

**CITY OF PHILIP COUNCIL PROCEEDINGS
REGULAR MEETING
DECEMBER 2, 2024**

A regular meeting of the Philip City Council was held on Monday, December 2, 2024, at 7:00 p.m. in the Community Room of the Haakon Co. Courthouse. Present were Council Members Marion Matt, Terri Pelle, Greg Arthur, Marty Gartner, Tiana Weber, and Scott Pinney. 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 Haakon County Sheriff Tim Quinn.

Absent: Mayor Brit Miller

Council President Matt called the meeting to order.

The meeting was opened with the Pledge of Allegiance.

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

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

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

Gross Salaries – Nov. 27, 2024: Admin - \$5250.00; Finance - \$4203.33; Public Works - \$12479.98; Police - \$8833.33; Rubble Site - \$36.00; Econ Develop - \$798.00

Colonial Life	Employee Supplemental Ins 11/24	88.65
Credit Collections Bureau	Garnishment 11/24	200.86
EFTPS	SS/MC/WH 11/24	7071.71
SDRS	Employee Retirement 11/24	4078.14
SDSRP	Sup Retirement 11/24	100.00

ACH Payments:

Century Business Products	Copier Maint 10-11/24	43.58
Delta Dental	Dental Ins 12/24	828.80
Optilegra	Vision Ins 12/24	107.00
World Fuel Services/Ascent	AIR Fuel Fee 12/24	30.00
WR/LJ Rural Water Systems	2,054,000 gals 11/24	2772.90
	Contract Min. 11/24	2500.00
	AIR Water 11/24	40.00
	South Shop Water 11/24	20.00

Airport Improvement Projects:

Helms & Assoc.	Runway Const Adm 11/24	3360.48
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This Month's Bills:

Bad River Law Prof LLC	Legal/Atty 10-11/24	570.00
Clubhouse Hotel	TAP Mtg Room 11/24	206.12
Core & Main LP	Meters 11/24	1599.38
Haakon Co Treasurer	Office Rent 12/24	500.00

Hanson Oil	Fuel 10/24	492.96
Health Pool of SD	Health Ins 12/24	12469.31
Hometown Computer Service	Computer IT 11/24	270.00
Kennedy Implement	Tractor Repairs 10/24	252.23
Kieffer Sanitation	379 Residential Collections 11/24	5408.33
McQuirk Ditching Inc	N Center Ave Backhoe 11/24	3979.60
MG Oil Co	Fuel 10/24	427.13
O'Connell Construction Inc	Gravel 11/24	690.89
Philip Building Center	Supplies 11/24	70.89
Philip Hardware	Supplies 11/24	37.47
Philip Standard	Fuel 10/24	328.63
Qualified Presort Service LLC	Billing/Postage 11/24	345.28
Ramkota Hotel	Safety Conf Room 11/24	116.00
SD Dept of Revenue	Sales Tax Payable 11/24	497.38
	Excise Tax Payable 11/24	13.53
	W Testing 10/24	15.00
Smith, Brittany	Mileage Reimb 11/24	115.24
US Bank		4232.34
All-Around Graphix	Uniforms 11/24	41.32
Amazon	Supplies 11/24 (32.89)	
AT&T	Cell Phone 9/24	225.64
Golden West	Telephone/Internet 11/24	639.78
Microsoft Office	FO/PD 365 10-11/24	78.12
Travel	Meals 11/24	17.53
USPS	Postage 10-11/24	12.20
Verizon	W AMR 10/24	80.02
West Central Electric	Electric 9/24	3170.62
Wohlenberg, Ritzman & Co LLC	Audit FY2023	12000.00
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Total Bills		\$54,340.47

Old Business:

None.

New Business:

Infrastructure Improvement Projects:

Motion was made by Arthur, seconded by Gartner to authorize hiring Haakon Co. Title to compile an "Owner's Report" for the Kroetch Addition property lots at an estimated cost of \$2,000.00. Motion carried.

Airport Improvement Projects:

Council was informed that the Notice to Proceed has been issued to Morris, Inc. for the Runway Reconstruction Project. The project is anticipated to start on Mar. 24, 2025.

The L/P Propane bids received in November are as follows.

	<u>Nov. 4th</u>	<u>Nov. 25th</u>
Hanson Oil Co	\$1.49/gal.	\$1.49/gal.
CHS River Plains	\$1.55/gal.	\$1.60/gal.

Building/Flood Plain Dev. Permits:

Truett Fitch – campground water and sewer connections (outside of city limits)
Council reviewed the permit including potential items of concern presented by the city’s engineer and building committee.

Following, motion was made by Gartner, seconded by Arthur to table the above permit until Fitch addresses the city engineer and building committee’s recommendations. Motion carried.

7:10 p.m., Bid Opening – Real Property at 175 S. Center Ave.:

As advertised, the bid opening was held for the above referenced property legally described as Lot 8, Block 7, Original Town, City of Philip, Haakon County, South Dakota. Said property was appraised at an average value of \$45,000 (land - \$10,833 and structure - \$34,167).

With no bids being received, no action was taken. Council will revisit options for the property at a later date.

Departmental Reports:

Police

The monthly Police Dept. report was reviewed.

Chief Buls discussed purchasing stop stick equipment for the department at an estimated cost of \$1,922. It was noted that the department has sufficient budget authority in 2024 to cover said expense.

Rubble Site

SD Dept. of Agriculture and Natural Resources (DANR) recently inspected the site, and the report is anticipated in the near future.

Street

PWD Reckling provided an update on the street department.

Water

The water loss for the month of November was reported at 10.11%.

Council reviewed an updated water rate analysis completed by SD Assoc. of Rural Water Systems (SDARWS). The update was recommended following notice from WRLJ Rural Water System regarding an increase to the city’s water purchase rate from \$1.35 to \$1.55 per 1,000 gallons, effective Jan. 1, 2025.

SDARWS provided the opinion that the additional fees (\$0.005 per gallon over 2,000 gallons) are adequate to cover the operation and maintenance expenses of the water enterprise fund. On the other hand, they have recommended the city consider adjusting the base rate as presented below as Option #1 and Option #2. This is a modest rate adjustment to ensure adequate resources are available to fund capital expenses.

Current Water Rates:

City Residential/Commercial/Industrial User Rate - \$20.00 for the first 2,000 gallons; \$0.005 per gallon used in excess of 2,000 gallons

Out of City Residential/Commercial/Industrial User Rate - \$40.00 for the first 2,000 gallons; \$0.005 per gallon used in excess of 2,000 gallons

Option #1 Rate Increase:

City Residential/Commercial/Industrial User Rate - \$25.00 for the first 2,000 gallons; \$0.005 per gallon used in excess of 2,000 gallons

Out of City Residential/Commercial/Industrial User Rate - \$50.00 for the first 2,000 gallons; \$0.005 per gallon used in excess of 2,000 gallons

Option #2 Rate Increase:

City Residential/Commercial/Industrial User Rate - \$22.50 for the first 2,000 gallons; \$0.005 per gallon used in excess of 2,000 gallons

Out of City Residential/Commercial/Industrial User Rate - \$45.00 for the first 2,000 gallons; \$0.005 per gallon used in excess of 2,000 gallons

Discussion ensued. It was noted that the city water rates have not been adjusted since 2011, and gradual adjustments are being proposed to reduce rate shock to the community while ensuring reliable utility services. In addition, the recommended water base rate increases presented above are anticipated to generate approximately \$30,600 (Option #1) or \$15,300 (Option #2) annually.

Following, motion was made by Pelle, seconded by Arthur to approve an increase to the base water rate as outlined above in Option #2, effective with the Feb. 1, 2025, utility bills. This will also be reflected in the annual rates and fee schedule resolution presented for approval during the January meeting. Motion carried.

Training/Travel:

CA Smith will be attending the SDML Board Meeting on Dec. 11th-12th in Pierre.

Public Comments:

None.

In Other Business:

City offices will be closed on Dec. 24th, 25th and Jan. 1st in observance of the legal holidays.

The year-end Council Meeting will be held on Dec. 30th at 5:30 p.m. in the Community Room of the Haakon Co. Courthouse.

The next Regular Council Meeting will be held on Monday, Jan. 6th at 7:00 p.m. in the Community Room of the Haakon Co. Courthouse.

With no further business to come before the Council, Council President Matt declared the meeting adjourned at 7:27 p.m.

/s/ Marion Matt, Council President

ATTEST:

/s/ Brittany Smith, City Administrator

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