

MINUTES OF THE REGULAR MEETING OF THE SALEM CITY COUNCIL HELD IN THE SALEM ARMORY KITCHEN IN SALEM SOUTH DAKOTA ON MONDAY, DECEMBER 13, 2021, AT 6:00 P.M.

Mayor Shawn English called the meeting to order with Council Members Doug Mokros, Ron Mayrose, Mary Jo Heiberger, Mitchell Rayman, and Marc Harris present. Foreman Dustin Weber; Trent Bruce & Jacob Morris of DGR Engineering; City Attorney Nicole Griese; Sheriff Mark Norris; Lana Nelson, Micayla Young, and Justin Schmidt were also present.

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

Motion Mokros, second Rayman, carried, to accept the resignation of Council member Jacquelyn Montreal as she has moved out of the city limits.

Motion Rayman, second Mokros, carried, to approve the minutes of November 8, 2021, and November 22, 2021, as written.

Motion Mayrose, second Mokros, carried, to approve the following reports: Finance report stating a balance of \$5,147,268.75 for all funds and includes all investments and cash on hand; sewer pumpage of 5,070,000 gallons; water pumpage of 2,388,000 gallons; and the bacteriology report is satisfactory.

Motion Mokros, second Harris, carried, to approve the police report filed by the McCook County Sheriff Department.

Sheriff Norris was present to discuss any issues the Council was having with law enforcement throughout the City.

No one was present for public comment (SDCL 1-12.1)

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

City Engineers Trent Bruce and Jacob Morris provided the Council project updates.

Motion Mayrose, second Mokros, carried, to approve the following on the 2021 Storm Sewer Project with contractor H&W Construction: 1) Change Order #1 – (\$4,133.60); 2) Pay Request #1 - \$264,323.38.

Industrial Area Project was discussed. The city was awarded an SRF DW & CW funding package (loans totaling \$1,567,000) for Phase I of the project in March 2021. It has since been determined it would be in the best interest of the city to decline the funding package and reapply for a funding package for Phase I & II of the Industrial Area.

The proposed criteria being brought before the legislature is as follows:

- 1) Applicants to receive a minimum 30% ARPA grant (percent of total amount requested). A grant cap will be determined by a per person project cost based on population served by the system (2020 Census numbers or system service numbers).

- 2) Populations up to 2500: provide up to 50% grant with a \$7,000 per person maximum per applicant for ALL project(s) considered for ARPA grants. Grant percentages would be less if not meeting rates outlined as \$55 for 5,000 gallons for each water or sewer for city residents.

The project would also be eligible for the regular SRF principal forgiveness loans.

Motion Harris, second Rayman, carried, to decline the March 25, 2021, awards of \$1,128,000 Clean Water State Revolving Fund loan (C46107-04) and a \$439,000 Drinking Water State Revolving Fund Loan (C462057-05).

Motion Rayman, second Mokros, carried, to bid out 25,000 sq. yds. with the Sioux Fall's 2022 Slurry Seal Bid.

Motion Mokros, second Harris, carried, to adopt the Engineering Design Standards for Public Improvements and Standard Specifications for Public Improvements dated December 2021.

A Public Hearing was held at 6:30 p.m. regarding drinking water and clean water utility improvements. The purpose of the public hearing is to discuss the proposed project, the proposed financing, and the source of repayment for any loans.

The City of Salem is proposing improvements to its water and sewer systems in the industrial area. The City's engineer was present to answer any questions regarding the design of proposed improvements.

The city, with SECOG's assistance, will be applying to the Department of Environment & Natural Resources (DENR). The application is due January 1, 2022.

The clean water application will request funds not to exceed \$2,704,000. The interest rate for the Clean Water SRF Loan is 2.125% 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 around \$122,127. 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 \$17.09. Any grant funds awarded would reduce the surcharge.

The drinking water application will request funds not to exceed \$1,417,000. The interest rate for the Drinking Water SRF Loan is 1.875% 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 around \$61,864. 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 \$8.49. Any grant funds awarded would reduce the surcharge.

No questions were received from the public.

Motion Mokros, second Mayrose, carried, to approve Resolution 2021-15 – Drinking Water State Revolving Loan application for the Industrial Area Project.

Motion Mokros, second Rayman, carried, to approve Resolution 2021-16 – Clean Water State Revolving Loan Application for the Industrial Area Project.

Committee reports were given.

Motion Rayman, second Mokros, carried, to approve the following claims:

Payroll: Mayor/Council \$1974.97; Finance Office \$6320.36; Streets \$3822.73; Snow \$80.00; Restricted-Use Site \$370.00; Park \$508.44; Armory \$1011.97; Storm Sewer \$246.95; Water \$4467.10; Sewer \$1244.25; Payroll Taxes \$1445.05; City Share: Health \$6208.36; Dental \$116.82; Aflac \$106.64; Life \$54.75; Retirement \$1068.11.

Claims:

VENOR	DESCRIPTION	AMOUNT
Central Farmers Co-Op	Diesel Purchases	449.23
Century Business Products	Copier Maintenance Agreement	178.58
Cintas Corporation No. 2	Rug/Mop Service Armory	71.82
Cranny Sales & Service	CDL Test Nathan Olinger	90.00
Dakota Data Shred	Doc Shredding Fee	154.44
Department Of Transportation	Phase I Trail Project	84.10
DGR Engineering	Engr TAP/Asphalt/Sewer/Well	1,980.00
DGR Engineering	Engr: ST/SE Project	13,682.16
DGR Engineering	Engr: WTP Optimization	1,397.50
GeoTek Engineering & Testing	ST/SE Project Testing Fees	384.50
Griese Law Firm, P.C.	City Attorney Fees	313.25
H&W Contracting LLC	ST/SE Project Pay Request #1	264,323.38
Hawkins Inc	WPT Chemicals	8,623.18
Infotech Solutions LLC	Computer/Backup Maintenance	470.00
Kerkhove, Shannon	Refund :Christmas Pot Class Registration	35.00
Leisure Living Apt	Deposit Refund	40.00
MC&R Pools Inc	Municipal Pool Winterizing	1,144.85
McCook County Auditor	Law Agreement Dec2021	7,323.00
MidAmerican Energy Co	Utilities	1,577.62
New Century Press Inc	Publishing	415.51
Quill Corporation	Water Billing Envelopes	67.96
RBA Sanitation Inc	Residential Garbage Contract	7,401.69
Salem Lumber Co	ADA Panel- Radius	1,188.00
Salem Water Department	Utilities	55.51
Salem Water Works	Utilities	374.37
Sanitation Products Inc	Sweeper: Latch Lever	92.87
SDWWA	Membership Renewal 1739/1270	20.00
Sioux Falls Area Humane Society	Stray Dog Service Fee	89.00
South Dakota One Call	Locates	15.75
Southeastern Electric	Utilities	125.55
State Of South Dakota	Testing Fees (Water & Sewer)	271.00

Sturdevant's Salem Inc	Supplies: ST/WA/Park	120.72
T & C Pit Stop Inc	Fuel Nov 21	169.52
TrioTel Communications Inc	Utilities	323.12
Us Postal Service	Postage UB Bills	468.00
USABluebook	Magnetomatic Pipe Locator	48.41
Xcel Energy	Utilities	6,631.88
Zapp Hardware	Supplies: Caulk/Nut Bolts	14.19
Zee Medical Service	First Aid Supplies	76.50
CARDMEMBER SERVICES - CREDIT CARD PURCHASES		
Nathan Olinger	CDL Driving Test	35.00
CLAIMS PRE-APPROVED:		
City of Mitchell	Petroleum Contaminated Soil: ST/SE Project	828.90
Heather Babb	Watercolor Class 8 Participants	240.00
Verizon Wireless	Utilities	126.54
Xcel Energy	Utilities	7,304.84
Brickhouse Flowers	Outdoor Christmas Pot Class	910.00
Cletus or Shirley Heumiller	Deposit Refund	23.11
Jacquelyn Montreal	Deposit Refund	12.59
Troy Pulse	Deposit Refund	35.35
ACH		
State of South Dakota	Sales Tax Collected November	630.83

Motion Mayrose, second Harris, carried, to approve Resolution 2021-17 – Removing Uncollectible, Delinquent Accounts from the records.

Motion Rayman, second Mayrose, carried, to approve Resolution No. 2021-18 – Setting 2022 Fee Schedule.

Lana Nelson, Micayla Young, and Justin Schmidt were present to discuss the curb & gutter/sidewalk requirements on a building permit over \$5,000 in improvements.

Nelson stated she can't afford curb & gutter and sidewalk and the trees which would need to be removed provide a wind break and all the trees were one of the main selling points for her home. Drainage was discussed with Foreman Weber stating the lack of curb & gutter is likely the cause. Council did explain the reason for curb & gutter and would eventually be required when the road was rebuilt.

Discussion was held on splitting the parcel into two lots, which would allow Ms. Nelson to delay the installation of curb & gutter and sidewalk on the north parcel until a road/utility project is done in the area. All parties agreed this would be the best solution.

City Attorney Nicole Griese discussed nuisance properties, abandoned vehicles, vacant buildings, and the cannabis license ordinance with the Council.

Motion Mayrose, second Mokros, carried, to approve the renewal of the following Liquor Licenses for the period of January 1, 2022 – December 31, 2022:

Retail On-Sale Liquor:

McCook Country Club, 501 S. Douglas Street.

FatKid Saloon, Cody & Amber Sauers, 233 & 235 N Main Street.

Package Off Sale Liquor:

FatKid Saloon, Cody & Amber Sauers, 233 & 235 N. Main Street

Motion Mokros, second Mayrose, carried, to approve the Third-Party Agreement for Voter Ward Redistricting with SECOG (4 hours free; \$60 hr thereafter).

Softball field lighting was discussed. The McCook Central Football field lights ended up being in tough shape according to John Pulse – Pulse Electric. Council would like a new quote for their January 10th meeting reflecting a cost to rebuild the lights from the football field to mirror the ones on the East Softball field.

Discussion held on the appointment of a Sioux Metro Growth Alliance Board member and alternate. Council member Rayman stated he would be able to take on this responsibility and Mayor English will have an alternate by the January 10th meeting at which time a formal appointment will be made.

Motion Mayrose, second Mokros, carried, to approve the Engagement Letter from Schoenfish & Co for the FY2020 & FY2021 Audit.

Motion Mokros, second Rayman, carried, to approve the remodel of City Hall - \$25,823.00. Old Council chambers will be made into offices with a counter to wait on customers.

Motion Mokros, second Harris, carried, to approve the combined Election Agreement with McCook County – Primary Election 6/7/2022.

Motion Rayman, second Mayrose, carried, to approve the 2022 Salem Volunteer Fire Department officers as follows: Nathan Olinger, Fire Chief; Bill Eichacker, 1st Assistant Chief; John Oyen, 2nd Assistant Chief; Michael Heumiller, Secretary/Treasurer.

Motion Mayrose, second Rayman, carried, to allow the Mayor and Finance Officer to pay the 2022 Insurance premium, Workman Comp premium and software maintenance fees all due January 1, 2022.

Next meeting is scheduled for Monday, January 10, 2022.

Motion Heiberger, second Harris, carried, to adjourn at 8:45 PM.

Dated this 13th day of December 2021 at Salem, South Dakota.

(SEAL)

Shawn English
Mayor

ATTEST:

Lori Heumiller
Finance Officer

Published once at the approximate cost of _____.