

Unapproved Minutes
Council Special Session
February 16, 2016
Tuesday 12:00 noon

The special session of the City Council, City of Vermillion, South Dakota was held on Tuesday, February 16, 2016 at 12:00 noon at the City Hall large conference room.

1. Roll Call

Present: Collier-Wise, Erickson, Holland, Clarene Meins, Willson, Mayor Powell

Absent: Holly Meins, Price, Ward

2. Informational Session - Continue discussion on proposed backyard chicken ordinance - John Prescott

Mayor Powell requested the opinion of the other members present if they would want to wait with the discussion on the proposed backyard chicken ordinance until a time when more members were present. The consensus of the members present was to wait until the March 21st noon meeting to continue discussion.

3. Informational Session - Continue discussion on proposed changes to the fireworks ordinance - Shannon Draper

Shannon Draper, Fire Chief, provided a draft for discussion on the proposed fireworks ordinance that contains sections from other cities ordinances. Shannon reviewed the draft noting differences from state statute and fire code. Discussion followed on the draft ordinance with the consensus of the City Council to follow the state statutes except for restricting the time for novelty fireworks from 9:00 a.m. to midnight except for New Years Eve to 1:00 a.m. John Prescott stated that the changes will be incorporated into the draft proposal and presented to the City Council at a future meeting.

4. Briefing on the February 16, 2016 City Council Regular Meeting

Council reviewed items on the agenda with City staff. No action was taken.

5. Adjourn

35-16

Alderman Holland moved to adjourn the Council special session at 12:35 p.m. Alderman Erickson seconded the motion. Motion carried 6 to 0. Mayor Powell declared the motion adopted.

Dated at Vermillion, South Dakota this 16th day of February, 2016.

THE GOVERNING BODY OF THE CITY
OF VERMILLION, SOUTH DAKOTA
BY _____
John E. (Jack) Powell, Mayor

ATTEST:

BY _____
Michael D. Carlson, Finance Officer

Unapproved Minutes
City Council Regular Session
February 16, 2016
Tuesday 7:00 p.m.

The regular session of the City Council, City of Vermillion, South Dakota was called to order on February 16, 2016 at 7:00 p.m. by Mayor Powell.

1. Roll Call

Present: Collier-Wise, Erickson, Holland, Holly Meins, Price, Ward, Willson, Mayor Powell

Absent: Clarene Meins

2. Pledge of Allegiance

3. Minutes

A. Minutes of February 1, 2016 Special Meeting, February 1, 2016 Regular Meeting

36-16

Alderman Erickson moved approval of the February 1, 2016 Special Meeting and February 1, 2016 Regular Meeting minutes. Alderman

Collier-Wise seconded the motion. Motion carried 8 to 0. Mayor Powell declared the motion adopted.

4. Adoption of Agenda

37-16

Alderman Willson moved approval of the agenda. Alderman Holland seconded the motion. Motion carried 8 to 0. Mayor Powell declared the motion adopted.

5. Visitors to be Heard

Myanna Dellinger, 25 S Yale, stated that she would like the City Council to consider a change to the City Ordinance section 90.51 titled Duty to Cut that requires lawns to be no taller than six inches. Myanna stated that there are drought, heat and frost resistant grass species that need to be maintained at fifteen inches and requested the City Council consider an amendment to the ordinance to allow the drought resistant low maintenance species. Myanna handed out information on her request. John Prescott, City Manager, stated that he had been in contact, noting that this request would most likely go to the Policies and Procedures Committee for review and recommendation.

6. Public Hearings - None

7. Old Business

A. Lease abatement request from SBA Communications for a tower lease on E. Highway 50

John Prescott, City Manager, reported that this request was tabled at the February 1st meeting as no response was received from SBA Communications on a series of questions requested to assist with the request. As background, John stated that the tower lease is on the property that was transferred to the City from the Kenneth Mockler Estate. John stated that SBA Communications contacted the City in January stating that they currently have no tenants on this communications tower and a series of other towers owned by the company. John reported that SBA Communications is requesting to have the land lease cost abated for a maximum of three years or until such time as they find a tenant. John reported that on January 28th a list of questions to obtain additional information to assist the City Council on making a decision was sent to SBA Communications and as of today no response has been received. John reported that the lease payment received in February 2015 of \$1,732.52 would pay the lease through February 2016. John stated that the options for the City Council may include: declining the offer and let SBA continue to pay rent or remove the tower; counter with a shorter lease abatement period such as one

year; accept the option as presented with final document approved by the City Attorney; or another option as determined by the City Council. John reported that the email from SBA Communications had requested a response by February 26th. Discussion followed on the options noting the need for a response to the questions to provide additional information.

38-16

Alderman Willson moved to table action on the request from SBA Communications on the tower lease until the March 21st meeting to allow time for SBA to respond to the information requested, noting that the annual lease payment is due by the end of February. Alderman Collier-Wise seconded the motion. Motion carried 8 to 0. Mayor Powell declared the motion adopted.

8. New Business

A. Resolution for Annexation of Airport Property

Jose Dominguez, City Engineer, reported on the location of the property to be annexed that is the land owned by the City for the operation of the airport, Harold Davidson Field. Jose reported that State Law 9-4-1 gives municipalities the ability to extend boundaries. Jose noted that, typically, the land to be annexed into the city has to be contiguous to the municipality; however, State Law allows municipalities to annex airports whether they are contiguous or not. Jose stated that the intent is to have a significant municipal asset, the City airport, and associated property which may be used for potential future municipal infrastructure, in the city limits. Jose stated that the land will enter the City zoned NRC, Natural Resource Conservation, which is the most restrictive classification and allows farming operations within the City. Jose reported that the annexation will allow the City to gain approximately \$1,100 in property tax from the hangars located at the airport. Jose stated that this increase in the tax revenue accounts for roughly 2.5% of the airport's operating budget when the purchase of fuel for resale is excluded. Jose stated that a sign was posted in the terminal building and a letter was sent to all of the hangar owners indicating that the City Council would be considering annexation of the airport property at the February 16th meeting. Discussion followed.

39-16

After reading the same once, Alderman Collier-Wise moved adoption of the following:

RESOLUTION ANNEXING CERTAIN
TERRITORY TO THE CITY OF VERMILLION,

CLAY COUNTY, SOUTH DAKOTA

WHEREAS, there has been presented to the Governing Body of the City of Vermillion, and filed with the City Finance Officer, a petition to annex certain territory into the corporate limits of the City of Vermillion; and

WHEREAS, said petition was signed by the owners Lot A of Lot 1, S11-T32N-R4E; and, Lot A of Lot 2, S11-T32N-R4E, and accretion; and, Re-survey of Record Lot A-3 of Replat of Lot A, S24-T92N-R52W; and, Re-survey of Record Lot A-2 of Replat of Lot A, S24-T92N-R52W; and, Lot T of Lot B, Sealey Farm Plat, S24-T92N-R52W; and, Lot A of Lot A-4, S24-T92N-R52W; and, Lot A of Lot 1, S24-T92N-R52W; and, Lot A of Lot 2, S24-T92N-R52W and represent that there are no registered voters residing within the boundaries of the territory to be annexed; and

WHEREAS, such annexation is provided for in SDCL 9-4-1and 9-4-14 upon resolution of the Governing Body.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Vermillion that the following territory be described as:

LOT A OF LOT 1, S11-T32N-R4E; AND, LOT A OF LOT 2, S11-T32N-R4E, AND ACCRETION; AND, RE-SURVEY OF RECORD LOT A-3 OF REPLAT OF LOT A, S24-T92N-R52W; AND, RE-SURVEY OF RECORD LOT A-2 OF REPLAT OF LOT A, S24-T92N-R52W; AND, LOT T OF LOT B, SEALEY FARM PLAT, S24-T92N-R52W; AND, LOT A OF LOT A-4, S24-T92N-R52W; AND, LOT A OF LOT 1, S24-T92N-R52W; AND, LOT A OF LOT 2, S24-T92N-R52W.

is hereby included within the corporate limits of the City of Vermillion and the boundary of the City of Vermillion is hereby changed to include such territory.

Dated at Vermillion, South Dakota this 16th day of February, 2016.

FOR THE GOVERNING BODY OF THE
CITY OF VERMILLION, SOUTH DAKOTA

By _____
John E. (Jack) Powell, Mayor

ATTEST:

By _____
Michael D. Carlson, Finance Officer

The motion was seconded by Alderman Willson. Discussion followed and the question of the adoption of the Resolution was presented for a vote of the Governing Body. 8 members voted in favor of and 0 members voted

in opposition to the Resolution. Mayor Powell declared that the Resolution was adopted.

B. Authorization to Notify Electric Cooperative of Intent to Serve Annexed Area (airport property)

Shane Griese, Utility Manager, reported that the purpose of this authorization is to notify Clay Union Electric Corporation (Clay Union) of our intent to provide city electric service to the annexed property in the previous agenda item. Shane stated that the City currently supplies power to City facilities on the property. Shane stated that the intent of the annexation is to have a significant municipal asset and associated property which may be used for potential future municipal infrastructure within the city limits. Shane noted that, per State law, if the City does not notify a rural electric cooperative within one year of annexation of its intent to serve the annexed area, the annexed area shall continue to be served by the rural electric cooperative. The City has typically elected to serve all annexed areas since a 1992 State law changed the notification time to one year from annexation. Shane reported that the City is aware of Clay Union customers in the annexed area, so the City offers to pay, as compensation for service rights, an annual amount equal to the sum of twenty-five (25%) percent of the gross revenues received from power sales to consumers of electric power within the annexed area. Shane noted that, in addition, lost revenue payments would not start until a City electric customer service is established in the area during the next eleven years. Shane noted that the City would only be responsible to make lost revenue payments for a maximum of seven years. Shane recommended that the City elect to serve the annexed area and approve the attached Notice of Intent to Purchase Electric Utility Properties in Annexed Areas. Discussion followed.

40-16

Alderman Collier-Wise moved approval of providing notice to Clay Union Electric Corporation of intent to purchase electric utility properties in annexed areas, being the airport property. Alderman Willson seconded the motion. Motion carried 8 to 0. Mayor Powell declared the motion adopted.

C. Final Plat of Lots 3A, 3B and 4A in Block 1, Lot 2A and 2B in Block 4, and a portion of Janklow Court in Outlot B of French East Addition

Jose Dominguez, City Engineer, reported on receipt of a final plat for a portion of French East Addition. Jose stated that this is a replat of Lots 3 & 4 of Block 1; and, Lot 2 of Block 4 into townhome lots including a small portion of Janklow Court. Jose reported on the location of the lots. Jose reported that the final plat was reviewed by the Planning Commission at their February 9th meeting where the

Planning Commission recommended that the Council approve the plat. Jose stated that the final plat will facilitate townhouse development on the lots. Jose stated that the Planning Commission also approved conditional use permits for townhouse development on these lots at the same meeting.

41-16

After reading the same once, Alderman Willson moved approval of the following plat:

WHEREAS IT APPEARS that the owners thereof have caused a plat to be made of the following described real property: Lots, 3B and 4A in Block 1, Lot 2A and 2B in Block 4, and a portion of Janklow Court in Outlot B of French East Addition, City of Vermillion, Clay County, South Dakota for approval.

BE IT RESOLVED that the attached and foregoing plat has been submitted to and a report and recommendations thereon made by the Vermillion Planning Commission to the City Council of Vermillion which has approved the same.

BE IT FURTHER RESOLVED that the attached and foregoing plat has been submitted to the Governing Body of the City of Vermillion which has examined the same, and it appears that the systems of streets and alleys set forth therein conforms to the system of streets and alleys of the existing plat of such city, and that all taxes and special assessments, if any, upon the tract or subdivision have been fully paid and that such plat and survey thereof have been executed according to law, and the same is hereby accordingly approved.

The motion was seconded by Alderman Collier-Wise. Discussion followed and the question of the adoption of the Resolution was presented for a vote of the Governing Body. 8 members voted in favor of and 0 members voted in opposition to the Resolution. Mayor Powell declared that the Resolution was adopted.

D. Resolution authorizing the purchase of one electrical padmount switch from the City of Moorhead, Minnesota bid

Shane Griese, Utility Manager, stated that the City of Vermillion has elected for several years to purchase electrical padmount switches for the Electric Department off of other governmental bids to either save on annual price increases, take advantage of volume discounts, or save on the preparation of bid specifications and associated bidding costs. Shane reported that the City of Moorhead, MN, recently took bids on six switches meeting our City standards and received four bids. Shane reported that the low bid was awarded to Stuart C. Irby Co., of Eagan,

Minnesota at \$10,750 per switch. Shane stated that Stuart C. Irby Co. is willing to sell one padmount switch to the City of Vermillion at the Moorhead, MN bid price. The Moorhead switch bid meets our standards and will save the City from having to prepare bid specifications, advertise, and other associated bidding costs. Shane recommended adopting the resolution to purchase one padmount switch from Stuart C. Irby Co at the Eagan, Minnesota bid price of \$10,750. Discussion followed.

42-16

After reading the same once, Alderman Holland moved adoption of the following:

RESOLUTION
AUTHORIZING PURCHASE OF
PADMOUNT SWITCH

WHEREAS, SDCL 5-18A-22 authorizes a governmental entity to purchase necessary supplies from the lowest responsible bidder of another governmental entity or State or United States at the accepted bid price and the concurrence of said bidder, and;

WHEREAS, the City of Vermillion has reviewed and determined that the bid awarded by the City of Moorhead, Minnesota for padmount switches from Stuart C. Irby Co. in the amount of \$10,750 each for S&C PMH-9 padmount switch offers an advantageous price to the City for said item, and;

WHEREAS, the City has contacted Stuart C. Irby Co. and they have agreed to allow the City to purchase one S&C PMH-9 padmount switch for the awarded price and terms as they have contracted with the City of Moorhead, Minnesota.

NOW, THEREFORE BE IT RESOLVED, by the Governing Body of the City of Vermillion that the City Finance Officer is hereby authorized to purchase one S&C PMH-9 padmount switch at the awarded price and under the same terms as the City of Moorhead, Minnesota for a total amount of \$10,750.

Dated at Vermillion, South Dakota this 16th day of February 2016.

THE GOVERNING BODY OF THE CITY
OF VERMILLION, SOUTH DAKOTA

By _____

John E. (Jack) Powell, Mayor

ATTEST:

By _____

Michael D. Carlson, Finance Officer

The motion was seconded by Alderman Erickson. Discussion followed and the question of the adoption of the Resolution was presented for a vote of the Governing Body. 8 members voted in favor of and 0 members voted in opposition to the Resolution. Mayor Powell declared that the Resolution was adopted.

E. Resolution approving easements along 316th Street and 465th Avenue for transmission line to proposed substation to be located in Lot 1, Block 1 of Heikes Addition

Jose Dominguez, City Engineer, reported that, as a part of the City's new electric substation project, there is a need to extend the existing transmission line to the new substation. Jose noted that DGR has negotiated both permanent and overhang electric transmission line easements for construction of approximately 1.75-miles of looped 115-kV transmission line from the corner of 316th Street and University Road east to 465th Avenue and then south on 465th Avenue to the northeast substation. Jose reported that, based on the experience that the City gained during the construction of the last transmission line, it was decided early on to construct the new transmission line as close to the right-of-way line as possible. Jose noted that the property owners along the route have been contacted to discuss the location of the poles and to attempt to negotiate an overhang easement and, as needed, a permanent easement. Jose stated that a permanent easement is required in the southeast corner of 316th Street and University Road. Jose stated that DGR is recommending that the City obtain one permanent easement and four overhang easements along the proposed transmission route. Jose noted that, at this time, the City has only attained the permanent easement and three of the overhang easements. Jose stated that one property owner has not yet completed the overhang easement paperwork. Jose reported that the City is also in the process of acquiring permission from Clay County and Vermillion Township to occupy the right-of-way. Jose stated that it is anticipated that both of the entities will review the granting of permission at their February 23rd meetings. Discussion followed on the easements.

Travis Mockler, Chairman of the Clay County Commissioners, asked about a location of a pole along University Road noting the concern that it will be moved close to a driveway. Jose Dominguez, City Engineer, stated that it was his understanding that the pole was being moved closer to the property line not closer to the driveway.

43-16

After reading the same once, Alderman Willson moved adoption of the following:

RESOLUTION APPROVING EASEMENTS FOR CONSTRUCTION
OF AN ELECTRIC SUBSTATION

WHEREAS, the City of Vermillion is developing a substation in Lot 1, Block 1 of Heikes Addition; and,

WHEREAS, the City will need to take power from the east leg of the City's 115kV transmission line to serve the new substation and to help provide redundant electrical service for the community; and

WHEREAS, the City desires to construct a transmission line to from the corner of 316th Street and University Road east to 465th Avenue and then south on 465th Avenue to the northeast substation to serve the facility; and,

WHEREAS, all the adjoining landowners were contacted about providing a permanent easement or overhang easement as needed, and,

WHEREAS, the following property owners have agreed to provide the necessary easements on their property for an overhang or permanent easement in exchange for the amounts listed:

| <u>Property Owner</u> | <u>Property Legal Description</u> | <u>Parcel ID</u> | <u>Amount</u> |
|-------------------------------|---|--------------------|---------------|
| Merrigan Wayne & Mary M Trust | N 880.97' NW 1/4 EXC S 362.62' OF W 494' 7-92-51 VERMILLION TWP | 11000-09251-072-33 | \$2,400 |
| Tom and Mary Merrigan | W 1/2 NE 1/4 7-92-51 VERMILLION TWP | 11000-09251-071-00 | \$1,500 |
| Merrigan Wayne & Mary M Trust | E 1/2 NE 1/4 7-92-51 VERMILLION TWP | 11000-09251-071-03 | \$3,800 |

NOW, THEREFORE, BE IT RESOLVED, by the Governing Body of the City of Vermillion that the City Council approves the execution of the above listed easements and payment of the amounts listed and authorizes the Mayor and Finance Officer to execute the necessary documents on behalf of the City to document and preserve the easements on behalf of the City once the Clay County Commissioners and Vermillion Township board have provided approval of the use of the public right-of-way.

Dated at Vermillion, South Dakota this 16th day of February, 2016.

FOR THE GOVERNING BODY OF THE
CITY OF VERMILLION, SOUTH DAKOTA
By _____
John E. (Jack) Powell, Mayor

ATTEST:
By _____
Michael D. Carlson, Finance Officer

The motion was seconded by Alderman Holland. Discussion followed and the question of the adoption of the Resolution was presented for a vote of the Governing Body. 8 members voted in favor of and 0 members voted in opposition to the Resolution. Mayor Powell declared that the Resolution was adopted.

9. Bid Openings - None

10. City Manager's Report

A. John reported that Kidder Street from Court Street west one-half block west will be closed on Saturday, February 27th from 9:00 a.m. to 6:00 p.m. for the Special Olympics Polar Plunge.

B. John reported that the special City Council meeting will be held on Monday, February 29th at 5:15 p.m. at the Fire Station to consider the Prentis Park swimming pool bids followed by a Fire Department annual report and tour of the facility.

C. John reported that the City has received information about the Paint SD program. The program is seeking a volunteer group to organize the equipment, volunteers, prep the house and paint the house during a weekend in June 2016. John noted that the home must be a single family, owner-occupied residence with an owner that is physically or financially unable to paint and that SD Housing Development Authority will supply the paint. John noted that interest groups or individuals should contact City Hall for additional information.

PAYROLL ADDITIONS AND CHANGES

Library: Royce Miller \$8.55/hr; Golf Clubhouse: Michelle McClelland \$8.75/hr; Light: Phil Wiebelhaus \$27.91/hr

11. Invoices Payable

44-16

Alderman Willson moved approval of the following invoices:

| | | |
|---------------------------|-------------|----------|
| Brunicks Service Inc | fuel | 3,436.25 |
| Bureau Of Administration | telephone | 253.27 |
| Centurylink | telephone | 1,503.31 |
| Clay Rural Water System | water usage | 53.40 |
| Clay-Union Electric Corp | electricity | 1,960.01 |
| Clubhouse Hotel & Suites | lodging | 684.00 |
| Denora Water Technologies | repairs | 4,430.00 |

| | | |
|-------------------------------|-------------------------|-----------|
| Dept. Environment Natl Res | landfill operations fee | 2,453.74 |
| Division Of Motor Vehicle | title and plates | 14.00 |
| Fastenal Company | supplies | 100.07 |
| Gregg Peters | managers fee | 6,000.00 |
| Johnson Brothers Of SD | merchandise | 13,238.42 |
| Loren Fischer Disposal | haul cardboard | 210.00 |
| Mart Auto Body | towing | 1,350.00 |
| Matthew R Callahan | travel reimbursement | 340.92 |
| MidAmerican | gas usage | 8,022.83 |
| Midcontinent Communication | cable/internet service | 658.68 |
| Overhead Door Of Sioux City | repairs | 340.80 |
| Republic National Dist. | merchandise | 28,285.34 |
| Reserve Account | postage for meter | 900.00 |
| SDGCSA | registration | 440.00 |
| Stern Oil Co. | fuel | 5,497.83 |
| The Equalizer | advertising | 585.46 |
| United Parcel Service | shipping | 11.15 |
| Us Postmaster | postage/permit | 1,275.00 |
| Vermillion Ace Hardware | supplies | 145.27 |
| Vermillion Fastpitch Softball | online registration | 184.00 |
| Vermillion Youth Wrestling | online registration | 110.20 |
| VGSA | online registration | 81.15 |
| Visa | fuel/repairs | 851.68 |
| Omiowncorp, Inc | Bright Energy Rebate | 375.00 |
| Kayleen Reynolds | Bright Energy Rebate | 425.00 |
| Robert Wohler | Bright Energy Rebate | 150.00 |

Alderman Erickson seconded the motion. Motion carried 8 to 0. Mayor Powell declared the motion adopted.

12. Consensus Agenda

A. Set a bid opening date of March 1, 2016 for roof repairs of City facilities

B. Set a bid opening date of March 1, 2016 for electric wire and padmount transformers

C. Set a bid opening date of February 25, 2016 for City vehicles

D. Set a bid opening date of February 17, 2016 for a 12-foot 36,200 GVWR truck chassis

45-16

Alderman Collier-Wise moved approval of the consensus agenda. Alderman Price seconded the motion. Motion carried 8 to 0. Mayor Powell declared the motion adopted.

13. Adjourn

46-16

Alderman Ward moved to adjourn the Council Meeting at 7:31 p.m. Alderman Collier-Wise seconded the motion. Motion carried 8 to 0. Mayor Powell declared the motion adopted.

Dated at Vermillion, South Dakota this 16th day of February, 2016.

THE GOVERNING BODY OF THE CITY
OF VERMILLION, SOUTH DAKOTA
BY _____

John E. (Jack) Powell, Mayor

ATTEST:

BY _____
Michael D. Carlson, Finance Officer

Published once at the approximate cost of _____.