



Special Meeting Agenda City Council

12:00 pm (noon) Special Meeting
Monday, March 19, 2012
Large Conference Room
25 Center Street
Vermillion, South Dakota 57069

1. **Roll Call**
2. **Educational Session – Draft of the Five Year Capital Improvement Plan – John Prescott.**
3. **Briefing on the March 19, 2012 City Council Regular Meeting Agenda-** Briefings are intended to be informational only and no deliberation or decision will occur on this item.
4. **Adjourn**

Access the City Council Agenda on the web – www.vermillion.us

Addressing the Council: Persons addressing the Council shall use the microphone at the podium. Please state your name and address. Presentations are limited to 5 minutes. For those who do not appear on the agenda, no decision is to be expected at this time.

Meeting Assistance: If you require assistance, alternative formats and/or accessible locations consistent with the Americans with Disabilities Act, please contact the City Manager's Office at 677-7050 at least 3 working days prior to the meeting.

Council Meetings: City Council regular meetings are held the first and third Monday of each month at 7:00 p.m. If a meeting falls on a City holiday, the meeting will be scheduled for the following Tuesday.

Live Broadcasts of Council Meetings On Cable Channel: Regular City Council meetings are broadcast live on Cable Channel 3.

As a courtesy to others, we ask that cellular phones and pagers be turned off during the meeting.



City of Vermillion Council Agenda

7:00 p.m. Regular Meeting
Monday, March 19, 2012
City Council Chambers
25 Center Street
Vermillion, South Dakota 57069

1. **Roll Call**
2. **Pledge of Allegiance**
3. **Minutes**
 - a. March 5, 2012 Special Session; March 5, 2012 Regular Session.
4. **Adoption of the Agenda**
5. **Visitors To Be Heard**
 - a. Proclamation of Appreciation for Duane Schilling
6. **Public Hearings**
 - a. First Reading of Ordinance No. 1274 - Amendment to the Cottage Place Planned Development District.
7. **Old Business**
8. **New Business**
 - a. Resolution to allow for the reselling of water and sanitary sewer service at the Plum Vista Mobile Home Park and agreement.
 - b. Resolution to enter in to a lease-purchase agreement for a plotter/scanner/copier.
 - c. Resolution amending water rates and authorizing the prepayment of the 1999 SRF loan for water tower construction.
 - d. Resolution approving certain drinking water facility improvements, giving approval to the issuance and sale of a revenue bond for water tower construction.
 - e. Engineering agreement for water tower.
 - f. Change order No. 5 – Wastewater Treatment Facility Phase II improvements.
 - g. Consolidated Board of Equalization appointments.
 - h. Resolution Correcting the Resolution Establishing Tapping Fees in Lieu of Assessment for Construction of Sanitary Sewer Lift Station at 1314 Princeton Street.
 - i. Tapping fee agreement with Blue Square Partners for Lot 1, Block 6, Partridge Subdivision (11 Shriner Street).
9. **Bid Openings**
10. **City Manager's Report**
11. **Invoices Payable**

12. Consensus Agenda

- a. Set a public hearing date of April 2, 2012 for a special permit to exceed allowable sound levels by no more than 50% for Pi Kappa Alpha Fraternity on April 12 from 4:30 to 9:00 by the north picnic shelter in Prentis Park.
- b. Set a bid opening date of Wednesday, April 4, 2012 for the purchase of a new close door baler & conveyor for the City of Vermillion Recycling Center.
- c. Set a public hearing date of April 2, 2012 for transfer of retail on-sale liquor license to Old Lumber Company, Inc for the Old Lumber Company Bar and Grill at 15 Court transfer from John Grunewaldt formerly The Pressbox.
- d. Set a public hearing date of April 2, 2012 for retail on-off sale malt beverage license for Old Lumber Company, Inc for the Old Lumber Company Bar and Grill at 15 Court.

13. Adjourn

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Addressing the Council: Persons addressing the Council shall use the microphone at the podium. Please raise your hand to be recognized, go to the podium and state your name and address.

a. Items Not on the Agenda Members of the public may speak under Visitors to Be Heard on any topic NOT on the agenda. Remarks are limited to 5 minutes and no decision will be made at this time.

b. Agenda Items: Public testimony will be taken at the beginning of each agenda item, after the subject has been announced by the Mayor and explained by staff. Any citizen who wishes may speak one time for 5 minutes on each agenda item. Public testimony will then be closed and the topic will be given to the governing body for possible action. At this point, only City Council members and staff may discuss the current agenda item unless a Council member moves to allow another person to speak and there is unanimous consent from the Council. Questions from Council members, however, may be directed to staff or a member of the public through the presiding officer at any time.

Meeting Assistance: The City of Vermillion fully subscribes to the provisions of the Americans with Disabilities Act of 1990. If you desire to attend this public meeting and are in need of special accommodations, please notify the City Manager's Office at 677-7050 at least 3 working days prior to the meeting so appropriate auxiliary aids and services can be made available.

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Vermillion City Council's Values and Vision

This community values its people, its services, its vitality and growth, and its quality of life and sees itself reinforcing and promoting these ideals to a consistently increasing populace.



Unapproved Minutes
Council Special Session
March 5, 2012
Monday 12:00 noon

The special session of the City Council, City of Vermillion, South Dakota was held on Monday, March 5, 2012 at 12:00 noon in the City Hall large conference room.

1. Roll Call

Present: Davies, Grayson, Meins, Willson, Mayor Powell

Absent: French, Osborne, Ward, Zimmerman

2. Informational Session - Discussion of proposed changes to dwelling definitions and parking alternatives - Jose Dominguez

Jose Dominguez, City Engineer, reported that, in reviewing the parking alternatives, it was noted that some definitions needed to be updated, minimum lot area adjusted, including the building line width, minimum width adjustment, and alternatives to use garages to meet the parking requirements. Jose stated that these would be changes to the zoning ordinance and wanted to see if this was something the City Council would like to see reviewed by the Planning Commission. Jose reviewed the changes to definitions, lot area, building line width and lot frontage width. He proposed a parking alternative whereby, if the unit had direct access to the garage, the garage must be at least 10 feet by 20 feet and the property owner must ensure that the garage space is used for parking and not for other purposes, the garage could then be counted as a parking space. This would be a condition of the rental registration as the garage space would be considered a parking space. Discussion followed on the definitions, changes to lot area, lot width and parking requirements. The consensus of the City Council was to ask the Planning Commission to review this proposal and, if acceptable, propose a change to the zoning ordinance.

3. Briefing on the March 5, 2012 City Council Regular Meeting Agenda

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

4. Adjourn

074-12

Alderman Grayson moved to adjourn the Council special session at 12:50 p.m. Alderman Meins seconded the motion. Motion carried 5 to 0. Mayor Powell declared the motion adopted.

Dated at Vermillion, South Dakota this 5th day of March, 2012.

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
March 5, 2012
Monday 7:00 p.m.

The regular session of the City Council, City of Vermillion, South Dakota was called to order on March 5, 2012 at 7:00 p.m. by Mayor Powell.

1. Roll Call

Present: Davies, French, Grayson, Meins, Willson, Zimmerman,
Mayor Powell

Absent: Osborne, Ward

2. Pledge of Allegiance

3. Minutes

A. February 21, 2012 Special Session; February 21, 2012 Regular Session

075-12

Alderman Zimmerman moved approval of the February 21, 2012 special session minutes and the February 21, 2012 regular session minutes.

Alderman Meins seconded the motion. Motion carried 7 to 0. Mayor Powell declared the motion adopted.

4. Adoption of Agenda

076-12

Alderman French moved approval of the agenda. Alderman Zimmerman seconded the motion. Motion carried 7 to 0. Mayor Powell declared the motion adopted.

5. Visitors to be Heard

A. Developmental Disabilities Awareness Month

Alderman Meins read the proclamation designating the month of March as Developmental Disabilities Month in Vermillion. Mayor Powell presented the proclamation to Tiffany Glenn representing People First - Vermillion.

Alderman French reported that the Ribs, Rods & Rock'n Roll Committee will be sponsoring a certified judging class on April 28th for individuals interested in judging at this event or other events. Information is available at the Ribs, Rods, & Rock'n Roll website or by contacting Jenny French.

6. Public Hearings

A. Special daily malt beverage and wine license for the Vermillion Area Arts Council at 202 Washington Street on or about March 17, 2012

Mike Carlson, Finance Officer, reported that an application was received from the Vermillion Area Arts Council for a special daily malt beverage and wine license for their St. Patrick's Day celebration. The notice of hearing and Police Chief's report are included in the packet.

077-12

Alderman Grayson moved approval of the special daily malt beverage and wine license for the Vermillion Area Arts Council on or about March 17, 2012 at 202 Washington Street. Alderman Willson seconded the motion. Motion carried 7 to 0. Mayor Powell declared the motion adopted.

B. Community Development Block Grant application on behalf of the Vermillion Area Chamber and Development Company for a Workforce Training Expansion project

Janice Gravning, SECOG Representative, reported that the City proposes to make application for a Community Development Block Grant (CDBG) to pass through to the Vermillion Chamber and Development Company (VCDC) for a workforce training expansion project. Janice noted that the Governor's Office of Economic Development has made available CDBG funds for workforce training and the VCDC is proposing to expand its Welding Boot Camp program. The VCDC in partnership with Masaba Mining Equipment Company and the Vermillion School District have created a Welding Boot Camp to introduce basic welding skills to prospective workers seeking careers in manufacturing. The grant request is to purchase the equipment, supplies and provide instructors to expand the program to operate for the next three years. The grant request is for \$32,500 for program expenses with \$6,000 of in-kind match for a total program budget of \$38,500. Steve Howe, Executive Director of the VCDC, was present to answer questions on the grant request.

Janice stated that the next item for the public hearing was to conduct a Community Development & Housing Needs Assessment.

Mayor Powell asked for public comment during the Community Development & Housing Needs Assessment.

Janice stated that she provided an outline of the three major areas to address and City staff has included some items and, through discussion, items were added to develop the following:

CITY OF VERMILLION
COMMUNITY DEVELOPMENT AND HOUSING NEEDS ASSESSMENT

COMMUNITY DEVELOPMENT AND HOUSING NEEDS OF LOW-AND MODERATE-INCOME PERSONS.

- Continue the residential infrastructure assistance policy to provide assistance to developers in installing the infrastructure for housing developments.
- Continue with the rental-housing program along with continued improvements in the ordinance to enhance housing opportunities.
- The City Council created the Vermillion Housing Authority to operate as a separate entity to provide rental assistance to low to moderate income persons in the community. The City provides housing and some financial assistance to the Housing Authority.

- The City has adopted the 2009 International Residential Building Code, 2009 International Building Code and the Property Maintenance Code to provide for proper housing construction and ongoing maintenance of the property.
- The City has created a lot incentive program to encourage new housing construction.
- The City and County have adopted a Joint Jurisdictional Ordinance for the area in the county adjoining the city. The ordinance provides for a variety of housing classifications appropriate for low to moderate income persons.

OTHER COMMUNITY DEVELOPMENT AND HOUSING NEEDS.

- Continue the commitment to the water treatment system improvements to provide the needed quality water supply for current and future customers.
- Continue the process to replace the Market Street water tower that will require major repairs to be kept in service.
- Continue the commitment to the wastewater treatment system improvements to provide for the sanitary sewer treatment needs of the current and future customers.
- Continue the commitment to electric system improvement to provide the quality and reliable electric service to current and future customers.
- Continue the conversion of overhead electric lines to underground to provide a more reliable electric system for current and future customers.
- Complete the library expansion and renovation project that was funded from private donations, Community Development Block Grant and city funds to provide the needed space and improvements to serve the citizens of the area.
- Complete the reconstruction of Stanford Street from Main to Cherry Streets along with the water and wastewater utility infrastructure, sidewalks, street lights and bike path to provide improved transportation and pedestrian access in this area.

- Complete the bike path along SD Hwy 50 from Stanford to Dakota Street to provide increased outdoor recreational opportunities.

PLANNED OR POTENTIAL ACTIVITIES TO ADDRESS HOUSING AND COMMUNITY NEEDS

- Continue the partnership with the Vermillion Area Chamber of Commerce/Development Company (VCDC) to encourage industrial development in Vermillion. The City has made contributions and pledged additional funds to the Vermillion NOW!, that was spearheaded by the VCDC, to provide a pool of economic development funds as another tool to assist development in the community.
- The City has created a fund of \$35,000 for economic development incentives for new and expanding businesses, \$75,000 for infrastructure assistance and \$37,000 for infrastructure assistance in the city business park.
- Continue contributions to the University Wellness Center.
- VCDC is researching the development of a conference center to host conferences, meetings, and receptions in the community.
- Continue the planning for the replacement of the Prentis Park swimming pool.

Hearing no further input, Mayor Powell closed the public hearing and noted that Janice has circulated a sheet for all present to sign in.

Janice stated that to proceed with the CDBG application the City Council will need to approve the resolution sponsoring the grant application.

078-12

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

CITY OF VERMILLION
RESOLUTION SPONSORING COMMUNITY
DEVELOPMENT BLOCK GRANT

WHEREAS, the City of Vermillion has agreed to sponsor the Vermillion Area Chamber and Development Company's (VCDC) Workforce Training Expansion Project CDBG application; and

WHEREAS, the City of Vermillion wishes to request assistance, on behalf of VCDC, from the Community Development Block Grant (CDBG) Program of the South Dakota Governor's Office of Economic Development; and

WHEREAS, the City will act as the applicant with VCDC acting as the sub-applicant; and

WHEREAS, the City is required to designate a Project Certifying Officer for the purpose of signing required documents pertaining to the grant; and

WHEREAS, the City is required to designate an Environmental Certifying Officer for the purpose of signing required environmental documents pertaining to the grant.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City of Vermillion hereby authorizes the filing of a Community Development Block Grant application with the South Dakota Governor's Office of Economic Development, including all understandings and assurances contained therein.
2. Be it further resolved, that the Mayor of the City of Vermillion be hereby designated, as the City's official, for the purpose of signing Grant Agreements and Contracts and that the City Manager of the City of Vermillion be hereby designated as the City's certifying officer for the purpose of signing correspondence, pay requests and other required documents.
3. Be it further resolved, that the City Manager of the City of Vermillion is hereby designated as the City's Environmental Certifying Officer for the purpose of signing correspondence and other required documents and forms.

Dated at Vermillion this 5th day of March, 2012

THE GOVERNING BODY OF THE CITY
OF VERMILLION, SOUTH DAKOTA

John (Jack) E. Powell, Mayor

Attest:

Michael D. Carlson, Finance Officer

The motion was seconded by Alderman French. Discussion followed and the question of the adoption of the Resolution was presented for a vote of the Governing Body. 7 members voted in favor of and 0 members voted in opposition to the Resolution. Mayor Powell declared that the Resolution was adopted.

7. Old Business

A. Selection of a consultant to conduct a Storm Water Drainage Study

Jose Dominguez, City Engineer, reported that this item was tabled at last meeting to resolve language in the contract documents. He noted that the majority of changes proposed by the City Attorney were acceptable to the consultant. Two billing items were addressed: the ability to maintain a multiplier, a factor used to cover expenses and overhead, was left in the contract and the late payment fee was adjusted to follow the State statute. Discussion followed.

079-12

Alderman Grayson moved approval of the professional services contract with Short, Elliot, Hendrickson, Inc for the storm drainage study. Alderman Meins seconded the motion. Motion carried 7 to 0. Mayor Powell declared the motion adopted.

8. New Business

A. Resolution establishing tapping fees in lieu of assessment for the sanitary sewer lift station located at 1314 Princeton Street

John Prescott, City Manager, reported that in 2003 the City Council awarded a contract to construct the lift station at 1314 Princeton Street. John noted that the lift station is to serve a large area of approximately 378 acres in the northwest area of town and the adjoining area. He stated that the engineering staff has allocated the lift station cost based upon the proportion of the individual parcel lot area to the area served. The resolution is to establish the fee in lieu of assessment for the lift station. The fee is due when a building permit is requested that includes sanitary sewer service to the lift station or a later date when sanitary sewer service is provided to the property to the lift station. John noted that it is unfortunate that this process has taken this long but it is important that the sanitary sewer fund be able to recover the cost that was expended for the lift station from those who benefit. John noted that he has been in contact with the three property owners who are currently connected to the sanitary sewer noting

that two have developers agreements which address these costs and the other was included in a petition for paving. John noted that the resolution provides that the fee in lieu of assessment for the lift station is not delinquent until December 31, 2012 or a date mutually agreed upon by the City and property owner in a written agreement dated prior to April 30, 2012. John stated that the fees listed in the resolution do include the 8% fiscal fee for engineering and other administration costs of the project. Discussion followed on the resolution.

080-12

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

RESOLUTION ESTABLISHING TAPPING FEES IN LIEU OF ASSESSMENT
FOR CONSTRUCTION OF SANITARY SEWER LIFT STATION
AT 1314 PRINCETON STREET

WHEREAS, the City of Vermillion has constructed a sanitary sewer lift station at:

1314 Princeton Street

at a cost of \$165,668.23, which the City has paid, and which has not been apportioned against the property which may be benefited thereby as provided by SDCL 9-47-6 and SDCL 9-48-15, as amended, and will require such property owner to pay its proportionate share of the cost of such construction, without interest, according to the benefits which the Governing Body has determined to accrue to such property before such property may be served by the facility; and

WHEREAS, to foster construction and development, the City allowed property owners to connect and use the sanitary sewer prior to a tapping fee, in lieu of assessment, being calculated; and

WHEREAS the owners, at the time of construction, acknowledged the responsibility to pay the tapping fee, in lieu of assessment, upon the Governing Body adopting a Resolution for construction of the sanitary sewer life station, in lieu of an assessment; and

WHEREAS, the Governing Body acknowledges the delay in the completion of construction of the sanitary sewer lift station and the adoption of this Resolution; and

WHEREAS, in recognition of the delay, the City will not require the payment of the construction of the sanitary sewer lift station, in lieu of assessment, for the existing sanitary sewer

customers, for the improvement until December 31, 2012, or a date mutually agreed upon by the City and property owner via a written agreement dated prior to April 30, 2012.

NOW, THEREFORE, BE IT HEREBY RESOLVED, that each of the lots, hereinafter described in Column 2, has been benefited by the construction of the sanitary sewer lift station in the amount set forth in Column 3, opposite such description; and the owner of such lot has been allowed to connect and use the sanitary sewer lift station prior to the calculation of this tapping fee in lieu of assessment and shall pay said amount to the City of Vermillion by December 31, 2012, or a date mutually agreed upon by the City and property owner via a written agreement dated prior to April 30, 2012, viz:

PROPERTY OWNER	LEGAL DESCRIPTION	AMOUNT
RADHA, INC.	Lot 1, Blk. 5, Partridge Subdivision	\$ 1,750.08
Blue Square Partners, LLC	Lot 1, Blk. 6, Partridge Subdivision	\$ 910.04
Wal-Mart Real Estate	Lot 1, Blk. 3, Lotuswood Addition	\$ 9,218.10

BE IT FURTHER RESOLVED, that each of the lots hereinafter described in Column 2 has been benefited by the construction of the sanitary sewer lift station in the amount set forth in Column 3 opposite such description; and the owner of such lot shall pay said amount to the City before said property be served by the sanitary sewer facility of the City of Vermillion, viz:

PROPERTY OWNER	LEGAL DESCRIPTION	AMOUNT
RADHA, INC.	Lot 1, Blk. 5, Partridge Subdivision	\$ 1,750.08
USD Foundation	Lot 2, Blk. 5, Partridge Subdivision	\$ 980.04
Blue Square Partners, LLC	Lot 3, Blk. 5, Partridge Subdivision	\$ 879.42
Blue Square Partners, LLC	Lot 4, Blk. 5, Partridge Subdivision	\$ 971.29
Blue Square Partners, LLC	Lot 2, Blk. 6, Partridge Subdivision	\$ 910.04
Blue Square Partners, LLC	Lot 1, Blk. 7, Partridge Subdivision	\$ 511.90
Blue Square Partners, LLC	Lot 2, Blk. 7, Partridge Subdivision	\$ 577.52

Donner Family Limited Partnership	Lot 4, Except the West 101' of Blk. 1, Lotuswood Addition	\$ 496.93
Westgate Development, LLC	The West 101' of Lot 4, Blk. 1, Lotuswood Addition	\$ 353.01
Marketplace Vermillion, LLC	Lots 6, 7, and 8, Blk. 2, Lotuswood Addition	\$ 1,366.65
Wal-Mart Stores, Inc.	Lot 2, Blk. 3, Lotuswood Addition	\$ 1,142.36
Wal-Mart Realty Co.	Lot 3, Blk. 3, Lotuswood Addition	\$ 373.21
Wal-Mart Stores, Inc.	Lot 4, Blk. 3, Lotuswood Addition	\$ 1,299.00
City of Vermillion	Lot 5, Blk. 3, Lotuswood Addition	\$ 1,012.13
City of Vermillion	Lot 6, Blk. 3, Lotuswood Addition	\$ 831.09
City of Vermillion	Lots 2, 3, 4A, 5, 6 and Outlot B of Blk. 6 & Lots 1 and 2, Blk. 4, Erickson Addition	\$ 13,265.59
Stanley Prentis Munger Family Trust	The NW 1/4 of the NE 1/4, Except Lot H-2 & except the E. 50' of Section 14, Township 92, Range 52	\$ 14,678.78
Stanley Prentis Munger Family Trust	The S. 617' of the W. 1/2 of the SE 1/4, except Munger Tract 1 & except Lots H2 & H3, Section 11, Township 92, Range 52	\$ 7,715.50
Faith Fellowship of South Dakota	FFC Tract 1 in the SE 1/4 of the SE 1/4, except Lots H-1 & H-2, Section 11, Township 92, Range 52	\$ 538.15
Faith Fellowship of South Dakota	FFC Tract 2 in the SE 1/4 of the SE 1/4, Section 11, Township 92, Range 52	\$ 1,137.55
Verna C. Saito	Lee Tract 1 in the SE 1/4 of the SE 14, Section 11, Township 92, Range 52	\$ 3,771.42
Susan Marie Jones	The N. 412' of the S. 947' of the E. 330' of the E 1/2 of the SE 1/4 & the W. 935' of the E. 1265' of the N 82' of the S 617' of the E 1/2 of the SE 1/4 of Section 11, Township 92, Range 52	\$ 2,165.34
David & Ranae Kimball	The N. 330' of the S. 578' of the E. 246' of the SE 1/4 of the SE 1/4, Section 11, Township 92, Range 52	\$ 815.38
Mark & Margo J. Logue	The N. 205' of the S. 248' of the E. 246' of the SE 1/4 of the SE 1/4, Section 11, Township 92, Range 52	\$ 506.52
Robert & Vicki Dehner	Lot M-2, except Lot H-2 in the SW 1/4 of the SW 1/4, Section 12, Township 92, Range 52	\$ 409.68
Craig W. & Darlis A. Myron	The W. 457.8' of Lot M, except Lot H-1 in the SW 1/4 of the SW 1/4, Section 12, Township 92, Range 52	\$ 873.65

Craig W. & Darlis A. Myron	Heine Tract 1, except Myron Tract 1 in the SW 1/4 of the Sw 1/4, Section 12, Township 92, Range 52	\$ 1,511.57
Barry T. & Elizabeth A. Hulse	Myron Tract1 of previously platted Lot M & Heine Tract 1 in SW 1/4 of the SW 1/4, Section 12, Township 92, Range 52	\$ 801.58
Paul & Mary Jane Heine	The N. 330' of the E. 306' of the SW 1/4 of the SW 1/4 & the N. 587' of the S. 947' of the SW 1/4 of the SW 1/4 & the S. 360' of the E. 360' of the SW 1/4 of the SW 1/4, except H-1 of Section 12, Township 92, Range 52	\$ 9,720.48
HPG Developers, LLC	Lot 1, Blk. 2, Seiler's Second Addition in the E 1/2 of the SW 1/4, Section 12, Township 92, Range 52	\$ 635.49
HPG Developers, LLC	The E 1/2 of the SW 1/4, except Blks. 1, 2, 3, 4, & 5 of Seiler's Second Addition & except Lot H-1, Section 12, Township 92, Range 52	\$ 15,815.62
Stanley & Shirley Woods	Lots 1 & 2, Seiler Subdivision in the W. 1/2 of the SE 1/4, except Lot H-1, Section 12, Township 92, Range 52	\$ 284.39
Marjorie A. Seiler Trust, Etal.	Lot 3, Seiler Subdivision in the W 1/2 of the SE 1/4, except Lot H-1, Section 12, Township 92, Range 52	\$ 249.92
Marjorie A. Seiler Trust, Etal.	Lot 4, Seiler Subdivision in the W 1/2 of the SE 1/4, except Lot H-1, Section 12, Township 92, Range 52	\$ 219.75
Marjorie A. Seiler Trust, Etal.	Lot 5, Seiler Subdivision in the W 1/2 of the SE 1/4, except Lot H-1, Section 12, Township 92, Range 52	\$ 64.63
Marjorie A. Seiler Trust, Etal.	The S. 1584' of the W 1/2 of the SE 1/4, except Seiler Subdivision & except Lot H-1, Section 12, Township 92, Range 52	\$ 19,466.30
University of South Dakota	The S. 1914' of the E 1/2 of the SE 1/4, except the W. 732' of the N. 1475' of the E 1/2 of the SE 1/4, except Lot H-1, Section 12, Township 92, Range 52	\$ 16,311.56
Sol & Mary Redlin	Lot A of Government Lot 2 in the SW 1/4 of Section 7, Township 92, Range 51	\$ 776.24
Eric Olson	Lot S-2 of Government Lot 2 in the SW 1/4 of Section 7, Township 92, Range 52	\$ 635.37
Kal D. Simons	The W 1/2 of the SW 1/4, except DeYonge Addition, Lot A, Lot S-2, and Lot S-1 of Government Lot 2 & except Macy Tract 1 & 2 of Section 7, Township 92, Range 52	\$ 23,609.18
John R. & Barbara T. Bernard	Lot 1, Blk 5, Seiler's Addition	\$ 437.52

HPG Developers, LLC	Lot 2, Blk 5, Seiler's Addition	\$	437.52
HPG Developers, LLC	Lot 3, Blk. 5, Seiler's Addition	\$	437.52
HPG Developers, LLC	Lot 4, Blk. 5, Seiler's Addition	\$	437.52
HPG Developers, LLC	Lot 5, Blk. 5, Seiler's Addition	\$	437.52
HPG Developers, LLC	Lot 6, Blk. 5, Seiler's Addition	\$	437.52
HPG Developers, LLC	Lot 7, Blk. 5, Seiler's Addition	\$	437.52
Randall & Crystal Sander	Lot 8, Blk. 5, Seiler's Addition	\$	437.52
Brian K. Waage	The S. 331.7' of Lot S-1 in Government Lot 2 of the SW 1/4 of Section 7, Township 92, Range 51	\$	1,634.49
Brian K. Waage	The S. 331.7' of Macy Tract 1 in the N 1/2 of Government Lot 2 of the SW 1/4 of Section 7, Township 92, Range 51	\$	971.17

BE IT FURTHER RESOLVED, that each of the lots described in the two tables above shall pay the amount of benefit plus an eight percent (8%) fiscal fee.

Dated at Vermillion, South Dakota, this 5th day of March, 2012.

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 Meins. Discussion followed and the question of the adoption of the Resolution was presented for a vote of the Governing Body. 7 members voted in favor of and 0 members voted in opposition to the Resolution. Mayor Powell declared that the Resolution was adopted.

B. Resolution establishing tapping fees in lieu of assessment for an 8" sanitary sewer south of Highway 50 from Princeton Street to

280' west of Dakota Street

John Prescott, City Manager, reported on the location of the sanitary sewer line running from Princeton Street east to 280' west of Dakota Street. The line runs on a line that if Shriner Street was extended west through the Wal-Mart Parking lot to Princeton and then east to just short of Dakota Street. The City Council awarded this contract in 2003 at the same time as the lift station. The cost of the sanitary sewer main is allocated based upon front footage and serves eleven parcels of property. The resolution is to establish the fee in lieu of assessment for the sanitary sewer main. The fee is due when a building permit is requested that includes sanitary service to the sewer main. John noted that it is unfortunate that this process has taken this long but it is important that the sanitary sewer fund be able to recover the cost that was expended for the sewer main from those who benefit. John noted that, as he previously stated, he has been in contact with the three property owners who are currently connected to the sanitary sewer. He noted that the resolution provides that the fee in lieu of assessment for the sanitary sewer main is not delinquent until March 31, 2013 or a date mutually agreed upon by the City and property owner in a written agreement dated prior to April 30, 2012. John stated that the fees listed in the resolution do include the 8% fiscal fee for engineering and other administration costs of the project. Discussion followed on the resolution.

081-12

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

RESOLUTION ESTABLISHING TAPPING FEES, IN LIEU OF ASSESSMENT,
FOR SOUTH OF HIGHWAY 50 FROM PRINCETON STREET
TO 280 FEET WEST OF DAKOTA STREET

WHEREAS, the City of Vermillion has constructed an eight inch (8") sanitary sewer line on parts of the following streets and lots:

South of Highway 50 from Princeton Street to 280 feet west
of Dakota Street

at a cost of \$77,671.33, which the City has paid, and which has not been apportioned against the property which may be benefited thereby as provided by SDCL 9-47-6 and SDCL 9-48-15, as amended, and will require such property owner to pay its proportionate share of the cost of such construction, without interest, according to the benefits which the Governing Body has determined

to accrue to such property before such property may be served by the facility; and

WHEREAS, to foster construction and development, the City allowed property owners to connect and use the sanitary sewer prior to a tapping fee, in lieu of assessment, being calculated; and

WHEREAS the owners, at the time of construction, acknowledged the responsibility to pay the tapping fee, in lieu of assessment, upon the Governing Body adopting a Resolution establishing the tapping fee in lieu of an assessment for their respective property; and WHEREAS, the Governing Body acknowledges the delay in the completion of construction of the sanitary sewer line and the adoption of this Resolution establishing the tapping fees, in lieu of assessment; and

WHEREAS, in recognition of the delay, the City will not require the payment of the sanitary sewer tapping fee, in lieu of assessment, for the existing sanitary sewer customers, for the improvement until March 31, 2013, or a date mutually agreed upon by the City and property owner via a written agreement dated prior to April 30, 2012.

NOW, THEREFORE, BE IT HEREBY RESOLVED, that each of the lots, hereinafter described in Column 2, has been benefited by the construction of the facility in the amount set forth in Column 3, opposite such description; and the owner of such lot has been allowed to connect and use the sanitary sewer prior to the calculation of this tapping fee in lieu of assessment and shall pay said amount to the City of Vermillion by March 31, 2013, or a date mutually agreed upon by the City and property owner via a written agreement dated prior to April 30, 2012, viz:

PROPERTY OWNER	LEGAL DESCRIPTION	AMOUNT
RADHA, Inc.	Lot 1, Blk. 5, Partridge Subdivision	\$ 10,624.86
Blue Square Partners, LLC	Lot 1, Blk. 6, Partridge Subdivision	\$ 4,632.46
Walmart	Lot 1, Blk. 3, Lotuswood Addition	\$ 15,875.17

BE IT FURTHER RESOLVED, that each of the lots hereinafter described in Column 2 has been benefited by the construction of the facility in the amount set forth in Column 3, opposite such description; and the owner of such lot shall pay said amount to

the City before said property may be served by the sanitary sewer facility of the City of Vermillion, viz:

PROPERTY OWNER	LEGAL DESCRIPTION	AMOUNT
USD Foundation	Lot 2, Blk. 5, Partridge Subdivision	\$ 4,922.27
Blue Square Partners, LLC	Lot 3, Blk. 5, Partridge Subdivision	\$ 6,196.54
Blue Square Partners, LLC	Lot 4, Blk. 5, Partridge Subdivision	\$ 6,407.30
Blue Square Partners, LLC	Lot 2, Blk. 6, Partridge Subdivision	\$ 5,674.32
Blue Square Partners, LLC	Lot 1, Blk. 7, Partridge Subdivision	\$ 4,861.84
Blue Square Partners, LLC	Lot 2, Blk. 7, Partridge Subdivision	\$ 5,041.41
City of Vermillion	Lot 5, Blk. 3, Lotuswood Addition	\$ 6,716.82
City of Vermillion	Lot 6, Blk. 3, Lotuswood Addition	\$ 6,718.34

BE IT FURTHER RESOLVED, that each of the lots described in the two tables above shall pay the amount of benefit, plus an eight percent (8%) fiscal fee.

Dated at Vermillion, South Dakota, this 5th day of March, 2012.

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. 7 members voted in favor of and 0 members voted in opposition to the Resolution. Mayor Powell declared that the Resolution was adopted.

C. 2011 Annual financial report

Mike Carlson, Finance Officer, reviewed the 2011 unaudited Financial Report for the City and answered questions of the City Council on the report. Mike noted that the City Council will need to acknowledge receipt of the report and a copy will be sent to the Department of Legislative Audit.

082-12

Alderman Grayson moved to acknowledge receipt of the 2011 Annual Financial Report. Alderman French seconded the motion. Motion carried 7 to 0. Mayor Powell declared the motion adopted.

D. Developer's Agreement with the Vermillion Chamber of Commerce and Development Company for property located on the south side of Highway 50 from Jefferson Street (if extended) to Compton Street (if continued)

John Prescott, City Manager, reported on the location of the project being proposed by the Vermillion Chamber and Development Company (VCDC), noting that it is to provide access and utility service to industrial park property. John stated that the improvements proposed are street, storm sewer, water, sanitary sewer and street lights. The VCDC, as owner of the property, has proposed the improvements and will be requesting the City's Vermillion Now! funds to pay for the improvements. As such, a Developers Agreement was put together to address the different improvements between the VCDC and the City. John noted that the Vermillion Now! funds budgeted by the City total \$171,286 and the project is estimated at close to that amount. He stated that the City has a pledge of \$50,000 for 2013 and 2014. Discussion followed on the Developer's Agreement with Steve Howe, Executive Director of the VCDC, answering questions and suggesting changes in the language dealing with the ability of the City to assess the improvements. Jim McCulloch, City Attorney, suggested a change in the language to allow for the assessment of any costs not paid or reimbursed by the VCDC.

083-12

Alderman Grayson moved approval of the Developer's Agreement with the VCDC including the change in language proposed by the City Attorney that unreimbursed costs could be assessed for the improvements to Compton Street. Alderman French seconded the motion. Discussion followed. Motion carried 7 to 0. Mayor Powell declared the motion adopted.

9. Bid Openings

A. Fuel Quotes

Mike Carlson, Finance Officer, read the monthly fuel quotes and recommended the low quote of Stern Oil on Items 1-3.

Item 1. 4,350 Gal unleaded 10% ethanol: Stern Oil \$3.4199, Brunick's Service \$3.57; Item 2. Average cost of 1,500 gal. No. 1 and No. 2 diesel fuel-dyed: Stern Oil \$3.4984, Brunick's Service \$3.65; Item 3. Average cost of 500 gal No. 1 and No. 2 diesel fuel-clear: Stern Oil \$3.7384, Brunick's Service \$3.89

084-12

Alderman Zimmerman moved approval of the low quote of Stern Oil on Items 1-3. Alderman Willson seconded the motion. Motion carried 7 to 0. Mayor Powell declared the motion adopted.

10. City Manager's Report

A. John reported that there will be a public meeting on the Solid Waste Master Plan in the City Council Chambers on Thursday, March 15th at 6:30 p.m. This meeting is to provide an update to the citizens on the master planning process for the landfill and recycling and receive public input.

B. John reported that the "Paint South Dakota" has provided information for projects to be submitted by April 9, 2012. The program is available to volunteer groups to come forward to paint a single-family, owner occupied residence when the owner is physically or financially unable to paint the home. For additional information, please contact City Hall.

C. John reported that the South Dakota Municipal League District 3 meeting and dinner is March 28th at 7:00 p.m. in Sioux Falls and asked any Council members to let him know if they wanted to attend as the registration is due by March 14th.

D. John reported that he has received a raffle notification from the After Prom Party Committee raffling a Tanager Quilt for \$5 per chance or 3 for \$10 with the drawing to be held at the Grand March.

PAYROLL ADDITIONS AND CHANGES

Ambulance: Jon Christensen \$30.60-\$6.00 1st/\$17.34-\$6.00 2nd/\$8.00 call; Recreation: Jade Fostvedt \$7.75/hr; Pool: Alexandra DeJong \$8.00/hr, Abby Ouellette \$8.50/hr; Golf Clubhouse: Ashley Kalda \$7.25/hr, Michael Mettler \$7.25/hr, Alexa Rudeen \$7.25/hr; Light: Matt Laska \$8.75/hr; Curbside Recycling: Dan Hansen \$14.15/hr

11. Invoices Payable

085-12

Alderman Davies moved approval of the following invoice:

WILLSON FLORIST	ARRANGEMENT	63.00
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Alderman Zimmerman seconded the motion. Alderman Willson requested to abstain. Motion carried 6 to 0. Mayor Powell declared the motion adopted.

086-12

Alderman Davies moved approval of the following invoices:

A & B BUSINESS, INC	MAINTENANCE CONTRACT	533.45
A-OX WELDING SUPPLY CO	SUPPLIES	778.60
ACCU-PRODUCTS INTERNATIONAL	SUPPLIES	279.18
APEX EQUIPMENT, LLC	PARTS	2,179.40
ARAMARK UNIFORM SERVICES	UNIFORM CLEANING	210.06
ARAMARK-WEARGUARD	UNIFORMS	61.24
ARGUS LEADER	ADVERTISING	50.74
ARMSTRONG MEDICAL	SUPPLIES	169.30
AUDIO GO	BOOKS	187.94
AUTOMATIC BUILDING CONTROL	FIRE ALARM TESTING	167.00
BAKER & TAYLOR BOOKS	BOOKS	593.71
BANNER ASSOCIATES, INC	PROFESSIONAL SERVICES	1,584.32
BARNES DISTRIBUTION	SUPPLIES	255.44
BIERSCHBACH EQPT & SUPPLY	SAFETY GLASSES	54.00
BOOK WHOLESALERS, INC	BOOKS	486.51
BORDER STATES ELEC SUPPLY	SUPPLIES	549.92
BOUND TREE MEDICAL, LLC	SUPPLIES	361.48
BRANDON WIEMERS	MEALS REIMBURSEMENT	73.00
BROADCASTER PRESS	ADVERTISING	198.00
BROCK WHITE CO	SUPPLIES	49.66
BROWN TRAFFIC PRODUCTS	SUPPLIES	79.00
BUTCH'S PROPANE INC	PROPANE	8,797.79
BUTLER MACHINERY CO.	PARTS	1,220.42
CAM COMMERCE	REPAIRS	840.00
CAMPBELL SUPPLY	SUPPLIES	493.98
CANNON TECHNOLOGIES, INC	SOFTWARE SUPPORT	900.00
CANON FINANCIAL SERVICES	COPIER LEASE	56.16
CASK & CORK	MERCHANDISE	355.25
CBCINNOVIS, INC	TESTING MATERIALS	12.98
CENTURY BUSINESS PRODUCTS	COPIER CONTRACT	489.00

ENTURYLINK	911 RELAY SERVICES	5.00
CENTURYLINK	TELEPHONE	734.52
CHAD PASSICK	MEALS REIMBURSEMENT	157.00
CHANNING BETE COMPANY, INC	SUPPLIES	79.85
CHEMCO, INC	SUPPLIES	374.54
CHESTERMAN CO	MERCHANDISE	260.59
CITY OF STURGIS	AIRPORT LIGHT SYS PARTS	850.00
CITY OF VERMILLION	COPIES/POSTAGE	1,286.09
CITY OF VERMILLION	UTILITY BILLS	35,432.85
CLAY RURAL WATER SYSTEM	WATER USAGE	37.10
CODY JANSEN	MEALS REIMBURSEMENT	73.00
COLONIAL LIFE ACC INS.	INSURANCE	3,219.57
CRYSTAL BRADY	REIMBURSE MEMBERSHIP FEE	125.00
CULLIGAN WATER	SALT	567.00
CUSTOM SALES LLC	FLAT BED/TOOL BOX	2,300.00
D-P TOOLS	SUPPLIES	157.84
DAKOTA BEVERAGE	MERCHANDISE	6,706.18
DAKOTA PC WAREHOUSE	SUPPLIES	180.94
DAKOTA RIGGERS & TOOL SUP	PARTS	81.48
DANKO MES, INC.	PARTS	63.81
DELTA DENTAL PLAN	INSURANCE	5,712.30
DEMCO	SUPPLIES	530.29
DENNIS MARTENS	MAINTENANCE	833.34
DEPT OF REVENUE	TESTING	182.00
DEWILD GRANT RECKERT & ASSOC	PROFESSIONAL SERVICES	3,410.00
DRIVERS LICENSE GUIDE CO	ID CHECKING GUIDE	61.85
DUST TEX	SUPPLIES	58.25
ECHO ELECTRIC SUPPLY	SUPPLIES	1,037.09
ELLIOTT EQUIPMENT CO	PARTS	305.40
ENERGY LABORATORIES	TESTING	1,040.00
ENGINEERING AMERICA, INC	PARTS	468.33
ENVIRONMENTAL RESOURCE ASSOC	CHEMICALS	120.21
EQUIMEDIC USA, INC	SUPPLIES	728.88
ERIN J. SEEP	MAINTENANCE	43.50
FARMER BROTHERS CO.	SUPPLIES	37.88
FEDEX.	SHIPPING	10.97
FILTERTEC	SUPPLIES	164.31
FOREMAN MEDIA	COUNCIL MEETING	50.00
FRED HAAR CO, INC	PARTS	124.80
GALE	BOOKS	415.93
GE CAPITAL	COPIER LEASE	114.48
GEAR FOR SPORTS	MERCHANDISE	5,505.73
GENTLE TOUCH CARPET CARE	CARPET CLEANING	492.67

GRAHAM TIRE CO.	TIRES	385.32
GRAYBAR ELECTRIC	SUPPLIES	822.00
GREGG PETERS	FREIGHT	2,034.50
GREGG PETERS	RENT	937.50
HACH CO	CHEMICALS	1,124.49
HALI-BRITE INC.	PARTS	101.44
HANSEN LOCKSMITHING	PARTS	125.00
HD SUPPLY WATERWORKS	SUPPLIES	3,662.93
HELMS & ASSOCIATES	PROFESSIONAL SERVICES	3,778.74
HERREN-SCHEMPPE BUILDING	SUPPLIES	79.94
HOLSTER AND LEATHER GOODS	SUPPLIES	55.70
HY VEE FOOD STORE	SUPPLIES	80.25
IN CONTROL, INC	PROFESSIONAL SERVICES	715.00
INDEPENDENCE WASTE	WASTE HAULING	747.00
INGRAM	BOOKS	2,716.61
IOWA OFFICE SUPPLY, INC	SUPPLIES	9.79
JASON ANDERSON	MEALS REIMBURSEMENT	30.00
JOHN A CONKLING DIST.	MERCHANDISE	4,850.95
JOHNSON BROTHERS FAMOUS BRANDS	MERCHANDISE	33,771.18
JOHNSON CONTROLS	REPAIRS/MAINT AGREEMENT	3,910.81
JONES ACE HARDWARE	SUPPLIES	502.71
JONES FOOD CENTER	SUPPLIES	1,620.82
JOSE DOMINGUEZ	MEALS REIMBURSEMENT	30.00
JUNIOR LIBRARY GUILD	BOOKS	63.00
JWR, INC	PARTS	1,493.23
KALINS INDOOR COMFORT	REPAIRS	615.81
KARSTEN MFG CORP	MERCHANDISE	357.11
LAKESIDE EQUIPMENT	PARTS	412.00
LARGE PRINT OVERSTOCKS	BOOKS	36.19
LAUREN L. TOLSMA	MILEAGE REIMBURSEMENT	61.20
LAWSON PRODUCTS INC	SUPPLIES	337.62
LAYNES WORLD	PLAQUES	75.00
LESSMAN ELEC. SUPPLY CO	SUPPLIES	2,845.70
LINCOLN MUTUAL LIFE	INSURANCE	497.01
LOCATORS AND SUPPLIES, INC	SUPPLIES	818.17
LUKE TROWBRIDGE	MEALS REIMBURSEMENT	157.00
MALLOY ELECTRIC	PARTS	95.11
MARK CLARK	MILEAGE REIMBURSEMENT	44.40
MARKS MACHINERY	PARTS	100.59
MART AUTO BODY	TOWING	1,575.00
MATHESON TRI-GAS, INC	SUPPLIES	123.03
MATT PARROTT & SONS CO.	SUPPLIES	984.38
MATTHEW BETZEN	MILEAGE REIMBURSEMENT	112.00

MCCULLOCH LAW OFFICE	PROFESSIONAL SERVICES	1,712.64
MEAD LUMBER	SUPPLIES	477.06
MEDICAL WASTE TRANSPORT, INC	HAUL MEDICAL WASTE	171.06
MID-AMERICAN RESEARCH CHEM.	SUPPLIES	85.77
MIDWEST ALARM CO	ALARM MONITORING	60.00
MIDWEST BUILDING MAINTENANCE	MAT SERVICE	582.90
MIDWEST TURF & IRRIGATION	PARTS	2,413.45
MIKE MILLER INSTRUCTIONAL	PROFESSIONAL SERVICES	1,000.00
MINN MUNICIPAL UTILITY ASSOC	TRAINING MATERIALS	151.15
MISSOURI VALLEY MAINTENANCE	REPAIRS	1,460.75
MOORE WELDING & MFG	PARTS	69.00
NCL OF WISCONSIN, INC	SUPPLIES	296.61
NETSYS+	REPAIRS/PROF SERVICES	2,730.98
NEW YORK LIFE	INSURANCE	95.00
NIKE INC	MERCHANDISE	217.01
NORTH CENTRAL DISTRIBUTION	SUPPLIES	104.96
NORTHERN SAFETY CO. INC	SUPPLIES	211.82
NOVELTY MACHINE & SUPPLY	REPAIRS	432.91
ORIENTAL TRADING CO	SUPPLIES	82.99
OTIS ELEVATOR COMPANY	SERVICE CONTRACT	1,032.24
PATRICIA MCDANIEL	BOOKS	20.00
PAUL CARNES	CLEANING	525.00
PAULS PLUMBING	SUPPLIES	80.59
PENNINGTON COUNTY FIREFIGHTERS	REGISTRATION	90.00
PETE LIEN & SONS, INC	SUPPLIES	3,746.95
PLAIN TALK PUBLISHERS	SUBSCRIPTION	26.00
PLANT & FLANGED EQUIP CO.	PARTS	1,412.93
PNC EQUIPMENT FINANCE	DEFIBRILLATOR LEASE	741.27
POTOMAC AVIATION TECHNOLOGY	MONITORING FEES	250.00
PRESTO-X-COMPANY	INSPECTION/TREATMENT	47.00
PRINT SOURCE	SUPPLIES	225.50
PUMP N PAK	FUEL	2,537.58
QUALITY TELECOMMUNICATION	PHONE SYSTEM	3,487.50
QUILL	SUPPLIES	1,026.18
RACOM CORPORATION	MAINTENANCE CONTRACT	368.50
RANDOM HOUSE, INC	BOOKS	256.00
RANDY ISAACSON	MILEAGE REIMBURSEMENT	31.80
RECORDED BOOKS, INC	BOOKS	458.00
REPUBLIC NATIONAL DISTRIB.	MERCHANDISE	17,628.39
RIVERSIDE HYDRAULICS & LAB	PARTS	80.83
SCHAEFFER MFG. CO	SUPPLIES	595.20
SD ASSOC. OF RURAL WTR SYSTEMS	REGISTRATION	600.00
SD FEDERAL PROPERTY AGENCY	SUPPLIES	16.00

SD LIBRARY NETWORK	NETWORK ONGOING COST	10,108.50
SD RETIREMENT SYSTEM	CONTRIBUTION	45,858.61
SECURITY SHREDDING SERVICE	SHREDDING	35.00
SELCO	SUPPLIES	42.00
SENIOR CITIZEN	CONTRIBUTION	15,000.00
SERVALL TOWEL & LINEN	SHOP TOWELS	29.40
SHARE CORPORATION	SUPPLIES	104.57
SIOUX CITY JOURNAL	ADVERTISING	32.95
SIOUX EQUIPMENT	PARTS	171.14
SIOUX FALLS TWO WAY RADIO	REPAIRS	484.99
SIOUXLAND HUMANE SOCIETY	DROP OFF FEES	37.00
SOOLAND BOBCAT	PARTS	466.53
SPORT SUPPLY GROUP	SUPPLIES	584.00
STAN HOUSTON EQPT CO	PARTS	129.05
STERN OIL CO.	SUPPLIES	2,567.42
STEWART OIL-TIRE CO	TIRE REPAIR	180.00
STUART C. IRBY CO.	TRANSFORMERS	23,658.00
STURDEVANTS AUTO PARTS	PARTS	2,514.00
THATCHER COMPANY	SODA ASH	14,247.20
THE EQUALIZER	ADVERTISING	347.40
THE NEW SIOUX CITY IRON CO	SUPPLIES	154.27
THE RADAR SHOP	RADARS RECERTIFIED	117.00
TOM KRUSE	MEAL REIMBURSEMENT	9.00
TRAVIS VANBEEK	SAFETY BOOTS REIMBURSE	100.00
TRI TECH SALES	PARTS	232.42
TRUE VALUE	SUPPLIES	301.13
TURNER PLUMBING	REPAIRS	52.04
UNITED WAY	CONTRIBUTIONS	332.80
UPSTART	SUPPLIES	862.50
US POSTMASTER	PERMIT RENEWAL & POSTAGE	455.00
USD-CONTINUING EDUCATION	TRAINING	30.00
VALIANT VINEYARDS	MERCHANDISE	213.60
VERBAL JUDO INSTITUTE, INC	TRAINING VIDEO	512.49
VERIZON WIRELESS	POLICE COMMUNICATIONS	227.99
VERMILLION COMMUNITY CPR	CPR CARDS	92.00
VERMILLION FORD	PARTS	54.70
VERMILLION YOUTH WRESTLING	SPONSOR FEE	200.00
VISA/FIRST BANK & TRUST	FUEL/LODGING/SUPPLIES	4,464.92
WAL-MART	SUPPLIES	538.27
WASTEQUIP	EQUIPMENT	958.00
WATERTOWN REGIONAL LIBRARY	BOOKS	21.50
WESCO DISTRIBUTION, INC	SUPPLIES	590.40
WEST GROUP PAYMENT CENTER	BOOK	85.50

YANKTON AREA EMS ASSOCIATION	REGISTRATION	200.00
YANKTON JANITORIAL SUPPLY	SUPPLIES	1,267.76
ZEP SALES & SERVICE	SUPPLIES	875.63
CHARLES KUTILEK	BRIGHT ENERGY REBATE	175.00

Alderman Zimmerman seconded the motion. Motion carried 7 to 0. Mayor Powell declared the motion adopted.

12. Consensus Agenda

A. Set a bid opening date of March 28, 2012 for single phase pad mount transformers

087-12

Alderman Zimmerman moved approval of the consensus agenda. Alderman French seconded the motion. Motion carried 7 to 0. Mayor Powell declared the motion adopted.

13. Adjourn

088-12

Alderman Meins moved to adjourn the Council Meeting at 8:00 p.m. Alderman French seconded the motion. Motion carried 7 to 0. Mayor Powell declared the motion adopted.

Dated at Vermillion, South Dakota this 5th day of March, 2012.

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 _____.

**PROCLAMATION OF APPRECIATION
FOR
DUANE SCHILLING**

WHEREAS, Duane Schilling is retiring effective March 23, 2012; and

WHEREAS, Duane Schilling served the City of Vermillion as Draftsman for the Engineering Department from March 22, 1972 to March 23, 2012; and

WHEREAS, Duane Schilling has been instrumental in keeping all city maps neat and up to date; and

WHEREAS, Duane Schilling is completing the longest current tenure of any City of Vermillion employee; and

WHEREAS, Duane Schilling's service with the City of Vermillion spans that of 10 Mayor's, approximately 88 Council members, 6 City Manager's and numerous co-workers.

NOW, THEREFORE, BE IT RESOLVED, that the fellow members of the Vermillion City Council, on behalf of City staff and the community, do hereby extend the deepest appreciation to Duane Schilling for his service to the community as Draftsman for the City of Vermillion Engineering Department.

Dated at Vermillion, South Dakota this 19th day of March, 2012.

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

John E. (Jack) Powell, Mayor

ATTEST:

Michael D. Carlson, Finance Officer



Council Agenda Memo

From: José Domínguez, City Engineer

Meeting: March 19, 2012

Subject: First Reading of Ordinance No. 1274 – Amendment to the Cottage Place Planned Development (Old Wheeler Inn Property, located approximately at 14 West Cherry Street)

Presenter: José Domínguez

Background: Banner Associates has submitted the above amendment request on behalf of the owners, Mr. Troy Gregoire, Mr. Mike Manning and Mr. Larry Anthofer. The district in question includes the location of the old Wheeler Inn property and the properties fronting Cottage Place. Over the last month or so, City staff has offered input to the consulting engineer. Code section 155.057, or the Cottage Place Planned Development District, allows for commercial, high-density residential and storage facilities to be constructed within the district.

The item was presented to the Planning Commission on the March 12, 2012. The Planning Commission recommended approval of the amendment to the ordinance.

Discussion: The current district is divided into four distinct areas. Each area is allowed certain uses as described in the ordinance. Area A was designated for commercial use. Mixed commercial/residential is allowed within area A. Area B currently allows for any use approved for area A, with the addition of apartment units. The uses within area C were limited to storage facilities and contractor's shops. Lastly, residential development was approved in Area D, which fronts Cottage Avenue. The applicant is not proposing to make any changes to the proposed uses. The amendments will be to the size of the areas. The following table shows the changes to the areas;

DISTRICT AREA	EXISTING SIZE	PROPOSED SIZE	NOTES
Area A	48,385-SF	29,905-SF	
Area B	38,638-SF	79,660-SF	Now has access to Cottage Ave.
Area C	70,020-SF	58,371-SF	
Area D	45,128-SF	55,195-SF	

The proposed changes to the areas will increase the applicants' space to develop residential units (increase to areas B and D) while diminishing the space for commercial development (decrease to areas A and C).

Financial Consideration: No City funds will be used on this item.

Conclusion/Recommendations: The Council is asked to approve the amendment, or initial development plan. This initial development plan will amend the zoning districts within the Cottage Place Planned Development District.

Staff recommends the amendment be approved.

ORDINANCE NO. 1274

AN ORDINANCE AMENDING ORDINANCE NO. 1274 – ZONING ORDINANCE FOR THE CITY OF VERMILLION, SOUTH DAKOTA, REZONING CERTAIN PROPERTY (OLD WHEELER INN PROPERTY, LOCATED, APPROXIMATELY, AT 14 WEST CHERRY STREET) FROM THE R-2 RESIDENTIAL DISTRICT AND GB GENERAL BUSINESS DISTRICT TO THE COTTAGE PLACE PLANNED DEVELOPMENT DISTRICT AND PROVIDING REGULATIONS THEREFORE.

BE IT ORDAINED, BY THE GOVERNING BODY OF VERMILLION, SOUTH DAKOTA:

SECTION 1. That Ordinance No. 1274, Zoning Ordinance for the City of Vermillion, is hereby amended as follows:

THAT THE WEST 225 FEET OF LOT 4 AND THE WEST 225 FEET OF THE NORTH 5 FEET OF LOT 5, BLOCK 85, ADDITION TO SNYDERS; AND THE WEST 293 FEET OF LOT 1 AND 2, EXCEPT H-1, BLOCK 85, ADDITION TO SNYDERS; AND THE WEST 293 FEET OF LOT 3, BLOCK 85, ADDITION TO SNYDERS; AND THE WEST 150 FEET OF THE SOUTH 94 FEET OF THE EAST 293 FEET OF LOT 5 AND THE WEST 150 FEET OF THE NORTHEAST 49 FEET OF THE EAST 293 FEET OF LOT 6, SUBJECT TO AN EASEMENT IN BLOCK 85, ADDITION TO SNYDERS; AND THE WEST 50 FEET OF THE SOUTH 94 FEET OF LOT 5, AND THE WEST 50 FEET OF THE NORTH 49 FEET OF LOT 6, SUBJECT TO A 20 FOOT ROAD EASEMENT ALONG THE SOUTH SIDE THEREOF, BLOCK 85, ADDITION TO SNYDERS; AND THE EAST 50 FEET OF THE WEST 100 FEET OF THE SOUTH 94 FEET OF LOT 5 AND THE EAST 50 FEET OF THE WEST 100 FEET OF THE NORTH 49 FEET OF LOT 6, SUBJECT TO A 20 FOOT ROAD EASEMENT ALONG THE SOUTH SIDE THEREOF, ALL IN BLOCK 85, ADDITION TO SNYDERS; AND THE SOUTH 50 FEET OF LOT 6, THE NORTH 58 FEET OF LOT 7, AND THE SOUTH 74 FEET, EXCEPT THE SOUTH 10 FEET OF THE EAST 165 FEET OF LOT 7, BLOCK 85, ADDITION TO SNYDERS; AND THE EAST 50 FEET OF THE WEST 150 FEET OF THE SOUTH 94 FEET OF LOT 5 AND THE EAST 50 FEET OF THE WEST 150 FEET OF THE NORTH 49 FEET OF LOT 6, BLOCK 85, ADDITION TO SNYDERS ADDITION, EXCEPT THE SOUTH 20 FEET; DESIGNATED AS A ROADWAY AND THE EAST 218 FEET OF THE SOUTH 40 FEET OF LOT 4 AND EAST 218 FEET OF THE NORTH 5 FEET OF LOT 5, BLOCK 85, ADDITION TO SNYDER'S ADDITION; AND EAST 218 FEET OF THE NORTH 59 FEET OF LOT 4, BLOCK 85, ADDITION TO SNYDER'S ADDITION THEREOF, CITY OF VERMILLION, CLAY COUNTY, SOUTH DAKOTA,

IS HEREBY INCLUDED IN THE COTTAGE PLACE PLANNED DEVELOPMENT DISTRICT AND THE OFFICIAL ZONING MAP IS AMENDED TO INCLUDE SUCH LAND IN THE COTTAGE PLACE PLANNED DEVELOPMENT DISTRICT.

SECTION 2. That the Cottage Place Planned Development District include the following regulations:

Section 155.057 Cottage Place Planned Development District. The regulations set forth in this section or set forth elsewhere in the Vermillion Zoning Ordinance when referred to in this section are the district regulations in the Cottage Place Planned Development District.

155.057 COTTAGE PLACE PLANNED DEVELOPMENT DISTRICT.

(A) *Purpose.* The regulations set forth in this section or set forth elsewhere in the Vermillion Zoning Ordinance when referred to in this section are the district regulations in the Cottage Place Planned Development District. The purpose of this district is to provide for mixed use commercial and residential areas within the Planned Development District. All city ordinances apply to the Planned Development District.

(B) *Area A.* (mixed use commercial and residential areas) All city ordinances apply to the planned development district identified as Area A except for those modified below.

(1) *Permitted uses (Area A).*

Permitted Uses	Applicable Standards
Retail trade or service	§§ <u>155.070</u> , <u>155.072</u> , <u>155.073</u> , <u>155.077</u>
Office	§§ <u>155.070</u> , <u>155.072</u> , <u>155.073</u> , <u>155.077</u>
Personal service	§§ <u>155.070</u> , <u>155.072</u> , <u>155.073</u> , <u>155.077</u>
Mixed commercial/residential	Residential being above the ground floor
Accessory structures	§§ <u>155.070</u> , <u>155.095(A)</u>
Churches	All parking lots being 8 feet from all residential properties. §§ <u>155.070</u> , <u>155.072</u> , <u>155.077</u>
Drug store	§§ <u>155.070</u> , <u>155.072</u> , <u>155.073</u> , <u>155.077</u>
Medical and dental clinics	§§ <u>155.070</u> , <u>155.072</u> , <u>155.073</u> , <u>155.077</u>
Day care center	Adequate and safe playground area with fence 4 feet high. A safe pickup and drop off area must be provided for the children. §§ <u>155.070</u> , <u>155.072</u> , <u>155.073</u> , <u>155.077</u>
Fences	§ <u>155.074</u>

Neighborhood utilities	§ <u>155.070</u>
Small animal veterinarian	§§ <u>155.070</u> , <u>155.072</u> , <u>155.073</u> , <u>155.077</u> , <u>155.095(A)</u>
On/Off premise parking	§ <u>155.095(A)</u>

(2) *Conditional uses (Area A).*

Conditional Use	Applicable Standards
Convenience store	§§ <u>155.070</u> , <u>155.072</u> , <u>155.077</u>
Hotel/motel	§§ <u>155.070</u> , <u>155.072</u> , <u>155.073</u> , <u>155.077</u>
Hospital/clinic	§§ <u>155.070</u> , <u>155.072</u> , <u>155.073</u> , <u>155.077</u>
Public utility facility	§§ <u>155.070</u> , <u>155.072</u> , <u>155.073</u> , <u>155.077</u>
Funeral home/mortuary	§§ <u>155.070</u> , <u>155.072</u> , <u>155.073</u> , <u>155.077</u>
Private club	§§ <u>155.070</u> , <u>155.072</u> , <u>155.073</u> , <u>155.077</u>
Restaurants	§§ <u>155.070</u> , <u>155.072</u> , <u>155.073</u> , <u>155.077</u>
Arcade	§§ <u>155.070</u> , <u>155.072</u> , <u>155.073</u> , <u>155.077</u>
On/Off-sale alcoholic beverage establishment	Located at least 500 feet from a school.* §§ <u>155.070</u> , <u>155.072</u> , <u>155.073</u> , <u>155.077</u>
Motor vehicle repair shop	Subject to an adequate number of parking spots to allow temporary storage of the cars only while being repaired. §§ <u>155.070</u> , <u>155.072</u> , <u>155.073</u> , <u>155.077</u>
Greenhouse/nursery	§§ <u>155.070</u> , <u>155.072</u> , <u>155.073</u> , <u>155.077</u>
Car wash	Five storage spaces for each bay beyond off-street parking requirements and the water from the car wash contained on the site. §§ <u>155.070</u> , <u>155.072</u> , <u>155.073</u> , <u>155.077</u>
Motor vehicle sales, display, and service	§§ <u>155.070</u> , <u>155.072</u> , <u>155.073</u> , <u>155.077</u> Subject to screening of all outdoor storage of parts from view.

Lumberyard	Subject to screening of all outdoor storage from view when abutting a residential district. §§ <u>155.070</u> , <u>155.072</u> , <u>155.073</u> , <u>155.077</u> §§ <u>155.070</u> , <u>155.072</u> , <u>155.073</u> , <u>155.077</u>
Public service facility	§ <u>155.070</u>
Theatre	§§ <u>155.070</u> , <u>155.072</u> , <u>155.077</u>
Wholesale trade	§§ <u>155.070</u> , <u>155.072</u> , <u>155.073</u> , <u>155.077</u>
* Measured from the closest point of the outside walls of both structures	

(C) **Area B** (commercial, multi dwelling, mixed use) Area B is identified to allow multi-dwelling equivalent to R-3 off of Cherry Street frontage. Area B will utilize the same permitted uses as Area A with the addition of the following. Area B will utilize the same conditional uses as Area A without any additions.

(1) *Permitted uses (Area B).*

Permitted Uses	Applicable Standards
Area A permitted uses	See Area A permitted uses
Multiple- dwellings	§§ <u>155.070</u> , <u>155.072</u> , <u>155.076</u> , <u>155.077</u>
Accessory use (such as, garage, shed)	§§ <u>155.071</u> , <u>155.082(A)</u> (see definition)

(2) *Conditional uses (Area B).*

Conditional Use	Applicable Standards
Area A conditional uses	See Area A conditional uses

(D) **Area C.** (storage). All city ordinances apply to the planned development district identified as Area C except for those modified below.

(1) *Permitted uses (Area C).*

Permitted Uses	Applicable Standards
Storage facility	§§ <u>155.070</u> , <u>155.072</u> , <u>155.077</u> , <u>155.095(A)</u>
Accessory structures	§§ <u>155.070</u> , <u>155.095(A)</u> (see definition)
Accessory use (such as, garage, shed)	§§ <u>155.071</u> , <u>155.082(A)</u> (see definition)

Fences	§ <u>155.074</u>
Contractor's shop/storage yard	Subject to screening of all outdoor storage from view. No repairs or sales §§ <u>155.070, 155.072, 155.073, 155.077</u>
Warehouse, mini-warehouse	The materials stored on the premises shall have a level 1 or below in the Fire Protection Guide on Hazardous Materials. §§ <u>155.070, 155.072, 155.073, 155.077</u>
Neighborhood utilities	§ <u>155.070</u>
Motor vehicle storage	
On/Off premise parking for adjacent tracts only and parking shall abut the adjacent tract	§ <u>155.095(A)</u>

(2) *Conditional uses (Area C).*

Conditional Use	Applicable Standards
Motor vehicle sales, display and service	§§ <u>155.070, 155.072, 155.073, 155.077</u> Subject to screening of all outdoor storage of parts from view.
* Measured from the closest point of the outside walls of both structures	

(E) **Area D.** (high density residential) This area shall provide for certain high density residential areas now developed primarily with single-family. All city ordinances apply to the planned development district identified as Area D except for those modified below.

(1) *Permitted uses (Area D).*

Permitted Use	Applicable Standards
Single-family detached dwellings	§§ <u>155.070, 155.072, 155.076, 155.077</u>
Single-family attached dwellings (up to 2)	§§ <u>155.070, 155.072, 155.076, 155.077</u>
Multiple dwellings	§§ <u>155.070, 155.072, 155.076, 155.077</u>
Neighborhood utilities	§ <u>155.070</u>
Fences	§ <u>155.074</u>

Accessory structure (such as, garage, shed)	§§ 155.071, 155.082(A) (see definition)
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(2) *Conditional uses (Area D).*

Conditional Use	Applicable Standards
Public service facility	§ 155.070

(F) **Lot and yard regulations.** All measurements shall be taken from the lot line to the building line (see definitions).

	Tract Area	Lot Width	Front Yard	Side Yard	Rear Yard	Maximum Height
Business and all other uses	7,000 square feet	50 feet	15 feet	5 feet	10 feet	45 feet
Single-family detached	7,000 square feet	60 feet	30 feet	8 feet	25 feet	45 feet
Single-family attached dwellings (2 units-1 lot)	5,000 square feet	20 feet	30 feet	0 or 10 feet on nonparty wall side	25 feet	45 feet
3 to 8 multiple dwelling units (1 lot)	7,500 square feet	60 feet	30 feet	10 feet	10 feet	45 feet
9 to 12 multiple dwelling units (1 lot)	20,000 square feet	70 feet	30 feet	10 feet	10 feet	45 feet
Over 12 multiple dwelling units (1 lot)	30,000 square feet	85 feet	30 feet	10 feet	10 feet	45 feet
Accessory building	NA	NA	Not permitted	5 feet	5 feet	12 feet
Parking Lots	§ 155.072	NA	10 feet	10 feet	10 feet	NA

Exceptions:

- #1 Where a side yard or rear yard is required half of the required yard must be maintained as a landscaped area.
- #2 There shall be a required front yard on each thru street side of lots.
- #3 See adjustments to yard regulations (§ 155.082) for other specific exceptions.
- #4 A conditional use permit will be required for any structure exceeding heights identified above (§ 155.095(A))

#5 The side yard will be required to be increased by 10 feet when the building is 3 stories in height or more.

#6 There shall not be a required front yard on Cottage Place for a double frontage lot. There shall be a required front yard on Cottage Street of a corner lot.

#7 A side or rear yard of 15 feet shall be required when a use other than residential is adjacent to or abuts a residential district.

(G) *Property re-division* All future property re-division shall require a re-platting of the affected parcels. Planned Development District may be required to be amended depending on property re-division.

(1) *Ingress/Egress Easements* – Future transfer of ownership which creates a landlocked parcel shall require a dedicated ingress/egress easement for the issuance of a building permit.

(H) *Parking regulations.* Parking shall comply with § 155.072. Required parking shall be dedicated to the occupants and located as close to the building served as possible.

(I) *Visibility at Intersections and Driveways.* Safety zones shall comply with § 155.070.

(J) *Accessory Use and Structures* shall conform to the following standards:

(1) Roofing and siding materials shall be of a type customarily used on site-constructed residence.

(2) Any accessory building that covers more than 120 square feet shall be secured to the ground to prevent the structure from being moved or damaged by high winds.

(3) Accessory buildings may not be used for dwelling purposes.

(4) Accessory buildings in excess of 750 square feet in area should be approved only if there is a legitimate purpose for accessory buildings.

(K) *Off Street Loading Requirements* shall comply with § 155.073.

(L) *Site-built dwelling standards* shall comply with § 155.076.

(M) *Landscaping standards*

(1) Within any zoning district, at least 75% of the required front yard setback shall be landscaped and maintained with living ground cover except for the portion of the front yard necessary for hard surfaced driveways and parking (§ 155.072).

(2) 1 tree per 50 feet of tract width is required. No more than 25% of the required trees may be deciduous ornamental, evergreen, or coniferous trees.

(3) Each existing tree of at least 1 3/4-inch caliper in size shall count toward the tree requirement.

(4) Where feasible, landscape areas must be capable of providing a substantially full expanse of foliage within 3 years after planting. All deciduous trees shall be 1 3/4 inch caliper and all deciduous ornamental shall be 1 1/4-inch caliper. Berms or

other landscaping techniques may be used for all or part of the 6-foot screening if they have a maximum grade of 3 feet horizontal to 1-foot vertical and sodded or planted with other acceptable living ground cover.

- (5) A fence, wall, or shrubbery 6 feet in height and of a character necessary for adequate screening shall be installed or planted when a commercial use is located adjacent to residentially used property or across the right-of-way from residentially used property (unless the right-of-way is an arterial street). Berms or other landscaping techniques may be used for all or part of the 6-foot screening if they have a maximum grade of 3 feet horizontal to 1-foot vertical and sodded or planted with other acceptable living ground cover.
- (6) If proper screening is provided, parking lot setbacks may be reduced at City Engineer's discretion.

(N) *Adjustments to Yard Regulations* shall comply with § 155.082.

(O) *Non-conforming Uses and Structures* shall comply with § 155.083.

(P) *Lighting*

- (1) When property is adjacent to or within 150 feet of residentially used or zoned property, the following lighting standards apply:
 - (a) The maximum light level shall be no greater than 3 foot candles field measured at the property line (ground level).
 - (b) The maximum height of light luminaries shall be 25 feet above the ground.
 - (c) Canopy luminaries and other on-site lighting with luminaries greater than 2000 lumens shall include a 90-degree cut-off type, deflector, refractor, or forward throw light fixture.
 - (d) The maximum number of canopy luminaries shall be determined by the following industry standard: $\text{Canopy length (in feet)} \times \text{canopy width (in feet)} \times 3 = \text{Maximum No. of Luminaries lamp wattage}$
- (2) All other light luminaries shall have a maximum height of 38 feet above the ground. Submittal of photometric plans shall be required with all site plan checks for building projects on property with lighted parking lots or lighted canopies.
- (3) The following structures or uses are exempt from these lighting standards: parks, pedestrian walkways, and illuminated flags or statues.
- (4) Lighting for parking lots shall be constructed so as to prevent light pollution to surrounding properties.

(Q) *Sign regulations.* Signs shall be regulated by Chapter 152. Regulations shall be those used in the R-3 District.

(R) *Fence regulations.* Fences shall comply with § 155.074(A), (B) and (C), except for fences used to enclose recreational areas that may comply with § 155.074(G).

Dated at Vermillion, South Dakota this 2nd day of April, 2012.

THE GOVERNING BODY OF THE CITY OF
VERMILLION, SOUTH DAKOTA

John E. (Jack) Powell

ATTEST:

Michael D. Carlson, Finance Officer

First Reading: March 19, 2012
Second Reading: April 2, 2012
Publication: April 15, 2011
Effective Date: May 7, 2011

COTTAGE PLACE PLANNED DEVELOPMENT DISTRICT AMENDMENT

PROJECT NAME: COTTAGE PLACE PLANNED DEVELOPMENT DISTRICT

OWNERS:
 TROY GREGOIRE MIKE MANNING LARRY ANTHOFER
 500 CRAWFORD CT 30 CYPRESS DR 514 SHARPE
 VERMILLION SD 57069 VERMILLION SD 57069 VERMILLION SD 57069

ADDRESS: LOCATIONS IDENTIFIED ON PLAN INCLUDING THE BELOW ADDRESSES
 14 W. CHERRY ST, VERMILLION SD
 23 COTTAGE PLACE, VERMILLION SD
 25 COTTAGE PLACE, VERMILLION SD
 502 COTTAGE STREET, VERMILLION SD
 508 COTTAGE STREET, VERMILLION SD
 514 COTTAGE STREET, VERMILLION SD
 530 COTTAGE AVENUE, VERMILLION SD
 602 COTTAGE AVENUE, VERMILLION SD

EXISTING GREGOIRE LEGAL DESCRIPTION:

- W225' OF LOT 4 & W 225' OF N 5' OF LOT 5 BLOCK 85, ADDITION TO SNYDERS, CITY OF VERMILLION, CLAY COUNTY, SOUTH DAKOTA
- W 293' OF 1 & 2 Exc H-1 BLOCK 85 ADDITION TO SNYDERS, CITY OF VERMILLION, CLAY COUNTY, SOUTH DAKOTA
- W 293' OF 3 BLOCK 85, ADDITION TO SNYDERS, CITY OF VERMILLION, CLAY COUNTY, SOUTH DAKOTA
- W 150' OF S 94' OF E 293' OF 5 & W 150' OF NE 49' OF E 293' OF 6 SUBJECT TO EASEMENT BLOCK 85, ADDITION TO SNYDERS, CITY OF VERMILLION, CLAY COUNTY, SOUTH DAKOTA
- EAST 218 FEET OF THE SOUTH 40 FEET OF LOT 4 AND EAST 218 FEET OF THE NORTH 5 FEET OF LOT 5, BLOCK 85, ADDITION TO SNYDER'S ADDITION TO THE CITY OF VERMILLION, CLAY COUNTY, SOUTH DAKOTA.
- EAST 218 FEET OF THE NORTH 59 FEET OF LOT 4, BLOCK 85, ADDITION TO SNYDER'S ADDITION TO THE CITY OF VERMILLION, CLAY COUNTY, SOUTH DAKOTA.

PROPOSED GREGOIRE LEGAL DESCRIPTION :

- TRACTS 1, 2, 3 & 6, COTTAGE PLACE ADDITION, CITY OF VERMILLION, CLAY COUNTY, SOUTH DAKOTA

EXISTING MANNING LEGAL DESCRIPTION:

- E 50' OF THE W 100' OF THE S 94' OF 5 AND THE E 50' OF THE W 100' OF THE N 49' OF 6, SUBJECT TO A 20' ROAD EASEMENT ALONG THE SOUTH SIDE THEROF, ALL IN BLOCK 85, ADDITION TO SNYDER'S, CITY OF VERMILLION, CLAY COUNTY, SOUTH DAKOTA
- S 50' OF 6, N 58' OF 7, AND THE S 74', EXCEPT THE S 10' OF THE E 165' OF 7, BLOCK 85, ADDITION TO SNYDER'S, CITY OF VERMILLION, SOUTH DAKOTA
- THE W 50' OF THE S 94' OF 5 AND THE W 50' OF THE N 49' OF 6, SUBJECT TO A 20' ROAD EASEMENT ALONG THE SOUTH SIDE THEREOF, BLOCK 85, ADDITION TO SNYDERS CITY OF VERMILLION, CLAY COUNTY, SOUTH DAKOTA

PROPOSED MANNING LEGAL DESCRIPTION:

- TRACTS 4, 7, & 8 COTTAGE PLACE ADDITION, CITY OF VERMILLION, CLAY COUNTY, SOUTH DAKOTA

EXISTING ANTHOFER LEGAL DESCRIPTION:
 E 50' OF THE W 150' OF THE S 94' OF LOT 5 AND THE E 50' OF THE W 150' OF THE N 49' OF LOT 6, BLOCK 85, ADDITION TO SNYDER'S ADDITION, EXCEPT THE SOUTH 20' THEREOF DESIGNATED AS A ROADWAY, CITY OF VERMILLION, CLAY COUNTY, SOUTH DAKOTA.

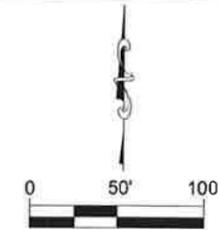
PROPOSED ANTHOFER LEGAL DESCRIPTION:
 TRACT 5, COTTAGE PLACE ADDITION, IN THE CITY OF VERMILLION, CLAY COUNTY, SOUTH DAKOTA

PROPOSED LAND USES, DWELLING UNITS/BUILDING, MAXIMUM DWELLING DENSITY, MINIMUM SETBACKS, MAXIMUM HEIGHTS - SEE EXHIBIT A

LAND DESCRIPTION	PROPOSED LAND USES
TRACT 1	AREA A
TRACT 2	AREA B
TRACT 3	AREA B
TRACT 4	AREA C
TRACT 5	AREA C
TRACT 6	AREA C
TRACT 7	AREA C
TRACT 8	AREA D

ANTICIPATED DEVELOPMENT SEQUENCE (TIME FOLLOWING PDD APPROVAL)

TRACT 1	MARKET AS COMMERCIAL LOT FOR SALE
TRACT 2	COMMENCE UPON AMENDMENT APPROVAL
TRACT 3	(NO IMMEDIATE PLANS)
TRACT 4	(NO IMMEDIATE PLANS)
TRACT 5	(NO IMMEDIATE PLANS)
TRACT 6	SUMMER 2012
TRACT 7	(NO IMMEDIATE PLANS)
TRACT 8	(NO IMMEDIATE PLANS)



BANNER
 Consulting Engineers & Architects
 14 W. Main St, Suite A
 Vermillion, South Dakota 57069
 605-624-6342
 www.bannerassociates.com
 Designing Projects, Building Trust

CONSULTANTS:

**FOR REVIEW ONLY
NOT FOR CONSTRUCTION**

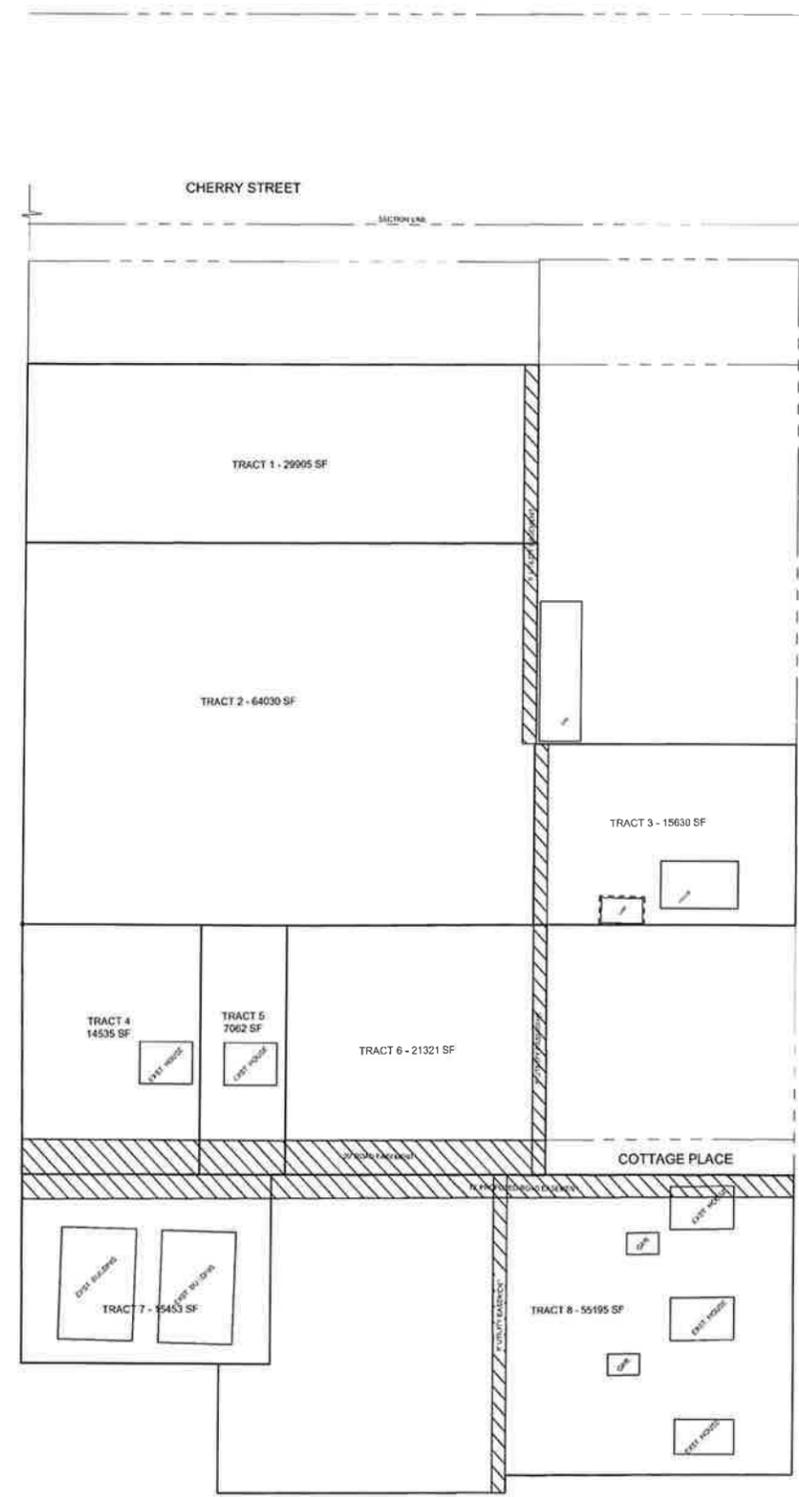
PROJECT TITLE:
COTTAGE PLACE PLANNED DEVELOPMENT DISTRICT
 PROJECT LOCATION:
 VERMILLION
 SOUTH DAKOTA

REV.	DATE	DESCRIPTION

DRAWN BY: LDW
 DESIGNED BY: LDW
 CHECKED BY: LDW
 JOB NO: 21260.00.01
 DATE: FEBRUARY 2012

SHEET TITLE:
AMENDMENT

SHEET NO.:
1



C:\Users\lanceaw\Desktop\Gregoire_Topodwg_21260\2012 11:08 AM



Council Agenda Memo

From: Jason Anderson, Assistant City Engineer

Meeting: March 19, 2012

Subject: Resell of City Water/Sewer

Presenter: Jason Anderson

Background: City staff identified that the Plum Vista mobile home property owner was charging tenants for water and sewer. The City contacted the property owner to explain that City Code does not provide for the resale of City utilities unless approved by the City Council. A letter, dated January 16, 2012, from Connie Waddell to the City of Vermillion requested the ability to charge tenants at Plum Vista Mobile Home Park (447 N Plum) for water and sewer. Mrs. Waddell wants permission to bill tenants for water and sewer usage. Water meters are currently installed in each individual mobile home. The cost for the tenants would be no greater than the amount charged by the City and based on the tenant's usage.

The City Ordinance addressing the resale of utility services is as follows:

§ 51.21 RESALE OF UTILITY SERVICES.

- (A) Customers shall not resell to or share with others any service furnished by the City unless authorized by the City Council.
- (B) Where resale of utility service exists, the City will be under no obligation to furnish or maintain meters or other facilities for the resale of service by the reselling customer to the ultimate user.

Discussion: If approved, City staff will meet with Mrs. Waddell and review water and current sewer rates to insure the rates established are in accordance with current water and sewer rates.

Financial Consideration: There is no financial impact to the City's budget.

Conclusion/Recommendations: Administration recommends allowing Mrs. Waddell to bill her tenants at Plum Vista Mobile Home Park for water and sewer usage, not to exceed the current city rates.

*Plum Vista SD, LLC
26 10th Place #5
Long Beach, CA, 90802*

Farrel Christensen
Building Official
City of Vermillion

Monday, January 16, 2012

Ref: Resale of Water and Sewer

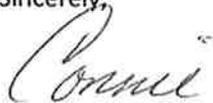
Dear Farrel,

In response to your letter dated 12/29/2011 and our phone conversation today, I am writing to ask that the City Council consider a resale agreement for the resale of water/sewer to the tenants of our park.

If it is convenient for you and the council we would request a 45 day notice in order to arrange either myself or a representative to attend the meeting. I am scheduled to be in Rapid City, SD February 10-13, 2012 so sometime after that would work best but if not I will make other arrangements.

Thank you for your consideration, I look forward to hearing from you.

Sincerely,



Connie Waddell, member
Plum Vista SD, LLC

cc: Pam Jacobson

RESOLUTION AUTHORIZING THE RESALE OF UTILITY SERVICES

WHEREAS, City ordinance provides that utility customers shall not resell or share with others any utility services furnished by the city unless authorized by the City Council, and;

WHEREAS, Connie Waddell, owner of Plum Vista Mobile Home Park at 447 N. Plum Street, in an attempt to fairly distribute the utility costs from the City to the Mobile Village, has requested the ability to resell water and wastewater services to the individual tenants, and;

WHEREAS, Plum Vista Mobile Home Park requests the ability to bill the individual tenants for water and wastewater service, and;

WHEREAS, Plum Vista Mobile Home Park understands that, as owner, they are responsible for furnishing and maintaining meters along with the resale utility billing.

NOW, THEREFORE, BE IT RESOLVED, by the Governing Body of the City of Vermillion, South Dakota, that Connie Waddell, owner of Plum Vista Mobile Home Park, is authorized to resell water and wastewater services to individual tenants at 447 N. Plum Street at a rate that is not in excess of the City utility fees.

Dated at Vermillion, South Dakota this 19th day of March, 2012.

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

By _____
John E. (Jack) Powell, Mayor

ATTEST:

By _____
Michael D. Carlson, Finance Officer



Council Agenda Memo

From: Jose Dominguez, PE, City Engineer

Meeting: March 19, 2012

Subject: Resolution to enter into a lease-purchase agreement for a plotter/scanner/copier

Presenter: Jose Dominguez

Background: The City currently owns a plotter and a large scale copier. The current plotter was purchased in 2009 to replace the 1998 plotter. The large scale copier was purchased in 1991 and is at the end of its life. The new plotter was purchased with the intent to add a large scale scanner/copier attachment in the near future.

Discussion: Recently, the City has had an opportunity to enter into a three-year, zero percent lease-purchase agreement for a Cannon IPF 755 MFP. This equipment would essentially replace our copier and plotter, with a new plotter/scanner/copier. The agreement would be a lease-to-own arrangement where the City pays monthly for three years and owns the equipment at the end of the lease.

It should be noted that Cannon still manufactures the attachment unit for the plotter purchased in 2009. However, the cost for that piece of equipment is estimated at \$8,000. The cost of the plotter/scanner/copier model is \$9,001 and with the trade-in of the 2009 plotter of \$2,269 results in a net purchase of \$6,732.

The lease agreement has been reviewed by the City Attorney.

Financial Consideration: The cost for the 2012 year will be \$1,683. During 2013 and 2014 the City will pay \$4,488. With \$561 left to pay in 2015. The total cost would be \$6,732. This total also includes a trade-in for our current plotter. The current plotter was valued at \$2,269.

Conclusion/Recommendations: Administration recommends signing the lease agreement with Canon Financial Services for the plotter/scanner/copier.



CANON FINANCIAL SERVICES, INC. ("CFS")

FAXABLE LEASE AGREEMENT

Remittance Address: 14904 Collections Center Dr.
Chicago, Illinois 60693 (800) 220-0200

Single Sided Agreement for Transactions Under \$75,000
CFS-1122 (02/08)

AGREEMENT NUMBER

NAME (COMPANY LEGAL NAME) DBA PHONE
Vermillion, City of ("Customer") **605-677-7083**

BILLING ADDRESS CITY COUNTY STATE ZIP

EQUIPMENT ADDRESS CITY COUNTY STATE ZIP
25 Center St Vermillion Clay SD 57069

EQUIPMENT INFORMATION			NUMBER AND AMOUNT OF PAYMENTS	
Quantity	Serial Number	Make/Model/Description	No. of Pmts.	Payment Amount (Plus Applicable Taxes)
1		Canon iPF 755 MFP	36	\$187.00
First and Last Payment	Security Deposit	Total Due at Signing	Term	End of Term Purchase Option
\$ 0	+ \$ 0	= \$ 0	36	<input type="checkbox"/> Fair Market Value <input checked="" type="checkbox"/> \$1.00 <input type="checkbox"/> 10% <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly
Check must accompany Agreement			(in months)	<input type="checkbox"/> Semi-annual <input type="checkbox"/> Other:

Automated Clearing House ("ACH") Authorization: By providing the below information, Customer hereby authorizes CFS to automatically withdraw from the bank account described below the full amount due for each billing period, including any applicable taxes and fees, on the due date. This authorization shall continue until this Agreement expires unless revoked in writing.

ACH YES NO ; ;

If Yes, enter information in boxes above: Bank Routing Code from bottom of check, and Customer's Account Number from bottom of check. THIS AGREEMENT IS EFFECTIVE ONLY UPON SIGNING BY BOTH PARTIES. THIS AGREEMENT IS NON-CANCELABLE BY CUSTOMER. CUSTOMER REPRESENTS THAT ALL ACTION REQUIRED TO AUTHORIZE THE EXECUTION OF THIS AGREEMENT ON BEHALF OF THE CUSTOMER BY THE FOLLOWING SIGNATORIES HAS BEEN TAKEN.

ACCEPTED BY CANON FINANCIAL SERVICES, INC.
By: _____
Title: _____ Date: _____

AUTHORIZED CUSTOMER SIGNATURE
By: _____ Title: _____
Printed Name: _____
Tax ID#: _____ If proprietor, DOB: _____

To: Canon Financial Services, Inc. ("CFS")
ACCEPTANCE CERTIFICATE
The Customer certifies that (a) the Equipment referred to in the above Agreement has been received, (b) installation has been completed, (c) the Equipment has been examined by Customer and is in good operating order and condition and is, in all respects, satisfactory to the Customer, and (d) the Equipment is irrevocably accepted by the Customer for all purposes under the Agreement. Accordingly, Customer hereby authorizes billing under this Agreement.
Signature: _____ Printed Name: _____
Title (if any): _____ Date: _____

TERMS AND CONDITIONS

1. AGREEMENT: Customer leases from CFS all the equipment described above (the "Equipment"). Customer agrees to pay to CFS the payments specified under "Number and Amount of Payments" above and such other amounts permitted hereunder as invoiced by CFS ("Payments"). A late payment fee of the greater of 10% of the late amount or \$10 will be due if a Payment is late. The term of this Agreement shall commence on the date the Equipment is accepted by Customer. Customer's execution of the Acceptance Certificate, or Customer's provision to CFS of other written confirmation of its acceptance of the Equipment, shall conclusively establish that the Equipment has been delivered to and accepted by Customer. If Customer has not, within ten (10) days after delivery of the Equipment, delivered to CFS written notice of non-acceptance of any of the Equipment, specifying the reasons therefor and specifically referencing this Agreement, Customer shall be deemed to have irrevocably accepted the Equipment. After acceptance of the Equipment, Customer shall have no right to cancel this Agreement, revoke acceptance or return the Equipment to CFS prior to the end of the scheduled term of this Agreement for any reason whatsoever. This lease is a net lease. Payments shall be made without set-off or deduction, even if the Equipment malfunctions. Customer authorizes CFS to adjust the payment and purchase option amounts stated above by up to 15% if the actual cost of the Equipment exceeds the supplier's estimate on which such amounts were based. Customer (a) shall pay a \$65 documentation fee and (b) agrees to pay any applicable taxes (including personal property tax), expenses, charges and fees imposed upon CFS or Customer with respect to the Equipment, the Payments or the Customer's performance or non-performance hereunder and shall reimburse CFS for the same plus processing fees (collectively, "Costs"). CFS may, but need not, apply "Security Deposits" or "Advance Payments" (neither earn interest unless required by law) to any amount in default and Customer shall promptly restore such amounts applied. Security Deposits and Advance Payments shall not be refunded to Customer until all obligations hereunder are discharged in full.

2. NAME; OFFICES: Customer's legal name (as set forth in its constituent documents), is as set forth herein. Customer will not change its legal name, location of its chief executive office or corporate structure (including its jurisdiction of organization) without 30 days' prior written notice to CFS. Upon request, Customer will deliver state-certified constituent documents to CFS.

3. WARRANTIES: CUSTOMER ACKNOWLEDGES THAT CFS IS NOT A MANUFACTURER, DEALER, OR SUPPLIER OF THE EQUIPMENT, AND AGREES THAT THE EQUIPMENT IS LEASED "AS IS" AND IS OF A SIZE, DESIGN, AND CAPACITY SELECTED BY CUSTOMER. CFS HAS MADE NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT, INCLUDING SPECIFICALLY ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. CFS shall not be liable for consequential, special, indirect or punitive damages. Any warranty with respect to the Equipment made by the supplier, dealer, or manufacturer is separate from, and is not a part of, this Agreement and CFS assigns such warranties, if any, to Customer. Customer acknowledges and agrees that the supplier is not an agent or representative of CFS and is not authorized to waive or alter any term of the Agreement, or make any representation for CFS about this Agreement or the Equipment. Customer warrants that the Equipment will not be used for personal, family or household purposes.

4. MAINTENANCE; ALTERATIONS; LOSS: Customer will keep and maintain the Equipment in good working order and shall, at Customer's expense, supply and install replacement parts and accessories when required to maintain the Equipment. Any such changes or substitutions shall be the property of CFS and shall be deemed Equipment. Effective upon delivery to Customer, Customer shall (a) bear the entire risk of any loss, theft, or damage to the Equipment, and (b) keep the Equipment insured with CFS as Loss Payee. If Customer fails to provide proof of insurance, CFS may insure the Equipment and charge Customer. No such loss, theft, or damage shall relieve Customer of any obligation under this Agreement.

5. DEFAULT: If Customer fails to pay CFS, CFS will have the right to exercise any one or all of the following remedies in any order: (a) sue Customer for all past due Payments, ALL PAYMENTS TO BECOME DUE IN THE UNEXPIRED TERM, the Purchase Option amount set forth above and any other Costs (collectively the "Remaining Lease Balance"), (b) repossess the Equipment and (c) re-sell the Equipment and recover any deficiency. CFS (i) may sell the Equipment after preparing it or not, (ii) may disclaim warranties of title and the like, and (iii) may comply with applicable law, and these actions shall be deemed commercially reasonable. In the event the Equipment is not available for sale, the Customer shall be liable for the Remaining Lease Balance. Customer will also pay for CFS's reasonable collection and other costs which, in the case of a court action, 25% of the total amount sought shall be deemed reasonable.

6. ASSIGNMENT: CUSTOMER SHALL NOT ASSIGN OR PLEDGE THIS AGREEMENT, NOR SHALL CUSTOMER SUBLET OR LEND ANY ITEM OF EQUIPMENT. CFS may pledge or assign this Agreement. Customer agrees that if CFS assigns this Agreement, the new owner will have the same rights and benefits that CFS has now and will not have to perform any of CFS's obligations. Customer agrees that the rights of the new owner will not be subject to any claims, defenses, or setoffs that Customer may have against CFS.

7. PURCHASE OPTION: (A) END OF TERM PURCHASE OPTION. At the end of any term, Customer shall give CFS 60 days prior irrevocable written notice (unless the Purchase Option is \$1.00) that it will purchase all the Equipment at the purchase option price indicated herein plus any Costs. (B) PRIOR TO MATURITY PURCHASE. Customer may, at any time, upon 60 days irrevocable written notice purchase all the Equipment at a price equal to the sum of all remaining Payments plus the Fair Market Value plus Costs. "Fair Market Value" shall be CFS's retail price when Customer purchases the Equipment. Equipment purchases shall not be permitted if a default is continuing. Equipment purchases shall be "AS-IS WHERE-IS" without warranty, except for title.

8. RENEWAL; RETURN: This Agreement automatically renews under the same terms and conditions on a month to month basis if Customer fails to give CFS 60 days prior written notice of its intent to purchase or return the Equipment before the end of any term. Unless this Agreement automatically renews or Customer purchases the Equipment, Customer shall return the Equipment on the day the Agreement terminates in good operating condition at Customer's sole cost and expense to a location specified by CFS.

9. MISCELLANEOUS: THIS AGREEMENT SHALL BE GOVERNED BY NEW JERSEY LAW. ANY ACTION BETWEEN CUSTOMER AND CFS SHALL BE BROUGHT IN A COURT LOCATED IN THE COUNTY OF BURLINGTON OR CAMDEN, NEW JERSEY, PROVIDED THAT CFS AT ITS SOLE OPTION MAY BRING ANY SUCH ACTION IN A COURT WHERE THE CUSTOMER OR THE EQUIPMENT IS LOCATED. CUSTOMER AND CFS EACH IRREVOCABLY WAIVES ANY RIGHT TO A JURY TRIAL IN ANY SUCH PROCEEDINGS. CFS may accept a facsimile or other electronic transmission of this Agreement and acceptance certificate as an original. Customer agrees to reimburse CFS for and to defend CFS against any claim for losses or injury caused by the Equipment, both before and after termination of this Agreement. CFS may insert missing or correct other information, otherwise this Agreement embodies the entire agreement.

10. UCC: Customer authorizes CFS to file any form of financing or continuation statements and amendments thereto. CUSTOMER AGREES THAT THIS AGREEMENT IS INTENDED AS A "FINANCE LEASE" AS THAT TERM IS DEFINED IN ARTICLE 2A OF THE UNIFORM COMMERCIAL CODE AND THAT CFS IS ENTITLED TO ALL BENEFITS, PRIVILEGES AND PROTECTIONS OF A LESSOR UNDER A FINANCE LEASE AND CUSTOMER IRREVOCABLY WAIVES ANY RIGHT OF NOTICE THEREOF. If this Agreement is determined not to be a true lease, Customer grants CFS a security interest in the Equipment.

PERSONAL GUARANTY

The undersigned absolutely, irrevocably and unconditionally, jointly and severally, guarantee to CFS all payments and other obligations under this Agreement. This is an absolute and continuing guaranty. SECTION 9 ABOVE SHALL APPLY TO THIS PERSONAL GUARANTY. The undersigned waive any right to require any action against Customer or any other party before enforcing this Personal Guaranty.
Printed Name: _____ Signature: _____ (No Title) Date: _____
Address: _____ Phone: _____
Printed Name: _____ Signature: _____ (No Title) Date: _____
Address: _____ Phone: _____



Canon Financial Services, Inc. ("CFS")

14904 Collections Center Dr.
Chicago, Illinois 60693

Municipal Fiscal Funding Addendum

Agreement Number:
Agreement Date:

GOVERNMENTAL ENTITY

Complete Legal Name

Vermillion, City of

("Customer")

THIS ADDENDUM WILL BE OF NO FORCE OR EFFECT IF THE CUSTOMER IS NOT A STATE OR A POLITICAL SUBDIVISION OF A STATE WITHIN THE MEANING OF SECTION 103(C) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

The Customer warrants that it has funds available to pay the lease payments ("Payments") payable pursuant to the lease agreement (the "Agreement") between Customer and CFS until the end of its current appropriation period and warrants that it presently intends to make Payments in each appropriation period from now until the end of the Agreement. The officer of the Customer responsible for preparation of Customer's annual budget shall request from its legislative body or funding authority funds to be paid to CFS under the Agreement. If notwithstanding the making in good faith of such request in accordance with appropriate procedures and with the exercise of reasonable care and diligence, such legislative body or funding authority does not appropriate funds to be paid to CFS for the Equipment, Customer may, upon prior written notice to CFS, effective upon the exhaustion of the funding authorized for the then current appropriation period, return the Equipment to CFS, at Customer's expense and in accordance with the Agreement, and thereupon, Customer shall be released of its obligations to make Payments to CFS due thereafter, provided: (1) the Equipment is returned to CFS as provided for in the Agreement, (2) the above described notice states the failure of the legislative body or funding authority to appropriate the necessary funds as the reason for cancellation; and (3) such notice is accompanied by payment of all amounts then due to CFS. In the event Customer returns the Equipment pursuant to the terms of this Addendum and the Agreement, CFS shall retain all sums paid by Customer. Customer's Payment obligations under this Agreement in any fiscal year shall constitute a current expense of Customer for such fiscal year, and shall not constitute indebtedness or a multiple fiscal year obligation of Customer under Customer's state constitution, state law or home rule charter. Nothing in this Agreement shall constitute a pledge by Customer of any taxes or other monies, other than as appropriated for a specific fiscal year for this Agreement and the Equipment.

The undersigned represents and warrants to CFS that all action required to authorize the execution and delivery of this Addendum on behalf of the above referenced Governmental Entity by the following signatory has been duly taken and remains in full force and effect. CFS may accept a facsimile copy of this Addendum as an original for all purposes.

ACCEPTED	
Canon Financial Services, Inc. By _____ Title _____ Date _____	Customer By _____ Printed Name _____ Title _____

RESOLUTION TO ENTER INTO LEASE-PURCHASE AGREEMENT

WHEREAS, The City of Vermillion, South Dakota (the "City"), existing as a municipal corporation of the State of South Dakota (the "State"), is authorized by the laws of the State to purchase, acquire and lease personal property for the benefit of the City and its inhabitants and to enter into contracts with respect thereto; and

WHEREAS, in order to acquire such equipment, the City proposes to enter into a lease-purchase transaction pursuant to certain documents from Canon Financial Services, Inc., the form of which has been reviewed by the City Attorney and presented to the governing body of the City at this meeting;

NOW, THEREFORE, BE IT RESOLVED, by the Governing Body of the City of Vermillion, South Dakota, that the form, terms and provisions of the Agreement, and all other schedules and exhibits attached thereto, are hereby approved in substantially the form presented at this meeting, with such insertions, omissions and changes as shall be approved by counsel of the City or other members of the governing body of the City executing the same, the execution of such documents being conclusive evidence of such approval; and the Mayor, or any other officer of the City, who shall have the power to execute contracts on its behalf are hereby authorized and directed to execute, acknowledge, countersign and deliver the Agreement and all exhibits attached thereto, and the Finance Officer of the City is hereby authorized to attest to the foregoing and affix the seal of the City to such documents; and

NOW, THEREFORE, BE IT RESOLVED, that the officers and employees of the City shall take all actions necessary, or reasonably required by the parties to the Agreement, to carry out, give effect to and consummate the transactions contemplated thereby and to take all actions necessary in conformity therewith, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the Agreement; and

NOW, THEREFORE, BE IT RESOLVED, that nothing contained in this Resolution, the Agreement, or any other instrument shall be construed with respect to the City as incurring a pecuniary liability or charge upon the general credit of the City or against its taxing power, nor shall the breach of any agreement contained in the Resolution, the Agreement, or any other instrument or document executed in connection therewith impose any pecuniary liability upon the City or any charge upon its general credit or against its taxing power, except to the extent the payments payable under the Agreement are special limited obligations of the City as provided in the Agreement; and

NOW, THEREFORE, BE IT RESOLVED, that City Manager, John Prescott, is authorized to execute the Agreement on behalf of the City.

Dated at Vermillion, South Dakota this 19th day of March, 2012.

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

By _____
John E. (Jack) Powell, Mayor

ATTEST:

By _____
Michael D. Carlson, Finance Officer



Council Agenda Memo

From: Mike Carlson, Finance Officer

Meeting: March 19, 2012

Subject: Resolution Adjusting Water Rates for 2013, 2014 and 2015 and Authorizing the Prepayment of the 1999 State Revolving Fund Loan for Financing the Water Tower Replacement Project

Presenter: Mike Carlson

Background: The Market Street Water Tower is in need of major repairs, estimated at over \$300,000. The City requested that Banner Associates review the report of the necessary repairs to determine if it should be repaired, replaced, or to do nothing. The report from Banner Associates recommended the replacement of the nearly 100 year old water tower vs. making the investment in repairs to the existing tower, or doing nothing.

The City applied for State Revolving Fund (SRF) loans with principal forgiveness and consolidated grants through the Department of Environment and Natural Resources (DENR) in January 2011. In March, the City was notified that a SRF loan of \$1,532,000, with 10% principal forgiveness for 30 years at 2.25%, had been approved. It was hoped that additional grant funds could be utilized to reduce the impact on water rates. An application was made to the Governor's Office of Economic Development (GOED) for a CDBG grant to assist with the funding for the water tower replacement project in June 2011. With that request, the City was notified, in November 2011, that the project was not receiving any grant funding but the City requested that consideration be made during the next funding cycle. The City Council approved a resolution, in December 2011, requesting the reconsideration of the grant application. In January, 2012, the Mayor was notified that there would be no grant funding for this project.

At the February 6, 2012 noon session, funding options were presented to move forward with the water tower replacement project. The consensus of the City Council was to move forward with the option of using water reserves to prepay the 1999 State Revolving Fund Loan that is at 5% interest rate and has a current

principal balance of \$435,034 and request to change the new SRF loan from 30 years to 20 years to reduce the amount of interest paid on the new loan.

Discussion: Contact was made with the SD DENR about prepayment of the loan and the instruction was to send a letter requesting the prepayment and demonstrate City Council authorization. The DENR also agreed to allow the term of the loan to be changed from 30 years to 20 years with the interest rate staying the same, at 2.25%, noting that we would need to have bond counsel change the resolutions for the loan. The other requirement of the DENR is that we have rates in place to retire the new loan. To meet these requirements, the attached resolution was prepared that authorizes the repayment of the 1999 SRF loan and adjusts the water rates for 2013, 2014 and 2015.

Financial Consideration: The monthly increase to the average customer using 670 cubic feet of water per month, with a ¾ inch meter, is as follows:

Year	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Monthly water billing for customer				
Using 670 cubic feet per month	27.01	27.55	28.18	28.89
Monthly increase		.54	.63	.72
Percentage increase		1.99%	2.28%	2.54%

As these rates are based upon the current number of customers and water sales, we will monitor the actual customers and water sales to propose adjustments in the future years rates, if needed.

Conclusion/Recommendations: Administration recommends adoption of the resolution adjusting water rates for 2013, 2014 and 2015 and authorizing the prepayment of the 1999 State Revolving Fund loan for the water tower replacement project.

**RESOLUTION ADJUSTING WATER RATES FOR
2013, 2014 AND 2015 AND AUTHORIZING THE PREPAYMENT
OF THE 1999 STATE REVOLVING FUND LOAN FOR THE
WATER TOWER REPLACEMENT PROJECT**

WHEREAS, the Vermillion City Council has determined the need to replace the Market Street water tower as the cost of needed repairs is estimated at over \$300,000 and the tower is almost 100 years old; and

WHEREAS, the City of Vermillion has made application for grant and loan funding for the water tower replacement project; and

WHEREAS, the South Dakota Conservancy District (District) has approved a \$1,532,000 State Revolving Fund loan with 10% principal forgiveness for funding the new water tower; and

WHEREAS, the Community Development Block Grant funding request for the project has been denied; and

WHEREAS, to reduce the impact on future rate increases, the City Council authorizes the prepayment the 1999 State Revolving Loan with a current principal balance of \$435,033.67 from existing water reserve funds; and

WHEREAS, a requirement for the loan by the District is that the City Council have establish rates projected to meet the debt service of the new loan; and

WHEREAS, to meet the annual debt service requirements for the new loan, current water rates will need to be increased by 2% in 2013, 2.25% in 2014 and 2.5% in 2015; and

WHEREAS, Section 53.075 of Title V, Public Works, of the 2008 Revised Ordinances of the City of Vermillion allows the City Council to adjust water rates.

BE IT HEREBY RESOLVED, by the Governing Body of the City of Vermillion, South Dakota, at a regular meeting thereof in the Council Chambers of said City at 7:00 p.m. on the 19th day of March, 2012, that water rates be established or changed as follows:

a) Meter Service Charge per billing:

(1) Residential Meter Size (inches)	Current Service Charge	2013 Service Charge	2014 Service Charge	2015 Service Charge
¾	\$ 13.41	\$13.68	\$13.99	\$14.34
1	24.72	25.21	25.79	26.44
1 ½	46.06	46.98	48.05	49.27
2	70.96	72.37	74.02	75.91
3	139.23	142.00	145.24	148.93
4	216.52	220.83	225.87	231.61
6	427.30	435.81	445.75	457.08
Effective for billing after		12-15-2012	12-15-2013	12-15-2014

The above rates include a surcharge fee defined below.

(2) Apartment house and trailer courts per billing:

Meter Size (inches)	Current Service Charge	2013 Service Charge	2014 Service Charge	2015 Service Charge
1	24.72	25.21	25.79	26.44
1 ½	46.06	46.98	48.05	49.27
2	70.96	72.37	74.02	75.91
3	139.23	142.00	145.24	148.93
4	216.52	220.83	225.87	231.61
6	427.30	435.81	445.75	457.08

Effective for billing after 12-15-2012 12-15-2013 12-15-2014

The above rates include a surcharge fee defined below.

In addition, an apartment or trailer charge as follows shall be assessed for each apartment or trailer unit over 1 connected to a master meter. The listed rate includes a surcharge fee defined below.

	Current	2013	2014	2015
Additional units	\$3.68	\$3.75	\$3.84	\$3.94
Effective for billing after		12-15-2012	12-15-2013	12-15-2014

The above rates include a surcharge fee defined below.

(3) Commercial and industrial per billing:

Meter Size (inches)	Current Service Charge	2013 Service Charge	2014 Service Charge	2015 Service Charge
¾	\$ 13.41	\$13.68	\$13.99	\$14.34
1	24.72	25.21	25.79	26.44
1 ½	46.06	46.98	48.05	49.27
2	70.96	72.37	74.02	75.91
3	139.23	142.00	145.24	148.93
4	216.52	220.83	225.87	231.61
6	427.30	435.81	445.75	457.08

Effective for billing after 12-15-2012 12-15-2013 12-15-2014

The above rates include a surcharge fee defined below.

In addition, an apartment or trailer charge as follows shall be assessed for each apartment or trailer unit over 1 connected to a master meter. The listed rate includes a surcharge fee defined below.

	Current	2013	2014	2015
Additional units	\$3.68	\$3.75	\$3.84	\$3.94
Effective for billing after		12-15-2012	12-15-2013	12-15-2014

The above rates include a surcharge fee defined below.

b) Water Charge: In addition to the meter charges mentioned in subsection (a) above there shall be the charge as follows per 100 cubic feet of all water used:

	<u>Current</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Water Charge	\$ 2.03	\$2.07	\$2.12	\$2.17
Effective for billing after		12-15-2012	12-15-2013	12-15-2014

Outside City Limits: All customers residing outside the city limits of the City of Vermillion, South Dakota shall pay 1.5 times the aforesaid rates.

c) Bulk Water Rate: Bulk water rates shall be the per gallon charge as follows:

	<u>Current</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Bulk Water	\$0.00537	\$0.005451	\$0.005587	\$0.005741
Effective for billing after		12-15-2012	12-15-2013	12-15-2014

d) Debt Service Surcharge Fees: There is hereby established and imposed, pursuant to the authority of SDCL Ch. 9-40, a surcharge upon the water service in the City of Vermillion. The surcharge shall apply to all classes of customers listed in a) above. The debt service surcharge is a special charge for the use of the water plant improvements and is pledged to the South Dakota Conservancy District for the payment of the loan payments on the 2005 Drinking Water State Revolving Fund Loan. The City does hereby establish the debt service surcharge fees for each customer of its System who receives or benefits from the Project or services of the Project. Such allocation shall be set at a level which, assuming a ten percent (10%) delinquency rate, will produce income at the times and in amounts sufficient to pay when due, the principal of and interest on the borrower 2005 bonds and the administrative expense surcharges and all other payments as may be required under the loan agreement. The charges shall be reviewed annually by city personnel and administratively adjusted, upwards or downwards, pursuant to SDCL 9-40-15.1 and 9-40-15 to such amounts as may be necessary to pay principal, administrative surcharge and other charges as may become due and owing under the loan agreements. The monthly surcharge fee included in a above is as follows:

Meter Size (inches)	<u>Current</u> Service <u>Charge</u>	<u>2013</u> Service <u>Charge</u>	<u>2014</u> Service <u>Charge</u>	<u>2015</u> Service <u>Charge</u>
¾	\$ 5.14	\$5.08	\$5.08	\$5.08
1	9.53	9.41	9.41	9.41
1 ½	17.76	17.54	17.54	17.54
2	27.36	27.02	27.02	27.02
3	53.69	53.02	53.02	53.02
4	83.50	82.46	82.46	82.46
6	164.79	162.74	162.74	162.74
Effective for billing after		12-15-2012	12-15-2013	12-15-2014

In addition, an apartment or trailer charge, as follows, shall be assessed for each apartment or trailer and/or each commercial or industrial unit over 1 connected to a master meter. The monthly surcharge fee included in (a) above is as follows:

	<u>Current</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Additional units	\$1.42	\$1.40	\$1.40	\$1.40
Effective for billing after		12-15-2012	12-15-2013	12-15-2014

The Debt Service Surcharge may be combined with the Meter Service Charge on the monthly billing for ease of reporting.

e) Effective Date of Rate.
The effective dates of the rates listed in this resolution are for bills with billing date after the dates stated above.

BE IT FURTHER RESOLVED, that any surcharge funds in excess of the debt service requirements be annually transferred to the water fund.

Dated at Vermillion, South Dakota this 19th day of March, 2012.

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

By:

John E. (Jack) Powell, Mayor

ATTEST:

Michael D. Carlson, Finance Officer



Council Agenda Memo

From: Mike Carlson, Finance Officer
Meeting: March 19, 2012
Subject: Resolution for Water Tower Replacement
Presenter: Mike Carlson

Background: The City applied for a State Revolving Fund (SRF) loan with principal forgiveness and consolidated grants through the Department of Environment and Natural Resources (DENR) in January 2011. In March 2011, the City was notified that a SRF loan of \$1,532,000, with 10% principal forgiveness for 30 years, at 2.25%, had been approved. Since then, the City has applied for Community Development Block Grant funding on two occasions for the project and have been notified that there would be no grant funding for this project.

At the February 6, 2012 noon session, options were presented to move forward with the water tower replacement project, with the consensus of the City Council to move forward, with the option of using water reserves to prepay the 1999 State Revolving Fund Loan that has a 5% interest rate and current principal of \$435,034 and request to change the new SRF loan from 30 years to 20 years to reduce the amount of interest paid over the life of the bond.

Discussion: Contact was made with the SD DENR, who agreed to allow the term of the loan to be changed from 30 years to 20 years, with the interest rate staying the same at 2.25%. Bond Counsel made the necessary changes to the loan documents. Jim McCulloch has reviewed the loan documents.

The resolution will authorize up to \$1,532,000 of revenue bonds for the water tower replacement project with 10% principal forgiveness. The resolution provides for the Mayor, Finance Officer, City Attorney and other city officials to execute and deliver the necessary documents to complete the transaction.

Financial Consideration: The water rate resolution to provide the additional revenues needed to service the debt for this bond resolution were considered earlier on the agenda. If approved, the bond resolution will become effective 20 days after it is published.

Conclusion/Recommendations: Administration recommends approval of the bond resolution as presented.

RESOLUTION GIVING APPROVAL TO CERTAIN DRINKING WATER FACILITIES IMPROVEMENTS; GIVING APPROVAL TO THE ISSUANCE AND SALE OF A REVENUE BOND TO FINANCE, DIRECTLY OR INDIRECTLY, THE IMPROVEMENTS TO THE FACILITIES; APPROVING THE FORM OF THE LOAN AGREEMENT AND THE REVENUE BOND AND PLEDGING CERTAIN REVENUES AND COLLATERAL TO SECURE THE PAYMENT OF THE REVENUE BOND; AND CREATING SPECIAL FUNDS AND ACCOUNTS FOR THE ADMINISTRATION OF FUNDS FOR OPERATION OF THE SYSTEM AND RETIREMENT OF THE REVENUE BOND.

WHEREAS, one of the purposes of SDCL Chapter 9-40 (the "Act"), as found and determined by the Legislature, is to provide for financing the acquisition, maintenance, operation, extension or improvement of any system or part of any system of waterworks for the purpose of providing water and water supply for domestic, municipal, and industrial purposes; or any system for the collection, treatment and disposal of sewage and other domestic, commercial and industrial wastes; or any system for the control of floods and drainage; or any combination thereof, together with extensions, additions, and necessary appurtenances; and

WHEREAS, a municipality is authorized to issue revenue bonds to fund improvements, extensions and additions to its drinking water system by SDCL 9-40-6 and is authorized to pledge the net income or revenues from the system to secure such bonds; and

WHEREAS, the City of Vermillion, South Dakota (the "City") currently operates a water distribution system to supply municipal, industrial and domestic water to its inhabitants and has determined that improvements to the drinking water facilities are necessary for the conduct of its governmental programs and qualifies as an improvement, extension or addition to its drinking water system; and

WHEREAS, the City has determined to issue its revenue bonds to finance the improvements to its system of waterworks for the purpose of providing water and water supply for domestic, municipal, and industrial purposes (the "System") and has applied to the South Dakota Conservancy District (the "District") for a State Revolving Fund Loan to finance the improvements (the "Loan");

NOW, THEREFORE, BE IT RESOLVED, by the City as follows:

1. Declaration of Necessity and Determination of Facilities Financed. The City desires, and hereby determines, it is necessary to construct improvements to its drinking water facilities within its System, as described in Exhibit A hereto (the "Project"). Because of the functional interdependence of the various portions of the System, the fact that the System may not lawfully operate unless it complies with State and federal laws, including SDCL Chapter 34A-3A, and the federal Safe Drinking Water Act, and the nature of the improvements financed, the City hereby determines that the Project will substantially benefit the entire System and all of its users within the meaning of SDCL 9-40-15 and SDCL 9-40-17. Therefore, the City hereby determines that for the purposes of the Act, including, in particular, SDCL 9-40-17, the net income or revenues of the entire System,

as extended, added to, or improved by the Project shall be deemed to be the net income or revenues available to be pledged to the payment of the bonds issued hereunder.

2. Approval of Loan. The City hereby determines to finance up to \$1,532,000 of the costs of the Project through the issuance of utility revenue bonds (the "Revenue Bond"), and other funds secured by the City.
3. Approval of Loan Agreement. The execution and delivery of the Revenue Obligation Loan Agreement (the "Loan Agreement"), the form of which has been submitted to this Council, between the City as Borrower and the District, is hereby, in all respects, authorized, approved and confirmed, and the Mayor and Finance Officer are hereby authorized and directed to execute and deliver the Loan Agreement in the form and content attached hereto, with such changes as the Attorney for the City deems appropriate and approves, for and on behalf of the City. The Mayor and Finance Officer are hereby further authorized and directed to implement and perform the covenants and obligations of the City set forth in or required by the Loan Agreement. The Loan Agreement herein referred to, and made a part of this Resolution, is on file in the office of the Finance Officer and is available for inspection by any interested party.
4. Approval of Revenue Bond. The issuance of a revenue bond in a principal amount not to exceed \$1,532,000, as determined, according to the Loan Agreement in the form and content set forth in Exhibit B attached to the form of Loan Agreement (the "Revenue Bond") shall be, and the same is, in all respects, hereby authorized, approved, and confirmed and the Mayor, Finance Officer, and other appropriate officials shall be and are hereby authorized and directed to execute and seal the Revenue Bond and deliver the Revenue Bond to the District, for and on behalf of the City, upon receipt of the purchase price, and to use the proceeds thereof in the manner set forth in the Loan Agreement. The Mayor and Finance Officer are hereby authorized to approve the final terms of the Revenue Bond and their execution and delivery thereof shall evidence that approval. The Revenue Bond shall be issued under the authority of SDCL Chapter 9-40 and SDCL Chapter 6-8B, and the provisions of the Act are hereby expressly incorporated herein as provided in SDCL 9-40-19.
5. Paying Agent/Registrar. The Revenue Bond shall be payable at the office of The First National Bank of Sioux Falls, Sioux Falls, South Dakota, hereby designated as paying agent and registrar.
6. Bond Counsel. Dorsey & Whitney, LLP, are hereby retained as Bond Counsel with respect to the Revenue Bond.
7. System Fund Accounts. For the purpose of application and proper allocation of the income of the System and to secure the payment of principal of and interest on the Revenue Bond, the following funds shall be used solely for the following respective purposes until payment in full of the principal of and interest on the Revenue Bond:

- (a) System Revenue Account. There shall be deposited in the System Revenue Account, as received, the entire gross revenues derived from the operation of the System collected pursuant to the Ordinances of the City (the "Rate Ordinance") including future improvements, enlargements, extensions and repairs thereto (the "Gross Revenues"). Moneys from the System Revenue Account shall be transferred periodically into separate funds and accounts as provided below.
- (b) Operation and Maintenance Account. There shall be established a General Operation and Maintenance Account. Out of the remaining revenues of the System Revenue Account, after application described in (c) and (d) below, there shall be set aside each month into the General Operation and Maintenance Account, a sum sufficient to provide for the payment of the next month's current expenses of administration and operation of the remainder of the System and such current expenses for the maintenance thereof as may be necessary to preserve the remainder of such System in good repair and working order. The term "current expenses" shall be construed to include all reasonable and necessary costs of operating, repairing, maintaining and insuring the System, including, without limitation salaries, supplies and rent, but shall exclude the General Depreciation Account and 2012 System Debt Service Account.
- (c) System Debt Service Account. Out of the revenues in the System Revenue Account, there shall be set aside no later than the last day of each month into the fund designated 2012 System Debt Service Account, a sum sufficient to provide for the payment as the same become due of the next maturing principal and interest on the Revenue Bond and any reserve determined by the City's governing body to be necessary. The amount set aside monthly shall be not less than one-third (1/3) of the total principal, interest, and other amounts payable on the following January 1, April 1, July 1, or October 1 and, if there shall be any deficiency in the amount previously set aside, then the amount of such deficiency shall be added to the current requirement.
- (d) Depreciation Account. There shall be established a General Depreciation Account. Out of the revenues of the System Revenue Account there shall be set aside each month, into the General Depreciation Account, an amount determined by the City Commission to be a proper and adequate amount for repair and depreciation of the System.
- (e) Surplus Account. There shall be established the General Surplus Account. Revenues remaining in the System Revenue Account, at the end of any fiscal year, after all periodic transfers have been made therefrom as above required, shall be deemed to be surplus and shall be credited to the General Surplus Account. If, at any time, there shall exist any default in making any periodic transfer to the 2012 System Debt Service Account, the City Commission shall authorize the Finance Officer to rectify such default, so far as possible, by the transfer of money from the General Surplus Account. If any such default shall exist as to more than one account or fund at any time, then such transfer shall be made in the order such funds and accounts are listed above. Monies in

the General Surplus Account, from time to time, may be transferred into one or more of the foregoing funds.

No disbursements shall be made from the System Revenue Account except to the special funds and accounts as above provided.

8. Pledge of Revenues. The Revenue Bond, together with the interest thereon, shall not constitute a charge against the City's general credit or taxing power, but shall be a limited obligation of the City payable solely out of the 2012 System Debt Service Account, which payments, revenues and receipts are hereby and in the Loan Agreement pledged and assigned for the equal and ratable payments of the Revenue Bond and shall be used for no other purpose than to pay the principal of and interest on the Revenue Bond, except as may be otherwise expressly authorized in the Loan Agreement (including the purpose of securing Additional Bonds issued as permitted by the terms thereof). The City covenants and agrees to charge rates for all services from the System or establish special charges or surcharges which will be sufficient to provide for the payments upon the Revenue Bond issued hereunder as and when the same become due, and as may be necessary to provide for the operation and maintenance and repairs of the System, and depreciation, and the Rate Ordinance shall be revised from time to time so as to produce these amounts. The City hereby reserves the right to determine, on a periodic basis, the appropriate allocation of operation and maintenance expenses, depreciation, repair and reserves associated with the facilities financed with the Revenue Bond, provided that such determination of allocable operation and maintenance expenses shall in no event abrogate, abridge or otherwise contravene the covenant of the City set forth in this Section 8 or any other covenant or agreement in the Loan Agreement.
9. Additional Bonds. As permitted by SDCL 9-40-9, Additional Bonds payable from revenues and income of the System may be issued, as permitted in the Loan Agreement, and no provision of this Resolution shall have the effect of restricting the issuance of, or impairing the first lien of, such additional parity bonds with respect to the net revenues or income from the extensions, additions or improvements. The City shall have the right to issue additional bonds secured by a lien subordinate to the lien from the Revenue Bond pursuant to the Loan Agreement.
10. General Covenants.
 - (a) The City hereby covenants and agrees, with the District and other owners of the Revenue Bond, that it will punctually perform all duties with reference to the Project, the System and the Revenue Bond required by the constitution and laws of the State of South Dakota and by this Resolution.
 - (b) The City agrees and covenants that it will promptly construct the improvements included in the Project.
 - (c) The City covenants and agrees that pursuant to SDCL 9-40-28 and SDCL 9-40-29, the lawful holders of the Revenue Bond shall have a statutory mortgage lien upon

the System and the extensions, additions and improvements thereto acquired pursuant to the Act, until the payment in full of the principal, interest, and Administrative Surcharge on the Revenue Bond, and the City agrees not sell or otherwise dispose of the System, the Project, or any substantial part thereof, except as provided in the Loan Agreement and shall not establish, authorize or grant a franchise for the operation of any other utility supplying like products or services in competition therewith, or permit any person, firm or corporation to compete with it in the distribution of water for municipal, industrial, and domestic purposes within the City.

- (d) The City covenants and agrees with the District, and other owners of the Revenue Bond, that it will maintain the System in good condition and operate the same in an efficient manner and at a reasonable cost, so long as any portion of the Revenue Bond remains outstanding; that it will maintain insurance on the System for the benefit of the holders of the Revenue Bond in an amount which usually would be carried by private companies in a similar type of business; that it will prepare, keep and file records, statements and accounts as provided for in this Resolution and the Loan Agreement. The Revenue Bond shall refer expressly to this Resolution and the Act shall state that it is subject to all provisions and limitations thereof pursuant to SDCL 9-40-19.
- (e) The Finance Officer shall cause all moneys pertaining to the Funds and Accounts to be deposited as received with one or more banks which are duly qualified public depositories under the provisions of SDCL Ch. 4-6A, in a deposit account or accounts, which shall be maintained separate and apart from all other accounts of the City, so long as any of the Bonds and the interest thereon shall remain unpaid. Any of such moneys not necessary for immediate use may be deposited with such depository banks in savings or time deposits. No money shall at any time be withdrawn from such deposit accounts except for the purposes of the Funds and Accounts as authorized in this Resolution; except that moneys from time to time on hand in the Funds and Accounts may at any time, in the discretion of the City's governing body, be invested in securities permitted by the provisions of SDCL 4-5-6; provided, however, that the Depreciation Fund may be invested in such securities maturing not later than ten years from the date of the investment. Income received from the deposit or investment of moneys shall be credited to the Fund or Account from whose moneys the deposit was made or the investment was purchased, and handled and accounted for in the same manner as other moneys therein.
- (f) In the event of mismanagement of the System, a default in the payment of the principal or interest of the Revenue Bond, or in any other condition thereof materially affecting the lawful holder of the Revenue Bond, or if the revenues of the System are dissipated, wasted or diverted from their proper application as set forth in the Loan Agreement, Revenue Bond, or herein, the City hereby consents to the appointment of a receiver pursuant to SDCL 9-40-33, and agrees that the receiver will have the powers set forth therein, and in SDCL 9-40-34 and SDCL 9-40-35 to operate and administer the System, and charge and collect rates as described therein.

11. No Election Required. The City hereby determines that because the Revenue Bond is issued in connection with a financing agreement described in SDCL 46A-1-49, pursuant to SDCL 9-40-15 no election is required to issue the Revenue Bond.
12. Severability. If any section, paragraph, clause or provision of this Resolution, the Loan Agreement, the Revenue Bond, or any other Loan Document shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Resolution or said Loan Agreement, Revenue Bond, or any other Loan Document.
13. Authorization of City Officials. The Mayor, Finance Officer, City Attorney and City officials shall be and they are hereby authorized to execute and deliver for and on behalf of the City any and all other certificates, documents or other papers and to perform such other acts as they may deem necessary or appropriate in order to implement and carry out the actions authorized herein.
14. Effective Date. This Resolution shall take effect on the 20th day following its publication, unless suspended by a referendum.

(SEAL)

By _____
John E. (Jack) Powell, Mayor

Attest: _____
Michael D. Carlson, Finance Officer

Adopted: March 19, 2012
Published: March 30, 2012
Effective Date: April 19, 2012

EXHIBIT A

Description of the Project

The Project will consist of the construction of a water tower to replace the existing Market Street tower as outlined in the City's Facilities Plan, dated September 2010 as amended March 2012.



Council Agenda Memo

From: Jason Anderson, Assistant City Engineer

Meeting: March 19, 2012

Subject: Engineering Agreement for construction of new water tower

Presenter: Jason Anderson

Background: Since 2010, the City has been investigating the possibility of constructing a new 500,000 gallon water tower to replace the aging Market Street tower. Over the past month, City staff has been involved with negotiating a contract with Banner and Associates for engineering services. Recently, City staff and Banner have agreed upon terms for the design and construction administration of the new water tower project.

Discussion: The City has requested and received an engineering agreement from Banner and Associates for preliminary, final design, bidding, construction, and post-construction engineering services for the project. Banner completed the 2010 facility plan and is familiar with the needs of the City. Attached is the engineering agreement, including: scope of work, timetable, and fee schedule. The City Attorney has performed a review and approved the engineering agreement.

Financial Consideration: The engineering agreement is a time and material contract, with a total cost not to exceed \$161,300. The design portion of the project is estimated at \$73,200 and the construction administration portion at \$88,100.

Conclusion/Recommendations: Administration recommends approval of the engineering services agreement with Banner and Associates for the new water tower construction project.

EMPLOYMENT AGREEMENT
FOR
ENGINEERING SERVICES
FOR
500,000 GALLON ELEVATED WATER STORAGE TANK
VERMILLION, SOUTH DAKOTA

This Agreement, made and entered into this _____ day of _____, 2012, by and between the City of Vermillion, South Dakota acting by and through its City Council, hereinafter called the "OWNER", and Banner Associates, Inc., Consulting Engineers of Vermillion, South Dakota, hereinafter called the "ENGINEERS", WITNESSETH:

WHEREAS, the OWNER deems it advisable, timely and necessary to implement the construction of a new 500,000 gallon elevated storage tank to serve the municipal water distribution system and hereinafter called the "Project",

and

WHEREAS, the OWNER desires to obtain professional engineering services for the preparation of construction plans, specifications and other contract documents and construction engineering for the Project.

NOW, THEREFORE, it having been mutually agreed between the parties hereto, that the OWNER employ the ENGINEERS to perform the professional engineering services in connection with the proposed Project and in consideration thereof, the parties have mutually agreed as follows:

ARTICLE I - SCOPE OF SERVICES

SECTION 1 - DESIGN ENGINEERING SERVICES

The ENGINEERS agree to furnish the following services for the design and preparation of plans and specifications for construction of the proposed Project.

- A. The ENGINEERS shall utilize field surveys and field data completed by City of Vermillion Engineering staff in developing the design and the preparation of the Project documents, including the elevated water storage tank, connections to existing lines, and other information necessary to complete the Project Documents.
- B. The ENGINEERS shall assist with scoping Geotechnical Services required for final design and aid the OWNER in soliciting proposals for these services.
- C. The ENGINEERS shall meet with the OWNER to develop design parameters and establish contract requirements for the Project.
- D. The ENGINEERS shall assist the OWNER with the preparation and submittal of applications and documentation necessary for construction of the elevated water storage facility including submittal of plans and specifications to state regulatory agencies and local governing boards having jurisdiction of the tower site or adjacent property.
- E. On the basis of approved project design criteria and contract provisions, the ENGINEERS shall design and prepare working drawings, specifications and other bid and contract documents. These drawings and documents will be arranged to show the character and scope of the work to be performed by the Contractors on the Project.
- F. The ENGINEERS shall advise the OWNER of adjustments to the preliminary cost estimates to include changes in scope of the project, design and contract requirements, and market conditions. The ENGINEER's shall furnish a revised cost estimate for the Project based on the final contract drawings and bid documents.
- G. The ENGINEERS shall coordinate all work with the OWNER, the South Dakota Department of Environment and Natural Resources (DENR) and such other Federal, State and local agencies or individuals as the OWNER may direct and as may be necessary to obtain approvals from regulatory agencies.

- H. The ENGINEERS shall provide assistance in soliciting bidders, in showing the proposed work, in tabulation of bids, analysis of the bids received and recommendations on Contract award.
- I. The ENGINEERS shall furnish the necessary copies of plans, specifications and other contract documents for proper distribution for approvals and bidding of the work.
- J. The ENGINEERS shall consult with and advise the OWNER on the acceptability of subcontractors and organizations proposed by the Contractors for those portions of the work for which acceptability and concurrence is required by the Contract Documents.
- K. The ENGINEERS shall consult with and advise the OWNER as to the acceptability of substitute materials and equipment that may be proposed by the Contractors when substitution is permitted by the Contract Documents.

SECTION 2 - CONSTRUCTION ADMINISTRATION SERVICES

The ENGINEERS agree to furnish the following services during the construction of the proposed Project.

- A. Construction Documents: The ENGINEERS shall furnish the necessary copies of Plans, Specifications and other Contract Documents required for proper execution of the work by the Contractors.
- B. Preconstruction Conference: The ENGINEERS shall schedule for and conduct a preconstruction conference with the OWNER and Contractor(s).
- C. Shop Drawings: The ENGINEERS shall review and check shop drawings and submittals for application, compliance and acceptability.
- D. Construction Observation: The ENGINEERS shall provide professional engineers and technical personnel to conduct periodic intermittent observations for monitoring of contractor activities during construction. ENGINEERS shall conduct a final inspection to determine if the Project has been completed in accordance with the Contract Documents and if the Contractor(s) has fulfilled their obligation to the OWNER.

- E. Monthly Estimates and Reports: The ENGINEERS shall review monthly and final estimates for payment to the Contractor for the Project and prepare periodic reports to the OWNER on the progress of the work, and prepare other special reports that may be required from time to time.
- F. Requests for Information and Requests for Proposal (RFI/RFP): The ENGINEERS shall process Requests for Information and Requests for Proposals for the project. These documents are used to clarify information in the contract documents and to provide documentation for the preparation of change orders.
- G. Construction Change Orders: The ENGINEERS shall prepare construction change orders which may be required during the progress of construction.
- H. Contractor Responsibility: The ENGINEERS shall not be responsible for the techniques of construction or the safety precautions incidental thereto and will not be responsible for Contractor(s) failure(s) to perform the construction work in accordance with the Contract Documents, but shall endeavor to guard the OWNER against defects and deficiencies in the work performed by the Contractors, and may disapprove work failing to conform with the Contract Documents.
- I. Final Inspection: The ENGINEERS shall conduct a final inspection to determine if the Project has been completed in accordance with the Contract Documents and if the Contractor(s) has fulfilled his/her obligation to the OWNER.

SECTION 3 - RESIDENT ENGINEER SERVICES DURING CONSTRUCTION

The ENGINEERS agree to furnish a Resident Project Representative and technical personnel on site for observation during significant construction activity, if so requested and authorized by the OWNER.

- A. The Resident Project Representative, through more extensive on-site observations of the work in progress, field checks of materials and equipment, and maintenance of job site records on conditions and activities, shall assist ENGINEERS in determining that the Project is proceeding in accordance with the Contract Documents.

- B. The Resident Project Representative shall serve as ENGINEER'S liaison with the Contractor(s) and assist Contractor(s) in understanding the intent of the Contract Documents.
- C. The Resident Project Representative shall maintain at the job site orderly files for correspondence, reports of job conferences, shop drawings and sample submissions, reproduction of original contract documents including all addenda, RFI'S, RFP'S, change orders, field orders, additional drawings issued subsequent to the execution of the contract, ENGINEERS clarifications and interpretations of the contract documents, progress reports, and other project related documents. This includes:
- i. Keeping a record of hours on the job site, weather conditions, data relative to questions of extras or deductions, lists of visiting officials and representatives of manufacturers, fabricators, suppliers and distributors, daily activities, decisions, observations in general and specific observations in more detail as in the case of observing test procedures.
 - ii. Recording names, addresses and telephone numbers of all contractors, subcontractors and major supplies of materials and equipment.
 - iii. Prepare and furnish OWNER a set of reproducible project Record Drawings showing appropriate record information based on project documentation received from the Contractor.
- D. The furnishing of such resident project representation shall not make ENGINEERS responsible for construction means, methods, techniques, sequences, or procedures or for the safety precautions or programs, or for Contractor(s)' failure to perform the construction work in accordance with the Contract Documents.

SECTION 4- OTHER SPECIAL SERVICES

- A. The ENGINEERS shall be available to the OWNER for consultations and assistance with preparation of legal surveys, special tests, monitoring, work details, management, financial matters, permits, rate schedules, assessment rolls, inventories, expert testimony or other related system requirements or problems.

- B. The ENGINEERS shall be available for review of the project prior to expiration of the guarantee periods and determine discrepancies under guarantees provided for by the Construction Contract Documents.
- C. Additional or extended services during construction made necessary by (1) work damaged by fire or other cause during construction, (2) a significant amount of defective or neglected work of Contractor(s), (3) prolongation of the contract time of any prime contract by more than ninety days, and (4) default by Contractor(s), shall be subject to negotiation between the OWNER and ENGINEERS.
- D. Special services must be approved in advance by the OWNER. Request for approval of special services must be accompanied by an estimate of the cost (labor and expenses) and the OWNER shall not be responsible for payment of special services unless prior approval is obtained.

ARTICLE II - OWNER'S RESPONSIBILITIES

SECTION 1 - DESIGN, BIDDING AND CONTRACT AWARD PERIOD

The OWNER shall:

- A. Engage the services of an independent soil exploration and testing laboratory to conduct both the preliminary and final design geotechnical explorations to determine soil conditions and make recommendations as deemed necessary by the ENGINEERS.
- B. Review the project plans and specifications, and other Contract Documents prepared by the ENGINEERS and approve the Documents prior to advertisement for bids.
- C. Pay the fees required for the review of the plans and specifications, permit applications, and applicable crossing fees.
- D. Properly advertise the call for bids for construction so that interested contractors and suppliers are notified.
- E. Receive bids and proposals from Contractors for the construction work related to the project and award any construction contracts.

- F. Compensate the ENGINEERS for services rendered under this Agreement in accordance with Article IV of this Agreement.

SECTION 2 - CONSTRUCTION PERIOD

The OWNER shall:

- A. Engage the services of an independent materials testing firm to conduct necessary inspection and testing for quality assurance as the ENGINEERS may recommend and/or the OWNER may require.
- B. Guarantee access to and make all provisions for the ENGINEERS to enter upon public and private property as required for the ENGINEERS to perform services. Obtain the necessary legal property deeds, right-of-way, and easements required.
- C. Provide such legal, accounting, independent cost estimating and insurance counseling services as may be required for the project and such auditing service as the OWNER may require.
- D. Designate a person to act as the OWNER'S representative with respect to ENGINEERS services. Such person shall have complete authority to transmit instructions, receive information, interpret and define the OWNER'S policies and decisions with respect to materials, equipment, elements and systems pertinent to the project.
- E. Participate in the preconstruction conference.
- F. Give prompt written notice to the ENGINEERS whenever the OWNER observes or otherwise becomes aware of any defect in the project, or changed circumstances.
- G. Furnish approvals and permits from governmental authorities having jurisdiction over the project and such approvals and consents from others as may be necessary for completion of the Project.
- H. Direct the ENGINEERS in writing to perform the special services as stipulated in Section 4 of Article I of this Agreement or other services as required.
- I. Compensate the ENGINEERS for services rendered under this Agreement in accordance with Article IV of this Agreement.

ARTICLE III - TIME OF PERFORMANCE

SECTION 1 - GENERAL

- A. The provisions of this Article and the various rates of compensation for the ENGINEERS services provided for in this Agreement have been agreed to in anticipation of the orderly and continuous progress of the Project. The ENGINEERS obligation to render services hereunder will extend for a period which may reasonably be required to provide the services.

SECTION 2 - COMPLETION TIME

- A. Basic Design Engineering Services: Article I, Section 1.
“Owner Review” Plans, Specifications, and other Contract Documents, complete and ready to submit to agencies and Owner for review and approval.
 90 calendar days after Notice to Proceed.
- B. Incorporating review comments into Final Plans and Contract Documents.
 30 calendar days after receipt of review comments.
- C. Construction Administration & Resident Engineering Services: Article I, Section 2 and 3.
It is estimated that the construction period for this project will extend for a period of twenty four (24) months after issue of the notice to proceed to the Contractor(s). It is anticipated that the 500,000 gallon elevated storage tank will be constructed through 2013 and the final painting, cleanup and site restoration work will be completed in the spring and summer of 2014.

ARTICLE IV - COMPENSATION

The OWNER agrees to compensate the ENGINEERS for performance of this Contract on the basis indicated below for each phase of work.

SECTION 1 - DESIGN AND BID PHASE SERVICES – Design, Preparation of Construction Plans, Specifications and Contract Documents; Bid Solicitation, and Contract Award Assistance.

The OWNER agrees to compensate the ENGINEERS for Design and Bid Phase Services as outlined in ARTICLE I, Section 1 of this agreement in accordance with the "Schedule of Labor Rates and Expenses, dated January, 2012 and subsequent, and marked as Schedule A, attached hereto and hereby made a part of this Agreement. The total of direct labor costs and reimbursable expenses under this section shall not exceed Seventy Three Thousand Two Hundred dollars (\$73,200.00) unless there is a change in scope and prior authorization is approved by the OWNER.

SECTION 2 – CONSTRUCTION ADMINISTRATION AND RESIDENT ENGINEER SERVICES

The OWNER agrees to compensate the ENGINEERS for construction administration and resident engineering during construction of the Project rendered under ARTICLE I, Sections 2 and 3 of this Agreement in accordance with the "Schedule of Labor Rates and Expenses" dated January 2012 and subsequent updates, and marked as Schedule A, attached hereto and hereby made a part of this Agreement. The total of direct labor costs and reimbursable expenses for Construction Administration and Resident Engineering Services during Construction shall not exceed Eighty Eight Thousand One Hundred dollars (\$88,100.00) unless there is a change in scope and prior authorization is approved by the OWNER.

SECTION 3 - SPECIAL SERVICES

The OWNER shall compensate the ENGINEERS for special services as described in ARTICLE I, Section 4 of this Agreement as a separate item of work in accordance with the "Schedule of Labor Rates and Expenses" as shown in Schedule A attached hereto.

SECTION 4 – SUMMARY OF COMPENSATION

The OWNER agrees to compensate the ENGINEERS for services provided under Article 1, Sections 1, 2 and 3 for an aggregate limiting fee of One Hundred Sixty One Thousand Three Hundred Dollars and no cents (\$161,300.00). The estimated effort for Sections 1, 2, and 3 are summarized in the following table.

Article I, Section	Elevated Water Storage
1	\$73,200
2 & 3	\$88,100
Aggregate Limiting Fee	\$161,300

Note: *The estimate amount for each section is approximate. The actual fee for each section may be more or less than shown in the above table. However, the not-to-exceed aggregate limiting fee is \$161,300.00 but may be less if actual fees are less than the mentioned not-to-exceed amounts. The limiting fee includes mechanical and electrical engineering services provided under subcontract.*

SECTION 5 - PAYMENT PERIOD

The ENGINEERS may submit to the OWNER in such form and reasonable detail as the OWNER may require, an invoice or public voucher at the end of each payment period as defined in this Contract.

After receipt of each invoice or voucher and statement of cost, the OWNER shall make payment thereon as approved by the OWNER.

Final payment of any unpaid portion of the ENGINEERS fee and outstanding costs shall be made within sixty days after approval and acceptance of the ENGINEERS work performed on the designated work task.

A. Design Engineering Services:

The ENGINEERS shall submit to the OWNER an invoice or public voucher at the end of each monthly payment period supported by a statement of costs incurred by the ENGINEERS in furnishing Design Engineering Services.

B. Construction Administration and Resident Engineer Services:

The ENGINEERS shall submit to the OWNER an invoice or public voucher at the end of each monthly payment period supported by a statement of costs incurred by the ENGINEERS in furnishing Construction Administration Services during construction.

C. Special Services:

The ENGINEERS shall submit to the OWNER an invoice or public voucher at the end of each identified work task supported by a statement of costs incurred by the ENGINEERS in performance of work under this Section of the Agreement.

ARTICLE V - SPECIAL PROVISIONS

SECTION 1 - INSURANCE

The ENGINEERS shall maintain insurance as will protect it from claims under the Workmen's Compensation Act and from claims for bodily injury, death, or property damage which may arise from the performance of its services under this Agreement naming OWNER as an additional insured. Amounts of coverage are those contained in attachment hereto and incorporated therein. The OWNER will also be furnished an insurance certificate of the ENGINEERS current errors & omissions coverage.

SECTION 2 - TERMINATION

The OWNER may at any time terminate this Agreement by giving notice to the ENGINEERS, in writing, to that effect. Such notice shall be deemed given if delivered or mailed to the last known address of the ENGINEERS. From and after the effective date specified in such notice this Agreement shall be terminated, except that the ENGINEERS shall be entitled to receive compensation for services rendered hereunder to date of notice of termination in accordance with the "Schedule of Labor Rates and Expenses" as shown in Appendix A attached to this Contract, but not to exceed the amounts set forth in ARTICLE IV, for services rendered to date of notice of termination.

SECTION 3 - EXTENT OF AGREEMENT

This Agreement represents the entire and integrated agreement between the OWNER and the ENGINEERS and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both the OWNER and the ENGINEERS.

SECTION 4 - GOVERNING LAW

Unless otherwise specified within this Agreement, this Agreement shall be governed by the laws of South Dakota.

SECTION 5 - ENGINEER LICENSES

The ENGINEERS shall comply with all applicable statutes pertaining to engineering and warrants that Banner Associates, Inc. holds Permit No. C-136 issued to the Corporation by the State of South Dakota.

SECTION 6 - ACCOUNTING RECORDS

Records of the ENGINEERS direct personnel, consultant and reimbursable expenses pertaining to this Project and records of accounting between the OWNER and ENGINEERS, shall be kept on a generally recognized accounting basis and shall be available for review by the OWNER, or their authorized representative at mutually convenient times.

SECTION 7 - DELEGATION OF DUTIES

The OWNER and the ENGINEERS bind themselves, their partners, successors, assigns and legal representatives to the other party to this Agreement and to the partners, successors, assigns and legal representatives of such other party in respect of all covenants of this Agreement. Neither the OWNER nor the ENGINEERS shall assign, sublet, or transfer his interest in this Agreement without the written consent of the other.

IN WITNESS WHEREOF, the parties hereto have affixed their hands and seals.

ATTEST:

OWNER:
CITY OF VERMILLION
VERMILLION, SOUTH DAKOTA

By _____

ATTEST:

PARTY OF THE SECOND PART
BANNER ASSOCIATES, INC.
CONSULTING ENGINEERS
VERMILLION, SOUTH DAKOTA



David Odens, Senior Vice President



Daryl Englund, President

BANNER

Engineering | Architecture | Surveying

Banner Associates, Inc. | 14 West Main, Ste. A
Vermillion, South Dakota 57006 | 605.624.6342
www.bannerassociates.com

SCHEDULE OF LABOR RATES AND EXPENSES

January, 2012

Administrative	\$35.00 to \$70.00/Hour
Surveying/Geomatics	\$50.00 to \$83.00/Hour
CADD Drafting	\$50.00 to \$75.00/Hour
Staff Engineer and Architect	\$55.00 to \$74.00/Hour
Project Engineer and Architect	\$75.00 to \$94.00/Hour
Project Manager	\$95.00 to \$111.00/Hour
Sr. Project Manager	\$115.00 to \$163.00/Hour

1. Meals at State Rates.
 2. Lodging at actual cost.
 3. Reimbursables:

Mileage	\$0.50/Mile
Photocopy.....	0.05/Copy
Color Copies	0.30/Copy
Black & White Laser Prints.....	0.10/Sheet
Vellabond & Plain Paper Plots	0.35/Sq.Ft.
Mylar Film Copies and Plots	0.80/Sq.Ft.
 4. Subcontracts
 5. All other direct project expenses at actual cost of materials.
- Cost Plus 10%

We reserve the right to adjust the rates.

PROVISIONS

Authorization to Proceed. Execution of this Agreement by the Client will be authorization for Banner to proceed with the work, unless otherwise provided for in this Agreement.

Banner services are defined solely by this Agreement, and not by any other contract or Agreement which may be associated with this Project.

Cost Opinions. Any cost opinions of Project economic evaluation provided by Banner will be on a basis of experience and judgment, but, since it has no control over market conditions or bidding procedures, Banner cannot warrant that bids, ultimate construction costs, or Project economics will not vary from these opinions.

Standard of Care. In the performance of its professional services, Banner will use that degree of care and skill ordinarily exercised under similar conditions in similar localities and no other warranties, expressed or implied, are made or intended in any of Banner's proposals, contracts or reports. The Client agrees to defend, indemnify and hold Banner harmless from any and all liability, real or alleged, in connection with the performance of work on this Project, excepting liability arising from the sole negligence of Banner.

Payment. Monthly invoices will include charges incurred during the preceding month. Payment of the invoice is due within thirty (30) days following the date of the invoice. A charge of one and one-half percent (1 ½%) per month will be charged for late payment. Any costs incurred in collecting delinquent amounts shall be paid by clients.

Termination. This Agreement may be terminated for convenience on 30 days' written notice, or for cause, if either party fails substantially to perform through no fault of the other and does not commence correction of such nonperformance within 5 days of written notice and diligently complete the correction thereafter. On termination, Banner will be paid for all authorized work performed up to the termination date plus termination expenses, such as, but not limited to, reassignment of personnel, subcontract termination costs, and related closeout costs. If no notice of termination is given, relationships and obligations created by this Agreement will be terminated upon completion of all applicable requirements of this Agreement.

Limitation of Liability. Banner's liability to the Client for injury to persons or property arising out of work performed for the Client and for which legal liability may be found to rest upon Banner, other than for professional errors and omissions, will be limited to Banner's general liability insurance coverage, which Banner maintains in limits of at least \$1,000,000. To the maximum amount permitted by law for any damage on account of any error, omission or other professional negligence, Banner's liability will be limited to a sum not to exceed \$50,000 or Banner's fee, whichever is greater, to a maximum of \$1,000,000.

Severability and Survival. If any of the provisions contained in this Agreement are held illegal, invalid or unenforceable, the enforceability of the remaining provisions shall not be impaired thereby. Limitations of liability and indemnities shall survive termination of this Agreement for any cause.

Asbestos or Hazardous Substances. To the maximum extent permitted by law, the Client will indemnify and defend Banner and its officers, employees, subconsultants, and agents, from claims, damages, losses and expenses, including, but not limited to, direct, indirect or consequential damages and attorney's fees, in excess of the Limitation of Liability, arising out of or relating to the presence of asbestos or the presence, discharge, release, or escape of hazardous substances or contaminants on or from the Project. The indemnity in this provision will be construed and enforce according to the laws of South Dakota.

Loan Monitoring Services. When Banner is providing Project review and/or construction monitoring services to lenders, the Client (lender) will, to the maximum extent permitted by law, indemnify and defend Banner and its officers, employees, subconsultants, and agents, from all third party claims, damages, losses and expenses, including, but not limited to, direct, indirect, or consequential damages and attorney's fee arising out of or relating to Banner's involvement or presence on or near the Project.

Banner is not responsible for the duties and responsibilities that belong to the borrower, developer, construction contractor(s), designer(s), testing laboratory(s), full-time inspector(s), or other parties associated with the Project not in the employ of Banner.

Interpretation. The limitations of liability and indemnities will apply whether Banner's liability arises under breach of contract or warranty; tort, including negligence; strict liability; statutory; or any other cause of action.

The laws of the State of South Dakota shall govern the validity of this Agreement, its interpretation and performance, and any other claims related to it, except Asbestos or Hazardous Substances.

No Third Party Beneficiaries. This Agreement gives no rights or benefits to any other than the Client and Banner and has no third party beneficiaries.

Project Safety. The Client agrees that in accordance with generally accepted construction practices, the construction contractor will be required to assume sole and complete responsibility for job site conditions during the course of construction of the Project, including safety of all persons and property, and that this requirement shall be made to apply continuously and not be limited to normal working hours.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
10/4/2011

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Howalt+McDowell Insurance, Inc. 300 N. Cherapa Place, Ste 601 PO Box 5113 Sioux Falls SD 57117-5113		CONTACT NAME: Alicia Carlson, AIS, AU PHONE (A/C, No, Ext): (605) 339-3874 FAX (A/C, No): (605) 339-3620 E-MAIL ADDRESS: acarlson@howaltmcdowell.com PRODUCER CUSTOMER ID #: 00001398	
INSURED Banner Associates, Inc. 409 22nd Ave S PO Box 298 Brookings SD 57006-0298		INSURER(S) AFFORDING COVERAGE INSURER A: General Casualty Company Of Wi INSURER B: General Casualty Ins 18821 INSURER C: Travelers C & S Co of America INSURER D: INSURER E: INSURER F:	

COVERAGES CERTIFICATE NUMBER:1112Prof'1 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY			CCS 0363072	11/1/2011	11/1/2012	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						MED EXP (Any one person) \$ 5,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-TECT <input type="checkbox"/> LOC					GENERAL AGGREGATE \$ 2,000,000	
						PRODUCTS - COMP/OP AGG \$ 1,000,000	
B	AUTOMOBILE LIABILITY			CBA 0363072	11/1/2011	11/1/2012	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS						BODILY INJURY (Per accident) \$
	<input type="checkbox"/> SCHEDULED AUTOS						PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS						PIP-Basic (MN) - Aggregate \$ 40,000
	<input type="checkbox"/> NON-OWNED AUTOS						Uninsured motorist BI-single \$ 1,000,000
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB	<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE		CCU 0363072	11/1/2011	11/1/2012	EACH OCCURRENCE \$ 4,000,000
	<input type="checkbox"/> DEDUCTIBLE						AGGREGATE \$ 4,000,000
	<input checked="" type="checkbox"/> RETENTION \$ 10,000						
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	<input type="checkbox"/> Y/N	N/A	CWC 0363072	11/1/2011	11/1/2012	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	<input type="checkbox"/>					E.L. EACH ACCIDENT \$ 100,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$ 100,000
C	Professional Liability			105349827	10/3/2011	10/3/2012	E.L. DISEASE - POLICY LIMIT \$ 500,000
	Claims-Made;						Per Claim Limit - \$2,000,000 Ded: \$50,000
							Aggregate Limit - \$4,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
Proof of Insurance.

CERTIFICATE HOLDER

CANCELLATION

To Whom It May Concern:	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE G Joyce, CPCU/CARLSA <i>G. M. Joyce</i>

SCOPE OF SERVICES - CONSTRUCTION ADMIN & RESIDENT ENGINEERING

Project Name: VERMILLION WATER TOWER - 0.5 MG
 BAI No: DB1115.00.03

Date: 3/14/2012

TASK OUTLINE	TASK TOTAL	LABOR TOTAL	ESTIMATED LABOR (HOURS)																		
			Sr PM	Sr Pro Eng	PM	Proj Eng	Str Eng	Sr Pro Eng	Arch	Drafter	Surveyor	Clerical	Proj. Eng. - NACE								
1. Project Management	\$ 7,040	80			80																
2. Preconstruction Conference	\$ 1,282	12		8	2																
3. Review Shop Drawings	\$ 10,824	128		8	40		40	8													
4. Attend Monthly Progress Meeting	\$ 5,320	64			40		24														
5. Process Pay Applications	\$ 3,520	40			40																
6. Construction Observation - Excavation	\$ 2,212	24			20																
7. Construction Observation - Granular Fill	\$ 2,212	24			20																
8. Construction Observation - Watermain	\$ 465	5			4																
9. Construction Observation - Reinforcing Steel	\$ 6,540	72			4			8													
10. Construction Observation - Concrete	\$ 9,908	108			88		8	8													
11. Construction Observation - Tank Erection	\$ 6,260	68		8	40		8	8													
12. Construction Observation - Paint	\$ 9,834	118			60			8													
13. Construction Observation - Process Piping	\$ 4,292	48		8	20		16														
14. Construction Observation - Electrical	\$ 1,232	14			14																
15. Construction Observation - Controls	\$ 3,840	44		8	20		16														
16. Construction Observation - Sitework	\$ 2,212	24			20																
17. Final Completion walk thru	\$ 1,282	12		8	2																
18. Construction Plans of Record	\$ 620	8			4																
19. Project Closeout	\$ 1,030	10	2		8																
20.																					
21.																					
22.																					
23.																					
24.																					
TOTALS:		903	2	48	582	104	32	65	4	4	0	12	50	0	0						
BILLING RATES FOR LABOR:			163	110	88	75	101	113	94	67	83	36	73								
TOTAL DOLLARS:	\$ 79,925		\$ 326	\$ 5,280	\$ 51,216	\$ 7,800	\$ 3,232	\$ 7,345	\$ 376	\$ 268	\$ -	\$ 432	\$ 3,650	\$ -	\$ -						
Subcontractors																					
Notes:																					
Cost																					
1. West Plains - Electrical \$ 4,900.00																					
2.																					
3.																					
Total Subcontracts \$ 4,900.00																					
Reproduction Dollars																					
Shipping/Delivery, Photocopies/Printing, Postage																					
Expense Dollars																					
Per Diem \$ 153.00																					
Miles - In town \$ 550.00																					
Miles \$ 0.50 per mile																					
Miles \$ 115 miles per one-way trip																					
Miles \$ 17 anticipated trips																					
Supplies, Miscellaneous Reimbursables \$ 1,960.00																					
\$ 100.00																					
Summary:																					
Total Hours: 903.00																					
Total Labor Dollars: \$ 79,925.00																					
Expense Dollars: \$ 2,763.00																					
Subcontracts: \$ 4,900.00																					
Task .01 Total Expense Dollars: \$ 87,588.00																					
Task .02 Reproduction Dollars: \$ 500.00																					
Total Project Costs: \$ 88,100.00																					
Notes:																					
Construction Administration Labor \$ 30,918.00																					
Construction Observation Labor \$ 49,007.00																					
Total Labor Dollars: \$ 79,925.00																					

Table 6.3: Amended Implementation Schedule

TASK	DATE
Presentation and Acceptance of PER	July, 2010
State Water Plan Application Acceptance	August, 2010
Consolidated Water Facilities Application Acceptance	March, 2011
DENR Approval for SRF Loan	March, 2011
Community Development Block Grant Application Denial	January, 2012
DENR Approval of Amended Facilities Plan	April, 2012
Notice to Proceed on Design of Improvements	April 2012
Submittal of Plans and Specifications	June, 2012
Open Bids for Construction	August, 2012
Complete Construction of Improvements	August, 2014
Complete One Year Warranty period	August, 2015

END OF SECTION 6



Council Agenda Memo

From: Jason Anderson, Assistant City Engineer

Meeting: March 19, 2012

Subject: Change Order No. 5-Wastewater Treatment Facility Phase II Improvements

Presenter: Jason Anderson

Background: The Wastewater Treatment Facility Phase II Improvements included the construction of a new main lift station and installation of a new supplemental force main. It also included the replacement of equipment in the primary and final clarifier tanks, replacement of anaerobic digester covers, new digester mixing system, replacement of pumps and piping in the pipe galleries, mechanical and electrical improvements, and other miscellaneous improvements throughout the facility.

The original contract amount of \$4,067,000 was considerably lower than the engineer's estimate of \$5,145,000. Change Orders No. 1, 2, 3, and 4 totaling \$166,225.50 were approved at previous City Council meetings. Attached is Change Order No. 5 for \$38,779.71, including the consulting engineer's explanation for the change order.

Discussion: The change order includes some unforeseen replacement piping (\$4,875.45), replacement of the manways on the anaerobic digesters (\$5,948.60), replacement of leaky primary and secondary digester supernatant piping systems (\$10,918.91), and removal of an abnormal amount of sludge from the anaerobic digesters (\$17,036.75). With approval of this change order, substantial completion will be reached and the final payment can be made.

Financial Consideration: The Phase II improvements were funded with a \$765,000 CDBG grant and \$4,851,000 CW-SRF loan, 20 yrs. at 3.25%. The total project cost with this change order and items such as engineering, project inspection and administration is \$4,963,191.45. Approximately \$637,800 of SRF loan funds will not be drawn down to be utilized on this project.

Wastewater rate increases, through 2011, have been approved to repay the loan and the change order adjustment to debt service will be included in the 2012 rate adjustment to be presented to the Council at the April 2 meeting.

Conclusion/Recommendations: Administration recommends approval of Wastewater Treatment Facility Phase II Improvements Change Order #5 in the amount of \$38,779.71.

BANNER

Engineering | Architecture | Surveying

Banner Associates, Inc. | 409 22nd Ave So | PO Box 298

Brookings, South Dakota 57006 | 605.692.6342

www.bannerassociates.com

March 1, 2012

Mr. Jason Anderson, Utilities Engineer
City of Vermillion
25 Center Street
Vermillion, SD 57069

Re: Vermillion WWTF Phase II Improvements – 2009
Change Order #2
BAI. No. 20854.00.03
F:\20854-00\Construction Phase\Change Orders\C.O. #5\C.O.#5 Transmittal Letter.doc

Dear Mr. Anderson

Attached hereto please find six (6) copies of Change Order No. 5 – Final for the Vermillion Wastewater Treatment Facility Phase II Improvements – 2009. The attached change order includes proposals from the Contractor to provide alternate work not required in the original “Base Bid” Contract. The work included in this change order results in a change in contract amount of \$38,779.71 and consists of the following:

- RFP #19 – During improvements to the supernatant manhole it was discovered that the domestic sewer from the digester building was in very poor condition. And, its poor condition was making repairs to the manhole very difficult. Therefore, modifications to the piping system were designed. This change was requested through RFP #19 and results in an added price of \$4,875.45.
- RFP #20 – After the anaerobic digesters had been sand blasted; the digester structures and steel manways were inspected. Although the structures were in good condition, the manways suffered from severe corrosion and had the potential to leak into the pipe gallery if not repaired. Therefore, details were prepared to address manway repair. This change was requested through RFP #20 and results in an added price of \$5,948.60.

- RFP #21 – During operation of the upgraded anaerobic digester process the City experienced some leaking from the supernatant piping. In addition, the supernatant piping system had been repaired numerous times before and had become a collection of joints and couplers with a greater potential for plugging and leaking. Therefore, the City requested that RFP #21 be prepared to investigate costs associated with replacement of the primary and secondary digester supernatant piping systems. This change was requested through RFP #21 and results in an added price of \$10,918.91.
- Change of Conditions (Sludge Removal) –During removal of the anaerobic digester sludge it became apparent that the digesters had an abnormal amount of grit and thickened sludge that could not be removed by normal methods. The Contract Documents indicate that sludge removal is the responsibility of the Contractor; however, PKG claimed that the conditions encountered were abnormal and that this constitutes a “Change of Conditions”. During many discussions between City staff, Banner and PKG, the group negotiated this potential change through letter and phone correspondence and results in an added price of \$17,036.75.

Please present the change order to the City Council for approval. Upon approval of the change order, please have all six (6) copies signed, keep one (1) copy for your files, forward one (1) copy to PKG Contracting, forward three (3) copies to SECOG and forward the remaining copy to Banner Associates. If you should have any questions, please do not hesitate to contact me.

Sincerely,



Dennis Rebelein, P.E.
Banner Associates, Inc.
Encl.

Change Order

No. 5

Date of Issuance: February 27, 2012 Effective Date: _____

Project: Vermillion WWTF Phase II	Owner: City of Vermillion	Owner's Contract No.:
Contract: Vermillion Wastewater Treatment Facility Phase II Improvements - 2009		Date of Contract: May 1, 2009
Contractor: PKG Contracting Inc., 4301 South University Drive, Fargo, ND 58104		Engineer's Project No.: 20854.00.03

The Contract Documents are modified as follows upon execution of this Change Order:

Description: RFP 19, RFP 20, RFP 21 and Change of Conditions Sludge Removal.

Attachments (list documents supporting change):

RFP 19, RFP 20, RFP 21 and Change of Conditions Sludge Removal, description and explanation of work and Contractor

CHANGE IN CONTRACT PRICE:

CHANGE IN CONTRACT TIMES:

Original Contract Price:
\$4,066,996.00

Original Contract Times: Working days Calendar days
Substantial completion (days or date): November 1, 2010
Ready for final payment (days or date): January 1, 2011

[Increase] [Decrease] from previously approved Change Orders No. 1 to No. 4:
\$166,225.50

[Increase] [Decrease] from previously approved Change Orders No. 1 to No. 4:
Substantial completion (days): _____
Ready for final payment (days): _____

Contract Price prior to this Change Order:
\$4,233,221.50

Contract Times prior to this Change Order:
Substantial completion (days or date): April 8, 2011
Ready for final payment (days or date): April 8, 2011

[Increase] [Decrease] of this Change Order:
\$38,779.71

[Increase] [Decrease] of this Change Order:
Substantial completion (days or date): September 8, 2011
Ready for final payment (days or date): May 1, 2012

Contract Price incorporating this Change Order:
\$4,272,001.21

Contract Times with all approved Change Orders:
Substantial completion (days or date): September 8, 2011
Ready for final payment (days or date): May 1, 2012

RECOMMENDED:
By: [Signature]
Engineer (Authorized Signature)
Date: 3/2/12
Approved by Funding Agency (if applicable): _____

ACCEPTED:
By: [Signature], Asst. City Engineer
Owner (Authorized Signature)
Date: 3/8/12

ACCEPTED:
By: [Signature]
Contractor (Authorized Signature)
Date: 2/29/12
Date: _____

REQUEST FOR PROPOSAL (RFP)

RFP# 19 DATE: February 3, 2010

TO: PKG Contracting, Inc.
4301 South University Drive
Fargo, ND 58104

RE: Vermillion Wastewater Treatment Facility
Phase II Improvements – 2009
Vermillion, SD

GENTLEMEN:

Please submit an itemized cost breakdown, as per the General Conditions for changes in contract sum and contract time, resulting from the following proposed modification(s) to the Contract Documents.

PLEASE SUBMIT COST BREAKDOWN IN TEN (10) DAYS OR LESS

Refer to RFI No. N/A

SUBJECT: Digester building buried domestic sewer replacement

Please provide an itemized cost proposal for the following items on the above referenced project:

Plan Sheets 13-3.1

- Provide the work and materials necessary to remove the existing domestic sewer from the digester building pipe gallery wall, the supernatant wetwell wall and patch both walls in accordance with detail 4/4.2. The remaining buried piping shall be plugged with non shrink grout on each end.
- Furnish and install all work and materials necessary for installation of a new gravity sewer to be installed at the same elevation as the supernatant pipe. Work shall include but not be limited to core drilling the digester building and supernatant wetwell walls, double link seals and excavating or tunneling for installation of the new domestic sewer line between the structures.
- Refer to the attached drawings for additional information.

Please provide a change order quotation for the changes in the work as described. The quote should include an itemization of material prices, labor prices, applicable taxes, Contractor's mark-up (in accordance with General Conditions Section 12.01), and any necessary appurtenant costs listed separately.

If no change in contract time, state "none" here: NONE

If no change in contract amount, state "none" here: _____

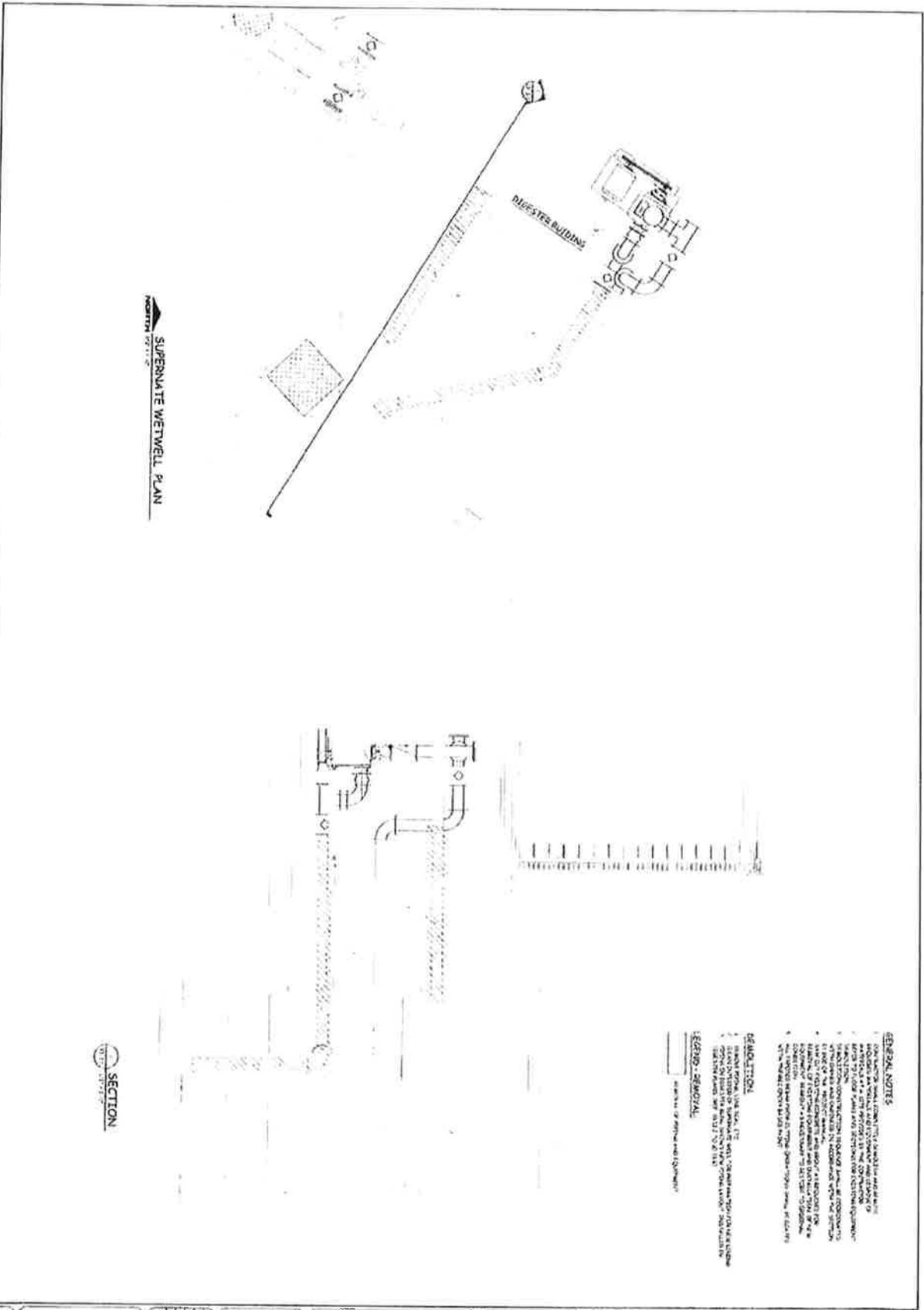
If either or both above items are noted "none", please return this form within five (5) days.

ARCHITECT/ENGINEER



REPRESENTATIVE

cc: Lance Weatherly, P.E.
Dennis Rebelcin, P.E.



SUPERNATE WETWELL PLAN

SECTION

GENERAL NOTES

- 1. ALL WORK SHALL BE IN ACCORDANCE WITH THE STANDARD SPECIFICATIONS FOR HIGHWAY CONSTRUCTION, LATEST EDITION, AS APPLICABLE.
- 2. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES.
- 3. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES.
- 4. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES.
- 5. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES.

DEMOLITION

- 1. DEMOLITION SHALL BE IN ACCORDANCE WITH THE STANDARD SPECIFICATIONS FOR HIGHWAY CONSTRUCTION, LATEST EDITION, AS APPLICABLE.
- 2. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES.
- 3. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES.

LEGEND - DEMOLITION

DEMOLITION



**VERMILION
WWT
PHASE II
IMPROVEMENTS
2009**

PROJECT LOCATION
VERMILION
SOUTH DAKOTA

DATE	DESCRIPTION

DATE	DESCRIPTION

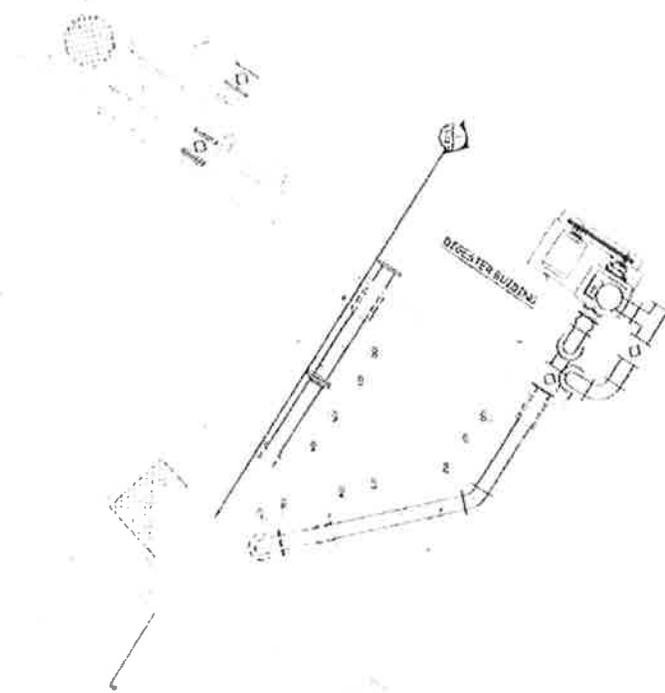
**SUPERNATE
WETWELL
DEMOLITION
PLAN AND
SECTION**

13-31

BANNER

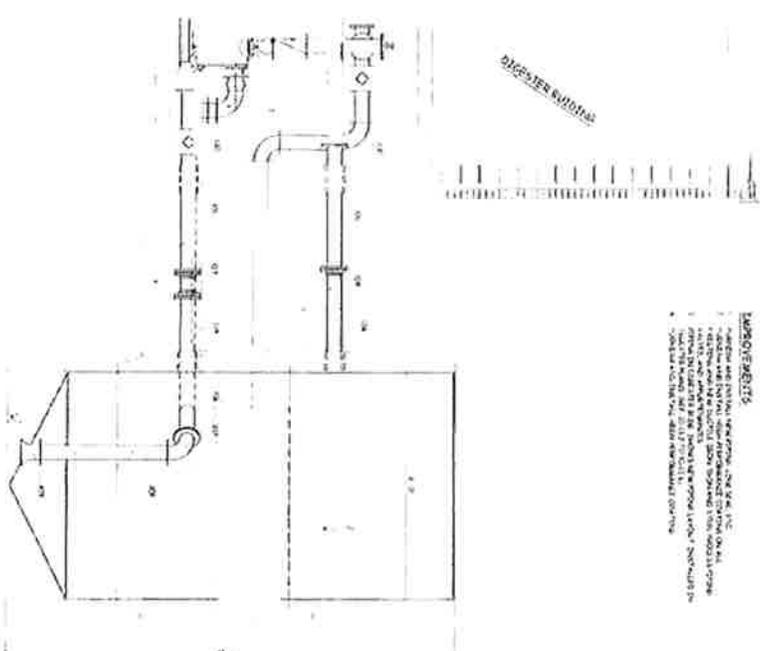
425 20th Ave. S. #200
Sioux Falls, SD 57105
605-937-4342
www.bannerengineering.com

SUPERMATE WETWELL PLAN



PRIMARY CLARIFIER TYPE SCHEDULE

ITEM NO.	DESCRIPTION	QTY	UNIT	REMARKS
SUPERMATE WELL PITTING				
01	1" DIA. PIPE	1	FT.	
02	1" DIA. PIPE	1	FT.	
03	1" DIA. PIPE	1	FT.	
04	1" DIA. PIPE	1	FT.	
05	1" DIA. PIPE	1	FT.	
06	1" DIA. PIPE	1	FT.	
07	1" DIA. PIPE	1	FT.	
08	1" DIA. PIPE	1	FT.	
09	1" DIA. PIPE	1	FT.	
10	1" DIA. PIPE	1	FT.	



GENERAL NOTES:

1. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL HEALTH DEPARTMENT AND ALL APPLICABLE AGENCIES.
2. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL HEALTH DEPARTMENT AND ALL APPLICABLE AGENCIES.
3. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL HEALTH DEPARTMENT AND ALL APPLICABLE AGENCIES.
4. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL HEALTH DEPARTMENT AND ALL APPLICABLE AGENCIES.
5. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL HEALTH DEPARTMENT AND ALL APPLICABLE AGENCIES.
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7. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL HEALTH DEPARTMENT AND ALL APPLICABLE AGENCIES.
8. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL HEALTH DEPARTMENT AND ALL APPLICABLE AGENCIES.
9. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL HEALTH DEPARTMENT AND ALL APPLICABLE AGENCIES.
10. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL HEALTH DEPARTMENT AND ALL APPLICABLE AGENCIES.

IMPROVEMENTS:

1. IMPROVE THE EXISTING WETWELL TO MEET THE REQUIREMENTS OF THE LOCAL HEALTH DEPARTMENT AND ALL APPLICABLE AGENCIES.
2. IMPROVE THE EXISTING WETWELL TO MEET THE REQUIREMENTS OF THE LOCAL HEALTH DEPARTMENT AND ALL APPLICABLE AGENCIES.
3. IMPROVE THE EXISTING WETWELL TO MEET THE REQUIREMENTS OF THE LOCAL HEALTH DEPARTMENT AND ALL APPLICABLE AGENCIES.
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5. IMPROVE THE EXISTING WETWELL TO MEET THE REQUIREMENTS OF THE LOCAL HEALTH DEPARTMENT AND ALL APPLICABLE AGENCIES.
6. IMPROVE THE EXISTING WETWELL TO MEET THE REQUIREMENTS OF THE LOCAL HEALTH DEPARTMENT AND ALL APPLICABLE AGENCIES.
7. IMPROVE THE EXISTING WETWELL TO MEET THE REQUIREMENTS OF THE LOCAL HEALTH DEPARTMENT AND ALL APPLICABLE AGENCIES.
8. IMPROVE THE EXISTING WETWELL TO MEET THE REQUIREMENTS OF THE LOCAL HEALTH DEPARTMENT AND ALL APPLICABLE AGENCIES.
9. IMPROVE THE EXISTING WETWELL TO MEET THE REQUIREMENTS OF THE LOCAL HEALTH DEPARTMENT AND ALL APPLICABLE AGENCIES.
10. IMPROVE THE EXISTING WETWELL TO MEET THE REQUIREMENTS OF THE LOCAL HEALTH DEPARTMENT AND ALL APPLICABLE AGENCIES.

SECTION

BANNER

Map Scale: 1" = 10' (Not to Scale)

Project No. 13-131

Project Name: SUPERMATE WETWELL AND SECTION

Client: VERMILION WWTW PHASE II IMPROVEMENTS 2009

Location: VERMILION SOUTH DISTRICT

Scale: 1" = 10'

Sheet No. 13-131

PKG CONTRACTING, INC.

4301 SOUTH UNIVERSITY DRIVE, FARGO, ND 58104

PHONE: (701) 232-3878 FAX: (701) 232-3935

e-mail: admin@pkg-inc.com

March 25, 2011

Banner Associates, Inc.
409 22nd Avenue South
Brookings, SD 57006

Attn: Dennis Rebelein

RE: Vermillion Waste Water Treatment Facility
Phase II Improvements - 2009
Vermillion, SD

SUBJECT: Change Proposal Request

Dear Mr. Rebelein:

The following is a price change proposal for work detailed in Banner RFP #19.

- PCO-22:** Detailed below are the costs to remove and re-install the domestic sewer piping in the digester building to the extents detailed in RFP #19. A summary is as follows:
- remove existing 4" PVC sewer pipe at the digester building and manhole walls
 - demo/remove existing concrete sewer pipe floor support
 - core/remove existing wall sleeve at digester building
 - plug/cap remaining 4" buried sewer piping at the digester building and manhole locations
 - plug existing sewer pipe wall penetrations with non-shrink grout
 - core drill new openings for the relocated sewer piping (digester building and manhole)
 - connect to the existing and install new 4" PVC sewer piping from the digester building to the manhole
 - install double link-seals at new pipe penetrations

	1. Labor:	\$2,400.00	
	2. Material (including tax)		
	- misc forming/patching materials	\$275.00	
	- piping, link-seal, couplings/fittings	\$550.00	
	3. Equipment (including tax)	\$0.00	
	4. 15% Fee (Overhead & Profit on items A.1,2,3)	\$483.75	
	Subtotal Section A		\$3,708.75
B.)	1. Subcontractor: All States Concrete Cutting	\$613.00	
	2. 5% Fee (Overhead & Profit on item B.1)	\$30.65	
	Subtotal Section B		\$643.65

C.)	Supplemental Costs:		
	1. Small Tools & Expendables (10% of A.1)	\$240.00	
	2. Temporary Construction Facilities (2% of Section A, B & C.1)	\$91.85	
	3. State Excise Tax - (2.041% of Total)	\$97.52	
	4. Bonds & Insurance Premium (2% of Section A, B, C.1,C.2)	\$93.68	
	Subtotal Section C		\$523.05
	Net Price Change		\$4,875.45

If you have any questions or would like to discuss any of the above information further, please do not hesitate to give me a call.

Thank you,

PKG Contracting, Inc.

John Spiekermeler
Project Manager

Attachments

cc: 0904 PCO file

I:\Users\John\0904\PCO\PCO22

REQUEST FOR PROPOSAL (RFP)

RFP# 20 DATE: March 3, 2011

TO: PKG Contracting, Inc.
4301 South University Drive
Fargo, ND 58104

RE: Vermillion Wastewater Treatment Facility
Phase II Improvements – 2009
Vermillion, SD

GENTLEMEN:

Please submit an itemized cost breakdown, as per the General Conditions for changes in contract sum and contract time, resulting from the following proposed modification(s) to the Contract Documents.

PLEASE SUBMIT COST BREAKDOWN IN TEN (10) DAYS OR LESS

Refer to RFI No. N/A

SUBJECT: Primary Digester Manway Repair/Secondary Digester Manway Repair

Please provide an itemized cost proposal for the following items on the above referenced project:

Plan Sheets 10-3.3 and 10-13.2.

- Provide the work and materials necessary to repair the Primary and Secondary Digester manways by constructing a 1/2" steel plate insert on all four faces of the manway.
- All faces shall have all seams welded, build up areas adjacent to the manway flange prior to plate installation.
- Perimeter weld the the plate to be flush with the manway flange. Apply galvanized paint to the existing manway and adjacent plate face prior to installation of plate material. Plates shall have all seams welded.
- Butt weld plate material over concentrated corroded areas on the manway cover and build up by welding dispersed corrosion pits.

Please provide a change order quotation for the changes in the work as described. The quote should include an itemization of material prices, labor prices, applicable taxes, Contractor's mark-up (in accordance with General Conditions Section 12.01), and any necessary appurtenant costs listed separately.

If no change in contract time, state "none" here: NONE

If no change in contract amount, state "none" here: _____

If either or both above items are noted "none", please return this form within five (5) days.

ARCHITECT/ENGINEER



REPRESENTATIVE

cc: Harold Holoch, City of Vermillion
Paul Brunick, City of Vermillion

PKG CONTRACTING, INC.
 4301 SOUTH UNIVERSITY DRIVE, FARGO, ND 58104
 PHONE: (701) 232-3878 FAX: (701) 232-3935
 e-mail: admin@pkg-inc.com

March 23, 2011

Banner Associates, Inc.
 409 22nd Avenue South
 Brookings, SD 57006

Attn: Dennis Rebelein

RE: Vermillion Waste Water Treatment Facility
 Phase II Improvements - 2009
 Vermillion, SD

SUBJECT: Change Proposal Request

Dear Mr. Rebelein:

The following is a price change proposal for repairs done to the primary and secondary digester manways.

PCO-21: PKG to provide and install 1/2" steel plate inserts on all four faces of the digester manways per Banner RFP #20. (both the primary and secondary digester hatches)

	1. Labor:	\$3,535.00	
	2. Material (including tax)	\$1,030.00	
	3. Equipment (including tax)	\$0.00	
	4. 15% Fee (Ohead & Profit on items A.1,2,3)	\$684.75	
	Subtotal Section A	\$5,249.75	\$5,249.75
B.)	1. Subcontractor:	\$0.00	
	2. 5% Fee (Overhead & Profit on Item B.1)	\$0.00	
	Subtotal Section B	\$0.00	\$0.00
C.)	Supplemental Costs:		
	1. Small Tools & Expendables (10% of A.1)	\$353.50	
	2. Temporary Construction Facilities	\$112.07	
	(2% of Section A, B & C.1)		
	3. State Excise Tax - (2.041% of Total)	\$118.98	
	4. Bonds & Insurance Premium	\$114.31	
	(2% of Section A, B, C.1,C.2)		
	Subtotal Section C	\$698.85	\$698.85
	Net Price Change		\$5,948.60

If you have any questions or would like to discuss any of the above information further, please do not hesitate to give me a call.

Thank you,

PKG Contracting, Inc.



John Spiekemeier
Project Manager

Attachments

cc: 0904 PCO file

I:\Users\John\0904\PCO\PCO21

REQUEST FOR PROPOSAL (RFP)

RFP# 21

DATE: June 8, 2011

TO: PKG Contracting, Inc.
4301 South University Drive
Fargo, ND 58104

RE: Vermillion Wastewater Treatment Facility
Phase II Improvements □2009
Vermillion, SD

GENTLEMEN:

Please submit an itemized cost breakdown, as per the General Conditions for changes in contract sum and contract time, resulting from the following proposed modification(s) to the Contract Documents.

PLEASE SUBMIT COST BREAKDOWN IN TEN (10) DAYS OR LESS

Refer to RFI No. N/A

SUBJECT: Primary and Secondary Digester Supernatant Piping Replacement

Please provide an itemized cost proposal for the following items on the above referenced project:

Plan Sheets 10-3.5 and 10-13.5,

- Provide all work and materials necessary to remove the Primary and Secondary Digester supernatant piping.
- Provide all work and materials necessary to furnish and install new Primary and Secondary Digester supernatant piping as shown on the attached drawings.

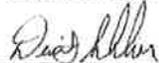
Please provide a change order quotation for the changes in the work as described. The quote should include an itemization of material prices, labor prices, applicable taxes, Contractor's mark-up (in accordance with General Conditions Section 12.01), and any necessary appurtenant costs listed separately.

If no change in contract time, state nonehere: NONE

If no change in contract amount, state nonehere: _____

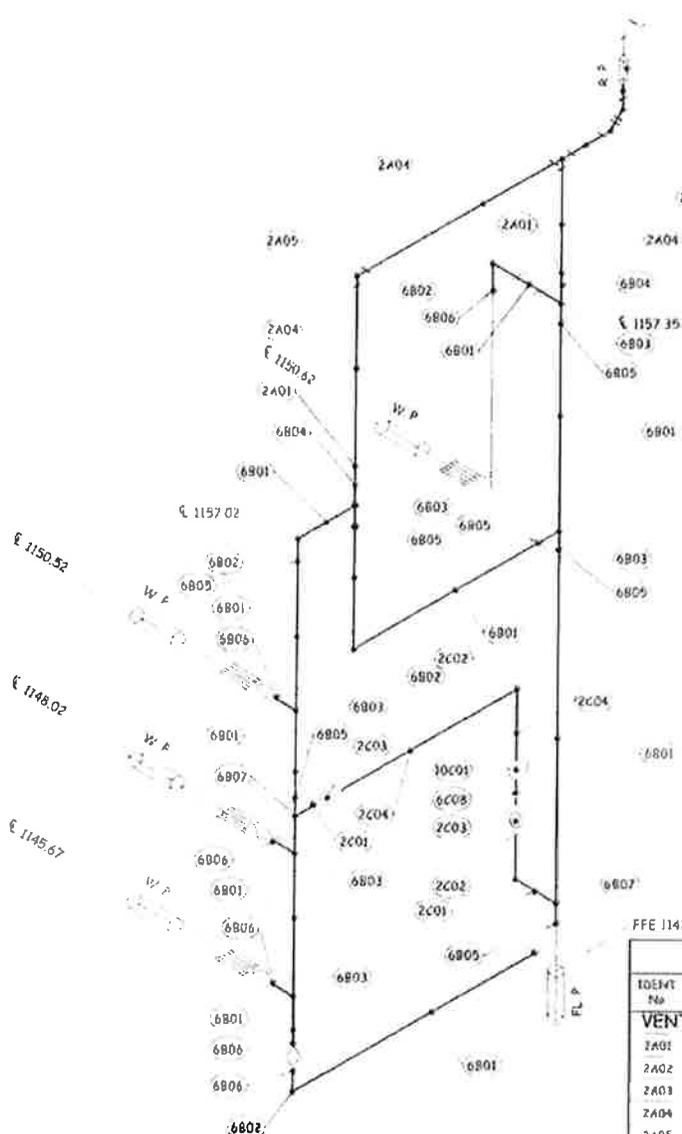
If either or both above items are noted none please return this form within five (5) days.

ARCHITECT/ENGINEER



REPRESENTATIVE

cc: Harold Holloch, City of Vermillion
Paul Brunick, City of Vermillion



PIPING SCHEDULE			
IDENT No	DESCRIPTION	CONN	NOTES
VENT PIPING (A)			
SCHEDULE 80 PVC			
2A01	2" UNION	SOLV WELD	
2A02	2" 45° BEND	SOLV WELD	
2A03	2" TEE	SOLV WELD	
2A04	2" SCH 80 PVC	SOLV WELD	
2A05	2" 90° BEND	SOLV WELD	
SUPERNATANT PIPING (B)			
SCHEDULE 80 PVC			
6B01	6" SCH 80 PVC	SOLV WELD	
6B02	6" 90° BEND	SOLV WELD	
6B03	6"x6"x6" TEE	SOLV WELD	
6B04	6" BLIND FLANGE	FL	W/ 2" TAP AND THREADED BUSHING
6B05	FLANGE FLANGE CONNECTION	FL FL	
6B06	SINGLE FLANGE	FL	
6B07	6"x6"x2" TEE	SOLV WELD	
SAMPLING PIPING (C)			
SCHEDULE 80 PVC			
2C01	2" UNION	SOLV WELD	
2C02	2" 90° BEND	SOLV WELD	
2C03	2" BALL VALVE	UNION	
2C04	2" SCH 80 PVC	SOLV WELD	
6C08	6"x2" REDUCER	SOLV WELD	
10C01	10"x6" REDUCER	SOLV WELD	

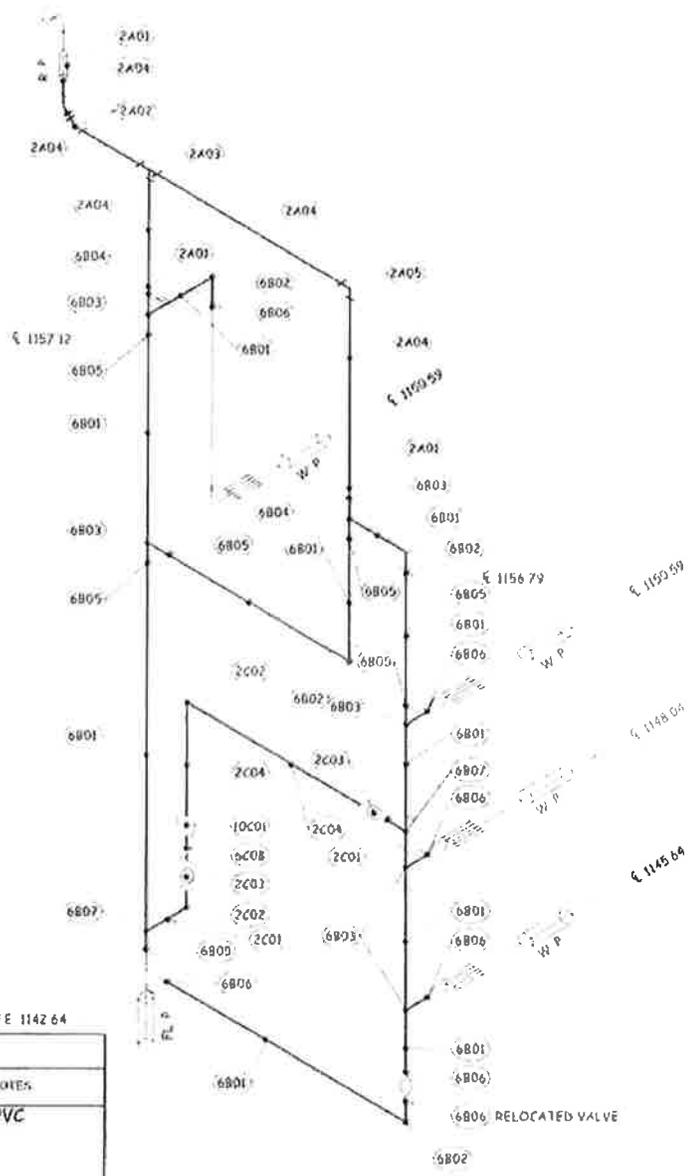
BANNER
 409 22nd Ave. S P.O. Box 298
 Brookings, South Dakota 57006
 605-692-6342
 www.bannerassociates.com
 Building Projects Building Trust

PROJECT TITLE:
**VERMILLION WWTF
 PHASE II IMPROVEMENTS
 2009**
 PROJECT LOCATION:
 VERMILLION,
 SOUTH DAKOTA

PROPOSAL REQUEST NO.:
21
 SHEET TITLE:
**ANEROBIC DIGESTER
 BUILDING - PIPING
 SCHEMATIC**

DRAWN BY: SAN
 DESIGNED BY: J J M
 CHECKED BY: D F R
 JOB NO: 20854 00 02
 DATE: JUN 2011

 FIGURE NO:
1



FFE 1142 64

PIPING SCHEDULE			
IDENT No	DESCRIPTION	CONN	NOTES
VENT PIPING (A)			
SCHEDULE 80 PVC			
2A01	2" UNION	SOLV WELD	
2A02	2" 45° BEND	SOLV WELD	
2A03	2" TEE	SOLV WELD	
2A04	2" SCH 80 PVC	SOLV WELD	
2A05	2" 90° BEND	SOLV WELD	
SUPERNATANT PIPING (B)			
SCHEDULE 80 PVC			
6B01	6" SCH 80 PVC	SOLV WELD	
6B02	6" 90° BEND	SOLV WELD	
6B03	6"x6"x6" TEE	SOLV WELD	
6B04	6" BLIND FLANGE	FL	W/ 2" TAP AND THREADED RUSHING
6B05	FLANGE FLANGE CONNECTION	FL - FL	
6B06	SINGLE FLANGE	FL	
6B07	6"x6"x2" TEE	SOLV WELD	
SAMPLING PIPING (C)			
SCHEDULE 80 PVC			
2C01	2" UNION	SOLV WELD	
2C02	2" 90° BEND	SOLV WELD	
2C03	2" BALL VALVE	UNION	
2C04	2" SCH 80 PVC	SOLV WELD	
6C08	6"x2" REDUCER	SOLV WELD	
10C01	10"x6" REDUCER	SOLV WELD	

NOTE:
GODSENECK INVERT ELEVATIONS
CHANGED FROM EXISTING PIPING

SECONDARY DIGESTER - SUPERNATANT PIPING
NO SCALE

BANNER
409 22nd Ave S P.O. Box 298
Brookings, South Dakota 57006
605-692-6342
www.bannerassociates.com
Designing Progress. Building Trust.

PROJECT TITLE:
**VERMILLION WWTF
PHASE II IMPROVEMENTS
2009**

PROJECT LOCATION:
**VERMILLION,
SOUTH DAKOTA**

PROPOSAL REQUEST NO:
21

SHEET TITLE:
**ANEROBIC DIGESTER
BUILDING - PIPING
SCHEMATIC**

DRAWN BY: SAN
DESIGNED BY: J J M
CHECKED BY: D F P
JOB NO: 20854 00 02
DATE: JULY 2011

FIGURE NO:
2

PKG CONTRACTING, INC.

4301 SOUTH UNIVERSITY DRIVE, FARGO, ND 58104

PHONE: (701) 232-3878 FAX: (701) 232-3935

e-mail: admin@pkg-inc.com

June 17, 2011

Banner Associates, Inc.
409 22nd Avenue South
Brookings, SD 57006

Attn: Dennis Rebelein

RE: Vermillion Waste Water Treatment Facility
Phase II Improvements - 2009
Vermillion, SD

SUBJECT: Change Proposal Request

Dear Mr. Rebelein:

The following is a price change proposal for work detailed in Banner RFP #21.

PCO-23: Removal and replacement of the Primary and Secondary Digester supernatant piping per the line drawings provided by Banner in RFP #21.

	1. Labor:	\$3,260.00	
	2. Material (including tax)		
	- sch 80 pvc pipe/fittings/accessories	\$5,400.00	
	3. Equipment (including tax)	\$0.00	
	4. 15% Fee (Ohead & Profit on items A.1,2,3)	\$1,299.00	
	Subtotal Section A		\$9,959.00
B.)	1. Subcontractor:	\$0.00	
	2. 5% Fee (Overhead & Profit on item B.1)	\$0.00	
	Subtotal Section B		\$0.00
C.)	Supplemental Costs:		
	1. Small Tools & Expendables (10% of A.1)	\$326.00	
	2. Temporary Construction Facilities	\$205.70	
	(2% of Section A, B & C.1)		
	3. State Excise Tax - (2.041% of Total)	\$218.40	
	4. Bonds & Insurance Premium	\$209.81	
	(2% of Section A, B, C.1,C.2)		
	Subtotal Section C		\$959.91
	Net Price Change		\$10,918.91

- ** 304 SS bolt kits @ flanged connections
- ** (2) existing 2" ball valves to be re-used on primary digester side
- ** No finish coatings of the new piping is included

If you have any questions or would like to discuss any of the above information further, please do not hesitate to give me a call.

Thank you,

PKG Contracting, Inc.



John Spiekermeier
Project Manager

Attachments

cc: 0904 PCO file

I:\Users\John\0904\PCO\PCO23

BANNER

Engineering | Architecture | Surveying

Banner Associates, Inc. | 409 22nd Ave So | PO Box 298

Brookings, South Dakota 57006 | 605.692.6342

www.bannerassociates.com

January 23, 2012

Mr. John Spiekermeier, Project Manager
PKG Contracting, Inc.
4301 South University Drive
Fargo, ND 58104

Re: Vermillion WWTF – Change Proposal Request PCO-20, January 17, 2012
BAI. No. 20854.00.02
F:\20854-00\Construction Phase\Correspondence\PCO-20 Response.docx

Dear Mr. Spiekermeier

We have received your Revised Change Proposal Request, PCO-20, dated January 17, 2012, which requests additional compensation due to “unforeseen work due to differing site conditions.” The request indicates that PKG did not anticipate quantities of sludge to remain after the digester sludge pumps ceased to pump sludge and; therefore, did not include this work in your Bid. As such, you have requested additional compensation in the amount of \$27,080.74 to cover the costs of removing all remaining sludge from the digesters.

The following information was obtained from the Contract Documents:

- 1) Project Manual Section 01 1000 – Summary, Part 1.4, C states the following: “Tank and Basin Clean-up: The City of Vermillion will be responsible for draining or pumping all basins or tanks to the point at which the basins or tanks cease to drain or pumps cease to pump. At this point, the Contractor will be responsible for all remaining draining or pumping required and holds all responsibility for tank and basin grit removal, sludge removal and clean-up. Disposal of grit and sludge shall be coordinated with the City of Vermillion.”
- 2) Contract Drawings Sheets 10-5.1, 10-5.2, 10-8.1, 10-9.1 General Note 9 states the following: “The Contractor shall be responsible for emptying and cleaning the digester tanks. The Contractor shall notify the Owner at least fifteen (15) days prior to work on each of the digesters in order to give sufficient time to prepare tanks for emptying and cleaning. The Owner shall pump digester tank liquid levels down to as low as possible using sludge pumps located in the digester gallery.”
- 3) General Conditions Article 4.02 – Subsurface and Physical Conditions
 - B. *Limited Reliance by Contractor on Technical Data Authorized:* Contractor may rely upon the general accuracy of the “technical data” contained in such reports and drawings, but such reports and drawings are not Contract Documents. Such “technical data” is identified in the Supplementary Conditions. Except for such reliance on such “technical data,” Contractor may not rely upon or make any claim against Owner or Engineer, or any of their Related Entities with respect to:

1. the completeness of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor, and safety precautions and programs incident thereto; or
 2. other data, interpretations, opinions, and information contained in such reports or shown or indicated in such drawings; or
 3. any Contractor interpretation of or conclusion drawn from any "technical data" or any such other data, interpretations, opinions, or information.
- 4) General Conditions Article 4.03 – Differing Subsurface or Physical Conditions
- A. *Notice:* If Contractor believes that any subsurface or physical condition at or contiguous to the Site that is uncovered or revealed either:
1. is of such a nature as to establish that any "technical data" on which Contractor is entitled to rely as provided in Paragraph 4.02 is materially inaccurate; or
 2. is of such a nature as to require a change in the Contract Documents; or
 3. differs materially from that shown or indicated in the Contract Documents; or
 4. is of an unusual nature, and differs materially from conditions ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract Documents;

then Contractor shall, promptly after becoming aware thereof and before further disturbing the subsurface or physical conditions or performing any Work in connection therewith (except in an emergency as required by Paragraph 6.16.A), notify Owner and Engineer in writing about such condition. Contractor shall not further disturb such condition or perform any Work in connection therewith (except as aforesaid) until receipt of written order to do so.

The references from the Contract Documents clearly indicate that sludge remaining following use of the digester sludge pumps is the responsibility of the Contractor. Therefore, the work to remove the remaining contents of the digesters falls under the responsibility of the Contractor and should not be eligible for additional payment.

Change Proposal Request PCO-20 contains three invoices for sludge removal. One invoice was for secondary digester sludge removal and two invoices were for primary digester sludge removal. The secondary digester sludge removal was performed by A-Tech Sewer and started when the sludge was at a tank side water depth of approximately 9.0 feet.

Primary digester sludge removal was first attempted by A-Tech Sewer on 10/5/11, 10/6/11 and 10/7/11. During this time period A-Tech was unable to remove much if any sludge with their Jet truck. Therefore, the invoice for this work has been excluded because it did not result in removal of sludge. Due to the failed attempt, Nutri-Ject Systems was hired by PKG and started when the sludge was at a tank side water depth of approximately 10.5 feet.

Anaerobic digesters should be cleaned periodically and the time between cleanings can range from 5 to 10 years. During this time they accumulate grit, debris and concentrated solids that collect in the digester cone. At times this collection can stretch up into the sidewall depth making sludge removal challenging. In the case of Vermillion, concentrated sludge was observed up the sidewall to depths ranging from 9.0 to 10.5 feet.

References from the Contract Documents clearly indicate that sludge remaining following use of the digester sludge pumps is the responsibility of the Contactor. However, in an effort to resolve this issue in a reasonable manner, we are prepared to support payment for removal of the sludge above the top of the digester cone. It is common knowledge that digester cones accumulate grit, concentrated sludge and debris. Therefore, it is unreasonable to assume removal of the cone sludge through normal efforts and pumping and should not have been anticipated.

Attached is a revised copy of your Revised Change Proposal Request, PC-20, based on the above information and results in a revised amount of \$17,036.75. If you agree to these revisions we will prepare a Change Order and documentation supporting this change for review and consideration of the Vermillion City Council.

If you have any questions or additional comments, please contact me.

Sincerely,



Dennis Rebelein, P.E.
Banner Associates, Inc.

Encl.

Cc: City of Vermillion (with enclosures)
Attn: Mr. Paul Brunick
25 Center Street
Vermillion, SD 57069

Digester Sludge Removal Proposal Request

BANNER

Engineering | Architecture | Surveying
Banner Associates, Inc. | 409 22nd Ave Sg | PO Box 298
Brookings, South Dakota 57006 | 605.692.6342
www.bannerassociates.com

Location: Vermillion, SD
Date: January 23, 2012
Project: Vermillion WWTF
BAI 20854.00.02

Digester Measurements

Digester Cone Volume = 12,243.40 gal
Volume per Foot SWD = 7,197.08 gal/ft
SWD at top of Cone = 0.00 ft

Secondary Digester

SWD at Start of Removal = 9.00 ft
Volume of Sludge Removed = 77,017.1 gal
Subtotal Cost of Work = \$ 5,000.00 dollars (From Invoice and excludes mobilization)
Mobilization = \$ 960.00 dollars
Cost per Gallon Removed = \$ 0.0649 \$/gal
Volume of Cone = 12,243.4 gal
Volume Eligible for Payment = 64,773.7 gal (volume above top of cone)
Adjusted Invoice Cost = \$ 5,371.76

Primary Digester

SWD at Start of Removal = 10.50 ft
Cost of SWD Sludge removal = \$ 11,148.90 dollars (From Nutri-Ject Invoice and excludes mobilization)
Mobilization = \$ 2,000.00 dollars
Cone Sludge Removal = \$0.00 dollars (\$9,736.00 not eligible for payment)
Adjusted Invoice Cost = \$ 13,674.86

Revised PKG Proposal

A.)		
1. Labor: PKG assisting A-Tech/Nutri-Ject	\$625.00	
- original digester cleaning value in Bid	\$0.00	(adjusted - was (\$1,302.00))
2. Material (including tax)		
- original engineered fill material cost in bid	(\$4,128.00)	
- cost invoiced to load city supplied fill sand	\$825.00	
3. Equipment (including tax)	\$0.00	
4. 15% Fee (Ohead and Profit on Items A.1,2,3)	\$0.00	
Subtotal Section A		(\$2,678.00)
B.)		
1. Subcontractor:		
- A-Tech Sewer (industrial vac truck)	\$5,371.76	(adjusted - was \$11,086.40)
- Nutri-Ject	\$13,674.86	(adjusted - was \$23,800.30)
2. 5% Fee (Ohead and Profit on Item B.1)	\$0.00	
Subtotal Section B		\$19,046.61
C.)		
Supplemental Costs:		
1. Small Tools & Expendables (10% of A.1)	\$0.00	
2. Temporary Construction Facilities (2% of Section A, B & C.1)	\$0.00	
3. State Excise Tax - (2.041% of Total)	\$340.77	
4. Bonds and Insurance Premium (2% of Section A, B, C.1, C.2)	\$327.37	
Subtotal Section C		\$668.14

Revised Price Proposal Request **\$17,036.75**

PKG CONTRACTING, INC.
4301 SOUTH UNIVERSITY DRIVE, FARGO, ND 58104
PHONE: (701) 232-3878 FAX: (701) 232-3935
e-mail: admin@pkg-inc.com

RECEIVED
DEC 30 2010
BY:

December 28, 2010

Banner Associates, Inc.
409 22nd Avenue South
Brookings, SD 57006

Attn: Dennis Rebelein

RE: Vermillion Waste Water Treatment Facility
Phase II Improvements - 2009
Vermillion, SD

SUBJECT: Change Proposal Request

Dear Mr. Rebelein:

The following is a contract price change request for changes due to unforeseen site conditions.

PCO-20: Note 9 on sheet 10-5.1 states that the contractor is responsible for emptying and cleaning the digester tanks. The same note also states that the owner shall pump digester liquid tank levels down to as low as possible using sludge pumps located in the digester gallery. Specification section 011000-Summary also notes that the City of Vermillion will be responsible for draining and or pumping all basins or tanks to the point at which the basins or tanks cease to drain or pumps cease to pump. At that point, the Contractor will be responsible for all remaining draining or pumping required and holds all responsibility for tank and basin grit removal, sludge removal and clean-up(see 01-10001.4.C). No anticipated quantities of sludge to remain were included in the bidding documents. PKG performed a site visit to investigate this particular item, and through conversations with plant staff on past digester sludge removal work, it was determined that there would be very little contents left in the digesters after the pumps ceased to pump and PKG bid this work accordingly. In reality, there ended up being a considerable amount of sludge left in each tank that required removal and pursuant to article 4.03 of the General Conditions, PKG is hereby requesting equitable compensation for unforeseen work due to differing site conditions.

PKG Contracting hired A-Tech to provide industrial vacuuming services to remove the remaining contents of the secondary and primary digesters. In the primary digester however, Jet Vac was unable to successfully remove all the contents and Nutri-Ject was then hired to complete the removal of the majority of the remaining sludge.

The labor value below shows the actual cost PKG incurred in aiding both Jet Vac and Nutri-Ject

in sludge removal. The deduct labor value is the original value PKG included in their bid to remove the remaining sludge and clean the tanks in both digesters. This is being offered back to the owner. The owner also offered to supply PKG with fill sand to backfill the inside of the existing lift station. The city's fill sand was used as backfill, and PKG is crediting the original material value included in their bid for importing engineered fill.

	1. Labor: PKG assisting A-Tech/Nutri-Ject	\$625.00	
	original digester cleaning value in bid	\$1,302.00	
	2. Material (including tax)		
	- original engineered fill material cost in bid	-\$4,128.00	
	- costs invoiced to load city supplied fill sand	\$825.00	
	3. Equipment (including tax)	\$0.00	
	4. 15% Fee (Overhead & Profit on items A.1,2,3)	\$0.00	
	Subtotal Section A		-\$3,980.00
B.)	1. Subcontractor:		
	- A-Tech Sewer (industrial vac truck)	-\$11,096.40	
	- Nutri-Ject	-\$23,800.30	
	2. 5% Fee (Overhead & Profit on item B.1)	\$0.00	
	Subtotal Section B		-\$34,886.70
C.)	Supplemental Costs:		
	1. Small Tools & Expendables (10% of A.1)	\$0.00	
	2. Temporary Construction Facilities (2% of Section A, B & C.1)	\$0.00	
	3. State Excise Tax - (2.041% of Total)	-\$643.42	
	4. Bonds & Insurance Premium (2% of Section A, B, C.1,C.2)	-\$618.13	
	Subtotal Section C		-\$1,261.56
	Net Price Change		-\$32,168.26

If you have any questions or would like to discuss any of the above information further, please do not hesitate to give me a call.

Thank you,

PKG Contracting, Inc.



 John Spiekermeier
 Project Manager

This Change Proposal Request has been modified. The primary basis for modification is that it is common knowledge that digester cones accumulate grit, debris and concentrated solids that cannot be removed by normal pumping methods. Therefore, all work related to removing sludge from the cone has been removed. Furthermore, where invoiced work did not accomplish removal of sludge it was removed.

Attachments

cc: 0904 PCO file

I:\Users\John\0904\PCO\PCO20

A-Tech Sewer

LaQua Logics, Inc.
2936 4th Street NE
Watertown, SD 57201-7304

Invoice

PKG Contracting, Inc

Date
6/11/2010
Invoice #
36513

BILL TO
PKG Contracting 4301 S University Dr Fargo, ND 58104

JUN 14 2010

RECEIVED

Phone #	Fax #	E-mail	Web Site	P.O. Number	Project
(605) 886-4225	(605) 882-2025	atech@lnics.com	a-techsewer.com		Vermillion
SERVICED	DESCRIPTION	METHOD	QUANTITY	PRICE EACH	AMOUNT
6/1/2010	Vac 7 hrs @ \$200 / hr	Guzzler		1,400.00	1,400.00T
6/2/2010	Vac 13 hrs @ \$200 / hr			2,600.00	2,600.00T
6/3/2010	Vac 5 hrs @ \$200 / hr			1,000.00	1,000.00T
	Mobilization			960.00	960.00T
	Work @ Vermillion Waste / Digester				
	<p style="color: red;">Started at sludge level of 9.0 ft side water depth. Refer to the spreadsheet showing all applicable assumptions and calculations.</p> <p>0904</p> <p>17019 sq</p> <p>Digester Sludge Removal</p> <p>A-tech Sewer</p> <p>6317.60</p> <p>Loren-</p> <p>605-886-4225</p>				
				Subtotal	\$5,960.00
				Tax (6.0%)	357.60
				Total	6317.60

SD Tax

Payment due in 15 days. After 30 days, customer will be subject to a late charge of 2% per month, 24% annually.

A-Tech Sewer

LaQua Logics, Inc.
2936 4th Street NE
Watertown, SD 57201-7304

Invoice

BILL TO
PKG Contracting 4301 S University Dr Fargo, ND 58104



Date
10/20/2010
Invoice #
36660

Phone #	Fax #	E-mail	Web Site	P.O. Number	Project
(605) 886-4225	(605) 882-2025	atech@tnics.com	a-techsewer.com		Vermillion Treatment Plant
SERVICED	DESCRIPTION	METHOD	QUANTITY	PRICE EACH	AMOUNT
10/5/2010	Vac / Clean 3 hrs	Guzzler	3	200.00	600.00T
10/6/2010	Vac / Clean 13 hrs	Guzzler	13	200.00	2,600.00T
10/7/2010	Vac / Clean 5 hrs	Guzzler	5	200.00	1,000.00T
	Mobilization			500.00	500.00T
	Treatment Plant in Vermillion				
<p style="color: red;">Delete Invoice: Records indicate that the work provided did not remove much if any sludge from the digester. This work was abandoned and Nutri Ject was brought in to remove the sludge.</p>					
<p>PKG Contracting, Inc OCT 25 2010 RECEIVED</p>					
				Subtotal	\$4,700.00
				Tax (6.0%)	\$282.00
				Total	\$4,982.00

Payment due in 15 days. After 30 days, customer will be subject to a late charge of 2% per month, 24% annually.

~~\$ 4,000.00~~

NUTRI-JECT SYSTEMS, INC.

515 5TH STREET - PO BOX 398 - HUDSON, IOWA 50643
 Phone: 319-988-4205 Fax: 319-988-3506

Turnkey Biosolids Management, Dredging, Digester Cleaning, Biosolids Hauling,
 Land Application of Dry and Liquid Biosolids, High Pressure Water Blasting

Invoice

Invoice Number:
6139

Invoice Date:
Nov 3, 2010

701-232-3878

Sold To:
 PKG Contracting
 4301 South University Dr.
 Fargo, ND 58104

Ship to:
 PKG Contracting
 4301 South University Dr.
 Fargo, ND 58104

Customer ID	Order Number	Payment Terms	
PKG		Net 15 Days	
Sales Rep ID	Shipping Method	Ship Date	Due Date
	N/A		11/18/10

Quantity	Description	Unit Price	Extension
	Digester cleaning and pumping to containment 10/25/10 to 10/30/10 Vermillion, SD WWTP		
10.50	Feet of side wall material in 35' cylinder tank	1,061.80000	11,148.90
1.00	Core portion of 35' tank	9,738.00000	9,738.00
1.00	Mobilization on equipment	2,000.00000	2,000.00
Started at sludge level of 10.5 ft side water depth. Refer to the spreadsheet showing all applicable assumptions and calculations.			
RETURNED PARTS ARE SUBJECT TO A 20% RE-STOCKING FEE			

~~Subtotal~~ 22,884.90
~~Sales Tax~~ 915.40
Freight
~~Total Invoice Amount~~ 23,800.30

Interest Rates: Invoices are due 30 days after date of invoice. Interest will be charged on all past due invoices at the rate of 1.5% per month. If payment is not received within 30 days of invoice, interest will be assessed from the first day past due. Statements will be sent on a monthly basis.

We hereby guarantee that the goods covered on this invoice were produced or manufactured in accordance with the applicable provisions of the fair labor standards act of 1938. Our responsibility ceases after we obtain receipt in good order from transportation company. All claims for damages, delay, or loss must be made against the transportation company.

PKG Contracting, Inc.

NUTRIJECT SYSTEMS, INC.
 PO BOX 398-HUDSON, IA 50643
 (319)988-4205/ (319)988-3506 FAX

NOV 08 2010

RECEIVED



Vermillion WWTP

Vermillion, SD

EQUIPMENT LIST	Project Scope	EMPLOYEE LIST
6" hose Reel	Clean, and pump	Tye Pradder
2- 3152 Chopper Pumps	to storage 800'	Nathan Baily
Confined Space Equip.		Tom Starzi
4" Lay Flat Hose		
4" Ridgid Hose		
"Y" Valve	EQUIPMENT LIST	
Digester Step Van	Air Compressor	
Chain Hoist	Confined Space equip	
GoremanRupp 6" pump	Fall Protection	

Fall 2010

Digester Tank #1

35' dia tank, 6' cone

General Contractor

PKG Contracting Inc.

DATE/DAY	WEATHER	Description	Semi Loads	APPLI. LOADS	APPLI. SIZE	GALLONS
10/22/2010	77 / 39	Mobilized Pump Van				
10/23/2010	70 / 53	Mobilized Hose Reel, pump				
10/24/2010	Rain .08" 57 / 52					
10/25/2010	Rain .91" 61 / 48	Completed equip mobe				
10/25/2010		Mobed crew, set-up				
10/26/2010	52 / 43	NJS Electrical Panel				
10/27/2010	46 / 35	competed hook-up	pumping	at 4:30pm		Est.
10/27/2010		Lowered tank 4'				43,273
10/28/2010	47 / 27	Lowered tank 6.5'				73,189
10/29/2010	68 / 28	Cleaning cone & walls				43,275
10/29/2010		heavy solids, sand				
10/30/2010		Tear down and de-mobe				
		10.5'	6' cone			159,737

	Est.	NJS Field #1	Field #2	Field #3	Field #4
Total gallons	159,737				
Total Loads	6' cone				
Total dry ton	29.97				
Total Solids	4.50%				
Total acres					
Dry ton/acre					
Lbs/acre					
Gallons/acre					



Council Agenda Memo

From: Mike Carlson, Finance Officer
Meeting: March 19, 2012
Subject: Appointment to the Consolidated Board of Equalization
Presenter: Mike Carlson

Background: The County, City and School District have each adopted resolutions to consolidate the Board of Equalization within city limits. The Consolidated Board hears citizen appeals of real estate valuation within the city and is made up of the five County Commissioners, three City Council members and one School Board member. The County Auditor and Director of Equalization schedule the appointments for the consolidated board.

Prior to the consolidation, the City Council, along with one School Board member, comprised the local Board of Equalization that heard appeals. If the citizen did not agree with the finding of the local board, they would then appeal to the county board. If the Director of Equalization did not agree with the local board's decision, in such a case, he could change the valuation and the citizen would need to go to the county board to make their appeal again. The Consolidated Board makes it easier for the citizen as they only need to go before one board with their appeal.

Discussion: The City Council will need to appoint three members to serve as City representatives on the consolidated board; the remaining members will be designated as alternates to fill a vacancy if a member is unable to attend. The attached letter from Ruth Bremer, County Auditor, has set the first day of hearings as April 10, 2012 starting at 1:15 p.m. and, if needed, will meet again April 24, 2012. She has requested to be notified by the end of March of the appointments.

Financial Consideration: None

Conclusion/Recommendations: Administration recommends the City Council appoint three members to serve on the consolidated Board of Equalization with the remaining members being designated as alternates.



Council Agenda Memo

From: John Prescott, City Manager

Meeting: March 19, 2012

Subject: Resolution Correcting the Resolution Establishing Tapping Fees in Lieu of Assessment for Construction of Sanitary Sewer Lift Station at 1314 Princeton Street

Presenter: John Prescott

Background: The resolution establishing tapping fees in lieu of assessment for the construction of a sanitary sewer lift station at 1314 Princeton Street was adopted on March 5, 2012. The resolution established the tapping fee for each lot or parcel in the sanitary sewer basin serviced by the lift station. The resolution established the amount due and due dates for the three properties that are currently connected to the sanitary sewer system and served by the lift station and for all other properties the tapping fee is due before the property is served by sanitary sewer.

Discussion: After adoption of the March 5, 2012 Resolution, it was discovered that Lot 1, Block 5, Partridge Subdivision was listed twice. This property is the lot where the Holiday Inn Express is located. The lot was listed in the resolution with the properties currently served providing additional time to pay the fee but was also listed with all the other lots where the fee is due before the property is served by the sanitary sewer facilities. To remove the duplicate listing, the attached corrected resolution was prepared for City Council consideration.

Financial Consideration: None.

Conclusion/Recommendations: Administration recommends the adoption of the resolution to correct the duplicate listing of Lot 1, Block 5, Partridge Subdivision in the tapping fee in lieu of assessment resolution for the sanitary sewer lift station adopted March 5, 2012.

RESOLUTION CORRECTING RESOLUTION ESTABLISHING TAPPING FEE
IN LIEU OF ASSESSMENT FOR CONSTRUCTION OF SANITARY
SEWER LIFT STATION AT 1314 PRINCETON STREET

WHEREAS, the City Council, of the City of Vermillion, adopted a Resolution Establishing Tapping Fees in Lieu of Assessment for the Construction of a Sanitary Sewer Lift Station at 1314 Princeton Street on March 5, 2012; and

WHEREAS, it has been determined that one lot has been listed twice in the resolution, thus, including the tapping fee in lieu of assessment for construction of sanitary sewer lift station twice for this lot; and

WHEREAS, Lot 1, Block 5, Partridge Subdivision was listed as a lot that has benefited by the construction of the sanitary sewer lift station in the amount of \$1,750.08; and the owner of such lot has been allowed to connect and use the sanitary sewer lift station prior to the calculation of the tapping fee in lieu of assessment that is due by December 31, 2012 or a date mutually agreed upon by the City and property owner via a written agreement dated prior to April 30, 2012; and

WHEREAS, Lot 1, Block 5, Partridge Subdivision was again listed in the resolution, in error, as a lot benefited by the construction of the sanitary sewer lift station in the amount of \$1,750.08 and the owner of such lot shall pay said amount to the City before the property is served by the sanitary sewer facility; and

WHEREAS, the business located on this lot has been allowed to connect and use the sanitary sewer lift station prior to the calculation of the tapping fee in lieu of assessment, thus, said fee is due by December 31, 2012 or a date mutually agreed upon by the City and property owner via a written agreement dated prior to April 30, 2012 as outlined in a developers agreement between the owner and the City.

NOW, THEREFORE, BE IT RESOLVED, that the Resolution Establishing Tapping Fees in Lieu of Assessment for Construction of Sanitary Sewer Lift Station at 1314 Princeton Street, adopted March 5, 2012, be corrected to remove the second listing of the tapping fee in lieu of assessment that is to be paid before said property is served for Lot 1, Block 5, Partridge Subdivision, as this lot is currently served by the sanitary sewer and is being assessed a tapping fee for the sanitary sewer lift station.

Dated at Vermillion, South Dakota, this 19th day of March, 2012.

THE GOVERNING BODY OF THE CITY
OF VERMILLION, SOUTH DAKOTA

By: _____
John E. (Jack) Powell, Mayor

ATTEST:

By: _____
Michael D. Carlson, Finance Officer



Council Agenda Memo

From: John Prescott, City Manager
Meeting: March 19, 2012
Subject: Tapping Fee Payment Agreement with Blue Square Partners
Presenter: John Prescott

Background: In 2003, the City awarded a bid for construction of the sanitary sewer lift station at 1314 Princeton Street and a sanitary sewer line south of Highway 50 from Princeton Street to 280 feet west of Dakota Street. Final inspection and acceptance of the two sanitary sewer projects was in 2004. This lift station serves a large area of just over 378 acres, while the sanitary sewer line serves approximately eleven different properties.

At the March 5, 2012 meeting, the City Council adopted a resolution establishing a tapping fee for the sanitary sewer lift station and a resolution establishing a tapping fee for the sanitary sewer line. For all properties, but the three where customers are currently utilizing both the sanitary sewer line and sanitary sewer lift station, the tapping fees will be paid when sanitary sewer service is requested. For the existing three customers utilizing the sanitary sewer lift station and sanitary sewer line, each resolution provided for a specific payment date in 2012 or 2013.

Discussion: The resolution adopting the tapping fee for the sanitary sewer lift station provided that the tapping fee, for the three existing customers, is due December 31, 2012. The resolution adopting the tapping fee for the sanitary sewer line provided that the tapping fee for the three existing customers is due March 31, 2013. Both resolutions also included language that existing sanitary sewer customers could enter into an agreement with the City to establish a later payment date. The resolution required that any agreement to establish a payment date after December 31, 2012 or March 31, 2013 had to be agreed upon by the City and property owner by April 30, 2012.

Kevin and Cindy Johnson Brown, representing Blue Square Partners, have requested to have the payment date for both tapping fees moved into 2013 or later than provided in the original resolutions adopted by the City Council. The agreement provides that the December 31, 2012 due date for the tapping fee in lieu

of assessment for the sanitary sewer lift station be moved to June 30, 2013. The agreement also provides that the March 31, 2013 due date for the tapping fee in lieu of assessment for the sanitary sewer line be moved to December 15, 2013. The new dates provide an opportunity for Blue Square Partners to plan and budget for these expenses. Given the length of time that passed since the work was completed and the notice of amount due, budgeting for these items had not taken place.

The agreement also provides that in the event the proposed payment dates are not met, each tapping fee would be considered delinquent as of the original due date and 10% interest applied. The agreement also provides that should payment not take place, the owner will not protest the City using the special assessment process to collect the amounts due. This language is a safe guard for the City and does not reflect a belief that payment will not take place within the timeline of the proposed agreement.

Financial Consideration: The tapping fee for this property for the lift station with the 8% fiscal fee is \$910.04. The tapping fee for this property for the sanitary sewer line with the 8% fiscal fee is \$4,632.46. For all practical purposes, the original resolutions would provide for collection of and use of the funds during the first quarter of 2013. The proposed agreement provides for collection of the funds during 2013. At the end of 2013, the City should be in the same financial conditions with the collection of these two tapping fees for this property with the proposed agreement.

Conclusion/Recommendations: Administration recommends approval of the agreement with Blue Square Partners for 11 Shriner Street to establish a payment date of June 30, 2012 for the tapping fee in lieu of assessment for the sanitary sewer lift station and December 15, 2013 for the tapping fee in lieu of assessment for the sanitary sewer line.

Prepared by: The City of Vermillion
25 Center Street
Vermillion, SD 57069
Ph: 605-677-7050

AGREEMENT

The City of Vermillion, South Dakota (City), and Blue Square Partners (Owners), witnesseth:

In consideration of the mutual covenants herein contained and the benefits to be derived therefrom, the parties agree as follows:

The property owners, their successors or assigns, have developed the lot presently described as:

LOT 1, BLOCK 6, PARTRIDGE SUBDIVISION, CITY OF VERMILLION, CLAY COUNTY, SOUTH DAKOTA.

GENERAL:

1. The City Council approved, on March 5, 2012, a Resolution establishing a tapping fee in lieu of assessment for a sanitary sewer lift station that serves the said property and others. The tapping fee in lieu of assessment for the sanitary sewer lift station for Lot 1, Block 6, Partridge Subdivision is \$910.04.
2. The City Council approved on March 5, 2012 a Resolution establishing a tapping fee in lieu of assessment for a sanitary sewer line that serves the said property and others. The tapping fee in lieu of assessment for the sanitary sewer line for Lot 1, Block 6, Partridge Subdivision is \$4,632.46.
3. The Resolution established a payment due date of December 31, 2012 for the tapping fee in lieu of assessment for a sanitary sewer lift station that serves the said property and others.
4. The Resolution established a payment due date of March 31, 2013 for the tapping fee in lieu of assessment for a sanitary sewer line that serves the said property and others.
5. The Resolution establishing a tapping fee in lieu of assessment for a sanitary sewer lift station and the Resolution establishing a tapping fee in lieu of assessment for the sanitary sewer line each contain language that allows for an agreement to be established by April 30, 2012 that provides for a different payment due date than December 31, 2012 or March 31, 2013.
6. This **AGREEMENT** shall be binding on the parties, their successors and assigns and will be recorded in the office of the Register of Deeds of Clay County, South Dakota.

PAYMENT DATE ARRANGEMENTS:

1. The due date for the payment of the tapping fee in lieu of assessment for the sanitary sewer lift station for Lot 1, Block 5, Partridge Subdivision will be extended to June 30, 2013.

2. The due date for the payment of the tapping fee in lieu of assessment for the sanitary sewer line for Lot 1, Block 6, Partridge Subdivision will be extended to December 15, 2013.
3. The dates, as specified in #1 and #2 of PAYMENT DATE ARRANGEMENTS only apply to the lot as specified above.
4. Any tapping fees in lieu of assessment for Lot 1, Block 6, Partridge Subdivision not paid by the date specified in #1 and #2 of PAYMENT DATE ARRANGEMENTS above shall accrue interest at 10% from the date of December 31, 2012 for the tapping fee in lieu of assessment for the sanitary sewer lift station and March 31, 2013 for the tapping fee in lieu of assessment for the sanitary sewer line, and entitle City to place any unpaid amounts due, with interest, hereunder, on the City's annual assessment roll without objection from OWNERS.

Dated this 19th day of March, 2012.

FOR BLUE SQUARE PARTNERS

FOR THE CITY OF VERMILLION

Kevin M. Brown, President

John E. (Jack) Powell, Mayor

STATE OF SOUTH DAKOTA)
)ss
COUNTY OF CLAY)

On this 19th day of March, 2012, before the undersigned officer, personally appeared Kevin M. Brown, who acknowledged himself as President of Blue Square Partners, and that he, as President, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as President.

In witness whereof, I hereunto set my hand and official seal.

Notary Public, State of South Dakota
My Commission Expires: _____

STATE OF SOUTH DAKOTA)
)ss
COUNTY OF CLAY)

On this 19th day of March, 2012, before the undersigned officer, personally appeared John E. (Jack) Powell, who acknowledged himself as Mayor of the City of Vermillion, and that he, as Mayor, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as Mayor.

In witness whereof, I hereunto set my hand and official seal.

Notary Public, State of South Dakota
My Commission Expires: _____

CITY OF VERMILLION
 INVOICES PAYABLE-MARCH 19, 2012

1 BROADCASTER PRESS	ADVERTISING	793.80
2 BRUNICKS SERVICE INC	FUEL	6,271.20
3 BUREAU OF ADMINISTRATION	TELEPHONE	326.02
4 CENTURYLINK	TELEPHONE	1,460.99
5 CLAY-UNION ELECTRIC CORP	ELECTRICITY	1,495.37
6 DEPT. ENVIRONMENT NATL RES	LANDFILL OPERATIONS FEE	2,311.00
7 DIVISION OF MOTOR VEHICLE	DECALS	4.00
8 GREGG PETERS	MANAGERS FEE	5,375.00
9 INSITE INSTRUMENTATION GROUP	PARTS	3,170.18
10 JIM ZIMMERMAN	SAFETY BOOT REIMBURSEMENTS	49.79
11 KNOLOGY	DIALUP/911 CIRCUIT	1,415.45
12 LOREN FISCHER DISPOSAL	HAUL CARDBOARD	70.00
13 MATHESON TRI-GAS, INC	MEDICAL OXYGEN/CYLINDER RENTAL	176.06
14 MIDAMERICAN	GAS USAGE	7,094.79
15 MIDCONTINENT COMMUNICATION	CABLE/INTERNET SERVICE	105.95
16 NORIDIAN ADMINISTRATIVE SERVICES	REFUND AMBULANCE PAYMENT	667.05
17 PKG CONTRACTING, INC	WWTF PHASE II IMPROVEMENTS	45,029.71
18 RESERVE ACCOUNT	POSTAGE FOR METER	858.00
19 ROTONICS MANUFACTURING INC	RECYCLING CONTAINERS	3,615.00
20 SD ASPHALT CONFERENCE	REGISTRATION	200.00
21 SD MUNICIPAL LEAGUE	REGISTRATION	60.00
22 SDN TECHNOLOGIES	MAINTENANCE/SUPPORT	6,462.00
23 SPRINT	CELL PHONES	1,124.21
24 STERN OIL CO.	FUEL	6,076.37
25 THE EQUALIZER	ADVERTISING	721.00
26 TITAN ACCESS ACCOUNT	PARTS	2,567.00
27 UNITED PARCEL SERVICE	SHIPPING	15.29
28 US POSTMASTER	POSTAGE FOR UTILITY BILLS	975.00
29 VISA/FIRST BANK & TRUST	FUEL/MOTEL/SUPPLIES	553.73
30 JASON HUSKA	BRIGHT ENERGY REBATE	175.00
31 MAURICES INC STORE #1659	BRIGHT ENERGY REBATE	675.00
32 RICK ERICKSON	BRIGHT ENERGY REBATE	25.00
	GRAND TOTAL	\$99,918.96

PURCHASE ORDER

City of Vermillion
25 Center Street, Vermillion, SD 57069
605-677-7050 FAX 605-677-5461

TO: Rob Moss
WESCO
2501 East 3rd Street
Sioux City, IA 51101

Purchase Order No. 5
Fund: Electric Trans. & Dist.
Date: March 12, 2012

Deliver to:
City Electric Dept.
City of Vermillion
115 W. Duke St.
Vermillion, SD 57069

Bill to:
City Electric Dept.
City of Vermillion
25 Center Street
Vermillion, SD 57069

Quantity	Description of articles	Unit price	Total price	code
12	Nordic CBP37-43-15A-MG, 22" x 24" Top Opening, Single-Phase Transformer Box Pad, Per Each	\$160.00	\$1,920.00	621-43420-3810
2	Nordic GS106-76-36R-MG, 80" x 20" Top Opening, Pad-Mount Switch Box Pad, Per Each	3,106.00	6,212.00	
1	Nordic GS 50-50-36RT-MG, 36" x 16" Top Opening, Three Phase Transformer Box Pad, Per Each	896.00	896.00	
2	Nordic GS 67-59-36RT-MG, 52" x 18" Top Opening, Three Phase Transformer Box Pad, Per Each	1,040.00	2,080.00	
1	Nordic GS 72-62-30RT-2X-MG, 58" x 18" Top Opening, Three Phase Transformer Box Pad, Per Each	1,435.00	1,435.00	
TOTAL AMOUNT			\$12,543.00	

Delivery A.R.O. 7 weeks

City of Vermillion

By John Prescott
John Prescott, City Manager

I certify that there is sufficient money available in the named fund(s) for the purpose of this purchase.

By Michael D. Carlson
Michael D. Carlson, Finance Officer

March 13, 2012

Vermillion City Council
25 Center Street
Vermillion, SD 57069

Dear City Council:

My legal counsel, Bangs McCullens Law Firm, Sioux Falls branch has recommended I seek an out of court settlement with you before initiating legal action regarding the 2008 failure to examine water meters on the lines servicing what was then Brunick Mobile Home Park. The failure continuing after repeated questions regarding meters were repeatedly side-stepped with an "Our meters are okay." response.

I know you are busy with things, so rather than give you a long letter, the city may give you the previous correspondence relative to the issue. Some of you may be bothered by the time lag; explanation, I was influenced by a misdirected sense of community. The best information I received this year was from a city council member, while, the only information I received from an elected council member, concerned time, and it was "Harlowe, you need to give us some time." The projected I needed assistance on has now been completed for six months, the needed time has still not been met for a response. We are leaving on a trip and will be gone for two to six weeks, I feel that will give ample time to consider this issue. If there are any questions I think I will be available most times at my cell 605-670-0001. I've had trouble with the phone, try multiple times.

Things my legal counsel said I should mention. I will settle for \$12,668, this amount to be deducted from the water/sewer billing for Cherry Lane, until expended. The advantages for the city would be:

A court case and related costs would be avoided.

The \$12,668 would be spread over time and at a basically "wholesale" price.

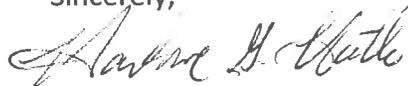
The \$12,668 is the cost of the final plumber only, not earlier plumbing, etc..

If it goes to court, full costs, legal fees and punitive damages will be pursued.

Publicity, of the type likely, would probably not be desired.

A thing my legal counsel did not mention. Since it is so extremely obvious that the expense would not have been incurred if the requested examinations had been made, the ethical and moral course of action would be reimbursement.

Sincerely,



Harlowe G. Hatle

General distribution.

City of Vermillion (See reverse side of form for state laws regarding raffles and lotteries)
RAFFLE AND LOTTERY NOTIFICATION FORM

Date: 3/12/12

1. Name of organization/group Special Olympics Polar Plunge
Contact person: Name: DAVE or Nikki STAMMER
2. Date(s) that tickets/chances will be sold: from March 25 to March 25, 2012
Cost of tickets/chances: \$1 / ticket
3. Date(s) of drawing(s): March 25th
4. Can anyone purchase tickets? Yes
5. Will the prize winner(s) be selected at random? Yes X No
6. Description and approximate value of top prize: One night Free stay at Best Western
\$100.00 StouX Falls

In the space below, please provide a brief, general summary of the event. Be sure to include information such as the location and reason for the event.

Event is the Polar Plunge raffle. Money raised benefit people with Disabilities. Tickets will be sold only during Special Olympics Polar Plunge March 25th, 2012 at 1:00pm. Drawing will be conducted during Plunge. €

Dave Stammer
Applicant's Signature

Approval: _____
City Manager John Prescott Date 3-15-12

**VERMILLION PUBLIC LIBRARY
BOARD OF TRUSTEES
MONTHLY MEETING**

**Tuesday, March 13, 2012
6:00pm
South Dakota Room**

AGENDA

- I Roll Call

- II Approval of the minutes of the February 16, 2012 meeting Pages 3-4

- III Reports of the Director
 - A. February Commentary Page 5
 - B. February Statistics Pages 7-8
 - C. Financial Reports for February Page 9

- IV Approval of the Expenditures for March Handout

- V Reports
 - A. SD Library Network
 - B. Friends of the Library
 - C. VPL Foundation

- VI Unfinished Business
 - A. Building Project
 - B.

- VII New Business
 - A. New state training requirement for Library accreditation
 - B.

MINUTES

TRUSTEES PRESENT: Kent Osborne, Carl Gutzman, Cyndy Chaney and Jon Flanagin

OTHERS PRESENT: Jane Larson

On a motion by Gutzman, seconded by Chaney the minutes of the January 19, 2012 meeting were read and approved. All present voted aye.

The reports of the Director were reviewed and discussed.

On a motion by Chaney, seconded by Gutzman the proposed expenditures for February were approved for payment with the addition of \$816.60 to Upstart for Summer Reading Program supplies. All present voted aye.

REPORTS:

SDLN – Larson reported that the ILS Task Force has submitted their report and made recommendations to the Executive Board for the new ILS. The Board is requesting additional information from all libraries in the consortium. That new information will be analyzed and a reponse issued by the end of March.

FRIENDS – Larson reported that the yearly newsletter/renewal form has been mailed.

FOUNDATION – Larson reported that the fund-raising campaign continues with the latest donation of \$10,000 from First Bank and Trust. The Co-Chairs expect to meet the end of February and issue an update.

UNFINISHED BUSINESS:

The building project was discussed. Larson reported that the contract would be signed soon and the Pre-Construction meeting has been set for Wednesday, February 22 at 2:30 pm at the Library. Board members are welcome to attend.

Larson and Osborne reported on the Broadband Grants being sponsored by SD BIT. Larson has applied and been notified that they will assess the building in regard to technology access. If we receive a grant we could possibly receive some free equipment or reduced prices on equipment or technology assistance from BIT or all three. We were notified that the assessment will be in March 2012 but no specific date has been set.

The staff appreciation dinner was reviewed.

DIRECTOR'S REPORT – FEBRUARY 2012

- February 1 – I attended a Department Head meeting at City Hall.
- February 1 – The City Light and Power installed the new transformer needed for the building project.
- February 3 – I met with the Fund-Raising Committee to get an update on the project.
- February 3 – I proctored an exam for Bellevue University.
- February 3 – I proctored an exam for University of Iowa.
- February 6 – I attended the meeting of the Community Services Forum.
- February 6 – Jon Flanagan and I met with Mike Carlson to review finances for the library building project.
- February 6 – Library Board members, Foundation members and I attended the City Council meeting .
- February 7 – I presented a program on the Library's building project to a PEO Chapter.
- February 9 – I participated in a webinar on Social Media for Libraries.
- February 10 – Twenty people attended the Staff Appreciation Dinner.
- February 13 – I proctored an exam for WIT.
- February 14 – At our monthly staff meeting the following topics were discussed: Department Head meetings; building project; Branch Out; Citizen's Academy; Defensive driving program; Fun & Games program; staff vacations; VITA; changes for CD audiobooks; One Click Digital; music sleeves, flyers and bulletin board.
- February 15 – Staff participated in a webinar on One Click Digital.
- February 16 – I attended a Department Head meeting at City Hall.
- February 20 – The Library was closed for President's Day.
- February 22 – I attended the pre-construction meeting for the Library project.
- February 22 – I presented a program on the Library's building project to residents of Town Square.
- February 23 – I proctored exams for two students from WIT.
- February 24 – I proctored an exam for SDSU.
- February 24 – USD Occupational Therapy students did an assessment of our building, furnishings and parking.
- February 28 – Staff participated in 6 webinars sponsored by the Nebraska State Library.
- February 29 – Our ebook subscription to Overdrive's One Click Digital was launched.

Circulation Statistics for February 2012

Circulation	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
By Category												
1) Adult Fiction	1621	1583										
2) Adult Non-Fiction	578	589										
3) Video	704	819										
4) Child Non-Fiction	419	480										
5) Child Fiction	1572	1579										
7) Child A/V	26	29										
8) Adult A/V	444	415										
9) Child Periodicals	2	2										
10) Adult Periodicals	155	182										
11) Art Prints	3	5										
14) Toys	5	4										
15) CD-Rom	1	4										
16) New Books	909	916										
17) Book Club Bags	3	3										
18) Parent/Teacher	11	13										
OneClick Digital	13	23										
Overdrive	42	*										
Total	6508	6646	0									

* Overdrive went live February 29th, stats will start March 2012

Year's Comparison			Outreach			Book and A/V Drop			
	<u>Feb 2011</u>	<u>Feb 2012</u>	Month	Items	Patrons	Deliveries	Month	Total	#/Day
Adult	3576	3609	Feb 2011	709	36	70	Feb 2011	1714	64
Child	2023	2090	Mar 2011	621	37	95	Mar 2011	1936	63
New	942	916	Apr 2011	558	37	71	Apr 2011	1737	62
CD-Rom	4	4	May 2011	500	35	84	May 2011	1736	60
Total	6545	6619	Jun 2011	545	35	70	Jun 2011	1879	72
			Jul 2011	569	37	70	Jul 2011	2044	82
			Aug 2011	625	34	74	Aug 2011	2275	84
Interlibrary Loan			Sep 2011	605	34	87	Sep 2011	1588	53
Borrowed	206		Oct 2011	601	34	62	Oct 2011	1865	60
Loaned	165		Nov 2011	681	34	110	Nov 2011	1734	62
Total	371		Dec 2011	457	33	45	Dec 2011	1710	61
			Jan 2012	645	33	72	Jan 2012	1598	57
Items Returned:			Feb 2012	579	35	69	Feb 2012	1710	61

Activities			Room Usage		Computer Usage:
Adult Programs	Read	Attended			1024
Fun & Games		7	Sessions	Users	
			Community Room	45	770
			South Dakota Room	35	280

Miscellaneous			Holds Placed		Open Days:	
Patron Gate	People	Alarms	Adult Items	48	Reference Questions:	765 23/day
Feb 2011	3080	47	Children's Items	10	In-Library Browse:	1559
Feb 2012	3460	45	New Items	16		

FINES AND GIFTS CHECKING ACCOUNT - FEBRUARY 2012

Month	Revenue				Expenditures		Balance
	Copier	Fines	Other	Donations	Paid Out	Checks	
							4570.67
January	161.15	353.50	73.09	100.30	20.20	100.00	8138.51
February	233.85	171.94	626.99	0.00	7.98	1168.74	7994.57
March							
April							
May							
June							
July							
August							
September							
October							
November							
December							
Totals	395.00	525.44	700.08	100.30	28.18	1268.74	

CHECKS

RECEIPTS

Donations

Replacement

\$ 1.00

Misc \$ 622.99

Cards

\$ 3.00

INVESTMENTS

Institution	Type	Amount	Rate	Maturity	Total
1st Bank & Trust	Money Market	2.12 YTD 3.92	0.20%		\$ 11,709.55
1st Bank & Trust	CD		1.05%	3/9/2012	\$ 52,021.07
CorTrust	CD	31.17 YTD 153.27	2.035%	4/4/2012	\$ 6,108.17
TOTAL:					\$ 69,838.79

1st Bank & Trust Money Market Account

No transactions during the month of February

In like a lion

March 2012

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		March is... - American Red Cross Month - Credit Education Month - Music in Our Schools Month - National Craft Month - National Nutrition Month - Optimism Month - National Women's History Month		1 Preschool Storytime 11:15-11:45am Early Elementary Program 3:45-5pm Film Festival <i>The Notebook</i> 6:30pm	2 Read Across America Day 	3 *Time magazine was published for the first time Mar 3, 1923.
4 National Grammar Day 'Let's eat Grandma!' -OR- 'Let's eat, Grandma!'	5 YA Teen Tech Program 4-5pm Preschool Storytime 6:30-7pm or 7-7:30pm Writing Clinic 6:30-8:30pm City Council Meeting City Hall, 7pm	6 Toddler Storytime 10:30-11am, 11:15-11:45am, or 6-6:30pm	7 Preschool Storytime 11:15-11:45am Writing Clinic 6:30-8:30pm Teen Tech Week	8 Preschool Storytime 11:15-11:45am Spring Break Movie 1pm Film Festival <i>Rain Man</i> 6:30pm	9 *Barbie debuted in stores on Mar 9, 1959. 	10 *Alexander Graham Bell invented the telephone Mar 10, 1876. 
11 Daylight Savings Time Begins	12 Preschool Storytime 6:30-7pm or 7-7:30pm Writing Clinic 6:30-8:30pm School Board Meeting Al Neuharth, USD 7pm	13 Toddler Storytime 10:30-11am, 11:15-11:45am, or 6-6:30pm Library Board Mtg. 6pm	14 Preschool Storytime 11:15-11:45am Writing Clinic 6:30-8:30pm	15 Preschool Storytime 11:15-11:45am Film Festival <i>The Memory Keeper's Daughter</i> 6:30pm	16	17 St. Patrick's Day 
18	19 Preschool Storytime 6:30-7pm or 7-7:30pm Writing Clinic 6:30-8:30pm	20 Toddler Storytime 10:30-11am, 11:15-11:45am, or 6-6:30pm	21 Preschool Storytime 11:15-11:45am Writing Clinic 6:30-8:30pm	22 Preschool Storytime 11:15-11:45am Upper Elem. Program 3:45-5pm Film Festival <i>Radio</i> 6:30pm	23 YA Hunger Games Party 7-9pm Out like a lamb	24
25 AMSA Book Club <i>Hot lights, Cold Steel</i> 3-5pm	26 Preschool Storytime 6:30-7pm or 7-7:30pm Writing Clinic 6:30-8:30pm	27 Toddler Storytime 10:30-11am, 11:15-11:45am, or 6-6:30pm	28 Preschool Storytime 11:15-11:45am Writing Clinic 6:30-8:30pm	29 Preschool Storytime 11:15-11:45am Film Festival <i>Front of the Class</i> 6:30pm	30 	31

Upcoming Events

Adults

March Film Festival

To promote a wider and more empathetic understanding toward individuals with special needs, the Vermillion Public Library will be hosting a film festival with movies portraying a variety of conditions.

We will be showing these movies in the Community Room **each**

Thursday, Mar 1-29: 6:30pm :

Thursday, March 1 - *The Notebook*

Thursday, March 8 - *Rain Man*

Thursday, March 15 - *The Memory Keeper's Daughter*

Thursday, March 22 - *Radio*

Thursday, March 29 - *Front of the Class*

Young Adults

YA Teen Tech Week Party, Monday, March 5th: 4-5pm

Will Kennedy will be here with rockets for you to build. Snacks and other activities as well.



Children's

Early Elementary Program - Read Across America Day!

Thursday, March 1st : 3:45-5pm

Join us at the Vermillion Public Library to celebrate Seuss! We will have stories, activities and treats!

Year of the Dragon, Thursday, March 8th : 1-2:45pm

Join us during your Spring Break for a dragon movie! We will be watching *How to Train Your Dragon*. Free popcorn!

*This movie is for everyone, please note the movie is rated PG.



Upper Elementary Program - Spring Into Science, Thursday, March 22nd: 3:45-5pm

Join Will Kennedy from the Extension Office for some technology fun!

Young Adults

YA Hunger Games Movie Release Party,

Friday, March 23rd: 7-9pm

Participate in the Vermillion Public Library Hunger Games and enter to win movie tickets! Fight for your district and build your own weapons. Are you ready?



News

Writing and ESL Conversation Clinic
Come to the Vermillion Community Writing Clinic for help with your writing and ESL conversation. This is a free service and available to anyone, through a partnership between USD Writing Center and the Vermillion Public Library.

Dates: Wednesday, January 18th through Wednesday, April 25th

Hours: Every Monday & Wednesday: 6:30- 8:30pm (excluding holidays)

VITA

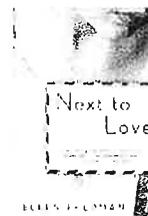
IRS trained students from the USD School of Law will be available to help prepare most common tax forms for free. Please bring all necessary paperwork and documents. Visit: vpl.sdln.net for complete listing of forms VITA can assist with.

The last day the students will be at the library is Saturday, April 7th : 10am-4pm.



Vermillion Public Library's Book of the Month:

Next to Love : a novel
by Ellen Feldman



A story of love, war, loss, and the scars they leave. *Next to Love* follows the lives of three young women and their men during the years of World War II and its aftermath, beginning with the men going off to war and ending a generation later, when their children are on the cusp of their own adulthood.

Set in a small town in Massachusetts, the novel follows three childhood friends, whose lives are unmoored when their men are called to duty. And yet the changes that are thrust upon them move them in directions they never dreamed possible- while their husbands and boyfriends are enduring their own transformations.

Beautifully crafted and unforgettable, *Next to Love* depicts the enduring power of love and friendship, and illuminates a transformational moment in American history.



Quilt Raffle

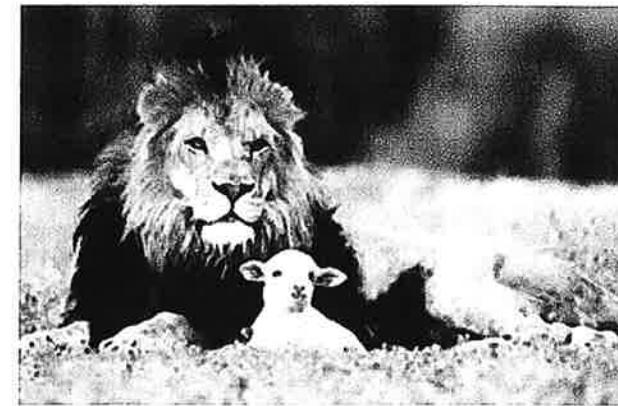


The Vermillion Public Library Foundation is having a quilt raffle to raise funds for the furnishings of our new and expanded Library. "America the Beautiful" was donated by Pauline Grossman, measures 72"x 90", and is on display in the Children's Department on the wall.

The tickets are \$5 for one ticket, or \$25 for six tickets. Drawing will be held in April.



Newsletter and Calendar of Events March 2012



Vermillion Public Library
18 Church St., Vermillion, SD 57069

Hours:

Monday-Thursday	10am-9pm
Friday	10am-6pm
Saturday	10am-5pm
*Sunday	1-5pm

***Closed Sundays from Memorial Day through Labor Day**

Phone:	(605) 677-7060
Email:	vpl@sdln.net
Website:	vpl.sdln.net
Fax:	(605) 677-7160