

**COUNCIL PROCEEDINGS
REGULAR MEETING
DECEMBER 3, 2018**

A regular meeting of the Philip City Council was held on Monday, December 3, 2018, 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, Scott Pinney and Terri Pelle. Also present were City Administrator Brittany Smith, Finance Officer Monna Van Lint, Chief of Police David Butler, Public Works/Utility Billing Clerk Brian Pearson, Virgil and Carla Smith; and later, City Attorney Stephanie Trask and Barry Knutson.

Absent: Council Member Trisha Larson.

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

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

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

Gross Salaries – Nov. 30, 2018: Finance - \$6791.59; Public Works - \$3553.33; Police - \$6010.75; Street - \$6219.19; Water - \$2920.66

Colonial Life	Employee Supplemental Ins 11/18	237.08
EFTPS	S.S., Medicare, Withholding 11/18	5665.30
NE Child Support Pay Ctr	Garnishment 11/18	659.18
SDRS	Employee Retirement 11/18	3305.85

Airport Hangar/Apron Design Project:

KLJ Inc	Design Eng thru 11/3/18	5508.87
---------	-------------------------	---------

SW Philip Improv Project:

SPN & Assoc	Const Eng/Adm thru 11/24/18	33388.81
Thorstad Companies	Const Pay Req #4 thru 11/23/18	241781.69

This Month's Bills:

Associated Pool Builders, Inc	Pool Chemtroller 6/18	7895.00
Bad River Law Prof LLC	Atty/Legal Fees 11/18	370.30
Clubhouse Hotel	Safety Conf Room 11/18	154.00
Delta Dental	Dental Ins 12/18	671.80
1 st Nat'l Bank – Philip	UB Postage 11/18	125.28
Golden West	Telephone 10-11/18	576.76
Goldstar Products Inc	Supplies 11/18	526.69
Haakon Co Treasurer	Office Rent 12/18	500.00
Hanson Oil	Fuel 10-11/18	294.06
Health Pool of SD	Health Ins 12/18	8819.12
Hometown Computer Service	UB Computer Set Up 10/18	105.00
Mayer, Justin	Cust Dep Refund 11/18	100.00
Moses Building Center	Supplies/Improv 11/18	246.17
Optilegra	Vision Ins 12/18	86.56

Office Depot	Supplies/Equip 11/18	516.22
Philip Hardware	Supplies 11/18	74.76
Pioneer Review	Publishing/Supplies 11/18	750.05
Quill	Supplies 11/18	59.97
Reckling, Matthew	Mileage Reimb 11/18	92.02
SD Dept of Revenue	Sales Tax 11/18	416.25
	Excise Tax 11/18	30.05
	Water Testing 11/18	15.00
SD State Plumbing Commission	2019 Plumbing Licenses	270.00
Smith, Brittany	Mileage Reimb 11/18	92.02
The Philip Pit Stop	Fuel 10-11/18	684.41
Verizon Wireless	Cell Phone 10-11/18	163.08
VISA – UMB Bank	Travel/Supplies/Equip 10-11/18	547.12
Walker Refuse	370 Residential Collections 11/18	4884.00
West Central Electric	Electric Chgs 10/1-11/1/18	3207.11
WR/LJ Rural Water Systems	2,617,000 gals 11/18	3271.25
	Contract Min. 11/18	2500.00
	Airport Water 11/18	40.00
	South Shop Water 11/18	20.00
WS Darley & Co	Waring Siren 11/18	5439.00
<hr/>		
Total Bills		324,222.42

Old Business:

Motion was made by Miller, seconded by Gartner to approve the 2nd Reading of Ordinance #2018-21 as follows. Motion carried with all members voting aye.

**ORDINANCE #2018-21
AMENDING SECTIONS IN CHAPTER FOUR (04) 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 4.102.1 and 4-103 be amended in Chapter 04, Alcoholic Beverages, of the revised ordinances of the City of Philip and read as follows:

4-102.1 APPLICATION FOR LICENSE

- a) All applications for alcoholic beverage licenses shall be made in accordance with SDCL title 35 and submitted to the Finance Office.
- b) All applications shall be submitted with the fees established through resolution of the City Council and in accordance with SDCL title 35.

4-103 HOURS OF BUSINESS – SALES RESTRICTED TO PREMISES

- a) On-Sale Licensee. It shall be unlawful for any on-sale licensee to sell, serve or allow to be consumed on the premises covered by the license, alcoholic beverages between the hours of 2:00 a.m. and 7:00 a.m. on the same day.
- b) Off-Sale Licensee. It shall be unlawful for any off-sale licensee to sell alcoholic beverages between the hours of 2:00 a.m. and 7:00 a.m. on the same.
- c) No on-sale licensee may sell or allow to be consumed any alcoholic beverages outside the building of the licensed premises unless the licensee’s business operates out of a permanent structure and the consumption of the alcoholic beverage occurs in an outdoor designated area located on the premises of the licensee which is approved by the City Council.

Dated this 3rd day of December 2018.

/s/ Michael Vetter, Mayor

ATTEST:

/s/ Monna Van Lint, Finance Officer

Passed First Reading: Nov. 5, 2018
Passed Second Reading: Dec. 3, 2018
Yeas: 4 Nays: 0
(Published: Nov. 15 & Dec. 13, 2018)

New Business:

Motion was made by Matt, seconded by Gartner to approve Mayor Vetter's appointment of Terri Pelle to fill the vacancy in Ward III. Motion carried with all members voting aye.

An oath of office was taken by newly appointed Council Member Pelle.

Southwest Philip Improv. Project:

Council reviewed a construction update which included a review of the Phase I punch list. It was noted that Phase I is substantially complete. The contractor is working on completing the majority of the punch list items this year. They are also planning to return in the spring, as weather allows, to finish the remainder of project. (A copy of the punch list is on file in the Finance Office.)

Council Member Gartner expressed concern for a separation joint in the United Church's new sidewalk. More specifically, the possibility of damage to the new concrete if it is not sealed over the winter.

CA Smith confirmed that she would visit with the engineers and have this addressed as soon as possible. She also noted that correspondence will be mailed out to the individual property owners advising them to avoid using a deicer material on the new concrete for the first year after construction. It was stressed that deicers can cause spalling and in turn, sand or kitty litter is recommended.

Motion was then made by Miller, seconded by Gartner to approve Thorstad Companies Pay Request #4 in the amount of \$241,781.69 contingent upon receipt of all appropriate paperwork required for the funding agencies approval. Motion carried with all members voting aye.

Airport Hangar/Apron Design Project:

A project update from Rod Senn, engineer with KLJ, was not available.

The Airport Committee will be meeting with Senn on Dec. 10th to review design options for the hangar building.

Council was informed that the planned electrical and water line improvements by the orange hangar apron were completed last week.

Special Event Applications:

Motion was made by Pinney, seconded by Matt to approve the "Old Fashion Christmas" event to be held on Dec. 7th, 2018. The event will be very similar to that held last year. Motion carried.

Council reviewed a request to abate the second half of the 2017 taxes payable in 2018 for the following properties. It was noted that both properties were recently improved, and the adopted discretionary formula was incorrectly applied. In addition, the City Council, acting as the local board of equalization, had previously approved reducing the assessed value on Grossenburg Implement's property.

Dakota Auto Supply - property legally described as Lots 6, 7, 8, 9, 10 and N2 Lot 11, Block 8, Original Town, City of Philip, SD (parcel #8946) - \$5,940.725; and, Grossenburg Implement- property legally described as Outlot 1, Portion of TR C, 13-1-20, City of Philip, SD (parcel #9095) - \$10,411.16.

Following, motion was made by Matt, seconded by Miller to approve the above tax abatements as presented. Motion carried with all members voting aye.

Motion was made by Miller, seconded by Matt to approve Tate Guptill as a volunteer for the Philip Volunteer Fire Dept. Motion carried.

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

	<u>Nov. 20th</u>
Hanson Oil Company	\$1.30/gal.
Midwest Cooperatives	\$1.30/gal.

Departmental Reports:

The monthly Administration report was reviewed.

Motion was made by Gartner, seconded by Matt to approve the following Resolution #2018-23 as presented. Motion carried with all members voting aye.

**RESOLUTION #2018-23
AUTHORIZING USE OF SWIMMING POOL
CAPITAL OUTLAY ACCUMULATION FUNDS
FOR PURCHASE OF A CHEMTROLLER AND LED LIGHTING**

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 \$9,480.00 in the swimming pool department capital outlay accumulation funds, which was reserved for the 2018 Annual Appropriations Budget (Ord. #2017-10) for the purpose of purchasing a new chemtroller and LED lighting in the girls bathroom.

Dated this 3rd day of December 2018.

/s/ Michael Vetter, Mayor

ATTEST:

/s/ Monna Van Lint, Finance Officer

Motion was made by Matt, seconded by Pinney to approve the following Resolution #2018-24 as presented. Motion carried with all members voting aye.

**RESOLUTION #2018-24
SUPPLEMENTAL APPROPRIATIONS
CONTINGENCY TRANSFER**

WHEREAS, insufficient appropriation was made in the 2018 adopted budget for the following departments to discharge just obligations of said appropriations; and,

WHEREAS, SDCL 9-21-6.1 provides that transfers be made by resolution of the board from the contingency appropriation established pursuant to SDCL 9-21-6.1 to other appropriations;

NOW THEREFORE BE IT RESOLVED that the appropriation be transferred from the contingency budget to the following department budgets:

FROM:	101-41100-41150 Contingency	\$12,500.00
TO:	101-41100-42300 Legis Publishing	\$ 1500.00
	101-41400-41100 Admin Salaries	\$ 250.00
	101-41400-41200 Admin Retirement	\$ 25.00
	101-41400-42210 Admin Legal Fees	\$ 300.00
	101-41400-42240 Admin Atty Retainer	\$ 200.00
	101-41400-42800 Admin Telephone	\$ 200.00
	101-41900-41100 P Works Salaries	\$ 3050.00
	101-41900-41200 P Works FICA/Med	\$ 225.00
	101-41900-41300 P Works Retirement	\$ 200.00
	101-41920-42850 Mun Bldg Propane	\$ 400.00
	101-42100-42520 Police Equip Repairs	\$ 600.00
	101-42100-42600 Police Supplies	\$ 600.00
	101-42300-42600 Code Enf Supplies	\$ 100.00
	101-43100-41100 Street Salaries	\$ 300.00
	101-43100-41300 Street Retirement	\$ 50.00
	101-43100-42650 Street Chips	\$ 25.00
	101-43100-42850 Street Propane	\$ 700.00
	101-45100-41300 Pool Retirement	\$ 25.00
	101-45100-42230 Pool Contract Srv	\$ 85.00
	101-45100-42250 Pool Lifeguard Cert Fees	\$ 840.00
	101-45100-42630 Pool Chemicals	\$ 1770.00
	101-45100-42690 Pool Uniforms	\$ 30.00
	101-45100-42830 Pool Electricity	\$ 280.00
	101-45100-42850 Pool Propane	\$ 665.00
	101-45100-43311 Pool Improv Non Cap	\$ 80.00

Dated this 3rd day of December 2018.

/s/ Michael Vetter, Mayor

ATTEST:

/s/ Monna Van Lint, Finance Officer

The Budget Committee will meet with insurance representatives on Dec. 18th at 4:00 p.m. to review property and liability insurance proposals for 2019.

CA Smith advised the Council that to date, the auditors have not completed the fiscal year 2017 audit. She questioned if there were any concerns considering we are nearing the end of fiscal year 2018?

By general consensus of the Council, this will be reviewed again if the audit is not completed in the next few months—prior to the deadline outlined in SDCL 4-2-17.

The monthly Police Dept. report was reviewed.

Motion was made by Gartner, seconded by Pinney to accept Eric Van Der Linden's resignation, effective Nov. 28, 2018. Motion carried.

It was noted that the open police officer position is being advertised.

The quarterly Rubble Site report noted that 111 tons of white goods were recycled from the site.

The monthly Street Dept. report was reviewed.

Council reviewed an updated quote from A-1 Sewer & Drain in the amount of \$6,500 to patch the storm sewer joint at the northeast intersection of Pine St. and Center Ave. (For the record, the previous quote received in 2016 was \$11,500.00 but also included \$6,000 to line a small portion of 18" sewer main.)

Council Member Gartner voiced concern for accepting the quote as he is not certain the patch will resolve the problem with water entering Knutson's basement at 100 N. Center Ave. He recommended that other options be considered, i.e. digging up the storm sewer in order to obtain a visual of the problem and repairs.

Discussion ensued. It was suggested to solicit quotes from local contractors as well as Thorstad Companies to obtain a cost comparison between patching and digging up the storm sewer. In addition, the work is recommended to be completed in the spring as concrete and asphalt work may be involved. It was also noted that A-1 Sewer and Drain have not confirmed when the pipe patch could be completed.

Mr. Knutson confirmed that he has no concerns with waiting for the work to be completed in the spring.

CA Smith advised that she will coordinate with PWD Reckling on obtaining quotes for digging up the storm sewer and report back to the Council in the near future.

Council reviewed a community tree recommendation from Dr. John Ball, SDSU Extension Forestry Specialist. He referenced problem trees as well as those best suited for the area. This also included trees that would be ideal for those properties with larger boulevards.

By general consensus of the Council, CA Smith was directed to draft an amendment to the City's Tree Ordinances in Chapter 7 based on Mr. Ball's recommendations. This will be presented for the Council's review in the near future.

The quarterly Water Dept. report was reviewed with PWM/UB Pearson. The water loss for the month of November 2018 was reported at 7.17%.

At 8:32 p.m., motion was made by Matt, seconded by Gartner to enter into executive session per SDCL 1-25-2(1), personnel; and, SDCL 1-25-2(3), legal matters. Attorney Trask and CA Smith were included in the session. Motion carried.

At 8:57 p.m., motion was made by Pinney, seconded by Matt to come out of executive session. Motion carried with the following action.

Motion was made by Miller, seconded by Gartner to accept sealed bids on the surplus 2006 Chevrolet Avalanche. In addition, the following surplus vehicles will be sold via composite offer: 1984 Datsun 300; 1996 Ford Taurus; 2000 Ford Explorer XLT; 2006 Saab 95 Base; and, 2008 Dodge Avenger SE. Terms and conditions of said bid and offer will be established by the Nuisance Committee. Motion carried with all members voting aye. (For the record, the vehicles were to be sold at Black Hills Auto Auction, but since it is not open to the public, other sale methods apply per surplus property laws.)

Public Comments:

None.

In Other Business:

Mayor Vetter proclaimed Nov. 18th as Latvia's 100th Anniversary of Independence Day.

The 2018 Departmental Inventories are due by Jan. 10, 2019.

City offices will be closed on Dec. 24th, 25th, 31st and Jan. 1st in observance of the legal/approved holidays.

The year-end Council Meeting will be held at 4:00 p.m. on Dec. 27, 2018.

The next Regular Council Meeting will be held on Monday, Jan. 7th 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 7:59 p.m.

/s/ Michael Vetter, Mayor

ATTEST:

/s/ Brittany Smith, City Administrator

(Published once on Dec. 13, 2018, at approximate cost of \$_____)