

MINUTES OF THE REGULAR MEETING OF THE SALEM CITY COUNCIL HELD IN THE COUNCIL ROOM OF CITY HALL IN SALEM SOUTH DAKOTA ON MONDAY, DECEMBER 9, 2013 AT 6:00 P.M.

Mayor Robin Rayman called the meeting to order with Council Members George Eichacker, Laura Gessner, Ben Johnson, Ron Mayrose, Doug Mokros and Robin Westhoff present. Foreman William Selland, Jessica Mulvihill, Lori Smart, Nathan Olinger and Paul Eich were also present.

Motion Gessner, second Mokros, carried, to approve the minutes of November 4, 2013 as written.

Motion Mokros, second Johnson, carried, to approve the following reports: the Finance report stating a balance of \$2,200,687.12 for all funds and includes all investments and cash on hand; sewer pumpage of 4,310,000 gallons; water pumpage of 2,227,038 gallons; and the bacteriology and fluoride reports are satisfactory.

Motion Mayrose, second Mokros, carried, to approve the monthly police report from the McCook County Sheriff Dept.

Motion Mokros, second Eichacker, carried, to approve the Foreman report presented by Foreman Selland. The following items were discussed:

- Quotes from Dakota Pump & Control for repairing the one lagoon pump (currently not working) and replacing both lagoon pumps and upgrading the controls. The pumps and controls were replaced in 1988 when the new cell was added at the lagoons. Both pumps have been rebuilt once, and problems with the controls are and will be an on-going issue. Cost for repair of one pump is \$6,750.00; cost to replace both pumps and upgrade the control panel is \$33,960.00.
- Purchase of a 14' reversible one-way plow for the loader from KAGE Innovations LLC - \$13,600.00 plus shipping of \$764.84.
- Sweeper for the skid – 72" hopper broom \$4,725.00; angle broom \$5,825.00. Would save on the wear and tear on the sidewalks, but can only use when there is 3" or less of snow.
- Pool winterization: pool has been cleaned out filled with water but a valve was bad so water filled the basement – waiting on a new valve.
- The white snow truck is broke down – repairs are still to be determined.

Motion Mokros, second Mayrose, carried, to purchase new pumps and controls as quoted on the Dakota Pump & Control Inc. quote #4108 dated November 15, 2013 at the cost of \$33,960.00.

Motion Mayrose, second Mokros, carried, to purchase the 14' reversible one-way plow for the loader from Kage Innovation LLC for a cost of \$14,364.84.

Projects:

Main Street Lighting Project: Delivery date for the poles and lights is December 10th; Pulse Electric will install when weather allows. There is an issue with the location of one pole on the NE intersection of Norton/Main. The cement pad is too close to the adjacent steps. This issue will be reviewed with the engineer.

Pool Fundraising: The total raised as of November 24, 2013 is \$64,955.18.

Committee reports were given.

Motion Eichacker, second Mayrose, carried, to approve the following claims:

PAYROLL: FINANCE OFFICE \$3701.55; CITY HALL \$25.70; STREETS \$1562.14; RESTRICTED-USE SITE \$350.48; PARKS \$1548.18; ARMORY \$1375.42; SNOW \$298.58; WATER \$2854.65; SEWER \$1387.53; PAYROLL TAXES \$956.70; CITY SHARE: HEALTH \$1839.48; DENTAL \$94.78; AFLAC \$95.28; LIFE 43.80; RETIREMENT \$766.93.

| VENDOR NAME | INVOICE DESCRIPTION | AMOUNT |
|------------------------------|--------------------------------------|---------------|
| STATE TREASURER | SALES TAX COLLECTED NOV 2013 | 489.61 |
| US POSTMASTER | POSTAGE - WATER BILLINGS | 230.00 |
| VERIZON WIRELESS | UTILITIES | 139.51 |
| A & B BUSINESS EQUIPMENT INC | FINANCE OFFICE - SUPPLIES | 328.57 |
| AMERIPRIDE SERVICES INC | RUG SERVICE: CHALL/ARMORY | 104.37 |
| CENTRAL FARMERS CO-OP | DIESEL: NOV 2013 | 684.77 |
| CENTURY BUSINESS PRODUCTS | COPIER MAINTENANCE AGREEMENT | 22.50 |
| CNA SURETY | FINOFFICER BOND RENEWAL | 525.00 |
| CONSOLIDATED WATER SOLT. | WTP FILTERS | 482.72 |
| DON SCHIMMEL | DEPOSIT REFUND #100330 | 5.00 |
| GESSNER WELDING INC | WELDING TIPS - STREETS | 3.75 |
| GLORIA BECK | DEPOSIT REFUND #015235 | 49.50 |
| HAWKINS INC | CHEMICALS - WTP | 7,651.60 |
| HD SUPPLY WATERWORKS | WATERDISTRIBUTION SUPPLIES | 30.50 |
| INTERSTATE POWER SYSTEMS INC | REPAIR GENERATOR CITYHALL/WTP | 918.46 |
| IRON WHEEL SALES & SERVICE | SUPPLIES: WEST SHOP | 62.55 |
| JOHNSON BROTHERS FAMOUS | NOVEMBER 2013 OP AGREEMENTS | 3,676.69 |
| MC&R POOLS INC | WINTERIZE POOL | 985.00 |
| MCCOOK COUNTY AUDITOR | LAW AGREEMENT DEC'13 PAYMT | 6,985.30 |
| MIDAMERICAN ENERGY CO | UTILITIES | 408.23 |
| NOVAK SANITARY SERVICE | CONTRACT - GARBAGE SERVICE | 6,356.49 |
| QUILL CORPORATION | SUPPLIES - CITY HALL | 17.72 |
| R & S SANITATION INC | GARBAGE SERVICE NOV 2013 | 138.14 |
| REPUBLIC BEVERAGE COMPANY | NOVEMBER 2013 OP AGREEMENTS | 2,704.09 |
| ROGER GERLACH ATTORNEY | SEMI-ANNUAL FEE | 1,500.00 |
| SALEM FARMERS MARKET | SUPPLIES - OPEN HOUSE | 44.04 |
| SALEM SPECIAL | NOVEMBER 2013 PUBLISHING | 211.44 |
| SALEM WATER DEPARTMENT | UTILITIES - ARMORY/STREET | 121.09 |
| SANITATION PRODUCTS INC | SUPPLIES - STREET SWEEPER | 87.00 |
| SCHMUCKER PAUL NOHR | 2014 STREET PROJ DESIGN CONTRACT | 3,000.00 |
| SENSUS METERING SYSTEMS | REPAIR METER READING DEVICE | 370.00 |
| SERVALL TOWEL & LINEN | TOWEL SERVICE - WEST SHOP | 16.80 |
| SIOUX FALLS NETWORKS | COMPUTER BACKUP SERVICE | 34.00 |
| SIOUX VALLEY ENVIRONMENTAL | WTP - PH TESTER | 443.43 |
| SOUTH DAKOTA ONE CALL | NOVEMBER 2013 LOCATES | 6.30 |
| SOUTHEASTERN ELECTRIC COOP | UTILITIES | 97.44 |
| STATE OF SOUTH DAKOTA | WATER TESTING FEES | 539.00 |
| STURDEVANT'S SALEM INC | SUPPLIES: PARKS/STREET/ARMORY | 145.50 |
| SWIFT AIR INC | 2013 MAINTENANCE AGREEMENT | 1,417.01 |
| T & C PIT STOP INC | FUEL: STREET/PARK/ARM/SEWER | 226.77 |
| TRIOTEL COMMUNICATIONS INC | UTILITIES | 321.31 |
| XCEL ENERGY | UTILITIES | 7,685.36 |
| ZAPP HARDWARE | SUPPLIES: CHALL/ST/POOL ARM /WA/ PKS | 520.19 |
| REPUBLIC BEVERAGE COMPANY | OPERATING AGREEMENT PURCHASES | 304.72 |

Motion Mayrose, second Gessner, carried, to approve the following resolution:

RESOLUTION 2013-006

A RESOLUTION REMOVING UNCOLLECTIBLE, DELINQUENT ACCOUNTS FROM THE RECORDS

WHEREAS, the City has attempted by reasonable means to collect the outstanding accounts receivable on the below-listed accounts; and

AND WHEREAS, the City considers the accounts outstanding for more than one year or occupant(s) have moved without notice and efforts to find them have been exhausted, to be uncollectible for purposes of disclosing on the financial statements of the City; and

WHEREAS, the City will continue efforts to collect such uncollectible debt;

NOW, THEREFORE, BE IS RESOLVED, that the following amounts be removed from the Accounts Receivable as uncollectible and authorized the disclosure of the same on the annual financial reports:

| | |
|--------------------------------------|------------------|
| Licenses - Peddler | \$ 300.00 |
| Accts Receivable – NSF Fees | \$ 40.00 |
| Accts Receivable – Liquor License | \$ 131.25 |
| Accts Receivable – 2012 Op Agreement | \$ 239.34 |
| Accts Receivable – 2013 5% | <u>\$ 43.51</u> |
| Total General Fund | \$ 754.10 |

| | |
|--------------------------------------|--------------------|
| Accts Receivable: '12 Service Repair | \$ 714.29 |
| Water Department Water Usage: | \$ 319.92 |
| Water Department Penalties: | \$ 56.36 |
| Water Department NSF | \$ 20.00 |
| Water Department Water Surcharge: | <u>\$ 356.40</u> |
| Total Water Fund | \$ 1,466.97 |

| | |
|-------------------------|-----------------|
| Sewer Department Fees: | <u>\$ 45.40</u> |
| Total Sewer Fund | \$ 45.40 |

Dated this 9th day of December 2013 in Salem, South Dakota.

Robin Rayman
Mayor

ATTEST:

Lori Heumiller
Finance Officer

Motion Mokros, second Johnson, carried, to approve the following resolution:

RESOLUTION 2013-007

A RESOLUTION TO TRANSFER CONTINGENCY FUNDS

BE IT RESOLVED AS FOLLOWS:

WHEREAS, the City of Salem prepares and approves a budget each September for the following calendar year; and

WHEREAS, the budget for 2013 contains a contingency fund of \$16,000.00 that can be transferred to any general fund account by resolution of the City Council (SDCL 9-21-6.2); and

NOW, THEREFORE, BE IS RESOLVED, that the following amounts be transferred from 101-4115-429 – Contingency to:

General Fund:

- 1) Storm Drainage: Supplies \$1,000.00
- 2) Street Lighting: Utilities..... \$ 500.00

Dated this 9th day of December, 2013 in Salem, South Dakota.

Robin Rayman
Mayor

ATTEST:

Lori Heumiller
Finance Officer

Discussion was held on the development of regulations for special liquor licenses. Examples were distributed and consensus is to present an Ordinance with the regulations at the January 6, 2014 meeting.

Motion Mokros, second Mayrose, carried, to approve the following liquor license renewals for January 1, 2014 through December 31, 2014:

Retail On-Sale Liquor:

- McCook Country Club -501 S. Douglas Street.
- Outskirts Inc., Roger Jackson, 630 E. Rutan Ave.
- Main & Vermont Inc. DBA The End Zone Bar & Grill, Randy Sabers, 257 N Main Street.
- Brewery Inc., Ben & Sheri Greenlee, 233 N Main Street.

Retail Off Sale:

- Brewery Inc., Ben & Sheri Greenlee, 233 N. Main Street.
- T & C's Pit Stop, Todd & Christi Matthies, 25315 US 81

Motion Mokros, second Westhoff, carried, to approve the Letter of Engagement for the FY2012 & FY2013 bi-annual audit from Schoenfish & Co. Inc.

Motion Eichacker, second Gessner, carried, to approve the Joint Election Agreement with McCook County for the June 3, 2014 election.

Motion Mayrose, second Johnson, carried, to approve the 2014 Salem Volunteer Fire Department officers as follows: Nathan Olinger, Fire Chief; Bill Eichacker, 1st Assistant Chief; Marvin Johnson, 2nd Assistant Chief; Todd Matthies, Secretary/Treasurer.

A request from McCook Therapy for a reduced rate for Zumba classes held two nights per week – one hour sessions (40 sessions a year) was discussed.

Motion Gessner, second Johnson, carried, to deny the request as rates have been established for these events – making approval of a reduced rate for only one request unrealistic.

The Council extends a thank you to Janet & Alan Karel and First Dakota National Bank for their \$2,500.00 donations to the 2013 Baseball Field Improvement Project.

Motion Mayrose, second Johnson, carried, to authorize the Mayor and Finance Officer to pay the 2014 Insurance Premium of \$41,906.00; 2014 Work Comp Premium of \$5,136.00; and the software maintenance agreement to Tyler Technology for \$3,280.25 – all due prior to the January 6th meeting.

At 7:00 p.m. a Public Hearing was held to consider the application for transfer of On/Off Sale Malt Beverage License to operate within the municipality for licensing period July 1, 2013 – June 30, 2014 from “Thunder Alley Bowling Center”, Lori Smart to Jessica Mulvihill, dba “Thunder Alley Bar”, (320 N Main St.) Lots 11, 12, 13 & S. 2’ of Lot 14; Blk 20;

Lori Smart explained to the Council due to lost job opportunities she needs to transfer the liquor license out of her name. There would be two separate businesses in the building, Thunder Alley Bowling and Thunder Alley Bar.

Discussion was held with Mulvihill on her prior work experience running a business and if she has adequate financial backing.

Motion Johnson, second Mokros, carried, to table a decision on the transfer of the On/Off Sale Malt Beverage License from “Thunder Alley Bowling Center”, Lori Smart to Jessica Mulvihill, dba “Thunder Alley Bar”, (320 N Main St.) Lots 11, 12, 13 & S. 2’ of Lot 14; Blk 20; OT; until Jessica Mulvihill provides the following to the Council:

- a twelve month operating “line-of-credit” from a financial institute – (must be in writing from the financial institute);
- a formal business plan;
- a copy of the lease agreement between Thunder Alley Bowling and Thunder Alley Bar.
- three references from the prior establishments Mulvihill managed.

Paul Eich and Nathan Olinger representing the Salem Volunteer Fire Department updated the Council on the New Fire Hall Project. The Architectural Department at STI is working on establishing drawings, blueprints and loose figure estimates on both a steel and stick building. There are four STI students working on this project. The instructor and students recently met with the fire department to establish the building size and other requirements and necessities needed. A presentation will be made by the students at the end of the spring semester. The drawings and blue prints will be certified by an engineer qualifying the drawings to be used for grants.

Motion Johnson, second Mokros, carried, to adjourn at 7:50 P.M.

Dated this day 9th day of December, 2013, at Salem, South Dakota.

Robin Rayman
Mayor

ATTEST:

Lori Heumiller
Finance Officer

Published once at the approximate cost of _____.