

## DELL RAPIDS CITY COUNCIL MINUTES

Monday, November 2, 2015 at 7:30

Mayor Fiegen called the Dell Rapids City Council meeting to order at 7:30 p.m. at the City Hall Council Chambers. The Roll was called finding the following members present: Mike Geraets, Mike Sterud, Mary Klockman, Mark Crisp, Tom Earley, Gary Haak and Dave Sommerfeld.

Absent: Lee Burggraff

Staff present: Administrator Justin Weiland, Finance Officer Claire Baartman, and City Attorney Dean Hammer

Pledge of Allegiance was recited.

**Approval of Agenda:** Haak motioned to approve the agenda, seconded by geraets. Motion carried.

**Approval of Minutes:** Crisp motioned to approve the minutes of the regular session on October 19, 2015, seconded by Haak. Motion carried. Alderman Earley pointed out it was he who attended the special meeting on October 26, 2015 rather than Miles. With the change, Earley motioned to approve the minutes of the special meeting held on October 26, 2015, seconded by Haak. Motion carried.

**Visitors to be Heard:** Mike Park approached the council with the concern of adding additional curb to and closing off the entry into T&C's when the State arrives to redo the street in 2017. Mr. Park is concerned if the entrance is too closed off large vehicles such as semis would not have the ability to get in or out of his parking lot and to the west most fuel pumps. In close, Mr. Park asked the Council to keep this in mind when working with the State and setting up the plans going into to project.

Motion by Earley to convene as the Board of Adjustment, seconded by Crips, motion carried.

### **Board of Adjustment – Public Hearing – Variance Request at 404 N Hwy 77 – Request for 18 Feet setback from front property line in lieu of 25 feet required per ordinance for a 7 feet setback – Dairy Queen.**

Dan Hiserote, owner of Dairy Queen has requested for an 18' setback from front property line on East side in Lieu of the 25' requirement. City Administrator Weiland, acting as Zoning Administrator has recommends support of the variance as the new building will be placed on the existing footprint.

Motion by Haak to approve the variance, seconded by Klockman. Motion carried.

Motion by Earley to adjourn as Board of Adjustment and re-convene as Regular Council, seconded by Sommerfeld. Motion carried.

### **Public Hearing – Resolution 2015-10: Establish Tax Increment Finance District Number Two – Quartzite Street**

Recommend the Council approve the adoption of Resolution 2015-10 establishing TIF District #2 in the City of Dell Rapids for the construction of Quartzite Street. The adoption of the district is the first step in setting up the TIF District. The Council will adopt a TIF Plan at a later date which will outline how the details of how the TIF funds will be expended. Sommerfeld motioned to approve Resolution 2015-10, seconded by Crisp. Motioned carried.

## **RESOLUTION 2015-10**

### **RESOLUTION PROVIDING FOR THE CREATION OF THE CITY OF DELL RAPIDS TAX INCREMENTAL DISTRICT NUMBER TWO**

WHEREAS, the Planning Commission has recommended the District Boundaries for the City of Dell Rapids Tax Incremental District Number Two, and has recommended its creation; and

WHEREAS, the City of Dell Rapids (the "City) has the powers, pursuant to SDCL 11-9-2, to create the City of Dell Rapids Tax Incremental District Number Two, and to define its boundaries.

NOW THEREFORE, IT IS HEREBY RESOLVED:

1. **Authority and Declaration of Necessity.** The City of Dell Rapids declares the necessity for the creation of the City of Dell Rapids Tax Incremental District Number Two (hereinafter sometimes referred to as the "District"), pursuant to SDCL Chapter 11-9. Further, the City finds that the improvement of the area within the District is likely to enhance significantly the value of substantially all of the other real property in the District and is necessary for economic development within the City by the construction of a new facility that will create new jobs.
2. **Findings.** The City Commission makes the following findings with regard to economic development:
  - a. More than 50% of the property in the District by area will stimulate and develop the general economic welfare and prosperity of the city;
  - b. Improvements to the District will significantly and substantially enhance the value of all property within the District;
  - c. The aggregate assessed value of the District plus the tax incremental base of all other existing Districts in the city does not exceed Ten (10%) percent of the total assessed valuation in the City;
  - d. Development of the District will enhance sales tax revenue.
  - e. Development of the District for economic development purposes will improve the quality of life for residents of the City by creating new jobs.
3. **Findings of Maximum Percentage of Tax Incremental Districts.** The aggregate assessed value of the taxable property in the District, plus all other tax incremental districts does not exceed Ten (10%) percent of the total assessed valuation of the City of Dell Rapids.
4. **Creation of District.** There is hereby created, pursuant to SDCL Chapter 11-9, the City of Dell Rapids Tax Incremental District Number Two. The District is hereby created on the day this Resolution becomes effective which shall be twenty (20) days after publication of this Resolution.

5. **Designation of District Boundaries.** The District shall be located with the northern, southern, western, and eastern boundaries of the following described real property:

Lot 1 and Quartzite Street as shown on the Plat of Lot 1 of Fiegen Development Park Addition to the City of Dell Rapids, Minnehaha County, South Dakota, and the South 40' of Tract 1 as shown on the Plat of Tract 1 of Lodmell's Subdivision of a part of Lot 9 of Kenefick's Subdivision of the E ½ of Section 16, Township 104 North, Range 49 West of the 5<sup>th</sup> P.M., Minnehaha County, South Dakota.

6. **Creation of Tax Incremental Fund.** There is hereby created, pursuant to SDCL 11-9-31, a City of Dell Rapids Tax Incremental District Number Two Fund, which shall be a segregated asset account. All tax increments collected pursuant to Tax Incremental District Number Two shall be deposited into the Tax Incremental District Number Two Fund. All funds in the Tax Incremental District Number Two Fund shall be used solely for those purposes expressly stated and reasonably inferred in SDCL Chapter 11-9.

Passed and approved this 2<sup>nd</sup> day of November, 2015.

**CITY OF DELL RAPIDS**

---

Scott Fiegen, Mayor

**ATTEST:**

---

Claire Baartman, Finance Officer

**Old Business**

**Waste Water Treatment Facility – Process Selection Update and Discussion.** Short discussion on timeline. The Council has been encouraged to meet with DGR one on one to ask any additional questions and to be prepared to make a decision on November 16<sup>th</sup>. No motions were made.

**New Business**

**Permission to Occupy Right of Way – Dairy Queen**

Recommend the Council review the site plan and make a motion to approve Dairy Queen's request to occupy the Right of Way with the placement of their sign. The sign will be placed on the site of the

existing sign. Motion by Klockman to allow Dairy Queen permission to occupy the City Right of Way, seconded by Sterud. Motion carried.

**Ordinance No. 824: 2015 Supplemental Budget – First Reading**

Recommend the Council approve the first reading of Ordinance No. 824 Supplemental Appropriation #2. Note: \$537,779.47 of street funds is due to the Garfield Bridge budgeted in 2014 and billed to City in 2015. \$487,000 of Library funds is due to the late receipt of the HUD grant.

**GENERAL FUND- 101**

4190	Street Department	\$ 270,000.00
4320	Rubble Site	\$ <u>1,000.00</u>
<b>Total Appropriations</b>		<b>\$ 271,000.00</b>

**Source of Revenue**

4150	Contingency Transfer	\$ 30,000.00
39140	Transfer In – General Fund Reserve	\$ <u>241,000.00</u>
<b>Total Revenue</b>		<b>\$ 271,000.00</b>

**LIBRARY BUILDING FUND – 501**

501	Library Building Fund	\$ <u>594,513.00</u>
<b>Total Appropriations</b>		<b>\$ 594,513.00</b>

**Source of Revenue**

36200	Miscellaneous Grants	\$ 501,863.00
39110	Transfer from General Fund	\$ 27,020.82
36700	Contributions/Donations	\$ 12,600.00
39101	Transfer From Fund Reserve	\$ <u>53,030.00</u>
<b>Total Revenue</b>		<b>\$ 594,513.00</b>

Earley moved to approve the first reading of Ordinance No. 824, seconded by Sommerfeld. Motion carried.

**Account Funds Transfers - \$98,500 from Liquor Fund to General Funds; \$95,000 from General Fund to Wastewater Fund**

Per the 2015 budget \$98,500 is to be transferred from the Liquor fund to the General Fund with revenue generated from the 10% additional tax on liquor sales within City Limits. The budget also reflects \$95,000 from the General Fund to the Wastewater Fund for the payments associated with the SE Sewer Extension project. Sommerfeld moved to approve both transfers, seconded by Klockman. Motion carried.

**Water/sewer bills – Property Owner/Tenant - Discussion**

The Council discussed current Ordinance #688. At the October 19, 2015 meeting Alderman Burggraff brought forth a concern over water/sewer utility billing/shutoff timeline and who should be responsible for unpaid usage. It was decided to leave the liability of payment on current property owners but add a possible deposit rate increase to the November 16 Council meeting agenda. No motion was made.

### Declare Surplus Items and Vehicle

Crisp moved to approve declaration of surplus of the ¾ ton, 2002, 4 wheel drive, Chevrolet pickup, seconded by Haak. Motion carried.

Earley moved to approve declaration of surplus of the old shelving units from the Library that are no longer in use, seconded by Klockman. Motion carried.

### SDML Workers Compensation Renewal

Recommend the Council approve the SDML Workers Compensation and Employee's Liability Coverage Policy Renewal for 2016 in the amount of \$13,061. Motion by Crisp, seconded by Haak. Motion carried.

### Claims Payable

Sommerfeld moved to approve the claims as presented, seconded by Haak. Motion carried.

VENDOR NAME	DESCRIPTION	FUND	AMOUNT
A-OX WELDING SUPPLY COMPANY, INC	OCT CYL RENT / HAZ MATERIA	GENERAL FUND	46.40
BEAL DISTRIBUTING, INC	OCTOBER MALT	LIQUOR FUND	34,598.63
BIERSCHBACH EQUIPMENT & SUPPLY	STREET SWEEPER SUPPLIES	GENERAL FUND	457.00
BORNS GROUP	SPECIAL MAILING - WATER TE	WATER FUND	450.70
	SPECIAL MAILING - WATER TE	WASTEWATER FUND	450.64
CITY OF DELL RAPIDS	WATER BILL/USAGE	GENERAL FUND	318.40
CREATIVE FORMS & CONCEPTS	CREATIVE FORMS & CONCEPTS	GENERAL FUND	202.56
DAKOTA BEVERAGE CO, INC.	OCTOBER MALT	LIQUOR FUND	26,617.42
DELLS ELECTRIC, INC	STREET SUPPLIES	GENERAL FUND	361.42
DELTA DENTAL	PAYROLL DEDUCTION	GENERAL FUND	419.50
	DENTAL INS	WATER FUND	115.00
	PAYROLL DEDUCTION	WASTEWATER FUND	115.00
DOUBLE H PAVING	IOWA AVENUE REPAIR	GENERAL FUND	110,398.33
EFTPS	FEDERAL WITHHOLDING	GENERAL FUND	3,526.76
	FEDERAL WITHHOLDING	WATER FUND	1,040.40
	FEDERAL WITHHOLDING	WASTEWATER FUND	982.30
ELECTRIC SUPPLY COMPANY	FIRE DEPARTMENT EXPENSE	GENERAL FUND	396.26
	POSTAGE/TRAVEL		
FIRST BANK CARD	TRAINING/ETC.	GENERAL FUND	2,717.22
	OFFICE SUPPLIES	WATER FUND	23.63
	OFFICE SUPPLIES	WASTEWATER FUND	23.62
GARBAGE N MORE	NOVEMBER GARBAGE BILL	GENERAL FUND	75.00
GEOTEK ENGINEERING & TESTING SERVICES,	GEOTEK ENGINEERING & TESTI	WATER FUND	235.75
	GEOTEK ENGINEERING & TESTI	WASTEWATER FUND	235.75
GLOBAL DISTRIBUTING	OCTOBER MALT	LIQUOR FUND	286.43
GOLDEN WEST TELECOMMUNICATIONS	OCT PHONE BILL	GENERAL FUND	434.14
	OCT PHONE BILL	WATER FUND	173.45
	OCT PHONE BILL	WASTEWATER FUND	214.22
GRUIS, KARLA	CLEAN LIBRARY ABD CH	GENERAL FUND	640.00
ICAP, INC	ICAP	GENERAL FUND	3,209.49
INTERSTATE POWER SYSTEMS	SEWER REPAIR AND MAINT.	WASTEWATER FUND	363.00

JOHNSON BROTHERS FAMOUS BRANDS INC	OCTOBER LIQUOR	LIQUOR FUND	8,375.14
LACEY'S PORTABLE RESTROOMS & ROLL OFFS	PORTABLE RESTROOMS	GENERAL FUND	500.00
LG EVERIST, INC	STREET SUPPLIES	GENERAL FUND	418.70
MIDAMERICAN ENERGY COMPANY	OCTOBER UTILILITY	GENERAL FUND	42.63
	OCTOBER UTILILITY	WATER FUND	4.50
	OCTOBER UTILILITY	WASTEWATER FUND	4.50
MINNEHAHA COMMUNITY WATER, CORP	OCTOBER WATER 7,128 @1.46/1000	WATER FUND	10,406.88
NEOFUNDS BY NEOPOST	POSTAGE	GENERAL FUND	200.00
ONE TIME VENDOR FROST, APRIL	WATER DEPOSIT REFUND	WATER FUND	1.16
NORTH CENTRAL INT'L, INC	STREET SUPPLIES	GENERAL FUND	174.17
REPUBLIC NATIONAL DISTRIBUTING CO	OCTOBER LIQUOR	LIQUOR FUND	14,360.18
SD STATE TREASURER, DEPT OF REVENUE	TAX	GENERAL FUND	173.62
SD UNEMPLOYMENT INSURANCE DIVISION	QTR 3 UNEMPLOYMENT INSURAN	GENERAL FUND	57.05
SDRS SUPPLEMENTAL RETIREMENT PLAN	ROTH RETIREMENT	GENERAL FUND	145.00
	ROTH RETIREMENT	WATER FUND	25.00
	ROTH RETIREMENT	WASTEWATER FUND	25.00
SOUTH DAKOTA RETIREMENT SYSTEM	RETIREMENT	GENERAL FUND	3,327.44
	RETIREMENT	WATER FUND	1,007.49
	RETIREMENT	WASTEWATER FUND	981.45
STRAWBALE WINERY	OCTOBER WINE	LIQUOR FUND	138.00
VANTEK	STREET REPAIR	GENERAL FUND	58.65
XCEL ENERGY	UTILITY	GENERAL FUND	2,084.01
	UTILITY	WATER FUND	752.84
	UTILITY	WASTEWATER FUND	585.99
**PAYROLL EXPENSES	10/01/2015 - 10/30/2015	GENERAL FUND	31,253.53
		WATER FUND	8,395.68
		WASTEWATER FUND	8,178.72

### Administrator Report:

**Water Quality Report Update-** The City is in the clear following the failing coliform bacteria tests. Following flushing of the lines around Northview Drive additional testing was conducted. Two rounds of additional testing were concluded negative.

**Dell Rapids Transit – Medicaid Transport Available November 2<sup>nd</sup>**- The Dell Rapids Transit has been approved as a Medicaid reimbursable Transit. This is for any ride from an individual's (Medicaid eligible) dwelling to any medical provider and back to their home. This includes trips to Sioux Falls medical facilities.

**Midwest Fresh Produce/Fiegen Development Park Ground Breaking - Minnehaha** County Economic Development Director, Nick Fosheim, is working with the Governor's Office to set up a ground breaking ceremony for the new Development Park and Midwest Fresh Logistics project. The dates had not yet been set at the time of the meeting, however, it will take place on Wednesday November 11.

**Additional Note:** The bleachers at Rickeman Field have been constructed the press box and electrical are the next items on the list to finish the project.

Haak motioned to enter into Executive Session at 8:43, seconded by Earley. Motion carried.

Haak motioned to exit Executive Session at 9:27, seconded by Geraets. Motion carried.

No motions as a result of Executive Session.

Motion to adjourn at 9:27 by Sommerfeld, second by Haak. Motion carried.