

**CITY OF PHILIP COUNCIL PROCEEDINGS
REGULAR MEETING
AUGUST 5, 2024**

A regular meeting of the Philip City Council was held on Monday, August 5, 2024, at 7:00 p.m. in the Community Room of the Haakon Co. Courthouse. Present were Mayor Brit Miller, Council Members Greg Arthur, Terri Pelle, Marion Matt, Marty Gartner, Scott Pinney, and Tiana Weber. Also present were City Administrator Brittany Smith, Finance Officer Monna Van Lint, Public Works Director Matt Reckling, Chief of Police Ben Buls, Police Officer AJ Bartlett, and City Attorney Stephanie Trask.

Absent: None.

The meeting was opened with the Pledge of Allegiance.

Motion was made by Gartner, seconded by Matt to approve the agenda as presented. Motion carried.

Motion was made by Matt, seconded by Pinney to approve the minutes of the last meeting as published. Motion carried.

Motion was made by Pelle, seconded by Arthur to approve the payment of the bills from the appropriated funds as listed below. Motion carried.

Gross Salaries – July 31, 2024: Admin - \$5250.00; Finance - \$4203.33; Public Works - \$10566.65; Police - \$8833.33; Swimming Pool - \$19484.67; Rubble Site - \$216.00; Econ Develop - \$735.00

Colonial Life	Employee Supplemental Ins 7/24	88.65
Credit Collections Bureau	Garnishment 7/24	200.86
EFTPS	SS/MC/WH 7/24	10437.46
NE Child Support	Garnishment 7/24	469.18
SDRS	Employee Retirement 7/24	3815.74
SDSRP	Sup Retirement 7/24	100.00

ACH Payments:

Century Business Products	Copier Maint 6-7/24	43.61
Corporate Trust – US Bank	SRF #6 Pay #17 8/24	4917.84
	SRP #7 Pay #17 8/24	5766.78
Delta Dental	Dental Ins 8/24	828.80
Optilegra	Vision Ins 8/24	92.37
World Fuel Services/Ascent	3488 Gal Fuel 7/24	16481.89
	AIR Fuel Fee 8/24	30.00
WR/LJ Rural Water Systems	5,278,000 gals 7/24	7125.30
	Contract Min. 7/24	2500.00
	AIR Water 7/24	50.40
	South Shop Water 7/24	22.60

Airport Improvement Projects:

Helms & Assoc.	Runway Eng Design thru 7/20/24	3591.77
	Runway Bidding thru 7/20/24	7352.77
	SRE Purchase Asst thru 7/20/24	230.00
Pioneer Review	Runway Const Bid Notice 7/24	181.12

Kroetch Addition Development:

West Central Electric Const Aid/Pole Relocate 2024 42275.00

Stewart Ave/NE Sewer Project:

West Central Electric Const Aid/Pole Relocate 2024 3500.00

This Month's Bills:

4E Foods	Pool Supplies/Resale 7/24	555.07
A-Z Shredding	Shredding 7/24	22.32
Associated Supply Co Inc	Pool Repairs 7/24	476.40
Bad River Law Prof LLC	Legal/Atty 6/24	315.00
Buls, William	Uniform Boot Reimb 6/24	100.00
CHS River Plains	Chemical/LP 6-7/24	2063.54
D&T Auto Parts	Repairs/Supplies 6-7/24	2105.64
Display Sales	Banners 6/24	2523.00
Gibson Concrete	Dupree/Auto Concrete Pan 7/24	9183.69
Four Rivers Shrine Club	Circus Adv 6/24	890.00
Haakon Co Treasurer	Office Rent 8/24	500.00
Hanson Oil	Fuel/LP 6-7/24	5762.41
Hawkins Inc	Pool Chem 7/24	672.00
Hoag Diesel Service (HDS)	Ford Truck Repairs 7/24	116.20
Health Pool of SD	Health Ins 8/24	12469.31
Kieffer Sanitation	380 Residential Collections 7/24	5422.60
Lazaga, Luke	Cust Dep Balance 8/24	53.77
MG Oil Co	Fuel/Supplies 6/24	115.98
McQuirk Ditching Inc	Curbstop Repairs 7/24	1242.19
	Backhoe (Charities Project) 7/24	566.33
Morrison's Pit Stop	Tire Repair 7/24	135.00
North Main Investments Inc	AIR Fuel System Vent 7/24	184.00
Northwest Pipe Fittings Inc	Well/Water Parts 6-7/24	652.81
O'Connell Construction Inc	Fill Mat 7/24	656.73
Philip Building Center	Tools/Supplies 8/24	491.87
Philip Hardware	Supplies/Repairs/Equip 7/24	499.17
Philip Match Bronc Ride	2024 Adv Approp	1500.00
Philip Motor Inc	Truck Repairs 7/24	89.19
Philip Standard	Fuel 6/24	852.01
Pioneer Review	Publishing 7/24	141.41
Qualified Presort Service LLC	Billing/Postage 7/24	317.61
SD 811	Locates 4-6/24	17.85
SD Assoc Rural Water Systems Inc	Dues 8/24-8/25	525.00
SD Dept of Revenue	Sales Tax Payable 7/24	662.82
	Water/Pool Testing 6-7/24	75.00
SD Drug & Alcohol Consortium	Testing 7/24	108.35
SD State Plumbing Commission	Reckling Dues 2024	110.00
SDWWA	Shipp Conf Reg 8/24	150.00
Shipp, Jaydin	Cust Dept Balance 8/24	42.63
The Philip Pit Stop	Fuel 6-7/24	615.52
US Bank		4934.96
Amazon	Supplies/Uniforms/Equip 6-7/24	379.77
AT&T	Cell Phone 6/24	223.12
Golden West	Telephone/Internet 7/24	639.68

Hach Co	Water Test Kit 7/24	680.00	
Microsoft Office	PD/FO 365 7/24	50.00	
PlayPass/QR.IO	Dues 7/24	54.00	
Thomson Reuters	SDCL 2024 Update	27.24	
Travel	Room Cancellation 7/24 (633.60)		
USPS	Postage 7/24	24.15	
Verizon	W AMR 6/24	80.02	
West Central Electric	Electric 5/24	3410.58	
Van Diest Supply Co	WNV Chemical 7/24		3174.90
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Total Bills			156,082.53

Old Business: None.

New Business:

Airport Improvement Projects:

Motion was made by Arthur, seconded by Gartner to approve the financial agreement with the SD Dept. of Transportation for the Snow Removal Equipment (SRE) Acquisition (AIP #3-46-0043-017-2024), and authorize the mayor’s signature thereon. Motion carried.

Council reviewed the following construction bids for the Airport Runway Reconstruction Project that were received and opened on July 19, 2024:

Bituminous Paving, Inc.: Bid Schedule A (HMA Paving) - \$5,960,885.50; Alternate Bid Schedule A1 (Turnarounds) - \$1,112,664.00; Bid Schedule B (PCC Paving) – No Bid

BX Civil & Construction, Inc.: Bid Schedule A (HMA Paving) – No Bid; Alternate Bid Schedule A1 (Turnarounds) – No Bid; Bid Schedule B (PCC Paving) – \$7,529,510.10

Morris, Inc.: Bid Schedule A (HMA Paving) - \$4,880,399.75; Alternate Bid Schedule A1 (Turnarounds) - \$910,262.80; Bid Schedule B (PCC Paving) – No Bid

Reede Construction, Inc.: Bid Schedule A (HMA Paving) – No Bid; Alternate Bid Schedule A1 (Turnarounds) – No Bid; Bid Schedule B (PCC Paving) – \$7,138,799.70

Engineer’s Estimate: Bid Schedule A (HMA Paving) - \$5,000,000.00; Alternate Bid Schedule A1 - \$680,000.00; Bid Schedule B - \$5,725,000.00

It was reported that the airport engineer, Helms & Associates, has recommended awarding only Bid Schedule 1 (HMA Paving) to the lowest bidder, Morris, Inc.

Following, motion was made by Pinney, seconded by Arthur to tentatively approve awarding Bid Schedule A for the Airport Runway Reconstruction project (AIP #3-46-0043-018-2024) to Morris, Inc. in the amount of \$4,880,399.75 as outlined above contingent upon the Federal Aviation Administration (FAA) approval and receipt of the FAA grant offer. Motion carried.

Motion was made by Arthur, seconded by Matt to approve submitting the FAA grant application for the Airport Runway Reconstruction project (AIP #3-46-0043-018-2024), and authorize the mayor’s signature

thereon along with the grant offer and all contract documents. It was noted that this includes project funding as follows: FAA - 90%; State – 5%; and, City - 5%. Motion carried.

Special Event Application:

Motion was made by Pinney, seconded by Gartner to approve First Lutheran Church’s Bike Rally on Aug. 7, 2024. Motion carried.

Council reviewed the following L/P Propane bids received.

	<u>July 1st</u>	<u>July 10th</u>	<u>Aug. 5th</u>
Hanson Oil	\$1.69/gal	\$1.59/gal	\$1.49/gal
CHS River Plains	\$1.49/gal	\$1.49/gal	\$1.45/gal

Building/Flood Plain Dev. Permits:

Philip Charities – demolish property at 303 Ash St. with the city’s assistance per agreement.

Motion was made by Pinney, seconded by Gartner to approve the above permit as presented. Motion carried.

Departmental Reports:

Administration

Council reviewed information about the upcoming SD Kids Belong, Foster Friendly Black Hills Campaign being held at the Box in Box Elder on Oct. 4, 2024.

No action was taken.

Motion was made by Gartner, seconded by Pinney to approve the second reading of Ordinance #2024-06, Supplemental Appropriations, Community Betterment Committee, Fire Hall Park Equipment. Motion carried with Matt abstaining.

Motion was made by Arthur, seconded by Gartner to approve the second reading of Ordinance #2024-07, Supplemental Appropriations, Philip Chamber of Commerce, Banner Project. Motion carried.

Motion was made by Matt, seconded by Pelle to approve the first reading of Ordinance #2024-09, 2025 Municipal Appropriations. This reflects maintaining the same property tax request as in 2024 and, banking 9.0% of CPI (loss of 1.2% CPI from 2021). Motion carried with all members voting aye.

Motion was made by Matt, seconded by Gartner to approve the following Resolution #2024-10, Initiated Measure 28. It was stressed that if Initiated Measure 28 were to pass during the General Election, the city is estimated to lose \$114,000 or 16.57% in sales tax revenue which will greatly impact the services the city provides to the community. Motion carried.

**RESOLUTION #2024-10
INITIATED MEASURE 28**

WHEREAS Initiated Measure 28 was certified for the November 2024 General Election Ballot by the South Dakota Secretary of State; and,

WHEREAS Initiated Measure 28, if passed, would remove state, municipal and tribal taxes on all items sold for human consumption except alcohol and prepared food; and,

WHEREAS “human consumption” is undefined in South Dakota Codified Law or the South Dakota Constitution. Black’s Law Dictionary defines “consumption” as “the act of destroying a thing by using it; the use of a thing in a way that exhausts it”; and,

WHEREAS South Dakota Codified Law 34-45-1(7) defines tobacco products as “any item made of tobacco intended for human consumption, including cigarettes, cigars, pipe tobacco, and smokeless tobacco, and vapor products as defined in § 34-46-20.”; and,

WHEREAS South Dakota Codified Law 10-52-2 allows incorporated municipalities to impose a tax on the sale, use, storage and consumption of items that conform in all respects to the state tax on such items up to two percent; and,

WHEREAS Initiated Measure 28 is in direct conflict with existing state law and the Attorney General’s explanation of the measure states legislative or judicial clarification would be needed if the measure passes; and,

WHEREAS the City of Philip levies a two-percent sales tax and collected \$632,344 in the 2023 fiscal year and \$437,138 year-to-date in the 2024 fiscal year; and,

WHEREAS the City of Philip estimates annual lost revenue of \$114,000 unless Initiated Measure 28 is rejected by voters in South Dakota.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Philip, South Dakota, that Initiated Measure 28 would negatively impact our community and its residents.

Approved this 5th day of August 2024.

/s/ Brit Miller, Mayor

ATTEST:

/s/ Monna Van Lint, Finance Officer

Motion was made by Pinney, seconded by Matt to adopt the following policy: copies of cash receipts and rubble site tickets are available upon request at the city office. They will no longer be mailed unless requested by the customer. Motion carried.

Fire

Motion was made by Arthur, seconded by Pinney to approve the following volunteer firefighters: Chevy Konst (junior), Blake Olson, and Sean Reczek. Motion carried.

Municipal Buildings

Council reviewed the following quotes from Architectural Specialties, LLC:

- Airport Hangar Door (Hangar/Lounge Building) - weather stripping/sealing the door and replacing windows - \$7,865.91
- South Shop – replacing the south and north overhead doors - \$11,786.79

Following, motion was made by Pinney, seconded by Arthur to approve the above quote for the airport hangar door repairs as presented. Motion carried.

Following, motion was made by Gartner, seconded by Arthur to approve the above quote for the south shop doors as presented. Motion carried.

Motion was made by Matt, seconded by Gartner to approve the contractor's request for an extension to the deadline for the removal of the interior contents and partitions at the 175 S. Center Ave. property until Oct. 1, 2024. Motion carried with Arthur abstaining.

Park/Recreation

Motion was made by Pinney, seconded by Matt to authorize the city to be a guarantor on the Lake Waggoner Golf Course's loan through West Central Electric for a cart shed addition. Motion carried.

Motion was made by Pinney, seconded by Matt to authorize the city to manage the Lake Waggoner Golf Course Fundraiser for new/refurbished equipment through the city and golf course agreement. Motion carried.

Police

The monthly report was reviewed with Chief Buls and Officer Bartlett.

Council discussed the fireworks ordinances and concerns reported over the 4th of July holiday. It was mentioned that the ordinance conflicts with State Law as far as the dates that fireworks are allowed to be sold and discharged. City ordinances also do not specify definitive times when they can be discharged so law enforcement has been following the noise ordinances.

Following discussion, an amendment to the fireworks ordinances will be considered in the future.

Rubble Site

No report was available.

Sewer

Motion was made by Arthur, seconded by Matt to approve the surplus and sale of the 1993 Ford Ram Rodder Jet/Vac Truck. The truck will be sold via auction through Purple Wave, Inc. Motion carried.

Street

The monthly report was reviewed.

Water

The quarterly report was reviewed. The water loss for the month of July 2024 was reported at 5.62%.

West Nile Virus

It was reported that the City was awarded \$2,959 in grant funds from the SD Dept. of Health to purchase mosquito chemical.

Training/Travel Requests:

CA Smith will be attending the SDML Policy Meetings on Aug. 14th in Pierre.

PWM Shipp will be attending the SDWWA Conference on Sept. 11th-13th in Deadwood.

Executive Session:

At 7:35 p.m., motion was made by Arthur, seconded by Gartner to enter into executive session per SDCL 1-25-2(1), personnel. Motion carried.

At 7:46 p.m., motion was made by Pinney, seconded by Arthur to come out of executive session.

No action taken.

Public Comments:

None.

In Other Business:

City Offices will be closed on Monday, Sept. 2nd in observance of the legal holiday.

The next Regular Council Meeting will be held on Tuesday, Sept. 3rd at 7:00 p.m. in the Community Room.

With no further business to come before the Council, Mayor Miller declared the meeting adjourned at 7:48 p.m.

/s/ Brit Miller, Mayor

ATTEST:

/s/ Brittany Smith, City Administrator

(Published once on Aug. 15, 2024, at approximate cost of \$_____)