

**COUNCIL PROCEEDINGS
REGULAR MEETING
JULY 5, 2022**

A regular meeting of the Philip City Council was held on Tuesday, July 5, 2022, at 8:00 p.m. in the Community Room of the Haakon Co. Courthouse. Present were Mayor Brit Miller, Council Members Terri Pelle, Greg Arthur, Joni Parsons, 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 Ben Buls, Police Officer AJ Bartlett, City Attorney Stephanie Trask, Brian Jankord, and Katherine Andrews; and later, Cuddy Gartner and Haakon Co. Emergency Manager Lori Quinn via teleconference.

Absent: None.

The meeting was opened with the Pledge of Allegiance.

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

Motion was made by Pinney, seconded by Parsons to approve the minutes of the last regular meeting as published in *The Pioneer Review* and on the City’s website. Motion carried.

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

Gross Salaries – June 30, 2022: Mayor & Council - \$5009.98; Admin - \$4376.27; Finance - \$3813.33; Public Works - \$11041.31; Police - \$6759.98; Swimming Pool - \$8983.63

| | | |
|---------------------------|--------------------------------|---------|
| Colonial Life | Employee Supplemental Ins 6/22 | 129.13 |
| Credit Collections Bureau | Garnishment 6/22 | 200.86 |
| EFTPS | SS/Medicare/Withholding 6/22 | 8306.11 |
| NE Child Support | Garnishment 6/22 | 659.18 |
| SDRS | Employee Retirement 6/22 | 3446.52 |
| SDSRP | Sup Retirement 6/22 | 100.00 |

Infrastructure Projects:

| | | |
|-------------|-------------------------|---------|
| SPN & Assoc | NE Sewer Design 6/25/22 | 6150.00 |
|-------------|-------------------------|---------|

Customer Deposit Refunds Per Ord. 5-002.1.a:

| | | |
|------------------------|-------------------|--------|
| Burns, Kerry | 102 S West Ave | 100.00 |
| Fitzgerald, James | 507 Valley Dr | 100.00 |
| Philip Health Services | 603 W Pine St | 100.00 |
| Stewart, Chris | 500 Dupree St | 100.00 |
| Phillips, Gary | 304 N Larimer Ave | 100.00 |

This Month's Bills:

| | | |
|--------------------------------|---------------------|----------|
| Associated Supply Co Inc | Chemical 6/22 | 700.13 |
| AT&T Mobility | Cell Phone 6/22 | 222.37 |
| Bad River Law Prof LLC | Legal/Atty 6/22 | 650.00 |
| Century Business Products | Copier Maint 5-6/22 | 46.55 |
| Corporate Trust, TFM – US Bank | SRF #4 Pay #32 7/22 | 11326.05 |
| | SRF #5 Pay #32 7/22 | 7905.24 |

| | | |
|------------------------------|----------------------------------|-----------|
| Country Cupboard Food Pantry | 2022 Approp | 1000.00 |
| Coyles Super Valu | Pool Supplies/Resale 6/22 | 744.47 |
| D&T Auto Parts | Supplies 6/22 | 27.26 |
| Delta Dental | Dental Ins 7/22 | 695.50 |
| Golden West Telecom | Telephone/Internet 5-6/22 | 625.89 |
| Haakon Co Treasurer | Office Rent 7/22 | 500.00 |
| | 2022 Library Approp | 2550.00 |
| Haakon Co Register of Deeds | Recording Fees 6/22 | 30.00 |
| Hanson Oil | Fuel/LP 5-6/22 | 5246.79 |
| Hawkins Inc | Chemical 6/22 | 700.38 |
| HCS LLC | AIR Camera Repairs 7/22 | 880.00 |
| Health Pool of SD | Health Ins 7/22 | 10455.29 |
| Kennedy Implement | Mower Repairs 5/22 | 108.13 |
| Kieffer Sanitation | 378 Residential Collections 5/22 | 5186.16 |
| Les' Body Shop | '15 Explorer Glass Repairs 6/22 | 768.87 |
| O'Connell Construction Inc | 33.22 T Crushed Asphalt 6/22 | 465.08 |
| OPD Business Solutions LLC | Supplies 6/22 | 50.78 |
| Optilegra | Vision Ins 7/22 | 101.51 |
| Philip Hardware | Supplies/Repairs/Resale 6/22 | 820.38 |
| Philip Health Services | Testing 5/22 | 570.00 |
| Philip Motor Inc | '15 Ford Repairs 6/22 | 75.35 |
| Philip Standard | Fuel 6/22 | 927.55 |
| Pioneer Review | Publishing 6/22 | 1218.64 |
| SD DANR | Drinking Water Fee 2022 | 600.00 |
| SD Dept of Revenue | Sales Tax Payable 6/22 | 1075.52 |
| | W/P Testing 6/22 | 45.00 |
| The Lifeguard Store | Uniforms/Equip 6/22 | 196.63 |
| The Philip Pit Stop | Fuel 5-6/22 | 737.16 |
| USA BlueBook | Supplies 6/22 | 255.80 |
| VanLint, Monna | HR/FO Mileage Reimb 6/22 | 274.91 |
| Verizon Wireless | W AMR Internet 6-7/22 | 80.07 |
| VISA – UMB Bank | Supplies/Travel 5-6/22 | 355.88 |
| WR/LJ Rural Water Systems | 4,343,000 gals 6/22 | 5428.75 |
| | Contract Min. 6/22 | 2500.00 |
| | AIR Water 6/22 | 45.00 |
| | South Shop Water 6/22 | 20.00 |
| <hr/> | | |
| Total Bills | | 72,863.09 |

Old Business:

None.

New Business:

Brian Jankord and Katherine Andrews addressed the Council regarding the warning siren along Pine Street. Concerns were expressed for the siren location being within close range of their property, blowing at extended times, and being disturbing. It was also questioned what the siren regulations are for the height, decibel, and distance from residential properties.

Discussion ensued. It was noted that warning sirens along with regular testing of them is required for emergency services. In addition, the survey conducted by the city in 2018 that resulted in keeping the 10 o'clock whistle was mentioned.

Following discussion, the city will contact the siren manufacturer regarding their recommended specifications as questioned above.

At 8:10 p.m., as previously advertised, a public hearing was held for the purpose opening bids for the Airport Farm Ground Lease as outlined in Resolution #2022-06. Mayor Miller called for any additional bids from the floor. With none forthcoming, the following bid received on July 1, 2022, was opened.

Darin Naescher - \$9,451.00 annually

Motion was made by Pinney, seconded by Miller to approve the bid submitted by Darin Naescher in the amount of \$9,451.00 per year for the Airport Farm Ground Lease for term of 2023-2027 with an option to renew as outlined in the lease. Motion carried.

Emergency Management:

Lori Quinn, Haakon Co. Emergency Manager, addressed the council. She reported that the Federal Emergency Management Administration (FEMA) has approved the Haakon County Multi-Jurisdictional Hazard Mitigation Plan (HMP) and recommended it be adopted by the city.

Motion was then made by Pinney, seconded by Pelle to approve the following Resolution #2022-10 as presented. Motion carried.

**RESOLUTION #2022-10
ADOPTING THE HAAKON COUNTY PRE-DISASTER MITIGATION PLAN
(2022 UPDATE)**

WHEREAS, City of Philip has experienced severe damage from strong winds, flooding, hail, heavy snow, heavy rain, and other various natural disasters, resulting in property loss, economic hardship, and threats to public health and safety;

WHEREAS, the Haakon County Multi-Jurisdictional Hazard Mitigation Planning Team, Haakon County Emergency Management, and the CSDED have conducted over a year's worth of research and public meetings to gather information to prevent or minimize disaster impacts on City of Philip and,

WHEREAS, the citizens of the City of Philip have been afforded the opportunity to participate, comment and provide input in the plan content and mitigation strategies; and,

WHEREAS, the plan recommends hazard mitigation actions that will protect the people and property affected by the natural hazards that face the City;

WHEREAS, the Haakon County Multi-Jurisdictional Hazard Mitigation Planning Team, recommends the adoption of the Haakon County Hazard Mitigation Plan (2022 Update) and,

NOW THEREFORE BE IT RESOLVED by the Mayor and the City of Philip City Council that:

1. The Haakon County Multi-Jurisdictional Hazard Mitigation Plan (2022 Update) is hereby adopted as an official document that identifies hazard mitigation goals and strategies for projects within City of Philip.
2. That the Haakon County Multi-Jurisdictional Hazard Mitigation Plan (2022 Update) may be incorporated into any Comprehensive Plans developed and approved by City of Philip.
3. The City of Philip City Council will seek to update the plan prior to the plan expiring five years after adoption.

Adopted by the City of Philip City Council this 5th day of July 2022.

This resolution is effective immediately upon passage.

/s/ Brit Miller, Mayor, City of Philip

ATTEST:

/s/ Monna Van Lint, Finance Officer

Quinn also advised that Haakon County has approved a disaster declaration for the June 11th and 12th storm events. The State is in the process of gathering incurred expenses related to the storm. If the threshold is met, the Governor may also declare a disaster which will provide funding assistance to governmental entities and cooperative agencies.

It was also reported that an insurance claim has been filed for the damages to city buildings and properties.

Council Member Matt excused himself from the meeting at this time.

Vivian Hansen Subdivision Property:

Council reviewed the following Request for Proposals (RFP) for engineering services for the housing infrastructure development: KTM Design Solutions, Inc.; SPN & Associates; and TerraSite Design. For the record, no responses were received from the other engineering firms solicited.

Following, motion was made by Arthur, seconded by Pinney to approve SPN & Associates as the engineering firm for the housing infrastructure development project. Motion carried with all members present voting aye.

Council Member Matt returned to the meeting at this time.

Motion was made by Matt, seconded by Gartner to approve the second reading of Ordinance #2022-07 as presented below. Motion carried with all members voting aye.

**ORDINANCE #2022-07
2022 SUPPLEMENTAL APPROPRIATIONS ORDINANCE
PURCHASE OF REAL PROPERTY**

WHEREAS, the City of Philip, South Dakota, has been presented with an opportunity to purchase real property to expand the city limits and street infrastructure; and,

WHEREAS, the property is contiguous with the city limits and legally described as Outlot 2 in the E1/2 SW1/4 NW 1/4, Section 13, T1N, R20 E.B.H.M; and,

WHEREAS, the property has been utilized as an access road, also known as N. Wood Avenue, but never platted as such since at least 1971; and,

WHEREAS, the City of Philip did not anticipate the purchase of said property when preparing the fiscal year 2022 appropriations.

NOW, THEREFORE, BE IT ORDAINED, that the following Supplemental Appropriations Ordinance be and hereby is adopted in order to recognize the revenues and expenses that will be forthcoming for the purchase of the above-described real property.

| | <u>GENERAL FUND</u> |
|--|----------------------------|
| 43100 STREET | |
| 43100 Land | \$ 1,500.00 |
| <u>TOTAL STREET DEPT.</u> | <u>\$ 1,500.00</u> |
| | |
| <u>TOTAL APPROP. & ACCUM.</u> | <u>\$ 1,500.00</u> |

MEANS OF FINANCE

The following designates the fund or funds that money derived from the following sources is applied to.

| | <u>GENERAL FUND</u> |
|--------------------------------------|----------------------------|
| 10400 CMA - UNASSIGNED | |
| 10400 CMA Unassigned | \$ 1,500.00 |
| <u>TOTAL CMA UNASSIGNED</u> | <u>\$ 1,500.00</u> |
| | |
| <u>TOTAL MEANS OF FINANCE</u> | <u>\$ 1,500.00</u> |

Dated this 5th day of July 2022.

/s/ Brit Miller, Mayor

ATTEST:

/s/ Monna Van Lint, Finance Officer

Passed First Reading: June 6, 2022
Passed Second Reading: July 5, 2022
Yeas: 6 Nays: 0
(Published: June 16 & July 14, 2022)

Council review correspondence from SD Dept. of Agriculture and Natural Resources (DANR) regarding the Brownfields Assessment. It was reported that Phase I has been completed and the project has been closed as no environmental concerns were identified.

Northeast Philip Wastewater System Improvement Project:

Council Members Arthur, Matt and Pinney along with the mayor and city staff will be meeting with the project engineers, SPN & Associates, on July 12th at 3:30 pm to review the design and discuss the schedule for completing the project along with bidding.

Artesian Well Project:

It was reported that the contractor, Weston Engineering, had a crane here last week to return the well rig back into place after the storm. They are waiting for repair parts to finish the work but have made an inquiry for any amount of payment for the work completed to date. The payment request #2 tabled during the last meeting has been adjusted to \$161,955.92 which reflects 10% retainage.

Following a lengthy discussion, motion was made by Matt and seconded by Arthur to issue payment to Weston Engineering in the amount of \$16,195.59 (10% of the above amount). Payment shall only be issued upon Weston Engineering signing a contract with a completion date of Sept. 1, 2022, and including

a \$300 per day late penalty provision to be assessed for every day beyond completion date, to be deducted from final payment. Motion carried with all members voting aye.

Water Meter Project:

The project is continuing forward with new meters being installed, and 171 of the 450 meters on the AMR system.

Airbnb/VRBO Properties:

Motion was made by Pinney, seconded by Parsons to approve the second reading of Ordinance #2022-08 as presented below. Motion carried with all members voting aye.

ORDINANCE #2022-08

AN ORDINANCE ESTABLISHING SECTION 600 IN CHAPTER TEN (10), LICENSES, OF THE REVISED ORDINANCES OF THE CITY OF PHILIP, SOUTH DAKOTA

BE IT ORDAINED by the City Council of the City of Philip, South Dakota, that Section 600 in Chapter 10, Licenses, of the revised ordinances of the City of Philip, be established to read as follows.

10-600 SHORT TERM RENTALS

10-601 DEFINITIONS

Unless an alternative definition is explicitly stated in this section, this chapter utilizes the definitions for lodging related terms which are defined by SDCL 34-18-1.

Bed and Breakfast Facility - A small lodging establishment that offers overnight accommodation and breakfast.

Department – The South Dakota Department of Health.

License Holder – The property owner of a short term rental property that possesses a license under this article to operate the short term rental for which the license was issued.

Property Owner - The individual, individuals or company that has proprietors' rights to the property.

Short Term Rental - Bed and breakfast facilities and vacation home rentals that are available for rental to the same guest(s) for a period not exceeding thirty consecutive days. A short term rental does not include a bed and breakfast facility or a vacation home rental that is available for rent for fourteen or fewer days in a calendar year. Any short term rental which may be used occasionally as a bed and breakfast facility and at other times be used as a vacation home rental shall be reviewed as a vacation home rental.

Transfer - The grant or conveyance of an ownership interest in the short term rental property from an entity, trust, person, or combination thereof to another entity, trust, person, or combination thereof. The grant or conveyance of an ownership interest in the short term rental property from one spouse to his or her respective spouse by lawful marriage shall not be considered a transfer.

Vacation Home Rental (VHR) - A short term rental in which a private dwelling is rented, leased, or furnished in its entirety to the public on a daily or weekly basis for a charge, and where the dwelling is not also occupied by an owner or manager during the time of rental.

10-602 GENERAL PROVISIONS

- (a) Occupancy of recreational vehicles (RVs), camper trailers and tents shall not be allowed as a VHR. Cross reference ordinance 11.1901.1.
- (b) The minimum age allowed for the principal renter of a VHR is 21 years of age.
- (c) The use of open fires, fire pits, fireworks, charcoal burning grills, gas fired grills, or other devices (as applicable) shall not be allowed without permission from the owner, property manager or local contact. The owner, property manager or local contact must comply with all federal, state and/or local laws, ordinances, or rules regarding open burning, burn barrels, fire pits, fireworks, fireplace, or the burning of any flammable material.

10-603 LICENSE REQUIRED

No short term rental may be operated in the city without the appropriate valid and current license issued by the city pursuant to this article. A violation of this provision is subject to a penalty of \$500. Each day of the violation constitutes a separate offense.

No short term rental may be operated in the city without the appropriate valid and current license issued by the Department pursuant to rules promulgated under SDCL 34-18. A violation of this provision is subject to a penalty of \$500. Each day of the violation constitutes a separate offense.

10-604 LICENSE APPLICATION

An application for a short term rental license must be made on a form provided by the city. No other application form will be considered.

The applicant must submit the following:

- (1) Application fee as contained within the Rates and Fee Schedule, which is set and amended by resolution.
- (2) An application that will include, but is not limited to, the following:
 - a) Each property owners name, permanent address, and phone number.
 - b) The legal description and physical address of the property to be used as a short term rental.
 - c) A description of the proposed use (including any outdoor use), the maximum number of rooms and occupancy available, and the anticipated dates the short term rental will be available for overnight accommodations.
 - d) Contact information for the property manager or local contact individual to comply with the requirements of this Section, and to be contacted in case of complaint or emergency.
 - e) Any additional information requested by the city.
- (3) A copy of the Lodging License issued by the Department.
- (4) A copy of the owner's South Dakota Sales Tax License issued by the South Dakota Department of Revenue.
- (5) A copy of the property's insurance coverage reflecting the endorsement for the short term rental.

10-605 ISSUANCE OF LICENSE

Once an application is filed, the application will be referred to the appropriate city departments for an investigation into the applicant's eligibility for a license. If applicant

meets the requirements in 10-604, the City Council shall consider the application.

- (a) The City Council may issue a license unless:
 - (1) The owner has made a false statement on the application or submits false records or documentation; or
 - (2) The property is not in compliance with the Department.
 - (3) The license is to be used for a business prohibited by state or local law, statute, rule, ordinance, or regulation; or
 - (4) Any applicant or property owner has had a short term rental license revoked by the city or a lodging license revoked by the state; or
 - (5) Any property owner of the property is overdue in payment to the city of taxes, fees, fines, or penalties assessed against or imposed upon the applicant in relation to any short rental property; or
 - (6) The applicant will not be operating the business for which the license would be issued.
- (b) The city will reject any application if the limit on the number of short term rentals has been reached.
- (c) If applicant requests the City Council hold a special meeting to consider the application for new license, the applicant requesting said meeting shall pay all costs associated with the meeting.

10-606 NUMBER OF LICENSES

No more than one (1) bed and breakfast facility; and, no more than four (4) vacation home rentals shall be allowed to operate in the City at any given time.

The two (2) vacation home rentals already existing on Airbnb at the time of the passage of this ordinance shall be considered grandfathered in if fully compliant within sixty of passage of this ordinance, including annual renewal.

10-607 EXPIRATION OF LICENSE AND RENEWAL

- (a) Each license shall be for a calendar year. A license holder must renew the license on an annual basis in order to continue the short term rental operation. Renewal applications shall include the following:
 - (1) The annual application fee as contained within the Rates and Fee Schedule, which is set and amended by resolution.
 - (2) A copy of the current Lodging License issued by the Department.
 - (3) A copy of the property's insurance coverage reflecting the endorsement for the short term rental.
 - (4) Contact information for the property manager or local contact individual to comply with the requirements of this Section, and to be contacted in case of complaint or emergency.
- (b) It may be renewed within thirty (30) days of its expiration, but if a license holder fails to renew the permit within thirty (30) days of expirations, he or she must submit a new license application. The license holder must continue to meet the license requirements to be eligible for a renewal.
- (c) Failure to renew a license in accordance with this section may result in additional fees. Upon expiration of the license, the city may order closure of the short term rental.

- (d) If a license holder has not operated a short term rental for which it holds a license in the preceding twelve (12) months, the license will not be renewed.

10-608 SUSPENSION OR REVOCATION OF LICENSE

The City may suspend or revoke any short term rental license, or refuse to issue a license, for any of the following grounds:

- (a) Failure to adhere to applicable regulations or laws.
- (b) Concerns expressed to the City about the operation of the short term rental, including nuisance issues, noise complaints, safety concerns, calls for service to the Police department, or similar complaints.
- (c) Commission of fraud or willful misrepresentation in the application for or in obtaining a license.
- (d) Commission, or permitting, aiding, or abetting in the commission of any unlawful act in the short term rental.
- (e) Conduct or practices detrimental to the public health, safety, or welfare.
- (f) Any property owner is delinquent in payment to the city, county, or state for any taxes or fees related to the short term rental.
- (g) The Department issued registration is suspended, revoked, or not renewed or the registration certificate is expired.

10-610 SUSPENSION AND REVOCATION PROCESS

- (a) The license holder will be issued a notice of intent to suspend or revoke a short term rental license and the reasons for the suspension or revocation by first class mail to the license holder's address on record.
- (b) If the license holder disputes the suspension or revocation, the owner has ten (10) days from the postmark date on the notice to request a hearing before a hearing panel, which will consist of the Mayor, Building Committee, and City Administrator.
- (c) A suspension will be for thirty (30) days and begins ten (10) days after the postmark date on the notice or the date the notice is hand delivered unless the license holder exercises its rights to process and appeal, in which case the suspension takes effect upon the final determination of suspension.
- (d) A revocation will be for one (1) year and begins ten (10) days after the postmark date on the notice or the date the notice is hand delivered unless the owner appeals the revocation, in which case the revocation takes effect upon the final determination of revocation.
- (e) Any property owner who has had a license revoked may not be issued a short term rental license for one year from the date the revocation became effective.

10-611 APPEAL

A property owner who has been denied a license or renewal of a license or who has had a license suspended or revoked under this article may appeal to the City Council by submitting a written appeal within ten (10) days of the postmark on the notice of denial, nonrenewal, suspension, or revocation. The written appeal must be submitted to City Administrator's Office. The appeal will be considered by the City Council at a regularly scheduled meeting

within one month of the receipt of the appeal.

10-612 LICENSES NOT TRANSFERABLE

A short term rental license may not be transferred to a different location or to a different property owner.

10-613 LIABILITY FOR VIOLATIONS

Notwithstanding anything to the contrary, for the purposes of this article, an act by any property owner, manager or local contact of a short term rental that constitutes grounds for suspension or revocation will be imputed to the short term rental property owner for purposes of finding a violation of this article, or for purposes of license denial, suspension, or revocation, only if a property owner or a person who managed, supervised or controlled the operation of the short term rental, knowingly allowed such act to occur on the premises.

10-614 PENALTIES

Any person who operates or causes to be operated a short term rental without a valid license or in violation of this article is subject to a suit for injunction as well as prosecution for ordinance violations. Such violations are punishable by a maximum fine of five hundred dollars (\$500.00). Each day a short term rental so operates is a separate offense or violation.

Upon the passage of this ordinance, an existing short term rental shall have sixty days to come into compliance with this Code, or it will be out of compliance and subject to the general penalty provision in Section 10-614.

Severability. The provisions of this ordinance are severable. If any provision of this ordinance or the application thereof to any person or circumstance is held to be invalid, such invalidity shall not affect other provisions or applications of this ordinance which can be given effect without the invalid provision or application.

Dated this 5th day of July 2022.

/s/ Brit Miller, Mayor

ATTEST:

/s/ Monna Van Lint, Finance Officer

First Reading: June 6, 2022

Second Reading: July 5, 2022

Yeas: 6 Nays: 0

(Published: June 16 & July 14, 2022)

Motion was made by Arthur, seconded by Gartner to approve the Short Term Rental Application for License, and establish an annual license fee of \$1,000.00. A copy of the license is on file in the city office. Motion carried.

Motion was made by Matt, seconded by Parsons to approve Theo Fitch's request for a 30 day extension (or until Aug. 9, 2022) to remove his camper at 502 Valley Dr. as an Airbnb/Vrbo rental. Motion carried.

Housing Infrastructure Funding (House Bill 1033):

Council was advised that SD Housing Development Authority (SDHDA) has issued a draft housing infrastructure financing program allocation plan for the \$50 million of American Rescue Plan Act funding. They will be hosting a public comment session on July 7th at 1:00 p.m. MT.

Special Event Application:

Motion was made by Gartner, seconded by Parsons to approve First Lutheran Church’s parade on Aug. 4th, 2022. Motion carried.

Building/Flood Plain Dev. Permits:

Colt & Erin Fitzgerald – renew fence portion of permit issued on 6/1/2020 & 7/6/2021; Sacred Heart Catholic Church – concrete parking lot; Sandra O’Connor – retaining wall, sidewalk & shed.

Motion was made by Matt, seconded by Arthur to approve the above permits as presented. Motion carried.

Motion was made by Pinney, seconded by Matt to approve the first reading of the following Ordinance #2022-11 as presented. Motion carried with all members voting aye.

**ORDINANCE #2022-11
AN ORDINANCE AMENDING SECTIONS IN CHAPTER SIX (6),
DISCRETIONARY TAXATION OF REAL PROPERTY
OF THE REVISED ORDINANCES OF THE CITY OF PHILIP, SOUTH DAKOTA**

BE IT ORDAINED by the City Council of the City of Philip, South Dakota, that the following Sections in Chapter 6, Discretionary Taxation of Real Property of the Revised Ordinances of the City of Philip is hereby amended—with ~~strikethrough~~ indicating text to be deleted, underline indicating text to be added, and the remainder of the Article left unaffected—as follows.

6-200.3 COMMERCIAL RESIDENTIAL STRUCTURES

Any new commercial residential structure, or addition to an existing structure, containing four or more units, if the ~~which~~ new structure or addition has a true and full value of thirty thousand dollars (\$30,000) or more, ~~added to real property located within the Corporate limits of the City of Philip, South Dakota,~~ shall qualify to be assessed pursuant to the discretionary formula described in Section 6-202. ~~For purposes of this section, a commercial residential structure shall contain four or more units.~~ ((Pursuant to SDCL 10-6-137(5))

6-201 VALUATION

Any real property located within the Corporate limits of the City of Philip, South Dakota, classified pursuant to the following, shall, following construction, initially be valued for taxation purposed in the usual manner, and that value shall be referred to as the “Pre-Adjustment Value.” The assessed value to be used for tax purposes shall follow the discretionary formula described in section 6-202. Following the five or seven year period as provided in section 6-202 ~~year period under this section~~, the property shall be assessed at the same percentage as is all other property for tax purposes.

Reconstruction and renovation as used in this chapter means only improvements that increase the true and full value of the structure and shall not include normal maintenance and repair.

The assessed value during any of the five or seven years provided in section 6-202 may not be less than the assessed value of the property in the year proceeding the first year of the tax years following construction.

Any structure that is partially constructed on the assessment date may be valued for tax purposes pursuant to this Ordinance and the valuation may not be less than the assessed valuation of the property in the year preceding the beginning of construction.

Property owners of any of the above described property, may request the City Council not apply the discretionary formula, in which case the full assessment shall be made without application of the formula. In waiving the formula for the structure of one owner, the City Council is not prohibited from applying the formula for subsequent new structures by that owner.

6-202 DISCRETIONARY FORMULA

Any real property improvements qualifying for the discretionary formula pursuant to sections 6-200.1, 6-200.2 and 6-200.5 shall be assessed as follows:

| | |
|-------------|------------------------------|
| First Year | 20% of Pre-Adjustment Value |
| Second Year | 40% of Pre-Adjustment Value |
| Third Year | 60% of Pre-Adjustment Value |
| Fourth Year | 80% of Pre-Adjustment Value |
| Fifth Year | 100% of Pre-Adjustment Value |

Any real property improvements qualifying for the discretionary formula pursuant to sections 6-200.3 and 6-200.4 shall be assessed as follows:

| | |
|---------------------|-------------------------------------|
| <u>First Year</u> | <u>15% of Pre-Adjustment Value</u> |
| <u>Second Year</u> | <u>25% of Pre-Adjustment Value</u> |
| <u>Third Year</u> | <u>35% of Pre-Adjustment Value</u> |
| <u>Fourth Year</u> | <u>50% of Pre-Adjustment Value</u> |
| <u>Fifth Year</u> | <u>60% of Pre-Adjustment Value</u> |
| <u>Sixth Year</u> | <u>75% of Pre-Adjustment Value</u> |
| <u>Seventh Year</u> | <u>100% of Pre-Adjustment Value</u> |

6-203 EFFECTIVE DATE

This Ordinance is effective with the taxing period from July 01, 2021 ~~2020~~ through October 31, 2022 ~~2021~~ and shall be reflected with the taxes payable effective January 01, 2023 ~~2022~~ and each successive taxation year thereafter unless repealed by the City Council of the City of Philip, South Dakota.

Pursuit to SDCL 10-6-140, any real property receiving benefit from the previously adopted Discretionary Taxation Ordinance, will continue to be assessed and taxed through the course of the said discretionary formula.

Severability. The provisions of this ordinance are severable. If any provision of this ordinance or the application thereof to any person or circumstance is held to be invalid, such invalidity shall not affect other provisions or applications of this ordinance which can be given effect without the invalid provision or application.

Dated this ____ day of _____ 2022.

Brit Miller, Mayor

ATTEST:

Monna Van Lint, Finance Officer

First Reading: July 5, 2022

Second Reading:

Yeas: 6 Nays: 0

(Published: July 14, 2022)

Council reviewed Ordinance #2022-12, Amending Sections in Chapter 15, Nuisances (laying hen restrictions).

Discussion ensued. Concerns were voiced for allowing chickens in town and the smell they would create. In addition, a privacy fence and consent from the neighbors was also mentioned as a recommendation if allowed.

Following, Ordinance #2022-12 as presented died for a lack of a motion.

By general consensus of the Council, CA Smith was directed to contact any known property owners with chickens in town to have them removed within 30 days.

Motion was made by Gartner, seconded by Pinney to approve the 2023 Joint Cooperative Agreement with the Central SD Enhancement District (CSDED) in the amount of \$1,133.14. Motion carried.

The city has been awarded \$2,928 from the SD Dept. of Health for mosquito control. The grant agreement has been submitted.

Council reviewed the following L/P Propane bids received during May and June 2022.

| | <u>May 23rd</u> | <u>May 31st</u> | <u>June 2nd</u> | <u>June 8th</u> | <u>June 21st</u> | <u>June 27th</u> |
|------------------|-----------------|----------------------------|----------------------------|----------------------------|-----------------------------|-----------------------------|
| Hanson Oil | \$1.89/gal | \$1.89/gal | \$1.89/gal | \$1.89/gal | \$1.89/gal | \$1.89/gal |
| CHS River Plains | \$2.03/gal | \$2.03/gal | \$2.03/gal | \$2.03/gal | \$2.03/gal | \$2.03/gal |

Departmental Reports:

Administration

The quarterly report included a review of the City's year-to-date sales tax receivables and investments. The community was recognized for all their support to our local economy.

Motion was made by Arthur, seconded by Matt to approve the following Resolution #2022-13 as presented. Motion carried.

**RESOLUTION #2022-13
SUPPLEMENTAL APPROPRIATIONS
CONTINGENCY TRANSFER**

WHEREAS, insufficient appropriation was made in the 2022 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 | \$ 8000.00 |
| TO: | 101-41400-42900 FO Miscellaneous | \$ 450.00 |
| | 101-41920-42850 Mun Bldg Propane | \$ 1500.00 |
| | 101-42200-42840 Fire Dept Geo-Thermal | \$ 50.00 |
| | 101-43100-42850 Street Dept Propane | \$ 500.00 |
| | 101-45100-42230 Pool Contract Services | \$ 200.00 |
| | 101-45100-42630 Pool Chemicals | \$ 3000.00 |
| | 101-45100-42850 Pool Propane | \$ 2300.00 |

This resolution is effective upon passage.

Dated this 5th day of July 2022.

/s/ Brit Miller, Mayor

ATTEST:

/s/ Monna Van Lint, Finance Officer

Motion was made by Pinney, seconded by Gartner to approve an amendment to Personnel Policy #3.1, Definitions; and #5.8, Compensatory Time as presented. A copy of the amendments is contained in the Personnel Policy Handbook on file in the city office. Motion carried.

The budget planning session was rescheduled to Tuesday, July 26th at 3:30 p.m. at the ambulance building.

Airport

The quarterly report was reviewed. The airport fuel revenue collections through the month of May 2022 were reported at \$7,560.38.

Police Department

The monthly report was reviewed.

Motion was made by Gartner, seconded by Parsons to approve the first reading of the following Ordinance #2022-14 as presented. Motion carried with all members voting aye.

**ORDINANCE #2022-14
2022 SUPPLEMENTAL APPROPRIATIONS ORDINANCE
POLICE DEPARTMENT VEHICLE**

WHEREAS, the City of Philip, South Dakota, had appropriated funds and approved the purchase a new vehicle for the police department in 2021; and,

WHEREAS, the City of Philip did not receive nor incur the expenses for the new vehicle until 2022.

NOW, THEREFORE, BE IT ORDAINED, that the following Supplemental Appropriations Ordinance be and hereby is adopted in order to recognize the revenues and expenses that will be forthcoming for the new mower.

| | <u>GENERAL FUND</u> |
|--|----------------------------|
| 42100 POLICE | |
| 43400 Mach & Equip | \$ 59,000.00 |
| <u>TOTAL GENERAL FUND</u> | <u>\$ 59,000.00</u> |
| <u>TOTAL APPROP. & ACCUM.</u> | <u>\$ 59,000.00</u> |

MEANS OF FINANCE

The following designates the fund or funds that money derived from the following sources is applied to.

| | <u>GENERAL FUND</u> |
|--------------------------------------|----------------------------|
| 10400 CMA | |
| 10400 Unassigned Fund Balance | \$ 19,000.00 |
| 10430 Assigned Police Department | \$ 40,000.00 |
| <u>TOTAL CMA</u> | <u>\$ 59,000.00</u> |
| <u>TOTAL MEANS OF FINANCE</u> | <u>\$ 59,000.00</u> |

Dated this ____ day of _____ 2022.

Brit Miller, Mayor

ATTEST:

Monna Van Lint, Finance Officer

Passed First Reading: July 5, 2022

Passed Second Reading:

Yeas: 6 Nays: 0

(Published: July 14, 2022)

Chief Buls advised that the new police vehicle is expected to arrive soon and inquired about the plans for the 2011 Chevy Tahoe. More specifically, would the Council prefer to consider trading it in on the new vehicle or move it to the airport as a newer courtesy vehicle. He also mentioned that the Tahoe will be inspected next week for any damages from the recent storm.

By general consensus of the Council, a decision on the 2011 Chevy Tahoe will be determine following the storm damage assessment.

Chief Buls then briefly discussed mutual aid with surrounding communities.

No action was taken.

Rubble Site

Motion was made by Matt, seconded by Gartner to only accept trailer houses located out of city limits within a two-mile radius at a cost of \$2.00 per square foot. In addition, PWD Reckling was authorized to

evaluate any nonconforming rubble site loads, determine whether the contents will be accepted to the rubble site, and assess charges accordingly. Motion carried with all members voting aye.

Street Department

The monthly report was not available.

Swimming Pool

By general consensus of the Council, the last day of operation for the season is Aug. 10, 2022.

Water Department

The monthly report was reviewed which noted a 5.53% water loss for the month of June.

Council reviewed correspondence from WRLJ Rural Water System regarding new water rates effective Jan. 1, 2023. The rate will increase from \$1.25 per 1,000 gallons to \$1.35 per 1,000 gallons.

Mayor Miller advised that he received an inquiry about water at the cemetery. They have a meter pit and hydrants, but no water as in years past, the city declined them free water. This is a community space so it may behoove the city to consider them under the free park/recreational water policy.

By general consensus of the Council, this will be discussed further at the August meeting.

Training/Travel:

CA Smith will be attending the SDML Work Comp Board meeting on July 14th–15th in Deadwood, and Long Term Debt training on July 20th in Rapid City.

At 9:22 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 9:30 p.m., motion was made by Matt, seconded by Arthur to come out of executive session with the following action:

Motion was made by Pinney, seconded by Parsons to approve a two percent wage increase to all salaried and full-time employees. Said wages are noted below and effective with the July 2022 payroll. Motion carried with all members voting aye.

| | |
|---|---|
| Andrew Bartlett, Police Officer | \$38,188.80 salary - \$3,182.40 Gross/Month |
| William Buls, Chief of Police | \$44,553.60 salary - \$3,712.80 Gross/Month |
| Brian Pearson, Public Works Maintenance/Utility Billing | \$20.09/hr. - \$3,482.27 Gross/Month |
| Matthew Reckling, Public Works Director | \$24.99/hr. - \$4,331.60 Gross/Month |
| Robert Shipp, Public Works Maintenance II | \$19.89/hr. - \$3,447.60 Gross/Month |
| Brittany Smith, City Administrator | \$53,565.49 salary - \$4,463.79 Gross/Month |
| Monna Van Lint, Finance Officer | \$22.44/hr. - \$3,889.60 Gross/Month |

Motion was then made by Gartner, seconded by Matt to approve hiring Thomas “Tom” Rodriguez as the Temporary Public Works Employee for the rubble site operations and street maintenance at an hourly wage of \$15.00, effective immediately. Motion carried.

Public Comments:

Concerns were voiced for the sand burs at the Lake Waggoner beach area. It was reported that city staff recently sprayed the area.

Comments for the need to address nuisance properties including those with abandoned vehicles were mentioned. The police department was asked to take inventory and report back at the August meeting.

In Other Business:

The next Regular Council Meeting will be held on Monday, Aug. 1st 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 9:35 p.m.

/s/ Brit Miller, Mayor

ATTEST:

/s/ Brittany Smith, City Administrator

(Published once on July 14, 2022, at approximate cost of \$_____)