

**MINUTES OF THE REGULAR MEETING OF THE SALEM CITY COUNCIL HELD IN THE MCCOOK CENTRAL SCHOOL DDN ROOM IN SALEM SOUTH DAKOTA ON MONDAY, DECEMBER 5, 2022, AT 6:00 P.M.**

Mayor Glenda Blindert called the meeting to order with Council Members Doug Mokros, Ron Mayrose, Marc Harris, Janet Karel and Dnyee Schierholz present. Foreman Dustin Weber; Jacob Morris of DGR Engineering; Sheldon Jensen (SEDC); Mariann Oyen; David & Jen Derschan and Jasen Hanisch were also present.

Council member Mitchell Rayman was absent.

Motions made were unanimous of Council members present unless roll call identifies otherwise.

Declaration of conflicts: none.

Motion Harris, second Karel, carried, to approve the agenda.

Public comment (SDCL 1-12.1): none.

Sheldon Jensen provided a SEDC update.

Motion Mokros, second Harris, carried, to approve following consent agenda items:

- Minutes of November 7, 2022, and November 16, 2022, as written.
- Finance report stating a balance of \$6,582,450.63 for all funds and includes all investments and cash on hand; sewer pumpage of 7,260,000 gallons; water pumpage of 2,636,000 gallons; and the bacteriology report is satisfactory.
- The police report filed by the McCook County Sheriff Department.
- Claims list dated 12/5/2022.

**Payroll:** Mayor/Council \$ 1359.98; Finance Office \$6366.83; Streets \$3940.42; Snow \$437.75; Restricted-Use Site \$356.00; Regulation & Inspection \$350.00; Park \$821.19; Armory \$2348.09; Storm Sewer \$109.00; Water \$3495.96; Sewer \$1710.57; Payroll Taxes \$1525.71; City Share: Health \$7073.60; Dental \$116.82; Aflac \$98.84; Life \$54.75; Retirement \$1157.66.

**Claims:**

VENOR	DESCRIPTION	AMOUNT
American Stamp & Marking Products	Office Supplies	40.78
Central Farmers Co-Op	Diesel: Snow/Parks/Armory/Mosquito Chem	1,272.47
Century Business Products	Doc Management	135.57
Cintas Corporation No. 2	Rug Service	83.66
Colliers Securities LLC	Cert of Participation Underwriter fees	44,833.25
Dakota Supply Group	Water- 210 JM Motor	1,139.08
DGR Engineering	Engr: 2021 ST/SE Project & 2022 Street Project	5,833.63
Hawkins Inc	WTP Chemicals	2,017.97
I & S Group, Inc	Schematic Design Community Center & PW Bldg	4,292.50
Infotech Solutions LLC	Computer Back up/Maint. Contract	506.00
JP Cooke Company	2023 Dog Tags	84.95
Lori A Heumiller	SMGA- Board Meeting	33.60
McCook County Auditor	Law Agreement	7,323.00

McCook County Highway	May 12th Storm Clean Up Tree Rootball Burial	2,274.92
MidAmerican Energy Co	Utilities	284.09
New Century Press Inc	Publications	372.16
Puthoff Sales & Service, Inc.	Streets/ Skid- Beacon w/Bulb	169.00
RBS Sanitation Inc	Residential Garbage Contract & Dumpster fee	8,257.40
Salem Lumber Co	Fire Hall- Door Locks Office Flooring	624.28
Salem Water Works	Utilities	369.71
Sd Dept Of Transportation	Phase 1 Trail Project	3,483.08
Sd Public Health Laboratory	Testing Fees	257.00
Sign Solutions USA LLC	Radar Feedback Sign	5,064.58
South Dakota One Call	Locates	12.60
Sturdevant's Auto Value Salem	Sweeper/Park Supplies	130.18
Total Stop	Nov 22 Fuel	347.06
TrioTel Communications Inc	Utilities	169.05
US Postal Service	Postage UBBills	1,416.00
Xcel Energy	Utilities	7,434.94
Zapp Hardware	Supplies: Buildings/ Snow/Water	395.17
<b>CLAIMS PRE-APPROVED:</b>		
Frontier Precision Inc	Trimble R2 Warranty Extension	319.00
Dwayne Helm	Deposit Refund	3.80
McCook County Register of Deeds	Filing Fees	120.00
Twedt Construction Co Inc	December 2022 Lease payment	650.00
Verizon Wireless	Utilities	126.30
<b>ACH</b>		
State of South Dakota	Sales Tax Collected November	573.44

### **FOREMAN REPORT – Dustin Weber, Public Works Supervisor**

#### Discussion items:

- Mariann Oyen was present to appeal the insurance company's decision to deny claim submitted against city for damages to her property, which resulted due to a back-up of sewage in her basement. Oyen stated she has never seen the city check the manhole plugged. Foreman Weber stated the manhole is checked on a regular basis. Insurance denied claim as blockage was caused by items placed in the line by other city residents that should not have been placed in the sewer system. City cannot control what materials are placed in the sewer system. Council won't override insurance company's decision.
- Request from A & C Business for an additional streetlight by business on Main Street. Council reviewed map of existing lights. No additional lights will be installed.
- Roger Duxbury requested to park his semi on city lot on Main Street. Council does not allow parking of private vehicles on the city property.
- Snow hauling contract was reviewed.

- Sander on Purple Wave auction sold to City of Gregory for \$1,700. Mayor opened bids for the overhead door at the armory. Keith Waltner, Freeman \$300.00 and Horizon View Farm LLC, Canova \$700.00.
- Personnel Policy #5 – Stand by pay was reviewed. Discussion if on-call should be weekly instead of only weekends. It was determined no changes would be made at this time.
- New Public Works building – discussion on fence, security, and lighting. Council agreed to fencing the west side of the lot, lighting in the lot and security cameras.

Motion Mokros, second Harris, carried, to set the snow hauling contract hourly pay at \$150.00.

Motion Mayrose, second Mokros, carried, to accept the high bid of \$700.00 from Horizon View Farm LLC for the armory overhead door.

Motion Mokros, second Mayrose, carried, to approve the Foreman report presented.

**ENGINEER REPORT – Jacob Morris, DGR Engineering.**

Public hearing at 6:15 p.m. regarding Street and Utility Improvements Project – Phase II.

The purpose of the public hearing is to discuss the proposed project, the proposed financing, and the source of repayment for any loans. The public was invited to attend and comment on the project.

No one was present for hearing.

Morris provided the following project description on behalf of Southeastern Council of Governments.

*The City of Salem is proposing improvements to its Street and Utility Improvements Project – Phase II. The city, with SECOG’s assistance, will be submitting an application to the Department of Agriculture & Natural Resources (DANR). The application is due January 1, 2023.*

*The application will request funds not to exceed \$1,400,000 for the drinking water portion of the project. The interest rate for the Drinking Water SRF Loans is 3.0% for a 30-year term (Salem is considered disadvantaged – normally 3.25% interest rate). The financing package (announced in March) could be any combination of loan, grant, or principal forgiveness. If the funding package is 100-percent loan, the annual payments will be \$70,938.42. The city expects to make repayment through a project surcharge. If the requested amount is funded at 100% loan, the projected utility rate impact per user is approximately \$9.73. Any grant funds awarded would reduce the surcharge.*

*The application will also request funds not to exceed \$3,400,000 for the sanitary and storm sewer portion of the project. The interest rate for the Clean Water SRF Loans is 3.25% for a 30-year term. The financing package (announced in March) could be any combination of loan, grant, or principal forgiveness. If the funding package is 100-percent loan, the annual payments will be \$177,847.53. The city expects to make repayment through a project surcharge. If the requested amount is funded at 100% loan, the projected utility rate impact per user is approximately \$24.89. Any grant funds awarded would reduce the surcharge.*

Being no one present and no questions from the Council, Mayor Blindert closed the Public Hearing.

Motion Karel, second Mayrose, carried, to approve Resolution 2022-23 – DWSRF Application for Street and Utility Improvement Project - Phase II.

Motion Mokros, second Mayrose, carried, to approve Resolution 2022-24 – CWSRF Application for Street and Utility Improvement Project - Phase II.

Industrial Area Project:

The city was awarded the following funding package for the Industrial Area Project.

Clean Water State Revolving Fund Loan -	\$1,892,800 (2.125%/30 year)
American Rescue Plan Act Grant:	\$ 811,200
Drinking Water State Revolving Fund Loan	\$ 637,650 (1.875%/30 year)
American Rescue Plan Act Grant:	\$ 779,350
Community Access Grant:	\$ 600,000

Schedule for project: Bid early 2023; construction starting fall of 2023 and concluding 2024.

Motion Mokros, second Schierholz, carried, to approve Resolution 2022-25 DWSRF Issuer for Industrial Area Project.

Motion Karel, second Mayrose, carried, to approve Resolution 2022-26 CWSRF Issuer for Industrial Area Project.

Motion Mokros, second Mayrose, carried, to approve DGR task order #9 for the engineering services for the Industrial Area project.

2021 Storm Sewer Project:

Morris stated the paperwork from H&W Construction has not been received.

2023 Slurry Seal:

Morris presented a draft proposal. The streets rebuilt during the 2018 Street project are due to be sealed - 26,400 SY at an estimated cost of \$103,000.00. The minimum quantity required by Sioux Falls is 20,000 SY, so project could be split.

Council determined, to keep existing streets in good condition, the entire 26,400 SY should be sealed. Heumiller stated there is \$195,000 in the 2023 budget for street seal, curb and gutter and street improvements.

Motion Mokros, second Harris, carried, to bid out 26,400 sq. yds. with the Sioux Fall 2023 Slurry Seal Bid.

Committee Reports.

**REGULAR BUSINESS**

Motion Karel, second Harris, carried, to approve the Second Reading and Adoption of Ordinance No. 668 – an ordinance supplementing the 2022 budget.

Public hearing at 6:50 pm to consider the application for transfer of Liquor License to operate within the municipality for licensing period January 1, 2022 – December 31, 2022.

**Application for Retail On-Sale Liquor License transfer from Backroads Steakhouse to:**

**Quick Stop LLC** (241 N Nebraska Street) Lots 1 & 2 Ex W60' Thereof, & All of Lot 3; and the E66' of Lots 4 & 5 (Ex Lot H1 in Lots 1 & 5) Blk 15; First Addt to Salem, South Dakota.

David & Jen Derschan were present to answer questions.  
No comments received.

Motion Mokros, second Mayrose, carried, to approve the transfer of the Retail On-Sale Liquor License from Backroads Steakhouse to Quick Stop LLC (241 N Nebraska Street) Lots 1 & 2 Ex W60' Thereof, & All of Lot 3; and the E66' of Lots 4 & 5 (Ex Lot H1 in Lots 1 & 5) Blk 15; First Addt to Salem, South Dakota.

Motion Harris, second Karel, carried, to approve the renewal of the Quick Stop LLC, 241 N Nebraska St On-Sale Liquor License for the period of January 1, 2023 – December 31, 2023.

Motion Mayrose, second Mokros, carried, to approve Resolution 2022-27 – a resolution Removing Uncollectible, Delinquent Accounts from the records.

Discussion was held on changing the ordinance to allow the turnover of past due accounts to a collection agency. An ordinance will be introduced, and parameters set at a future meeting.

Public Hearing to consider the application of B.J. Stiefvater for a Variance to reside the ambulance station addition and existing building with corrugated metal siding - two tone white with three (3) foot charcoal bottom wainscoting. Request made as it is a Commercial building in a Residential District. Legal description of property is N 120' of W100' of Blk 9; Pett. So. Salem, Salem, McCook County, South Dakota. Site address is 400 S Hill Street.

Contractor, Jasen Hanisch, was present to answer questions and explained the metal corrugated siding is a stronger product and withstands weather conditions better.

The ambulance building is a commercial building but sits in Residential District. Council concern about setting a president allowing the corrugated sheet metal in Residential Districts.

Motion Mokros, second Harris, carried, to deny the variance request to reside the ambulance station addition and existing building with corrugated metal siding.

Motion Mokros, second Harris, carried, to approve Resolution No. 2022-28 – Setting 2023 Fee Schedule.

Motion Mokros, second Harris, carried, to approve the following 2023 insurance renewals:

- Wellmark Blue Cross – Blue Select Primary 2500 - monthly premiums single \$992.74; family \$2,228.31.
- Delta Dental of South Dakota – monthly premiums single \$44.70; family \$113.60.

Motion Karel, second Mayrose, carried, to approve the Mayor, Finance Officer, and City Attorney to review and revise the current operating agreements.

Motion Harris, second Schierholz, carried, to approve the 2023 Animal Control Services Agreement with Sioux Falls Humane Society.

Motion Mokros, second Mayrose, carried, to approve the combined Election Agreement with McCook Central School District with a June 6, 2023, election date.

Motion Mokros, second Mayrose, carried, to approve quotes 4785, 4786 & 4786 from Infotech Solutions for additional computer security features starting January 1, 2023.

Motion Mokros, second Harris, carried, to approve the survey proposal from ISG for a Topographical & Boundary survey for the City Hall / Community Center project – cost \$10,000.00.

Motion Karel, second Harris, carried, to approve Resolution 2022-29 – a resolution authorizing an account at First Bank & Trust for the Certificates of Participation funds.

Motion Mayrose, second Harris, carried, to approve the 2023 Salem Volunteer Fire Department officers as follows: Nathan Olinger, Fire Chief; John Oyen, 1<sup>st</sup> Assistant Chief; Darin Koch, 2<sup>nd</sup> Assistant Chief; Michael Heumiller, Secretary/Treasurer.

Motion Mayrose, second Mokros, carried, to allow the Mayor and Finance Officer to pay the 2023 Insurance premium (\$55,063), Workman Comp premium (\$5,060) and software maintenance fees (\$5,143.95) all due January 1, 2023.

Next meeting is scheduled for Tuesday, January 10, 2023.

Motion Mokros, second Harris, carried, to adjourn at 7:40 PM.

Dated this 5<sup>th</sup> day of December 2022 at Salem, South Dakota.

(SEAL)

Glenda Blindert  
Mayor

ATTEST:

Lori Heumiller  
Finance Officer

Published once at the approximate cost of \_\_\_\_\_.