

**PROCEEDINGS OF THE CITY COUNCIL  
CITY OF PHILIP, SD  
SPECIAL MEETING  
April 9, 2018**

A special meeting of the Philip City Council was held on Monday, April 9, 2018, at 5:00 p.m. in the Community Room of the Haakon Co. Courthouse. Present were Mayor Michael Vetter, Council Members Trisha Larson, Brit Miller, Jennifer Henrie, Marion Matt, Marty Gartner and Scott Pinney. Also present were City Administrator Brittany Smith, Finance Officer Monna Van Lint, Public Works Director Matt Reckling, Chief of Police David Butler, Police Officer Eric Van Der Linden, Virgil Smith, Cindy Pfeifle, Del Bartels with the Pioneer Review; and later, Attorney Stephanie Trask, Carla Smith, Jody Pease, Mike & Katie Schultz.

Absent: None

Mayor Vetter called the meeting to order.

Southwest Philip Improv. Project:

Council reviewed correspondence from the City's Engineer Jeff McCormick with SPN & Assoc. with an update from the SD Dept. of Environment and Natural Resources (SD DENR) regarding funding the additional street width. (For the record, this would only apply if the street is replaced at its current width of 51' instead of at the 41' as previously approved.)

Mayor Vetter reported that SD DENR has voiced no concerns with funding the additional street width with the following contingencies: (1) the City would be required to submit another funding application; (2) SD DENR would have to review and approve the application; and, (3) funding through SD DENR would have to be available.

No action was taken.

Mayor Vetter then went on to remind everyone that the Council's purpose for narrowing the street widths started off for financial reasons—both immediate and long term. For example, a street surface will last around 40 years before it needs to be replaced. Considering that the City is replacing the sewer at this time, grant and loan funds were secured to cover all of the expenses. This will not be the same when only that of the street surface is replaced as that expense is not usually eligible for funding. In other words, the taxpayers will bear all of those expenses. He stressed, "We need to look at the long term—not just the short term."

Vetter also mentioned that during last week's meeting, we heard from quite a few audience members that were against narrowing the streets due to safety and the aesthetics of the wider boulevards. The City has done additional research and it was found that narrower streets are safer than wider streets. In addition, pictures of streets with wider boulevards were reviewed. He explained that while these are very appealing, it will still come down to how a property owner takes care of their boulevard. (Copies of the research material is on file in the finance office.)

Council Member Matt expressed his opinion, "I would like to see us move forward as planned. Our decision with the narrower streets may not be popular, but he feels that it is the best decision for the City." He also mentioned that his son lives on a street that is 32' wide with 9' boulevards. They allow parking on both sides of the street and vehicles cannot pass so in turn, they have to slow down.

Council Member Henrie also added that the research she found confirmed that narrower streets are safer all the while better for the environment and more cost effective.

Mayor Vetter asked for any further comments or directives from the Council.

With none forthcoming, motion was made by Pinney, seconded by Matt to amend the motion from Mar. 5, 2018, regarding parking along E. Oak St., between Larimer Ave. and Howard Ave. More specifically, traffic will park angled on the south side and parallel on the north side (only south of the county property). Motion carried.

Motion was made by Gartner, seconded by Miller to establish a bid date contingent upon funding agency approval of the design plans and financing. Motion carried with all members voting aye.

Motion was made by Pinney, seconded by Gartner to approve the engineering contract with SPN & Assoc. for bidding and construction services. Motion carried with all members voting aye.

Sunshine Dr. Overlay Project:

Motion was made by Miller, seconded by Matt to approve the engineering contract with SPN & Assoc. for bidding and construction services. Motion carried with all members voting aye.

Motion was made by Gartner, seconded by Henrie to authorize bidding and constructing the project along with the SW Philip Improv. project. Motion carried with all members voting aye.

Motion was made by Miller, seconded by Pinney to approve the second reading of the following Ordinance #2018-12. Motion carried with all members voting aye.

**ORDINANCE #2018-12  
AMENDING ORDINANCE SECTION 207.1 IN CHAPTER 5 OF THE REVISED  
ORDINANCES OF THE CITY OF PHILIP, SD**

**BE IT ORDAINED** by the City Council of the City of Philip, South Dakota, that the following section 207.1 be amended in Chapter 5, Public Owned Utilities, of the revised ordinances of the City of Philip and read as follows:

**5-207.1 WASTEWATER SURCHARGE**

The City of Philip designates the following as wastewater surcharges and shall be collected as part of the established sanitary sewer monthly minimum rates collected in accordance with Ord. 5-207 as captured and committed.

- a) Loan #C461205-05: The City of Philip designates \$6.40 of the established sanitary sewer monthly minimum rates collected in accordance with Ord. 5-207 as captured and committed. Said commitment is subject to adjustment from time to time as necessary to repay a \$750,000 Clean Water State Revolving Loan Fund (SRF) loan over a period of no more than thirty (30) years at an interest rate of three and one-quarter percent (3.25%), in accordance with the loan agreement to be entered into by the City of Philip and the SD Department of Environment and Natural Resources, the proceeds of which loan are to be used for the Wood and Walden Avenue Wastewater Improvements project. Such surcharge shall be segregated from all other funds of the City of Philip, shall be and are hereby pledged to secure such loan, and shall be used for no purposes other than for the repayment thereof. Said surcharge of \$8.80 was implemented and reflected with the May 01, 2012, utility billing; and, amended to \$6.40 to be implemented and reflected with the June 01, 2018, utility billing.
- b) Loan #C461205-07: The City of Philip designates \$5.80 of the established sanitary sewer monthly minimum rates collected in accordance with Ord. 5-207 as captured and committed. Said commitment is subject to adjustment from time to time as necessary to

repay a \$605,000 Clean Water State Revolving Loan Fund (SRF) loan over a period of no more than thirty (30) years at an interest rate of two and one-half percent (2.5%), in accordance with the loan agreement to be entered into by the City of Philip and the SD Department of Environment and Natural Resources, the proceeds of which loan are to be used for the Southwest Philip Wastewater Improvements project. Such surcharge shall be segregated from all other funds of the City of Philip, shall be and are hereby pledged to secure such loan, and shall be used for no purposes other than for the repayment thereof. Said surcharge will be implemented and reflected with the June 01, 2018, utility billing.

The City Council of the City of Philip reserves the right and authority to review and adjust the aforementioned sewer surcharge charges established by this ordinance through resolution of said City Council.

Dated this 9<sup>th</sup> day of April 2018.

/s/ Michael Vetter, Mayor

ATTEST:

/s/ Monna Van Lint, Finance Officer

Passed First Reading: Apr. 2, 2018  
Passed Second Reading: Apr. 9, 2018  
Yeas: 6 Nays: 0  
(Published: Apr. 12 & 19, 2018)

Motion was made by Gartner, seconded by Matt to approve the second reading of the following Ordinance #2018-13 as presented. Motion carried with all members voting aye.

**ORDINANCE #2018-13  
AMENDING ORDINANCE SECTIONS IN CHAPTER 6 OF THE REVISED  
ORDINANCES OF THE CITY OF PHILIP, SD**

**BE IT ORDAINED** by the City Council of the City of Philip, South Dakota, that the following section 204 and 205 be amended in Chapter 6, Sales and Gross Tax Receipts Taxes—Discretionary Taxation of Real Property, of the revised ordinances of the City of Philip and read as follows:

**6-204 RESIDENTIAL STRUCTURES**

Any new residential structure, or any addition to or renovation of an existing structure, located within a redevelopment neighborhood, which new structure, addition, or renovation has a true and full value of twenty thousand dollars (\$20,000) or more, added to real property shall qualify to be assessed pursuant to the discretionary formula described in Section 6-207.

In order to improve the quality of housing, all real property located within the Corporate limits of the City of Philip, South Dakota shall qualify as property located in a redevelopment neighborhood. The redevelopment neighborhood is being established because the area includes buildings or improvements which, by reason of age, deterioration, obsolescence, and dilapidation injuriously affect the area to the detriment of public health, safety, morals or welfare; and, because the redevelopment of housing is being prevented by the predominance of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility, or usefulness; the deterioration of site improvements, and obsolete platting. (*Pursuant to SDCL 10-6-54, 10-6-55 & 10-6-56*)

**6-205 SPECIAL CLASSIFICATIONS**

All industrial, commercial, commercial residential real property which increases more than twenty thousand dollars (\$20,000) in true and full value as a result of reconstruction or renovation of structures is specially classified for purposes of taxation. All real property qualifying under this section completed on November 01, 2011 and thereafter, as determined by the Director of Equalization, is classified in the manner prescribed in this section. The increase in true and full value resulting from the reconstruction or renovation of qualifying property shall be given tax treatment in the manner provided in *SDCL 10-6-35.2* and *SDCL 10-6-35.19* and shall qualify to be assessed pursuant to the discretionary formula described in Section 6-207.

Dated this 9<sup>th</sup> day of April 2018.

/s/ Michael Vetter, Mayor

ATTEST:

/s/ Monna Van Lint, Finance Officer

Passed First Reading: Apr. 2, 2018  
Passed Second Reading: Apr. 9, 2018  
Yeas: 6 Nays: 0  
(Published: Apr. 12 & 19, 2018)

Council reviewed the following building permit: Rapid Foundation Repair for Colton Mayer – repair south foundation wall.

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

The Street Committee updated the Council on their review of the SD Hwy 73 retaining wall sign. It was noted that according to Barry Knutson, the sign could be dangerous to pedestrians considering it has sharp edges and will extend out, away from the wall.

By general consensus of the Council, the City will ask them to find a different location for the sign.

**Other Business:**

Questions were posed about trees in the boulevard areas.

Mayor Vetter advised that City Ordinance currently prohibits trees in the boulevard areas. As for those that will be removed during the SW Philip Improv. project, they either interfere with the construction or the property owners have requested they be removed.

Mike Schultz stated, “I don’t want to stop the project. I also appreciate that the Council listened to us last week as well as looked into additional information.” He then inquired about the possibility of the City changing the ordinance to allow smaller trees in the boulevard areas considering that they will have wider boulevards. He referenced the pictures with trees in the boulevard areas and how much curb appeal they add.

By general consensus of the Council, the City will look into options for changing the ordinance to allow for certain trees in the boulevard areas.

With nothing further, Mayor Vetter thanked everyone for attending and declared the meeting adjourned at 5:17 p.m.

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Michael Vetter, Mayor

ATTEST:

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Brittany Smith, City Administrator  
(Publish: April 19, 2018 at an approximate cost of \$\_\_\_\_\_)