

Minutes for July 17, 2018 Special City Council Meeting

The special meeting of the Eureka City Council was called to order on July 17, 2018, at 5:30 p.m. by Mayor Miller in the council room of the Municipal Building with the following present: Mayor Miller, Council members: Flemmer, Yarr, Schwingler, Woehlhaff, Heilman. Eberhart absent. City attorney, Marshall Lovrien, and Finance Officer Frerk.

Others: Arlo Bertsch, Kelly Fargher, Paulette Bauer, and Glen Olene.

Changes/additions: none.

Motion by Schwingler, seconded by Woehlhaff to approve the agenda. All voted aye. Motion carried.

The Youth Golf program is asking the Council for financial support in the amount of \$2,000.00. Kelly Fargher was present to represent the program. They are planning to use the funds to pay for Bruce Alexander's coaching; for equipment, such as, shag bags and nets; and to hold fundraisers. Motion by Woehlhaff, seconded by Schwingler to approve a financial contribution of \$2,000.00 to the Youth Golf program. Roll call vote taken. Flemmer-no, Yarr-yes, Schwingler-yes, Woehlhaff-yes, Heilman-abstained. 3-1 motion carried.

Motion by Schwingler, seconded by Yarr to approve the Youth Golf program to have a fundraiser at the Eureka Golf Course on August 10. All voted aye. Motion carried.

Public Works Director, Glen Olene, reported to the Council that the pumps at the lift stations need to be looked at. Dakota Pump & Control will be out at the end of this week for repairs and will also inspect all three lift stations. The estimated cost is between \$1,500.00-2,000.00. Motion by Heilman, seconded by Woehlhaff to approve Dakota Pump & Control come for repairs and inspections. Tabled the inspection contract with Dakota Pump & Control for the lift stations until the 2019 budget discussion.

There still continues to be illegal dumping at the rubble site. Glen recommends the City put a camera out there. Motion by Schwingler, seconded by Yarr to approve the purchase of a camera for the rubble site. All voted aye. Motion carried.

Glen reported to the Council that every three miles the City's dump truck dies. Glen has done maintenance on everything he can think of and the fuel continues to get sucked right out of the filters. Glen has contacted Crawford's as well. We are thinking it could be the fuel pump. The Council instructed Glen to contact Ron's Service Center and see what Ron recommends.

Finance Officer Frerk solicited six local contractors who are located in Eureka to inform them of the City buildings' roofs that the Council would like repaired which received hail damage from the storm in May. Tabled the review of the estimates until August's council meeting.

City attorney, Marshall Lovrien, informed the Council that the Housing and Redevelopment Commission (HRC) is a public entity and since their buildings' hail damage claim is in excess of \$50,000.00 the general rule is that they would be subject to competitive bidding requirements. He said the Legislature gives cities their power and authority. It also allows cities to come up with HRCs. Statute states that HRCs are a public entity; therefore, are subject to competitive bidding requirements. Marshall referred to subsection 53 that states there are exemptions to competitive bidding requirements for HRCs. However,

Marshall stated these don't apply in this situation because this is not new construction or development of a HRC. Since this is a repair project it should be subject to competitive bidding requirements. Marshall is unsure, however, if the HRC answers to the City Council. The City Council appoints and removes the HRC board members, but Marshall is unsure whether the HRC needs the City's blessing or not to proceed with the project. The HRC is its own entity; however, it does have ties to the City Council. Therefore, unfortunately, this is a gray area. Marshall has discussed this situation with the SD Municipal League and Rod Fortin with the SD Department of Legislative Audit. Arlo Bertsch, Chairman of the HRC board, was present and stated that he contacted the three main local contractors and two out of town contractors regarding the HRC buildings and they were all given the insurance information on the roofs' damages. He said two of the three local contractors said they were too busy this year so the committee decided to hire the local contractor who was available. Marshall's recommendation to the City Council is to recommend to the HRC board that they competitively bid out the project.

Be it resolved, the Eureka City Council recommends that the Housing and Redevelopment Commission follow the competitive bidding requirements for their roofing repairs project. Motion by Yarr, seconded by Heilman. Roll call vote taken. Flemmer-yes, Yarr-yes, Schwingler-no, Woehlhaff-abstained, Heilman-yes. 3-1 motion carried.

Motion by Schwingler, seconded by Woehlhaff to go into executive session for possible litigation at 6:26 p.m. All voted aye. Motion carried. Finance Officer, Nicole Frerk, and Public Works Director, Glen Olene, were asked to stay in executive session.

Motion by Flemmer, seconded by Yarr to come out of executive session at 7:07 p.m. All voted aye. Motion carried.

No action taken.

Motion by Heilman, seconded by Schwingler to adjourn the meeting at 7:07 p.m. All voted aye. Motion carried.

Mayor Lloyd Miller

Nicole Frerk, Finance Officer