

MINUTES OF THE SPECIAL; MEETING OF THE SALEM CITY COUNCIL HELD IN THE SALEM COMMUNITY CENTER COUNCIL CHAMBERS IN SALEM SOUTH DAKOTA ON TUESDAY, SEPTEMBER 6, 2022, AT 6:00 P.M.

Mayor Glenda Blindert called the meeting to order with Council Members Doug Mokros, Ron Mayrose, Mary Jo Heiberger, Mitchell Rayman, Marc Harris, and Janet Karel present. Sheldon Jensen of SMGA, Jeremy Grady and Charlotte Roesler were also present. Motions made were unanimous of Council members present unless roll call identifies otherwise.

The meeting was called to discuss the Salem Armory Building.

The following items were discussed:

SUMMARY OF ARMORY - JULY 5, 2022, STORM DAMAGE: INSURANCE PAYOUT/RESERVES LENDING FEASIBILITY

Insurance	Proceeds Received	866,002.39
	Less Temporary Repairs	(150,097.28)
	Total Remaining	\$ 715,905.11
Reserve Funds:	GF - Armory Renovations	283,382.00
	ST - Armory Renovations	54,750.00
	GF - Fire Hall	300,000.00
		\$ 638,132.00
	Total Insurance & Reserves	\$ 1,354,037.11
City Reserves	GF - 2023 Budget	\$ 300,000.00
Building Demo		\$ (99,200.00)
Asbestos (\$64,846.42 - \$23,100 insurance)		\$ (41,746.42)
Tank Removal		\$ (8,000.00)
Total Dollars 2023		\$ 1,505,090.69

Also reviewed a 15,300 sq. ft. building cost estimated to cost \$3.65 million dollars with Admin/Engineering/Contingencies. Estimate based on a \$200 to \$300 cost per sq. ft. Existing armory is 18,760 sq. ft. A new facility would house a community center, meeting rooms and city hall. Location of building in either the downtown area or to remain out by the recreation facilities.

A conversation was held with McCook Central School to allow use of their facility for Council meetings and some of the larger meetings and will be feasible with scheduling through the

activities' director. Walking in the school would not be feasible due to security measures during the school day.

Funding of the additional \$2 to \$3 million dollars through Certificates of Participation, using existing city annual budget reserves for payments. Annual payments discussed were between \$165,000 to \$193,500.

Motion Rayman, second Mayrose, to demo armory and build a new facility borrowing up to \$2.5 million.

On Roll Call five (5) "Aye" (Mokros, Mayrose, Rayman, Harris, Karel); one (1) "Nay" (Heiberger).

Motion Mokros, second Harris, to approve the demolition, tank removal and asbestos contracts with Soukup and Prairie Environmental. Contracts are on file at city hall – (\$99,000, \$8,000, \$64,846.42).

On Roll Call five (5) "Aye" (Mokros, Mayrose, Rayman, Harris, Karel); one (1) "Nay" (Heiberger).

Motion Rayman, second Mokros, to apply for the Brownfields Program through the state for the asbestos removal, tank removal and demo of the building.

On Roll Call five (5) "Aye" (Mokros, Mayrose, Rayman, Harris, Karel); one (1) "Nay" (Heiberger).

Motion Mayrose, second Rayman, to hire ISG for the design of the Community Center & Shop buildings.

On Roll Call five (5) "Aye" (Mokros, Mayrose, Rayman, Harris, Karel); one (1) "Nay" (Heiberger).

Motion Karel, second Rayman, carried, to adjourn at 7:50 p.m.

Dated this 6th day of September 2022, at Salem, South Dakota.

(SEAL)

Glenda Blindert
Mayor

ATTEST:

Lori Heumiller
Finance Officer