

**COUNCIL PROCEEDINGS
REGULAR MEETING
NOVEMBER 2, 2020**

A regular meeting of the Philip City Council was held on Monday, November 2, 2020, at 7:00 p.m. in the Community Room of the Haakon Co. Courthouse and via Zoom (Meeting ID: 822 3270 2130). Present were Mayor Michael Vetter and Council Members Trisha Larson, Terri Pelle, 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; Interim Chief of Police Ben Buls; City Attorney Stephanie Trask; and, Haakon Co. Emergency Manager Lori Quinn (via Zoom).

Absent: Council Member Brit Miller

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

Motion was made by Gartner, seconded by Pinney to approve the minutes of the Oct. 5th and 19th meetings 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 – October 30, 2020: Admin - \$3804.79; Finance - \$3529.06; Public Works - \$13946.37; Police - \$6493.06

Colonial Life	Employee Supplemental Ins 10/20	196.60
EFTPS	SS/Medicare/Withholding 10/20	6100.29
NE Child Support	Garnishment 10/20	692.77
SDRS	Employee Retirement 10/20	3645.44
SDSRP	Sup Retirement 10/20	100.00

Airport Hangar / Apron Project:

KLJ Engineering LLC	Engineering thru 10/10/20	2168.00
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Bad River Shoreline Bank Repair Project:

Quinn Construction Inc	Pay Req #1 thru 10/28/20	94990.50
SPN & Assoc	Engineering thru 10/24/20	9637.35

This Month's Bills:

AT&T Mobility	Cell Phone 9-10/20	135.93
Bad River Law Prof LLC	Atty/Legal Fees 10/20	435.00
Brant's Electric	AIR Lounge Repairs 10/20	232.23
Century Business Products	Copier Maint 10/20	60.19
CNH Productivity Plus Acct	Supplies 10/20	353.00
Corporate Trust – US Bank	SRF #6 Pay #2 11/20	4917.84
	SRF #7 Pay #2 11/20	5766.78
Coyles Super Valu	Supplies (COVID) 10/20	26.48
Delta Dental	Dental Ins 11/20	776.90
1 st Nat'l Bank – Philip	UB Postage 10/20	130.10
Gibson Concrete Construction	May St Sidewalk 10/20	8954.10
Golden West Telecom	Telephone/Internet 9-10/20	680.17
Haakon Co Register of Deeds	Fees/Copies 10/20	33.00

Haakon Co Treasurer	Office Rent 11/20	500.00
Hanson Oil	Fuel/Supplies 9-10/20	183.58
Health Pool of SD	Health Ins 11/20	10674.98
Hometown Computer Service LLC	AIR Camera System 10/20	4410.00
Ingram Pest Service Inc	RS Pest Control 10/20	60.00
Kieffer Sanitation	370 Residential Collections 10/20	4739.70
	RS Roll Off 9/20	550.00
MG Oil Co	Fuel 9/20	947.01
Office Depot	Supplies (COVID) 10/20	410.55
Optilegra	Vision Ins 11/20	110.64
Petty Cash	Postage 7-11/20	36.25
Pioneer Review	Publishing 10/20	566.48
Schofield Welding Co	Supplies 10/20	82.90
SD 811	Locates 7-9/20	31.50
SD Dept of Revenue	Sales Tax Payable 10/20	423.82
	W Testing 10/20	496.00
SPN & Assoc	SW Philip Post-Con Eng 10/20	1500.00
The Philip Pit Stop	Fuel 9-10/20	76.21
VISA – UMB Bank	Supplies/Uniforms/Equip 9-10/20	542.24
WR/LJ Rural Water Systems	3,033,000 gals 10/20	3791.25
	Contract Min. 10/20	2500.00
	AIR Water 10/20	40.00
	South Shop Water 10/20	22.50
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Total Bills		161,993.18

Old Business: None.

New Business:

Lori Quinn, Haakon Co. Emergency Manager, addressed the Council with her annual update. She referenced the Multi-Jurisdictional Hazard Mitigation plan that is in the process of being updated and encouraged the City's participation. The next meeting will be held on Tuesday, Nov. 10th at 6:00 p.m. via Zoom.

Bad River Shoreline Repair Project:

Motion was made by Pinney, seconded by Matt to approve Change Order #1 (final) which reflects an increase of \$1,280.00 (adjustment for actual quantities installed) to the contract with Quinn Construction. Motion carried with all members voting aye.

Motion was made by Pelle, seconded by Gartner to approve Pay Request #1 in the amount of \$94,990.50 to Quinn Construction. This includes all work completed minus 5% retainage which is being held until final completion requirements are satisfied. Motion carried with all members voting aye.

Motion was then made by Matt, seconded by Gartner to approve the Certificate of Substantial Completion, effective Oct. 16, 2020, and authorize the Mayor's signature thereon. Motion carried with all members voting aye.

Artesian Well:

An update on the artesian well repairs noted that the City is still awaiting a contract from Westin Engineering along with an updated cost estimate and construction schedule. They have provided a copy of their insurance and were onsite for minor repairs on Oct. 24, 2020.

Council discussed soliciting donations for the expenses that would be incurred to reline the well. More specifically, those expenses above the City’s committed \$160,000 that will be incurred to abandon/plug the well. Comments for establishing user agreements and fees in the near future were also made.

Following a lengthy discussion and by general consensus, the City will solicit a donation from Haakon County in the amount of \$90,000 for those expenses to reline the well. It was noted that the County is exempt from any well user fees as outlined in the City’s easement (#97-254) with the County. In addition, by both the City and County contributing to the project, it will greatly reduce the burden on community members and area recreational facilities.

Motion was then made by Gartner, seconded by Pelle to approve the first reading of the following Ordinance #2020-15. Motion carried with all members voting aye.

**ORDINANCE #2020-15
2020 SUPPLEMENTAL APPROPRIATIONS ORDINANCE
ARTESIAN WELL REPAIRS**

WHEREAS, the City of Philip, South Dakota, recognizes that the Artesian Well is a vital resource to Lake Waggoner and the surrounding recreational facilities; and,

WHEREAS, the City of Philip acknowledges the emergent need to repair the Artesian Well and approved an estimate from Weston Engineering, Inc.; and,

WHEREAS, the City of Philip is committed to those expenses that would be incurred to plug the well; and,

WHEREAS, the City of Philip is also soliciting contributions and donations to cover the remaining costs to reline the well; and,

WHEREAS, the City of Philip did not anticipate nor budget for these repairs along with the anticipated contributions and donations when preparing the fiscal year 2020 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 artesian well repairs.

<u>GENERAL FUND</u>	
43110 ARTESIAN WELL	
42230 Contract Services	\$ 250,000.00
42500 Repairs & Maintenance	\$ 500.00
<u>TOTAL ARTESIAN WELL DEPT</u>	<u>\$ 250,500.00</u>
 <u>TOTAL APPROP. & ACCUM.</u>	 <u>\$ 250,500.00</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 FUND BALANCE	
10400 Unassigned Fund Balance	\$ 160,500.00

36700 CONTRIBUTIONS/DONATIONS	
36710 Contributions & Donations	\$ 90,000.00
<u>TOTAL CONTRIBUTIONS/DONATIONS</u>	<u>\$ 250,500.00</u>
<u>TOTAL MEANS OF FINANCE</u>	<u>\$ 250,500.00</u>

Dated this ____ day of _____ 2020.

Michael Vetter, Mayor

ATTEST:

Monna Van Lint, Finance Officer
Passed First Reading: Nov. 2, 2020
Passed Second Reading:
Yeas: 5 Nays: 0
(Published: Nov. 12, 2020)

Motion was made by Pinney, seconded by Gartner to authorize CA Smith to submit grant applications to West River Water Development District (WRWDD) and TC Energy for funding assistance with the city's anticipated expenses with the well. Motion carried with Matt abstaining.

At 7:10 p.m., as previously advertised, a public hearing was held on the request of the following establishments for Liquor Licenses for 2021.

BMT, Inc.-73 Bar & Lounge - Lots 12 & 13, Block 06, Original Town, City of Philip, SD: On-Sale Retail Liquor; Dakota Country Pharmacy, Inc. - Lot 20, Block 6, Original Town, City of Philip, SD: Off-Sale Package Liquor; Irvin or Alice Jones-Jones' Saddlery & Bottle & Vet - N 19' Lot 19, Block 6, Original Town, City of Philip, SD: Off-Sale Package Liquor; MG Oil Company-Corner Pantry #20 Philip: Lots 5, 6 & 7, Block 1, Original Town, City of Philip, SD: Off-Sale Package Liquor; Retail Management Systems, Inc.-The Philip Pit Stop - Outlot 2, High School Addition, City of Philip, SD: On/Off Sale Wine & Cider License; Rock & Roll Lanes, Inc. - Lots 08-21 Inclusive, Block 01, Highway Addition, City of Philip, SD: On-Sale Retail Liquor; and, The Incorporated Steakhouse and Lounge - Lots 16 & 17, Block 06, Original Town, City of Philip, SD: On-Sale Retail Liquor.

It was noted that the property taxes are paid to date. In addition, Chief Butler and Interim Chief Buls confirmed that the Police Dept. has no concerns regarding the above license renewals.

Following review and with no one appearing for or against the requested license applications, motion was made by Matt, seconded by Pinney to approve the above Liquor Licenses for 2021 contingent upon all appropriate fees being paid as well as the applications being submitted. Motion carried with all members voting aye.

Building/Flood Plain Dev. Permits:
Miles Englebert - fence

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

Motion was made by Matt, seconded by Gartner to approve the employee health insurance premium renewal with the Health Pool of SD for 2021 which reflect a 3.3% overall increase from 2020. Motion carried.

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

	<u>Oct. 19th</u>
Hanson Oil Company	\$1.04/gal.
Midwest Cooperatives	\$1.15/gal.

Departmental Reports:

Administration

The quarterly report included a review of the year-to-date investments and sales tax revenues. It was also noted that the City's auditors are working on finalizing the 2019 audited financial statement.

Council reviewed an update on the CARES Act grant funding. To date, the City has been reimbursed for \$92,086.86 of the \$172,948 allocated funding. Additional claims are estimated at \$63,500 contingent upon approval of said expenses. More specifically, the State has given preauthorization for the City to spend \$15,000 in CARES money to purchase radios for the Philip Volunteer Fire Dept. (PVFD) that are compatible with the new State radio system. The estimate for six radios is \$15,442.56. In addition, respirators can also be purchased and donated to the PVFD. Other upcoming expenses include additional payroll, cleaning supplies and equipment. The current estimate for CARES funding including the above items thru Dec. 30th is \$155,586.86.

Following, motion was made by Matt, seconded by Gartner to authorize the purchase of radios and respirators for the PVFD with the City's CARES grant funding. In addition, the City will contribute the \$442.56 towards the purchase of the radios that is not eligible for funding. Motion carried.

Council was advised that CA Smith has been appointed to the SDML District 8 Chair position.

Airport

The quarterly report referenced the year-to-date airport fuel revenues and expenses.

Garbage

Council reviewed correspondence from Adam Meyer, District Manager for Kieffer Sanitation, regarding the possibility of providing 95-gallon totes for residential garbage collection. Said totes are being offered for a convenience to the residents, and at no cost to the City or residents.

Following discussion, motion was made by Pelle, seconded by Gartner to accept Kieffer Sanitation's offer to provide totes for residential garbage collection. Information and delivery of the totes will be advertised in the newspaper. Motion carried.

Police

The monthly report was reviewed.

It was noted that the department has ordered two mobile radios from Rushmore Communications as appropriated in 2020 for \$7,171.60. These are compatible with the new State radio system and will replace those in the 2010 Chevy Tahoe and police department office.

A quote from FirstNet for upgrading the department's computers was then reviewed. The quote includes two laptops and printers for the vehicles at a cost of \$7,298.00 without installation and software. It was noted that the laptops are portable for use in the vehicles and office. In addition, this purchase was not included in the 2020 budget, but the expense can be offset with CARES funding received for the department's salaries and benefits.

Following, motion was made Matt, seconded by Gartner to approve the quote from FirstNet as presented above. Motion carried.

Motion was then made by Gartner, seconded by Matt to authorize Chief Butler to utilize his personal handgun for on-duty use through full-time employment contingent upon Attorney Trask's review of any potential liabilities. Motion carried.

Street

The monthly report was reviewed.

It was reported that the May St. sidewalk from SD Hwy 73/Larimer Ave. to Scottie Ave. has been completed.

PWD Reckling addressed repairing the storm sewer at the northeast intersection of Pine St. and Center Ave. More specifically, on the south side of the old Napa building currently owned by Barry Knutson.

Discussion ensued regarding options for the storm sewer. The history of the reported issues with the storm sewer was briefly reviewed. It was noted that the City's engineers have confirmed that storm sewer pipe is not watertight as designed. In addition, the City had previously offered to purchase a sump pump for the property owner. Concerns were also voiced regarding digging up the storm sewer—potential for damaging the storm sewer pipe in that area or down the line.

Following a lengthy discussion and by general consensus, the City will offer the following options to the property owner for final consideration with the reported storm sewer issues: (1) The City will fix one joint in the storm sewer pipe; (2) The City will offer once again to purchase a sump pump for the property owner to install; or, (3) The City will not do anything further.

A quote from Stan Huston for air monitoring equipment in the amount of \$3,143.00 was reviewed. This safety equipment was recommended by Safety Benefits during the City's loss control survey in 2020. It is also a compatible purchase through the SDML Workers Compensation Fund grant program that provides matching funds, up to \$1,000.

Following, motion was made by Gartner, seconded by Matt to authorize purchasing the air monitoring equipment as presented above and apply for the SDML Workers Compensation Fund grant to offset purchase expense. Motion carried.

Motion was made by Gartner, seconded by Pinney to approve publishing the snow removal and parking regulations reminder notice as presented. Motion carried.

Swimming Pool

The report included an opportunity from Associated Supply Co. to upgrade the acid feeder at the swimming pool in 2021. This includes converting from liquid acid to the Acid-Rite dry acid at a discounted price of \$2,512.50 with installation. It was noted that there is funding available in the 2021 budget for said purchase.

Following, motion was made by Pinney, seconded by Gartner to approve the quote from Associated Supply Co. as presented above. Motion carried.

Water

The monthly report was reviewed and noted the water loss for the month of October 2020 at 8.29%.

At 8:11 p.m., motion was made by Pinney, seconded by Gartner to enter into executive session per SDCL 1-25-2(1) and (3), personnel and legal. Motion carried.

At 8:23 p.m., motion was made by Gartner, seconded by Matt to adjourn executive session with the following action.

Motion was made by Pinney, seconded by Matt to amend Nathaniel Jordan's start date with the City to Nov. 9, 2020. Motion carried with all members voting aye.

Public Comments: None.

In Other Business:

The City has been awarded the 2020 Safety & Loss Control Award from the SDML Workers Compensation Fund.

City offices will be closed on Nov. 11th, 26th and 27th in observance of the legal holidays.

The year-end Council Meeting will be held on Dec. 28th at 4:00 pm.

The next Regular Council Meeting will be held on Monday, Dec. 7th in the Community Room of the Haakon Co. Courthouse and/or via Zoom.

With no further business to come before the Council, Mayor Vetter declared the meeting adjourned at 8:25 p.m.

/s/ Michael Vetter, Mayor

ATTEST:

/s/ Brittany Smith, City Administrator

(Published once on Nov. 12, 2020, at approximate cost of \$_____)