

**COUNCIL PROCEEDINGS  
REGULAR MEETING  
DECEMBER 2, 2019**

A regular meeting of the Philip City Council was held on Monday, December 2, 2019, at 7:00 p.m. in the Community Room of the Haakon Co. Courthouse. Present were Mayor Michael Vetter, Council Members Brit Miller, Marion Matt, Marty Gartner, Trisha Larson, Scott Pinney and Terri Pelle. Also present were City Administrator Brittany Smith, Finance Officer Monna Van Lint, Chief of Police David Butler, Police Officer Ben Buls, City Attorney Stephanie Trask; and later, Public Works Director Matt Reckling and John Gittings with Dakota Mill and Grain.

Absent: None.

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

Motion was made by Matt, seconded by Gartner to approve the minutes of the last meeting as published in The Pioneer Review and on the City's website. Motion carried.

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

**Gross Salaries – Nov. 27, 2019:** Admin - \$3658.45; Finance - \$3393.86; Public Works - \$13,440.25; Police - \$6217.45

Colonial Life	Employee Supplemental Ins 11/19	196.60
Credit Collections Bureau	Garnishment 11/19	103.58
EFTPS	SS/Medicare/Withholding 11/19	5910.83
NE Child Support Pay Ctr	Garnishment 11/19	659.18
SDRS	Employee Retirement 11/19	3504.83

**Airport Hangar/Apron Design Project:**

Dean Kurtz Construction Inc	Pay Req #3 thru 11/22/19	245669.28
KLJ	Const Admin/Observ Eng thru 11/9/19	8792.12

**This Month's Bills:**

Bad River Law Prof LLC	Atty/Legal Fees 11/19	415.00
Blankenfeld, Deniz	Cust Dep Refund 12/19	100.00
Butler Machinery Co	Motor Grader Repairs 11/19	34019.54
Cenex Harvest States	Fuel 10/19	1448.20
Clubhouse Hotel & Suites	TAP Mtg Room 11/19	151.00
CNH Productivity Plus Acct	ST Supplies 11/19	102.50
Comfort Inn & Suites	Safety Conf Rooms 11/19	185.00
Coyles Super Valu	ST Supplies 11/19	1.45
Delta Dental	Dental Ins 12/19	776.90
Display Sales	AIR Banner 10/19	228.00
1 <sup>st</sup> Nat'l Bank	UB Postage 11/19	127.95
Golden West Telecom	Telephone/Internet 10-11/19	594.94
Haakon Co Treasurer	Office Rent 12/19	500.00
Hanson Oil	Fuel 10/19	273.60
	Fuel/Supplies/LP 10-11/19	746.94
Health Pool of SD	Health Ins 12/19	10323.88

Kieffer Sanitation	368 Residential Collections 11/19	4489.60
Northwest Pipe Fittings, Inc	W/S Resale 11/19	959.81
O’Connell Construction Inc	SW Fill Material 11/19	179.74
O’Dea, Mike	Refund Overpayment 12/19	100.64
Office Depot	FO/PD Supplies 11/19	53.44
Optilegra	Vision Ins 12/19	95.70
Rush, Mary “Gayle”	Pool Volunteer 2019	575.00
SD Dept. of Revenue	Sales Tax Payable 11/19	397.20
	W Testing 11/19	15.00
SD State Plumbing Commission	Plumbing License 2020	330.00
Smallwood, Paula	Cust Dep Refund 12/19	100.00
Smith, Brittany	Mileage Reimb 11/19	99.76
The Philip Pit Stop	Fuel 10-11/19	450.26
TranSource	ST Supplies 10/19	314.02
USPS	Stamps 12/19	165.00
USTI	UB Supplies 10/19	366.00
Verizon Wireless	Cell Phone 10-11/19	133.83
VISA – UMB Bank	Travel/Supplies 10-11/19	61.88
Weaver, Richard	RS Tire Disposal 11/19	365.00
West Central Electric Coop	Electric 10/1-11/1/19	3220.02
WR/LJ Rural Water Systems	2,727,000 gals 11/19	3408.75
	Contract Min. 11/19	2500.00
	Airport Water 11/19	40.00
	South Shop Water 11/19	20.00
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Total Bills		322,896.95

**Old Business:** None.

**New Business:**

Southwest Philip Improv. Project:

Motion was made by Matt, seconded by Gartner to approve the following Resolution #2019-21. Motion carried with all members voting aye.

**RESOLUTION #2019-21  
AUTHORIZING USE OF GENERAL FUND  
COMMITTED SECOND PENNY FUNDS  
SUNSHINE DRIVE OVERLAY**

**BE IT RESOLVED** by the City Council of the City of Philip, South Dakota, that the Finance Officer is hereby authorized and directed to utilize \$139,310.80 in the committed second penny funds, which was reserved in the 2019 Annual Appropriations Budget (Ord. #2018-18) for the Sunshine Drive Overlay.

Dated this 2<sup>nd</sup> day of December 2019.

/s/ Michael Vetter, Mayor

ATTEST:

/s/ Monna Van Lint, Finance Officer

Motion was made by Pinney, seconded by Miller to approve the following Resolution #2019-22. Motion carried with all members voting aye.

**RESOLUTION #2019-22  
REPAYMENT OF INTERFUND LOAN  
SOUTHWEST PHILIP IMPROVEMENT PROJECT**

**BE IT RESOLVED** by the City Council of the City of Philip, South Dakota, that the Finance Officer is hereby authorized and directed to transfer \$100,000 from the capital project fund to the general fund to repay the interfund loan authorized through Resolution #2018-07.

Dated this 2<sup>nd</sup> day of December 2019.

/s/ Michael Vetter, Mayor

ATTEST:

/s/ Monna Van Lint, Finance Officer

Motion was made by Miller, seconded by Gartner to approve the following Resolution #2019-23. Motion carried with all members voting aye.

**RESOLUTION #2019-23  
AUTHORIZING USE OF GENERAL FUND  
COMMITTED SECOND PENNY FUNDS  
SOUTHWEST PHILIP IMPROVEMENT PROJECT**

**BE IT RESOLVED** by the City Council of the City of Philip, South Dakota, that the Finance Officer is hereby authorized and directed to utilize \$125,799.80 in the committed second penny funds, which was reserved in the 2019 Annual Appropriations Budget (Ord. #2018-18) for the Southwest Philip Improvement Project.

Dated this 2<sup>nd</sup> day of December 2019.

/s/ Michael Vetter, Mayor

ATTEST:

/s/ Monna Van Lint, Finance Officer

Airport Hangar/Apron Design Project:

Motion was made by Pinney, seconded by Matt to approve Dean Kurtz Construction (DKC) pay request #3 in the amount of \$245,699.28. Motion carried with all members voting aye.

Motion was made by Miller, seconded by Matt to approve the 2020 Grant Initiation Application for Federal Assistance and authorize the Mayor's signature thereon. This reflects the multi-year grant (3-46-0043-012-2019) as well as the State's intent for a maintenance project at the airport. Motion carried with all members voting aye.

Motion was then made by Miller, seconded by Gartner to formally approve the Airport Committee's request submitted to the SD Dept. of Transportation, Aeronautics Commission, to utilize airport fuel tax revenues to cover the lighting improvement expenses approved during the Nov. 4<sup>th</sup> meeting. For the record, the City currently has \$1,701.46 in available funds. Motion carried.

Building/Flood Plain Dev. Permits: Dakota Mill & Grain – sign.

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

Motion was made by Matt, seconded by Miller to approve the employee health insurance premium renewal with the Health Pool of SD for 2020 which reflect a 5.4% overall increase from 2019. Motion carried.

Council reviewed the lease agreement with Haakon County for their portion of the property in which the golf cart shed is situated upon. The 25-year lease expired on Dec. 2, 2016, and per section VII it can be renewed no more than three times for the same term and payment.

City Attorney Trask inquired if the Council would prefer to renew or redraft the lease agreement.

Following discussion, motion was made by Matt, seconded by Miller to submit a request to Haakon County to exercise the first renewal option allowed in section VII, retroactive to Dec. 2, 2016. Motion carried with all members voting aye.

Motion was made by Pinney, seconded by Larson to authorize submitting a Homeland Security grant application for a new warning siren to replace the existing one on E. Pine St. The application deadline is Feb. 14, 2020. Motion carried.

Council reviewed the following L/P Propane bids received in November. Midwest Cooperatives were awarded the bid.

	<u>Nov. 22<sup>nd</sup></u>
Hanson Oil Company	\$1.15/gal.
Midwest Cooperatives	\$1.10/gal.

Departmental Reports:

The monthly Administration report consisted of the following updates.

CA Smith advised that the CodeRED system has been launched and a test of the system will take place next week. The press releases and advertisement were also reviewed.

CA Smith then reported on the status of the FEMA application for disaster assistance with the Bad River embankment damages. She mentioned that a recovery scoping meeting with the City's designated Public Assistance Program Delivery Manager is scheduled for Dec. 5, 2019. This will be held via conference call and will include the City's Engineer, Jeff McCormick with SPN.

The monthly Airport report included of a review of the updated Hangar Lease and Commercial Aerial Applicator Agreements. These address the previous concerns for fuel and chemical storage as well as other combustibles and airport regulations to name a few.

Discussion ensued. It was noted that these were drafted with the assistance of Kent Penney, Planning Manager with KLJ; and, also reviewed by Attorney Trask. It was suggested to remove the short-term aerial applicator fees in order to provide consistency amongst all applicators. In addition, a fuel flowage fee was recommended to recover revenues from those aerial applicators utilizing fuel not available for purchase at the airport. For instance, the City of Pierre charges \$0.02 per gallon to those that provide their own fuel (i.e. Jet A). The rental fee for the new hangar building was also discussed as it is anticipated to be ready for occupancy by February 2020.

Following, motion was made by Miller, seconded by Larson to approve the updated Hangar Lease and Commercial Aerial Applicators Agreements as presented (copies are on file in the Finance Office). The rates for the new hangar building spaces and fuel flowage fees will be established in January with the annual Resolution of Rates and Fees. Motion carried with all members voting aye.

The monthly Police Dept. report was reviewed with Chief Butler and Officer Buls.

Chief Butler informed the Council that two AED units have been received through the state-wide Helmsley Charitable Trust Grant. This also includes training on the units and once that is completed, an AED will be placed in each of the law enforcement vehicles.

A quarterly Rubble Site report was not available.

The monthly Street Dept. report was reviewed.

The quarterly Water Dept. report was reviewed which noted the water loss for the month of November at 9.66%.

Motion was made by Gartner, seconded by Larson to approve the Water Purchase Agreement presented by TransCanada Keystone Pipeline (TC Energy) as amended with the City's recommendations. Motion carried with all members voting aye.

Training/Travel:

PWM/UB Pearson will be attending a SDRWA training on control valves on Dec. 5<sup>th</sup> in Kadoka.

**Public Comments:** None.

**In Other Business:**

The departmental inventories for 2019 are due in the Finance Office by Jan. 10, 2020.

City offices will be closed on Dec. 24<sup>th</sup> - 25<sup>th</sup> and Jan. 1<sup>st</sup> in observance of the legal/approved holidays.

The year-end Council Meeting will be held on Dec. 30<sup>th</sup> at 4:00 p.m. in the Community Room of the Haakon Co. Courthouse.

The next Regular Council Meeting will be held on Monday, Jan. 6<sup>th</sup> in the Community Room of the Haakon Co. Courthouse.

With no further business to come before the Council, Mayor Vetter declared the meeting adjourned at 7:32 p.m.

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Michael Vetter, Mayor

ATTEST:

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Brittany Smith, City Administrator

(Published once on Dec. 12, 2019, at approximate cost of \$\_\_\_\_\_)

