

**COUNCIL PROCEEDINGS
REGULAR MEETING
NOVEMBER 5, 2018**

A regular meeting of the Philip City Council was held on Monday, November 5, 2018, at 7:00 p.m. in the Commissioner's Room of the Haakon Co. Courthouse. Present were Mayor Michael Vetter, Council Members Trisha Larson, Brit Miller, Marion Matt, Marty Gartner and Scott Pinney. Also present were City Administrator Brittany Smith, Finance Officer Monna Van Lint, Public Works Director Matt Reckling, Police Officer Eric Van Der Linden, Jacob Sonne with SPN & Assoc., City Attorney Stephanie Trask, and Terri Pelle.

Absent: None.

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

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

Gross Salaries – Oct. 31, 2018: Finance - \$6791.60; Public Works - \$3553.33; Police - \$6229.59; Street - \$6219.19; Water - \$2920.66

Colonial Life	Employee Supplemental Ins 10/18	237.08
EFTPS	S.S., Medicare, Withholding 10/18	5720.37
NE Child Support Pay Ctr	Garnishment 10/18	659.18
SDRS	Employee Retirement 10/18	3384.27

SW Philip Improv Project:

Central SD Enhancement District	CDBG Admin Fees thru 10/12/18	11000.00
Philip Hardware	Const Supplies 9/18	7.49
Pioneer Review	CDBG Publishing 10/18	9.23
SPN & Assoc	Const Eng/Adm thru 10/27/18	47491.35
Thorstad Companies	Const Pay Req #3 thru 10/27/18	427136.87

This Month's Bills:

Bad River Law Prof LLC	Atty/Legal Fees 10/18	230.00
Baye & Sons	Trash Pump Repairs 10/18	217.58
Bennett Branch Busters	Tree Trimming 10/18	400.00
Cenex Harvest States	Fuel 9-10/18	1285.71
Clubhouse Hotel	SDML Conf Rooms 10/18	724.95
CNH Productivity Plus Acct	Supplies/Repairs 9-10/18	856.78
D&T Auto Parts	Supplies 10/18	154.78
Delta Dental	Dental Ins 11/18	713.00
1 st Nat'l Agency	Airport Liab 10/18-10/19	2403.00
1 st Nat'l Bank – Philip	UB Postage 10/18	126.59
Golden West	Telephone 9-10/18	592.26
Haakon Co Treasurer	Reimb Overpayment MV Prorate 11/18	12854.95
	Office Rent 10/18	500.00
Hanson Oil	Fuel/LP 9-10/18	1173.14

Headlee Enterprises	Feline Euthanasia 9/18	45.00
Health Pool of SD	Health Ins 11/18	9465.62
Hometown Computer Service	UB Computer 10/18	1557.03
Ingram Pest Service	R Site Pest Control 10/18	60.00
Jones Saddlery	Supplies 10/18	3.00
Kiesler's Police Supply Inc	Supplies 10/18	17.75
Konst, Jaslyn	Cust Deposit Refund 11/18	31.49
Les' Body Shop	'11 Tahoe Tires 10/18	751.52
MG Oil Co	Fuel 9/18	512.49
Moses Building Center	Supplies 10/18	6.45
Optilegra	Vision Ins 11/18	95.70
Office Depot	Supplies 10/18	147.19
Philip Hardware	Supplies 9-10/18	245.23
Philip Standard	Oil Chg 10/18	83.02
Pioneer Review	Publishing 10/18	192.03
Quill	Supplies 10/18	59.97
Schofield Welding Co	Trailer Latch Repairs 10/18	75.00
SD Dept of Revenue	Sales Tax 10/18	429.59
	Water Testing 10/18	196.00
SD One Call	Locates 7-9/18	39.90
Smith, Brittany	Mileage Reimb 10/18	92.02
SPN & Assoc	Lagoon Capacity Review 10/18	2785.00
The Lodge at Deadwood	Airport/Police Rooms 10/18	344.00
The Septic Guys LLC	R Site Porta Pot 4/30-10/25/18	800.00
Verizon Wireless	Cell Phone 9-10/18	163.08
VISA – UMB Bank	Supplies/Travel 9-10/18	15.53
Walker Refuse	370 Residential Collections 10/18	4884.00
	R Site Roll Off Disposal 10/18	520.00
West Central Electric	Electric Chgs 9/1-10/1/18	3194.30
WR/LJ Rural Water Systems	2,785,000 gals 10/18	3481.25
	Contract Min. 10/18	2500.00
	Airport Water 10/18	40.00
	South Shop Water 10/18	25.00
Western Communication	Radio Batteries 10/18	148.00
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Total Bills		540,883.84

Old Business: None.

New Business:

Airport Projects:

Motion was made by Miller, seconded by Pinney to approve the 2019 Airport Capitol Improvement Plan as presented. Motion carried with all members voting aye.

Council was provided an update from Rod Senn, Engineer with KLJ, on the hangar and apron design project.

Motion was then made by Matt, seconded by Gartner to approve the 2019 Airport Grant Pre-application for the hangar construction, apron reconstruction and exhibit A construction project and authorize the mayor's signature thereon. The estimated cost of the project is \$1,000,000 with the federal share being

90% or \$900,000; and, the state and local share each being 5% or \$50,000. Motion carried with all members voting aye.

Meter Project:

Council was advised that SD Department of Natural Resources (DENR) will review the City's Meter Project application for placement on the State Water Plan during their Nov. 8th meeting.

Building/Flood Plain Dev. Permits:

Jamie & John Dolezal – fence; Denise Kovach – fence replacement; and, Cassidy Schnabel – remove 2 sheds from property.

Motion was made by Pinney, seconded by Gartner to approve the above permits as presented. Motion carried.

Philip Charities Housing Projects - Assistance Requests:

Motion was made by Gartner, seconded by Matt to approve Philip Charities demolition permit as well as their request for the City to demolish and remove the old school house building located at 410 E US Hwy 14 in Philip. Philip Charities will be billed for these services per the agreement between the City and Philip Charities. Motion carried.

Motion was made by Miller, seconded by Pinney to approve the 1st 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 ____ day of _____ 2018.

Michael Vetter, Mayor

ATTEST:

Monna Van Lint, Finance Officer

Passed First Reading: Nov. 5, 2018

Passed Second Reading:

Yeas: 5 Nays: 0

(Published: Nov. 15, 2018)

No action was taken on Resolution #2018-22, Opposing Constitutional Amendment W.

Southwest Philip Improv. Project:

At 7:10 p.m., as previously advertised, a public hearing was held relative to the progress of the project improvements Community Development Block Grant (CDBG) Funds.

Jacob Sonne with SPN & Assoc. gave an update on the project. He reported that the contractor has completed all of the curb and gutter in Phase I. The sidewalks are done with the exception of that along S. Howard Ave. and some corner radii. They will be finishing this work along with the remaining driveway approaches as weather allows for concrete work. In addition, they plan to lay asphalt next week which they will need at least two days of forty-degree weather to complete.

Sonne went on to state that he is hopeful that the weather will cooperate to get the asphalt laid in Phase I this year. He also mentioned that the contractor has not concreted the intersection of Oak St. and S. Howard Ave. They are currently considering a temporary asphalt in this area until next year. He is also uncertain when the contractor plans to return next year to finish the project, but reminded everyone that the final completion date is Sept. 1, 2019.

With no other comments or public concerns expressed, Mayor Vetter closed the public hearing at 7:15 p.m.

Council reviewed the "Initial Construction Inspection Report" completed by SD DENR on Oct. 11, 2018. No concerns were reported.

Motion was made by Matt, seconded by Pinney to approve Change Order #1 which reflects a reduction of \$12,540.30 to the contract with Thorstad Companies contingent upon receipt of all appropriate paperwork required for the funding agencies approval. (For the record, this reflects the removal of the contaminated soil from the contract and an additional requested sewer connection.) Motion carried with all members voting aye.

Motion was made by Gartner, seconded by Pinney to approve Thorstad Companies Pay Request #3 in the amount of \$427,136.87 contingent upon receipt of all appropriate paperwork required for the funding agencies approval. Motion carried with all members voting aye.

Motion was made by Matt, seconded by Pinney to authorize CA Smith to assist the Philip Volunteer Fire Dept. with a TransCanada grant application for their new pumper truck. Motion carried.

At 7:20 p.m., as previously advertised, a public hearing was held on the request of the following establishments for Liquor Licenses for 2019.

73 Bar & Lounge, BMT, Inc. – Lots 12 & 13, Block 06, Original Town, City of Philip, SD: On-Sale Retail Liquor; Dakota Country Pharmacy, Inc. – Lot 20, Block 06, Original Town, City of Philip, SD: Off-Sale Package Liquor; Jones’ Saddlery & Bottle & Vet, Irvin or Alice Jones – N 19’ Lot 19, Block 06, Original Town, City of Philip, SD: Off-Sale Package Liquor; 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 and Off-Sale Package Liquor.

It was noted that the property taxes are paid to date. In addition, Officer Van Der Linden 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 Miller to approve the above Liquor Licenses for 2019 contingent upon all appropriate fees being paid as well as the applications being submitted. Motion carried with all members voting aye.

Council reviewed correspondence from Ralph Gebes regarding a proposal to establish a public access television station for Philip. They have established a committee and are in the process of obtaining cost estimates for the needed equipment. They are also working with the school as the main objective will be to “livestream” sporting events and other activities.

No action was taken.

Motion was made by Pinney, seconded by Matt to approve the 2019 employee health, dental and vision premiums which reflect a 0% increase from 2018. Motion carried.

Council reviewed the following L/P Propane bids received in October:

	<u>Oct. 15th</u>
Hanson Oil Company	\$1.20/gal.
Midwest Cooperatives	\$1.30/gal.

Motion was made by Gartner, seconded by Pinney to approve the updated personnel job descriptions as presented. Motion carried.

Departmental Reports:

The quarterly Administration report was reviewed.

Council reviewed the year-to-date revenues, expenses, account balances, sales tax and investments. The sales tax revenues collected through Oct. 31st were reported at \$463,627.50.

CA Smith reviewed the City’s property and liability insurance coverage through EMC that will renew Jan. 1, 2019. More specifically, the current deductibles (range from \$0-\$500) and limits of liability (range from \$1-\$2 million). She questioned if the Council was interested in obtaining quotes from other companies as well as if they preferred keeping the current deductibles and limits?

By general consensus of the Council, CA Smith was directed to obtain cost comparisons from other companies for various deductibles and limits of liability.

Council went on to review correspondence from Toni Rhodes, Haakon Co. Director of Equalization, regarding an update on the year-to-date and projected property assessments. It was reported that due to

the office's new software, only nine properties in the county were reassessed in 2018. In addition, any future property updates will be added in August each year.

Motion was made by Larson, seconded by Gartner to authorize utilizing the domain name, philipd.us, for all city email accounts. Motion carried.

Motion was made by Miller, seconded by Gartner to authorize paid leave to CA Smith to attend the SDML Workers' Compensation Fund Board meetings with the per diem meeting payments being issued to the City. Smith was elected to the board during the SDML Annual Conference. Motion carried.

The quarterly Airport report was reviewed including that of the year-to-date fuel sales being reported at \$16,161.32.

Council went on to review a request from Dave Holman to place a personal fuel tank at the airport. The tank would be a 250 or 500 gallon tank and located outside the orange hangar.

The liability for allowing personal fuel tanks was discussed. According to the City's insurance carrier, it is highly recommended the tank owner carry their own coverage and provide proof of insurance. It was also noted that commercial sprayers have stored fuel tanks at the airport, but only for jet fuel as it is not available.

Following, motion was made by Gartner, seconded by Larson to deny the request submitted by Holman to place a personal fuel tank at the airport. Motion carried.

By general consensus of the Council, the hangar lease and commercial applicator agreements will be updated in the future to address the storage of personal fuel tanks on airport property.

The quarterly Police Dept. report was reviewed.

Motion was made by Pinney, seconded by Gartner to authorize submitting a TransCanada grant application for the purchase of in dash car and body worn cameras. Motion carried.

The monthly Street Dept. report was reviewed.

PWD Reckling advised that concrete crushing will be reviewed again in the spring of 2019.

Motion was made by Gartner, seconded by Pinney to approve the surplus and disposal of the snow wing (included with the purchase of the 1998 IH truck in 2013). Motion carried.

The monthly Water Dept. report was reviewed. The water loss for the month of October 2018 was reported at 5.77%.

Council discussed establishing different water and sewer tapping fees for properties out of the city limits. Currently, the fees are the same for both in and out of city limit customers while the monthly minimum utility rates are doubled.

Following discussion, motion was made by Miller, seconded by Matt to increase the water and sewer tapping fees for out of city properties by two times the current rates established. The rates are as follows and reflect the in-city limit rates remaining the same as those adopted in January 2018. Motion carried with all members voting aye.

Water Tapping: In City

Tapping for a 1 inch Service Line:	\$125.00
Tapping for a 1 ¼ inch Service Line:	\$150.00
Tapping for a 1 ½ inch Service Line:	\$175.00
Tapping for a 2 inch Service Line:	\$22500
Tapping for Service Line larger than 2 in.:	\$250.00 plus any additional actual costs incurred by the City to complete the Service Line Tap

Water Tapping: Out of City Limits

Tapping for a 1 inch Service Line:	\$250.00
Tapping for a 1 ¼ inch Service Line:	\$300.00
Tapping for a 1 ½ inch Service Line:	\$350.00
Tapping for a 2 inch Service Line:	\$450.00
Tapping for Service Line larger than 2 in.:	\$500.00 plus any additional actual costs incurred by the City to complete the Service Line Tap

Sewer Tapping: In City

Tapping for any Sewer Service Line:	\$250.00
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Sewer Tapping: Out of City Limits

Tapping for any Sewer Service Line:	\$500.00
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Council reviewed correspondence from SD Water and Wastewater Agency Response Network (WARN) regarding a fundraiser to purchase new pumps and appurtenances. No action was taken.

Training/Travel:

Chief Butler will be attending the 2018 Law Enforcement Coordinating Committee meeting on Nov. 6th-7th in Sioux Falls.

Motion was made by Gartner, seconded by Pinney to approve Dec. 31st as holiday administrative leave per the Governor’s declaration (in addition to city approved holidays). Motion carried.

At 8:00 p.m., motion was made by Gartner, seconded by Pinney to enter into executive session per SDCL 1-25-2(3), legal matters. Attorney Trask and CA Smith were included in the session. Motion carried.

At 8:27 p.m., motion was made by Matt, seconded by Pinney to come out of executive session. Motion carried with the following action.

Motion was made by Matt, seconded by Gartner to surplus and sell the following vehicles at Black Hills Auto Auction in the near future: 1984 Datson 300; 1996 Ford Taurus; 2000 Ford Explorer XLT; 2006 Saab 95 Base; 2006 Chevy Avalanche; and, 2008 Dodge Avenger SE. Motion carried with all members voting aye.

Public Comments: None.

In Other Business:

The City has been awarded the 2018 Safety & Loss Control Award from the SDML Workers Compensation Fund.

Council reviewed a reminder from the SD Dept. of Transportation regarding election signs as they not allowed in the right of way.

City offices will be closed on Nov. 12th, 22nd & 23rd in observance of the legal holidays.

The year-end Council Meeting will be held on Dec. 27, 2018.

The next Regular Council Meeting will be held on Monday, Dec. 3rd 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 8:28 p.m.

/s/ Michael Vetter, Mayor

ATTEST:

/s/ Brittany Smith, City Administrator

(Published once on Nov. 15, 2018, at approximate cost of \$_____)