREGATING THE SURCHARGE FOR IMPROVEMENTS TO THE CITY OF MITCHELL WASTEWATER SYSTEM, FOR PAYMENT OF A REVENUE BORROWER BOND AND YEARLY REVIEW OF RATE
WHEREAS, The City of Mitchell has passed Resolution #2019-09 which set the surcharge of $10.75 for CW-05 and CW-06; and

WHEREAS, the City wishes to segregate the surcharge and add $1.00 to the CW-05 surcharge.

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

1. *Surcharge for Borrower Bond.* There shall be charged a monthly surcharge for the services provided by the improvement financed by the CW-05 Conservancy District Loan and CW-06 Conservancy District Loan. The surcharge for each loan shall be segregated from other revenues of the city and shall be used for the payment of the Borrower Bond CW-06 and Borrower Bond CW-06 (collectively 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 of Mitchell (the “City”) has established a 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 surcharge and all other payments as may be required under the loan agreement and Borrower Bond.

3. *Borrower Bond.* Resolution #2019-09 is hereby amended as provided in this section. The following sewer debt service surcharge shall be applicable to all customers served:

   Borrower Bond CW-05 Surcharge: $8.05 per user.

   Borrower Bond CW-06 Surcharge: $3.70 per user.

   The surcharge is effective June 1, 2019. This surcharge shall remain in effect until the revenue bond is paid in full. The initial surcharge shall be collected at the same time as other charges of the system. The surcharge is found to be equitable for the services provided by the improvements.

4. *Segregation.* The debt service surcharge shall be segregated from other income of the system in a separate book keeping 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 applicable to each Borrower Bond 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 personal and administratively adjusted, upwards or downwards, 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.
6. **Billing and Accounting.** The surcharges shall be included in the monthly user 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. **Automatic Repeal.** The surcharge for the Borrower Bond shall be automatically repealed when the Borrower Bond is paid in full.

8. **Partial Invalidity.** If any one or more of the provisions of the 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.

Motion carried and resolution declared duly adopted.

**ORDINANCE:**

Moved by Allen, seconded by Tjarks, to place Ordinance #O2019-07, Repealing and Replacing Mitchell City Code Chapter 5-6: Fireworks and Explosives on first reading. Motion approved.

**EXECUTIVE SESSION:**

Moved by McCardle, seconded by Smith, to go into Executive Session as permitted by SDCL 1-25-2 (4) Preparing for contract negotiations or negotiating with employees or employee representatives. Motion carried.

Mayor Everson declared the board out of executive session at 9:00 p.m. and the City Council to reconvene in regular session at 9:01 p.m.

**ADJOURN:**

There being no further business to come before the meeting, Mayor Everson adjourned the meeting.

\[Signature\]
Michelle Bathke
Finance Officer

Published once at the approximate cost of ____________

05-20-19