

Minutes for September 11, 2017 City Council Meeting

The meeting of the Eureka City Council was called to order on September 11, 2017, at 7:00 p.m. by Mayor Miller in the council room of the Municipal Building with the following present: Mayor Miller, Council members: Delzer, Duquette, Eberhart, Flemmer, Heilman, Schwingler; and Finance Officer Frerk, and City Attorney, Marshall Lovrien.

Others: Steve Aldinger, Kyle Hemeyer, Polly Gab, Steve Brush, Kelly Fargher, Paulette Bauer, and Duane Jenkins.

Changes/additions: A/C unit City building.

Motion by Eberhart, seconded by Heilman to approve the agenda. All voted aye. Motion carried.

John Nelson gave his oath as Librarian.

Glen Olene gave his oath as Assistant Public Works Director.

Citizen Open Forum: Duane Jenkins was present to discuss a water issue and bills with the Council. The City Attorney recommended that the Council discuss in executive session.

Steve Brush with Ferguson Waterworks was present to discuss the program options for replacing water meters in the City when they are needing to be repaired. The meters have full warranty through Neptune during their first ten years of life with no cost to the City; however, once they move into the second ten years of life, there is a prorated cost to the City to replace. As the meter ages the prorated cost increases. Replacing the meters based on their age with the prorated cost is the first program option for the City. The second program option is to replace the meters through the upgrade program. With this option the City pays for a new unit with full warranty at a higher cost. The current price per unit is \$120.00 with full warranty and meter life at year 0 again. Essentially, the two options are the same product with warranty differences.

Motion by Schwingler, seconded by Heilman to use the upgrade replacement program when replacing water meters that need to be repaired. Roll call vote taken. Delzer-yes, Duquette-yes, Eberhart-yes, Flemmer-yes, Heilman-yes, Schwingler-yes. All voted aye. Motion carried.

Steve Aldinger with Interstate Engineering was present to give the Council an update on the airport's taxilane project. He stated they are almost done and have to do the center line stripe yet. He said the project should be under budget and he should have the project's close out report at the next Council meeting.

Motion by Eberhart, seconded by Delzer to approve the airport reimbursement request for Lien Transportation in the amount of \$74,094.66. All voted aye. Motion carried.

Aldinger also updated the Council on the airport's capital improvement plan. The airport board met earlier this evening to discuss it. It was recommended that crack sealing and the beacon pole be requested as 2018 projects. The pre-application for the 2018 projects to the FAA is due at the end of September.

Mayor Miller stated emergency action should be declared due to the required deadline.

Motion by Delzer, seconded by Flemmer for action to be taken on the airport's capital improvement plan pre-application. Roll call vote taken. Delzer-yes, Duquette-yes, Eberhart-yes, Flemmer-yes, Heilman-yes, Schwingler-yes. All voted aye. Motion carried.

Motion by Heilman, seconded by Schwingler to submit crack sealing and the beacon pole as 2018 projects to the aeronautics commission. Roll call vote taken. Delzer-yes, Duquette-yes, Eberhart-yes, Flemmer-yes, Heilman-yes, Schwingler-yes. All voted aye. Motion carried.

Aldinger also informed the Council on crosswind runway cones that the State may be funding 100%. He stated they are safer, look nice, and are easier for maintenance. The Council stated they are interested and requested Aldinger check on it with the State.

Motion by Flemmer, seconded by Eberhart to approve the airport reimbursement request for Interstate Engineering in the amount of \$14,449.43. All voted aye. Motion carried.

In addition, Aldinger informed the Council on what he has found out on the shooting range. Aldinger checked with the FAA on whether the shooting range land was purchased with federal funding; therefore, it would be federally obligated and the City would need the FAA's approval before selling the shooting range property. According to Aldinger, it does not appear the land was purchased with federal funding, but there is an easement in 1988 that Aldinger is checking with the FAA on to see if that still makes the land federally obligated. Therefore, since the land wasn't bought with federal money the City should be able to sell the land, but Aldinger is still waiting to hear back from the FAA if there is still an approval process the City would need to follow.

Motion by Flemmer, seconded by Delzer to approve the temporary malt beverage license for the Eureka Fire Department's Hunter's Steak Fry on October 21. All voted aye. Motion carried.

Motion by Eberhart, seconded by Flemmer to go into executive session for personnel matters at 7:43 p.m. All voted aye. Motion carried.

Assistant Finance Officer, Paulette Bauer, and Finance Officer, Nicole Frerk, were asked to stay in executive session.

Motion by Heilman, seconded by Delzer to come out of executive session at 8:12 p.m. All voted aye. Motion carried.

Motion by Schwingler, seconded by Delzer to pay Paulette Bauer Nicole Frerk's wage rate during Nicole's maternity leave and when training Paulette on Finance Officer duties. All voted aye. Motion carried.

The special meeting minutes from August 22, 2017, stated ...if apartments are not filled and the service is not being used than they should not have to pay. The minutes should have stated ...if apartments are not filled and the service is not being used then they should not have to pay.

Motion by Heilman, seconded by Schwingler to approve the August 14, 2017, city council meeting minutes, and the August 22, 2017, special city council meeting minutes. All voted aye. Motion carried.

The bill for Jeremy Eberhart and Helms and Associates were discussed.

Motion by Eberhart, seconded by Flemmer to approve the bills as presented. All voted aye. Motion carried.

Bills for September 11, 2017: Fischer's Plumbing & Heating, park bathroom \$46.00; Jeremy Eberhart, airport-lift use/mileage \$136.00; Art's Body Shop, code enforcement-towing \$325.00; Northwest Blade, publishing/advertising/supplies \$437.83; SD Dept of Transportation, annual permit renewal fee \$16.00; Valleytel, utilities \$389.96; Helms and Associates, engineering-9th Street project \$1,825.75; Kary's, gas/tire repair \$148.37; The Stop, gas/supplies \$64.59; SD Assoc. of Rural Water Systems, annual dues \$460.00; Bank of America, library books \$216.75; Heartland Waste, sanitation fees \$5,863.60; Glen Olene, certification-mileage reimbursement \$171.36; Consumer Reports, library magazine subscription \$29.00; Dept of Revenue, public health laboratory \$349.00; Northern Plains, diesel fuel/prepay propane \$4,040.52; Lakeside Lumber, supplies \$24.99; Eureka Manufacturing, payloader repairs \$555.40; Cahill Bauer and Associates, audit services 2016 \$5,825.00; Bantz, Gosch & Cremer, attorney fees \$2,856.97; Hawkins, supplies \$417.90; MTI Distributing, park repairs \$224.07; A&B Business, supplies/copier contract \$129.98; Quality Quick Print, recognition items Boy Scouts/librarian \$114.00; Sanitation Products, supplies \$474.39; Ferguson Waterworks, 6" meter/flange \$5,916.89; USA Blue Book, supplies \$385.37; Ken's, supplies \$7.08; Wellmark, health insurance \$2,815.81; Guardian, dental/vision insurance \$374.66; SD Retirement, retirement \$1,431.32; Glen Olene, certification-meal reimbursement \$81.00; Water System Drilling Inc., artesian well project \$28,117.50; DENR, certification exam fee \$10.00; Great Plains Bank, payroll taxes \$3,309.12; Great Plains Bank, utilities \$15.45; Premier Equipment, supplies \$194.62; WEB, water \$9,398.98; FEM Electric, utilities \$405.40; SD Dept of Revenue, drivers licensing \$229.00; MDU, utilities \$5,689.27; Tasha Imberi, customer deposit refund \$75.00; William & Susan Hudson, customer deposit refund \$75.00; Shirlee Hall, customer deposit refund \$75.00; Engineering America, tank inspection/sediment cleaning \$2,485.00; Olson Consulting, code enforcement \$532.00; Servall, cleaning supplies \$222.51; Hawkins, chlorine cylinders on hand \$10.00; Postmaster, stamps \$98.00; McPherson Co. Auditor, police contract \$3,500.00; Rural Development, water project/loan \$1,694.00; SD State Treasurer, sales tax \$554.81.

There was discussion on the WEB Water account in the expenditure report. Motion by Duquette, seconded by Eberhart to approve the financials. All voted aye. Motion carried.

Motion by Eberhart, seconded by Delzer to approve the building permits. All voted aye. Motion carried.

Motion by Flemmer, seconded by Schwingler to approve the payroll report. All voted aye. Motion carried.

The Council reviewed the police report. Deputy Ted Smith was gone. Motion by Schwingler, seconded by Heilman to approve the police report. All voted aye. Motion carried.

Kyle Hemeyer gave the Public Works Director report.

Council member Flemmer updated the Council on the east lake boat dock. Next week Monday they will be coming to place the new one in and it should take a day. Flemmer has been working with the Mayor and Kyle and the City maintenance workers will take the old one out by this Friday.

Motion by Schwingler, seconded by Eberhart to approve Kyle Hemeyer attend the Mosquito Control and West Nile Conference in Aberdeen on October 11. All voted aye. Motion carried.

Motion by Eberhart, seconded by Duquette to move forward with Mike Olson's recommended abatement proceedings for the property at 716 10th St. All voted aye. Motion carried.

Motion by Schwingler, seconded by Delzer to approve the second reading of Ordinance 13.04.080 – Cut Offs. All voted aye. Motion carried.

ORDINANCE 13.4.080

BE IT ORDAINED BY THE MUNICIPALITY OF EUREKA, McPHERSON COUNTY,
SOUTH DAKOTA,

13.4.80 Cut offs.

All stop boxes and cut offs for controlling the supply of water to consumers shall be placed approximately six feet from the property line nearest to the main, where the tap is to be made with the top of the stop box even with the grade of sidewalk or parking. However, this rule shall not apply where the water supply is controlled by a valve in the street which must be manholed. All such cut offs are under the control of the city. The user or owner of the premises supplied with water shall be responsible for any damage to the curb box. When the water superintendent becomes aware, whether as a result of termination of service due to nonpayment of bill or as a result of a request by a property owner for discontinuance of service, that a curb box has become inoperative and service of water to the property may not be terminated, the water superintendent shall give such property owner notice in writing of the fact that such curb box is inoperative and such property owner shall, at his, her or its expense, have such inoperative curb box replaced with a new curb box within a period of ninety (90) days. If such notice is presented to such property owner after October 1st the property owner shall have until May 1st to replace the inoperative curb box. In the event the property owner fails to replace the inoperative curb box within the specified time period the city will contract for the replacement of the curb box and the costs shall be assessed against the real property and the city will utilize any means available for collection of the costs.

Dated this 11th day of September, 2017.

Lloyd Miller, Mayor

ATTEST:

Nicole Frerk — Finance Officer

First Reading: August 14, 2017

Second Reading: September 11, 2017

Published: September 28, 2017

Effective: October 19, 2017

Motion by Heilman, seconded by Delzer to approve the second reading of Ordinance 15.16.070 – Permit Required to Remove Building. All voted aye. Motion carried.

ORDINANCE 15.16.070

BE IT ORDAINED BY THE MUNICIPALITY OF EUREKA, McPHERSON COUNTY,
SOUTH DAKOTA,

15.16.70 Permit required to remove building.

A. Prior to removing a building, a permit must first be approved by the city council. The permit application shall include all provisions of Section 12.12.030 of this code. Prior to approval by the council the applicant must: (1) Provide proof of payment of all real estate taxes, including such real estate taxes accrued, but not yet due, to the date of removal of such building; and (2) Provide proof of liability insurance in an amount of not less than one hundred thousand (\$100,000) dollars for residential property and not less than one million (\$1,000,000) dollars for commercial property.

B. The permit application shall be accompanied by a permit fee in the amount of five dollars (\$5.00).

Dated this 11th day of September, 2017.

Lloyd Miller, Mayor

ATTEST:

Nicole Frerk — Finance Officer

First Reading: August 22, 2017

Second Reading: September 11, 2017

Published: September 28, 2017

Effective: October 19, 2017

Motion by Duquette, seconded by Flemmer to revise the 2018 budget and move the originally allocated \$12,500.00 from Hospitals-debt retirement and allocate the \$12,500.00 to Water Distribution. Roll call vote taken. Delzer-yes, Duquette-yes, Eberhart-yes, Flemmer-yes, Heilman-yes, Schwingler-yes. All voted aye. Motion carried.

Motion by Schwingler, seconded by Heilman to approve the second reading of the 2018 budget and Appropriation Ordinance 2017O-1. Roll call vote taken. Delzer-yes, Duquette-yes, Eberhart-yes, Flemmer-yes, Heilman-yes, Schwingler-yes. All voted aye. Motion carried.

**ORDINANCE 2017O-1
2018 BUDGET APPROPRIATION ORDINANCE**

Part I: Be it ordained by the City of Eureka, SD that the following sums are appropriated to meet the obligations of the City of Eureka.

	GENERAL <u>FUND</u>	DEBT SERVICE <u>FUND</u>	CAPITAL PROJECTS <u>FUND</u>
<u>Governmental Funds</u>			
410 General Government			
410 Contingency	\$ 50,776.25		
411 Ordinance and Publication	\$ 3,500.00		
412 Mayor and Council	\$ 23,100.00		
413 Elections	\$ 1,250.00		
414 Attorney	\$ 12,000.00		
415 Finance Officer	\$ 132,600.00		
416 General Government Buildings	\$ 81,500.00		
417 General Government Insurance	\$ 6,600.00		
418 Advertising	<u>\$ 1,500.00</u>		
Total General Government	\$ 312,826.25		
420 Public Safety			
421 Police	\$ 50,500.00		
422 Fire Department - Fire Hall	\$ 2,000.00		
429 Other	<u>\$ 1,000.00</u>		
Total Public Safety	\$ 53,500.00		
430 Public Works			
431 Highways and Streets	\$ 330,600.00		
432 Street Lights	\$ 40,000.00		

432 Sanitation/Rubble	\$ 82,500.00
433 Snow Removal	\$ 25,300.00
435 Airport	<u>\$ 15,150.00</u>
Total Public Works	\$ 493,550.00
440 Health and Welfare	
441 West Nile	\$ 2,225.00
447 Hospitals-debt retirement	<u>\$ -</u>
Total Health and Welfare	\$ 2,225.00
450 Culture and Recreation	
451 Senior Center	\$ 1,500.00
451 Bus	\$ 2,500.00
452 Parks	\$ 97,700.00
455 Library	\$ 15,800.00
458 Museum	<u>\$ 5,000.00</u>
Total Culture and Recreation	\$ 122,500.00
4650 Economic Development	\$ -
4653 Promoting the City	\$ 81,700.00
4653 Avera Health Care	<u>\$ -</u>
	<u>\$ 81,700.00</u>
4700 Debt Service	
Total 2018 Appropriations	\$ 1,066,301.25

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

	GENERAL	DEBT SERVICE	CAPITAL PROJECTS
	<u>FUND</u>	<u>FUND</u>	<u>FUND</u>
<u>Governmental Funds</u>			
Unobligated Cash	\$ 311,482.91		
310 Taxes	\$ 254,700.00		
General Tax Levy	\$ 315,928.34		
320 Licenses and Permits	\$ 5,790.00		
330 Intergovernmental Revenue	\$ 68,500.00		
340 Charges for Goods and Services	\$ 5,850.00		
360 Miscellaneous Revenue	\$ 16,050.00		

380 Sanitation/Rubble	\$ 88,000.00
391 Other sources - Federal FAA Funds	\$ -
391 Other Sources - State Share FAA Funds	\$ -
Transfer from General to Capital Projects Fund	\$ _____ -
Total Means of Finance	\$ 1,066,301.25

Proprietary Funds

602 Water

Source	\$ 24,000.00
Power	\$ 12,000.00
Purification	\$ 4,500.00
Distribution	\$ 222,500.00
Administration	\$ 107,850.00
Water Revenue Bonds	\$ <u>4,000.00</u>
Total Water	\$ 374,850.00

604 Sewer & Federal Funding **\$ 180,200.00**

Total Water and Sewer **\$ 555,050.00**

Total Proprietary Means of Finance

	Water	Sewer	Sanitation
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
Beginning Retained Earnings	\$ 1,734,732.17	\$ 1,716,442.14	
Estimated Revenue	\$ 188,850.00	161,300.00	
Total Available	\$ 1,923,582.17	\$ 1,877,742.14	
Less Appropriations (Expenses)	\$ 374,850.00	180,200.00	
Transfer In	\$ -	\$ -	
Estimated Surplus	\$ 1,548,732.17	\$ 1,697,542.14	
Less Estimated Surplus Retained	\$ 1,548,732.17	\$ 1,697,542.14	
Estimated Surplus to be transferred to Governmental Funds	\$ -	\$ -	

The Finance Officer is directed to certify the following dollar amount of tax levies made in this ordinance to the McPherson County Auditor.

County Auditor says that our growth is 4.15%. This amounts to \$12,468.88.

The taxes levied for this current year are \$300,454.91; therefore, our maximum tax request for 2018 is \$315,928.34.

Dated this 11th day of September 2017

First Reading: August 22, 2017

Second Reading: September 11, 2017

Published: September 28, 2017

Effective Date: October 19, 2017

Lloyd Miller - Mayor

ATTEST: Nicole Frerk, Finance Officer

Motion by Delzer, seconded by Schwingler to approve Kyle Hemeyer attend the Annual Conference in Sioux Falls on October 3-6. All voted aye. Motion carried.

Motion by Flemmer, seconded by Heilman to change the date of October's regular Council meeting to October 16 at 7:00 p.m. All voted aye. Motion carried.

The Council reviewed the letter received from the Department of Legislative Audit that they reviewed and accepted the audit report for the City of Eureka for the year ended December 31, 2016.

Motion by Delzer, seconded by Schwingler to run the advertisement for the City of Eureka in the Glacial Lakes & Prairies Tourism 2018 Regional Guide. All voted aye. Motion carried.

Motion by Eberhart, seconded by Heilman to accept the resignations from Elizabeth Jundt as Custodian/Building Cleaning Maintenance, and John Jundt in the part time rubble site position. All voted aye. Motion carried.

Motion by Flemmer, seconded by Eberhart to end the rubble site Saturday hours for the season as of September 24. All voted aye. Motion carried.

Motion by Flemmer, seconded by Delzer to advertise for the Custodian/Building Cleaning Maintenance position with a maximum 10-15 hours per week, pay based upon experience, and position open until filled. All voted aye. Motion carried.

Mayor Miller will be riding the Chamber float that Jim Schumacher made in the Schmeckfest parade.

Kyle Hemeyer will pull the float with one of the City trucks.

Motion by Duquette, seconded by Eberhart to authorize the personnel board to make an emergency purchase without advertising of an air conditioning unit for the City building. The Council finds that, because of the failure of the air conditioning unit on September 11, 2017, there exists a threat to public health, welfare, or safety or for other urgent and compelling reasons, warranting the emergency purchase of an air conditioning unit.

It is further resolved that the personnel board has a maximum budget of \$6,000.00 for the purchase of the air conditioning unit and installation. All bids for the air conditioning unit and installation shall be submitted to the City Finance Office by 3:00 p.m. on Tuesday, September 12, 2017. Roll call vote taken. Schwingler-yes, Heilman-yes, Flemmer-yes, Eberhart-yes, Duquette-yes, Delzer-yes. All voted aye. Motion carried.

Council member Eberhart was approached by Tim Jundt with a bill for mowing a property in town twice. The City was not notified of the grass violations; therefore, the process and procedure with Mike Olson, Code Enforcer, was not completed. Tim will need to work directly with the property owner regarding the invoice for mowing the property.

Motion by Eberhart, seconded by Flemmer to go into executive session for litigation at 9:29 p.m. All voted aye. Motion carried.

Motion by Heilman, seconded by Delzer to come out of executive session at 9:55 p.m. All voted aye. Motion carried.

No action taken.

Motion by Flemmer, seconded by Duquette to adjourn the meeting at 9:58 p.m. All voted aye. Motion carried.

Mayor Lloyd Miller

Nicole Frerk, Finance Officer