

REGULAR MEETING DE SMET COMMON COUNCIL
December 9, 2020

The De Smet Common Council met in regular session on December 9, 2020, at 5:00 p.m., with the following present: Council members Bret Jensen, Lowell Hansen, George Cavanaugh, Shon Asleson, Jay Slater, Mayor Gary Wolkow, Finance Officer Tracey Larson. Council member Pam Spader and Attorney Todd Wilkinson (via phone) arrived later. Absent: none.

Mayor Wolkow called the meeting to order at 5:00 PM.

PLEDGE OF ALLEGIANCE: The meeting was started with the council and those from the public reciting the Pledge of Allegiance.

ANNOUNCEMENTS: Mayor Wolkow asked anyone attending the meeting by phone or video conference to please mute their devices.

MINUTES: Motion was made by Jensen, seconded by Slater, to approve the minutes of the November 10, 2020 Regular Meeting, all voting aye, motion carried.

CLAIMS: Motion by Cavanaugh, seconded by Asleson, to approve payment of the claims as presented, all voting aye, motion carried. The claims are as follows: PAYROLL \$30,515.42; OASI Benefit 2,334.42; Aflac, ins. premium 280.95; Dearborn National, life insurance 140.80; Delta Dental of South Dakota 360.44; VSP 190.96; The Health Pool of SD, health insurance premium 6,413.12; SDRS, retirement benefit 3,659.28; De Smet Postmaster, special exception & variance applications for De Smet Development Corp daycare 89.60; De Smet Postmaster, variance for De Smet Development Corp daycare 6.40; Mediacom, utilities 111.99; Alla Prima Art Services, appraisal 1,115.20; American Bank & trust, Wilder Pass principal 944.30; Avera Medical Group Mitchell, supplies 154.00; Avid Hawk LLC, supplies 35.00; Better Homes & Gardens, library supplies 15.00; Center Point Large Print, library supplies 29.21; Century Link, utilities 538.67; City of De Smet, utilities 309.82; City of De Smet, supplies 21.30; Connecting Point, software, supplies, repairs & maintenance 150.00; Consumer Reports, library supplies 52.19; Cook's Wastepaper & Recycling, repairs & maintenance 6,603.65; De Smet Bucks, supplies 1050.00; De Smet Cemetery Assoc., interest on CD 18.55; De Smet Trustworthy Hardware, supplies 210.44; Demco, library supplies 183.99; Department of Health, repairs & maintenance 73.00; Display Sales, supplies 52.00; Duininck, repairs & maintenance 1,917.00; Feld Fire, fire dept supplies 4,050.00; Hawkins, Inc., water chemicals 20.00; Health, library supplies 24.95; HGTV Magazine, library supplies 39.97; Innovative, supplies 275.00; Kingsbury Electric Cooperative, repairs & maintenance 220.00; Kingsbury County Auditor, law enforcement contract 6,283.33; Kingsbury Electric Cooperative, utilities 162.46; Kingsbury Journal, publishing 909.32; Kristy Hubbard, supplies 30.92; M & T Fire

and Safety, supplies 760.00; Maynard's, supplies 75.32; Micro Marketing LLC, library supplies 320.09; Napa, supplies, repairs & maintenance 61.98; Northwestern, utilities 646.32; O'Keefe Implement, Inc., supplies, repairs & maintenance 403.46; Office Peeps, Inc., library repairs & maintenance 25.00; Office Peeps, Inc., supplies 864.94; Ottertail Power Company, utilities 5,047.35; Patricia & Dennis Nelson, meter deposit refund 125.00; Pheasantland Industries, supplies 72.08; Postmaster, supplies 175.00; Potomac Aviation Technology Co., airport repairs & maintenance 334.28; Reader Service, library supplies 18.33; Reed, debt service principal 690.58; Reed, debt service principal 2,500.00; Rich's Gas & Service, fuel & supplies 983.44; Rob Kittay - Board of Operator, travel & conference 20.00; SD Assoc. of Rural Water System, travel & conference 565.00; SD Dept. of Revenue, sanitation sales tax 450.58; SD WWA, travel & conference 10.00; Share Corp, chemicals 2,479.08; Smith's Lumber, supplies 38.03; State of SD, utilities 23.58; Summit Supply Corporation, repairs & maintenance 298.90; The Main Stop, fuel 456.06, Wilder Pass, LLC, TIF Wilder Pass principal 31,672.08; Woods Heating & Cooling LLC, repairs & maintenance 841.84; Zep Sales & Service, supplies 204.69; Clark Engineering, water looping project 2,660.00; Helms & Associates, airport turnarounds project 491.09.

LIQUOR LICENSE & OPERATING AGREEMENT TRANSFER: This being the date and time advertised motion was made by Cavanaugh, seconded by Slater, to approve the transfer of the liquor license and operating agreement from Wendy Lu Lounge to Klinkel's, III, all voting aye, motion carried.

Council member Spader arrived at this time.

WATER LOOPING PROJECT: Shane Waterman, Engineer for Clark Engineering/IMEG met with the council to give an update on the water looping project. Waterman reported that bids had been opened for the project on November 18, 2020 with seven bids submitted for the project. Clark Engineering/IMEG has reviewed the submitted bids. Winter Contracting, LLC of Brookings was the lowest bid in the amount of \$312,183.00. The project will be completed during the summer of 2021. References for Winter Contracting, LLC were provided and reviewed by Clark Engineering/IMEG and found no significant performance or financial issues related to the projects listed in the reference list. Motion was made by Hansen, seconded by Cavanaugh, to approve and accept the bid tabulation as the official results of the publicly held bid opening and authorize it to be published, all voting aye, motion carried. Recommendation was made by Clark Engineering/IMEG to award the De Smet Water Distribution System Improvements to Winter Contracting, LLC in the amount of \$312,183.00 contingent upon the approval of the SRF loan finalization. Motion was made by Asleson, seconded by Hansen, to approve awarding of the De

Smet Water Distribution System Improvements to Winter Contracting, LLC in the amount of \$312,183.00 contingent upon the approval of the SRF Loan Fund intended for use in financing this project, all voted aye, motion carried.

Attorney Wilkinson joined the meeting via phone at this time.

ZONING: Motion was made by Slater, seconded by Jensen, that the Council to be convened as the Board of Adjustment, all voting aye, motion carried. The Board of Adjustment was called to order by Mayor Wolkow.

This being the date and time public noticed for the hearing on Special Exception Application #89 submitted by the De Smet Development Corp., Director Rita Anderson met with the board to discuss the special exception application. The De Smet Development Corp. has requested a special exception to allow the operation of a licensed commercial daycare in an area zoned "R-2" General Residential District on the following legally described property: Lots 1 & 2, Block 2, Original Plat, and addressed as 106 Calumet Ave. SE, De Smet, South Dakota.

Notice of the hearing was properly given by certified mail and by publication of the publication of the Notice of Hearing in conformity with Section 3.04.05 of the City Zoning Ordinance. Nobody from the public appeared in opposition of the proposed special exception application.

Upon conclusion of the hearing and the Board having considered the application and evidence presented, enters its findings as follows:

1. That property legally described as Lots 1 & 2, Block 2, Original Plat, De Smet, Kingsbury County, South Dakota, is located within the city limits of the City of De Smet and the Board of Adjustment has jurisdiction over the application.
2. That the property is currently zoned "R-2 General Residential".
3. That adjacent properties are zoned "R-2 General Residential" and "C-1" Central Commercial District.
4. That a licensed commercial daycare is a use permitted by special exception within both the General Residential District and the Central Commercial District.
5. That the applicant has filed the required application for the special exception permit and the notice of hearing was properly given.
6. That none of the adjoining property owners presented any objections to the licensed commercial daycare facilities.
7. That over 50% of the property owners within 150' returned their consent to allow a licensed commercial daycare on property zoned as "R-2" General Residential.

8. That the licensed commercial daycare establishment is compatible with adjacent properties and other property in the district.
9. That granting the special exception is in keeping with the City of De Smet's comprehensive land use plan.
10. That all requirements of the City of De Smet Zoning Ordinance have been met.

Based upon these findings, a motion was made by Slater, seconded by Jensen, to recommend approval of the special exception permit to the De Smet Development Corp., for a licensed commercial daycare facility, all voting aye, motion carried.

This being the date and time public noticed for the hearing on Variance Application #90 submitted by the De Smet Development Corp., Director Rita Anderson met with the board to discuss the variance application. Director Anderson has requested a variance that they be allowed to construct a 50' x 24' licensed commercial daycare facility on the following legally described property: Lots 1 & 2, Block 2, Original Plat, and addressed as 101 Joliet Ave. SE, De Smet, South Dakota.

Notice of the hearing was properly given by certified mail and by publication of the publication of the Notice of Hearing in conformity with Section 3.04.05 of the City Zoning Ordinance. Nobody from the public appeared in opposition of the variance application.

The location of the proposed construction was reviewed by Alderman Slater. Upon conclusion of the hearing and the Board having considered the application and evidence presented, enters its findings as follows:

1. That property legally described as Lots 1 & 2, Block 2, Original Plat, De Smet, Kingsbury County, South Dakota, is located within the city limits of the City of De Smet and the Board of Adjustment has jurisdiction over the application.
2. That the property is currently zoned "R-2 General Residential".
3. That adjacent properties are zoned "R-2 General Residential" and "C-1" Central Commercial District.
4. That the lot is located at the intersection of two street right-of-ways (Joliet Ave. SE & 1st Street SE).
5. That the Area Regulations of the "R-2" zoning require a front yard set-back of thirty (30) feet and the "Additional yard Requirement" in Chapter 4.07 Yards, states that a corner lot must have a front yard along both streets.
6. That the Area regulations of the "R-2" zoning require a rear yard to have a minimum distance of twenty-five (25) feet set-back from the property line.

7. That the Area Regulations of the "R-2" zoning require a maximum lot coverage for all buildings and structures not to exceed thirty (30%) percent of the total lot area.
8. That the proposed building would be constructed in the same front set-back from the east lot line (front yard) as the existing structure on the adjacent property.
9. That the proposed building addition would be constructed 16'4" from the north (front yard) property line.
10. That the previously existing residential structure and garage have been removed from the lot.
11. That the lot coverage of the new daycare structure would have a lot coverage of 7.28% and is 22.72% below the 30% lot coverage allowed by ordinance on a property zoned R-2" General Residential.
12. That none of the adjoining property owners objected to the proposed variance.
13. That granting the proposed variance would not increase any safety exposure to the adjacent property owners.
14. That the Board of Adjustment take into consideration each application on its own accord.
15. That ordinances have been approved and adopted to protect the De Smet residents and properties within the city limits.
16. That the current structure locations do not result from the applicant's action.
17. That the reasons set forth in the application justify approving a variance.

Based upon these findings, a motion was made by Slater, seconded by Asleson, to recommend approval of the variance application #90 as submitted by the De Smet Development Corp., for a licensed commercial daycare facility, all voting aye, motion carried.

Mayor Wolkow declared the council back in session.

Motion was made by Slater, seconded by Spader to approve the recommendations from the Zoning Board of Adjustment to approve the Special Exception Application #89 submitted by the De Smet Development Corp., all voting aye, motion carried. Motion was made by Slater, seconded by Jensen, to approve the Variance Application #90 submitted by the De Smet Development Corp.; all voting aye, motion carried.

BUILDING PERMITS: Motion was made by Slater, seconded by Cavanaugh, to approve the building permit application submitted by the De Smet Development Corp. - daycare facility, all voting aye, motion carried.

RESOLUTION 2020-1: At the June 10, 2020 Regular Council meeting, the council approved amending Resolution 2020-1 to allow establishments to open to 50% of building capacity at a time for on-premise consumption of food/beverage excluding employees, with six (6) feet social distancing between people, businesses being responsible to monitor their establishment, to be effective June 11, 2020, with no additional special meetings to be held unless drastic changes happen

with the number of COVID-19 cases. Motion was made by Cavanaugh, seconded by Slater, to approve extending the current Resolution 2020-1 until January 13, 2021, all voting aye, motion carried.

PUBLIC COMMENTS: None.

FIRE DEPARTMENT: Fire Chief Shawn Wolkow and Fireman Cole Munger met with the council to discuss the bunker gear equipment currently used by the volunteer members. Some of the bunker gear was purchased in 1997 and is showing wear and tear, and other gear was purchased in 2002 and also wearing out. The City budgeted \$23,000.00 in 2021 for fire department equipment. Motion was made by Asleson, seconded by Slater, to approve the fire department ordering bunker gear in 2021 up to \$23,000.00 as budgeted, all voting aye motion carried.

SECOND READING TO AMEND WATER/WASTEWATER RATES: Finance Officer Larson presented the council information proposing an increase of \$4.35 surcharge to the water rates for the water project loan repayment. The proposed surcharge rate would be applied to the water service only and there would be no change to the wastewater rate. The water surcharge can only be used toward repayment of the water project SRF loan. There would be no change to the water usage rate/1,000 gallons or to the flat rate charge. Motion was made by Cavanaugh, seconded by Spader, to approve the second reading to amend Ordinance No. II-2Q, Section II-2-6. Water Services Hookups and Rates, all voting aye, motion carried.

ORDINANCE NO. II-2Q

**AN ORDINANCE AMENDING ORDINANCE NO. II-2 ENTITLED: SECTION II-2-6.
WATER SERVICE HOOKUPS & RATES:**

BE IT ORDAINED BY THE CITY OF DE SMET, SOUTH DAKOTA, THAT SAID ORDINANCE SHALL BE AMENDED TO READ AS FOLLOWS:

Section II-2-6. Water Services Hookups and Rates.

RATE SCHEDULE FOR WATER USAGE

The rates for water consumption shall be computed on a monthly (1 month) basis. Any fractioned use of 1,000 gallons shall be rounded to the next 1,000 gallon increment and shall be considered as 1000 gallons for billing purposes. A minimum monthly rate of \$18.22 of which sum \$2.50 per hookup shall be designated for debt retirement, shall be charged to the service regardless of usage as long as the water shall be turned on to the service. The following rates shall be effective for residential and commercial usage for water supplied by the City of De Smet, to-wit:

For usage, per 1000 gallons \$3.32

Other Water charges, the City of De Smet hereby establishes a surcharge of \$4.35 payable by each customer of its system who

receives or benefits from the services of the project financed by the DW-02 loan with the borrower bond Series 2020. The collection of the surcharge shall start on January 1, 2021. The surcharge shall remain in effect until such time as the borrower bond is paid in full, it shall be collected at the same time as other charges of the system, and establish a surcharge account to segregate the income from other system income for book keeping purposes to be pledged to the South Dakota Conservancy District. The surcharge shall be reviewed from year to year and modified in order to provide the required 110 percent debt coverage.

Meters shall be read monthly and water bills shall be due and payable on the 1st day of every month of each year at a place designated by the City. After 5:00 P.M. on the 15th day of said month, water bills shall be deemed delinquent and a 15% penalty shall be added to the unpaid customer's account having a balance of over \$10.00.

No utility connection shall be made for municipal water or sewer services until the owner, occupier or user of the premises shall deposit with the City the sum of \$125.00 as a guarantee of municipal utilities payment. Said deposit shall be retained by the City without interest until the municipal utility service is disconnected or terminated. Upon vacating said building or location of the discontinuance of the use of the municipal utilities therein, the deposit shall be returned to the person who paid said amount, less any sums then due and owing to the City for utility services.

All other sections of said Ordinance and Ordinances amending Ordinance No. II-2, except those herein specifically modified, remain in full force and effect.

Dated this 9th day of December, 2020.

CITY OF DE SMET

ATTEST:

Gary Wolkow, Mayor

Tracey Larson, Finance Officer

Passed First Reading: November 10, 2020

Passed Second Reading and Adopted: December 9, 2020

Published: December 23, 2020

EVENT CENTER: Kristy Hubbard, Event Center Director, met with the council to inform the council that the Event Center Advisory Board had met the previous

week and reviewed the rental rates for the De Smet Event & Wellness Center. The recommendation was to increase the event hall for a full day rental from \$600.00 to \$750 and the half day rate from \$350.00 to \$400.00, leave all other room rental rates the same, and increase the wellness membership from \$30.00 to \$35.00 and remove the free months included at enrollment unless it is during the yearly promotion. Motion was made by Cavanaugh, seconded by Jensen, to approve increasing the rate for the Event Hall from \$600.00 to \$750.00 for a full day rent, increase the half day rate from \$350.00 to \$400.00, and increase the wellness monthly rate from \$30.00 to \$35.00, all voting aye, motion carried. Director Hubbard asked the council to consider opening the theater to the public to view the De Smet High Scholl home basketball games due to the limited spectators allowed at the game and about serving concessions for the game nights. The council agreed to have the theater open at no charge to watch the home games, leave the concessions for the game nights to the discretion of Director Hubbard, and suggested getting volunteers to help with the center for the ball game nights. Director Hubbard also inquired about purchasing a EV3000i steam cleaner in the amount of \$3,094.00 with the disinfectant attachment using COVID-19 grant reimbursement funds. Motion was made by Slater, seconded by Spader to purchase the steam cleaner in the amount of \$3,094.00 with COVID-19 grant funding, all voting aye, motion carried.

DE SMET DEVELOPMENT CORPORATION: Rita Anderson, De Smet Development Coordinator, presented a year in review list of accomplishments to the council. Some of the year highlights include: creating the county-wide newspaper; formed a Day-Care Task Force bringing a new daycare into De Smet; assisted in bringing the ROCS Transit Service to De Smet; and assisted businesses with Covid-19 CARES program funding.

PROJECT PAYMENTS: Motion was made by Hansen, seconded by Cavanaugh, to approve pay request #3 in the amount of \$491.09 to Helms & Associates for the turnaround's bidding phase, and pay request #4 in the amount of \$2,660.00 to Clark Engineering for the water looping project all voted aye, motion carried. These airport project expenses will be reimbursed by 100% from grant funding.

2020 CONTINGENCY TRANSFER AND FIRST READING TO SUPPLEMENT THE 2020

EXPENDITURE BUDGET: Finance Officer Larson gave a report on funds that will need to be supplemented in the 2020 expenditure budget after contingency transfers. Motion was made by Cavanaugh, seconded by Asleson to approve transferring a total of \$56,100.00 from the Contingency Fund to the Financial Administration for equipment - \$5,000.00, Government Buildings for repairs & maintenance - \$16,000.00, Fire Department for the equipment - \$20,000.00, Sanitation for residential garbage services - \$4,000.00, Liquor for supplies - \$1,500.00, and Streets for equipment and repairs - \$9,600.00, all voting aye motion carried. Funds to be supplemented are funds that have added improvements or maintenance projects. Funds that will need supplementing include the Streets, Airport, and Water. The airport project will have grant funding to cover 95% to 100% of the project expenses. Motion was made by Cavanaugh, seconded by Spader to approve the first reading to approve Ordinance No. IV-220 to supplement the 2020 budget, all voting aye, motion carried.

SPECIAL MEETING: Motion was made by Slater, seconded by Jensen, to approve holding a special meeting on Wednesday, December 30, 2020 at 5:00 PM at City Hall for the 2020 year end meeting, all voting aye, motion carried.

FINANCIAL REPORTS: Motion was made by Hansen, seconded Cavanaugh, to approve the November 2020 Cash Balances Report as presented by the Finance Officer, all voted aye, motion carried.

OVERTIME: Motion by Asleson, seconded by Spader, to approve the overtime hours for the month of November as presented, all voted aye, motion carried.

OTHER: Other non-action items of discussion were as follows: 1) the November law enforcement report; 2) nuisance properties; 3) the appraisal completed on the Harvey Dunn paintings; 4) using the old metal bleachers from the baseball field and using the metal pieces for a trailer.

ADJOURN: There being no further business the meeting was adjourned on motion by Hansen, seconded by Jensen.

To comply with SDCL 6-1-10. Publication of Payroll information, the payroll changes were effective December 1, 2020 as follows: Street Assistant, Jason Springer \$16.80/hour; Buildings/Parks Superintendent, Cole Munger \$18.45/hour; and Water/Sewer Superintendent Richard Stoddard \$19.70/hour.

Gary Wolkow, Mayor

ATTEST:

Tracey Larson, Finance Officer

Published once at the approximate cost of \$ _____